

FIRST PACIFIC COMPANY LIMITED
PRESS RELEASE

Friday, 29 April 2005

INDOFOOD'S FIRST QUARTER 2005 FINANCIAL RESULTS

The attached press release was released today in Jakarta by Indofood, in which the First Pacific Group holds an economic interest of 51.5 per cent.

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 and Fats are the principal businesses of Indofood. It also has interests in Food Seasonings, Snack Foods, Baby Foods, Distribution and Packaging businesses. Further information on Indofood can be found at www.indofood.co.id.

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Press Release

INDOFOOD'S FIRST QUARTER 2005 FINANCIAL RESULTS

- **Net sales slightly grew to Rp.4.3 trillion ;**
- **Gross margin of 25.3% ;**
- **Operating margin of 11.2% ;**
- **Net income slightly up to Rp.117.3 billion**

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Jakarta, April 30th 2005. The Board of Directors of Indofood announced today its consolidated operating results for the first quarter 2005. Despite the continuing tough competition in several categories of Indofood's products, particularly in the instant noodle industry, Indofood registered a consolidated net sales of Rp.4.3 trillion including export revenues of US\$.50.8 million, compared to Rp.4.2 trillion during the first quarter 2004.

Noodles, Flour and Edible Oils & Fats divisions continue to be the main pillars with a total contribution of 85% to consolidated net sales, or respectively 33%, 38% and 14% (1Q04 : 34%, 31% and 22% respectively), with the following highlights :

- Sales volumes of noodles reached 2.25 billion packs (1Q04 : 2.40 billion packs), a decline of 6% over the same period in 2004, with a flat sales revenues of Rp.1.5 trillion (1Q04 : Rp.1.5 trillion) ;
- Sales volumes of flour was flat at 588 thousand tons (1Q04 : 588.6 thousand tons), with a 17% growth in sales revenues to Rp.1.9 trillion (1Q04 : Rp.1.6 trillion);
- Sales volumes of branded cooking oils & fats up 11.5% to 117.8 thousand tons (1Q04 : 105.7 thousand tons) with a 9.5% increase in sales revenues to Rp.583.6 billion (1Q04 : Rp.532.8 billion) ;

All other smaller operating divisions of Indofood, except Food Seasonings Division recorded year-on-year sales volumes growth ranging from 12% to 15%.

Due to a combination of several factors including the lower production of oil palm plantations & declining of CPO prices, noodles promotional program and higher cost of raw materials, both gross and operating margins declined to 25.3 % (1Q04 : 27.5%) and 11.2% (1Q04 : 13.0%) respectively, despite the 6% reduction in general and administrative expenses brought about by the ongoing cost improvement / efficiency program.

Net profit increased slightly to Rp.117.3 billion, due among others to goodwill compensation received in relation with the new joint venture company offset by loss on unwinding of the Principal Only Swap ("POS") with a contract value of US\$.63.75 million and premium paid for the buyback of Eurobond during first quarter 2005.

The Company's total assets as of March 31, 2005 decreased to Rp.15.1 trillion (Dec.31, 2004 : Rp.15.7 trillion), mainly due to the redemption of Eurobonds and the partial unwinding of the POS hedging having a contract value of US\$.63.75 million during first quarter 2005, as referred to above. Subsequent to March 31, 2005, the Company has decided to unwind further the remaining POS hedging contracts amounting to US\$.186.25 million, in line with the Company's ongoing initiative to buy back its Eurobond and increase cost efficiency.

As of March 31, 2005, the outstanding Rupiah debts were Rp.4.9 trillion (Dec.31, 2004 : Rp.4.9 trillion), whereas the outstanding U.S. Dollar debts were reduced to US\$.241 million (Dec.31, 2004 : US\$.317 million), and the total shareholders' equity increased to Rp.4.4 trillion (Dec.31, 2004 : Rp.4.3 trillion). As a result, Debt to Equity ratio improved to 1.6 times (Dec.31, 2004 : 1.9 times), while Net Gearing ratio improved to 1.4 times (Dec.31, 2004 : 1.5 times).

Regarding the progress on the planned redemption of its 10.375% Eurobond of US\$.280 million, the Company are currently still awaiting for the definitive resolution / declaration from the UK court regarding our legal rights to redeem such bonds due to the revocation of the double taxation agreement between the Governments of Mauritius and Indonesia, effective January 1, 2005. In the mean time, we have bought back to date US\$.107.5 million bonds from the market, as well as the US\$.30 million, 10.125% Guaranteed Notes Due 2007.

The Board of Directors added: "Our organization still has to undergo further progress to optimize our operational efficiency and prudently manage our level of debts. With extensive production scale, diversified business segment and strong market presence throughout Indonesia, Indofood will continue to be the leader in the food industry.

Indofood's Annual General Meeting will be held no later than June 30, 2005 and it is the intention of the Board of Directors to propose dividend payments from the 2004 net income.

Jakarta, April 30, 2005

PT INDOFOOD SUKSES MAKMUR Tbk
THE BOARD OF DIRECTORS

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AND SUBSIDIARIES

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CONSOLIDATED BALANCE SHEETS MARCH 31, 2005 AND 2004 (Amounts in Thousands of Rupiah, except Share Data) (UNAUDITED)						CONSOLIDATED STATEMENTS OF INCOME FOR THE THREE MONTHS ENDED MARCH 31, 2005 AND 2004 (Amounts in Thousands of Rupiah, except Earnings per Share) (UNAUDITED)		
ASSETS			LIABILITIES AND SHAREHOLDERS' EQUITY					
	2005 Rp	2004 Rp		2005 Rp	2004 Rp		2005 Rp	2004 Rp
CURRENT ASSETS			CURRENT LIABILITIES			NET SALES		
Cash and cash equivalents	977,448,028	1,811,615,190	Short-term bank loans and overdraft	597,649,226	483,865,031		4,293,955,233	4,232,912,479
Short-term investments	238,394,200	551,291,625	Trust receipts payable	616,915,356	159,286,720	COST OF GOODS SOLD	<u>3,209,387,625</u>	<u>3,068,518,806</u>
Accounts receivable			Accounts payable			GROSS PROFIT	<u>1,084,567,608</u>	<u>1,164,393,673</u>
Trade			Trade			OPERATING EXPENSES		
Third parties - net	1,335,273,062	1,330,457,153	Third parties	1,242,714,614	1,425,820,626	Selling	386,527,168	385,924,137
Related parties	90,602,238	87,358,096	Related parties	28,337,433	34,927,358	General and administrative	215,100,235	229,640,634
Non-trade			Non-trade			Total Operating Expenses	<u>601,627,403</u>	<u>615,564,771</u>
Third parties - net	577,281,769	328,370,750	Third parties	220,126,491	366,956,449	INCOME FROM OPERATIONS	<u>482,940,205</u>	<u>548,828,902</u>
Related parties	69,358,342	94,162,416	Related parties	1,873,082	2,198,142	OTHER INCOME (CHARGES)		
Inventories - net	2,407,684,480	2,146,587,792	Accrued expenses	425,767,008	444,474,677	Interest income	12,230,573	19,170,734
Advances and deposits	277,813,057	579,964,437	Taxes payable	201,022,992	169,313,266	Interest expense and other financing charges	(242,853,235)	(216,237,609)
Prepaid taxes	147,404,345	251,079,088	Current maturities of long-term debts			Losses on foreign exchange - net of gains (losses)		
Prepaid expenses and other current assets	81,070,656	84,475,038	Bonds payable - net	998,650,000	-	on changes in fair values of net currency swap assets	(151,874,775)	(114,929,036)
Total Current Assets	<u>6,202,330,177</u>	<u>7,265,361,585</u>	Bank loans and other borrowings	255,436,863	534,467,836	Others - net	<u>110,506,606</u>	<u>(12,099,782)</u>
NON-CURRENT ASSETS			Obligations under capital leases	9,105,194	23,076,646	Other Charges - Net	<u>(271,990,831)</u>	<u>(324,095,693)</u>
Currency swap assets - net	954,341,847	1,032,741,138	Total Current Liabilities	<u>4,597,598,259</u>	<u>3,644,386,751</u>	INCOME BEFORE TAX BENEFIT (EXPENSE)	<u>210,949,374</u>	<u>224,733,209</u>
Long-term receivables			NON-CURRENT LIABILITIES			TAX BENEFIT (EXPENSE)		
Third parties	9,500,000	361,504,244	Long-term debts - net of current maturities			Current	(70,865,885)	(85,543,407)
Related parties	44,050,000	67,078,400	Bank loans and other borrowings	443,719,771	1,003,863,640	Deferred	<u>6,715,810</u>	<u>11,969,159</u>
Claims for tax refund	274,209,760	154,779,851	Bonds and guaranteed notes payable - net	4,220,318,215	5,075,147,718	Tax Expense - Net	<u>(64,150,075)</u>	<u>(73,574,248)</u>
Deferred tax assets - net	52,384,566	63,007,271	Obligations under capital leases	-	26,919,510	INCOME BEFORE MINORITY INTERESTS IN NET EARNINGS OF SUBSIDIARIES	<u>146,799,299</u>	<u>151,158,961</u>
Long-term investments in shares of stock and advances for purchases of investments	387,704,303	20,817,320	Total long-term debts	4,664,037,986	6,105,930,868	MINORITY INTERESTS IN NET EARNINGS OF SUBSIDIARIES - Net	<u>(29,526,606)</u>	<u>(37,545,439)</u>
Plantations			Deferred tax liabilities - net	632,043,311	598,687,562	NET INCOME	<u>117,272,693</u>	<u>113,613,522</u>
Mature plantations - net	136,538,464	125,709,923	Estimated liabilities for employees' benefits	198,131,938	147,140,523	EARNINGS PER SHARE		
Immature plantations	45,588,085	47,316,034	Total Non-current Liabilities	<u>5,494,213,235</u>	<u>6,851,758,953</u>	Income from Operations	<u>57</u>	<u>64</u>
Property, plant and equipment - net	5,918,755,529	5,828,146,361	MINORITY INTERESTS IN NET ASSETS OF SUBSIDIARIES	<u>569,416,745</u>	<u>701,292,411</u>	Net Income	<u>14</u>	<u>13</u>
Deferred charges - net	146,616,357	165,130,720	SHAREHOLDERS' EQUITY					
Excess of investment costs over fair values of underlying net assets of subsidiaries - net	177,564,801	-	Capital stock - Rp 100 par value					
Other non-current assets	736,302,589	284,947,833	Authorized - 30,000,000,000 shares					
Total Non-current Assets	<u>8,883,556,301</u>	<u>8,151,179,095</u>	Issued and fully paid - 9,444,189,000 shares in 2005 and 9,443,269,500 shares in 2004	944,418,900	944,326,950			
TOTAL ASSETS	<u>15,085,886,478</u>	<u>15,416,540,680</u>	Additional paid-in capital	1,182,045,894	1,181,379,256			
			Differences arising from restructuring transactions among entities under common control	(917,740,765)	(917,740,765)			
			Unrealized gains on investments in marketable securities - net	81,707,502	22,666,424			
			Differences arising from foreign currency translations	1,941,936	(899,056)			
			Retained earnings					
			Appropriated	40,000,000	35,000,000			
			Unappropriated	3,833,354,113	3,695,439,097			
			Treasury stock - 915,600,000 shares	(741,069,341)	(741,069,341)			
			Net Shareholders' Equity	<u>4,424,658,239</u>	<u>4,219,102,565</u>			
			TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>15,085,886,478</u>	<u>15,416,540,680</u>			

Notes : 1. Earnings per share is computed based on the weighted average number of outstanding shares during the periods.
2. The foreign exchange rates used as at March 31, 2005 and 2004 were Rp 9,480 and Rp 8,587 to US\$ 1, respectively.
3. For comparative purposes, certain accounts in the 2004 Consolidated Financial Statements have been reclassified to conform with 2005 presentation.

Jakarta, April 30, 2005

The Board of Directors
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