

JAPFA LTD
AND ITS SUBSIDIARIES

(Registration Number: 200819599W)

SGXNET ANNOUNCEMENT
UNAUDITED FINANCIAL STATEMENT
FOR THE FIRST QUARTER ENDED 31 MARCH 2015

JAPFA LTD.

(Registration Number: 200819599W)

UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015

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

Income Statement

	1st Quarter		
	2015	2014	Change
	US$'000	US$'000	%
Revenue	**675,672**	**690,092**	-2%
Cost of Sales	(568,477)	(574,075)	-1%
Gross Profit	**107,195**	**116,017**	-8%
Marketing and Distribution Costs	(26,540)	(26,091)	2%
Administrative Expenses	(49,201)	(55,223)	-11%
Operating Profit	**31,454**	**34,703**	-9%
Interest Income	798	1,010	-21%
Finance Costs	(17,718)	(19,263)	-8%
Other Gains, Net	844	761	11%
Share of Results of Joint Ventures	(233)	-	n/m
Profit Before Foreign Exchange Adjustments and Changes in Fair Value of Biological Assets	**15,145**	**17,211**	-12%
Foreign Exchange Adjustments (Losses)/Gains	(13,915)	7,607	n/m
Gain from Changes in Fair Value of Biological Assets	7,386	2,429	n/m
Profit Before Tax from Continuing Operations	8,616	27,247	-68%
Income Tax Expense	(3,643)	(5,289)	-31%
Profit from Continuing Operations, Net of Tax	4,973	21,958	-77%
Profit Attributable to Owners of the Parent, Net of Tax*	**6,997**	**13,586**	-48%
(Loss)/Profit Attributable to Non-Controlling Interests, Net of Tax	(2,024)	8,372	n/m
Profit, Net of Tax	4,973	21,958	-77%

n/m : not meaningful

Additional information:

Management believes that Core PATMI and EBITDA are important measures of performance, although these are not standard measures under FRS.

Profit Attributable to Owners of the Parent, Net of Tax, without fair value changes of biological assets, net of tax ("**Core PATMI**")	1,644	12,865	-87%

* We derived Core PATMI from "Profit Attributable to Owners of the Parent, Net of Tax" by excluding changes in fair value of biological assets attributable to owners of the parent (net of tax).

EBITDA	50,327	50,548	0%

We define EBITDA as profit before tax from continuing operations, excluding interest income, changes in fair value of biological assets and marketable securities, foreign exchange adjustments (losses)/gains, finance costs, depreciation of property, plant and equipment, depreciation of investment properties and amortisation of intangible assets.

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1 (a) (ii) Net Profit is arrived at after (charging)/ crediting the following :

	1st Quarter		
	2015	2014	Change
	US$'000	US$'000	%
Finance Costs	(17,718)	(19,263)	-8%
Foreign Exchange Adjustments (Losses)/Gains	(13,915)	7,607	n/m
Depreciation of Property, Plant and Equipment and Investment Properties	(17,740)	(14,847)	19%
Amortisation of Intangible Assets	(312)	(233)	34%
Interest Income	798	1,010	-21%
Gain from Changes in Fair Value of Biological Assets	7,386	2,429	n/m
Loss from Changes in Fair Value of Financial Assets	(210)	(4)	n/m
Gain on Disposal of Property, Plant and Equipment and Investment Properties	270	82	n/m

n/m : not meaningful

1 (a) (iii) Statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Comprehensive Income

	1st Quarter		
	2015	2014	Change
	US$'000	US$'000	%
Profit from Continuing Operations, Net of Tax	4,973	21,958	-77%
Other Comprehensive (Loss)/Income:			
Items that will not be reclassified to profit or loss:			
Remeasurement of the Net Defined Benefits Plan, Net of Tax	(942)	(9,478)	-90%
Items that may be reclassified subsequently to profit or loss:			
Exchange Differences on Translating Foreign Operations, Net of Tax	(26,575)	37,612	n/m
Other Comprehensive (Loss)/Income for the Period, Net of Tax	(27,517)	28,134	n/m
Total Comprehensive (Loss)/Income	(22,544)	50,092	n/m
Total Comprehensive (Loss)/ Income Attributable to Owners of Parent, Net of Tax	(10,542)	33,469	n/m
Total Comprehensive (Loss)/ Income Attributable to Non-Controlling Interests, Net of Tax	(12,002)	16,623	n/m
Total Comprehensive (Loss)/ Income	(22,544)	50,092	n/m

n/m : not meaningful

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1 (b) (i) A 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	
	As at 31/3/2015	As at 31/12/2014	As at 31/3/2015	As at 31/12/2014
	US$'000	US$'000	US$'000	US$'000
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	824,206	833,758	600	657
Investment Properties	2,478	2,670	-	-
Intangible Assets	9,503	9,440	-	-
Biological Assets	269,602	260,289	-	-
Investments in Subsidiaries	-	-	774,726	774,726
Investments in Joint Ventures	3,138	3,054	-	-
Deferred Tax Assets	18,107	16,190	-	-
Other Receivables	430	367	-	-
Other Assets	11,950	17,579	-	-
Total Non-Current Assets	1,139,414	1,143,347	775,326	775,383
Current Assets				
Inventories	574,822	598,118	-	-
Biological Assets	61,419	62,393	-	-
Trade and Other Receivables	145,786	150,616	143,827	148,118
Other Financial Assets	2,853	2,849	2,622	2,831
Other Assets	100,804	83,026	82	314
Cash and Cash Equivalents	230,963	286,661	64,824	87,683
Total Current Assets	1,116,647	1,183,663	211,355	238,946
Total Assets	2,256,061	2,327,010	986,681	1,014,329
EQUITY AND LIABILITIES				
Equity				
Share Capital	937,614	937,614	937,614	937,614
Retained Earnings	245,047	238,601	21,584	22,029
Other Reserves	(398,804)	(398,931)	-	-
Translation Reserve	(132,404)	(115,416)	-	-
Equity Attributable to Owners of the Parent	651,453	661,868	959,198	959,643
Non-Controlling Interests	320,404	332,406	-	-
Total Equity	971,857	994,274	959,198	959,643
Non-Current Liabilities				
Provisions	81,041	81,316	-	-
Deferred Tax Liabilities	9,925	7,317	-	-
Other Financial Liabilities	545,964	506,878	-	-
Other Liabilities	2,381	2,408	-	-
Trade and Other Payables	357	352	-	-
Total Non-Current Liabilities	639,668	598,271	-	-
Current Liabilities				
Income Tax Payable	8,090	7,885	873	828
Trade and Other Payables	228,268	233,129	1,860	27,608
Other Financial Liabilities	399,724	485,693	24,750	26,250
Other Liabilities	8,454	7,758	-	-
Total Current Liabilities	644,536	734,465	27,483	54,686
Total Liabilities	1,284,204	1,332,736	27,483	54,686
Total Equity and Liabilities	2,256,061	2,327,010	986,681	1,014,329

1 (b) (ii) Aggregate amount of group's borrowings and debt securities.

	As at 31/3/2015 US$'000	As at 31/12/2014 US$'000
Amount due within one year		
Secured	399,724	485,693
Total	399,724	485,693
Amount due more than one year		
Secured	212,107	166,583
Unsecured	333,857	340,295
Total	545,964	506,878

The secured borrowings are secured by property, plant and equipment, share certificates of certain subsidiaries, cash and cash equivalents, receivables, inventories, biological assets, assessment of insurance policies and corporate guarantees of subsidiaries.

1 (b) (iii) Rule 704(31) and Rule 728 of the Listing Manual.

PT Japfa Comfeed Indonesia Tbk's existing facilities with PT Bank Central Asia Tbk will be renewed and expanded by Rp 300 billion with effect from 30 April 2015. These facilities include a covenant restricting change in control of the Issuer, translated as follows:

"The Santosa Family shall maintain shareholding of more than 50% in Japfa Ltd and Japfa Ltd shall maintain its shareholding of more than 50% in PT Japfa Comfeed Indonesia Tbk, therefore:

- The Santosa Family, through Japfa Ltd, may resolve all matters based on the articles of association of PT Japfa Comfeed Indonesia Tbk in accordance with the majority voting rights owned by the Santosa Family; and
- The Santosa Family can appoint the Board of Directors and Board of Commissioners of PT Japfa Comfeed Indonesia Tbk."

The aggregate amount of facilities subject to this covenant is about Rp 1,389 billion (about US$ 107 million).

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

	1st Quarter	
	2015	2014
	US$'000	US$'000
Cash Flows From Operating Activities		
Profit Before Tax	8,616	27,247
Adjustment for:		
Amortisation of Intangible Assets	312	233
Amortisation of Land Use Rights	6	4
Depreciation of Property, Plant and Equipment and Investment Properties	17,740	14,847
Gain from Changes in Fair Value of Biological Assets	(7,386)	(2,429)
Gain from changes in Fair Value of Derivative Financial Instrument	(310)	-
Loss from Changes in Fair Value of Financial Assets	210	4
Gain on Disposal of Property, Plant and Equipment and Investment Properties	(270)	(82)
Increase in Provision for Retirement Benefits	2,734	3,083
Interest Income	(798)	(1,010)
Interest Expense	17,718	19,263
Share Options Granted by Subsidiary	127	124
Share of Loss After Tax of Joint Venture	233	-
Write-off of Property, Plant and Equipment	3	2
Net Effect of Exchange Rate Changes	4,871	14,175
Operating Cash Flows before Changes in Working Capital	43,806	75,461
Inventories	23,296	7,143
Biological Assets	(6,561)	(19,583)
Trade and Other Receivables	4,767	(23,315)
Other Assets	(8,768)	(28,372)
Trade and Other Payables	3,928	(28,144)
Provisions	41	(456)
Other Liabilities	669	(2,487)
Net Cash Flows From/(Used in) Operations	61,178	(19,753)
Income Taxes Paid	(6,076)	(17,798)
Net Cash Flows From/(Used in) Operating Activities	55,102	(37,551)
Cash Flows From Investing Activities		
Purchase of Property, Plant and Equipment	(49,923)	(49,195)
Purchase of Intangible Assets	(825)	(1,374)
Purchase of Other Financial Assets	-	(243)
Purchase of Biological Assets	(860)	(2,724)
Proceeds from Disposal of Property, Plant and Equipment	764	1,919
Addition to Investment in Joint Venture	(412)	-
Interest Received	798	1,010
Net Cash Flows Used in Investing Activities	(50,458)	(50,607)

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1 (c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)

	1st Quarter	
	2015	2014
	US$'000	US$'000
Cash Flows From Financing Activities		
(Decrease)/Increase in Other Financial Liabilities	(48,307)	48,150
Increase from New Bank Loans	7,958	18,454
Cash Restricted in Use	2,157	(1,231)
Proceeds from Issue of New Shares by Subsidiary to Non-Controlling Interests	-	7,138
Interest Paid	(17,718)	(19,263)
Issue of New Shares by Combining Entities under Restructuring Exercise	-	9,595
Net Movements in Shareholders' Loans	-	20,623
Net Cash Flows (Used in)/From Financing Activities	(55,910)	83,466
Net Decrease in Cash and Cash Equivalents	(51,266)	(4,692)
Effect of exchange rate changes on cash and cash equivalents	(2,275)	(6,911)
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance	281,192	221,360
Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance	227,651	209,757

Notes:
(i) For the purpose of the Consolidated Statement of Cash Flows, the Consolidated Cash and Cash Equivalents comprise the following:

	1st Quarter	
	2015	2014
	US$'000	US$'000
Cash and Bank Balances	230,963	214,664
Less: Bank Deposit Pledged	(3,312)	(4,907)
Cash and Cash Equivalents per Consolidated Statement of Cash Flows	227,651	209,757

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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 capitalisation issues and distributions to shareholder, together with a comprehensive statement for the corresponding period of the immediately preceding financial year.

Group	Total Equity US$'000	Attributable to Parent Sub-total US$'000	Share Capital US$'000	Retained Earnings US$'000	Other Reserves US$'000	Translation Reserve US$'000	Non-Controlling Interests US$'000
Balance at 1 January 2015	994,274	661,868	937,614	238,601	(398,931)	(115,416)	332,406
Movements in Equity:							
Total Comprehensive (Loss)/Income for the Period	(22,544)	(10,542)	-	6,446	-	(16,988)	(12,002)
Grant of Share Options	127	127	-	-	127	-	-
Balance at 31 March 2015	971,857	651,453	937,614	245,047	(398,804)	(132,404)	320,404
Balance at 1 January 2014	696,933	405,797	163,377	214,852	134,363	(106,795)	291,136
Movements in Equity:							
Total Comprehensive Income for the Period	50,092	33,469	-	7,999	-	25,470	16,623
Issue of New Shares by Subsidiary to Non-Controlling Interests							
Without a Change in Control	1,560	-	-	-	-	-	1,560
Grant of Share Options	124	124	-	-	124	-	-
Issue of New Shares by Subsidiary	15,173	9,595	-	-	9,595	-	5,578
Balance at 31 March 2014	763,882	448,985	163,377	222,851	144,082	(81,325)	314,897

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 capitalisation issues and distributions to shareholder, together with a comprehensive statement for the corresponding period of the immediately preceding financial year. (Cont'd)

Company	Total Equity US$'000	Share Capital US$'000	Retained Earnings US$'000	Translation Reserve US$'000
Balance at 1 January 2015	959,643	937,614	22,029	-
Movement in Equity:				
Total Comprehensive Loss for the Period	(445)	-	(445)	-
Balance at 31 March 2015	959,198	937,614	21,584	-
Balance at 1 January 2014	193,217	163,377	35,270	(5,430)
Movement in Equity:				
Total Comprehensive (Loss)/Income for the Period	(3,999)	-	(4,154)	155
Balance at 31 March 2014	189,218	163,377	31,116	(5,275)

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.

	Number of Shares	
	1st Quarter 2015	1st Quarter 2014
Issued and fully paid ordinary shares:		
As at beginning of period	1,764,670,391	208,967,552
As at end of period	1,764,670,391	208,967,552

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.

	As at 31/3/2015	As at 31/3/2014
Number of issued shares	1,764,670,391	208,967,552

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.

Not applicable.

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

The 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 accounting policies and methods of computations applied by the Group are consistent with those used in its audited financial statements as at 31 December 2014 except for those as disclosed under item 5 below.

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.

On 1 January 2015, the Group adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Group's and Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

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.

	1st Quarter	
	2015	2014
	US Cents	US Cents
Earnings per share for the period		
(a) Based on weighted average number of ordinary shares in issue	0.40	0.92
(b) Based on a fully diluted basis	0.40	0.92
Weighted Average Number of Ordinary Shares	1,764,670,391	1,479,470,391

The weighted average number of shares for 1st Quarter 2014 is based on 1,479,470,391 shares.

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 current financial period reported on and immediately preceding financial year.

	Group		Company	
	As at 31/3/2015	As at 31/12/2014	As at 31/3/2015	As at 31/12/2014
	US$	US$	US$	US$
Net asset value per ordinary share	0.37	0.38	0.54	0.54

Net asset value per ordinary share is based on the issued share capital of the Company at the end of the financial period.

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

1Q 2015 vs 1Q 2014

Revenue

	1st Quarter 2015	1st Quarter 2014	Variance
	US$'000	US$'000	US$'000
Animal Protein	574,878	585,301	(10,423)
Dairy	59,775	50,505	9,270
Consumer Food	41,019	46,676	(5,657)
Others	-	7,610	(7,610)
Total	675,672	690,092	(14,420)

The increase of revenue in the dairy segment was generally due to volume increases contributed from new farms. The decrease of revenue in the animal protein and consumer segments was mainly due to the Indonesian operations in each of those segments where the 5% depreciation of the Indonesia Rupiah against the US dollar resulted in a lower revenue in US dollar equivalent.

Administrative expenses decreased by US$6.0 million from US$55.2 million in 1Q 2014 to US$49.2 million in 1Q 2015 mainly due to decrease in employee benefits expense and related payroll costs from animal protein operations in Indonesia.

Operating Profit

	1st Quarter 2015	1st Quarter 2014	Variance
	US$'000	US$'000	US$'000
Animal Protein	16,868	21,979	(5,111)
Dairy	13,236	14,374	(1,138)
Consumer Food	737	588	149
Others	613	(2,238)	2,851
Total	31,454	34,703	(3,249)

The Group operating profit decreased by US$3.2 million from US$34.7 million in 1Q 2014 to US$31.5 million in 1Q 2015. This decrease in operating profit was mainly due to the animal protein operations in Indonesia because of the continuing weakness in the poultry market and in the purchasing power of low-income consumers. This underlying challenge, which has affected the whole Indonesian poultry industry, resulting in the downward pressure on the selling prices of day-old-chicks ("DOC") in Indonesia which reduced the DOC profit margin. Operating Profit for the Dairy segment generated US$13.2 million despite milk prices having fallen in 1Q 2015 as compared to the high milk prices in 1Q 2014. This was because of an increase in milk volumes and improved milk yields. Despite the weaker performance of animal protein business in Indonesia, the Group generated an operating profit of US$31.5 million, supported by its other animal protein businesses in Vietnam, Myanmar and India, as well as its dairy business in China.

The "Profit Before Foreign Exchange Adjustments and Changes in Fair Value of Biological Assets" was US$15.1 million in 1Q 2015 as compared to US$17.2 million in 1Q 2014.

Foreign exchange adjustments losses were US$13.9 million in 1Q 2015 as compared to foreign exchange adjustments gains of US$7.6 million in 1Q 2014. The foreign exchange adjustments losses in 1Q 2015 were primarily due to the unrealised exchange losses on the US Dollar-Denominated Senior Notes (Due 2018) caused by the 5% depreciation of the Indonesia Rupiah against the US dollar.

Gain from changes in fair value of biological assets were US$7.4 million in 1Q 2015 as compared to US$2.4 million in 1Q 2014. The gain from changes in fair value of biological assets in 1Q 2015 was mainly from swine Vietnam and dairy China. The fair value gain of US$4.9 million from swine Vietnam was mainly due to increase in number of swine and fair value gain of US$2.2 million from dairy China was mainly due to marginal increase in the market price of heifers.

As a result of the above, the Group recorded a profit after tax of US$5.0 million in 1Q 2015 as compared to US$22.0 million in 1Q 2014.

The profit attributable to owners of the parent was US$7.0 million in 1Q 2015 and US$13.6 million in 1Q 2014. If we exclude the fair value changes of biological assets, the adjusted profit attributable to owners of the parent ("Core PATMI") will be US$1.6 million in 1Q 2015 as compared to US$12.9 million in 1Q 2014.

Review of financial position

The Group's non-current assets as at 31 March 2015 decreased by US$3.9 million from US$1,143.3 million to US$1,139.4 million primarily due to decrease of US$9.6 million in property, plant and equipment and US$5.6 million in other assets, partially offset by an increase of US$9.3 million in biological assets. The decrease in property, plant and equipment was mainly due to foreign exchange translation loss and depreciation. The increase in biological assets was mainly due to the valuation gains from swine Vietnam and dairy China as at 31 March 2015.

The Group's current assets as at 31 March 2015 decreased by US$67.1 million from US$1,183.7 million to US$1,116.6 million primarily due to decrease of US$23.3 million in inventories and US$55.7 million in cash and cash equivalents. The decrease in inventories was mainly due to lower inventories held by animal protein operations in Indonesia. The decrease in cash and cash equivalents was mainly due to use of IPO proceeds and repayment of bank loans in 1Q 2015.

The Group's total liabilities as at 31 March 2015 decreased by US$48.5 million from US$1,332.7 million to US$1,284.2 million primarily due to decrease in bank borrowings.

The decrease in Group's translation reserves of US$17.0 million in 1Q 2015 mainly due to translation loss caused by the depreciation of the Indonesia Rupiah against the US dollar.

Review of Group Cash Flow

Net cash flows from operating activities was US$55.1 million in 1Q 2015, which mainly arose from operating cash flows before changes in working capital of US$43.8 million and changes in working capital of US$17.4 million, offset by income tax paid of US$6.1 million.

Net cash flows used in investing activities was US$50.5 million in 1Q 2015 mainly represented purchase of property, plant and equipment of US$49.9 million.

Net cash flows used in financing activities was US$55.9 million in 1Q 2015 mainly due to decrease in other financial liabilities of US$48.3 million and interest paid of US$17.7 million, partially offset by drawing of new bank loans of US$8.0 million.

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.

The market challenges in Indonesia are expected to persist in the near term. The Indonesian poultry market continues to see an oversupply of day-old chicks and broiler chickens. The further depreciation of the Indonesian Rupiah in the first quarter of 2015 has also reduced the purchasing power of low-income consumers. Weakness in poultry prices and of the Indonesian Rupiah, may continue to affect the Group's animal protein businesses in Indonesia, and result in further foreign exchange losses as well as continuing pressure on animal feed, breeding and commercial farming margins.

To mitigate some of these challenges, the Group has continued to reduce capital expenditure and scale back on day-old chick production, while continuing to focus on improving operational efficiency and profitability.

On 9 April 2015, Fitch Ratings ("Fitch") revised its outlook for PT Japfa Comfeed Indonesia Tbk ("PT Japfa Comfeed") from "stable" to "negative". However Fitch also noted the long term growth potential for the Indonesian poultry industry.

On 28 April 2015, Standard & Poor's Ratings Services ("S&P") lowered its long-term corporate credit rating on PT Japfa Comfeed to 'B+' from 'BB-', with a stable outlook. S&P noted that the operating conditions in Indonesia's downstream poultry segment were expected to remain difficult, but that PT Japfa Comfeed's competitive advantage remained intact despite the tough market conditions.

In spite of the headwinds in Indonesia, the Group believes its long-term fundamentals remain favourable across all geographies. With its 40-year experience in the animal protein business, the Group has gone through numerous business cycles. The Group is confident of its vertically integrated business model, and believes that its diversified business strategy, coupled with its strong track record in replicating its industrialized and scalable business, will enable the Group to sustain its long-term growth momentum.

11. Dividend

(a) Current Financial Period Reported on
Nil

(b) Corresponding Period of the Immediately Preceding Financial Year
Nil

(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.

The Group does not have any general mandate for interested person transaction(s) from the shareholders.

14. Negative Confirmation by the Board pursuant to Rule 705(5)

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited first quarter financial results for the period ended 31 March 2015 to be false or misleading in any material respect.

On behalf of the Board of Directors

By Order of the Board
Japfa Ltd

Tan Yong Nang
Executive Director and
Chief Executive Officer
30 April 2015