

**15th May 1998**

**FIRST PACIFIC'S BERLI JUCKER REPORTS SOLID FIRST QUARTER DESPITE WEAK THAI ECONOMY**

First Pacific Company Limited's Thai flagship, Berli Jucker Public Company Limited, announced today that it performed well in the first quarter despite Thailand's weak economy, as total revenues grew 16 per cent to THB2,925 million.

However, net profit declined 25 per cent to THB116 million, due to a foreign exchange loss of THB64 million, which was incurred in January when the baht fell to a historic low of 55 to the U.S. dollar. While Berli Jucker's decision to fully close its open dollar positions at that time eliminated its exposure to the risk of a further decline in the baht, it also prevented the company from participating in the currency's subsequent recovery to approximately 39 to the dollar.

Commenting on the results, Berli Jucker's President Dr Adul Amatavivadhana said: "Setting aside the foreign exchange issue, the Group's solid performance demonstrates the benefits of its diversity and tight management controls. Most business achieved good progress in the face of formidable challenges.

"In the consumer products group, sales rose 10 per cent to THB727 million, led by strong growth in the personal-care and cosmetic product lines, particularly within our own Parrot soap brand. Profit contribution was slightly lower than a year earlier, reflecting tighter margins due to increased costs for packaging and for such raw materials as palm oil and pulp.

"The technical products group achieved 16 per cent sales growth to THB892 million, led by Thai Klinipro, our medical-device manufacturing subsidiary, which exports to Europe, and the chemical products division. Profit contribution increased in line with sales.

"The packaging group, led by Thai Glass Industries, achieved 14 per cent sales growth to THB1,007 million. Profit contribution declined 5 per cent due to tighter margins at Thai Glass and a substantial build-up of glass inventories at Berli Jucker, which serves as Thai Glass's distributor. As previously announced, the company is proceeding with plans to acquire the remaining 33.9 per cent of Thai Glass that it does not already own.

"The engineering group's sales rose 12 per cent to THB208 million, led by strong deliveries of steel towers from Thai Scandic Steel. Profit contribution rose significantly due to the Group booking a recovery of losses that were previously provided for at Siemens Limited."

Looking ahead, Dr Adul stated: "Sales momentum has slowed markedly thus far in the second quarter amid weak demand, for even basic products such as tissue paper. Moreover, high inventories of glass products will result in a weaker performance for our packaging division. While Berli Jucker is generally well positioned through its diversification to withstand these difficult trading conditions, the economy's sharp contraction will inevitably reduce overall profitability."

First Pacific has a 61 per cent economic interest in Berli Jucker, which is listed on the Stock Exchange of Thailand.

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(UNAUDITED)  
(AMOUNTS IN THOUSAND OF BAHT)

**BALANCE SHEET AS AT MARCH 31**

	<b><u>1998</u></b>	<b><u>1997</u></b>
Current Assets	6,063,419	5,318,897
Total Assets	13,765,483	11,753,382
Current Liabilities	5,130,572	3,192,840
Shareholder's Equity	3,732,629	3,742,013

**STATEMENTS OF INCOME**

	<b>Three Months Ended</b>	
	<b><u>1998</u></b>	<b><u>1997</u></b>
Revenue on Sales	2,835,254	2,506,342
Share of profits less losses of associated companies	57,300	(4,102)
Total Revenues	2,924,610	2,531,492
Cost of Sales	2,111,759	1,738,412
Other Expenses	514,145	534,686
Net income before foreign exchange loss	180,519	116,674
Foreign exchange loss (gain)	64,484	(37,196)
Net income	116,035	153,870
Earnings per Share (Baht)	2.01	2.66
Number of equity shares (Share 000)	57,750	57,750

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