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## **FIRST PACIFIC COMPANY LIMITED**

### **第一太平有限公司**

*(Incorporated with limited liability under the laws of Bermuda)*

Website: <http://www.firstpacific.com>

**(Stock Code: 00142)**

#### **ANNOUNCEMENT MADE BY PHILEX MINING CORPORATION IN RELATION TO ITS UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2014**

This Announcement is made by First Pacific Company Limited (“First Pacific” or the “Company”) to provide shareholders of First Pacific and the public with the unaudited consolidated financial results of Philex Mining Corporation (“Philex”), a major operating associate of the Company, for the three months ended 31 March 2014.

#### **Summary**

On 30 April 2014, the board of directors of Philex approved the release of the unaudited consolidated financial results for the three months ended 31 March 2014. Philex’s unaudited consolidated financial results have been submitted to the Philippine Stock Exchange, Inc. (“PSE”) on 30 April 2014, and have also been disclosed as the Company’s Overseas Regulatory Announcement on the websites of The Stock Exchange of Hong Kong Limited (“HKEX”) and the Company.

Philex, a major operating associate of First Pacific, is a company incorporated in the Philippines whose shares are listed on the PSE. First Pacific holds a 31.2% economic interest in Philex (Two Rivers Pacific Holdings Corporation, a Philippine affiliate of First Pacific, holds an additional 15.0% economic interest in Philex). On 30 April 2014, the board of directors of Philex approved the release of the unaudited consolidated financial results for the three months ended 31 March 2014. Philex’s unaudited consolidated financial results have been submitted to the PSE on 30 April 2014, which have also been disclosed as the Company’s Overseas Regulatory Announcement on the websites of HKEX and the Company. The unaudited consolidated financial statements have been prepared in conformity with the Philippine Financial Reporting Standards and in Philippine Peso. Philex’s unaudited Consolidated Statements of Income for the three months ended 31 March 2014 and 31 March 2013 and the unaudited Consolidated Statement of Financial Position as at 31 March 2014 and the audited Consolidated Statement of Financial Position as at 31 December 2013 are provided below:

**PHILEX MINING CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)**  
**FOR THE THREE MONTHS ENDED 31 MARCH 2014 AND 2013**  
*(Amounts in Peso Thousands, except Earnings Per Share which are in Peso)*

	2014	2013
<b>REVENUE</b>		
Gold	1,610,402	493,023
Copper	1,178,450	340,954
Silver	22,125	7,837
	<u>2,810,977</u>	<u>841,814</u>
Less: Marketing charges	213,750	47,520
	<u>2,597,227</u>	794,294
Petroleum	99,014	46,472
Coal	2,709	1,031
Others	580	—
	<u>2,699,530</u>	<u>841,797</u>
<b>COSTS AND EXPENSES</b>		
Mining and milling costs (including depletion and depreciation)	1,795,539	327,123
General and administrative expenses	285,555	275,353
Mine products taxes and royalties	137,975	44,445
Petroleum production costs	32,263	28,474
Handling, hauling and storage	19,822	6,578
Cost of coal sales	2,794	821
	<u>2,273,948</u>	<u>682,794</u>
<b>INCOME FROM OPERATIONS</b>	<u>425,582</u>	<u>159,003</u>
<b>OTHER INCOME (CHARGES)</b>		
Interest income	13,605	6,852
Insurance proceeds	—	1,017,125
Gain on sale of AFS financial assets	—	26,880
Padcal maintenance costs during suspension of operations	—	(439,590)
Interest expense	(79,696)	(105,276)
Foreign exchange losses	(33,648)	(16,690)
Others – net	50,622	(42,919)
	<u>(49,117)</u>	<u>446,382</u>
<b>INCOME BEFORE INCOME TAX</b>	<u>376,465</u>	605,385
<b>PROVISION FOR INCOME TAX</b>	<u>(109,042)</u>	<u>(202,070)</u>
<b>NET INCOME</b>	<u>267,423</u>	<u>403,315</u>
<b>NET INCOME (LOSS) ATTRIBUTABLE TO:</b>		
Equity holders of the Parent Company	252,528	420,686
Non-controlling interests	14,895	(17,371)
	<u>267,423</u>	<u>403,315</u>
<b>BASIC EARNINGS PER SHARE</b>	<u>0.0512</u>	<u>0.0853</u>
<b>DILUTED EARNINGS PER SHARE</b>	<u>0.0512</u>	<u>0.0853</u>

**PHILEX MINING CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
*(Amounts in Peso Thousands, except Par Value Per Share which is in Peso)*

	<b>31 March 2014</b> <b>(UNAUDITED)</b>	31 December 2013 <b>(AUDITED)</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	3,627,731	4,080,512
Accounts receivable	638,334	295,451
Inventories	1,743,482	2,668,274
Other current assets	1,411,103	1,343,245
<b>Total Current Assets</b>	<b>7,420,650</b>	<b>8,387,482</b>
<b>Non-current Assets</b>		
Property, plant and equipment – net	6,917,959	6,880,096
Available-for-sale (AFS) financial assets	1,141,061	975,380
Goodwill	1,208,020	1,208,020
Deferred income tax assets – net	15,354	11,818
Deferred exploration costs and other non-current assets	23,388,153	22,427,186
<b>Total Non-current Assets</b>	<b>32,670,547</b>	<b>31,502,500</b>
<b>TOTAL ASSETS</b>	<b>40,091,197</b>	<b>39,889,982</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current Liabilities</b>		
Loans payable – current	6,201,496	6,176,369
Accounts payable and accrued liabilities	2,170,524	2,321,301
Income tax payable	137,200	11,519
Dividends payable	483,442	460,650
Provisions and subscriptions payables	810,156	805,108
<b>Total Current Liabilities</b>	<b>9,802,818</b>	<b>9,774,947</b>
<b>Non-current Liabilities</b>		
Deferred income tax liabilities – net	3,897,812	3,916,378
Loans payable – net of current portion	57,235	55,014
Pension obligation	20,793	21,598
Provision for losses and mine rehabilitation costs	203,029	204,791
<b>Total Non-current Liabilities</b>	<b>4,178,869</b>	<b>4,197,781</b>
<b>TOTAL LIABILITIES</b>	<b>13,981,687</b>	<b>13,972,728</b>
<b>Equity Attributable to Equity Holders of the Parent Company</b>		
Capital Stock – P1 par value	4,936,996	4,936,996
Additional paid-in capital	1,067,566	1,058,497
Retained earnings		
Unappropriated	4,134,504	4,128,826
Appropriated	10,000,000	10,000,000
Net unrealized gain on AFS financial assets	170,369	4,689
Cumulative translation adjustments	23,885	25,116
Net revaluation surplus	1,611,397	1,611,397
Effect of transaction with non-controlling interests	45,099	45,099
	<b>21,989,816</b>	<b>21,810,620</b>
Non-controlling Interests	4,119,694	4,106,634
<b>Total Equity</b>	<b>26,109,510</b>	<b>25,917,254</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>40,091,197</b>	<b>39,889,982</b>

## **GENERAL**

Shareholders should note that the above unaudited and audited consolidated financial results pertain only to Philex and not to First Pacific itself.

The above information only refers to certain sections of Philex's disclosure and shareholders should refer to Philex's original filing submitted to the PSE (<http://www.pse.com.ph>), as well as disclosed as the Company's Overseas Regulatory Announcement on the websites of the HKEX and the Company on 30 April 2014.

By Order of the Board  
**First Pacific Company Limited**  
**Manuel V. Pangilinan**  
*Managing Director and CEO*

Hong Kong, 30 April 2014

As at the date of this announcement, the Board comprises the following Directors:

***Executive Directors:***

Manuel V. Pangilinan, *Managing Director and CEO*  
Edward A. Tortorici  
Robert C. Nicholson

***Non-executive Directors:***

Anthoni Salim, *Chairman*  
Benny S. Santoso  
Tedy Djuhar  
Napoleon L. Nazareno

***Independent Non-executive Directors:***

Graham L. Pickles  
Prof. Edward K.Y. Chen, *GBS, CBE, JP*  
Margaret Leung Ko May Yee, *SBS, JP*  
Philip Fan Yan Hok