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FIRST PACIFIC COMPANY LIMITED

(Incorporated with limited liability under the laws of Bermuda)

Website: <http://www.firstpacific.com>

(Stock Code: 00142)

DISCLOSEABLE TRANSACTION

Disposal of Interest in Metro Pacific Investments Corporation as a result of the “Re-Launch” of the Shares of Metro Pacific Investments Corporation by way of a Public Offering in an amount of up to US\$300 million (approximately HK\$2,340 million)

Reference is made to the Company’s announcements dated 29 June 2009, 20 July 2009 and 7 September 2009, relating to, amongst other things, the proposed “re-launch” by MPIC of its listed shares by way of a public offering or share placement. MPIC is part of the Group on account of the equity interests of an affiliate of the Company. MPIC is owned as to approximately 90.2% by MPHI, a Philippine affiliate of the Company in which the Company holds 100% attributable economic interest. The Group currently has an approximately 90.2% attributable economic interest in MPIC.

The Company is pleased to announce that MPIC’s international road show for the Proposed Offering which commenced on 7 September 2009 successfully completed on 18 September 2009.

Not for distribution in the United States

The Proposed Offering is structured as a “placing and top up” transaction. Under the Proposed Offering (upon full exercise of the Over-Allotment Option), MPIC can raise an aggregate amount of up to US\$300 million (approximately HK\$2,340 million) (comprising US\$261 million (approximately HK\$2,035.8 million) upon the sale of the Firm Shares and up to US\$39 million (approximately HK\$304.2 million) upon full exercise of the Over-Allotment Option) before deducting expenses of the issue expected to be in the region of US\$10 million (approximately HK\$78 million).

The Proposed Offering will involve an offering of up to approximately 32% of MPIC’s enlarged common share capital upon full exercise of the Over-Allotment Option. The Proposed Offering (upon full exercise of the Over-Allotment Option), will result in the Group holding approximately 61.5% attributable economic interest in MPIC. The Proposed Offering will not result in the financial results of MPIC ceasing to be consolidated in the Company’s consolidated financial statements.

Placing

In relation to the Placing, MPIC and MPHI entered into the Placement Agreement with CLSA Singapore Pte Ltd and UBS AG on 19 September 2009, pursuant to which MPHI agreed to sell 4,150,000,000 common shares of MPIC to purchasers procured by the placing agents for the offer price of Php3.00 (approximately US\$0.0629 and approximately HK\$0.4906) per share, determined based on investors’ response to, and investor demand following, MPIC’s international road show and book-building exercise in respect of the Proposed Offering. In addition, the Placement Agreement also provides for an Over-Allotment Option whereby CLSA Limited, as over-allotment agent may, after consultation with UBS AG, require MPHI to sell up to an additional 620,000,000 common shares of MPIC at the Offer Price to cover the full exercise of the Over-Allotment Option under the Proposed Offering. A Greenshoe Agreement was also entered into between MPHI and CLSA Limited on the same day to regulate the exercise of the Over-Allotment Option.

Top Up Subscription

In relation to the Top Up Subscription, instead of receiving any proceeds from the Proposed Offering, MPHI has agreed to subscribe for new common shares of MPIC, in an amount equal to the aggregate number of Firm Shares sold by MPHI in the Proposed Offering at the Offer Price. A Subscription Agreement was entered into between MPIC and MPHI on 19 September 2009 to this effect. In connection with the Over-Allotment Option in the Placing, the Subscription Agreement also provides that MPHI will subscribe for further new common shares of MPIC, in an amount equal to the aggregate number of common shares of MPIC sold under the Over-Allotment Option.

The Group expects to record a gain on dilution of interest in MPIC of approximately US\$50 million (approximately HK\$390 million) as a result of the Proposed Offering (including the full exercise of the Over-Allotment Option), calculated based on the increase in share of the carrying value of the assets in the accounts.

Listing Rules Implications

The Proposed Offering, as aforementioned, consists of a placing element and a top up subscription element. The Placing is a disposal by the Group of an interest in MPIC and the Top Up Subscription is an acquisition by the Group of further interests in MPIC. Given the percentage of interest in MPIC disposed of by the Group in respect of the Placing is larger than percentage of interest in MPIC acquired by the Group in respect of the Top Up Subscription and that the Proposed Offering will result in a net reduction of the Group's interest in MPIC, the Proposed Offering is a disposal for the Company under the Listing Rules.

The applicable percentage ratios in respect of the Placing exceed 5% but are less than 25%. Accordingly, the Proposed Offering constitutes a discloseable transaction for the Company under the Listing Rules.

Introduction

Reference is made to the announcements of First Pacific Company Limited (the "Company" or "First Pacific") dated 29 June 2009, 20 July 2009 and 7 September 2009, relating to, amongst other things, the proposed "re-launch" by Metro Pacific Investments Corporation ("MPIC") of its listed shares by way of a public offering or share placement (the "Proposed Offering"). MPIC is part of the First Pacific group ("Group") on account of the equity interests of an affiliate of the Company. MPIC is owned as to approximately 90.2% by Metro Pacific Holdings, Inc. ("MPHI"), a Philippine affiliate of the Company in which the Company holds 100% attributable economic interest. The Group currently has an approximately 90.2% attributable economic interest in MPIC.

The Company is pleased to announce that MPIC's international road show for the Proposed Offering which commenced on 7 September 2009 successfully completed on 18 September 2009.

The Proposed Offering is structured as a "placing and top up" transaction. Under the Proposed Offering (upon full exercise of the Over-Allotment Option, as defined below), MPIC can raise an aggregate amount of up to US\$300 million (approximately HK\$2,340 million) (comprising US\$261 million (approximately HK\$2,035.8 million) upon the sale of the Firm Shares (as defined below) and up to US\$39 million (approximately HK\$304.2 million) upon full exercise of the Over-Allotment Option) before deducting expenses of the issue expected to be in the region of US\$10 million (approximately HK\$78 million).

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The Proposed Offering will involve an offering of up to approximately 32% of MPIC's enlarged common share capital upon full exercise of the Over-Allotment Option. The Proposed Offering (upon full exercise of the Over-Allotment Option), will result in the Group holding approximately 61.5% attributable economic interest in MPIC. The Proposed Offering will not result in the financial results of MPIC ceasing to be consolidated in the Company's consolidated financial statements.

Placing

In relation to the placing element of the transaction, MPIC and MPHI entered into a placement agreement (the "Placement Agreement") with CLSA Singapore Pte Ltd and UBS AG (collectively referred to as the "Placing Agents") on 19 September 2009, pursuant to which MPHI agreed to sell 4,150,000,000 common shares of MPIC ("Firm Shares") to purchasers procured by the Placing Agents for the offer price of Php3.00 (approximately US\$0.0629 and approximately HK\$0.4906) per share ("Offer Price") (the "Placing"), determined based on investors' response to, and investor demand following, MPIC's international road show and book-building exercise. In addition, the Placement Agreement also provides for an over-allotment option whereby CLSA Limited, as over-allotment agent may, after consultation with UBS AG, require MPHI to sell up to an additional 620,000,000 common shares of MPIC at the Offer Price to cover the full exercise of the over-allotment option under the Proposed Offering ("Over-Allotment Option"). A greenshoe agreement ("Greenshoe Agreement") was also entered into between MPHI and CLSA Limited on the same day to regulate the exercise of the Over-Allotment Option.

Top Up Subscription

In relation to the top up piece of the transaction, instead of receiving any proceeds from the Proposed Offering, MPHI has agreed to subscribe for new common shares of MPIC, in an amount equal to the aggregate number of Firm Shares sold by MPHI in the Proposed Offering at the Offer Price ("Top Up Subscription"). A subscription agreement ("Subscription Agreement") was entered into between MPIC and MPHI on 19 September 2009 to this effect. In connection with the Over-Allotment Option in the Placing, the Subscription Agreement also provides that MPHI will subscribe for further new common shares of MPIC, in an amount equal to the aggregate number of common shares of MPIC sold under the Over-Allotment Option.

The Group expects to record a gain on dilution of interest in MPIC of approximately US\$50 million (approximately HK\$390 million) as a result of the Proposed Offering (including the full exercise of the Over-Allotment Option), calculated based on the increase in share of the carrying value of the assets in the accounts.

Listing Rules Implications

The Proposed Offering, as aforementioned, consists of a placing element and a top up subscription element. The Placing is a disposal by the Group of an interest in MPIC and the Top Up Subscription is an acquisition by the Group of further interests in MPIC. Given the percentage of interest in MPIC disposed of by the Group in respect of the Placing is larger than the percentage of interest in MPIC acquired by the Group in respect of the Top Up Subscription and that the Proposed Offering will result in a net reduction of the Group's interest in MPIC, the Proposed Offering is a disposal for the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The applicable percentage ratios in respect of the Placing exceed 5% but are less than 25%. Accordingly, the Proposed Offering constitutes a discloseable transaction for the Company under the Listing Rules.

Reasons for and directors' views in respect of the Proposed Offering

The purpose of the Proposed Offering is principally to finance MPIC's acquisition of select infrastructure assets in the Philippines, and in particular to support MPIC's acquisition of a significant equity stake in Manila Electric Company which is part of MPIC's stated strategy of becoming a prime infrastructure investment and management company in the Philippines. In addition, the Proposed Offering is expected to substantially strengthen MPIC's capital structure, broaden its shareholder base and to increase trading liquidity and volumes of MPIC common stock on the Philippine Stock Exchange.

The directors (including the independent non-executive directors) of the Company consider that the terms of the Placement Agreement, the Subscription Agreement, the Greenshoe Agreement and the Proposed Offering are fair and reasonable and in the interests of the shareholders of the Company as a whole.

General

The Company is a Hong Kong-based investment and management company with operations located in Asia. The Company's principal business interests relate to Telecommunications, Infrastructure, Consumer Food Products and Natural Resources.

CLSA Singapore Pte Ltd and CLSA Limited are part of the CLSA group of companies, which is a member of the global financial services firm Credit Agricole in France. CLSA is a leading independent brokerage and investment group.

UBS AG is a global financial services firm with a focus on international wealth management, Swiss banking business, investment banking and asset management.

MPIC is part of the Group on account of the equity interests of an affiliate of the Company. The Group currently has an approximately 90.2% attributable economic interest in MPIC.

The net assets of MPIC as at 30 June, 2009 are Php20,691 million (approximately US\$429.9 million and approximately HK\$3,353.2 million) and the net profits of MPIC before and after taxation and extraordinary items are Php960 million (approximately US\$21.5 million and approximately HK\$167.7 million) and Php549 million (approximately US\$12.3 million and approximately HK\$95.8 million), respectively, for the financial year ended 31 December, 2008, and the net losses of MPIC before and after taxation and extraordinary items are Php157 million (approximately US\$3.4 million and approximately HK\$26.7 million) and Php110 million (approximately US\$2.4 million and approximately HK\$18.8 million), respectively, for the financial year ended 31 December, 2007.

MPHI is a Philippine affiliate of the Company in which the Company holds 100% attributable economic interest.

To the best of the directors' knowledge, information and belief having made all reasonable enquiry, CLSA Limited, CLSA Singapore Pte Ltd, UBS AG and the investors under the Proposed Offering and their ultimate beneficial owners are third parties independent of the Company and its connected persons.

By Order of the Board
First Pacific Company Limited
Manuel V. Pangilinan
Managing Director and CEO

Hong Kong, 21 September, 2009

Unless stated otherwise, translations of quoted currency values are made on an approximate basis and at the rate of US\$1.00 = Php47.7 = HK\$7.8. Percentages and figures expressed have been rounded.

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As at the date of this announcement, the Board comprises the following Directors:

Anthoni Salim, <i>Chairman</i>	Tedy Djuhar
Manuel V. Pangilinan, <i>Managing Director and CEO</i>	Sutanto Djuhar
Edward A. Tortorici	Ibrahim Risjad
Robert C. Nicholson	Benny S. Santoso
Napoleon L. Nazareno	Graham L. Pickles*
Ambassador Albert F. del Rosario	Prof. Edward K.Y. Chen*, <i>GBS, CBE, JP</i>
Sir David W.C. Tang*, <i>KBE</i>	

* *Independent Non-executive Directors*

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