

Condensed Interim Financial Statements

CONDENSED CONSOLIDATED PROFIT AND LOSS STATEMENT

For the six months ended 30 June US\$ millions	Notes	(Unaudited)	
		2004	2003 (Restated) ⁽ⁱ⁾
TURNOVER	2	1,002.0	1,008.7
Cost of sales		(756.7)	(772.1)
GROSS PROFIT		245.3	236.6
Gain on disposal of a discontinued business		17.1	—
Distribution costs		(90.2)	(74.0)
Administrative expenses		(64.1)	(68.0)
Other operating (expenses)/income, net		(34.7)	20.8
OPERATING PROFIT	3	73.4	115.4
Share of profits less losses of associated companies		70.6	38.9
Net borrowing costs	4	(55.4)	(60.1)
PROFIT BEFORE TAXATION		88.6	94.2
Taxation	5	(27.3)	(19.7)
PROFIT AFTER TAXATION		61.3	74.5
Outside interests		(6.6)	(38.9)
PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS	6	54.7	35.6
BASIC EARNINGS PER SHARE (U.S. cents)	7	1.72	1.12

(i) Refer to Note 14.

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

Condensed Interim Financial Statements

CONDENSED CONSOLIDATED BALANCE SHEET

US\$ millions	Notes	(Unaudited)	
		At 30 June 2004	At 31 December 2003 (Restated) ⁽ⁱ⁾
NON-CURRENT ASSETS			
Property and equipment	9	627.0	699.3
Plantations		131.2	160.0
Associated companies	10	193.2	8.0
Long-term receivables and prepayments		304.6	248.0
Goodwill		17.8	18.3
Deferred tax assets		5.3	7.5
Restricted cash	15(b)	4.7	4.7
		1,283.8	1,145.8
CURRENT ASSETS			
Cash and cash equivalents		247.8	233.3
Restricted cash and pledged deposits	15(b)	9.2	17.6
Short-term investments		23.0	77.0
Accounts receivable, other receivables and prepayments	11	353.2	430.2
Inventories		295.1	309.6
		928.3	1,067.7
CURRENT LIABILITIES			
Accounts payable, other payables and accruals	12	438.7	379.9
Short-term borrowings		145.3	207.4
Provision for taxation		21.6	36.8
		605.6	624.1
NET CURRENT ASSETS			
		322.7	443.6
TOTAL ASSETS LESS CURRENT LIABILITIES			
		1,606.5	1,589.4
EQUITY CAPITAL AND RESERVES			
Issued capital		31.9	31.9
Reserves		174.7	19.2
Shareholders' equity		206.6	51.1
OUTSIDE INTERESTS			
		322.6	376.7
NON-CURRENT LIABILITIES			
Loan capital and long-term borrowings		896.1	955.9
Deferred liabilities and provisions	13	81.5	88.7
Deferred tax liabilities		99.7	117.0
		1,077.3	1,161.6
		1,606.5	1,589.4

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On behalf of the Board of Directors

Manuel V. Pangilinan

MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

16 August 2004

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

US\$ millions	Issued capital	Share premium	Exchange reserve	Revenue reserve	(Unaudited) Total
Balance at 1 January 2003					
as previously reported	31.9	958.2	0.3	(1,061.6)	(71.2)
Prior year adjustments	—	—	(2.2)	47.7	45.5
As restated ⁽ⁱ⁾	31.9	958.2	(1.9)	(1,013.9)	(25.7)
Net gains not recognized in the profit and loss statement					
— Exchange translation	—	—	12.3	—	12.3
Dilution of interests in a subsidiary and an associated company	—	—	0.5	4.2	4.7
Net profit for the period, as restated	—	—	—	35.6	35.6
BALANCE AT 30 JUNE 2003 (RESTATED)⁽ⁱ⁾	31.9	958.2	10.9	(974.1)	26.9
Balance at 1 January 2004, as previously reported	31.9	958.2	(3.5)	(975.9)	10.7
Prior year adjustments	—	—	0.1	40.3	40.4
As restated ⁽ⁱ⁾	31.9	958.2	(3.4)	(935.6)	51.1
Net losses not recognized in the profit and loss statement					
— Exchange translation	—	—	(29.0)	—	(29.0)
Disposal of an associated company	—	—	(33.7)	163.4	129.7
Dilution of interest in a subsidiary company	—	—	—	0.1	0.1
Net profit for the period	—	—	—	54.7	54.7
BALANCE AT 30 JUNE 2004	31.9	958.2	(66.1)	(717.4)	206.6

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CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June US\$ millions	Notes	(Unaudited)	
		2004	2003 (Restated) ⁽ⁱ⁾
OPERATING PROFIT		73.4	115.4
Foreign exchange losses/(gains), net		31.6	(9.8)
Depreciation		27.1	26.8
Loss on changes in fair value of plantations		14.0	3.9
Decrease/(increase) in long-term receivables and prepayments		11.8	(1.9)
Amortization of goodwill		0.5	0.5
Losses on dilution of interests in a subsidiary and an associated company		—	3.2
Gain on disposal of a discontinued business		(17.1)	—
Payments in respect of deferred liabilities and provisions		(14.0)	(5.8)
(Gains)/losses on sale of property and equipment		(1.0)	0.9
Others		9.8	(24.7)
Operating profit before working capital changes		136.1	108.5
Decrease in working capital*		62.4	59.9
Net cash inflow generated from operations		198.5	168.4
Interest received		9.7	9.9
Interest paid		(60.1)	(66.0)
Tax paid		(23.1)	(16.4)
NET CASH INFLOW FROM OPERATING ACTIVITIES		125.0	95.9
Purchase of property and equipment and others		(82.9)	(40.7)
Sale of businesses, property and equipment and others	15(a)	67.5	75.7
Loans repaid by/(to) associated companies		0.5	(11.0)
NET CASH (OUTFLOW)/INFLOW FROM INVESTING ACTIVITIES		(14.9)	24.0
Net borrowings repaid		(66.0)	(102.0)
Shares issued to outside interests by a subsidiary company		0.1	5.6
Dividends paid to outside interests by a subsidiary company		(11.4)	—
NET CASH OUTFLOW FROM FINANCING ACTIVITIES		(77.3)	(96.4)
NET INCREASE IN CASH AND CASH EQUIVALENTS		32.8	23.5
Cash and cash equivalents at 1 January		233.3	203.3
Exchange translation		(18.3)	12.0
CASH AND CASH EQUIVALENTS AT 30 JUNE		247.8	238.8
REPRESENTING			
Cash and cash equivalents		247.8	238.8

(i) Refer to Note 14.

* Changes in working capital are stated excluding movements due to disposals of subsidiary companies.

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