



FIRST PACIFIC COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

GROUP CORPORATE COMMUNICATIONS

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

Wednesday, 3 March 2010

- **MPIC 2009 CORE NET INCOME AT P 2.047 BILLION VS RESTATED CORE NET INCOME OF P 347 MILLION LAST YEAR, UP 490%**
- **REPORTED NET INCOME AT P 2.3 BILLION VS RESTATED NET INCOME OF P 526 MILLION LAST YEAR, UP 337%**
- **FULLY DILUTED EARNINGS PER SHARE ROSE 63%, FROM 10.40 CENTAVOS TO 16.96 CENTAVOS**
- **EQUITY RAISING OF P 14.3 BILLION COMPLETED; DEBT TO EQUITY REDUCED TO 0.37x AT PARENT COMPANY**
- **MAYNILAD WATER CORE INCOME AT P 3.3 BILLION**
- **METRO PACIFIC TOLLWAYS CORE INCOME AT P 1.2 BILLION**
- **CORE INCOME OF HEALTHCARE GROUP AT P 528 MILLION**
- **FORMATION OF MANILA NORTH HARBOUR PORT, INC TO MANAGE AND DEVELOP MANILA NORTH HARBOR**
- **SHAREHOLDINGS IN MERALCO TO BE COMBINED WITH PILTEL IN BEACON ELECTRIC ASSET HOLDINGS INC; DEBT TO EQUITY TO BE FURTHER REDUCED TO 0.27x AT PARENT COMPANY**

The attached press release was released today in Manila by Metro Pacific Investments Corporation (“MPIC”), in which First Pacific Group holds an economic interest of approximately 55.6%.

MPIC is a Philippine-based, publicly-listed, investment and management company with holdings in water distribution, tollroads, power distribution, healthcare and port development. Further information on MPIC can be found at www.mpic.com.ph.

* * *

For further information, please contact:

MPIC

ALEBRT W. L. Pulido
VP, Investor Relations
Tel: +632-458 1039

MAIDA B. BRUCE
Group Comptroller
Tel: +632-888 0823

Melody M. Del Rosario
VP, Media & Corp. Comm.
Tel: +632-888 0888



PRESSRELEASE

METRO PACIFIC INVESTMENTS CORPORATION (MPIC)

- 2009 CORE NET INCOME AT ₱ 2.047 BILLION VS RESTATED CORE NET INCOME OF ₱ 347 MILLION LAST YEAR, UP 490%
- REPORTED NET INCOME AT ₱ 2.3 BILLION VS RESTATED NET INCOME OF ₱ 526 MILLION LAST YEAR, UP 337%
- FULLY DILUTED EARNINGS PER SHARE ROSE 63%, FROM 10.40 CENTAVOS TO 16.96 CENTAVOS
- EQUITY RAISING OF ₱ 14.3 BILLION COMPLETED; DEBT TO EQUITY REDUCED TO 0.37x AT PARENT COMPANY
- MAYNILAD WATER CORE INCOME AT ₱ 3.3 BILLION
- METRO PACIFIC TOLLWAYS CORE INCOME AT ₱ 1.2 BILLION
- CORE INCOME OF HEALTHCARE GROUP AT ₱ 528 MILLION
- FORMATION OF MANILA NORTH HARBOUR PORT, INC TO MANAGE AND DEVELOP MANILA NORTH HARBOR
- SHAREHOLDINGS IN MERALCO TO BE COMBINED WITH PILTEL IN BEACON ELECTRIC ASSET HOLDINGS INC; DEBT TO EQUITY TO BE FURTHER REDUCED TO 0.27x AT PARENT COMPANY

MANILA, Philippines, 3rd MARCH 2010 – Metro Pacific Investments Corporation (“MPIC” or the “Company”) (PSE: MPI) today reported consolidated core net income of ₱ 2.047 billion for the full year 2009, an improvement of 490% from the restated core net income of ₱ 347 million for 2008. Consolidated reported net income stood at ₱ 2.3 billion this year compared with ₱ 526 million last year. These results represent increased contribution from investments in water distribution, toll roads, healthcare and power distribution. The 2008 numbers have been restated to reflect the finalization of the provisional goodwill in Metro Pacific Tollways Corporation (“MPTC”) in accordance with PFRS 3, *Business Combinations*.

The significant improvement in core net income this year is attributable to higher contributions from Maynilad Water Services (“Maynilad”), MPTC, the Healthcare Group and Manila Electric Company (“Meralco”). Maynilad contributed ₱ 1.93 billion or 55% of the total profit contribution from operations, representing MPIC’s attributable interest in Maynilad’s core income. MPTC contributed ₱ 1.21 billion or 35% of profit from operations, while the Healthcare group contributed ₱ 174 million or 5% of the total. In addition, MPIC’s

investment in Meralco in October 2009 added ₱ 212 million of equitized core earnings for the three-month period ended December 31, 2009.

Non-recurring, exceptional gains of ₱ 252 million attributable to MPIC reflect a number of one-time accounting adjustments made during the year, the largest element being the income from the rate rebasing exercise at Maynilad.

“The strong improvement and momentum across all our businesses, including the impact of Meralco’s contribution, have driven the impressive growth in our consolidated results for 2009. Our operating units have performed well in 2009 and thus enhanced the company’s goal of long term value creation” said **Jose Ma. K. Lim, President and Chief Executive Officer**.

OPERATIONAL REVIEW

MAYNILAD: IMPROVED PERFORMANCE AND CONTINUING EXPANSION

Maynilad’s core net income stood at ₱ 3.3 billion in 2009, compared with ₱ 2.0 billion recorded in 2008 as a result of better operating metrics and a higher effective tariff rate of 28.98 during the year. Billed volume increased to 350 MCM this year from 315 MCM last year. Non-revenue water has significantly declined from its 2008 average of 64% to 60% in 2009. The approval by MWSS of the extension of Maynilad’s Concession Agreement for a further 15 years ending in 2024 has enhanced the Company’s reported financial results. MPIC’s increased ownership of Maynilad from 42.0% to 58.0% accounted also for the higher profit contribution from Maynilad.

Serviced customers at the end of 2009 rose by 6.7%, from 762,315 to 814,645 billed clients in 2009, including 3,000 new customers in BF Homes, Paranaque. Revenues during the year stood at ₱10.619 billion against ₱ 8.245 billion in 2008.

In order to fast track key projects which can minimize the adverse effects of El Nino on its water supply, Maynilad has obtained temporary exemptions on permits to excavate, and has deployed an additional 60 of its team of engineers and contractors in the field. These intensified operations will enable Maynilad to recover around 100 million liters per day (MLD) of water and can help offset the potential reduction in its raw water supply due to El Nino.

In addition, the Putatan Water Treatment Plant which is scheduled for completion by May 2010, will process 100 MLD from Laguna de Bay to service an initial 105,000 homes in the Muntinlupa areas of Alabang, Bayanan, Poblacion, Putatan, Tunasan and Ayala Alabang. The state-of-the-art treatment plant uses a multi-stage process of Dissolved Air Flotation, Microfiltration, Reverse Osmosis and Chlorination to ensure that the water from Laguna Lake passes the Department of Health (DOH)-issued Philippine National Standards for Drinking Water.

Maynilad is also working on the commissioning of its new Villamor pumping station by April of this year. The Villamor facility has a reservoir that can store up to 10 MLD of water and has the capacity to pump water to elevated parts of the southern portion of Maynilad’s concession area.

MPTC: RECORD HIGH AVERAGE DAILY TRAFFIC

MPTC reported core net income of ₱ 1.22 billion for 2009 versus ₱ 987 million in 2008 due to higher revenues from subsidiaries and stable operating and maintenance costs. Reported net income, which includes exceptional, non-cash provisions relating to certain taxes, stood at ₱ 581.7 million compared with ₱ 783.9 million in 2008. The attributable profit contribution of MPTC to MPIC for the period amounted to ₱ 582 million. There is no comparable amount from last year as the acquisition of MPTC took place in November 2008.

The improvement in core income of MPTC is attributable to the higher than expected traffic reported by Manila North Tollways Corporation (“MNTC”) and the higher contribution of Tollways Management Corporation (“TMC”). MNTC holds the concession to operate and maintain the North Luzon Expressway (“NLEX”) and is owned 67.1% by MPTC. TMC operates the NLEX for MNTC and has an interim agreement to operate and maintain the Subic-Clark-Tarlac Expressway (“SCTEX”). TMC is owned 46.0% by MPTC.

MPTC plans to connect NLEX in the north to the Skyway in the south through the expansion of its existing network of tollways and by way of investments in other tollway concessionaires. These include: (i) the expansion of NLEX through the construction of a 2.7 kilometer Segment 8.1, linking Mindanao Avenue in Quezon City to NLEX in Valenzuela City, scheduled for completion by May 2010; (ii) Segments 9 & 10, the expressway that will connect NLEX to the Port Area in Manila; (iii) investment in SCTEX and (iv) ongoing feasibility study of the 13-kilometer NLEX-SLEX connector road.

In addition to the above, discussions are ongoing with respect to increasing our stake in the Skyway.

HEALTHCARE: INCREASED BED CAPACITY & HIGHER OCCUPANCY

Medical Doctors Inc (“MDI”), respectively the owner and operator of the Makati Medical Center and Colinas Verdes Hospital Managers Corporation (“CVHMC”), operator of the Cardinal Santos Medical Center and a wholly-owned subsidiary of MDI, reported consolidated core income of ₱384 million which includes the full year’s operations of CVHMC versus only 4 ½ months in 2008, compared with ₱218 million last year. The Roman Catholic Archbishop of Manila awarded a 20-year operating contract to CVHMC beginning 1st March 2009 for the management and operation of Cardinal Santos Medical Center.

Core income attributable to MPIC from the consolidated results of MDI reached ₱ 128 million this year versus ₱ 73 million last year. The increase in core contribution of MDI resulted from higher occupancy for the hospitals and increase in bed capacity from 655 to 707 due to the renovation work completed in Makati Medical Center. On 21st October 2009, MPIC subscribed for an additional 139,983 shares of MDI for a total subscription of approximately ₱160 million, thereby raising MPIC’s ownership in MDI from 32.39% to 34.79%.

The core net income of Davao Doctors Hospital Inc (“DDH”) increased 23% to ₱ 139 million for 2009 versus ₱ 120 million last year. DDH contributed ₱ 46 million of core profitability to MPIC for the period compared with ₱ 37 million last year. The increase was due to the excellent results of its hospital operations as a result of new equipment, services and higher bed occupancy of 204 for the year compared with 192 last year. This more than made up for the reduced enrollment and profitability of its wholly-owned subsidiary, Davao Doctors College Inc. MPIC equity accounted the results of DDH starting June 2008 and now owns 34.85% of DDH.

MANILA NORTH HARBOUR AWARD

In October of 2009, the Philippine Ports Authority (“PPA”) awarded to the consortium of MPIC and Harbour Centre Port Terminal, Inc. the development, management, operation and maintenance of the Manila North Harbor for a period of twenty five (25) years. The contemplated ₱ 14.5 billion investment will entail the modernization and re-arrangement of the existing ports and expansion of its operational area, from 52 to 70 hectares.

In compliance with PPA’s requirement, the consortium which bid for the North Harbor incorporated its joint venture company Manila North Harbour Port Inc on 5th November 2009. More than 1,000 workers engaged in the different operations of the North Harbour will be absorbed. Delays in the turnover of the management and operations of the Manila North Harbor center on labor issues which are being resolved with the help of the PPA. An additional 20,000 jobs will be created as the modernization of the North Harbor proceeds over the next 25 years.

SUCCESSFUL COMPLETION OF INTERNATIONAL SHARE PLACING

MPIC has successfully completed an offering of new MPIC common shares by way of an international placing and road show sponsored jointly by CLSA and UBS. The new equity raised substantially strengthens MPIC’s capital structure, broadens its shareholder base and has increased trading liquidity and volumes. MPIC is now the 4th largest listed holding company in the Philippine Stock Exchange (“PSE”) by market value, with a free float level of 29%, and ranks amongst the top 20 largest listed companies with a market capitalization of approximately ₱ 57.36 billion as at 2nd March 2010.

THE MERALCO INVESTMENT

Starting October 2009, MPIC has equity accounted for its investment in Meralco. For the last quarter of 2009, MPIC has recorded ₱ 212 million contribution from Meralco’s earnings, net of fair value amortization of the intangibles arising from this investment. Such earnings contribution represents the Company’s 14.67% share in the net income of Meralco for the three month period ending December 2009. On a stand alone basis, Meralco’s core net income for the year stood at ₱ 7.0 billion.

On 1st March 2010, MPIC and Pilipino Telephone Corporation (“Piltel”) executed an Omnibus Agreement with a view to rationalizing and combining their respective shareholdings in Meralco into Rightlight Holdings, Inc - to be renamed Beacon Electric Asset

Holdings, Inc. The consolidation of the MPIC and Piltel investments in Meralco will make it the single largest shareholder of Meralco, and would allow Beacon Electric to access non-recourse debt financing for any additional purchases of Meralco shares. Furthermore, the combined structure provides greater security of their respective Meralco investments and assures the Group of significant influence over the affairs of Meralco.

“MPIC has entered a new historic period of growth based on its excellent investment portfolio capable of delivering healthy profitability, robust cash flows and improved customer service levels” said **MPIC Chairman Manuel V. Pangilinan**. “We are pleased to have strengthened our position as the preeminent infrastructure company in the Philippines, and expect to see this positive performance improving in 2010”, concluded Pangilinan.

This press release may contain some “forward-looking statements” that are subject to a number of risks and uncertainties that could affect MPIC’s business and results of operations. Although MPIC believes that expectations reflected in any forward-looking statements are reasonable, it can give no guarantee of future performance, action or events.

For further information please contact:

ALEBRT W. L. Pulido
VP, Investor Relations
Tel: +632 458 1039

MAIDA B. BRUCE
Group Comptroller
Tel. + 632 888 0823

Melody M. Del Rosario
VP, Media & Corp. Comm.
Tel : +632 888 0888

About MPIC

Metro Pacific Investments Corporation is a Philippine-based, publicly-listed, investment and management company with holdings in water distribution, tollroads, power distribution, healthcare and port development. Additional information on MPIC can be obtained online at www.mpic.com.ph.

METRO PACIFIC INVESTMENTS CORPORATION AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS

For the years ended 31 December	2009	2008
(Amounts in Peso Thousands)		<i>(Restated)*</i>
OPERATING REVENUES		
Water and sewerage services revenue	10,618,544	4,326,071
Toll fees	5,489,190	715,079
	16,107,734	5,041,150
COST OF SERVICES	(7,120,665)	(2,371,015)
GROSS PROFIT	8,987,069	2,670,135
GENERAL AND ADMINISTRATIVE EXPENSES	(2,716,770)	(1,327,572)
OTHER INCOME AND EXPENSES - NET		
Construction revenue	4,879,072	4,158,922
Construction cost	(4,771,041)	(4,092,059)
Share in net earnings of associates and a joint venture - net	432,239	143,934
Foreign exchange loss - net	(986,882)	(499,943)
Interest income	499,221	278,833
Interest expense	(4,012,258)	(1,161,430)
Other income	2,851,845	1,659,277
Other expense	(820,660)	(904,530)
	(1,928,464)	(416,996)
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAX	4,341,835	925,567
(PROVISION FOR) BENEFIT FROM INCOME TAX		
Current	(56,542)	(7,420)
Deferred	39,481	70,498
	(17,061)	63,078
INCOME FROM CONTINUING OPERATIONS AFTER INCOME TAX	4,324,774	988,645
INCOME FROM DISCONTINUED OPERATIONS AFTER INCOME TAX	45,092	42,056
NET INCOME	4,369,866	1,030,701
Net income attributable to:		
Owners of the Parent Company from:		
Continuing operations	2,229,270	532,634
Discontinued operations	70,385	(7,088)
	2,299,655	525,546
Minority interests	2,070,211	505,155
	4,369,866	1,030,701

**Restated due to finalization of goodwill in respect of the acquisition of Metro Pacific Tollways Corporation in November 2008*

METRO PACIFIC INVESTMENTS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at December 31 (Amounts in Peso Thousands)	2009	2008 (Restated)*
ASSETS		
Current assets		
Cash and cash equivalents	3,469,466	2,028,833
Short-term deposits	5,343,683	6,715,588
Receivables - net	13,730,845	1,608,882
Inventories - at cost	36,748	84,404
Real estate for sale	187,010	127,473
Due from related parties	501,080	32,088
Assets held for sale	329,570	-
Available-for-sale financial assets	46,525	402,964
Other current assets	1,925,127	805,942
	25,570,054	11,806,174
Assets of disposal group classified as held for sale	-	6,320,351
Total Current Assets	25,570,054	18,126,525
Noncurrent Assets		
Investments in:		
Associates and a joint venture - at equity	27,606,285	2,378,273
Bonds	400,600	100,600
Goodwill	12,551,751	12,551,751
Due from related parties - net of current portion	65,569	322,666
Service concession assets - net	62,185,406	56,664,128
Property and equipment - net	634,404	642,597
Derivative assets	39,212	53,042
Deferred tax assets	79,192	568,440
Other noncurrent assets	131,564	155,892
Total Noncurrent Assets	103,693,983	73,437,389
	129,264,037	91,563,914
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and other current liabilities	7,502,779	6,411,495
Unearned toll revenues	21,137	19,344
Income tax payable	10,817	1,084
Due to related parties	429,718	2,823,555
Current portion of:		
Provisions	555,640	506,599
Service concession fees payable	1,659,463	974,521
Long-term debts	1,411,978	710,609
Deferred credits and other long-term liabilities	942,279	1,214,301
	12,533,811	12,661,508
Liabilities directly associated with assets classified as held for sale	-	5,040,003
Total Current Liabilities	12,533,811	17,701,511
Noncurrent Liabilities		
Long-term debts - net of current portion	41,943,136	31,557,131
Derivative liabilities	44,467	29,861
Service concession fees payable - net of current portion	8,620,677	6,620,698
Accrued retirement costs	-	253,720
Provisions - net of current portion	415,827	170,275
Deferred tax liabilities	2,650,561	3,122,748
Deferred credits and other long-term liabilities - net of current portion	2,779,918	5,401,208
Total Noncurrent Liabilities	56,454,586	47,155,641
Equity		
Capital stock	20,178,155	7,027,727
Additional paid-in capital	27,860,033	5,753,809
Deposit on subscriptions	-	6,807,293
Other reserves	341,346	281,589
Reserve of disposal group classified as held for sale	-	16,881
Retained earnings (deficit)	2,885,940	(1,034,644)
Total equity attributable to owners of the Parent Company	51,265,474	18,852,655
Minority interests	9,010,166	7,854,107
Total Equity	60,275,640	26,706,762
	129,264,037	91,563,914

*Restated due to finalization of goodwill in respect of the acquisition of Metro Pacific Tollways Corporation in November 2008