

1st November 1999

INDOFOOD'S FINANCIAL RESULTS FOR NINE MONTHS ENDED 30TH SEPTEMBER 1999 STRONG RESULTS CONTINUED

Eva Riyanti Hutapea, CEO and President Director of Indofood announced today the Company's consolidated operating results for the nine months ended 30th September 1999. Indofood continued to register strong performance in consolidated net sales, earnings before interest and taxes (EBIT), and net profit. After taking into account the net foreign exchange losses of Rp145 billion incurred during the period, Indofood recorded a net profit of Rp845 billion as compared to Rp81.8 billion for the same period in 1998.

The consolidated net sales for the period was Rp8.4 trillion, representing 33 per cent growth over the same period in 1998 of Rp6.4 trillion. The noodles, flour milling and edible oils and fats divisions are still the principal divisions, with contributions to the consolidated net sales of 37 per cent, 25 per cent and 24 per cent, respectively. EBIT amounted to Rp1.7 trillion in 1999 as compared to Rp1.6 trillion in 1998. EBIT for nine months ended 30th September 1999, was contributed mainly by the noodles division of 39.3 per cent, flour milling division of 26.1 per cent, and edible oils and fats of 28.3 per cent. During the period, Indofood has achieved gross margin and EBIT margin at 31.5 per cent and 20.2 per cent, respectively.

Hutapea added that up till now, Indofood's foreign debts are still being well-managed, with more than 55 per cent hedged. She emphasized that Indofood remains consistent in servicing its debts obligation on their respective due dates. As of 30th September 1999, the outstanding foreign debts - which represents 84 per cent of the bank borrowings - has been reduced to US\$711 million as compared to US\$1,049 million as at 30th September 1998, or a reduction of 32 per cent. At the end of the third quarter 1999 total assets was Rp11.2 trillion with a cash position of Rp1.5 trillion.

Hutapea reiterated that based on its fundamental strengths and continued profitable operations and baring unforeseen circumstances, Indofood is confident of meeting its obligations which will fall due in 2000. Besides, the planned divestment of the Bogasari flour milling operations will further enhance Indofood's financial capability and leverage.

Financial data

PT INDOFOOD SUKSES MAKMUR Tbk
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 1999 AND 1998
(Amounts in Thousands Rupiah , except per Share data)
(UNAUDITED)

<u>A S S E T S</u>		
	<u>1999</u>	<u>1998</u>
	Rp	Rp
CURRENT ASSETS		
Cash and cash equivalents	1,509,120,401	2,138,007,102
Notes receivable and other short-term investment	139,884,585	91,154,750
Accounts receivable		
Trade - net		
Related parties	56,596,586	34,339,678
Third parties	626,318,757	709,368,573
Non - trade		
Related parties	179,796,296	55,686,120
Forward exchange contracts - net	0	1,326,114,993
Others - net	91,717,352	253,224,978
Inventories - net	1,500,051,833	1,253,825,258
Advances and deposits	256,841,423	288,081,594
Prepaid taxes	150,983,697	188,631,915
Prepaid expenses and other current assets	30,293,908	37,027,162
Total Current Assets	<u>4,541,604,838</u>	<u>6,375,462,123</u>
DEFERRED TAX ASSETS	<u>760,984,430</u>	<u>-</u>
INVESTMENTS IN SHARES OF STOCKS	<u>19,635,775</u>	<u>16,802,543</u>
PROPERTY, PLANT AND EQUIPMENT		
Carrying value	6,208,675,866	6,586,897,392
Accumulated depreciation and amortization	<u>(1,127,115,816)</u>	<u>(855,932,623)</u>
Net Book Value	<u>5,081,560,050</u>	<u>5,730,964,769</u>
OTHER ASSETS		
Currency swap assets - net	781,704,066	1,822,891,702
Receivables from related parties	8,973,395	59,540,965
Long-term prepayments	12,519,731	34,514,130
Deferred charges - net	5,064,873	44,991,955
Others	29,891,772	30,503,370
Total Other Assets	<u>838,153,837</u>	<u>1,992,442,122</u>
TOTAL ASSETS	<u><u>11,241,938,930</u></u>	<u><u>14,115,671,557</u></u>

PT INDOFOOD SUKSES MAKMUR Tbk
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 1999 AND 1998
(Amounts in Thousands Rupiah , except per Share data)
(UNAUDITED)

LIABILITIES AND STOCKHOLDERS' EQUITY

	1999 Rp	1998 Rp
CURRENT LIABILITIES		
Short-term bank loans and overdraft	565,778,306	1,048,860,430
Accounts payable		
Trade		
Related parties	132,238,779	108,200,371
Third parties	543,838,218	334,863,192
Non - trade		
Related parties	931,350	9,818,251
Others	87,669,878	188,940,445
Accrued expenses	376,684,513	369,698,665
Taxes payable	241,170,907	292,441,606
Current maturities of long-term debts :		
Loans	3,262,817,819	3,326,426,356
Obligations under capital leases	10,384,092	30,912,154
Total Current Liabilities	5,221,513,862	5,710,161,470
DEFERRED TAX LIABILITIES	478,404,569	-
LONG-TERM DEBTS -	Net of Current Maturities	
Loans	3,181,349,971	7,415,116,129
Obligations under capital leases	8,402,481	19,089,113
Total Long-Term Debts	3,189,752,452	7,434,205,242
MINORITY INTERESTS IN NET ASSETS OF SUBSIDIARIES	513,611,666	405,087,928
STOCKHOLDERS' EQUITY		
Capital stock - Rp 500 par value		
Authorized - 6,000,000,000 shares		
Issued and fully paid - 1,831,200,000 shares	915,600,000	915,600,000
Additional paid-in capital	963,760,000	963,760,000
Differences arising from restructuring transactions among entities under common control	(917,740,765)	(917,740,765)
Retained earnings (deficit)		
Appropriated	15,000,000	10,000,000
Unappropriated	862,037,146	(405,402,318)
Total Stockholders' Equity	1,838,656,381	566,216,917
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	11,241,938,930	14,115,671,557

PT INDOFOOD SUKSES MAKMUR Tbk
CONSOLIDATED STATEMENTS OF INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1999 AND 1998
(Amounts in Thousands Rupiah , except Income per Share)
(UNAUDITED)

	1999		1998	
NET SALES	8,447,572,226	100.0%	6,364,615,054	100.0%
COST OF GOODS SOLD	5,788,404,089	68.5%	4,105,749,340	64.5%
GROSS PROFIT	2,659,168,137	31.5%	2,258,865,714	35.5%
OPERATING EXPENSES				
Selling	582,668,048	6.9%	315,740,461	5.0%
General and administrative	370,247,462	4.4%	303,000,275	4.8%
Total Operating Expenses	952,915,510	11.3%	618,740,736	9.7%
INCOME FROM OPERATIONS	1,706,252,627	20.2%	1,640,124,978	25.8%
OTHER INCOME (CHARGES)				
Freight revenue - net	39,476,756	0.5%	89,285,272	1.4%
Equity in net earnings (losses) of investees - net	2,512,404	0.0%	(322,566)	0.0%
Interest income	259,934,640	3.1%	402,760,920	6.3%
Interest and other financing charges	(600,642,557)	-7.1%	(842,521,113)	-13.2%
Loss on foreign exchange - net	(145,383,515)	-1.7%	(781,670,127)	-12.3%
Others - net	(16,360,299)	-0.2%	(22,136,511)	-0.3%
Other Charges - Net	(460,462,571)	-5.5%	(1,154,604,125)	-18.1%
INCOME BEFORE PROVISION FOR INCOME TAX	1,245,790,056	14.7%	485,520,853	7.6%
PROVISION FOR INCOME TAX	290,235,839	3.4%	238,017,133	3.7%
INCOME BEFORE MINORITY INTERESTS IN NET EARNINGS OF SUBSIDIARIES	955,554,217	11.3%	247,503,720	3.9%
MINORITY INTERESTS IN NET EARNINGS OF SUBSIDIARIES - Net	(110,521,796)	-1.3%	(165,693,215)	-2.6%
NET INCOME	845,032,421	10.0%	81,810,505	1.3%
INCOME FROM OPERATIONS PER SHARE	932		896	
NET INCOME PER SHARE	461		45	

Notes : 1. Income per share is computed based on the weighted average number of outstanding shares during the period.
2. Effective January 1, 1999 the Company and its subsidiaries adapted Statement of Financial Accounting Standards No. 46