



IND@FOOD AGRI RESOURCES Ltd.

Company Presentation – 4Q and FY 2014 Results

27 February 2015

Ind@Agri

a subsidiary of:

Indofood
THE SYMBOL OF QUALITY FOODS

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

Upstream

R&D / Seed Breeding



- 33m oil palm seeds p.a.

- Develops sugar varieties

Plantations



- Diversified crops
Indonesia
Palm: 246,055Ha

Production FY14
CPO: 956,000MT
PK: 218,000MT

- Indonesia
Cane: 13,062Ha
- Brazil
Sugar Cane:
47,554Ha

- Rubber: 21,697Ha

Mills



- 22 palm oil mills at capacity 5.7m MT p.a.

- 2 sugar mills/refineries in Indonesia at capacity 2.2m MT p.a. ;
- 1 sugar mill in Brazil at capacity 3.8m MT p.a.

- 4 crumb/ 3 sheet rubber factories

Downstream

Edible oils and fats



- Leading market share in Indonesia branded cooking oil and margarine markets
- Strong sales and marketing expertise and extensive distribution network, serving ~370,000 retail outlets in Indonesia
- Leverage on Indofood's 1,100 stock points
- 5 refineries at capacity: 1.4m MT p.a.

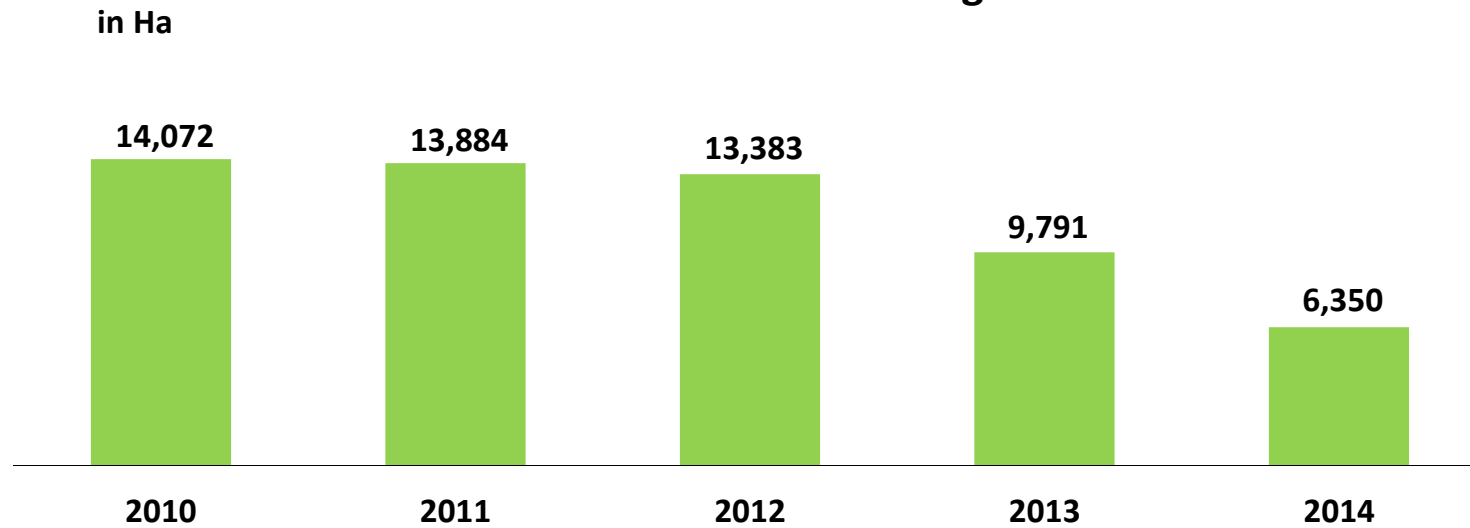
Distribution



* As of 31 Dec 2014

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

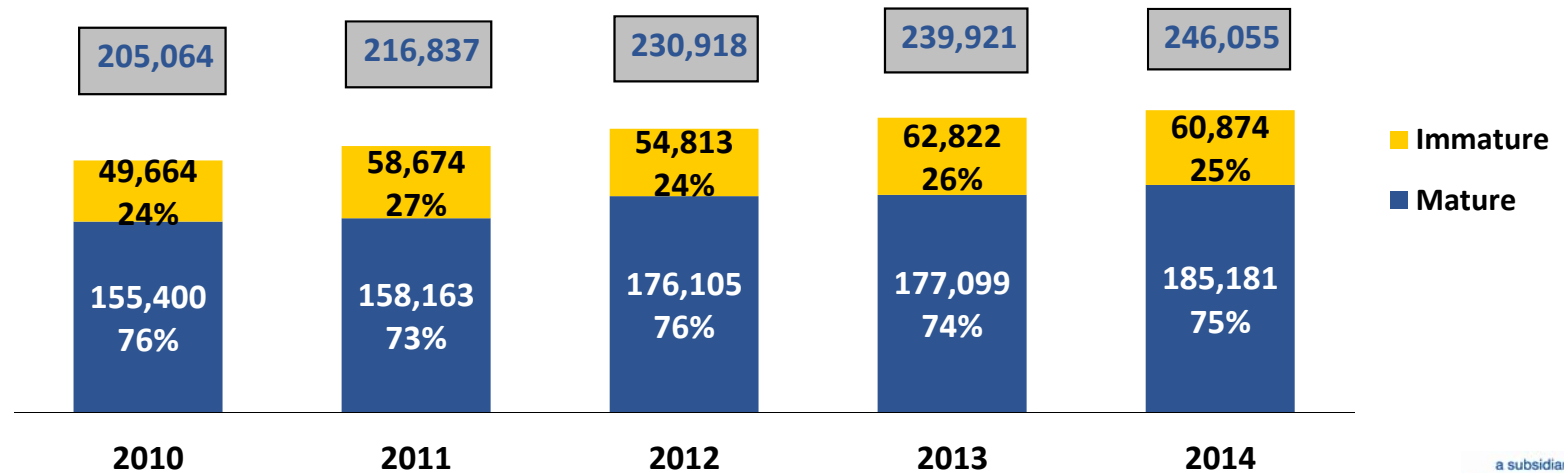
Oil Palm New Planting



Oil Palm Planted Area - Nucleus

in Ha

Total Nucleus
Oil Palm
Planted Area



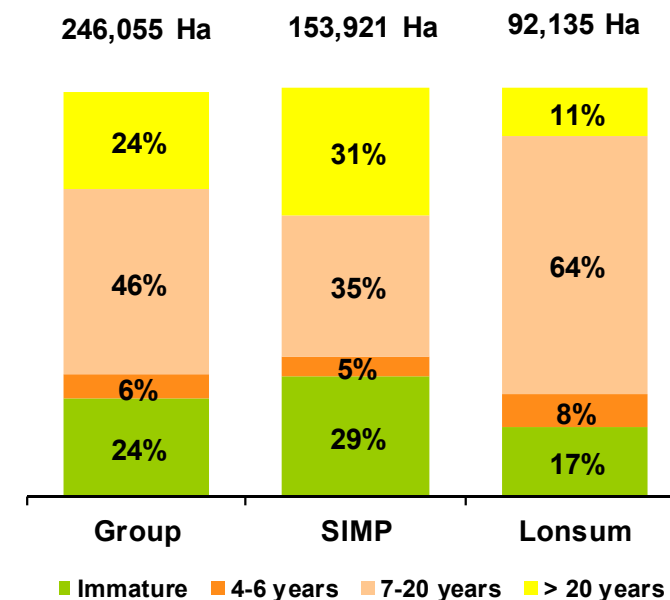


Section 2 Plantation Highlights

Planted Area

In Ha	31 Dec 2014	31 Dec 2013	Change
Indonesia			
Planted Area	300,050	292,768	7,282
Planted Oil Palm⁽¹⁾	246,055	239,921	6,134 ⁽²⁾
- SIMP	153,921	150,076	3,845
- Lonsum	92,135	89,845	2,290
Planted Other crops	53,995	52,847	1,148
Rubber	21,697	21,759	(62)
- SIMP	4,409	4,409	-
- Lonsum	17,288	17,350	(62)
Sugar cane - SIMP	13,062	11,645	1,417
Cocoa & tea - Lonsum	3,067	3,384	(317)
Industrial timber - SIMP	16,169	16,059	110
Brazil			
Sugar cane - CMAA	47,554	42,517	5,037
- Company-owned	24,292	20,755	3,537
- Third party	23,262	21,762	1,500

Oil Palm Average Age ≈ 13 years



(1) As at 31 Dec 2014, the Group has ≈ 86,890 Ha of planted oil palm plasma area. Where 478 Ha were new planting in FY14.

(2) FY14 new plantings for oil palm were 6,350 Ha vs. 9,791 Ha in FY13.

Mature area increased by 9,749 Ha in FY14.

Oil Palm Plantation Highlights

		FY14	FY13	YoY Growth	4Q14	4Q13	YoY Growth	3Q14	QoQ Growth
PRODUCTION									
Mature Area	(Ha)	185,181	177,099	5%	185,181	177,099	5%	185,187	0%
FFB	('000 MT)	4,372	3,761	16%	1,140	1,135	0%	1,216	(6%)
- Nucleus	('000 MT)	3,259	2,895	13%	852	852	0%	919	(7%)
- External	('000 MT)	1,112	866	28%	288	284	2%	297	(3%)
CPO	('000 MT)	956	810	18%	249	245	1%	264	(6%)
PK	('000 MT)	218	187	16%	58	57	1%	60	(4%)

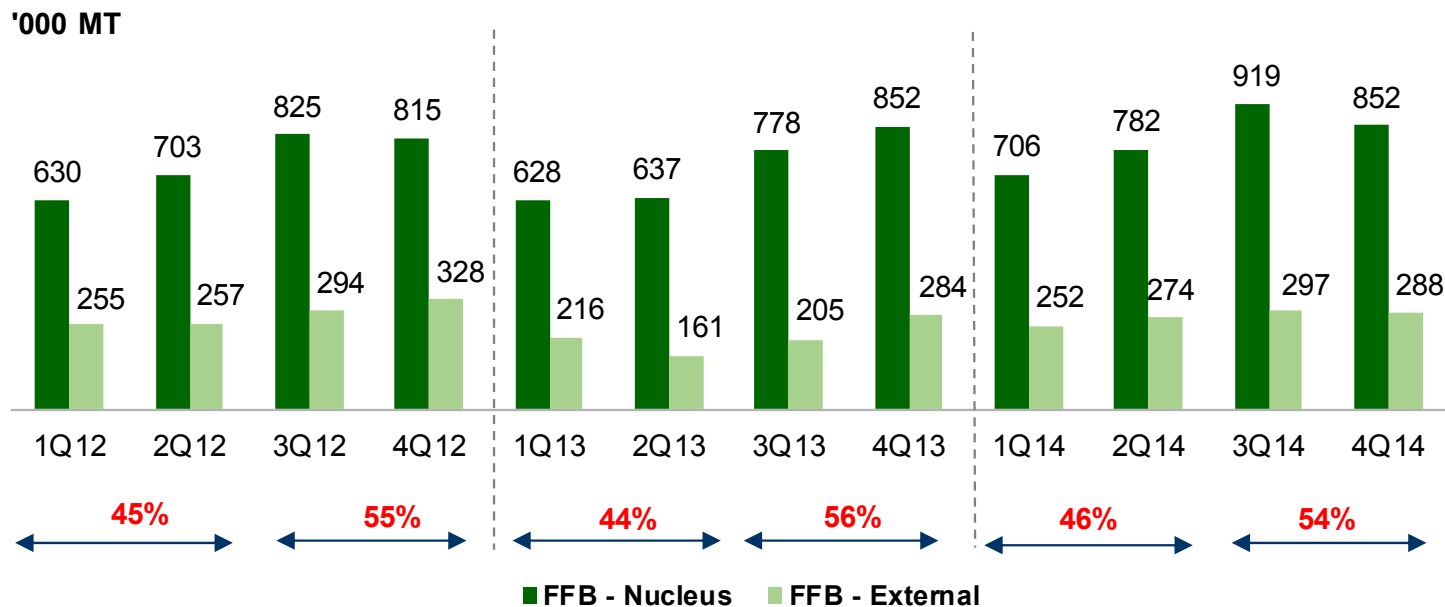
PRODUCTIVITY

FFB Yield – Nucleus	(MT/Ha)	17.6	16.3	↑	4.6	4.8	↓	5.0	↓
CPO Yield – Nucleus	(MT/Ha)	3.9	3.6	↑	1.0	1.1	↓	1.1	↓
CPO Extraction Rate	(%)	22.4	22.1	↑	22.5	22.3	↑	22.1	↑
PK Extraction Rate	(%)	5.1	5.1	↔	5.2	5.2	↔	5.0	↑

- Achieved flattish production in 4Q14 yoy, partly affected by the dry weather in North and Central Sumatra during 1Q this year
- FY14 FFB nucleus production growth driven by higher production from South Sumatra and Kalimantan

Oil Palm Production Trends

FFB Production



Growth

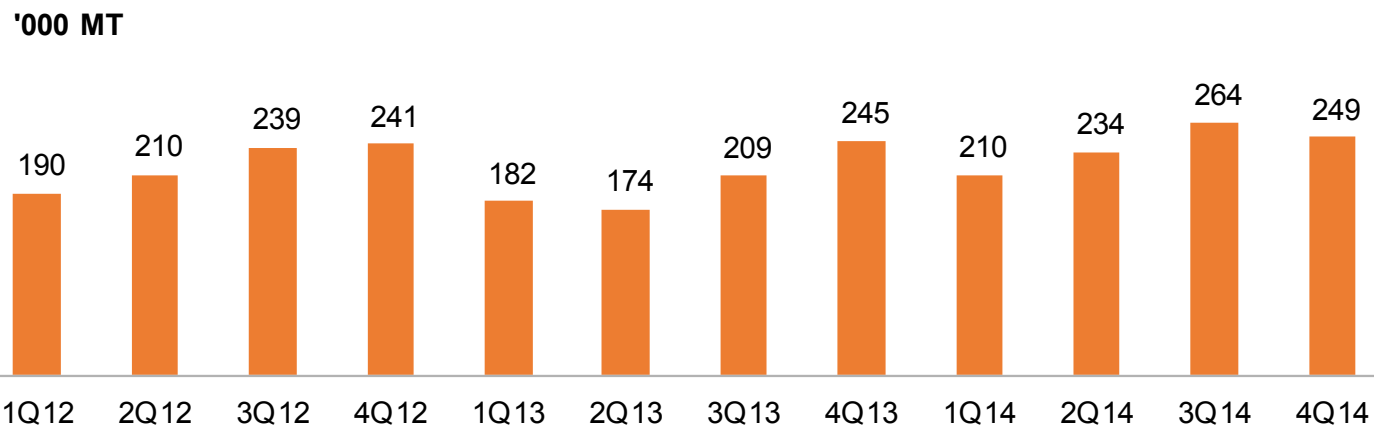
FFB - Nucleus

FY14 YoY : 13%
 4Q14 YoY : 0%
 4Q14 QoQ : (7%)

FFB - External

FY14 YoY : 28%
 4Q14 YoY : 2%
 4Q14 QoQ : (3%)

CPO Production



CPO

FY14 YoY : 18%
 4Q14 YoY : 1%
 4Q14 QoQ : (6%)

Sugar Plantation Highlights

INDONESIA	FY14	FY13	YoY Growth	4Q14	4Q13	YoY Growth	3Q14	QoQ Growth
Planted Area (Ha)	13,062	11,645	12%	13,062	11,645	12%	12,829	2%
Sugar Cane Harvested ('000 MT) ⁽¹⁾	701	758	(7%)	0	226	n/m	332	n/m
Sugar Production ('000 MT)	66	78	(15%)	3	30	(89%)	33	(90%)
From sugar cane								
- South Sumatra Plantation	54	53	1%	0	15	n/m	25	n/m
- Java (LPI's share)	13	9	38%	3	3	0%	8	(60%)
From raw sugar	0	16	n/m	0	12	n/m	0	-

BRAZIL	Apr 14- Dec 14	Apr 13- Dec 13
Planted Area (Ha) ⁽²⁾	47,554	42,517
Sugar Cane Harvested ('000 MT)	3,511	3,025
Raw Sugar Production ('000 MT)	224	187
Ethanol ('000 M ³)	145	136

(1) Harvested cane related to Komering sugar cane plantation

(2) Of the 47,554 Ha planted sugar cane, 51% owned by CMAA and 49% contracted to 3rd party farmers

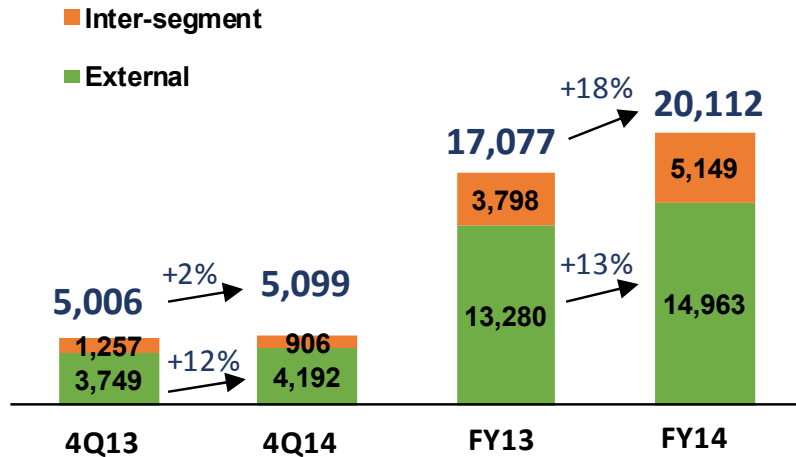


Section 3 Financial Highlights

Results Summary

Revenue

Rp bn

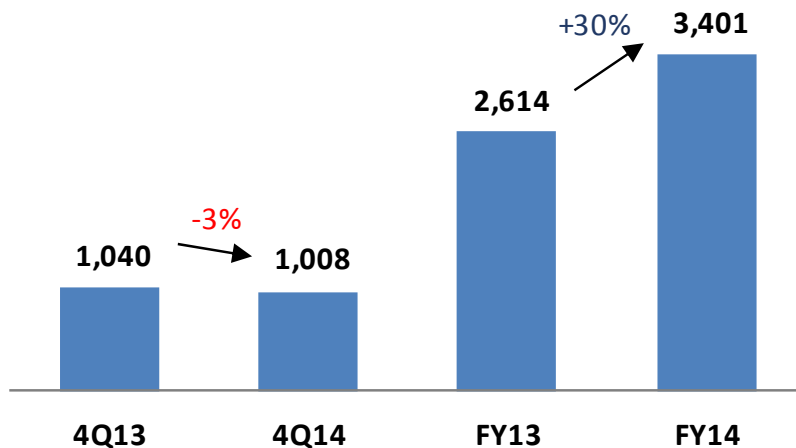


Financial Highlights

- 4Q14 revenue up 12% yoy on higher sales volume of CPO, but this was partly offset by lower ASP of palm product. EBITDA down 3% yoy on higher operating expenses and share of losses of associates.
- Achieved a good set of FY14 results on positive contribution from the Plantation Division. In line with this, EBITDA and attributable profit up 30% and 45% yoy.

EBITDA*

Rp Bn



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

Operational Highlights

- Achieved strong production growth for FY14 with FFB nucleus production up 13% yoy to 3,259,000 tonnes. This was mainly attributable to strong growth from newly matured estates in South Sumatra and Kalimantan.
- FY14 CPO production grew 18% to 956,000 tonnes arising from higher nucleus production and higher purchases of FFB from external parties.

Sales Volume

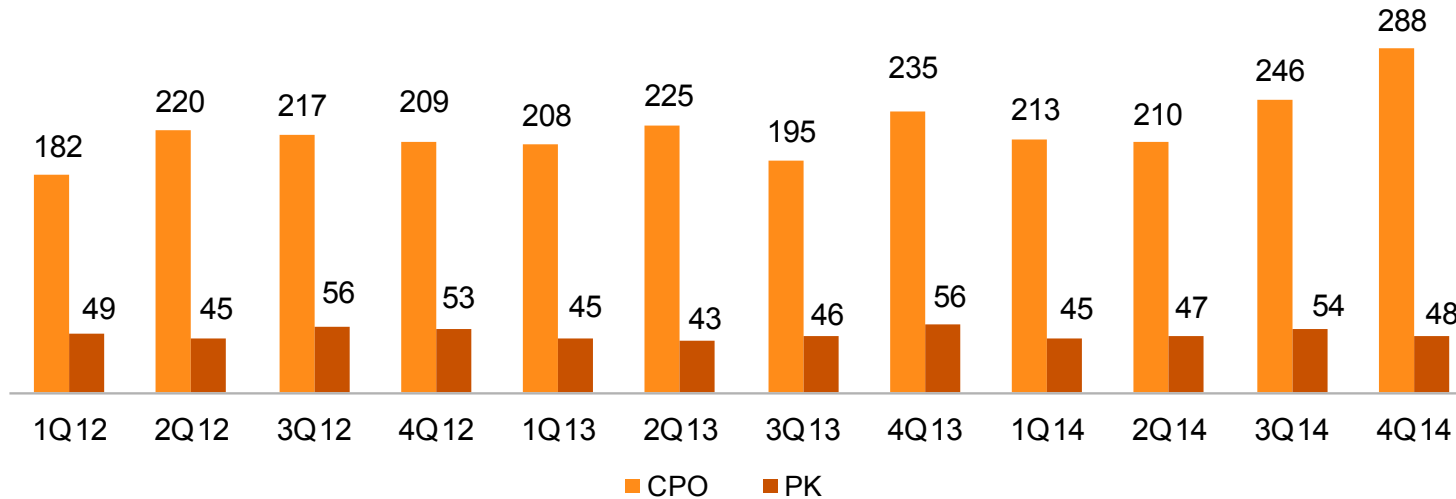
In '000 MT	FY14	FY13	YoY Growth	4Q14	4Q13	YoY Growth	3Q14	QoQ Growth
Plantation								
CPO	957	864	11%	288	235	23%	246	17%
Palm Kernel	193	190	1%	48	56	(15%)	54	(11%)
Sugar	73	76	(3%)	16	32	(49%)	33	(51%)
Rubber	16.0	15.9	1%	4.5	3.8	16%	3.6	23%
Oil Palm Seeds ('million)	9.2	17.9	(49%)	3.3	3.8	(15%)	2.6	27%
Edible Oils & Fats (EOF)								
Cooking Oil, Margarine and Coconut Oil	755	790	(4%)	180	195	(8%)	172	5%

- FY14 CPO sales volume was higher yoy in line with production growth
- EOF reported positive volume growth in underlying branded products, but this was partly offset by lower coconut oil and bulk oil sales.

Sales Volume Trend

CPO and PK - Sales Volume

'000 MT



Growth

CPO

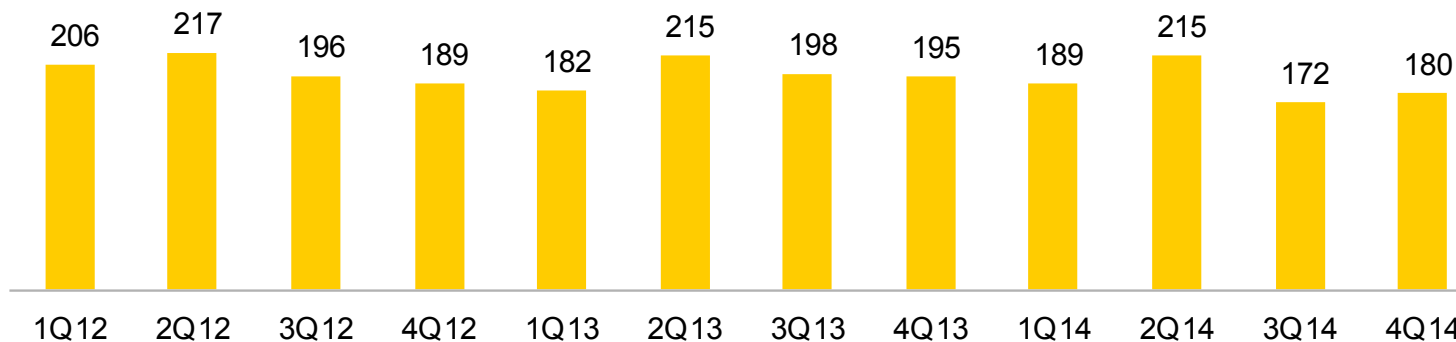
FY14 YoY : 11%
 4Q14 YoY : 23%
 4Q14 QoQ : 17%

PK

FY14 YoY : 1%
 4Q14 YoY : (15%)
 4Q14 QoQ : (11%)

Edible Oils & Fats - Sales Volume

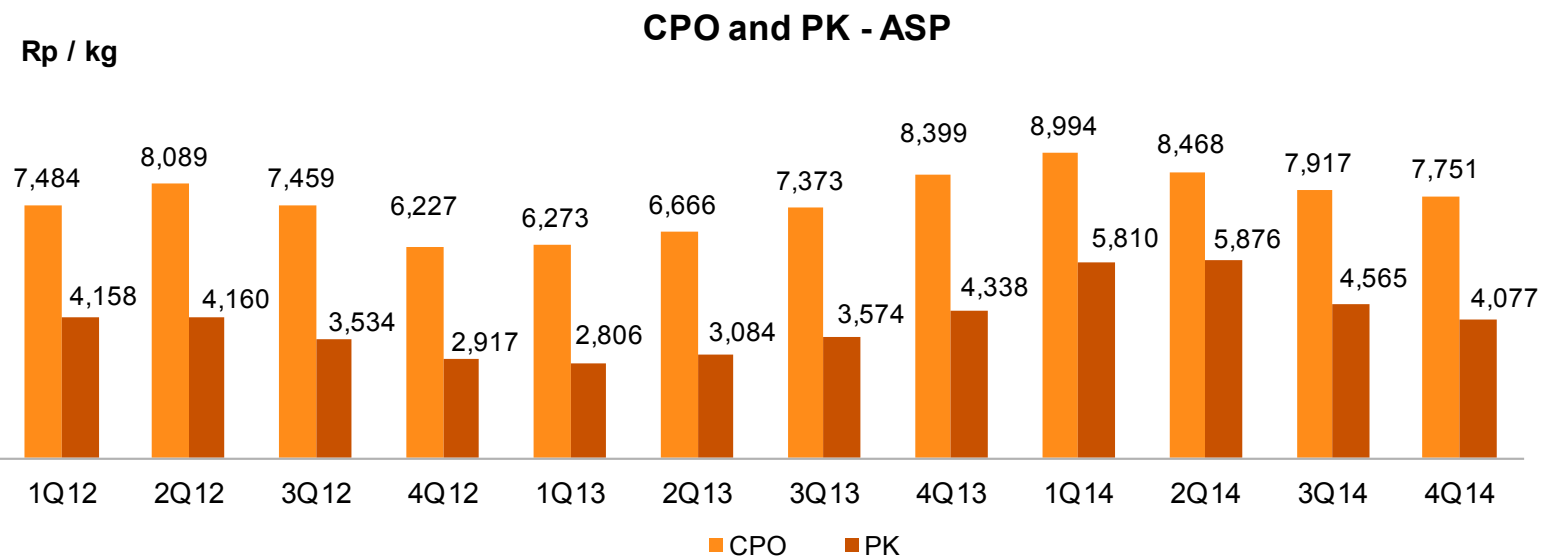
'000 MT



Edible Oils & Fats

FY14 YoY : (4%)
 4Q14 YoY : (8%)
 4Q14 QoQ : 5%

Average Selling Price (ASP) Trend



Growth

CPO

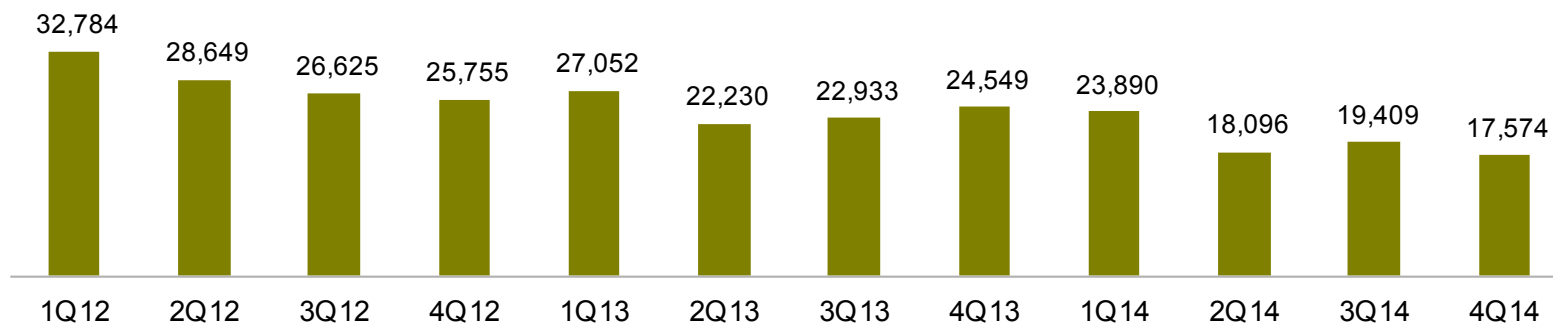
FY14 YoY : 14%
 4Q14 YoY : (8%)
 4Q14 QoQ : (2%)

PK

FY14 YoY : 44%
 4Q14 YoY : (6%)
 4Q14 QoQ : (11%)

Rubber - ASP

Rp / kg



Rubber

FY14 YoY : (18%)
 4Q14 YoY : (28%)
 4Q14 QoQ : (9%)

Financial Summary

In Rp Bn	FY14	FY13	YoY Growth	4Q14	4Q13	YoY Growth	3Q14	QoQ Growth
Sales	14,963	13,280	13%	4,192	3,749	12%	3,602	16%
EBITDA*	3,401	2,614	30%	1,008	1,040	(3%)	737	37%
Operating profit**	2,536	1,692	50%	840	830	1%	424	98%
Gain arising from changes in FV of biological assets	60	62	(3%)	60	62	(3%)	-	
Net profit	1,328	921	44%	404	519	(21%)	207	96%
Attributable profit	759	523	45%	225	228	(1%)	125	81%
Attributable profit exclude biological assets gain	734	476	54%	200	180	11%	-	
EPS (fully diluted) - Rp	535	366	46%	159	159	0%	88	81%
EBITDA margin	23%	20%	↑	24%	28%	↓	20%	↑
Operating profit margin	17%	13%	↑	20%	22%	↓	12%	↑
Net profit margin	9%	7%	↑	10%	14%	↓	6%	↑
Attributable profit margin	5%	4%	↑	5%	6%	↓	3%	↑

- The Group delivered a good set of results for FY14 on strong contribution from the Plantation Division. In line with this, attributable profit up 45% yoy.

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

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

Segmental Results

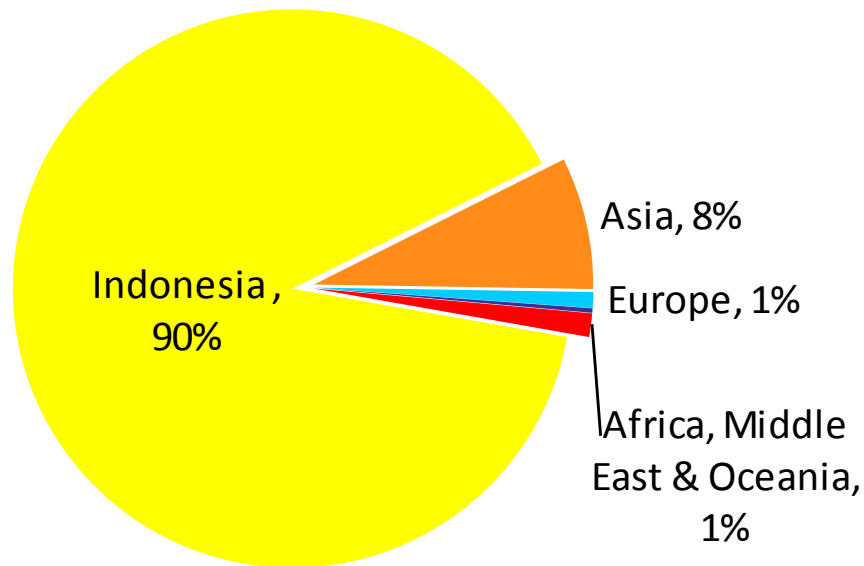
In Rp Bn	FY14	FY13	YoY Growth	4Q14	4Q13	YoY Growth	3Q14	QoQ Growth
<u>Sales</u>								
Plantations	10,278	8,450	22%	2,833	2,737	3%	2,680	6%
Edible Oil & Fats	9,835	8,627	14%	2,266	2,269	(0%)	2,329	(3%)
Elimination & Adjustments	(5,149)	(3,798)	36%	(906)	(1,257)	(28%)	(1,407)	(36%)
Total	14,963	13,280	13%	4,192	3,749	12%	3,602	16%
<u>EBITDA</u>								
Plantations	3,100	2,263	37%	765	1,088	(30%)	812	(6%)
<i>EBITDA %</i>	<i>30%</i>	<i>27%</i>		<i>27%</i>	<i>40%</i>		<i>30%</i>	
Edible Oil & Fats	200	393	(49%)	68	25	168%	44	53%
<i>EBITDA %</i>	<i>2%</i>	<i>5%</i>		<i>3%</i>	<i>1%</i>		<i>2%</i>	
Elimination & Adjustments ⁽¹⁾	101	(41)	n/m	175	(73)	n/m	(118)	n/m
Sub-total	3,401	2,614	30%	1,008	1,040	(3%)	737	37%
Net Forex Gains/(Losses)	(111)	(201)	n/m	(50)	(108)	n/m	(55)	n/m
Total	3,290	2,414	36%	958	932	3%	682	40%

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

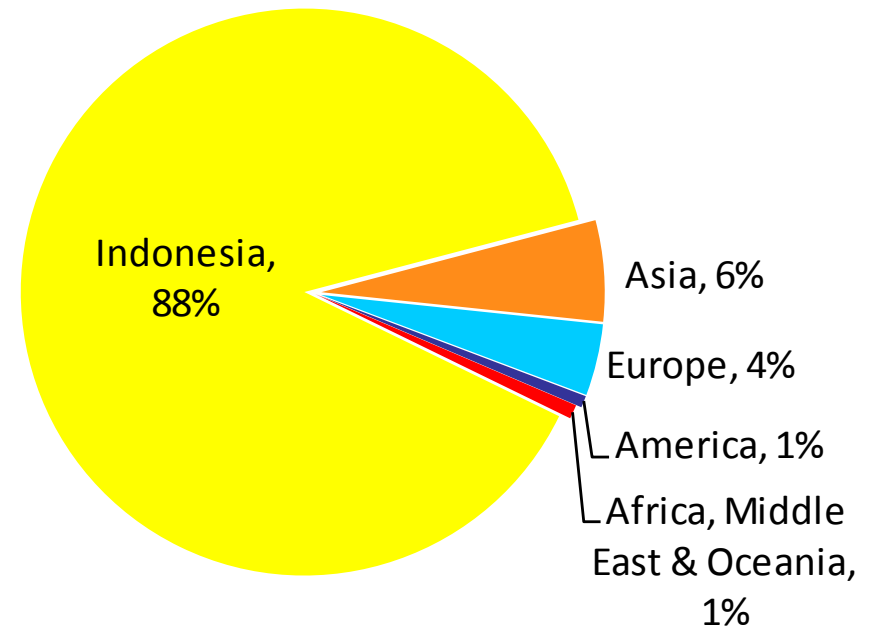
External Revenue Breakdown

By Geographical Location

FY14



FY13



- Indonesia remained our dominant market with 90% of sales derived from the domestic market, mainly comprised of edible oil product, palm product, palm seeds and sugar
- Exports to the United States and Europe mainly comprised of copra-based product and rubber
- While exports to Asia, Africa, Middle East & Oceania comprised of edible oil products

Financial Position

Balance Sheet (In Rp Bn)	31-Dec-14	31-Dec-13
TOTAL ASSETS	40,155	37,705
Cash	3,586	3,803
TOTAL LIABILITIES	16,437	14,872
Interest Bearing Debt	9,817	8,795
TOTAL EQUITY*	23,717	22,833
Net Debt / EBITDA Ratio	1.83x	1.91x
Net Debt / Total Equity Ratio	0.26x	0.22x
Net Assets Value per Share (in Rupiah)	10,322	9,876
Net Assets Value per Share (in SGD) **	1.10	1.03

Cash Flow (In Rp Bn)	FY14	FY13
Net Cash Flow generated from Operating Activities	2,783	2,166
Net Cash Flow used in Investing Activities	(3,707)	(4,830)
Net Cash Flow generated from Financing Activities	690	1,119
Net Increase (Decrease) in Cash & Cash Equivalents	(234)	(1,545)
Net Effect of Changes in Forex	17	266
Sub-total	(217)	(1,279)
Cash & Cash Equivalent - Beginning	3,803	5,082
Cash & Cash Equivalent - Ending	3,586	3,803

* Total equity includes shareholders funds and minority interests

** Converted at Rp9,422/S\$1



Section 4 Strategies and Expansion

2014 – Achievements

Indonesia

- Achieved new plantings of 6,350 Ha for oil palm and 1,527 Ha for sugarcane
- Expansion of plantation production facilities
 - ❑ Constructed a 150MT/day PKO plant in Riau in 1Q 2014
 - ❑ Constructed one 80MT/hour new mill in South Sumatra in 2Q 2014
 - ❑ Expanded two 40MT/hour mills, one in South Sumatra to 60MT/hour and one in West Kalimantan to 80MT/hour in 4Q 2014
 - ❑ Started construction for two 45MT/hour new mills in Kalimantan due for completion in 2015
- On sustainability front
 - ❑ Achieved additional RSPO Certified CPO of 84,000 tonnes in 2014, bringing total CSPO production to 332,000 tonnes or 35% of 2014 production
 - ❑ Audited against Indonesian Sustainable Palm Oil (ISPO) system, and currently around 45,000 tonnes or 5% of our total CPO production are certified under ISPO
 - ❑ IndoAgri published its 2nd Sustainability Report in 2014
- Expansion of downstream facilities
 - ❑ Constructed a 200 MT/day margarine plant at Tanjung Priok in 2014

Outside Indonesia

- CMAA in Brazil has expanded its cane crushing capacity from 3.0 million to 3.8 million MT/year in April 2014
- CMAA achieved Bonsucro certification for 111,360 tonnes of sustainable sugarcane production, amounting to 3% of its total production in 2014

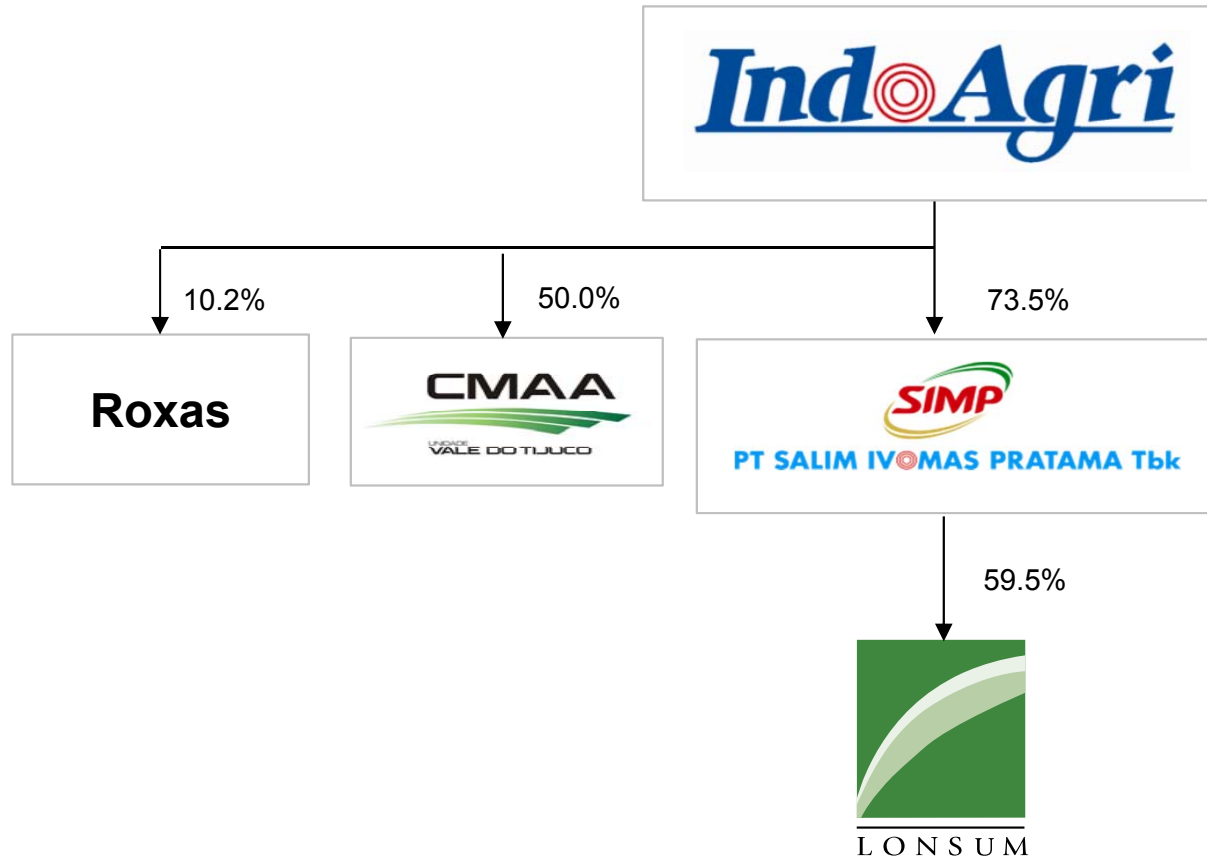
2015 – Strategies and Expansion

- Focus organic expansion on new plantings of oil palm and sugar plantations in Indonesia
- Expansion of plantation production facilities
 - ❑ 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
- Diversify into other crops, conducting corn hybrid variety trials in Berau, Kalimantan
- Enhance agronomic strategies to improve yield and productivity
 - ❑ Introduce drones to capture accurate topographical data and real time images of our plantations
 - ❑ Implement a fingerprint recognition system to authenticate the data entry of worker's daily activities across all estates.
 - ❑ Install GPS devices on trucks for monitoring of harvesting and other logistic activities



Section 5 Appendix

Corporate Structure

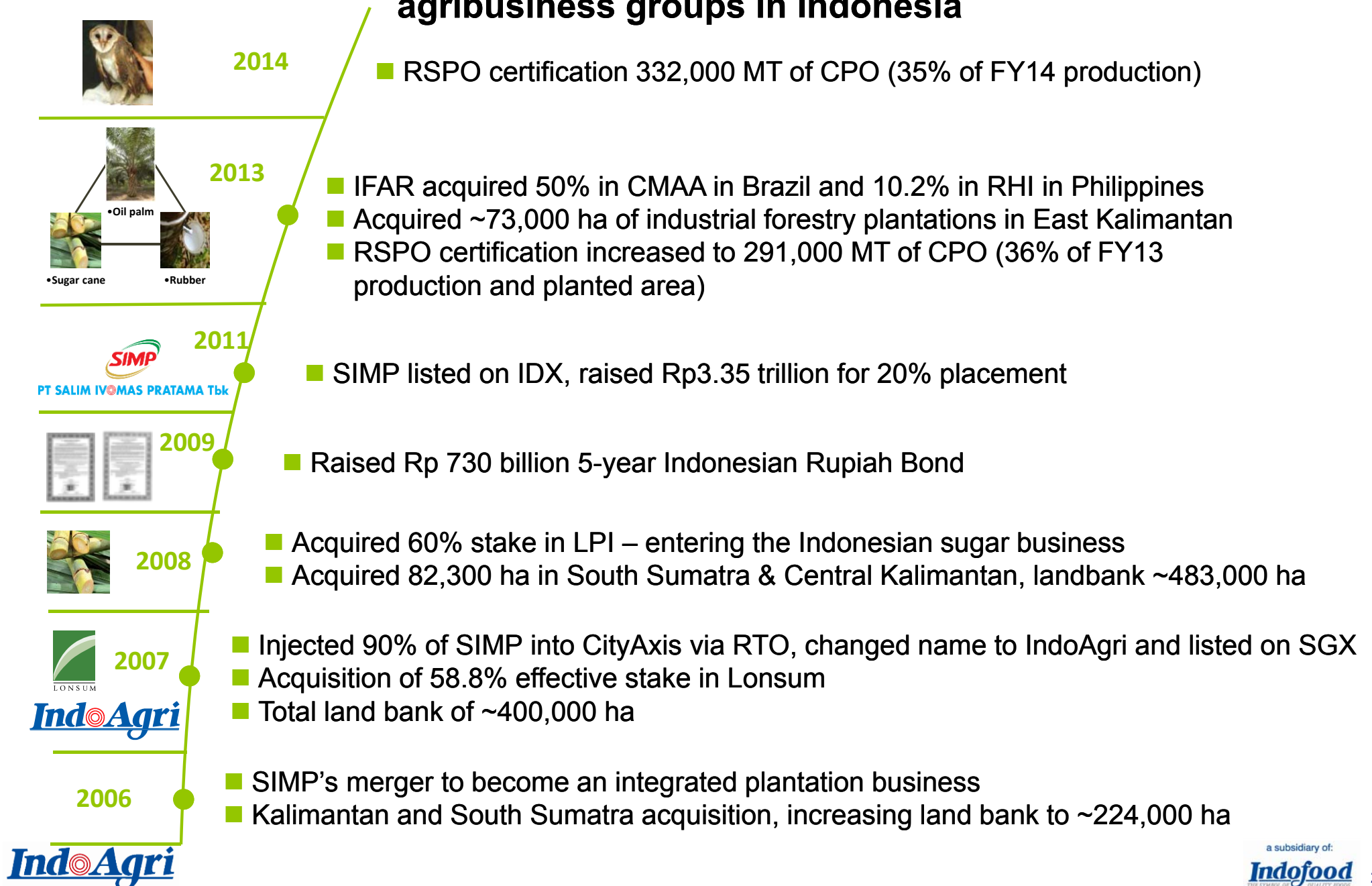


Note:

- (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 Dec 2014
 - IndoAgri : 30,500,000
 - 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 Dec 2014, planted area was 47,554 Ha, of which 51% 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	11	3,395,250	-	-	-	-	2	2,160,000	5	1,425,000
Lonsum	11	2,295,000	4	42,720	3	11,100	-	-	-	-
CMAA - Brazil	-	-	-	-	-	-	1	3,800,000	-	-
Group	22	5,690,250	4	42,720	3	11,100	3	5,960,000	5	1,425,000

Production Breakdown

		FY14	FY13	YoY Growth	4Q14	4Q13	YoY Growth	3Q14	QoQ Growth
PRODUCTION									
Mature Area		185,181	177,099	5%	185,181	177,099	5%	185,187	0%
- SIMP	(Ha)	108,529	102,155	6%	108,529	102,155	6%	108,529	0%
- Lonsum	(Ha)	76,652	74,944	2%	76,652	74,944	2%	76,658	0%
FFB		4,372	3,761	16%	1,140	1,135	0%	1,216	(6%)
- Nucleus		3,259	2,895	13%	852	852	0%	919	(7%)
- SIMP	('000 MT)	1,918	1,644	17%	522	469	11%	560	(7%)
- Lonsum	('000 MT)	1,341	1,250	7%	331	383	(14%)	359	(8%)
- External		1,112	866	28%	288	284	2%	297	(3%)
- SIMP	('000 MT)	567	454	25%	152	140	9%	144	6%
- Lonsum	('000 MT)	567	477	19%	148	156	(5%)	155	(5%)
CPO		956	810	18%	249	245	1%	264	(6%)
- SIMP	('000 MT)	513	414	24%	136	121	13%	145	(6%)
- Lonsum	('000 MT)	443	396	12%	112	124	(10%)	119	(5%)
PK		218	187	16%	58	57	1%	60	(4%)
- SIMP	('000 MT)	108	93	16%	29	27	10%	31	(4%)
- Lonsum	('000 MT)	109	94	16%	28	30	(7%)	29	(4%)
PRODUCTIVITY									
FFB Yield – Nucleus	(MT/Ha)	17.6	16.3	↑	4.6	4.8	↓	5.0	↓
- SIMP	(MT/Ha)	17.7	16.1	↑	4.8	4.6	↑	5.2	↓
- Lonsum	(MT/Ha)	17.5	16.7	↑	4.3	5.1	↓	4.7	↓
CPO Yield – Nucleus	(MT/Ha)	3.9	3.6	↑	1.0	1.1	↓	1.1	↓
- SIMP	(MT/Ha)	3.8	3.4	↑	1.0	1.0	↔	1.1	↓
- Lonsum	(MT/Ha)	4.1	3.9	↑	1.0	1.2	↓	1.1	↓
CPO Extraction Rate	(%)	22.4	22.1	↑	22.5	22.3	↑	22.1	↑
- SIMP	(%)	21.7	21.3	↑	21.8	21.7	↑	21.4	↑
- Lonsum	(%)	23.2	22.9	↑	23.5	23.0	↑	23.0	↑
PK Extraction Rate	(%)	5.1	5.1	↔	5.2	5.2	↔	5.0	↑
- SIMP	(%)	4.6	4.8	↓	4.7	4.8	↓	4.5	↑
- Lonsum	(%)	5.7	5.5	↑	5.9	5.6	↑	5.7	↑