NEWS RELEASE

FIRST PACIFIC

FIRST PACIFIC COMPANY LIMITED
(Incorporated in Bermuda with limited liability)

GROUP CORPORATE COMMUNICATIONS

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2006 CONSOLIDATED REPORTED PROFIT RISE 60% TO US$165 MILLION; RECURRING PROFIT UP 40% TO US$150 MILLION; FINAL DIVIDEND HK 3.5 CENTS PER SHARE BRINGING TOTAL DIVIDEND HK 5.5 CENTS PER SHARE FOR THE YEAR

- ⇒ Reported consolidated profit increased by 59.7% to US$164.5 million (HK$1,283.1 million)
- ⇒ Recurring profit up by 39.6% to US$149.9 million (HK$1,169.2 million)
- ⇒ Profit contribution from operations increased by 29.6% to US$187.3 million (HK$1,460.9 million)
- ⇒ Turnover grew by 24.6% to US$2,474.8 million (HK$19,303.4 million)
- ⇒ Adjusted net asset value per share increased by 63% to U.S. 0.88 cent (HK$6.83)
- ⇒ Consolidated gearing ratio improved to 0.77x from 1.12x
- ⇒ Final dividend of U.S. 0.45 cent (HK3.50 cents) per share recommended

Hong Kong, 11th April 2007 – First Pacific Company Limited ("First Pacific" or "the Company") (SEHK: 00142) today announced that its full year 2006 reported profit increased significantly by 59.7 per cent to US$164.5 million (HK$1,283.1 million) from US$103.0 million (HK$803.4 million) in 2005. Basic earnings per share rose to U.S. 5.15 cents (HK40.17 cents) from U.S. 3.23 cents (HK25.19 cents) due to the continued improvement in the operating results of PLDT and Indofood, as well as strengthened exchange rates of the peso and rupiah against the U.S. dollar.

Recurring profit, which excludes the effects of revaluation of derivatives, foreign exchange differences and non-recurring items, improved by 39.6 per cent to US$149.9 million (HK$1,169.2 million) from US$107.4 million (HK$837.7 million). Profit contribution from operations increased by 29.6 per cent to US$187.3 million (HK$1,460.9 million) from US$144.5 million (HK$1,127.1 million). This growth reflected PLDT's sustained strong performance and Indofood's further improved operating performance.

Turnover grew 24.6 per cent to US$2,474.8 million (HK$19,303.4 million) from US$1,986.1 million (HK$15,491.6 million), principally reflecting Indofood's increase in turnover and a seven per cent appreciation of the average exchange rate of the rupiah against the U.S. dollar.

Adjusted net asset value per share increased by 63 per cent to U.S. 0.88 cent (HK$6.83) from U.S. 0.54 cents (HK$4.17) as a result of the appreciation of the share prices of PLDT and Indofood by 39 per cent and 48 per cent, respectively.

The consolidated gearing ratio improved to 0.77x as at 31st December 2006 (31st December 2005: 1.12x), reflecting stronger consolidated total equity. At 31st December 2006, the Head Office gearing ratio was 0.16x (31st December 2005: 0.11x) due to an increase in net debt.

At the Head Office, net interest expense rose by 12.8 per cent to US$22.9 million (HK$178.6 million) reflecting a higher average debt balance as bank loans of US$99.9 million (HK$779.2 million) were drawn down during the year to finance an investment in Maynilad Water and purchases of additional PLDT shares. The increased accretion of interest expenses in relation to the Exchangeable Notes was partially offset by the decline in interest expenses of the CAB Bonds as a result of the repayment of the balance of US$108 million in July 2006.

First Pacific's Board of Directors recommended a final dividend of U.S. 0.45 cent (HK3.50 cents) per share (2005: U.S. 0.26 cent or HK2.00 cents), bringing total dividends (including a special dividend of U.S. 0.12 cent (HK0.96 cent) (2005: Nil)) for the full year to U.S. 0.70 cent (HK5.46 cents) (2005: U.S. 0.39 cent or HK3.00 cents).

Manuel V. Pangilinan, First Pacific's Managing Director and Chief Executive Officer, commented: "We are pleased that all aspects of our businesses have performed above expectations during the year. The debt workout and recapitalization plan that we undertook for the Metro Pacific Group was finalized in 2006. MPIC, our new listed business in the Philippines and successor to Metro Pacific Corporation together with our new strategic partner, Ashmore Investment Management Limited, were successful in the bidding for Maynilad Water.

"During the year, we have assessed a number of investment opportunities in line with our investment strategy. We have strengthened our position in our strategic investment PLDT recently by acquiring an additional 6.4 per cent shareholding in it. We will continue to remain selective in our investment processes and decisions."

Review of Operations
PLDT's profit contribution to the Group increased by 13 per cent to US$138.2 million, representing 74 per cent of First Pacific's aggregate profit contribution from operations of subsidiaries and associated companies in 2006.

In peso terms, PLDT's consolidated net income increased by 3 per cent to Pesos 35.1 billion (US$686.1 million). Core net income increased by 9 per cent to Pesos 31.5 billion (US$615.7 million), reflecting improvements in the key areas of the business. Consolidated service revenues increased to Pesos 125.1 billion (US$2,446.2 million) mainly due to higher revenue contributions from its Wireless and Information and Communications Technology units. Consolidated EBITDA improved to Pesos 79.6 billion (US$1,555.9 million) and EBITDA margin was stable at 64 per cent of service revenues.

Consolidated free cash flow remained strong at Pesos 33.7 billion (US$658.7 million) despite consolidated capital expenditure rising by 41 per cent to Pesos 21.1 billion (US$412.4 million) as a result of the development of the 3G network and upgrading to 150,000 IP-based Next Generation Network (NGN) lines. Consolidated debt was reduced by US$362 million. Total debt and net debt were reduced to US$1.8 billion and US$1.2 billion respectively. Net debt to EBITDA and net debt to free cash flow ratios improved to 0.7 time and 1.6 times respectively.

PLDT declared a final dividend of Pesos 50 (US$1) per share for the year. Total dividends for 2006 reached Pesos 100 (US$2) per share, equivalent to a 60 per cent payout of its consolidated core earnings.

Smart and Piltel's *Talk 'N Text* combined GSM subscriber base grew by 3.8 million subscribers to 24.2 million subscribers representing 58 per cent of the total cellular market in the Philippines. Smart's wireless broadband subscriber base increased by 96,000 to about 122,000 as at year-end, PLDT's DSL broadband subscribers grew by 44,000 to 133,000 and with PLDT's WeRoam subscriber base of 9,600, the total broadband subscriber base reached 265,000 as at year-end 2006 or double that for 2005. The call center and BPO businesses have approximately 9,300 seats, and combined revenues of Pesos 7.5 billion (US$146.6 million).

The PLDT Group's transformation into a diversified telecoms conglomerate is continuing. The move to NGN allows the PLDT Group to expand its coverage, capacity and capability to enhance further and add value to its services and products in the years to come. PLDT is committed to improving shareholder returns by increasing its dividend payout to 70 per cent of 2007 core earnings.

Indofood's profit contribution to the Group increased by 84.8 per cent to US$54.7 million during the year. This resulted from an increase in sales volume, an incremental gain in the fair value of plantations and an appreciation of rupiah against the U.S. dollar. Indofood reported a 24.7 per cent increase in consolidated revenue in U.S. dollar terms to US$2,398.5 million and a 16.9 per cent increase in rupiah terms to Rupiah 21,941.6 billion reflecting the successful implementation of strategic initiatives in marketing and the extension of its stock point distribution system.

Operating profit increased by 37.1 per cent to US$270.5 million as a result of significantly increased volumes and the positive impact from operational and cost efficiency programs. EBIT margin improved slightly to 9.0 per cent from 8.9 per cent. Consolidated net debt was reduced by 6.9 per cent in rupiah terms to Rupiah 5,456.6 billion. In U.S. dollar terms however, net debt rose slightly by 1.5 per cent to US$604.7 million due to the nine per cent appreciation of the rupiah against the U.S. dollar. Net gearing improved to 1.11 times from the previous year's 1.36 times. In 2006, Indofood retained market leadership in most of its key product categories.

Edible Oils and Fats division completed a comprehensive restructuring in 2006. Indofood Agri Resources Ltd. (IndoAgri) was successfully listed on the Singapore Stock Exchange in February 2007. It raised US$270.8 million by issuing new placement shares representing 25 per cent of the enlarged capital of IndoAgri. The proceeds are being used to accelerate the expansion of plantations as well as the relocation and modernization of the Jakarta refinery.

Indofood's operational and cost efficiency initiatives are ongoing. It will increase automation in some production lines, improving operational and administrative processes, and reducing overall fuel cost by using alternative sources. Indofood will continue to strengthen its market position by leveraging its industry competence and extensive distribution system, which together are enhanced by its cost economies and the strength of its brands.

MPIC was listed on the Philippine Stock Exchange in December 2006 which represented the completion of a comprehensive reorganization plan launched in early 2006 for the former Metro Pacific.

MPIC reported lower recurring loss of US$3.7 million in 2006 (2005: US$6.0 million) as a result of an improved contribution from Landco, Inc. (Landco) and a reduced loss at Negros Navigation Company Inc. (Nenaco). MPIC's recorded consolidated revenues of Pesos 3.9 billion (US$76.3 million) mainly reflects increased revenues from Landco, net of reduced revenues from Nenaco. MPIC's net loss in 2006 was the result of continuing losses from Nenaco and from an impairment provision of Pesos 415 million (US$8.1 million) for its investment in Costa de Madera project. In December 2006, Metro Pacific disposed of 83.7 per cent of its interest in Nenaco, and has since been deconsolidated.

MPIC in partnership with DMCI Holdings, Inc acquired by way of public auction conducted by the Philippine Government an 84 per cent interest in Maynilad Water for a total consideration of approximately US$533 million.

In March 2007, MPIC's Board approved the subscription of up to Pesos 750 million (US$15.3 million) five-year convertible notes to be issued by Makati Medical Center (MMC), one of the premier hospitals in the Philippines. Upon conversion, MPIC's equity interest in MMC would be 40 per cent of the expanded capital of MMC, and will make MPIC the single largest shareholder of MMC.

The introduction of Ashmore Investment Management Limited as a strategic partner in MPIC strengthens MPIC's financial position as it seeks long-term investment opportunities in the capital intensive utility and infrastructure sectors, and positions it for an active role in the infrastructure and property sectors in the Philippines.

Level Up reported a recurring loss attributable to the Group of US$1.9 million reflecting the slower than anticipated development of the Brazil and India markets. First Pacific however recorded a non-recurring gain of US$1.8 million arising from the disposal of 60 per cent interest in Level Up! Philippines to ePLDT in April 2006.

Level Up! Philippines' merger with ePLDT's netGames commenced in October 2006 and the consolidation is expected to be completed in the first half of 2007. The consolidated Philippine business has a combined market share of 70 per cent.

Outlook for 2007
First Pacific has focused on enhancing the operational and financial performance of its key operating businesses over the last few years. The improved results in 2006 are the product of this intense and concentrated effort. It is anticipated that 2007 performance will be stronger than 2006.

The emerging markets in Asia continue to present opportunities in the telecoms, consumer food products and infrastructure sectors. These opportunities will be pursued and evaluated and with a continuing positive outlook for the financial markets, a variety of financial options will be available to support targeted investments.

More specifically, the economic outlook for both the Philippines and Indonesia is encouraging and we anticipate that PLDT, Indofood and MPIC will build on the achievements of the last twelve months and continue to expand their businesses and match, if not exceed, their performance targets for 2007.

Mr. Pangilinan concluded "We enter 2007 with optimism. Whilst the economic environment where we have made our investments will continue to be demanding, the fundamental strengths of our businesses reflected in their operating performance over the last twelve months signal a positive year. We are striving to balance our existing investment portfolio with new and significant investments in other countries within Asia - businesses that complement the sectors we currently operate in, and those that will continue enhancing shareholder value."

Further information and analysis
Attached are First Pacific's Consolidated Profit and Loss Statement, Consolidated Balance Sheet and Contribution Summary. Further information, including: Discussion and analysis of First Pacific's individual operations; review of 2006 goals and goals for 2007; and financial analysis, is available under the "News, Announcements and Circulars" section of First Pacific's corporate website at www.firstpacco.com. The 2006 Annual Report will be mailed to shareholders and will be available on www.firstpacco.com by end-April 2007.

Corporate Profile
First Pacific is a Hong Kong-based investment and management company with operations located in Asia. Its principal business interests relate to Telecommunications, Consumer Food Products and Infrastructure. Listed in Hong Kong (Stock code: 00142), First Pacific's shares are also available in the United States through American Depositary Receipts (ADR code: FPAFY).

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First Pacific Company Limited
Consolidated Profit and Loss Statement

For the year ended 31 December **US$ millions**	**2006**	2005
Turnover	**2,474.8**	1,986.1
Cost of sales	**(1,836.5)**	(1,511.7)
Gross Profit	**638.3**	474.4
Gain/(loss) on divestment, dilution and disposal, net	**104.0**	(6.3)
Distribution costs	**(229.6)**	(175.0)
Administrative expenses	**(150.8)**	(128.3)
Other operating expenses, net	**(105.2)**	(29.8)
Net borrowing costs	**(106.4)**	(107.3)
Share of profits less losses of associated companies	**143.0**	137.7
Profit before taxation	**293.3**	165.4
Taxation	**(71.6)**	(26.6)
Profit for the year	**221.7**	138.8
Attributable to:		
Equity holders of the parent	**164.5**	103.0
Minority interest	**57.2**	35.8
	221.7	138.8

Ordinary Share Dividends		
Interim – U.S. 0.13 cent (2005: U.S. 0.13 cent) per share	**4.1**	4.1
Special – U.S. 0.12 cent (2005: Nil) per share	**3.9**	-
Proposed final – U.S. 0.45 cent (2005: U.S. 0.26 cent) per share	**14.4**	8.2
Total	**22.4**	12.3

Earnings per share attributable to equity holders of the parent (U.S. cents)		
Basic	**5.15**	3.23
Diluted	**5.06**	3.17

First Pacific Company Limited
Consolidated Balance Sheet

At 31 December US$ millions	2006	2005
Non-current Assets		
Property and equipment	**716.8**	622.9
Plantations	**275.0**	169.0
Associated companies	**471.0**	381.7
Financial assets at fair value through profit or loss	**104.9**	-
Accounts receivable, other receivables and prepayments	**15.9**	11.7
Goodwill	**34.8**	32.7
Prepaid land premiums	**45.8**	34.5
Available-for-sale assets	**4.9**	2.7
Deferred tax assets	**20.3**	15.4
Other non-current assets	**106.5**	130.8
	1,795.9	1,401.4
Current Assets		
Cash and cash equivalents	**327.7**	296.0
Pledged deposits and restricted cash	**31.3**	4.7
Available-for-sale assets	**102.1**	52.4
Accounts receivable, other receivables and prepayments	**259.5**	286.7
Inventories	**367.4**	303.0
Non-current assets held for sale	**-**	2.9
	1,088.0	945.7
Current Liabilities		
Accounts payable, other payables and accruals	**300.5**	278.6
Short-term borrowings	**508.9**	345.0
Provision for taxation	**23.1**	11.2
Current portion of deferred liabilities and provisions	**16.6**	15.3
	849.1	650.1
Net Current Assets	**238.9**	295.6
Total Assets Less Current Liabilities	**2,034.8**	1,697.0
Equity		
Issued share capital	**32.0**	31.9
Other reserves	**975.5**	927.9
Accumulated losses	**(424.8)**	(577.0)
Equity attributable to equity holders of the parent	**582.7**	382.8
Minority interest	**450.1**	323.9
Total Equity	**1,032.8**	706.7
Non-current Liabilities		
Long-term borrowings	**647.0**	744.2
Deferred liabilities and provisions	**92.1**	92.7
Deferred tax liabilities	**163.3**	114.1
Derivative liability	**99.6**	39.3
	1,002.0	990.3
	2,034.8	1,697.0

First Pacific Company Limited
Contribution Summary

For the year ended 31 December US$ millions	Turnover 2006	 2005	Contribution to Group profit[i] 2006	 2005 (Restated)[ii]
PLDT[iii]	**-**	-	**138.2**	122.4
Indofood	**2,398.5**	1,923.4	**54.7**	29.6
MPIC/Metro Pacific	**76.3**	62.7	**(3.7)**	(6.0)
Level Up[iii]	**-**	-	**(1.9)**	(1.5)
From operations	**2,474.8**	1,986.1	**187.3**	144.5
Head Office items:				
- Corporate overhead			**(13.7)**	(11.5)
- Net interest expense			**(22.9)**	(20.3)
- Other expenses			**(0.8)**	(5.3)
Recurring profit			**149.9**	107.4
Foreign exchange and derivative losses[iv]			**(51.5)**	(18.5)
Non-recurring items[v]			**66.1**	14.1
Profit attributable to equity holders of the parent			**164.5**	103.0

(i) After taxation and minority interest, where appropriate.

(ii) To conform with the Group's current year results presentation, the Group has restated its 2005 profit contribution from PLDT from US$132.2 million to US$122.4 million, which reflects the reclassification of recognized Piltel's deferred tax assets and accelerated depreciation on fixed line network due to Next Generation Network (NGN) upgrade as non-recurring items. Accordingly, the Group's non-recurring items for 2005 is restated from US$4.3 million to US$14.1 million. Such restatements have no effect on the Group's 2005 profit attributable to equity holders of the parent.

(iii) Associated companies.

(iv) 2006's foreign exchange and derivative losses include a US$89.7 million (2005: US$25.4 million) loss on revaluation of option element embedded in Head Office's Exchangeable Notes, partly offset by a US$31.2 million (2005: Nil) gain on changes in the fair value of 1.1 per cent PLDT shares acquired by the Group in 2006 and designated as financial assets at fair value through profit or loss and US$7.0 million (2005: US$6.9 million) gains on foreign exchange translation differences on the Group's unhedged foreign currency denominated borrowings and derivative contracts.

(v) 2006's non-recurring gains of US$66.1 million mainly comprise a gain on divestment of the Group's interest in PLDT of US$58.2 million on settlement of certain Head Office's Exchangeable Notes with PLDT shares and a gain on dilution upon conversion of PLDT's convertible preference shares of US$38.7 million, partly offset by impairment provisions for certain of the Group's assets. 2005's non-recurring gains of US$14.1 million mainly comprise PLDT's net non-recurring items (which represent recognition of Piltel's deferred tax assets less accelerated depreciation on the fixed line network due to NGN upgrade) of US$9.8 million, goodwill compensation received by Indofood in connection with the establishment of a joint venture entity of US$4.8 million and Metro Pacific's adjustments made to amounts owed to Pacific Plaza Towers contractor, partly offset by a loss on dilution of the Group's interest in PLDT of US$6.3 million.