



Press Release

2014 FULL-YEAR FINANCIAL RESULTS

*TURNOVER UP 14% TO US\$6.8 BLN
RECURRING PROFIT CONSTANT AT US\$323.9 MLN
DIVIDEND PAYOUT RATIO AT RECORD HIGH 36%
FINAL DIVIDEND UNCHANGED AT 13.0 HK CENTS/SHARE
FULL-YEAR DIVIDEND UNCHANGED AT 21.0 HK CENTS/SHARE
INDOFOOD & MPIC REPORT RECORD HIGH EARNINGS*

Hong Kong, 24th March, 2015 – First Pacific Company Limited (HKSE: 00142) (“First Pacific” or the “Company”) today reported its audited financial results for the year ended 31st December 2014 with most operating units reporting higher earnings in local currency terms.

First Pacific, a leading investment management and holding company focused on the economies of emerging Asia, is a major or controlling shareholder in the Philippines’ biggest telecommunications, infrastructure and mining companies and in Indonesia’s biggest vertically-integrated food company as well as in one of Australia’s biggest food companies.

Turnover rose 14% to a record high US\$6.84 billion from US\$6.01 billion in spite of a difficult exchange rate environment in Indonesia and the Philippines, where most of the Company’s operations are based. By contrast, however, recurring profit fell 1% to US\$323.9 million from US\$327.1 million a year earlier principally owing to a decline in the rupiah exchange rate hurting the contribution from PT Indofood Sukses Makmur Tbk (“Indofood”) while difficult market conditions as well as a weaker Philippine peso reduced the contribution from Philippine Long Distance Telephone Company (“PLDT”). Stronger results from Metro Pacific Investments Corporation (“MPIC”) mitigated these shortfalls.

In local currency terms, Indofood and MPIC both recorded their highest-ever earnings in 2014.

“Notwithstanding the market and economic headwinds we are facing as a Group – not to mention the increasingly unpredictable regulatory environment in the Philippines – we remain confident in the future and are signaling this confidence to our shareholders with a recommended final dividend of 13.0 HK cents per share,” said Manuel V. Pangilinan, Managing Director and Chief Executive Officer of First Pacific.

“This will maintain the full-year regular payout at a record high 21.0 HK cents per share,” he said.

In U.S. dollar terms, the final dividend recommended by First Pacific's Board amounts to 1.67 US cents per share, and brings the full-year regular dividend to 2.70 US cents. The full-year dividend represents a payout of 36% of recurring profit to shareholders, another record high.

First Pacific maintains a dividend policy of distributing dividends amounting to no less than 25% of recurring profit. In 2014, shares repurchased from the market and canceled amounted to US\$29 million of shares, or 9% of recurring profit. Together with the dividend payout, this amounted to a record high 45% of recurring profit returned to shareholders in 2014.

The most recent such investment was the purchase of all the shares in Goodman Fielder, Australia's biggest listed food company, by a 50-50 joint venture of First Pacific and Wilmar International Ltd., Asia's leading agribusiness group. This transaction closed earlier in March with the delisting of Goodman Fielder.

"The addition of Goodman Fielder to our portfolio of investments bodes well for First Pacific and our investors," said Pangilinan. "We expect an immediate boost to our bottom line from Australia's finest large food company and we are confident that our strategy of bringing Goodman Fielder to emerging Asia heralds long-term earnings growth from our newest asset."

In 2014, record high local currency earnings at Indofood and MPIC offset currency weakness and weaker earnings at PLDT to maintain contribution from operations at US\$462.7 million versus US\$467.2 million a year earlier.

PLDT saw its contribution decline to US\$195.7 million from US\$209.9 million a year earlier while MPIC delivered the strongest growth in operating unit contribution, rising 13% to US\$106.6 million from US\$94.5 million. Indofood's contribution fell 1% to US\$158.4 million from US\$159.6 million as a weaker Rupiah reduced the U.S. dollar value of its record-high core income in 2014.

Philex Mining Corporation ("Philex") increased its contribution 40% to US\$10.2 million from US\$7.3 million as its Padcal mine produced higher volumes of copper and gold despite lower grades of ore thanks to a greater number of days in production in 2014 over 2013. The negative contribution from FPM Power, the holding company for PacificLight Power Pte. Ltd., Singapore's newest power plant, increased to US\$12.0 million from US\$4.8 million amid difficult market conditions.

First Pacific collected US\$304 million in dividend income from its operating companies in 2014, in line with the US\$306 million received in 2013 as a higher dividend payout by MPIC helped offset a currency-weakened dividend payment by Indofood.

Non-recurring losses in First Pacific's full-year earnings increased sharply to US\$234.3 million from US\$34.5 million principally reflecting the Group's impairment provision in respect of its investments in Philex (US\$188.0 million). Net profit accordingly declined to US\$81.0 million from US\$235.2 million.

At 31st December 2014, gross debt at the Head Office stood as US\$1.75 billion. Fixed-rate debt made up 86% of the total with floating-rate debt making up the remaining 14%. First Pacific's blended interest cost amounted to 5.5% and the average maturity of its debt was five years.

Further details of earnings by First Pacific's subsidiary and associated companies follow.

REVIEW OF OPERATIONS

PLDT reported a 3% decline in core income last year to ₱37.4 billion from ₱38.7 billion in 2013 owing mainly to higher cash operating expenses, bigger product subsidies and a higher provision for income tax.

More details are available at www.pldt.com.

Indofood reported a 16% rise in core income to Rp3.9 trillion from Rp3.4 trillion a year earlier on stronger sales by all divisions.

More details are available at www.indofood.com.

MPIC reported an 18% increase in core income to ₱8.5 billion from ₱7.2 billion in 2013 as each of its four main businesses delivered strong growth in spite of regulatory challenges.

More details are available at www.mpic.com.ph.

Philex reported a 4% rise in core income to ₱1.12 billion from ₱1.08 billion in 2013 as higher production volumes offset lower grades and metal prices.

More details are available at www.philexmining.com.ph.

OUTLOOK

Our businesses are strong, and are operating in the world's fastest-growing region. Despite a difficult 2014, the First Pacific Group looks to the future with optimism.

PLDT will focus in 2015 on its evolution into a data-intensive, multi-media business. This will entail continuing investment in data infrastructure and internet and media-related assets. Its core income has been guided to decline as a result to ₱35.0 billion in 2015.

Indofood's strong sales growth in recent years is expected to continue in 2015, although margins will continue to face pressure from increasing competition in most market segments. Indofood will continue expanding its production capacities as it seeks further new investments, particularly by its Consumer Branded Products business.

MPIC faces some difficulty in forecasting its 2015 earnings because of continuing regulatory uncertainty. However, continuing strong growth in all its main businesses bode well for its core earnings even as it seeks further investments in infrastructure.

Philex plans to accelerate development of the Silangan project, a major mining project in Mindanao with estimated resources of 9 million ounces of gold and 5 billion pounds of copper scheduled to open in 2019. Completion of a bankable feasibility study in 2015 will mark a key milestone towards that goal. Additional resources have been discovered in the existing Padcal mine, which would extend mine life beyond 2020.

First Pacific Chief Executive Pangilinan concluded:

2015 will be a year of transformation in many ways. PLDT is growing into a digital telecommunications and internet/media company from its legacy past. Our newest investment, Goodman Fielder, will begin stabilizing its domestic operations and commence pivoting to emerging Asia, an area for future growth. Indofood and MPIC will continue to sustain strong earnings growth in their respective markets. Philex is focused on its transformation from a low-grade mining operation, as it develops its first major new mine in half a century. Given the strong commitment and talent of our management team and the continuing positive outlook for the economies of emerging Asia, our outlook for 2015 is positive for First Pacific.

Further information and analysis

Attached to this news release are:

- First Pacific's consolidated income statement
- Consolidated statement of financial position
- Summary of contributions by operating companies

More details about the earnings of First Pacific and of its operating companies can be found on www.firstpacific.com under the Investor Relations tab. The 2014 Annual Report will be posted to the website and to shareholders before the end of April 2015.

Corporate Profile

First Pacific is a Hong Kong-based investment management and holding company with operations located in Asia-Pacific. The Company's principal businesses are in consumer food products, infrastructure, natural resources and telecommunications. First Pacific is listed in Hong Kong (HKSE: 00142) and its shares are also available in the United States through American Depositary Receipts (ADR code: FPAFY). For further information, visit www.firstpacific.com.

* * *

For further information, please contact:

John Ryan
Executive Vice President
Group Corporate Communications
Tel: (852) 2842 4355
Mobile: (852) 6336 1411

Sara Cheung
Vice President
Group Corporate Communications
Tel: (852) 2842 4336

**FIRST PACIFIC COMPANY LIMITED
CONSOLIDATED INCOME STATEMENT - AUDITED**

For the year ended 31 December	2014	2013
US\$ millions		(Restated)
Turnover	6,841.3	6,005.8
Cost of sales	(4,924.0)	(4,245.4)
Gross profit	1,917.3	1,760.4
Selling and distribution expenses	(527.0)	(452.4)
Administrative expenses	(548.3)	(518.9)
Other operating expenses, net	(196.4)	(102.1)
Interest income	89.2	69.0
Finance costs	(356.8)	(300.6)
Share of profits less losses of associated companies and joint ventures	279.1	255.1
Profit before taxation	657.1	710.5
Taxation	(199.5)	(145.7)
Profit for the year from continuing operations	457.6	564.8
Profit for the year from a discontinued operation	63.2	56.1
Profit for the year	520.8	620.9
Attributable to:		
Owners of the parent		
- For profit from continuing operations	54.8	210.2
- For profit from a discontinued operation	26.2	25.1
- For profit for the year	81.0	235.3
Non-controlling interests		
- For profit from continuing operations	402.8	354.6
- For profit from a discontinued operation	37.0	31.0
- For profit for the year	439.8	385.6
	520.8	620.9
	US¢	US¢
Earnings per share attributable to owners of the parent		
Basic		
- For profit from continuing operations	1.28	5.06
- For profit from a discontinued operation	0.61	0.60
- For profit for the year	1.89	5.66
Diluted		
- For profit from continuing operations	1.27	5.00
- For profit from a discontinued operation	0.60	0.60
- For profit for the year	1.87	5.60

FIRST PACIFIC COMPANY LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION - AUDITED

US\$ millions	At 31 December 2014	At 31 December 2013 (Restated)
Non-current assets		
Property, plant and equipment	2,731.8	2,856.6
Plantations	1,210.7	1,164.4
Associated companies and joint ventures	3,568.4	3,406.6
Goodwill	1,057.6	1,047.1
Other intangible assets	2,511.8	2,386.8
Accounts receivable, other receivables and prepayments	11.8	18.5
Available-for-sale assets	193.8	63.7
Deferred tax assets	200.2	162.9
Pledged deposits and restricted cash	30.9	11.1
Other non-current assets	385.9	423.4
	11,902.9	11,541.1
Current assets		
Cash and cash equivalents and short-term deposits	2,265.9	2,375.4
Pledged deposits and restricted cash	53.2	49.3
Available-for-sale assets	59.2	101.8
Accounts receivable, other receivables and prepayments	661.2	778.8
Inventories	717.2	695.7
Plantations	-	2.0
	3,756.7	4,003.0
Assets classified as held for sale	982.4	-
	4,739.1	4,003.0
Current liabilities		
Accounts payable, other payables and accruals	1,192.4	980.7
Short-term borrowings	912.0	1,067.0
Provision for taxation	51.0	32.6
Current portion of deferred liabilities, provisions and payables	321.9	250.4
	2,477.3	2,330.7
Liabilities directly associated with the assets classified as held for sale	335.9	-
	2,813.2	2,330.7
Net current assets	1,925.9	1,672.3
Total assets less current liabilities	13,828.8	13,213.4
Equity		
Issued share capital	42.9	43.1
Shares held for share award scheme	(8.7)	(9.6)
Retained earnings	1,540.1	1,575.7
Other components of equity	1,854.1	1,900.7
Equity attributable to owners of the parent	3,428.4	3,509.9
Non-controlling interests	4,288.6	3,969.6
Total equity	7,717.0	7,479.5
Non-current liabilities		
Long-term borrowings	4,893.9	4,551.3
Deferred liabilities, provisions and payables	850.0	816.0
Deferred tax liabilities	367.9	366.6
	6,111.8	5,733.9
	13,828.8	13,213.4

**FIRST PACIFIC COMPANY LIMITED
CONTRIBUTION SUMMARY**

For the year ended 31 December	Turnover		Contribution to	
	2014	2013	2014	2013
US\$ millions	(Restated) ⁽ⁱⁱ⁾		Group profit ⁽ⁱ⁾	
PLDT ⁽ⁱⁱⁱ⁾	-	-	195.7	209.9
Indofood	5,350.4	5,275.8	158.4	159.6
MPIC	761.5	724.1	106.6	94.5
Philex ⁽ⁱⁱⁱ⁾	-	-	10.2	7.3
FPM Power	729.4	5.9	(12.0)	(4.8)
FP Natural Resources		-	1.6	0.2
FPM Infrastructure		-	2.2	0.5
Contribution from operations^(iv)	6,841.3	6,005.8	462.7	467.2
Head Office items:				
- Corporate overhead			(31.5)	(32.5)
- Net interest expense			(90.0)	(86.2)
- Other expenses			(17.3)	(21.4)
Recurring profit^(v)			323.9	327.1
Foreign exchange and derivative losses ^(vi)			(9.3)	(56.3)
Gain/(loss) on changes in fair value of plantations			0.7	(1.0)
Non-recurring items ^(vii)			(234.3)	(34.5)
Profit attributable to owners of the parent			81.0	235.3

(i) After taxation and non-controlling interests, where appropriate.

(ii) The Group has restated its 2013 turnover to US\$6,005.8 million from US\$6,206.3 million following Indofood's classification of China Minzhong Food Corporation Limited, as a disposal group held for sale and as a discontinued operation in 2014.

(iii) Associated companies.

(iv) Contribution from operations represents the recurring profit contributed to the Group by its operating companies.

(v) Recurring profit represents the profit attributable to owners of the parent excluding the effects of foreign exchange and derivative losses, gain/loss on changes in fair value of plantations and non-recurring items.

(vi) Foreign exchange and derivative losses represent the losses on foreign exchange translation differences on the Group's unhedged foreign currency denominated borrowings and payables and the changes in the fair values of derivatives.

(vii) Non-recurring items represent certain items, through occurrence or size, which are not considered as usual operating items. 2014's non-recurring losses of US\$234.3 million mainly represent the Group's impairment provision in respect of its investments in Philex (US\$188.0 million), PLDT's impairment provisions for its transport assets affected by network upgrade (US\$17.6 million), manpower rightsizing costs (US\$4.9 million), MPIC's business development costs (US\$3.0 million) and taxes incurred in hospital group reorganization (US\$2.6 million). 2013's non-recurring losses of US\$34.5 million mainly represent the Group's debt refinancing costs (US\$17.8 million), PLDT's impairment provisions for cellular network equipment and site facilities (US\$12.9 million), Philex's impairment provisions for investments (US\$10.9 million) and PLDT's manpower rightsizing costs (US\$6.6 million), partly offset by PLDT's gain on disposal of business process outsourcing business (US\$13.0 million).