

**17th May 1999**

**FIRST PACIFIC'S BERLI JUCKER REPORTS 63% RISE IN 1ST QTR  
PROFIT**

First Pacific's Thai flagship, Berli Jucker Public Company Limited, announced today that net income rose 63 per cent in the year's first quarter to THB189 million, helped by the strength of its consumer-goods and packaging businesses in the face of continued challenges in its domestic operating environment.

Although total consolidated sales fell 3 percent to THB2,739 million from 1998's first quarter - the strongest of that year - the company's gross margin widened to 28.0 per cent from 25.5 per cent.

Berli Jucker benefited from a significant increase in interest income due to its strong balance sheet, as current debt fell to 23 per cent of shareholders' equity, from 127 per cent a year earlier. It did not face any foreign-exchange loss, as approximately 98 per cent of its foreign currency is currently hedged, compared with a loss of THB64 million a year earlier.

Berli Jucker's President and CEO, David J. Nicol, said: "I am pleased to note that the first quarter of this year has started on such a positive note. The majority of our business lines have fared reasonably well. Although the level of sales is still disappointing, it is pleasing to see a slight recovery from the levels experienced in the second half of 1998."

In the Consumer Products group, sales rose 4 per cent to THB753 million, led by the strength of its personal care and cosmetics lines. Net income rose modestly, paced by Parrot soap, sales of which more than doubled helped by its increased number of product forms, which will expand further in the weeks ahead with the addition of a shampoo line. Tissue paper sales declined, but should benefit from improved exports with the recent completion of expansion plans at Cellox Paper. Snack-food sales fared well, particularly of Tasto brand potato chips, which is benefiting from a growing trend away from traditional products towards potato chips. Confectionery products, which Berli Jucker manufactures and distributes on behalf of principals, recorded steady sales, and wine sales were buoyant.

In the Technical Products group, sales fell 3 per cent to THB855 million, helped by the success of Thai Klinipro, its medical-gown manufacturing subsidiary, which exports to Europe. However, net income declined amid margin pressure and increased

product-promotion costs. The chemical and medical products lines maintained sales at their year-earlier level. Sales of photographic and imaging products declined amid weak demand and strong competition, but should benefit from measures to expand the reach of its products into regions outside Bangkok, as well as the successful introduction of a new tropical-proof colour film.

In the Packaging group, sales increased 4 per cent to THB1,050 million and net income rose moderately. Profitability was led by Thai Glass Industries, due in part to Berli Jucker having increased its stake in the glass-bottle manufacturer to 98 per cent from 66 per cent a year earlier. Berli Jucker's production of beer bottles rose 24 per cent to 134 million, and spirit-bottle production was strong. The effect of this growth was offset by continuing depressed sales of energy drink bottles - a trend unlikely to change in the near term due to the weak construction sector, which is a major consumer of energy drinks. Thai Glass Industries also boosted sales of food containers, particularly for ketchup, food essence and seasoning lines. However, Berli Prospack, a manufacturer of rigid plastic containers, continued to experience a difficult time, due to the weakness of the personal-care and lubricant-oil sectors, which are its main markets.

In the Engineering group, sales fell 65 per cent to THB73 million and the business recorded a moderate loss. While the engineering division remained profitable, many projects are taking longer to complete than anticipated, leading to delayed billings. Thai Scandic Steel, a manufacturer of galvanized towers for use in the electricity and telecommunication sectors, remained hampered by customer delays in commencing significant contracted works.

Looking ahead, Mr. Nicol said: "The first quarter of 1999 has started well, and I see no reason why this trend should not continue for the remainder of the year. We have seen a slight increase in sales volumes compared with the latter half of 1998, which may reflect growing domestic economic activity, and we are hopeful this will continue - although it may be at a slower pace than we had originally anticipated. Recent Government measures to reduce the rate of value added tax, together with recent bank recapitalization plans, should boost the domestic economy. Berli Jucker is well placed to benefit from these improvements and is well positioned to expand its balance sheet, if necessary, to pursue its acquisition plans."

First Pacific has an economic interest of 84 per cent Berli Jucker, which is one of its four core businesses. The other core businesses are: PLDT and Smart, the largest fixed-line and cellular telecom companies in the Philippine; the Fort Bonifacio urban

development, which is to serve as a new central business hub for Metro Manila; and Indofood, Indonesia's premier-foods group - the acquisition of which has not yet been completed.

Financial data

**BERLI JUCKER PUBLIC CO. LTD. AND SUBSIDIARIES**  
**SUMMARY OF FINANCIAL POSITION AND RESULTS OF OPERATIONS**

(UNAUDITED)

(AMOUNTS IN THOUSANDS OF BAHT)

**BALANCE SHEET AS AT MARCH 31**

	<b>1999</b>	<b>1998</b>
Current Assets	6,828,027	6,063,419
Total Assets	14,906,901	13,765,483
Current Liabilities	3,272,704	5,130,572
Shareholders' Equity	7,684,916	3,732,629

**STATEMENTS OF INCOME**

	<b>Three Months Ended March 31</b>	
	<b>1999</b>	<b>1998</b>
Revenue on Sales	2,738,772	2,835,254
Share of profits less losses of associated companies	4,135	57,300
Total Revenues	2,790,001	2,828,637
Cost of Sales	1,973,116	2,111,759
Other Expenses	543,612	514,145
Net income before foreign exchange gain or loss	187,812	180,519
Foreign exchange (gain) loss	(1,266)	64,484
Net income	189,078	116,035
Earnings per share (Baht)	1.19	2.01
Number of equity shares (Share 000)	158,812.5	57,750