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FIRST PACIFIC COMPANY LIMITED

(Incorporated with limited liability under the laws of Bermuda)

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

(Stock code: 00142)

ANNOUNCEMENT MADE PURSUANT TO RULE 13.09 OF THE LISTING RULES

POSSIBLE MAJOR TRANSACTION IN RELATION TO THE PROPOSED ACQUISITION OF INTEREST IN MANILA ELECTRIC COMPANY BY METRO PACIFIC INVESTMENTS CORPORATION

Proposed Acquisitions of Interests in Meralco

Shareholders are referred to the overseas regulatory announcement of First Pacific of 13 March, 2009, relating to the proposed acquisition of a 20% interest in the Manila Electric Company (“Meralco”) by an indirect subsidiary of PLDT. Shareholders are also referred to the overseas regulatory announcement of First Pacific of 13 March, 2009, relating to the proposed acquisitions of interests in Meralco by MPIC.

As referred to in the overseas regulatory announcement of First Pacific relating to PLDT, PLDT has reached agreement with the Lopez Group to acquire shares representing 20% of Meralco through PLDT’s indirect subsidiary Piltel and in respect of arrangements pursuant to which PLDT will have appropriate board and management participation in Meralco. First Pacific currently holds approximately 26.4% of the voting capital of PLDT and is its single largest shareholder. By virtue of that interest, First Pacific is able to exert significant influence over the operating and financial policies of PLDT.

BTF, the retirement fund of PLDT, already holds shares of Meralco representing approximately 10.17% of Meralco’s issued share capital.

As referred to in the overseas regulatory announcement relating to MPIC, it has now been agreed in principle, and subject to negotiating final terms, that the BTF will dispose of its entire interest in Meralco to MPIC, for cash and that the BTF will subscribe the entire amount of the consideration for new shares of MPIC so as to become a significant shareholder in MPIC. The terms of the BTF Transaction have not been finalised but they are expected to reflect the BTF's acquisition cost of its shares of Meralco and a current valuation of MPIC. The terms of the BTF Transaction will also be subject to appropriate independent valuations.

It is also intended that, should suitable opportunities arise, MPIC will acquire further shares of Meralco so as to develop its position as a strategic shareholder of Meralco with appropriate board and management participation in Meralco and to enable MPIC to equity account for the results of Meralco.

Possible Listing Rules Implications

The MPIC Acquisition, if implemented, may constitute a major transaction for First Pacific under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited; in which event all necessary consents including, if appropriate, shareholders' approval, will be obtained prior to implementation.

Proposed Acquisitions of Interests in Meralco

Shareholders are referred to the overseas regulatory announcement of First Pacific Company Limited ("First Pacific") of 13 March, 2009, relating to the proposed acquisition of a 20% interest in the Manila Electric Company ("Meralco") by an indirect subsidiary of Philippine Long Distance Telephone Company ("PLDT"). Shareholders are also referred to the overseas regulatory announcement of First Pacific of 13 March, 2009, relating to the proposed acquisitions of interests in Meralco by Metro Pacific Investments Corporation ("MPIC").

As referred to in the overseas regulatory announcement relating to PLDT, PLDT has reached agreement with the Lopez Group:

- (a) to acquire 223 million shares representing 20% of Meralco through Pilipino Telephone Corporation ("Piltel"), an indirect subsidiary of PLDT, for a total consideration of Pesos 20.07 billion (approximately US\$416.0 million and approximately HK\$3,244.8 million); and
- (b) in respect of arrangements pursuant to which PLDT will have appropriate board and management participation in Meralco.

First Pacific currently holds approximately 26.4% of the voting capital of PLDT and is its single largest shareholder. By virtue of that interest, First Pacific is able to exert significant influence over the operating and financial policies of PLDT.

Beneficial Trust Fund (“BTF”), the retirement fund of PLDT, already holds shares of Meralco representing approximately 10.17% of Meralco’s issued share capital.

As referred to in the overseas regulatory announcement relating to MPIC, it has now been agreed in principle, and subject to negotiating final terms, that the BTF will dispose of its entire interest in Meralco to MPIC, for cash and that the BTF will subscribe the entire amount of the consideration for new shares of MPIC so as to become a significant shareholder in MPIC (the “BTF Transaction”). The terms of the BTF Transaction have not been finalised but they are expected to reflect the BTF’s acquisition cost of its shares of Meralco and a current valuation of MPIC. The terms of the BTF Transaction will also be subject to appropriate independent valuations. In total, the BTF has invested approximately Pesos 10.3 billion (approximately US\$213.5 million and approximately HK\$1,665.3 million) in its Meralco shareholding and the MPIC market capitalisation at close of business on 12 March 2009 was approximately Pesos 18.9 billion (approximately US\$393.3 million and approximately HK\$3,067.7 million).

It is also intended that, should suitable opportunities arise, MPIC will acquire further shares of Meralco (“MPIC Further Acquisitions”) so as to develop its position as a strategic shareholder of Meralco with appropriate board and management participation in Meralco and to enable MPIC to equity account for the results of Meralco.

The BTF Transaction and the MPIC Further Acquisitions are together referred to as the “MPIC Acquisition”.

Reasons for the proposed acquisitions of interests in Meralco

The prospective acquisitions of a strategic block of Meralco shares is in line with MPIC’s status as one of the Philippines’ leading infrastructure companies and it is anticipated that this strategic interest in Meralco will complement MPIC’s existing investment in the toll road and water sectors represented by controlling interests in Manila North Tollways Corporation and Maynilad Water Services, Inc. respectively.

BTF as a significant shareholder will strengthen MPIC’s capital base.

First Pacific believes that there is significant potential for the uplift in the value of Meralco as its business develops along with the growth of the Philippine economy, and that by acquiring a strategic interest at this stage, First Pacific will in addition be able to benefit from the synergies that exist between PLDT and Meralco. It is also anticipated that there will be significant synergies with other infrastructure assets currently owned by MPIC.

Possible Listing Rules Implications

The MPIC Acquisition, if implemented, may constitute a major transaction for First Pacific under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”); in which event all necessary consents including, if appropriate, shareholders’ approval, will be obtained prior to implementation.

General

The Company is a Hong Kong-based investment and management company with operations located in Asia. The Company’s principal business interests relate to Telecommunications, Consumer Food Products, Infrastructure and Natural Resources.

The BTF was established pursuant to the beneficial trust plan of PLDT to meet the payment of benefits due to qualified employees under the plan in case of termination of service for the cause or causes enumerated under the Plan. The BTF is managed and administered by trustees who comprise the Board of Trustees.

The Lopez Group is an existing shareholder of Meralco and holds a wide range of business interests in the Philippines including telecommunications, media, power generation and distribution, manufacturing, construction and property investment.

MPIC is a Philippine corporation in which First Pacific has an approximately 97.3% attributable economic interest and whose shares are listed on the Philippine Stock Exchange. MPIC is a flagship of First Pacific in the Philippines with holdings in infrastructure, utilities and health care enterprises.

Meralco is a Philippine corporation with shares listed on the Philippine Stock Exchange. It is the largest distributor of electricity in the Philippines with a service area spanning 9,337 square kilometres, where approximately a quarter of the total Philippine population resides. It has a customer base of about 4.5 million, comprising commercial, industrial and residential customers. In addition to electrical distribution, Meralco undertakes several related businesses, including operating a fiber optic network of over 1,000 kilometers and provides leased line connections, metro ethernet connections and disaster recovery transport services.

Piltel is a Philippine corporation with shares listed on the Philippine Stock Exchange. Piltel is the third largest cellular service provider in the Philippines. Piltel provides a prepaid GSM service, known as Talk ‘N Text, using Smart Communications, Inc.’s GSM platform. Piltel has over 14.3 million prepaid subscribers as of 31 December 2008 under the GSM brand Talk ‘N Text, the second largest brand in the Philippines. Piltel is held as to approximately 92.8% by Smart Communications, Inc., which in turn is wholly owned by PLDT.

PLDT is the leading telecommunications service provider in the Philippines. It has common shares listed on the Philippine Stock Exchange and American Depositary Receipts listed on the New York Stock Exchange. It has one of the largest market capitalisations among Philippine listed companies. Through its three principal business groups, PLDT offers a wide range of telecommunications services: Wireless, Fixed Line and Information and Communications Technology. PLDT has developed the Philippines' most extensive fiber optic backbone, cellular, fixed line and satellite networks.

It should be noted that the terms of the MPIC Acquisition are subject to the finalisation of the commercial terms and to negotiation of contracts. Accordingly, there is no certainty that the MPIC Acquisition will proceed.

Further announcement(s) will be made as and when appropriate.

By Order of the Board
First Pacific Company Limited
Manuel V. Pangilinan
Managing Director and CEO

Hong Kong, 13 March 2009

Unless stated otherwise, translations of quoted currency values are made on an approximate basis and at the rate of US\$1.00 = Php48.245 = HK\$7.8. Percentages and figures expressed have been rounded.

As at the date of this announcement, the Board comprises the following Directors:

Anthoni Salim, <i>Chairman</i>	Tedy Djuhar
Manuel V. Pangilinan, <i>Managing Director and CEO</i>	Sutanto Djuhar
Edward A. Tortorici	Ibrahim Risjad
Robert C. Nicholson	Benny S. Santoso
Napoleon L. Nazareno	Graham L. Pickles*
Ambassador Albert F. del Rosario	Prof. Edward K.Y. Chen* <i>GBS, CBE, JP</i>
Sir David W.C. Tang*, <i>KBE</i>	

* *Independent Non-executive Directors*