

IND@FOOD AGRI RESOURCES Ltd.

Proposed Acquisition of 50% equity stake of CMAA



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This presentation may contain forward-looking statements that involve risks and uncertainties. Forward-looking statements are based on certain assumptions and expectations of future events. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Although IndoAgri believes that such forward-looking statements are based on reasonable assumptions, it can give no assurance that such expectations will be met.

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Transaction Overview

- Transaction :
- Proposed Acquisition of 50% of Companhia Mineira de Açúcar e Álcool Participações (CMAA), a local sugar and ethanol producer in Brazil
 - Purchase price approx. USD 71.7 million, to be funded by internal cash
 - JF Citrus will remain as a strategic partner and increase their stake to 50% following the completion
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- Investment Highlights :
- CMAA is a strong local partner, with excellent operational experience and current owner, JF Citrus, is the largest individual orange producer in Brazil. Both have strong know how on agricultural production
 - CMAA has an existing 1 sugar cane factory with a total cane crushing capacity of 3.0m MT p.a. in Minas Gerais, Brazil; expanding to 3.8m MT p.a. by 2014/15; supplemented by ethanol and co-generation plants.
 - Currently has ~34,000 ha planted of sugar cane and targeted to have ~45,000 ha in the next 3 years, around 50% will be from 3rd parties
 - Low land competition, favourable logistics and infrastructure (near major roads, railways and future ethanol pipeline)
 - Proximity to main consumer markets and suppliers
 - Availability of local qualified workers
 - Protective agricultural zoning regulations
 - Expected to be earnings accretive in 2014/15
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- Rationale :
- Expansion of geographical 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

Transaction Overview

High Productivity & Land Availability:

- Good agricultural practices that results in high sugar cane yields and one of the highest agricultural productivity in the region
- Potential in the region to expand and build greenfields
- Restriction for competing mills of 50 km radius due to local legislation
- Located in the state of Minas Gerais, with favourable climatic conditions

New Facilities and High Capacity of Ethanol and Cogeneration Plant:

- State of the art plant with most modern and fully automated equipment
- Majority of investment to reach 3.8 Mio MT from 3.0 Mio MT of sugar cane crushing capacity has been completed – expect full utilization in 2015/16
- Ethanol production capacity 200,000m³/year and Cogeneration capacity at 408,000MWh/year
- Producing range of products from VHP Raw Sugar, Electricity, Anhydrous and Hydrous Ethanol

Experienced and Professionally Managed:

- CMAA has strong agricultural production know how and professionally managed
- Knowledge and technology transfer to IndoAgri's Indonesia sugar operations

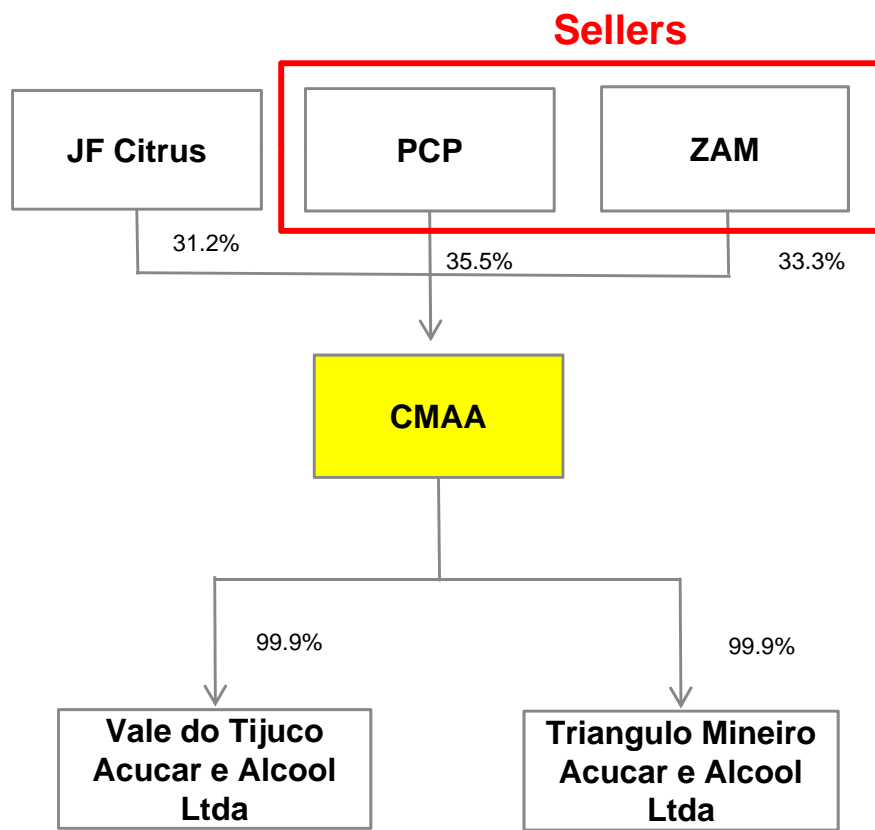
Transaction Overview

- IndoAgri's investment of USD 71.7 million to be funded by internal cash, to acquire 50% interest
- Enterprise value of USD 100/tonne of crushing capacity, lower than comparable transactions
- CMAA is expected to be earnings accretive starting in 2014/15

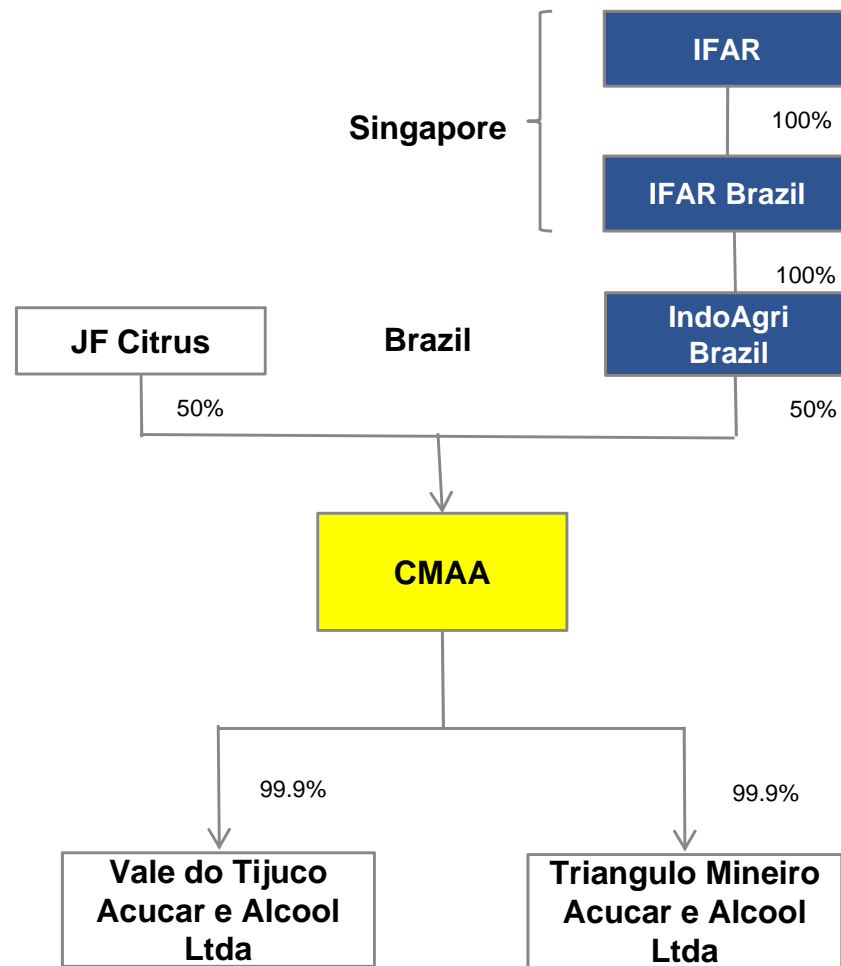
Transaction Structure

Corporate Structure – Pre and Post Proposed Acquisition

Current Structure



Post-Acquisition Structure



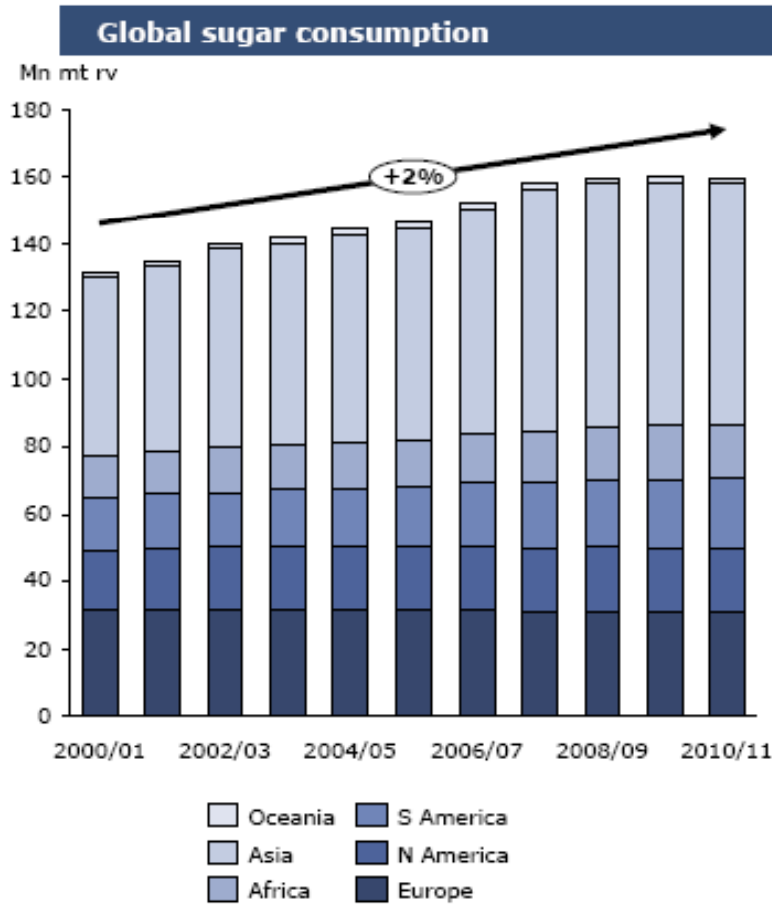
The private equity funds, PCP and ZAM, intends to exit the business. JF Citrus will stay as the strategic investor.

Appendices

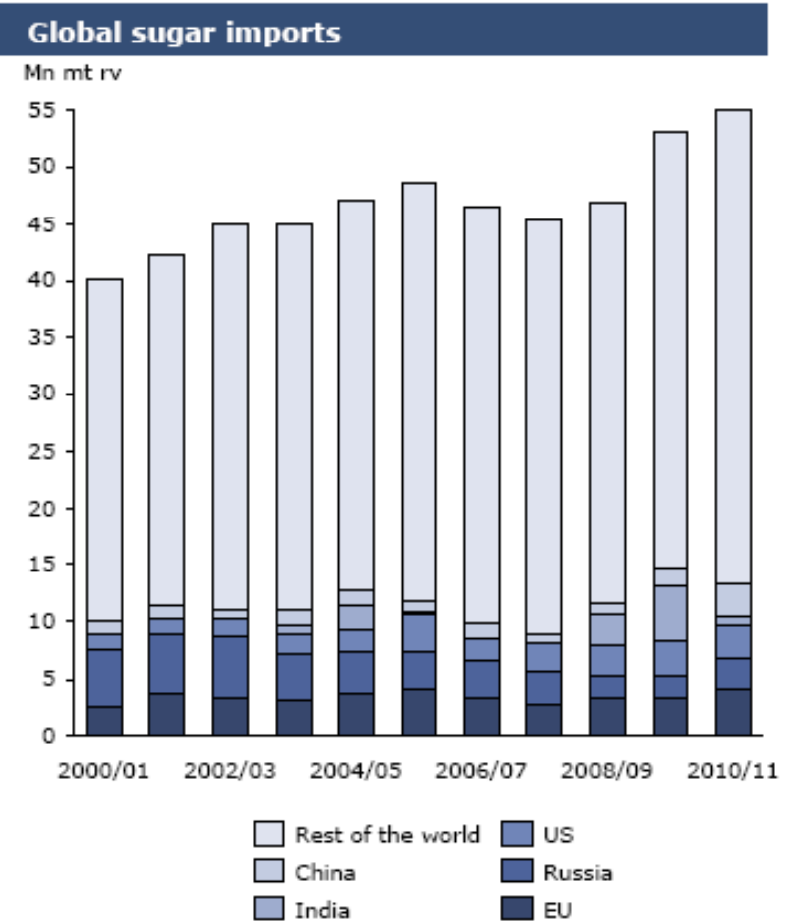
Appendix 3.a – Sugar Industry Overview - Global

Global Sugar Consumption & Imports: Trends and Players

Global sugar consumption is growing at 2% annually, driven largely by rising population, income and urbanization in emerging markets



Source: F O Licht



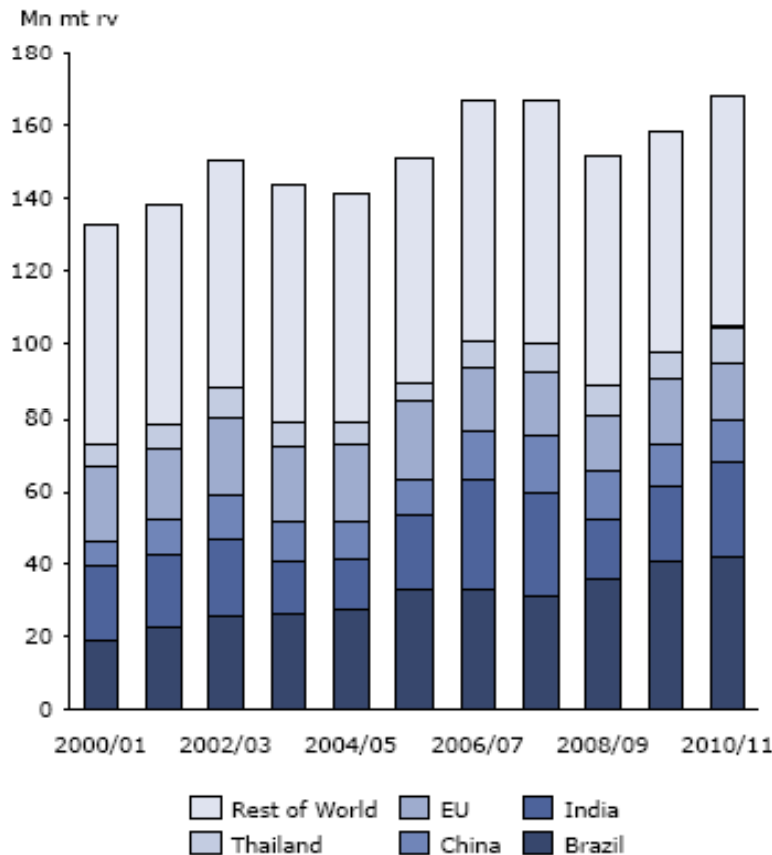
Source: F O Licht

Appendix 3.a – Sugar Industry Overview - Global

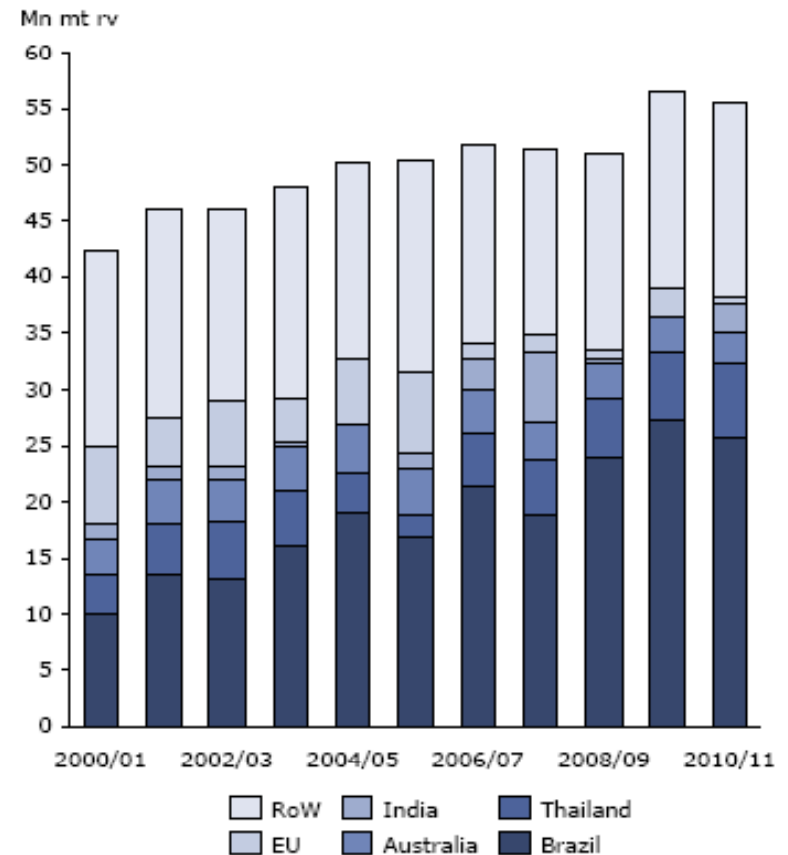
Global Sugar Production & Exports: Trends and Players

Over the last decade, Brazil's sugar production has increased strongly, owing to its cost-competitiveness and abundant land and water resources. While the aggregate production growth in the rest of the world has been slow – 1% CAGR. Brazil's share of global production is close to 25% and export share is around 40% to 50%

Global sugar production



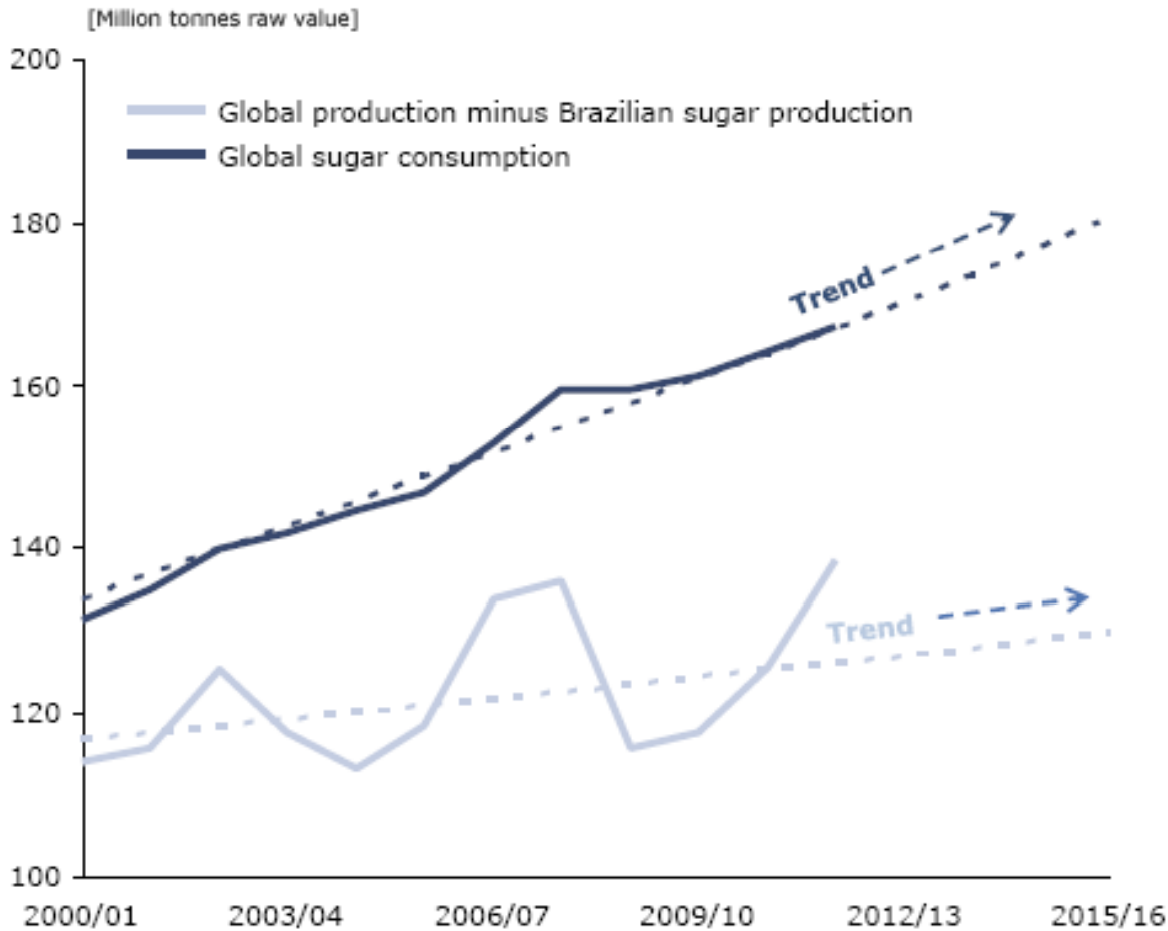
Global sugar exports



Appendix 3.a – Sugar Industry Overview - Global

Outlook for Supply – Global Needs Brazil to Keep Growing Over the LT

Trends in global sugar consumption and in sugar production outside Brazil



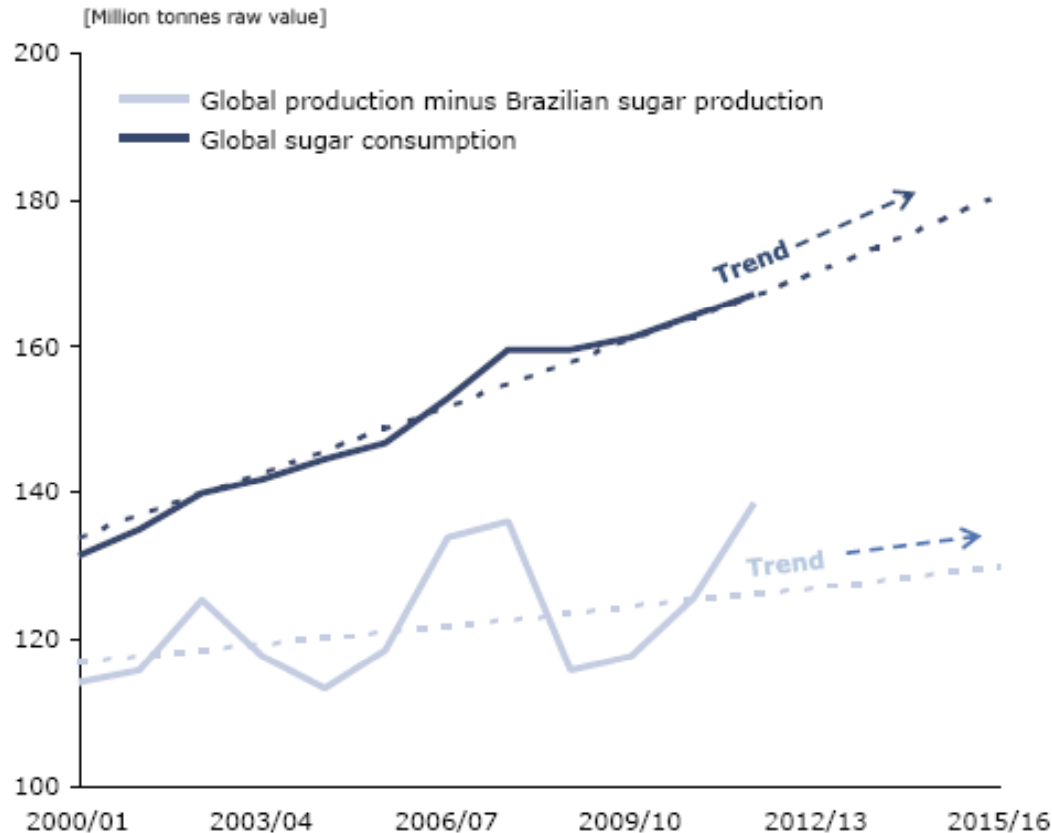
Source: F O Licht, Rabobank estimates

- Given Brazil's dominant position in the world sugar production and export market, it would be very difficult for the rest of the world to sustainably raise growth in sugar production.
- Hence, over the LT, growth in Brazil is likely to remain key to growth in overall world sugar supply.

Appendix 3.a – Sugar Industry Overview - Global

Outlook for Sugar Prices

Trends in global sugar consumption and in sugar production outside Brazil



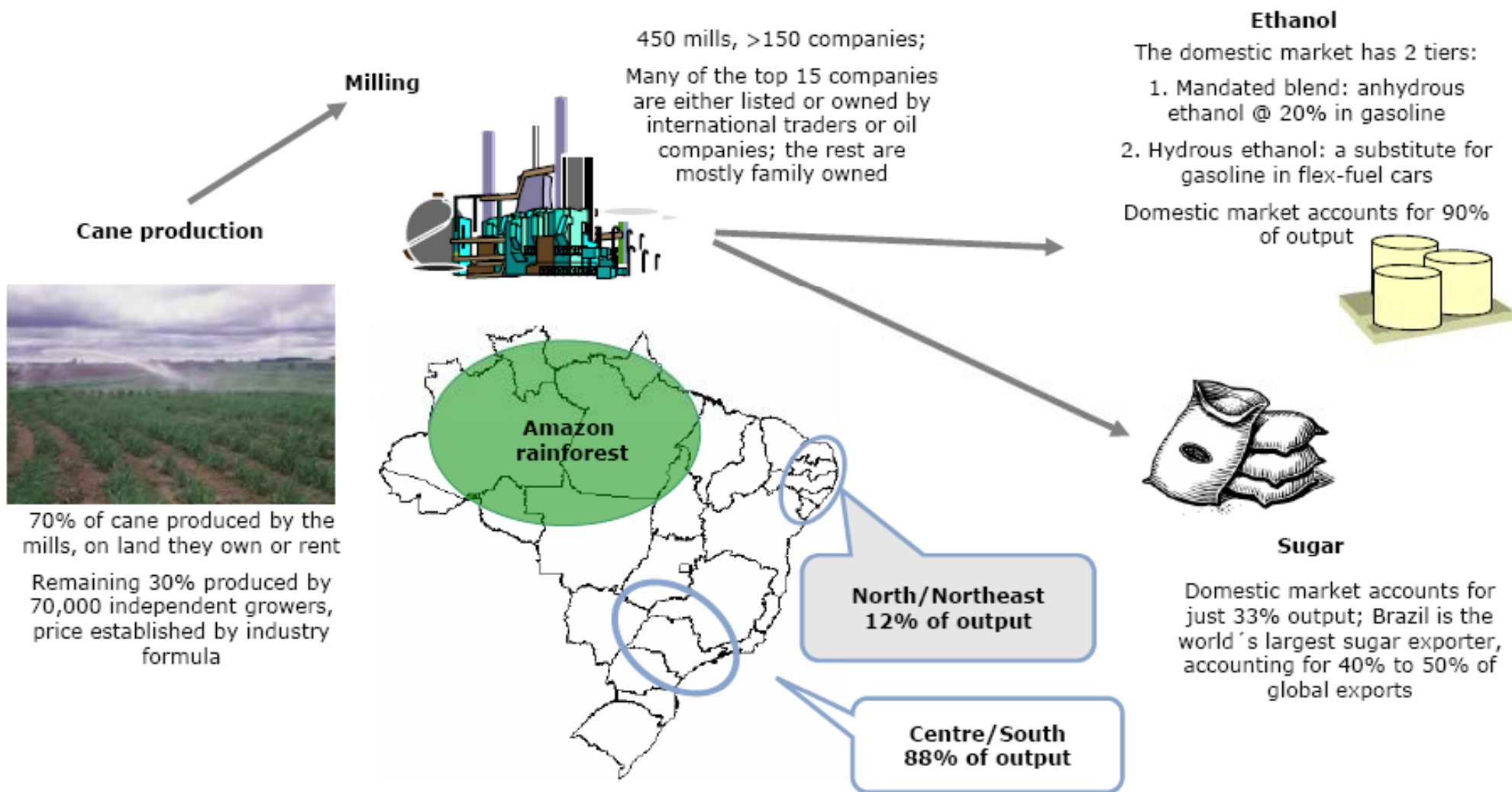
Source: F O Licht, Rabobank estimates

- Global sugar consumption is growing at 2% annually, driven largely by rising population, income & urbanization in emerging markets
- Over the last 10 to 15 years Brazil has gained an increasing share of global production and exports; currently Brazil's share of global exports is 40% to 50%
- While Brazilian sugar production has increased strongly, aggregate growth in production in the rest of the world has been slow – 1% CAGR
- It would be very difficult for the rest of the world to sustainably raise growth in sugar production – hence, over the long term, growth in Brazil is likely to remain key to growth in overall world sugar supply

Given Brazil's dominant role in the global sugar market, the LT global sugar price should closely link to Brazil's marginal cost of production

Appendix 3.b – Sugar Industry Overview - Brazil

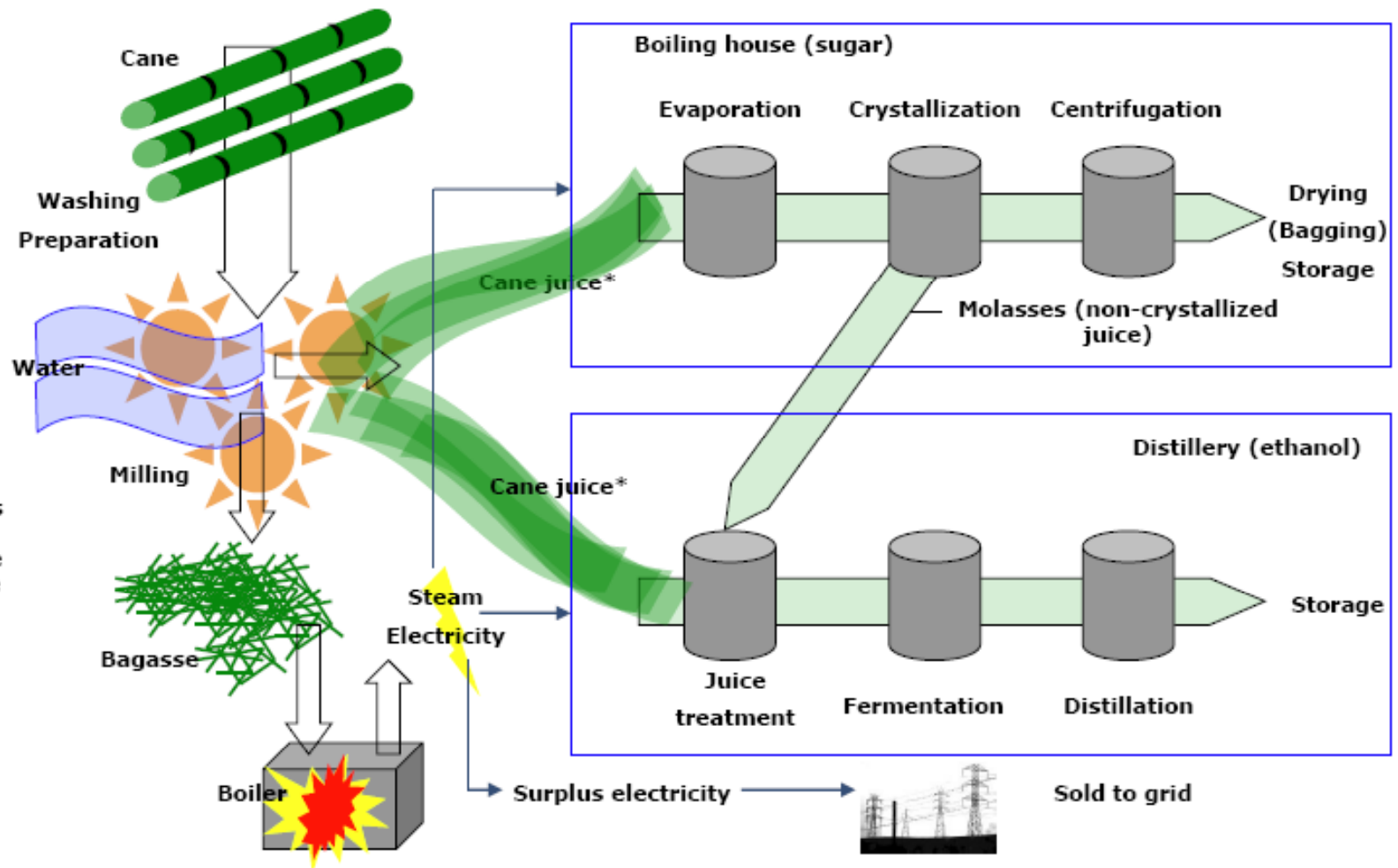
Brazil's Cane Industry: Geography and Markets



Source : Rabobank

Appendix 3.b – Sugar Industry Overview - Brazil

Brazil's Cane Industry: Processes



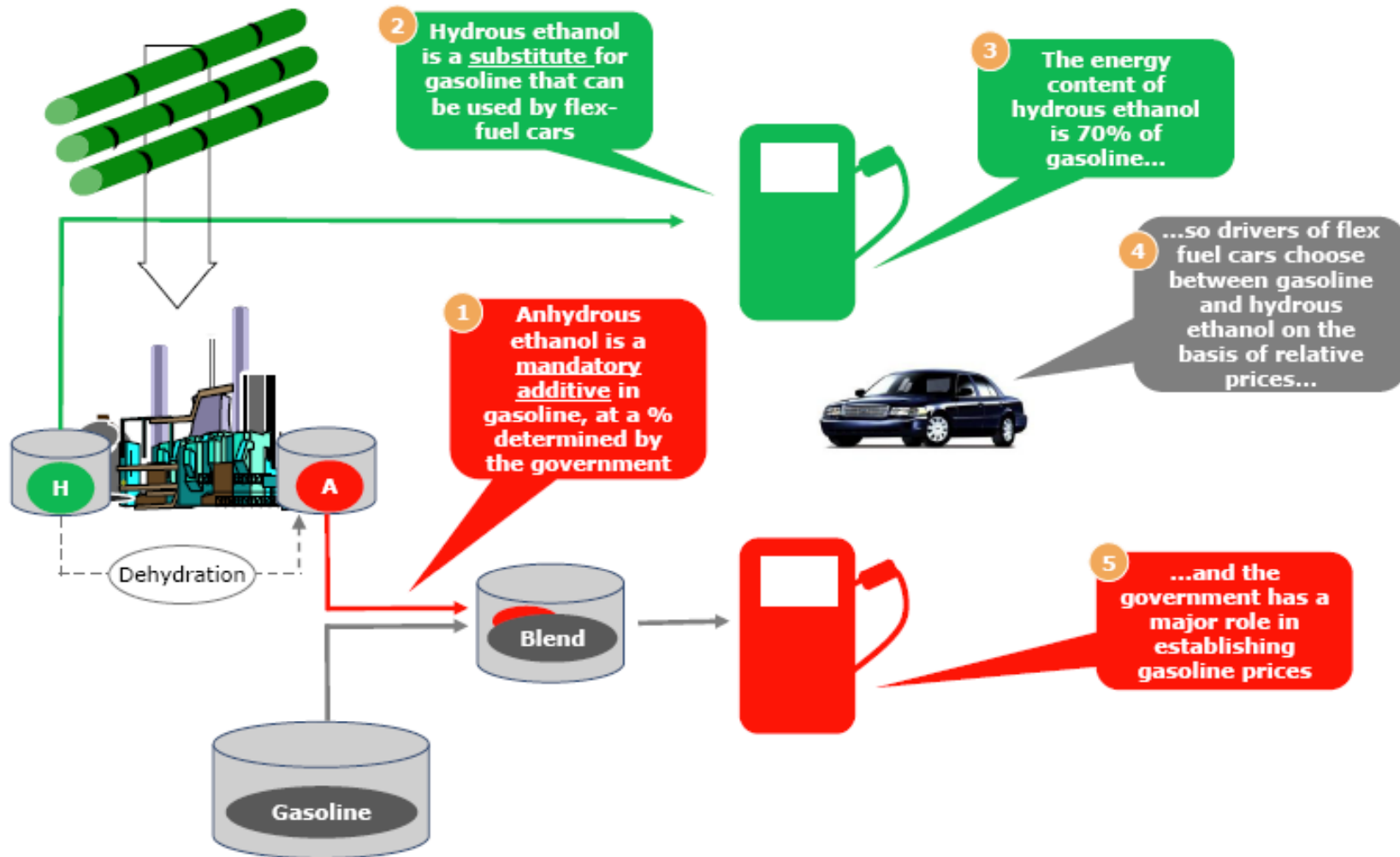
*Capacity constraints in the boiling house and distillery limit the % of cane that can be processed for either sugar or ethanol.

For the last two seasons, the industry has been maximising the volume of cane processed to produce sugar

Source : Rabobank

Appendix 3.b – Sugar Industry Overview - Brazil

Brazil's Cane Industry: Ethanol Market



Source : Rabobank