

**FIRST PACIFIC COMPANY LIMITED**  
**PRESS RELEASE**

**Monday, 24 March 2003**

**INDOFOOD 2002 FINANCIAL RESULTS**

The attached press release was published today by Indofood.

Indofood is the leading processed-foods group in Indonesia. It is based in Jakarta, and is listed on the Jakarta and Surabaya stock exchanges. The principal businesses of Indofood are Noodles, Flour, and Edible Oils & Fats, and it also has interests in Distribution, Food Seasonings, Baby Foods and Snack Foods. Further information on Indofood can be found at [www.indofood.co.id](http://www.indofood.co.id).

As at 31 December 2002, First Pacific's economic interest in Indofood was 51.9 per cent.

\* \* \*

For further information, please contact:

**PT INDOFOOD SUKSES MAKMUR TBK**

Djoko Wibowo

Investor Relations Department

Tel: (62-21) 522 8822 ext. 134 or 790

Herlinda Zulkarnaen

Manager, Investor Relations

Tel: (62-21) 522 8822 ext. 648 or 649

## Press Release

### INDOFOOD 2002 FINANCIAL RESULTS

- **NET SALES INCREASED 12% TO RP.16.5 TRILLION ;**
- **GROSS PROFIT UP 5% TO RP.4.1 TRILLION ;**
- **NET INCOME GREW 8% TO RP. 802.6 BILLION ;**

=====

Eva Riyanti Hutapea, CEO and President Director of Indofood announced today the Company's consolidated operating results for the year ended December 31, 2002, which recorded net sales of Rp.16.5 trillion (FY01 : Rp.14.6 trillion) an increase of 12% over 2001, whereas net income grew 8% to Rp802.6 billion (FY 01 : Rp.746.3 billion).

Following are Hutapea's comments on the 2002 financial results :

1. Sales revenues of Noodles, Flour and Edible Oil & Fats (branded & commodity) contributed 86% of the consolidated net sales, or respectively, 35%, 29% and 22%. These divisions recorded improvements in sales revenues with Noodles sales of Rp.5.7 trillion (FY01 : Rp. 5.2 trillion), a 10% year-on-year improvement, Flour sales of Rp.4.8 trillion (FY01 : Rp.4.4 trillion), and Edible Oil & Fats (branded & commodity) of Rp.3.6 trillion (FY01 : Rp.2.7 trillion).
2. Sales volumes of noodles grew by 8.4% to 9.8 billion packs (FY01 : 9.0 billion packs) and flour volumes were up 8.9% to 2.3 million tons (FY01 : 2.2 million tons) ;
3. Gross profit slightly increased by 5% to Rp.4.1 trillion (FY01 : Rp.3.9 trillion). However due to increases in the cost of raw materials, particularly CPO (Crude Palm Oil) & wheat and increases in utilities & wages, gross margin decreased slightly to 24.7% (FY01 : 26.4%). This pressure on gross margin, plus the increased fuel, salary costs and selling expenses (which includes advertising and promotion expenses) reduced EBIT margin to 11.4% (FY01 : 13.9%). Increased advertising & promotion expenses were due to the brand building programs and the innovative campaign for promoting high-end premium products ;
4. The growth in net income was due mainly to the strengthening of the Rupiah relative to the US Dollar. The Rupiah appreciated from Rp.10,400 as of Dec.31, 2001 to Rp.8,940 as of Dec.31, 2002, whereas the average exchange rate during the year was Rp.9,264 from an average of Rp.10,266 in 2001, resulting to net foreign exchange gains of Rp.216.2 billion. In 2001, we recorded net foreign exchange losses of Rp.369.6 billion ;
5. As at December 31, 2002, the Company's US.Dollar denominated outstanding debts amounted to approximately US.Dollar 458 million (Dec. 31, 2001: US. Dollars 346 million), of which US.Dollar 310 million will mature in 2007. To provide hedging for these loans, Indofood had Principal Only Swap contracts of US.Dollar 310 million as at December 31, 2002 in addition to export revenues totaling

US.Dollar 259 million (FY01: US.Dollar 174 million) during the year. Rupiah outstanding debts as of Dec.31, 2002 amounted to approximately Rp.3.5 trillion (Dec.31, 2001 : Rp.2.2 trillion) ;

6. At the end of December 2002, total assets were Rp.15.3 trillion (Dec.31'01: Rp.13.0 trillion), including cash & cash equivalents of Rp.1.4 trillion (Dec.31, 2001 : Rp.834.4 billion), while shareholders' equity amounted to Rp.3.7 trillion (Dec.31'01 : Rp.3.6 trillion) :
7. The Debt-Equity ratio as of December 31, 2002 was 2.1 times (2001 : 1.6 times), .while its Net - Gearing ratio stood at 1.6 times (2001 : 1.3 times). Excluding the treasury stocks relating to the share buy- back program, the Debt - Equity and Net Gearing ratios as of December 31, 2002 stood at 1.7 and 1.4, respectively.

Hutapea also reported that in November 2002 Indofood successfully completed its program to buy back 10% of the paid-up capital at a total cost of Rp.741.1 billion, which was recorded as a reduction to Company's Equity in accordance with the prevailing Generally Accepted Accounting Principles.

Hutapea stated that Indofood remains strongly committed to constant innovation both in its products and in the Company's overall marketing strategy. She added : "The broadening of our market orientation will not be limited to the concept of producing quality food in its staple function, but also producing other foods related to lifestyle, occasion, spirit and mind. Going forward, major activities of Indofood will focus, among others : to increase assets productivity and efficiency, to continue the brand management and to leverage sales and distribution network. I believe these initiatives will bring Indofood to the next levels of performance".

The Board of Directors will propose dividend payments of 30% of its 2002 earnings at the coming Annual General Meeting (AGM) later this year.

Jakarta, March 24, 2003

**PT INDOFOOD SUKSES MAKMUR TBK  
THE BOARD OF DIRECTORS**

**PT INDOFOOD SUKSES MAKMUR Tbk**  
**AND SUBSIDIARIES**  
**GEDUNG ARIOBIMO SENTRAL, 12th Floor, Jl. HR Rasuna Said X-2 Kav. 5, Kuningan,**  
**Jakarta Selatan 12950, INDONESIA**  
**Phone : ( 62 - 21 ) 5228822 Fax : 5226014 / 5225960**

**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2002 AND 2001**  
**( Amounts in Thousands Rupiah, except per Share Data )**

	<u>A S S E T S</u>	<u>2002</u>	<u>2001</u>
		Rp	Rp
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		1,368,445,833	834,385,979
Short-term investments		383,036,737	119,324,551
Time deposits		184,222,500	380,616,600
Accounts receivable			
Trade			
Third parties - net		1,234,136,394	849,408,930
Related parties		89,652,554	79,985,354
Non - trade			
Related parties		93,411,196	108,294,987
Others - net		163,269,702	92,213,438
Inventories - net		2,743,304,033	2,137,103,435
Advances and deposits		569,628,039	466,217,009
Prepaid taxes		244,335,050	157,206,260
Prepaid expenses and other current assets		73,561,124	22,239,958
Total Current Assets		<u>7,147,003,162</u>	<u>5,246,996,501</u>
<b>NON-CURRENT ASSETS</b>			
Currency swap assets - net		1,212,515,891	1,527,741,717
Long - term receivables			
Third parties		345,594,200	-
Related parties		39,678,000	296,197,305
Deferred tax assets - net		27,998,467	25,670,710
Investments in shares of stock		23,689,241	24,543,033
Plantations			
Matured plantations - net		141,250,957	150,484,047
Immature plantations		29,442,827	17,227,445
Property, plant and equipment - net		5,661,423,827	5,427,878,252
Deferred charges - net		211,681,386	93,524,621
Other non-current assets		411,237,995	168,837,953
Total Non-Current Assets		<u>8,104,512,791</u>	<u>7,732,105,083</u>
<b>TOTAL ASSETS</b>		<u><u>15,251,515,953</u></u>	<u><u>12,979,101,584</u></u>

**PT INDOFOOD SUKSES MAKMUR Tbk  
AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS (Continued)  
DECEMBER 31, 2002 AND 2001  
( Amounts in Thousands Rupiah, except per Share Data )**

<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>	<u>2002</u>	<u>2001</u>
	Rp	Rp
<b>CURRENT LIABILITIES</b>		
Short-term bank loans and overdraft	<b>624,232,632</b>	623,474,149
Trust receipts payable	<b>662,045,872</b>	254,249,673
Accounts payable		
Trade		
Third parties	<b>1,128,490,519</b>	1,338,203,600
Related parties	<b>33,273,613</b>	53,993,140
Non - trade		
Related parties	<b>882,007</b>	1,424,812
Others	<b>127,394,177</b>	264,283,577
Accrued expenses	<b>341,652,581</b>	415,646,835
Taxes payable	<b>221,102,826</b>	194,237,343
Current maturities of long-term debts		
Loans	<b>1,176,326,651</b>	2,894,667,729
Obligations under capital leases	<b>25,901,366</b>	15,165,033
Total Current Liabilities	<b>4,341,302,244</b>	6,055,345,891
<b>NON-CURRENT LIABILITIES</b>		
Long-term debts - net of current maturities		
Loans	<b>1,980,791,194</b>	1,242,767,330
Bonds and guaranteed notes payable - net	<b>3,681,507,609</b>	981,100,000
Obligations under capital leases	<b>55,479,695</b>	41,404,584
Sub total	<b>5,717,778,498</b>	2,265,271,914
Deferred tax liabilities - net	<b>547,628,450</b>	277,391,305
Other non-current liability - net	<b>106,430,813</b>	60,695,718
Total Non-Current Liabilities	<b>6,371,837,761</b>	2,603,358,937
<b>MINORITY INTERESTS IN NET ASSETS OF SUBSIDIARIES</b>	<b>875,678,446</b>	<b>758,816,200</b>

**PT INDOFOOD SUKSES MAKMUR Tbk  
AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS (Continued)  
DECEMBER 31, 2002 AND 2001  
( Amounts in Thousands Rupiah, except per Share Data )**

	<b>2002</b>	<b>2001</b>
	<b>Rp</b>	<b>Rp</b>
<b>SHAREHOLDERS' EQUITY</b>		
Capital stock - Rp 100 par value		
Authorized - 30,000,000,000 shares		
Issued and fully paid - 9,384,900,000 shares in 2002		
and 9,156,000,000 shares in 2001	<b>938,490,000</b>	915,600,000
Additional paid-in capital	<b>1,139,061,368</b>	963,760,000
Treasury stock - 915,600,000 shares in 2002		
and 125,368,500 shares in 2001	<b>(741,069,341)</b>	(77,612,911)
Differences arising from restructuring transactions among entities under common control	<b>(917,740,765)</b>	(917,740,765)
Unrealized gains (losses) on investments in marketable securities - net	<b>(7,781,337)</b>	5,150,092
Differences arising from foreign currency translation	<b>(381,440)</b>	-
Retained earnings		
Appropriated	<b>30,000,000</b>	25,000,000
Unappropriated	<b>3,222,119,017</b>	2,647,424,140
Total Shareholders' Equity	<b>3,662,697,502</b>	3,561,580,556
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>15,251,515,953</b>	12,979,101,584

**PT INDOFOOD SUKSES MAKMUR Tbk**  
**AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2002 AND 2001**  
**( Amounts in Thousands Rupiah, except Earnings per Share )**

	<u>2002</u>	<u>2001</u>
	Rp	Rp
<b>NET SALES</b>	<b>16,466,285,005</b>	14,644,598,015
<b>COST OF GOODS SOLD</b>	<b>12,398,733,770</b>	10,776,075,123
<b>GROSS PROFIT</b>	<b>4,067,551,235</b>	3,868,522,892
<b>OPERATING EXPENSES</b>		
Selling	1,298,122,878	1,158,024,174
General and administrative	889,292,672	676,039,055
Total Operating Expenses	2,187,415,550	1,834,063,229
<b>INCOME FROM OPERATIONS</b>	<b>1,880,135,685</b>	2,034,459,663
<b>OTHER INCOME ( CHARGES )</b>		
Interest income	181,905,685	170,351,972
Interest and other financing charges	(816,690,820)	(637,160,003)
Gains (losses) on foreign exchange - net of losses (gains) on changes in fair values of currency swap assets	216,168,863	(369,563,886)
Others - net	(43,435,500)	78,252,108
Other Charges - Net	(462,051,772)	(758,119,809)
<b>INCOME BEFORE TAX EXPENSE</b>	<b>1,418,083,913</b>	1,276,339,854
<b>TAX EXPENSE</b>		
Current	(228,434,456)	(214,855,648)
Deferred	(267,909,014)	(146,274,255)
Total	(496,343,470)	(361,129,903)
<b>INCOME BEFORE MINORITY INTERESTS IN NET EARNINGS OF SUBSIDIARIES</b>	<b>921,740,443</b>	915,209,951
<b>MINORITY INTERESTS IN NET EARNINGS OF SUBSIDIARIES - Net</b>	<b>(119,107,616)</b>	(126,181,255)
<b>INCOME BEFORE TRANSITION ADJUSTMENT ON ADOPTION OF NEW ACCOUNTING PRINCIPLE</b>	<b>802,632,827</b>	789,028,696
<b>TRANSITION ADJUSTMENT ON ADOPTION OF NEW ACCOUNTING PRINCIPLE - Net of Tax Effect</b>	<b>-</b>	(42,698,973)
<b>NET INCOME</b>	<b>802,632,827</b>	746,329,723
<b>EARNINGS PER SHARE</b>		
Income from Operations	212	223
Net income	90	82

**Jakarta, March 24, 2003**  
**The Board of Directors**  
**PT INDOFOOD SUKSES MAKMUR Tbk**

- Notes: 1. The above financial information for the year ended December 31, 2002 is derived from the consolidated financial statements that have been audited by Prasetio, Sarwoko & Sandjaja, Registered Public Accountants, who have issued an unqualified opinion in its report dated March 7, 2003, while the financial information for the year ended December 31, 2001 is derived from the consolidated financial statements that have been audited by Prasetio, Utomo & Co., who have issued an unqualified opinion in its report dated February 11, 2002.
2. Earnings per share is computed based on the weighted average number of outstanding shares during the year.
3. The foreign exchange rates used as at December 31, 2002 and 2001 were Rp 8,940 and Rp 10,400 to US\$1, respectively.