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## **FIRST PACIFIC COMPANY LIMITED**

*(Incorporated in Bermuda with limited liability)*

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

(Stock code: 00142)

### **ANNOUNCEMENT**

#### **A NEW CONTINUING CONNECTED TRANSACTION BETWEEN MAYNILAD WATER SERVICES INC. AND DMCI HOLDINGS INC.**

The Company announces the entering into of a construction contract between DMCI and Maynilad.

First Pacific group has approximately 55% (on a fully diluted basis) interest in DMWC, the holding company of Maynilad. By virtue of Rule 14A.11 of the Listing Rules, the remaining 45% shareholder of DMWC, DMCI is a connected person of the Company.

Accordingly, the entering into of the construction contract constitutes a continuing connected transaction for the Company under Rule 14A.14 of the Listing Rules.

Based on five test calculations set out in Rule 14.07 of the Listing Rules, the applicable relevant percentage ratios in respect of the construction contract, when aggregated with the percentage ratios in respect of the August Agreements and the October Agreements are less than 2.5%. The construction contract is, therefore, subject to the reporting and announcement requirements of Rule 14A.45 to 14A.47 of the Listing Rules but is exempt from the independent shareholders' approval under the Listing Rules.

## **Introduction**

Reference is made to the announcement (the “Announcement”) of First Pacific Company Limited (“First Pacific” or the “Company”) dated 13 August 2008, relating to certain agreements (“August Agreements”) entered into between Maynilad Water Services Inc. (“Maynilad”) and DMCI Holdings Inc. (“DMCI”) in respect of continuing transactions which are subject to reporting and disclosure requirements under Rule 14A.41 of the Rules Governing The Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”). Reference is also made to the announcement of the Company dated 28 October 2008, pursuant to which the Company announced the entering into of two new construction contracts between Maynilad and DMCI (“October Agreements”).

The Company announces the entering into of a construction contract between DMCI and Maynilad of the following agreement (“New Agreement”):

Date of Contract:	5 November 2008
Expiry:	9 March 2009
Subject Matter:	Construction contract in respect of the proposed replacement of valves in various locations in the Philippines.
Consideration:	Php23,750,434,47 (approximately US\$484,702.74 and approximately HK\$3,780,681.41)

The consideration in respect of the New Agreement is based on the bidding price. The New Agreement was entered into on normal commercial terms, in the ordinary course of business of Maynilad and DMCI, and on an arm’s length basis.

## **Description of the Connected Relationship**

First Pacific group has approximately 55% (on a fully diluted basis) interest in DMCI-MPIC Water Co. Inc. (“DMWC”), the holding company of Maynilad. By virtue of Rule 14A.11 of the Listing Rules, the remaining 45% shareholder of DMWC, DMCI is a connected person of the Company.

Accordingly, the New Agreement constitutes a continuing connected transaction for the Company under Rule 14A.14 of the Listing Rules.

## **Listing Rules Implications**

Based on five test calculations set out in Rule 14.07 of the Listing Rules, the applicable relevant percentage ratios in respect of the New Agreement when aggregated with the percentage ratios in respect of the August Agreements and the October Agreements are less than 2.5%. The New Agreement is, therefore, subject to the reporting and announcement requirements of Rule 14A.45 to 14A.47 of the Listing Rules but is exempt from the independent shareholders’ approval under the Listing Rules.

## **Reasons for the entering into of the New Agreement**

The directors of the Company (including the independent non-executive directors) believe that the terms of the New Agreement are fair and reasonable and in the interest of the shareholders as a whole. The directors of the Company also believe that the entering into of the New Agreement will be beneficial to the First Pacific group because the contract has been negotiated on an arm's length basis with a specialist contractor who has a proven record in the industry.

## **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.

DMCI is a leading construction company in the Philippines and currently manages Subic Water & Sewerage Company, Inc. DMCI's shares have been listed on the Philippine Stock Exchange since 1995.

Maynilad is a company incorporated in the Republic of the Philippines and holds an exclusive concession, granted by Metropolitan Waterworks and Sewerage System on behalf of the Philippine government, to provide water and sewerage services in the area of West Metro Manila.

By Order of the Board  
**First Pacific Company Limited**  
**Nancy L.M. Li**  
*Company Secretary*

Hong Kong, 2nd December 2008

*Unless otherwise stated, translations of quoted currency values are made on an approximate basis and at the rate of US\$1.00 = Php49.0 = HK\$7.8. Percentages 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	Pro. Edward K.Y. Chen*, <i>GBS, CBE, JP</i>
Sir David W.C. Tang*, <i>KBE</i>	

\* *Independent Non-executive Directors*