

Unofficial Translation

Letter No.	014/JAPFA-BEI/LD-CS/II/2016
Issuers Name	JAPFA Comfeed Indonesia Tbk
Issuer Code	JPFA
Attachment	0
Re	Explanation Regarding News

Explanation Regarding News

Referring to request for an explanation by the Indonesia Stock Exchange by letter number

S-00707/BEI.PP1/02-2016

dated 04 February 2016

re: Request for Explanation Regarding News

related news :

Media Name	Headlines	Date
KONTAN	KPPU Found out Evidence of Chicken Cartel	04 Feb 2016

No.	Questions
1	<p>Clarification for the truth of the news:</p> <div style="border: 1px solid black; padding: 10px;"><p>PT Japfa Comfeed Indonesia Tbk (the "Company") together with the other 16 poultry companies, was directed by the Director General of Animal Husbandry to cull 6 million poultry parent stocks in 2015. The Company does not therefore expect an allegation report on any violation of the law for complying with the direction of the Director General who is part of the Ministry of Agriculture.</p><p>The Company has been co-operating with the <i>Komisi Pengawas Persaingan Usaha of the Republic of Indonesia</i> ("KPPU", the Indonesian Competition Commission) and responding to all information inquiries from KPPU. KPPU is still reviewing all information and the Company has not yet received any KPPU's formal notification on whether this investigation will be withdrawn or eventually be carried forward as a case examination before the KPPU.</p><p>The Company will continue to monitor the situation and make such further clarifications as may be necessary.</p></div>

2 Information / other important events that material and may affect to the viability of the company and can affect the company's stock price.

There are no other important events that are material and may affect the viability of the Company or can affect the Company's stock price.

However, for completeness of information, the Company wishes to disclose that two of its subsidiaries, PT Santosa Agrindo and PT Austasia Stockfeed will be appearing before the KPPU on 12 February 2016 to answer allegations on cartel and restricting distribution and sales of product in relevant market.

Each of the other 30 beef feedlot companies forming part of Asosiasi Produsen Daging & Feedlot Indonesia (APFINDO, the Beef & Feedloter Association in Indonesia) has also been scheduled to appear before the KPPU in turn.

Neither of PT Santosa Agrindo, nor PT Austasia Stockfeed has engaged in cartel activity and/or in restricting distribution and sales of product in relevant market and each will defend its position. Assegaf Hamzah and Partners (a member firm of Rajah & Tann Asia Network) who have been appointed to represent PT Santosa Agrindo and PT Austasia Stockfeed, have advised that both companies have strong defences to the concerned allegations. The Company therefore does not expect either subsidiary to be penalised by KPPU.

In the event either or both subsidiaries are determined to have taken part in cartel and/or in restricting distribution and sales of product in relevant market activity, then based on the practice of the KPPU, an administrative fine capped at Rp.25 billion (or approximately US\$1.8million) per entity, is likely to be imposed.

In the meantime, the business and operations of PT Santosa Agrindo and PT Austasia Stockfeed are not affected by the proceedings.

The Company will continue to monitor the investigation and proceedings and make such further disclosures as may be necessary.

Others Information

Name	Maya Pradjono
Title	Corporate Secretary
Date & Time	8 February 2016 12:05:58
Attachment	

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