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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

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

Based on the 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 Announcement Agreements, the October Announcement Agreements, the December Announcement Agreement and the January Announcement Agreements are less than 2.5%. The New Agreement is, therefore, subject to the reporting and announcement requirements of Rules 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 of First Pacific Company Limited (“First Pacific” or the “Company”) dated 13 August 2008, relating to certain agreements (“August Announcement 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 announcements of the Company dated 28 October 2008, 2 December 2008 and 7 January 2009, respectively, pursuant to which the Company announced the entering into of five construction contracts between Maynilad and DMCI (the “October Announcement Agreements”, the “December Announcement Agreement” and the “January Announcement Agreements”, respectively).

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

Date of Contract: 11 February 2009

Expiry: 10 July 2009

Subject Matter: Proposed valve insertion/replacement at twenty seven locations in the Philippines.

Consideration: Php95,285,781.90 (approximately US\$2,006,016 and approximately HK\$15,646,928)

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 continuing connected transaction for the Company under Rule 14A.14 of the Listing Rules.

LISTING RULES IMPLICATIONS

Based on the 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 Announcement Agreements, the October Announcement Agreements, the December Announcement Agreement and the January Announcement Agreements are less than 2.5%. The New Agreement is, therefore, subject to the reporting and announcement requirements of Rules 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 was negotiated on an arm's length basis with a specialist contractor who has a proven record in the industry.

The New Agreement is part of Maynilad's capital expenditure programme needed to support its operations, specifically the reinforcement and replacement of primary pipelines, rehabilitation and refurbishment of water network facilities.

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, 23 February 2009

Unless stated otherwise, translations of quoted currency values are made on an approximate basis and at the rate of US\$1.00 = Php47.5 = 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, *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

Sutanto Djuhar

Ibrahim Risjad

Benny S. Santoso

Graham L. Pickles*

Prof. Edward K.Y. Chen* *GBS, CBE, JP*

* *Independent Non-executive Directors*