

7 September 2000

FIRST PACIFIC TO RAISE ITS STAKE IN INDOFOOD TO 48 PER CENT

First Pacific announced today that it has agreed to acquire a further 8 per cent stake in Indofood for a consideration of approximately US\$77 million, raising its stake to 48 per cent.

Under the terms of an agreement signed earlier today, First Pacific will acquire the 8 per cent interest in exchange for the issue of approximately 222 million new First Pacific shares.

First Pacific shares will be issued at HK\$2.70 per share, which is yesterday's closing market price. Indofood shares have been valued at Rupiah 4,350 per share, which represents a 9.1 per cent premium to the average closing share price over the previous 5 trading days. The Indofood shares are to be acquired from the Liem Investors, increasing their interest in First Pacific to 47.57 per cent from 43.58 per cent.

The transaction, the terms of which are subject to independent review for fairness and reasonableness, requires certain approvals, including the approval of the independent shareholders of First Pacific. The shareholders' meeting is expected to take place next month.

Michael J.A. Healy, First Pacific's Chief Operating Officer and Finance Director, commented: "The objective of First Pacific's restructuring has been to refocus activities in premier Asian businesses which command leading market positions. Earlier this year, we increased our interest in PLDT, initially from 17 per cent to 23 per cent and, more recently, reached agreement for a further increase to 25 per cent. As a result of today's transaction, we have now further consolidated our stake in Indofood. These two businesses will be key components of the Group's future expansion providing significant growth potential from their existing strong positions."

Indofood was the largest contributor to First Pacific's 2000 half year profits and this acquisition will be positive for earnings.

Reference information:

First Pacific A Hong Kong-based conglomerate founded in 1981, owns and operates business interests in Consumer, Telecommunications, Property and Banking. Investments are primarily in Hong Kong, Indonesia, the Philippines and Thailand. A constituent of the Hang Seng Index, First Pacific's shares are listed in Hong Kong, and are available in the United States through American Depositary Receipts.

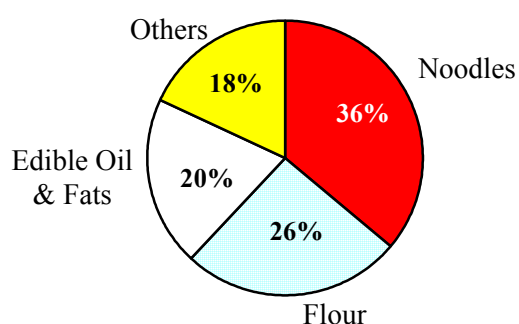
In the first half of this year, First Pacific reported a contribution from operations amounting to US\$45.5 million and profit attributable to ordinary shareholders of US\$50.4 million.

Indofood

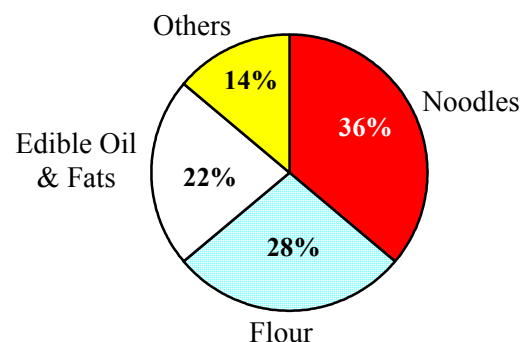
Indofood, is a leading processed-foods group and the world's largest noodle maker and flour miller, with operations throughout Indonesia. It is based in Jakarta, and is listed on the Jakarta and Surabaya stock exchanges. Indofood's principal businesses are Instant Noodles, Flour and Edible Oils & Fats, and it also has interests in Snack Foods, Baby Foods, Food Seasonings and Distribution. First Pacific's attributable economic interest in Indofood is 40 per cent, which, following this transaction, will increase to 48 per cent.

In the first half of 2000, Indofood contributed a profit of US\$34.6 million to the Group. For the same period, Indofood reported US\$740 million of sales and income from operations of US\$162 million, as analysed below. EBITDA for the first half grew by 21 per cent compared to 1999 to US\$181 million.

Sales contribution
1H 2000: Total US\$740 million



Income from operations
1H 2000: Total US\$162 million



Liem Investors Members of the Salim, Djuhar, Sudwikatmono and Risjad families, and companies controlled by them, excluding PT Holdiko Perkasa, which holds a 2.88 per cent interest in First Pacific currently issued and outstanding share capital, pursuant to an agreement entered into between the Salim family and the Indonesian Bank Restructuring Agency, in September 1998.

*Translations are for illustrative purposes only, and are at the approximate rates of:
US\$1 = Rupiah 8,300 = HK\$7.80*

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