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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 AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 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 audited consolidated financial results of Philex Mining Corporation (“Philex”), a major operating associate of the Company, for the year ended 31 December 2013.

Summary

On 26 February 2014, the board of directors of Philex approved the release of the audited consolidated financial results for the year ended 31 December 2013. Philex’s audited consolidated financial results have been submitted to the Philippine Stock Exchange on 26 February 2014, 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 26 February 2014, the board of directors of Philex approved the release of the audited consolidated financial results for the year ended 31 December 2013. Philex’s audited consolidated financial results have been submitted to the Philippine Stock Exchange on 26 February 2014, which have also been disclosed as the Company’s Overseas Regulatory Announcement on the websites of the HKEX and the Company. The audited consolidated financial statements have been prepared in conformity with the Philippine Financial Reporting Standards. Philex’s audited Consolidated Statement of Income for the year ended 31 December 2013 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 (AUDITED)
FOR THE YEARS ENDED 31 DECEMBER 2013 AND 2012

(Amounts in Peso Thousands, except Earnings Per Share which are in Peso)

	2013	2012 (As Restated)
REVENUE		
Gold	5,581,587	4,946,041
Copper	4,579,757	3,865,704
Silver	82,063	79,571
	<u>10,243,407</u>	<u>8,891,316</u>
Less: Marketing charges	659,536	439,771
	<u>9,583,871</u>	<u>8,451,545</u>
Petroleum	191,243	191,003
Coal	17,530	48,030
Others	9,612	7,011
	<u>9,802,256</u>	<u>8,697,589</u>
COSTS AND EXPENSES		
Mining and milling costs (including depletion and depreciation)	5,457,881	3,473,183
General and administrative expenses	1,311,059	1,148,291
Mine products taxes and royalties	536,522	454,858
Petroleum production costs	87,895	98,245
Handling, hauling and storage	69,003	59,339
Cost of coal sales	17,770	35,238
	<u>7,480,130</u>	<u>5,269,154</u>
INCOME FROM OPERATIONS	<u>2,322,126</u>	<u>3,428,435</u>
OTHER INCOME (CHARGES)		
Insurance proceeds	1,017,125	—
Gain on sale of subsidiaries	246,597	—
Reversal of impairment of inventories	62,682	—
Gain on sale of PERC shares	26,867	—
Interest income	26,060	58,201
Marked-to-market gain	—	307,928
Provision for rehabilitation and other costs	(161,400)	(1,446,859)
Foreign exchange losses	(173,972)	(164,716)
Impairment loss on deferred exploration costs and others	(297,585)	(1,023,376)
Interest expense	(416,360)	(44,355)
Padcal maintenance costs during suspension of operations	(439,590)	(912,107)
Impairment on AFS financial assets	(1,006,508)	—
Others – net	(130,990)	33,599
	<u>(1,247,074)</u>	<u>(3,191,685)</u>
INCOME BEFORE INCOME TAX	<u>1,075,052</u>	<u>236,750</u>
PROVISION FOR INCOME TAX	<u>762,657</u>	<u>547,589</u>
NET INCOME (LOSS)	<u>312,395</u>	<u>(310,839)</u>
NET INCOME (LOSS) ATTRIBUTABLE TO:		
Equity holders of the Parent Company	341,932	208,733
Non-controlling interests	(29,537)	(519,572)
	<u>312,395</u>	<u>(310,839)</u>
BASIC EARNINGS PER SHARE	<u>0.069</u>	<u>0.042</u>
DILUTED EARNINGS PER SHARE	<u>0.069</u>	<u>0.042</u>

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

	31 December 2013	31 December 2012 (As Restated)
ASSETS		
Current Assets		
Cash and cash equivalents	4,080,512	1,669,542
Accounts receivable	295,451	207,749
Inventories	2,668,274	1,314,851
Prepaid income tax	–	166,467
Other current assets	1,343,245	997,340
Total Current Assets	8,387,482	4,355,949
Non-current Assets		
Property, plant and equipment - net	6,880,096	6,035,174
Available-for-sale (AFS) financial assets	975,380	3,990,761
Goodwill	1,208,020	258,593
Deferred tax assets	11,818	–
Deferred exploration costs and other non-current assets	22,427,186	14,631,528
Total Non-current Assets	31,502,500	24,916,056
TOTAL ASSETS	39,889,982	29,272,005
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Loans payable – current	6,176,369	1,450,000
Accounts payable and accrued liabilities	2,321,301	1,095,550
Income tax payable	11,519	–
Dividends payable	460,650	483,257
Provisions and subscriptions payables	805,108	1,589,578
Total Current Liabilities	9,774,947	4,618,385
Non-current Liabilities		
Deferred income tax liabilities - net	3,916,378	2,327,129
Loans payable – net of current portion	55,014	–
Pension obligation	21,598	44,966
Provision for losses	183,973	171,631
Provision for mine rehabilitation costs	20,818	18,892
Total Non-current Liabilities	4,197,781	2,562,618
TOTAL LIABILITIES	13,972,728	7,181,003
Equity Attributable to Equity Holders of the Parent Company		
Capital Stock – P1 par value	4,936,996	4,933,027
Additional paid-in capital	1,058,497	963,867
Retained earnings	14,128,826	13,578,086
Net unrealized gain on AFS financial assets	4,689	601,055
Cumulative translation adjustments	25,116	(41,785)
Net revaluation surplus	1,611,397	1,611,397
Effect of transaction with non-controlling interests	45,099	45,099
	21,810,620	21,690,746
Non-controlling Interests	4,106,634	400,256
Total Equity	25,917,254	22,091,002
TOTAL LIABILITIES & EQUITY	39,889,982	29,272,005

GENERAL

Shareholders should note that the above 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 26 February 2014.

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

Hong Kong, 26 February 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