

**THIRD QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT**

**PART I INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3),  
HALF-YEAR AND FULL YEAR ANNOUNCEMENTS**

**UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT FOR THE FINANCIAL PERIOD  
FROM 1 JANUARY 2017 TO 30 SEPTEMBER 2017**

**1(a)(i) Consolidated Statements of Profit or Loss and Other Comprehensive Income (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

	<b>3rd Qtr 2017</b>	<b>3rd Qtr 2016</b>	<b>Change</b>	<b>YTD Sep 2017</b>	<b>YTD Sep 2016</b>	<b>Change</b>
	<b>Rp '000</b>	<b>Rp '000</b>	<b>%</b>	<b>Rp '000</b>	<b>Rp '000</b>	<b>%</b>
Revenue	105,655,992	71,120,767	49	354,531,975	263,569,613	35
Cost of sales	(78,339,904)	(48,792,385)	61	(265,889,680)	(205,133,364)	30
<b>Gross profit</b>	<b>27,316,088</b>	<b>22,328,382</b>	<b>22</b>	<b>88,642,295</b>	<b>58,436,249</b>	<b>52</b>
<b>Operating expenses</b>						
Distribution expenses	(122,989)	(265,737)	(54)	(669,557)	(809,718)	(17)
Administrative expenses	(8,982,508)	(7,285,386)	23	(29,180,181)	(26,194,503)	11
Finance costs	(7,184)	(4,942)	45	(17,781)	(8,815)	102
	(9,112,681)	(7,556,065)	21	(29,867,519)	(27,013,036)	11
<b>Other items of income/(expenses)</b>						
Interest income	3,373,554	3,789,359	(11)	10,683,177	10,242,071	4
Other income	(182,831)	2,272,531	n.m	10,970,789	5,937,474	85
Other expenses	(640,176)	(109,987)	482	(1,713,376)	(1,071,887)	60
Foreign exchange (loss)/gain, net	(4,214,198)	5,238,592	n.m	(10,682,386)	(1,685,817)	534
	(1,663,651)	11,190,495	n.m	9,258,204	13,421,841	(31)
<b>Profit before income tax</b>	<b>16,539,756</b>	<b>25,962,812</b>	<b>(36)</b>	<b>68,032,980</b>	<b>44,845,054</b>	<b>52</b>
Income tax expense	(4,863,775)	(5,188,818)	(6)	(18,772,815)	(9,382,202)	100
<b>Profit for the financial period</b>	<b>11,675,981</b>	<b>20,773,994</b>	<b>(44)</b>	<b>49,260,165</b>	<b>35,462,852</b>	<b>39</b>
<b>n.m.:</b> Not meaningful						

	3rd Qtr 2017	3rd Qtr 2016	Change	YTD Sep 2017	YTD Sep 2016	Change
	Rp '000	Rp '000	%	Rp '000	Rp '000	%
<b>Other comprehensive income:</b>						
<u>Items that may be reclassified subsequently to profit or loss:</u>						
Foreign currency translation differences on translation of non-Indonesian rupiah financial statements	11,340,782	(8,783,061)	n.m.	22,844,958	(8,069,919)	n.m.
<b>Total comprehensive income for the financial period</b>	<b>23,016,763</b>	<b>11,990,933</b>	<b>92</b>	<b>72,105,123</b>	<b>27,392,933</b>	<b>163</b>
<b>Profit attributable to:</b>						
Owners of the parent	10,831,494	19,994,434	(46)	46,582,982	34,051,404	37
Non-controlling interests	844,487	779,560	8	2,677,183	1,411,448	90
	<b>11,675,981</b>	<b>20,773,994</b>	<b>(44)</b>	<b>49,260,165</b>	<b>35,462,852</b>	<b>39</b>
<b>Total comprehensive income attributable to:</b>						
Owners of the parent	22,172,276	11,211,373	98	69,427,940	25,981,485	167
Non-controlling interests	844,487	779,560	8	2,677,183	1,411,448	90
	<b>23,016,763</b>	<b>11,990,933</b>	<b>92</b>	<b>72,105,123</b>	<b>27,392,933</b>	<b>163</b>

**1(a)(ii) Profit before income tax is arrived at after charging / (crediting) the following significant items:**

	<b>3rd Qtr 2017</b>	<b>3rd Qtr 2016</b>	<b>Change</b>	<b>YTD Sep 2017</b>	<b>YTD Sep 2016</b>	<b>Change</b>
	<b>Rp '000</b>	<b>Rp '000</b>	<b>%</b>	<b>Rp '000</b>	<b>Rp '000</b>	<b>%</b>
Interest income	(3,373,554)	(3,789,359)	(11)	(10,683,177)	(10,242,071)	4
Finance costs	7,184	4,942	45	17,781	8,815	102
Depreciation of property, plant and equipment	2,975,678	2,806,532	6	8,755,620	8,303,577	5
Amortisation of operating use rights	10,828	11,040	(2)	28,235	33,120	(15)
Depreciation of bearer plants	2,512,619	-	100	7,539,126	-	100
Foreign exchange loss/(gain), net	4,214,198	(5,238,592)	n.m.	10,682,386	1,685,817	534
Loss/(gain) on disposal of plant and equipment, net	426,840	(6,622)	n.m.	422,255	(380,776)	n.m.
Gain on disposal of bearer plants, net	-	-	n.m.	(286,567)	(1,633,908)	(82)
Operating use rights written off	-	-	n.m.	15,546	-	100
Bearer plants written off	-	-	n.m.	248,448	-	100
Fair value gain on derivative financial instruments, net	454,470	-	100	(7,710,457)	-	100
Fair value gain from financial assets at fair value through profit or loss	(45,186)	(29,610)	53	(90,546)	(69,930)	29
Employment benefits expenses						
- salaries, wages and bonuses	5,660,145	5,001,700	13	19,591,475	17,427,973	12
Operating lease expenses						
- rental of premises	276,700	285,325	(3)	823,391	857,457	(4)
Representation and entertainment	82,387	49,856	65	357,704	278,235	29
Transportation, travelling and accommodation	228,904	285,506	(20)	697,841	805,238	(13)
<b>Additional information:</b>						
EBITDA (Excluding changes in fair value less estimated point-of-sales costs of biological assets)	18,672,510	24,995,967	(25)	73,690,565	42,948,495	72

**1(b)(i) Statement of Financial Position, together with a comparative statement as at the end of the immediately preceding financial year**

	<b>Group</b>		<b>Company</b>	
	<b>As at</b>		<b>As at</b>	
	<b>30-09-17</b>	<b>31-12-16</b>	<b>30-09-17</b>	<b>31-12-16</b>
	<b>Rp '000</b>	<b>Rp '000</b>	<b>Rp '000</b>	<b>Rp '000</b>
<b>Non-current assets</b>				
Bearer plants	109,353,010	109,105,613	-	-
Property, plant and equipment	128,221,984	129,735,933	44,613	37,688
Investments in subsidiaries	-	-	674,433,042	631,820,942
Plasma plantation receivables	57,631,832	52,456,380	-	-
Operating use rights	562,299	606,080	-	-
Club memberships	645,195	604,430	645,195	604,430
Deferred charges	6,194,318	5,882,978	-	-
	<b>302,608,638</b>	<b>298,391,414</b>	<b>675,122,850</b>	<b>632,463,060</b>
<b>Current assets</b>				
Biological assets	2,373,420	2,373,420	-	-
Inventories	37,018,201	48,808,518	-	-
Trade and other receivables	19,693,837	26,647,493	150,560,426	164,345,834
Current income tax recoverable	1,965,452	14,387,248	-	-
Dividend receivable	-	-	10,209,936	57,833,614
Prepayments	1,406,203	459,954	486,092	211,529
Financial assets at fair value through profit or loss	1,931,123	189,000	-	-
Cash and cash equivalents	397,017,000	372,943,082	172,959,512	158,744,236
	<b>461,405,236</b>	<b>465,808,715</b>	<b>334,215,966</b>	<b>381,135,213</b>
Less:				
<b>Current liabilities</b>				
Trade and other payables	51,928,046	58,325,862	528,563	1,217,056
Dividend payable to non-controlling interest	2,847,500	2,847,500	-	-
Finance lease payables	113,431	64,544	-	-
Current income tax payable	10,833,276	3,753,622	794,086	520,173
	<b>65,722,253</b>	<b>64,991,528</b>	<b>1,322,649</b>	<b>1,737,229</b>
<b>Net current asset</b>	<b>395,682,983</b>	<b>400,817,187</b>	<b>332,893,317</b>	<b>379,397,984</b>
Less:				
<b>Non-current liabilities</b>				
Finance lease payables	194,246	95,891	-	-
Provision for post-employment benefits	32,849,581	39,669,527	-	-
Deferred tax liabilities	4,220,250	3,253,001	-	-
	<b>37,264,077</b>	<b>43,018,419</b>	<b>-</b>	<b>-</b>
<b>Net assets</b>	<b>661,027,544</b>	<b>656,190,182</b>	<b>1,008,016,167</b>	<b>1,011,861,044</b>
<b>Capital and reserves</b>				
Share capital	649,918,246	660,381,631	649,918,246	660,381,631
Foreign currency translation reserve	104,306,649	81,461,691	340,822,354	275,365,297
Accumulated (losses)/profits	(109,706,390)	(99,484,996)	17,275,567	76,114,116
Equity attributable to owners of the parent	644,518,505	642,358,326	1,008,016,167	1,011,861,044
Non-controlling interests	16,509,039	13,831,856	-	-
<b>Total equity</b>	<b>661,027,544</b>	<b>656,190,182</b>	<b>1,008,016,167</b>	<b>1,011,861,044</b>

**1(b)(ii) Aggregate amount of the Group's borrowings and debt securities**

	As at	
	30-09-17 Rp '000	30-09-16 Rp '000
<b>Amount repayable in one year or less, or on demand</b>		
Secured	113,431	30,342
Unsecured	-	-
<b>Total</b>	<b>113,431</b>	<b>30,342</b>
<b>Amount repayable after one year</b>		
Secured	194,246	160,435
Unsecured	-	-
<b>Total</b>	<b>194,246</b>	<b>160,435</b>

**1(c) Consolidated Statement of Cash Flows, together with a comparative statement for the corresponding period of the immediately preceding financial year**

	3rd Qtr 2017 Rp '000	3rd Qtr 2016 Rp '000	YTD Sep 2017 Rp '000	YTD Sep 2016 Rp '000
<b>Cash flows from operating activities</b>				
<b>Profit before income tax</b>	<b>16,539,756</b>	<b>25,962,811</b>	<b>68,032,980</b>	<b>44,845,053</b>
Adjustments for:				
Amortisation of operating use rights	10,828	11,040	28,235	33,120
Depreciation of bearer plants	2,512,619	-	7,539,126	-
Loss/(gain) on disposal of plant and equipment, net	426,840	(6,622)	422,255	(380,776)
Operating use rights written off	-	-	15,546	-
Bearer plants written off	-	-	248,448	-
Gain on disposal of bearer plants, net	-	-	(286,567)	(1,633,908)
Depreciation of property, plant and equipment	2,975,678	2,806,532	8,755,620	8,303,577
Fair value gain from financial assets at fair value through profit or loss	(45,186)	(29,610)	(90,546)	(69,930)
Fair value loss/(gain) on derivative financial instruments	454,470	-	(7,710,457)	-
Finance costs	7,184	4,942	17,781	8,815
Interest income	(3,373,554)	(3,789,359)	(10,683,177)	(10,242,071)
Unrealised currency translation loss/(gain)	2,228,599	(4,552,771)	7,906,979	(666,984)
Operating cash flows before working capital changes	21,737,234	20,406,963	74,196,223	40,196,896
<b>Working capital changes:</b>				
Inventories	(2,136,009)	(21,859,167)	11,790,316	10,627,282
Trade and other receivables	969,517	15,715,027	6,967,999	89,884,758
Prepayments	(641,216)	(42,042)	(922,863)	(436,415)
Trade and other payables	10,631,343	19,151,162	(6,474,855)	(63,777,630)
Utilisation of post-employment benefits	(3,460,136)	-	(6,819,946)	(63,073)
Cash generated from operations	27,100,733	33,371,943	78,736,874	76,431,818
Interest received	1,836,491	3,644,460	5,953,050	10,010,512
Income tax refunded/(paid)	(2,125,612)	(3,539,380)	2,301,428	(6,818,298)
<b>Net cash from operating activities</b>	<b>26,811,612</b>	<b>33,477,023</b>	<b>86,991,352</b>	<b>79,624,032</b>

	<b>3rd Qtr 2017</b>	<b>3rd Qtr 2016</b>	<b>YTD Sep 2017</b>	<b>YTD Sep 2016</b>
	<b>Rp '000</b>	<b>Rp '000</b>	<b>Rp '000</b>	<b>Rp '000</b>
<b>Cash flows from investing activities</b>				
Capital expenditure on bearer plants	(4,928,907)	(2,890,949)	(8,351,106)	(8,980,468)
Cash receipts from trading of derivative financial instruments	11,154,235	-	146,044,079	-
Cash payments for trading of derivative financial instruments	(11,132,875)	-	(138,395,570)	-
Additions to available-for-sale financial assets	(1,651,576)	-	(1,651,576)	-
Purchase of plant and equipment	(3,365,839)	(295,300)	(7,513,061)	(6,530,394)
Proceeds from disposal of plant and equipment	220,000	42,525	237,750	602,965
Payments for deferred expenditure	-	(43,500)	(311,340)	(113,500)
<b>Net cash used in investing activities</b>	<b>(9,704,962)</b>	<b>(3,187,224)</b>	<b>(9,940,824)</b>	<b>(15,021,397)</b>
<b>Cash flows from financing activities</b>				
Dividends paid to equity holders of the Company	-	-	(56,804,376)	(7,950,404)
Dividends paid to non-controlling interest	-	(187,500)	-	(1,250,000)
Share buy back held in treasury	(3,845,689)	(2,337,238)	(10,463,385)	(4,902,720)
Finance lease interest paid	(7,184)	(4,942)	(17,781)	(8,815)
Repayments of obligations under finance leases	(111,453)	(29,617)	(238,678)	(69,281)
<b>Net cash used in financing activities</b>	<b>(3,964,326)</b>	<b>(2,559,297)</b>	<b>(67,524,220)</b>	<b>(14,181,220)</b>
<b>Net change in cash and cash equivalents</b>	<b>13,142,324</b>	<b>27,730,502</b>	<b>9,526,308</b>	<b>50,421,415</b>
<b>Cash and cash equivalents at beginning of financial period</b>	<b>374,907,670</b>	<b>338,104,359</b>	<b>372,943,082</b>	<b>319,506,506</b>
<b>Effects of currency translation on cash and cash equivalents</b>	<b>8,967,006</b>	<b>(4,180,642)</b>	<b>14,547,610</b>	<b>(8,273,702)</b>
<b>Cash and cash equivalents at end of financial period</b>	<b>397,017,000</b>	<b>361,654,219</b>	<b>397,017,000</b>	<b>361,654,219</b>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Attributable to owners of the parent						Total equity Rp '000
	Share capital Rp '000	Foreign currency translation reserve Rp '000	Accumulated (losses)/profits Rp '000	Equity attributable to owners of the parent Rp '000	Non- controlling interests Rp '000		
Balance as at 1 January 2017	660,381,631	81,461,691	(99,484,996)	642,358,326	13,831,856		656,190,182
Profit for the financial period	-	-	46,582,982	46,582,982	2,677,183		49,260,165
Other comprehensive income for the financial period:							
Foreign currency translation differences on translation of non-Indonesian rupiah financial statements	-	22,844,958	-	22,844,958	-		22,844,958
Total comprehensive income for the financial period	-	22,844,958	46,582,982	69,427,940	2,677,183		72,105,123
Transactions with owners recorded directly in equity:							
Share buyback held in treasury	(10,463,385)	-	-	(10,463,385)	-		(10,463,385)
Total transactions with owners	(10,463,385)	-	-	(10,463,385)	-		(10,463,385)
Dividend paid	-	-	(56,804,376)	(56,804,376)	-		(56,804,376)
<b>Balance as at 30 September 2017</b>	<b>649,918,246</b>	<b>104,306,649</b>	<b>(109,706,390)</b>	<b>644,518,505</b>	<b>16,509,039</b>		<b>661,027,544</b>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Attributable to owners of the parent				Non-controlling interests	Total equity
	Share capital	Foreign currency translation reserve	Accumulated profits/(losses)	Equity attributable to owners of the parent		
<b>Group</b>	<b>Rp '000</b>	<b>Rp '000</b>	<b>Rp '000</b>	<b>Rp '000</b>	<b>Rp '000</b>	<b>Rp '000</b>
Balance as at 1 January 2016	670,628,551	99,655,718	92,985,804	863,270,073	27,265,908	890,535,981
Adoption of Amendments to FRS 16 and FRS 41	-	-	(231,018,924)	(231,018,924)	(12,158,891)	(243,177,815)
Balance as at 1 January 2016 (Restated)	670,628,551	99,655,718	(138,033,120)	632,251,149	15,107,017	647,358,166
Profit for the financial period	-	-	34,051,404	34,051,404	1,411,448	35,462,852
Other comprehensive income for the financial period:						
Foreign currency translation differences on translation of non-Indonesian rupiah financial statements	-	(8,069,919)	-	(8,069,919)	-	(8,069,919)
Total comprehensive income for the financial period	-	(8,069,919)	34,051,404	25,981,485	1,411,448	27,392,933
Transactions with owners recorded directly in equity:						
Share buyback held in treasury	(4,902,720)	-	-	(4,902,720)	-	(4,902,720)
Total transactions with owners	(4,902,720)	-	-	(4,902,720)	-	(4,902,720)
Dividend paid	-	-	(7,950,404)	(7,950,404)	-	(7,950,404)
<b>Balance as at 30 September 2016</b>	<b>665,725,831</b>	<b>91,585,799</b>	<b>(111,932,120)</b>	<b>645,379,510</b>	<b>16,518,465</b>	<b>661,897,975</b>



**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<b>Share capital</b>	<b>Foreign currency translation reserve</b>	<b>Accumulated profits</b>	<b>Total equity</b>
<b>Company</b>	<b>Rp '000</b>	<b>Rp '000</b>	<b>Rp '000</b>	<b>Rp '000</b>
Balance as at 1 January 2017	660,381,631	275,365,297	76,114,116	1,011,861,044
Profit for the financial period	-	-	(2,034,173)	(2,034,173)
Other comprehensive income for the financial period				
Foreign currency translation differences on translation of non-Indonesian rupiah financial statements	-	65,457,057	-	65,457,057
Total comprehensive income for the financial period	-	65,457,057	(2,034,173)	63,422,884
Transactions with owners recorded directly in equity:				
Share buyback held in treasury	(10,463,385)	-	-	(10,463,385)
Total transactions with owners	(10,463,385)	-	-	(10,463,385)
Dividend paid	-	-	(56,804,376)	(56,804,376)
<b>Balance as at 30 September 2017</b>	<b>649,918,246</b>	<b>340,822,354</b>	<b>17,275,567</b>	<b>1,008,016,167</b>
Balance as at 1 January 2016	670,628,551	324,289,093	16,271,582	1,011,189,226
Profit for the financial period	-	-	7,540,414	7,540,414
Other comprehensive income for the financial period				
Foreign currency translation differences on translation of non-Indonesian rupiah financial statements	-	(23,664,799)	-	(23,664,799)
Total comprehensive income for the financial period	-	(23,664,799)	7,540,414	(16,124,385)
Share buyback held in treasury	(4,902,720)	-	-	(4,902,720)
Total transactions with owners	(4,902,720)	-	-	(4,902,720)
Dividend paid	-	-	(7,950,404)	(7,950,404)
<b>Balance as at 30 September 2016</b>	<b>665,725,831</b>	<b>300,624,294</b>	<b>15,861,592</b>	<b>982,211,717</b>

**1 (d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

As at 30 September 2017, the number of ordinary shares in issue was 206,484,000 of which 9,645,700 were held by the Company as treasury shares (30 September 2016: 206,484,000 ordinary shares of which 4,855,800 were held as treasury shares).

During the period from July 2017 to September 2017, the Company purchased 456,900 shares from the open market (July 2016 to September 2016: 908,200 shares).

The total number of treasury shares held by the Company as at 30 September 2017 was 9,645,700 (30 September 2016: 4,855,800).

Treasury shares are presented as a component within equity attributable to owners of the parent.

<b>Group and Company</b>	<b>Number of treasury shares</b>	<b>Treasury shares Rp '000</b>
Balance as at 1 July 2017	9,188,800	28,053,112
Purchase of treasury shares	456,900	3,845,689
Balance as at 30 September 2017	9,645,700	31,898,801

Total number of treasury shares against issued shares (excluding treasury shares):

<b>Number of shares</b>	<b>As at 30 September 2017</b>	<b>As at 30 September 2016</b>
Treasury shares	9,645,700	4,855,800
Issued shares (excluding treasury shares)	196,838,300	201,628,200
<b>Total shares in issue</b>	<b>206,484,000</b>	<b>206,484,000</b>

**1 (d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

Total number of issued shares (excluding treasury shares):

<b>As at 30 September 2017</b>	<b>As at 31 December 2016</b>
196,838,300	199,783,900

As at 30 September 2017, the number of ordinary shares in issue was 206,484,000 of which 9,645,700 were held by the Company as treasury shares (31 December 2016: 206,484,000 ordinary shares of which 6,700,100 were held as treasury shares).

**1 (d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

During the period from July 2017 to September 2017, the Company purchased 456,900 shares from the open market (July 2016 to September 2016: 908,200 shares).

The total number of treasury shares held by the Company as at 30 September 2017 was 9,645,700 (30 September 2016: 4,855,800)

Treasury shares are presented as a component within equity attributable to owners of the parent.

<b>Group and Company</b>	<b>Number of shares</b>	<b>Treasury shares Rp '000</b>
Balance as at 1 July 2017	9,188,800	28,053,112
Purchase of treasury shares	456,900	3,845,689
Balance as at 30 September 2017	9,645,700	31,898,801

**2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice has been followed.**

These figures have not been audited, or reviewed by the auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter.**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with the audited consolidated financial statements for the financial year ended 31 December 2016, except for the valuation of biological assets and the actuarial valuation of the post-employment benefits which will be undertaken at the end of the financial year. In addition, the Group also adopted various revisions to the FRS, which became effective during the year.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends; (a) Based on the weighted average number of ordinary shares on issue; and (b) On a fully diluted basis (detailing any adjustments made to the earnings).**

	3rd Qtr 2017	3rd Qtr 2016	YTD Sep 2017	YTD Sep 2016
	Rp	Rp	Rp	Rp
Earnings per share for the period (Rp)				
(a) based on weighted average number of shares	55	98	235	168
(b) based on a fully diluted basis	55	98	235	168
Number of shares outstanding				
- Weighted average number of shares	197,129,600	204,490,684	198,202,928	202,650,425

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the; (a) current financial period reported on; and (b) immediately preceding financial year.**

	Group		Company	
	As at		As at	
	30-09-17	31-12-16	30-09-17	31-12-16
Net asset value per ordinary share (Rp)	3,358	3,284	5,121	5,065
Number of issued shares excluding treasury shares	196,838,300	199,783,900	196,838,300	199,783,900

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following; (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

### **Review of Group performance**

#### ***3Q2017 versus 3Q2016***

##### ***Revenue***

Our revenue for 3Q2017 increased Rp34.5 billion or 49%, from Rp71.1 billion in 3Q2016 to Rp105.7 billion in 3Q2017. This was mainly due to the increase in crude palm oil ("CPO") sales revenue of Rp35.5 billion and offset by lower palm kernel ("PK") sales revenue of Rp1.0 billion.

CPO sales revenue increased by Rp35.5 billion or 56%, from Rp63.7 billion in 3Q2016 to Rp99.3 billion in 3Q2017. This was contributed by higher CPO sales volume and partially offset by lower CPO average selling price. Sales volume of CPO increased by 5,002 tons or 63% from 8,004 tons in 3Q2016 to 13,006 tons in 3Q2017. CPO average selling price decreased by Rp328 per kilogram or 4%, from Rp7,963 per kilogram in 3Q2016 to Rp7,635 per kilogram in 3Q2017.

PK sales revenue decreased by Rp1.0 billion or 14%, from Rp7.4 billion in 3Q2016 to Rp6.4 billion in 3Q2017. This was due to lower PK average selling price and lower PK sales volume. Average selling price of PK decreased by Rp979 per kilogram or 13% from Rp7,338 per kilogram in 3Q2016 to Rp6,359 per kilogram in 3Q2017. Sales volume of PK decreased by 7 tons, from 1,007 tons in 3Q2016 to 1,000 tons in 3Q2017.

##### ***Costs of sales***

Cost of sales increased by Rp29.5 billion or 61%, from Rp48.8 billion in 3Q2017 to Rp78.3 billion in 3Q2017. This was due to the higher CPO sales volume and the depreciation of bearer plants of Rp2.5 billion recognised in 3Q2017.

##### ***Gross profit***

As a result of the foregoing, gross profit increased by Rp5.0 billion or 22%, from Rp22.3 billion in 3Q2016 to Rp27.3 billion in 3Q2017. Gross profit margin decreased to 25.9% in 3Q2017 from 31.4% in 3Q2016.

##### ***Distribution expenses***

Distribution expenses decreased by Rp0.2 billion or 54%, from Rp0.3 billion in 3Q2016 to Rp0.1 billion in 3Q2017. This was mainly due to lower freight charges incurred in 3Q2017 for the transportation of PK from the plantation's bulk storage warehouse to the loading port of Pontianak.

##### ***Administrative expenses***

Administrative expenses increased by Rp1.7 billion or 23% from Rp7.3 billion in 3Q2016 to Rp9.0 billion in 3Q2017. The increase is mainly due to additional headcount for the Group and higher professional fees for 3Q2017.

***Finance costs***

Finance cost increased by Rp0.002 billion or 45% in 3Q2017 due to higher finance lease interest paid for the additional finance lease in 3Q2017.

***Interest income***

Interest income decreased by Rp0.4 billion or 11%, from Rp3.8 billion in 3Q2016 to Rp3.4 billion in 3Q2017, mainly due to lower interest earned from the plasma plantation receivables and lower interest earned from bank deposits in 3Q2017.

***Other income***

Other income decreased by Rp2.5 billion, from Rp2.3 billion in 3Q2016, mainly due to the decrease in sales of sludge oil by Rp2.0 billion, coupled with the fair value loss from derivative financial instruments of Rp0.5 billion in 3Q2017.

***Other expenses***

Other expenses increased by Rp0.5 billion or 482%, from Rp0.1 billion in 3Q2016 to Rp0.6 billion in 3Q2017, mainly due to the net loss in disposal of property, plant and equipment of Rp0.4 billion in 3Q2017.

***Foreign exchange loss, net***

Net foreign exchange loss of Rp4.2 billion in 3Q2017 was mainly attributable to the depreciation of IDR against SGD in relation to the Company's IDR denominated inter-company non-working capital financing for its subsidiary, the depreciation of IDR against SGD for the Company's IDR bank balances held and the depreciation of USD against SGD for the USD bank balances held.

***Profit before income tax***

As a result of the foregoing, profit before income tax decreased by Rp9.5 billion or 36%, from Rp26.0 billion in 3Q2016 to Rp16.5 billion in 3Q2017.

***Income tax expense***

Income tax expense decreased by Rp0.3 billion or 6% from Rp5.2 billion in 3Q2016 to Rp4.9 billion in 3Q2017. The decrease is mainly due to lower tax provision for 3Q2017.

***Profit after income tax***

As a result of the above, profit after income tax decreased by Rp9.1 billion or 44% from Rp20.8 billion in 3Q2016 to Rp11.7 billion in 3Q2017.

**9M2017 versus 9M2016**

**Revenue**

Our revenue for 9M2017 increased by Rp91.0 billion or 35%, from Rp263.5 billion in 9M2016 to Rp354.5 billion in 9M2017, mainly due to the increase in crude palm oil (“CPO”) sales revenue of Rp 89.0 billion and increase in palm kernel (“PK”) sales revenue of Rp2.0 billion.

CPO sales revenue increased by Rp89.0 billion or 38%, from Rp234.3 billion in 9M2016 to Rp323.3 billion in 9M2017 due to higher CPO sales volume and higher CPO average selling prices. Sales volume of CPO increased 8,150 tons from 32,168 tons in 9M2016 to 40,318 tons in 9M2017. CPO average selling price increased by Rp734 per kilogram, from Rp7,285 per kilogram in 9M2016 to Rp8,019 per kilogram in 9M2017.

PK sales revenue increased by Rp2.0 billion or 7%, from Rp29.2 billion in 9M2016 to Rp31.2 billion in 9M2017 due to higher PK average selling price and partially offset by decrease in PK sales volume. Average selling price of PK increased by Rp355 per kilogram from Rp4,847 per kilogram in 9M2016 to Rp5,202 per kilogram in 9M2017. Sales volume of PK decreased 29 tons, from 6,032 tons in 9M2016 to 6,003 tons in 9M2017.

**Costs of sales**

Cost of sales increased by Rp60.8 billion or 30%, from Rp205.1 billion in 9M2016 to Rp265.9 billion in 9M2017. This was mainly due to the higher CPO sales volume and the depreciation of bearer plants of Rp7.5 billion recognised in 9M2017.

**Gross profit**

As a result of the foregoing, gross profit increased by Rp30.2 billion or 52%, from Rp58.4 billion in 9M2016 to Rp88.6 billion in 9M2017. Gross profit margin increased 2.8% from 22.2% in 9M2016 to 25.0% in 9M2017.

**Distribution expenses**

Distribution expenses decreased by Rp0.1 billion or 17%, from Rp0.8 billion in 9M2016 to Rp0.7 billion in 9M2017. This was mainly due to lower freight charges incurred in 9M2017 for the transportation of PK from the plantation’s bulk storage warehouse to the loading port of Pontianak.

**Administrative expenses**

Administrative expenses increased by Rp3.0 billion or 11% from Rp26.2 billion in 9M2016 to Rp29.2 billion in 9M2017. This was mainly due to additional headcount for the Group and higher professional fees for 9M2017.

**Finance costs**

Finance cost increased by Rp0.009 billion or 102% in 9M2017 due to higher finance lease interest paid for the additional finance lease in 9M2017.

**Interest income**

Interest income increased by Rp0.5 billion or 4%, from Rp10.2 billion in 9M2016 to Rp10.7 billion in 9M2017, mainly due to higher interest earned from bank deposits of Rp1.2 billion, offset by lower interest earned from the plasma plantation receivables of Rp0.7 billion in 9M2017.

***Other income***

Other income increased by Rp5.0 billion or 85%, from Rp6.0 billion in 9M2016 to Rp11.0 billion in 9M2017, which was mainly due to fair value gain from derivative financial instruments of Rp7.7 billion, and partially offset by the decrease in gain on KKPA project of Rp1.4 billion in 9M2017.

***Other expenses***

Other expenses increased by Rp0.6 billion or 60%, from Rp1.1 billion in 9M2016 to Rp1.7 billion in 9M2017, mainly due to net loss in disposal of property, plant and equipment of Rp0.4 billion and the write off of matured plantation of Rp0.2 billion due to replanting.

***Foreign exchange loss, net***

Net foreign exchange loss of Rp10.7 billion in 9M2017 was mainly attributable to the depreciation of IDR against SGD in relation to the Company's IDR denominated inter-company non-working capital financing for its subsidiary, the depreciation of IDR against SGD for the Company's IDR bank balances held.

***Profit before income tax***

As a result of the foregoing, profit before income tax increased by Rp23.2 billion or 52%, from Rp44.8 billion in 9M2016 to Rp68.0 billion in 9M2017.

***Income tax expense***

Income tax expense increased by Rp9.4 billion or 100% from Rp9.4 billion in 9M2016 to Rp18.8 billion in 9M2017. This was mainly due to the increase in income tax expense which resulted from higher profits in Indonesia and the assessment of previous years' income tax returns by the Indonesia tax authorities.

***Profit after income tax***

As a result of the above, profit after income tax increased by Rp13.8 billion or 39% from Rp35.5 billion in 9M2016 to Rp49.3 billion in 9M2017.

**Review of Financial Position as at 30 September 2017**

***Non-current assets***

Non-current assets for the Group increased by Rp4.2 billion or 1%, from Rp298.4 billion as at 31 December 2016 to Rp302.6 billion as at 30 September 2017. This was mainly due to the additional credit of Rp5.2 billion extended to the Plasma farmers for the biological assets transferred and partially offset by the net decrease of Rp1.5 billion in property, plant and equipment, contributed by depreciation during 9M2017.

***Current assets***

Current assets for the Group decreased by Rp4.4 billion or 1%, from Rp465.8 billion as at 31 December 2016 to Rp461.4 billion as at 30 September 2017. This was mainly due to the decrease in inventories and trade and other receivables and partially offset by an increase in cash and cash equivalent.

***Current liabilities***

Current liabilities for the Group increased by Rp0.7 billion or 1%, from Rp65.0 billion as at 31 December 2016 to Rp65.7 billion as at 30 September 2017. This was mainly due to increase in current income tax payable of Rp7.1 billion and offset by a decrease in trade and other payables of Rp6.4 billion.



### ***Non-current liabilities***

Non-current liabilities for the Group decreased by Rp5.7 billion or 13% from Rp43.0 billion as at 31 December 2016 to Rp37.3 billion as at 30 September 2017, mainly due to the Group entered into Manulife insurance programme for employee retirement benefits in 9M2017.

### ***Accumulated losses***

The accumulated losses of Rp109.7 billion was mainly contributed by the accumulated losses of Rp99.5 billion brought forward from FY2016 and dividend paid to owners of the parent of Rp56.8 billion in 9M2017, offset by the net profit of Rp46.6 billion in 9M2017. The accumulated losses of Rp99.5 billion in FY2016 was mainly due to the adoption of Amendments to FRS 16 and FRS 41 in FY2016, which resulted in an adjustment of Rp231.0 billion in accumulated profits/(losses) in FY2016.

### **Review of Consolidated Cash Flows**

Net cash generated from operating activities of Rp87.0 billion in 9M2017 was higher compared to Rp79.6 billion net cash generated from operating activities in 9M2016. The higher cash generated was mainly contributed by a higher operating profit from increased CPO sales volume and higher CPO and PK average selling prices in 9M2017.

Net cash used in investing activities of Rp9.9 billion in 9M2017 decreased by Rp5.1 billion as compared to net cash used in investing activities of Rp15.0 billion in 9M2016. This was mainly due to the net cash received of Rp7.6 billion from trading in derivative financial instruments in 9M2017, lower capital expenditure of bearer plants of R0.6 billion and offset by additions to available-for-sale financial assets of Rp1.7 billion and higher purchase of plant and equipment of Rp1.0 billion.

Net cash used in financing activities of Rp67.5 billion in 9M2017 increased by Rp53.3 billion as compared to net cash used in financing activities for Rp14.2 billion in 9M2016. This was mainly due to increase of Rp48.9 billion in dividend paid to owners of the parents and increase of Rp5.6 billion in the buyback of the Company's shares to be held as treasury shares.

### **9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

### **10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

CPO prices are expected to remain volatile considering the uncertainty in the global economy and abnormal weather's affect on market dynamics. The demand for palm oil is expected to remain strong in view of rising food requirements from China, India, Indonesia and emerging markets, as well as demand from the biofuel, oleochemicals and compound feed industries. In the recently-concluded Bali CPO conference, the consensus among the CPO analysts are that for the next 6 months, prices will increase slightly from the present level.

The Group is starting to replace its older palm trees with newer breed of higher yielding palm trees gradually over the next five years. The management expects to see higher yield per hectare when the replanted palm trees reach maturity. This together with the management continuous effort to increase productivity, should result in a positive sustainable future for the Group.

**11. Dividend**

(a) Current Financial Period Reported on  
Any dividend to be declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

**12. If no dividend has been declared (recommended), a statement to that effect.**

Not applicable.

**13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

Name of interested person	Aggregate value of all interested person transactions during the period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (Rp' million)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) (Rp' million)
	<b>9M2017</b>	<b>9M2017</b>
PT Bumiraya Utama Lines	925	NIL*
PT Cemar Lestari	NIL	NIL*

\*The Group has not obtained a general mandate from shareholders for Interested Person Transactions.

**14. Negative confirmation pursuant to Rule 705(5)**

The Directors of the Company do hereby confirm that to the best of their knowledge, nothing has come to their attention which would render the unaudited financial statements for the financial period from 1 January 2017 to 30 September 2017 to be false or misleading in any material aspects.

**15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720 (1).**

The Company confirmed that the Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720 (1).

**16. Update of the utilization of the Initial Public Offering (“IPO”) proceeds of S\$50.6 million**

As at 30 September 2017, the use of net proceeds from the IPO are as follows:

<b>Use of net proceeds</b>	<b>Amount allocated (S\$' million)</b>	<b>Amount utilised (S\$' million)</b>	<b>Balance (S\$' million)</b>
Development of existing uncultivated land banks into oil palm plantations	15.61	13.34 <sup>(1)</sup>	2.27
Acquisition of other oil palm plantations and land banks	15.00	1.12 <sup>(2)</sup>	13.88 <sup>(3)</sup>
Repayment of the loans to PT Bank CIMB Niaga Tbk (“Bank Niaga”)	5.00	5.00	-
Construction of the co-composting plant	2.00	1.49	0.51
Working capital	9.50	9.50	-
Invitation expenses	3.49	3.49	-
<b>Total</b>	<b>50.60</b>	<b>33.94</b>	<b>16.66</b>

As at 30 September 2017, the use of net proceeds from the IPO for working capital are as follows:

	<b>Indonesia Office (S\$' million)</b>	<b>Singapore Office (S\$' million)</b>	<b>Amount utilised (S\$' million)</b>
Plantation & Mill Expenses	1.26	-	1.26
Purchase of FFB	1.76	-	1.76
Transport & Freight	0.36	-	0.36
Fertilizers	1.57	-	1.57
Purchase Fuel	0.35	-	0.35
Suppliers	0.65	-	0.65
Administration Expenses	0.49	1.00	1.49
Bank Interest	0.11	-	0.11
Leasing	0.09	-	0.09
Tax Payment	1.86	-	1.86
<b>Total</b>	<b>8.50</b>	<b>1.00</b>	<b>9.50</b>

Notes:

- (1) Out of the S\$13.34 million utilized for the development of existing uncultivated land banks into oil palm plantations, approximately S\$11.12 million were used for land clearing and new planting purposes.
- (2) The S\$1.12 million utilized for the acquisition of other oil palm plantations and land banks are expenses of S\$0.46 million incurred for the land location permit for 7,170 hectares of land in Muara Lesan Village and Lesan Dayak Village, both located in Berau Regency, East Kalimantan and expenses of S\$0.66 million incurred for the land location permit for 6,546 hectares of land in sub-districts of Ngabang and Jelimpo, both located in Landak Regency, West Kalimantan.
- (3) The Company has the option to acquire PT Cemar, an Indonesian-incorporated company which holds *Hak Guna Usaha* to approximately 6,429 ha of oil palm plantation land in the Landak Regency in West Kalimantan. The acquisition is subject to the fulfillment of conditions such as the conduct of legal and financial due diligence on PT Cemar as well as approvals required by the Indonesian authorities.

**BY ORDER OF THE BOARD**

Dr Tan Hong Kiat @ Suparno Adijanto  
Executive Chairman & CEO

13 November 2017