



ASIA PULP & PAPER COMPANY LTD

118 Pioneer Road, Singapore 639598 Main Line Number: (65) 6477-6118 Main Fax Number: (65) 6477-6116

FOR IMMEDIATE RELEASE

Contact: Julian Wilson
Gavin Anderson & Company
Telephone: (+65) 6339-9110
E-mail: app_investors@app.co.id
app@gavinanderson.com.sg

**ASIA PULP & PAPER COMPANY LTD ANNOUNCES DETAILS OF
ITS PRODUCTION VOLUMES, SALES VOLUME AND AVERAGE REALIZED SELLING PRICES
FOR ITS MAJOR INDONESIAN SUBSIDIARIES FOR THE SECOND QUARTER, JULY AND AUGUST 2002**

Singapore, November 8, 2002—Asia Pulp & Paper Company Ltd (“APP”) today announced production, sales volume and operating data for PT Indah Kiat Pulp and Paper Tbk (“*Indah Kiat*”), PT Pabrik Kertas Tjiwi Kimia Tbk (“*Tjiwi Kimia*”), PT Pindo Deli Pulp and Paper Mills (“*Pindo Deli*”) and PT Lontar Papyrus Pulp and Paper Industry (“*Lontar Papyrus*”) (collectively, the “*Indonesian Subsidiaries*”) for the second quarter, July and August 2002, together with current wood costs and escrow account balances.

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**PRODUCTION, SALES VOLUMES AND AVERAGE REALIZED SALES PRICES FOR
THE SECOND QUARTER, JULY AND AUGUST 2002**

The operating data APP is releasing today is preliminary only and is subject to changes, some of which may be significant. Therefore, you should not place undue reliance on the operating information set forth in this press release.

The tables below set forth the preliminary production volumes, sales volumes and average realized selling prices for APP’s Indonesian Subsidiaries.

PRODUCTION VOLUMES
(in thousands of tonnes)

	2001						2002			
	2000	2001	1Q	2Q	3Q	4Q	1Q	2Q	Jul	Aug
Indah Kiat:										
Pulp.....	1,777	1,797	469	420	447	462	443	453	162	160
Paper.....	616	589	139	154	146	149	152	160	57	52
Packaging.....	1,258	979	182	248	267	283	310	307	102	100
Tjiwi Kimia:										
Paper.....	949	857	175	221	231	231	237	239	76	81
Stationery.....	155	183	45	58	37	42	51	58	16	16
Packaging.....	69	52	12	14	12	14	12	14	5	4
Pindo Deli:										
Paper.....	631	551	108	146	149	149	153	164	53	56
Tissue.....	45	42	7	9	13	13	11	14	5	5
Packaging.....	56	47	10	12	13	12	12	11	3	3
Lontar Papyrus:										
Pulp.....	572	620	153	166	139	162	160	152	58	59
Tissue.....	43	42	10	12	10	11	12	12	4	4

SALES VOLUMES
(in thousands of tonnes)

	2001						2002			
	2000	2001	1Q	2Q	3Q	4Q	1Q	2Q	Jul	Aug
Indah Kiat:										
Pulp.....	1,250	1,239	347	286	307	299	283	295	101	115
Paper.....	577	575	128	160	144	143	150	164	60	47
Packaging.....	1,091	875	201	215	218	241	284	276	87	90
Tjiwi Kimia:										
Paper.....	822	709	177	168	188	176	207	193	68	73
Stationery.....	142	163	43	66	30	24	31	69	15	10
Packaging.....	48	44	11	11	10	12	11	12	5	3
Pindo Deli:										
Paper.....	615	557	119	153	149	135	159	186	56	61
Tissue.....	47	40	9	8	11	12	12	14	4	5
Packaging.....	45	38	9	10	10	9	9	8	3	2
Lontar Papyrus:										
Pulp.....	561	581	145	157	131	148	147	138	60	63
Tissue.....	41	41	10	11	9	11	11	10	4	3

AVERAGE REALIZED SALES PRICES *
(US\$ per tonne)

			2001				2002			
	2000	2001	1Q	2Q	3Q	4Q	1Q	2Q	Jul	Aug
Indah Kiat:										
Pulp.....	508	320	353	311	309	303	304	320	363	373
Paper.....	707	676	712	681	668	647	637	659	697	727
Packaging.....	448	351	389	354	355	312	343	385	400	439
Tjiwi Kimia:										
Paper.....	682	703	749	699	686	677	668	711	721	743
Stationery.....	1,298	1,072	1,152	1,038	1,079	1,019	1,010	1,003	1,053	1,107
Packaging.....	481	402	431	373	489	314	357	441	462	485
Pindo Deli:										
Paper.....	723	712	767	706	707	677	699	726	794	781
Tissue.....	980	968	1,044	958	965	916	921	942	971	953
Packaging.....	720	556	627	534	555	512	535	517	517	513
Lontar Papyrus:										
Pulp.....	510	311	334	303	299	310	309	321	364	374
Tissue.....	805	777	863	786	736	721	722	750	748	776

* The average realized selling prices described above should be reviewed in the context of the following: Until 1Q2001, the average realized sales prices comprised a substantial amount of products for which the sales prices included insurance and freight costs and a small amount of products sold on an FOB basis for which the sales prices did not include insurance and freight costs. From 2Q2001 to 4Q2001, the Indonesian Subsidiaries began to sell an increasing amount of products on an FOB basis because the Indonesian Subsidiaries had difficulties obtaining shipping services after APP declared a standstill of its debt payments in March 2001. From 1Q2002, the Indonesian Subsidiaries gradually increased the amount of products sold on a CIF basis.

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ESCROW ACCOUNT BALANCES

In a press release dated September 25, 2002, APP announced the signing of escrow agreements by each of the Indonesian Subsidiaries with Indonesian Bank Restructuring Agency to facilitate a restructuring of the Indonesian Subsidiaries. As at September 30, 2002, the balances in the escrow accounts totaled US\$100.0 million.

APP intends to continue providing relevant information that is not commercially sensitive on a regular basis in an effort to facilitate the restructuring of APP and its Indonesian Subsidiaries.

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APP is one of the world's leading pulp and paper companies. With current pulp capacity of 2.3 million tonnes and paper and packaging capacity of 5.7 million tonnes, it ranks number one in non-Japan Asia. Headquartered in Singapore, APP currently has 16 manufacturing facilities in Indonesia and China and markets its products in more than 65 countries on six continents.

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Certain statements made in this press release fall within the meaning of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the APP Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking

statements. Such factors include, among others, the following factors: changes in political, social and economic conditions and the regulatory environment in Indonesia and China; changes in currency exchange rates; changes in market prices for the APP Group's products; changes in the availability or prices of import tariffs and raw materials ; changes in our revenue and profitability; changes to our production capacity; changes in industry trends; changes in future capital needs and the availability of financing; changes in customer preferences; demographic changes; changes in competitive conditions and our ability to compete under these conditions; and various other factors beyond our control.