

## **BENGUET CORPORATION**

### **CORPORATE PROFILE**

Benguet Corporation (the “Company”, “Benguet”) is the oldest mining company in the Philippines and is the country’s recognized pioneer of modern mining. Established on August 12, 1903 as Benguet Consolidated Mining Company, the Company’s 110 years of existence is a testament of its adaptability and resiliency in the face of changes brought about by global events, natural calamities, economic conditions and industry trends.

Benguet was reorganized and registered with the Securities and Exchange Commission (SEC) on June 18, 1956 under the name Benguet Consolidated, Inc. to engage primarily in mining, fabricating, manufacturing and dealing in and with minerals, metals, ores, petroleum gas, products of earth and soil, timber and the products and by-products thereof. It operated some of the richest mineral prospects using up-to-date and cutting-edge technology and has contributed significantly to the country’s export earnings.

In the 1980’s, following its name change to the now “Benguet Corporation”, the Company’s stature peaked as it simultaneously operated its five major mines: Benguet Gold Operations (BGO), Benguet Antamok Gold Operation (BAGO), Dizon Copper-Gold Operation (DCO), Masinloc Chromite Operation (MCO), and Paracale Gold Operation (PGO).

In the 1990s, as the Philippine mining industry went through a difficult period, the Company likewise suffered a decline. Its operations were gravely affected by natural calamities such as the Baguio earthquake in 1990 and the Mount Pinatubo eruption in 1991, countless typhoons, and other external factors such as low metal prices and the 1997 Asian currency and economic crisis. All these led to the suspension of operations of the Company’s BGO in 1992, PGO in 1993, BAGO in 1998; and the Company’s decision to sell its remaining interest in DCO in 1997. The Company also turned over MCO to the claim owner in July 2007 due to the expiration of the operating contract.

In 2003, it reopened BGO on a limited scale through the Acupan Contract Mining Project now renamed as the Acupan Gold Project (AGP), developed Sta. Cruz Nickel Project (SCNP) in 2007, and continued to review and package its various mineral properties for future development or sale. In 2010, the Company resolved a long standing issue with the claimowner of the Kingking Project. It invested in the development of the Sta. Cruz Nickel, Balatoc Tailings, and Surigao Coal projects, and the expansion of AGP. It likewise settled a majority of its debt, and continued to hold interest in the Acupan Gold, Ampucao Gold Copper, Pantingan Gold, Benguet Orelina Contract Operation (BOLCO), and the Ilocos Norte and the Kalinga Financial or Technical Assistance Agreement (FTAA) prospects.

Aside from mining and mineral exploration, the Company ventured into various projects through several wholly owned subsidiaries. It is engaged in healthcare and diagnostics services through its expanding BenguetCorp Laboratories, Inc., mining logistics through Arrow Freight Corporation, trading of industrial equipment and supplies through Benguetrade, Inc., port services through Keystone Port Logistics and Management Services Corporation, shipping services through Calhorr 1 Marine Services Corporation and Calhorr 2 Marine Services, Inc., and real estate development and lime kiln operation through BMC Forestry Corporation.

Benguet is now on its third fifty-year corporate life, the extension having been approved by the SEC on June 18, 2006. Having been listed in the Philippine Stock Exchange since January 4, 1950, it is one of the most widely held public companies in the country with 16,952 stockholders of record, with 20.31% of its outstanding shares owned by foreign nationals and institutions, as of December 31, 2013.