Corporate Profile

First Pacific is a Hong Kong-based investment and management company with operations located in Southeast Asia. Its principal business interests relate to Telecommunications and Consumer Food Products.

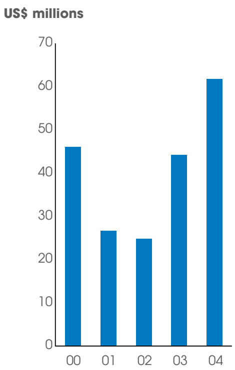
Listed in Hong Kong, First Pacific's shares are also available in the United States through American Depositary Receipts.

First Pacific's principal investments are summarized on inside back cover.

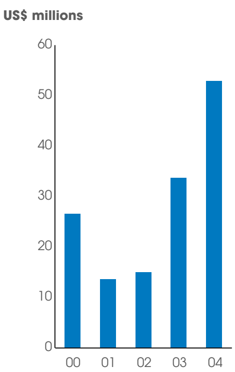
Contents

Half-Year Highlights

Contribution from Operations



Recurring Profit



FINANCIAL SUMMARY

For the six months ended 30 June US$ millions	2004	2003 (Restated)(i)	change
Turnover	**1,002.0**	1,008.7	-0.7%
Contribution from operations	**61.8**	44.2	+39.8%
Recurring profit	**52.9**	33.7	+57.0%
Foreign exchange (losses)/gains	**(13.6)**	1.9	—
Non-recurring items	**15.4**	—	—
Profit attributable to ordinary shareholders	**54.7**	35.6	+53.7%

US$ millions	At 30 June 2004	At 31 December 2003 (Restated)(i)	change
Net current assets	**322.7**	443.6	-27.3%
Total assets	**2,212.1**	2,213.5	-0.1%
Net debt	**779.7**	907.7	-14.1%
Shareholders' equity	**206.6**	51.1	+304.3%
Net assets(ii)	**529.2**	427.8	+23.7%

PER SHARE DATA

For the six months ended 30 June U.S. cents	2004	2003 (Restated)(i)	change
Recurring profit	**1.66**	1.06	+56.6%
Basic earnings	**1.72**	1.12	+53.6%

FINANCIAL RATIO

Times	At 30 June 2004	At 31 December 2003 (Restated)(i)	change
Gearing ratio(iii)			
— Consolidated	**1.47**	2.12	-30.7%
— Head Office	**0.13**	0.12	+8.3%

(i) Refer to Note 14 to the Condensed Interim Financial Statements.
(ii) Equivalent to the sum of shareholders' equity and outside interests.
(iii) Calculated as net debt divided by net assets.

2004 Goals: Half-Year Review

FIRST PACIFIC

- Continue to explore value-enhancing and expansion opportunities in the region, primarily in telecoms and consumer food products
  Ongoing. Continue to explore and evaluate opportunities.

- Further strengthening corporate governance practices
  Ongoing. Mr. Graham Pickles has been appointed as an independent non-executive director and Chairman of the Audit Committee.

- Conclude disposal of interest in Escotel
  Achieved. The disposal was completed on 10 June 2004, a net gain on disposal of US$17.1 million has been reflected in the interim results.

PLDT

- Sustain earnings growth momentum of the PLDT Group driven by Smart, stability of PLDT's fixed line business and improved profits at ePLDT
  Achieved and ongoing. Profits of Smart, Fixed Line and ePLDT improved by Pesos 5.5 billion (US$98.1 million), Pesos 1.8 billion (US$32.1 million), and Pesos 0.5 billion (US$9.6 million), respectively.

- Continue to maximize cash flows for debt reduction
  Achieved and ongoing. Free cash flow improved by 90.3 per cent; repaid US$279 million of debt in the first-half and plan to further repay US$80 million by year-end. These numbers exclude the impact of the Piltel debt exchange transaction which was completed in July 2004.

- Be in a position to restore dividends to common shareholders in 2005
  Ongoing. Currently expect to distribute 10 per cent of the net income attributable to common shareholders for the year ended 31 December 2004 as a dividend to the common shareholders in 2005.

INDOFOOD

- Maintain market leadership position
  In progress.

- Continue to focus on branded products, grow revenue through domestic, regional and international business development
  Ongoing. Revenue marginally improved by 1.7 per cent.

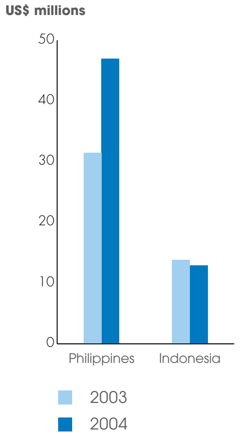
- Redevelop business strategy with reorganized management teams
  In progress.

METRO PACIFIC

- Substantially complete development plans for Metro Pacific's property portfolio, in particular the 10-hectare property in the Bonifacio Global City
  In progress. Continue to evaluate projects proposals and to seek a strategic partner.

- Enhance and expand Landco offerings while improving profitability
  Ongoing. Profitability continues to improve and projects and landbank expansion are under way.

Contribution by Country



CONTRIBUTION SUMMARY

For the six months ended 30 June US$ millions	Turnover 2004	Turnover 2003	Contribution to Group profit[i] 2004	Contribution to Group profit[i] 2003 (Restated)[ii]
PLDT[iii]	**—**	—	**53.3**	33.7
Indofood	**973.4**	970.7	**12.9**	13.8
Metro Pacific	**28.6**	38.0	**(6.3)**	(2.2)
From continuing businesses	**1,002.0**	1,008.7	**59.9**	45.3
From a discontinued business[iv]	**—**	—	**1.9**	(1.1)
FROM OPERATIONS	**1,002.0**	1,008.7	**61.8**	44.2
Head Office items:				
— Corporate overhead			**(4.2)**	(3.4)
— Net interest expense			**(6.5)**	(4.1)
— Other income/(expenses)			**1.8**	(3.0)
RECURRING PROFIT			**52.9**	33.7
Foreign exchange (losses)/gains			**(13.6)**	1.9
Non-recurring items[v]			**15.4**	—
PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS			**54.7**	35.6

(i) After taxation and outside interests, where appropriate.
(ii) The Group has restated its contribution from Indofood for 1H03 from US$14.9 million to US$13.8 million as a result of its adoption of SSAP 36 "Agriculture". Accordingly, the Group's 1H03 profit attributable to ordinary shareholders has been restated from US$36.7 million to US$35.6 million.
(iii) Associated company.
(iv) Represents Escotel.
(v) Includes US$17.1 million gain on disposal of Escotel.

During the period, the Group's turnover, at US$1,002.0 million (1H03: US$1,008.7 million), broadly unchanged, reflecting the effect of rupiah depreciation, offset by improved underlying performance. First Pacific's continuing business interests improved their performance in 1H04, recording profit contributions totaling US$61.8 million (1H03: US$44.2 million), an increase of 39.8 per cent. Recurring profit improved to US$52.9 million, from US$33.7 million in 1H03, and the Group recorded foreign exchange losses of US$13.6 million on its unhedged U.S. dollar denominated borrowings, largely due to a weaker rupiah and peso, and US$15.4 million of net non-recurring gains, which mainly represent gain on disposal of Escotel. First Pacific recorded an attributable profit for 1H04 of US$54.7 million, a 53.7 per cent improvement over 1H03's attributable profit of US$35.6 million.

The Group's operating results are denominated in local currencies, principally the peso and rupiah, which are translated and consolidated to provide the Group's results in U.S. dollar. The changes of these currencies against the U.S. dollar is summarized below.

Closing:	**At 30 June 2004**	At 31 December 2003	Six months change	At 30 June 2003	One year change
Peso	**56.19**	55.49	-1.2%	53.71	-4.4%
Rupiah	**9,415**	8,465	-10.1%	8,285	-12.0%

Average:	**Six months ended 30 June 2004**	12 months ended 31 December 2003	Six months change	Six months ended 30 June 2003	One year change
Peso	**56.07**	54.38	-3.0%	53.58	-4.4%
Rupiah	**8,794**	8,572	-2.5%	8,674	-1.4%

In 1H04, the Group recorded net exchange losses of US$13.6 million on unhedged U.S. dollar loans principally as a result of depreciation of the rupiah and peso. The exchange losses may be further analyzed as follows:

For the six months ended 30 June **US$ millions**	**2004**	2003
Indofood	**(11.4)**	3.6
PLDT	**(2.0)**	(2.0)
Others	**(0.2)**	0.3
TOTAL	**(13.6)**	1.9

PLDT

Philippine Long Distance Telephone Company (PLDT)'s operations are principally denominated in pesos, which averaged Pesos 56.07 (1H03: Pesos 53.58) to the U.S. dollar. Its financial results are prepared under Philippine GAAP and reported in pesos. First Pacific's financial results are prepared under Hong Kong GAAP and reported in U.S. dollars. Accordingly, certain adjustments need to be made to PLDT's reported peso results to ensure compliance with Hong Kong GAAP. An analysis of these adjustments follows.

For the six months ended 30 June **Pesos millions**	**2004**	2003
Net income under Philippine GAAP	**12,008**	1,785
Preference dividends(i)	**(825)**	(785)
Net income attributable to common shareholders	**11,183**	1,000
Differing accounting treatments(ii)		
— Reclassification/reversal of non-recurring items	**127**	5,174
— Foreign exchange accounting	**796**	835
— Others	**(408)**	(159)
Intragroup items(iii)	**150**	140
Adjusted net income under Hong Kong GAAP	**11,848**	6,990
Foreign exchange losses(iv)	**458**	434
PLDT's contribution under Hong Kong GAAP	**12,306**	7,424
US$ millions		
Net income at prevailing average rates for 1H04: Pesos 56.07 and 1H03: Pesos 53.58	**219.5**	138.6
Contribution to First Pacific Group profit, at an average shareholding of 1H04: 24.3% and 1H03: 24.3%	**53.3**	33.7

(i) First Pacific presents net income after deduction of preference dividends.

(ii) Differences in accounting treatment under Philippine GAAP, compared with Hong Kong GAAP. The principal adjustments include:

- *Reclassification/reversal of non-recurring items: Certain items, through occurrence or size, are not considered usual, operating items which are reallocated and presented separately. In 1H04, manpower reduction costs of Pesos 0.1 billion (1H03: Pesos 1.4 billion) were excluded and presented separately as non-recurring items. In 1H03, impairment provisions for satellite and other assets (Pesos 3.8 billion), which were fully provided by First Pacific in prior years, were also reversed.*
- *Foreign exchange accounting: Under Philippine GAAP, PLDT is permitted to capitalize and amortize exchange differences. Hong Kong GAAP requires the recognition of such differences, even though unrealized, in the profit and loss statement. The adjustment also includes the reversal of the amortization of PLDT's capitalized foreign exchange differences, as the originating exchange difference has already been written off by First Pacific.*

(iii) These are standard consolidation adjustments to ensure that transactions between Group companies are eliminated to present the Group as a single economic entity.

(iv) To illustrate the underlying operational results and profit contributions, exchange differences (net of related tax) are excluded and presented separately.

PLDT contributed a profit of US$53.3 million (1H03: US$33.7 million) to the Group, reflecting:

- Continued strong growth in Wireless, principally Smart's revenues which grew to Pesos 30.9 billion (US$551.1 million) (1H03: Pesos 22.1 billion; US$412.5 million) as its GSM subscribers reached 12.5 million (1H03: 8.1 million). EBITDA improved by 69 per cent to Pesos 21.2 billion (US$378.1 million) (1H03: Pesos 12.5 billion; US$233.3 million) mainly due to higher revenues and lower selling and promotion expenses. Net income nearly doubled to Pesos 11.6 billion (US$206.9 million) (1H03: Pesos 6.1 billion; US$113.8 million) and free cash flow reached Pesos 9.8 billion (US$174.8 million). Smart repaid debts of US$36 million during the period. It paid Pesos 11.3 billion (US$201.5 million) as dividend to PLDT in May. New innovative service "*SMART Padala*" which allows cash remittance service via text is expected to be another revenue contributor;

- Piltel recorded a turnaround net income of Pesos 810 million (US$14.4 million) (1H03: Net loss of Pesos 535 million; US$10.0 million) as subscriber base enlarged 60 per cent to 3.6 million (1H03: 2.2 million) and the average monthly churn rate reduced to 3.2 per cent (1H03: 4.6 per cent);

- Fixed Line revenues slightly increased to Pesos 23.2 billion (US$413.8 million) (1H03: Pesos 22.5 billion; US$419.9 million) and EBITDA improved by 7 per cent to Pesos 13.1 billion (US$233.6 million) (1H03: Pesos 12.3 billion; US$229.6 million). During the period, debt level reduced by US$222 million by employing cash flows from operations and dividends from Smart. PLDT is expected to reduce total debt by approximately US$300 million by the end of the year; and

- Information and Communications Technology continue to improve its results mainly due to the increase of its call centers' revenues. ePLDT reported net profit of Pesos 70 million (US$1.2 million) (1H03: Net loss of Pesos 454 million; US$8.5 million) as consolidated revenues increased by 27 per cent to Pesos 1.1 billion (US$19.6 million) (1H03: Pesos 878 million; US$16.4 million). ePLDT continues to expand its call center and internet cafe chain businesses.

On 2 July 2004, Smart concluded the debt exchange transaction with some of Piltel's creditors. Smart currently is the largest creditor of Piltel holding US$289 million of Piltel's US$417 million restructured debt. Smart and PLDT hold an aggregate common share ownership in Piltel of 63.2 per cent as of 9 July 2004.

INDOFOOD

PT Indofood Sukses Makmur Tbk (Indofood)'s operations are principally denominated in rupiah, which averaged Rupiah 8,794 (1H03: Rupiah 8,674) to the U.S. dollar. Its financial results are prepared under Indonesian GAAP and reported in rupiah. First Pacific's financial results are prepared under Hong Kong GAAP and reported in U.S. dollars. Accordingly, certain adjustments need to be made to Indofood's reported rupiah results to ensure compliance with Hong Kong GAAP. An analysis of these adjustments follows.

For the six months ended 30 June **Rupiah billions**	**2004**	2003
Net income under Indonesian GAAP	**117**	309
Differing accounting treatments[i]		
— Foreign exchange accounting	**27**	27
— Loss on revaluation of plantations	**(69)**	(19)
— Others	**(49)**	(35)
Adjusted net income under Hong Kong GAAP	**26**	282
Foreign exchange losses/(gains)[ii]	**194**	(51)
Indofood's contribution under Hong Kong GAAP	**220**	231
US$ millions		
Net income at prevailing average rates for 1H04: Rupiah 8,794 and 1H03: Rupiah 8,674	**25.0**	26.6
Contribution to First Pacific Group profit, at an average shareholding of 1H04: 51.5% and 1H03: 51.9%	**12.9**	13.8

(i) *Differences in accounting treatment under Indonesian GAAP, compared with Hong Kong GAAP. The principal adjustments include:*
- *Foreign exchange accounting: The adjustment relates to the reversal of the amortization of foreign exchange losses that were previously capitalized by Indofood on certain fixed assets under construction.*
- *Loss on revaluation of plantations: Under Indonesian GAAP, Indofood measures its plantations (biological assets) on historical cost basis. Hong Kong GAAP requires the measurement of plantations at fair value less estimated point-of-sale costs. The adjustment relates to the loss on revaluation of plantations during the period.*

(ii) *To illustrate the underlying operational results and profit contributions, exchange differences (net of related tax) are excluded and presented separately.*

Indofood contributed a profit of US$12.9 million (1H03: US$13.8 million) to the Group, reflecting:

- Consolidated revenues slightly improved by 1.7 per cent to Rupiah 8.6 trillion (US$973.4 million). Rupiah sales revenues of the Flour division increased 18.8 per cent, which was substantially eroded by the decreased sales in the Edible Oils & Fats — Trading division;

- Indofood's rupiah gross profit increased 12.0 per cent to Rupiah 2.2 trillion (US$254.3 million), and the rupiah gross margin for the period was 26.1 per cent (1H03: 23.7 per cent) resulted from increased selling prices of flour, better margins of cooking oil and fats and CPO, and a decline in low margin CPO trading business;

- Indofood's rupiah operating margin for the period improved to 11.8 per cent (1H03: 10.3 per cent), reflecting higher gross margins partly offset by the increase in selling and promotion activities;

- Net interest costs were 6 per cent lower than the same period of last year;

- In July 2004, Indofood issued a Rupiah 1 trillion (US$106.2 million) five-year Rupiah-bonds, most of the net proceeds were used to repay outstanding U.S. dollar denominated debts. The Financial Review section contains further information on Indofood's net debt; and

- Indofood paid dividend of US$13.0 million to First Pacific in August 2004, which representing a payout ratio of 40.0 per cent.

In May 2004, Indofood issued 0.9 million new shares for the final phase of its employee stock ownership programme (ESOP). It had issued total 288.2 million new shares since May 2002 for the programme, which representing 3.1 per cent of Indofood's issued and paid-up capital as at 16 May 2001 when the ESOP was approved.

METRO PACIFIC

Metro Pacific Corporation (Metro Pacific)'s operations are principally denominated in pesos, which averaged Pesos 56.07 (1H03: Pesos 53.58) to the U.S. dollar. Its financial results are prepared under Philippine GAAP and reported in pesos. First Pacific's financial results are prepared under Hong Kong GAAP and reported in U.S. dollars. Accordingly, certain adjustments need to be made to Metro Pacific's reported peso results to ensure compliance with Hong Kong GAAP. An analysis of these adjustments follows.

For the six months ended 30 June Pesos millions	2004	2003
Net (loss)/profit under Philippine GAAP	**(6)**	94
Differing accounting treatments[(i)]		
— Reclassification/reversal of non-recurring items	**(494)**	(421)
— Others	**52**	19
Intragroup item[(ii)]	**4**	148
Adjusted net loss under Hong Kong GAAP	**(444)**	(160)
Foreign exchange losses[(iii)]	**9**	13
Metro Pacific's contribution under Hong Kong GAAP	**(435)**	(147)
US$ millions		
Net loss at prevailing average rates for 1H04: Pesos 56.07 and 1H03: Pesos 53.58	**(7.8)**	(2.7)
Contribution to First Pacific Group profit, at an average shareholding of 1H04: 80.6% and 1H03: 80.6%	**(6.3)**	(2.2)

(i) Differences in accounting treatment under Philippine GAAP, compared with Hong Kong GAAP. The principal adjustment includes:

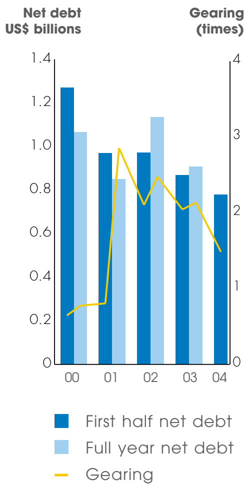
— Reclassification/reversal of non-recurring items: Certain items, through occurrence or size, are not considered usual, operating items which are reallocated and presented separately. Adjustment for 1H04 of Pesos 0.5 billion (1H03: Pesos 0.4 billion) principally relate to the reclassification/reversal of provisions for various assets of the shipping subsidiary and gains realized from various debt reduction and restructuring exercises.

(ii) These are standard consolidation adjustments to ensure that transactions between Group companies are eliminated to present the Group as a single economic entity.

(iii) To illustrate the underlying operational results and profit contributions, exchange differences (net of related tax) are excluded and presented separately.

Metro Pacific contributed a loss of US$6.3 million to the Group (1H03: US$2.2 million). Landco increased its net profit to Pesos 32.9 million (US$0.6 million) (1H03: Pesos 14.1 million or US$0.3 million). Metro Pacific continues to make substantial progress on debt restructuring. Financing charges reduced by 29.3 per cent to Pesos 313.4 million (US$5.6 million) (1H03: Pesos 443.2 million or US$8.3 million), reflecting lower parent company debt level and deconsolidation of Bonifacio Land Corporation.

Net Debt and Gearing



LIQUIDITY AND FINANCIAL RESOURCES

Net debt and gearing

An analysis of net debt and gearing for consolidated and associated companies follows.

Consolidated

US$ millions	At 30 June 2004 Net debt[i]	Net assets/ (liabilities)	Gearing (times)	At 31 December 2003 (Restated) Net debt[i]	Net assets/ (liabilities)	Gearing (times)
Head Office	**103.4**	**801.6**	**0.13x**	96.9	813.4	0.12x
Indofood	**591.0**	**525.8**	**1.12x**	713.3	569.7	1.25x
Metro Pacific	**85.3**	**(39.1)**	**—**	97.5	(32.7)	—
Consolidated before goodwill reserve	**779.7**	**1,288.3**	**0.61x**	907.7	1,350.4	0.67x
Goodwill reserve	**—**	**(759.1)**	**—**	—	(922.6)	—
Consolidated after goodwill reserve	**779.7**	**529.2**	**1.47x**	907.7	427.8	2.12x

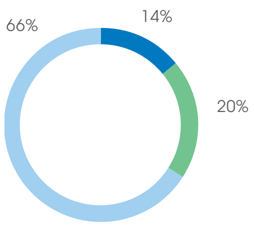
Associated

US$ millions	At 30 June 2004 Net debt	Net assets	Gearing (times)	At 31 December 2003 Net debt	Net assets	Gearing (times)
PLDT	**2,205.0**	**1,865.8**	**1.18x**	2,532.9	1,710.8	1.48x

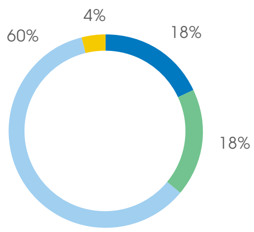
(i) Includes restricted cash and pledged deposits.

- Head Office's gearing increased as a result of payments of operating expenses, principally interest and tax, partly offset by net proceeds from disposal of Escotel.
- Indofood's gearing declined as free cash flows were used to reduce debts.
- Metro Pacific's net debt reduced mainly because of debt reduction efforts.
- PLDT's gearing declined as strong free cash flows were used to reduce debts and profits enhanced net assets.

Maturity Profile of Consolidated Debt 30 June 2004



Maturity Profile of Consolidated Debt 31 December 2003



Maturity profile

The maturity profile of debt of consolidated and associated companies follows.

Consolidated

US$ millions	At 30 June 2004	At 31 December 2003
Within one year	**145.3**	207.4
One to two years	**206.5**	209.6
Two to five years	**689.6**	703.3
Over five years	**—**	43.0
TOTAL	**1,041.4**	1,163.3

The Group's debt maturity profile at 30 June 2004 was broadly unchanged as compared to that at 31 December 2003.

Associated

	PLDT	
US$ millions	At 30 June 2004	At 31 December 2003
Within one year	**399.1**	466.3
One to two years	**683.2**	543.3
Two to five years	**946.8**	1,098.9
Over five years	**574.1**	771.6
TOTAL	**2,603.2**	2,880.1

Charges on group assets

At 30 June 2004, certain bank and other borrowings were secured by the Group's property and equipment, accounts receivables and inventories equating to a net book value of US$73.6 million (31 December 2003: US$75.8 million). Apart from these, the Head Office's US$112.5 million bonds and US$55.0 million bank loan were principally secured by the Group's 51.5 per cent and 14.0 per cent interests in Indofood and PLDT, respectively.

FINANCIAL RISK MANAGEMENT

Foreign currency risk

(A) Company risk

As the Head Office debt is currently denominated in U.S. dollars, foreign currency risk relates mainly to the receipt of cash dividends and to the translation of non-U.S. dollar denominated investments in subsidiary and associated companies.

The Company actively reviews the potential benefits of hedging based on forecast dividend flows. However, the Company does not actively seek to hedge risks arising on the translation of foreign currency denominated investments due to the non-cash nature of such investments and the high costs associated with such hedging. Accordingly, First Pacific is exposed to the impact of foreign currency fluctuations on the translated U.S. dollar value of its foreign currency denominated investments.

With the exception of the Head Office, the principal components of the Company's net asset value (NAV) relate to investments denominated in the peso or rupiah. Accordingly, any change in these currencies would have an effect on the Company's NAV in U.S. dollar terms.

The following table illustrates the estimated effect on the Company's adjusted NAV for a one per cent change of the peso and rupiah against the U.S. dollar.

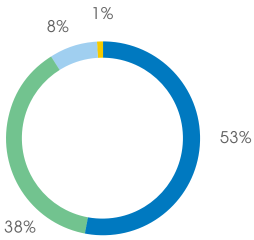
Company	Effect on adjusted NAV[i] US$ millions	Effect on adjusted NAV per share HK cents
PLDT	8.4	2.06
Indofood	3.3	0.81
TOTAL	**11.7**	**2.87**

(i) Based on quoted share prices applied to the Company's economic interest.

(B) Group risk

The Group's operating results are denominated in local currencies, principally the peso and rupiah, which are translated and consolidated to give the Group's results in U.S. dollar.

Analysis of Total Borrowings by Currency



	US$ millions
US$	557.0
Rupiah	397.3
Peso	86.9
Others	0.2
Total	**1,041.4**

Net debt by currency

It is often necessary for operating entities to borrow in U.S. dollars, which results in the risk of a translation impact on local currency results. A summary of consolidated and associated companies' net debt by currency follows.

Consolidated

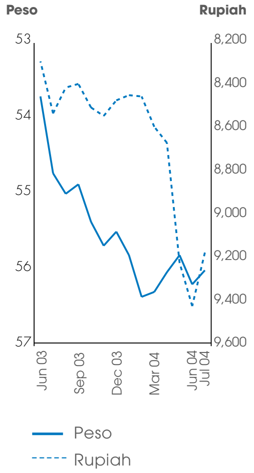
US$ millions	US$	Peso	Rupiah	Others	Total
Total borrowings	557.0	86.9	397.3	0.2	**1,041.4**
Cash and cash equivalents[i]	(113.3)	(4.5)	(137.9)	(6.0)	**(261.7)**
NET DEBT	443.7	82.4	259.4	(5.8)	**779.7**
Representing:					
Head Office	109.6	(0.2)	—	(6.0)	**103.4**
Indofood	331.4	—	259.4	0.2	**591.0**
Metro Pacific	2.7	82.6	—	—	**85.3**
NET DEBT	443.7	82.4	259.4	(5.8)	**779.7**

Associated

US$ millions	US$	Peso	Yen	Total
PLDT	2,071.0	(39.5)	173.5	**2,205.0**

(i) Includes restricted cash and pledged deposits.

Peso and Rupiah Closing Rates Against the U.S. Dollar

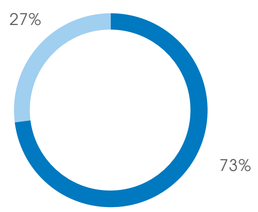


As a result of unhedged U.S. dollar net debt, the Group's results are sensitive to fluctuations in U.S. dollar exchange rates. The following table illustrates the estimated effect on the Group's reported profitability for a one per cent change in the principal operating currencies of subsidiary and associated companies. This does not reflect the indirect effect of fluctuating exchange rates on input costs at the operating company level.

US$ millions	Total US$ exposure	Hedged amount	Unhedged amount	Profit effect of 1% currency change	Group profit effect (i)
PLDT	2,071.0	879.5	1,191.5	11.9	2.0
Indofood	331.4	250.0	81.4	0.8	0.3
Metro Pacific	2.7	—	2.7	—	—
Head Office(ii)	109.6	—	109.6	—	—
TOTAL	**2,514.7**	**1,129.5**	**1,385.2**	**12.7**	**2.3**

(i) Net of tax effect.
(ii) As the Group reports its results in U.S. dollars, unhedged U.S. dollar debt at the Head Office does not give rise to any significant exchange exposure.

Interest Rate Profile



Interest rate risk

The Company and its operating entities are exposed to changes in interest rates to the extent that they impact the cost of variable interest rate borrowings. An analysis of this for consolidated and associated companies follows.

Consolidated

US$ millions	Fixed interest rate borrowings	Variable interest rate borrowings	Cash and cash equivalents(i)	Net debt
Head Office(ii)	167.5	—	(64.1)	**103.4**
Indofood	573.9	210.4	(193.3)	**591.0**
Metro Pacific	22.9	66.7	(4.3)	**85.3**
CONSOLIDATED	**764.3**	**277.1**	**(261.7)**	**779.7**

Associated

US$ millions	Fixed interest rate borrowings	Variable interest rate borrowings	Cash and cash equivalents(i)	Net debt
PLDT	1,671.8	931.4	(398.2)	**2,205.0**

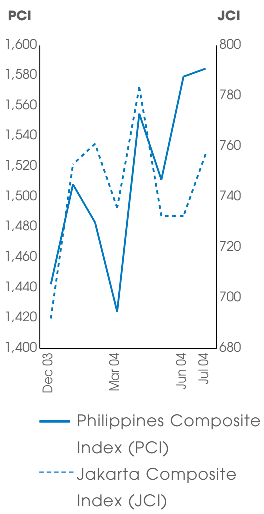
(i) Includes restricted cash and pledged deposits.
(ii) In September 2003, a wholly-owned subsidiary of the Company entered into an interest rate swap agreement which effectively changed its US$55.0 million bank loan from a LIBOR-based variable interest rate to fixed interest rate.

The following table illustrates the estimated effect on the Group's reported profitability for a one per cent change in average annual interest rates.

US$ millions	Variable interest rate borrowings	Profit effect of 1% change in interest rates	Group profit effect [i]
Indofood	210.4	2.1	0.8
Metro Pacific	66.7	0.7	0.4
PLDT	931.4	9.3	1.5
TOTAL	**1,208.5**	**12.1**	**2.7**

(i) Net of tax effect.

Stock Market Indices



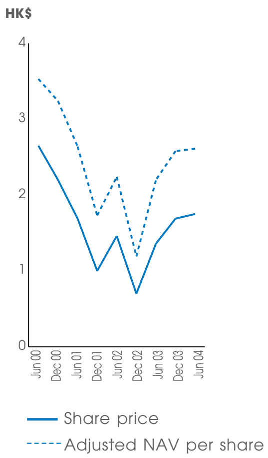
Equity market risk

As the majority of the Company's investments are listed, the Company is exposed to fluctuations in the equity market values of such investments. In addition, the value of the Company's investments may be impacted by sentiment towards specific countries.

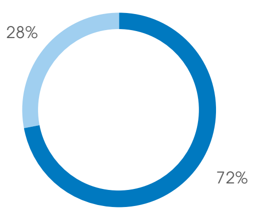
First Pacific's listed investments are located in the Philippines and Indonesia. Accordingly, in addition to operating factors within the Company's control, the Company also has an equity market risk in respect of general investor sentiment towards these countries. Changes in the stock market indices of the Philippines and Indonesia is summarized as follows.

	Philippine Composite Index	Jakarta Composite Index
At 31 December 2003	1,442.4	691.9
At 30 June 2004	**1,579.4**	**732.4**
Increase during first half of 2004	9.5%	5.9%

Share Price vs Adjusted NAV per Share



Adjusted NAV by Country 30 June 2004



	US$ millions
Philippines	843.9
Indonesia	326.8
Total	**1,170.7**

ADJUSTED NAV PER SHARE

There follows a calculation of the Group's underlying worth.

		Adjusted NAV	
		At	At
		30 June	31 December
US$ millions	Basis	**2004**	2003
PLDT	(i)	**843.9**	720.7
Indofood	(i)	**326.8**	415.5
Escotel		**—**	15.5
Head Office — Net debt		**(103.4)**	(96.9)
TOTAL VALUATION	(ii)	**1,067.3**	1,054.8
NUMBER OF ORDINARY SHARES IN ISSUE (millions)		**3,186.0**	3,186.0
Value per share			
— U.S. dollar		**0.33**	0.33
— HK dollars		**2.61**	2.58
Company's closing share price (HK$)		**1.75**	1.69
Share price discount to HK$ value per share (%)		**33.0**	34.5

(i) Based on quoted share prices applied to the Company's economic interest.
(ii) No value has been attributed to the Group's investments in Metro Pacific, Mobile-8 or Infrontier.

EMPLOYEE INFORMATION

The following information relates to the Head Office and its subsidiaries.

For the six months ended 30 June US$ millions	**2004**	2003
EMPLOYEE REMUNERATION (INCLUDING DIRECTORS' REMUNERATION)		
Basic salaries	**65.3**	61.0
Bonuses	**7.1**	7.3
Benefits in kind	**13.1**	11.5
Pension contribution	**1.8**	2.2
TOTAL	**87.3**	82.0

	2004	2003
NUMBER OF EMPLOYEES		
— At 30 June	**49,575**	44,490
— Average for the period	**48,307**	44,515

For details regarding the Group's remuneration policies for Directors and senior executives, please refer to page 29 of First Pacific's 2003 Annual Report.

CONDENSED CONSOLIDATED PROFIT AND LOSS STATEMENT

For the six months ended 30 June US$ millions	Notes	(Unaudited) **2004**	2003 (Restated)[(i)]
TURNOVER	*2*	**1,002.0**	1,008.7
Cost of sales		**(756.7)**	(772.1)
GROSS PROFIT		**245.3**	236.6
Gain on disposal of a discontinued business		**17.1**	—
Distribution costs		**(90.2)**	(74.0)
Administrative expenses		**(64.1)**	(68.0)
Other operating (expenses)/income, net		**(34.7)**	20.8
OPERATING PROFIT	*3*	**73.4**	115.4
Share of profits less losses of associated companies		**70.6**	38.9
Net borrowing costs	*4*	**(55.4)**	(60.1)
PROFIT BEFORE TAXATION		**88.6**	94.2
Taxation	*5*	**(27.3)**	(19.7)
PROFIT AFTER TAXATION		**61.3**	74.5
Outside interests		**(6.6)**	(38.9)
PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS	*6*	**54.7**	35.6
BASIC EARNINGS PER SHARE (U.S. cents)	*7*	**1.72**	1.12

(i) Refer to Note 14.

The accompanying notes form an integral part of these Condensed Interim Financial Statements.

CONDENSED CONSOLIDATED BALANCE SHEET

US$ millions	Notes	(Unaudited) At 30 June 2004	At 31 December 2003 (Restated)[i]
NON-CURRENT ASSETS			
Property and equipment	*9*	**627.0**	699.3
Plantations		**131.2**	160.0
Associated companies	*10*	**193.2**	8.0
Long-term receivables and prepayments		**304.6**	248.0
Goodwill		**17.8**	18.3
Deferred tax assets		**5.3**	7.5
Restricted cash	*15(b)*	**4.7**	4.7
		1,283.8	1,145.8
CURRENT ASSETS			
Cash and cash equivalents		**247.8**	233.3
Restricted cash and pledged deposits	*15(b)*	**9.2**	17.6
Short-term investments		**23.0**	77.0
Accounts receivable, other receivables and prepayments	*11*	**353.2**	430.2
Inventories		**295.1**	309.6
		928.3	1,067.7
CURRENT LIABILITIES			
Accounts payable, other payables and accruals	*12*	**438.7**	379.9
Short-term borrowings		**145.3**	207.4
Provision for taxation		**21.6**	36.8
		605.6	624.1
NET CURRENT ASSETS		**322.7**	443.6
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,606.5**	1,589.4
EQUITY CAPITAL AND RESERVES			
Issued capital		**31.9**	31.9
Reserves		**174.7**	19.2
Shareholders' equity		**206.6**	51.1
OUTSIDE INTERESTS		**322.6**	376.7
NON-CURRENT LIABILITIES			
Loan capital and long-term borrowings		**896.1**	955.9
Deferred liabilities and provisions	*13*	**81.5**	88.7
Deferred tax liabilities		**99.7**	117.0
		1,077.3	1,161.6
		1,606.5	1,589.4

(i) Refer to Note 14.

The accompanying notes form an integral part of these Condensed Interim Financial Statements.

On behalf of the Board of Directors

Manuel V. Pangilinan
MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

16 August 2004

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

US$ millions	Issued capital	Share premium	Exchange reserve	Revenue reserve	(Unaudited) Total
Balance at 1 January 2003 as previously reported	31.9	958.2	0.3	(1,061.6)	(71.2)
Prior year adjustments	—	—	(2.2)	47.7	45.5
As restated[(i)]	31.9	958.2	(1.9)	(1,013.9)	(25.7)
Net gains not recognized in the profit and loss statement					
— Exchange translation	—	—	12.3	—	12.3
Dilution of interests in a subsidiary and an associated company	—	—	0.5	4.2	4.7
Net profit for the period, as restated	—	—	—	35.6	35.6
BALANCE AT 30 JUNE 2003 (RESTATED)[(i)]	31.9	958.2	10.9	(974.1)	26.9
Balance at 1 January 2004, as previously reported	31.9	958.2	(3.5)	(975.9)	10.7
Prior year adjustments	—	—	0.1	40.3	40.4
As restated[(i)]	31.9	958.2	(3.4)	(935.6)	51.1
Net losses not recognized in the profit and loss statement					
— Exchange translation	—	—	(29.0)	—	(29.0)
Disposal of an associated company	—	—	(33.7)	163.4	129.7
Dilution of interest in a subsidiary company	—	—	—	0.1	0.1
Net profit for the period	—	—	—	54.7	54.7
BALANCE AT 30 JUNE 2004	**31.9**	**958.2**	**(66.1)**	**(717.4)**	206.6

(i) Refer to Note 14.

The accompanying notes form an integral part of these Condensed Interim Financial Statements.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June US$ millions	Notes	(Unaudited) 2004	 2003 (Restated)[(i)]
OPERATING PROFIT		**73.4**	115.4
Foreign exchange losses/(gains), net		**31.6**	(9.8)
Depreciation		**27.1**	26.8
Loss on changes in fair value of plantations		**14.0**	3.9
Decrease/(increase) in long-term receivables and prepayments		**11.8**	(1.9)
Amortization of goodwill		**0.5**	0.5
Losses on dilution of interests in a subsidiary and an associated company		**—**	3.2
Gain on disposal of a discontinued business		**(17.1)**	—
Payments in respect of deferred liabilities and provisions		**(14.0)**	(5.8)
(Gains)/losses on sale of property and equipment		**(1.0)**	0.9
Others		**9.8**	(24.7)
Operating profit before working capital changes		**136.1**	108.5
Decrease in working capital+		**62.4**	59.9
Net cash inflow generated from operations		**198.5**	168.4
Interest received		**9.7**	9.9
Interest paid		**(60.1)**	(66.0)
Tax paid		**(23.1)**	(16.4)
NET CASH INFLOW FROM OPERATING ACTIVITIES		**125.0**	95.9
Purchase of property and equipment and others		**(82.9)**	(40.7)
Sale of businesses, property and equipment and others	*15(a)*	**67.5**	75.7
Loans repaid by/(to) associated companies		**0.5**	(11.0)
NET CASH (OUTFLOW)/INFLOW FROM INVESTING ACTIVITIES		**(14.9)**	24.0
Net borrowings repaid		**(66.0)**	(102.0)
Shares issued to outside interests by a subsidiary company		**0.1**	5.6
Dividends paid to outside interests by a subsidiary company		**(11.4)**	—
NET CASH OUTFLOW FROM FINANCING ACTIVITIES		**(77.3)**	(96.4)
NET INCREASE IN CASH AND CASH EQUIVALENTS		**32.8**	23.5
Cash and cash equivalents at 1 January		**233.3**	203.3
Exchange translation		**(18.3)**	12.0
CASH AND CASH EQUIVALENTS AT 30 JUNE		**247.8**	238.8
REPRESENTING			
Cash and cash equivalents		**247.8**	238.8

(i) Refer to Note 14.

+ *Changes in working capital are stated excluding movements due to disposals of subsidiary companies.*

The accompanying notes form an integral part of these Condensed Interim Financial Statements.

1. BASIS OF PREPARATION

The Condensed Interim Financial Statements have been prepared in accordance with Hong Kong Statement of Standard Accounting Practice (SSAP) No. 25 "Interim Financial Reporting" issued by the Hong Kong Society of Accountants (HKSA) and the disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the Listing Rules) issued by The Stock Exchange of Hong Kong Limited (HKSE). The Condensed Interim Financial Statements are prepared on a basis consistent with the accounting policies adopted in the Group's 2003 audited Financial Statements, except as described below.

Certain changes to Hong Kong Generally Accepted Accounting Principles (HK GAAP) have been implemented during 2004 as a consequence of the following new accounting standards issued by HKSA, which are effective for accounting periods commencing on, or after, 1 January 2004. The principal changes to HK GAAP are summarized as follows:

- Hong Kong Financial Reporting Standard (HKFRS) No. 1 "First-time Adoption of Hong Kong Financial Reporting Standards" prescribes the accounting treatment that an entity should apply when it adopts HKFRSs for the first time as the basis for preparing its annual and interim financial statements. The issuing of HKFRS No. 1 had no impact on the Group's Condensed Interim Financial Statements.

- Statement of Standard Accounting Practice 36 "Agriculture" prescribes the accounting treatment, financial statement presentation and disclosures related to agricultural activity. SSAP 36 requires the measurement of biological assets on initial recognition and at each balance sheet date at its fair value less estimated point-of-sale costs. The adoption of the new SSAP 36 has resulted in changing the Group's accounting policy on measuring Indofood's plantations (biological assets) from historical cost to fair value less estimated point-of-sale costs. As a result, prior year adjustments have been made to restate the comparative figures for the six months ended 30 June 2003 and at 31 December 2003 from those included in the published 2003 Interim and Annual Financial Statements, respectively. Details of the restatement are set out below in Notes 14 and 19.

The Condensed Interim Financial Statements are unaudited but have been reviewed by the Audit Committee and the Group's external auditors.

2. TURNOVER AND SEGMENTAL INFORMATION

For the six months ended 30 June US$ millions	2004	2003
TURNOVER		
Sale of goods and services	**984.8**	984.2
Rendering of services	**17.2**	24.5
TOTAL	**1,002.0**	1,008.7

Segmental information, relating to the Group's business and geographic interests, follows. Analysis by business activities is the Group's primary reporting format as this is more relevant to the Group when making operational and financial decisions.

By principal business activities — 2004

For the six months ended 30 June US$ millions	Telecom- munications	Consumer Food Products	Property and Transportation	A discontinued business[i]	Head Office	2004 Total
PROFIT AND LOSS						
Segment revenue — turnover	—	973.4	28.6	—	—	**1,002.0**
Segment results/operating profit	—	61.8	(1.9)	—	13.5	**73.4**
Share of profits less losses of associated companies	69.2	(0.2)	(0.1)	1.7	—	**70.6**
Net borrowing costs						**(55.4)**
Profit before taxation						**88.6**
Taxation						**(27.3)**
Profit after taxation						**61.3**
Outside interests						**(6.6)**
Profit attributable to ordinary shareholders						**54.7**
OTHER INFORMATION						
Capital expenditure	—	75.4	2.6	—	—	**78.0**
Depreciation and amortization	—	25.4	2.2	—	—	**27.6**
Other non-cash expenses	—	16.8	9.2	—	—	**26.0**

By principal geographical markets — 2004

For the six months ended 30 June US$ millions	The Philippines	Indonesia	2004 Total
Segment revenue — turnover	28.6	973.4	**1,002.0**
Capital expenditure	2.6	75.4	**78.0**

By principal business activities — 2003

For the six months ended 30 June US$ millions	Telecom- munications	Consumer Food Products	Property and Transportation	A discontinued business[i]	Head Office	2003 (Restated) Total
PROFIT AND LOSS						
Segment revenue — turnover	—	970.7	38.0	—	—	1,008.7
Segment results/operating profit	—	101.3	34.0	—	(19.9)	115.4
Share of profits less losses of associated companies	19.2	(0.2)	21.0	(1.1)	—	38.9
Net borrowing costs						(60.1)
Profit before taxation						94.2
Taxation						(19.7)
Profit after taxation						74.5
Outside interests						(38.9)
Profit attributable to ordinary shareholders						35.6
OTHER INFORMATION						
Capital expenditure	—	35.8	2.5	—	—	38.3
Depreciation and amortization	—	25.9	1.4	—	—	27.3
Other non-cash expenses	—	6.1	—	—	—	6.1

By principal geographical markets — 2003

For the six months ended 30 June US$ millions	The Philippines	Indonesia	2003 Total
Segment revenue — turnover	38.0	970.7	1,008.7
Capital expenditure	2.5	35.8	38.3

(i) Represents Escotel, a company operating in India.

3. OPERATING PROFIT

For the six months ended 30 June US$ millions	2004	2003
OPERATING PROFIT IS STATED AFTER (CHARGING)/CREDITING		
Cost of inventories sold	**(595.4)**	(614.6)
Net exchange (losses)/gains on monetary items	**(31.6)**	9.8
Depreciation	**(27.1)**	(26.8)
Cost of services rendered	**(16.3)**	(19.7)
Loss on changes in fair value of plantations	**(14.0)**	(3.9)
Unrealized (losses)/gains on short-term investments	**(2.9)**	3.3
Doubtful debt provisions	**(2.8)**	(2.2)
Amortization of goodwill (included in other operating (expenses)/ income, net)	**(0.5)**	(0.5)
Losses on dilution of interests in a subsidiary and an associated company	**—**	(3.2)
Gains/(losses) on sale of property and equipment	**1.0**	(0.9)

4. NET BORROWING COSTS

For the six months ended 30 June US$ millions	2004	2003
Loan capital wholly repayable within five years	**0.3**	0.8
Bank loans and other loans		
— wholly repayable within five years	**60.3**	68.8
— not wholly repayable within five years	**1.8**	0.4
TOTAL BORROWING COSTS	**62.4**	70.0
Less interest income	**(7.0)**	(9.9)
NET BORROWING COSTS	**55.4**	60.1

5. TAXATION

No Hong Kong profits tax (2003: Nil) has been provided as the Group had no estimated assessable profits (2003: Nil) in Hong Kong for the period. Taxation on assessable profits generated outside Hong Kong has been provided at the rates of taxation prevailing in the countries in which the Company's subsidiary and associated companies operate.

For the six months ended 30 June US$ millions	2004	2003 (Restated)
SUBSIDIARY COMPANIES — OVERSEAS		
Current taxation	**21.1**	15.8
Deferred taxation	**(10.4)**	(5.3)
Subtotal	**10.7**	10.5
ASSOCIATED COMPANIES — OVERSEAS		
Current taxation	**18.3**	5.3
Deferred taxation	**(1.7)**	3.9
Subtotal	**16.6**	9.2
TOTAL	**27.3**	19.7

6. PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS

Profit attributable to ordinary shareholders includes US$13.6 million net exchange losses (2003: net exchange gains of US$1.9 million) that arose primarily on the translation of the unhedged U.S. dollar denominated borrowings of Indofood and PLDT.

Analysis of exchange (losses)/gains For the six months ended 30 June US$ millions	2004	2003
Exchange (losses)/gains		
— Subsidiary companies	**(31.6)**	9.8
— Associated companies	**(3.1)**	(2.4)
Subtotal	**(34.7)**	7.4
Attributable to taxation and outside interests	**21.1**	(5.5)
TOTAL	**(13.6)**	1.9

7. BASIC EARNINGS PER SHARE

For the six months ended 30 June	2004	2003 (Restated)
Basic earnings per share is based on		
— profit attributable to ordinary shareholders of (US$millions)	**54.7**	35.6
— and an average number of shares in issue of (millions)	**3,186.0**	3,186.0
resulting in basic earnings per share of (U.S. cents)	**1.72**	1.12

No diluted earnings per share for the six months period ended 30 June 2004 and 2003 have been presented as conversion of any convertible instruments and options issued by the Company, a subsidiary and an associated company during these periods do not have dilutive impact on the earnings per share calculation.

8. ORDINARY SHARE DIVIDEND

At a meeting held on 16 August 2004, the Directors did not recommend the payment of an interim dividend for 2004 (2003: Nil).

9. PROPERTY AND EQUIPMENT

The movements in property and equipment are set out below.

US$ millions	**2004**	2003 (Restated)
At 1 January	**699.3**	990.2
Exchange translation	**(66.7)**	45.4
Additions	**78.0**	38.3
Disposals	**(5.0)**	(1.4)
Disposal of a subsidiary company	**—**	(295.7)
Depreciation	**(27.1)**	(26.8)
Reclassifications	**(51.5)**	(40.5)
AT 30 JUNE	**627.0**	709.5

10. ASSOCIATED COMPANIES

US$ millions	**At 30 June 2004**	At 31 December 2003
PLDT	**163.7**	114.3
Metro Pacific's associated companies	**27.5**	24.5
Others	**2.0**	2.4
Escotel	**—**	(133.2)
TOTAL	**193.2**	8.0

11. ACCOUNTS RECEIVABLE, OTHER RECEIVABLES AND PREPAYMENTS

Included in accounts receivable, other receivables and prepayments are trade receivables of US$168.6 million (31 December 2003: US$227.1 million), with an ageing profile as below.

US$ millions	**At 30 June 2004**	At 31 December 2003
0 to 30 days	**146.0**	192.2
31 to 60 days	**5.1**	13.7
61 to 90 days	**2.7**	6.5
Over 90 days	**14.8**	14.7
TOTAL	**168.6**	227.1

Indofood allows sub-distributors/wholesalers 60 days of credit, and other customers between 15 to 60 days of credit. Metro Pacific collects contract receivables related to property sales by installments over periods ranging between two to five years. The current portion of which is included above.

12. ACCOUNTS PAYABLE, OTHER PAYABLES AND ACCRUALS

Included in accounts payable, other payables and accruals are trade payables of US$220.3 million (31 December 2003: US$213.7 million), with an ageing profile as below.

US$ millions	At 30 June 2004	At 31 December 2003
0 to 30 days	**204.8**	188.7
31 to 60 days	**5.0**	8.2
61 to 90 days	**1.6**	3.5
Over 90 days	**8.9**	13.3
TOTAL	**220.3**	213.7

13. DEFERRED LIABILITIES AND PROVISIONS

US$ millions	Deferred income	Pension	Long-term payables	Others	2004 Total	2003 Total
At 1 January	30.3	43.7	11.9	36.0	**121.9**	162.2
Exchange translation	—	(4.3)	(0.1)	(0.1)	**(4.5)**	1.7
Additions	0.3	0.1	0.7	2.0	**3.1**	18.8
Disposal of a subsidiary company	—	—	—	—	**—**	(34.9)
Payment and utilization	(0.6)	—	(1.4)	(16.2)	**(18.2)**	(32.6)
Subtotal	30.0	39.5	11.1	21.7	**102.3**	115.2
Less current portion included in accounts payable, other payables and accruals	(1.3)	—	(7.2)	(12.3)	**(20.8)**	(31.1)
AT 30 JUNE	28.7	39.5	3.9	9.4	**81.5**	84.1

Deferred income relates to upfront service fee received by Asia Link B.V., a wholly-owned subsidiary of the Company, from Smart Communications, Inc., a wholly-owned subsidiary of PLDT, in respect of their arrangements under a Service Agreement; and unrealized gross profit arising on property sales.

Pension relates to accrued liabilities in relation to retirement schemes.

Long-term payables relate to liabilities for property development.

Others mainly relates to provisions for warranty claims.

14. PRIOR YEAR ADJUSTMENTS

In 2004, the Group changed its accounting policy in respect of the accounting for plantations. The change was required as a result of the introduction of SSAP 36, which became effective from 1 January 2004. Details of the requirements of this new accounting standard are summarized in Note 1.

In order to reflect the requirements of the new accounting standard, these changes have been applied retrospectively and their impact on figures reported for prior years is summarized as follows.

US$ millions	As previously reported For the six months ended 30 June 2003	Restatement	As restated For the six months ended 30 June 2003
PROFIT AND LOSS STATEMENT			
Operating profit	119.3	(3.9)	115.4
Profit after taxation	77.2	(2.7)	74.5
Profit attributable to ordinary shareholders	36.7	(1.1)	35.6

US$ millions	As previously reported At 31 December 2003	Restatement	As restated At 31 December 2003
BALANCE SHEET			
Total assets	2,073.8	139.7	2,213.5
Total liabilities	1,743.8	41.9	1,785.7
Shareholders' equity	10.7	40.4	51.1
Outside interests	319.3	57.4	376.7

The adoption of SSAP36 have no significant impact on figures reported in prior years' cash flow statements.

15. NOTES TO CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(a) Disposal of an associated company

For the six months ended 30 June 2004

US$ millions	Escotel
SHARE OF NET LIABILITIES DISPOSED OF	**(131.8)**
Goodwill reinstated from reserves	**163.4**
Exchange reserve reinstated	**(33.7)**
Gain on disposal	**17.1**
NET INFLOW OF CASH CONSIDERATION INCLUDED IN CONDENSED CONSOLIDATED CASH FLOW STATEMENT	**15.0**

(b) Restricted Cash and Pledged deposits

At 30 June 2004, the Group has US$13.9 million (31 December 2003: US$20.4 million) of cash which is restricted as to use. Included in such amount, US$9.2 million (31 December 2003: US$15.7 million) is expected to be released within the next 12 months from 30 June 2004 and, accordingly, classified as current assets.

(c) Non-cash transaction

During the period, Metro Pacific settled approximately Pesos 0.5 billion (US$9.5 million) of borrowings through the transfer of properties to its creditors.

16. COMMITMENTS AND CONTINGENT LIABILITIES

(a) Capital expenditure

US$ millions	At 30 June 2004	At 31 December 2003
Commitments in respect of subsidiary companies:		
Authorized but not contracted for	**23.8**	6.7
Contracted but not provided for	**11.5**	10.0
TOTAL	**35.3**	16.7

Capital expenditure commitments principally relate to Indofood's purchase of machinery and equipment.

(b) Contingent liabilities

The Company's US$82.4 million guarantee in respect of credit facilities extended to Escotel was released upon the disposal of Escotel in June 2004. At 30 June 2004, the Company did not have any significant contingent liabilities.

17. SHARE OPTIONS

Particulars of the share options of the Company and its subsidiary companies granted to the Directors and senior executives of the Company and its subsidiary companies at 30 June 2004 are set out below.

(a) Particulars of the Company's share option scheme

COMPANY	Options held at 1 January 2004	Options granted during the period	Options held at 30 June 2004	Option exercise price (HK$)	Market price at date of grant (HK$)	Grant date	Fully vested by	Exercisable from	Exercisable until
EXECUTIVE DIRECTORS									
Manuel V. Pangilinan	—	31,800,000	**31,800,000**	1.76	1.76	1 June 2004	December 2008	June 2005	May 2014
Edward A. Tortorici	—	31,800,000	**31,800,000**	1.76	1.76	1 June 2004	December 2008	June 2005	May 2014
Robert C. Nicholson	—	24,500,000	**24,500,000**	1.76	1.76	1 June 2004	December 2008	June 2005	May 2014
NON-EXECUTIVE DIRECTORS									
His Excellency Albert F. del Rosario	—	2,840,000	**2,840,000**	1.76	1.76	1 June 2004	June 2005	June 2005	May 2014
Benny S. Santoso	—	2,840,000	**2,840,000**	1.76	1.76	1 June 2004	June 2005	June 2005	May 2014
INDEPENDENT NON-EXECUTIVE DIRECTORS									
Graham L. Pickles	—	2,840,000	**2,840,000**	1.76	1.76	1 June 2004	June 2005	June 2005	May 2014
Edward K.Y. Chen, CBE, JP, GBS,	—	2,840,000	**2,840,000**	1.76	1.76	1 June 2004	June 2005	June 2005	May 2014
David W.C. Tang, OBE, Chevallier de L'Ordre des Arts et des Lettres	—	2,840,000	**2,840,000**	1.76	1.76	1 June 2004	June 2005	June 2005	May 2014
SENIOR EXECUTIVES	—	32,286,000	**32,286,000**	1.76	1.76	1 June 2004	December 2008	June 2005	May 2014
TOTAL		134,586,000	**134,586,000**						

At the annual general meeting held on 24 May 2004, the Company's shareholders approved a share option scheme (the Scheme) under which the Directors may, at their discretion, at any time during the period of the Scheme, grant to directors and senior executives of the Company share options of the Company as part of the Company's long-term incentive program. The Scheme, which complies with the provisions set out in Chapter 17 of the Listing Rules, became effective on 24 May 2004. The Scheme will be valid for ten years and will expire on 23 May 2014.

The maximum number of shares on which options may be granted may not exceed 10 per cent of the Company's issued share capital, excluding any shares issued on the exercise of options, from time to time. The maximum number of shares in respect of which options may be granted under the Scheme to any one participant in any 12-month period is limited to one per cent of the aggregate number of shares of the Company in issue at the time of the proposed grant of options to such participant.

The exercise price in relation to each share option offer shall be determined by the Directors in their absolute discretion, but in any event shall not be less than the highest of (i) the closing price of the Company's shares as stated in daily quotation sheets of HKSE on the date of grant; (ii) the average closing price of the Company's shares as stated in the daily quotation sheets of HKSE for the five days last preceding the date of grant on which days it has been possible to trade the Company's shares on HKSE; and (iii) the nominal value of a share of the Company on the date of grant. The terms of the Scheme provide that subject to any other restrictions on vesting imposed by the Directors, share options may be exercised under the Scheme at any time from the date of acceptance until the date of expiry. All options presently outstanding under the Scheme are subject to certain restrictions on exercise including a prohibition on exercise at any time during the period commencing one year after the date on which any option is accepted. Options which lapse or cancelled prior to their expiry date are deleted from the register of options.

On 1 June 2004, 134,586,000 share options under the Company's Scheme were granted. In accordance with paragraph 17.08 of the Listing Rules, the Company is disclosing the value of the options granted under the Scheme during the period ended 30 June 2004. The estimated value per option granted as calculated based on the Binomial Model was HK$1.2084 or an aggregate value of US$20.9 million for all options granted. The assumptions used are as follows:

Risk-free interest rate (per annum)	4.64 per cent
Expected life (in years)	10
Expected volatility (based on 10 years historical volatility of the Company's shares)	0.53
Expected dividend per share	—

The Binomial Model, applied for determination of the estimated value of the share options granted under the Company's Scheme, was developed for use in estimating the fair value of traded options that are fully transferable. Such an option pricing model requires input of highly subjective assumptions, including the expected stock price volatility. As the Company's share options have characteristics significantly different from those of traded options, changes in the subjective input assumptions can materially affect the estimated value of the options granted.

According to the Group's accounting policy, the value of the share options granted are not recognized in the Financial Statements until they are exercised.

During the period, no share options in respect of the Scheme have been exercised as the options are only exercisable from June 2005 onwards.

(b) Particulars of Indofood's share option scheme

INDOFOOD	Options held at 1 January 2004	Options granted during the period	Options exercised during the period	Options canceled during the period	Options held at 30 June 2004	Option exercise price (Rupiah)	Market price at date of grant (Rupiah)	Market price during period of exercise (Rupiah)	Grant date	Exercisable from	Exercisable until
SENIOR EXECUTIVES	–	228,900	(1,839)	(227,061)	–	412,500	400,000	337,500 to 412,500	7 January 2004	January 2004	May 2004

In January 2004, 228,900 share options under Phase III (the final phase) of Indofood's ESOP were granted to the qualified employees and a total of 114,450,000 new shares of Indofood are available for subscription by the qualified employees at the exercise price of Rupiah 825 per share. During the period, 919,500 shares were issued through the exercise of 1,839 share options granted under Phase III of Indofood's ESOP. The remaining 227,061 share options were canceled on 15 May 2004 when they expired.

(c) Particulars of Metro Pacific's share option scheme

METRO PACIFIC	Options held at 1 January 2004	Options canceled during the period	Options held at 30 June 2004	Option exercise price (Pesos)	Market price at date of grant (Pesos)	Grant date	Exercisable from	Exercisable until
SENIOR EXECUTIVES	9,808,471	–	**9,808,471**	1.91	2.37	16 April 1995	April 1996	April 2005
	674,236	–	**674,236**	4.38	5.19	15 April 1996	April 1997	April 2006
	10,018,750	–	**10,018,750**	3.46	3.57	1 August 1997	August 1997	August 2007
TOTAL	20,501,457	–	**20,501,457**					

No share options have been granted or exercised during the period in respect of Metro Pacific's share option scheme.

Other than as disclosed above, at no time during the period was the Company or any of its subsidiary companies a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate and none of the Directors of the Company or their spouses or minor children had any right to subscribe for securities of the Company, or had exercised any such right during the period.

18. CONNECTED AND RELATED PARTY TRANSACTIONS

Significant related party transactions entered into by the Group during the period, which also constitute connected transactions under the Listing Rules, are disclosed in Notes (a) and (b). Other related party transactions, which do not constitute connected transactions under the Listing Rules, are disclosed in Notes (c) and (d).

(a) Larouge B.V., a wholly-owned subsidiary of the Company, extended a US$90.0 million loan to Metro Pacific in April 2001. The principal amount of the loan was repaid on 17 April 2003. At 30 June 2004, the outstanding unsecured interest payable by Metro Pacific to Larouge B.V. amounted to Pesos 721 million (US$12.8 million).

(b) On 18 December 2003, First Pacific International Limited, a wholly-owned subsidiary of the Company, extended a HK$10.0 million (US$1.3 million) loan to Metro Pacific in order to provide Metro Pacific with the cash resources required to meet general working capital requirements. The loan was unsecured, subject to an interest rate of 9.0 per cent per annum and repayable no later than 31 December 2005.

(c) Asia Link B.V. (ALBV), a wholly-owned subsidiary of the Company, had a Technical Assistance Agreement with Smart, a wholly-owned subsidiary of PLDT, for ALBV to provide Smart with technical support services and assistance in the operations and maintenance of Cellular Mobile Telecommunications Services for a period of five years from 23 February 1999, subject to renewal upon mutual agreement between the parties. During 2004, the agreement was renewed for a period of four years from 23 February 2004 with the same terms as the previously expired agreement. The agreement provides for quarterly payments of technical service fees equivalent to one per cent of the net revenues of Smart.

ALBV also has an existing Service Agreement with Smart for a period of 25 years starting 1 January 1999, which shall automatically expire unless renewed by mutual agreement of both parties. Under the agreement, ALBV provides advice and assistance to Smart in sourcing capital equipment and negotiating with international suppliers, arranging international financing and other services therein consistent with and for the furtherance of the objectives of the services.

Total fees under these arrangements amounted to Pesos 214 million (US$3.8 million) for the period ended 30 June 2004 (2003: Pesos 147 million or US$2.7 million). At 30 June 2004, ALBV has outstanding receivables under these arrangements amounted to Pesos 119 million (US$2.1 million) (31 December 2003: Pesos 228 million or US$4.1 million).

(d) In the ordinary course of business, Indofood has engaged in trade and financial transactions with certain of its associated and affiliated companies, the majority of which are related to the Salim family either through direct and/or common share ownership. Mr. Anthoni Salim is the Chairman and a substantial shareholder of the Company and is the President Director of Indofood.

Indofood believes that these transactions are conducted under normal terms and conditions, similar to those with non-related parties. The more significant transactions with these related parties are summarized below.

Nature of balances US$ millions	At 30 June 2004	At 31 December 2003
BALANCE SHEET ITEMS		
Accounts receivable — trade		
— from associated companies	**6.9**	7.9
— from affiliated companies	**2.5**	2.6
Accounts receivable — non-trade		
— from associated companies	**1.9**	2.0
— from affiliated companies	**10.6**	8.1
Long-term receivables		
— from associated companies	**5.8**	6.0
— from affiliated companies	**1.8**	1.5
Accounts payable — trade		
— to associated companies	**1.4**	1.3
— to affiliated companies	**3.2**	1.7
Accounts payable — non-trade		
— to affiliated companies	**1.7**	0.5

Nature of transactions For the six months ended 30 June US$ millions	2004	2003
PROFIT AND LOSS ITEMS		
Sales of finished goods		
— to associated companies	**25.4**	23.8
— to affiliated companies	**1.8**	1.4
Purchase of raw materials		
— from associated companies	**6.6**	6.0
— from affiliated companies	**1.8**	0.4

Approximately three per cent (2003: three per cent) of Indofood's sales and one per cent (2003: one per cent) of its purchases were transacted with these related companies.

19. COMPARATIVE FIGURES

Amounts have been reclassified and comparatives have been restated, as appropriate, in accounting for plantations (Note 14) and to conform with current year presentation. Such reclassifications and restatements have the effects of increasing the shareholders' equity at 31 December 2003 from US$10.7 million to US$51.1 million and reducing the profit attributable to ordinary shareholders for the six months ended 30 June 2003 from US$36.7 million to US$35.6 million.

ERNST & YOUNG
安永會計師事務所

To the Board of Directors of First Pacific Company Limited
(Incorporated in Bermuda with limited liability)

INTRODUCTION

We have been instructed by the Company to review the Condensed Interim Financial Statements set out on pages 17 to 32.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of Condensed Interim Financial Statements to be in compliance with SSAP 25 "Interim Financial Reporting" issued by the Hong Kong Society of Accountants and the relevant provisions thereof. The Condensed Interim Financial Statements are the responsibility of, and have been approved by, the Directors. It is our responsibility to form an independent conclusion, based on our review, on the Condensed Interim Financial Statements and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

REVIEW WORK PERFORMED

We conducted our review in accordance with Statement of Auditing Standards 700 "Engagements to Review Interim Financial Reports" issued by the Hong Kong Society of Accountants. A review consists principally of making enquiries of Group management and applying analytical procedures to the Condensed Interim Financial Statements and based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the Condensed Interim Financial Statements.

REVIEW CONCLUSION

On the basis of our review which does not constitute an audit, we are not aware of any material modifications that should be made to the Condensed Interim Financial Statements for the six months ended 30 June 2004.

ERNST & YOUNG
Certified Public Accountants

Hong Kong
16 August 2004

Review Statement of the Audit Committee

In accordance with the requirements of paragraph 39 of Appendix 16 of the Listing Rules issued by HKSE, the Audit Committee has reviewed the Interim Report for the six months ended 30 June 2004, including the accounting principles and practices adopted by the Group. The Audit Committee also has discussed auditing, internal control and financial reporting matters with the Company's management and its external auditors. The Company's external auditors were engaged by the Audit Committee to perform a review of the unaudited Condensed Interim Financial Statements for the six months ended 30 June 2004. The Review Report of the Auditors is set out on page 33.

None of the Directors of the Company are aware of any information that would reasonably indicate the Company, during this period, has not been in compliance with the Company's Code of Best Practice, which incorporates the items set out in Appendix 14 of the Listing Rules issued by HKSE.

In compliance with rules 3.10(1) and (2) of the Listing Rules, Graham L. Pickles, who possesses appropriate professional qualifications and experience in financial matters, was appointed as the third independent Non-executive Director and the third member and Chairman of the Audit Committee. The Audit Committee is currently composed of three independent Non-executive Directors and is in compliance with rule 3.21 of the Listing Rules. Reporting to the Board of Directors, the Audit Committee reviews matters within the purview of audit, such as Financial Statements and internal control, to protect the interests of the Company and its shareholders. The Audit Committee meets regularly with the Company's external auditors to discuss the audit process and accounting issues.

Having made specific enquiry, all of the Directors have complied with the Company's code of conduct regarding directors' securities transactions, prepared and adopted on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the Model Code), Appendix 10 of the Listing Rules.

INTERESTS OF DIRECTORS IN THE COMPANY AND ITS ASSOCIATED CORPORATIONS

At 30 June 2004, the following Directors were interested, or were deemed to be interested in the following long and short positions in the shares, underlying shares of equity derivatives and debentures of the Company or any associated corporation (within the meaning of the Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong) (SFO)) which (a) were required to be notified to the Company and HKSE pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code to be notified to the Company and HKSE:

(a) Long positions in shares in First Pacific

Name		Ordinary shares	Approximate percentage of issued share capital (%)	Ordinary share options
Sutanto Djuhar	30.0 per cent interest			
Tedy Djuhar	10.0 per cent interest			
Ibrahim Risjad	10.0 per cent interest			
Anthoni Salim	10.0 per cent interest all via First Pacific Investments Limited[i]	790,229,364[C]	24.80	—
Anthoni Salim	33.3 per cent interest via First Pacific Investments (BVI) Limited[ii]	628,296,599[C]	19.72	—
Manuel V. Pangilinan		6,026,759[P]	0.19	31,800,000
Edward A. Tortorici		13,132,129[P]	0.41	31,800,000
Robert C. Nicholson		—	—	24,500,000
His Excellency Albert F. del Rosario		—	—	2,840,000
Benny S. Santoso		—	—	2,840,000
Graham L. Pickles		—	—	2,840,000
Edward K.Y. Chen, CBE, JP, GBS		—	—	2,840,000
David W.C. Tang, OBE, Chevallier de L'Ordre des Arts et des Lettres		—	—	2,840,000

(C) = Corporate interest, (P) = Personal interest

(i) Soedono Salim, the former Chairman, and Sudwikatmono, a former Non-executive Director, respectively own 30.0 per cent and 10.0 per cent interests in First Pacific Investments Limited.

(ii) Soedono Salim, the former Chairman, owns a 33.3 per cent interest in First Pacific Investments (BVI) Limited.

(b) Long positions in shares in associated corporations

- Manuel V. Pangilinan owned 15,048,064 common shares[P] in Metro Pacific Corporation (MPC), 60,002 common shares[P] in Philippine Long Distance Telephone Company (PLDT) and 360 preferred shares[P] in PLDT as beneficial owner and a further 15,417 common shares in PLDT as nominee for another person, as well as 1,000,000 common shares[P] in Pilipino Telephone Corporation (PTC).
- Edward A. Tortorici owned 2,450,000 ordinary shares[P] in P.T. Indofood Sukses Makmur Tbk (Indofood), 3,051,348 common shares[P] in MPC and 96,874 common shares[P] in PLDT.
- Sutanto Djuhar owned 15,520,335 ordinary shares[C] in Indofood.
- Tedy Djuhar owned 15,520,335 ordinary shares[C] in Indofood.
- Ibrahim Risjad owned 6,406,180 ordinary shares[P] in Indofood.
- Anthoni Salim owned 632,370 ordinary shares[C] in Indofood.

- Albert F. del Rosario owned 80,025 common shares[(P)] in PLDT, 1,560 preferred shares[(P)] in PLDT, 21,822,680 preferred shares[(P)] in Prime Media Holdings, Inc. (PMH) as beneficial owner and a further 32,231,970 preferred shares in PMH as nominee for another person, 4 common shares[(P)] in PMH, 100 common shares[(P)] in Negros Navigation Company, Inc., 4,922 common shares[(P)] in Costa de Madera Corporation, 19,999 common shares[(P)] in FPD Savills Consultancy Philippines, Inc. as beneficial owner and one common share in FPD Savills Consultancy Philippines, Inc. as beneficiary of certain trusts, 4,999 common shares[(P)] in FPD Savills Philippines, Inc. as beneficial owner and one common share[(P)] in FPD Savills Philippines, Inc. as beneficiary of certain trusts, 15,000 common shares[(P)] in Metro Pacific Land Holdings Inc., and 80,000 common shares[(P)] in Metro Strategic Infrastructure Holdings, Inc.

(P) = Personal interest, (C) = Corporate interest

(c) Long position in underlying shares in associated corporations

At 30 June 2004, pursuant to the share option scheme adopted by PLDT on 10 December 1999, Manuel V. Pangilinan was granted 97,571 stock options in PLDT on 10 December 1999, pursuant to which Manuel V. Pangilinan is entitled to exercise the stock options at the exercise price of Pesos 814 per share during the period from 10 December 2001 to 10 December 2009, in accordance with the terms of the aforesaid share option scheme.

Other than as disclosed, at 30 June 2004, none of the Directors and chief executive of the Company were interested, or were deemed to be interested in the long and short positions in the shares, underlying shares of equity derivatives and debentures of the Company or any associated corporation (within the meaning of the SFO) which (a) were required to be notified to the Company and HKSE pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred therein; or (c) were required, pursuant to the Model Code to be notified to the Company and HKSE.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS IN THE COMPANY

The Register of interests in shares and short positions of Substantial Shareholders maintained under Section 336 of the SFO shows that at 30 June 2004, the Company had been notified that the following persons were interested in five per cent or more of the Company's issue share capital.

(a) First Pacific Investments Limited (FPIL-Liberia), which was incorporated in the Republic of Liberia, beneficially owned 790,229,364 ordinary shares at 30 June 2004, representing approximately 24.80 per cent of the Company's issued share capital at that date. FPIL-Liberia is owned by the Chairman (Anthoni Salim), three Non-executive Directors (Sutanto Djuhar, Tedy Djuhar and Ibrahim Risjad), the former Chairman (Soedono Salim) and a former Non-executive Director of the Company (Sudwikatmono), in the proportions specified in the table on page 36 and in note (i) to the table. Each of these persons is taken to be interested in the shares owned by FPIL-Liberia.

(b) First Pacific Investments (BVI) Limited (FPIL-BVI), which was incorporated in the British Virgin Islands, beneficially owned 628,296,599 ordinary shares at 30 June 2004, representing approximately 19.72 per cent of the Company's issued share capital at that date. Anthoni Salim, the Chairman, and Soedono Salim, the former Chairman of the Company, each beneficially owns one-third or more of the issued share capital of FPIL-BVI and, accordingly, each of them is taken to be interested in the shares owned by FPIL-BVI.

(c) Marathon Asset Management Limited (Marathon), which was incorporated in the United Kingdom, held 191,623,300 ordinary shares of the Company in April 2004, representing approximately 6.01 per cent of the Company's issued share capital. At 30 June 2004, the Company has not received any other notification from Marathon.

(d) Brandes Investment Partners, LLC (Brandes), a U.S. company, notified the Company that it held 159,419,445 ordinary shares of the Company in April 2004, representing approximately 5 per cent of the Company's issued share capital. At 30 June 2004, the Company has not received any other notification from Brandes.

Other than as disclosed, the Directors and chief executive of the Company are not aware of any person at 30 June 2004 who had an interest or short position in the shares or underlying shares of equity derivatives of the Company which would be required to disclose to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was interested, directly or indirectly, in five per cent or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at the general meetings of the Company.

Purchase, Sale or Redemption of Listed Securities

Neither the Company, nor any of its subsidiary companies, has made any purchase, sale or redemption of any of the Company's listed securities during the period.

In January 2004, under its ESOP, Indofood granted 228,900 options to qualified employees to purchase up to 114.5 million ordinary shares at an exercise price of Rupiah 825 per share. During the period, 1,839 of these options were exercised by the employees and Indofood issued 0.9 million new ordinary shares. The remaining 227,061 options were canceled on 15 May 2004 when they expired.

In March 2004, CAB Holdings Limited, a wholly-owned subsidiary of the Company, repurchased and canceled US$2.0 million face value of its bonds from another wholly-owned subsidiary company of the Company.

Except as described or referred to above, there has been no issue, redemption or conversion of any convertible securities or options in issue by the Company's subsidiary companies during the period.

Information for Investors

FINANCIAL DIARY

Preliminary announcement of 2004 interim results	16 August 2004
Interim report posted to shareholders	31 August 2004
Financial year-end	31 December 2004
Preliminary announcement of 2004 results	7 March 2005*

* Subject to confirmation

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TO CONSOLIDATE SHAREHOLDINGS

Write to our principal share registrar and transfer office in Bermuda at:
Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08, Bermuda
Or the Hong Kong branch at:
Computershare Hong Kong Investor Services Limited
Rooms 1901-5, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong SAR

SHARE LISTINGS

First Pacific's shares are listed on The Stock Exchange of Hong Kong Limited and are traded over-the-counter in the U.S. in the form of American Depositary Receipts issued by The Bank of New York.

STOCK CODES

The Stock Exchange of Hong Kong Limited: 0142
Bloomberg: 142 HK
Reuters: 0142.HK
ADR Code: FPAFY
CUSIP reference number: 335889200

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PRINCIPAL BANKERS

Standard Bank Asia Limited
UBS Investment Bank
Standard Chartered Bank

PHILIPPINE LONG DISTANCE TELEPHONE COMPANY

PLDT is a telecommunications provider in the Philippines. It is based in Manila, and has common shares listed on the Philippine Stock Exchange and American Depositary Receipts listed on the New York Stock Exchange and on the Pacific Exchange located in San Francisco, California. Through its three principal business groups — Wireless (principally through wholly-owned subsidiary Smart Communications, Inc.); Fixed Line (principally through PLDT); and Information and Communications Technology (principally through wholly-owned subsidiary ePLDT) — PLDT offers a wide range of telecommunications services across the Philippine's most extensive fiber optic backbone, cellular, fixed line, Internet and satellite networks.

Sector: Telecommunications
Place of incorporation/business area: Philippines
Issued number of shares: 169.6 million
Economic interest/voting interest: 24.3 per cent/31.4 per cent

Further information on PLDT can be found at www.pldt.com.ph

PT INDOFOOD SUKSES MAKMUR TBK

Indofood is the leading processed-foods group in Indonesia. It is based in Jakarta, and is listed on the Jakarta and Surabaya Stock Exchanges. Noodles, Flour and Edible Oils & Fats are the principal businesses of Indofood. It also has interests in Distribution, Food Seasonings, Baby Foods and Snack Foods businesses.

Sector: Consumer Food Products
Place of incorporation/business area: Indonesia
Issued number of shares: 9.4 billion
Economic interest/voting interest: 51.5 per cent

Further information on Indofood can be found at www.indofood.co.id

METRO PACIFIC CORPORATION

Metro Pacific is based and listed in Manila. Its property businesses include Landco Pacific Corporation, Pacific Plaza Towers and Costa de Madera Corporation, while its transportation business includes listed shipping subsidiary Negros Navigation Company, Inc.

Sector: Property and Transportation
Place of incorporation/business area: Philippines
Issued number of shares: 18.6 billion
Economic interest/voting interest: 80.6 per cent

Further information on Metro Pacific can be found at www.metropacific.com

A Chinese version of this interim report is available from the Company upon request.
如有需要，可向本公司索取本中期報告之中文版本。

FIRST PACIFIC

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