

6th March 2000

FIRST PACIFIC ANNOUNCES REORGANISATION OF PROPERTY INTERESTS

First Pacific announces that it has reached agreement with Savills plc to reorganise First Pacific's Asian property services operations in order to meet the increasingly global requirements of investors and occupiers across the property and facility management services markets.

Under the terms of the transaction, First Pacific will combine First Pacific Davies Limited, an indirect wholly-owned subsidiary, which trades under the brand name of FPDSavills, with Savills plc in return for 7.8 million new shares in Savills plc, representing 12.6 per cent of the newly-enlarged share capital of Savills plc, and HK\$225 million (US\$29 million) in cash. Prior to the transaction, First Pacific held a 19.8 per cent interest in Savills plc and, as a consequence of the transaction, First Pacific's interest in Savills plc will increase to just under 30 per cent.

The transaction is subject to the approval of Savills plc's shareholders, and is expected to be completed in early April.

Based on Friday's closing price in London of £2.125 (approximately HK\$26.09, US\$3.35) per Savills plc share, the transaction is valued at HK\$429 million (US\$55 million), inclusive of the cash element.

In addition, First Pacific's representation on Savills plc's 13 member board will be increased to three from two.

David S. Davies, OBE, who is an Executive Director of First Pacific and an existing member of the Savills plc board, will continue as a Non-Executive Director of Savills plc. Michael J. A. Healy, First Pacific's Chief Operating Officer and Finance Director, and David G. Eastlake, an Executive Director of First Pacific, will be appointed Non-Executive Directors of Savills plc. In addition, David W. Wong, Chief Executive Officer of FPDSavills Asia Pacific, will be appointed to the Savills plc board as an Executive Director.

Godfrey A. Blott, who has served as a Non-Executive Director of Savills plc since October 1997, and who was responsible for internationalising First Pacific Davies and

for initiating the process of reorganisation last year, now wishes to pursue his own property related business interests and will, because of commitments given to these, be stepping down from the Savills plc board.

Hong Kong-based First Pacific Davies is a market leader in Asia Pacific and Australia, specialising in agency, consultancy, property and facility management services. Savills plc, a leading firm of international property consultants headquartered in London, provides comprehensive advice across all aspects of the property market in the United Kingdom and Continental Europe. In 1997, First Pacific Davies and Savills plc formed a strategic alliance, to develop their property agency and management activities under the brand name of FPDSavills, and now operate through 74 offices in 14 countries.

Commenting on the transaction David S. Davies, OBE, Chairman of FPDSavills Asia Pacific, said: "The alliance between First Pacific Davies and Savills has proved extremely successful as both possess similar, and complementary, core strengths and attributes. As such, ensuring the consolidation of these two leading property consultants is the next logical step in order to best position them to respond to the internationalisation of the property services market."

Richard Jewson, Chairman of Savills plc, commented: "In recent years, Savills has made excellent ground in growing its core UK business, and has expanded its activities into other key areas of the property services market. During this time, the company has sought to develop its international presence, which has included the acquisition of businesses in Europe and the establishment of our strategic link with First Pacific Davies in 1997.

"The acquisition of First Pacific Davies is a major strategic step in the development of Savills as an international property services group. The Board is confident that First Pacific Davies is well placed to take advantage of the forecast recovery in the property markets in Asia, and that the enlarged group will benefit from increased international coverage."