



**METRO PACIFIC INVESTMENTS CORPORATION**

23 January 2013

**PHILIPPINE STOCK EXCHANGE**

Disclosure Department  
4/F PSE Center, Exchange Road  
Ortigas Center, Pasig City

Attention: **MS. JANET A. ENCARNACION**  
Head  
Disclosure Department

**RE: COMPREHENSIVE CORPORATE DISCLOSURE  
METRO PACIFIC INVESTMENTS CORPORATION ("MPIC") (PSE:MPI)**

Metro Pacific Investments Corporation hereby submits the attached Comprehensive Corporate Disclosure in relation to an overnight/accelerated placing and subscription transaction effected on 22 January 2013.

Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read "Melody M. Del Rosario", with a long horizontal flourish extending to the right.

**MELODY M. DEL ROSARIO**  
Corporate Information Officer  
Media & Corporate Communications

**COMPREHENSIVE CORPORATE DISCLOSURE  
IN CONNECTION WITH THE PLACING AND SUBSCRIPTION TRANSACTION  
IMPLEMENTED BY METRO PACIFIC INVESTMENTS CORPORATION AND  
METRO PACIFIC HOLDINGS, INC.**

The transactions as described below are being made pursuant to the approval of the board of directors of MPIC in its meeting held on 22 January 2013, authorizing MPIC to conduct equity fund raising through a placing and subscription transaction.

***Description of the Transaction***

The aforesaid equity fund raising through a placing and subscription transaction is structured in two concurrent stages.

The first stage consists in the offer and sale by Metro Pacific Holdings, Inc. (“MPHI”), MPIC’s principal shareholder, of a portion of its existing shares in MPIC: (a) primarily offshore by way of marketed placing to investors outside the United States in reliance on Regulation S under the U.S. Securities Act of 1933, as amended (the “Securities Act”) and within the United States to qualified institutional buyers as defined in, and in reliance on, Rules 144A under the Securities Act; and (b) to a limited extent, domestically to (i) persons who are “qualified buyers” pursuant to Section 10(l) of the Philippine Securities Regulation Code (“SRC”); and (ii) not more than 19 persons who are not “qualified buyers” pursuant to Section 10(k) of the SRC.

The second stage consists in the subscription by MPHI, and the issuance by MPIC to MPHI, of new common shares in the same number and at the same price as the shares sold in the first stage, with such new common shares being listed as soon as practicable thereafter.

***Number and class of shares in the placing tranche and placing price***

To implement the first stage of the placing and subscription transaction, as described above, MPIC, together with its principal shareholder, MPHI entered into a placement agreement (the “Placing Agreement”) with CLSA Limited and UBS AG (the “Placement Agents”) on 22 January 2013, in respect of the offer and sale (the “Offer”) by MPHI of 1,330,000,000 common shares of MPIC (the “Offer Shares”) at the Offer Price indicated below.

Following the completion of an overnight and accelerated book-building exercise by the Placement Agents, the offer price for the Offer Shares was determined with reference to the prevailing market price of common shares of MPIC on the Philippine Stock Exchange (“PSE”) and negotiated on an arm’s length basis among MPIC, MPHI and the Placement Agents. The price for the Offer Shares was thus fixed at ₱4.60 per share (the “Offer Price”) on 22 January 2013. The Offer Price reflects approximately a 6.31% discount to the closing price of MPIC shares on the PSE as at 22 January 2013 and approximately 2.86% discount to the volume weighted average of the closing prices of MPIC shares in the PSE for a period of 30 trading days prior to the sale of the Offer Shares.

***Number and class of shares in the subscription tranche and subscription price***

To implement the second stage of the placing and subscription transaction, MPIC will not directly receive any proceeds from the Offer, but MPHI, pursuant to a subscription agreement with MPIC (the “Subscription Agreement”), agreed to subscribe to 1,330,000,000 new common shares of MPIC

(the “Subscription Shares”) in an amount equal to the aggregate number of Offer Shares sold by MPHI in the Offer at a price equivalent to the Offer Price (the “Subscription”) or ₱4.60 per share.

**Total transaction value and use of proceeds**

At the Offer Price, the expected gross selling proceeds from the Offer Shares is approximately ₱6.118 billion, all of which will fund the Subscription. This gross amount is before underwriting commissions, and other expenses relating to the Offer.

The proceeds from the placing and subscription transaction (after payment of fees and other expenses relating to the Offer and the Subscription) (the “Net Proceeds”) shall be used by MPIC primarily to support the expansion of its toll roads, water and hospitals businesses. MPIC will likewise pay expenses relating to the Offer and Subscription, including fees and other expenses, from the proceeds of the Subscription.

Items	Approximate Amount (in Php)	Date of Payment by the Corporation (Timetable of Disbursements)
Expansion of Toll Roads business	₱4.0 Billion	TBD separately
Expansion of Water business	₱1.0 Billion	TBD separately
Expansion of Hospitals business	₱0.976 Billion	TBD separately
<b>TOTAL</b>	<b>₱5.976 Billion*</b>	

*\*the difference with gross proceeds represents the estimated expenses relating to the Offer and Subscription*

The actual allocation of the Net Proceeds by MPIC will depend on various factors, including market conditions, the availability of suitable opportunities, the timing of regulatory approvals and other factors, and may differ from the uses described above as MPIC’s management finds necessary or advisable. To the extent MPIC does not use the Net Proceeds for the purposes described above, MPIC may use the proceeds to invest in other infrastructure projects or assets in the Philippines or for general corporate purposes.

**Rationale for the Transaction**

The conduct of an equity fund raising through the placing and subscription transaction allows MPIC to raise equity funds in a most expeditious and efficient manner, with the least cost to MPIC, for use in its expansion and acquisition projects (See section on Use of Proceeds). The transaction is also intended to strengthen and broaden the capital base of MPIC, as well as to promote a wider dispersion of the common shares of MPIC to a broad spectrum of public institutional investors.

**Timetable**

The placing and subscription transaction was effected as an accelerated overnight transaction, with the Placing Agreement and the Subscription Agreement executed on 22 January 2013. Further, the Offer Shares or a total of 1,330,000,000 common shares of MPIC is intended to be crossed through the facilities of the PSE on 23 January 2013, upon approval for the application for a block sale having been obtained from the PSE. Settlement for the Offer Shares is anticipated to occur three (3) trading

days after such cross (“Settlement Date”). The issuance of the shares by MPIC pursuant to the Subscription will be made on the Settlement Date.

**Regulatory Approvals**

The Offer Shares are offered and sold: (i) outside the United States in reliance on Regulation S under the U.S. Securities Act, as amended; (ii) within the United States to qualified institutional buyers as defined in, and in reliance on, Rule 144A under the Securities Act or another exemption from registration under the U.S. Securities Act; and (iii) in the Philippines in transactions that will not require registration under the SRC. Accordingly, the sale of the Offer Shares is exempt from the registration requirements of the SRC and is not and will not be registered with the Philippine Securities and Exchange Commission (“SEC”). However, a notice of exemption will be filed with the SEC on SEC Form 10-1 in reliance of Section 10.1 (k) and (l) of the SRC in connection with the sale of the Offer Shares to qualified buyers or not more than 19 non-qualified buyers (*if any*), as well as for the issuance of the Subscription Shares.

MPIC intends to secure the approval of the PSE for the listing of the shares issued by MPIC pursuant to the Subscription. No other regulatory approvals are required and will be secured in connection with the equity fund raising activity of MPIC as described above.

**Change in the ownership structure of MPIC before and after the placing and subscription transaction**

Following the foregoing equity fund raising activity as described above, and without taking into account any other additional issuances of MPIC shares under current agreements/transactions, MPIC’s total outstanding common shares of 24,628,423,752 (exclusive of outstanding Preferred A shares) as of 22 January 2013 shall increase to 25,958,423,752, with the issuance of the Subscription Shares. Correspondingly, MPHI’s current holding of approximately 58.97% of MPIC’s current outstanding common shares shall decrease to 55.95% of MPIC’s resulting outstanding common shares. Shareholdings of the public/minority shareholders (inclusive of the investors to the Offer) shall increase by approximately 3%. Please find below the table showing the ownership structure of MPIC before and after the placing and subscription transaction.

Before the placing and subscription transaction, as well as after the placing and subscription transaction:

Name of Shareholder	Before Placing/Subscription		After Placing/Subscription	
	Number of Common Shares Subscribed	Percentage of Ownership	Number of Common Shares Subscribed	Percentage of Ownership
Metro Pacific Holdings, Inc.	14,522,948,170	58.97%	14,522,948,170	55.95%
Others	10,105,475,582	41.03%	11,435,475,582	44.05%
<b>TOTAL</b>	<b>24,628,423,752</b>	<b>100.00%</b>	<b>25,958,423,752</b>	<b>100.00%</b>

***Investors to the placing tranche***

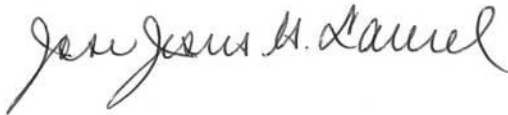
The list of investors under the placing tranche, as well as the other information relating to them as required under current PSE rules and regulations, shall be submitted separately.

Nevertheless among the restrictions imposed by MPIC and MPHI in respect of the Offer are the following:

- 1) As a result of the sale of the Offer Shares, no person or persons acting in concert will acquire shares amounting ten percent (10%) or more of the outstanding capital stock of MPIC; and
- 2) No Related Party (as such term is defined in the Additional Listing Rules of the PSE) may acquire any of the Offer Shares.

**METRO PACIFIC INVESTMENTS CORPORATION**  
MPIC or Issuer

**23 January 2013**  
Date



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