



Company Presentation – 1H10 Results

12 August 2010

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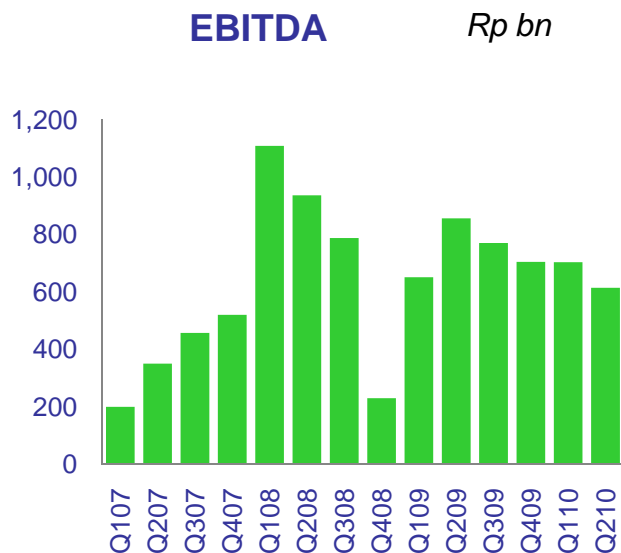
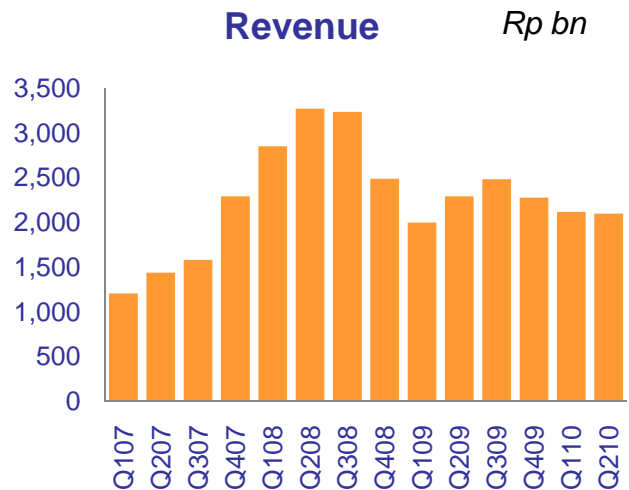
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# Presentation Outline

1. Financial Highlights
2. Plantation Highlights
3. Strategies and Expansions in Progress
4. Appendix - Supplemental Information

# Financial Highlights

# Results Summary – 1H10



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

## Financial Highlights

- 1H10 revenue was 2% lower on lower sales of edible oil products and CPO sales to external parties
- EBITDA for 2Q10 maintained at Rp 616billion YOY on higher prices of rubber, PK and palm seed sales, offset by lower refining profit

## Operational Highlights

- CPO selling prices 3% higher YOY at Rp 6,701/kg, but palm kernel selling prices 23% higher YOY at Rp 3,453/kg
- Mature oil palm plantation increased by 18,699 ha YOY as more trees came into maturity in S. Sumatra and Kalimantan
- Sugar planted area increased by 1,865ha to 10,537ha.
- FFB and CPO production higher QOQ but lower for YOY production

# 1H10 Revenue and EBITDA lower but offset by higher prices of Rubber, PK and Palm Seed Sales

Rp bn

Description	1H10	1H09	YTD Growth	Q210	Q209	QOQ Growth
Sales	<b>4,207</b>	4,284	(2%)	<b>2,095</b>	2,289	(8%)
EBITDA	<b>1,288</b>	1,363	(6%)	<b>616</b>	617	0%
<i>EBITDA %</i>	<b>31%</b>	<b>32%</b>		<b>29%</b>	<b>27%</b>	
Gains/ (losses) arising from changes in fair value of biological assets	<b>20</b>	593	-	<b>20</b>	593	-
Operating Profit	<b>1,155</b>	1,942	(41%)	<b>543</b>	1,369	(60%)
<i>Operating Profit %</i>	<b>27%</b>	<b>45%</b>		<b>26%</b>	<b>60%</b>	
Net Profit – equity holders of the Company	<b>545</b>	923	(41%)	<b>235</b>	683	(66%)
<i>Net Profit %</i>	<b>13%</b>	<b>22%</b>		<b>11%</b>	<b>30%</b>	
Net Profit to equity holders of the Company excluding net effect of fair value gains/ (losses) on biological assets	<b>515</b>	645	(20%)	<b>205</b>	405	(49%)
Earnings per Share (fully diluted) Rp	<b>379</b>	641	(41%)	<b>164</b>	474	(65%)

# EBITDA margins maintained at 42% for plantations

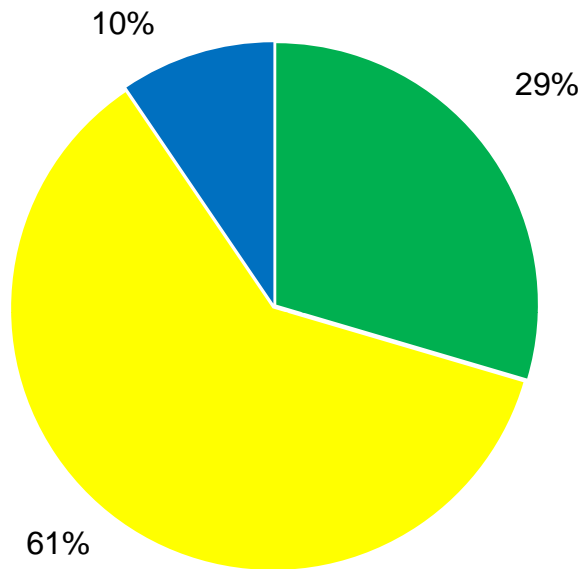
*Rp bn*

Description	SALES		EBITDA		EBITDA%	
	1H10	1H09	1H10	1H09	1H10	1H09
Plantations	2,883	2,677	1,213	1,134	42%	42%
Cooking Oil & Fats	2,564	2,648	37	172	1%	6%
Commodity	434	392	(5)	(13)	(1%)	(3%)
Elimination & Adjustment	(1,674)	(1,433)	43 <sup>(1)</sup>	71 <sup>(1)</sup>	n/m	n/m
EBITDA bef Forex	4,207	4,284	1,288	1,364	31%	32%
Net Forex Gain/Losses	-	-	43	145	-	-
Total	4,207	4,284	1,331	1,509	32%	35%

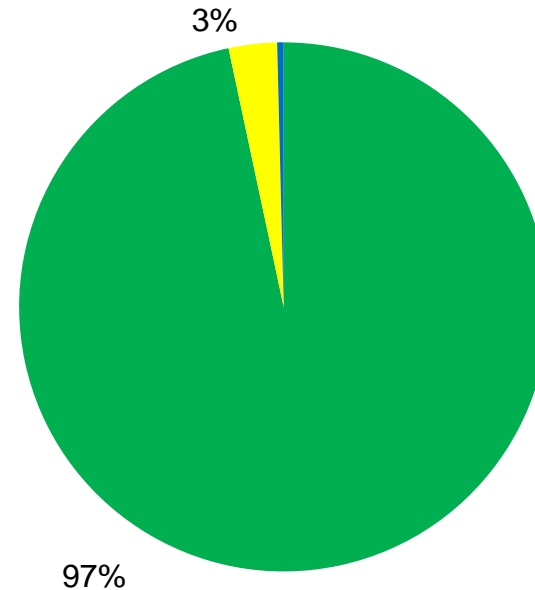
<sup>(1)</sup> Net effects arising from elimination of unrealised profit of inter-division inventories, SFRS adjustment and regional office costs

# Plantation's EBITDA contribution at 97%

## 1H10 EXTERNAL SALES



## 1H10 EBITDA\*



- Plantations
- Cooking Oil & Fats
- Commodity

\* EBITDA before eliminations and forex gains



# Sales Volume Breakdown

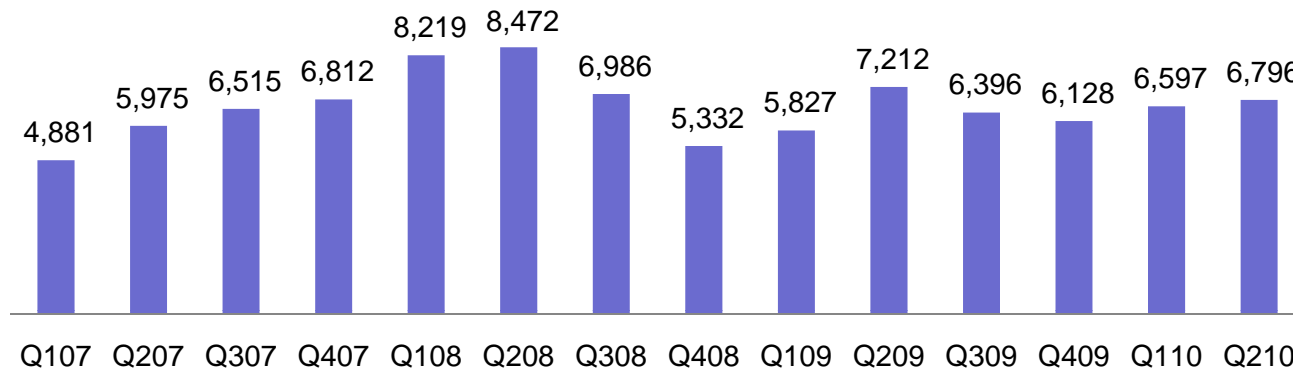
	1H10	1H09	YTD Growth	Q210	Q110	QOQ Growth
<b>Plantation ('000MT)</b>						
• CPO	325	335	(3%)	171	155	10%
• Palm Kernel	75	79	(5%)	40	35	14%
• Rubber	12	12	(6%)	6	6	0%
<b>Cooking Oil &amp; Fats Volume ('000MT)</b>						
• Cooking Oil	193	197	(2%)	95	98	(2%)
• Margarine	79	88	(10%)	38	41	(6%)
<b>Commodity Volume ('000MT)</b>						
• Coconut Oil	46	35	31%	21	25	(16%)

# CPO and Palm Kernel Ave. Selling Price

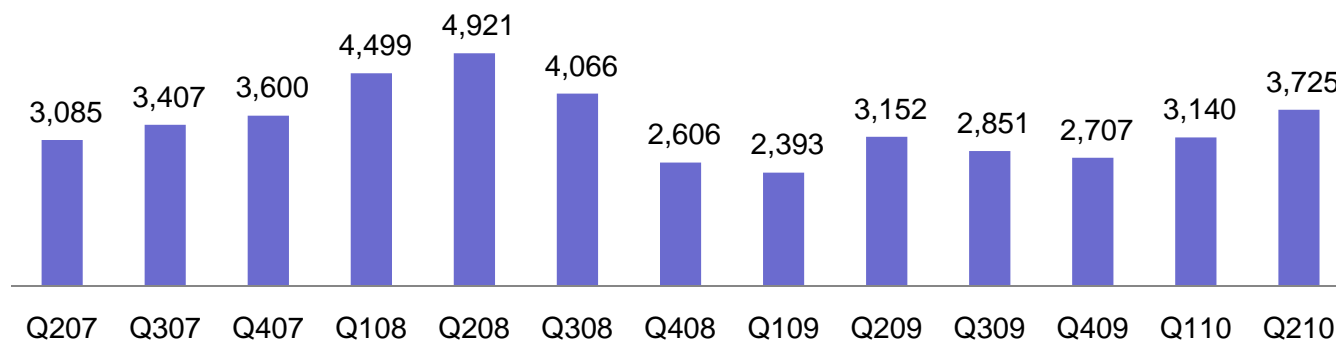
In Rp / kg

## CPO Average Selling Price

Q210 vs Q209

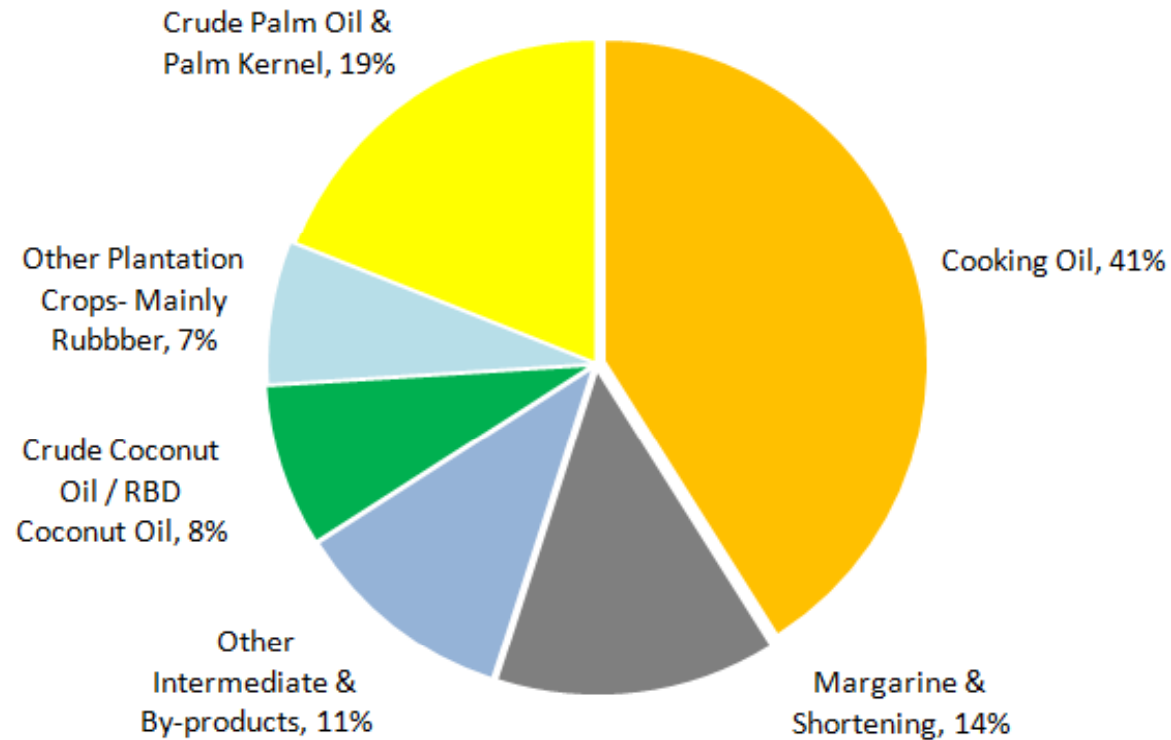


## Palm Kernel Average Selling Price



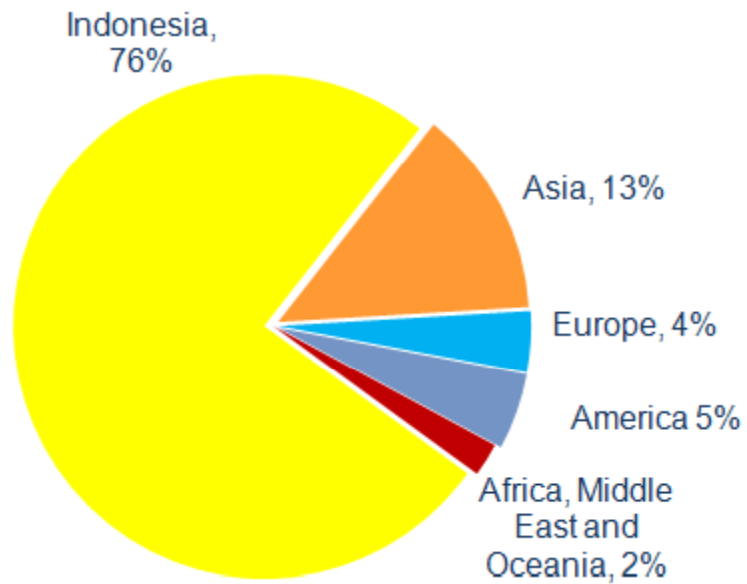
# Diversified end-user market

## External Sales - 1H10

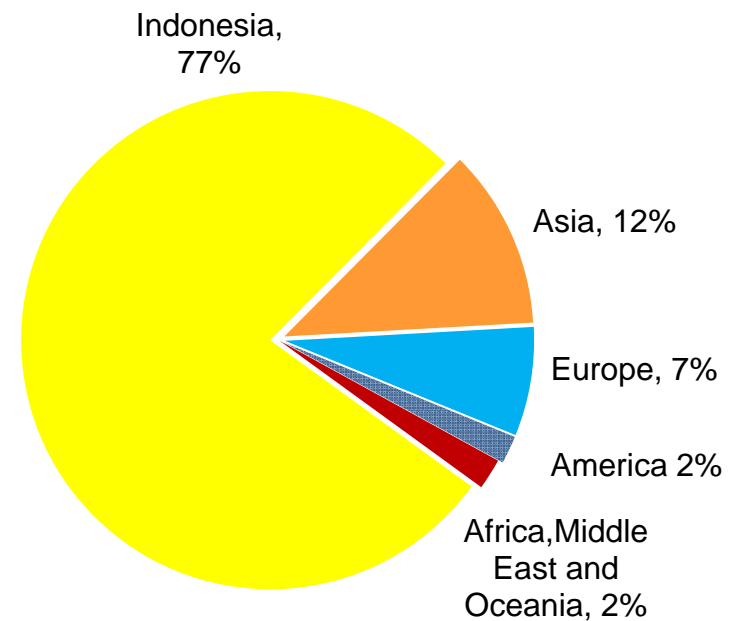


# Revenue by Geographical Market

## 1H10



## 1H09



# Balance Sheet Remains Strong

Rp bn

Description	30-Jun-10	31-Dec-09
<b>TOTAL ASSETS</b>	<b>25,128</b>	<b>23,648</b>
Cash	2,034	1,802
<b>TOTAL LIABILITIES</b>	<b>11,537</b>	<b>10,669</b>
Interest Bearing Debt	7,822	6,959
<b>TOTAL EQUITY*</b>	<b>13,591</b>	<b>12,979</b>
Net Debt / EBITDA Ratio (Annualised)	2.2x	1.7x
Net Debt / Total Equity* Ratio	0.43x	0.40x
Net Assets Value per Share ( in Rupiah)	6,946	6,567

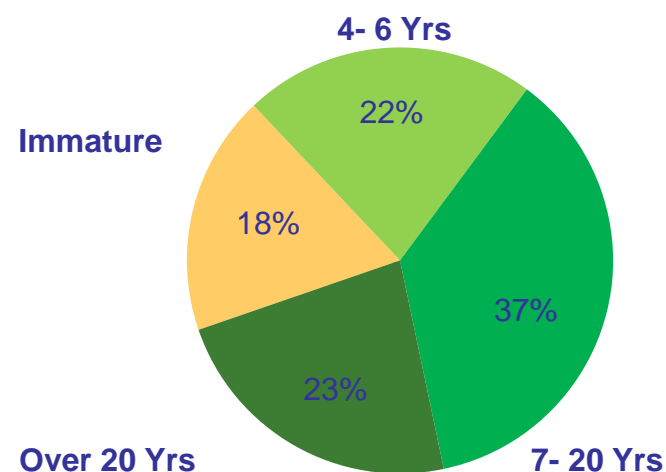
\*Total equity includes shareholders funds and minority interests.

# Plantation Highlights

# Planted Area

In Ha	30 June 10	31 Dec 09	Increase
<b>Planted area</b>	<b>231,307</b>	<b>227,722</b>	<b>3,585</b>
<b>Planted Oil Palm<sup>(1)</sup></b>	<b>195,522</b>	<b>193,613</b>	<b>1,909<sup>(2)</sup></b>
Mature	151,259	132,560	18,699
Immature	44,263	61,053	(16,790)
<b>Other Crops</b>			
Rubber	21,553	21,739	(186)
Sugar	10,537	8,672	1,865
Others	3,695	3,697	(2)

## Oil Palm Plantations Profile



Average age = 12 years

(1) Exclude plasma area. As at 30 June 2010, the Group has approximately 73,503 ha of planted plasma area.

(2) Net increase in oil palm planted area includes new plantings of 3,678 ha

# Oil Palm Plantation Highlights

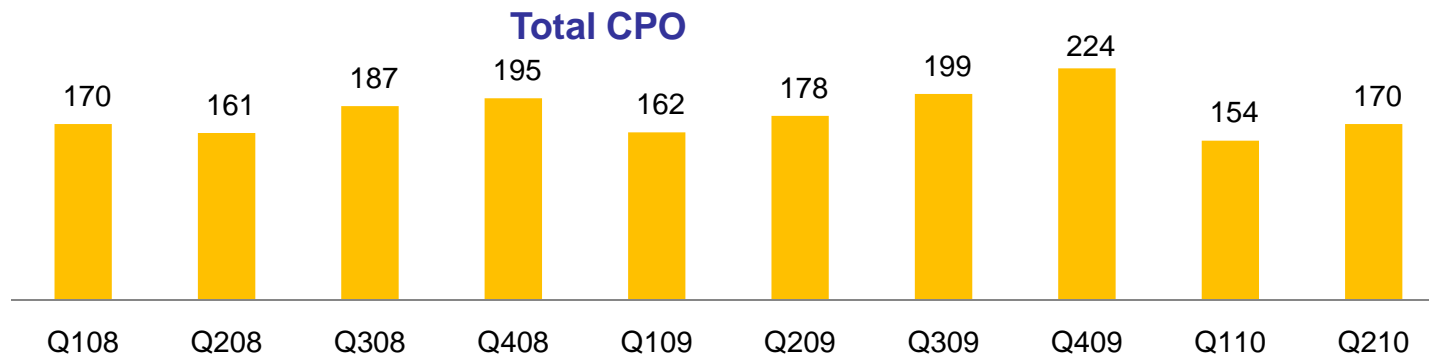
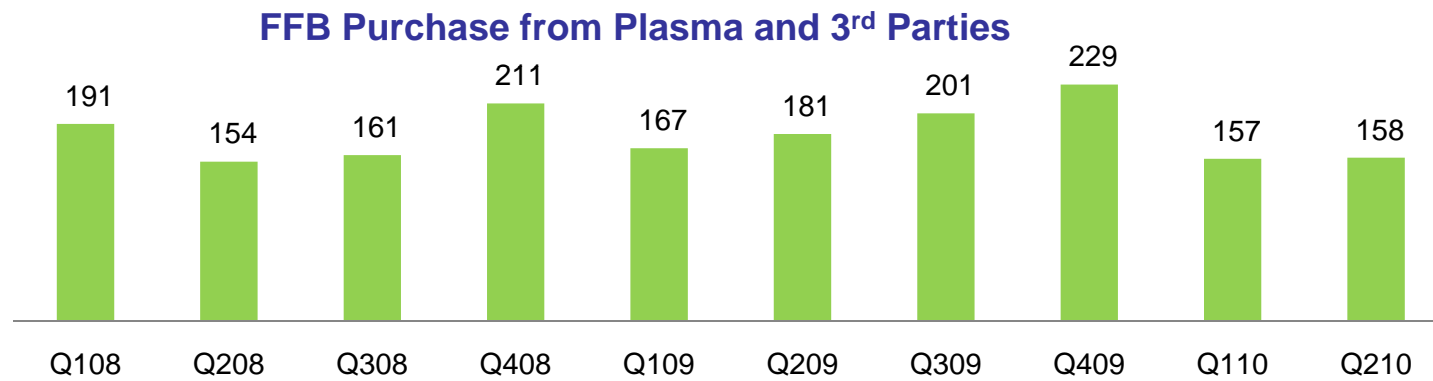
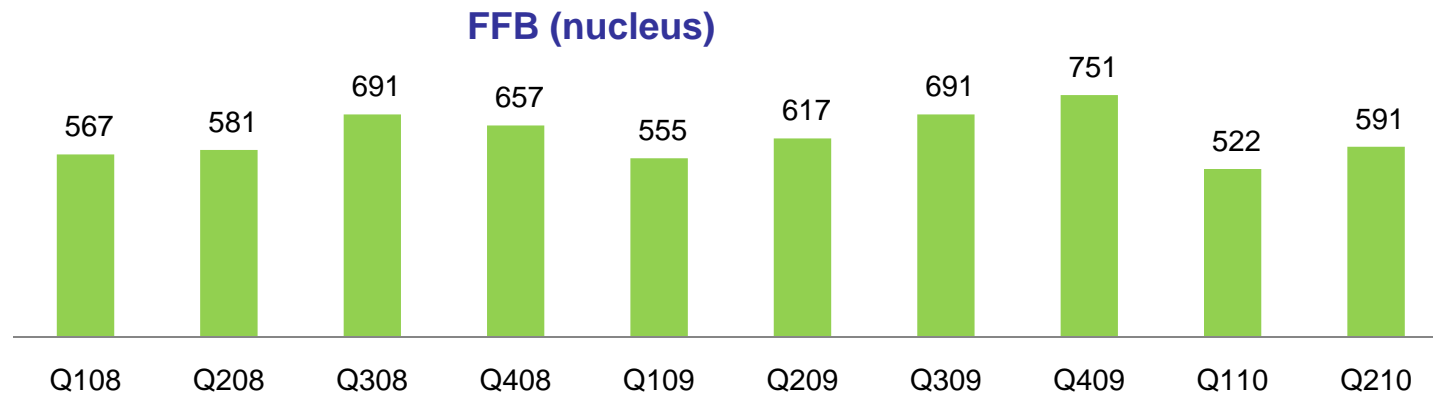
	1H10	1H09	YOY Growth	Q210	Q110	QOQ Growth
<b>Planted Area<sup>(1)</sup> (Ha)</b>	195,522	185,299	6%	195,522	194,487	1%
<b>Mature Area<sup>(1)</sup> (Ha)</b>	151,259	130,510	16%	151,259	148,948	2%
<b>FFB ('000 MT)</b>	1,428	1,520	(6%)	749	679	10%
- Nucleus production	1,113	1,172	(5%)	591	522	13%
- Purchase from Plasma & 3rd Parties	315	348	(9%)	158	157	1%
<i>FFB Yield – Nucleus (MT/Ha)</i>	7.4	9.0	(18%)	3.9	3.6	9%
<b>CPO Production ('000 MT)</b>	323	340	(5%)	170	154	10%
<i>CPO Extraction Rate (%)</i>	22.6%	23.0%		22.6%	22.7%	
<i>CPO Yield – Nucleus (MT/Ha)</i>	1.7	2.1	(19%)	0.9	0.8	13%
<b>PK Production ('000 MT)</b>	76	81	(5%)	40	37	8%
<i>PK Extraction Rate (%)</i>	5.3%	5.5%		5.3%	5.4%	

(1) Exclude plasma area. As at 30 June 2010, the Group has approximately 73,503 ha of planted plasma area.



# Oil Palm Plantation Production

In '000 MT



# Strategies and Expansion in Progress

# 2010/11 Strategies and Expansion

## Strategies and Expansions

- Focus expansion on new plantings of palm oil and sugar plantations
- To construct two 45mt FFB per hour palm oil mills, in Kalimantan and South Sumatra, target completion in 2011
- To complete construction of 8,000 ton cane per day sugar refinery
- To complete construction of Jakarta refinery with 420,000mt annual refining capacity in Q4 2010
- Medan fractionation capacity increased by 100mt/day in June 2010
- Medan margarine capacity increased by 60mt/day in May 2010
- Surabaya fractionation plant to increase by 300mt/day capacity in Q1 2011

**THANK YOU**

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