

FOR IMMEDIATE RELEASE

IndoAgri posts a strong set of 4Q13 results with revenue and attributable profit up 12.8% and 31.6%

HIGHLIGHTS:

- 4Q13 revenue grew 12.8% yoy on strong recovery in commodity prices for agriculture crops and higher sales volume
- 4Q13 operating profit up 53.1% yoy on strong profit contribution from Plantation Division
- Attributable profit grew strongly in 4Q13, up 31.6% yoy
- Expanding our presence in the global sugar industry through a 50% stake in CMAA in Brazil and a 30% JV which invested 34% in Roxas in Philippines

SINGAPORE – 28 February 2014 – SGX Main board-listed IndoAgri (the “Group”), a diversified and integrated agribusiness group and manufacturer of leading brands of edible oils and fats products in Indonesia, achieved 4Q13 revenue of Rp3.7 trillion (S\$446 million)¹, up 12.8% yoy on strong recovery in average selling prices, as well as higher sales volume of palm products and branded edible oil products. On full year basis, revenue fell 4.1% mainly due to lower edible oil sales.

In Rp' billion	4Q13	4Q12	Change %	FY13	FY12	Change %
Revenue	3,749	3,324	12.8	13,280	13,845	(4.1)
Gross Profit	1,191	932	27.8	3,204	4,187	(23.5)
Gross Margin (%)	31.8%	28.0%		24.1%	30.2%	
EBITDA ²	1,040	645	61.3	2,614	3,245	(19.4)
EBITDA Margin (%)	27.7%	19.4%		19.7%	23.4%	
Biological asset gains	62	56	10.7	62	56	10.7
Profit from Operations before biological asset gains	769	502	53.1	1,631	2,675	(39.0)
Profit Before Taxation	730	494	47.8	1,338	2,464	(45.7)
Net Profit After Tax	556	344	61.5	959	1,868	(48.7)
Attributable Net Profit	255	194	31.6	550	1,082	(49.1)
EPS (fully diluted) – Rp	178	135	31.9	385	753	(48.9)

¹ Income Statement and Balance Sheet items are converted at exchange rates of Rp8,397/S\$1 and Rp9,628/S\$1, respectively

² Earnings before interests and tax expense, depreciation and amortisation, and gain/loss from changes in fair value of biological assets and foreign exchange gains.

4Q13 operating profit grew 53.1% yoy on strong profit contribution from Plantation Division. But on full year basis, operating profit fell 39.0% yoy on lower average selling prices for plantation crops and edible oil products. This was further affected by rising wages and newly matured plantations; contributing to higher unit production costs.

Attributable profit grew 31.6% yoy on stronger sales in 4Q13, but down 49.1% yoy on full year basis mainly attributable to lower gross profit and foreign exchange losses.

“The Group achieved a strong set of 4Q13 results following the strong recovery in commodity prices for agriculture crops as well as higher sales volume of palm products, cooking oil and margarine. On the production front, we achieved FFB nucleus production of 2,895,000 tonnes in FY13, down 2.6% yoy, while CPO production down 8.0% to 810,000 tonnes mainly due to lower purchases of FFB from external parties. For IndoAgri, 2013 marked our first investments outside of Indonesia as we achieved some success expanding into the global sugar industry through a 50% stake in CMAA in Brazil in June 2013, and a 30% JV (FPNRL) that invested 34% in Roxas in the Philippines in December 2013. We are pleased to see a maiden profit contribution of Rp64 billion from CMAA in FY13”, commented Mr Mark Wakeford, CEO and Executive Director.

INDUSTRY OUTLOOK AND FUTURE PLANS

The global economic slowdown has affected major markets like China and Europe with almost all commodity prices in 2013 falling below that of 2012. CPO prices (CIF Rotterdam) averaged US\$857 per tonne in 2013, significantly lower than US\$1,006 in 2012. Looking at consumption growth trends in emerging economies like India and China, the outlook for the palm oil industry is expected to remain positive.

Indonesia achieves a consistent GDP growth rate above 6% since 2009. While exports have come under the pressure of low global commodity prices, a weakened rupiah and a record current account deficit, the country's large domestic demand has kept the economy buoyant. With its vast and growing population base of over 240 million, Indonesia has now become the largest consumer of palm oil ahead of China and India. It is expected this, together with the increase of the biodiesel blending mandate from 7.5% to 10.0% effective from January 2014 to further sustain domestic demand growth for palm oil products.

With higher production in Thailand and Indonesia as well as weaker demand from major rubber consuming countries particularly China, US and Europe, rubber prices (RSS3 SICOM) have fallen by over 20% since beginning of last year and averaged US\$2,795 per tonne in 2013 compared to US\$3,384 a year ago. The long-term outlook for rubber remains upbeat, supported by healthy demand from tyre-makers, automotive industries and rubber goods manufacturers in developing markets. China in particular, will continue to contribute to this demand, given its large population and status as the world's largest natural rubber consumer.

Indonesia remains a net importer of sugar with over 50% of its domestic sugar demand fulfilled by imported sugar. Sugar prices in Indonesia are relatively shielded from global fluctuations by policies aimed at protecting the local industry, and particularly the smallholder farmers. Currently, the domestic sugar price in Indonesia is above the international market due to restrictions on import quotas when domestic prices fall below Rp8,100 per kg, a government-mandated floor price that was introduced in May 2013.

--The End ---

ABOUT INDOAGRI

Indofood Agri Resources Ltd. (“IndoAgri”) is a diversified and integrated agribusiness group with principal business operations that range from research and development, breeding and cultivation of oil palms, to the milling and refining of crude palm oil, and the marketing and distribution of cooking oil, margarine, shortening and other derivative products. The Group also engages in the cultivation of other crops such as rubber, sugar cane, cocoa and tea.

As of end December 2013, IndoAgri has 276,709 hectares planted with oil palm, rubber, sugar cane, cocoa and tea.

For more information please visit our website at: www.indofoodagri.com.