



METRO PACIFIC CORPORATION REPORTS UNAUDITED NET LOSS OF PESOS 5.9 MILLION FOR FIRST HALF 2004

MANILA, PHILIPPINES, 23rd AUGUST 2004 – Metro Pacific Corporation ("Metro Pacific") (PSE: MPC) today announced an unaudited net loss of Pesos 5.9 million for the first six months of 2004, compared with Pesos 93.9 million profit reported during the same period in 2003. The loss results principally from significant losses at shipping unit Negros Navigation Company ("Nenaco") for the period, despite higher profits realized at Landco Pacific Corporation ("Landco").

Consolidated Results

Metro Pacific recorded consolidated net revenues of Pesos 1.6 billion for the first six months of 2004 compared with Pesos 2.0 billion of revenues for the same period in 2003, reflecting the decline in Nenaco revenues and deconsolidation of Bonifacio Land Corporation ("BLC"). Operating expenses were reduced by 16.0 percent, to Pesos 311.7 million versus Pesos 371.0 million in 2003. Financing charges declined by 29.0 percent to Pesos 313.4 million in 2004 compared with Pesos 443.2 million in 2003, reflecting the reduction of debt levels following the conclusion of additional debt settlement agreements, and deconsolidation of BLC. Significant provisions for the current period and for prior years were made at the Nenaco level, against which Metro Pacific reversed Pesos 658.0 million in prior year's provisions against investments in Nenaco in light of that unit's prospects under a court approved and administered rehabilitation program. Extraordinary gains of Pesos 249.0 million resulting from successful debt reduction during the period were also booked.

Operations Review

Landco Pacific Corporation ("Landco") reported a net profit of Pesos 32.9 million for the first six months of 2004, a 133.3 percent improvement over the Pesos 14.1 million net profit recorded for the same period last year, reflecting increased sales at the Leisure Farms and Leisure Farms Ponderosa residential farming projects. Consolidated revenues improved to Pesos 401.3 million in 2004 compared with Pesos 305.9 million in 2003, while financing charges reduced to Pesos 8.5 million in 2004 compared with Pesos 15.3 million in 2003.

Pacific Plaza Towers ("PPT") reported a first-half 2004 net loss of Pesos 16.4 million compared with the net profit of Pesos 7.9 million reported in 2003. The reversal in profitability resulted from lower net values realized from the dacion (exchange or sale) of various units for the retirement of certain obligations.

Nenaco reported a substantial net loss (excluding prior period adjustments) of Pesos 335.0 million for the first six months of 2004, versus a profit of Pesos 62.7 million in 2003, due to a significant reduction in the number of its vessels in service and from an extended schedule of dry-docking for various vessels. Prior period adjustments to past reported profits have also been made to Nenaco's accounts due to higher provisions against certain inventories, receivables and other assets, and write-downs of certain vessel and property values.

Comments: "Work Continues"

"While we were disappointed with the extent of the problems at Nenaco, in which substantial provisions have been made, we have been heartened by its prospects for recovery under a court-approved rehabilitation program. Setting that aside, prospects for our core property business are increasingly favorable; Landco continues to expand and interest in our property portfolio is healthy. Our work continues and our efforts redoubled, as we strive to rebuild Metro Pacific," said President and CEO Jose Ma. Lim.

About Metro Pacific

Metro Pacific Corporation is a Manila, Philippines-based holding firm listed on the Philippine Stock Exchange (PSE: MPC). Metro Pacific's business portfolio includes property concerns Landco Pacific Corporation, Pacific Plaza Towers and Costa de Madera Corp., and listed shipping firm Negros Navigation Company (PSE:NN). Further information regarding Metro Pacific can be accessed at www.metro-pacific.com

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