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## **FIRST PACIFIC COMPANY LIMITED**

### **第一太平有限公司**

*(Incorporated with limited liability under the laws of Bermuda)*

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

(Stock Code: 00142)

### **Issue of US\$400,000,000 4.5% Guaranteed Bonds due 2023 by FPC Treasury Limited irrevocably and unconditionally guaranteed by First Pacific Company Limited**

The Board is pleased to announce that on 10 April 2013, the Company, the Issuer and the Joint Lead Managers entered into the Subscription Agreement. Pursuant to, and subject to certain conditions in, the Subscription Agreement, the Issuer has agreed to sell to the Joint Lead Managers, and the Joint Lead Managers have agreed, severally and not jointly, to subscribe for the Bonds in an aggregate principal amount of US\$400 million (equivalent to approximately HK\$3,120 million) at an issue price of 100%. The Bonds will be unconditionally and irrevocably guaranteed by the Company.

None of the Bonds will be offered to the public in Hong Kong other than to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong.

**Completion of the Subscription Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein. Please refer to the section headed “Subscription Agreement” below for further information.**

**As the Subscription Agreement may or may not complete, shareholders of the Company and prospective investors are advised to exercise caution when dealing in the securities of the Company.**

Application has been made to the SEHK for the listing of, and permission to deal in, the Bonds by way of debt issues to professional investors only and such permission is expected to become effective on or about 17 April 2013. The Bonds and the Guarantee have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act.

## **INTRODUCTION**

The Board is pleased to announce that on 10 April 2013, the Company, the Issuer and the Joint Lead Managers entered into the Subscription Agreement. Pursuant to, and subject to certain conditions in, the Subscription Agreement, the Issuer has agreed to sell to the Joint Lead Managers, and the Joint Lead Managers have agreed, severally and not jointly, to subscribe for the Bonds in an aggregate principal amount of US\$400 million (equivalent to approximately HK\$3,120 million) at an issue price of 100%. The Bonds will be unconditionally and irrevocably guaranteed by the Company.

The Offering Circular to be distributed to prospective investors of the Bonds will contain certain financial and other information relating to the Company.

## **SUBSCRIPTION AGREEMENT**

Parties:	Issuer:	FPC Treasury Limited.
	Guarantor:	First Pacific Company Limited.
	Joint Lead Managers:	The Hongkong and Shanghai Banking Corporation Limited and Mizuho Securities Asia Limited.

Subscription: The Joint Lead Managers have conditionally agreed, severally and not jointly, to subscribe for the Bonds in an aggregate principal amount of US\$400 million (equivalent to approximately HK\$3,120 million).

The Bonds and the Guarantee have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act. None of the Bonds will be offered to the public in Hong Kong other than to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong.

Conditions precedent: The obligations of the Joint Lead Managers under the Subscription Agreement are conditional upon, among other things, the execution and delivery on or before the Closing Date of certain transaction documents by the respective parties and the Company procuring certain legal opinions, auditors' comfort letters, compliance certificates and other relevant documents to be delivered to the Joint Lead Managers.

All the conditions may be waived in whole or in part at the discretion of the Joint Lead Managers.

Completion: Subject to all the conditions of the Subscription Agreement being fulfilled or waived by the Joint Lead Managers and the Subscription Agreement not being terminated, including pursuant to force majeure, completion of the issue of the Bonds is expected to take place on the Closing Date.

Stabilisation: Stabilisation, if any, will be undertaken in accordance with the rules of the Financial Conduct Authority of the United Kingdom.

As the Subscription Agreement may or may not complete, shareholders of the Company and prospective investors are advised to exercise caution when dealing in the securities of the Company.

**PRINCIPAL TERMS OF THE BONDS**

The principal terms of the Bonds are summarised as follows:

- Issuer: FPC Treasury Limited.
- Guarantor: First Pacific Company Limited.
- Bonds Offered: Aggregate principal amount of US\$400,000,000 4.5% Guaranteed Bonds due 2023.
- Guarantee: Payment of all sums from time to time payable in respect of the Bonds is irrevocably and unconditionally guaranteed by the Company.
- Issue Price: 100%.
- Maturity Date: 16 April 2023.
- Interest: The Bonds will bear interest from 16 April 2013 at the rate of 4.5% per annum, payable semi-annually in arrear on 16 April and 16 October of each year.

- Ranking:** The Bonds will constitute direct, unconditional and unsecured obligations of the Issuer. The Bonds will at all times rank pari passu and without any preference or priority amongst themselves, with all other present and future unsecured and unsubordinated obligations of the Issuer, save for such exceptions as may be provided by applicable laws. The Guarantee will constitute a direct, unsecured and unsubordinated obligation of the Company which will at all times rank at least pari passu with all other present and future unsecured and unsubordinated obligations of the Company, save for such exceptions as may be provided by applicable laws.
- Events of Default:** The Bonds contain certain events of default, including a cross acceleration provision in respect of the Issuer and the Company.
- Covenants:** The Issuer and the Guarantor have agreed to certain covenants, including a restriction on the incurrence of indebtedness by the Company and its Restricted Subsidiaries (as defined in the Terms and Conditions) that would result in the Interest Coverage Ratio (as defined in the Terms and Conditions) for the Head Office being less than 2.5 times and a restriction on disposals of assets of the Company (in both cases, subject to certain exceptions as set out in the Terms and Conditions).
- Tax Redemption:** The Bonds may be redeemed at 100% of the principal amount thereof, plus accrued and unpaid interest, as a result of certain developments affecting taxation in the British Virgin Islands, Bermuda or Hong Kong.
- Change of Control:** The Bonds may be redeemed within 30 days following the occurrence of a Change of Control (as defined in the Terms and Conditions), at the option of the bondholders, at 101% of the principal amount thereof, plus accrued and unpaid interest.
- Delisting:** The Bonds may be redeemed within 30 days following the occurrence of a Delisting (as defined in the Terms and Conditions) except where the Delisting is at the request of the Company, at the option of the bondholders, at 100% of the principal amount thereof, plus accrued and unpaid interest.
- Governing Law:** English Law.
- Listing:** Application has been made to the SEHK for the listing of, and permission to deal in, the Bonds by way of debt issues to professional investors only and such permission is expected to become effective on or about 17 April 2013.

## REASON FOR THIS TRANSACTION

The net proceeds of the offering of the Bonds, after deducting underwriting commissions and other expenses payable by the Issuer and the Company, are estimated to be approximately US\$395 million (equivalent to approximately HK\$3,081 million). The net proceeds will be on-lent by the Issuer to the Company who will use the net proceeds for the repayment and refinancing of existing secured indebtedness.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following capitalised terms shall have the following meanings:

“Board”	The board of Directors.
“Bonds”	US\$400,000,000 4.5% Guaranteed Bonds due 2023 to be issued by the Issuer and irrevocably and unconditionally guaranteed by the Guarantor.
“Closing Date”	16 April 2013 or such later date, not being later than 30 April 2013, as the Issuer and the Joint Lead Managers may agree.
“Company” or “Guarantor”	First Pacific Company Limited, an exempt company incorporated in Bermuda with limited liability, the shares of which are listed on the SEHK.
“Director(s)”	The director(s) of the Company.
“Head Office”	The Company and the Restricted Subsidiaries.
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong.
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China.
“Issuer”	FPC Treasury Limited, a limited liability company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company.
“Joint Lead Managers”	The Hongkong and Shanghai Banking Corporation Limited and Mizuho Securities Asia Limited.
“Offering Circular”	The offering circular dated 10 April 2013 issued by the Issuer in connection with the issue of the Bonds.
“Securities Act”	United States Securities Act of 1933, as amended.
“SEHK”	The Stock Exchange of Hong Kong Limited.

“Subscription Agreement”	The subscription agreement dated 10 April 2013 between the Company, the Issuer and the Joint Lead Managers relating to the subscription and offering of the Bonds.
“Terms and Conditions”	The terms and conditions of the Bonds.
“US\$”	United States dollars, the lawful currency of the United States.

By Order of the Board  
**FIRST PACIFIC COMPANY LIMITED**  
**Manuel V. Pangilinan**  
*Managing Director and CEO*

Hong Kong, 10 April 2013

In this announcement, all translations from US\$ into HK\$ have been made at the rate of US\$1.00 to HK\$7.80.

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

***Executive Directors:***

Manuel V. Pangilinan, *Managing Director and CEO*  
Edward A. Tortorici  
Robert C. Nicholson

***Non-executive Directors:***

Anthoni Salim, *Chairman*  
Benny S. Santoso  
Tedy Djuhar  
Napoleon L. Nazareno

***Independent Non-executive Directors:***

Graham L. Pickles  
Prof. Edward K.Y. Chen, *GBS, CBE, JP*  
Jun Tang  
Margaret Leung Ko May Yee, *SBS, JP*  
Philip Fan Yan Hok