

IND@FOOD AGRI RESOURCES Ltd.

Company Presentation – 3Q and 9M 2013 Results

30 Oct 2013



Ind@Agri

a subsidiary of:
Indofood
THE SYMBOL OF QUALITY FOODS

Presentation Outline

1 Plantation Highlights

2 Financial Highlights

3 Strategies and Expansion

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Section 1

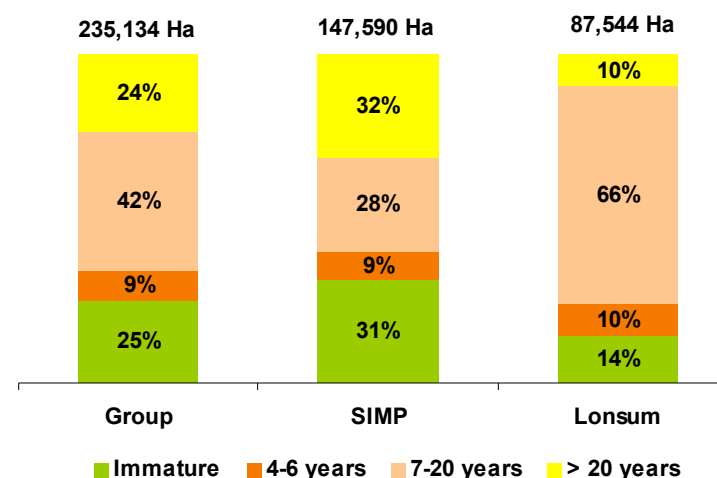
Plantation Highlights



Planted Area - Nucleus

In Ha	30 Sep 2013	31 Dec 2012	Increase/ (Decrease)
Indonesia			
Planted Area	270,509	268,725	1,784
Planted Oil Palm ⁽¹⁾	235,134	230,919	4,215 ⁽²⁾
- SIMP	147,590	145,576	2,014
- Lonsum	87,544	85,343	2,201
Planted Other crops	35,375	37,806	(2,431)
Rubber	21,052	21,802	(751)
- SIMP	4,409	4,409	-
- Lonsum	16,643	17,393	(750)
Sugar cane - SIMP	11,008	12,333	(1,325) ⁽³⁾
Cocoa & tea - Lonsum	3,315	3,671	(356)
Brazil - CMAA			
Sugar cane (48% owned)	41,847	34,000	7,847

Oil Palm Average age ≈ 13 years



(1) As at 30 Sep 2013, the Group has ≈ 85,563 Ha of planted oil palm plasma area. Out of which, 1,497 Ha are new planting in 9M13

(2) New plantings for oil palm at 5,262 Ha (6,525 ha in 9M12)

(3) Planted area includes replanting in progress would have been 11,936 Ha

Oil Palm Plantation Highlights

	9M13	9M12	Growth	3Q13	3Q12	Growth	FY12
Mature Area (Ha)	176,141	175,688	0%	176,141	175,688	0%	176,105
- SIMP	101,175	101,424	0%	101,175	101,424	0%	101,837
- Lonsum	74,966	74,264	1%	74,966	74,264	1%	74,268
FFB ('000 MT)	2,625	2,964	(11%)	983	1,119	(12%)	4,107
- Nucleus production	2,043	2,158	(5%)	778	825	(6%)	2,973
- SIMP	1,176	1,206	(2%)	446	445	0%	1,658
- Lonsum	868	952	(9%)	332	380	(13%)	1,315
- Purchase from external	582	806	(28%)	205	294	(30%)	1,134
- SIMP	314	364	(14%)	111	139	(20%)	502
- Lonsum	321	486	(34%)	117	172	(32%)	679
FFB Yield – Nucleus (MT/Ha)	11.6	12.3		4.4	4.7		16.9
- SIMP	11.6	11.9		4.4	4.4		16.4
- Lonsum	11.6	12.8		4.4	5.1		17.7

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

Oil Palm Plantation Highlights

	9M13	9M12	Growth	3Q13	3Q12	Growth	FY12
CPO Production ('000 MT)	565	639	(12%)	209	239	(12%)	880
- SIMP	293	317	(8%)	108	117	(8%)	432
- Lonsum	272	322	(16%)	101	122	(17%)	448
CPO Extraction Rate (%)	22.0%	21.7%		21.6%	21.5%		21.7%
- SIMP	21.2%	20.9%		20.8%	20.8%		20.9%
- Lonsum	22.9%	22.5%		22.5%	22.1%		22.5%
CPO Yield – Nucleus (MT/Ha)	2.5	2.7		1.0	1.0		3.7
- SIMP	2.5	2.5		0.9	0.9		3.4
- Lonsum	2.7	2.9		1.0	1.2		4.1
PK Production ('000 MT)	130	150	(13%)	48	57	(16%)	207
- SIMP	66	72	(8%)	24	27	(11%)	100
- Lonsum	64	78	(18%)	24	30	(20%)	107
PK Extraction Rate (%)	5.1%	5.1%		5.0%	5.2%		5.1%
- SIMP	4.8%	4.8%		4.7%	4.7%		4.8%
- Lonsum	5.4%	5.4%		5.3%	5.6%		5.4%

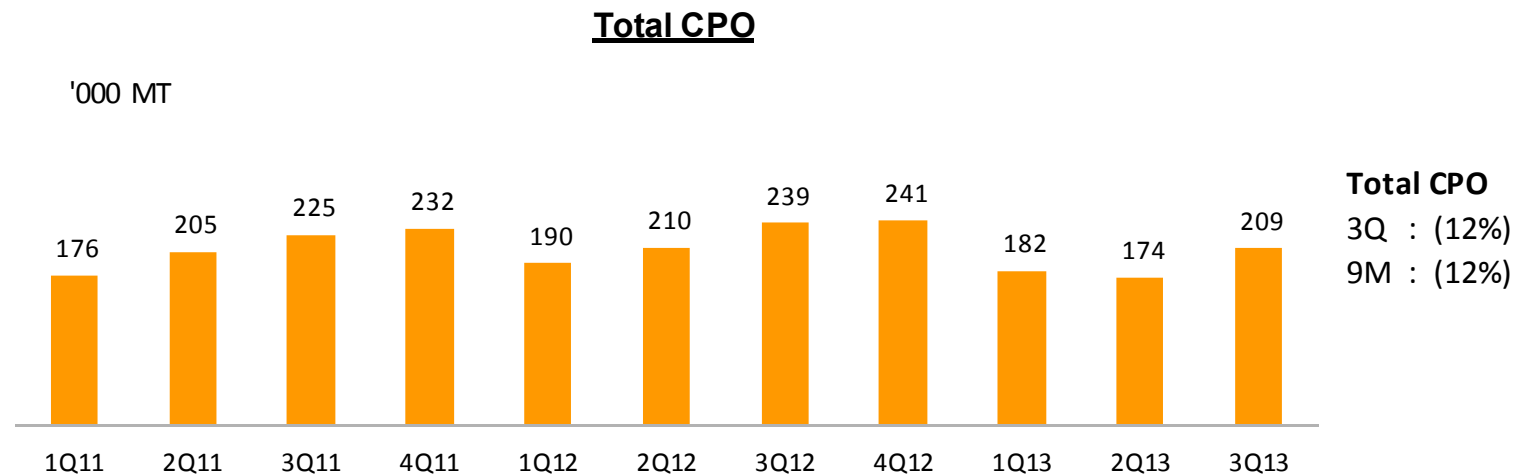
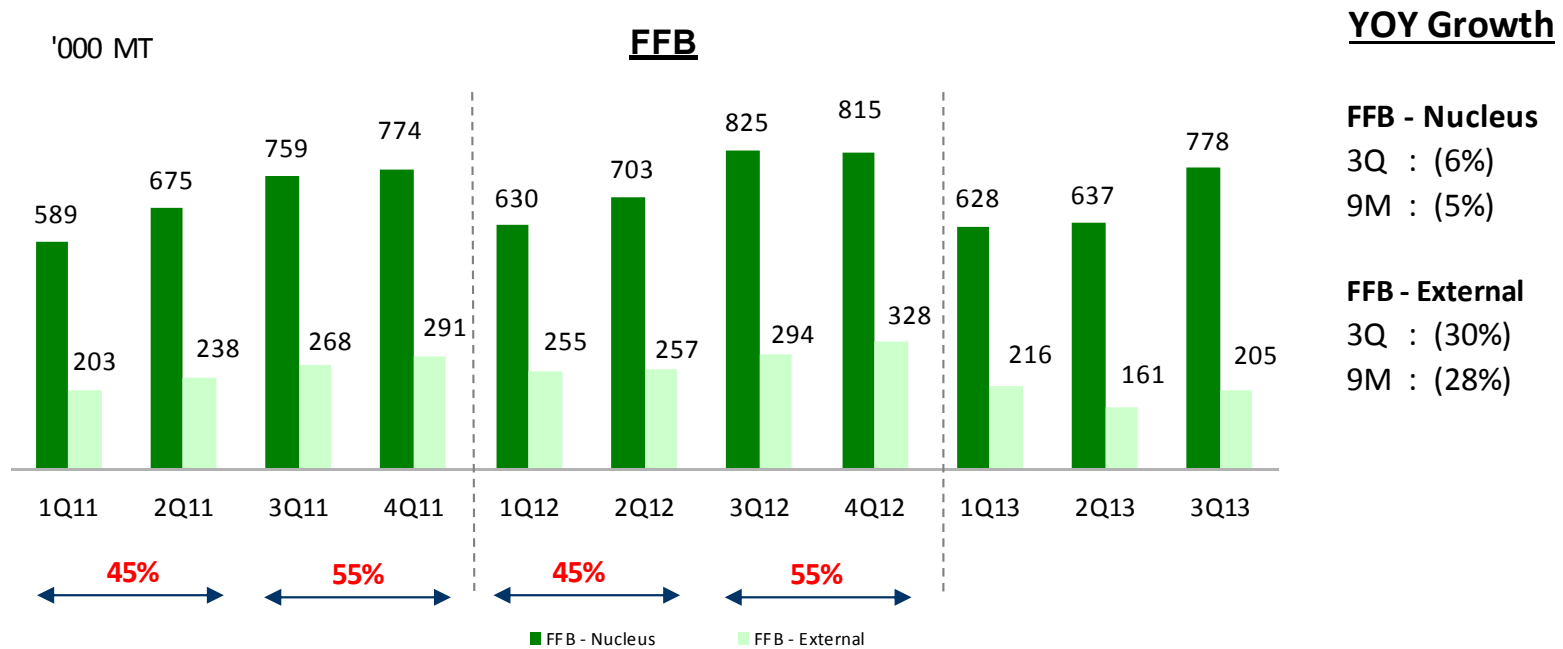
Sugar Plantation Highlights

	9M13	9M12	Growth	3Q13	3Q12	Growth	FY12
Indonesia							
Planted Area (Ha)	11,008	12,333	(11%)	11,008	12,333	(11%)	12,333
Sugar Cane Harvested ('000 MT)	532	588	(10%)	337	364	(7%)	588
Sugar Production ('000 MT) ⁽¹⁾	48	64	(25%)	33	43	(24%)	70
From sugar cane							
- South Sumatra Plantation	38	50	(24%)	24	33	(27%)	49
- Java (LPI's share)	6	11	(45%)	5	8	(38%)	11
From raw sugar	4	3	6%	4	2	62%	10
Brazil							
	Apr13 - Sep13	Apr12 - Mar13					
Planted Area (Ha)	41,847	34,000					
Sugar Cane Harvested ('000 MT)	2,347	2,218					
Raw Sugar Production ('000 MT)	145	152					
Ethanol ('000 M³)	104	96					

Notes:

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

Oil Palm Plantation Production Trend

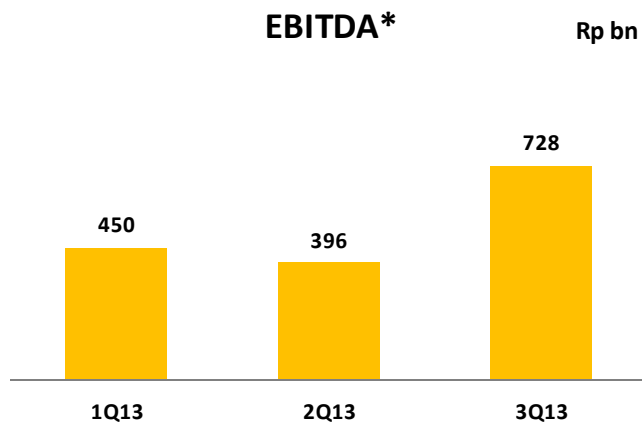
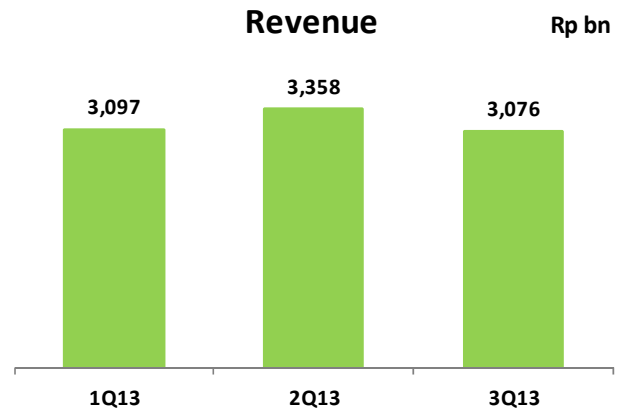


Section 2

Financial Highlights



Results Summary



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

Financial Highlights

- Broader decline in commodity prices for agriculture crops and lower bulk oil and copra-based product sales have adversely affected our sales performance.
- Falling selling prices for key plantation crops, higher production cost and forex losses contributed to 15% and 40% yoy decline in EBITDA in 3Q13 and 9M13.
- Our edible oils division continued to deliver consistent results with 9M13 EBITDA 5% ahead of last year.
- Maiden profit contribution of Rp50 billion from CMAA, a 50% Brazilian joint venture acquired by the Company at the end of June 2013.

Operational Highlights

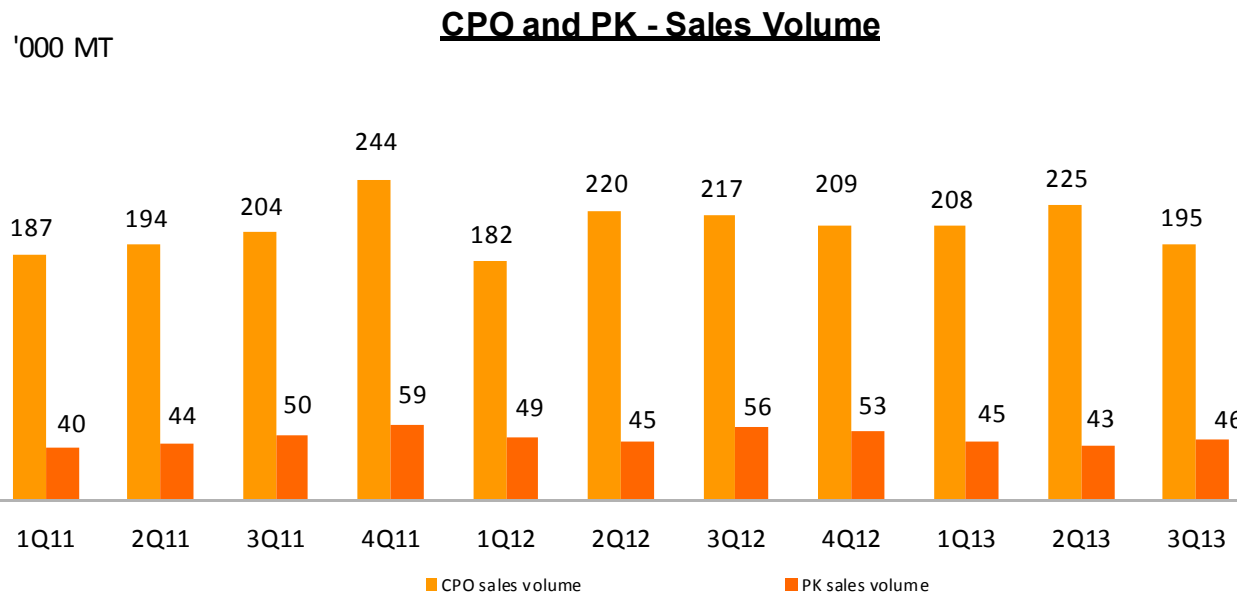
- On production front, we achieved total FFB of 2,625,000 tonnes with CPO fell 12% to 565,000 tonnes in 9M13 on lower production from external farmers and lower palm production from Sumatra.
- Established a S\$500 million EMTN Programme in end September 2013.

Sales Volume

In '000 MT	9M13	9M12	Growth	3Q13	3Q12	Growth	FY12
Plantation							
CPO	628	619	1%	195	217	(10%)	829
Palm Kernel	134	150	(10%)	46	56	(17%)	202
Sugar	44	38	14%	24	27	(8%)	62
Rubber	12.1	12.0	0%	4.5	4.4	2%	16.6
Oil Palm Seeds ('million)	14	18	(21%)	3	6	(49%)	25
Edible Oils & Fats							
Cooking Oil, Margarine and Coconut Oil	595	619	(4%)	198	196	1%	808

- Despite lower production, CPO and sugar sales came in higher due to realisation of last year end's stock levels
- Decline in EOF was due to lower coconut oil and bulk oil sales, volume growth in underlying branded products

CPO, PK and Edible Oils & Fats Sales Volume Trend



YOY Growth

CPO sales volume

3Q : (10%)

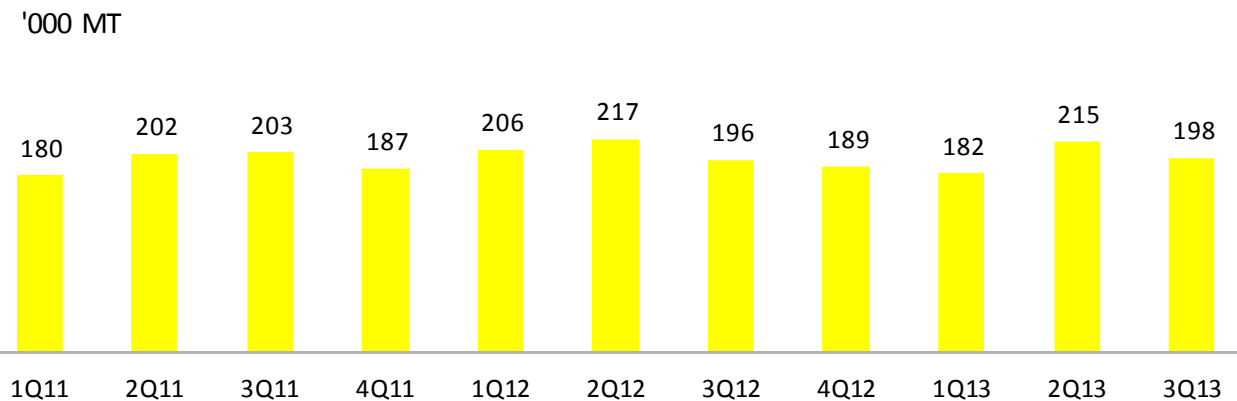
9M : 1%

PK sales volume

3Q : (17%)

9M : (10%)

Edible Oils & Fats Sales Volume



Edible Oils & Fats

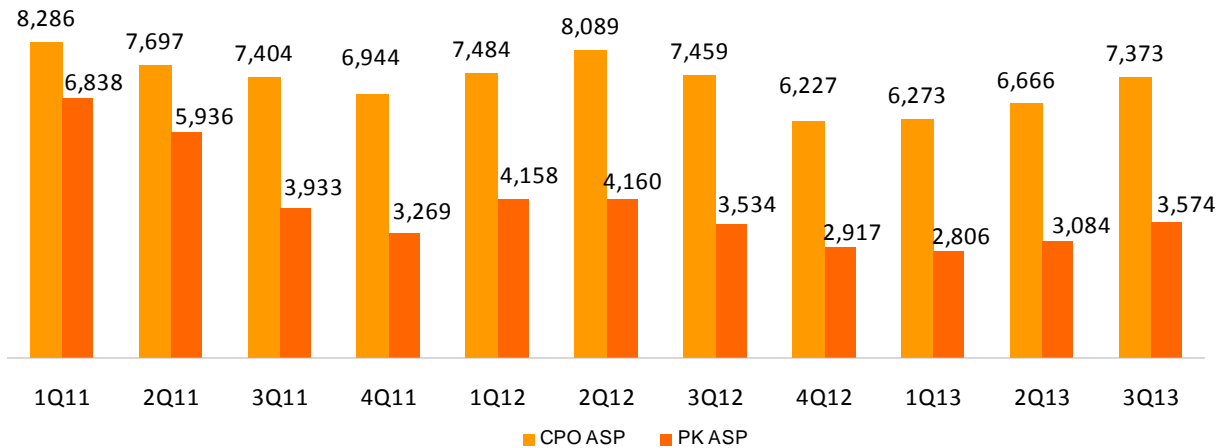
3Q : 1%

9M : (4%)

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

Rp / kg

CPO and PK - ASP



YOY Growth

CPO ASP

3Q : (1%)

9M : (12%)

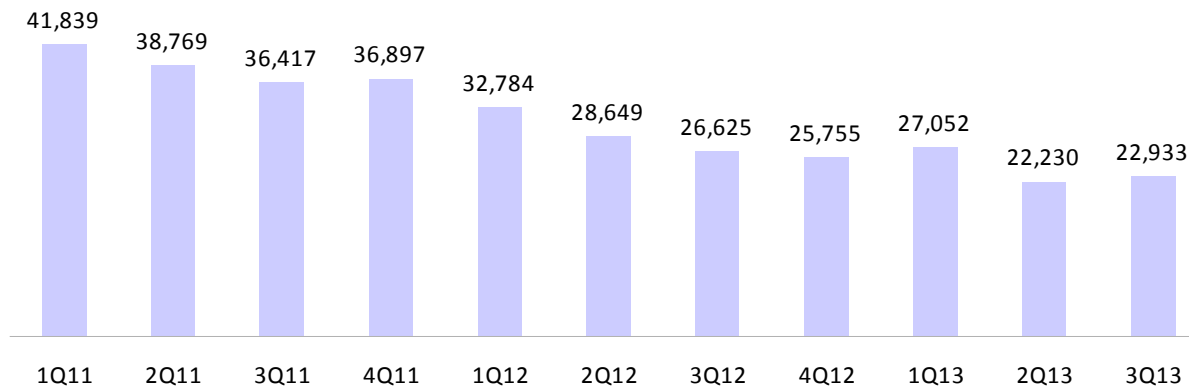
PK ASP

3Q : 1%

9M : (20%)

Rp / kg

Rubber ASP



Rubber ASP

3Q : (14%)

9M : (18%)

Financial Summary

In Rp Bn	9M13	9M12	YoY Growth	3Q13	3Q12	YoY Growth	FY12
Sales	9,531	10,521	(9%)	3,076	3,541	(13%)	13,845
EBITDA*	1,574	2,601	(39%)	728	853	(15%)	3,223
<i>EBITDA %</i>	17%	25%		24%	24%		23%
Operating profit**	862	2,173	(60%)	379	692	(45%)	2,653
<i>Operating profit %</i>	9%	21%		12%	20%		19%
Net profit	402	1,524	(74%)	182	477	(62%)	1,819
<i>Net profit %</i>	4%	14%		6%	13%		13%
Attributable profit	296	888	(67%)	123	258	(52%)	1,049
<i>Attributable profit %</i>	3%	8%		4%	7%		8%
EPS (fully diluted) - Rp	206	618	(67%)	86	179	(52%)	730

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

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

Segmental Results

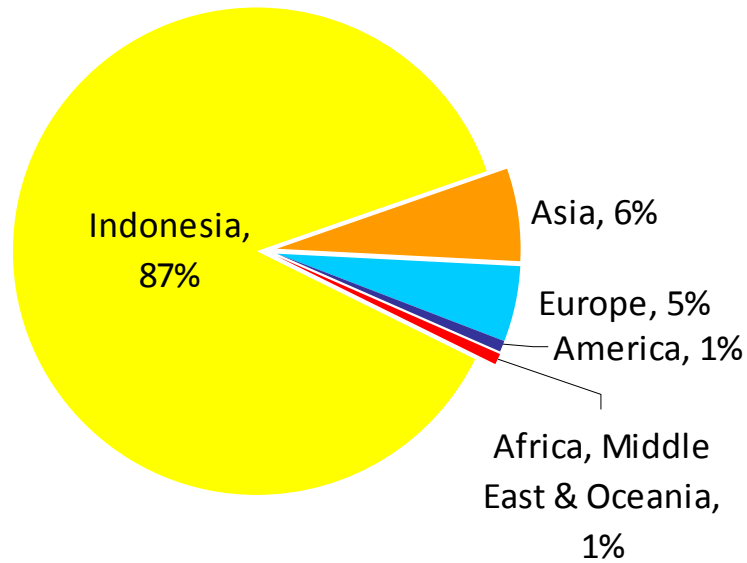
In Rp Bn	<u>SALES</u>		<u>EBITDA</u>		<u>EBITDA%</u>	
	9M13	9M12	9M13	9M12	9M13	9M12
Plantations	5,713	6,423	1,175	2,252	21%	35%
Edible Oil & Fats	6,358	7,426	368	349	6%	5%
Elimination & Adjustments	(2,540)	(3,328)	32 ⁽¹⁾	(0) ⁽¹⁾	n/m	n/m
Sub-total	9,531	10,521	1,574	2,601	17%	25%
Net Forex Gain	-	-	(93)	17	-	-
Total	9,531	10,521	1,481	2,618	16%	25%

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

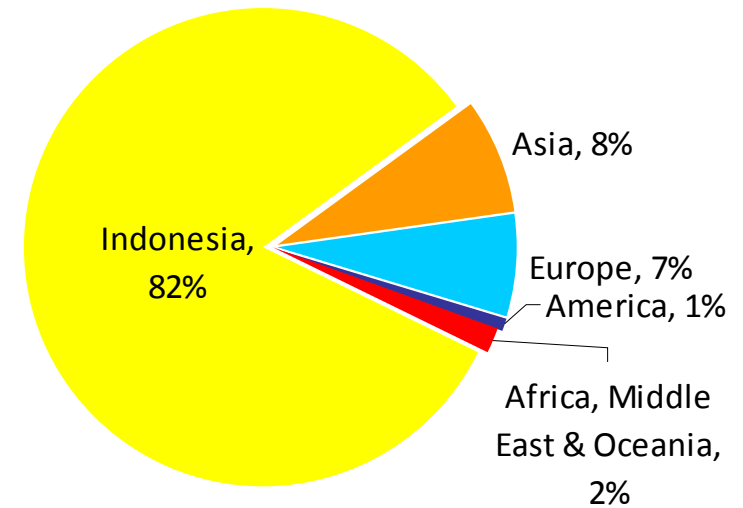
External Revenue Breakdown

By Geographical Location

9M13



9M12



Financial Position – Strong Balance Sheet Low Gearing

In Rp Bn	30-Sep-13	31-Dec-12
TOTAL ASSETS	36,707	34,811
Cash	3,787	5,082
TOTAL LIABILITIES	13,902	11,983
Interest Bearing Debt	8,431	6,780
TOTAL EQUITY*	22,805	22,829
Net Debt / EBITDA Ratio (Annualised)	2.2x	0.5x
Net Debt / Total Equity Ratio	0.20x	0.07x
Net Assets Value per Share (in Rupiah)	9,866	9,619

*Total equity includes shareholders funds and minority interests.

Section 3

Strategies and Expansion



2013 Strategies and Expansion – Indonesia

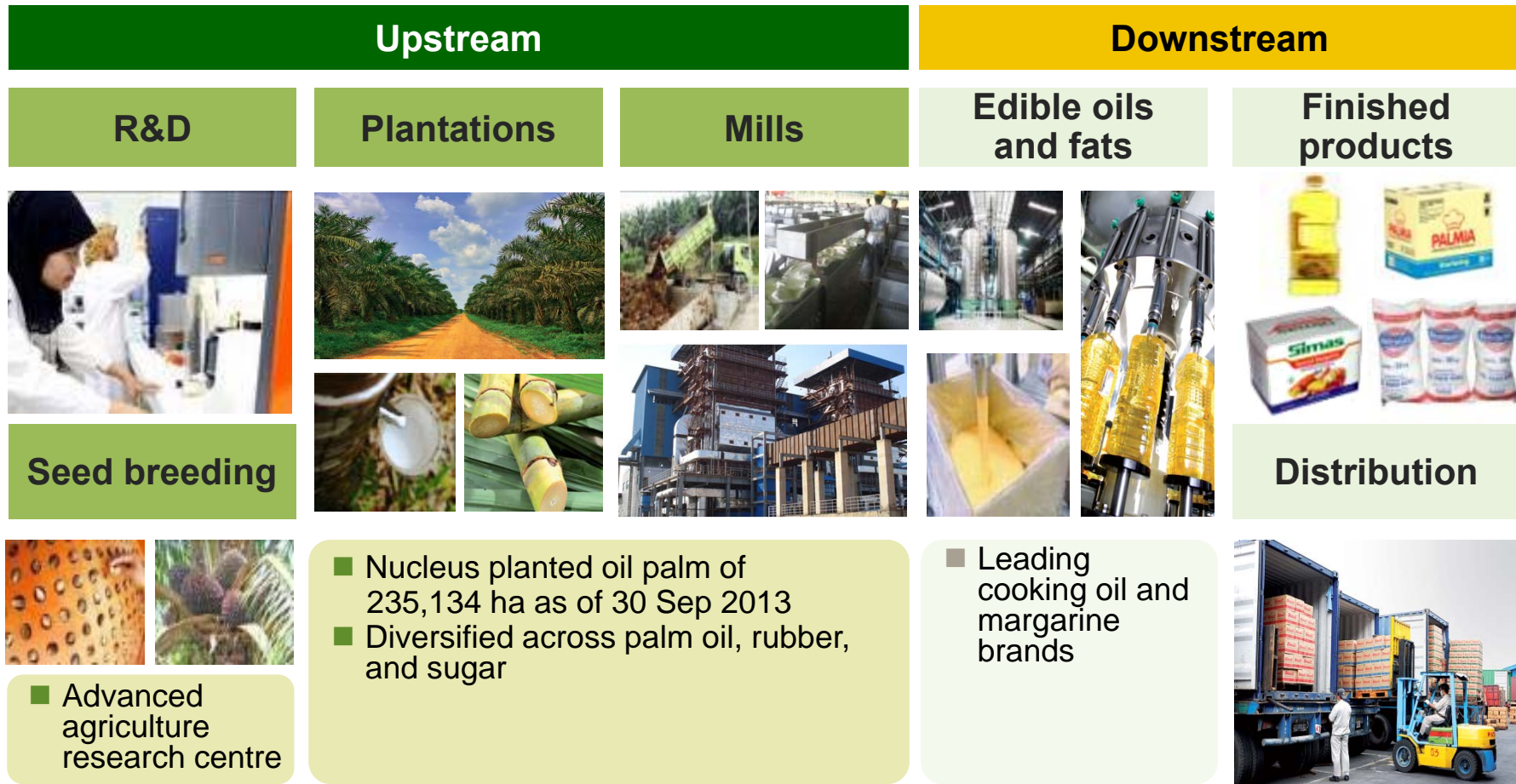
- Focus organic expansion on new plantings of oil palm and sugar plantations
- Expand CPO production capacity and enhance supply chain
 - Constructing 4 oil palm mills due to higher FFB production in future from immature plantings:
 - One 80MT/hour new mill in South Sumatra due for completion in Q4 2013
 - One 45MT/hour new mill in East Kalimantan due for completion in Q1 2014
 - Additionally expansion of two existing mills, one in West Kalimantan from 40 MT/hour to 80 MT/hour and the other in South Sumatra from 40 MT/hour to 60 MT/hour
 - Construction of 200MT/day PKO plant in Riau due for completion in 2013
- Increase the utilization of internal tugboats and barges for CPO transportation to refineries
- Intensifying the promotion of branded products to both modern trade and traditional market with new packaging and brand positioning
- Established a S\$500 million EMTN Programme in end September 2013

Section 4 Appendix

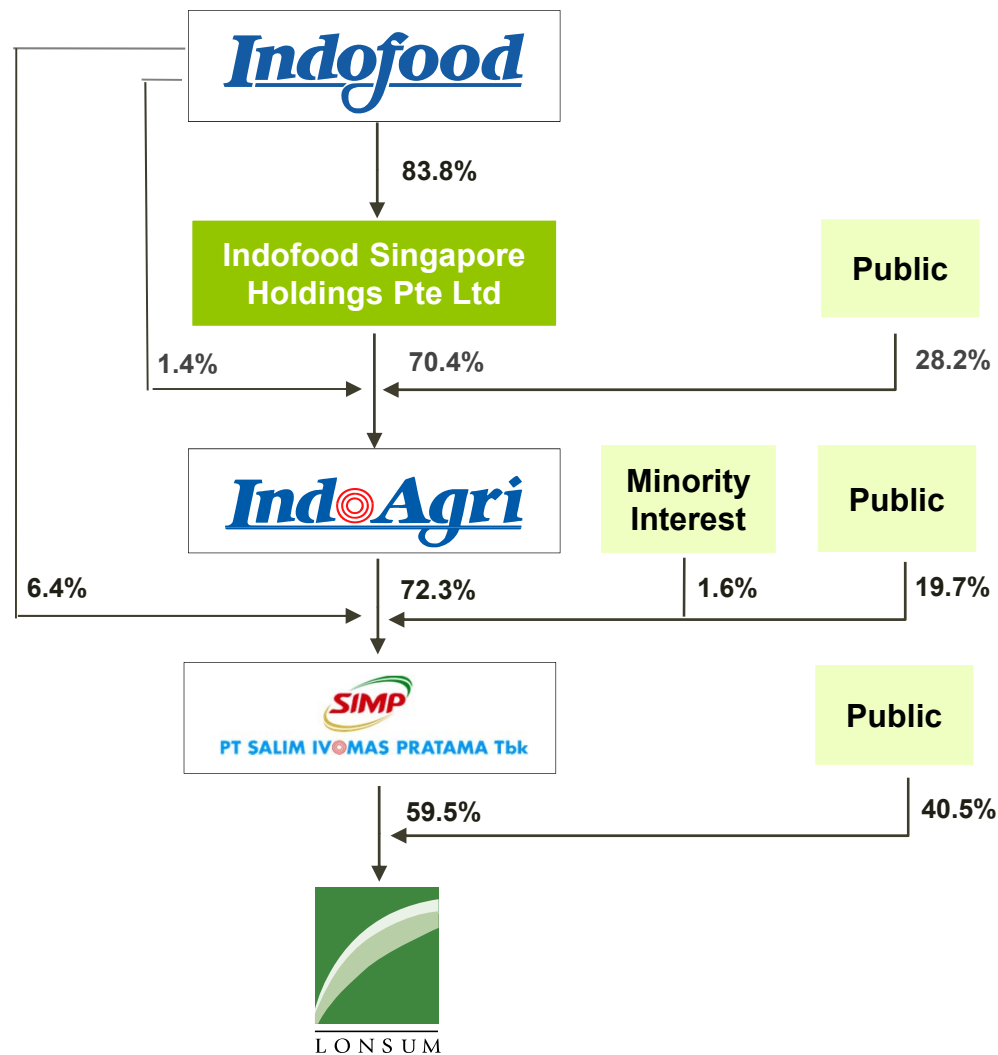


Diversified and Integrated Agribusiness Group with Leading Brands

Capturing value across the entire supply chain



Corporate Structure

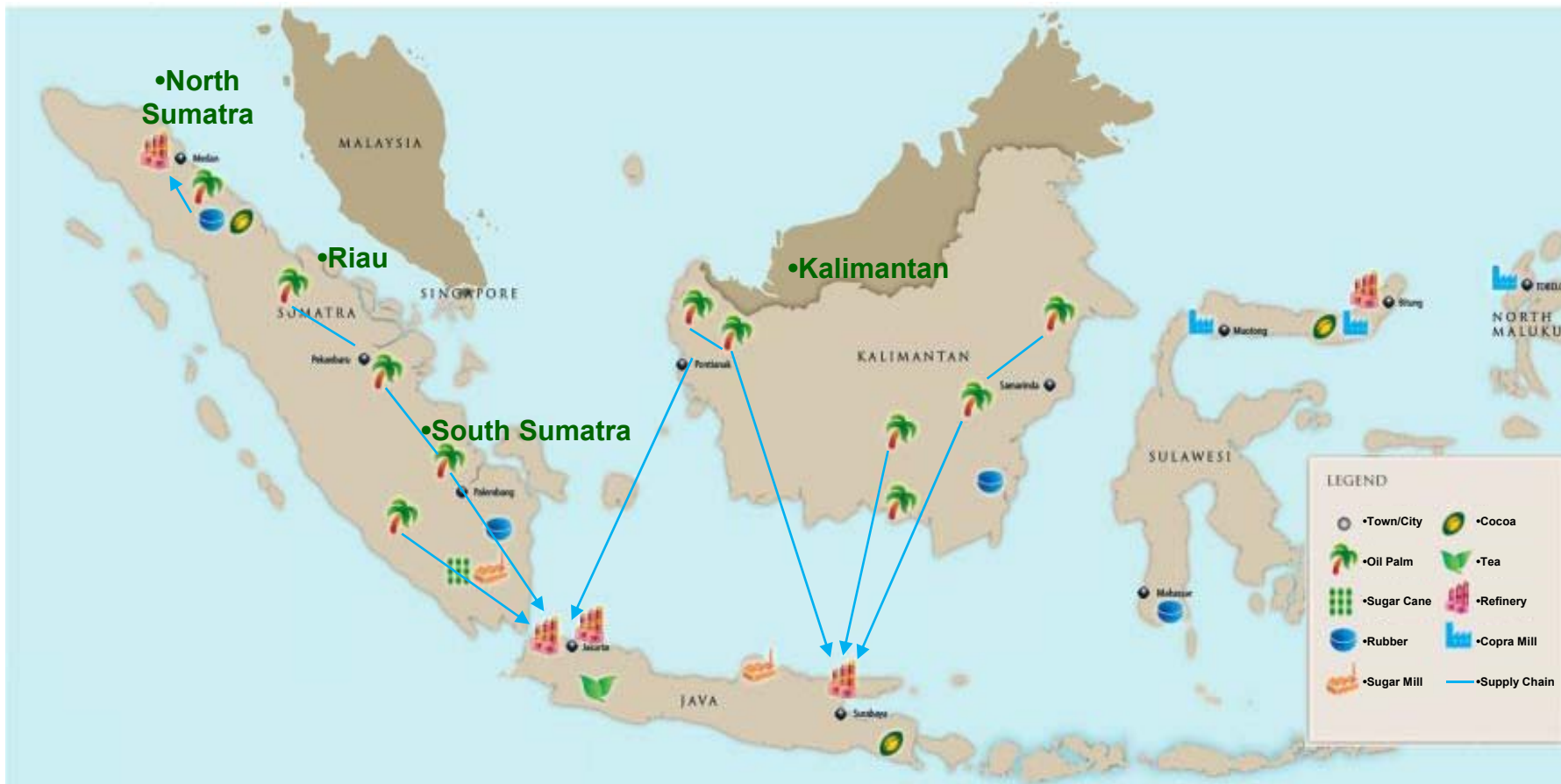


Note:

Based on total number issued shares, excluding the following shares held in treasury as of 25 October 2013

- IndoAgri - 30,500,000
- SIMP - 68,327,500
- Lonsum - 2,900,000

Strategically Located Operations Spanning the Entire Supply Chain



Facilities	Palm Oil Mill		Crumb Rubber Facility		Sheet Rubber Facility		Sugar Mill & Refinery		Refinery	
	Unit	Capacity p.a. (MT FFB)	Unit	Capacity p.a. (MT Dry Rubber)	Unit	Capacity p.a. (MT Dry Rubber)	Unit	Capacity p.a. (MT Sugar Cane)	Unit	Capacity p.a. (MT CPO)
SIMP	10	2,889,000	-	-	-	-	2	2,160,000	5	1,425,000
Lonsum	11	2,295,000	4	42,720	3	11,100	-	-	-	-
CMAA - Brazil	-	-	-	-	-	-	1	3,800,000	-	-
Group	21	5,184,000	4	42,720	3	11,100	3	5,960,000	5	1,425,000

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