BUMITAMA AGRI LTD.

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NEWS RELEASE

BUMITAMA AGRI ACHIEVES HEALTHY REVENUE GROWTH OF 25.7% TO IDR 3,526 BILLION FOR FY2012

- ***Records fourth consecutive quarter of growth, boosted by overall increase in sales volume of CPO and PK***
- ***EBITDA increased by 13.6% to IDR 1,285 billion***

Singapore, February 26, 2013 – Mainboard-listed Bumitama Agri Ltd. ("Bumitama" or the "Group"), a young and fast-growing crude palm oil ("CPO") and palm kernel ("PK") producer with significant holdings of oil palm plantations in Indonesia, achieved healthy revenue growth of 25.7% to IDR 3,526 billion for the financial year ended December 31, 2012 ("FY2012"). Although net profit increased marginally, by 1.0%, to IDR 902 billion, EBITDA for FY2012 registered a 13.6% increase to IDR 1,285 billion, compared to IDR 1,132 billion last year ("FY2011").

Mr. Gunawan Lim, Bumitama's Executive Chairman and Chief Executive Officer, said: "We are pleased to report our fourth consecutive quarter of revenue growth since our listing, boosted by overall increase in sales volumes of our CPO and PK, which rose by 34.6% and 36.9% respectively over the past twelve months. This improvement was achieved despite a decline in CPO prices since January 2012 as a result of slowing demand from Europe and China and an expanding stockpile of inventory across the industry.

"We continued to see strong production numbers, with FY2012's CPO output reaching 462,291 MT, a 34% increase from FY2011. We also continued to maintain an efficient CPO extraction rate of 23.8%, an industry high which, again, is a testament to our disciplined approach of achieving excellence."

FINANCIAL REVIEW

IDR'million	For the 12 months ended December 31		Change (%)	For the three months ended December 31		Change (%)
	2012 (FY2012)	2011 (FY2011)		2012 (4Q2012)	2011 (4Q2011)	
Revenue	3,525,546	2,805,316	25.7	996,078	742,300	34.2
Gross Profit	1,422,744	1,239,684	14.8	348,671	310,884	12.2
EBITDA[1]	1,285,374	1,131,916	13.6	342,974	318,413	7.7
Profit for the period	901,820	892,963	1.0	274,871	350,824	-21.6
Net Profit attributable to owners of the Company	787,896	761,852	3.4	229,352	286,611	-20.0
Earnings per Share[2] (in IDR)	448	433	3.5	130	163	-20.2

Overall revenue from CPO and PK increased by 25.7% to IDR 3,526 billion in FY2012, compared to IDR 2,805 billion in FY2011. The increase in aggregate sales volume of CPO and PK was partially offset by lower average selling prices of CPO and PK, which decreased 4.5% and 27.5% respectively over the course of the year as commodities suffered from a soft market.

Cost of sales increased by 34.3% to IDR 2,103 billion in FY2012, mainly attributable to an increase in the cost of fresh fruit bunches ("FFB") purchased from external parties, fertilizer and labor for the maintenance and harvesting of the plantations. But as the Group's plantations mature, the percentage contribution of internally sourced FFB is expected to increase and improved the Group's overall margins.

[1] *EBITDA is derived from profit before income tax, adjusted for foreign exchange loss, depreciation, amortization and interest expenses, excluding interest income, gain on hedging transactions and gain arising from fair value changes in biological assets*

[2] *Computed based on Bumitama post-offering share capital of 1,757,531,844 shares*

In line with higher revenue, the Group's gross profit for FY2012 increased 14.8% from IDR 1,240 billion in FY2011 to IDR 1,423 billion in FY2012. Gross margin was maintained at a healthy level of 40.4% in FY2012.

Gains arising from fair value changes in biological assets are computed on an annual basis. In FY2012, the amount recorded was IDR 58 billion, due mainly to growth in the Group's planted hectarage. In FY2011, the amount recorded was higher at IDR 181 billion because of higher CPO prices, as well as the new planting carried out in 2011.

Sales, general and administration expenses increased by 19.0% to IDR 230 billion in FY2012, due mainly to additional headcount and remuneration adjustments.

The Group realized a gain of IDR 46 billion on forward sale contracts of CPO entered into by the Group to hedge a portion of its CPO. In addition, the Group recorded a net foreign exchange loss of IDR 38 billion in FY2012, compared to a net loss of IDR 9 billion in FY2011. This was mainly due to conversion losses on US dollar-denominated bank loans and amounts due to the shareholders as the IDR depreciated against the US dollar.

The Group received a share of loss of associated companies' net profit of IDR 8 billion that resulted primarily from a share of losses from investments in two plantation companies, PT Sawit Nabati Agro and PT Berkat Agro Sawitindo, which have young tree profiles.

Consequently, EBITDA for FY2012 was IDR 1,285 billion, representing a 13.6% increase year-on-year. Net profit after tax for FY2012 was IDR 902 billion, an increase of 1.0% from IDR 893 billion in FY2011.

For the three months ended December 31, 2012, ("4Q2012"), revenue grew 34.2% to IDR 996 billion, compared to the last corresponding period ("4Q2011"). Net profit dropped 21.6% to IDR 275 billion, dragged down by lower CPO prices, higher costs and expenses and share of loss of associate companies.

As at December 31, 2012, Bumitama has a strong cash and short term deposits of IDR 887 billion and healthy leverage ratios. Total assets grew by 39.7% to IDR 9,089 billion, compared to IDR 6,507 billion as at December 31, 2011, while total liabilities increase 6.2% to IDR 3,802 billion from IDR 3,581 billion.

OPERATIONAL REVIEW

Total FFB production of the Group reached 1,943,233 MT in FY2012, representing a year-on-year increase of 34.9%. About 74.5% of production was derived from the Group's internal nucleus and plasma plantations. CPO production increased 34.0% from 345,111 MT to 462,291 MT while PK production increased 34.5% from 64,875 MT to 87,252 MT. The strong increase in the production output was supported by expansion of mature areas of 13,858 hectares during the period.

As at December 31, 2012, Bumitama managed a total planted area of 133,367 hectares, which represents an increase of 14,907 hectares from 118,460 hectares as at December 31, 2011. The age profile of the Group's palm trees remains favourable, comprising 74.9% of immature and young trees, and 25.1% of trees in their prime producing years. The Group maintained its CPO extraction rate of 23.8% for the period. FFB yield for the Group's plantation in FY2012 was 18.8 MT per hectare, a 15.3% increase from 16.3 MT per hectare in FY2011.

OUTLOOK

The global CPO prices had generally been on a downward trend for the past few months although the general consensus was that the prices had hit its low at RM 2,230/ton on December 13, 2012. The trend could be a slow and gradual upward price movement from 2Q 2013 onwards as exports to China and India are expected to improve. The positive fundamentals of the palm oil industry remain unchanged in the long term.

Mr Lim said: “Despite the volatility of CPO prices and macroeconomic challenges, the Group believes that its strong fundamentals as a young, fast-growing plantation player with significant land bank and strategic growth plans will anchor the Group’s performance in good stead. As more of our trees reach their prime-producing years, we can expect increase in production and good harvest over the next few quarters.”

ABOUT BUMITAMA AGRI LTD. (Bloomberg Stock Code: BAL SP)

Bumitama Agri Ltd. (“Bumitama” or the “Group”) is a young and fast-growing crude palm oil (“CPO”) and palm kernel (“PK”) producer with sizeable oil palm plantations in three provinces in Indonesia, namely Central Kalimantan, West Kalimantan and Riau.

Since commencing planting in 1998, Bumitama has aggressively increased its total land bank to about 200,000 hectares as of December 31, 2012. Of its total land bank, 33% is uncultivated land available for future planting, representing significant potential for growth. As a young plantation player, the weighted average of Bumitama’s oil palm trees is about five years, and only about 25.1% of its planted area has reached peak production age of seven to 18 years.

As at December 31, 2012, the Group has six CPO mills strategically located in close proximity to its plantations and a total FFB processing capacity of 2.34 million tpa (metric tonne per annum).

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