



**PHILEX PETROLEUM  
CORPORATION**

April 18, 2013

**PHILIPPINE STOCK EXCHANGE, INC.**

Tower One & Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City

Attention: **MS. JANET A. ENCARNACION**  
Head – Disclosure Department

Dear Sir/Madam,

We submit herewith a copy of Philex Petroleum Corporation's press release on its Financial and Operating Results for the First Quarter ended 31<sup>st</sup> March 2013.

Very truly yours,

**CARLO S. PABLO**  
President & Chief Operating Officer

18<sup>th</sup> April 2013

**PRESS RELEASE**

**FINANCIAL AND OPERATING RESULTS  
FOR THE FIRST QUARTER ENDED 31<sup>st</sup> MARCH 2013**

- The Department of Energy awarded the Area 4 Northwest Palawan block offered in the 4th Philippine Energy Contracting Round to the bid group of Philex Petroleum Corporation (Pitkin Petroleum or the Company), PNOG Exploration Corporation, and PetroEnergy Resources Corporation; and the Area 5 Northwest Palawan block to the bid group of Pitkin Petroleum Plc and Philodrill Corporation
- The Department of Energy granted Forum Energy Plc a two (2) year extension to complete the exploration work program for the Second Exploration Sub-Phase of Service Contract 72 Recto Bank
- Brixton Energy & Mining Corporation suspended underground mining operations in Coal Operating Contract 130 in Diplahan, Zamboanga Sibugay, pending completion of an ongoing detailed review of the operations and prospects of the coal mining project
- The Company sold all of its interest in PetroEnergy Resources Corporation for P168 million on 21<sup>st</sup> February 2013
- The Company incurred a Net Loss of P24.5 million for the first quarter ended 31<sup>st</sup> March 2013, compared to a Net Loss P46.2 million for the same period in 2012
- On 5<sup>th</sup> April 2013, the Company acquired a controlling interest in Pitkin Petroleum Plc, a UK-registered upstream oil and gas company with operations in the Philippines, Vietnam, Peru and the USA
- The award of the Area 4 and Area 5 blocks to Philex Petroleum and Pitkin Petroleum Plc, respectively, further strengthens the Company's portfolio in the proven hydrocarbon basins in the West Philippine Sea
- The Company will continue to actively manage its portfolio of energy assets to access potential hydrocarbon resources, and to help mitigate the inherent risks and uncertainties of the upstream petroleum business.

For further information, please contact:

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**PHILEX PETROLEUM CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(Amounts in Thousands)

<b>ASSETS</b>	<b>March 31 2013 (UNAUDITED)</b>	<b>December 31 2012 (AUDITED)</b>
<b>Current Assets</b>		
Cash and cash equivalents	P 418,774	P 284,017
Accounts receivable - net	98,868	102,164
Inventories - net	139,666	140,881
Other current assets -net	27,929	26,769
<b>Total Current Assets</b>	<b>685,237</b>	<b>553,831</b>
<b>Noncurrent Assets</b>		
Available-for-sale (AFS) financial assets	1,313,700	1,399,670
Property, Plant and Equipment - net	113,723	124,205
Goodwill	258,593	258,593
Deferred exploration costs and other noncurrent assets - net	951,065	858,840
<b>Total Noncurrent Assets</b>	<b>2,637,081</b>	<b>2,641,308</b>
<b>TOTAL ASSETS</b>	<b>P 3,322,318</b>	<b>P 3,195,139</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Current portion of long-term loan	P 612,000	P 615,750
Short-term bank loans	100,000	350,000
Accounts payable and accrued liabilities	149,371	87,026
Advances from related parties	1,313,061	1,021,138
Income tax payable	22,913	22,957
Provision for losses	42,017	41,050
<b>Total Current Liabilities</b>	<b>2,239,362</b>	<b>2,137,921</b>
<b>Noncurrent Liabilities</b>		
Provision for losses	171,632	171,631
Deferred income tax liabilities	123,355	97,599
Provision for rehabilitation and decommissioning costs	833	833
<b>Total Noncurrent Liabilities</b>	<b>295,820</b>	<b>270,063</b>
<b>Total Liabilities</b>	<b>2,535,182</b>	<b>2,407,984</b>
<b>Equity</b>		
Capital Stock - P1 par value	1,700,000	1,700,000
Equity reserves	(123)	(123)
Retained Earnings	(830,184)	(819,162)
Net unrealized gain (loss) on AFS financial assets	-	(30,485)
Cumulative translation adjustment on foreign subsidiaries	(166,531)	(163,617)
	<b>703,162</b>	<b>686,613</b>
<b>Non-controlling Interests</b>	<b>83,974</b>	<b>100,542</b>
<b>Total equity</b>	<b>787,136</b>	<b>787,155</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>P 3,322,318</b>	<b>P 3,195,139</b>

**PHILEX PETROLEUM CORPORATION AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED STATEMENTS OF INCOME**

(Amounts in Thousands, except Earnings or Loss Per Share)

	First Quarter Ended March 31			
	2013		2012	
<b>REVENUE</b>				
Petroleum	P	46,472	P	8,811
Coal		1,031		84
		<b>47,503</b>		<b>8,895</b>
<b>COSTS AND EXPENSES</b>				
Petroleum production costs		28,474		11,112
General and administrative expenses		45,218		39,142
Cost of coal sales		821		1,958
Mine product royalties		258		1
Coal mine maintenance cost		10,254		-
		<b>85,025</b>		<b>52,213</b>
<b>OTHER INCOME (CHARGES)</b>				
Interest expense - net		(10,308)		(7,290)
Foreign exchange gains		863		8,314
Dividend income		-		-
Provision for impairment of assets		(3,418)		-
Realized gain on disposal of AFS		26,880		-
Others		42		(10)
		<b>14,059</b>		<b>1,014</b>
<b>INCOME (LOSS) BEFORE TAX</b>		<b>(23,463)</b>		<b>(42,304)</b>
<b>PROVISION FOR INCOME TAX</b>				
Current		-		1
Deferred		1,078		3,940
		<b>1,078</b>		<b>3,941</b>
<b>NET INCOME (LOSS)</b>		<b>( P 24,541)</b>		<b>( P 46,245)</b>