

UNAUDITED FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 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 – Q3			Group – YTD 9 months		
	30/09/2016	30/09/2015 Restated *	Change	30/09/2016	30/09/2015 Restated *	Change
	Rp ' million	Rp ' million	%	Rp ' million	Rp ' million	%
Revenue	3,552,217	3,268,441	8.7	10,267,691	10,060,270	2.1
Cost of sales	(2,725,378)	(2,572,170)	6.0	(8,187,429)	(7,973,416)	2.7
Gross Profit	826,839	696,271	18.8	2,080,262	2,086,854	(0.3)
Gross Profit %	23.3%	21.3%		20.3%	20.7%	
Selling and distribution expenses	(127,460)	(115,403)	10.4	(430,317)	(348,135)	23.6
General and administrative expenses	(223,763)	(234,379)	(4.5)	(681,218)	(714,892)	(4.7)
Foreign exchange gain/ (loss)	40,259	(321,918)	n/m	190,781	(481,789)	n/m
Other operating income	10,178	30,570	(66.7)	45,956	81,127	(43.4)
Other operating expenses	(20,826)	(49,595)	(58.0)	(118,625)	(130,134)	(8.8)
Share of results of associate companies	(18,510)	(21,166)	(12.5)	(38,331)	(37,474)	2.3
Share of results of a joint venture	46,447	(43,240)	n/m	(71,824)	(158,262)	(54.6)
Profit/ (loss) from operations before biological assets gain/ (loss)	533,164	(58,860)	n/m	976,684	297,295	228.5
Gain/ (loss) arising from changes in fair value of biological assets	24,958	(50,106)	n/m	120,383	(31,181)	n/m
Profit/ (loss) from operations including biological assets gain/ (loss)	558,122	(108,966)	n/m	1,097,067	266,114	312.3
Financial income	22,313	19,035	17.2	67,681	92,865	(27.1)
Financial expenses	(173,332)	(167,491)	3.5	(507,020)	(525,046)	(3.4)
Profit/ (loss) before tax	407,103	(257,422)	n/m	657,728	(166,067)	n/m
Income tax expense	(225,326)	9,881	n/m	(357,490)	(81,608)	338.1
Net profit/ (loss) after tax	181,777	(247,541)	n/m	300,238	(247,675)	n/m
Core net profit after tax ⁽¹⁾	129,919	57,063	127.7	50,238	174,131	(71.1)
Profit/(loss) attributable to:						
Owners of the Company	159,185	(213,225)	n/m	284,014	(242,660)	n/m
Non-controlling interests	22,592	(34,316)	n/m	16,224	(5,015)	n/m
	181,777	(247,541)	n/m	300,238	(247,675)	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 – Q3			Group – YTD 9 months		
	30/09/2016	30/09/2015 Restated*	Change	30/09/2016	30/09/2015 Restated*	Change
	Rp ' million	Rp ' million	%	Rp ' million	Rp ' million	%
Other comprehensive income:						
Items that may be reclassified subsequently to profit or loss						
Foreign currency translation	(24,322)	(13,775)	76.6	27,313	(31,557)	n/m
Items that will not be reclassified to profit or loss						
Re-measurement gain/(loss) on employee benefits liability	729	(1,213)	n/m	2,187	(2,891)	n/m
Share of other comprehensive gain of a joint venture	12,166	-	n/m	69,920	-	n/m
Other comprehensive income/(loss) for the period, net of tax	(11,427)	(14,988)	(23.8)	99,420	(34,448)	n/m
Total comprehensive income/(loss)	170,350	(262,529)	n/m	399,658	(282,123)	n/m
Total comprehensive income attributable to:-						
- Owners of the Company	147,715	(232,309)	n/m	384,019	(284,389)	n/m
- Non-controlling interests	22,635	(30,220)	n/m	15,639	2,266	n/m
	170,350	(262,529)	n/m	399,658	(282,123)	n/m

n.m. denotes "Not Meaningful"

*** Comparative figures**

The following accounts in the statement of comprehensive income have been restated based on the amendments to FRS 16 and 41 Agriculture – Bearer Plants, and some reclassifications to conform to prior years' presentation.

	As restated	As previously reported	As restated	As previously reported
	3Q15	3Q15	9M15	9M15
Statement of comprehensive income	Rp ' million	Rp ' million	Rp ' million	Rp ' million
Cost of sales	(2,572,170)	(2,446,960)	(7,973,416)	(7,600,169)
General and administrative	(234,379)	(264,269)	(714,892)	(804,562)
Gain arising from changes in fair values of biological assets	(50,106)	-	(31,181)	-
Income tax expense	9,881	(26,475)	(81,608)	(160,297)

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 – Q3			Group – YTD 9 months		
	30/09/2016	30/09/2015 Restated	Change	30/09/2016	30/09/2015 Restated	Change
	Rp ' million	Rp ' million	%	Rp ' million	Rp ' million	%
Profit / (loss) from operations	558,122	(108,966)	n/m	1,097,067	266,114	312.3
Add: Depreciation & amortisation	496,620	476,208	4.3	1,187,010	1,180,707	0.5
Less: Gain / (loss) arising from changes in fair value of biological assets	24,958	(50,106)	n/m	120,383	(31,181)	n/m
EBITDA includes foreign exchange gain/(loss)	1,029,784	417,348	146.7	2,163,694	1,478,002	46.4
Less: Foreign exchange gain/(loss)	40,259	(321,918)	n/m	190,781	(481,789)	n/m
EBITDA excludes foreign exchange gain/(loss)	989,525	739,266	33.9	1,972,913	1,959,791	0.7
EBITDA%	27.9%	22.6%		19.2%	19.5%	

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

	Group – YTD 9 months		
	30/09/2016	30/09/2015 Restated	Change %
In SGD 'cents (converted at Rp9,734/\$1)			
EPS	2.1	(1.8)	n/m

	Group		
	30/09/2016	31/12/2015 Restated	Change %
In SGD 'cents (converted at Rp9,522/\$1)			
NAV per share	87.2	84.8	2.8

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

Other information:-	Group – Q3			Group – YTD 9 months		
	30/09/2016	30/09/2015 Restated	Change	30/09/2016	30/09/2015 Restated	Change
	Rp ' million	Rp ' million	%	Rp ' million	Rp ' million	%
Depreciation of property, plant and equipment	486,407	467,284	4.1	1,159,904	1,154,428	0.5
Amortisation of deferred charges and others	10,213	8,924	14.4	27,106	26,279	3.1
Interest on borrowings	169,160	162,564	4.1	495,532	511,860	(3.2)
Loss/ (gain) on disposal of biological assets	227	135	68.1	(1,242)	135	n/m
Provision for uncollectible and changes in amortised cost of plasma receivables	17,735	24,861	(28.7)	47,116	29,223	61.2
Foreign exchange (gain)/ loss	(40,259)	321,918	n/m	(190,781)	481,789	n/m
Write-off of property and equipment and biological assets	13	(95)	n/m	31	365	(91.5)
Loss/ (gain) on disposal of property and equipment	1,600	(673)	n/m	(1,228)	(1,290)	(4.8)
Allowance for decline in market value and obsolescence of inventories	(10,054)	(1,162)	n/m	11,717	3,433	241.3
Changes in provision for asset dismantling costs	1,597	(1,802)	n/m	6,179	(1,026)	n/m

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	
	30/09/2016	31/12/2015 Restated *	01/01/2015 Restated *	30/09/2016	31/12/2015
	Rp ' million	Rp ' million	Rp ' million	Rp ' million	Rp ' million
Non-current assets					
Biological assets	362,718	360,802	305,299	-	-
Property, plant and equipment	21,603,530	21,566,811	20,640,101	44,494	47,232
Goodwill	3,253,637	3,253,637	3,253,637	-	-
Claims for tax refund	168,850	155,812	148,545	-	-
Deferred tax assets	1,417,052	1,378,386	1,141,028	-	-
Investment in subsidiary companies	-	-	-	10,533,516	10,533,516
Investment in associate companies	1,112,549	1,217,280	416,460	551,139	551,139
Investment in convertible note	-	-	62,200	-	-
Investment in a joint venture	675,452	607,051	801,153	-	-
Amount due from a subsidiary	-	-	-	730,000	730,000
Advances and prepayments	422,807	500,963	746,606	36,698	36,698
Other non-current receivables	1,022,471	844,321	673,339	9	9
Total non-current assets	30,039,066	29,885,063	28,188,368	11,895,856	11,898,594
Current assets					
Inventories	2,079,093	1,936,731	1,773,329	-	-
Trade and other receivables	1,245,263	1,099,402	1,056,165	93,268	78,752
Advances and prepayments	489,333	147,899	165,898	822	509
Prepaid taxes	247,660	221,972	231,179	-	-
Other current assets	147,069	26,686	70,346	-	-
Cash and cash equivalents	1,794,941	1,969,100	3,585,780	502,186	505,017
Total current assets	6,003,359	5,401,790	6,882,697	596,276	584,278
Total assets	36,042,425	35,286,853	35,071,065	12,492,132	12,482,872
Current liabilities					
Trade and other payables and accruals	1,874,593	1,802,866	1,854,311	13,376	13,392
Advances and taxes payable	232,821	214,364	203,780	-	-
Interest-bearing loans and borrowings	2,966,260	4,398,801	4,749,195	-	1,033,655
Income tax payable	101,236	34,879	144,183	-	27
Total current liabilities	5,174,910	6,450,910	6,951,469	13,376	1,047,074

	Group			Company	
	30/09/2016	31/12/2015 Restated*	01/01/2015 Restated*	30/09/2016	31/12/2015
	Rp ' million	Rp ' million	Rp ' million	Rp ' million	Rp ' million
Non-current liabilities					
Interest-bearing loans and borrowings	7,237,008	5,741,803	5,068,141	969,814	-
Amounts due to related parties and other payables	535,008	368,882	590,259	-	-
Provision and other liabilities	33,657	27,478	25,199	-	-
Employee benefits liabilities	1,896,435	1,744,193	1,803,240	-	-
Deferred tax liabilities	777,923	773,739	719,283	-	-
Total non-current liabilities	10,480,031	8,656,095	8,206,122	969,814	-
Total liabilities	15,654,941	15,107,005	15,157,591	983,190	1,047,074
Net assets	20,387,484	20,179,848	19,913,474	11,508,942	11,435,798
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	7,816,952	7,600,694	7,630,072	842,545	769,401
Other reserves	572,646	473,237	640,116	144,152	144,152
	11,583,711	11,268,044	11,616,204	11,508,942	11,435,798
Non-controlling interests	8,803,773	8,911,804	8,297,270	-	-
Total equity	20,387,484	20,179,848	19,913,474	11,508,942	11,435,798

* The restated figures were related to the amendments FRS 16 and FRS 41 Agriculture – Bearer Plants

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

	Group	
	30/09/2016	31/12/2015
	Rp ' million	Rp ' million
(i) Amounts payable in one year or less, or on demand		
Secured	1,657,457	1,297,801
Unsecured	1,308,803	3,101,000
Sub-total	2,966,260	4,398,801
(ii) Amounts repayable after one year		
Secured	5,933,686	4,355,102
Unsecured	1,303,322	1,386,701
Sub-total	7,237,008	5,741,803
TOTAL	10,203,268	10,140,604

(iii) **Details of the collaterals**

The above bank term loans and investment loans are secured by:

- (a) corporate guarantees from a subsidiary
- (b) charge over the plantation assets of the respective subsidiary.

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 – Q3		Group – YTD 9 months	
	30/09/2016	30/09/2015 Restated*	30/09/2016	30/09/2015 Restated*
	Rp ' million	Rp ' million	Rp ' million	Rp ' million
Cash flows from operating activities				
Profit /(loss) before taxation	407,103	(257,422)	657,728	(166,067)
Adjustments:				
Depreciation and amortisation	496,620	476,208	1,187,010	1,180,707
Unrealised foreign exchange loss/(gain)	(36,262)	280,522	(182,104)	487,352
(Gain) / loss arising from changes in fair value of biological assets	(24,958)	50,106	(120,383)	31,181
Allowance for impairment and amortised cost adjustments of plasma receivables	(2)	(1)	(76)	(230)
(Gain) / loss on disposal of plantation trees	227	135	(1,242)	135
Write-off of property and equipment and biological assets	13	(95)	31	365
(Gain)/ loss on disposal of property and equipment	1,600	(673)	(1,228)	(1,290)
Allowance for decline in market value and obsolescence of inventories	(10,054)	(7,444)	11,717	3,433
Changes in provision for asset dismantling costs	1,597	(1,802)	6,179	(1,026)
Change in estimated liability for employee benefits	74,640	74,937	223,921	225,119
Changes in fair value of long-term receivables	161	375	(510)	65
Provision for uncollectible plasma receivables	17,737	24,862	47,192	29,453
Provision of allowance of doubtful debts	(4)	-	118	-
Share of results of associate companies	18,510	21,166	38,331	37,474
Share of results of a joint venture	(46,447)	43,240	71,824	158,262
Financial income	(22,313)	(19,035)	(67,681)	(92,865)
Financial expenses	173,332	167,491	507,020	525,046
Operating cash flows before working capital changes	1,051,500	852,570	2,377,847	2,417,114
Changes in working capital				
Other non-current receivables	14,398	29,411	25,406	119,447
Inventories	(302,021)	(74,575)	(154,078)	(493,104)
Trade and other receivables	319,214	194,290	(337,048)	(224,058)
Advances to suppliers	(19,686)	46,304	(242,822)	(108,546)
Prepaid taxes	(17,754)	(1,474)	(1,742)	35,088
Trade and other payables and accruals	6,198	(168,911)	43,044	166,744
Advances from customers	42,234	(25,444)	(39,688)	52,182
Cash flows generated from operations	1,094,083	852,171	1,670,919	1,964,867
Interest received	21,286	19,692	67,545	97,033
Interest paid	(161,513)	(166,509)	(481,091)	(531,481)
Income tax paid	(110,021)	(153,550)	(350,282)	(617,596)
Net cash flows generated from operating activities	843,835	551,804	907,091	912,823

	Group – Q3		Group – YTD 9 months	
	30/09/2016	30/09/2015 Restated*	30/09/2016	30/09/2015 Restated*
	Rp ' million	Rp ' million	Rp ' million	Rp ' million
Cash flows from investing activities				
Additions to property, plant and equipment	(324,589)	(621,606)	(1,078,649)	(1,531,700)
Additions to biological assets	(236)	(3,047)	(1,021)	(8,747)
Increase in plasma receivables	(49,010)	(27,760)	(143,261)	(120,480)
Proceeds from disposal of property and equipment	(1,470)	1,827	1,560	2,639
Proceeds from disposal of plantation trees	2,132	-	3,986	-
Advances for projects and purchases of fixed assets	(42,638)	(11,728)	(58,606)	(220,879)
Investment in associated companies	-	-	-	(716,128)
Investment in joint venture	-	-	-	(120,152)
Capital reduction on an associate company	-	-	30,960	-
Acquisition of subsidiaries, net of cash acquired	-	-	(54,996)	-
Net cash flows used in investing activities	(415,811)	(662,314)	(1,300,027)	(2,715,447)
Cash flows from financing activities				
Proceeds from interest-bearing loans and borrowings	20,065	979,470	3,315,433	3,521,471
Repayment of interest-bearing loans and borrowings	(486,536)	(1,201,932)	(3,058,186)	(3,521,398)
Net proceeds from amount due to related parties	8,300	-	169,470	129,000
Dividend payments by subsidiaries to non-controlling interests	(479)	-	(123,224)	(214,766)
Acquisition of treasury shares	-	-	-	(151,903)
Dividend payment to Company's shareholders	-	-	(68,288)	(71,873)
Non-controlling shareholder capital injection from a subsidiary	-	183,969	7,000	387,689
Acquisitions of non-controlling interests	-	(11,849)	-	(11,854)
Net cash flows (used in)/ generated from financing activities	(458,650)	(50,342)	242,205	66,366
Net decrease in cash and cash equivalents	(30,626)	(160,852)	(150,731)	(1,736,258)
Effect of changes in exchange rates on cash and cash equivalents	(7,158)	61,355	(23,428)	94,653
Cash and cash equivalents at the beginning of the period	1,832,725	2,043,672	1,969,100	3,585,780
Cash and cash equivalents at the end of the period	1,794,941	1,944,175	1,794,941	1,944,175

* The restated figures were related to the amendments FRS 16 and FRS 41 Agriculture – Bearer Plants

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	
	30/09/2016	30/09/2015 Restated*	30/09/2016	30/09/2015
	Rp ' million	Rp ' million	Rp ' million	Rp ' million
Issued Capital				
Balance as at 1 January / 30 September ⁽¹⁾	3,584,279	3,584,279	10,912,411	10,912,411
Treasury shares of the Company				
Balance as at 1 January	(390,166)	(238,263)	(390,166)	(238,263)
Purchase of treasury shares	-	(151,903)	-	(151,903)
Balance as at 30 September	(390,166)	(390,166)	(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	(3,142,788)	(3,036,780)	-	-
Balance as at 1 January (As restated)	7,600,694	7,630,072	769,401	700,244
Dividend payment	(68,288)	(71,873)	(68,288)	(71,873)
Actuarial gain/ (loss) on employee benefits liability	532	(1,839)	-	-
Net profit and total recognized income for the period	284,014	(242,660)	141,432	75,996
Balance as at 30 September	7,816,952	7,313,700	842,545	704,367
Other Reserves **				
Balance as at 1 January (As previously stated)	452,154	615,829	144,152	144,152
Cumulative effect of adopting FRS16 & FRS41	21,083	24,287	-	-
Balance as at 1 January (As restated)	473,237	640,116	144,152	144,152
Foreign currency translation	29,553	(39,891)	-	-
Share of other comprehensive gain of a joint venture	69,920	-	-	-
Acquisition of non-controlling interest by a subsidiary	-	(4,253)	-	-
Increase of share capital in subsidiary	(64)	-	-	-
Balance as at 30 September	572,646	595,972	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	(944,141)	(791,185)	-	-
Balance as at 1 January (As restated)	8,911,804	8,297,270	-	-
Dividend payments by subsidiaries	(123,755)	(214,766)	-	-
Difference arising from changes in subsidiary equity	64	-	-	-
Actuarial gain/ (loss) on employee benefits liability	1,655	(1,052)	-	-
Acquisition of non-controlling interest by a subsidiary	21	(7,598)	-	-
Capital injection from non-controlling interest	-	683,702	-	-
Foreign currency translation	(2,240)	8,334	-	-
Net profit and total recognised income for the period	16,224	(5,015)	-	-
Balance as at 30 September	8,803,773	8,760,875	-	-
Total Equity	20,387,484	19,864,660	11,508,942	11,370,764

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.

* The restated figures were related to the amendments FRS 16 and FRS 41 Agriculture – Bearer Plants.

** 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 30 September 2016 and 2015, the number of issued shares was 1,447,782,830, of which 51,878,300 shares were held as treasury shares.

There were no outstanding convertibles as at 30 September 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	
	30/09/2016 ('000)	31/12/2015 ('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 ('000)	Amount Rp ' million
Balance as at 1 January	51,878	390,166
Purchase of treasury shares	-	-
Balance as at 30 September 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 except for the adoption of new or revised FRS that are mandatory for financial years beginning on or after 1 January 2016.

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.

Depreciation for bearer plants is computed on a straight-line basis over the economic useful lives of 25 years for oil palm and rubber trees, and 4 years for sugar cane. 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 Rp5.4 trillion and Rp1.4 trillion, respectively, with a corresponding decrease of Rp4.1 trillion in total equity. The change in accounting policy has been applied retrospectively and the comparatives have been restated with the following impact:

	As restated 31/12/2015 Rp ' million	As previously reported 31/12/2015 Rp ' million	As restated 01/01/2015 Rp ' million	As previously reported 01/01/2015 Rp ' million
Balance Sheet				
Non-current assets				
Biological assets	360,802	15,878,940	305,299	15,060,646
Property, plant and equipment	21,566,811	11,496,484	20,640,101	11,026,669
Deferred tax assets	1,378,386	1,390,334	1,141,028	1,152,977
Current assets				
Other current assets	26,686	-	70,346	-
Non-current liabilities				
Deferred tax liabilities	773,739	2,140,966	719,283	1,999,124
Equity				
Revenue reserves	7,600,694	10,743,482	7,630,072	10,666,852
Other reserves	473,237	452,154	640,116	615,829
Non-controlling interests	8,911,804	9,855,945	8,297,270	9,088,455

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 30 September 2016.

	Group – Q3			Group – YTD 9 months		
	30/09/2016	30/09/2015 Restated	Change %	30/09/2016	30/09/2015 Restated	Change %
Earnings per share (Rp)						
Based on weighted average number of share	114	(152)	n/m	203	(171)	n/m
Based on a fully diluted basis	114	(152)	n/m	203	(171)	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 30 September 2016 and 31 December 2015.

	Group		Company	
	30/09/2016	31/12/2015 Restated	30/09/2016	31/12/2015
Net asset value per share (Rp)	8,298	8,072	8,245	8,192

- 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 – Q3			Group – YTD 9 months		
	30/09/2016	30/09/2015 Restated	Change	30/09/2016	30/09/2015 Restated	Change
	Rp ' million	Rp ' million	%	Rp ' million	Rp ' million	%
Revenue						
Plantations						
External sales	1,249,308	1,458,525	(14.3)	3,189,763	3,819,779	(16.5)
Inter-segment sales *	1,205,504	832,079	44.9	3,089,791	2,769,317	11.6
Sub-total	2,454,812	2,290,604	7.2	6,279,554	6,589,096	(4.7)
Edible Oils & Fats **						
External sales	2,302,909	1,809,916	27.2	7,077,928	6,240,491	13.4
Inter-segment sales	39,250	2,388	n/m	39,250	2,849	n/m
Sub-total	2,342,159	1,812,304	29.2	7,117,178	6,243,340	14.0
Elimination of inter-segment sales *	(1,244,754)	(834,467)	49.2	(3,129,041)	(2,772,166)	12.9
Total revenue to external parties	3,552,217	3,268,441	8.7	10,267,691	10,060,270	2.1
Gross Profit	826,839	696,271	18.8	2,080,262	2,086,854	(0.3)
Gross Profit %	23.3%	21.3%		20.3%	20.7%	

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

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

Financial Performance

Overview: The Group reported weaker palm production due to the effects of the 2015 El-Nino with 9M2016 FFB nucleus and CPO production declining by 15% and 20% yoy to 2,070,000 tonnes and 573,000 tonnes. Despite this, the Group achieved higher profit on recovery of commodity prices, higher edible oil sales volume, biological assets gain and foreign currency gains. The Group reported net profit after tax of Rp182 billion and Rp300 billion in 3Q2016 and 9M2016 respectively compared to net losses in the same periods last year.

Revenue: The Group reported consolidated revenue (after elimination of inter-segment sales) of Rp3.6 trillion in 3Q2016 and Rp10.3 trillion in 9M2016, growing 9% and 2% over the comparative periods in 2015. The improved sales were mainly due to stronger sales reported by the Edible Oils & Fats (EOF) Division.

The Plantation Division reported a 7% revenue growth in 3Q2016 on the combined effects of significantly higher selling prices of crude palm oil (CPO) and palm kernel (PK) related products and higher sugar sales which more than offset weaker palm output. On year-to-date basis, revenue was 5% lower than 9M2015 on lower sales volume of palm products. This was partly offset by higher average selling prices of palm products and higher sugar sales.

EOF Division continued to perform well with revenue growing 29% in 3Q2016 and 14% in 9M2016 mainly attributable to strong sales volume of edible oil products.

Gross Profit: The Group's gross profit in 3Q2016 of Rp827 billion was 19% higher than the same quarter in last year on higher average selling prices of palm products. On year-to-date basis, gross profit came in flat to last year.

Other Operating Income/(Expenses): These variances were mainly attributable to the net changes in allowance for decline in market values of inventories, and provision for changes in amortised cost of plasma receivables.

Selling and Distribution Expenses (S&D): Higher S&D expenses in 3Q2016 and 9M2016 were mainly relating to tactical promotion campaigns, which contributed to the higher sales of EOF.

Foreign Exchange Gain/(Loss): The foreign exchange impacts were principally attributable to the translation of US dollar and Singapore dollar denominated loans, assets and liabilities. The Group recognised foreign currency gains of Rp40 billion and Rp191 billion in 3Q2016 and 9M2016 as the Indonesian Rupiah strengthened against the US Dollar (Rp12,998/US\$ as of 30 September 2016 versus Rp13,795/US\$ in last year end).

Share of Results of Associate Companies: In 9M2016, the Group recognized share of losses from associate companies of around Rp38 billion was close to last year's level. The losses were mainly attributable to 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. This was partly offset by the share of profit of Roxas, the largest integrated sugar business in the Philippines.

Share of Results of a Joint Venture: The Group's 50% joint venture in Brazil, CMAA contributed a profit of Rp46 billion in 3Q2016 on higher prices of sugar and ethanol. On year-to-date basis, share of losses from CMAA was lower at Rp72 billion compared to Rp158 billion in 9M2015.

Gain Arising from Changes in Fair Values of Biological Assets: The Group recognized gains of Rp25 billion in 3Q2016 and Rp120 billion in 9M2016 mainly relating to net changes in the fair values of agriculture produce. The gains were mainly attributable to higher volume and average selling prices of agriculture crops.

Profit from Operations before Biological Assets Gain: In 9M2016, Profit from Operations grew 229% on foreign currency gains and lower losses from CMAA.

EBITDA exclude forex gain/ (loss): Group recorded EBITDA growth of 34% in 3Q2016. This was mainly due to higher gross profit on significantly higher average selling prices of palm products and share of profit from a joint venture, CMAA. On year-to-date, EBITDA came in close to prior year.

Financial Income: The Group recorded lower financial income in 9M2016 mainly due to lower fixed deposit placements.

Income Tax Expense: The high effective tax rates were mainly due to non-deductible expenses, the write-off of certain tax losses carried forward 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/(Loss) After Tax: The Group reported net profit after tax of Rp182 billion in 3Q2016 and Rp300 billion in 9M2016, compared to net losses in the comparative periods in 2015. This was primarily due to higher profits from operations as explained above, but partly offset by higher effective tax.

Review of Financial Position

Total non-current assets of Rp30.0 trillion in September 2016 was slightly higher compared to Rp29.9 trillion in the previous year end. The increase was mainly due to higher plasma receivables and higher carrying value in CMAA. This was partly offset by lower advances for purchases of fixed assets and lower carrying value of investment in associate companies due to share of losses and a capital reduction.

As of September 2016, total current assets of Rp6.0 trillion were Rp0.6 trillion higher than the previous year end. The increase was mainly attributable due to (i) higher inventories arising from higher sugar and palm kernel related stocks at plantation, higher CPO and refined palm oil; (ii) higher trade and other receivables in line with higher edible oil sales; and (iii) higher advances to suppliers for the purchase of raw materials and prepayments. This was partly offset by lower cash level.

As of September 2016, total current liabilities of Rp5.2 trillion were 20% lower than last year end of Rp6.5 trillion. This was mainly attributable to the refinancing of certain short-term facilities to long-term loans during the year. This was partly offset by higher income tax payable.

Total non-current liabilities of Rp10.5 trillion in September 2016 were 21% higher than Rp8.7 trillion in December 2015. This was mainly due to the refinancing of certain short-term facilities to long-term loans as explained above, higher amount due to related parties and higher estimated liabilities for employee benefits which was determined based on the actuarial calculations in accordance with the provisions of the Indonesian Labor Law.

Review of Cash Flows

The Group generated positive net cash flows from operations of Rp907 billion in 9M2016 compared to Rp913 billion in the same period last year. Net cash flows used in investing activities in 9M2016 was Rp1,300 billion, which comprised principally capital expenditure relating to additions of fixed assets, bearer plants, advances for plasma projects and the investment in a tea plantation of Rp55 billion. The investing activities were mainly funded by cash flows from operations, internal cash and loan facilities.

The net cash flows generated from financing activities of Rp242 billion were mainly coming from drawdowns of loan facilities. The group's cash levels reduced by Rp0.2 trillion to Rp1.8 trillion as of September 2016.

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.*

Agricultural commodity prices remain uncertain on expected recovery in palm and soybean production, and slower growth in some key markets like China. Global developments and market conditions remain challenging 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.

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 interest person transactions ("IPT") for the third quarter of 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 	2,575 91	- -
Salim Group		
<ul style="list-style-type: none"> • Sales of cooking oil, seeds and material • Purchases of goods and services • Shareholder loans • Corporate guarantees 	861 351 1,392 3,022	- - - 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 third quarter ended 30 September 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

28 October 2016