

**FIRST PACIFIC COMPANY LIMITED**  
**PRESS RELEASE**

**Friday, 29 November 2002**

**INDOFOOD THIRD QUARTER FINANCIAL RESULTS ENDED SEP. 30, 2002**

The attached press release was published today by Indofood.

Indofood is the leading processed-foods group in Indonesia. It is based in Jakarta, and is listed on the Jakarta and Surabaya stock exchanges. The principal businesses of Indofood are Noodles, Flour, and Edible Oils & Fats, and it also has interests in Distribution, Food Seasonings, Baby Foods and Snack Foods. Further information on Indofood can be found at [www.indofood.co.id](http://www.indofood.co.id).

As at 30 September 2002, First Pacific's economic interest in Indofood was 49.9 per cent.

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**PT INDOFOOD SUKSES MAKMUR TBK**

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## Press Release

### **INDOFOOD THIRD QUARTER FINANCIAL RESULTS ENDED SEP. 30, 2002**

- **NET SALES GREW BY 11% TO RP.11.9 TRILLION**
- **GROSS PROFIT UP 6% TO RP.3.0 TRILLION**
- **NET INCOME GREW BY 16% TO Rp. 651.9 BILLION**

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**Eva Riyanti Hutapea, President Director & CEO announced today Indofood's consolidated operating results for the 9 months ended Sept. 30, 2002, which registered net sales of Rp.11.9 trillion (9M01 : Rp.10.7 trillion) or 11% growth over the same period last year and net income of Rp.651.9 billion (9M01 : Rp.560.9 billion), a 16% growth compared to the same period of 2001.**

In connection with the announcement, Hutapea, provided the following comments :

1. The noodles, flour as well as edible oils and fats divisions continue to be the main drivers with a total contribution to sales of Rp.10.3 trillion (9M01 : Rp.8.9 trillion), a growth of 16% over the same period of last year. This represents a total of 86% of the consolidated net sales, or respectively 35%, 30% and 21%. Sales volumes of noodles grew by 12% to 7.3 billion packs (9M01 : 6.5 billion packs) and flour volumes were up approximately 10% to 1.7 million tons (9M01 : 1.6 million tons) ;
2. The Company's gross profit slightly increased by 6% to Rp.3.0 trillion (9M01 : Rp.2.8 trillion). However due to increases in the cost of raw materials, particularly CPO (Crude Palm Oil) and wheat, and increases in utilities and wages, the gross margin decreased slightly to 25% (9M01 : 26%). This pressure on the gross margin, plus the increase in fuel, salary costs and selling expenses (which includes advertising and promotion expenses) reduced EBIT margin to 11% (9M01 : 14%). Increased advertising and promotion expenses are due to the continuation of brand building programs, such as the innovative campaign for Indomie regional flavors, promoting high-end premium product ranges, etc ;
3. The growth in net income was due mainly to the strengthening of the Rupiah relative to the US Dollar. The Rupiah appreciated from a rate of Rp.10,400 as of Dec.31, 2001 to Rp.9,015 as of Sep. 30, 2002, whereas the average exchange rate during the nine month period ended September 30, 2002 was Rp.9,332 from an average of Rp.10,214 in 2001, which resulted in net foreign exchange translation gains of Rp.213.3 billion. For the same period in 2001, we recorded net foreign exchange translation losses of Rp.228.0 billion ;
4. As at September 30, 2002, the Company's US.Dollar denominated outstanding debts amounted to approximately US.Dollars 459 million (Dec. 31, 2001: US Dollars 346.5 million), of which US.Dollars 301.8 million will not mature until 2005 and beyond. To provide hedging for these loans, Indofood, as at September 30, 2002 had "principal only" swap contracts of US.Dollars 310 million and export revenues totaling approximately US.Dollars 176 million up to September 30, 2002 (9M01: approximately US.Dollars 124 million) ;

5. Towards the end of the third quarter of 2002, the Company arranged additional rupiah loans for working capital amounting to Rp.1.4 trillion. Most of these loans will be used to finance additional wheat inventories in anticipation of a possible conflict in the Gulf as well as wheat price increases ;
6. At the end of September 2002, total assets were Rp.14.8 trillion (Dec.31'01: Rp.12.5 trillion), including cash and cash equivalents of Rp.1.4 trillion (Dec.31, 2001 : Rp.834.4 billion), while shareholders' equity amounted to Rp.3.8 trillion (Dec.31'01 : Rp.3.5 trillion).

Commenting on Indofood's performance, Hutapea said: "Despite the general declining trend of purchasing power in domestic markets we have intensified our efforts to identify and meet customer needs and as a result Indofood has been able to post higher revenues." Initiatives to roll out new marketing strategies using demographic and lifestyle themes, encompassing a broadening of product range are in process for 2003, for which, as Hutapea cautiously indicated, Indofood will be able to maintain double digit growth on net sales and to achieve growth in its operating income in the coming years. A dividend payment of at least 30% from 2002 earnings will be proposed in the next annual general meeting of shareholders.

Jakarta, November 29, 2002

**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, 2002 AND 2001**  
 ( Amounts in Thousands Rupiah, except per Share data )  
 (UNAUDITED)

	<b><u>A S S E T S</u></b>	
	<b><u>2002</u></b> Rp	<b><u>2001</u></b> (As Restated) Rp
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	1,368,946,340	682,082,882
Short-term investments	297,503,562	198,087,614
Time deposits	331,581,600	391,966,600
Accounts receivable		
Trade - net		
Third parties	1,062,905,176	865,884,205
Related parties	69,638,810	76,051,692
Non - trade		
Related parties	113,473,241	51,888,791
Others - net	198,029,842	113,361,493
Inventories - net	2,270,958,775	2,188,801,973
Advances and deposits	370,479,785	298,369,248
Prepaid taxes	370,068,446	201,281,626
Prepaid expenses and other current assets	190,552,455	57,918,286
Total Current Assets	<b><u>6,644,138,032</u></b>	<b><u>5,125,694,410</u></b>
<b>NON - CURRENT ASSETS</b>		
Currency swap assets - net	1,381,614,114	1,319,045,490
Long-term receivables		
Third party	363,983,485	299,234,453
Related parties	46,268,000	24,309,200
Deferred tax assets - net	23,903,244	29,108,101
Investments in shares of stocks	21,983,586	26,075,095
Property, plant and equipment - net	5,966,806,919	5,467,282,469
Deferred charges - net	143,678,159	72,000,220
Others	185,963,505	104,401,820
Total Non-Current Assets	<b><u>8,134,201,012</u></b>	<b><u>7,341,456,848</u></b>
<b>TOTAL ASSETS</b>	<b><u><u>14,778,339,044</u></u></b>	<b><u><u>12,467,151,258</u></u></b>

**PT INDOFOOD SUKSES MAKMUR Tbk  
AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
SEPTEMBER 30, 2002 AND 2001**  
( Amounts in Thousands Rupiah, except per Share data )  
(UNAUDITED)

<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>2002</b>	<b>2001</b>
	<b>Rp</b>	<b>(As Restated)</b>
	<b>Rp</b>	<b>Rp</b>
<b>CURRENT LIABILITIES</b>		
Short-term bank loans and overdraft	832,273,963	471,538,247
Trust receipts payable	153,365,761	275,047,135
Accounts payable		
Trade		
Third parties	1,276,208,244	1,111,556,415
Related parties	39,116,919	211,054,399
Non - trade	181,686,426	437,682,786
Accrued expenses	373,195,310	450,402,003
Taxes payable	184,910,556	190,221,608
Current maturities of long-term debts		
Loans	865,070,968	2,505,344,531
Obligations under capital leases	24,792,263	4,582,761
Total Current Liabilities	<u>3,930,620,410</u>	<u>5,657,429,885</u>
<b>NON - CURRENT LIABILITIES</b>		
Long - term debts (net of current maturities)		
Loans	2,144,963,648	1,298,560,504
Bonds payable	3,430,975,000	979,750,000
Obligations under capital leases	62,700,915	4,835,034
	<u>5,638,639,563</u>	<u>2,283,145,538</u>
Deferred tax liabilities - net	472,324,166	219,193,781
Other non - current liabilities	103,960,876	115,469,039
Total Non - Current Liabilities	<u>6,214,924,605</u>	<u>2,617,808,358</u>
<b>MINORITY INTERESTS IN NET ASSETS OF SUBSIDIARIES</b>	<u>843,939,561</u>	<u>735,838,391</u>
<b>STOCKHOLDERS' EQUITY</b>		
Capital stock - Rp 100 par value		
Authorized - 30,000,000,000 shares		
Issued and fully paid - 9,384,900,000 shares in 2002 and 9,156,000,000 shares in 2001	938,490,000	915,600,000
Additional paid-in capital	1,193,457,822	963,760,000
Treasury stock – 580,888,000 shares	(538,295,859)	-
Differences arising from restructuring transactions among entities under common control	(917,740,765)	(917,740,765)
Differences arising foreign currency translation	1,878,789	-
Unrealized gains on investments in marketable securities - net	9,677,085	7,469,593
Retained earnings		
Appropriated	30,000,000	25,000,000
Unappropriated	3,071,387,396	2,461,985,796
Stockholders' Equity - Net	<u>3,788,854,468</u>	<u>3,456,074,624</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<u>14,778,339,044</u>	<u>12,467,151,258</u>

**PT INDOFOOD SUKSES MAKMUR Tbk**  
**AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2002 AND 2001**  
( Amounts in Thousands Rupiah, except Income per Share )  
**(UNAUDITED)**

	<u>2002</u>	<u>2001</u> (As Restated)
	Rp	Rp
<b>NET SALES</b>	11,903,770,890	10,690,913,740
<b>COST OF GOODS SOLD</b>	8,940,104,427	7,904,284,117
<b>GROSS PROFIT</b>	<u>2,963,666,463</u>	<u>2,786,629,623</u>
<b>OPERATING EXPENSES</b>		
Selling	1,037,430,433	796,257,070
General and administrative	598,216,655	460,749,317
Total Operating Expenses	<u>1,635,647,088</u>	<u>1,257,006,387</u>
<b>INCOME FROM OPERATIONS</b>	<u>1,328,019,375</u>	<u>1,529,623,236</u>
<b>OTHER INCOME (CHARGES)</b>		
Interest income	141,847,490	138,251,206
Interest and other financing charges	(558,324,298)	(499,847,628)
Gains (losses) on foreign exchange – inclusive (net) of gain (loss) on changes in fair values of currency swap assets	213,321,304	(227,992,710)
Others - net	(25,950,682)	25,402,164
Other Charges - Net	<u>(229,106,186)</u>	<u>(564,186,968)</u>
<b>INCOME BEFORE PROVISION FOR INCOME TAX</b>	<u>1,098,913,189</u>	<u>965,436,268</u>
<b>PROVISION FOR INCOME TAX</b>		
Current	166,341,879	174,237,661
Deferred	196,700,326	85,102,173
	<u>363,042,205</u>	<u>259,339,834</u>
<b>INCOME BEFORE MINORITY INTERESTS IN NET EARNINGS OF SUBSIDIARIES</b>	735,870,984	706,096,434
<b>MINORITY INTERESTS IN NET EARNINGS OF SUBSIDIARIES - Net</b>	<u>(83,969,778)</u>	<u>(102,506,081)</u>
<b>INCOME BEFORE TRANSITION ADJUSTMENT ON ADPTION OF NEW ACCOUNTING PRINCIPLE</b>	<u>651,901,206</u>	<u>603,590,353</u>
<b>TRANSITION ADJUSTMENT ON ADOPTION OF NEW ACCOUNTING PRINCIPLE – Net of Tax Effect</b>	<u>-</u>	<u>(42,698,973)</u>
<b>NET INCOME</b>	<u>651,901,206</u>	<u>560,891,380</u>
<b>INCOME PER SHARE</b>		
Income from operations	<u>149</u>	<u>167</u>
Net income	<u>73</u>	<u>61</u>

Notes: 1. Effective January 1, 2001, the Company adopted, on a prospective basis, Statement of Financial Accounting Standard No. 55, "Accounting for Derivative Instruments and Hedging Activities". The consolidated balance sheet and statement of income as of and for the nine months ended September 30, 2001 had been restated to reflect the adoption of new accounting principle, as follows :

	<u>As Previously Reported</u>	<u>As Restated</u>
Total Assets	12,485,098,175	12,467,151,258
Currency swap assets-net	1,336,992,406	1,319,045,490
Net income	573,454,222	560,891,380
Net income per share	63	61

2. Income per share is computed based on the weighted average number of outstanding shares during the period.
3. The foreign exchange rates used as at September 30, 2002 and 2001, were Rp 9,015 and Rp 9,675 to US\$1, respectively.

**Jakarta, November 29, 2002**  
**The Board of Directors**  
**PT INDOFOOD SUKSES MAKMUR Tbk**