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## **FIRST PACIFIC COMPANY LIMITED**

### **第一太平洋有限公司**

*(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)(a) 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, in relation to the following:-**

- i) Unaudited Financial Statements for the third quarter ended 30 September 2014; and**
- ii) Press Release for the 3Q2014 Results.**

**Dated this the 30<sup>th</sup> day of October, 2014**

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

***Executive Directors:***

Manuel V. Pangilinan, *Managing Director and CEO*

Edward A. Tortorici

Robert C. Nicholson

***Non-executive Directors:***

Anthoni Salim, *Chairman*

Benny S. Santoso

Tedy Djuhar

Napoleon L. Nazareno

***Independent Non-executive Directors:***

Graham L. Pickles

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

Margaret Leung Ko May Yee, *SBS, JP*

Philip Fan Yan Hok

## Financial Statements and Related Announcement::Third Quarter Results

## Issuer &amp; Securities

<b>Issuer/ Manager</b>	INDOFOOD AGRI RESOURCES LTD.
<b>Securities</b>	INDOFOOD AGRI RESOURCES LTD. - SG1U47933908 - 5JS
<b>Stapled Security</b>	No

## Announcement Details

<b>Announcement Title</b>	Financial Statements and Related Announcement
<b>Date &amp; Time of Broadcast</b>	30-Oct-2014 06:10:23
<b>Status</b>	New
<b>Announcement Sub Title</b>	Third Quarter Results
<b>Announcement Reference</b>	SG141030OTHRVCVQ
<b>Submitted By (Co./ Ind. Name)</b>	Mak Mei Yook
<b>Designation</b>	Company Secretary
<b>Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)</b>	IndoAgri's 3Q 2014 Results and Press Release Please see attached.

## Additional Details

<b>For Financial Period Ended</b>	30/09/2014
<b>Attachments</b>	<a href="#">IFAR3Q14Results.pdf</a> <a href="#">IFAR3Q14Press.pdf</a> Total size =186K



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**UNAUDITED FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2014**

**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		
	30/09/2014	30/09/2013	Change	30/09/2014	30/09/2013	Change
	Rp ' million	Rp ' million	%	Rp ' million	Rp ' million	%
Revenue	3,601,683	3,076,273	17.1	10,770,238	9,530,878	13.0
Cost of sales	(2,685,293)	(2,239,945)	19.9	(7,729,688)	(7,518,453)	2.8
<b>Gross Profit</b>	<b>916,390</b>	<b>836,328</b>	<b>9.6</b>	<b>3,040,550</b>	<b>2,012,425</b>	<b>51.1</b>
Gross Profit %	25.4%	27.2%		28.2%	21.1%	
Selling and distribution costs	(101,937)	(109,804)	(7.2)	(310,496)	(325,746)	(4.7)
General and administrative expenses	(276,127)	(249,397)	10.7	(832,750)	(712,501)	16.9
Foreign exchange losses	(55,063)	(88,714)	(37.9)	(60,919)	(92,714)	(34.3)
Other operating income	7,987	27,699	(71.2)	75,844	149,313	(49.2)
Other operating expenses	(91,420)	(71,530)	27.8	(174,258)	(172,867)	0.8
Share of results of associate companies	(20,488)	(16,089)	27.3	(59,452)	(46,125)	28.9
Share of results of a joint venture	44,352	50,176	(11.6)	17,548	50,176	(65.0)
<b>Profit from operations</b>	<b>423,694</b>	<b>378,669</b>	<b>11.9</b>	<b>1,696,067</b>	<b>861,961</b>	<b>96.8</b>
Financial income	57,065	39,173	45.7	168,783	136,805	23.4
Financial expenses	(202,054)	(138,961)	45.4	(554,124)	(390,482)	41.9
<b>Profit before tax</b>	<b>278,705</b>	<b>278,881</b>	<b>(0.1)</b>	<b>1,310,726</b>	<b>608,284</b>	<b>115.5</b>
Income tax expense	(71,899)	(96,632)	(25.6)	(386,968)	(205,828)	88.0
<b>Net Profit for the period</b>	<b>206,806</b>	<b>182,249</b>	<b>13.5</b>	<b>923,758</b>	<b>402,456</b>	<b>129.5</b>
<b>Other comprehensive income</b>						
Foreign currency translation	(53,010)	121,377	n/m	(23,332)	101,610	n/m
<b>Total comprehensive income for the period</b>	<b>153,796</b>	<b>303,626</b>	<b>(49.3)</b>	<b>900,426</b>	<b>504,066</b>	<b>78.6</b>
<b>Net profit after tax attributable to:-</b>						
- Owners of the Company	124,803	122,853	1.6	533,265	295,590	80.4
- Non-controlling interests	82,003	59,396	38.1	390,493	106,866	265.4
	<b>206,806</b>	<b>182,249</b>	<b>13.5</b>	<b>923,758</b>	<b>402,456</b>	<b>129.5</b>
<b>Total comprehensive income attributable to:-</b>						
- Owners of the Company	70,055	237,050	(70.4)	542,184	388,686	39.5
- Non-controlling interests	83,741	66,576	25.8	358,242	115,380	210.5
<b>Total comprehensive income for the period</b>	<b>153,796</b>	<b>303,626</b>	<b>(49.3)</b>	<b>900,426</b>	<b>504,066</b>	<b>78.6</b>

*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 – Q3			Group – YTD 9 months		
	30/09/2014	30/09/2013	Change	30/09/2014	30/09/2013	Change
	Rp ' million	Rp ' million	%	Rp ' million	Rp ' million	%
Profit from operations	423,694	378,669	11.9	1,696,067	861,961	96.8
Add: Depreciation & amortisation	258,489	260,509	(0.8)	635,886	619,328	2.7
EBITDA includes foreign exchange gains/ (losses)	682,183	639,178	6.7	2,331,953	1,481,289	57.4
Less: Foreign exchange losses	(55,063)	(88,714)	(37.9)	(60,919)	(92,714)	(34.3)
EBITDA excludes foreign exchange losses	737,246	727,892	1.3	2,392,872	1,574,003	52.0
EBITDA%	20.5%	23.7%		22.2%	16.5%	

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

In SGD 'cents (converted at Rp9,355/S\$1)	Group – YTD 9 months		
	30/09/2014	30/09/2013	Change %
EPS	4.0	2.2	82.5

In SGD 'cents (converted at Rp9,585/S\$1)	Group		
	30/09/2014	31/12/2013	Change %
NAV per share	106.5	103.0	3.4

### 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		
	30/09/2014	30/09/2013	Change	30/09/2014	30/09/2013	Change
	Rp ' million	Rp ' million	%	Rp ' million	Rp ' million	%
Depreciation of property, plant and equipment	247,329	245,727	0.7	602,280	582,929	3.3
Amortisation of deferred charges and others	11,160	14,782	(24.5)	33,606	36,399	(7.7)
Interest on borrowings	198,862	134,879	47.4	542,659	379,731	42.9
Losses/ (gains) on disposal of biological assets	-	(417)	n/m	2,413	(8,745)	n/m
Provision for uncollectible and loss arising from changes in amortised cost of plasma receivables	64,274	34,986	83.7	48,448	63,961	(24.3)
Write-off of property and equipment	72	52	38.5	1,869	1,422	31.4
(Gains) / losses on disposals of property and equipment	83	792	(89.5)	(250)	215	n/m
Net changes in provision for decline in market value and obsolescence of inventories	4,972	(15,086)	n/m	11,068	(76,017)	n/m
Changes in provision for asset dismantling costs	951	(1,863)	n/m	959	(8,166)	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	
	30/09/2014	31/12/2013	30/09/2014	31/12/2013
	Rp ' million	Rp ' million	Rp ' million	Rp ' million
<b>Non-current assets</b>				
Biological assets	14,632,014	13,893,246	-	-
Property, plant and equipment	10,695,914	9,780,693	51,842	54,579
Goodwill	3,247,532	3,247,532	-	-
Claims for tax refund	143,062	236,529	-	-
Deferred tax assets	1,213,724	962,678	-	-
Investment in subsidiary companies	-	-	10,327,919	10,327,919
Investment in associate companies	493,211	398,860	378,523	209,460
Investment in a joint venture	843,140	863,768	-	-
Advances and prepayments	716,676	706,696	36,698	36,698
Other non-current receivables	687,520	676,518	9	25
<b>Total non-current assets</b>	<b>32,672,793</b>	<b>30,766,520</b>	<b>10,794,991</b>	<b>10,628,681</b>
<b>Current assets</b>				
Inventories	2,327,226	1,568,496	-	-
Trade and other receivables	1,084,712	1,139,637	62,420	64,909
Advances and prepayments	219,978	293,191	7,596	4,942
Prepaid taxes	252,043	134,074	-	-
Cash and cash equivalents	3,814,564	3,802,920	1,606,510	1,687,628
<b>Total current assets</b>	<b>7,698,523</b>	<b>6,938,318</b>	<b>1,676,526</b>	<b>1,757,479</b>
<b>Total assets</b>	<b>40,371,316</b>	<b>37,704,838</b>	<b>12,471,517</b>	<b>12,386,160</b>
<b>Current liabilities</b>				
Trade and other payables and accruals	2,021,433	1,716,990	12,341	15,729
Advances and taxes payable	234,739	220,256	-	-
Interest-bearing loans and borrowings	5,299,786	3,761,669	-	-
Bonds and Sukuk Ijarah payables	729,639	728,093	-	-
Income tax payable	115,788	77,343	363	754
<b>Total current liabilities</b>	<b>8,401,385</b>	<b>6,504,351</b>	<b>12,704</b>	<b>16,483</b>
<b>Non-current liabilities</b>				
Interest-bearing loans and borrowings	4,348,471	4,304,964	912,179	908,747
Amounts due to related parties and other payables	525,329	532,003	-	-
Provision and other liabilities	23,592	22,633	-	-
Employee benefits liabilities	1,745,649	1,555,851	-	-
Deferred tax liabilities	1,999,832	1,951,802	-	-
<b>Total non-current liabilities</b>	<b>8,642,873</b>	<b>8,367,253</b>	<b>912,179</b>	<b>908,747</b>
<b>Total liabilities</b>	<b>17,044,258</b>	<b>14,871,604</b>	<b>924,883</b>	<b>925,230</b>
<b>Net assets</b>	<b>23,327,058</b>	<b>22,833,234</b>	<b>11,546,634</b>	<b>11,460,930</b>

	Group		Company	
	30/09/2014	31/12/2013	30/09/2014	31/12/2013
	Rp ' million	Rp ' million	Rp ' million	Rp ' million
<b>Equity attributable to owners of the Company</b>				
Share capital	3,584,279	3,584,279	10,912,411	10,912,411
Treasury shares	(238,263)	(238,263)	(238,263)	(238,263)
Revenue reserves	10,454,746	9,989,279	715,883	642,630
Other reserves	664,525	661,155	156,603	144,152
	<b>14,465,287</b>	<b>13,996,450</b>	<b>11,546,634</b>	<b>11,460,930</b>
Non-controlling interests	8,861,771	8,836,784	-	-
<b>Total equity</b>	<b>23,327,058</b>	<b>22,833,234</b>	<b>11,546,634</b>	<b>11,460,930</b>

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

	Group	
	30/09/2014	31/12/2013
	Rp ' million	Rp ' million
(i) Amounts payable in one year or less, or on demand		
Secured	2,342,293	2,269,528
Unsecured	3,687,132	2,220,234
Sub-total	<b>6,029,425</b>	<b>4,489,762</b>
(ii) Amounts repayable after one year		
Secured	3,420,190	3,375,235
Unsecured	928,281	929,729
Sub-total	<b>4,348,471</b>	<b>4,304,964</b>
<b>TOTAL</b>	<b>10,377,896</b>	<b>8,794,726</b>

(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	
	30/09/2014	30/09/2013	30/09/2014	30/09/2013
	Rp ' million	Rp ' million	Rp ' million	Rp ' million
<b>Cash flows from operating activities</b>				
Profit before taxation	278,705	278,881	1,310,726	608,284
Adjustments :				
Depreciation and amortisation	258,489	260,509	635,886	619,328
Unrealised foreign exchange losses	52,049	64,191	35,291	73,239
Losses / (gains) on disposal of biological assets	-	(417)	2,413	(8,745)
Provision for uncollectible and loss arising from changes in amortised cost of plasma receivables	64,274	34,986	48,448	63,961
Write-off of property and equipment	72	52	1,869	1,422
(Gains) / losses on disposal of property and equipment	83	792	(250)	215
Net changes in provision for decline in market value and obsolescence of inventories	4,972	(15,086)	11,068	(76,017)
Changes in provision for asset dismantling costs	951	(1,863)	959	(8,166)
Provision for employee benefits	59,303	42,552	189,798	140,278
Changes in fair value of long-term receivables	132	204	58	306
Provision/ (reversal) of allowance of doubtful debts	(152)	496	104	295
Realisation of deferred costs	75,883	67,573	151,752	103,588
Share of results of associated companies	20,488	16,089	59,452	46,125
Share of results of joint venture	(44,352)	(50,176)	(17,548)	(50,176)
Financial income	(57,065)	(39,173)	(168,783)	(136,805)
Financial expenses	202,054	138,961	554,124	390,482
<b>Operating cash flows before working capital changes</b>	<b>915,886</b>	<b>798,571</b>	<b>2,815,367</b>	<b>1,767,614</b>
<b>Changes in working capital</b>				
Other non-current receivables	14,300	52,387	122,968	143,978
Inventories	94,160	(147,034)	(769,798)	219,386
Trade and other receivables	378,684	163,524	9,496	(60,573)
Advances to suppliers	(19,188)	32,152	115,131	(114,074)
Prepaid taxes	(42,710)	(15,674)	(114,802)	(3,145)
Trade and other payables and accruals	(125,467)	(2,406)	342,975	164,588
Advances from customers	(42,597)	(3,087)	(50,474)	(88,433)
<b>Cash flows generated from operations</b>	<b>1,173,068</b>	<b>878,433</b>	<b>2,470,863</b>	<b>2,029,341</b>
Interest received	58,755	39,173	173,169	136,805
Interest paid	(211,795)	(129,650)	(538,691)	(373,738)
Income tax paid	(169,754)	(178,728)	(528,184)	(608,234)
<b>Net cash flows generated from operating activities</b>	<b>850,274</b>	<b>609,228</b>	<b>1,577,157</b>	<b>1,184,174</b>



	Group – Q3		Group – YTD 9 months	
	30/09/2014	30/09/2013	30/09/2014	30/09/2013
	Rp ' million	Rp ' million	Rp ' million	Rp ' million
<b>Cash flows from investing activities</b>				
Additions to property, plant and equipment	(339,917)	(532,703)	(1,277,343)	(1,378,372)
Additions to biological assets	(299,557)	(309,669)	(900,598)	(787,183)
Increase in plasma receivables	(13,218)	(57,777)	(45,821)	(164,974)
Proceeds from disposal of property and equipment	795	1,285	1,707	3,208
Proceeds from disposal of biological assets	-	751	1,784	10,274
Advances for projects and purchase of fixed assets	(89,957)	(50,839)	(301,575)	(207,972)
Investment in associated companies	(144,875)	(61,539)	(150,875)	(65,130)
Investment in a joint venture	-	-	-	(689,073)
Payment for convertible note	-	-	(57,020)	-
Acquisition of subsidiary, net of cash acquired	-	-	(34,952)	(329,989)
<b>Net cash flows used in investing activities</b>	<b>(886,729)</b>	<b>(1,010,491)</b>	<b>(2,764,693)</b>	<b>(3,609,211)</b>
<b>Cash flows from financing activities</b>				
Proceeds from interest-bearing loans and borrowings	380,861	1,150,762	2,858,579	3,093,950
Repayment of interest-bearing loans and borrowings	(328,138)	(729,108)	(1,254,787)	(1,705,154)
Net proceeds from amount due to related parties	100	14,000	322	32,020
Dividend payments by subsidiaries to non-controlling interests	(168,166)	(279,818)	(172,544)	(289,321)
Dividend payment to Company's shareholders	-	-	(67,798)	(95,594)
Payments for purchase of treasury shares	-	(144,898)	(166,260)	(144,898)
<b>Net cash flows generated from/ (used in) financing activities</b>	<b>(115,343)</b>	<b>10,938</b>	<b>1,197,512</b>	<b>891,003</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>(151,798)</b>	<b>(390,325)</b>	<b>9,976</b>	<b>(1,534,034)</b>
<b>Effect of changes in exchange rates on cash and cash equivalents</b>	<b>16,439</b>	<b>211,836</b>	<b>1,668</b>	<b>238,305</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>3,949,923</b>	<b>3,965,056</b>	<b>3,802,920</b>	<b>5,082,296</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>3,814,564</b>	<b>3,786,567</b>	<b>3,814,564</b>	<b>3,786,567</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	
	30/09/2014 Rp ' million	30/09/2013 Rp ' million	30/09/2014 Rp ' million	30/09/2013 Rp ' million
<b>Issued capital</b>				
Balance as at 1 January / 30 September <sup>(1)</sup>	3,584,279	3,584,279	10,912,411	10,912,411
<b>Treasury shares (Company)</b>				
Balance as at 1 January / 30 September	(238,263)	(124,208)	(238,263)	(124,208)
Purchase of treasury shares	-	(91,835)	-	(91,835)
Balance as at 30 September	(238,263)	(216,043)	(238,263)	(216,043)
<b>Revenue reserves</b>				
Balance as at 1 January	9,989,279	9,624,406	642,630	504,155
Dividend payment	(67,798)	(95,594)	(67,798)	(95,594)
Net profit and total recognised income for the period	533,265	295,590	141,051	242,207
Balance as at 30 September	10,454,746	9,824,402	715,883	650,768
<b>Other reserves *</b>				
Balance as at 1 January	661,155	541,449	144,152	144,152
Treasury stock	26,551	15,554	-	-
Foreign currency translation	(23,181)	93,096	12,451	-
Balance as at 30 September	664,525	650,099	156,603	144,152
<b>Non-controlling interests</b>				
Balance as at 1 January	8,836,784	8,892,019	-	-
Dividend payments by subsidiaries	(172,544)	(289,321)	-	-
Non-controlling interest of acquired subsidiary	-	2,000	-	-
Treasury stock	(192,811)	(68,617)	-	-
Foreign currency translation	(151)	8,514	-	-
Net profit and total recognised income for the period	390,493	106,866	-	-
Balance as at 30 September	8,861,771	8,651,461	-	-
<b>Total Equity</b>	<b>23,327,058</b>	<b>22,494,198</b>	<b>11,546,634</b>	<b>11,491,288</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 immediately before the Acquisition and issue/placement of new shares by the Company subsequent to the Acquisition.

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

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

The Company did not issue any shares during the period. As of 30 September 2014, the number of issued shares were 1,447,782,830, of which 30,500,000 shares were held as treasury shares. As of 30 September 2013, the number of issued shares were 1,447,782,830, of which 27,500,000 shares were held as treasury shares.

There were no outstanding convertibles as at 30 September 2014 and 2013.

- (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	
	30/09/2014	31/12/2013
	(' 000)	(' 000)
Total number of issued shares	1,447,783	1,447,783
Less: Treasury shares	(30,500)	(30,500)
Total number of issued shares excluding treasury shares	<b>1,417,283</b>	<b>1,417,283</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	Amount
	(' 000)	Rp ' million
Balance as at 1 January / 30 September 2014	<b>30,500</b>	<b>238,263</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 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 2014.

	Group – Q3			Group – YTD 9 months		
	30/09/2014	30/09/2013	Change %	30/09/2014	30/09/2013	Change %
Earnings per share (Rp)						
Based on weighted average number of share	88	86	2.3	376	206	82.5
Based on a fully diluted basis	88	86	2.3	376	206	82.5

**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 1,417,282,830 (excluding 30,500,000 held as treasury shares as of 30 September 2014 and 31 December 2013).

	Group		Company	
	30/09/2014	31/12/2013	30/09/2014	31/12/2013
Net asset value per share (Rp)	10,206	9,876	8,147	8,087

- 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		
	30/09/2014 Rp ' million	30/09/2013 Rp ' million	Change %	30/09/2014 Rp ' million	30/09/2013 Rp ' million	Change %
<b>Revenue</b>						
Plantations						
External sales	1,275,308	890,332	43.2	3,205,725	3,176,718	0.9
Inter-segment sales *	1,404,625	1,151,820	21.9	4,239,152	2,536,061	67.2
Sub-total	2,679,933	2,042,152	31.2	7,444,877	5,712,779	30.3
Edible Oils & Fats **						
External sales	2,326,375	2,185,941	6.4	7,564,513	6,354,160	19.0
Inter-segment sales	2,132	-	n/m	3,962	4,278	(7.4)
Sub-total	2,328,507	2,185,941	6.5	7,568,475	6,358,438	19.0
Elimination of inter-segment sales *	(1,406,757)	(1,151,820)	22.1	(4,243,114)	(2,540,339)	67.0
<b>Total revenue to external parties</b>	<b>3,601,683</b>	<b>3,076,273</b>	<b>17.1</b>	<b>10,770,238</b>	<b>9,530,878</b>	<b>13.0</b>
<b>Gross Profit</b>	<b>916,390</b>	<b>836,328</b>	<b>9.6</b>	<b>3,040,550</b>	<b>2,012,425</b>	<b>51.1</b>
Gross Profit %	25.4%	27.2%		28.2%	21.1%	

\* 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 and Revenue:** Despite the recent decline in commodity prices in 3Q2014, the Group achieved another quarter of positive results with Revenue and Net profit after tax (NPAT) grew 17% and 14% over the same quarter last year. On year-to-date basis, NPAT came in at Rp924 billion, a 130% increase over 9M2013. The improved results was principally attributable to strong profit contribution from the Plantation Division on higher sales volume and commodity prices for palm products i.e. crude palm oil (CPO) and palm kernel (PK).

Plantation Division reported higher total revenue (both inter-segment and external) of 31% and 30% in 3Q2014 and 9M2014 respectively, reflecting principally higher sales volume and average selling prices of palm products. Higher internal CPO sales to our EOF refineries at market prices has resulted in inter-segment sales growth. In line with this, this division achieved strong improvement in EBITDA earnings for this quarter as well as on year-to-date basis, contributing positively to the Group's results.

EOF Division's total revenue grew 7% in 3Q2014 on higher average selling prices for edible oil and fat products. Revenue growth in 9M2014 of 19% was attributable to higher sales volume and higher average selling prices for edible oil and fat products. EOF Division reported lower EBITDA earnings this year due to higher raw material costs which primarily comprised of CPO.

**Gross Profit:** In line with higher sales volume and average selling prices of palm products, the Group achieved higher gross profit by 10% and 51% in 3Q2014 and 9M2014 respectively. Despite rising wages, the unit production cost for palm products remained relatively flat to last year's level on higher palm production.

**Selling and Distribution Expenses (S&D):** The Group reported lower S&D expenses in 3Q2014 principally due to lower marketing and promotion expenses. On year-to-date basis, S&D came in close to last year level.

**General and Administrative Expenses (G&A)** came in higher in 3Q2014 and 9M2014 principally due to higher headcount and increased salaries and employee benefits.

**Other Operating Income/ (Expenses):** Other operating income came in lower during the quarter and on year-to-date basis mainly attributable to net movements in provision for decline in market values of inventories. While Other operating expenses came in higher in 3Q2014 mainly attributable to net movements in loss from changes in amortised costs of plasma receivables.

**Foreign exchange losses** were principally attributable to the translation of US dollar and Singapore dollar denominated loans, assets and liabilities. The Group recognised foreign currency losses of Rp55 billion in 3Q2014 and Rp61 billion in 9M2014 principally due to weakening of Indonesian Rupiah against US dollar during the periods.

**Share of results of associated companies** were related to (i) Heliae, a R&D development stage company which engages in the development of technology solutions for the algae commercial production of a variety of potential uses including food & feed, fertilizer, chemicals and pharmaceuticals; and (ii) FP Natural Resources Limited (FPNRL), which in turn holds 34% stake in Roxas Holdings Inc. (Roxas), the largest integrated sugar business in the Philippines. The Group recognised share of losses of Rp71 billion in Heliae in 9M2014 compared to Rp46 billion in 9M2013. This was partly offset by a maiden profit of Rp12 billion from Roxas in 9M2014.

**Share of results of a joint venture** was related to CMAA, a 50% joint venture acquired by the Company in June 2013. The Group adopted equity accounting for this investment. CMAA's sugar milling and harvesting season started in early April 2014 and ended in September 2014, thus the expected earnings from 2H will be stronger due to higher sugar and ethanol production.

The Group recognised Rp44 billion profit in 3Q2014 compared to Rp50 billion in 3Q2013, the lower profit was partly attributable to timing in shipments of raw sugar. On year-to-date basis, the Group's share of profit in CMAA was Rp18 billion, but this was incomparable to prior year as the Group only started to include CMAA results with effect from July 2013.

**Profit from Operations** grew 12% in 3Q2014 over the same quarter last year on higher gross profit, but the increase was partly offset by higher G&A, lower Other operating income and higher Other operating expenses. Likewise year-to-date Profit from operations was principally attributable to higher gross profit, but the increase was partly offset by higher G&A and lower Other operating income.

**Financial Income / (Financial Expenses):** The Group recorded higher financial income mainly attributable to increased deposit rates. While higher financial expenses were attributable to higher interest bearing loans and increased in interest rates during the periods.

**Net Profit After Tax (NPAT)** came in higher at Rp207 billion and Rp924 billion in 3Q2014 and 9M2014 respectively, up 14% and 130% over same periods last year primarily due to higher profits from operations as explained above, but this was partly offset by higher financial expenses.

The Group's 3Q2014 attributable profit grew marginally by 2% over 3Q2013, this was partly attributable to the composition of profit contribution from subsidiaries which are not wholly-owned by the Company.



**Other comprehensive income:** The foreign currency translation on investment in foreign operation was related to the investments in Heliae, FPNRL and CMAA, which are denominated in US dollar and Brazilian Reals. The Group recognised translation losses of Rp53 billion in 3Q2014 and Rp23 billion in 9M2014 mainly arising from the weakening of Brazilian Reals against US dollar during the periods.

### **Review of Financial Position**

The Group's total non-current assets increased 6% from Rp30.8 trillion in last year end to Rp32.7 trillion as of September 2014. The increase was mainly attributable to (i) additions of biological assets in respect of new plantings and immature plantations, as well as sugarcane new planting during the period; (ii) capital expenditure relating to housing and infrastructure in plantations, on-going construction works and expansion of milling capacities; and (iii) recognition of higher deferred tax assets arising from tax losses carryforward. This increase was however partly offset by lower claim for tax refunds and lower receivable from plasma projects.

Total current assets ended higher at Rp7.7 trillion as of end September 2014, up 11% from last year end of Rp6.9 trillion. The increase was mainly due to (i) significantly higher inventories of Rp2.3 trillion compared to Rp1.6 trillion in the previous year end arising from higher CPO at refineries and plantation, as well as stearine stocks at refineries; and (ii) higher prepaid value-added taxes. However this was partly offset by lower trade and other receivables, as well as lower advances to suppliers relating to the purchase of raw materials.

As of September 2014, the Group reported higher total liabilities of Rp17.0 trillion compared to last year end of Rp14.9 trillion. This was mainly attributable to (i) higher trade and other payables and accruals relating to purchases of raw materials; (ii) increase in bank facilities to fund the business operations; and (iii) 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 Rp1.6 trillion in 9M2014. This, together with the cash flows from drawdowns of additional bank loans were used to fund the investing activities relating to additions of fixed assets, biological assets and advances for projects of Rp2.5 trillion in 9M2014. As of September 2014, the Group maintained its cash levels at Rp3.8 trillion. The Group's net debts to total equity ratio increased from 0.22x as of last year end to 0.28x as of end September 2014.

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) declined 14% from US\$895 per tonne in 1H2014 to US\$767 in 3Q2014. Higher seasonal palm oil production in the second half of the year and the anticipation of bumper soybean crops from the United States and South America have put significant pressure on commodity prices. On year-to-date basis, the average CPO price was US\$853 per tonne compared to an average of US\$857 in 2013. On a positive note, demand for palm oil remained resilient supported by competitive CPO prices versus other competing vegetable oils. We also expect the domestic demand for palm oil in Indonesia will remain strong given its vast and growing population base of over 240 million people.

Rubber prices (RSS3 SICOM) continues to sustain pressure on higher rubber production coming from Thailand and Indonesia. Rubber prices fell 17% in 2013 and a further 30% since the beginning of the year to an average of US\$2,069 per tonne in 9M2014 compared to an average of US\$2,795 per tonne in

2013. According to a leading agriculture research firm, LMC International, rubber production is expected to slow down as producers have responded to lower prices by reducing their tapping frequency. The focus of demand growth will be driven by the tyre industry in the emerging markets.

Indonesia remains a net importer of sugar. The domestic sugar price in Indonesia is above the international market as the government operates a strict import quota system for sugar, controlling imports when domestic prices fall below the government-mandated floor price which was increased to Rp8,500 per kilogram in August 2014. Moving forward, we expect that the direction for global sugar prices will be strongly influenced by production levels in Brazil, Thailand and India, together with the Brazilian government policies on ethanol.

**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 third quarter ended 30 September 2014.

**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 third quarter of 2014:

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>• Rental Income</li> <li>• Sales of cooking oil, margarine and others</li> <li>• Purchase of goods and services</li> </ul>	<p>1</p> <p>2,696</p> <p>29</p>	<p>-</p> <p>-</p> <p>-</p>
<b>Salim Group</b>		
<ul style="list-style-type: none"> <li>• Sales of cooking oil, seeds and material</li> <li>• Purchases of goods and services</li> <li>• Shareholder loans</li> <li>• Corporate guarantees</li> </ul>	<p>720</p> <p>618</p> <p>728</p> <p>5,107</p>	<p>-</p> <p>-</p> <p>45</p> <p>32</p>



## **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 third quarter ended 30 September 2014 to be false or misleading in any material aspect.

*BY THE ORDER OF THE BOARD*

Mark Julian Wakeford  
Chief Executive Officer and Executive Director

30 October 2014

FOR IMMEDIATE RELEASE

## IndoAgri posts a positive set of results with 3Q14 net profit of Rp207 billion (S\$22 million)

### HIGHLIGHTS:

- 3Q14 revenue up 17% yoy on higher sales from all divisions
- Operating profit up 12% in 3Q14 on higher sales volume and average selling prices of palm products
- Net profit grew 14% yoy in 3Q14, contributed positively by Plantation Division
- Strong production growth for nucleus FFB and CPO in 9M14, up 18% and 25% yoy

**SINGAPORE – 30 October 2014** – 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, posted 3Q14 revenue of Rp3,602 billion (S\$385 million), up 17% yoy on recovery in average selling prices, as well as higher external sales from Edible Oils & Fats (“EOF”) Division. On year-to-date basis, revenue likewise came in higher on stronger sales from both divisions.

	Rp' billion						S\$' million <sup>1</sup>			
	3Q14	3Q13	Change %	9M14	9M13	Change %	3Q14	3Q13	9M14	9M13
<b>Revenue</b>	3,602	3,076	17.1	10,770	9,531	13.0	385	329	1,151	1,019
Gross profit	916	836	9.6	3,041	2,012	51.1	98	89	325	215
Gross margin (%)	25.4%	27.2%		28.2%	21.1%		25.4%	27.2%	28.2%	21.1%
<b>EBITDA <sup>2</sup></b>	737	728	1.3	2,393	1,574	52.0	79	78	256	168
EBITDA margin (%)	20.5%	23.7%		22.2%	16.5%		20.5%	23.7%	22.2%	16.5%
Profit from operations	424	379	11.9	1,696	862	96.8	45	40	181	92
Profit before taxation	279	279	(0.1)	1,311	608	115.5	30	30	140	65
Net profit after tax	207	182	13.5	924	402	129.5	22	19	99	43
<b>Attributable profit</b>	125	123	1.6	533	296	80.4	13	13	57	32
EPS (fully diluted) - Rp/S\$ cents	88	86	2.3	376	206	82.5	0.9	0.9	4.0	2.2

<sup>1</sup> Income Statement and Balance Sheet items are converted at exchange rates of Rp9,355/S\$1 and Rp9,585/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.

Operating profit increased 12% yoy in 3Q14 on strong profit contribution from Plantation Division, reflecting principally higher sales volume and average selling prices (“ASP”) of palm products. However, the increase was partly offset by higher operating expenses during the quarter. On year-to-date basis, Plantation Division likewise contributed positively to the Group’s operating profit growth of 97%.

The Group’s net profit after tax came in higher in 3Q14 and 9M14, increasing 14% and 130% over the comparative periods in 2013 on higher operating profit, but partly offset by higher financial expenses.

***“The Group achieved another positive set of 3Q14 results on higher sales volume and ASP of palm products. Our EOF Division reported a 19% revenue growth in 9M14 over the same period last year. The stronger sales was attributable to higher average selling prices for edible oil products and higher sales volume of cooking oil and margarine. We continued to deliver strong palm production in 9M14 with FFB nucleus production of 2,407,000 tonnes, up 18% yoy on higher production from South Sumatra and Kalimantan. While CPO production grew 25% yoy to 707,000 tonnes arising from higher nucleus production as well as higher purchases of FFB from external parties. Our higher FFB and CPO production from our own estates, results from the investments we have made in the previous years in new planting. As of 30<sup>th</sup> September 2014, we still have 58,406 ha of immature oil palm planted, ensuring continued volume growth in the future.”***, commented Mr Mark Wakeford, CEO and Executive Director.

## **INDUSTRY OUTLOOK AND FUTURE PLANS**

Average CPO prices (CIF Rotterdam) declined 14% from US\$895 per tonne in 1H2014 to US\$767 in 3Q2014. Higher seasonal palm oil production in the second half of the year and the anticipation of bumper soybean crops from the United States and South America have put significant pressure on commodity prices. On year-to-date basis, the average CPO price was US\$853 per tonne compared to an average of US\$857 in 2013. On a positive note, demand for palm oil remained resilient supported by competitive CPO prices versus other competing vegetable oils. We also expect the domestic demand for palm oil in Indonesia will remain strong given its vast and growing population base of over 240 million people.

Rubber prices (RSS3 SICOM) continues to sustain pressure on higher rubber production coming from Thailand and Indonesia. Rubber prices fell 17% in 2013 and a further 30% since the beginning of the year to an average of US\$2,069 per tonne in 9M2014 compared to an average of US\$2,795 per tonne in 2013. According to a leading agriculture research firm, LMC International, rubber production is expected to slow down as producers have responded to lower prices by reducing their tapping frequency. The focus of demand growth will be driven by the tyre industry in the emerging markets.

Indonesia remains a net importer of sugar. The domestic sugar price in Indonesia is above the international market as the government operates a strict import quota system for sugar, controlling imports when domestic prices fall below the government-mandated floor price which was increased to Rp8,500 per kilogram in August 2014. Moving forward, we expect that the direction for global sugar prices will be strongly influenced by production levels in Brazil, Thailand and India, together with the Brazilian government policies on ethanol.

--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 end September 2014, IndoAgri has 296,839 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).*