PT JAPFA COMFEED INDONESIA Tbk

PUBLIC EXPOSE

Jakarta, April 5th, 2017

Unofficial Translation



Nurturing A Sustainable Future

Membina Demi Masa Depan Berkelanjutan

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JAPFA

COMPANY OVERVIEW



An Introduction To Japfa Tbk

Vertically integrated agriculture Company

- One of the largest poultry players in Indonesia with net sales of Rp27.1 trillion and EBITDA of Rp3.5 trillion in 2015.
- Strategically involved in aquaculture and beef offering diversification of revenues.
- Listed on IDX for over 20 years with a market cap of Rp16.6 trillion as of 31 December 2016.
- Focus on Indonesia, an attractive animal protein market with high growth potential.

Leading market share and growth

- Japfa has maintained solid market share over the past 40 years of operations.
- Economies of scale providing advantages in terms of raw material purchases and cost efficiencies.
- Deep geographical reach to be closer to customer base and raw material suppliers.
- Strong historical net sales CAGR growth of 14.7% from 2007-2016.
- Japfa has the second largest market share for poultry feed and DOC.

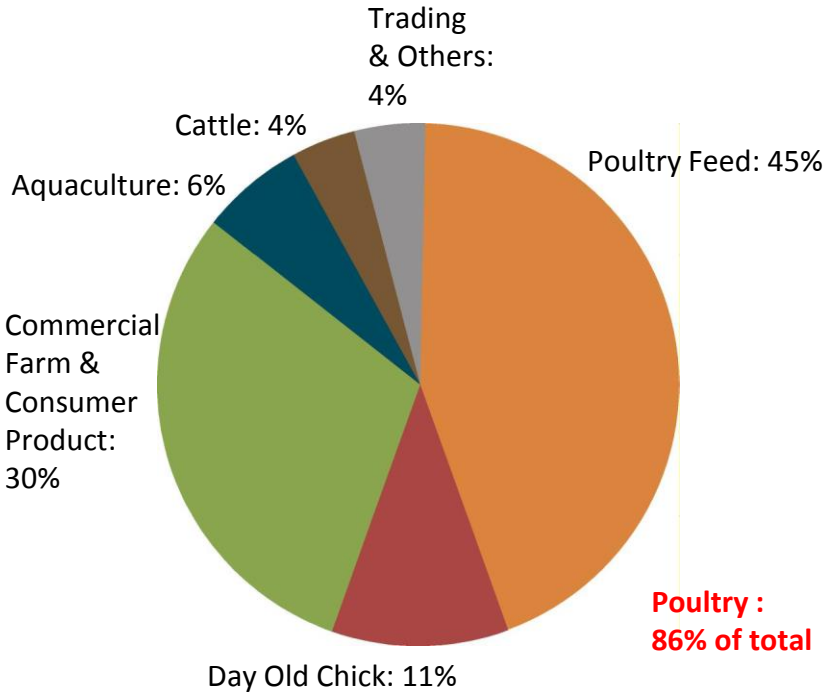
Focused on producing affordable animal protein in Indonesia

Core Competencies Across The Value Chain

	UPSTREAM		MIDSTREAM	DOWNSTREAM
	Feed	Breeding	Commercial	Processing
Poultry				
Beef				
Aquaculture				

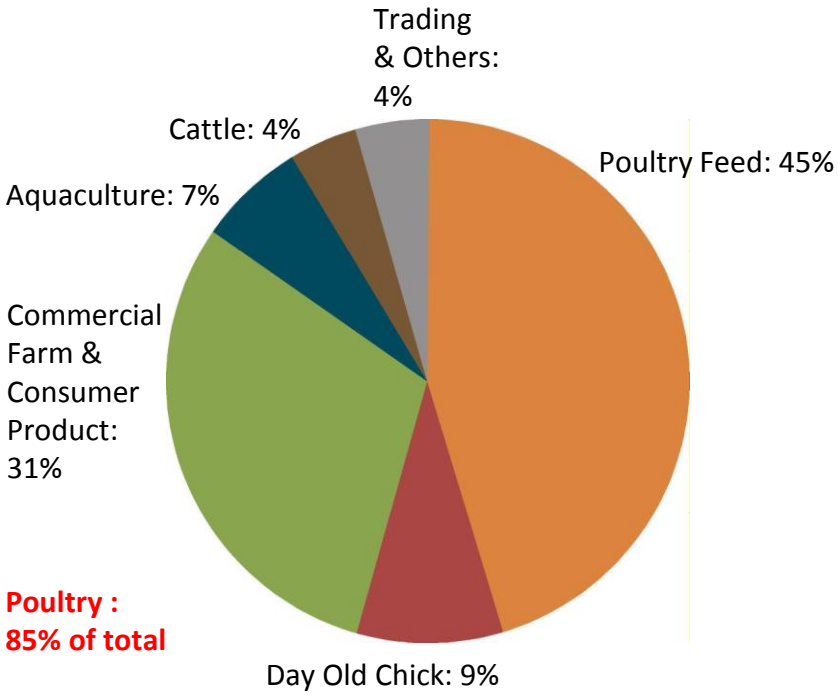
Poultry Contributes Bulk of Revenue and Feed is Core Pillar of Profitability

FY16 Sales Contribution Per Business Segment



Total FY16 Net Revenue: Rp. 27.1 Trillion

FY15 Sales Contribution Per Business Segment



Total FY15 Net Revenue: Rp. 25.0 Trillion

Diversified business with a clear focus on the poultry sector given our expertise and poultry industry dynamics

Note: The % sales contributions from operational segments shown above are based on gross sales, which exclude elimination adjustments between segments.

JAPFA

OPERATIONAL PERFORMANCE



Flashback of 2016

The national macro economy in 2016 recorded an improvement compared to previous year, although its impact on society, namely purchasing power, was still not visible.

In 2016, the Company recorded a much better performance compared to previous years. From the operational side, the Company has implemented efficiencies, through some innovations, in terms of production process, as well as internal operations. These had given significant impacts to the Company's financial performance.

In terms of operational performance, the Company remains one of the most efficient poultry operators in Indonesia. The low levels of beef, chicken and fish consumption in Indonesia are opportunities for the Company's future business. We remain confident of the Company's long term prospects and sustainable growth.

JAPFA

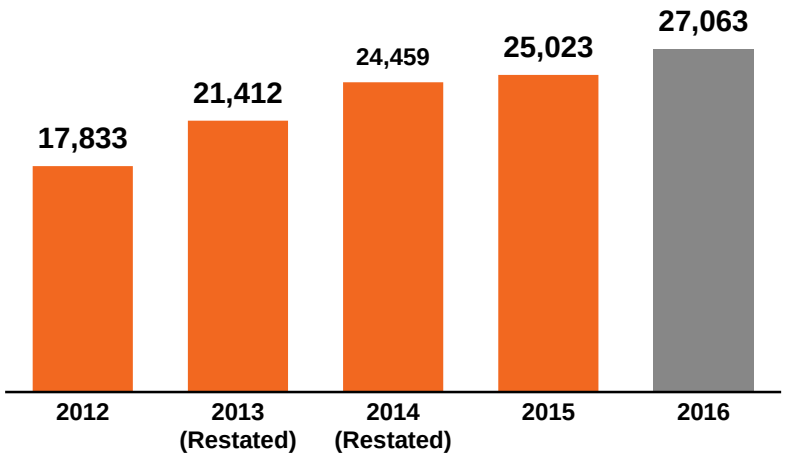
FINANCIAL HIGHLIGHTS



Proven Financial Track Record

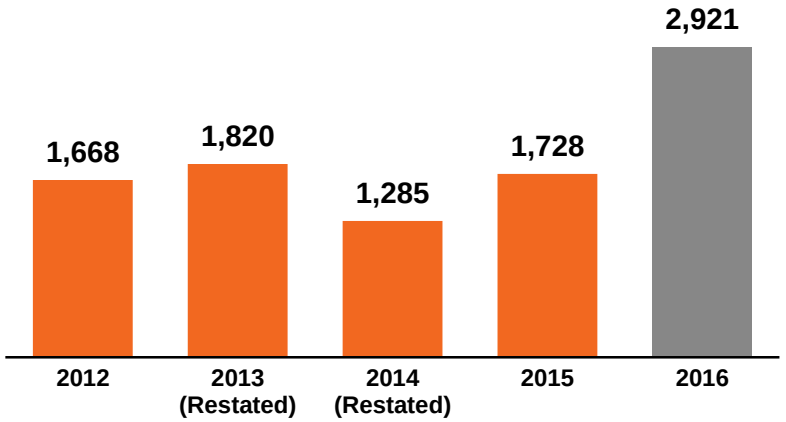
NET REVENUES

(In IDR BIllion)



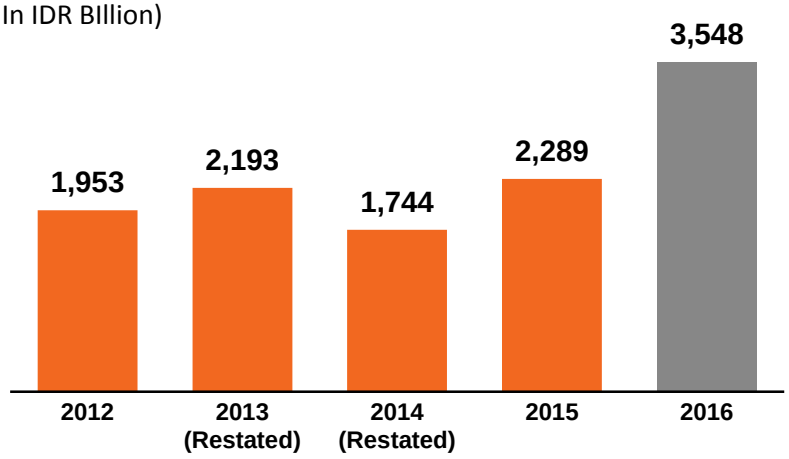
OPERATING PROFIT

(In IDR BIllion)



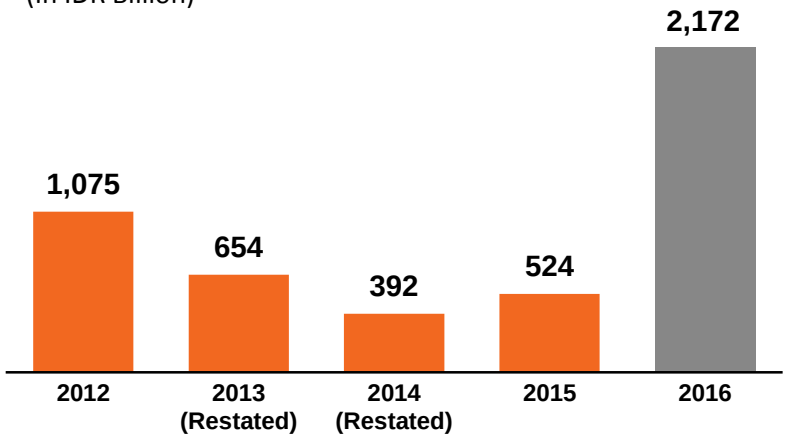
EBITDA

(In IDR BIllion)



NET PROFIT – INCLUDING *NON-CONTROLLING INTEREST*

(In IDR Billion)

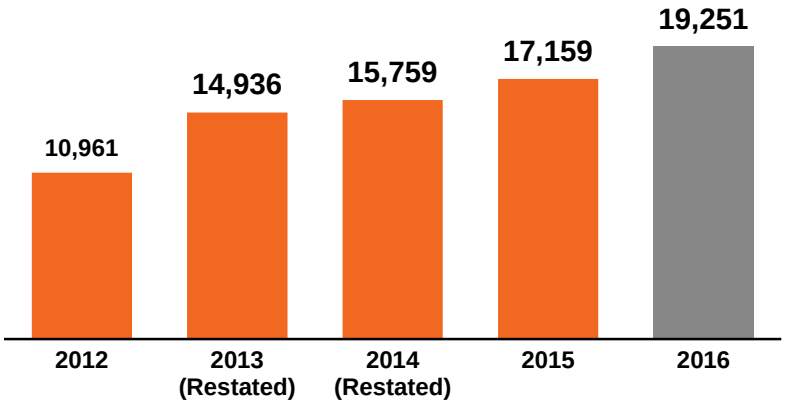


Note: Based on Company's FY2016 Financial Results

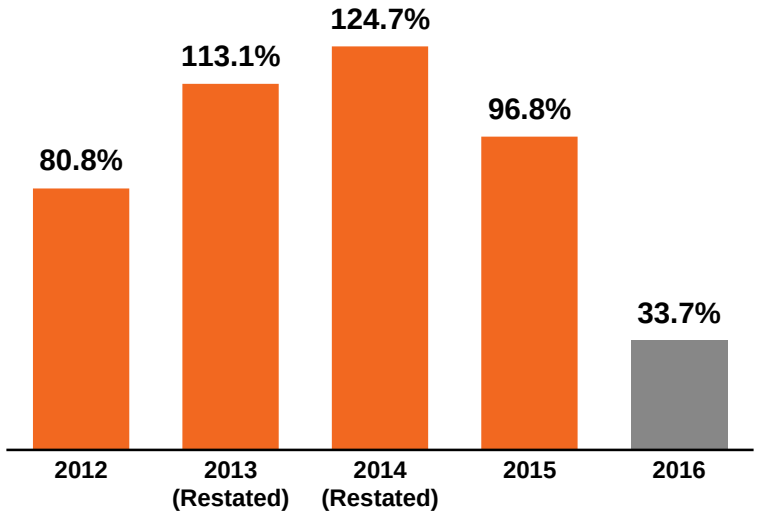
Proven Financial Track Record

TOTAL ASSETS

(In IDR Billion)

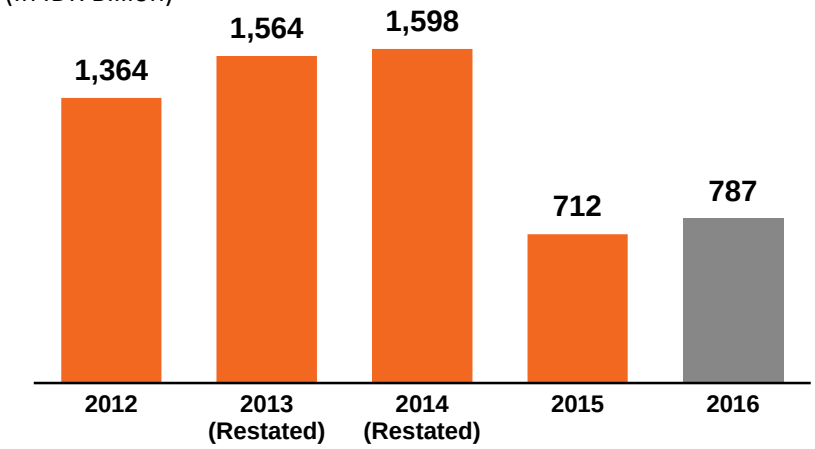


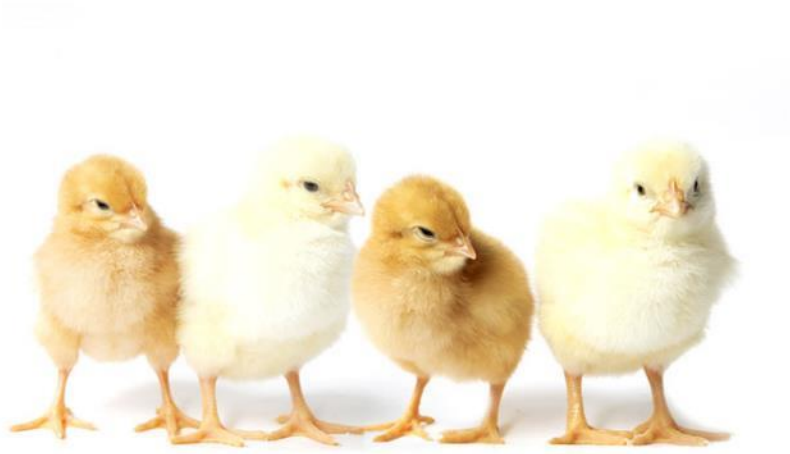
NET DEBT/EQUITY



CAPEX

(In IDR Billion)





Note: Based on Company's FY2016 Financial Results

JAPFA

CHALLENGES & STRATEGIES



Challenges & Strategies

Challenges

Indonesian economy in 2017 is expected to improve compare to 2016. Commodity and mining prices may not reach full recovery in 2017. This will affect macro economic growth in 2017 and in turn will bring impact on the Company's performance.

Strategies

1. The Company makes use of its capital expenditure (capex) by taking into account consumption level, purchasing power and the Company's sustainability growth in the future.
2. The Company conducts *refinancing* for debts with short term maturity profile: Rupiah bond due in 2017 and USD bond due in 2018, by issuing Rupiah and USD bonds, whereby the composition of USD bond is smaller than before.
3. The Company performs *hedging* on its USD bond, namely for the principal and interest of the bonds. The Company also performs *operational hedging* for payment to suppliers of its feed's raw materials for the next 2-3 months.
4. The Company continues to focus on enhancing its operational efficiency and profitability, including improving working capital efficiencies.

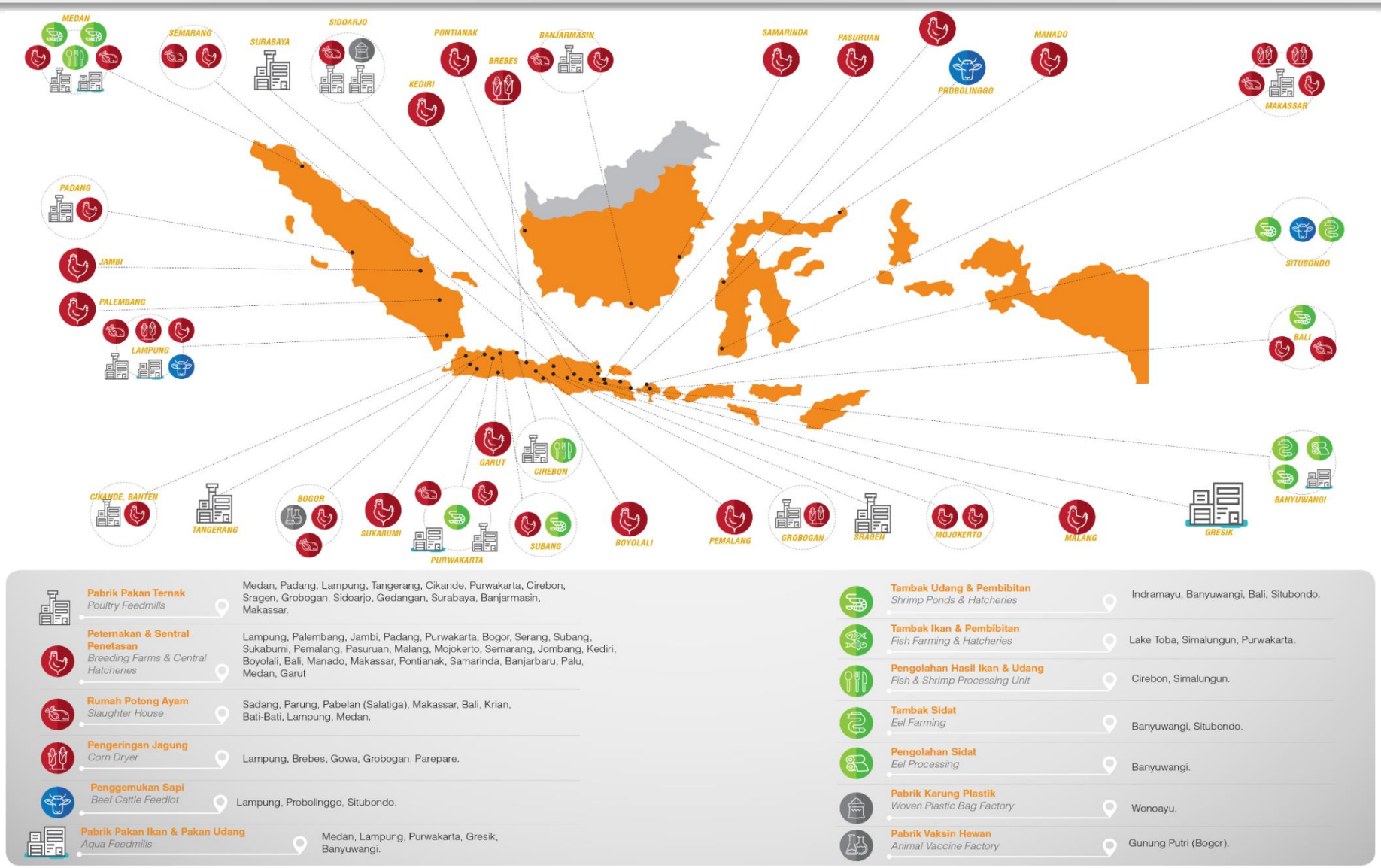
Growing Towards Mutual Prosperity

JAPFA

APPENDIX



Operational Map



Pabrik Pakan Ternak *Poultry Feedmills*	Medan, Padang, Lampung, Tangerang, Cikande, Purwakarta, Cirebon, Sragen, Grobogan, Sidoarjo, Gedangan, Surabaya, Banjarmasin, Makassar.
Peternakan & Sentral Penetasan *Breeding Farms & Central Hatcheries*	Lampung, Palembang, Jambi, Padang, Purwakarta, Bogor, Serang, Subang, Sukabumi, Pemalang, Pasuruan, Malang, Mojokerto, Semarang, Jombang, Kediri, Boyolali, Bali, Manado, Makassar, Pontianak, Samarinda, Banjarbaru, Palu, Medan, Garut
Rumah Potong Ayam *Slaughter House*	Sadang, Parung, Pabelan (Salatiga), Makassar, Bali, Krian, Bati-Bati, Lampung, Medan.
Pengeringan Jagung *Corn Dryer*	Lampung, Brebes, Gowa, Grobogan, Parepare.
Penggemukan Sapi *Beef Cattle Feedlot*	Lampung, Probolinggo, Situbondo.
Pabrik Pakan Ikan & Pakan Udang *Aqua Feedmills*	Medan, Lampung, Purwakarta, Gresik, Banyuwangi.

Tambak Udang & Pembibitan *Shrimp Ponds & Hatcheries*	Indramayu, Banyuwangi, Bali, Situbondo.
Tambak Ikan & Pembibitan *Fish Farming & Hatcheries*	Lake Toba, Simalungun, Purwakarta.
Pengolahan Hasil Ikan & Udang *Fish & Shrimp Processing Unit*	Cirebon, Simalungun.
Tambak Sidat *Eel Farming*	Banyuwangi, Situbondo.
Pengolahan Sidat *Eel Processing*	Banyuwangi.
Pabrik Karung Plastik *Woven Plastic Bag Factory*	Wonoayu.
Pabrik Vaksin Hewan *Animal Vaccine Factory*	Gunung Putri (Bogor).

Note: Japfa has 66 broilers & layers breeding farms and 24 hatcheries. Not all of the facilities are reflected on the map.

Growing Towards Mutual Prosperity

JAPFA

THANK YOU

