

Condensed Interim Financial Statements

Condensed consolidated profit and loss statement

Six months ended 30 June US\$ millions	Notes	(Unaudited)	
		2003	2002
TURNOVER	2	1,008.7	899.1
Cost of sales		(768.2)	(676.5)
GROSS PROFIT		240.5	222.6
Distribution costs		(74.0)	(70.2)
Administrative expenses		(68.0)	(47.2)
Other operating income, net		20.8	32.2
OPERATING PROFIT	2,3	119.3	137.4
Share of profits less losses of associated companies		38.9	11.0
Net borrowing costs	4	(60.1)	(51.1)
PROFIT BEFORE TAXATION		98.1	97.3
Taxation	5	(20.9)	(38.0)
PROFIT AFTER TAXATION		77.2	59.3
Outside interests		(40.5)	(32.5)
PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS	6	36.7	26.8
BASIC EARNINGS PER SHARE (U.S. cents)	7	1.15	0.85

The accompanying notes form an integral part of these Condensed Interim Financial Statements.

Condensed consolidated balance sheet

US\$ millions	Notes	(Unaudited) At 30 June 2003	(Audited) At 31 December 2002
NON-CURRENT ASSETS			
Property and equipment	9	730.0	1,009.3
Associated companies	10	33.2	(24.5)
Long-term receivables, prepayments and deferred tax assets		252.9	274.9
Goodwill		18.8	19.3
		1,034.9	1,279.0
CURRENT ASSETS			
Cash and cash equivalents		238.8	203.3
Pledged deposits	14(b)	2.2	22.9
Short-term investments		53.9	42.8
Accounts receivable, other receivables and prepayments	11	368.7	389.0
Inventories		368.4	376.1
		1,032.0	1,034.1
CURRENT LIABILITIES			
Accounts payable, other payables and accruals	12	467.0	455.2
Short-term borrowings		302.8	531.7
Provision for taxation		26.6	26.6
		796.4	1,013.5
NET CURRENT ASSETS		235.6	20.6
TOTAL ASSETS LESS CURRENT LIABILITIES		1,270.5	1,299.6
EQUITY CAPITAL AND RESERVES			
Issued capital		31.9	31.9
Reserves		(52.7)	(103.1)
Shareholders' deficit		(20.8)	(71.2)
OUTSIDE INTERESTS		333.1	424.1
NON-CURRENT LIABILITIES			
Loan capital and long-term borrowings		808.0	757.2
Deferred liabilities and provisions	13	84.1	118.9
Deferred taxation		66.1	70.6
		958.2	946.7
		1,270.5	1,299.6

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On behalf of the Board of Directors

Manuel V. Pangilinan
MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

Edward A. Tortorici
EXECUTIVE DIRECTOR

18 August 2003

Condensed Interim Financial Statements

Condensed consolidated statement of changes in shareholders' deficit

US\$ millions	Issued capital	Share premium	Exchange reserve	Revenue reserve	(Unaudited) Total
Balance at 1 January 2002	31.4	908.7	(20.2)	(1,111.1)	(191.2)
Net gains not recognized in the profit and loss statement					
– Exchange translation	–	–	37.1	–	37.1
Dilution of interest in a subsidiary company	–	–	0.4	9.3	9.7
Net profit for the period	–	–	–	26.8	26.8
BALANCE AT 30 JUNE 2002	31.4	908.7	17.3	(1,075.0)	(117.6)
Balance at 1 January 2003	31.9	958.2	0.3	(1,061.6)	(71.2)
Net gains not recognized in the profit and loss statement					
– Exchange translation	–	–	9.0	–	9.0
Dilution of interests in a subsidiary and an associated company	–	–	0.5	4.2	4.7
Net profit for the period	–	–	–	36.7	36.7
BALANCE AT 30 JUNE 2003	31.9	958.2	9.8	(1,020.7)	(20.8)

The accompanying notes form an integral part of these Condensed Interim Financial Statements.

Condensed consolidated cash flow statement

Six months ended 30 June US\$ millions	(Unaudited)	
	2003	2002
OPERATING PROFIT	119.3	137.4
Foreign exchange gains, net	(9.8)	(18.7)
Losses on dilution of interests in a subsidiary and an associated company	3.2	0.6
Depreciation	26.8	26.8
Payments in respect of deferred liabilities and provisions	(5.8)	–
Loss on sale of property and equipment	0.9	0.3
Decrease/(increase) in working capital ⁽ⁱ⁾	58.0	(48.6)
Others	(24.2)	(25.8)
Net cash inflow generated from operations	168.4	72.0
Interest received	9.9	12.4
Interest paid	(66.0)	(40.0)
Tax paid	(16.4)	(18.7)
NET CASH INFLOW FROM OPERATING ACTIVITIES	95.9	25.7
Purchase of property and equipment and others	(40.7)	(56.2)
Sale of businesses, property and equipment and others	75.7	2.0
Loans (to)/repaid by associated companies	(11.0)	0.6
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	24.0	(53.6)
Net borrowings repaid	(102.0)	(118.5)
Payment in connection with the shares repurchased by a subsidiary company	–	(35.3)
Shares issued to outside interests by a subsidiary company	5.6	19.9
Dividends paid to outside interests by a subsidiary company	–	(0.9)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES	(96.4)	(134.8)
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	23.5	(162.7)
Cash and cash equivalents at 1 January	203.3	310.1
Exchange translation	12.0	14.6
CASH AND CASH EQUIVALENTS AT 30 JUNE	238.8	162.0
REPRESENTING		
Cash and cash equivalents	238.8	162.0

(i) Changes in working capital are stated excluding movements due to disposals of subsidiary companies.

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