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FIRST PACIFIC'S INDOFOOD UNIT TO ACQUIRE A CONTROLLING STAKE IN GOLDEN AGRI-RESOURCES

First Pacific announced today that Indofood, its 48 per cent owned affiliate, has acquired the right to take a controlling interest in Singapore-listed Golden Agri-Resources Ltd. (GAR), one of the world's largest integrated oil-palm plantations, in a move marking its first major acquisition since the start of the Asian Crisis.

The acquisition of GAR would fulfil Indofood's strategy of expanding its involvement in the palm-oil sector, while enhancing its standing as both a leading producer and distributor of branded food-products, as well as one of the largest agricultural industry players in Indonesia.

Indofood has the right to buy 30 per cent, or approximately 651 million shares, of GAR from Asia Food & Properties Ltd. (AFP) for US\$0.15 per share (HK\$1.17) for a total of US\$97.6 million (HK\$761.3 million). Upon acquiring this initial stake, Indofood will make a general offer to acquire further shares of GAR from the public. Following the general offer and, if necessary, the purchase of additional shares from AFP, Indofood will hold a controlling stake in GAR of between 50.0 and 55.1 per cent.

Based upon the US\$0.15 per share purchase price this will cost Indofood between US\$163 million (HK\$1.3 billion) and US\$179 million (HK\$1.4 billion). Indofood would pay for the shares using its internal cash resources and new borrowings.

AFP will retain up to a 25 per cent stake in GAR, depending upon the number of shares that are tendered to Indofood in the general offer.

First Pacific's Executive Chairman, Manual Pangilinan, said: "Indofood's acquisition of GAR represents a significant step forward in the strengthening of its core businesses.

"The transaction enhances shareholder value by creating excellent operational synergies between Indofood's and GAR's existing businesses. Equally, it represents a rare opportunity for Indofood to strengthen significantly its palm-oil interests at a time when prices for crude palm-oil are at their lowest levels in more than a decade. With the company's financial strength fully secured and more than US\$300 million (HK\$2.3 billion) of bank loans repaid in 2000, Indofood is well positioned to take advantage of attractive opportunities that exist in the Indonesian market."

ING Barings, First Pacific group's long-term adviser, has acted as financial adviser on this transaction.

Translations are for illustrative purposes only, and are at the approximate rate of US\$1.0 = HK\$7.8

Reference information:

First Pacific, a Hong Kong-based investment and management company, holds assets in Indonesia, the Philippines and Thailand, with principal business interests relating to Consumer, Telecommunications, and Property. First Pacific is headquartered and listed in Hong Kong. Its shares are also available in the United States through American Depositary Receipts. First Pacific has a 48 per cent economic and voting interest in Indofood.

P.T. Indofood Sukses Makmur Tbk., is Indonesia's leading processed-foods group. Based in Jakarta and listed on the Jakarta and Surabaya stock exchanges, Indofood's principal businesses are Instant Noodles, Flour and Edible Oils and Fats, as well as Snack Foods, Baby Foods, Food Seasonings and Distribution. Within its Edible Oils and Fats division, Indofood owns 60,000 hectares of oil-palm plantations, which produced 300,000 tons of crude palm oil last year, as well as palm-oil based branded products such as cooking oils, margarine and shortening that are sold under such domestic brands as Bimoli, Sunrise, Palmia and Simas. Indofood sold approximately 9 billion packs of instant noodles in 2000. It recorded net profit of US\$75.8 million and turnover of US\$1,490.3 million last year.

Asia Food & Properties Ltd.

Headquartered in Singapore, AFP is an investment holding company with operational businesses in agri-resources, food and property. Listed on the Singapore Exchange in 1997, AFP's principal operations are located in Indonesia, China, Singapore and Malaysia. The AFP Group of Companies employs more than 60,000 people with strong local, regional and international knowledge and experience.

Golden Agri-Resources Ltd.

Listed on the Singapore Exchange in 1999, GAR is one of the largest private palm oil plantation groups in the world. Its principal operations are located in Indonesia. With a total planted area of 273,000 hectares, the company's primary activities include the cultivation and harvesting oil palm trees, collecting fresh fruit bunch and processing these into crude palm oil (CPO) and palm kernel and refining CPO into value-added products such as cooking oils, margarine and shortening under various brandnames, including Filma, Kunci Mas and Palmboom, which command substantial domestic market share. GAR operates 18 palm-oil processing mills, two refineries and four kernel crushing mills.

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