



INDOFOOD AGRI RESOURCES LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No.: 200106551G)

PROPOSED ACQUISITION OF PT TANI MUSI PERSADA, PT TANI ANDALAS SEJAHTERA AND PT SUMATRA AGRI SEJAHTERA BY THE COMPANY'S LISTED SUBSIDIARY

The Board of Directors of Indofood Agri Resources Ltd. (the "Company") wishes to announce that its listed subsidiary on the Indonesia Stock Exchange, PT Perusahaan Perkebunan London Sumatra Indonesia Tbk ("**Lonsum**"), has on 19 November 2008 entered into conditional Share Purchase Agreements ("**SPA**") with Agus Suherman (the "**Vendor**"), pursuant to which Lonsum will acquire from the Vendor, shares with a nominal value of Rp1,000,000 per share in each of the following companies:

1. PT Tani Musi Persada ("**TMP**") - 1,249 shares representing 99.9% of its total issued share capital;
 2. PT Sumatra Agri Sejahtera ("**SAS**") - 1,249 shares representing 99.9% of its total issued share capital; and
 3. PT Tani Andalas Sejahtera ("**TAS**") - 1,125 shares representing 90% of its total issued share capital.
- (together, the "**Proposed Acquisition**").

The total cash consideration payable for the Proposed Acquisition is approximately Rp48 billion (equivalent to approximately S\$6.0 million based on an exchange rate of Rp7,999 : S\$1 as at 19 November 2008).

TMP, TAS and SAS are companies incorporated in Indonesia as limited liability companies. The principal activities of TMP, TAS and SAS are those relating to the development of oil palm plantations. They currently hold location permits over a total of 46,000 hectares of land in South Sumatra, Indonesia.

The Proposed Acquisition was entered into on an arm's length basis and the cash consideration of approximately Rp48 billion was arrived at by the Lonsum's Board of Directors after undertaking a due diligence process and taking into consideration the current market value of the aforesaid land.

The completion of the Proposed Acquisition is conditional upon various conditions being fulfilled as stipulated in the SPA. The Proposed Acquisition is targeted to be completed by 22 December 2008. Upon completion, TMP, TAS and SAS will become subsidiaries of the Company.

The Proposed Acquisition is not expected to have any material impact on the net tangible assets and earnings per share of the Company. None of the directors of the Company has any interest, direct or indirect, in the Proposed Acquisition and the Company has not received notification from any of its controlling shareholders that it has any interest, direct or indirect, in the Proposed Acquisition.

Please refer to the attached announcement dated 20 November 2008 issued by Lonsum in relation the Proposed Acquisition.

BY ORDER OF THE BOARD

Mark Julian Wakeford
Chief Executive Officer and Executive Director

Singapore
20 November 2008

CIMB-GK Securities Pte. Ltd. was the financial adviser to the Company in relation to the acquisition of the entire issued share capital of Indofood Oil & Fats Pte. Ltd.. It assumes no responsibility for the contents of this announcement.

Unofficial Translation

No. CS-201/LSIP/XI/08

Jakarta, 20 November 2008

To:

Badan Pengawas Pasar Modal dan Lembaga Keuangan

Gedung Bapepam Lantai 3

Jl. Lapangan Banteng Timur No.2-4

Jakarta 10710

Attn.: **Bapak Dr. A. Fuad Rahmany**

Kepala Bapepam - LK

To:

PT. Bursa Efek Indonesia

Gedung Bursa Efek Indonesia

Jl Jend. Sudirman Kav.52-53

Jakarta 12190

Attn. : **Bapak Erry Firmansyah**

President Director

Dear Sirs,

Re : Disclosure Information Regarding Acquisition Transaction of PT Tani Musi Persada ("TMP"), PT. Tani Andalas Sejahtera ("TAS") and PT. Sumatra Agri Sejahtera ("SAS") by PT. PP London Sumatra Indonesia Tbk (the "Company")

To comply with the requirement Point 2 (a) Bapepam Rule Number X.K.1 regarding Disclosure of Information that must be made Public Immediately, we hereby informed that the Company has been entered into several deeds of Conditional Shares Sale Purchase Agreements, on 19 November 2008 made before Musa Muamarta, SH, Notary in Jakarta with Agus Suherman as the Seller ("**Conditional Share Sale and Purchase Agreements**").

The Conditional Share Purchase Agreement states that the Company would like to acquire directly TMP, TAS and SAS's shares, owned by Agus Suherman in which the detail transaction as attached ("**Proposed Acquisition Transaction**"). The total consideration payable for the Proposed Acquisition Transaction of TMP, TAS and SAS is Rp. 48,046.079.000,00 (forty eight billion forty six million seventy nine thousand Rupiah). Please note that TMP, TAS and SAS respectively is a limited liability company established and existing under the law of Republic of Indonesia and having its domicile in North Jakarta, which hold a location permit to palm oil plantation with the detail information as attached on Attachment 1 of this Letter.

The completion of the Proposed Acquisition Transaction is conditional upon various conditions being fulfilled as stipulated in the Conditional Share Sale and Purchase Agreements. The Proposed Acquisition is targeted to be completed by 22 December 2008. Upon the completion, the Company will own 99.9% of each of TMP and SAS and 90% of TAS.

Please be informed that by entering into the Proposed Acquisition Transaction, the Company will obtain indirectly additional areal development for palm oil especially in South Sumatra Province.

We hereby informed that this Proposed Acquisition Transaction is not categorized to material transaction as stipulated in Bapepam Rule Number IX.E.2. regarding Material Transaction and Changing in Core Business.

Thank you for your attention and cooperation.

Sincerely yours,
PT. PP. LONDON SUMATRA INDONESIA TBK

Name : Endah R. Madnawidjaja
Title : Corporate Secretary

Cc:
Board of Directors of the Company

ATTACHMENT 1

1. Detail of Acquisition Transaction of TMP, TAS dan SAS

No	Company	Number of Acquired Share	Nominal Value of Acquired Shares	Percentage
1	TMP	1.249	Rp. 1.249.000.000,-	99.92
2	TAS	1.125	Rp. 1.125.000.000,-	90
3	SAS	1.249	Rp. 1.249.000.000,-	99.92
TOTAL			Rp. 3.623.000.000,-	

2. Detail of Location Permit of TMP, TAS dan SAS

No	Company	District	Province	Hectare
1	TMP	Musi Banyuasin	Sumatera Selatan	20.000
2	TAS	Musi Rawas	Sumatera Selatan	10.000
3	SAS	Musi Banyuasin	Sumatera Selatan	16.000
TOTAL				46.000