



Bumitama Agri Ltd.

Excellence Through Discipline

**Second Quarter & First Half
2017 Presentation**

14 August 2017





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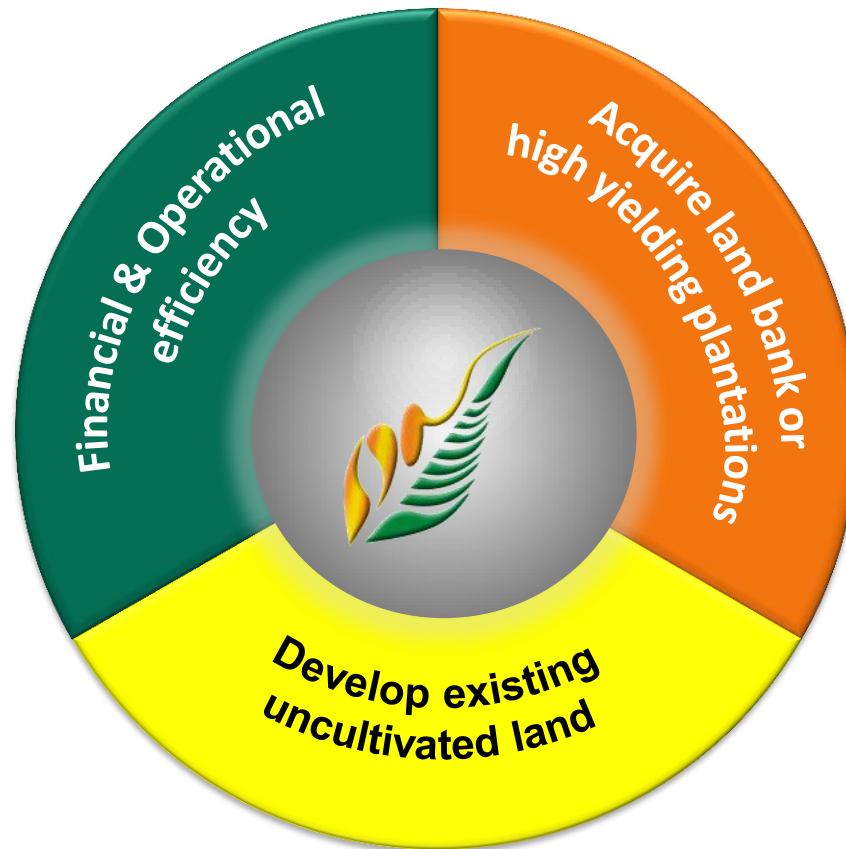
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The 1, 2, 3 Growth Strategies





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Executive Summary – 1H 2017

● **Production**

- FFB volumes increased 55.9% YoY to 1,300,456 mt.
- FFB yield increased 44.6% YoY from 5.6 mt/ha to 8.1 mt/ha.
- OER at 22.9%.
- Total planted area of 179,273 ha.

● **Financial Performance**

- Revenue increased by 40.1% YoY to IDR 4,015 billion.
- Gross Profit increased by 67.3% YoY to IDR 1,099 billion.
- EBITDA increased by 68.5% YoY to IDR 1,132 billion.

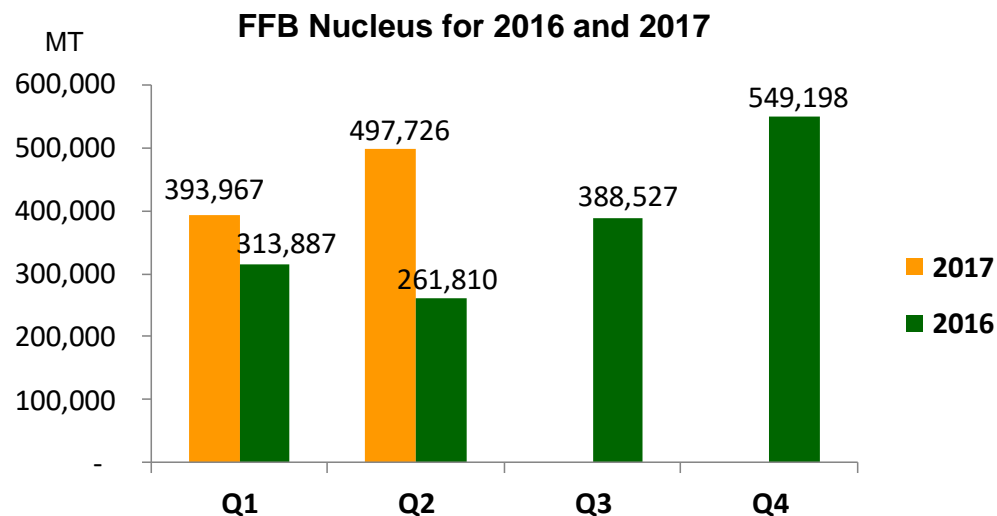


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Operational Highlight

		2Q 2017	%	2Q 2016	%	Change YoY	1H 2017	%	1H 2016	%	Change YoY
Production											
FFB Total	(MT)	963,471	100.0	589,756	100.0	63.4% ↑	1,775,106	100.0	1,247,955	100.0	42.2% ↑
FFB Internal		731,033	75.9	381,424	64.7	91.7% ↑	1,300,456	73.3	834,066	66.8	55.9% ↑
FFB Nucleus		497,726	51.7	261,810	44.4	90.1% ↑	891,693	50.3	575,697	46.1	54.9% ↑
FFB Plasma		233,307	24.2	119,614	20.3	95.0% ↑	408,763	23.0	258,369	20.7	58.2% ↑
FFB External		232,438	24.1	208,332	35.3	11.6% ↑	474,650	26.7	413,889	33.2	14.7% ↑



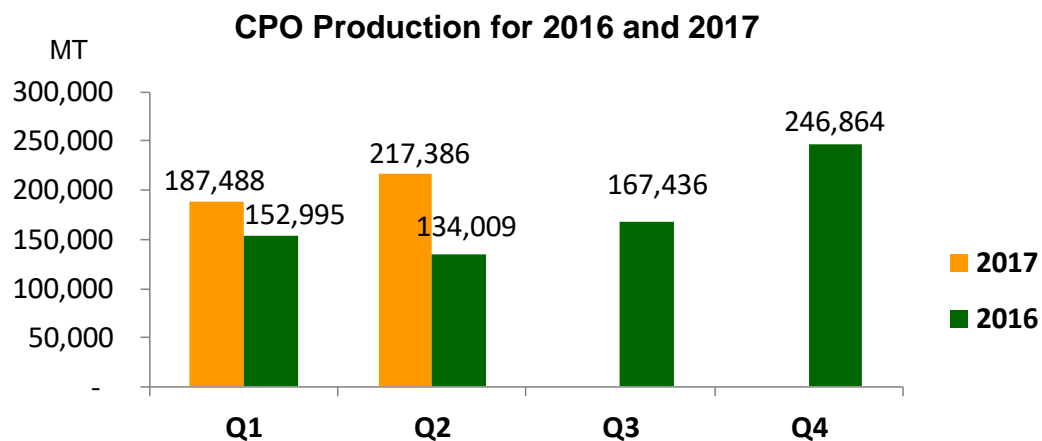


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Operational Highlight (Cont')

		2Q 2017	2Q 2016	Change YoY		1H 2017	1H 2016	Change YoY	
CPO	(MT)	217,386	134,009	62.2%	↑	404,874	287,004	41.1%	↑
PK	(MT)	42,824	26,415	62.1%	↑	80,159	59,209	35.4%	↑
Yield and Extraction Rate									
FFB Yield	(MT/ha)	4.6	2.5	84.0%	↑	8.1	5.6	44.6%	↑
CPO Yield	(MT/ha)	1.1	0.6	83.3%	↑	1.9	1.3	46.2%	↑
CPO Extraction Rate	(%)	22.7%	22.8%	-0.4%	↓	22.9%	23.1%	-0.9%	↓
PK Extraction Rate	(%)	4.5%	4.5%	0.0%	▬	4.5%	4.8%	-6.3%	↓





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Planted Area

	As at 30 June 2017		As at 31 December 2016		Change	
	Area (ha)	% of Total	Area (ha)	% of Total	Area (ha)	
Planted Nucleus	130,127	72.6	128,966	73.6	1,161	↑
- Old & Mature	113,770	63.5	104,970	59.9	8,800	↑
- Immature	16,357	9.1	23,996	13.7	-7,639	↓

- As at 30 June 2017 the planted Plasma is 49,146 ha.
- The replanting as at 30 June 2017 is 2,487 ha.

Weighted average age of 8.7 years as at 1 January 2017



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Sales Revenue and Volume

	2Q 2017	2Q 2016	Change YoY	1H 2017	1H 2016	Change YoY
Sales Revenue (IDR million)						
- Crude Palm Oil	1,678,161	1,117,615	50.2%	3,363,535	2,370,058	41.9%
- Palm Kernel	210,457	180,757	16.4%	542,236	357,167	51.8%
- Biodiesel	31,680	78,150	-59.5%	108,572	137,352	-21.0%
- Glycerin	121	220	-45.0%	427	332	28.6%
Sales Volume (MT)						
- Crude Palm Oil	208,295	143,737	44.9%	407,739	343,163	18.8%
- Palm Kernel	37,880	28,301	33.8%	77,231	65,683	17.6%
- Biodiesel	3,122	7,786	-59.9%	10,126	14,786	-31.5%
- Glycerin	398	749	-46.9%	1,552	1,167	33.0%
Average Sales Price (IDR/KG)						
- Crude Palm Oil	8,057	7,775	3.6%	8,249	6,907	19.4%
- Palm Kernel	5,556	6,387	-13.0%	7,021	5,438	29.1%
- Biodiesel	10,147	10,037	1.1%	10,722	9,289	15.4%
- Glycerin	304	294	3.4%	275	284	-3.2%



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Income Statement Highlight

IDR million	2Q 2017	2Q 2016	Change	YoY	1H 2017	1H 2016	Change	YoY
Revenue	1,920,419	1,376,742	39.5%	↑	4,014,770	2,864,909	40.1%	↑
Gross profit	562,115	243,959	130.4%	↑	1,098,906	656,806	67.3%	↑
Net profit	337,109	124,693	170.4%	↑	659,271	387,009	70.4%	↑
Net profit attributable to owners of the company	285,041	107,649	164.8%	↑	563,484	337,085	67.2%	↑
EBITDA	601,555	321,169	87.3%	↑	1,132,313	672,025	68.5%	↑
Gross margin (%)	29.3%	17.7%	65.5%	↑	27.4%	22.9%	19.7%	↑
Net profit margin (%)	17.6%	9.1%	93.4%	↑	16.4%	13.5%	21.5%	↑
EBITDA margin (%)	31.3%	23.3%	34.3%	↑	28.2%	23.5%	20.0%	↑

Appendix to the Announcement 1H2017: Translation of Unaudited Financial Statements to USD

Income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	2nd Quarter			1st Half		
	2017 USD thousand	2016 USD thousand	Change %	2017 USD thousand	2016 USD thousand	Change %
Revenue	144,060	102,586	40.4%	301,167	213,474	41.1%
Cost of sales	(101,893)	(84,407)	20.7%	(218,733)	(164,533)	32.9%
Gross profit	42,167	18,179	132.0%	82,434	48,941	68.4%
Interest Income	2,398	2,469	-2.9%	5,083	6,334	-19.8%
Selling expense	(2,430)	(2,011)	20.8%	(6,069)	(5,771)	5.2%
General and administrative expense	(3,700)	(3,256)	13.6%	(9,727)	(8,303)	17.2%
Finance cost	(3,097)	(3,153)	-1.8%	(5,921)	(6,320)	-6.3%
Foreign exchange gain	59	(260)	-122.7%	906	3,399	-73.3%
Other expenses	(428)	(340)	26.0%	(1,100)	(875)	25.6%
Other income	12	570	-97.9%	503	651	-22.8%
Share of loss of associate companies	-	(373)	-100.0%	(171)	(1,199)	-85.7%
Profit before income tax	34,981	11,825	195.8%	65,938	36,857	78.9%
Income tax expense	(9,693)	(2,532)	282.8%	(16,483)	(8,020)	105.5%
Profit for the period	25,288	9,293	172.1%	49,455	28,837	71.5%
Attributable to:						
Owners of the Company	21,382	8,022	166.5%	42,270	25,117	68.3%
Non-controlling interests	3,906	1,271	207.3%	7,185	3,720	93.2%
	25,288	9,293	172.1%	49,455	28,837	71.5%
EBITDA	45,125	23,931	88.6%	84,940	50,075	69.6%

Notes: The reporting currency for Bumitama is in IDR but for illustrative purpose USD is used here. The income and expense for each unaudited income statement presented are translated at average exchange rates at each respective period (Source: Bank Indonesia middle rate).

Appendix to the Announcement 1H2017: Translation of Unaudited Financial Statements to USD

Statement of Financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	30-Jun-2017	31-Dec-2016	30-Jun-2017	31-Dec-2016
	USD thousand	USD thousand	USD thousand	USD thousand
ASSETS				
Non-current assets				
Plasma receivables	75,692	68,721	-	-
Property, plant and equipment	254,604	246,158	4	6
Bearer plants	538,944	522,826	-	-
Land use rights	64,159	60,660	-	-
Investment in subsidiaries	-	-	63,588	63,588
Investment in associate companies	-	170	10,639	10,639
Intangible assets	13,073	13,102	-	-
Deferred tax assets	10,608	11,098	-	-
Deferred charges/other receivable	-	464	-	464
Due from subsidiaries	-	-	555,072	598,482
Loan to an associate company	5,206	5,067	5,206	5,067
Total Non-current assets	962,286	928,266	634,509	678,246
Current assets				
Biological assets	21,181	19,370	-	-
Inventories	38,885	45,521	-	-
Deferred charges	379	397	14	4
Trade and other receivables	11,664	20,674	-	-
Due from related companies	19	36	-	-
Plasma receivables	23,505	22,495	-	-
Prepayments and advances	1,025	803	8	8
Dividend receivables	-	-	-	991
Prepaid taxes	36,037	23,015	4	3
Cash and short-term deposits	28,677	38,486	4,800	1,764
Total Current assets	161,372	170,797	4,826	2,770
Total Assets	1,123,658	1,099,063	639,335	681,016

Notes: The reporting currency for Bumitama is in IDR but for illustrative purpose USD is used here. The assets and liabilities for each unaudited statement of financial position presented are translated at closing exchange rates at each respective period (Source: Bank Indonesia middle rate).

Appendix to the Announcement 1H2017: Translation of Unaudited Financial Statements to USD

	Group		Company	
	30-Jun-2017	31-Dec-2016	30-Jun-2017	31-Dec-2016
	USD thousand	USD thousand	USD thousand	USD thousand
LIABILITIES AND EQUITY				
Current liabilities				
Loans and borrowings	65,000	75,000	65,000	75,000
Trade and other payables	40,132	42,574	1	1
Accrued operating expenses	13,011	12,728	4,019	4,195
Dividend payables	-	104	-	-
Sales advances	10,536	2,307	-	-
Income taxes payable	16,302	9,842	0	0
Total Current liabilities	144,981	142,555	69,020	79,196
Non-current liabilities				
Deferred tax liabilities	13,007	12,242	-	-
Loans and borrowings	49,458	64,650	49,458	64,650
Islamic medium term notes	233,219	222,673	233,219	222,673
Post employment benefits	2,934	2,909	-	-
Derivative financial liabilities	81,647	94,216	81,647	94,216
Total Non-current liabilities	380,265	396,690	364,324	381,539
Total Liabilities	525,246	539,245	433,344	460,735
Net Assets	598,412	559,818	205,991	220,281
Equity attributable to owners of the Company				
Share capital	130,993	130,993	130,993	130,993
Treasury shares	(3,531)	(1,301)	(3,531)	(1,301)
Other reserves	(16,837)	(18,974)	(3,073)	(5,210)
Retained earnings	426,464	384,194	14,561	26,804
Foreign currency translation reserve	(5,673)	5,095	67,041	68,995
	531,416	500,007	205,991	220,281
Non-controlling interests	66,996	59,811	-	-
Total Equity	598,412	559,818	205,991	220,281

Notes: The reporting currency for Bumitama is in IDR but for illustrative purpose USD is used here. The assets and liabilities for each unaudited statement of financial position presented are translated at closing exchange rates at each respective period (Source: Bank Indonesia middle rate).

Appendix to the Announcement 1H2017: Translation of Unaudited Financial Statements to USD

A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

CASH FLOW	Group			
	2nd Quarter		1st Half	
	2017	2016	2017	2016
	USD thousand	USD thousand	USD thousand	USD thousand
Cash flows from operating activities				
Cash receipts from customers	158,243	134,540	317,462	240,338
Cash payments to suppliers, employees and for other operating expenses	(106,330)	(96,816)	(229,301)	(188,679)
Corporate income tax paid	(11,527)	(2,337)	(15,366)	(4,564)
Net cash flows generated from operating activities	40,386	35,387	72,795	47,095
Cash flows from investing activities				
decrease /(Increase) in plasma receivables	(3,960)	(3,611)	(5,133)	(15,949)
Investment in intangible assets	-	(16)	-	(23)
Investment in bearer plants	(6,999)	(10,562)	(11,756)	(15,129)
Investment in property, plant and equipment	(5,190)	(3,581)	(9,888)	(15,433)
Investment in land use rights	(1,373)	(3,151)	(2,176)	(6,801)
Net cash outflows for the acquisition of subsidiaries	(163)	(19)	(5,584)	(5,466)
Interest received	2,510	2,114	4,929	5,659
Net cash flows used in investing activities	(15,175)	(18,826)	(29,608)	(53,142)
Cash flows from financing activities				
Proceeds from loans and borrowings	14,988	4,962	14,988	4,962
Repayment of loan and borrowings	(29,945)	(2,608)	(39,949)	(5,216)
Decrease / (increase) in amount due from related companies	(7)	(15,013)	17	(5,743)
Payment of dividend	(18,861)	(6,452)	(18,966)	(8,354)
Contribution from non-controlling interests	-	7	-	7
Buy-back of ordinary shares	(1,227)	-	(2,228)	-
Interest paid	(822)	(956)	(6,938)	(6,623)
Net cash flows used in from financing activities	(35,874)	(20,060)	(53,076)	(20,967)
Net (decrease)/increase in cash and cash equivalents	(10,663)	(3,499)	(9,889)	(27,014)
Effect of exchange rate changes on cash and cash equivalents	(100)	274	80	1,442
Cash and cash equivalents at beginning of period / year	39,440	21,060	38,486	43,407
Cash and cash equivalents at end of period / year	28,677	17,835	28,677	17,835

Notes: The reporting currency for Bumitama is in IDR but for illustrative purpose USD is used here. The unaudited cash flow statement presented is translated at average exchange rates at each respective period (Source: Bank Indonesia middle rate).

Appendix to the Announcement 1H2017: Translation of Unaudited Financial Statements to USD

Cash Flows from Operating Activities:	Group			
	2nd Quarter		1st Half	
	2017	2016	2017	2016
	USD thousand	USD thousand	USD thousand	USD thousand
Profit before income tax	34,981	11,825	65,938	36,857
Depreciation and amortisation	9,397	11,165	18,963	16,631
Finance cost	3,097	3,153	5,921	6,320
Interest income	(2,398)	(2,469)	(5,083)	(6,334)
Post employment benefits	-	16	-	-
Unrealized foreign exchange gain	(942)	(736)	(2,425)	(2,350)
Share of loss of associate companies	-	373	171	1,199
Operating cash flows before working capital changes	44,135	23,327	83,485	52,322
Decrease/(increase) in:				
- Trade and other receivables	9,520	34,760	9,297	31,651
- Inventories	(3,339)	6,778	6,848	17,417
- Prepaid taxes	(9,704)	(3,412)	(13,938)	(8,380)
- Prepayments and advances	(299)	914	(201)	4,779
- Deferred charges	19	94	17	112
(Decrease)/increase in:				
- Trade and other payables	630	(32,556)	(11,608)	(37,139)
- Accrued operating expenses	181	3,542	(1,127)	(3,309)
- Tax payable	4,303	1,461	7,187	(6,629)
- Sales advances	6,467	2,817	8,202	835
Cash flows generated from operations	51,913	37,724	88,161	51,659
Corporate income tax paid	(11,527)	(2,337)	(15,366)	(4,564)
Net cash flows generated from operating activities	40,386	35,387	72,795	47,095

Notes: The reporting currency for Bumitama is in IDR but for illustrative purpose USD is used here. The unaudited cash flow statement presented is translated at average exchange rates at each respective period (Source: Bank Indonesia middle rate).



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Thank You