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**FIRST PACIFIC COMPANY LIMITED**

**第一太平**

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

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

**(Stock Code: 00142)**

### **OVERSEAS REGULATORY ANNOUNCEMENT**

*(This overseas regulatory announcement is issued pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.)*

**Please refer to the attached disclosure filed by Metro Pacific Investments Corporation (“MPIC”) with the Philippine Stock Exchange, in relation to the SEC Form 17-C together with the press release relating to MPIC’s audited consolidated financial results for the year ended 31 December 2011.**

**Dated this the 1<sup>st</sup> day of March, 2012**

As at the date of this announcement, the Board of Directors of First Pacific Company Limited comprises the following Directors:

Anthoni Salim, *Chairman*

Manuel V. Pangilinan, *Managing Director and CEO*

Edward A. Tortorici

Robert C. Nicholson

Graham L. Pickles\*

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

Tedy Djuhar

Benny S. Santoso

Napoleon L. Nazareno

Jun Tang\*

Dr. Christine K.W. Loh\*, *JP, OBE,*

*Chevalier de l’Ordre National du Merite*

\* *Independent Non-executive Directors*

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17  
OF THE SECURITIES REGULATION CODE  
AND SRC RULE 17.2(c) THEREUNDER

1. **1 March 2012**  
Date of Report (Date of earliest event reported)
2. SEC Identification Number **CS200604494**
3. BIR Tax Identification No. **244-520-457-000**
4. **METRO PACIFIC INVESTMENTS CORPORATION**  
Exact name of issuer as specified in its charter
5. **METRO MANILA, PHILIPPINES**  
Province, country or other jurisdiction of incorporation
6.  (SEC Use Only)  
Industry Classification Code:
7. **10<sup>th</sup> Floor, MGO BUILDING, LEGAZPI COR. DELA ROSA STREETS, LEGAZPI VILLAGE, MAKATI CITY, METRO MANILA, PHILIPPINES**  
.....  
Address of principal office Postal Code
8. **(632) 888-0888**  
Issuer's telephone number, including area code
9. **NA**  
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
<b>COMMON SHARES OF STOCK</b>	<b>24,593,293,752*</b>

*\*as reported by the stock transfer agent as of 31 January 2012.*

11. Indicate the item numbers reported herein:

**Item 9.**

At the regular meeting of the Board of Directors of Metro Pacific Investments Corporation (“MPIC”) held on 1 March 2012, the following matters were approved by the Board of Directors:

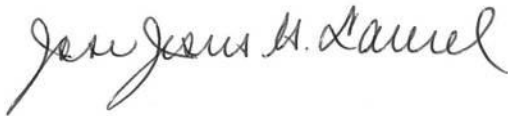
1. The declaration of cash dividends of: (i) Php0.015 per common share; and (ii) 10% per annum based on the par value of Class A preferred shares. The cash dividends declared on both common shares and Class A preferred shares will be payable to stockholders as of the record date of 16 March 2012, with payment date of 16 April 2012.
2. The holding of the Annual General Meeting (“AGM”) of the Stockholders of MPIC on 25 May 2012 and the setting of the record date for said AGM on 25 April 2012.
3. The financial reports on MPIC’s 2011 full year audited results. (A copy of the relevant press release is attached hereto.)

**SIGNATURES**

Pursuant to the requirements of the Securities Regulation Code, the Issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**METRO PACIFIC INVESTMENTS CORPORATION**  
MPIC or Issuer

**1 March 2012**  
Date



.....  
**JOSE JESUS G. LAUREL**  
General Counsel/Vice President - Legal  
Compliance Officer

## PRESSRELEASE

### **Full-Year 2011 Core Net Income Up 32% to ₱5.10 Bln on Better Performance** *High-Growth Portfolio Exceeds Targets*

- 2011 core net income up 32% to ₱5.10 bln vs ₱3.86 bln in 2010
- Net profit after tax up 76% to ₱5.06 bln vs ₱2.87 bln
- Consolidated revenues up 19% to ₱22.07 bln % vs ₱18.56 bln
- Fully diluted core net income up 17% to 22.26 centavos per share
- Final dividend 1.50 centavos per share
- Full year dividend, including the final dividend, of 2.50 centavos per share
- MPIC parent company at net cash position at end-2011 vs. net debt year-earlier
- Meralco core net income ₱14.89 bln, core EBITDA ₱26.84 bln
- Maynilad core net income ₱6.01 bln, core EBITDA ₱9.39 bln
- MPTC core net income ₱1.48 bln, core EBITDA ₱4.14 bln
- Hospital Group core net income ₱0.56 bln, core EBITDA ₱1.63 bln

MANILA, Philippines, 1st March 2012 – Metro Pacific Investments Corporation (“MPIC” or the “Company”) (PSE: MPI) today announced consolidated core net income of ₱5.10 billion for the year ended 31st December 2011, an improvement of 32% over the ₱3.86 billion recorded in 2011.

Consolidated reported net income attributable to owners of the parent company, which reflects a net foreign exchange loss and non-recurring items of ₱(42) million, stood at ₱5.06 billion in 2011 compared with ₱2.87 billion in 2010, an improvement of 76%.

The rise in core net income is due mainly to higher profit from Maynilad Water Services, Inc. (“Maynilad”) and from Manila Electric Company (“Meralco”) as well as a strong performance across the Hospital Group. Maynilad reported higher billed volume and tariffs with Meralco also benefitting from higher tariffs. Metro Pacific Tollways Corporation (“MPTC”) managed to deliver 2011 earnings little changed from a year earlier despite the expiry of its income tax holiday at the end of 2010.

Maynilad accounted for ₱3.10 billion or 48% of the aggregate contribution to core net income by MPIC’s portfolio companies which represents MPIC’s attributable interest in Maynilad’s own core net income. Meralco contributed ₱1.69 billion or 26% while MPTC delivered ₱1.46 billion or 22% of core net income. The Hospital Group contributed ₱0.25 billion or 4% of the total.

“All our companies achieved strong growth in profitability for 2011 and are well placed for continued growth in 2012,” said Jose Ma. K. Lim, MPIC President and Chief Executive Officer. “The equity-raising we undertook last July has been partly deployed into our investments in Asian Hospital and Meralco, and we are well placed to fund further investments from our existing capital base. Our final dividend for 2011 is 1.50 centavos per share bringing the dividends for the full year to 2.50 centavos per share. In the years to 2015 we will gradually increase our dividend pay-out ratio toward 25% of Core Net Income.”

## **Operational Review**

### **Meralco: More Efficient Than Ever**

Meralco’s volume of electricity sold in 2011 grew just 1% year-on-year to 30,592 gigawatt hours as a number of factors constrained electricity demand. Cooler weather and an early start to the typhoon season tempered residential demand, while abroad the economic consequences of the March 2011 earthquake in Japan and lower growth in Europe held back growth in industrial and commercial electricity demand. Distribution and other revenues rose 13% to ₱51.19 billion in 2011 due mainly to higher distribution tariffs with the result that core net income for the year increased 22% to ₱14.89 billion. However, a recently-completed rate rebasing resulted in Meralco’s distribution tariff declining modestly in the fourth quarter of 2011.

Capital expenditure in 2011 amounted to ₱8.7 billion, targeted at boosting new service applications, improving distribution facilities and replacing meters and transformers.

System loss declined to an all-time low of 7.35% from 7.94% a year earlier thanks to the continuing institutionalization of loss reduction initiatives such as stronger pilferage management and deepening partnerships with local government. The steady decline of electricity theft resulting from government-initiated resettlement programs was key to the record-setting system loss performance in 2011.

Two other significant measures of service reliability were also improved with the Interruption Frequency Rate declining by 22% and Forced and Pre-arranged Cumulative Interruption Time down by 25% and 14%, respectively.

Meralco is committed to investing in strategies to capture a greater share of the overall power business and improve service efficiency to consumers. To meet these goals, Meralco is continuing its electricity distribution network capex program and aims to enter the power generation and Retail Electricity Supply businesses when Open Access becomes effective later this year. To these ends, Meralco recently announced the formation of a joint venture with Aboitiz Power and Taiwan Cogeneration to develop an aggregate 600MW coal-fired base load plant in Subic Zambales. The first 300MW line is expected to be commissioned in the second half of 2015 followed by the remaining 300MW six months later. Evaluation of further potential generation projects is proceeding steadily. Financing for these projects can be provided without recourse to additional equity from Meralco shareholders.

### **Maynilad: 24-hour supply and higher water pressure to a million households**

Maynilad increased the volume of water sold to its customers by 8.3% in 2011 as its five-year ₱36 billion capital expenditure program continued to deliver returns. The increase in water sold was achieved as increased supply volumes from Maynilad's Putatan water treatment plant in southern Metro Manila mitigated a 3% reduction in water drawn from the Angat Dam.

Non-revenue water (NRW) resulting from leakage and theft declined to 42.2% by the end of 2011 from 51% a year earlier as a result of Maynilad's continuing leak repairs program. Maynilad repaired 38,832 leaks during the year. This program, coupled with pipe rehabilitation and more efficient management of water pressure and supply, has resulted in the recovery of over 155 million liters per day (MLD) of water compared with 2010. Maynilad continues to push forward with its ambitious NRW reduction program by allocating ₱3.4 billion in 2012 for NRW diagnostics, leak repairs and the establishment and maintenance of District Metered Areas.

The Putatan water treatment facility in Muntinlupa, Rizal is a ₱1.8 billion project which came on stream in July 2010 with an initial production of 25 MLD and with a maximum capacity of 100 MLD. The plant produced an average of 98 MLD in 2011. The facility is a vital part of Maynilad's plan to develop alternative sources of water to serve customers in the southern part of Metro Manila.

Total revenues for the year grew 14.3% to ₱13.77 billion from ₱12.05 billion in 2010 due to the combined effect of an 8.3% increase in billed volume and an average effective tariff increase of 5.7%. Maynilad's core net income increased 24.2% from ₱4.83 billion to ₱6.01 billion. Maynilad's capital expenditure for 2011 was ₱9.03 billion.

Maynilad now delivers 24-hour water supply to 84% of its customers, while 96% of its customers also enjoy water pressure of at least seven pounds per square inch, the minimum pressure necessary to lift piped water up from the ground. The year-earlier

numbers were 71% and 86%, respectively. The number of billed customers rose 11% to 1,005,350 billed clients at the end of 2011 from 903,682 a year earlier, exceeding Maynilad's goal of reaching 1 million billed customers by year end.

### **MPTC: Improving services to motorists**

MPTC's pre-tax income rose 23% for the year ended 31 December 2011 to ₱1.87 billion mainly as a result of higher tolls on the North Luzon Expressway (NLEX) and prudent management of operating and financing costs. Core net income of ₱1.48 billion was flat against core net income of ₱1.47 billion in 2010, reflecting the expiry of MPTC's income tax holiday at the end of 2010. Average daily entries to our road system slightly decreased for the year compared with 2010 due to the combination of the high price of oil, the earlier arrival of typhoons and a 12% increase for value-added tax on toll rates in October. On Segment 8.1, a 2.7-kilometer stretch of toll road from Mindanao Avenue to the NLEX at Valenzuela City, which opened in June 2010, average daily vehicle entries reached 10,775 in 2011.

The revised agreement on the takeover of the Subic-Clark-Tarlac Expressway (SCTEX) concession has now been signed with the Bases Conversion and Development Authority. Formal handover is set to take place upon approval by the Office of the President, which is being awaited. MPTC plans to invest ₱325 million to integrate SCTEX with NLEX to facilitate seamless travel between the two expressways.

MPTC's Harbour Link project to connect the NLEX to the port area of Manila has been divided into two parts, "Segment 9" and "Segment 10", to allow construction to begin by the fourth quarter of this year. The Government is securing the right of way access for Segment 9, with 30% of the needed lots acquired so far ahead of construction starting later this year and completion of the entire project targeted for 2014. The Harbour Link will allow commercial vehicles 24-hour access to Manila's Port Area from the NLEX, in contrast with the current ban at peak times of day. The Harbour Link will also reduce travel time for motorists accessing NLEX from Western Metro Manila.

Metro Pacific Tollways Development Corporation ("MPTDC") has received confirmation of its Original Proponent status for the Connector Road Project (Connector Road), a 13.5-kilometer, four-lane elevated expressway using cutting-edge construction technology to connect the Harbour Link to the South Luzon Expressway/Skyway at Buendia Avenue, Makati City. This will bring together the Northern and Southern toll road systems for the first time. Detailed engineering drawing and design are almost complete in preparation for the Swiss Challenge and expected awarding of the project in late 2012. MPTC expects the Connector Road to increase traffic on existing Northern and Southern toll road systems by enabling commercial vehicles to traverse Metro Manila without violating the aforementioned truck ban, and slashing travel time between systems to no more than 20 minutes from over an hour today.

The Harbour Link and Connector Road projects will see MPTC invest approximately ₱32 billion to complete construction. MPTC and MPIC intend to fund this sum from

internal resources and debt. For its part, the Government is estimated to invest approximately ₱6 billion to secure the right of way access for the Harbour Link and Connector Road.

### **Hospitals: Growing the country's largest private chain**

Aggregate core net income for the Hospital Group for 2011 rose 17% to ₱560 million, reflecting strong performances across the Group and the benefit of investments made in the Riverside Medical Center in Bacolod and Our Lady of Lourdes Hospital in Sta. Mesa Manila in 2010. Particularly strong progress was achieved by Cardinal Santos Medical Center and Davao Doctors Hospital in growing their out-patient services.

Our Lady of Lourdes Hospital recently renovated the interior and façade of the hospital, including its doctors' clinics. It has also invested in new digital diagnostic machines and a state-of-the-art Eye Center.

Last November, MPIC completed its acquisition of 100% of the shares of Colinas Verdes Hospital Managers Corporation (CVHMC), operator of the Cardinal Santos Medical Center, making CVHMC a direct wholly-owned subsidiary of MPIC.

At the same time, MPIC also entered into an agreement to acquire a majority interest in Asian Hospital Inc., a 219-bed tertiary hospital located in Filinvest Corporate City in Alabang, Muntinlupa.

Following these investments, the Hospital Group now comprises six full-service tertiary hospitals with approximately 1,800 beds: Makati Medical Center, Cardinal Santos Medical Center, Our Lady of Lourdes Hospital and Asian Hospital in Metro Manila; Riverside Medical Center in Bacolod; and Davao Doctors Hospital in Mindanao.

### **MRT 3: An opportunity to improve service and reliability**

MPIC continues to seek ways to contribute to the improvement of the country's infrastructure. In this vein, the Company is continuing its discussions with the leadership at the Department of Transportation and Communications regarding its proposal to improve the operations and reliability of the MRT in the nation's capital.

### **Concluding Remarks**

"Our positive results for 2011 reflected continuing strong operating efficiencies and focused customer service. Operating companies under our portfolio reported an aggregate core net income of P22.94 billion, with core EBITDA standing at P42.0 billion," said MPIC Chairman Manuel V. Pangilinan. "Operating metrics across our portfolio at the start of 2012 have been positive and I am optimistic we will deliver another year of earnings growth this year."

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## **Forward Looking Statements**

This press release may contain “forward-looking statements” which 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.

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**METRO PACIFIC INVESTMENTS CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (AUDITED)**  
(Amounts in Millions)

	December 31	
	2011	2010
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents and short-term deposits	P15,126	P4,948
Restricted cash	1,915	843
Receivables	2,949	2,381
Due from related parties	373	439
Other current assets	2,356	2,661
Total Current Assets	22,719	11,272
<b>Noncurrent Assets</b>		
Receivables	957	675
Due from related parties	65	66
Available-for-sale financial assets	1,386	513
Investments in and advances to associates and a joint venture	36,738	34,872
Goodwill	13,069	12,751
Service concession assets	76,824	69,348
Property use rights	765	-
Property and equipment	5,863	1,423
Other noncurrent assets	1,787	456
Total Noncurrent Assets	137,454	120,104
	P160,173	P131,376
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable and other current liabilities	P11,676	P7,771
Income tax payable	76	31
Due to related parties	122	470
Derivative liabilities	-	212
Payable to noncontrolling interest	1,300	-
Current portion of:		
Provisions	2,989	2,188
Service concession fees payable	792	1,179
Long-term debts	1,594	2,954
Total Current Liabilities	18,549	14,805

(Forward)

	<b>December 31</b>	
	<b>2011</b>	2010
<b>Noncurrent Liabilities</b>		
Noncurrent portion of:		
Provisions	<b>₱190</b>	₱308
Service concession fees payable	<b>8,033</b>	7,951
Long-term debts	<b>38,429</b>	29,569
Deferred credits and other long-term liabilities	<b>5,553</b>	4,212
Due to related parties	-	6,314
Deferred tax liabilities	<b>2,989</b>	2,938
<b>Total Noncurrent Liabilities</b>	<b>55,194</b>	51,292
<b>Total Liabilities</b>	<b>₱73,743</b>	₱66,097
<b>Equity</b>		
Capital stock	<b>₱24,643</b>	₱20,205
Additional paid-in capital	<b>38,056</b>	27,222
Deposit for future stock subscriptions	-	12
Other reserves	<b>706</b>	915
Retained earnings	<b>10,460</b>	5,954
Other comprehensive income reserve	<b>(102)</b>	(90)
<b>Total equity attributable to owners of     the Parent Company</b>	<b>73,763</b>	54,218
Noncontrolling interest	<b>12,667</b>	11,061
<b>Total Equity</b>	<b>86,430</b>	65,279
	<b>₱160,173</b>	₱131,376

**METRO PACIFIC INVESTMENTS CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME (AUDITED)**  
(Amounts in Millions except Per Share Amounts)

	For the Year Ended December 31	
	2011	2010
<b>OPERATING REVENUES</b>		
Water and sewerage services revenue	P13,769	P12,050
Toll fees	6,465	5,858
Hospital revenue	1,740	577
School revenue	96	79
	<b>22,070</b>	18,564
<b>COST OF SALES AND SERVICES</b>	<b>(8,371)</b>	(6,845)
<b>GROSS PROFIT</b>	<b>13,699</b>	11,719
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b>	<b>(4,206)</b>	(3,645)
<b>OTHER INCOME AND EXPENSES</b>		
Construction revenue	8,866	8,932
Construction costs	(8,701)	(8,859)
Interest expense	(3,977)	(4,544)
Share in net earnings of associates and joint ventures - net	2,112	499
Foreign exchange gains - net	1,289	1,440
Interest income	743	574
Other income	1,269	1,810
Other expenses	(2,851)	(2,513)
	<b>(1,250)</b>	(2,661)
<b>INCOME BEFORE INCOME TAX</b>	<b>8,243</b>	5,413
<b>PROVISION FOR (BENEFIT FROM) INCOME TAX</b>		
Current	712	103
Deferred	(298)	(1)
	<b>414</b>	102
<b>NET INCOME</b>	<b>P7,829</b>	P5,311
<b>Net Income Attributable to:</b>		
Owners of the Parent Company	P5,059	P2,871
Noncontrolling interest	2,770	2,440
	<b>P7,829</b>	P5,311
<b>EARNINGS PER SHARE (IN CENTAVOS)</b>		
<b>Basic Earnings Per Share, Attributable to Owners of the Parent Company</b>	<b>P22.49</b>	P14.23
<b>Diluted Earnings Per Share, Attributable to Owners of the Parent Company</b>	<b>P22.08</b>	P14.21