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FIRST PACIFIC COMPANY LIMITED

(Incorporated with limited liability under the laws of Bermuda)

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

(Stock Code: 00142)

ANNOUNCEMENT

UPDATE IN RELATION TO PROPOSED SPIN OFF OF THE AGRI BUSINESS OF PT INDOFOOD SUKSES MAKMUR TBK

PUBLICATION OF THE ABRIDGED PROSPECTUS IN INDONESIA

APPROVAL OBTAINED FROM THE LISTING DIVISION OF THE HONG KONG STOCK EXCHANGE FOR THE PROPOSED SPIN OFF

AND

PROPOSED ASSURED ENTITLEMENT OF FIRST PACIFIC SHAREHOLDERS BY WAY OF DISTRIBUTION OF SIMP SHARES IN SPECIE

Reference is made to the Company's previous announcements in which the Company announced that Indo Agri, a company in which Indofood owns 57.8% indirect economic interest, proposes to spin off its 90% owned subsidiary, SIMP, which is engaged in Indofood's agri business. Indofood is a 50.1% owned indirect subsidiary of the Company, and in turn also owns a direct 8.4% interest in SIMP. SIMP's agri business activities comprise of oil palm, rubber, sugar cane, cocoa and tea plantations, cooking oils, margarine and shortening.

The Board is pleased to announce that SIMP has obtained approval from the Indonesian Capital Markets and Financial Institutions Supervisory Agency to commence the book building process and to publish an abridged prospectus in respect of the proposed listing of SIMP.

In connection with the proposed listing, the Abridged Prospectus and additional information has been published today, in the Bahasa language only, in *Bisnis Indonesia*, a local newspaper in Indonesia.

Further, it is expected that SIMP will issue a preliminary offering circular in English language to eligible international investors resident outside Indonesia in relation to the proposed offering of shares of SIMP subject to applicable laws and regulations on or around 9 May 2011. The Offering Circular will be made available to prospective professional and institutional investors.

The Offering Documents contain or will contain or are expected to contain certain information which is not currently in the public domain and which the Company considers should be formally announced to the Company's shareholders. That information is set out below in this announcement.

The proposed listing of SIMP on the Indonesia Stock Exchange is treated as a "spin off" transaction by First Pacific under the Listing Rules. According to the Listing Rules, First Pacific was required to obtain approval from the Hong Kong Stock Exchange for the "spin off" transaction, having regard to the policies and principles set out in PN15. First Pacific has obtained approval from the Listing Division of the Hong Kong Stock Exchange for the spin off of SIMP as required by PN15.

In order to provide the assured entitlement to its shareholders and subject to and conditional upon completion of the proposed spin off of SIMP, First Pacific proposes to subscribe for (at the offer price under the global offering) and distribute to its shareholders in specie SIMP shares which will in aggregate represent approximately 1.5% of the total offer size of the global offering or approximately 47,448,000 offer shares of SIMP. Details of the terms of the distribution in specie have not yet been finalised as at the date of this announcement. It is currently expected that a further announcement on the terms of the distribution in specie will be made by the Company on or about 23 May 2011.

First Pacific shareholders are reminded that the distribution in specie would be conditional upon completion of the spin off and separate listing of SIMP on the Indonesia Stock Exchange and will only be declared by the Board if the spin off and separate listing of SIMP is completed.

The proposed spin off and separate listing of SIMP on the Indonesia Stock Exchange depends on various conditions and there is no assurance that the proposed spin off will proceed. The Company will make such further announcement(s) in relation to the proposed spin off as is/are appropriate and/or required by the Listing Rules.

This announcement is made pursuant to Rule 13.09(1) and Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

Reference is made to the announcements of First Pacific Company Limited (the “Company” or “First Pacific”) dated 18 February 2011 and 5 April 2011 in which First Pacific announced that Indofood Agri Resources Ltd. (“Indo Agri”), a company in which PT Indofood Sukses Makmur Tbk (“Indofood”) owns 57.8% indirect economic interest, proposes to spin off its 90% owned subsidiary, PT Salim Ivomas Pratama (“SIMP”), which is engaged in Indofood’s agri business. Indofood is a 50.1% owned indirect subsidiary of the Company, and in turn also owns a direct 8.4% interest in SIMP. SIMP’s agri business activities comprise of oil palm, rubber, sugar cane, cocoa and tea plantations, cooking oils, margarine and shortening. It is proposed that SIMP will be listed on the Indonesia Stock Exchange.

PUBLICATION OF THE ABRIDGED PROSPECTUS IN INDONESIA

The board of directors of First Pacific (the “Board”) is pleased to announce that SIMP has obtained approval from the Indonesian Capital Markets and Financial Institutions Supervisory Agency to commence the book building process and to publish an abridged prospectus in respect of the proposed listing of SIMP.

In connection with the proposed listing, an abridged prospectus and additional information has been published today, in the Bahasa language only, in *Bisnis Indonesia*, a local newspaper in Indonesia (the “Abridged Prospectus”).

Further, it is expected that SIMP will issue a preliminary offering circular in English language to eligible international investors resident outside Indonesia in relation to the proposed offering of shares of SIMP subject to applicable laws and regulations on or around 9 May 2011 (the “Offering Circular”). The Offering Circular will be made available to prospective professional and institutional investors.

The Board has reviewed the latest draft of the Offering Circular. Based on the Abridged Prospectus and the latest draft of the Offering Circular (collectively referred to herein as the “Offering Documents”), First Pacific would like to announce that the Offering Documents contain or will contain or are expected to contain information which is not currently in the public domain and which the Company considers should be formally announced to the Company’s shareholders. That information is set out as follows:

1. Offer size

The Offering Documents contain or are expected to contain information in relation to the offer size of the proposed initial public offering.

There are 12,653,050,000 issued and fully paid shares of SIMP of par value Indonesian Rupiah 200 each prior to the proposed initial public offering.

Up to 3,163,260,000 new shares of SIMP of par value Indonesian Rupiah 200 each will be offered in the proposed initial public offering (the “Offer Shares”). Assuming an offer size of 3,163,260,000 shares, the Offer Shares would represent:

- (a) approximately 25% of the issued share capital of SIMP prior to the initial public offering; or
- (b) approximately 20% of the enlarged issued share capital of SIMP upon completion of the initial public offering.

2. Use of proceeds

The Offering Documents contain the following discussion on the current intentions of SIMP as to how the net proceeds from the proposed initial public offering are to be used (with capitalized terms being as defined in the Offering Documents as the case may be):

“The net proceeds from the Global Offering, after deducting underwriting fees, commissions and other estimated expenses relating to the Global Offering, will be used as follows:

- *approximately 40% to reduce our indebtedness;*
- *approximately 50% for capital expenditure, which will be used for our Plantations Division to expand new planting and replanting programs for oil palms and sugar cane and the construction of processing mills and supporting infrastructure within five years; and*
- *approximately 10% for capital expenditure, which will be used for the construction of production facilities for our Edible Oils and Fats Division and the purchase of vessels for CPO transportation.”*

The net proceeds from the global offering will only be known after completion of the book building process.

3. Dividend policy

The Offering Documents contain the dividend policy of SIMP upon its listing on the Indonesia Stock Exchange (with capitalized terms being as defined in the Offering Documents as the case may be):

“Under Indonesian law, a portion of our net profits, as determined by an annual general meeting of shareholders, after deduction of corporate tax, must be allocated as a reserve fund. Payment of final dividends in each year is required to be approved by the shareholders at the annual general meeting of shareholders upon the recommendation of the Board of Directors, which in turn will be subject to our earnings, operating and financial results, liquidity condition, future business prospects, compliance with prevailing laws and regulations and any other factors considered relevant by our Board of Directors.”

Our policy is to pay dividends, subject to our financial performance and financial position, of not more than 40% of net income (after deducting the portion attributable to non controlling interest) each year, beginning in 2012 with respect to net income in 2011.

The Board of Directors may change its dividend policy at any time, with the approval of such change by a general meeting of shareholders. To the extent a decision is made to pay dividends, dividends will be declared and paid in Rupiah.”

4. Expansion Plans

The Offering Documents contain the expansion plans of SIMP (with capitalized terms as defined in the Offering Documents as the case may be):

“We are in the process of completing the construction of palm oil processing mills in West Kalimantan and South Sumatra, each with a processing capacity of 40 tonnes FFB per hour. In addition, we are also planning to expand our sugar cane plantation in South Sumatra to achieve a targeted planted area of 18,000 hectares in the next two years. In connection with such expansion of planted area, we are also in the process of completing the construction of a sugar mill with the capacity of 8,000 TCD, which is expected to be completed in 2011.”

We plan to focus our expansion on new plantings of oil palms, with the targeted new planting of 15,000 to 20,000 hectares each year (excluding our Plasma Program), as well as the construction of palm oil processing mills when such plantation expansion areas start to produce minimum FFB required to achieve optimal milling capacity. In general, developing oil palm plantations from raw land to a mature plantation requires approximately four years.

We also plan to expand our Tanjung Priok (Jakarta) refinery by constructing margarine, bottling, warehousing and research and development facilities at the refinery. Also, we intend to purchase additional tug boats and barges to transport our CPO to the refineries. We anticipate that our capital expenditures in 2011 and 2012, including the above expansion plans, will be financed by the proceeds from the Global Offering, and if necessary, from funds generated from operations and draw downs from existing or additional credit facilities.”

5. Audited financial information of SIMP under Indonesian GAAP

The Offering Documents contain selected financial information of SIMP derived from the audited consolidated financial statements as of and for the years ended 31 December 2008, 2009 and 2010, and the unaudited consolidated financial statements of SIMP as of and for the three months ended 31 March 2010 and 2011.

The consolidated financial statements of SIMP as of and for the years ended 31 December 2008, 2009 and 2010 included in the Offering Documents have been audited by Purwantono, Suherman & Surja (the Indonesian member firm of Ernst & Young Global Limited), independent public accountants, in accordance with auditing standard established by the Indonesian Institute of Certified Public Accountants (“IICPA”). The unaudited consolidated financial statements of SIMP as of and for the three months ended 31 March 2010 and 2011, have been reviewed by Purwantono, Suherman & Surja (the Indonesian member firm of Ernst & Young Global Limited), independent public accountants, in accordance with Section 722 of Auditing Standard “Interim Financial Information” (“SA 722”) established by the IICPA, as stated in their review report appearing in the Offering Documents. A review conducted in accordance with SA 722 established by the IICPA is substantially less in scope than an audit conducted in accordance with auditing standards established by the IICPA and, as stated in their review report appearing in the Offering Documents, Purwantono, Suherman & Surja (the Indonesian member firm of Ernst & Young Global Limited), independent public accountants, did not audit and do not express any opinion on such unaudited consolidated financial statements included in the Offering Documents.

The above financial statements of SIMP are reported in Indonesian Rupiah, and have been prepared in accordance with accounting principles generally accepted in Indonesia (“Indonesian GAAP”).

The key line items of the above financial statements of SIMP in respect of each of the above financial periods are as follows:

(Rp. millions)	For the year ended/ as of 31 December			For the three months ended/ as of 31 March	
	2008	2009	2010	2010	2011
<u>Income statement data</u>					
Net sales	11,840,499	9,040,325	9,484,281	2,111,630	2,927,286
Gross profit	3,904,309	3,058,742	3,545,468	748,842	1,283,735
Income from operations	2,888,404	2,126,700	2,537,228	465,942	945,468
Net income/Net Income attributable to equity holders of the parent company	1,002,435	1,008,662	970,975	275,183	527,355
<u>Cash flow data</u>					
New cash provided by operating activities	2,431,144	1,033,844	1,938,167	253,592	342,704
<u>Balance sheet data</u>					
Total assets	16,337,417	18,311,605	21,063,714	19,091,904	21,781,414
Total shareholders' equity/Equity attributable to the equity holders of the parent company	5,754,432	6,834,909	7,732,178	7,082,623	8,259,533

The key line items of the financial statements above expressed in US\$ and HK\$ (based upon the exchange rate of Rp. 8,709 = US\$1 in the Offering Documents and US\$1 = HK\$7.8) are set out below for reference only:–

(US\$ millions)	For the year ended/ as of 31 December			For the three months ended/ as of 31 March	
	2008	2009	2010	2010	2011
<u>Income statement data</u>					
Net sales	1,359.6	1,038.0	1,089.0	242.5	336.1
Gross profit	448.3	351.2	407.1	86.0	147.4
Income from operations	331.7	244.2	291.3	53.5	108.6
Net income/Net Income attributable to equity holders of the parent company	115.1	115.8	111.5	31.6	60.6
<u>Cash flow data</u>					
New cash provided by operating activities	279.2	118.7	222.5	29.1	39.4
<u>Balance sheet data</u>					
Total assets	1,875.9	2,102.6	2,418.6	2,192.2	2,501.0
Total shareholders' equity/Equity attributable to the equity holders of the parent company	660.7	784.8	887.8	813.3	948.4

(HK\$ millions)	For the year ended/ as of 31 December			For the three months ended/ as of 31 March	
	2008	2009	2010	2010	2011
<u>Income statement data</u>					
Net sales	10,604.6	8,096.7	8,494.4	1,891.2	2,621.8
Gross profit	3,496.8	2,739.5	3,175.4	670.7	1,149.7
Income from operations	2,586.9	1,904.7	2,272.4	417.3	846.8
Net income/Net Income attributable to equity holders of the parent company	897.8	903.4	869.6	246.5	472.3
<u>Cash flow data</u>					
New cash provided by operating activities	2,177.4	925.9	1,735.9	227.1	306.9
<u>Balance sheet data</u>					
Total assets	14,632.2	16,400.3	18,865.2	17,099.2	19,508.0
Total shareholders' equity/Equity attributable to the equity holders of the parent company	5,153.8	6,121.5	6,925.1	6,343.4	7,397.4

6. Important dates

The Offering Documents contain or are expected to contain the expected dates of certain important events in relation to the proposed offering of SIMP shares on the Indonesia Stock Exchange (with capitalized terms as defined in the Offering Documents as the case may be):

“The following events have taken place or are expected to take place on the following dates in connection with the Global Offering:

<i>Event</i>	<i>Date</i>
<i>Effective date of BAPEPAM-LK registration statement</i>	<i>27 May 2011</i>
<i>Commencement of Indonesian Public Offering Period</i>	<i>30 May 2011</i>
<i>End of Indonesian Public Offering Period</i>	<i>1 June 2011</i>
<i>Allotment of Offer Shares to successful applicants</i>	<i>6 June 2011</i>
<i>Payment due by investors in the International Offering</i>	<i>8 June 2011</i>
<i>Settlement Date</i>	<i>8 June 2011</i>
<i>Listing of Shares on the IDX</i>	<i>9 June 2011”</i>

Where any information in the Abridged Prospectus set out above is available in the Bahasa language only, the descriptions above represent English translation of any such information in the Abridged Prospectus.

APPROVAL OBTAINED FROM THE LISTING DIVISION OF THE HONG KONG STOCK EXCHANGE FOR THE PROPOSED SPIN OFF

The proposed listing of SIMP on the Indonesia Stock Exchange is treated as a “spin off” transaction by First Pacific under the Listing Rules. According to the Listing Rules, First Pacific was required to obtain approval from The Stock Exchange of Hong Kong Limited (“Hong Kong Stock Exchange”) for the “spin off” transaction, having regard to the policies and principles set out in Practice Note 15 to the Listing Rules (“PN15”). First Pacific has obtained approval from the Listing Division of the Hong Kong Stock Exchange for the “spin-off” transaction.

PROPOSED ASSURED ENTITLEMENT OF FIRST PACIFIC SHAREHOLDERS BY WAY OF DISTRIBUTION OF SIMP SHARES IN SPECIE

Pursuant to paragraph 3(f) of PN15, First Pacific must have due regard to the interests of its shareholders by providing them with an assured entitlement to shares of SIMP being offered in the global offering, either by way of a distribution of SIMP shares in specie or by way of preferred application for the SIMP shares in the global offering by the shareholders of First Pacific.

First Pacific has been advised that the provision of an assured entitlement by way of preferred application in the global offering by the shareholders of First Pacific is likely to constitute an offer to the public in Hong Kong, which requires registration of a prospectus in Hong Kong. Having regard to the potential time and expenses which may be involved in the process of preparing, finalising and obtaining any regulatory approval of such prospectus, the Board has decided that provision of the assured entitlement by way of a distribution of SIMP shares in specie would be the preferred course of action.

In order to provide the assured entitlement to its shareholders and subject to and conditional upon completion of the proposed spin off of SIMP, First Pacific proposes to subscribe for (at the offer price under the global offering) and distribute to its shareholders in specie SIMP shares which will in aggregate represent approximately 1.5% of the total offer size of the global offering or approximately 47,448,000 offer shares. Details of the terms of the distribution in specie have not yet been finalised as at the date of this announcement. It is currently expected that a further announcement on the terms of the distribution in specie will be made by the Company on or about 23 May 2011.

First Pacific shareholders are reminded that the distribution in specie would be conditional upon completion of the spin off and separate listing of SIMP on the Indonesia Stock Exchange and will only be declared by the Board if the spin off and separate listing of SIMP is completed.

The proposed spin off and separate listing of SIMP on the Indonesia Stock Exchange depends on various conditions and there is no assurance that the proposed spin off will proceed.

This announcement is not, and does not form part of, an offer to sell or solicitation of an offer to purchase or subscribe for any securities of SIMP in Hong Kong, the United States or any other jurisdiction, and this announcement, or any part of it, shall not form the basis, or be relied on, in connection with any investment decision relating to securities of SIMP. Therefore, no prospectus in relation to the offer of shares in the proposed spin off and separate listing of SIMP is required to be and no such prospectus will be issued or registered in Hong Kong. The securities of SIMP referred to in this announcement have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold unless registered or an exemption from registration is available.

The Company will make such further announcement(s) in relation to the proposed spin off as is/are appropriate and/or required by the Listing Rules.

By Order of the Board
First Pacific Company Limited
Nancy L.M. Li
Company Secretary

Hong Kong, 6 May 2011

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

Anthoni Salim, *Chairman*
Manuel V. Pangilinan, *Managing Director and CEO*
Edward A. Tortorici
Robert C. Nicholson
Napoleon L. Nazareno
Sir David W.C. Tang*, *KBE*

Tedy Djuhar
Ibrahim Risjad
Benny S. Santoso
Graham L. Pickles*
Prof. Edward K.Y. Chen*, *GBS, CBE, JP*
Jun Tang*

* *Independent Non-executive Directors*