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METRO PACIFIC TO SELL WILKINS WATER UNIT FOR P1.2 BILLION

First Pacific's Philippine flagship, Metro Pacific Corporation, announced today that it has agreed to sell its 100 per cent interest in Metro Bottled Water Corporation, the manufacturer of Wilkins Distilled Water, to La Tondeña Distillers, Inc., of the Philippines, for approximately P1.2 billion (HK\$243 million).

Metro Pacific will record a profit of P568 million (HK\$115 million) on the disposal, and will use the proceeds to reduce head office debt. The unit recorded revenue last year of Pesos 530 million (HK\$107 million).

Metro Pacific established the company in 1990 and has built it into the Philippines' leading bottled water brand. Wilkins Distilled Water had a market share of approximately 29 per cent in the year's first quarter, while La Tondeña's Viva brand mineral water is the market's second-best seller, with a share of 20 per cent.

Napoleon Nazareno, Metro Pacific's President, said: "Wilkins helped pioneer distilled water in the Philippines and has grown into the best brand name in the business. We are pleased to have helped bring the company to its current level of success, but feel that it can best grow further by combining together with another leading market player."

The disposal follows Metro Pacific's sale last year of Starpack Philippines Corp., its flexible-packaging business, and of Holland Pacific Paper Inc., a producer of tissue and toilet paper, as well as its sale of Philippine Cocoa Corp. in 1997.