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FIRST PACIFIC COMPANY LIMITED

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(Incorporated with limited liability under the laws of Bermuda)
Website: <http://www.firstpacific.com>

(Stock Code: 00142)

OVERSEAS REGULATORY ANNOUNCEMENT

(This overseas regulatory announcement is issued pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.)

Please refer to the attached filing made by Indofood Agri Resources Ltd. to the Singapore Stock Exchange, in relation to its divestment of 8% shareholding interest in PT Perusahaan Perkebunan London Sumatra Indonesia Tbk.

Dated this the 8th day of December, 2010

As at the date of this announcement, the board of directors of First Pacific Company Limited 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
Napoleon L. Nazareno
Professor Edward K.Y. Chen*, *GBS, CBE, JP*

Tedy Djuhar
Ibrahim Risjad
Benny S. Santoso
Graham L. Pickles*
Sir David W.C. Tang*, *KBE*
Jun Tang*

**Independent Non-executive Directors*

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MISCELLANEOUS

** Asterisks denote mandatory information*

Name of Announcer *	INDOFOOD AGRI RESOURCES LTD.
Company Registration No.	200106551G
Announcement submitted on behalf of	INDOFOOD AGRI RESOURCES LTD.
Announcement is submitted with respect to *	INDOFOOD AGRI RESOURCES LTD.
Announcement is submitted by *	Mak Mei Yook
Designation *	Company Secretary
Date & Time of Broadcast	08-Dec-2010 13:19:10
Announcement No.	00021

>> ANNOUNCEMENT DETAILS

The details of the announcement start here ...

Announcement Title *

Divestment of 8.0% in Lonsum

Description

Please refer to the attached document.

Attachments

 [IFARSaleLonsum.pdf](#)
 Total size = **26K**
 (2048K size limit recommended)

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INDOFOOD AGRI RESOURCES LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No.: 200106551G)

INDOFOOD AGRI RESOURCES LTD.

DIVESTMENT OF 8% SHAREHOLDING INTEREST IN PT PERUSAHAAN PERKEBUNAN LONDON SUMATRA INDONESIA TBK (“LONSUM”)

1. INTRODUCTION

The Board of Directors of Indofood Agri Resources Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company has today sold an aggregate of 109,521,000 issued ordinary shares ("**Sale Shares**") in the share capital of Lonsum, representing approximately 8.0% of the total issued share capital of Lonsum, for a total cash consideration of approximately Rp1,270.4 billion (which is equivalent to approximately S\$183.8 million¹ or Rp11,600 per Sale Share) (the "**Disposal**"), of which:-

- (a) an aggregate of 42,111,000 Sale Shares, representing approximately 3.1% of the total issued share capital of Lonsum, were sold to PT Salim Ivomas Pratama ("**PT SIMP**"), the Company's 90%-owned subsidiary, for a total cash consideration of approximately Rp488.5 billion (which is equivalent to approximately S\$70.7 million or Rp11,600 per Sale Share) (the "**PT SIMP Consideration**") (the "**Sale to PT SIMP**"); and
- (b) the balance of 67,410,000 Sale Shares, representing approximately 4.9% of the total issued share capital of Lonsum, were sold to certain investors via a private placement for a total cash consideration of approximately Rp782.0 billion (which is equivalent to approximately S\$113.1 million or Rp11,600 per Sale Share) (the "**Public Consideration**") (the "**Sale to the Public**").

Lonsum is listed on the Indonesia Stock Exchange ("**IDX**") and is a subsidiary of the Company. Immediately before the Disposal, the Group had an aggregate interest of approximately 64.4% of the total issued share capital of Lonsum, of which approximately 56.4% was held by PT SIMP, and the balance 8.0% was held by the Company. Following the Sale to the Public, the Group's shareholding interest in Lonsum has reduced from approximately 64.4% to 59.5%. Lonsum will continue to be a subsidiary of the Company.

2. OVERVIEW OF THE DISPOSAL

2.1 Information on Lonsum

Lonsum is an Indonesian legal entity domiciled in Jakarta and is listed on the IDX. The Lonsum group is currently principally engaged in the business of breeding, planting, milling and selling of oil palm products. It is also engaged in other products such as rubber, cocoa and tea. The Lonsum group operates estates in Indonesia located at North and South Sumatera, East Kalimantan, North and South Sulawesi, East and West Java.

¹ For purpose of this announcement, an exchange rate of Rp6,913 : S\$1 was used for translation purposes, where applicable.

2.2 Sale Consideration

The consideration of Rp11,600 per Sale Share (equivalent to approximately S\$1.68) was arrived at after negotiations on an arm's length basis and on a willing buyer and willing seller basis, taking into account, *inter alia*, the market price of the Lonsum shares. The closing price of the Lonsum shares on the IDX on 6 December 2010 (being the last full trading day for the Lonsum shares immediately preceding the date of the Disposal) was Rp12,100 per share (equivalent to approximately S\$1.75).

The net tangible asset value attributable to the Sale Shares based on Lonsum's audited accounts for the financial year ended 31 December 2009 was Rp306.1 billion (equivalent to approximately S\$44.3 million).

The cash proceeds from the Disposal will strengthen the financial position of the Company.

3. RATIONALE FOR THE DISPOSAL

Lonsum is listed on the IDX with a public float of approximately 35.6%. The sale of the Company's 4.9% shareholding interest in Lonsum to certain investors will result in Lonsum's public float being increased from approximately 35.6% to approximately 40.5%. This will increase the liquidity of the Lonsum shares and enable Lonsum to enjoy a lower corporate tax rate of 20% instead of the standard rate of 25% based on the prevailing tax regulation in Indonesia.

The sale of the Company's 3.1% shareholding interest in Lonsum to PT SIMP is with a view towards consolidating all of the Group's shareholding interest in Lonsum into PT SIMP. This will streamline the corporate structure of the Group.

4. CERTAIN FINANCIAL EFFECTS OF THE DISPOSAL

For illustrative purposes only, based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2009, the financial effects of the Disposal would be as follows:-

Financial ratios	Before the Disposal	After the Disposal
Earnings per share (Rp)	1,055	1,017
Net tangible assets per share (Rp)	6,785	7,325
Net gearing (times)	0.40	0.32

5. SALE TO PT SIMP

PT Indofood Sukses Makmur Tbk ("**PT ISM**") is a controlling shareholder of the Company with a deemed interest of approximately 68.95% of the total number of issued shares of the Company as at the date of this Announcement. PT ISM has a direct shareholding interest of 8.38% in PT SIMP. The Company in turn has a 90% shareholding interest in PT SIMP. On the basis that PT SIMP is regarded as an "associate" of PT ISM and therefore an "interested person" of the Company under Chapter 9 of the SGX-ST Listing Manual, the PT SIMP Consideration represents approximately 4.97% of the audited net tangible assets (ie. net assets less goodwill) of the Group of Rp9,824 billion as at 31 December 2009 (the "**Audited NTA**").

6. TOTAL VALUE OF ALL INTERESTED PERSON TRANSACTIONS

The current total values of all interested person transactions, excluding transactions which are less than S\$100,000 and transactions conducted under the Company's IPT Mandate pursuant to Rule 920 of the SGX-ST Listing Manual ("**Non-mandated**") with (a) the PT ISM group and (b) all interested persons of the Company, for the period from 1 January 2010 to the date of this Announcement (prior to and including the Sale to PT SIMP), and the percentage of the Group's Audited NTA represented by such values, are as follows:

	<u>Prior to the Sale to PT SIMP</u>		<u>Including the Sale to PT SIMP</u>	
	Amount Rp' billion	Percentage of Audited NTA	Amount Rp' billion	Percentage of Audited NTA
Total value of all Non-mandated transactions with PT ISM group	-	0%	488	4.97%
Total value of all Non-mandated transactions with all interested persons of the Company	-	0%	488	4.97%

7. AUDIT COMMITTEE STATEMENT

The Audit Committee of the Company has reviewed the terms of the Sale to PT SIMP and is of the view that the Sale to PT SIMP is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.

8. INTEREST(S) OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Mr Axton Salim, a non-executive Director of the Company, is the son of Mr Anthoni Salim, who is a controlling shareholder of the Company. Mr Tjhie Tje Fie, a non-executive Director of the Company, is a nominee of Indofood Singapore Holdings Pte. Ltd. ("**ISHPL**"). ISHPL is a company in which the Salim Group² has deemed shareholding interests.

Save as disclosed above, none of the Directors of the Company has any interest, direct or indirect in the Disposal and the Company has not received any notification from any controlling Shareholder that it has any interest, direct or indirect in the Disposal.

By order of the Board
INDOFOOD AGRI RESOURCES LTD.

Mark Wakeford
Chief Executive Officer and Executive Director

8 December 2010

² Mr Anthoni Salim and the group of companies controlled by him or, as the context requires, Mr Anthoni Salim