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FIRST PACIFIC

FIRST PACIFIC COMPANY LIMITED

(Incorporated with limited liability under the laws of Bermuda)
Website: http://www.firstpacific.com
(Stock Code: 00142)

ANNOUNCEMENT UNDER RULE 13.09(1) OF THE LISTING RULES

Share Repurchase Programme
The Board has approved a programme to repurchase up to US$130 million (equivalent to approximately HK$1 billion) in value of the Company's shares from the open market, by way of "on market repurchases", over a 24-month period.

At HK$5.09 per share, being the closing price of the Company's shares on 1 June 2010, the programme would enable the Company to repurchase approximately 5% of the existing issued share capital, or approximately 10% of all shares not held by the Company's management or the Salim Investors (such shares collectively represent approximately 46% of the issued share capital of the Company).

It is anticipated that the 24-month share repurchase programme will be implemented for the purpose of enhancing value for all shareholders.

Taking account of the strong underlying performance of the Company's operating companies, the growth prospects and the cash-generating nature of the Company's investments, the directors believe that the Company continues to be significantly undervalued. Having conducted a review of the allocation of the Company's capital, the Board has concluded that it is now appropriate to conduct a sustained share repurchase programme.

The share repurchase programme is a key part of the Company's capital management programme which includes a commitment to set aside at least 25% of recurring profits for dividend payments to shareholders in respect of 2010 recurring profits.

The average discount to NAV of the Company's share price over the past six months was approximately 53.9% and was, at the close of share trading on 1 June 2010, approximately 48.3%.

Takeovers Code Implications of the Share Repurchase Programme

If as a result of a repurchase pursuant to the share repurchase programme, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a shareholder, or a group of shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the shareholders' interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory general offer in accordance with Rule 26 of the Takeovers Code.

As at the date of this announcement, the Salim Investors collectively beneficially own shares representing a total of approximately 44.11% of the issued share capital of the Company. Under the Takeovers Code, where two of more persons are acting in concert, and they collectively hold not less than 30%, but not more than 50%, of the voting rights of a company, and any one or more of them acquires additional voting rights and such acquisition has the effect of increasing their collective holding of voting rights of the company by more than 2% from the lowest collective percentage holding of such persons in the 12 month period ending on and inclusive of the date of the relevant acquisition, an obligation on the part of that person to make a mandatory general offer in accordance with Rule 26 of the Takeovers Code would be triggered.

If the share repurchase programme were to be exercised in full, the collective shareholdings of the Salim Investors would increase from approximately 44.11% to approximately 46.43% of the then issued share capital of the Company. However, the share repurchase programme is a 24-month programme. It is the intention of the Board to implement the share repurchase programme during the 24-month period only in such a way and only to such an extent that would not cause a mandatory general offer obligation to arise for the Salim Investors under Rule 26 of the Takeovers Code.

Save as aforesaid, the directors are not aware of any other consequences which would arise under the Takeovers Code as a result of the implementation of the share repurchase programme.

The directors will also not implement the share repurchase programme in such a way or to such an extent which would result in the number of listed shares of the Company which are in the hands of the public falling below the relevant prescribed minimum percentage as required by The Stock Exchange of Hong Kong Limited.

Reduction of General Mandate to Issue New Shares from 2011

Separately, the Board has agreed to ask shareholders at the 2011 annual general meeting of the Company to approve a reduced general mandate to issue and allot new shares. The general mandate will be reduced from the existing 20% of share capital to 10%. Until this vote takes place, the Company will adhere to the proposed new lower limit.

Share Repurchase Programme

The Board of Directors (the "Board") of First Pacific Company Limited ("First Pacific" or "the Company"), has approved a 24-month programme to repurchase up to US$130 million (equivalent to approximately HK$1 billion) in value of the Company's shares from the open market to enhance value for all shareholders.

At HK$5.09 per share, being the closing price of the Company's shares on 1 June 2010, the programme would enable the Company to repurchase approximately 5% of the existing issued share capital, or approximately 10% of all shares not held by the Company's management or the Salim Investors (as defined below) (such shares collectively represent approximately 46% of the issued share capital of the Company).

It is anticipated that the 24-month share repurchase programme will be implemented for the purpose of enhancing value for all shareholders.

Taking account of the strong underlying performance of the Company's operating companies, the growth prospects and the cash-generating nature of the Company's investments, the directors believe that the Company continues to be significantly undervalued. Having conducted a review of the allocation of the Company's capital, the Board has concluded that it is now appropriate to conduct a sustained share repurchase programme.

The share repurchase programme is a key part of the Company's capital management programme which includes a commitment to set aside at least 25% of recurring profits for dividend payments to shareholders in respect of 2010 recurring profits.

The average discount of the Company's share price to the adjusted net asset value of the Company ("NAV") over the past six months was approximately 53.9% and was, at the close of share trading on 1 June 2010, approximately 48.3%.

Under the share repurchase programme, First Pacific will only purchase its shares in the open market, by way of "on market" repurchases, as permitted under the Hong Kong Code on Share Repurchases (the "Share Repurchase Code") under the authority of the repurchase mandate granted by the shareholders at the annual general meeting of the Company held on 31 May 2010 and, for the second 12 months of the 24 months period of the share repurchase programme, any share repurchase mandate granted by the shareholders at the Company's 2011 annual general meeting. The Company is not proposing to make any "off-market" share repurchases or repurchases by general offer (each as referred to in the Share Repurchase Code).

Takeovers Code Implications of the Share Repurchase Programme

If as a result of a repurchase pursuant to the share repurchase programme, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a shareholder, or a group of shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the shareholders' interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory general offer in accordance with Rule 26 of the Takeovers Code.

As at the date of this announcement, First Pacific Investments Limited, First Pacific Investments (B.V.I.) Limited and Mega Ring Investments Limited (collectively the "Salim Investors") collectively beneficially own shares representing a total of approximately 44.11% of the issued share capital of the Company. Under the Takeovers Code, where two of more persons are acting in concert, and they collectively hold not less than 30%, but not more than 50%, of the voting rights of a company, and any one or more of them acquires additional voting rights and such acquisition has the effect of increasing their collective holding of voting rights of the company by more than 2% from the lowest collective percentage holding of such persons in the 12 month period ending on and inclusive of the date of the relevant acquisition, an obligation on the part of that person to make a mandatory general offer in accordance with Rule 26 of the Takeovers Code would be triggered.

If the share repurchase programme were to be exercised in full, the collective shareholdings of the Salim Investors would increase from approximately 44.11% to approximately 46.43% of the then issued share capital of the Company. However, the share repurchase programme is a 24-month programme. It is the intention of the Board to implement the share repurchase programme during the 24-month period only in such a way and only to such an extent that would not cause a mandatory general offer obligation to arise for the Salim Investors under Rule 26 of the Takeovers Code.

Save as aforesaid, the directors are not aware of any other consequences which would arise under the Takeovers Code as a result of the implementation of the share repurchase programme.

The directors will also not implement the share repurchase programme in such a way or to such an extent which would result in the number of listed shares of the Company which are in the hands of the public falling below the relevant prescribed minimum percentage as required by The Stock Exchange of Hong Kong Limited.

Reduction of General Mandate to Issue New Shares from 2011

Separately, the Board has agreed to ask shareholders at the 2011 annual general meeting of the Company to approve a reduced general mandate to issue and allot new shares. The general mandate will be reduced from the existing 20% of share capital to 10%. Until this vote takes place, the Company will adhere to the proposed new lower limit.

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

Hong Kong, 1 June 2010

Unless stated otherwise, translations of quoted currency values are made on an approximate basis and at the rate of US$1.00 = HK$7.80. Percentages and figures expressed in millions or billions have been rounded.

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

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

* *Independent Non-executive Directors*