FOR IMMEDIATE RELEASE

IndoAgri posts a positive 1Q16 result with revenue up 18% yoy and attributable profit of Rp95 billion (S$9.8 million)

HIGHLIGHTS:

- **Revenue up 18% yoy in 1Q16 on higher CPO sales volume and a 12% sales increase achieved by the Edible Oils & Fat (EOF) Division**
- **Despite lower commodity prices, Group reported improved profit on stronger contribution from the EOF Division and foreign currency gains**
- **Attributable profit improved from Rp4 billion (S$0.4 million) in 1Q15 to Rp95 billion (S$9.8 million) in 1Q16**

SINGAPORE – 29 April 2016 – SGX Mainboard-listed IndoAgri (the "**Group**"), a diversified and integrated agribusiness group and manufacturer of leading brands of edible oils and fats products in Indonesia, posted a positive 1Q16 with revenue of Rp3.1 trillion (S$324 million), up 18% yoy on higher sales volume of crude palm oil (CPO) and stronger sales achieved by the EOF Division.

Plantation Division's total revenue declined 2% in 1Q16. This reflected mainly higher sales volume of CPO, but offset by lower average selling prices of palm products and lower rubber sales. EOF Division delivered a strong quarter with revenue growth of 12% mainly attributable to higher sales of edible oil products, resulting in higher EBITDA earnings.

	Rp' billion			S$' million [1]	
	1Q16	**1Q15**	**▲%**	**1Q16**	**1Q15**
Revenue	3,147	2,659	18.3%	324.3	274.1
Gross profit	534	615	(13.2%)	55.0	63.4
Gross margin (%)	*17.0%*	*23.1%*		*17.0%*	*23.1%*
EBITDA [2]	407	552	(26.3%)	41.9	56.9
EBITDA margin (%)	*12.9%*	*20.8%*		*12.9%*	*20.8%*
Profit from operations	309	173	78.0%	31.8	17.9
Profit before taxation	167	47	256.6%	17.2	4.8
Net profit after tax	96	8	n/m	9.9	0.9
Attributable profit	95	4	n/m	9.8	0.4
EPS (fully diluted) - Rp/S$ cents	68	3	n/m	0.7	0.0

n.m. denotes "Not Meaningful"

[1] Income Statement and Balance Sheet items are converted at exchange rates of Rp9,703/S$1 and Rp9,830/S$1, respectively
[2] Earnings before interests and tax expense, depreciation and amortisation, foreign exchange gain/(loss) and gain/(loss) from changes in fair value of biological assets

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In 1Q16, the Group recorded lower EBITDA (excluding the effect of forex) of Rp407 billion (S$42 million), a 26% decline over the same quarter last year. The decline was mainly due to lower gross profit driven by lower CPO prices in particular which were 16% lower than 1Q15.

The Group reported higher attributable profit of Rp95 billion (S$9.8 million) in 1Q16 compared to Rp4 billion (S$0.4 million) in 1Q15. The improved profit was mainly driven by stronger contribution from the EOF Division and foreign currency gains.

"The effects of the prolonged drought in the second half last year resulted in our 1Q16 FFB nucleus and CPO production marginally decreasing by 2% yoy to 639,000 tonnes and 186,000 tonnes respectively. Despite this and lower commodity prices, our Group reported higher profit in 1Q16 mainly due to a 12% sales growth in our EOF Division, and foreign currency gains.

CPO prices have been on an uptrend since Q4 2015, with prices in March 2016 being 26% higher than in the last quarter of 2015. In 2016 we will prioritise our capex on immature plantings of 53,000 hectares and the expansion of milling facilities for organic growth.", *commented Mr Mark Wakeford, CEO and Executive Director.*

INDUSTRY OUTLOOK AND FUTURE PLANS

The market conditions remain challenging for the commodity sector. The persistent slump in commodity prices and slower growth in some key markets like China have led to a prolonged period of volatility and uncertainty. Global developments remain uncertain and unpredictable. These circumstances have aggravated the complex mix peculiar to any agribusiness such as the weather, export restrictions, the higher co-relationship between the prices of crude oil and various commodities, and the performance of competing crops such as soybean oil.

As a diversified and vertically integrated agribusiness with a dominant presence in Indonesia, our operations continue to be supported by positive market drivers that include good demographics, strong economic fundamentals, and a fast-growing middle class with rising discretionary incomes.

Our outlook for the agribusiness remains optimistic but we are cautiously managing our activities during this challenging period to mitigate risks and exposures. We will place a stronger emphasis on extracting the optimal from our value chain, and proactively improve operations, increase yields, raise productivity and control costs.

--The End ---

ABOUT INDOAGRI

Indofood Agri Resources Ltd. ("IndoAgri") is a diversified and integrated agribusiness group with principal business operations that range from research and development, breeding and cultivation of oil palms, to the milling and refining of crude palm oil, and the marketing and distribution of cooking oil, margarine, shortening and other derivative products. The Group also engages in the cultivation of other crops such as rubber, sugar cane, cocoa and tea.

As of end March 2016, IndoAgri has 300,708 hectares planted with oil palm, rubber, sugar cane, cocoa and tea.

For more information please visit our website at: www.indofoodagri.com.