

**Wednesday, 2 October 2002**

**FIRST PACIFIC'S MOA WITH GOKONGWEI GROUP IS TERMINATED**

First Pacific announces that the Gokongwei Group has terminated the memorandum of agreement (MOA) that was signed on 4 June 2002, citing, among other matters, the expiration of the exclusivity period on 30 September 2002 and difficulties encountered by First Pacific in attempting to implement the transaction (including the resistance of the current management of both Philippine Long Distance Telephone (PLDT) and Metro Pacific Corporation (MPC)/Bonifacio Land Corporation (BLC)). Having regard to the nature and terms of the MOA, First Pacific has accepted the termination of the MOA by the Gokongwei Group and, accordingly, the transactions contemplated by the MOA will not now proceed.

Following the termination of the MOA, all obligations under the MOA have ceased and it is not anticipated that there will be any further liabilities or obligations other than continuing obligations of confidentiality.

First Pacific continues to review its strategic options in relation to its Philippine investments, although no negotiations or discussions in relation to a specific transaction are currently ongoing. First Pacific will make such further announcements as may be appropriate in the event that there are future material developments in relation to its Philippine investments, the termination of the MOA or the impact of such termination on First Pacific.

**Background**

On 5 June, 2002, First Pacific announced that it had entered into a MOA with the Gokongwei Group for the establishment of joint venture arrangements in relation to the First Pacific Group's interest in PLDT and part of the First Pacific Group's interest in BLC. All previous announcements relating to this transaction are available under the 'News & Press Releases' section of First Pacific's website at [www.firstpacco.com](http://www.firstpacco.com).

The First Pacific Group (through its Philippine affiliates) has aggregate attributable direct and indirect economic interests of 24.4 per cent of the issued common stock of PLDT (conferring voting rights of approximately 31.5 per cent of the outstanding voting share capital of PLDT) and 80.6 per cent of MPC. MPC, in turn, has a controlling 72.9 per cent shareholding in BLC, of which 50.4 per cent of the outstanding common stock of BLC is subject to a pledge in favour of Larouge BV (Larouge), a wholly-owned subsidiary of First Pacific, to secure a loan advanced by Larouge to MPC in April 2001 in the principal amount of US\$90 million.

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