

**2nd December 1998**

**FIRST PACIFIC'S METRO PACIFIC SELLS REMAINING STAKE IN STARPACK TO GERMANY'S VAW FOR P700 MILLION**

First Pacific's Philippine flagship, Metro Pacific Corporation, announced today that its packaging arm, Steniel Manufacturing Corporation, has agreed to sell its remaining 60 per cent interest in Starpack Philippines Corporation to Germany's VAW Europack GmbH.

VAW, which acquired 40 per cent of the flexible-packaging company in 1996, is to pay P700 million for the remaining 60 per cent of the company, resulting in a gain of approximately P275 million for Steniel, which will be recorded in the fourth quarter. Metro Pacific, which owns approximately 73 per cent of Steniel, will record a gain of P202 million.

The proceeds will be used to pay down debt.

The disposal follows Metro Pacific's sale earlier this year of Holland Pacific Paper Inc., a producer of tissue and toilet paper, and its 1997 divestment of Philippine Cocoa Corporation.