

FIRST PACIFIC COMPANY LIMITED
PRESS RELEASE

Friday, 5 July 2002

**FIRST PACIFIC RESPONDS TO COMPLAINT FILED BY PLDT IN U.S.
FEDERAL DISTRICT COURT**

First Pacific reports that it has received a copy of PLDT's press release of 4 July 2002, in which PLDT stated that it filed a complaint in the U.S. Federal District Court for the Southern District of New York, on 3 July 2002, alleging that First Pacific did not make full disclosure in its 11 June 2002 document filed with U.S. securities regulators of the 4 June 2002 Memorandum of Agreement between First Pacific and the Gokongwei group (the "MOA"). The MOA was the basis for First Pacific's public announcement on 5 June 2002 of its proposed transaction with the Gokongwei group in respect of PLDT.

In addition, First Pacific reports that it received a copy of the PLDT complaint, late yesterday afternoon, but has not had an opportunity to review it fully. Accordingly, First Pacific cannot comment in detail, at this time, upon the basis for, or purpose behind, the PLDT complaint.

Nonetheless, First Pacific states that on 24 June 2002, First Pacific did respond to PLDT's 19 June 2002 written request for a copy of the MOA but did not provide such copy to PLDT. In our response, we advised PLDT that we had reviewed the matter with our legal advisers and we were confident that the disclosures we had made complied in all material respects with the applicable requirements of the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, except to the extent affected by the failure of certain First Pacific affiliated Philippine companies and persons acting on their behalf, despite our request, to sign the U.S. disclosure document and obtain related factual confirmations, as to which we necessarily could formulate no belief. These disclosures were filed with the U.S. SEC, PLDT itself and each of the U.S. and Philippine stock exchanges upon which PLDT securities are listed and traded.

First Pacific is consulting with its U.S. legal advisers upon the next steps to be taken concerning the complaint.

In response to PLDT staff's unsubstantiated negative comments on First Pacific's overall compliance record, First Pacific reaffirms that it has acted and will continue to act in full compliance with all of its obligations, disclosure-related or otherwise, in respect of the proposed transaction with the Gokongwei group. First Pacific believes that these types of comments are unnecessary and counter-productive and prefers to continue concentrating its own efforts upon concluding this transaction in a professional manner.

Information relating to PLDT:

PLDT is the principal supplier of domestic and international telecommunications services in the Philippines. It is listed on the Philippine Stock Exchange. First Pacific holds an aggregate direct and indirect economic interest of 24.4 per cent and a 31.5 per cent voting interest in PLDT.

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