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**FIRST PACIFIC COMPANY LIMITED**

*(Incorporated in Bermuda with limited liability)*

**ANNOUNCEMENT  
DISCLOSEABLE AND CONNECTED TRANSACTION**

**Acquisition of further interests in  
Philippine Long Distance Telephone Company  
From  
Metro Pacific Corporation and Metro Asia Link Holdings, Inc.**

The Board of Directors of First Pacific announces that it has completed on 18th September, 2000, through a Philippine affiliate, MPRI, the acquisition of an effective 7.98 per cent interest in PLDT from MPC at a price of Pesos 900 per PLDT Common Share. The total consideration payable to MPC was Pesos 12.1 billion (US\$274.9 million, HK\$2,144.2 million).

The Transaction increased First Pacific's economic interest in PLDT by 1.55 per cent from 23.06 per cent to 24.61 per cent. The First Pacific Group's voting interest following the Transaction remained unchanged at 31.74 per cent of PLDT's total voting capital.

**THE TRANSACTION**

The Board of Directors of First Pacific announced on 12th July, 2000 that First Pacific, through a Philippine affiliate, MPRI, entered into a Share Purchase Agreement with MPC pursuant to which First Pacific acquired an effective 7.98 per cent interest in PLDT at a price of Pesos 900 per PLDT Common Share. The total consideration payable to MPC was Pesos 12.1 billion (US\$274.9 million, HK\$2,144.2 million).

A circular was sent to the shareholders of First Pacific on 24th July, 2000. A special general meeting of First Pacific shareholders took place on 10th August, 2000 and the Independent

Shareholders approved the Transaction. All conditions precedent of the Transaction were fulfilled by 31st August, 2000. Accordingly, the Transaction is completed on 18th September, 2000.

As the First Pacific Group has an aggregate direct and indirect attributable economic interest of 80.62 per cent in MPC, the Transaction increased First Pacific's economic interest in PLDT by 1.55 per cent. from 23.06 per cent to 24.61 per cent. The First Pacific Group's voting interest following the Transaction remained unchanged at 31.74 per cent of PLDT's total voting capital.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:-

"First Pacific"	First Pacific Company Limited, a company incorporated in Bermuda whose securities are listed on The Stock Exchange of Hong Kong Limited;
"First Pacific Group"	First Pacific and certain of its foreign subsidiaries and Philippine affiliates, including the Metro Pacific Group;
"HK\$"	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the People's Republic of China;
"Independent Shareholders"	holders of the Shares other than Messrs. Manuel V. Pangilinan, Ricardo S. Pascua, Edward A. Tortorici and Thomas Y. Yasuda;
"Metro Pacific Group"	MPC and its subsidiaries;
"MPC"	Metro Pacific Corporation, a corporation established under the laws of the Republic of the Philippines and the securities of which are listed on the Philippine Stock Exchange, and in which the First Pacific Group has an aggregate direct and indirect attributable economic interest of 80.62 per cent;
"MPRI"	Metro Pacific Resources, Inc., a corporation established under the laws of the Republic of the Philippines that holds a 44.86 per cent shareholding in MPC and a 0.74 per cent shareholding in PLDT, and in which First Pacific owns the entire attributable

	economic interest;
"Pesos"	Philippine Pesos, the lawful currency of the Republic of the Philippines;
"PLDT"	Philippine Long Distance Telephone Company, a corporation established under the laws of the Republic of the Philippines whose shares of common stock and shares of preferred stock are listed and traded on the Philippine Stock Exchange and whose common stock as represented by American Depositary Shares is listed and traded on the New York Stock Exchange and the Pacific Exchange, San Francisco, California;
"PLDT Common Shares"	Shares of common capital stock of PLDT;
"Share Purchase Agreement"	the share purchase agreement dated 12th July, 2000 by and between MPC and MPRI;
"Share(s)"	ordinary share(s) of US\$0.01 each in the share capital of First Pacific;
"Transaction"	the Share Purchase Agreement and the transactions contemplated thereby; and
"US\$"	United States dollars, the lawful currency of the United States of America.

*For illustration purposes, translations of amounts have been made on an approximate basis at the rates of US\$1 = Pesos 44.0 = HK\$7.8. Percentages, and figures expressed in billions and millions, have been rounded.*

By Order of the Board  
**Ronald A. Brown**  
*Executive Director  
and Company Secretary*

Hong Kong, 18th September, 2000

Please also refer to the published version of this announcement in the South China Morning Post and Hong Kong Economic Journal.