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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 NINE MONTHS ENDED 30 SEPTEMBER 2013**

This Announcement is made by First Pacific Company Limited (“First Pacific” or the “Company”) pursuant to the requirements of Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HKEX”) 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 nine months ended 30 September 2013.

#### **Summary**

On 5 November 2013, the board of directors of Philex approved the release of the unaudited consolidated financial results for the nine months ended 30 September 2013. Philex’s unaudited consolidated financial results have been submitted to the Philippine Stock Exchange on 5 November 2013, and have also been disclosed as the Company’s Overseas Regulatory Announcement on the websites of the 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 Philippine Stock Exchange. 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 5 November 2013, the board of directors of Philex approved the release of the unaudited consolidated financial results for the nine months ended 30 September 2013. Philex’s unaudited consolidated financial results have been submitted to the Philippine Stock Exchange on 5 November 2013, which have also been disclosed as the Company’s Overseas Regulatory Announcement on the websites of the HKEX and the Company. The unaudited consolidated financial statements have been prepared in conformity with the Philippine Financial Reporting Standards. Philex’s unaudited Consolidated Statement of Income for the nine months ended 30 September 2013 and the unaudited Consolidated Statement of Financial Position as at 30 September 2013 are provided below:

**PHILEX MINING CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013 AND 2012**  
*(Amounts in Peso Thousands, except Earnings Per Share which are in Peso)*

	2013	2012
<b>REVENUE</b>		
Gold	4,178,891	4,963,429
Copper	3,329,540	3,914,265
Silver	<u>63,050</u>	<u>81,422</u>
	7,571,481	8,959,116
Less: Marketing charges	<u>467,857</u>	<u>433,550</u>
	7,103,624	8,525,566
Petroleum	153,590	120,304
Coal	2,831	34,069
Others	<u>2,531</u>	<u>494</u>
	<u>7,262,576</u>	<u>8,680,433</u>
<b>COSTS AND EXPENSES</b>		
Mining and milling costs (including depletion and depreciation)	3,382,155	3,567,001
General and administrative expenses	999,158	898,232
Mine products taxes and royalties	409,923	463,262
Petroleum production costs	94,968	93,583
Handling, hauling and storage	51,389	56,077
Cost of coal sales	<u>3,369</u>	<u>22,089</u>
	<u>4,940,962</u>	<u>5,100,244</u>
<b>INCOME FROM OPERATIONS</b>	<u>2,321,614</u>	<u>3,580,189</u>
<b>OTHER INCOME (CHARGES)</b>		
Insurance proceeds	1,017,125	–
Gain on sale of investments	239,945	–
Interest income	28,872	52,483
Marked-to-market gain	–	287,188
Padcal maintenance costs during suspension of operations	(439,590)	(321,934)
Impairment loss on deferred exploration costs and others	(366,779)	–
Interest expense	(330,803)	(11,984)
Foreign exchange losses	(85,345)	(140,433)
Others – net	<u>(111,031)</u>	<u>(482,226)</u>
	<u>(47,606)</u>	<u>(616,906)</u>
<b>INCOME BEFORE INCOME TAX</b>	2,274,008	2,963,283
<b>PROVISION FOR INCOME TAX</b>	<u>(827,667)</u>	<u>(928,759)</u>
<b>NET INCOME</b>	<u>1,446,341</u>	<u>2,034,524</u>
<b>NET INCOME ATTRIBUTABLE TO:</b>		
Equity holders of the Parent Company	1,504,396	2,116,495
Non-controlling interests	<u>(58,055)</u>	<u>(81,971)</u>
	<u>1,446,341</u>	<u>2,034,524</u>
<b>BASIC EARNINGS PER SHARE</b>	<u>0.3050</u>	<u>0.4291</u>
<b>DILUTED EARNINGS PER SHARE</b>	<u>0.3050</u>	<u>0.4287</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>30 September 2013 (UNAUDITED)</b>	31 December 2012 (AUDITED) AS RESTATED
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	4,797,643	1,669,542
Accounts receivable	870,090	207,749
Inventories	2,561,268	1,314,851
Prepaid income tax	–	166,467
Other current assets	1,102,734	997,340
<b>Total Current Assets</b>	<b>9,331,735</b>	<b>4,355,949</b>
<b>Non-current Assets</b>		
Property, plant and equipment – net	6,559,519	6,035,174
Available-for-sale (AFS) financial assets	1,226,824	3,990,761
Goodwill	1,206,956	258,593
Deferred exploration costs and other non-current assets	20,640,340	14,631,528
<b>Total Non-current Assets</b>	<b>29,633,639</b>	<b>24,916,056</b>
<b>TOTAL ASSETS</b>	<b>38,965,374</b>	<b>29,272,005</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current Liabilities</b>		
Short-term loans	5,958,199	1,450,000
Accounts payable and accrued liabilities	1,469,067	1,095,550
Income tax payable	60,953	–
Dividends payable	462,116	483,257
Provisions and subscriptions payables	647,850	1,589,578
<b>Total Current Liabilities</b>	<b>8,598,185</b>	<b>4,618,385</b>
<b>Non-current Liabilities</b>		
Long-term portion of loan	50,841	–
Deferred income tax liabilities – net	3,885,283	2,327,427
Pension obligation	–	43,973
Accrued retirement benefit costs	13,371	–
Provision for losses	171,631	171,631
Provision for mine rehabilitation costs	20,247	18,892
<b>Total Non-current Liabilities</b>	<b>4,141,373</b>	<b>2,561,923</b>
<b>TOTAL LIABILITIES</b>	<b>12,739,558</b>	<b>7,180,308</b>
<b>Equity Attributable to Equity Holders of the Parent Company</b>		
Capital Stock – P1 par value	4,933,246	4,933,027
Additional paid-in capital	1,077,931	963,867
Retained earnings	15,124,475	13,578,781
Net unrealized (loss) gain on AFS financial assets	(750,640)	601,055
Cumulative translation adjustments	143,945	(41,785)
Net revaluation surplus	1,611,397	1,611,397
Effect of transaction with non-controlling interests	84,856	45,099
	<b>22,225,210</b>	<b>21,691,441</b>
Non-controlling Interests	4,000,606	400,256
<b>Total Equity</b>	<b>26,225,816</b>	<b>22,091,697</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>38,965,374</b>	<b>29,272,005</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 Philippine Stock Exchange (<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 5 November 2013.

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

Hong Kong, 5 November 2013

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