

**18 September 2000**

**FIRST PACIFIC FURTHER INCREASES ITS STAKE IN PLDT**

First Pacific Company Limited today announced that it has completed the acquisition of Metro Pacific Corporation's direct and indirect interests of approximately 13.4 million shares in the Philippine Long Distance Telephone Company ("PLDT"), representing eight per cent of PLDT's issued capital, at Pesos 900 (US\$20, HK\$160) per share amounting to Pesos 12.1 billion (US\$275 million, HK\$2.1 billion).

The transaction, which was announced on 12 July 2000, was approved by First Pacific's shareholders at a Special General Meeting held on 10 August 2000. Metro Pacific originally attained its interest in PLDT in March 2000, when Metro Pacific's 38.3 per cent interest in Smart Communications, Inc. ("Smart") was acquired by PLDT in exchange for PLDT shares.

First Pacific's economic interest in PLDT has now increased to 24.6 per cent, from 23.1 per cent, while its voting interest stands at 31.7 per cent. NTT Communications Corporation, a member of the NTT Group of Japan, is a strategic partner in PLDT and has a 15 per cent interest.

Michael J A Healy, First Pacific's Chief Operating Officer and Finance Director, commented: "The further consolidation of First Pacific's interests in PLDT is another step towards our objective of refocusing our investment portfolio in premier Asian businesses which command leading market positions. PLDT is the largest telecommunications company in the Philippines and has a broad range of delivery platforms that uniquely position it for excellent financial returns in a rapidly developing market. PLDT is a core investment for First Pacific.

"This latest increase has been acquired at a time when PLDT's subsidiaries, Smart and Piltel, are on the verge of becoming the leading provider of GSM cellular services in the Philippines, outpacing their competitors in a remarkably short period. Smart and Piltel started the year with fewer than 200,000 GSM subscribers. By the end of August, they had more than 1.8 million GSM subscribers."

This transaction also advances Metro Pacific's strategy to become a property-focused company. Approximately 90 per cent of Metro Pacific's assets now relate to property.

**Reference information:**

**First Pacific** A Hong Kong-based conglomerate founded in 1981, owns and operates business interests in Consumer, Telecommunications, Property and Banking. Investments are primarily in Hong Kong, Indonesia, the Philippines and Thailand. A constituent of the Hang Seng Index, First

Pacific's shares are listed in Hong Kong, and are available in the United States through American Depositary Receipts.

In the first half of this year, First Pacific reported a contribution from operations amounting to US\$45.5 million and profit attributable to ordinary shareholders of US\$50.4 million.

**PLDT** PLDT is the principal supplier of domestic and international telecommunications services in the Philippines. Based in Manila and listed on the Philippine Stock Exchange, PLDT is actively pursuing a convergence strategy and has three principal business groups - fixed line, wireless and e-commerce - providing a comprehensive menu of products and services across the most extensive broadband and integrated networks in the country.

In the first half of 2000, PLDT reported US\$709 million of revenues. EBITDA for the first half grew by three per cent compared to 1999 to US\$376 million.

**Metro Pacific** Based in Manila and listed on the Philippine Stock Exchange, Metro Pacific has interests principally in Property (Bonifacio Land Corporation, Landco Pacific and Pacific Plaza Towers). It also has interests in Banking (First eBank), Packaging (Steniel) and Transportation (Negros Navigation).

In the first half of 2000, Metro Pacific reported US\$164 million of revenues. EBITDA for the first half grew by nine per cent compared to 1999 to US\$47 million.

**Smart** Smart is the leading cellular services provider in the Philippines and is a wholly owned subsidiary of PLDT. It is licensed to offer mobile telephone services, local and long distance calling and paging services. Smart was combined with PLDT on 24 March 2000.

*Translations are for illustrative purposes only, and are at the approximate rates of:  
US\$1 = Pesos 44 = HK\$7.80.*

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For more information, please visit our web sites:

First Pacific: [www.firstpacco.com](http://www.firstpacco.com)

PLDT: [www.pldt.com.ph](http://www.pldt.com.ph)

Metro Pacific: [www.metropacific.com](http://www.metropacific.com)

Smart: [www.smart.com.ph](http://www.smart.com.ph)