



FIRST PACIFIC COMPANY LIMITED

## Press Release

### **FIRST PACIFIC PLACES US\$400 MLN BOND ISSUE**

*Issue Is 11.3 Times Oversubscribed*

*Hong Kong, Tuesday, 21<sup>st</sup> September 2010* – Late Monday First Pacific Company Limited (“First Pacific” or the “Company”) (HKSE: 00142) placed a US\$400 million 10-year bond issue yielding 6.375% per annum as part of its refinancing and overall debt management program. The bond issue was upsized to US\$400 million from the originally planned US\$300 million to meet the tremendous market demand for the issue.

Net proceeds from the bonds will be used for repayment of at least US\$250 million of the Company’s existing borrowings and the balance for general corporate purposes. The bond issue also diversifies the Company’s sources of funding and extends its debt maturity profile to an average debt maturity of over six years.

“This bond offering comes at an auspicious time for First Pacific, coming on the heels of strong first-half earnings and continuing success in our capital management program,” said First Pacific Managing Director and CEO Manuel V. Pangilinan. “The issue was 11.3 times oversubscribed, signaling a high degree of confidence in First Pacific by the financial markets.”

In August, First Pacific reported an increase of more than 50% in recurring net profit to US\$191.9 million in the six months ended 30<sup>th</sup> June, 2010. Earlier this year it launched a two-prong capital management program consisting of a commitment to pay a minimum of 25% of recurring profit to shareholders as dividends, and a two-year share repurchase program to buy up to HK\$1 billion in First Pacific shares.

The bonds placed yesterday are guaranteed by First Pacific and are secured by shares in Philippine Long Distance Telephone Company (“PLDT”).

As a fixed-rate obligation, the bonds also significantly enhance First Pacific’s management of interest rate risk, increasing the Company’s fixed-rate borrowings to 96% of the total from 66%.

Crédit Agricole CIB and Standard Chartered Bank are joint bookrunners and lead managers for the Regulation S guaranteed secured bond offering.

