

IND@FOOD AGRI RESOURCES Ltd.

Company Presentation – 2Q and 1H 2013 Results

14 Aug 2013



Ind@Agri

a subsidiary of:
Indofood
THE SYMBOL OF QUALITY FOODS

Presentation Outline

1 Plantation Highlights

2 Financial Highlights

3 Strategies and Expansion

4 Appendix

Section 1

Plantation Highlights

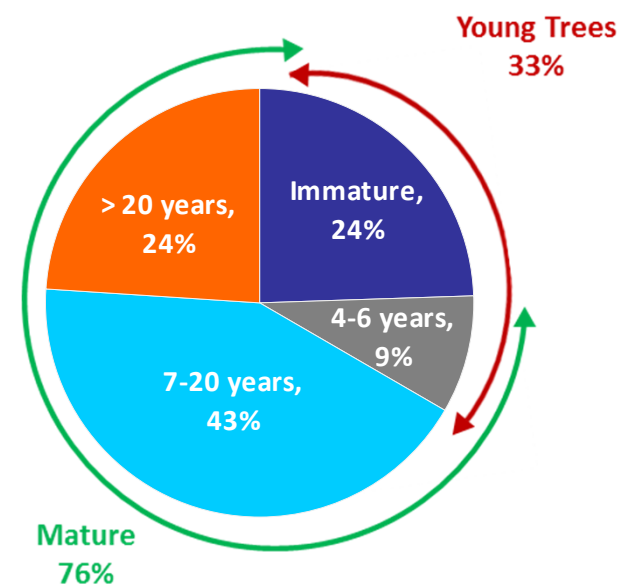


Planted Area - Nucleus

| In Ha | 30 Jun 2013 | 31 Dec 2012 | Increase/ (Decrease) |
|---------------------------------------|----------------|----------------|----------------------------|
| Planted Area | 269,162 | 268,725 | 437 |
| Planted Oil Palm⁽¹⁾ | 233,002 | 230,919 | 2,083⁽²⁾ |
| Mature | 176,167 | 176,105 | 62 |
| Immature | 56,835 | 54,814 | 2,021 |
| Other Crops | 36,160 | 37,806 | (1,646) |
| Rubber | 21,463 | 21,802 | (339) |
| Sugar cane | 11,359 | 12,333 | (974) ⁽³⁾ |
| Cocoa & Tea | 3,338 | 3,671 | (333) |

Oil Palm Age Profile

Average age ≈ 13 years



(1) As at 30 Jun 2013, the Group has ≈ 85,118 Ha of planted oil palm plasma area. Out of which, 741 Ha are new planting in 1H13

(2) New plantings for oil palm at 3,158 Ha (3,463 ha in 1H12)

(3) Reduction due to re-measurement using GPS

Oil Palm Plantation Highlights

| | 1H13 | 1H12 | Growth | 2Q13 | 2Q12 | Growth | FY12 |
|------------------------------------|----------------|----------------|--------------|----------------|----------------|--------------|----------------|
| Planted Area - Nucleus (Ha) | 233,002 | 220,178 | 6% | 233,002 | 220,178 | 6% | 230,919 |
| Mature Area - Nucleus (Ha) | 176,167 | 172,397 | 2% | 176,167 | 172,397 | 2% | 176,105 |
| FFB ('000 MT) | 1,642 | 1,845 | (11%) | 798 | 960 | (17%) | 4,107 |
| - Nucleus production | 1,265 | 1,333 | (5%) | 637 | 703 | (9%) | 2,973 |
| - Purchase from external | 377 | 512 | (26%) | 161 | 257 | (37%) | 1,134 |
| FFB Yield – Nucleus (MT/Ha) | 7.2 | 7.7 | | 3.6 | 4.1 | | 16.9 |
| CPO Production ('000 MT) | 356 | 400 | (11%) | 174 | 210 | (17%) | 880 |
| CPO Extraction Rate (%) | 22.2% | 21.8% | | 22.1% | 21.8% | | 21.7% |
| CPO Yield – Nucleus (MT/Ha) | 1.6 | 1.7 | | 0.8 | 0.9 | | 3.7 |
| PK Production ('000 MT) | 82 | 93 | (11%) | 40 | 48 | (17%) | 207 |
| PK Extraction Rate (%) | 5.1% | 5.0% | | 5.1% | 5.0% | | 5.1% |

- Decline in Nucleus FFB due to lower production in South Sumatra.
- External purchases lower due to tighter quality controls.
- FFB yields lower due to the above, and younger trees.

Sugar Plantation Highlights

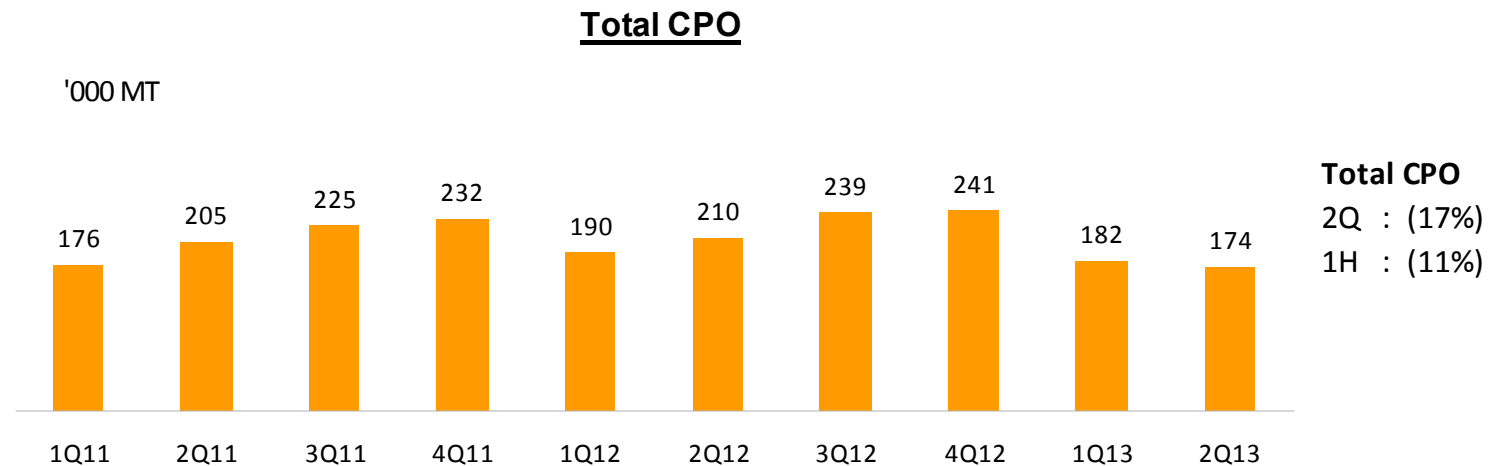
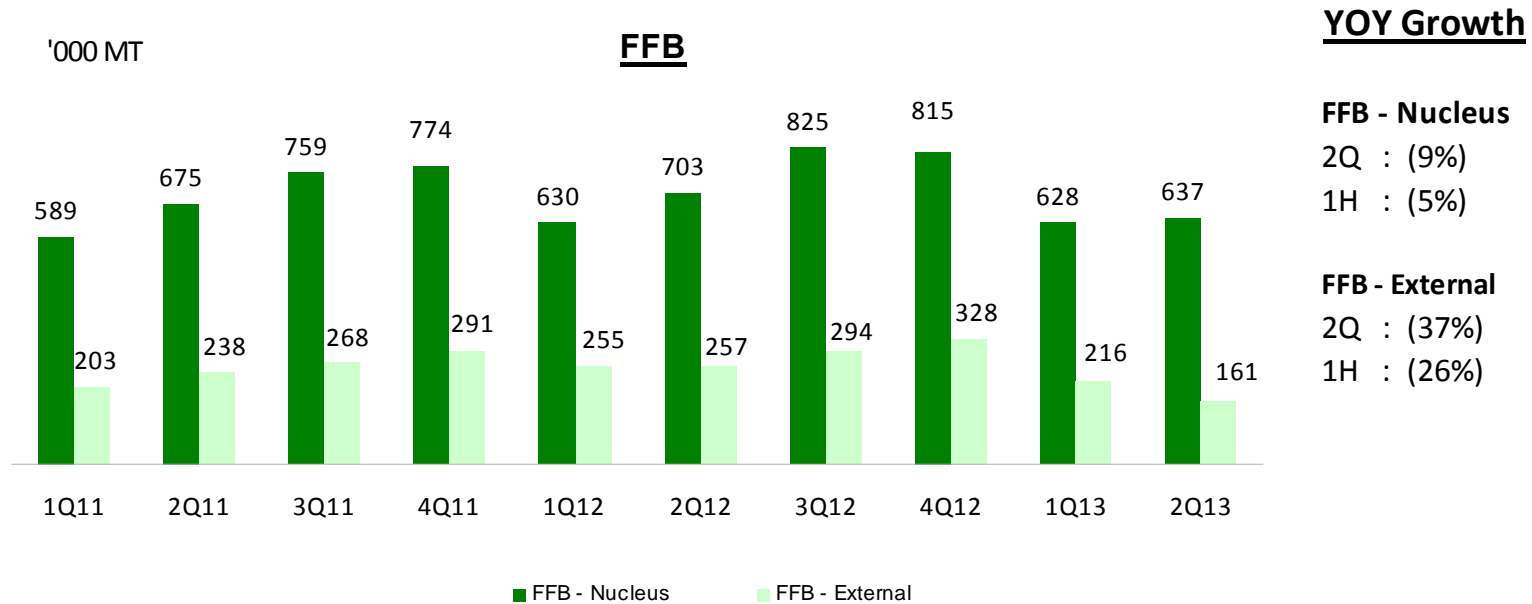
| | 1H13 | 1H12 | Growth | 2Q13 | 2Q12 | Growth | FY12 |
|---|--------|--------|--------|--------|--------|--------|--------|
| Planted Area (Ha) | 11,359 | 12,323 | (8%) | 11,359 | 12,323 | (8%) | 12,333 |
| Sugar Cane Harvested ('000 MT)⁽¹⁾ | 194 | 224 | (13%) | 194 | 224 | (13%) | 588 |
| Sugar Production ('000 MT) | 15 | 20 | (27%) | 15 | 20 | (27%) | 60 |

- Sugar harvest started later in 2013 compared to 2012
- Full year production in 2013 will exceed 2012

Notes:

(1) Harvested cane were relating to Komering sugar cane plantation

Oil Palm Plantation Production Trend



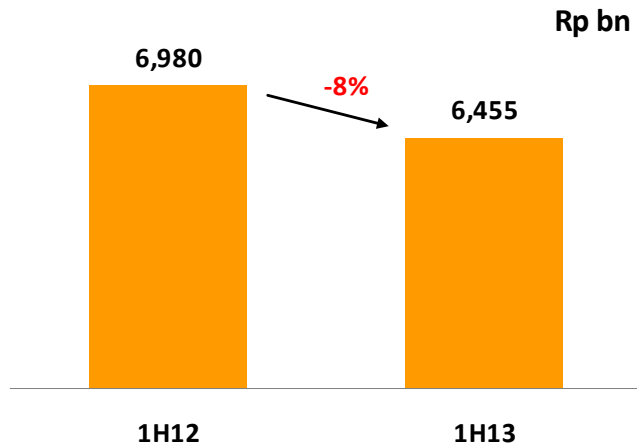
Section 2

Financial Highlights

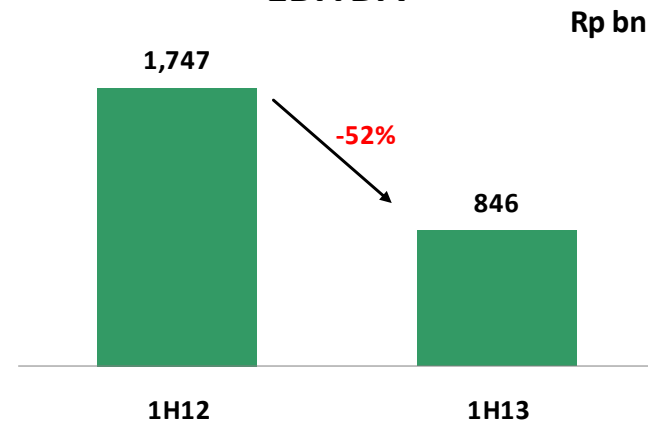


Results Summary

Revenue



EBITDA*



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

Financial Highlights

- Lower revenue and profit, adversely impacted by the decline in commodity prices for agriculture crops.
- 2Q13 and 1H13 revenue declined as higher CPO sales volume was more than offset by lower average selling price of key plantation crops, and further affected by lower edible oils sales.
- Falling selling prices for key plantation crops and higher production cost contributed to a 52% yoy decline in EBITDA in 2Q13 and 1H13.
- Our Edible Oils & Fats Division continued to deliver positive results with 1H13 EBITDA 13% ahead of last year, demonstrating the strength of our brand and integrated business model.

Operational Highlights

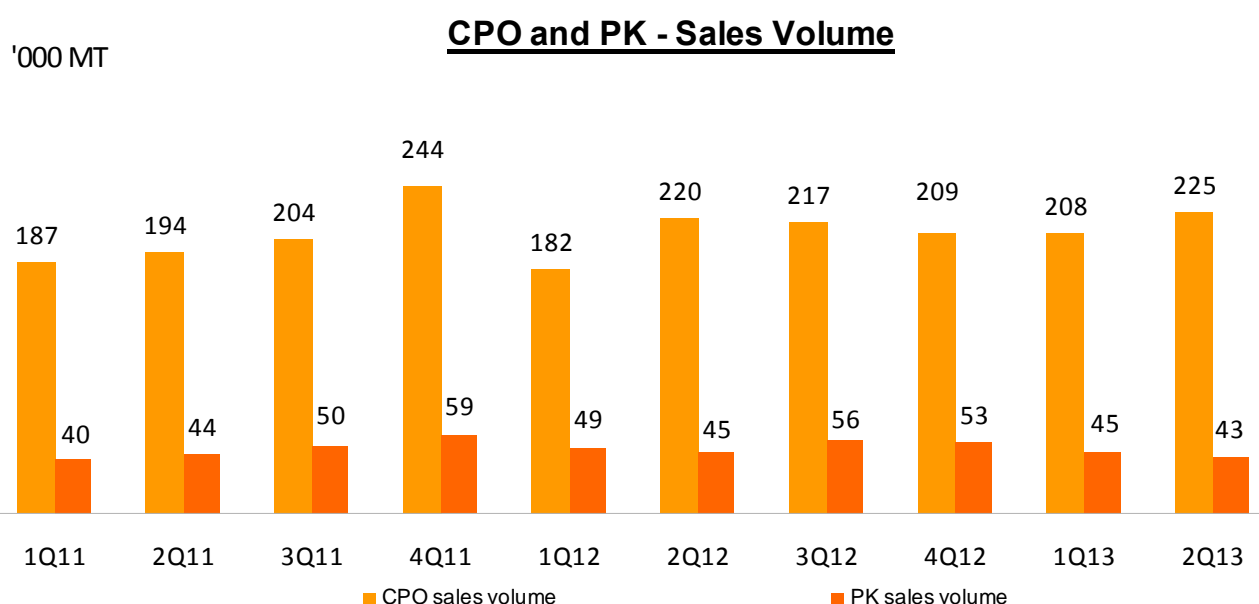
- On production front, we achieved total FFB of 1,642,000 tonnes and CPO fell 11% to 356,000 tonnes in 1H13 on lower purchases from external and lower palm production in Sumatra.
- Completed the acquisition of a 50% interest in CMAA in June 2013

Sales Volume

| In '000 MT | 1H13 | 1H12 | Growth | 2Q13 | 2Q12 | Growth | FY12 |
|--|------|------|--------|------|------|--------|------|
| Plantation | | | | | | | |
| CPO | 433 | 402 | 8% | 225 | 220 | 2% | 829 |
| Palm Kernel | 88 | 94 | (6%) | 43 | 45 | (6%) | 202 |
| Sugar | 20 | 12 | 65% | 9 | 8 | 14% | 62 |
| Rubber | 7.6 | 7.6 | (1%) | 3.8 | 3.8 | 3% | 16.6 |
| Edible Oils & Fats (EOF) | | | | | | | |
| Cooking Oil, Margarine and Coconut Oil | 397 | 423 | (6%) | 215 | 217 | (1%) | 808 |

- CPO and sugar sales higher due to reduction in stock levels
- Decline in EOF was due to lower coconut oil and bulk oil sales

CPO, PK and Edible Oils & Fats Sales Volume Trend



YOY Growth

CPO sales volume

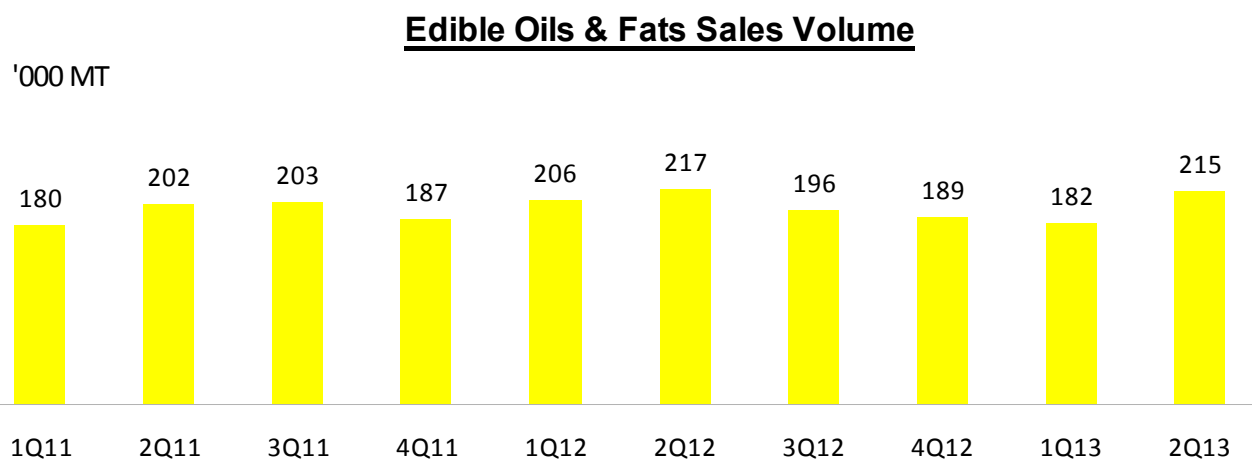
2Q : 2%

1H : 8%

PK sales volume

2Q : (6%)

1H : (6%)

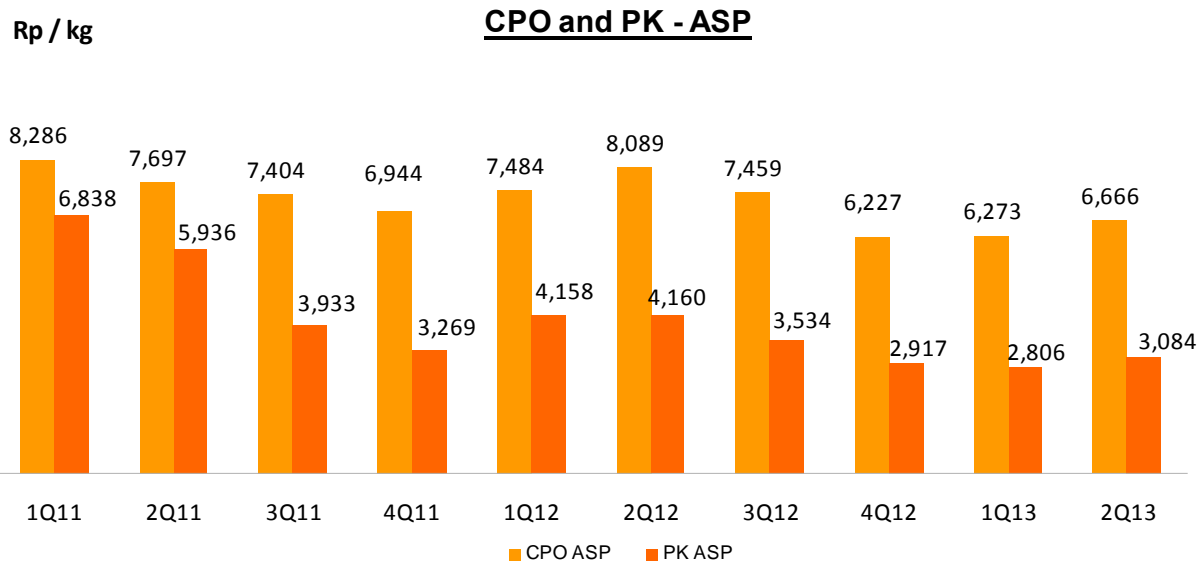


Edible Oils & Fats

2Q : (1%)

1H : (6%)

CPO, PK and Rubber Average Selling Price (ASP) Trend



YOY Growth

CPO ASP

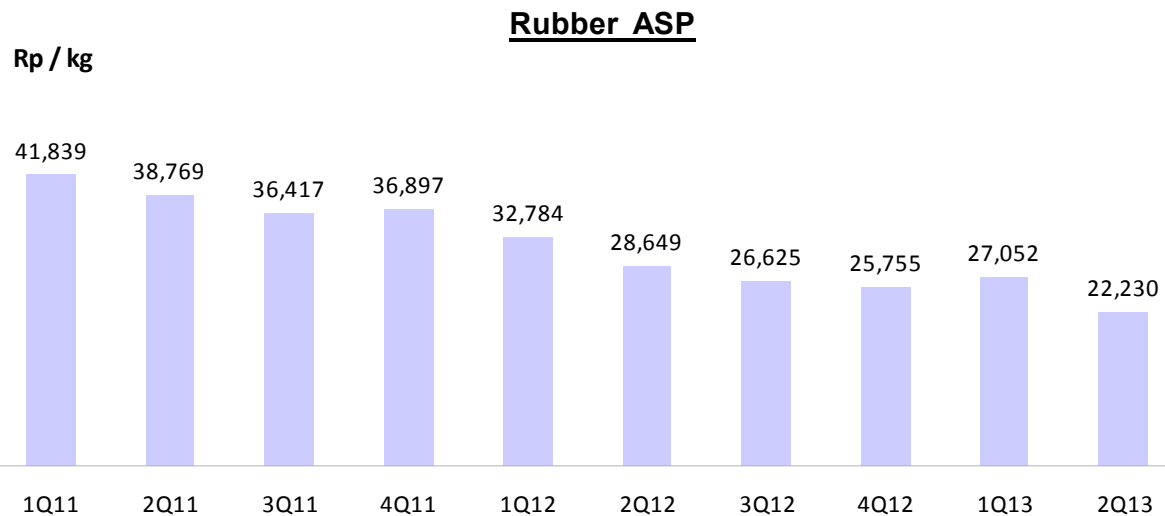
2Q : (18%)

1H : (17%)

PK ASP

2Q : (26%)

1H : (29%)



Rubber ASP

2Q : (22%)

1H : (20%)

Financial Summary

| In Rp Bn | 1H13 | 1H12 | YoY Growth | 2Q13 | 2Q12 | YoY Growth | FY12 |
|------------------------------|------------|------------|------------|------------|------------|------------|------------|
| Sales | 6,455 | 6,980 | (8%) | 3,358 | 3,780 | (11%) | 13,845 |
| EBITDA* | 846 | 1,747 | (52%) | 396 | 823 | (52%) | 3,223 |
| <i>EBITDA %</i> | 13% | 25% | | 12% | 22% | | 23% |
| Operating profit** | 483 | 1,481 | (67%) | 181 | 662 | (73%) | 2,653 |
| <i>Operating profit %</i> | 7% | 21% | | 5% | 18% | | 19% |
| Net profit | 220 | 1,047 | (79%) | 67 | 446 | (85%) | 1,819 |
| <i>Net profit %</i> | 3% | 15% | | 2% | 12% | | 13% |
| Attributable profit | 173 | 631 | (73%) | 66 | 254 | (74%) | 1,049 |
| <i>Attributable profit %</i> | 3% | 9% | | 2% | 7% | | 8% |
| EPS (fully diluted) - Rp | 120 | 438 | (72%) | 46 | 176 | (74%) | 730 |

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

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

Segmental Results

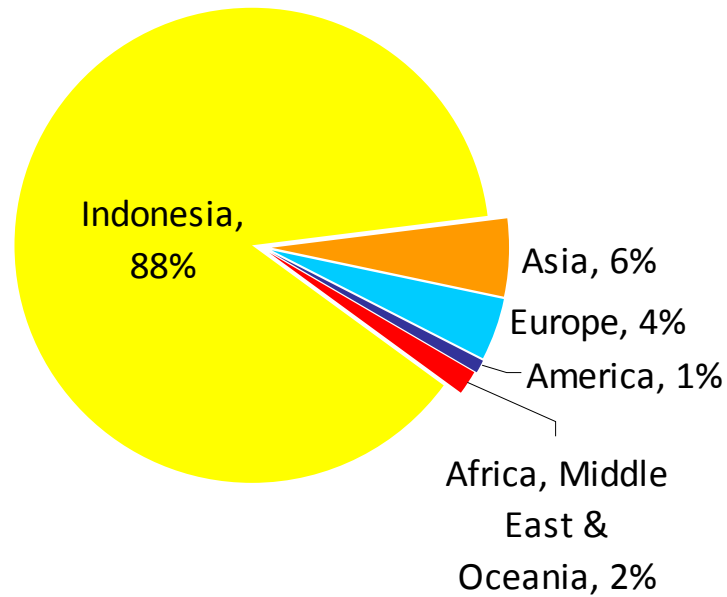
| In Rp Bn | <u>SALES</u> | | <u>EBITDA</u> | | <u>EBITDA%</u> | |
|---------------------------|--------------|--------------|---------------------|-------------------|----------------|------------|
| | 1H13 | 1H12 | 1H13 | 1H12 | 1H13 | 1H12 |
| Plantations | 3,671 | 4,103 | 554 | 1,431 | 15% | 35% |
| Edible Oil & Fats | 4,172 | 5,096 | 307 | 271 | 7% | 5% |
| Elimination & Adjustments | (1,388) | (2,219) | (15) ⁽¹⁾ | 45 ⁽¹⁾ | n/m | n/m |
| Sub-total | 6,455 | 6,980 | 846 | 1,747 | 13% | 25% |
| Net Forex Gain | - | - | (4) | 1 | - | - |
| Total | 6,455 | 6,980 | 842 | 1,749 | 13% | 25% |

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

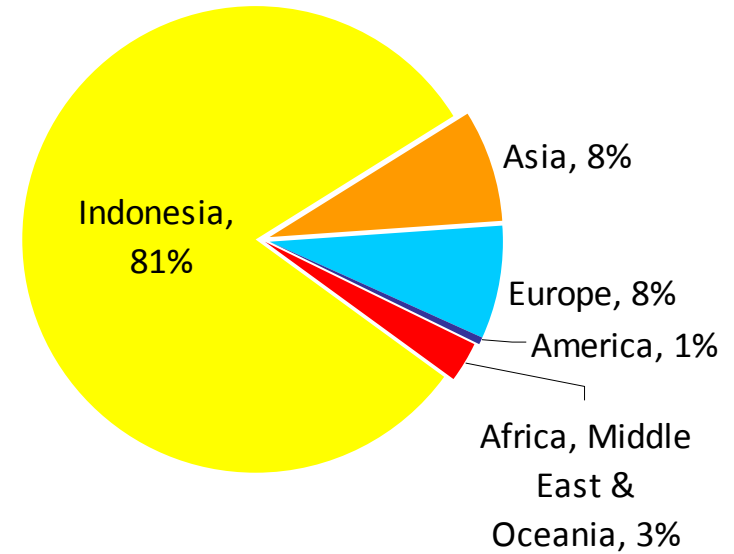
External Revenue Breakdown

By Geographical Location

1H13



1H12



Financial Position – Strong Balance Sheet Low Gearing

| In Rp Bn | 30-Jun-13 | 31-Dec-12 |
|---|---------------|---------------|
| TOTAL ASSETS | 36,059 | 34,811 |
| Cash | 3,965 | 5,082 |
| TOTAL LIABILITIES | 13,413 | 11,983 |
| Interest Bearing Debt | 7,722 | 6,780 |
| TOTAL EQUITY* | 22,646 | 22,829 |
| Net Debt / EBITDA Ratio (Annualised) | 2.2x | 0.5x |
| Net Debt / Total Equity Ratio | 0.17x | 0.07x |
| Net Assets Value per Share (in Rupiah) | 9,658 | 9,619 |

*Total equity includes shareholders funds and minority interests.

Section 3

Strategies and Expansion



2013 Strategies and Expansion – Indonesia

- Focus organic expansion on new plantings of oil palm and sugar plantations
- Expand CPO production capacity and enhance supply chain
 - Constructing 4 oil palm mills due to higher FFB production in future from immature plantings:
 - 1 new mill in South Sumatra due for completion in Q4 2013
 - 1 new mill in Kalimantan due for completion in Q1 2014
 - Additionally expansion of 2 existing mills
 - New bulking station in East Kalimantan with storage capacity of 5,000 tonnes, completion in 2014
 - Construction of 200MT/day PKO plant in Riau due for completion in 2013
- Increase the utilization of internal tugboats and barges for CPO transportation to refineries
- Intensifying the promotion of branded products to both modern trade and traditional market with new packaging and brand positioning
- Completing roll-out of SAP ERP system in 2013 to the whole group

Expansion in Indonesia

- On 8 March 2013, the Company's subsidiaries, SIMP and Lonsum acquired an effective interest of 79.7% in PT Mentari Pertiwi Makmur (MPM) for Rp330 billion (around US\$34 million)
- MPM in turn owns the SAL Group, which holds three industrial forest plantation concessions for a total area of 73,330 hectares in Berau and East Kutai, East Kalimantan
- This acquisition fits into the Group's agriculture business model and enhances its diversification into other agriculture crops through intercropping.

Overseas Expansion

CMAA acquisition completed on 25th June 2013

■ 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

■ Key Highlights:

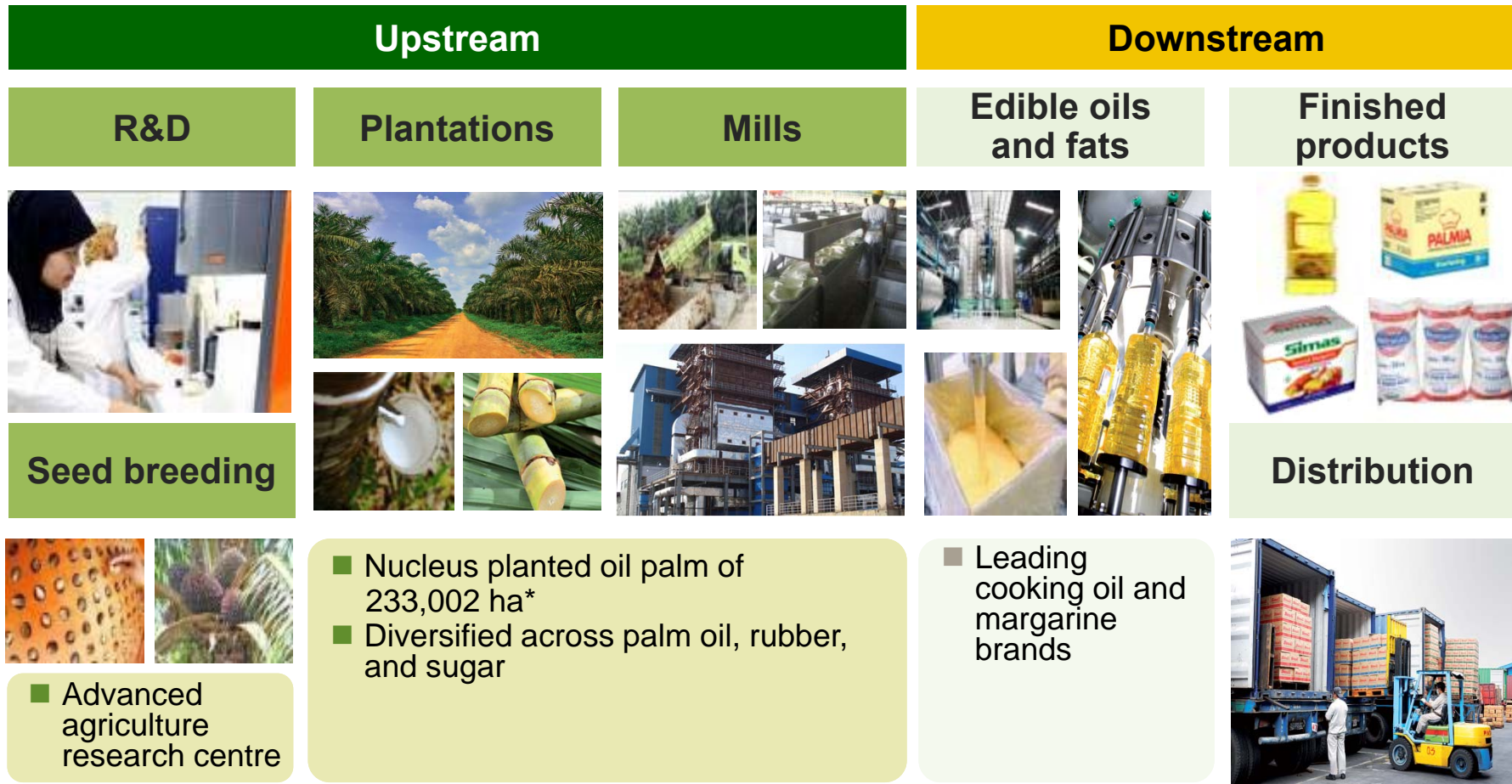
- 1 sugar cane factory with a total cane crushing capacity of 3.0m MT p.a.; expanding to 3.8m MT p.a. by 2014/15; supplemented by ethanol and co-generation plants.
- Has ~34,000 ha planted of sugar cane and targeted to have ~45,000 ha in the next 3 years, around 50% will be from 3rd parties
- Low land competition, favourable logistics and infrastructure (near major roads, railways and future ethanol pipeline)
- Proximity to main consumer markets and suppliers
- Expected to be earnings accretive in 2014/2015

Section 4 Appendix



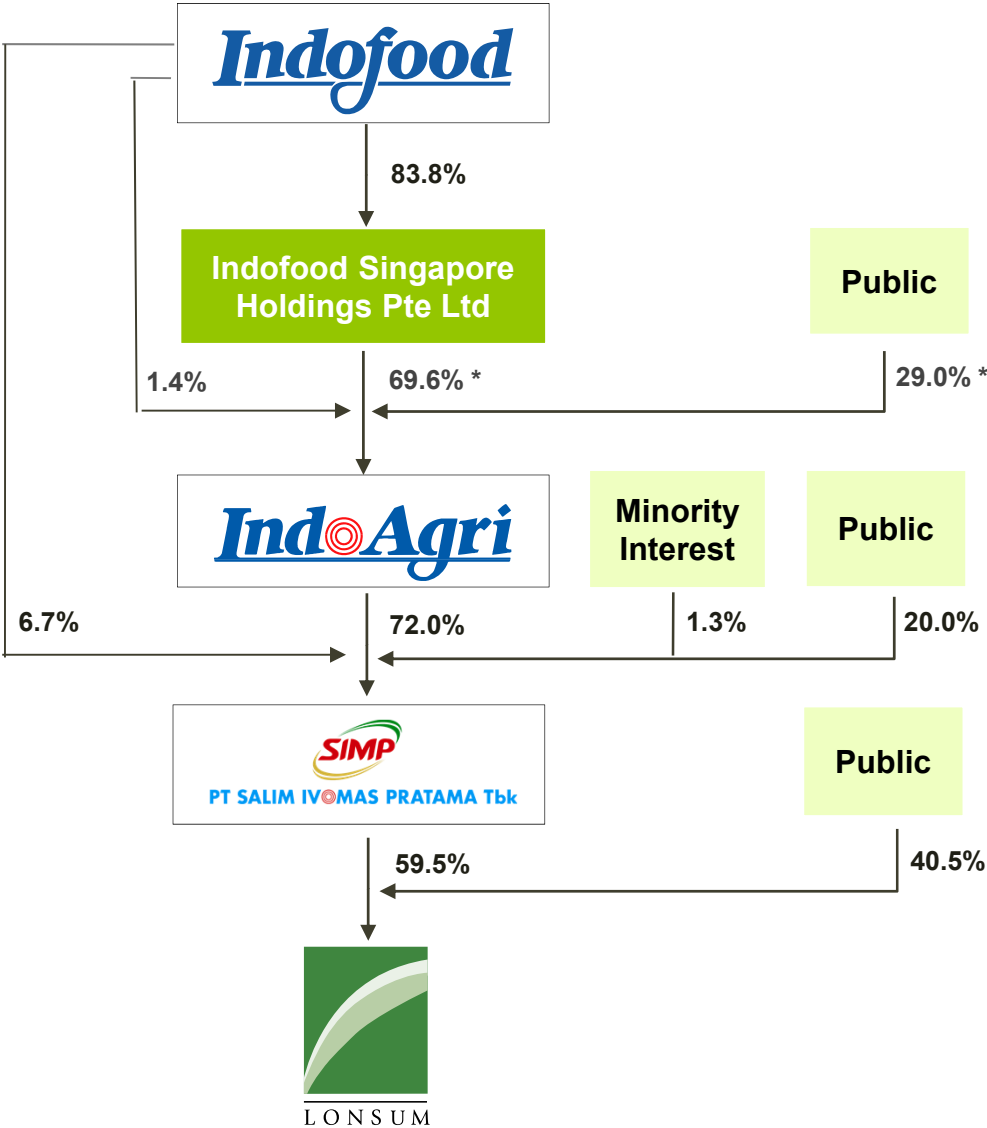
Diversified and Integrated Agribusiness Group with Leading Brands

Capturing value across the entire supply chain



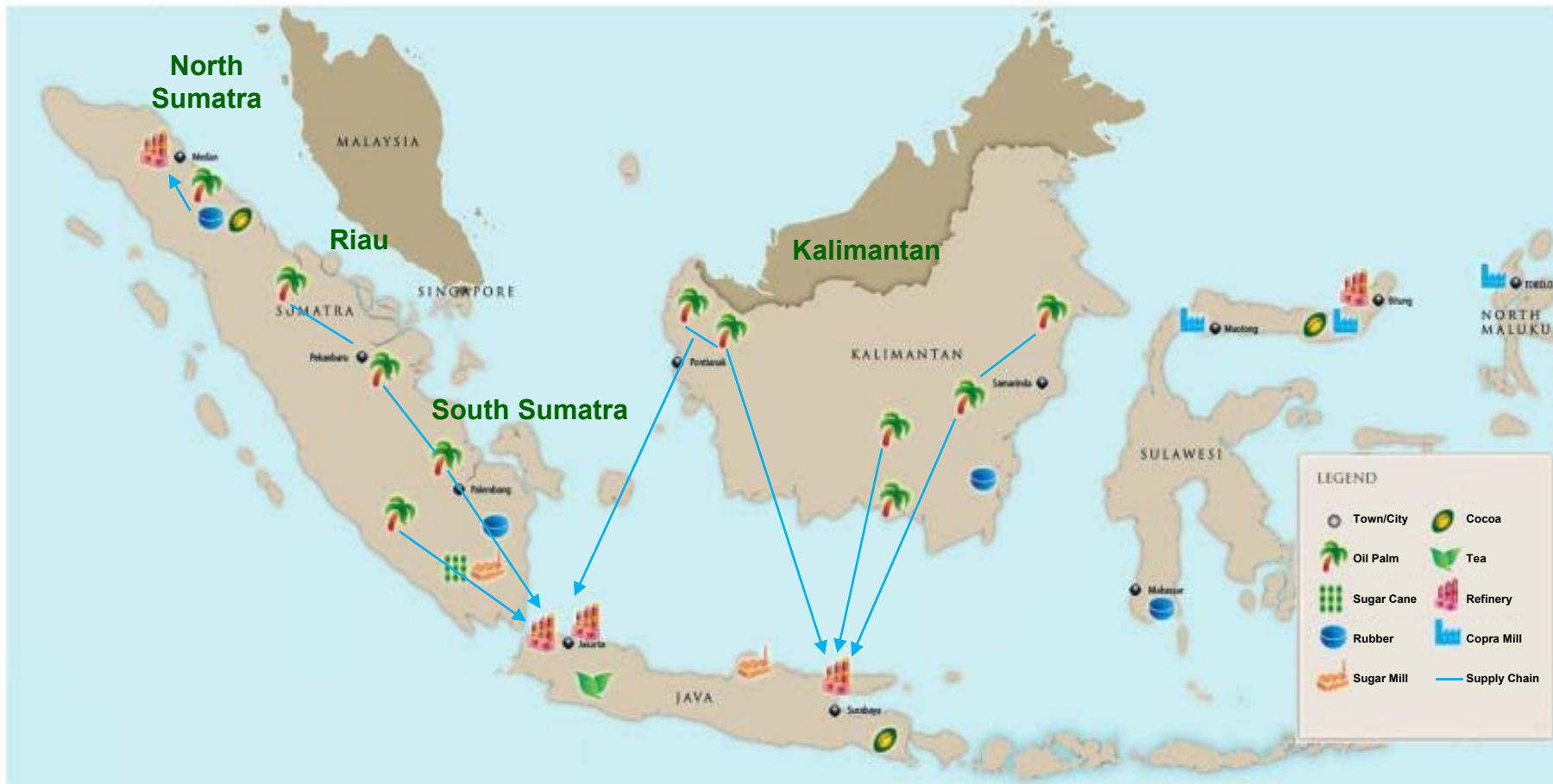
* As of 30 Jun 2013

Corporate Structure



* Based on total number issued shares, excluding 13,500,000 shares held in treasury by the company.

Strategically Located Operations Spanning the Entire Supply Chain



| Facilities | Units | Annual capacity (tonnes) | | Facilities | Units | Annual capacity (tonnes) | |
|-----------------------|-------|--------------------------|------------|-----------------------|-------|--------------------------|------------|
| Palm oil mill | 21 | 5,184,000 | FFB | Sugar mill & refinery | 2 | 2,160,000 | Sugar cane |
| Crumb rubber facility | 4 | 42,720 | Dry rubber | Refinery | 5 | 1,425,000 | CPO |
| Sheet rubber facility | 3 | 11,100 | Dry rubber | | | | |

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