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FIRST PACIFIC COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 00142)

ANNOUNCEMENT CONTINUING CONNECTED TRANSACTIONS

The Company announces that each of the Insured Indofood Entities, being Indofood and divisions of, or for the purposes of Rule 1.01 of the Listing Rules, subsidiaries of Indofood, which is in turn a 51.5% owned subsidiary of the Company, have entered into a series of transactions with ACA and IBU respectively, principally relating to the provision of insurance by ACA and IBU covering portions of the inventories, property, plant and equipment, vehicles, marine cargo and other assets of the Insured Indofood Entities.

ACA is owned, as to 67.42% of its issued share capital, by Mr. Anthoni Salim and his Associates. IBU is wholly owned by the Salim Family. Therefore, according to Rule 1.01 of the Listing Rules, ACA and IBU are both Associates of Mr. Anthoni Salim. As Mr. Anthoni Salim is the Chairman, a Non-executive Director and a substantial shareholder of the Company, ACA and IBU are connected persons of the Company under Rule 14A.11 of the Listing Rules.

Accordingly, each of the Transactions constitutes a connected transaction of the Company under Rule 14A.13(1)(a) of the Listing Rules. As they are connected transactions involving the provision of services, which are carried out on a continuing or recurring basis and are expected to extend over a period of time, and are in the ordinary course of business of the Insured Indofood Entities, each of the Transactions are, according to the meaning given to it in Rule 14A.14 of the Listing Rules, continuing connected transactions.

Each of the Transactions entered into between Indofood and ACA concern separate master agreements for the provision of property all risks, earthquake and vehicle insurance by ACA in relation to assets of the Insured Indofood Entities. The master agreements establish the basis on which insurance policies can (but are not required to) be taken out by Indofood. The master agreements prescribe the period of cover for the property all risks insurance and earthquake insurance as from 31st December 2005 to 31st December 2006, following which the property all risks insurance is automatically renewed for a period of one year. The terms of the earthquake insurance do not state that it is to be automatically renewed. The master agreement in relation to vehicle insurance prescribes the period of cover as being is from 1st July 2006 to 1st July 2007.

Each of the Transactions entered into between members of the Insured Indofood Entities and IBU concern two agreements, in accordance with the terms of each, Indofood (in the case of the first agreement) and certain members of the Insured Indofood Entities (in the case of the second agreement) respectively, have agreed with independent third party insurance companies for the provision of marine cargo insurance in relation to assets of the Insured Indofood Entities. IBU is not a party to these agreements, however it acted as insurance broker in relation to these agreements for and on behalf of the Insured Indofood Entities and independent third party insurance companies respectively. In accordance with the terms of these two agreements, the periods of cover for these Transactions are, in accordance with the terms of the first agreement, from 1st December 2005 to 1st December 2006 and, in accordance with the terms of the second agreement, from 14th April 2006 to 14th April 2007, respectively. The practice of IBU serving as insurance broker for the provision of marine cargo insurance to the Insured Indofood Entities was discontinued on 1st November 2006.

The master agreements entered into between Indofood and ACA and the Insured Indofood Entities and IBU, respectively, establish a framework under which policies of insurance may be requested and written. They do not require any particular insurance policies to be written or premia paid. Accordingly, when the master agreements were entered into they were exempt from the disclosure and approval requirements of Chapter 14A of the Listing Rules under Rule 14A.33(3). Subsequently, as insurance policies were requested and written under the master agreements, the premia payable under those insurance policies, on an aggregate basis, reached 0.1% of the relevant percentage ratios (based on the consideration ratio, as defined in Rule 14.09 of the Listing Rules) and the Transactions became discloseable, but still exempt from independent shareholders' approval requirement, under Rule 14A.34 of the Listing Rules. That the Transactions became discloseable was evident from Indofood's periodic financial statements which became available at the end of August 2006, following which the Company took the necessary steps to gather (and where necessary translate) the necessary supporting documents and other information required from the Indofood Group in Indonesia to formulate this announcement and verify the details of the underlying arrangements described in it, in order to enable this announcement to be published.

The relevant percentage ratios (as defined in the Listing Rules) applicable to the aggregate Annual Cap in respect of the Transactions is therefore more than 0.1% but does not exceed 2.5% and, accordingly, each of those Transactions is only subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules, and is exempt from the independent shareholders' approval requirements of Chapter 14A of the Listing Rules.

Under Rule 14A.35(2) of the Listing Rules, the Company is required to set an Annual Cap for each continuing connected transaction. Under Rule 14A.25 of the Listing Rules, for the purposes of compliance with Chapter 14A of the Listing Rules, the Transactions have been aggregated. The proposed aggregate Annual Cap for all the Transactions for the year ending 31st December 2006 is US\$3.6 million. On the basis that the Transactions will continue beyond this date, and that as the practice of IBU serving as insurance broker for the provision of marine cargo insurance to the Insured Indofood Entities was discontinued on 1st November 2006, the proposed aggregate Annual Cap for all the Transactions for the year ending 31st December 2007 is US\$3.0 million.

Details of the Transactions will be included in the published annual reports of the Company for the financial year ending 31st December 2006 in accordance with Rule 14A.45 of the Listing Rules.

INTRODUCTION

Each of the Insured Indofood Entities, being Indofood and divisions of, or for the purposes of Rule 1.01 of the Listing Rules, subsidiaries of Indofood, have entered into a series of transactions with ACA and IBU respectively, principally relating to the provision of insurance by ACA and IBU in covering portions of the inventories, property, plant and equipment, vehicles, marine cargo and other assets of the Insured Indofood Entities.

Each of the Transactions entered into between Indofood and ACA concern separate master agreements for the provision of property all risks, earthquake and vehicle insurance by ACA in relation to assets of the Insured Indofood Entities. The master agreements establish the basis on which insurance policies can (but are not required to) be taken out by Indofood. The master agreements prescribe the period of cover for the property all risks insurance and earthquake insurance, as from 31st December 2005 to 31st December 2006, following which the property all risks insurance is automatically renewed for a period of one year. The terms of the earthquake insurance do not state that it is to be automatically renewed. The master agreement in relation to vehicle insurance prescribes the period of cover as being from 1st July 2006 to 1st July 2007.

Each of the Transactions entered into between members of the Insured Indofood Entities and IBU concern two agreements, in accordance with the terms of each, Indofood (in the case of the first agreement) and certain members of the Insured Indofood Entities (in the case of the second agreement) respectively, have agreed with independent third party insurance companies for the provision of marine cargo insurance in relation to assets of the Insured Indofood Entities. IBU is not a party to these agreements, however it acted as insurance broker in relation to these agreements for and on behalf of the Insured Indofood Entities and independent third party

insurance companies respectively. In accordance with the terms of these two agreements, the periods of cover for these Transactions are, in accordance with the terms of the first agreement, from 1st December 2005 to 1st December 2006 and, in accordance with the terms of the second agreement, from 14th April 2006 to 14th April 2007, respectively. The practice of IBU serving as insurance broker for the provision of marine cargo insurance to the Insured Indofood Entities was discontinued on 1st November 2006.

The consideration paid by the Insured Indofood Entities to ACA in relation to the Transactions has been determined in accordance with market rates.

CLASSIFICATION AS CONTINUING CONNECTED TRANSACTIONS

ACA is owned, as to 67.42% of its issued share capital, by Mr. Anthoni Salim and his Associates. IBU is wholly owned by the Salim Family. Therefore, in accordance with Rule 1.01 of the Listing Rules, ACA and IBU are both Associates of Mr. Anthoni Salim. As Mr. Anthoni Salim is the Chairman, a Non-executive Director and a substantial shareholder of the Company, ACA and IBU are connected persons of the Company under Rule 14A.11 of the Listing Rules.

Accordingly, each of the Transactions constitutes a connected transaction of the Company under Rule 14A.13(1)(a) of the Listing Rules. As they are connected transactions involving the provision of services, which are carried out on a continuing or recurring basis and are expected to extend over a period of time, and are in the ordinary course of business of the Insured Indofood Entities, each of the Transactions are, in accordance with the definition given in Rule 14A.14 of the Listing Rules, continuing connected transactions.

ANNUAL CAPS AND BASIS OF CALCULATION

Under Rule 14A.35(2) of the Listing Rules, the Company is required to set an Annual Cap for each continuing connected transaction. Under Rule 14A.25 of the Listing Rules, for the purposes of compliance with Chapter 14A of the Listing Rules, the Transactions have been aggregated. The proposed aggregate Annual Caps, and the portions of the Annual Caps attributable to the Transactions entered into with ACA and IBU, respectively, for the years ending 31st December 2006 and 31st December 2007, are set out in the table below –

Year ending	Annual Cap (US\$ millions)	Portion of Annual Cap attributable to Transactions with ACA (US\$ millions)	Portion of Annual Cap attributable to Transactions with IBU (US\$ millions)
31st December 2006	3.6	3.0	0.6
31st December 2007	3.0	3.0	n/a (*)

(*) *The practice of IBU serving as insurance broker for the provision of marine cargo insurance to the Insured Indofood Entities was discontinued on 1st November 2006.*

The starting point for determining the Annual Cap is the aggregate sum paid by the Insured Indofood Entities to ACA and IBU respectively as consideration for the provision of insurance services under the Transactions as at the date of this Announcement. In terms of the relevant percentage ratios, the aggregate sums paid

have exceeded 0.1%, which has resulted in the Transactions being subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules. The Annual Caps for the financial years ending 31st December 2006 and 31st December 2007 have been calculated by reference to these figures and the projected transaction values based on the anticipated operation and business activities of the Insured Indofood Entities as forecast by its management for that period.

For those agreements that either have, or may, if renewed, have an expiry date after 31st December 2007 the Company shall make appropriate arrangements to disclose the caps for the relevant transactions for the year ending 31st December 2008 and other applicable years.

IMPLICATIONS UNDER THE LISTING RULES

The master agreements entered into between Indofood and ACA and the Insured Indofood Entities and IBU, respectively, establish a framework under which policies of insurance may be requested and written. They do not require any particular insurance policies to be written or premia paid. Accordingly, when the master agreements were entered into they were exempt from the disclosure and approval requirements of Chapter 14A of the Listing Rules under Rule 14A.33(3). Subsequently, as insurance policies were requested and written under the master agreements, the premia payable under those insurance policies, on an aggregate basis, reached 0.1% of the relevant percentage ratios (based on the consideration ratio, as defined in Rule 14.09 of the Listing Rules) and the Transactions became discloseable, but still exempt from independent shareholders' approval requirement, under Rule 14A.34 of the Listing Rules. That the Transactions became discloseable was evident from Indofood's periodic financial statements which became available at the end of August 2006, following which the Company took the necessary steps to gather (and where necessary translate) the necessary supporting documents and other information required from the Indofood Group in Indonesia to formulate this announcement and verify the details of the underlying arrangements described in it, in order to enable this announcement to be published.

The relevant percentage ratios applicable to the aggregate Annual Cap in respect of the Transactions exceed 0.1% but do not exceed 2.5% and, therefore in accordance with Rule 14A.34 of the Listing Rules, each of the Transactions is only subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules, and is exempt from the independent shareholders' approval requirements of Chapter 14A of the Listing Rules.

Details of the Transactions will be included in the published annual reports of the Company for the financial year ending 31st December 2006 in accordance with Rule 14A.45 of the Listing Rules.

REASONS FOR ENTERING INTO OF CONTINUING CONNECTED TRANSACTIONS

The Insured Indofood Entities have entered into the Transactions as part of their regular ongoing business arrangements in relation to the business and operations of the Indofood Group.

The reasons for entering and the benefits which are expected to accrue to the Indofood Group and the Company as a result of the Transactions are the insurance of assets owned by members of the Insured Indofood Entities at competitive rates by companies which are considered to be among the largest insurance providers in Indonesia.

VIEWS OF THE DIRECTORS

The Directors (including the Independent Non-executive Directors of the Company) consider that the Transactions have been entered into on normal commercial terms, that such terms are fair and reasonable and that they are in the best interests of the Company and its shareholders as a whole.

INFORMATION IN RESPECT OF THE COUNTERPARTIES

Each of ACA and IBU are engaged in the business of providing insurance services in Indonesia. ACA is considered as one of the big five insurance companies in Indonesia and has 39 branches and 32 representative offices. IBU is considered one of the leading insurance brokers in Indonesia. ACA and IBU are Associates of Mr. Anthoni Salim, the Chairman, a Non-executive Director and a substantial shareholder of the Company. Accordingly, ACA and IBU are both connected persons under Rule 14A.11 of the Listing Rules.

INFORMATION IN RESPECT OF THE COMPANY AND INDOFOOD

The Company is a Hong Kong-based investment and management company with operations located in Southeast Asia. The Company's principal business interests relate to Telecommunications and Consumer Food Products.

Indofood is the premier processed-foods company in Indonesia. It is based in Jakarta, and is listed on the Jakarta and Surabaya Stock Exchanges. Through its four major business groups, Indofood offers a wide range of food products: Consumer Branded Products (Noodles, Nutrition and Special Foods, Snack Foods and Food Seasonings), Bogasari (flour and pasta), Edible Oils and Fats (Plantations, Cooking Oils, Margarine and Shortening) and Distribution. Indofood is considered as one of the world's largest instant noodles manufacturers by volume, and the largest flour miller in Indonesia. Indofood's flourmill in Jakarta is one of the largest in the world in terms of production capacity in one location. It also has an extensive distribution network in the country.

DEFINITIONS

“ACA”	PT Asuransi Central Asia, approximately 67.42% of the share capital of which is owned by Mr. Anthoni Salim and his Associates;
“Announcement”	the announcement evidenced by this document;
“Annual Cap”	the estimated maximum aggregate annual value, in relation to each respective continuing connected transaction, required by Rule 14A.35(2) of the Listing Rules;
“Associate”	has the meaning ascribed thereto under the Listing Rules, and “ Associates ” shall be construed accordingly;

“Company”	First Pacific Company Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Exchange;
“Director(s)”	the director(s) of the Company;
“Exchange”	The Stock Exchange of Hong Kong Limited;
“Hong Kong”	The Hong Kong Special Administrative Region of The People’s Republic of China;
“IBU”	PT Indosurance Broker Utama, 100% of the share capital of which is owned by the Salim Family;
“Indofood”	PT Indofood Sukses Makmur Tbk, a company incorporated in Indonesia, and a 51.5% owned subsidiary of the Company;
“Indofood Group”	Indofood and its subsidiaries from time to time, a “member of the Indofood Group” shall be construed accordingly;
“Insured Indofood Entities”	Indofood and members of the Indofood Group, being either subsidiaries (in accordance with the meaning given under Rule 1.01 of the Listing Rules) or divisions of Indofood, which have collectively entered into a series of continuing connected transactions with ACA and/or IBU relating to the provision of insurance by ACA in relation to assets owned by them, being Indofood, PT Cipta Kemas Abadi, PT ISM Food Ingredients Division, PT Mekar Prima Lestari, ISM Bogasari Flour Mills Division, PT Indobiskuit Makmur, PT Indomarco Adi Prima, PT Tristara Makmur, PT Putri Daya Usahatama, PT Salim Ivomas Pratama, PT Gizindo Prima Nusantara, PT Indofood Fritolay Makmur, PT Indosentra Pelangi, PT Surya Rengo Containers and PT Pelayaran Tahta Bahtera;
“Listing Rules”	the Rules Governing the Listing of Securities on the Exchange;
“Salim Family”	Mr. Anthoni Salim, his father, Mr. Soedono Salim and his brother Mr. Andree Salim; and
“Transactions”	each of the continuing connected transactions concerning the provision of insurance entered into between each of the Insured Indofood Entities and ACA and/or IBU as described in further detail in the text of this Announcement.

Unless stated otherwise, translations of quoted currency values are made on an approximate basis and at the rate of US\$1.00 = Rupiah 9,180= HK\$7.8. Percentages and figures expressed in millions have been rounded.

By Order of the Board
First Pacific Company Limited
Nancy Li
Company Secretary

Hong Kong, 3rd November 2006

As at the date of this Announcement, the Board of Directors of First Pacific comprises the following Directors:

Anthoni Salim, *Chairman*
Manuel V. Pangilinan,
Managing Director and CEO
Edward A. Tortorici
Robert C. Nicholson
Ambassador Albert F. del Rosario
Edward K.Y. Chen*, *GBS, CBE, JP*

Tedy Djuhar
Sutanto Djuhar
Ibrahim Risjad
Benny S. Santoso
Graham L. Pickles*
David W.C. Tang*,
*OBE, Chevalier de L'Ordre des
Arts et des Lettres*

* *Independent Non-executive Directors*

Please also refer to the published version of this announcement in South China Morning Post and Hong Kong Economic Times.