

FIRST PACIFIC COMPANY LIMITED
PRESS RELEASE

Thursday, 27 October 2005

INDOFOOD'S NINE MONTHS FINANCIAL RESULTS ENDED SEP. 30, 2005
Net Sales of Rp. 13.5 trillion (9M04 : Rp. 13.1 trillion)

The attached press release was released today in Jakarta by Indofood, in which the First Pacific Group holds an economic interest of 51.5 per cent.

Indofood is the premier processed-foods company in Indonesia, which offers total food solutions to its customers. It is based in Jakarta, and is listed on the Jakarta and Surabaya Stock Exchanges. Through its four major business units, Indofood offers a wide range of food products: Flour (Bogasari), Consumer Branded Products (Noodles, Food Seasonings, Snack Foods, Nutrition and Special Foods, and Packaging), Edible Oils and Fats (Cooking Oils and Fats, and Plantations) and Distribution. Indofood is considered as the world's largest instant noodles manufacturer by volume, and the largest flour miller in Indonesia. Indofood's flourmill in Jakarta is one of the largest in the world in terms of production capacity in one location. It also has an extensive distribution network in the country. Further information on Indofood can be found at www.indofood.co.id.

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Press Release

INDOFOOD'S NINE MONTHS FINANCIAL RESULTS ENDED SEP. 30, 2005

- **Net Sales of Rp. 13.5 trillion (9M04 : Rp. 13.1 trillion)**

The Board of Directors of Indofood announced today its consolidated operating results for the nine months period ended Sep. 30, 2005 with net sales of Rp. 13.5 trillion (including export sales revenues of US Dollar 174.8 million), a slight improvement compared to the same period of last year (9M04 : Rp. 13.1 trillion).

However, the Company registered net profit after tax for the nine months period of Rp. 42.2 billion; after the effects of "one-time" charges and credits; compared to the same period of last year of Rp. 288.6 billion (as restated). HAD THERE BEEN NO "ONE-TIME" CHARGES AND CREDITS, NET PROFIT AFTER TAX FOR THE FIRST NINE MONTHS PERIOD ENDED SEP. 30, 2005 WOULD HAVE BEEN RP. 259.5 BILLION, AS FOLLOWS:

Net profit after tax as reported	Rp. 42.2 billion
"One-time" charges and credits :	
- Losses on unwinding of "Principal-Only-Swap" (POS) hedging contracts of US Dollar 250 million	Rp. 287.4 billion
- Premium paid on Eurobond Redemption and other related charges	Rp. 47.3 billion
- Retirement and severance allowances	Rp. 128.1 billion
- Goodwill compensation arising from Nestle JV	Rp. (130.0) billion
- Gain on redemption of IDR Bond II & III (net)	Rp. (27.0) billion
- Tax effect and others	Rp. (88.5) billion
"One-time" charges and credits net effect	Rp. 217.3 billion
Proforma net profit after tax excluding "one-time" charges and credits	<u><u>Rp. 259.5 billion</u></u>

For the first nine months period ended Sep. 30, 2005, sales contribution from each operating divisions are as follow : Bogasari 36%, consumer branded products (including noodles) 36%, edible oils & fats 16%, and distribution 12%. The consolidated gross margin declined from 26.5% to 24.4%, while operating margin went down from 11.9% to 9.7%. This is due to a number of factors notably noodles promotional program "buy-5-get-1", higher costs of certain raw & packaging materials, and "one-time" charges related to retirement and severance allowances as mentioned above.

Total assets amounted to Rp. 14.5 trillion at the end of September 2005 (Dec 31 '04 : Rp. 15.7 trillion), including cash and cash equivalents of Rp. 944.1 billion (Dec 31 '04 : Rp. 1.4 trillion).

As at September 30, 2005, Rupiah outstanding debts (including trust receipt payable) declined to Rp. 4.8 trillion (Dec 31 '04: Rp. 4.9 trillion), whereas the Company's US Dollar denominated debts also declined to US Dollar 179.5 million (Dec 31 '04: US Dollar 317.4 million), or total debts of equivalent to Rp. 6.7 trillion (Dec 31 '04: Rp. 7.9 trillion).

Debt to equity ratio and net gearing ratio improved to 1.57 and 1.35 times (Dec 31, 2004: 1.85 and 1.53 times) respectively.

Regarding the status of the Eurobond, the Board of Directors stated that Indofood have received the reasons from UK High Court of their decision to disallow Indofood exercising its legal right to redeem the Eurobond at par value. Therefore the Board is currently considering all of its options available and reviewing the cost & benefit for the possibility of filing an appeal to the UK High Court. As of Sep. 30 2005, Indofood has bought back more than 50% or US Dollar 156.33 million of its Eurobond totaling of US Dollar 310 million.

During September 2005, the Company has bought back part of its IDR Bond II/2003 and IDR Bond III/2004 amounting to Rp. 273.5 billion and Rp. 24 billion, respectively, resulting in a "one-time" gain of Rp. 27 billion.

The Indofood Board reiterated its commitment to continuously improve the company's operations by streamlining its supply, value and process chains and to strengthen its distribution reach, as well as, to leverage its strong brands to defend its leading current market position.

Jakarta, October 28, 2005

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

**PT INDOFOOD SUKSES MAKMUR Tbk
AND SUBSIDIARIES**

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**CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2005 AND 2004
(Amounts In Thousands of Rupiah, except Share Data)
(UNAUDITED)**

**CONSOLIDATED STATEMENTS OF INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2005 AND 2004
(Amounts In Thousands of Rupiah, except Earnings per Share)
(UNAUDITED)**

<u>ASSETS</u>		<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>			
	2005 Rp	2004 (As Restated) Rp		2005 Rp	2004 (As Restated) Rp
CURRENT ASSETS			CURRENT LIABILITIES		
Cash and cash equivalents	944,109,872	2,015,255,876	Short-term bank loans and overdraft	1,063,891,229	539,498,600
Short-term investments	408,427,553	106,442,566	Trust receipts payable	513,221,405	348,569,686
Accounts receivable			Accounts payable		
Trade			Trade		
Third parties - net	1,465,873,779	1,104,890,724	Third parties	1,305,911,958	1,744,206,726
Related parties	134,195,622	97,494,321	Related parties	64,651,944	36,521,994
Non-trade			Non-trade		
Third parties - net	324,214,451	485,041,555	Third parties	295,849,949	354,563,252
Related parties	108,843,339	146,367,297	Related parties	3,949,229	602,098
Inventories - net	2,584,168,828	2,333,044,520	Accrued expenses	532,267,389	578,258,876
Advances and deposits	442,351,993	779,846,541	Taxes payable	175,631,331	224,102,668
Prepaid taxes	128,205,077	279,611,522	Current maturities of long-term debts		
Prepaid expenses and other current assets	77,745,915	88,581,633	Bank loans and other borrowings	322,811,863	79,534,850
Total Current Assets	6,618,136,429	7,436,576,555	Obligations under capital leases	194,338	24,572,396
NON-CURRENT ASSETS			Bonds payable - net	-	995,950,000
Currency swap assets - net	-	1,213,226,476	Total Current Liabilities	4,278,380,635	4,926,381,146
Long-term receivables			NON-CURRENT LIABILITIES		
Third parties	-	361,504,244	Long-term debts - net of current maturities		
Related parties	-	76,078,400	Bonds and guaranteed notes payable - net	3,752,289,722	5,267,377,761
Claims for tax refund	193,478,234	142,099,883	Bank loans and other borrowings	995,306,240	639,866,667
Deferred tax assets - net	60,477,763	39,849,853	Obligations under capital leases	3,018,558	-
Investments in shares of stock	37,161,278	17,879,511	Convertible bonds payable	-	11,100,000
Plantations			Sub-total	4,750,614,520	5,918,344,428
Mature plantations - net	150,963,077	119,487,711	Deferred tax liabilities - net	578,806,764	533,738,832
Immature plantations	169,095,826	59,094,426	Estimated liabilities for employees' benefit	234,979,851	192,647,676
Property, plant and equipment - net	6,010,812,052	5,918,431,494	Goodwill	6,371,250	-
Deferred charges - net	204,210,326	150,930,122	Total Non-current Liabilities	5,570,772,385	6,644,730,936
Goodwill - net	212,405,043	52,071,854	MINORITY INTERESTS IN NET ASSETS OF SUBSIDIARIES	421,988,490	744,433,613
Other non-current assets	844,058,464	837,384,938	SHAREHOLDERS' EQUITY		
Total Non-current Assets	7,882,662,063	8,988,038,912	Capital stock - Rp 100 par value		
TOTAL ASSETS	14,500,798,492	16,424,615,467	Authorized - 30,000,000,000 shares		
			Issued and fully paid - 9,444,189,000 shares	944,418,900	944,418,900
			Additional paid-in capital	1,182,045,894	1,182,045,894
			Differences arising from restructuring transactions among entities under common control	(917,740,765)	(917,740,765)
			Unrealized gains (losses) on investments in marketable securities - net	41,591,134	(13,431,491)
			Difference arising from changes in equities of subsidiaries	72,131,324	1,352,161
			Differences arising from foreign currency translations	5,444,746	(142,001)
			Retained earnings		
			Appropriated	45,000,000	40,000,000
			Unappropriated	3,597,835,090	3,613,636,415
			Treasury stock - 915,600,000 shares	(741,069,341)	(741,069,341)
			Net Shareholders' Equity	4,229,656,982	4,109,069,772
			TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	14,500,798,492	16,424,615,467

	2005 Rp	2004 (As Restated) Rp
NET SALES	13,528,959,917	13,087,084,775
COST OF GOODS SOLD	10,230,965,283	9,622,386,815
GROSS PROFIT	3,297,994,634	3,464,697,960
OPERATING EXPENSES		
Selling	1,245,098,520	1,205,987,163
General and administrative	737,533,636	707,319,196
Total Operating Expenses	1,982,632,156	1,913,306,359
INCOME FROM OPERATIONS	1,315,362,478	1,551,391,601
OTHER INCOME / (CHARGES)		
Interest income	35,064,877	105,725,503
Interest expense and other financing charges	(664,549,292)	(695,433,314)
Losses on foreign exchange - net of gains on changes in fair values of net currency swap assets	(563,862,126)	(264,779,800)
Others - net	118,696,327	(85,420,744)
Other Charges - Net	(1,074,650,214)	(939,908,355)
INCOME BEFORE TAX BENEFIT / (EXPENSE)	240,712,264	611,483,246
TAX BENEFIT / (EXPENSE)		
Current	(217,342,652)	(245,520,206)
Deferred	113,561,796	41,776,807
Tax Expense - Net	(103,780,856)	(203,743,399)
INCOME BEFORE MINORITY INTERESTS IN NET EARNINGS OF SUBSIDIARIES	136,931,408	407,739,847
MINORITY INTERESTS IN NET EARNINGS OF SUBSIDIARIES - Net	(94,733,112)	(119,138,927)
NET INCOME	42,198,296	288,600,920
EARNINGS PER SHARE		
Income from Operations	154	182
Net Income	5	34

Notes : 1. Starting January 1, 2005, the Group adopted retrospectively the provisions of the SFAS No. 24 (Revised), "Employee Benefits". Accordingly, the Consolidated Financial Statements as at and for the nine months ended September 30, 2004 have been restated.
2. Earnings per share is computed based on the weighted average number of outstanding shares during the periods.
3. The foreign exchange rates used as at September 30, 2005 and 2004 were Rp 10,310 and Rp 9,170 to US\$ 1, respectively.
4. For comparative purposes, certain accounts in the 2004 Consolidated Financial Statements have been reclassified to conform with 2005 presentation.

Jakarta, October 28, 2005

The Board of Directors
PT INDOFOOD SUKSES MAKMUR Tbk