

**Wednesday, 16 January 2002**

**FIRST PACIFIC CANCELS US\$9.5 MILLION OF CONVERTIBLE BONDS**

First Pacific Company Limited announced today that it has canceled US\$9.5 million of its outstanding convertible bonds, for a total cost of approximately US\$12.8 million.

Post this transaction, the outstanding face value is reduced to US\$198 million, from US\$208 million, and the redemption payable is reduced to US\$266 million, from US\$279 million.

**Background:**

In March 1997, US\$350 million of five-year convertible bonds were issued by First Pacific Capital (1997) Limited, a wholly-owned subsidiary of First Pacific, at a coupon rate of 2 per cent. The bonds may be converted into shares up until March 2002 at a strike price of HK\$12.25 per share, and are redeemable at a price of 134 per cent of face value.

First Pacific has to date canceled approximately 43 per cent of the amount originally issued, and has accrued the premium to maturity since 1997.

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For further information, please contact:

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