

**14th July 1999**

**METRO PACIFIC SELLS METROLAB TO SARA LEE FOR PESOS 1.02 BILLION**

First Pacific Company Limited's Philippines flagship, Metro Pacific Corporation, announced today that it has agreed to sell Metrolab Industries, Inc., which produces Eskinol and other leading skin care products, for Pesos 1.02 billion to Sara Lee (Philippines), Inc., a subsidiary of the U.S. based personal care company.

The transaction marks the latest step in Metro Pacific's efforts to refocus its activities on property development through the landmark Fort Bonifacio project, as well as Landco Pacific and its Pacific Plaza Towers luxury condominium complex which is rapidly rising on the Fort Bonifacio site.

Metro Pacific will record an exceptional gain of approximately Pesos 350 million on the disposal, and intends to use the proceeds to further its program of reducing head office debt.

Metrolab - which recorded approximately Pesos 1 billion in revenues last year - has built a range of market-leading skin care products including Eskinol for women and Master for men; Block and White skin whitening products; and Purinse, a hand-sanitizing gel. Its products have domestic market shares of 49 per cent of the facial-care products market, 10 per cent share of the hand and body lotions market, and 10 per cent of the deodorants market.

MPC President Napoleon Nazareno said, "We are proud of Metrolab's accomplishments in developing and introducing locally developed skin care products that have become widely accepted, and used daily by the Filipino community both at home and abroad. This was achieved in the face of many competing local and popular international brands making Metrolab a true Filipino success story. The entry of Sara Lee will provide Metrolab with the flexibility to enhance its marketing and distribution capabilities, and provide access to new technologies that will build its brands."

"Sara Lee is strongly committed to grow in Asia. The acquisition of Metrolab confirms Sara Lee's commitment and confidence in the recovery of the economy in Asia. The acquisition of Metrolab will allow Sara Lee to leapfrog into Philippines' growing consumer market, providing a solid platform for sustainable growth in the Philippines and help drive regional growth in the body care category. It is an excellent

opportunity for us to build on the present Metrolab brands, as well as allow us to continue to market Sara Lee brands such as Hanes apparel, Kiwi shoe cream, Fissan and Zwitsal bodycare products." said Peter Birch, CEO, Sara Lee Asia Pacific.

Sara Lee is a global manufacturer and marketer of high-quality consumer products with annual sales of US\$20 billion. Sara Lee operates in more than 40 countries, employs 139,000 people worldwide, and markets branded products in more than 140 nations. Sara Lee in the Philippines currently markets brands like Kiwi shoe care products, Hanes apparel, Sara Lee cakes and desserts, Sanex and Badedas bodycare, Ridsect insecticide and wide range of skin care and cosmetics products through its Direct Selling operations under the umbrella brand "House of Sara Lee".