



IND@FOOD AGRI RESOURCES Ltd.

Company Presentation – 1Q 2015 Results

30 April 2015



Presentation Outline

1 Business Overview

2 Plantation Highlights

3 Financial Highlights

4 Strategies and Expansion

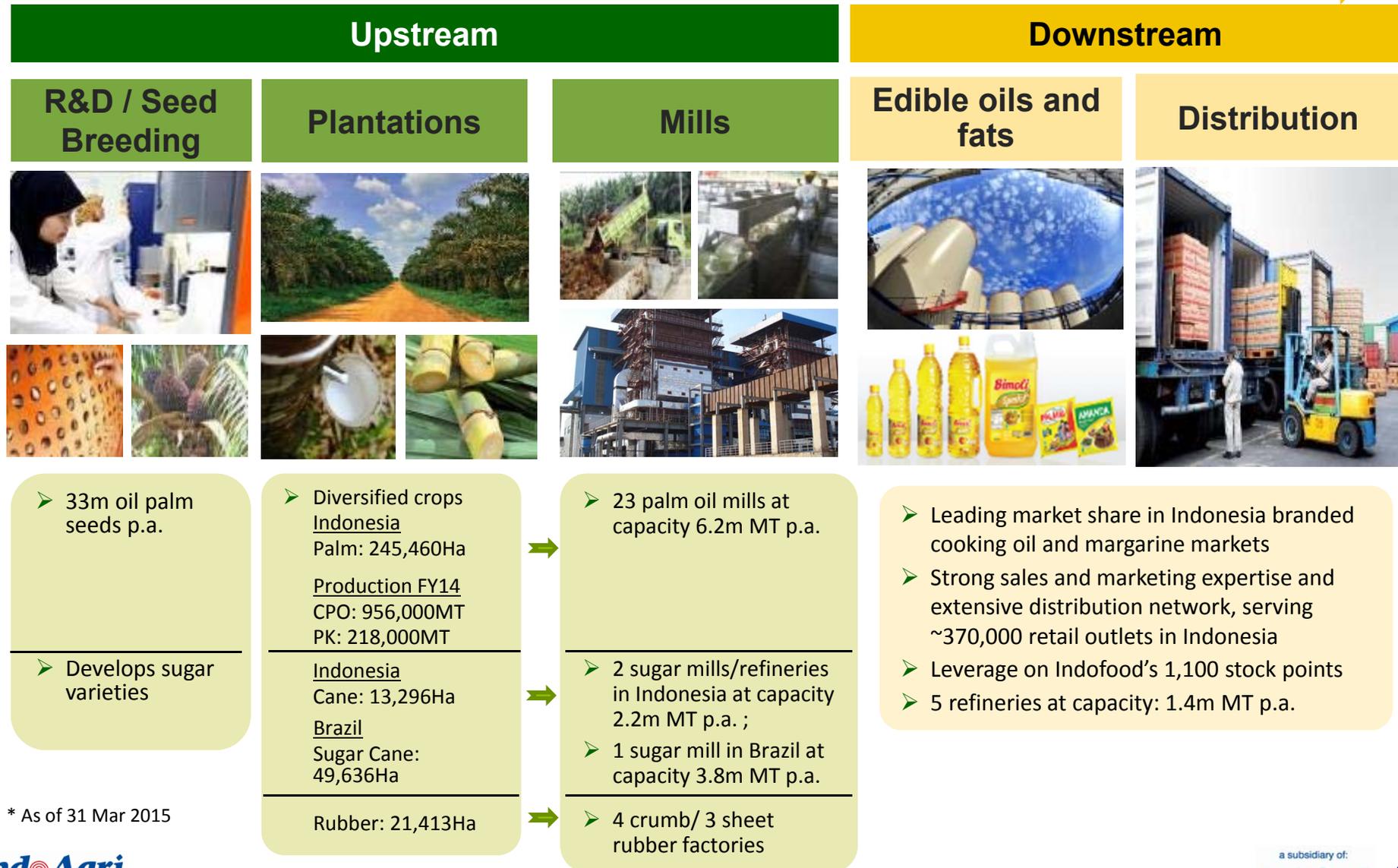
5 Appendix



Section 1 Business Overview

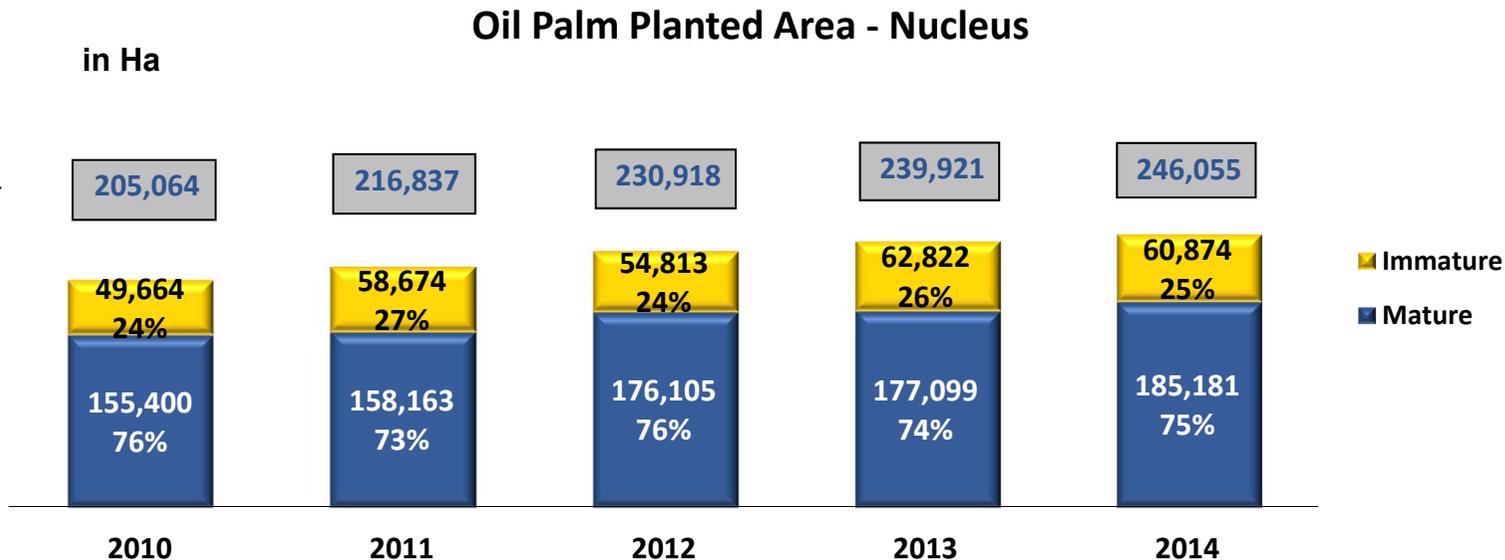
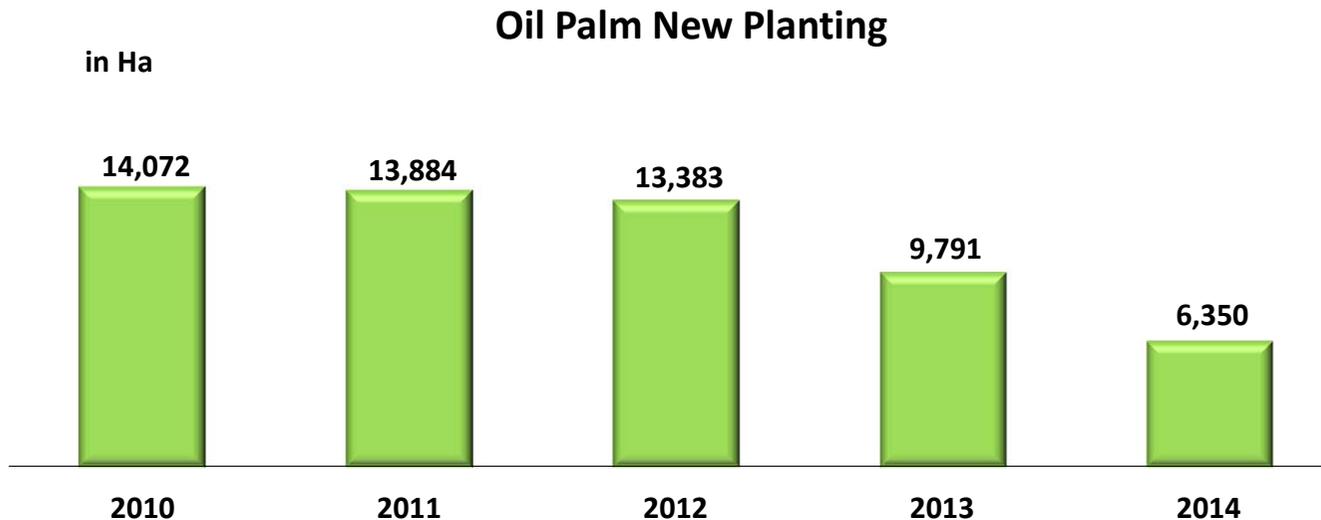
Integrated and Diversified Agribusiness Group

Capturing value across the entire supply chain



* As of 31 Mar 2015

New Plantings ≈ 60,000 Ha in Last 5 Years (2010 – 2014)



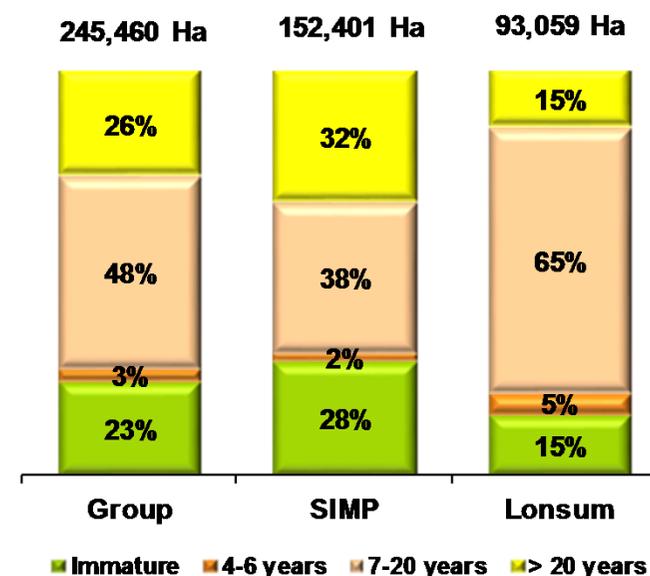


Section 2 Plantation Highlights

Planted Area

In Ha	31 Mar 2015	31 Dec 2014	Change
Indonesia			
Planted Area	299,597	300,050	(453)
Planted Oil Palm⁽¹⁾	245,460	246,055	(595)
- SIMP	152,401	153,921	(1,520)
- Lonsum	93,059	92,135	924
Planted Other crops	54,137	53,995	142
Rubber	21,413	21,697	(283)
- SIMP	4,409	4,409	-
- Lonsum	17,004	17,288	(283)
Sugar cane - SIMP	13,296	13,062	234
Cocoa & tea - Lonsum	3,134	3,067	67
Industrial timber - SIMP	16,294	16,169	125
Brazil			
Sugar cane - CMAA	49,636	47,554	2,082
- Company-owned	24,843	24,292	551
- Third party	24,792	23,262	1,530

Oil Palm Average Age ≈ 14 years



(1) As at 31 Mar 2015, the Group has ≈ 85,772 Ha of planted oil palm plasma area. Where 238 Ha were new planting in 1Q15.

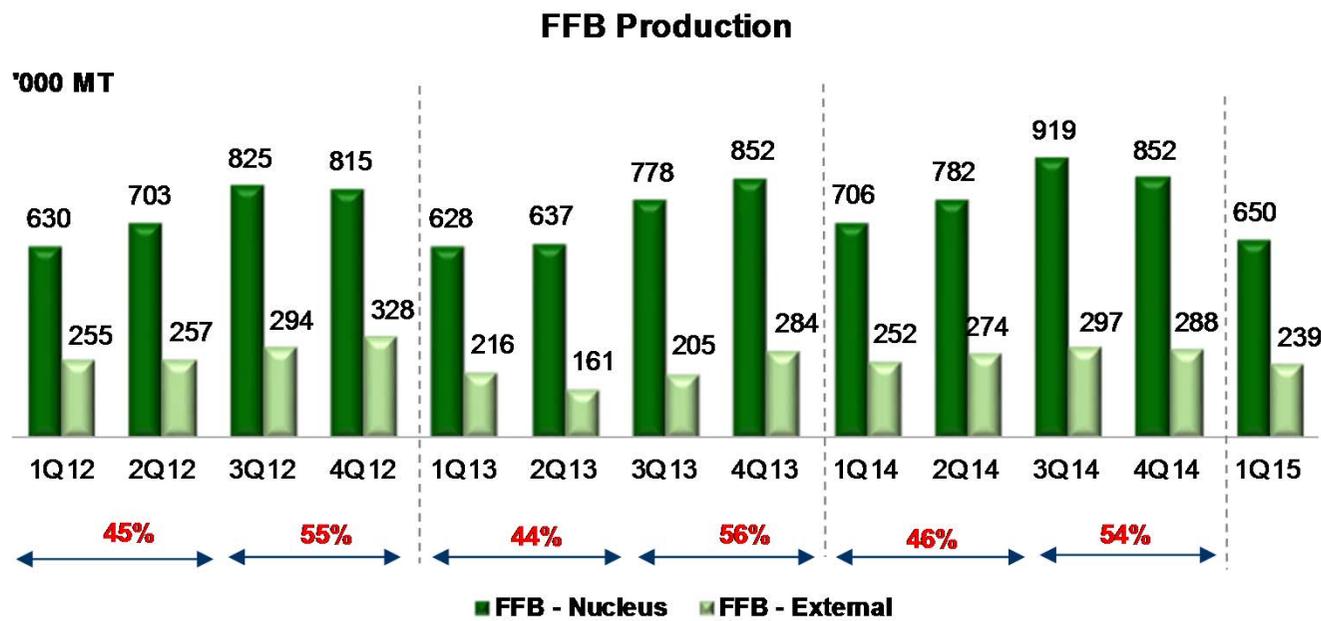
(2) 1Q15 new plantings for oil palm were 417 Ha vs. 1,158 Ha in 1Q14.

Mature area increased by 4,996 Ha in 1Q15.

Oil Palm Plantation Highlights

		1Q15	1Q14	YoY Growth	4Q14	QoQ Growth	FY14
PRODUCTION							
Mature Area	(Ha)	187,960	183,286	3%	185,181	2%	185,181
FFB	('000 MT)	889	958	(7%)	1,140	(22%)	4,372
- Nucleus	('000 MT)	650	706	(8%)	852	(24%)	3,259
- External	('000 MT)	239	252	(5%)	288	(17%)	1,112
CPO	('000 MT)	190	210	(9%)	249	(23%)	956
PK	('000 MT)	44	47	(7%)	58	(24%)	218
PRODUCTIVITY							
FFB Yield – Nucleus	(MT/Ha)	3.5	3.9	↓	4.6	↓	17.6
CPO Yield – Nucleus	(MT/Ha)	0.8	0.9	↓	1.0	↓	3.9
CPO Extraction Rate	(%)	22.3	22.5	↓	22.5	↓	22.4
PK Extraction Rate	(%)	5.2	5.1	↑	5.2	↔	5.1

Oil Palm Production Trends



Growth

FFB - Nucleus

1Q15 YoY : (8%)

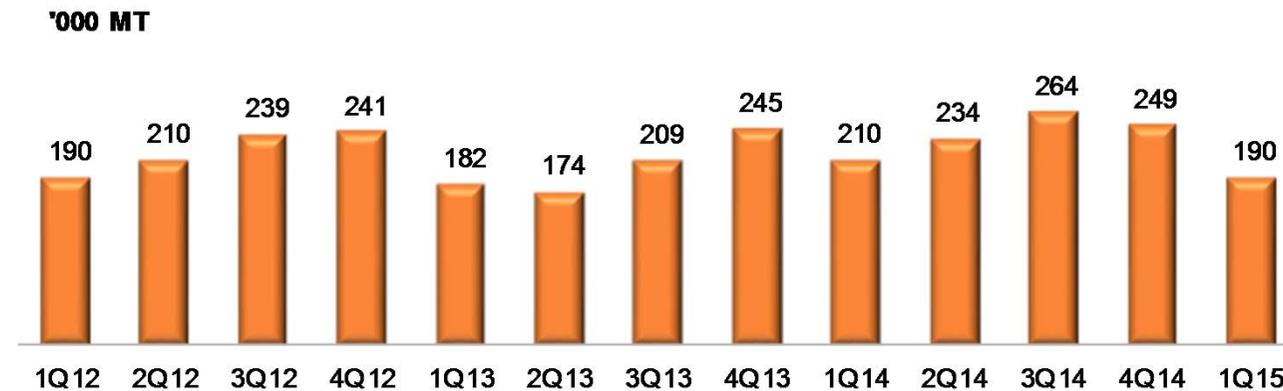
1Q15 QoQ : (24%)

FFB - External

1Q15 YoY : (5%)

1Q15 QoQ : (17%)

CPO Production



CPO

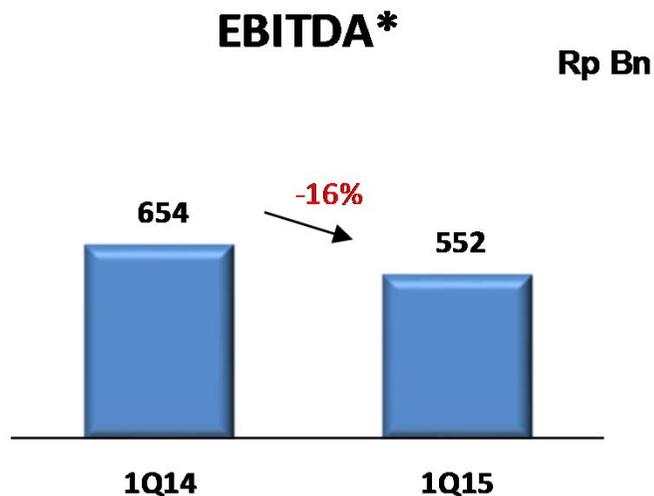
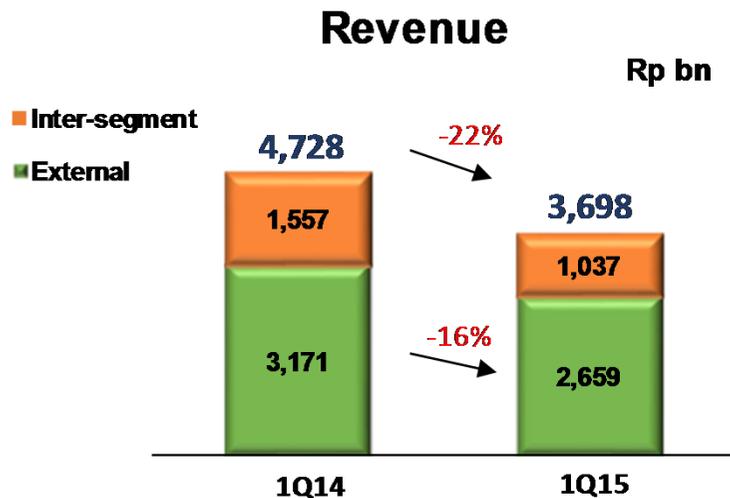
1Q15 YoY : (9%)

1Q15 QoQ : (23%)



Section 3 Financial Highlights

Results Summary



* EBITDA excluding biological asset gains/(losses) and forex gains/(losses)

Financial Highlights

- 1Q15 results affected by soft commodity prices and a weakened Indonesian Rupiah
- Revenue down 16% yoy on lower sales contribution from both business divisions
- In line with lower gross profit, EBITDA down 16% yoy
- Net profit down 80% on lower sales and foreign exchange losses. Excluding the forex impacts, net profit would have been Rp163bn, down 40% yoy

Operational Highlights

- 1Q15 was a soft quarter for production
- FFB nucleus production came in at 650,000 tonnes, down 8% yoy on lower production from Sumatra and Kalimantan. This was mainly driven by lower rainfall in 1Q14, which affected our production
- In line with this, CPO production down 9% yoy to 190,000 tonnes arising from lower nucleus production as well as lower purchases of FFB from external parties

Sales Volume

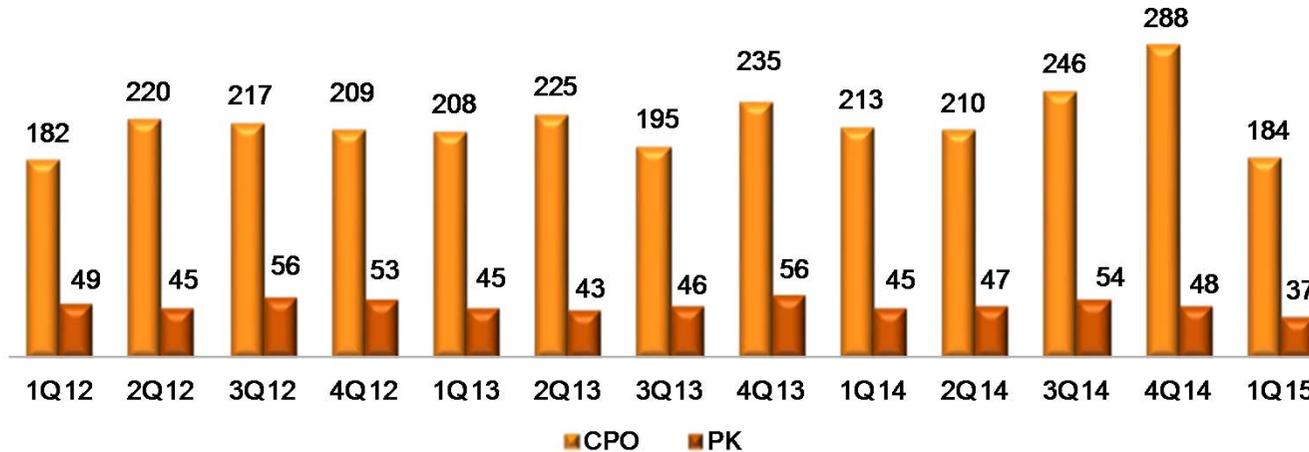
In '000 MT	1Q15	1Q14	YoY Growth	4Q14	QoQ Growth	FY14
Plantation						
CPO	184	213	(14%)	288	(36%)	957
PK, PKO, PKE	44	46	(4%)	58	(24%)	215
Sugar	5	10	(55%)	16	(71%)	73
Rubber	4.2	4.1	3%	4.5	(6%)	16.0
Oil Palm Seeds ('million)	2.0	1.7	21%	3.3	(37%)	9.2
Edible Oils & Fats (EOF)						
Cooking Oil, Margarine and Coconut Oil	157	189	(17%)	180	(13%)	755

- Lower CPO and PK sales volume was due to lower production in 1Q15 and timing in shipments
- A soft quarter for EOF Division, but the demand should pick up ahead of the Lebaran season in 2Q15

Sales Volume Trend

CPO and PK - Sales Volume

'000 MT



Growth

CPO

1Q15 YoY : (14%)

1Q15 QoQ : (36%)

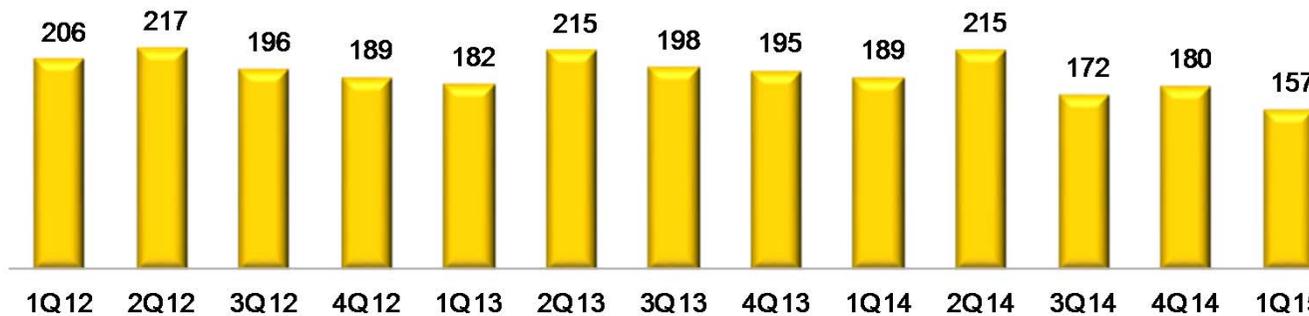
PK

1Q15 YoY : (18%)

1Q15 QoQ : (23%)

Edible Oils & Fats - Sales Volume

'000 MT

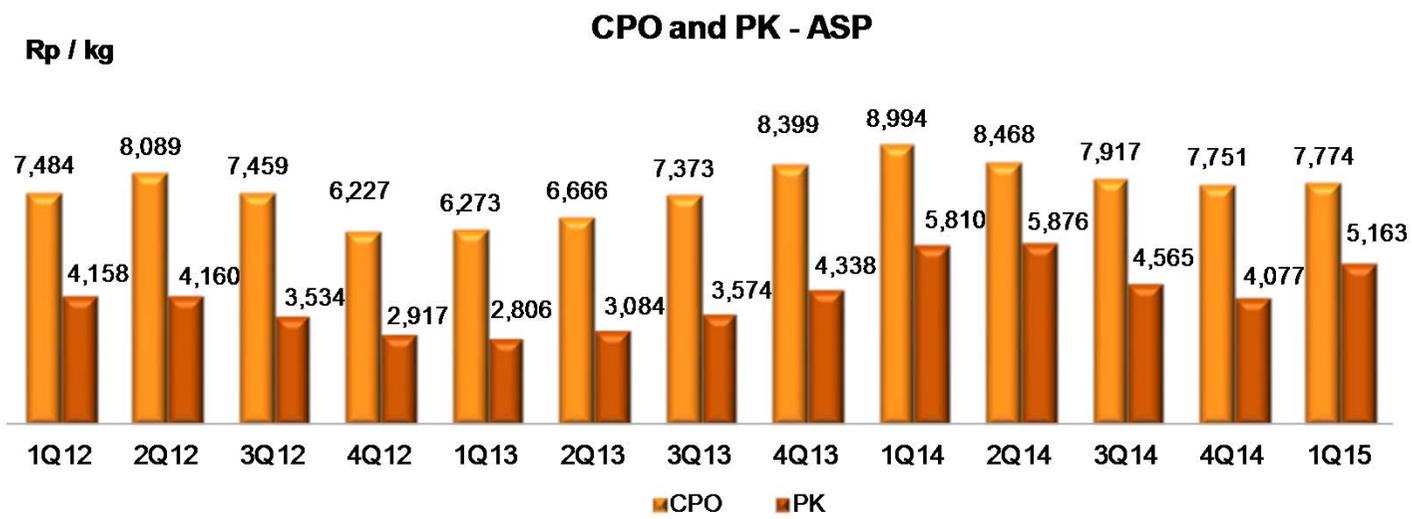


Edible Oils & Fats

1Q15 YoY : (17%)

1Q15 QoQ : (13%)

Average Selling Price (ASP) Trend



Growth

CPO

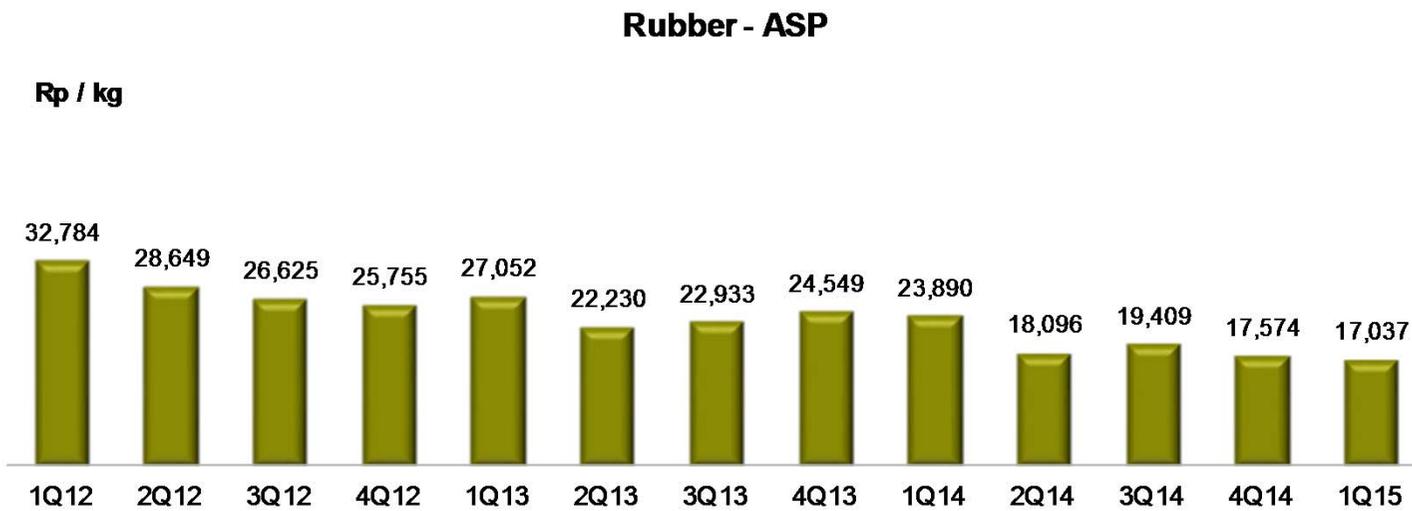
1Q15 YoY : (14%)

1Q15 QoQ : 0%

PK

1Q15 YoY : (11%)

1Q15 QoQ : 27%



Rubber

1Q15 YoY : (29%)

1Q15 QoQ : (3%)

Financial Summary

In Rp Bn	1Q15	1Q14	YoY Growth	4Q14	QoQ Growth	FY14
Sales	2,659	3,171	(16%)	4,192	(37%)	14,963
EBITDA*	552	654	(16%)	1,008	(45%)	3,401
Operating profit**	253	574	(56%)	840	(70%)	2,536
Net profit	68	342	(80%)	404	(83%)	1,328
Attributable profit	35	182	(81%)	225	(84%)	759
EPS (fully diluted) - Rp	28	128	(78%)	159	(82%)	535
EBITDA margin	21%	21%	↔	24%	↓	23%
Operating profit margin	10%	18%	↓	20%	↓	17%
Net profit margin	3%	11%	↓	10%	↓	9%
Attributable profit margin	1%	6%	↓	5%	↓	5%

- 1Q15 results affected by soft commodity prices and a weakened Indonesian Rupiah
- NPAT down 80% on lower sales and foreign exchange losses. Excluding the forex impacts, NPAT would have been Rp163bn, down 40% yoy

* EBITDA excluding biological asset gains/(losses) and forex gains/(losses)

** Operating profit excluding biological asset gains/(losses)

Segmental Results

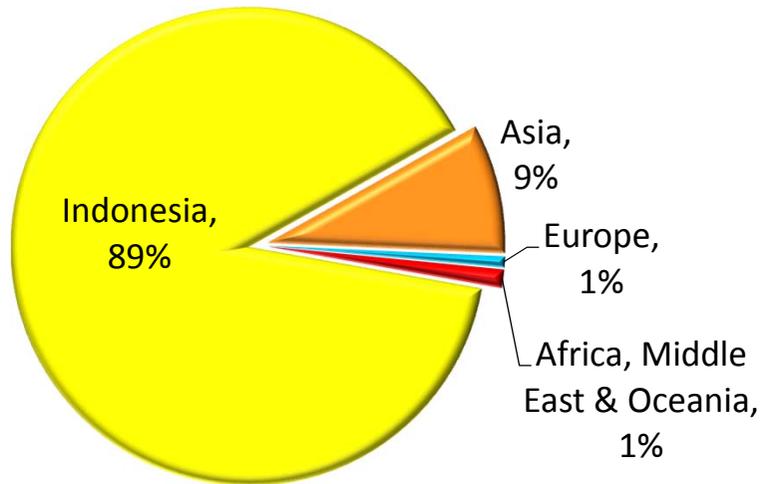
In Rp Bn	1Q15	1Q14	YoY Growth	4Q14	QoQ Growth	FY14
<u>Sales</u>						
Plantations	1,846	2,433	(24%)	2,833	(35%)	10,278
Edible Oil & Fats	1,852	2,295	(19%)	2,266	(18%)	9,835
Elimination & Adjustments	(1,038)	(1,557)	(33%)	(906)	15%	(5,149)
Total	2,659	3,171	(16%)	4,192	(37%)	14,963
 <u>EBITDA</u>						
Plantations	473	819	(42%)	765	(38%)	3,100
<i>EBITDA %</i>	26%	34%		27%		30%
Edible Oil & Fats	93	(7)	n/m	68	38%	200
<i>EBITDA %</i>	5%	0%		3%		2%
Elimination & Adjustments ⁽¹⁾	(14)	(158)	(91%)	175	n/m	101
Sub-total	552	654	(16%)	1,008	(45%)	3,401
Net Forex Gains/(Losses)	(116)	86	n/m	(50)	n/m	(111)
Total	436	739	(41%)	958	(55%)	3,290

(1) Net effects arising from elimination of unrealised profit of inter-division inventories, SFRS adjustment and regional office costs.

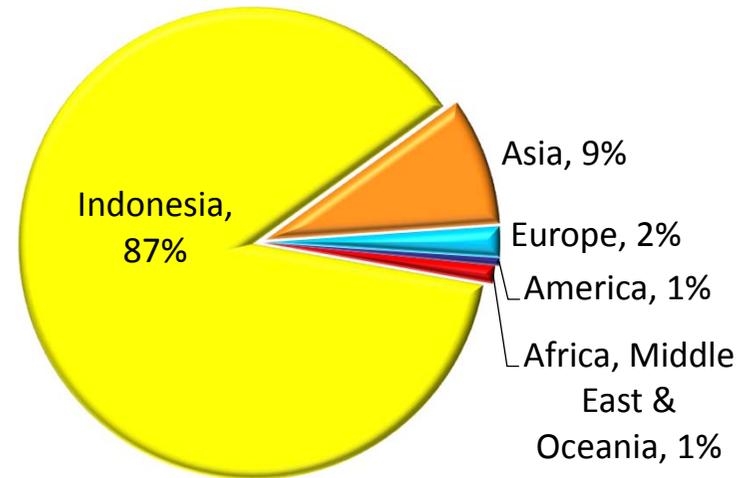
External Revenue Breakdown

By Geographical Location

1Q15



1Q14



- Indonesia remained our dominant market with 89% of sales derived from the domestic market, mainly comprised of edible oil product, palm product, palm seeds and sugar

Financial Position

Balance Sheet (In Rp Bn)	31-Mar-15	31-Dec-14
TOTAL ASSETS	40,771	40,155
Cash	2,489	3,586
TOTAL LIABILITIES	17,143	16,437
Interest Bearing Debt	9,901	9,817
TOTAL EQUITY*	23,628	23,717
Net Debt / EBITDA Ratio (Annualised)	3.36x	1.83x
Net Debt / Total Equity Ratio	0.31x	0.26x
Net Assets Value per Share (in Rupiah)	10,331	10,322
Net Assets Value per Share (in SGD) **	1.09	1.10

Cash Flow (In Rp Bn)	1Q15	1Q14
Net Cash Flow generated from Operating Activities	(25)	231
Net Cash Flow used in Investing Activities	(1,052)	(908)
Net Cash Flow generated from Financing Activities	(43)	805
Net Increase (Decrease) in Cash & Cash Equivalents	(1,120)	128
Net Effect of Changes in Forex	24	(86)
Sub-total	(1,097)	42
Cash & Cash Equivalent - Beginning	3,586	3,803
Cash & Cash Equivalent - Ending	2,489	3,845

* Total equity includes shareholders funds and minority interests

** Converted at Rp9,442/S\$1



Section 4 Strategies and Expansion

2015 – Strategies and Expansion

Prioritise capex on organic growth and expansion of production facilities.

- Focus organic expansion on new plantings of oil palm and sugar plantations in Indonesia

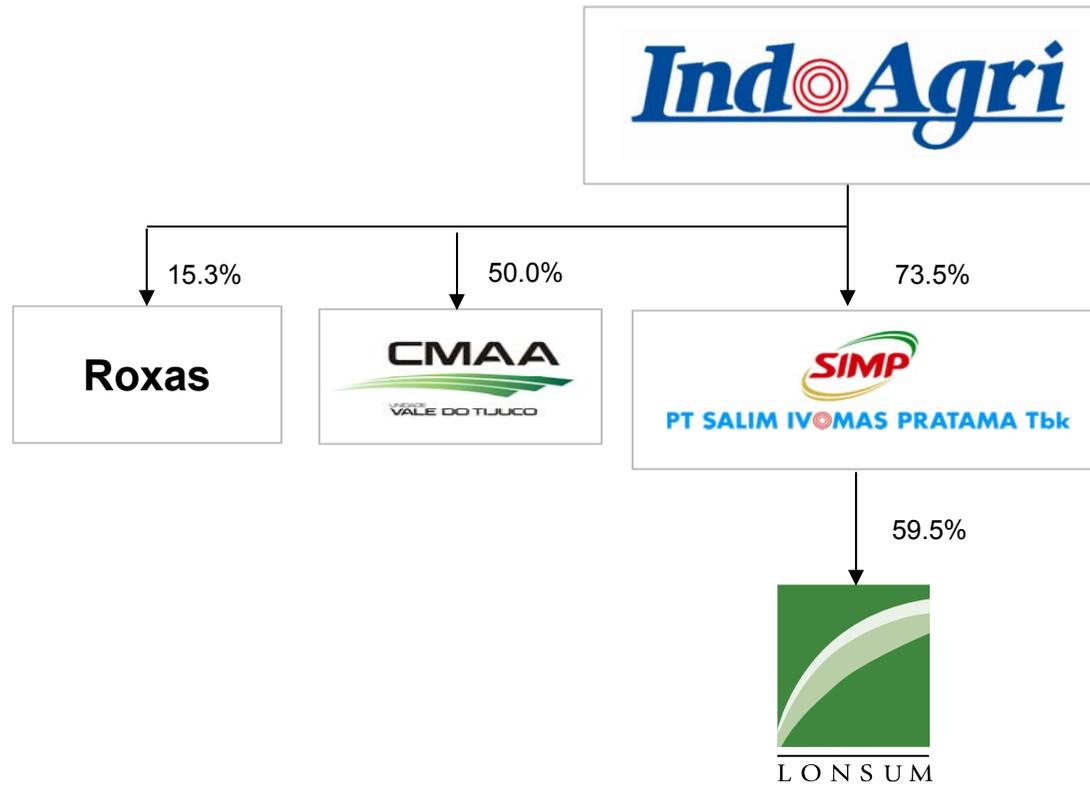
- Expansion of plantation production facilities
 - ❑ Constructing one 45MT/hour new mill and expanding one mill from 60MT to 80MT/hour in Kalimantan due for completion in 2015
 - ❑ Five new mills ranging from 30MT to 45MT/hour, of which two new mills in South Sumatra and three mills Kalimantan. Three of these mills are expected to be completed in 2016

- Expansion of downstream facilities
 - ❑ Commences the expansion of Surabaya refinery by 1,000MT/day.
 - ❑ Construction of a 200MT/day margarine plant at Tanjung Priok in 2015



Section 5 Appendix

Corporate Structure

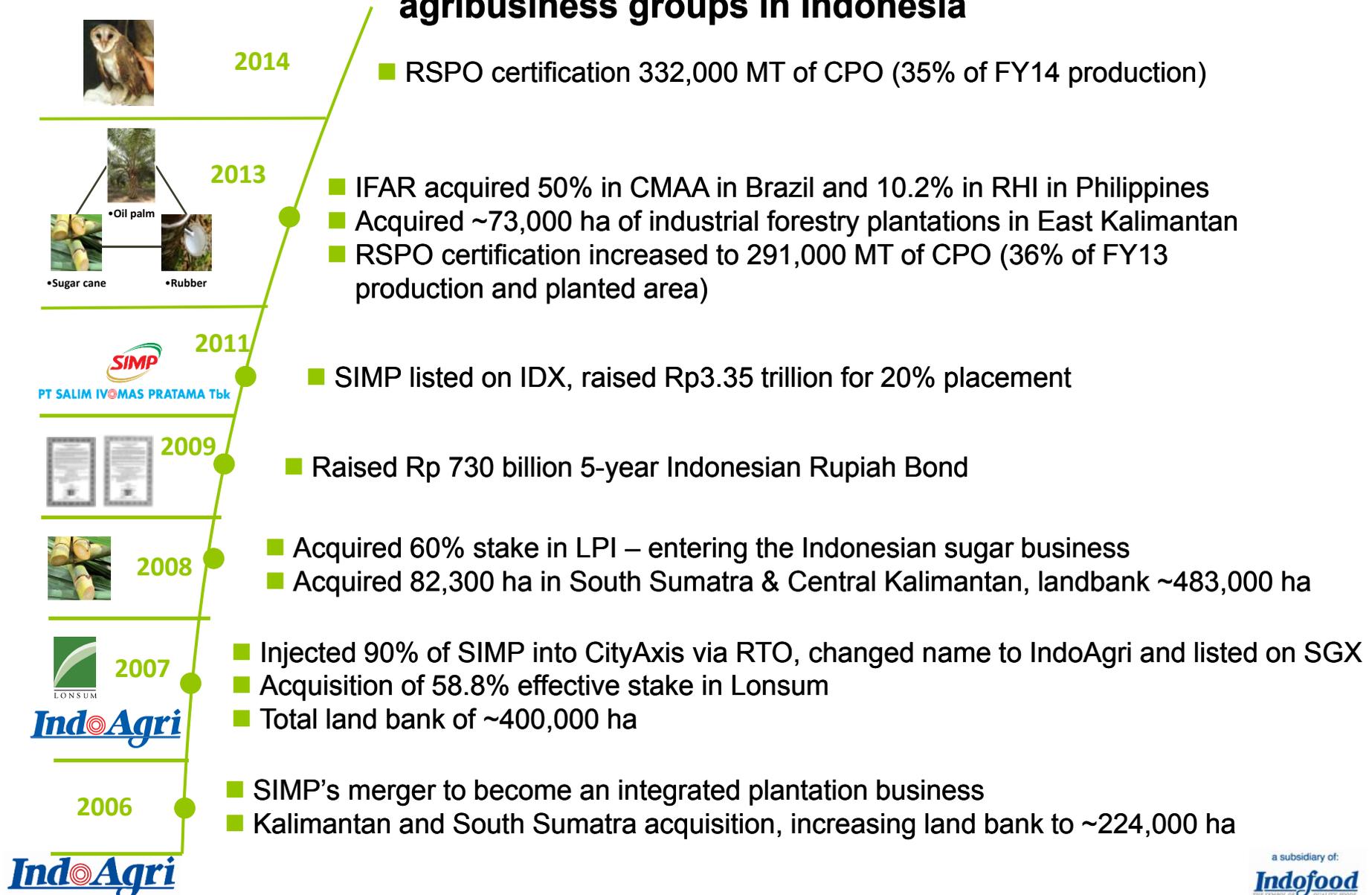


Note:

- (1) IndoAgri is 60.5% effectively owned by Indofood
- (2) Indofood has a direct interest of 6.5% in SIMP
- (3) Based on total number issued shares, excluding the following shares held in treasury as of 31 Mar 2015
 - IndoAgri : 43,500,000
 - SIMP : 315,000,000
 - Lonsum : 2,900,000

Key Growth Milestones

IFAR has successfully grown its business to become one of the largest agribusiness groups in Indonesia



Overseas Expansion – CMAA Brazil (Minas Gerais Province)

- CMAA acquisition completed in June 2013. Key rationale:
 - ❑ Expansion of our presence into the sugar, ethanol and co-generation industry in Brazil
 - ❑ Superior technical know-how and best practices from Brazil that can be transferred back to IndoAgri's Indonesia sugar operations
 - ❑ Earnings accretive investment
 - ❑ with a strong local partner in an expanding business

- Key Highlights:
 - ❑ 1 sugar cane factory with a total cane crushing capacity of 3.8m MT p.a.; supplemented by ethanol and co-generation plants
 - ❑ As of Mar 2015, planted area was 49,636 Ha, of which 50% owned by CMAA.
 - ❑ In 2014, harvested cane were 3.5 million MT, producing 224,000 MT of raw sugar and 145,000 m³ ethanol



Geographical Presence



- Legend
- 🌴 Oil Palm
 - 🍵 Tea
 - 🌾 Sugar Cane
 - 🏭 Refinery
 - 🌳 Rubber
 - 🍬 Sugar Mill
 - 🍫 Cocoa
 - 🏭 Copra Mill

Facilities	Palm Oil Mill		Crumb Rubber Facility		Sheet Rubber Facility		Sugar Mill & Refinery		Refinery	
	Unit	Capacity p.a (MT FFB)	Unit	Capacity p.a (MT Dry Rubber)	Unit	Capacity p.a (MT Dry Rubber)	Unit	Capacity p.a (MT Sugar Cane)	Unit	Capacity p.a (MT CPO)
SIMP	12	3,780,000	-	-	-	-	2	2,160,000	5	1,425,000
Lonsum	11	2,403,000	4	42,720	3	11,100	-	-	-	-
CMAA - Brazil	-	-	-	-	-	-	1	3,800,000	-	-
Group	23	6,183,000	4	42,720	3	11,100	3	5,960,000	5	1,425,000

Production Breakdown

		1Q15	1Q14	YoY Growth	4Q14	QoQ Growth	FY14
PRODUCTION							
Mature Area		187,960	183,286	3%	185,181	2%	185,181
- SIMP	(Ha)	109,083	107,443	2%	108,529	1%	108,529
- Lonsum	(Ha)	78,877	75,844	4%	76,652	3%	76,652
FFB		889	958	(7%)	1,140	(22%)	4,372
- Nucleus		650	706	(8%)	852	(24%)	3,259
- SIMP	('000 MT)	389	397	(2%)	522	(25%)	1,918
- Lonsum	('000 MT)	261	308	(16%)	331	(21%)	1,341
- External		239	252	(5%)	288	(17%)	1,112
- SIMP	('000 MT)	125	136	(8%)	152	(18%)	567
- Lonsum	('000 MT)	134	125	7%	148	(10%)	567
CPO		190	210	(9%)	249	(23%)	956
- SIMP	('000 MT)	99	110	(9%)	136	(27%)	513
- Lonsum	('000 MT)	91	100	(9%)	112	(19%)	443
PK		44	47	(7%)	58	(24%)	218
- SIMP	('000 MT)	21	23	(7%)	29	(28%)	108
- Lonsum	('000 MT)	23	24	(7%)	28	(20%)	109
PRODUCTIVITY							
FFB Yield – Nucleus	(MT/Ha)	3.5	3.9	↓	4.6	↓	17.6
- SIMP	(MT/Ha)	3.6	3.7	↓	4.8	↓	17.7
- Lonsum	(MT/Ha)	3.3	4.1	↓	4.3	↓	17.5
CPO Yield – Nucleus	(MT/Ha)	0.8	0.9	↓	1.0	↓	3.9
- SIMP	(MT/Ha)	0.8	0.8	↔	1.0	↓	3.8
- Lonsum	(MT/Ha)	0.8	1.0	↓	1.0	↓	4.1
CPO Extraction Rate	(%)	22.3	22.5	↓	22.5	↓	22.4
- SIMP	(%)	21.5	21.9	↓	21.8	↓	21.7
- Lonsum	(%)	23.2	23.2	↔	23.5	↓	23.2
PK Extraction Rate	(%)	5.2	5.1	↑	5.2	↔	5.1
- SIMP	(%)	4.6	4.6	↔	4.7	↓	4.6
- Lonsum	(%)	5.8	5.6	↑	5.9	↓	5.7

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