



**FIRST PACIFIC COMPANY LIMITED**

**第一太平**

*(Incorporated with limited liability under the laws of Bermuda)*

*Website: <http://www.firstpacco.com>*

**(Stock Code: 00142)**

**OVERSEAS REGULATORY ANNOUNCEMENT**

*(This overseas regulatory announcement is issued pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.)*

**Please refer to the attached notice relating to:-**

**Press release in relation to the 2006 Results of Metro Pacific Investments Corporation, a 93% subsidiary of the Company.**

**Dated this 27<sup>th</sup> day of March, 2007**

As at the date of this announcement, the board of directors of First Pacific Company Limited comprises the following directors:

Anthoni Salim, *Chairman*  
Manuel V. Pangilinan, *Managing Director and CEO*  
Edward A. Tortorici  
Robert C. Nicholson  
Ambassador Albert F. del Rosario  
Professor Edward K.Y. Chen\*, *GBS, CBE, JP*

Tedy Djuhar  
Sutanto Djuhar  
Ibrahim Risjad  
Benny S. Santoso  
Graham L. Pickles\*  
David W.C. Tang\*, *OBE, Chevalier de L'Ordre des Arts et des Lettres*

*\* Independent Non-executive Directors*



**FIRST PACIFIC COMPANY LIMITED**

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**GROUP CORPORATE COMMUNICATIONS**

24th Floor, Two Exchange Square, 8 Connaught Place, Hong Kong  
Tel: (852) 2842 4388 Email: [info@firstpac.com.hk](mailto:info@firstpac.com.hk) Fax: (852) 2845 9243  
<http://www.firstpacco.com>

**Tuesday, 27 March 2007**

**MPIC REPORTS 2006 RESULTS  
2007 Outlook Profitable; Positive Results at Maynilad,  
New Investment in Makati Med**

The attached press release was released today in Manila by Metro Pacific Investments Corporation (MPIC), in which the First Pacific Group holds an economic interest of approximately 93 per cent.

MPIC is a Manila, Philippines based investment management holding company with core operations in water utility and real estate development. MPIC practices a distinctive philosophy of value-driven, active management of its investments. More information about MPIC can be accessed at [www.mpic.com.ph](http://www.mpic.com.ph).

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For details, please contact:

David C. Nugent  
Vice President  
Media & Corporate Communications  
Metro Pacific Investments Corporation  
Telephone: +632-888-0888/29  
Email: [dscn@mpic.com.ph](mailto:dscn@mpic.com.ph)



## METRO PACIFIC INVESTMENTS CORPORATION

**FOR IMMEDIATE RELEASE**

### **MPIC REPORTS 2006 RESULTS**

***2007 Outlook Profitable; Positive Results at Maynilad,  
New Investment in Makati Med***

MANILA, PHILIPPINES, 27<sup>TH</sup> March 2007 – Metro Pacific Investments Corporation (“MPIC”) (PSE: MPI) today stated it reported a loss of Pesos 685.9 million for the year ended 31<sup>ST</sup> December 2006, and which are substantially a result of continuing provisions made at the Metro Pacific Corporation (“MPC”) – a 96.6 percent owned subsidiary of MPIC.

Of the 2006 losses, Pesos 415 million reflects an extraordinary one-time provision made against MPC’s investment in a land company, Costa de Madera. A further Pesos 110.7 million are losses related to the divestment of MPC’s 84% majority interest in Negros Navigation Company (“Nenaco”). Various other write-downs totaling Pesos 160.2 million were also made at the MPC level, reflecting one-time provisions on tax assets.

“Its important to place MPIC’s 2006 results in their proper context – last year we effected a final clean up of MPC’s old accounts in order that MPIC could start 2007 without the financial baggage of the past,” said Jose Ma. K. Lim, MPIC President and CEO. “MPC is no longer a revenue-generating nor a core holding of MPIC.

#### **MPIC Holding Company: Already Profitable, Outlook Positive**

For the first two months of 2007, MPIC has recorded a net real profit substantially higher than project, derived from its share in the profits resulting from its participation in the joint venture company it owns together with D.M. Consunji Inc. (“DMCI”) a Philippine engineering and construction company, as well as improved results from its other core business, real estate developer and marketer Landco Pacific Corporation (“Landco”).

“All the indications are in place that MPIC will have a successful year and we are confident that MPIC, the successor to MPC, will record real profits every quarter in 2007,” said Mr. Lim. “We are making smart investments in businesses with strong, long-term growth potential and in which our experience in effecting corporate turnarounds and financial rehabilitations will result in building new value for our shareholders.”

#### **Operations / Maynilad: Metamorphosis Begins With Results**

After more than 20 years, Maynilad Water Services recently began regular water deliveries to heavily populated Paranaque, a key residential and business center in the Greater Metro Manila Region. This development comes shortly after the January assumption of an 83.97% interest in Maynilad Water Services by the DMCI-MPIC Water Company Inc., the joint venture company established by MPIC and DMCI to hold its interests in the water utility sector.

“We’re pleased with the progress we’ve made at Maynilad in only such a short amount of time. DMCI brings a significant degree of technical and engineering experience to our venture, and complements the experience MPIC has had in effecting successful corporate rehabilitations and financial turnarounds,” said Mr. Lim. “We have named a DMCI officer, Herbert Consunji as Maynilad’s Chief Operating Officer, and MPIC’s Chief Financial Officer,

Randy Estrellado, already serves at Maynilad on a concurrent basis as we begin to establish stricter financial controls and processes. We believe that as the culture of MPIC begins to cascade throughout the Maynilad organization, change will accelerate and Maynilad will become a company respected for its credibility and profitability.”

### **Operations / Landco: Launches Cebu Development**

Recently Landco announced a substantial joint-venture development and marketing agreement with the Villalon family of Cebu City, owners of a series of interconnected yet undeveloped lots on prime locations atop the hills overlooking the Philippines’ second largest city. Upon completion, “Monterrazas de Cebu”, as the project is known, will emerge as Cebu’s ultimate residential and leisure estate, with facilities and infrastructure built according to the exacting standards of similarly landmark Landco projects such as Peninsula de Punta Fuego and Terrazas de Punta Fuego.

### **New Investments / MPIC: Board Approves Investment in Makati Med**

At today’s regular MPIC Board meeting, the MPIC Board voted unanimously to subscribe to at least Pesos 600 million of Convertible Subordinated Notes, which will have a mandatory conversion into direct ownership of Makati Medical Center (“Makati Med”) shares. “Since 2006 MPIC’s Chairman has concurrently served as Chairman of Makati Medical Center, and by creating consensus and working with all of the hospital’s stakeholders, has brought Makati Med back to profitability,” noted Mr. Lim. “This investment will result in MPIC becoming Makati Med’s single largest investor, and enable us to implement our vision to return Makati Med as the Philippines’ premier healthcare institution.”

With construction beginning in the first quarter of 2007, the entire Makati Med complex will be completely rebuilt and retrofitted, with construction expected to be completed by 2009. “We believe our investment in Makati Med is a smart move at a time when the need from both domestic and foreign patients for world-class facilities is growing across Southeast Asia,” added Mr. Lim.

### **Comments From Chairman Manuel V. Pangilinan**

“Our mandate for MPIC this year is growth and increased profitability. We have a good core to start from and we’ll be actively seeking to acquire additional businesses to enable MPIC to become a major participant in the utility, infrastructure and power sectors of the Philippines. These are amongst the most critical industries a rapidly developing nation needs for its economic health, and we regard these sectors as offering excellent potential for long term value creation,” said Manuel V. Pangilinan.

### **About MPIC**

Metro Pacific Investments Corporation is a Manila, Philippines based investment management holding company with core operations in water utility and real estate development. MPIC practices a distinctive philosophy of value-driven, active management of its investments. More information about MPIC can be accessed at [www.mpic.com.ph](http://www.mpic.com.ph)

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