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FIRST PACIFIC COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

Website: <http://www.firstpacco.com>

(Stock code: 00142)

ANNOUNCEMENT

DISCLOSEABLE TRANSACTION ACQUISITION OF A MAJORITY INTEREST IN PT INDOLAKTO THROUGH THE ACQUISITION OF DRAYTON PTE LTD BY PT INDOFOOD SUKSES MAKMUR TBK

Reference is made to the overseas regulatory announcements of the Company dated 25 August 2008 and 23 September 2008.

The Company is pleased to announce that its 50.1% owned subsidiary, Indofood has signed a conditional sale and purchase agreement on 22 September 2008 with Pastilla, to acquire its 100% ownership of Drayton, including its shareholder's loan of US\$100.5 million (approximately HK\$783.9 million) to Drayton. Drayton, in turn owns approximately 68.57% effective interest in Indolakto.

The consideration for the Proposed Acquisition was arrived at after negotiations on an arm's length basis and on a willing buyer and willing seller basis taking into account, inter alia, the comparable multiples, the net asset value and the business prospects of Indolakto and amounts to US\$350 million (approximately HK\$2,730 million). The Proposed Acquisition will be financed by internal cash and bank borrowings of Indofood.

Completion of the Proposed Acquisition is expected to take place in December 2008 and is subject to a number of conditions precedent.

Based on the financial and other information currently available and taking into account the commercial rationale in the body of this announcement, the directors of the Company are of the view that the Proposed Acquisition is in the interests of the shareholders of the Company. Accordingly, Indofood has entered into the Agreement, completion of which is subject to the conditions precedent contained therein which include the approval of shareholders of Indofood at a general meeting to be convened as soon as practicable.

Prior to the convening of such general meeting, the Company, with the assistance of a financial adviser to be appointed for the purpose, intends to undertake a review of the terms of the Proposed Acquisition to confirm the directors' view that the Proposed Acquisition is in the interests of the shareholders of the Company and to determine whether such terms are fair and reasonable. A further announcement setting out the results of this review will be published as soon as practicable but in any event within 28 days.

The Proposed Acquisition constitutes a discloseable transaction for the Company under the Listing Rules. Accordingly, a circular containing further details of the Proposed Acquisition will also be despatched to the Company's shareholders for information in accordance with the requirements of the Listing Rules.

Introduction

Reference is made to the overseas regulatory announcements of First Pacific Company Limited (the "Company" or "First Pacific") dated 25 August 2008 and 23 September 2008.

The Company is pleased to announce that its 50.1% owned subsidiary, PT Indofood Sukses Makmur Tbk ("Indofood"), has signed a conditional sale and purchase agreement (the "Agreement") on 22 September 2008 with Pastilla Investment Limited ("Pastilla"), to acquire its 100% ownership of Drayton Pte. Ltd. ("Drayton"), including its shareholder's loan of US\$100.5 million (approximately HK\$783.9 million) to Drayton (the "Proposed Acquisition"). Drayton, in turn owns approximately 68.57% effective interest in PT Indolakto ("Indolakto").

Consideration of the Proposed Acquisition

The consideration for the Proposed Acquisition was arrived at after negotiations on an arm's length basis and on a willing buyer and willing seller basis taking into account, inter alia, the comparable multiples, the net asset value and the business prospects of Indolakto and amounts to US\$350 million (approximately HK\$2,730 million) and is payable on the following terms:

- (a) 15% of the consideration (being US\$52.5 million (approximately HK\$409.5 million), payable upon signing of the Agreement; and

- (b) the balance (being US\$297.5 million (approximately HK\$2,320.5 million), payable in full at the completion date, i.e., 7 business days after all conditions precedent of the Proposed Acquisition have been fulfilled.

The Proposed Acquisition will be financed by internal cash and bank borrowings of Indofood.

Completion and Conditions Precedent of the Proposed Acquisition

Completion of the Proposed Acquisition is expected to take place in December 2008 and is subject to a number of conditions precedent, including:

- (a) the approval from a general meeting of shareholders of Indofood on the Proposed Acquisition having been obtained; and
- (b) the necessary approvals (if any) from the relevant authorities in Indonesia and Singapore in relation to the implementation of the Proposed Acquisition having been obtained.

Reasons for the Transactions

The commercial rationale for the Proposed Acquisition can be summarised as follows:

- (a) investment in the Indonesian dairy industry is an attractive proposition as per capita consumption of milk in Indonesia is still low as compared to neighbouring countries. Domestic milk consumption has been increasing steadily in the last five years with growing awareness of the health benefit of milk;
- (b) the Proposed Acquisition will allow the Group to expand its business and diversify its food business into the dairy industry;
- (c) Indolakto is considered as one of the significant players in the dairy industry, offering a range of products under leading brands, widely known by the consumer. The Proposed Acquisition will provide the Group with an immediate entry with considerable market share in Indonesia, into the dairy industry;
- (d) the Proposed Acquisition will strengthen the Group's Consumer Branded Product group's position by expanding its products portfolio with products which have established brand names and considerable market share in Indonesia; and
- (e) a distribution subsidiary of Indofood has been distributing Indolakto's milk products in most of the areas in Indonesia. The Group has a good understanding of the products and its marketing aspects; hence it will be in a good position to further grow the business of Indolakto, which subsequently will enhance the shareholders value of the Group.

Based on the financial and other information currently available and taking into account the commercial rationale set out above, the directors of the Company are of the view that the Proposed Acquisition is in the interests of the shareholders of the Company. Accordingly, Indofood has entered into the Agreement, completion of which is subject to the conditions precedent referred to therein which include the approval of shareholders of Indofood at a general meeting to be convened as soon as practicable.

Prior to the convening of such general meeting, the Company, with the assistance of a financial adviser to be appointed for the purpose, intends to undertake a review of the terms of the Proposed Acquisition to confirm the directors' view that the Proposed Acquisition is in the interests of the shareholders of the Company and to determine whether such terms are fair and reasonable. A further announcement setting out the results of this review will be published as soon as practicable but in any event within 28 days.

Listing Rules Implications

The Proposed Acquisition constitutes a discloseable transaction for the Company under the Listing Rules. Accordingly, a circular containing further details of the Proposed Acquisition will also be despatched to the Company's shareholders for information in accordance with the requirements of the Listing Rules.

General

The Company is a Hong Kong-based investment and management company with operations located in Asia. Its principal business interests relate to Telecommunications, Consumer Food Products, Infrastructure and Natural Resources.

Indofood is a "Total Food Solutions" company engaged in food manufacturing, processing, marketing and distribution. It is based in Jakarta and is listed on the Indonesia Stock Exchange. Through its four complementary strategic business groups, Indofood offers and distributes a wide range of food products throughout Indonesia: Consumer Branded Products (instant noodles, food seasonings, snack foods and baby cereal), Bogasari (flour and pasta), Agribusiness (oil palm, rubber, tea and cocoa plantations, cooking oils, margarine and shortening) and Distribution. Indofood is one of the world's largest instant noodle manufacturers by volume, plantation companies by hectare 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 Indonesia.

Pastilla is an investment holding company domiciled in the British Virgin Islands.

Drayton is a company duly established in Singapore in June 2008 and its principal business is investment holding.

Indolakto was established in 1992 and has been one of the leading producers of processed milk and milk related products in Indonesia, producing a range of milk products (sweetened condensed milk, powder milk, liquid milk), butter and ice cream. Indolakto's brands include, amongst others, Indomilk, Cap Enaak, Tiga Sapi, Orchid Butter and Indoeskrim.

The net asset value of Indolakto as at 31 December, 2007 is Rp.188.6 billion (approximately US\$20.0 million or approximately HK\$156.2 million) and the net profits of Indolakto before and after taxation and extraordinary items are Rp.233.5 billion (approximately US\$25.5 million and approximately HK\$198.8 million) and Rp.160.1 billion (approximately US\$17.5 million and approximately HK\$136.3 million), respectively, for the financial year ended 31 December, 2007 and net profits of Indolakto before and after taxation and extraordinary items are Rp.98.1 billion (approximately US\$10.7 million and approximately HK\$83.6 million) and Rp.69.1 billion (approximately US\$7.6 million and approximately HK\$58.9 million), respectively, for the financial year ended 31 December, 2006.

To the best of the directors' knowledge, information and belief and having made all reasonable enquiry, Pastilla and its respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

By Order of the Board
First Pacific Company Limited
Robert C. Nicholson
Executive Director

Hong Kong, 24 September 2008

Unless stated otherwise, translations of quoted currency values are made on an approximate basis and at the rate of US\$1.00 = HK\$7.8 = 9,320 Indonesian Rupiah. Percentages and figures expressed in millions have been rounded.

As at the date of this announcement, the Board comprises the following Directors:

Anthoni Salim, <i>Chairman</i>	Tedy Djuhar
Manuel V. Pangilinan, <i>Managing Director and CEO</i>	Sutanto Djuhar
Edward A. Tortorici	Ibrahim Risjad
Robert C. Nicholson	Benny S. Santoso
Napoleon L. Nazareno	Graham L. Pickles*
Ambassador Albert F. del Rosario	Professor Edward K.Y. Chen*, <i>GBS, CBE, JP</i>
Sir David W.C. Tang*, <i>KBE</i>	

* *Independent Non-executive Directors*