



FIRST PACIFIC COMPANY LIMITED

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(Incorporated with limited liability under the laws of Bermuda)

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

(Stock Code: 00142)

OVERSEAS REGULATORY ANNOUNCEMENT

The following text summarizes the significant event of disclosures filed by Metro Pacific Investments Corporation ("MPIC"), a subsidiary of First Pacific Company Limited, with the Philippine Stock Exchange on the SEC Form 17-C on 21 December 2006

Metro Pacific Investments Corporation ("MPIC") ("PSE: MPI") today announced that its subsidiary, Metro Pacific Corporation ("MPC") will sell its 2,531,843,830 common shares, representing approximately 83.7% of the capital stock of shipping company Negros Navigation Company Inc. ("Nenaco") to Negros Holdings and Management Corporation, a company owned by members of Nenaco's existing management team led by Sulficio O. Tagud, Jr., Chairman of the Board of Nenaco.

The transaction will generate cash for MPC and result in MPC becoming a minority shareholder in Nenaco with approximately 15.3% of Nenaco's common shares in issue and Pesos 100 million worth of preferred shares. In addition, MPC will remain one of Nenaco's significant creditors with Pesos 119 million in current receivables and Pesos 211 million long-term receivables under Nenaco's court-approved Rehabilitation Plan. MPC will deconsolidate Nenaco from its accounts effective 31st December 2006.

The Board of Directors of Nenaco will be reorganized to reflect the new shareholding structure. Mr. Sulficio O. Tagud will resign from the Boards of both MPC and MPIC effective immediately. Mr. Augusto P. Palisoc Jr. will also resign as President of Nenaco effective immediately.

"We are pleased to do this transaction with the management of Nenaco, who have toiled long and hard to keep the company going amidst difficult industry conditions. We are confident that under its committed and capable leadership, Nenaco will successfully complete its rehabilitation. As a continuing shareholder and creditor, we are committed to working with our new partners, and other stakeholders, to continue to restore the company to good health," said Jose Ma. K. Lim, MPIC President and CEO.