

## UNAUDITED FINANCIAL STATEMENTS FOR THE FULL YEAR ENDED 31 DECEMBER 2011

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 – Full Year		
	31/12/2011	31/12/2010	Change
	Rp ' million	Rp ' million	%
Revenue	12,605,311	9,484,281	32.9
Cost of sales	(8,004,336)	(5,733,805)	39.6
<b>Gross Profit</b>	<b>4,600,975</b>	<b>3,750,476</b>	<b>22.7</b>
Gross Profit %	36.5%	39.5%	
Selling and distribution costs	(330,650)	(297,839)	11.0
General and administrative expenses	(798,136)	(729,158)	9.5
Foreign exchange gains	46,464	60,925	(23.7)
Other operating income	69,767	55,581	25.5
Share in loss of an associated company	(1,548)	(3,819)	(59.5)
Other operating expenses	(234,109)	(119,097)	96.6
<b>Profit from operations before biological asset gains</b>	<b>3,352,763</b>	<b>2,717,069</b>	<b>23.4</b>
Gain arising from changes in fair value of biological assets	424,556	309,269	37.3
<b>Profit from operations including biological asset gains</b>	<b>3,777,319</b>	<b>3,026,338</b>	<b>24.8</b>
Financial income	221,393	61,904	257.6
Financial expenses	(445,323)	(433,359)	2.8
<b>Profit before tax</b>	<b>3,553,389</b>	<b>2,654,883</b>	<b>33.8</b>
Income tax expense	(912,533)	(748,728)	21.9
<b>Net profit / total comprehensive income for the year</b>	<b>2,640,856</b>	<b>1,906,155</b>	<b>38.5</b>
<b>Total comprehensive income attributable to:-</b>			
- Owners of the parent	1,489,946	1,402,013	6.3
- Non-controlling interests	1,150,910	504,142	128.3
	<b>2,640,856</b>	<b>1,906,155</b>	<b>38.5</b>

Note : There were no other comprehensive income during the period.

**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 – Full Year		
	31/12/2011	31/12/2010	Change
	Rp ' million	Rp ' million	%
Profit from operations	3,777,319	3,026,338	24.8
Add: Depreciation and amortisation	487,597	421,318	15.7
Less: Gain arising from changes in fair value of biological assets	424,556	309,269	37.3
EBITDA includes foreign exchange gains	3,840,360	3,138,387	22.4
Less: Foreign exchange gains	46,464	60,925	(23.7)
EBITDA excludes foreign exchange gains	3,793,896	3,077,462	23.3
EBITDA%	30.1%	32.4%	

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

	Group – Full Year		
	31/12/2011	31/12/2010	Change %
In SGD 'cents (converted at Rp6,973/S\$1)			
EPS *	14.8	14.0	5.9

	Group		
	31/12/2011	31/12/2010	Change %
In SGD 'cents (converted at Rp6,974/S\$1)			
NAV per share	127.7	109.0	17.2

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

Other information:-	Group – Full Year		
	31/12/2011	31/12/2010	Change
	Rp ' million	Rp ' million	%
Depreciation of property, plant and equipment	461,472	408,087	13.1
Amortisation of deferred charges and others	26,125	13,231	97.5
Interest on borrowings	426,499	411,435	3.7
Loss on disposal of biological assets	74	1,579	(95.3)
Provision for uncollectible and loss arising from changes in fair value of plasma receivables	70,405	30,453	131.2
Impairment loss on a joint venture investment	17,793	-	n/m
Write-off of property and equipment	1,893	2,177	(13.0)
Gain on disposals of property and equipment	(5,664)	(1,100)	414.9
Net changes in provision for decline in market value and obsolescence of inventories	11,564	(7,988)	(244.8)
Write-off of plasma receivables	-	26,459	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	
	31/12/2011	31/12/2010	31/12/2011	31/12/2010
	Rp ' million	Rp ' million	Rp ' million	Rp ' million
<b>Non-current assets</b>				
Biological assets	11,615,002	10,453,082	-	-
Property, plant and equipment	7,245,443	6,791,435	61,694	65,844
Goodwill	3,155,786	3,155,786	-	-
Claims for tax refund	262,593	400,241	-	-
Deferred tax assets	526,667	363,149	-	-
Investment in subsidiary companies	-	-	9,660,599	7,383,633
Loans to a subsidiary company	-	-	-	2,259,501
Investment in an associated company	-	13,130	-	-
Other non-current assets	964,132	893,777	20	22
<b>Total non-current assets</b>	<b>23,769,623</b>	<b>22,070,600</b>	<b>9,722,313</b>	<b>9,709,000</b>
<b>Current assets</b>				
Inventories	1,677,576	1,321,248	-	-
Trade and other receivables	1,033,175	898,034	3,459	20,943
Advances to suppliers	107,395	42,332	-	-
Prepaid taxes	83,673	60,581	-	-
Cash and cash equivalents	6,535,204	3,795,993	1,488,759	1,621,112
<b>Total current assets</b>	<b>9,437,023</b>	<b>6,118,188</b>	<b>1,492,218</b>	<b>1,642,055</b>
<b>Total assets</b>	<b>33,206,646</b>	<b>28,188,788</b>	<b>11,214,531</b>	<b>11,351,055</b>
<b>Current liabilities</b>				
Trade and other payables and accruals	1,281,526	1,109,627	7,524	8,572
Advances from customers	98,577	98,244	-	-
Interest-bearing loans and borrowings	3,334,396	2,815,520	-	-
Income tax payable	77,505	102,417	130	130
<b>Total current liabilities</b>	<b>4,792,004</b>	<b>4,125,808</b>	<b>7,654</b>	<b>8,702</b>
<b>Non-current liabilities</b>				
Interest-bearing loans and borrowings	3,201,348	4,955,185	-	-
Bonds and sukuk ijarah payables	724,579	723,109	-	-
Other payables	335,111	284,832	-	-
Employee benefits liabilities	687,969	574,034	-	-
Deferred tax liabilities	2,025,078	1,825,524	-	-
<b>Total non-current liabilities</b>	<b>6,974,085</b>	<b>8,362,684</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>11,766,089</b>	<b>12,488,492</b>	<b>7,654</b>	<b>8,702</b>
<b>Net assets</b>	<b>21,440,557</b>	<b>15,700,296</b>	<b>11,206,877</b>	<b>11,342,353</b>
<b>Attributable to owners of the parent</b>				
Share capital	3,584,279	3,584,279	10,912,411	10,912,411
Treasury shares	(81,413)	-	(81,413)	-
Revenue reserves	8,777,210	7,287,264	231,727	285,790
Other reserves	538,431	138,819	144,152	144,152
	<b>12,818,507</b>	<b>11,010,362</b>	<b>11,206,877</b>	<b>11,342,353</b>
Non-controlling interests	8,622,050	4,689,934	-	-
<b>Total equity</b>	<b>21,440,557</b>	<b>15,700,296</b>	<b>11,206,877</b>	<b>11,342,353</b>

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

	<b>Group</b>	
	<b>31/12/2011</b>	<b>31/12/2010</b>
	<b>Rp ' million</b>	<b>Rp ' million</b>
(i) Amounts payable in one year or less, or on demand		
Secured	1,344,077	1,963,446
Unsecured	1,990,319	852,074
Sub-total	<b>3,334,396</b>	<b>2,815,520</b>
(ii) Amounts repayable after one year		
Secured	2,760,378	4,919,759
Unsecured	1,165,549	758,535
Sub-total	<b>3,925,927</b>	<b>5,678,294</b>
<b>TOTAL</b>	<b>7,260,323</b>	<b>8,493,814</b>

(iii) Details of the collaterals

In 2010, the above bank term loans and investment loans are secured by (i) corporate guarantees from the Company and a subsidiary; and (ii) charge over the plantation assets of the respective subsidiary. However, the said corporate guarantees from the Company have been discharged by the banks in 2Q2011.

As of 31 December 2011, the unsecured amount repayable after one year included Bonds and Sukuk Ijarah payables of Rp725 billion.

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

	<b>Group – Full Year</b>	
	<b>31/12/2011</b>	<b>31/12/2010</b>
	<b>Rp ' million</b>	<b>Rp ' million</b>
<b>Cash flows from operating activities</b>		
Profit before taxation	3,553,389	2,654,883
Adjustments :		
Depreciation and amortisation	487,597	421,318
Realised of deferred costs	170,525	87,184
Unrealised foreign exchange gains	(41,063)	(97,836)
Loss on disposal of biological assets	74	1,579
Provision for uncollectible and loss arising from changes in fair value of plasma receivables	70,405	30,453
Impairment loss on a joint venture investment	17,793	-
Write-off of property and equipment	1,893	2,177
Gain on disposal of property and equipment	(5,664)	(1,100)
Net changes in provision for decline in market value and obsolescence of inventories	11,564	(7,988)
Write-off of plasma receivables	-	26,459
Changes in provision for asset dismantling costs	(197)	2,347
Changes in employee benefits liabilities	113,935	131,074
Changes in fair value of biological assets	(424,556)	(309,269)
Changes in fair value of long-term receivables	(1,046)	3,334
(Write-back)/ allowance of doubtful debts	(423)	304
Financial income	(221,393)	(61,904)
Financial expenses	445,323	433,359
<b>Operating cash flows before working capital changes</b>	<b>4,178,156</b>	<b>3,316,374</b>
<b>Changes in working capital</b>		
Other non-current assets	67,048	(47,162)
Inventories	(367,892)	(230,703)
Trade and other receivables	(81,718)	(170,477)
Advances to suppliers	(65,062)	59,490
Prepaid taxes	(23,092)	52,197
Trade and other payables and accruals	190,973	70,893
Advances from customers	333	5,353
<b>Cash flows generated from operations</b>	<b>3,898,746</b>	<b>3,055,965</b>
Interest received	221,393	61,904
Interest paid	(452,732)	(421,121)
Income tax paid	(899,256)	(759,782)
<b>Net cash flows generated from operating activities</b>	<b>2,768,151</b>	<b>1,936,966</b>

	<b>Group – Full Year</b>	
	<b>31/12/2011</b>	<b>31/12/2010</b>
	<b>Rp ' million</b>	<b>Rp ' million</b>
<b>Cash flows from investing activities</b>		
Additions to property, plant and equipment	(879,612)	(973,107)
Acquisition of non-controlling interests in subsidiary companies	-	(41,500)
Additions to biological assets	(890,274)	(774,248)
Increase in plasma receivables	(21,324)	(128,025)
Proceeds from disposal of property and equipment	7,418	2,049
Proceeds from disposal of biological assets	1,856	1,261
Advances for projects and purchase of fixed assets	(184,053)	(464,991)
Investment in an associated company	(6,210)	(11,867)
<b>Net cash flows used in investing activities</b>	<b>(1,972,199)</b>	<b>(2,390,428)</b>
<b>Cash flows from financing activities</b>		
Proceeds from interest-bearing loans and borrowings	4,015,475	4,226,803
Repayment of interest-bearing loans and borrowings	(5,213,125)	(2,577,630)
Net proceeds/ (payments) from amount due to related parties	37,325	(27,152)
Dividend payments by subsidiaries to non-controlling interests	(168,631)	(111,117)
Proceeds from SIMP's IPO net of listing expenses	3,349,449	-
(Payments)/ proceeds of treasury shares	(81,413)	173,435
Increase in issued share capital in a subsidiary company	-	14,917
Proceeds from divestment of interest in a subsidiary company	-	764,254
<b>Net cash flows generated from financing activities</b>	<b>1,939,080</b>	<b>2,463,510</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,735,032</b>	<b>2,010,048</b>
<b>Effect of changes in exchange rates on cash and cash equivalents</b>	<b>4,179</b>	<b>(16,400)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>3,795,993</b>	<b>1,802,345</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>6,535,204</b>	<b>3,795,993</b>

- 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 capitalization 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	
	31/12/2011 Rp ' million	31/12/2010 Rp ' million	31/12/2011 Rp ' million	31/12/2010 Rp ' million
<b>Share Capital</b>				
Balance as at 1 January / 31 December <sup>(1)</sup>	3,584,279	3,584,279	10,912,411	10,912,411
<b>Treasury Shares (IndoAgri)</b>				
Purchase of treasury shares	(81,413)	-	(81,413)	-
Balance as at 31 December	(81,413)	-	(81,413)	-
<b>Reserves*</b>				
Balance as at 1 January	7,287,264	5,885,251	285,790	124,058
Reserve transfer from IOFPL	-	-	1,888	-
Net profit/ (loss) and total recognized income / (expenses) for the year	1,489,946	1,402,013	(55,951)	161,732
Balance as at 31 December	8,777,210	7,287,264	231,727	285,790
<b>Other Reserves</b>				
Balance as at 1 January	138,819	8,267	144,152	-
Gain on sale of treasury shares	-	144,152	-	144,152
Changes in ownership interests in subsidiary that do not result in a loss of control	399,612	-	-	-
Changes arising from disposal of shares in a subsidiary company	-	(13,600)	-	-
Balance as at 31 December	538,431	138,819	144,152	144,152
<b>Non-controlling Interests</b>				
Balance as at 1 January	4,689,934	3,530,781	-	-
Dividend payments by subsidiary	(168,631)	(111,117)	-	-
Changes in ownership interests in subsidiary that do not result in a loss of control	2,949,837	-	-	-
Changes in non-controlling interests due to disposal of shares in a subsidiary company	-	777,854	-	-
Capital contribution from non-controlling interests	-	29,774	-	-
Non-controlling interests of acquired subsidiary companies	-	(41,500)	-	-
Net profit and total recognized income for the year	1,150,910	504,142	-	-
Balance as at 31 December	8,622,050	4,689,934	-	-
<b>Total Equity</b>	<b>21,440,557</b>	<b>15,700,296</b>	<b>11,206,877</b>	<b>11,342,353</b>

**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, the issued equity of Indofood Oil & Fats Pte. Ltd. immediately before the Acquisition and issue/placement of new shares by the Company subsequent to the Acquisition.

\* Reserves of the Group consist of revenue reserve and capital reserve.



- (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 year. As of 31 December 2011, the number of issued shares were 1,447,782,830, of which 9,000,000 shares were held as treasury shares. As of 31 December 2010, the number of issued shares were 1,447,782,830 issued shares, and the Company had no treasury shares.

There were no outstanding convertibles as at 31 December 2011 and 2010.

- (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	
	31/12/2011 ( ' 000)	31/12/2010 ( ' 000)
Total number of issued shares	1,447,783	1,447,783
Less: Treasury shares	(9,000)	-
Total number of issued shares excluding treasury shares	<b>1,438,783</b>	<b>1,447,783</b>

- (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 2011	-	-
Purchase of Treasury shares	9,000	81,413
Balance as at 31 December 2011	<b>9,000</b>	<b>81,413</b>

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.**

Not applicable.

**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 year attributable to the equity holders of the Company by the weighted average number of ordinary shares outstanding during the year. 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 year is adjusted for the effects of all dilutive potential ordinary shares. The Company has no dilutive potential ordinary shares as at 31 December 2011.

Earnings per share (Rp)	Group – Full Year		Change %
	31/12/2011	31/12/2010	
Based on weighted average number of share	1,031	974	5.9
Based on a fully diluted basis	1,031	974	5.9

**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 year divided by the issued share capital of 1,438,782,830 (excluding 9,000,000 held as treasury shares) as of 31 December 2011 and 1,447,782,830 as of 31 December 2010.

	Group		Company	
	31/12/2011	31/12/2010	31/12/2011	31/12/2010
Net asset value per share (Rp)	8,909	7,605	7,778	7,834

- 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 – Full Year		
	31/12/2011 Rp ' million	31/12/2010 Rp ' million	Change %
Revenue			
Plantations			
External sales	3,535,526	2,867,105	23.3
Inter-segment sales *	4,946,126	4,113,440	20.2
Sub-total	8,481,652	6,980,545	21.5
Edible Oils & Fats **			
External sales	9,069,785	6,617,176	37.1
Sub-total	9,069,785	6,617,176	37.1
Elimination of inter-segment sales *	(4,946,126)	(4,113,440)	20.2
<b>Total revenue to external parties</b>	<b>12,605,311</b>	<b>9,484,281</b>	<b>32.9</b>
<b>Gross Profit</b>	<b>4,600,975</b>	<b>3,750,476</b>	<b>22.7</b>
Gross Profit %	36.5%	39.5%	

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

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

### Review of Group Performance

**Overview:** The Group posted a set of satisfactory results in FY2011 with a consolidated revenue of Rp12,605 billion, a 33% increase over last year's Rp9,484 billion. The strong sales performance reflected higher sales of plantation crops and edible oil and fats products. In line with the improved sales, Net Profit After Tax (NPAT) came in higher at Rp2,641 billion, a 39% growth over FY2010.

**Revenue:** The Group achieved an impressive 33% growth in total consolidated revenue over last year principally attributable to stronger sales performance from both business divisions. Plantation Division recorded a total revenue of Rp8,482 billion in FY2011, an increase of 22% over FY2010, supported principally by higher sales volume of palm products and palm seeds, as well as higher average selling prices of palm products, rubber and palm seeds. Similarly, inter-segment sales also reported 20% growth reflecting stronger internal CPO sales to our Edible Oils and Fats refineries at market prices.

Edible Oils & Fats Division reported a total revenue of Rp9,070 billion in FY2011, an increase of 37% over last year's Rp6,617 billion due to higher sales volume and higher average selling prices of cooking oil, margarine and by-products. This was partly offset by lower sales volume of copra-based products. We processed approximately 819,000 tonnes of CPO at our refineries in FY2011, including 78% supplied from our own plantations. This division accounted for 72% and 70% of the Group's total consolidated revenue in FY2011 and FY2010, respectively.

**Gross Profit:** Full year gross profit grew 23% from Rp3,750 billion in FY2010 to Rp4,601 billion, due to improved profit contribution from all business units, the Plantation Division in particular. However, gross profit margin for FY2011 came in lower at 36.5% compared to 39.5% in last year. The decline was principally due to a 36% increase in volume of purchases of fresh fruit bunches from plasma farmers/

third parties which typically gives a lower profit margin contribution, and coupled with higher production cost in respect of general wage increases and fertilizer costs.

**Gain/(loss) arising from changes in fair values of biological assets:** Starting 2011, the Group has changed its practice and will prepare the valuation of the biological assets (which primarily comprise oil palm and rubber plantations) on a yearly basis, which is in line with the industry practice. The Group recognised Rp425 billion of gains in December 2011 (compared to Rp309 billion gains in last year) mainly due to lower discount rate and higher selling prices of rubber and seeds. This was partly offset by lower projected CPO prices in Rupiah terms due to a stronger projected Rupiah currency against the US dollar and higher export tax rate of CPO.

**Operating Expenses (i.e. comprise of Selling & distribution Expenses (S&D), General & administrative (G&A), Other Operating Income / Expenses):** S&D for FY2011 were at Rp331 billion compared to Rp298 billion in FY2010 mainly due to higher export taxes of Rp36 billion relating to the export sales of stearine, as well as increased freight expenses of Rp15 billion relating to higher sales volume of edible oils and fats products in the domestic market. This was partly negated by lower distributors' incentives in FY2011.

The Group recorded higher G&A of Rp798 billion in FY2011 principally due to increased salaries, employee benefits and business travel expenses.

Other operating expenses were higher at Rp234 billion in FY2011 compared to Rp119 billion in FY2010, principally attributable to (i) certain one-off expenses including Rp63 billion founder tax relating to the listing of SIMP and Rp19 billion share transfer fees relating to the amalgamation of a wholly-owned subsidiary, Indofood Oil & Fats Pte Ltd (IOFPL) with the Company; (ii) provision for uncollectible and loss arising from changes in fair value of plasma receivables of Rp40 billion; and (iii) an impairment loss relating to the joint venture investment of Rp18 billion. This was partly offset by Rp26 billion losses on write off plasma receivables in 2010.

**Profit from Operations:** the Group reported stronger profit from operations of Rp3,777 billion, a 25% growth over last year. The improved profit was mainly attributable to higher gross profit and higher gain arising from changes in fair values of biological assets, but this was partly offset by lower foreign exchange gain in FY2011 and higher operating expenses as explained above.

**Financial income / expenses:** The Group recognised higher financial income of Rp221 billion in FY2011 compared to Rp62 billion in FY2010 mainly attributable due to higher fixed deposit placements with the banks.

**Net Profit After Tax (NPAT):** the Group reported higher NPAT of Rp2,641 billion in FY2011, exceeding last year by 39%, primarily due to higher profits from operations as explained above. Excluding the one-off expenses relating to founder tax and share transfer fees, NPAT would have outperformed FY2010 by 43%.

The Group's attributable profit of Rp1,490 billion for FY2011 represented a 6% growth over FY2010. Non-controlling interests came in significantly higher at Rp1,151 billion in FY2011 compared to the last year's Rp504 billion, reflecting the 20% dilution effect arising from the SIMP's listing in June 2011 and the disposal of 4.9% stake in Lonsum in December 2010 to external parties.

### Review of Financial Position

The Company announced the listing of SIMP on the Indonesia Stock Exchange on 9 June 2011. The Group's financial position strengthened significantly with total net proceeds raised from the SIMP listing of Rp3.3 trillion, of which Rp1.7 trillion were used for the repayment of loans taken to fund the acquisition of Lonsum. Subsequent to the SIMP listing, IOFPL had been amalgamated with the Company as one company with a view towards streamlining the corporate structure of the Group and in order to facilitate the upstreaming of dividends from SIMP to the Company. Following the amalgamation, all the assets and liabilities of IOFPL (including investment in a subsidiary) had been transferred to and assumed by the Company.

The Group's non-current assets increased 8% from last year end to Rp23.8 trillion as of end December 2011. The increase was principally attributable to (i) additions of biological assets in respect of new plantings and immature plantations, as well as the recognition of Rp425 billion gains arising from changes in fair values of biological assets in December 2011; (ii) capital expenditure relating to housing and infrastructure in plantations, on-going construction works relating to new palm oil mills in Kalimantan and South Sumatra which was principally funded by positive net cash flows generated from operations; and (iii) higher deferred tax assets. This was partly negated by lower claims of income tax refunds following the settlements of prior years' income taxes and value added taxes with the local tax authorities.

Total current assets were Rp9.4 trillion as of end December 2011, up 54% from Rp6.1 trillion in the previous year end. The increase was mainly due to significantly higher cash levels of Rp6.5 trillion as at 31 December 2011 compared to Rp3.8 trillion in last year end. This was principally attributable to the net proceeds from the SIMP listing as explained above and positive net cash flows generated from operations. The Group's net debts to total equity ratio improved from 0.3x in last year end to 0.03x as of end December 2011. In addition, inventories ended higher at Rp1.7 trillion as of December 2011 versus Rp1.3 trillion at the end of 2010, which was principally due to higher raw sugar, copra-based products and fertilizers.

Total liabilities decreased from Rp12.5 trillion as of last year end to Rp11.8 trillion as at 31 December 2011 mainly attributable to the repayment of loans to acquire a majority equity ownership in Lonsum. This was partly offset by (i) higher trade and other payables and accruals mainly relating to purchases of raw materials and fertilizers; (ii) higher estimated liabilities for employee benefits which was determined based on the actuarial calculations in accordance with the provisions of the Indonesian Labor Law; and (iii) higher deferred tax liabilities mainly attributable to the biological asset gains recognised in December 2011.

**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 European sovereign debt crisis and China's recent economic slowdown were influencing factors in global financial and commodity markets in 2011. Notwithstanding this, average CPO prices (CIF Rotterdam) in 2011 remained higher at US\$1,128 per tonne compared to US\$901 in 2010. The positive fundamentals for palm oil remain supported by consumption growth from emerging Asian economies like India and China, coupled with demand for biodiesel driven by government mandates from Europe, Brazil and Argentina. We also expect Indonesia's thriving food and beverage industry and population growth to sustain domestic demand for palm oil products.

Looking ahead, our fundamentals for CPO production remain positive, as approximately 59,000 hectares or 27% of our total oil palm planted area have not reached peak maturity yields. We will continue to build scale by expanding our oil palm acreage and increasing our output through new plantings.

With increased uncertainty in global markets, particularly in the Euro zone, rubber prices (RSS3 SICOM) came under pressure, ending at a lower average of US\$4,131 per tonne in 2H2011 compared to US\$5,522 per tonne in 1H2011. Nonetheless, rubber prices averaged US\$4,824 per tonne for the full year 2011 remained significantly higher over US\$3,758 per tonne in 2010. The long-term outlook for rubber is expected to remain upbeat, supported by healthy demand from tyre-makers, automotive industries and rubber goods manufacturers in developing economies and emerging markets. China in particular, is expected to contribute strongly to this demand, given its large population and status as the world's largest natural rubber consumer. In the medium term rubber demand growth will be driven by global GDP growth.

Indonesia remains a net sugar importer with over 50% of its sugar supplies coming from the world market to meet its domestic demand, and we expect this to continue for some years to come. Dry weather during the 2011 growing season, combined with lengthy and heavy rains during the harvest, have led to lower sucrose content and a slowdown in production operations in Indonesia. Sugar prices in Indonesia are relatively shielded from global fluctuations as the government operates a strict import quota system for sugar, restricting imports when domestic prices fall below the government-mandated floor price, which is currently at Rp7,000 per kilogram.

The global sugar supplies were also affected by adverse weather conditions and the downgrade of Brazilian sugar crops in 2011. Production in Thailand and India was increased over 2010, but the world is still heavily reliant on Brazil, its largest sugar cane producer, to meet its sugar consumption needs. Against these factors, sugar prices on the London International Financial Futures and Options Exchange (LIFFE) stayed higher at an average of US\$706 per tonne in 2011 compared to US\$616 per tonne in 2010. Moving forward, the direction for sugar prices will be strongly influenced by production levels in Brazil, together with the Brazilian government policies on ethanol.

**11. If a decision regarding dividend has been made.**

**(a) Current Financial Period Reported On**

Any dividend recommended for the current financial year reported on? Yes.

The Directors are pleased to recommend a first and final dividend of S\$0.003 per share tax exempt one-tier (2010: nil) in respect of the financial year ended 31 December 2011, subject to the approval by shareholders at the next AGM to be convened.

Type of dividend:	First and final dividend
Dividend type:	Cash
Dividend per share:	S\$0.003
Date payable:	To be announced prior to the date of AGM around end April 2012
Book closure date:	To be announced prior to the date of AGM around end April 2012

**(b) Corresponding Period of the Immediately Preceding Financial Year**  
*Nil.*

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

No applicable.



13. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

In Rp' million	Plantations	Edible Oil &Fats	Others/ eliminations	Total
<b><u>Full Year 2011</u></b>				
<b><u>Revenue</u></b>				
External sales	3,535,526	9,069,785	-	12,605,311
Inter-segments sales	4,946,126	-	(4,946,126)	-
<b>Total Revenue</b>	<b>8,481,652</b>	<b>9,069,785</b>	<b>(4,946,126)</b>	<b>12,605,311</b>
<b><u>Results</u></b>				
Segment profit	3,601,071	179,625	(49,841) **	3,730,855
Segment profit %	42.5 %	2.0%	1.0%	29.6%
Net gain on foreign exchange				46,464
Net financial expenses				(223,930)
<b>Profit before taxation</b>				<b>3,553,389</b>
Tax expense				(912,533)
<b>Profit for the period</b>				<b>2,640,856</b>

In Rp' million	Plantations	Edible Oil &Fats	Others/ eliminations	Total
<b><u>Full Year 2010</u></b>				
<b><u>Revenue</u></b>				
External sales	2,867,105	6,617,176	-	9,484,281
Inter-segments sales	4,113,440	-	(4,113,440)	-
<b>Total Revenue</b>	<b>6,980,545</b>	<b>6,617,176</b>	<b>(4,113,440)</b>	<b>9,484,281</b>
<b><u>Results</u></b>				
Segment profit	3,019,937	33,141	(87,665) **	2,965,413
Segment profit %	43.3%	0.5%	2.1%	31.3%
Net gain on foreign exchange				60,925
Net financial expenses				(371,455)
<b>Profit before taxation</b>				<b>2,654,883</b>
Tax expense				(748,728)
<b>Profit for the period</b>				<b>1,906,155</b>

\*\* Others/eliminations include elimination adjustments for inter-division sales and purchases, net unrealised margins arising from inter-division sales and purchases and regional office's overhead costs.

**Revenue by Geographical Market** (based on shipment destination)

	Group – Full Year				
	31/12/2011		31/12/2010		Change
	Rp' million	%	Rp' million	%	%
Indonesia	10,212,429	81.0	7,312,613	77.1	39.7
Asia	905,943	7.2	1,192,886	12.6	(24.1)
Europe	676,012	5.4	245,221	2.6	175.7
America	592,064	4.7	572,820	6.0	3.4
Africa, Middle East & Oceania	218,863	1.7	160,741	1.7	36.2
<b>Total revenue</b>	<b>12,605,311</b>	<b>100.0</b>	<b>9,484,281</b>	<b>100.0</b>	<b>32.9</b>

**14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to Para 8 and 10 above.

**15. A breakdown of sales**

	Group – Full Year		
	2011 Rp 'million	2010 Rp 'million	% Increase / (Decrease)
(a) Sales reported for the first half year	6,135,175	4,207,056	45.8
(b) Profit after tax before deducting non-controlling interests for first half year	1,294,800	723,195	79.0
(c) Sales reported for second half year	6,470,136	5,277,225	22.6
(d) Profit after tax before deducting non-controlling interests reported for second half year	1,346,056	1,182,960	13.8

**Notes:**

Profit after tax before non-controlling interests, excluding fair value gain or loss on the biological assets:-

	Group – Full Year		
	2011 Rp 'million	2010 Rp 'million	% Increase / (Decrease)
(b) Profit after tax before deducting non-controlling interests for first half year	1,294,800	708,063	82.9
(d) Profit after tax before deducting non-controlling interests reported for second half year	1,027,639	966,140	6.4

**16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full as follows:**

Please refer to Para 11 above.



**17. 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 Full Year 2011:

Name of Interested Person	Aggregate value of all Interested person transactions (excluding transactions less than S\$100,000)	
	Rp 'billion	USD 'million
<b>PT ISM Group</b>		
<ul style="list-style-type: none"> <li>• Sales of cooking oil, margarine and others</li> <li>• Purchase of goods and services</li> </ul>	2,887.1 41.6	- -
<b>Salim Group</b>		
<ul style="list-style-type: none"> <li>• Sales of cooking oil &amp; seeds</li> <li>• Purchase of FFB and CPO</li> <li>• Management Fee</li> <li>• Purchases of services</li> <li>• Interest bearing loans from Salim Group to subsidiaries in which Salim Group has a 40% shareholding interest</li> <li>• Non-interest bearing loan from Salim Group</li> <li>• Interest bearing loans to subsidiaries which Salim Group has a 40% shareholding interest                             <ul style="list-style-type: none"> <li>○ Principal amount outstanding in respect of the interest bearing loans at end of year</li> <li>○ Maximum loan outstanding (inclusive of principal and interest) during the year</li> </ul> </li> <li>• Corporate guarantees extended in favour of banks in respect of loan facilities extended to certain subsidiaries, which Salim Group has a 40% shareholding interest                             <ul style="list-style-type: none"> <li>○ Principal amount outstanding in respect of the bank loan facilities at end of year</li> <li>○ Maximum loan outstanding (inclusive of principal and interest) during the year</li> </ul> </li> <li>• Rental of land</li> </ul>	148.4 83.7 1.3 24.8 167.8 - 229.4 233.6 3,245.2 3,503.1 0.5	- - - - - 14.4 21.6 22.2 46.9 46.9 -

**18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13)**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm that no persons occupying managerial positions in the Company or any of its principal subsidiaries who are a relative of a director or Chief Executive Officer or substantial shareholder of the Company.

BY THE ORDER OF THE BOARD

Mark Julian Wakeford  
 Chief Executive Officer and Executive Director

29 February 2012