

Press Release

2012 FIRST HALF FINANCIAL RESULTS

<p>NET PROFIT RISES 1% TO US\$222.2 MLN RECURRING PROFIT DOWN 7% TO US\$203.2 MLN TURNOVER RISES 9% TO US\$3.0 BLN INTERIM DIVIDEND UNCHANGED AT HK8.0 CENTS/SHARE</p>
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- Net profit up 1% to US\$222.2 mln vs. US\$219.3 mln
- Recurring profit down 7% to US\$203.2 mln vs. US\$219.4 mln
- Turnover up 9% to US\$3.0 bln vs. US\$2.7 bln
- Contribution from operations down 4% to US\$250.5 mln vs. US\$260.1 mln
- Interim dividend unchanged at HK8.0 cents per share
- EPS up 3% to 5.78 U.S. cents per share vs. 5.63 U.S. cents per share

Hong Kong, 29th August, 2012 – First Pacific Company Limited (HKSE: 00142) (“First Pacific” or the “Company”) today reported its unaudited financial results for the six months ended 30th June 2012 with net profit rising 1% to US\$222.2 million from US\$219.3 million a year earlier as non-recurring gains offset an overall decline in contributions from operating companies.

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.

Turnover rose 9% to US\$3.0 billion from US\$2.7 billion, principally reflecting higher turnover at Indofood and MPIC. Recurring profit declined 7% to US\$203.2 million from US\$219.4 million a year earlier as the overall contribution from operations fell 4% to US\$250.5 million from US\$260.1 million. Both the recurring profit and contribution figures were the second-highest ever recorded by the Company for first-half earnings.

The fall in the overall contribution in the first half of the year was due mainly to lower contributions from Philippine Long Distance Telephone Company (“PLDT”) and Philex

Mining Corporation (“Philex”) partly offsetting higher contributions from Metro Pacific Investments Corporation (“MPIC”) and PT Indofood Sukses Makmur Tbk (“Indofood”).

In consideration of the Company’s stable performance in a difficult market environment, First Pacific’s Board of Directors approved an interim cash dividend of 8 HK cents (1.03 U.S. cents) per share, unchanged from 8 HK cents (1.03 U.S. cents) per share a year earlier.

“The performance of the First Pacific Group of Companies during a time of robust competition and a difficult global economy gives us optimism that we are on track with our investment management strategies,” said Manuel V. Pangilinan, Managing Director and Chief Executive Officer of the Company. “MPIC, Indofood and Philex produced results in line with our plans but PLDT continues to face a difficult market environment.”

The first half of 2012 saw the end of a share repurchase program which began on 1st June 2010 when First Pacific’s share price was at HK\$5.09 (US\$0.65). The program ended just over two years later, on 4th June 2012, having invested US\$130 million on buying back and canceling 138.2 million shares at an average price of HK\$7.30 (US\$0.94) each. Those shares represented approximately 3.6% of First Pacific’s share capital at the last day of the program. Over the program’s two years, the Company saw its share price rise 52%.

“While we can’t demonstrate a causal link between share repurchases and an increase in share price, we are of the view that purchasing First Pacific shares is a sound use of capital,” Pangilinan said.

Accordingly, First Pacific’s Board renewed its commitment to shareholder value by building on the two-year share repurchase program with an open-ended policy of spending up to 10% of recurring profit on share repurchases. Like the two-year program it replaces, the renewed share buyback is conditional on the state of financial markets, economic conditions affecting Group companies, and on potential opportunities for mergers and acquisitions.

Together, First Pacific’s dividend policy of a payout ratio not less than 25% of recurring profit and its new commitment to spend up to 10% of recurring profit on share repurchases will deliver up to 35% of recurring profit to shareholders.

First Pacific’s dividend and share repurchase commitments are two key planks in a three-part Capital Management Program designed to maximize shareholder returns. The third plank is investment of available funds to continue delivering strong shareholder returns.

“We recently raised US\$400 million in an unsecured bond offering to finance our investment war chest,” Pangilinan said. “We are keen to invest in undervalued assets in our four areas of strength – telecommunications, infrastructure, food production and natural resources.”

MPIC is the biggest infrastructure investment firm in the Philippines with stakes in the country’s biggest toll road firm, largest hospital group and its largest electricity and water distributors. It benefitted from higher contributions by all of its businesses. MPIC’s contribution to First Pacific rose 35% in the first half of 2012 to US\$47.7 million from US\$35.4 million a year earlier.

Indofood’s contribution rose 2% to US\$90.4 million from US\$88.3 million owing to higher sales by all four of its businesses: Consumer Branded Products (“CBP”), Bogasari, Agribusiness and Distribution. Indofood is total food solutions company with production operations ranging from raw materials through to consumer branded products to the

distribution of these products to a market of 240 million people across the Indonesian archipelago.

Philex, the biggest and oldest metal mining company in the Philippines, saw its contribution to First Pacific fall 23% to US\$16.1 million from US\$21.0 million owing to lower grades of gold at its Padcal Mine. Second half results will be materially impacted as compared with a year earlier owing to the voluntary suspension on 1st August 2012 of Padcal mining operations to conduct an inspection of its tailings pond after a discharge of water and sediment from one of the two underground tunnels that drain water from the tailings pond.

Philex is continuing exploratory drilling in the vicinities of the Padcal Mine, the Bulawan Mine, and the Silangan and Sibutad Projects, as well as reviewing potential mining acquisitions. Development of the Silangan Project continues with the build-out of infrastructure aiming for production to begin in 2017.

PLDT, the biggest telecommunications company in the Philippines, saw its contribution fall 17% to US\$96.3 million from US\$115.4 million as intensifying competition reduced margins even as expanding consumer take-up of broadband services promised a brighter future as new revenue streams like mobile data replace traditional sources of income such as cellular voice and text messaging.

Non-recurring items in First Pacific's half-year earnings resulted in a net gain of US\$15.3 million compared to a net loss of US\$4.0 million in the same period a year earlier, principally reflecting the Group's gain on dilution of a 0.2% interest in PLDT as a result of PLDT's issuance of new shares upon its tender offer for Digitel's shares in January 2012.

At 30th June 2012, net debt at the Head Office stood at US\$1.2 billion while gross debt stood at US\$1.7 billion. Fixed-rate debt made up 63% of the total with floating-rate debt making up the rest. The blended interest cost amounted to 5.1% and the average maturity of its debt was 5.6 years.

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

REVIEW OF OPERATIONS

Philippine Long Distance Telephone Company ("PLDT") reported an 11% decline in core net income in the first half of the year to ₱18.7 billion from ₱21.0 billion in 2011 owing to a more challenging operating environment compounded by costs incurred in a manpower reduction program partly offset by some asset sales and higher service revenues.

More details are available at www.pldt.com

Metro Pacific Investments Corporation ("MPIC") reported a 30% increase in core net income to ₱3.5 billion from ₱2.7 billion a year earlier, led by contribution increases by Manila Electric Company ("Meralco") on higher electricity sales and by Maynilad Water Services, Inc. ("Maynilad") on higher tariffs and billed water volume as well as a strong performance across its toll road and hospital operations.

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

PT Indofood Sukses Makmur Tbk (“Indofood”) saw strong sales growth by every business except the Plantations division – affected by lower selling prices for the crude palm oil it produces – result in a 9% increase in core net income to Rp1.7 trillion from Rp1.5 trillion a year earlier. Consolidated net sales rose 13% to Rp24.6 trillion from Rp21.8 trillion a year.

More details are available at www.indofood.com

Philex Mining Corporation (“Philex”) reported a 26% decline in its core net income to ₱2.1 billion from ₱2.8 billion a year earlier. Earnings were hurt by a decline in the average grade of gold to 0.500 gram/tonne from 0.591 gram/tonne with the result that gold production fell 19% to 58,681 oz.

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

OUTLOOK

Uncertainties in global financial markets and weakness in advanced economies threaten to weigh on Indonesia and the Philippines where First Pacific Group companies conduct their business though these economies are currently delivering strong growth and low inflation. The defensive nature of First Pacific’s portfolio offers a high degree of earnings resilience with a potential for upside growth.

PLDT forecasts 2012 core profit of ₱37.0 billion, down from ₱39.0 billion a year earlier as it finishes a ₱67.0 billion two-year capex program even as it builds on its acquisition last year of Digitel, the Philippines’ third-largest telecommunications services provider. PLDT regards 2012 as a “year of alignment” which will lay the groundwork for a return to growth in 2013 as the telecommunications industry transforms itself into a data-intensive multi-platform business. In preparation for this future, PLDT is building a new media content business via its investment in MediaQuest Holdings, Inc. (“MediaQuest”), which operates the TV5 television broadcaster and Cignal, the Philippines’ largest direct-to-home satellite broadcaster.

2012 will be a significant year for MPIC as it forecasts a 24% rise in core profit to ₱6.3 billion. Its toll roads business returns to earnings growth even as it continues to seek new investments and build new access roads to increase traffic on its highways. Meralco is seeking to build power generation projects as it prepares for the introduction of open access to retail electricity supply later this year. Maynilad is expanding its pipeline network to bring safe, clean water to the 1 million consumers within its concession area who have no access to piped water. The hospital business is maintaining growth, reaching towards a medium-term goal of ₱10 billion in revenues and ₱1 billion in core net income. MPIC is also seeking new investments, such as in light rail (via a joint venture with Ayala Corporation).

Indofood is growing steadily despite increasing competition and volatile input prices. It expects to deliver an eighth year in a row of record high core profit thanks to steady growth in per capita domestic product in its market of 240 million people. It will continue expanding its production capacities, particularly in dairy and palm oil products, as its Agribusiness seeks

new investments. The Consumer Branded Products division is introducing new packaged foods even as its non-alcoholic beverages joint venture with Japan's Asahi Group Holdings, Ltd. moves towards production in 2014.

Development of the Philex's Silangan Project continues with the build-out of infrastructure aiming for production to begin in 2017. However, Philex faces a material impact on full-year 2012 earnings owing to the suspension of operations at the Padcal Mine. In addition, a prolonged suspension of operations at the Padcal mine would have a material adverse effect on the 2012 full year results for First Pacific. For illustration, Philex was responsible for 6% of the total contribution by operating companies to First Pacific in the first half of 2012.

First Pacific Chief Executive Pangilinan concluded:

After two years in a row of record high contributions and recurring profits, as well as record high dividend payments received and dividend payments made to our own shareholders, it's disappointing to consider that we are unlikely to see another set of record highs for full-year 2012.

Even so, we are looking ahead with cautious optimism, though we watch warily for the risk of contagion from the Eurozone's economic and financial difficulties, slower growth in China and the electoral contest in the U.S. The economies of emerging Asia, in particular Indonesia and the Philippines, continue to power ahead with middle to high economic growth rates and much of our earnings are protected in a downturn. First Pacific and our operating companies are in a strong position to satisfy our investment ambitions.

We are continuing to seek appropriately-priced investments in the four areas we regard as particular strengths – telecommunications, infrastructure, consumer foods and natural resources – and are particularly keen in the areas of infrastructure and natural resources.

Further information and analysis

Attached to this news release are:

- First Pacific's condensed consolidated income statement
- Condensed 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.

Corporate Profile

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

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FIRST PACIFIC COMPANY LIMITED
CONDENSED CONSOLIDATED INCOME STATEMENT - UNAUDITED

For the six months ended 30 June	2012	2011
US\$ millions		
Turnover	2,989.5	2,747.9
Cost of sales	(2,046.6)	(1,859.4)
Gross Profit	942.9	888.5
Gain/(loss) on dilutions, net	14.4	(0.1)
Distribution costs	(208.4)	(194.6)
Administrative expenses	(228.7)	(192.1)
Other operating income/(expenses), net	13.7	(4.2)
Interest income	39.6	28.6
Interest expenses	(130.5)	(124.3)
Share of profits less losses of associated companies and joint ventures	153.4	174.6
Profit Before Taxation	596.4	576.4
Taxation	(111.9)	(109.7)
Profit for the Period	484.5	466.7
Attributable to:		
Owners of the parent	222.2	219.3
Non-controlling interests	262.3	247.4
	484.5	466.7
Earnings Per Share Attributable to Owners of the Parent (U.S cents)		
Basic	5.78	5.63
Diluted	5.69	5.43

FIRST PACIFIC COMPANY LIMITED
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(Unaudited) At 30 June 2012	(Audited) At 31 December 2011
US\$ millions		
Non-current Assets		
Property, plant and equipment	1,705.4	1,651.7
Plantations	1,277.3	1,280.9
Associated companies and joint ventures	3,271.2	3,035.1
Goodwill	807.1	819.6
Other intangible assets	2,218.0	2,105.9
Accounts receivable, other receivables and prepayments	26.8	32.5
Available-for-sale assets	40.6	33.1
Deferred tax assets	122.1	109.9
Pledged deposits	11.1	11.1
Other non-current assets	233.9	236.0
	9,713.5	9,315.8
Current Assets		
Cash and cash equivalents	2,251.6	1,875.4
Restricted cash	32.7	43.7
Available-for-sale assets	54.7	63.4
Accounts receivable, other receivables and prepayments	638.6	581.8
Inventories	711.9	731.7
	3,689.5	3,296.0
Current Liabilities		
Accounts payable, other payables and accruals	964.5	796.5
Short-term borrowings	693.2	1,119.3
Provision for taxation	60.0	49.6
Current portion of deferred liabilities and provisions	122.6	137.6
	1,840.3	2,103.0
Net Current Assets	1,849.2	1,193.0
Total Assets Less Current Liabilities	11,562.7	10,508.8
Equity		
Issued share capital	38.3	38.5
Retained earnings	1,402.5	1,284.6
Other components of equity	1,733.3	1,699.6
Equity attributable to owners of the parent	3,174.1	3,022.7
Non-controlling interests	3,893.4	3,856.5
Total Equity	7,067.5	6,879.2
Non-current Liabilities		
Long-term borrowings	3,415.5	2,575.7
Deferred liabilities and provisions	640.5	607.2
Deferred tax liabilities	439.2	446.7
	4,495.2	3,629.6
	11,562.7	10,508.8

**FIRST PACIFIC COMPANY LIMITED
CONTRIBUTION SUMMARY**

For the six months ended 30 June US\$ millions	Turnover		Contribution to Group profit ⁽ⁱ⁾	
	2012	2011	2012	2011
PLDT ⁽ⁱⁱ⁾	-	-	96.3	115.4
MPIC	318.8	243.7	47.7	35.4
Indofood	2,670.7	2,504.2	90.4	88.3
Philex ⁽ⁱⁱ⁾	-	-	16.1	21.0
Contribution from Operations⁽ⁱⁱⁱ⁾	2,989.5	2,747.9	250.5	260.1
Head Office items:				
– Corporate overhead			(11.3)	(10.2)
– Net interest expense			(34.6)	(29.7)
– Other expenses			(1.4)	(0.8)
Recurring Profit^(iv)			203.2	219.4
Foreign exchange and derivative gains ^(v)			3.6	3.9
Gain on changes in fair value of plantations			0.1	-
Non-recurring items ^(vi)			15.3	(4.0)
Profit Attributable to Owners of the Parent			222.2	219.3

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

(ii) Associated companies

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

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

(v) Foreign exchange and derivative gains represent the gains 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.

(vi) Non-recurring items represent certain items, through occurrence or size, which are not considered as usual operating items. 1H12's non-recurring gains of US\$15.3 million mainly represent the Group's gain on dilution of a 0.2% interest in PLDT as a result of PLDT's issuance of new shares upon its tender offer for Digitel's shares in January 2012. 1H11's non-recurring losses of US\$4.0 million mainly represent the Group's share of Meralco's non-recurring losses, and provision and write-off of certain assets.