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FIRST PACIFIC COMPANY LIMITED

第一太平有限公司

(Incorporated with limited liability under the laws of Bermuda)

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

(Stock Code: 00142)

DISCLOSEABLE TRANSACTION

ACQUISITION BY METRO PACIFIC INVESTMENTS CORPORATION OF AN APPROXIMATELY 10% INTEREST IN MANILA ELECTRIC COMPANY

On 14 April 2015, MPIC entered into a sale and purchase agreement with Beacon pursuant to which MPIC has agreed to purchase, and Beacon has agreed to sell, 112.71 million shares in Meralco, representing approximately 10% in the issued share capital of Meralco, at a price of Php 235 per share (equivalent to approximately US\$5.27 or approximately HK\$41.1) for an aggregate consideration of Php 26.5 billion (equivalent to approximately US\$594.2 million or approximately HK\$4.6 billion).

Beacon is a special purpose company jointly owned as to 50% each by MPIC and PCEV (a subsidiary of PLDT, a company in which the Group holds an approximately 25.6% economic interest).

As at the date of this announcement, MPIC owns approximately 5% in Meralco directly and, together with a further effective interest of approximately 22.48% in Meralco through its 50% interest in Beacon, has an effective interest of approximately 27.48% in Meralco. Upon completion of the Acquisition, MPIC will own approximately 15% in Meralco directly and a further effective interest of approximately 17.48% in Meralco through its 50% interest in Beacon, thereby taking MPIC's effective interest in Meralco to approximately 32.48%. PCEV's interest in Meralco will be reduced to an effective interest of approximately 17.48% from approximately 22.48%. There will be no change in the aggregate joint interest of MPIC and Beacon in Meralco which will remain at approximately 49.96%.

As a result of the Acquisition, the Group's (including PLDT) effective interest in Meralco will increase by approximately 1.33% to approximately 21.39% from approximately 20.06%.

As the highest of the applicable percentage ratios (as set out in Rule 14.07 of the Listing Rules) in respect of the Acquisition by the Company (through MPIC) exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is, therefore, subject to the announcement requirement under Chapter 14 of the Listing Rules.

INTRODUCTION

On 14 April 2015, MPIC entered into a sale and purchase agreement with Beacon pursuant to which MPIC has agreed to purchase, and Beacon has agreed to sell, 112.71 million shares in Meralco, representing approximately 10% in the issued share capital of Meralco, at a price of Php 235 per share (equivalent to approximately US\$5.27 or approximately HK\$41.1) for an aggregate consideration of Php 26.5 billion (equivalent to approximately US\$594.2 million or approximately HK\$4.6 billion).

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As a result of the Acquisition, the Group's (including PLDT) effective interest in Meralco will increase by approximately 1.33% to approximately 21.39% from approximately 20.06%.

CONSIDERATION

The aggregate consideration of Php 26.5 billion (equivalent to approximately US\$594.2 million or approximately HK\$4.6 billion) payable by MPIC to Beacon is to be settled as to Php 1.0 billion (equivalent to approximately US\$22.4 million or approximately HK\$174.9 million) paid upon the signing of the sale and purchase agreement, Php 17.0 billion (equivalent to approximately US\$381.2 million or approximately HK\$3.0 billion)

in June 2015 and the balance amount of Php 8.5 billion (equivalent to approximately US\$190.6 million or approximately HK\$1.5 billion) on or before July 2016.

The consideration has been determined on an arm's length basis between MPIC and Beacon, having regard to recent prices at which shares in Meralco have been sold and purchased in independent third party transactions.

The consideration will be fully satisfied in cash and will be funded by a dividend of approximately Php 4.3 billion (equivalent to approximately US\$96.4 million or approximately HK\$0.8 billion) expected to be received by MPIC from Beacon at the same time as MPIC settles the July 2016 payment for the Acquisition and the balance of Php 22.2 billion (equivalent to approximately US\$497.8 million or approximately HK\$3.9 billion) from MPIC's internal resources, following the signing of new 10-year bilateral term loan facilities of Php 25.0 billion (equivalent to approximately US\$560.5 million or approximately HK\$4.4 billion) on 14 April 2015.

REASONS FOR AND BENEFITS OF THE ACQUISITION FOR MPIC

The Acquisition represents an increase in MPIC's direct and effective interests in its investment in Meralco, reflecting its expectation of growth in Meralco's business, and an increase in its committed participation in Meralco's business.

The Directors believe that the Acquisition is fair and reasonable and in the interests of the Company and its shareholders taken as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the highest of the applicable percentage ratios (as set out in Rule 14.07 of the Listing Rules) in respect of the Acquisition by the Company (through MPIC) exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is, therefore, subject to the announcement requirement under Chapter 14 of the Listing Rules.

GENERAL

The Company is a Hong Kong-based investment management and holding company with operations located in Asia-Pacific. Its principal business interests relate to telecommunications, consumer food products, infrastructure and natural resources.

MPIC is a Philippine affiliate of the Company. It is an investment management and holding company focused on infrastructure development, and has common shares listed on the PSE. The Group has an approximately 52.1% economic interest in MPIC.

Meralco is a Philippine corporation with its shares listed on the PSE. It is the largest distributor of electricity in the Philippines with a service area spanning 9,337 square kilometres, where approximately a quarter of the total Philippine population resides. It has a customer base of about 5.6 million, comprising commercial, industrial and residential customers.

“Company”	First Pacific Company Limited, an exempted company incorporated in Bermuda with limited liability, and having its shares listed on the Stock Exchange;
“connected person(s)”	has the same meaning ascribed to it in the Listing Rules;
“Director(s)”	the director(s) of the Company from time to time;
“Group”	the Company and/or its subsidiaries, from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Meralco”	Manila Electric Company, a company incorporated in the Philippines with limited liability, the shares of which are listed on the PSE;
“MPIC”	Metro Pacific Investments Corporation, a company incorporated in the Philippines with limited liability, the shares of which are listed on the PSE;
“PCEV”	PLDT Communications and Energy Ventures, Inc., a company incorporated in the Philippines with limited liability and a subsidiary of PLDT;
“Php”	Philippine Peso, the lawful currency of the Republic of the Philippines;
“PLDT”	Philippine Long Distance Telephone Company, a company incorporated in the Philippines with limited liability, the shares of which are listed on the PSE and the New York Stock Exchange, and an associated company of the Group;
“PSE”	the Philippine Stock Exchange;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“US\$”	United States dollars, the lawful currency of the United States of America; and

“%”

per cent.

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

Hong Kong, 14 April 2015

Unless stated otherwise, translations of quoted currency values are made on an approximate basis and at the rate of US\$1.00 = HK\$7.8 = Php 44.6. Percentages and figures expressed have been rounded.

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

Executive Directors:

Manuel V. Pangilinan, *Managing Director and CEO*

Edward A. Tortorici

Robert C. Nicholson

Non-executive Directors:

Anthoni Salim, *Chairman*

Benny S. Santoso

Tedy Djuhar

Napoleon L. Nazareno

Independent Non-executive Directors:

Graham L. Pickles

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

Margaret Leung Ko May Yee, *SBS, JP*

Philip Fan Yan Hok