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## **FIRST PACIFIC COMPANY LIMITED**

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

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

**(Stock Code: 00142)**

### **ANNOUNCEMENT MADE BY METRO PACIFIC INVESTMENTS CORPORATION IN RELATION TO ITS AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2010**

This Announcement is made by First Pacific Company Limited (“First Pacific” or the “Company”) pursuant to the requirements of Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HKEX”) to provide shareholders of First Pacific and the public with the audited consolidated financial results of Metro Pacific Investments Corporation (“MPIC”), a company in which the First Pacific Group has an economic interest of approximately 55.6%, as at 31 December 2010.

#### **Summary**

On 3 March 2011, the board of directors of MPIC approved the release of the audited consolidated financial results for the year ended 31 December 2010. MPIC’s audited consolidated financial statements have been submitted to the Philippine Stock Exchange on 3 March 2011, and have also been disclosed as the Company’s Overseas Regulatory Announcement on the websites of the HKEX and the Company.

MPIC, a company in which the First Pacific Group currently holds an economic interest of approximately 55.6%, is a company incorporated in the Philippines whose shares are listed on the Philippine Stock Exchange. On 3 March 2011, the board of directors of MPIC approved the release of the audited consolidated financial results for the year ended 31 December 2010. MPIC’s audited consolidated financial statements have been submitted to the Philippine Stock Exchange on 3 March 2011, and have also been disclosed as the Company’s Overseas Regulatory Announcement on the websites of HKEX and the Company. The audited consolidated financial statements have been prepared in conformity with the Philippine Financial Reporting Standards. MPIC’s audited Consolidated Statements of Income for the years ended 31 December 2010 and 2009 and Consolidated Balance Sheets as at 31 December 2010 and 2009 are provided below:

**METRO PACIFIC INVESTMENTS CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**

*(Amounts in Peso Thousands, except Per Share Amounts)*

<b>For the years ended 31 December</b>	<b>2010</b>	<b>2009</b>
<b>OPERATING REVENUES</b>		
Water and sewerage services revenue	<b>12,049,524</b>	10,618,544
Toll fees	<b>5,858,494</b>	5,489,190
Hospital revenue	<b>577,075</b>	–
School revenue	<b>79,385</b>	–
	<b>18,564,478</b>	16,107,734
<b>COST OF SERVICES</b>	<b>(6,845,823)</b>	(7,120,665)
<b>GROSS PROFIT</b>	<b>11,718,655</b>	8,987,069
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b>	<b>(3,644,727)</b>	(2,949,684)
<b>OTHER INCOME AND EXPENSES</b>		
Construction revenue	<b>8,931,922</b>	4,879,072
Construction cost	<b>(8,858,619)</b>	(4,771,041)
Interest expense	<b>(4,543,584)</b>	(4,012,258)
Foreign exchange gains (losses) – net	<b>1,440,122</b>	(985,448)
Interest income	<b>574,382</b>	499,221
Shares in net earnings of associates and joint ventures – net	<b>498,513</b>	432,239
Other income	<b>1,809,658</b>	2,829,423
Other expenses	<b>(2,513,493)</b>	(576,705)
	<b>(2,661,099)</b>	(1,705,497)
<b>INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAX</b>	<b>5,412,829</b>	4,331,888
<b>PROVISION FOR (BENEFIT FROM) INCOME TAX</b>		
Current	<b>102,903</b>	35,559
Deferred	<b>(749)</b>	(105,429)
	<b>102,154</b>	(69,870)
<b>INCOME FROM CONTINUING OPERATIONS AFTER INCOME TAX</b>	<b>5,310,675</b>	4,401,758
<b>LOSS FROM DISCONTINUED OPERATIONS, NET OF TAX</b>	<b>–</b>	(31,895)
<b>NET INCOME</b>	<b>5,310,675</b>	4,369,863

**METRO PACIFIC INVESTMENTS CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME (Continued)**

*(Amounts in Peso Thousands, except Per Share Amounts)*

<b>For the years ended 31 December</b>	<b>2010</b>	<b>2009</b>
<b>Net income (loss) attributable to:</b>		
Owners of Parent Company from:		
Continuing operations	2,871,152	2,306,253
Discontinued operations	—	(6,601)
	<u>2,871,152</u>	<u>2,299,652</u>
Non-controlling interests	2,439,523	2,070,211
	<u>5,310,675</u>	<u>4,369,863</u>

**EARNINGS (LOSS) PER SHARE (in Peso)**

**Basic Earnings Per Share, Attributable to Owners  
of Parent Company**

Income from continuing operations	0.142	0.194
Loss from discontinued operations	—	(0.001)
	<u>0.142</u>	<u>0.193</u>

**Diluted Earnings Per Share, Attributable to Owners  
of Parent Company**

Income from continuing operations	0.142	0.181
Loss from discontinued operations	—	(0.001)
	<u>0.142</u>	<u>0.180</u>

**METRO PACIFIC INVESTMENTS CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**

*(Amounts in Peso Thousands)*

<b>As at 31 December</b>	<b>2010</b>	<b>2009</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	<b>4,941,693</b>	6,379,731
Short-term deposits	<b>6,138</b>	2,433,418
Receivables – net	<b>2,380,660</b>	13,475,300
Advances to contractors and consultants	<b>288,285</b>	527,571
Inventories – at cost	<b>158,817</b>	96,012
Real estate for sale	<b>187,010</b>	187,010
Due from related parties	<b>439,427</b>	501,080
Derivative assets	<b>2,902</b>	–
Available-for-sale financial assets	<b>546,424</b>	282,787
Noncurrent assets held for sale	<b>–</b>	329,570
Other current assets	<b>2,320,904</b>	1,593,832
Total Current Assets	<b>11,272,260</b>	25,806,311
<b>Noncurrent Assets</b>		
Investments in and advances to associates and a joint venture	<b>34,871,657</b>	27,370,023
Investments in bonds	<b>–</b>	400,600
Receivables	<b>675,029</b>	–
Goodwill	<b>12,751,001</b>	12,551,750
Due from related parties	<b>65,413</b>	65,569
Service concession assets – net	<b>69,348,123</b>	62,185,407
Property and equipment – net	<b>1,423,235</b>	634,405
Derivative assets	<b>31,713</b>	39,212
Available-for-Sale financial assets	<b>513,234</b>	–
Deferred tax assets	<b>275,288</b>	214,992
Other noncurrent assets	<b>149,170</b>	131,566
Total Noncurrent Assets	<b>120,103,863</b>	103,593,524
	<b>131,376,123</b>	129,399,835

**METRO PACIFIC INVESTMENTS CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS (Continued)**

*(Amounts in Peso Thousands)*

<b>As at 31 December</b>	<b>2010</b>	<b>2009</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable and other current liabilities	7,704,829	6,217,967
Unearned toll revenues	30,986	21,135
Unearned tuition and other school fees	29,306	–
Income tax payable	30,940	10,818
Due to related parties	469,495	429,718
Derivative liabilities	211,912	–
Accrued retirement costs	6,224	–
Current portion of:		
Provisions	2,188,156	1,870,111
Service concession fees payable	1,179,026	1,208,467
Long-term debts	2,953,944	958,095
Deferred credits and other long-term liabilities	–	942,279
<b>Total Current Liabilities</b>	<b>14,804,818</b>	<b>11,658,590</b>
<b>Noncurrent Liabilities</b>		
Noncurrent portions of:		
Provisions	308,343	415,827
Service concession fees payable	7,951,199	9,071,673
Long-term debts	29,569,056	41,828,305
Deferred credits and other long-term liabilities	4,162,157	3,432,643
Due to related parties	6,314,141	–
Derivative liabilities	–	44,467
Accrued retirement costs	49,429	–
Deferred tax liabilities	2,937,618	2,672,692
<b>Total Noncurrent Liabilities</b>	<b>51,291,943</b>	<b>57,465,607</b>
<b>Total Liabilities</b>	<b>66,096,761</b>	<b>69,124,197</b>
<b>Equity</b>		
Capital stock	20,205,465	20,178,155
Additional paid-in capital	27,508,008	27,860,033
Deposit for future stock subscriptions	12,125	–
Other reserves	628,721	451,091
Retained earnings	5,953,705	2,885,936
Other comprehensive income reserve	(89,691)	(109,743)
<b>Total equity attributable to owners of Parent Company</b>	<b>54,218,333</b>	<b>51,265,472</b>
Non-controlling interests	11,061,029	9,010,166
<b>Total Equity</b>	<b>65,279,362</b>	<b>60,275,638</b>
	<b>131,376,123</b>	<b>129,399,835</b>

## **GENERAL**

Shareholders should note that the above audited consolidated financial results pertain only to MPIC and not to First Pacific itself.

The above information only refers to certain sections of MPIC's disclosure and shareholders should refer to MPIC's original filing submitted to the Philippine Stock Exchange (<http://www.pse.com.ph>), as well as disclosed as the Company's Overseas Regulatory Announcement on the websites of the HKEX and the Company on 3 March 2011.

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

Hong Kong, 3 March 2011

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

Anthoni Salim, *Chairman*

Manuel V. Pangilinan, *Managing Director and CEO*

Edward A. Tortorici

Robert C. Nicholson

Napoleon L. Nazareno

Ambassador Albert F. del Rosario

Sir David W.C. Tang\*, *KBE*

Tedy Djuhar

Ibrahim Risjad

Benny S. Santoso

Graham L. Pickles\*

Professor Edward K.Y. Chen\*, *GBS, CBE, JP*

Jun Tang\*

\* *Independent Non-executive Directors*