

25th August 1998

FIRST PACIFIC SELLS SAN MIGUEL STAKE FOR 3 BILLION PESOS

First Pacific Company Limited announced that it has sold its entire shareholding in San Miguel Corporation of the Philippines for 3 billion pesos (approximately HK\$540 million), representing a 20 per cent average premium to today's closing price.

The shares, which had been purchased last year when First Pacific was engaged in discussions with the Philippine Government and Mr. Eduardo Cojuangco, Jr. to acquire a significant interest in San Miguel, were sold through Exchange Capital Corp., an affiliate of Jardine Fleming, for 45.1 pesos per "A" share and 53.2 pesos per "B" share. San Miguel's shares closed today in Manila at 38.0 pesos and 41.0 pesos, respectively.

The transaction will have no material impact on First Pacific's 1998 profit, following a provision that was taken by the Group in 1997 to account for the decline in the dollar-value of San Miguel's shares, which are denominated in pesos.