

FIRST PACIFIC

- Continue to enhance recurrent profits and cash flow.
U.S. dollar contribution from existing businesses is broadly flat, despite start-up losses for Infrontier and weaker average exchange rates. Local currency results improved for the Group's principal businesses.
- Refinance convertible bonds with long-term debt.
Discussions for refinancing are at an advanced stage.
- Continue to consolidate ownership positions in core businesses.
Operational progress has been achieved in principal investments.
- Seek value-enhancing transactions consistent with core business focus.
Start-up company Infrontier commenced commercial operations in January 2001; non-core investment Savills plc was disposed in March 2001.
- Enhance recurrent cash flows to Head Office.
First dividend received from Indofood in July 2001; steps taken to improve cash returns at PLDT.
- Finalize the evaluation review of Metrocel and execute conclusions.
Options are being evaluated.

INDOFOOD

- Reorganize operations to create greater definition between branded consumer products and the commodity businesses.
Legal entities that will eventually house the assets, liabilities and operations of Indofood's flour division, Bogasari, have been established.
- Explore opportunities for utilizing substantial free cash flows.
US\$60 million of debt repaid by June 2001, with a subsequent further repayment of US\$120 million of debt by July 2001; share buy back scheme approved; acquisition of GAR considered but not progressed after mutual agreement to allow option to lapse; other initiatives are being considered.
- Continue to implement corporate governance initiatives to align Indofood's practices with international best practice.
Enhanced disclosure to shareholders in line with international standards; independent commissioners to increase to three, with the nomination of one additional independent commissioner; a fourth independent commissioner is being sought.
- Resume dividend payments to shareholders.
Achieved.

PLDT

- Continue to grow consolidated revenue and net profit.
Ongoing. Significant turnaround in Wireless.
- Maintain momentum for growing cellular subscribers to achieve a total of 5.5 million subscribers by year-end.
As at end June 2001, cellular subscribers numbered 5.0 million.

- Continue 2000 initiatives in respect of revenue diversification and efficiencies.
Revenue mix improving, with Wireless and Data now contributing 32.7 per cent and 6.4 per cent, respectively, of total revenues.
- Advance ePLDT as a platform for future revenue growth.
VITRO, ePLDT's internet data center now has 13 clients, and Contact World, a joint venture between ePLDT and Australian call center operator Salmat, commenced commercial operations in February.

METRO PACIFIC

- Conclude disposals of remaining non-core assets.
Approval to dividend Nenaco to shareholders. Options for remaining non-core assets are under consideration.
- Simplify corporate ownership structure.
No progress as dependent on disposals of non-core assets.
- Put long-term financing in place to better match long-term revenue streams.
Achieved in respect of subsidiary Bonifacio Land Corporation. Initiatives are ongoing to realign Metro Pacific's debt with underlying revenue streams from property assets.

BERLI JUCKER

- Continue to seek value-enhancing opportunities.
Possible acquisitions under review, as are opportunities for working with other First Pacific Group companies.

DARYA-VARIA

- Grow revenues faster than the total market to increase market share.
Achieved. Revenues grew by 16.2 per cent, despite the withdrawal of key product Stop Cold, ahead of the market's 11.8 per cent growth.

ESCOTEL

- Achieve cash flow break-even.
Achieved on a pre-financing basis.
- Conclude strategic, value-enhancing transactions to broaden geographical presence.
Options are being evaluated.

INFRONTIER

- Establish the operational infrastructure required to build a sustainable pan-Asian business solutions provider.
Achieved. Infrontier is now operational in five countries, offering supply chain management and wireless solutions to a range of clients.
- Evolve from start-up to develop sustainable revenues to achieve profitability by year-end 2003.
First revenues were recorded in July 2001.