

UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2016

1(a)(i) A comprehensive income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

| | Group | | |
|--|-----------------|------------------------|----------------|
| | 31/03/2016 | 31/03/2015 Restated | Change |
| | Rp ' million | Rp ' million | % |
| Revenue | 3,147,023 | 2,659,267 | 18.3 |
| Cost of sales | (2,613,350) | (2,044,419) | 27.8 |
| Gross Profit | 533,673 | 614,848 | (13.2) |
| Gross Profit % | 17.0% | 23.1% | |
| Selling and distribution expenses | (134,040) | (92,971) | 44.2 |
| General and administrative expenses | (209,647) | (217,835) | (3.8) |
| Foreign exchange gains/ (losses) | 120,941 | (116,350) | (203.9) |
| Other operating income | 16,386 | 34,496 | (52.5) |
| Other operating expenses | (49,748) | (39,038) | 27.4 |
| Share of results of associate companies | (5,040) | 3,694 | (236.4) |
| Share of results of a joint venture | (47,841) | (28,562) | 67.5 |
| Profit from operations before biological assets gain | 224,684 | 158,282 | 42.0 |
| Gain arising from changes in fair value of biological assets | 83,972 | 15,108 | 455.8 |
| Profit from operations including biological assets gain | 308,656 | 173,390 | 78.0 |
| Finance income | 24,157 | 39,823 | (39.3) |
| Finance expense | (166,075) | (166,450) | (0.2) |
| Profit before tax | 166,738 | 46,763 | 256.6 |
| Income tax expense | (70,879) | (38,305) | 85.0 |
| Net profit for the period | 95,859 | 8,458 | n/m |
| Core net (loss)/ profit after tax ⁽¹⁾ | (68,129) | 92,510 | (173.6) |
| Profit for the period attributable to: | | | |
| Owners of the Company | 94,965 | 3,970 | n/m |
| Non-controlling interests | 894 | 4,488 | (80.1) |
| | 95,859 | 8,458 | n/m |

n.m. denotes "Not Meaningful".

Notes

(1) Earnings before accounting for the effects of foreign exchange and changes in the fair value of biological assets

| | Group | | |
|--|----------------|------------------------|----------------|
| | 31/03/2016 | 31/03/2015 Restated | Change |
| | Rp ' million | Rp ' million | % |
| Other comprehensive income: | | | |
| Items that may be reclassified subsequently to profit or loss | | | |
| Foreign currency translation | 1,109 | (64,214) | (101.7) |
| Items that will not be reclassified to profit or loss | | | |
| Re-measurement gain/ (loss) on employee benefits liability | 12,572 | (465) | n/m |
| Other comprehensive income/ (loss) for the period, net of tax | 13,681 | (64,679) | (121.2) |
| Total comprehensive income/ (loss) for the period | 109,540 | (56,221) | (294.8) |
| Total comprehensive income/ (loss) attributable to: | | | |
| Owners of the Company | 103,336 | (63,461) | (262.8) |
| Non-controlling interests | 6,204 | 7,240 | (14.3) |
| | 109,540 | (56,221) | (294.8) |

n.m. denotes "Not Meaningful".

Comparative figures

The following accounts in the statement of comprehensive income have been restated and reclassified.

Statement of comprehensive income

| | As restated | As previously reported |
|---|----------------------|------------------------|
| | 3M15 Rp ' million | 3M15 Rp ' million |
| Cost of sales | (2,044,419) | (1,920,112) |
| General and administrative | (217,835) | (247,739) |
| Gain/ (loss) arising from changes in fair values of biological assets | 15,108 | - |
| Income tax expense | (38,305) | (58,128) |

Additional Information:-

Earnings before interests and tax expense, depreciation and amortisation, and gain/loss arising from changes in fair value of biological assets ("EBITDA")

| | Group | | |
|--|--------------|------------------------|---------|
| | 31/03/2016 | 31/03/2015 Restated | Change |
| | Rp ' million | Rp ' million | % |
| Profit from operations | 308,656 | 173,390 | 78.0 |
| Add: Depreciation and amortisation | 302,998 | 277,530 | 9.2 |
| Less: Gain arising from changes in fair value of biological assets | 83,972 | 15,108 | 455.8 |
| EBITDA includes foreign exchange gains /(losses) | 527,682 | 435,812 | 21.1 |
| Less: Foreign exchange gains/ (losses) | 120,941 | (116,350) | (203.9) |
| EBITDA excludes foreign exchange gains/ (losses) | 406,741 | 552,162 | (26.3) |
| EBITDA% | 12.9% | 20.8% | |

Earnings per share (EPS) and net assets value (NAV) per share

| | Group | | |
|---|------------|------------|----------|
| | 31/03/2016 | 31/03/2015 | Change % |
| In SGD 'cents (converted at Rp9,703/S\$1) | | | |
| EPS | 0.7 | 0.03 | n/m |

| | Group | | |
|---|------------|------------|----------|
| | 31/03/2016 | 31/12/2015 | Change % |
| In SGD 'cents (converted at Rp9,830/S\$1) | | | |
| NAV per share | 89.6 | 88.8 | 0.9 |

1(a)(ii). Profit before income tax is arrived at after charging/(crediting) the following significant items.

| Other information:- | Group | | |
|--|--------------|------------------------|---------|
| | 31/03/2016 | 31/03/2015 Restated | Change |
| | Rp ' million | Rp ' million | % |
| Depreciation of property, plant and equipment | 196,939 | 174,727 | 12.7 |
| Amortisation of bearer plant | 97,926 | 94,404 | 3.7 |
| Amortisation of deferred charges and others | 8,133 | 8,399 | (3.2) |
| Interest on borrowings | 162,618 | 161,781 | 0.5 |
| Provision for uncollectible and changes in amortised costs of plasma receivables | 17,728 | (4,762) | (472.3) |
| Foreign exchange (gains)/ losses | (120,941) | 116,350 | (203.9) |
| Write-off of property and equipment | 9 | 131 | (93.1) |
| (Gain)/ Loss on disposal of property and equipment | (459) | 21 | n/m |
| Net changes in provision for decline in market value and obsolescence of inventories | 6,926 | (1,300) | n/m |
| Realized of future crops expenditures | (2) | (4) | (50.0) |
| Changes in provision for asset dismantling costs | 3,319 | 1,861 | 78.3 |

n.m. denotes "Not Meaningful"

1(b)(i). A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

| | Group | | | Company | |
|---------------------------------------|-------------------|------------------------|------------------------|-------------------|-------------------|
| | 31/03/2016 | 31/12/2015 Restated | 01/01/2015 Restated | 31/03/2016 | 31/12/2015 |
| | Rp ' million | Rp ' million | Rp ' million | Rp ' million | Rp ' million |
| Non-current assets | | | | | |
| Biological assets | 1,640,017 | 1,555,300 | 1,814,987 | - | - |
| Property, plant and equipment | 11,535,112 | 11,496,484 | 11,026,669 | 46,308 | 47,232 |
| Bearer plants | 9,952,553 | 9,891,460 | 9,438,511 | - | - |
| Goodwill | 3,253,637 | 3,253,637 | 3,253,637 | - | - |
| Claims for tax refund | 155,812 | 155,812 | 148,545 | - | - |
| Deferred tax assets | 1,437,999 | 1,378,386 | 1,141,028 | - | - |
| Investment in subsidiary companies | - | - | - | 10,533,516 | 10,533,516 |
| Investment in associate companies | 1,156,401 | 1,217,280 | 416,460 | 551,139 | 551,139 |
| Investment in convertible note | - | - | 62,200 | - | - |
| Investment in a joint venture | 588,975 | 607,051 | 801,153 | - | - |
| Amount due from a subsidiary | - | - | - | 730,000 | 730,000 |
| Advances and prepayments | 567,879 | 500,963 | 746,606 | 36,698 | 36,698 |
| Other non-current receivables | 870,181 | 844,321 | 673,339 | 9 | 9 |
| Total non-current assets | 31,158,566 | 30,900,694 | 29,523,135 | 11,897,670 | 11,898,594 |
| Current assets | | | | | |
| Inventories | 1,662,425 | 1,936,731 | 1,773,329 | - | - |
| Trade and other receivables | 1,160,946 | 1,099,402 | 1,056,165 | 96,261 | 78,752 |
| Advances and prepayments | 372,733 | 147,899 | 165,899 | 1,662 | 509 |
| Prepaid taxes | 236,190 | 221,972 | 231,179 | - | - |
| Bearer plants | 212,724 | 165,308 | 161,819 | - | - |
| Cash and cash equivalents | 2,027,727 | 1,969,100 | 3,585,780 | 500,404 | 505,017 |
| Total current assets | 5,672,745 | 5,540,412 | 6,974,171 | 598,327 | 584,278 |
| Total assets | 36,831,311 | 36,441,106 | 36,497,306 | 12,495,997 | 12,482,872 |
| Current liabilities | | | | | |
| Trade and other payables and accruals | 1,850,913 | 1,802,866 | 1,854,311 | 16,425 | 13,392 |
| Advances and taxes payable | 156,385 | 214,364 | 203,780 | - | - |
| Interest-bearing loans and borrowings | 3,564,267 | 4,398,801 | 4,749,195 | 995,389 | 1,033,655 |
| Income tax payable | 66,094 | 34,879 | 144,183 | 27 | 27 |
| Total current liabilities | 5,637,659 | 6,450,910 | 6,951,469 | 1,011,841 | 1,047,074 |

| | Group | | | Company | |
|---|-------------------|------------------------|------------------------|-------------------|-------------------|
| | 31/03/2016 | 31/12/2015 Restated | 01/01/2015 Restated | 31/03/2016 | 31/12/2015 |
| | Rp ' million | Rp ' million | Rp ' million | Rp ' million | Rp ' million |
| Non-current liabilities | | | | | |
| Interest-bearing loans and borrowings | 6,660,645 | 5,741,803 | 5,068,141 | - | - |
| Amounts due to related parties and other payables | 488,306 | 368,882 | 590,259 | - | - |
| Provision and other liabilities | 30,797 | 27,478 | 25,199 | - | - |
| Employee benefits liabilities | 1,768,105 | 1,744,193 | 1,803,240 | - | - |
| Deferred tax liabilities | 1,225,342 | 1,196,923 | 1,210,466 | - | - |
| Total non-current liabilities | 10,173,195 | 9,079,279 | 8,697,305 | - | - |
| Total liabilities | 15,810,854 | 15,530,189 | 15,648,774 | 1,011,841 | 1,047,074 |
| Net assets | 21,020,457 | 20,910,917 | 20,848,532 | 11,484,156 | 11,435,798 |
| Equity attributable to owners of the Company | | | | | |
| Share capital | 3,584,279 | 3,584,279 | 3,584,279 | 10,912,411 | 10,912,411 |
| Treasury shares | (390,166) | (390,166) | (238,263) | (390,166) | (390,166) |
| Revenue reserves | 8,366,689 | 8,266,369 | 8,396,303 | 817,759 | 769,401 |
| Other reserves | 728,065 | 725,049 | 888,725 | 144,152 | 144,152 |
| | 12,288,867 | 12,185,531 | 12,631,044 | 11,484,156 | 11,435,798 |
| Non-controlling interests | 8,731,590 | 8,725,386 | 8,217,488 | - | - |
| Total equity | 21,020,457 | 20,910,917 | 20,848,532 | 11,484,156 | 11,435,798 |

1(b)(ii). Aggregate amount of the Group's borrowings and debt securities.

| | Group | |
|---|-------------------|-------------------|
| | 31/03/2016 | 31/12/2015 |
| | Rp ' million | Rp ' million |
| (i) Amounts payable in one year or less, or on demand | | |
| Secured | 1,620,884 | 1,297,801 |
| Unsecured | 1,943,383 | 3,101,000 |
| Sub-total | 3,564,267 | 4,398,801 |
| (ii) Amounts repayable after one year | | |
| Secured | 5,327,070 | 4,355,102 |
| Unsecured | 1,333,575 | 1,386,701 |
| Sub-total | 6,660,645 | 5,741,803 |
| TOTAL | 10,224,912 | 10,140,604 |

1(c). **A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

| | Group | |
|--|----------------------------|--|
| | 31/03/2016 Rp ' million | 31/03/2015 Restated Rp ' million |
| Cash flows from operating activities | | |
| Profit before tax | 166,738 | 46,763 |
| Adjustments : | | |
| Depreciation and amortisation | 302,998 | 277,530 |
| Unrealised foreign exchange (gains)/ losses | (113,657) | 160,508 |
| Gain arising from changes in fair value of biological assets | (83,972) | (15,108) |
| Allowance for impairment and amortised cost adjustments of plasma receivables | 17,799 | (4,596) |
| Write-off of property and equipment | 9 | 131 |
| (Gain)/ loss on disposal of property and equipment | (459) | 21 |
| Net changes in provision for decline in market value and obsolescence of inventories | 6,926 | (1,300) |
| Changes in provision for asset dismantling costs | 3,319 | 1,861 |
| Change in estimated liability for employee benefits | 59,245 | 74,937 |
| Changes in fair value of long-term receivables | (387) | (337) |
| Provision for uncollectible plasma receivables | (71) | (166) |
| Provision of allowance of doubtful debts | 122 | - |
| Realised of future crop expenditures | (2) | (4) |
| Share of results of associated companies | 5,040 | (3,694) |
| Share of results of a joint venture | 47,841 | 28,562 |
| Finance income | (24,157) | (39,823) |
| Finance expense | 166,075 | 166,450 |
| Operating cash flows before working capital changes | 553,407 | 691,735 |
| Changes in working capital | | |
| Other non-current assets | 5,606 | (65,789) |
| Inventories | 267,395 | (386,836) |
| Trade and other receivables | (72,509) | (19,423) |
| Advances to suppliers | (210,434) | (209,289) |
| Prepaid taxes | 10,020 | (22,038) |
| Trade and other payables and accruals | 34,505 | 301,254 |
| Advances from customers | (77,140) | (35,912) |
| Cash flows generated from operations | 510,850 | 253,702 |
| Interest received | 24,774 | 37,899 |
| Interest paid | (153,883) | (173,805) |
| Income tax paid | (118,996) | (142,877) |
| Net cash flows generated from /(used in) operating activities | 262,745 | (25,081) |

| | Group | |
|---|------------------|--------------------|
| | 31/03/2016 | 31/03/2015 |
| | Rp ' million | Rp ' million |
| Cash flows from investing activities | | |
| Additions to property, plant and equipment | (167,750) | (344,044) |
| Additions to bearer plants | (232,570) | (209,727) |
| Additions to biological assets | (444) | (3,514) |
| Increase in plasma receivables | (57,699) | (52,094) |
| Proceeds from disposal of property and equipment | 566 | 91 |
| Advances for projects and purchase of fixed assets | (49,157) | (245,499) |
| Investment in associated companies | - | (196,804) |
| Capital reduction on an associated company | 30,358 | - |
| Acquisition of a subsidiary | (54,992) | - |
| Net cash flows used in investing activities | (531,688) | (1,051,591) |
| Cash flows from financing activities | | |
| Proceeds from interest-bearing loans and borrowings | 2,123,659 | 649,058 |
| Repayment of interest-bearing loans and borrowings | (1,905,558) | (729,227) |
| Net proceeds from amount due to related parties | 121,640 | 129,000 |
| Dividend payments by subsidiaries to non-controlling interests | - | (2,587) |
| Acquisition of treasury shares | - | (89,733) |
| Non- controlling shareholder capital injection from a subsidiary | 7,000 | - |
| Net cash flows generated from /(used in) financing activities | 346,741 | (43,489) |
| Net increase /(decrease) in cash and cash equivalents | 77,798 | (1,120,161) |
| Effect of changes in exchange rates on cash and cash equivalents | (19,171) | 23,548 |
| Cash and cash equivalents at the beginning of the period | 1,969,100 | 3,585,780 |
| Cash and cash equivalents at the end of the period | 2,027,727 | 2,489,167 |

- 1(d)(i). A statement (for the issuer and group) showing either (i) all the changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENT OF CHANGES IN EQUITY

| | Group | | Company | |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | 31/03/2016 Rp ' million | 31/03/2015 Rp ' million | 31/03/2016 Rp ' million | 31/12/2015 Rp ' million |
| Issued Capital | | | | |
| Balance as at 1 January / 31 March ⁽¹⁾ | 3,584,279 | 3,584,279 | 10,912,411 | 10,912,411 |
| Treasury shares (IndoAgri) | | | | |
| Balance as at 1 January | (390,166) | (238,263) | (390,166) | (238,263) |
| Purchase of treasury shares | - | (89,733) | - | (151,903) |
| Balance as at 31 March | (390,166) | (327,996) | (390,166) | (390,166) |
| Reserves | | | | |
| Balance as at 1 January (As previously stated) | 10,743,482 | 10,666,852 | 769,401 | 700,244 |
| Cumulative effect of adopting FRS16 & FRS41 | (2,477,113) | (2,270,549) | - | - |
| Balance as at 1 January (As restated) | 8,266,369 | 8,396,303 | 769,401 | 700,244 |
| Dividend payment | - | - | - | (71,873) |
| Actuarial gain/ (loss) on employee benefits liability | 5,355 | (395) | - | - |
| Net profit and total recognized income for the period | 94,965 | 3,970 | 48,358 | 141,030 |
| Balance as at 31 March | 8,366,689 | 8,399,878 | 817,759 | 769,401 |
| Other Reserves * | | | | |
| Balance as at 1 January (As previously stated) | 452,154 | 615,829 | 144,152 | 144,152 |
| Cumulative effect of adopting FRS16 & FRS41 | 272,895 | 272,896 | - | - |
| Balance as at 1 January (As restated) | 725,049 | 888,725 | 144,152 | 144,152 |
| Treasury stock | - | - | - | - |
| Foreign currency translation | 3,016 | (67,035) | - | - |
| Balance as at 31 March | 728,065 | 821,690 | 144,152 | 144,152 |
| Non-controlling Interests | | | | |
| Balance as at 1 January (As previously stated) | 9,855,945 | 9,088,455 | - | - |
| Cumulative effect of adopting FRS16 & FRS41 | (1,130,559) | (870,967) | - | - |
| Balance as at 1 January (As restated) | 8,725,386 | 8,217,488 | - | - |
| Dividend payments by subsidiaries | - | (2,587) | - | - |
| Actuarial loss on employee benefits liability | 7,217 | (70) | - | - |
| Foreign currency translation | (1,907) | 2,821 | - | - |
| Net profit and total recognised income for the period | 894 | 4,488 | - | - |
| Balance as at 31 March | 8,731,590 | 8,222,140 | - | - |
| Total Equity | 21,020,457 | 20,699,991 | 11,484,156 | 11,435,798 |

Notes:

- (1) The issued capital of the Group differs from that of the Company as a result of applying the reverse acquisition accounting in accordance with FRS 103. It represents the total of the deemed cost of acquisition immediately before the Acquisition and issue/placement of new shares by the Company subsequent to the Acquisition.

- * Other reserves comprise capital reserves of subsidiary companies; gain on sale of treasury shares and foreign currency translation differences.

- (d)(ii). **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issue of equity securities, issue of shares for cash or consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at end of the current financial period reported on and as at end of the corresponding period of the immediately preceding financial year.**

The Company did not issue any shares during the period. As of 31 March 2016, the number of issued shares were 1,447,782,830, of which 51,878,300 shares were held as treasury shares. As of 31 March 2015, the number of issued shares were 1,447,782,830, of which 43,500,000 shares were held as treasury shares.

There were no outstanding convertibles as at 31 March 2016 and 2015.

- (d)(iii). **To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

| | Company | |
|---|------------------|------------------|
| | 31/03/2016 | 31/12/2015 |
| | (' 000) | (' 000) |
| Total number of issued shares | 1,447,783 | 1,447,783 |
| Less: Treasury shares | (51,878) | (51,878) |
| Total number of issued shares excluding treasury shares | 1,395,905 | 1,395,905 |

- (d)(iv). **A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

| Treasury Shares | Company | |
|-----------------------------|---------------|----------------|
| | No of shares | Amount |
| | (' 000) | Rp ' million |
| Balance as at 1 January | 51,878 | 390,166 |
| Purchase of treasury shares | - | - |
| Balance as at 31 March 2016 | 51,878 | 390,166 |

2. **Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

This consolidated financial information has not been audited nor reviewed by the external auditors.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The accounting policies have been consistently applied by the Company and the Group, and are consistent with those used in the previous financial year.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changes, as well as the reason for, and the effect of, the change.

Amendments to FRS 16 and FRS 41 Agriculture – Bearer Plants

The Group adopted the amendments to FRS 16 and FRS 41 with effect from January 2016. Under the amendments, biological assets that meet the definition of bearer plants will no longer be within the scope of FRS 41. Instead, bearer plants will be measured under FRS 16 at accumulated cost (before maturity) using the cost model (after maturity). However, the agricultural produce growing on bearer plants will remain within the scope of FRS 41 to be measured at fair value less costs to sell. We have applied these amendments retrospectively.

Based on its initial adoption on 1 January 2016, the Group's total assets and deferred tax liabilities decreased approximate Rp4.3 trillion and Rp0.94 trillion, respectively, with a corresponding decrease of Rp3.3 trillion in total equity.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding year, after deducting any provision for the preference dividends; (a) Based on weighted average number of shares and (b) On a fully diluted basis (detailing any adjustments made to the earnings)

Basic earnings per share amounts are calculated by dividing earnings for the period attributable to the equity holders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is calculated on the same basis as the basic earnings per share except that the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential ordinary shares. The Company has no dilutive potential ordinary shares as at 31 March 2016.

| Earnings per share (Rp) | Group | | Change % |
|---|------------|------------|----------|
| | 31/03/2016 | 31/03/2015 | |
| Based on weighted average number of share | 68 | 3 | n/m |
| Based on a fully diluted basis | 68 | 3 | n/m |

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-

The net asset value per share for the Group is calculated using the Group's net asset value attributable to equity holders as at end of each period divided by the issued share capital of 1,395,904,530 (excluding 51,878,300 held as treasury shares) as of 31 March 2016 and 31 December 2015.

| | Group | | Company | |
|--------------------------------|------------|------------|------------|------------|
| | 31/03/2016 | 31/12/2015 | 31/03/2016 | 31/12/2015 |
| Net asset value per share (Rp) | 8,804 | 8,729 | 8,221 | 8,073 |

- 8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Review of Group Performance

| | Group | | |
|--|----------------------------|----------------------------|---------------|
| | 31/03/2016 Rp ' million | 31/03/2015 Rp ' million | Change % |
| Revenue | | | |
| Plantations | | | |
| External sales | 1,066,824 | 807,730 | 32.1 |
| Inter-segment sales * | 736,142 | 1,038,428 | (29.1) |
| Sub-total | 1,802,966 | 1,846,158 | (2.3) |
| Edible Oils & Fats (EOF)** | | | |
| External sales | 2,080,199 | 1,851,537 | 12.3 |
| Sub-total | 2,080,199 | 1,851,537 | 12.3 |
| Elimination of inter-segment sales * | (736,142) | (1,038,428) | (29.1) |
| Total revenue to external parties | 3,147,023 | 2,659,267 | 18.3 |
| Gross Profit | 533,673 | 614,848 | (13.2) |
| Gross Profit % | 17.0% | 23.1% | |

* Comprises mainly internal CPO sales to the Group's own refineries

** Comprises mainly cooking oil, margarine and copra-based products

Financial Performance

Overview: Global commodity markets are going through a challenging cycle. Prices of most agricultural commodities remain low mainly due to sluggish demand arising from global economic slowdown and weak market sentiments. This is further aggravated by supply gluts for rubber and sugar. Rotterdam CIF crude palm oil (CPO) prices have recovered slightly to an average of US\$627 per tonne in 1Q2016 from US\$615 per tonne in 2015. The price recovery was partly due to supply concerns arising from adverse weather conditions. Rubber prices (RSS 3 SICOM) were on a downward trend, declining from an average of US\$1,560 per tonne in 2015 to US\$1,308 per tonne in 1Q2016.

Despite lower commodity prices which affected our Plantation Division, the Group reported a positive quarter mainly driven by foreign currency gains and a strong performance of our Edible Oils & Fats (EOF) Division.

Revenue: Group's consolidated revenue (after elimination of inter-segment sales) up 18% to Rp3.1 trillion in 1Q2016. The improved sales performance was driven by higher sales volume of CPO to external parties and stronger sales reported by the EOF Division.

Lower commodity prices for agriculture crops have affected our Plantation Division. Total revenue (both inter-segment and external) declined 2% to Rp1.8 trillion in 1Q2016. This reflected mainly higher sales volume of CPO to external parties, but offset by lower average selling prices of palm products and lower rubber sales. In line with lower average selling prices, Plantation Division achieved lower EBITDA earnings in this quarter.

EOF Division delivered a strong quarter with revenue grew 12% in 1Q2016 mainly attributable to higher sales volume of edible oil products, but partly offset by lower selling prices. EOF Division achieved higher EBITDA earnings in 1Q2016 on higher sales volume.

Gross Profit: Group's gross profit in 1Q2016 declined 13% over the same quarter last year. The decline was primarily attributable to lower average selling prices of palm products and rubber, however this was partly offset by higher profit contribution from the EOF Division.

Other Operating Income/(Expenses): During the quarter, the Group recorded lower Other Operating Income and higher Other Operating Expense mainly due to net movements in provision for decline in market values of inventories, and provision for uncollectible and changes in amortised costs of plasma receivables.

Selling and Distribution Expenses (S&D): Our EOF Division recorded higher S&D expenses in 1Q2016, which mainly due to increased freight and distribution charges on higher sales volume, as well as the launch of tactical promotion campaigns to drive sales.

Foreign exchange (losses)/ gains were principally attributable to the translation of US dollar and Singapore dollar denominated loans, assets and liabilities. In 1Q2016, the Group recognised foreign currency gains of Rp121 billion as the Indonesian Rupiah strengthened against the US Dollar (Rp13,276/US\$ as of 31 December 2015 versus Rp13,795/US\$ in last year end).

Share of results of associate companies: These were mainly relating to (i) Heliae, a R&D development stage company which engages in the development of technology solutions for the commercial algae production of a variety of potential uses including food and feed, fertilizer, chemicals and pharmaceuticals; (ii) FP Natural Resources Limited (FPNRL), which in turn holds 50.9% stake in Roxas Holdings Inc. (Roxas), the largest integrated sugar business in the Philippines; and (iii) Asian Assets Management Pte. Ltd. (AAM), which in turn owns PT Aston Inti Makmur, a company engages in the property business and operates an office building. The Group's share of losses from associate companies were Rp5 billion losses in 1Q2016 compared to Rp4 billion profit in 1Q2015, mainly reflecting share of losses from Heliae.

Share of results of a joint venture: This was related to CMAA, a 50% joint venture in Brazil. The higher share of losses of Rp48 billion in 1Q2016 compared to Rp29 billion in 1Q2015 were principally due to lower selling prices of electricity generation, and foreign currency losses relating to loans denominated in US dollar.

Gain arising from changes in fair values of biological assets:

The gain arising from changes in fair values of biological assets in 1Q2016 of Rp84 billion compared to Rp15 billion in 1Q2015. The gain was mainly due to the net changes in the fair values of agriculture produce.

Profit from Operations: The Group reported higher Profit from Operations in 1Q2016 mainly due to foreign currency gains, which more than offset lower gross profit and higher operating expenses.

EBITDA: In 1Q2016, Group recorded lower EBITDA of Rp407 billion, a 26% decline over the same quarter last year. The decline was mainly due to lower gross profit and higher operating expenses.

The Group recorded higher depreciation and amortization during the periods arising from additions of property, plant and equipment and partly from the newly mature plantations.

Financial Income: The Group recorded lower financial income in 1Q2016 mainly due to lower fixed deposit placements.

Income Tax Expense: The high effective tax rate of 43% in 1Q2016 were mainly due to non-deductible expenses and share of losses of associate and joint venture companies which are not available for set-off against profit from other group's entities.

Net Profit After Tax (NPAT): The Group reported higher NPAT of Rp96 billion in 1Q2016 compared to Rp8 billion in 1Q2015. The increase was primarily due to higher profits from operations as explained above. Excluding the effects of foreign currency and biological assets, the Group achieved a core loss of Rp68 billion in 1Q2016 compared to a core profit of Rp93 billion in 1Q2015.

Other comprehensive income – The foreign currency translation relates to the investments in associate and joint venture companies, which are denominated in US dollar and Brazilian Reals, respectively. The Group recognised translation gains of Rp1 billion in 1Q2016 compared to Rp64 billion losses in 1Q2015.

Review of Financial Position

Total non-current assets stood at Rp31.2 trillion in March 2016 compared to Rp30.9 trillion in December 2015. The increase was principally attributable to (i) capital expenditure relating to housing and infrastructure, machineries and equipment, and additions to bearer plants; (ii) recognition of higher deferred tax assets relating tax losses carried forward; and (iii) higher advances relating to purchases of fixed assets. This was partly offset by lower carrying value of investment in associate companies and a joint venture due to share of losses and a capital reduction from an associate company.

The Group's total current assets were Rp5.7 trillion in March 2016 compared to Rp5.6 trillion in December 2015. The increase was mainly due to higher advances to suppliers for the purchase of raw materials and operating supplies. However this was partly offset by lower CPO inventories and lower sugar stocks.

As of March 2016, total liabilities of Rp15.8 trillion were 2% higher than Rp15.5 trillion in December 2015. This was mainly due to higher long-term loans. The Group reported a negative working capital of Rp0.9 trillion in December 2015, this issue has been addressed following the refinancing of certain short-term facilities to long-term loans in 1Q2016.

Review of Cash Flows

The Group generated a positive net cash flows from operations of Rp270 billion in 1Q2016 compared a negative cash flows of Rp25 billion in the same quarter last year. Net cash flows used in investing activities in 1Q2016 was Rp532 billion, which comprised principally capital expenditure relating to additions of fixed assets, bearer plants, advances for projects and an investment in a tea plantation of Rp55 billion. The investing activities were mainly funded by cash flows from operations and additional loan facilities. The group's cash levels maintained close to Rp2.0 trillion as of March 2016 compared to last year end.

9. *Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.*

Not applicable.

10. *A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.*

The market conditions remain challenging for the commodity sector. The persistent slump in commodity prices and slower growth in some key markets like China have led to a prolonged period of volatility and uncertainty. Global developments remain uncertain and unpredictable. These circumstances have aggravated the complex mix peculiar to any agribusiness such as the weather, export restrictions, the higher co-relationship between the prices of crude oil and various commodities, and the performance of competing crops such as soybean oil.

As a diversified and vertically integrated agribusiness with a dominant presence in Indonesia, our operations continue to be supported by positive market drivers that include good demographics, strong economic fundamentals, and a fast-growing middle class with rising discretionary incomes.

Our outlook for the agribusiness remains optimistic but we are cautiously managing our activities during this challenging period to mitigate risks and exposures. We will place a stronger emphasis on extracting the optimal from our value chain, and proactively improve operations, increase yields, raise productivity and control costs.

11. If a decision regarding dividend has been made.

(a) Current Financial Period Reported On

Nil.

(b) Corresponding Period of the Immediately Preceding Financial Year

Nil.

12. If no dividend has been declared (recommended), a statement to that effect.

Not applicable.

13. Disclosure of the aggregate value of the transactions conducted under the shareholders' mandate for interested person transaction Rule 920(1)(a)(ii) of the Listing Manual

The Group has the following the interest person transactions ("IPT") for the first quarter 2016:

| Name of Interested Person | Aggregate value of all Interested person transactions (excluding transactions less than S\$100,000) | |
|--|---|-------------------|
| | Rp 'billion | USD 'million |
| PT ISM Group | | |
| <ul style="list-style-type: none"> • Sales of cooking oil, margarine and others • Purchase of goods and services | 757 22 | - - |
| Salim Group | | |
| <ul style="list-style-type: none"> • Sales of cooking oil, seeds and material • Purchases of goods and services • Shareholder loans • Corporate guarantees | 194 89 1,379 2,893 | - - - 24 |

14. Confirmation by the Board Pursuant to Rule 705(5) of the Listing Manual

The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to the attention which may render the Group's unaudited financial statements for the first quarter ended 31 March 2016 to be false or misleading in any material aspect.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company confirms that it has procured undertakings from all its directors and executive officers in the form set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

BY THE ORDER OF THE BOARD

Mark Julian Wakeford
Chief Executive Officer and Executive Director

29 April 2016