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**FIRST PACIFIC COMPANY LIMITED**

**第一太平有限公司**

*(Incorporated with limited liability under the laws of Bermuda)*

Website: <http://www.firstpacific.com>

**(Stock Code: 00142)**

**OVERSEAS REGULATORY ANNOUNCEMENT**

*(This overseas regulatory announcement is issued pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.)*

**Please refer to the attached filings made by Indofood Agri Resources Ltd. to the Singapore Stock Exchange, relating to the following:-**

- i) Unaudited Financial Statements for the second quarter ended 30 June 2012; and**
- ii) Press Release relating to the 2Q 2012 Results.**

**Dated this the 14<sup>th</sup> day of August, 2012**

As at the date of this announcement, the board of directors of First Pacific Company Limited comprises the following directors:

Anthoni Salim, *Chairman*

Manuel V. Pangilinan, *Managing Director and CEO*

Edward A. Tortorici

Robert C. Nicholson

Graham L. Pickles\*

Prof. Edward K.Y. Chen\*, *GBS, CBE, JP*

Tedy Djuhar

Benny S. Santoso

Napoleon L. Nazareno

Jun Tang\*

Dr. Christine K.W. Loh\*, *JP, OBE,*

*Chevalier de l'Ordre National du Merite*

*\* Independent Non-executive Directors*


## SECOND QUARTER RESULTS \* FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT

\* Asterisks denote mandatory information

<b>Name of Announcer *</b>	INDOFOOD AGRI RESOURCES LTD.
<b>Company Registration No.</b>	200106551G
<b>Announcement submitted on behalf of</b>	INDOFOOD AGRI RESOURCES LTD.
<b>Announcement is submitted with respect to *</b>	INDOFOOD AGRI RESOURCES LTD.
<b>Announcement is submitted by *</b>	Mak Mei Yook
<b>Designation *</b>	Company Secretary
<b>Date &amp; Time of Broadcast</b>	14-Aug-2012 19:25:17
<b>Announcement No.</b>	00278

## &gt;&gt; ANNOUNCEMENT DETAILS

The details of the announcement start here ...

<b>For the Financial Period Ended *</b>	30-06-2012
<b>Description</b>	Please see attached.
<b>Attachments</b>	 IFAR1H12Results.pdf Total size = <b>117K</b> (2048K size limit recommended)

## UNAUDITED FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2012

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 – Q2			Group – YTD 6 months		
	30/06/2012	30/06/2011	Change	30/06/2012	30/06/2011	Change
	Rp ' million	Rp ' million	%	Rp ' million	Rp ' million	%
Revenue	3,780,147	3,207,889	17.8	6,979,570	6,135,175	13.8
Cost of sales	(2,687,632)	(2,134,180)	25.9	(4,790,550)	(3,718,038)	28.8
<b>Gross Profit</b>	<b>1,092,515</b>	<b>1,073,709</b>	<b>1.8</b>	<b>2,189,020</b>	<b>2,417,137</b>	<b>(9.4)</b>
Gross Profit %	28.9%	33.5%		31.4%	39.4%	
Selling and distribution costs	(104,255)	(73,358)	42.1	(192,341)	(164,359)	17.0
General and administrative expenses	(234,665)	(191,950)	22.3	(445,491)	(393,570)	13.2
Foreign exchange (losses)/ gains	(14,430)	33,715	(142.8)	1,141	76,025	(98.5)
Other operating income	15,958	19,070	(16.3)	48,032	32,500	47.8
Other operating expenses	(83,775)	(54,763)	53.0	(109,409)	(94,429)	15.9
Share of results of an associated company	(9,469)	(691)	n/m	(9,469)	(1,548)	n/m
<b>Profit from operations</b>	<b>661,879</b>	<b>805,732</b>	<b>(17.9)</b>	<b>1,481,483</b>	<b>1,871,756</b>	<b>(20.9)</b>
Financial income	60,036	54,063	11.0	137,620	94,458	45.7
Financial expenses	(134,282)	(125,619)	6.9	(273,549)	(242,706)	12.7
<b>Profit before tax</b>	<b>587,633</b>	<b>734,176</b>	<b>(20.0)</b>	<b>1,345,554</b>	<b>1,723,508</b>	<b>(21.9)</b>
Income tax expense	(141,883)	(173,410)	(18.2)	(298,988)	(428,708)	(30.3)
<b>Net profit / total comprehensive income for the period</b>	<b>445,750</b>	<b>560,766</b>	<b>(20.5)</b>	<b>1,046,566</b>	<b>1,294,800</b>	<b>(19.2)</b>
<b>Total comprehensive income attributable to:-</b>						
- Owners of the Company	253,601	309,062	(17.9)	630,544	823,393	(23.4)
- Non-controlling interests	192,149	251,704	(23.7)	416,022	471,407	(11.7)
	<b>445,750</b>	<b>560,766</b>	<b>(20.5)</b>	<b>1,046,566</b>	<b>1,294,800</b>	<b>(19.2)</b>

Note : There were no other comprehensive income during the period.  
 n.m. denotes "Not Meaningful"

**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 – Q2			Group – YTD 6 months		
	30/06/2012	30/06/2011	Change	30/06/2012	30/06/2011	Change
	Rp ' million	Rp ' million	%	Rp ' million	Rp ' million	%
Profit from operations	661,879	805,732	(17.9)	1,481,483	1,871,756	(20.9)
Add: Depreciation & amortisation	146,887	122,764	19.6	267,041	228,236	17.0
EBITDA includes forex gains	808,766	928,496	(12.9)	1,748,524	2,099,992	(16.7)
Less: Foreign exchange (losses)/ gains	(14,430)	33,715	(142.8)	1,141	76,025	(98.5)
EBITDA excludes foreign exchange gains	823,196	894,781	(8.0)	1,747,383	2,023,967	(13.7)
EBITDA%	21.8%	27.9%		25.0%	33.0%	

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

	Group – YTD 6 months		
	30/06/2012	30/06/2011	Change %
In SGD 'cents (converted at Rp7,298/\$1)			
EPS	6.0	7.8	(22.9)

	Group		
	30/06/2012	31/12/2011	Change %
In SGD 'cents (converted at Rp7,415/\$1)			
NAV per share	125.8	120.1	4.7

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

Other information:-	Group – Q2			Group – YTD 6 months		
	30/06/2012	30/06/2011	Change	30/06/2012	30/06/2011	Change
	Rp ' million	Rp ' million	%	Rp ' million	Rp ' million	%
Depreciation of property, plant and equipment	137,058	116,222	17.9	248,653	217,931	14.1
Amortisation of deferred charges and others	9,829	6,542	50.2	18,388	10,305	78.4
Interest on borrowings	127,194	118,825	7.0	264,020	230,002	14.8
(Gains)/ losses on disposal of biological assets	(42)	-	n/m	(42)	99	n/m
Provision for uncollectible and loss arising from changes in fair value of plasma receivables	17,614	21,273	(17.2)	28,307	21,703	30.4
Impairment loss on an associated company	-	17,793	n/m	-	17,793	n/m
Write-off of property and equipment	477	526	(9.3)	719	1,090	(34.0)
Gains / (losses) on disposal of property and equipment	1,516	(642)	(336.1)	1,467	(705)	(308.1)
Net changes in provision for decline in net realisable value of inventories	42,166	(7,613)	n/m	31,375	25,951	20.9

*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	
	30/06/2012	31/12/2011	30/06/2012	31/12/2011
	Rp ' million	Rp ' million	Rp ' million	Rp ' million
<b>Non-current assets</b>				
Biological assets	12,043,206	11,615,002	-	-
Property, plant and equipment	7,664,915	7,245,443	59,876	61,694
Goodwill	3,155,786	3,155,786	-	-
Claims for tax refund	206,608	262,593	-	-
Deferred tax assets	582,302	526,667	-	-
Investment in subsidiary companies	-	-	9,660,599	9,660,599
Investment in an associated company	128,381	-	-	-
Other non-current assets	1,054,363	964,132	20	20
<b>Total non-current assets</b>	<b>24,835,561</b>	<b>23,769,623</b>	<b>9,720,495</b>	<b>9,722,313</b>
<b>Current assets</b>				
Inventories	2,112,385	1,677,576	-	-
Trade and other receivables	1,158,949	1,033,175	46,294	3,459
Advances	290,346	107,395	-	-
Prepaid taxes	207,176	83,673	-	-
Cash and cash equivalents	5,245,646	6,535,204	1,660,902	1,488,759
<b>Total current assets</b>	<b>9,014,502</b>	<b>9,437,023</b>	<b>1,707,196</b>	<b>1,492,218</b>
<b>Total assets</b>	<b>33,850,063</b>	<b>33,206,646</b>	<b>11,427,691</b>	<b>11,214,531</b>
<b>Current liabilities</b>				
Trade and other payables and accruals	1,617,147	1,281,526	6,347	7,524
Advances from customers	172,187	98,576	-	-
Interest-bearing loans and borrowings	3,130,526	3,334,397	-	-
Income tax payable	107,548	77,506	130	130
<b>Total current liabilities</b>	<b>5,027,408</b>	<b>4,792,005</b>	<b>6,477</b>	<b>7,654</b>
<b>Non-current liabilities</b>				
Interest-bearing loans and borrowings	2,989,766	3,201,348	-	-
Bonds and Sukuk Ijarah payables	725,381	724,579	-	-
Other payables	319,916	335,110	-	-
Employee benefits liabilities	751,754	687,969	-	-
Deferred tax liabilities	1,962,482	2,025,078	-	-
<b>Total non-current liabilities</b>	<b>6,749,299</b>	<b>6,974,084</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>11,776,707</b>	<b>11,766,089</b>	<b>6,477</b>	<b>7,654</b>
<b>Net assets</b>	<b>22,073,356</b>	<b>21,440,557</b>	<b>11,421,214</b>	<b>11,206,877</b>
<b>Attributable to owners of the Company</b>				
Share capital	3,584,279	3,584,279	10,912,411	10,912,411
Treasury shares	(100,208)	(81,413)	(100,208)	(81,413)
Revenue reserves	9,375,974	8,777,210	464,859	231,727
Other reserves	538,431	538,431	144,152	144,152
	<b>13,398,476</b>	<b>12,818,507</b>	<b>11,421,214</b>	<b>11,206,877</b>
Non-controlling interests	8,674,880	8,622,050	-	-
<b>Total equity</b>	<b>22,073,356</b>	<b>21,440,557</b>	<b>11,421,214</b>	<b>11,206,877</b>

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

	<b>Group</b>	
	<b>30/06/2012</b>	<b>31/12/2011</b>
	<b>Rp ' million</b>	<b>Rp ' million</b>
(i) Amounts payable in one year or less, or on demand		
Secured	1,559,942	1,344,078
Unsecured	1,570,584	1,990,319
Sub-total	<b>3,130,526</b>	<b>3,334,397</b>
(ii) Amounts repayable after one year		
Secured	2,647,534	2,760,378
Unsecured	1,067,613	1,165,549
Sub-total	<b>3,715,147</b>	<b>3,925,927</b>
<b>TOTAL</b>	<b>6,845,673</b>	<b>7,260,324</b>

(iii) Details of the collaterals

The above bank term loans and investment loans are secured by (i) corporate guarantees from a subsidiary; and (ii) charge over the plantation assets of the respective subsidiary.

As of 30 June 2012, 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.**

	Group – Q2		Group – YTD 6 months	
	30/06/2012	30/06/2011	30/06/2012	30/06/2011
	Rp ' million	Rp ' million	Rp ' million	Rp ' million
<b>Cash flows from operating activities</b>				
Profit before taxation	587,633	734,176	1,345,554	1,723,508
Adjustments :				
Depreciation and amortisation	146,887	122,764	267,041	228,236
Unrealised foreign exchange losses /(gains)	22,769	(38,973)	7,191	(87,767)
(Gains)/ losses on disposal of biological assets	(42)	-	(42)	99
Provision for uncollectible and loss arising from changes in fair value of plasma receivables	17,614	21,273	28,307	21,703
Impairment loss on an associated company	-	17,793	-	17,793
Write-off of property and equipment	477	526	719	1,090
Gains / (losses) on disposal of property and equipment	1,516	(642)	1,467	(705)
Net changes in provision for decline in net realisable value of inventories	42,166	(7,613)	31,375	25,951
Changes in provision for asset dismantling costs	(25)	1,357	(870)	(163)
Changes in employee benefits liabilities	24,477	35,011	63,786	66,185
Changes in fair value of long-term receivables	74	1,384	(309)	2,768
Write-back of doubtful debts	-	(375)	-	(162)
Financial income	(60,036)	(54,063)	(137,620)	(94,458)
Financial expenses	134,282	125,619	273,549	242,706
<b>Operating cash flows before working capital changes</b>	<b>917,792</b>	<b>958,237</b>	<b>1,880,148</b>	<b>2,146,784</b>
<b>Changes in working capital</b>				
Other non-current assets	42,809	123,223	32,882	78,430
Inventories	(102,674)	(252,617)	(466,184)	(590,541)
Trade and other receivables	27,638	(10,015)	(130,293)	(243,903)
Advances	258,520	47,442	(182,951)	(88,558)
Prepaid taxes	(5,278)	(39,565)	(43,966)	(42,948)
Trade and other payables and accruals	(18,514)	10,209	324,592	224,822
Advances from customers	(9,092)	98,727	73,610	74,463
<b>Cash flows generated from operations</b>	<b>1,111,201</b>	<b>935,641</b>	<b>1,487,838</b>	<b>1,558,549</b>
Interest received	60,036	54,063	137,620	94,458
Interest paid	(127,701)	(125,202)	(261,675)	(249,425)
Income tax paid	(318,260)	(286,861)	(465,407)	(472,348)
<b>Net cash flows generated from operating activities</b>	<b>725,276</b>	<b>577,641</b>	<b>898,376</b>	<b>931,234</b>

	Group – Q2		Group – YTD 6 months	
	30/06/2012	30/06/2011	30/06/2012	30/06/2011
	Rp ' million	Rp ' million	Rp ' million	Rp ' million
<b>Cash flows from investing activities</b>				
Additions to property, plant and equipment	(195,612)	(219,732)	(424,048)	(468,185)
Additions to biological assets	(213,813)	(191,934)	(420,658)	(351,348)
Net changes in plasma receivables	(8,964)	(33,335)	(77,317)	57,269
Proceeds from disposal of property and equipment	114	1,398	536	1,643
Proceeds from disposal of biological assets	83	-	83	239
Investment in an associated company	(137,850)	(3,048)	(137,850)	(6,210)
Advances for projects and purchase of equipment and others	(199,366)	(32,773)	(321,791)	(60,400)
<b>Net cash flows used in investing activities</b>	<b>(755,408)</b>	<b>(479,424)</b>	<b>(1,381,045)</b>	<b>(826,992)</b>
<b>Cash flows from financing activities</b>				
Proceeds from interest-bearing loans and borrowings	224,466	755,430	715,311	1,144,258
Repayment of interest-bearing loans and borrowings	(937,983)	(1,761,910)	(1,141,582)	(2,323,229)
Net proceeds / (payments) from amount due to related parties	2,045	6,455	(21,413)	6,555
Dividend payments by subsidiaries to non-controlling interests	(378,399)	-	(386,359)	-
Dividend payment by the Company	(31,780)	-	(31,780)	-
Proceeds from IPO net of listing expenses	-	3,349,449	-	3,349,449
Proceeds from additional capital contribution from non-controlling interests	-	-	23,167	-
Payments of treasury shares	(18,795)	-	(18,795)	-
<b>Net cash flows (used in)/ generated from financing activities</b>	<b>(1,140,446)</b>	<b>2,349,424</b>	<b>(861,451)</b>	<b>2,177,033</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>(1,170,578)</b>	<b>2,447,641</b>	<b>(1,344,120)</b>	<b>2,281,275</b>
<b>Effect of changes in exchange rates on cash and cash equivalents</b>	<b>22,086</b>	<b>11,276</b>	<b>54,562</b>	<b>(12,035)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>6,394,138</b>	<b>3,606,316</b>	<b>6,535,204</b>	<b>3,795,993</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>5,245,646</b>	<b>6,065,233</b>	<b>5,245,646</b>	<b>6,065,233</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 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	
	30/06/2012 Rp ' million	30/06/2011 Rp ' million	30/06/2012 Rp ' million	30/06/2011 Rp ' million
<b><u>Issued Capital</u></b>				
<b>Balance as at 1 January / 30 June <sup>(1)</sup></b>	<b>3,584,279</b>	<b>3,584,279</b>	<b>10,912,411</b>	<b>10,912,411</b>
<b><u>Treasury shares (IndoAgri)</u></b>				
Balance as at 1 January	(81,413)	-	(81,413)	-
Purchase of treasury shares	(18,795)	-	(18,795)	-
<b>Balance as at 30 June</b>	<b>(100,208)</b>	<b>-</b>	<b>(100,208)</b>	<b>-</b>
<b><u>Reserves*</u></b>				
Balance as at 1 January	8,777,210	7,287,264	231,727	285,790
Dividend payment by the Company	(31,780)	-	(31,780)	-
Net profit and total recognised income for the period	630,544	823,393	264,912	16,919
<b>Balance as at 30 June</b>	<b>9,375,974</b>	<b>8,110,657</b>	<b>464,859</b>	<b>302,709</b>
<b><u>Other Reserves</u></b>				
Balance as at 1 January	538,431	138,819	144,152	144,152
Changes in ownership interests subsidiary that do not result in a loss of control	-	399,612	-	-
<b>Balance as at 30 June</b>	<b>538,431</b>	<b>538,431</b>	<b>144,152</b>	<b>144,152</b>
<b><u>Non-controlling Interests</u></b>				
Balance as at 1 January	8,622,050	4,689,934	-	-
Dividend payments by subsidiaries	(386,359)	(168,631)	-	-
Changes in ownership interests in subsidiary that do not result in a loss of control	-	2,949,837	-	-
Capital contribution from non-controlling interests	23,167	-	-	-
Net profit and total recognised income for the period	416,022	471,407	-	-
<b>Balance as at 30 June</b>	<b>8,674,880</b>	<b>7,942,547</b>	<b>-</b>	<b>-</b>
<b>Total Equity</b>	<b>22,073,356</b>	<b>20,175,914</b>	<b>11,421,214</b>	<b>11,359,272</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 period. As of 30 June 2012, the number of issued shares were 1,447,782,830, of which 11,000,000 shares were held by the Company as treasury shares. As of 30 June 2011, 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 30 June 2012 and 2011.

- (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	
	30/06/2012	31/12/2011
	(' 000)	(' 000)
Total number of issued shares	1,447,783	1,447,783
Less: Treasury shares	(11,000)	(9,000)
<b>Total number of issued shares excluding treasury shares</b>	<b>1,436,783</b>	<b>1,438,783</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	9,000	81,413
Purchase of Treasury shares	2,000	18,795
<b>Balance as of 30 June 2012</b>	<b>11,000</b>	<b>100,208</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 period attributable to the owners of the parent 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 June 2012.

	Group – Q2			Group – YTD 6 months		
	30/06/2012	30/06/2011	Change %	30/06/2012	30/06/2011	Change %
Earnings per share (Rp)						
Based on weighted average number of share	176	213	(17.4)	438	569	(22.9)
Based on a fully diluted basis	176	213	(17.4)	438	569	(22.9)

**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 period divided by the issued share capital of 1,436,782,830 shares as of 30 June 2012 and 31 December 2011.

	Group		Company	
	30/06/2012	31/12/2011	30/06/2012	31/12/2011
Net asset value per share (Rp)	9,325	8,909	7,949	7,778

- 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 – Q2			Group – YTD 6 months		
	30/06/2012 Rp ' million	30/06/2011 Rp ' million	Change %	30/06/2012 Rp ' million	30/06/2011 Rp ' million	Change %
<b>Revenue</b>						
Plantations						
External sales	1,048,491	723,733	44.9	1,883,532	1,481,291	27.2
Inter-segment sales *	1,219,392	1,381,204	(11.7)	2,219,427	2,730,960	(18.7)
Sub-total	2,267,883	2,104,937	7.7	4,102,959	4,212,251	(2.6)
Edible Oils & Fats **						
External sales	2,731,656	2,484,156	10.0	5,096,038	4,653,884	9.5
Sub-total	2,731,656	2,484,156	10.0	5,096,038	4,653,884	9.5
Elimination of inter segment sales *	(1,219,392)	(1,381,204)	(11.7)	(2,219,427)	(2,730,960)	(18.7)
<b>Total revenue to external parties</b>	<b>3,780,147</b>	<b>3,207,889</b>	<b>17.8</b>	<b>6,979,570</b>	<b>6,135,175</b>	<b>13.8</b>
<b>Gross Profit</b>	<b>1,092,515</b>	<b>1,073,709</b>	<b>1.8</b>	<b>2,189,020</b>	<b>2,417,137</b>	<b>(9.4)</b>
Gross Profit %	28.9%	33.5%		31.4%	39.4%	

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

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

**Overview:** The Group posted another consecutive quarter of positive sales growth. Consolidated revenue were at Rp3,780 billion in 2Q2012 and Rp6,980 billion in 1H12 respectively, registering 18% and 14% increase over the comparative periods in 2011. The improved sales were principally attributable to higher sales volume of CPO and edible oils & fats products. Net Profit After Tax ("NPAT") declined 21% and 19% respectively over the same periods last year principally due to higher production cost and operating expenses, as well as lower foreign exchange gains.

**Revenue:** Plantation Division posted improved performance in 2Q2012 with total revenue up 8% over the same quarter last year, reflecting principally higher sales volume of palm products and higher average selling price of crude palm oil ("CPO"). This was offset partly by lower average selling prices of palm kernel and rubber. On year-to-date basis, despite higher sales volume of palm products and palm seeds, total revenue came in 3% lower than a year ago principally due to lower average selling prices of key plantation crops and lower sales volume of rubber. Inter-segment sales declined 12% and 19% 2Q2012 and 1H2012 respectively, reflecting lower internal CPO to the Group's refineries at market price.

Edible Oils & Fats Division continued to deliver strong sales performance with total revenue increasing 10% in 2Q2012 and 1H2012, respectively over the comparative periods last year. The stronger sales were primarily attributable to higher sales volume of cooking oil, copra-based products and by-products.

**Gross Profit:** Group's gross profit rose 2% to Rp1,093 billion in 2Q2012 mainly due to higher revenue. On year-to-date basis, Group's gross profit declined 9% to Rp2,189 billion in 1H2012 primarily attributable to lower average selling prices for plantation crops, higher cost of production and a 17% increased in purchased volume of fresh fruit bunches from external parties which typically gives a lower profit margin contribution. This was partly negated by higher profit contribution from Edible Oils & Fats Division.

**Operating Expenses (i.e. comprise of Selling & distribution Expenses (S&D), General & administrative Expenses (G&A), Other Operating Income / Expenses):**

Total operating expenses were higher at Rp407 billion in 2Q2012 versus Rp301 billion in 2Q2011 principally due to (i) S&D expenses increased by Rp31 billion on higher export taxes / other export expenses of Rp12 billion relating to the export sales of palm olein and by-products, higher freight and distribution expenses of Rp13 billion relating to sales of edible oils and fats products and CPO, as well as higher advertising & promotions expenses of Rp2 billion; (ii) higher G&A were principally due to increased salaries and employee benefits, repair & maintenance and professional fees relating to projects and travelling; and (iii) Other operating expenses came in higher in 2Q2012 primarily due to provisions for decline in net realisable value of inventories of Rp43 billion relating to palm by-products and copra-based products, as compared to 2Q2011 which included reversals for decline in net realisable value of inventories of Rp8 billion and an impairment loss relating to a joint venture investment of Rp18 billion.

On year-to-date basis, total operating expenses were at Rp699 billion in 1H2012, an increase of Rp79 billion over 1H2011 mainly due to (i) S&D increased by Rp28 billion on higher freight and distribution expenses and higher advertising & promotions expenses; (ii) G&A increased by Rp52 billion attributable to similar reasons in 2Q2012; (iii) Other operating expenses ended higher by Rp15 billion was primarily due to provisions for uncollectible and loss arising from changes in fair value of plasma receivables; and higher provisions for decline in net realisable value of inventories.

**Foreign exchange gains/(losses)** were principally related to the translation of foreign currency denominated loans, assets and liabilities. Foreign exchange losses recognised in 2Q2012 were Rp14 billion mainly due to weakening of Rupiah against US dollar and Singapore dollar during the quarter. On year-to-date basis, foreign exchange gains came in lower in 1H2012 for similar reasons.

**Profit from Operations:** The Group reported lower profit from operations of Rp662 billion in 2Q2012, a 18% decline over the same quarter last year. The lower profit was mainly due to higher operating expenses as explained above and the negative impact from the foreign exchange difference. On year-to-date basis, the profit from operations likewise came in lower at 21% mainly attributable to lower gross profit, higher operating expenses and lower foreign exchange gains.

**Financial income / expenses:** The Group recognised higher financial income of Rp138 billion in 1H2012 compared to Rp94 billion in 1H2011 mainly attributable to higher fixed deposit placements with the banks. Financial expenses increased 13% to Rp274 billion in 1H2012 mainly due to non-capitalisation of interest expenses with the commencement of sugar factory operation in September 2011.

**Net Profit After Tax (NPAT):** the Group's 2Q2011 and 1H2011 NPAT declined 21% and 19% respectively against the comparative periods in 2011 primarily due to lower profits from operations as explained above.

**Review of Financial Position**

The Group reported higher total non-current assets of Rp24.8 trillion in end June 2012 compared to Rp23.8 trillion in last year end. The increase was principally attributable to (i) additions of biological assets in respect of new plantings and immature plantations; (ii) capital expenditure relating to housing and infrastructure in plantations, on-going construction works relating to a new palm oil mill in South Sumatra; (iii) new investment in an associated company, Heliac in May 2012 and (iv) higher other non-current assets related to advances for the equipment purchases for the margarine plant in Jakarta.



While total current assets ended lower by Rp0.4 trillion to Rp9.0 trillion as of end June 2012, mainly due to lower cash levels of Rp5.2 trillion compared to Rp6.5 trillion in the previous year end. This was principally attributable to dividend payments of Rp0.4 billion during the period, repayments of interest-bearing loans and borrowings and funding for the capital expenditure, as well as Lonsum's 26.4% investment in Heliae for a consideration of US\$15 million in May 2012. Despite this, the Group's net debts to total equity ratio remained low at 0.07x as of end June 2012.

On the other hand, the Group reported (i) higher inventories of Rp2.1 trillion as of end June 2012 versus Rp1.7 trillion at the end of 2011, which was principally due to higher CPO, copra-based products, by products, sugar and fertilisers; (ii) trade and other receivables increased by Rp0.1 trillion due to higher sales of edible oil and fat products; (iii) higher advances to suppliers relating to the purchases of raw materials; and (iv) higher prepaid value added taxes and corporate tax.

Total liabilities increased slightly from Rp11.7 trillion as of last year end to Rp11.8 trillion as of end June 2012. The increase was mainly attributable to (i) higher trade and other payables and accruals mainly relating to purchases of raw materials and fertilisers, (ii) higher advances from customers; and (iii) higher estimated liabilities for employee benefits which were determined based on the actuarial calculations in accordance with the provisions of the Indonesian Labor Law. This was partly offset by lower interest-bearing loans and borrowings.

**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.**

Average CPO prices (CIF Rotterdam) in 1H2012 stayed firm at US\$1,114 per tonne compared to US\$1,200 in 1H2011 and US\$1,128 in FY2011, supported by tight global soybean stocks and the recent severe drought conditions in the US Midwest. 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.

The slowdown in the global economy, particularly in the Eurozone, has continued to put pressure on demand for rubber. As a consequence rubber prices (RSS3 SICOM) 1H2012 ended significantly lower at an average of US\$3,735 per tonne compared to US\$5,517 in 1H2011 and US\$4,824 in FY2011. 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 importer of sugar with over 50% of its domestic sugar demand fulfilled by imported sugar. Sugar prices in Indonesia are relatively shielded from global fluctuations as the government operates a strict import quota system for sugar, restricting imports when domestic prices fall below the government-mandated floor price. The government has revised the floor price upward from Rp7,000 per kilogram to Rp8,100 with effect from May 2012.

Sugar prices on the London International Financial Futures and Options Exchange (LIFFE) sustained pressure from the deteriorating outlook of the global economy, declining from an average of US\$640 per tonne in 1Q2012 to US\$584 in 2Q2012; and it remained lower versus US\$711 in 1H2011 and US\$706 in FY2011. Moving forward, the direction for sugar prices will be strongly influenced by production levels in Brazil and India, as well as the Brazilian government policies on ethanol and whether India is a net importer or net exporter of sugar.

**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.**

No dividend has been declared or recommended for the second quarter ended 30 June 2012.

**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 half of 2012:

Name of Interested Person	Aggregate value of all Interested person transactions (excluding transactions less than S\$100,000)	
	Rp 'billion	US\$ '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>	1,589.9 13.7	- -
<b>Salim Group</b>		
<ul style="list-style-type: none"> <li>• Sales of cooking oil &amp; seeds</li> <li>• Purchase of FFB</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 period</li> <li>○ Maximum loan outstanding (inclusive of principal and interest) during the period</li> </ul> </li> <li>• Corporate guarantee extended in favour of banks in respect of loan facilities extended to certain subsidiaries, which Salim Group has 40% shareholding interest                             <ul style="list-style-type: none"> <li>○ Principal amount outstanding in respect of the bank loan facilities at end of period</li> <li>○ Maximum loan outstanding (inclusive of principal and interest) during the period</li> </ul> </li> <li>• Rental of land</li> </ul>	80.6 38.4 0.2 17.3 121.2 - 159.3 167.0 3,385.3 3,430.0 0.3	- - - - - 17.2 25.8 26.3 43.5 47.1 -

## **Confirmation by the Board Pursuant to Rule 705(5) of the Listing Manual**

Pursuant to Rule 705(5) of the SGX-ST Listing Manual, we, Mark Julian Wakeford and Moleonoto Tjang, being two Directors of Indofood Agri Resources Ltd. ("**the Company**") do hereby confirm on behalf of the Board of Directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the Group's unaudited financial statements for the second quarter ended 30 June 2012 to be false or misleading in any material aspect.

*BY THE ORDER OF THE BOARD*

Mark Julian Wakeford  
Chief Executive Officer and Executive Director

14 August 2012




## MISCELLANEOUS

\* Asterisks denote mandatory information

<b>Name of Announcer *</b>	INDOFOOD AGRI RESOURCES LTD.
<b>Company Registration No.</b>	200106551G
<b>Announcement submitted on behalf of</b>	INDOFOOD AGRI RESOURCES LTD.
<b>Announcement is submitted with respect to *</b>	INDOFOOD AGRI RESOURCES LTD.
<b>Announcement is submitted by *</b>	Mak Mei Yook
<b>Designation *</b>	Company Secretary
<b>Date &amp; Time of Broadcast</b>	14-Aug-2012 19:30:42
<b>Announcement No.</b>	00280

## &gt;&gt; ANNOUNCEMENT DETAILS

The details of the announcement start here ...

<b>Announcement Title *</b>	IndoAgri's Press Release for 2Q 2012 Results
<b>Description</b>	Please see attached.
<b>Attachments</b>	 IFAR1H12Press.pdf Total size = <b>91K</b> (2048K size limit recommended)

FOR IMMEDIATE RELEASE

## IndoAgri posts 2Q12 Revenue of Rp3.8 trillion (S\$518 million)<sup>1</sup> with attributable profit of Rp0.3 trillion (S\$35 million)

### HIGHLIGHTS:

- Revenue grew 17.8% yoy to Rp3.8 trillion (S\$518 million) in 2Q12 mainly due to higher sales growth from both business divisions
- Gross profit rose 2% to Rp1.1 trillion in 2Q12 on higher revenue
- Profit from operation declined 17.9% yoy in 2Q12 on higher operating expenses and foreign exchange losses
- Strong liquidity with cash levels of Rp5.2 trillion (S\$707 million) and a low net gearing ratio of 0.07x

**SINGAPORE – 14 August 2012** – SGX Main board-listed IndoAgri (the “Group”), a diversified and integrated agribusiness group and manufacturer of leading brands of edible oils and fats products in Indonesia, achieved a 17.8% growth in 2Q12 on higher sales growth from both business divisions. On year-to-date basis, total revenue grew 13.8% over last year principally due to higher sales volume of CPO and edible oils & fats products.

In Rp' billion	2Q12	2Q11	Change %	1H12	1H11	Change %
<b>Revenue</b>	3,780	3,208	17.8%	6,980	6,135	13.8%
Gross Profit	1,093	1,074	1.8%	2,189	2,417	(9.4%)
Gross Margin (%)	28.9%	33.5%		31.4%	39.4%	
<b>EBITDA<sup>2</sup></b>	823	895	(8.0%)	1,747	2,024	(13.7%)
EBITDA Margin (%)	21.8%	27.9%		25.0%	33.0%	
Profit From Operations	662	806	(17.9%)	1,481	1,872	(20.9%)
Profit Before Taxation	588	734	(20.0%)	1,346	1,724	(21.9%)
Net Profit After Tax	446	561	(20.5%)	1,047	1,295	(19.2%)
<b>Attributable Net Profit</b>	254	309	(17.9%)	631	823	(23.4%)
EPS (fully diluted) - Rp	176	213	(17.4%)	438	569	(22.9%)

<sup>1</sup> Income Statement and Balance Sheet items are converted at exchange rates of Rp7,298/S\$1 and Rp7,415/S\$1, respectively.

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

Group's 2Q12 gross profit improved 1.8% to Rp1.1 trillion in 2Q12 on higher revenue. Gross profit in 1H12 declined 9.4%, reflecting the combined effects of lower average selling prices of palm products and rubber, higher cost of production and higher purchases of fresh fruit bunches from external parties.

Profit from operations came in lower by 17.9% to Rp0.7 trillion (S\$91 million) in 2Q12 principally due to higher operating expenses and the negative forex impact. Profit from operations in 1H12 likewise declined 20.9% mainly attributable to lower gross profit, higher operating expenses and lower foreign exchange gains.

Attributable profit declined 17.9% and 23.4% respectively over the comparative periods in last year on lower profit from operations and the dilution effect arising from the SIMP listing in June 2011.

***“Our Group registered positive growth for production with both FFB nucleus and CPO in 1H12 growing 5% yoy to 1,333,000 tonnes and 400,000 tonnes, respectively. While edible oil business continued to perform well with a 11% volume growth in 1H12 over the same period last year, supported by the expanded refining capacity”, commented Mr Mark Wakeford, CEO and Executive Director.***

## **INDUSTRY OUTLOOK AND FUTURE PLANS**

Average CPO prices (CIF Rotterdam) in 1H2012 stayed firm at US\$1,114 per tonne compared to US\$1,200 in 1H2011 and US\$1,128 in FY2011, supported by tight global soybean stocks and the recent severe drought conditions in the US Midwest. 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.

The slowdown in the global economy, particularly in the Eurozone, has continued to put pressure on demand for rubber. As a consequence rubber prices (RSS3 SICOM) 1H2012 ended significantly lower at an average of US\$3,735 per tonne compared to US\$5,517 in 1H2011 and US\$4,824 in FY2011. 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 importer of sugar with over 50% of its domestic sugar demand fulfilled by imported sugar. Sugar prices in Indonesia are relatively shielded from global fluctuations as the government operates a strict import quota system for sugar, restricting imports when domestic prices fall below the government-mandated floor price. The government has revised the floor price upward from Rp7,000 per kilogram to Rp8,100 with effect from May 2012.

--The End ---

## **ABOUT INDOAGRI**

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

As of June 2012, IndoAgri has 257,867 hectares planted with oil palm, rubber, sugar cane, cocoa and tea.

*For more information please visit our website at: [www.indofoodagri.com](http://www.indofoodagri.com).*