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FIRST PACIFIC COMPANY LIMITED

第一太平

(Incorporated with limited liability under the laws of Bermuda)

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

(Stock Code: 00142)

OVERSEAS REGULATORY ANNOUNCEMENT

(This overseas regulatory announcement is issued pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.)

Please refer to the attached disclosure filed by Philex Mining Corporation (“Philex”) with the Philippine Stock Exchange, in relation to Philex’s press release on its results of operations for the nine months ended 30 September 2011.

Dated this the 26th day of October, 2011

As at the date of this announcement, the Board of Directors of First Pacific Company Limited comprises of the following Directors:

Anthoni Salim, *Chairman*

Manuel V. Pangilinan, *Managing Director and CEO*

Edward A. Tortorici

Robert C. Nicholson

Graham L. Pickles*

Prof. Edward K.Y. Chen*, *GBS, CBE, JP*

Tedy Djuhar

Ibrahim Risjad

Benny S. Santoso

Napoleon L. Nazareno

Jun Tang*

Dr. Christine K.W. Loh*, *JP, OBE,
Chevalier de l’Ordre National du Merite*

* *Independent Non-executive Directors*



9M 2011 CORE NET INCOME AT P3.98 BILLION, UP 72%
REPORTED NET INCOME AT P4.35 BILLION, UP 106%
CORE EBITDA AT P6.33 BILLION, UP 62%

STRONG METAL PRICES, HIGHER PRODUCTION GENERATE RECORD EARNINGS

Highlights

- Core Net Income of P3.98 billion for nine months ending 30th September 2011, up 72% over last year
- Reported Net Income of P4.35 billion for the period, up 106%, historic high nine months earnings for the Company
- Core EBITDA up 62% to P6.33 billion versus P3.91 billion a year ago.
- Revenues of P11.83 billion, also historic high nine months revenue, up 37% from P8.63 billion a year ago.
- Income from operations for the nine months also at record high at P5.94 billion, 73% higher than the income of P3.44 billion last year.
- Average realized prices at \$1,500 per ounce gold and \$3.62 per pound copper, versus \$1,130 per ounce and \$3.26 per pound in the previous year.
- Tonnage milled slightly up 3% to 7.04 million tonnes from 6.87 million tonnes in 2010.
- Extraordinary gain of P523.7 million realized from change in accounting treatment of investment in an associate company in the previous quarter.
- Core earnings per share at 81 centavos for the period versus 47 centavos a year earlier. Reported earnings per share at 88 centavos versus 43 centavos in 2010.

MANILA, Philippines, October 26, 2011 -- Philex Mining Corporation (PSE: PX) posted its highest nine months Reported Net Income in its 55 year history at P4.35 billion, ahead of last year's P2.12 billion reported for the same period last year. Core Net Income stood at P3.98 billion, an improvement of 72% over last year's P2.31 billion - the second highest in the Company's history for the nine month period.

In per share terms, Core Net Income per share amounted to 81 centavos for the first nine months of 2011 compared with 47 centavos a year ago. Reported Net Income per share amounted to 88 centavos versus 43 centavos in the same period of 2010.

Consolidated revenue also posted the highest level thus far at P11.83 billion, higher by 37% than the revenue of P8.63 billion a year ago. Contributing 58% of this year's revenue, gold sales amounted to P6.89 billion, a rise of 51% of P4.57 billion recorded from the metal last year. Contributing 37%, copper likewise increased by 17% to P4.41 billion this period from P3.76 billion in 2010. Revenues from silver, petroleum and coal together likewise reported a 79% increase, and amounted to P532.6 million during this period from P296.8 million last year.

Realized price for gold averaged \$1,500 per ounce and \$3.62 per pound for copper from January – September 2011, compared with \$1,130 per ounce and \$3.26 per pound last year (net of amortization of hedging costs deducted from the prices applicable for the respective period, which amounted to \$37 per ounce of gold and \$0.09 per pound of copper in 2011, and \$75 per ounce of gold and \$0.14 per pound of copper in 2010).

Better ore grades and higher tonnage milled both contributed to high metal production which rose to 106,331 ounces of gold and 28.1 million pounds of copper this year, up by 17% and 9%, respectively, from the 90,734 ounces and 25.8 million pounds produced during the same period of 2010. Gold grade averaged at 0.574 grams per tonne while copper amounted to 0.221%, from 7.04 million tonnes of ore milled this year. A year ago, ore grade averaged at 0.520 grams per tonne gold and 0.208% copper from 6.87 million tonnes of ore milled.

“Earnings would have been slightly higher were it not for the recent weakening in gold and copper prices which has adversely affected the value of later shipments, with final prices falling at the last month of the third quarter,” said Manuel V. Pangilinan, Chairman of the Board and Chief Executive Officer of Philex. “Nevertheless, we continue to be optimistic that we would still see record earnings this year.”

Income from operations of P5.94 billion this year reflects also record operating results for the nine month period, and is 73% higher the last year's P3.44 billion. The higher production volume from the Padcal mine brought total costs and expenses up by 12% to P5.28 billion this year from P4.69 billion last year. In terms of operating cost per tonne of ore milled however, the percentage increase is lower at 9% to P727 per tonne this year from P665 per tonne last year, as higher milling volume had the effect of lowering unit production cost. Expressed in per ounce of gold produced and after deducting revenues from copper and silver as by-product credits, operating cost of gold stood at \$122 per ounce in 2011, compared with \$170 per ounce in 2010.

As reported previously, an extraordinary gain of P523.7 million was reflected in the second quarter this year from the restatement of the Company's investment in Pitkin Petroleum Plc to fair value. The accounting treatment of this investment was changed to that of an available-for-sale financial asset from that of investment in an associate, when the Company's holdings in Pitkin was diluted from 21% to 18.46%.

Revenue from petroleum, principally from Forum Energy Plc., a 64.5%-controlled subsidiary through wholly-owned Philex Petroleum Corporation, amounted to P385.8 million, almost twice higher than the revenue of P198.7 million realized a year ago, contributing net earnings of P131.9 million to the Company's consolidated earnings this year, compared with a loss of P9.93 million in 2010.

Outlook

“The successful listing of Philex Petroleum Corporation in the second board of the Philippine Stock Exchange on 12th September this year was received warmly by the market. This was indeed a milestone for the Company,” said Mr. Pangilinan. “We can say now that we have achieved our objective of unlocking the value of Philex Petroleum and making its oil and coal assets more visible to investors. We are also progressing quite well over at the Silangan project which has been granted recently its certificate of registration by the Board of Investments to qualify for Government incentives. Overall, we can say that as we get nearer to the close of the year, it may be another excellent year for Philex,” Mr Pangilinan concluded.

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Philex's nine months period financial statement is unaudited.

PHILEX MINING CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF INCOME

(Amounts in Peso Thousands, except Per Share)

| | Nine Months Ended September 30, | | |
|--|--|-------------------------|---------------------|
| | 2011 | 2010 | % Variance |
| REVENUE | | | |
| Gold | 6,886,858 | 4,570,885 | 51 |
| Copper | 4,413,386 | 3,762,408 | 17 |
| Silver | 145,495 | 79,201 | 84 |
| | <u>11,445,739</u> | <u>8,412,494</u> | <u>36</u> |
| Less: Marketing charges | 612,850 | 496,273 | 23 |
| | <u>10,832,889</u> | <u>7,916,221</u> | <u>37</u> |
| Petroleum | 385,773 | 198,718 | 94 |
| Coal | 1,288 | 18,881 | (93) |
| | <u>11,219,950</u> | <u>8,133,820</u> | <u>38</u> |
| COSTS AND EXPENSES | | | |
| Mining and milling costs (including depletion and depreciation) | 3,826,443 | 3,572,048 | 7 |
| Mine products taxes & royalties | 630,149 | 461,756 | 36 |
| General and administrative expenses | 594,832 | 481,070 | 24 |
| Petroleum production costs | 175,843 | 128,069 | 37 |
| Handling, hauling and storage | 48,369 | 39,508 | 22 |
| Cost of coal sales | 1,208 | 8,561 | (86) |
| | <u>5,276,844</u> | <u>4,691,012</u> | <u>12</u> |
| INCOME FROM OPERATIONS | <u>5,943,106</u> | <u>3,442,808</u> | <u>73</u> |
| OTHER INCOME(CHARGES) - Net | | | |
| Interest - net | 27,352 | 12,115 | 126 |
| Foreign exchange gains (losses) | (67,133) | (93,661) | (28) |
| Gain (Loss) on dilution of interest in an associate | 523,710 | (119,804) | (537) |
| Mark-to-market gains | - | 5,706 | (100) |
| Others - net | (330,341) | (162,937) | 103 |
| | <u>153,588</u> | <u>(358,581)</u> | <u>(143)</u> |
| INCOME BEFORE INCOME TAX | <u>6,096,694</u> | <u>3,084,227</u> | <u>98</u> |
| PROVISION FOR INCOME TAX | <u>(1,745,612)</u> | <u>(968,725)</u> | <u>80</u> |
| NET INCOME | <u>4,351,082</u> | <u>2,115,502</u> | <u>106</u> |
| NET INCOME ATTRIBUTABLE TO: | | | |
| Equity Holders of the Parent Company | 4,315,030 | 2,126,569 | 103 |
| Non-controlling interests | 36,052 | (11,067) | (426) |
| | <u>4,351,082</u> | <u>2,115,502</u> | <u>106</u> |
| CORE NET INCOME | <u>3,975,803</u> | <u>2,307,941</u> | <u>72</u> |
| CORE EBITDA | <u>6,329,832</u> | <u>3,913,793</u> | <u>62</u> |
| BASIC EARNINGS PER SHARE | <u>0.8760</u> | <u>0.4329</u> | <u>102</u> |
| DILUTED EARNINGS PER SHARE | <u>0.8751</u> | <u>0.4321</u> | <u>103</u> |
| CORE EBITDA PER SHARE | <u>1.2851</u> | <u>0.7967</u> | <u>61</u> |

PHILEX MINING CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(Amounts in Peso Thousands, except Par Value Per Share)

| | September 30 2011 (UNAUDITED) | December 31 2010 (AUDITED) |
|--|--|---|
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents | 5,012,436 | 3,782,248 |
| Accounts receivable - net | 535,472 | 2,180,432 |
| Inventories - net | 2,584,090 | 1,093,636 |
| Derivative asset | 1,068,025 | - |
| Other current assets -net | 768,014 | 694,625 |
| Total Current Assets | 9,968,037 | 7,750,941 |
| Noncurrent Assets | | |
| Property, Plant and Equipment - net | 5,306,830 | 5,095,029 |
| Available-for-sale (AFS) financial assets | 5,606,259 | 886,737 |
| Investments in shares of stock | 3,088 | 833,355 |
| Goodwill | 258,593 | 258,593 |
| Deferred exploration costs and other noncurrent assets – net | 11,488,977 | 10,828,065 |
| Total Noncurrent Assets | 22,663,747 | 17,901,779 |
| TOTAL ASSETS | 32,631,784 | 25,652,720 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current Liabilities | | |
| Short-term bank loans | 2,754,600 | 150,000 |
| Accounts payable and accrued liabilities | 831,875 | 968,506 |
| Income tax payable | 407,092 | 856,954 |
| Dividends payable | 717,190 | 207,875 |
| Provisions and subscriptions payables | 139,484 | 128,335 |
| Total Current Liabilities | 4,850,241 | 2,311,670 |
| Noncurrent Liabilities | | |
| Provision for mine rehabilitation costs | 33,642 | 31,709 |
| Provision for losses | 409,445 | 538,141 |
| Deferred income tax liabilities - net | 2,289,414 | 2,013,230 |
| Total Noncurrent Liabilities | 2,732,501 | 2,583,080 |
| Total Liabilities | 7,582,742 | 4,894,750 |
| Equity Attributable to Equity Holders of the Parent Company | | |
| Capital Stock - P1 par value | 4,928,837 | 4,922,131 |
| Additional paid-in capital | 874,440 | 812,378 |
| Retained Earnings | 15,281,320 | 12,716,722 |
| Net unrealized gain on AFS financial assets | 1,033,062 | 419,404 |
| Cumulative translation adjustments | 950,560 | (66,174) |
| Net revaluation surplus | 1,611,397 | 1,611,397 |
| Effect of transaction with non-controlling interests | (544,829) | 106,027 |
| | 24,134,787 | 20,521,885 |
| Non-controlling Interests | 914,255 | 236,085 |
| Total Equity | 25,049,042 | 20,757,970 |
| TOTAL LIABILITIES & EQUITY | 32,631,784 | 25,652,720 |