



FIRST PACIFIC COMPANY LIMITED

第一太平有限公司

(Incorporated with limited liability under the laws of Bermuda)

Press Release

Wednesday, 31 July 2019

Indofood financial results for the period ended 30 June 2019

The attached press release was released today in Jakarta by PT Indofood Sukses Makmur Tbk (“Indofood”, IDX: INDF), in which First Pacific Group holds an economic interest of 50.1%.

Indofood is a leading Total Food Solutions company with operations in all stages of food manufacturing from the production of raw materials and their processing through to the manufacture of consumer food and beverage products and their distribution to the market. It is based and listed in Indonesia while its Consumer Branded Products subsidiary PT Indofood CBP Sukses Makmur Tbk and Agribusiness subsidiaries PT Salim Ivomas Pratama Tbk and PT Perusahaan Perkebunan London Sumatra Indonesia Tbk are also listed in Indonesia. Another subsidiary, Indofood Agri Resources Ltd. is listed in Singapore, and an Agribusiness associate, Roxas Holdings, Inc. is listed in the Philippines. Through its four complementary Strategic Business groups, Indofood manufactures and distributes a wide range of food and beverage products: Consumer Branded Products (noodles, dairy, snack foods, food seasonings, nutrition & special foods, and beverages), Bogasari (wheat flour and pasta), Agribusiness (seed breeding, oil palm cultivation and milling, branded cooking oils, margarine and shortening, cultivates and processes rubber, sugar cane and other crops) and Distribution.

Indofood is one of the world’s largest manufacturers by volume of wheat-based instant noodles, one of the largest plantation companies by area and the largest flour miller in Indonesia. Indofood also has an extensive distribution network across Indonesia.

Further information on Indofood can be found at www.indofood.com

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INDOFOOD FINANCIAL RESULTS FOR THE PERIOD ENDED 30 JUNE 2019

- Consolidated net sales increased 7.2% to Rp38.61 trillion
- Income from operations increased 5.5% to Rp4.79 trillion
- Income for the period attributable to equity holders of the parent entity increased 30.1% to Rp2.55 trillion

Jakarta, 31 July 2019 – PT Indofood Sukses Makmur Tbk (“Indofood” or the “Company”) today announced its financial results for the period ended 30 June 2019. Consolidated net sales increased 7.2% to Rp38.61 trillion from Rp36.00 trillion in the same period last year.

Income from operations increased 5.5% to Rp4.79 trillion with operating margin of 12.4%. Income for the period attributable to the equity holders of the parent entity grew by 30.1% to Rp2.55 trillion from Rp1.96 trillion and net margin improved to 6.6% from 5.4%.

Anthoni Salim, the President Director and Chief Executive Officer of Indofood, said: “We are pleased to continue delivering strong results in the first semester of 2019, where CBP has performed well, including in the recent festive season. Despite constant challenge of lower CPO prices that has put pressure on our Agribusiness performance, we are still confident with the outlook for the remainder of the year by maintaining our competitive advantages through greater productivity and cost control.”

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About PT Indofood Sukses Makmur Tbk

Over the last two decades, Indofood has progressively transformed into a Total Food Solutions company with operations in all stages of food manufacturing, from the production of raw materials and their processing, to consumer products in the market. Today, it is renowned as a well-established company and a leading player in each business category in which it operates. In its business operations, Indofood capitalizes on economies of scale and a resilient business model with four complementary Strategic Business Groups (“Group”), namely:

- **Consumer Branded Products (“CBP”)**
Supported by the strength of its product brands, the Group produces a diverse range of consumer branded products including noodles, dairy products, snack foods, food seasonings, nutrition and special foods, and beverages.
- **Bogasari**
The Group is primarily a producer of wheat flour as well as pasta, with business operations supported by its own shipping and packaging units.
- **Agribusiness**
The Group’s principal activities range from research and development, seed breeding, oil palm cultivation and milling, to the production and marketing of branded cooking oils, margarine and shortening. The Group also cultivates and processes rubber, sugar cane and other crops.
- **Distribution**
With the most extensive distribution network in Indonesia, the Group distributes the majority of the consumer products manufactured by Indofood and its subsidiaries, as well as by third parties, to the market.

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Indofood
THE SYMBOL OF QUALITY FOODS
www.indofood.com

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION As of June 30, 2019 (Expressed in Millions of Rupiah, Unless Otherwise Stated) (UNAUDITED)

INTERIM CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHERS COMPREHENSIVE INCOME For the Six Months Period Ended June 30, 2019 (Expressed in Millions of Rupiah, Unless Otherwise Stated) (UNAUDITED)

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS For the Six Months Period Ended June 30, 2019 (Expressed in Millions of Rupiah, Unless Otherwise Stated) (UNAUDITED)

ASSETS	As of June 30, 2019		LIABILITIES AND EQUITY	As of June 30, 2019		For the Six Months Period Ended June 30, 2019		For the Six Months Period Ended June 30, 2019			
	June 30, 2019	December 31, 2018		June 30, 2019	December 31, 2018	2019	2018	2019	2018		
CURRENT ASSETS			LIABILITIES			NET SALES			CASH FLOWS FROM OPERATING ACTIVITIES		
Cash and cash equivalents	9,533,244	8,809,253	CURRENT LIABILITIES			38,609,234	35,999,542		Cash received from customers	37,766,947	34,994,704
Short-term investments	2,646,642	4,118,936	Short-term bank loans and overdraft	16,569,356	17,131,455	COST OF GOODS SOLD	27,248,263	25,829,867	Cash paid to suppliers	(19,058,613)	(16,959,697)
Accounts receivable			Trust receipts payable	353,525	605,883	GROSS PROFIT	11,360,971	10,169,675	Payments for production and operating expenses	(8,950,467)	(8,823,082)
Trade			Trade payables			Selling and distribution expenses	(4,288,258)	(4,012,143)	Payments to employees	(3,531,132)	(3,992,002)
Third parties - net	4,857,762	4,258,499	Third parties	4,276,284	3,963,547	General and administrative expenses	(2,510,940)	(2,199,624)	Cash generated from operations	6,226,735	5,219,823
Related parties	1,480,575	1,143,472	Related parties	68,698	65,398	Gain (loss) from fair value of biological assets	33,159	(11,247)	Receipts of interest income	233,918	274,531
Non-trade			Other payables - Third parties	1,281,015	1,471,841	Other operating income	429,774	752,256	Payments of taxes - net	(1,056,871)	(905,510)
Third parties	174,246	951,589	Dividend payables	1,630,504	-	Other operating expenses	(233,231)	(156,631)	Payments of interest expense	(866,799)	(688,869)
Related parties	266,776	219,116	Accrued expenses	2,473,670	2,289,856	INCOME FROM OPERATIONS	4,791,477	4,542,286	Other receipts (payments) - net	595,244	(24,205)
Inventories - net	11,664,994	11,644,156	Short-term employee benefits liability	1,498,544	877,226	Finance income	461,689	274,532	Net Cash Provided by Operating Activities	5,132,227	3,875,870
Biological Assets	577,509	516,656	Taxes payable	761,896	296,533	Finance expenses	(882,160)	(1,124,154)	CASH FLOWS FROM INVESTING ACTIVITIES		
Advances and deposits	825,205	822,966	Current maturities of long-term debts			Final tax on interest income	(40,198)	(62,571)	Proceeds from short term investments	1,472,378	-
Prepaid taxes	459,779	503,769	Bank loans	931,666	2,501,023	Share in net losses of associates and joint ventures	(95,067)	(29,450)	Proceeds from sale of fixed assets	10,892	112,926
Prepaid expenses and other current assets	522,458	284,206	Bonds payable	-	1,998,799	INCOME BEFORE INCOME TAX EXPENSE	4,235,741	3,610,643	Addition to intangible assets	(7,649)	-
Total Current Assets	33,009,190	33,272,618	Liability for purchases of fixed assets	-	2,541	Income Tax Expense	(1,299,714)	(1,176,920)	Acquisitions of a subsidiary from non-controlling interests	(8,645)	(180,275)
NON-CURRENT ASSETS			Total Current Liabilities	29,845,158	31,204,102	INCOME FOR THE PERIOD	2,936,027	2,433,723	Additions to investments and contribution in associates	(74,266)	(542,306)
Claims for tax refund	276,425	446,277	NON-CURRENT LIABILITIES			Other comprehensive income (losses)			Addition to biological asset	(76,985)	(38,166)
Plasma receivables - net	1,470,410	1,355,312	Long-term debts - net of current maturities			Items that will not be reclassified to profit or loss, net of tax:			Advances for investment in associates and joint ventures	(90,010)	-
Deferred tax assets - net	1,981,674	1,854,918	Bank loans	5,967,946	5,312,877	Re-measurement gains (losses) of employees' benefit liabilities	(8,758)	9,423	Advances for fixed assets, plantations and payments of	(2,115,094)	(1,919,302)
Long-term investments	4,622,560	4,171,390	Bonds payable	1,993,220	1,992,058	Share of other comprehensive losses of associates and joint ventures	(4,853)	(9,143)	advances for fixed assets	-	(1,919,302)
Fixed assets - net	42,716,313	42,388,236	Others	184,640	184,640	Items that may be reclassified to profit or loss:			Acquisition of new Subsidiaries, net of cash and overdraft acquired	-	(223,373)
Investment property	42,188	42,188	Total long-term debts	8,145,806	7,489,575	Unrealized gains on available-for-sale financial assets	501,183	334,477	Net Cash Used in Investing Activities	(889,379)	(2,790,496)
Deferred charges - net	851,090	805,980	Deferred tax liabilities - net	853,233	991,843	Exchange differences on translation of financial statements	(98,985)	168,418	CASH FLOWS FROM FINANCING ACTIVITIES		
Goodwill	4,320,534	4,320,534	Due to related parties	427,859	427,859	Share of other comprehensive income (losses) of associates and joint ventures	(16,144)	4,649	Proceeds from short-term bank loans	21,043,369	11,580,640
Intangible assets - net	2,077,709	2,136,679	Liabilities for employee benefits	6,736,361	6,406,539	Other comprehensive income for the period	372,443	607,824	Proceeds from long-term bank loans	308,755	617,042
Long-term prepayments	868,665	899,443	Estimated liabilities for assets dismantling costs	111,065	101,078	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	3,308,470	2,941,547	Capital contribution and advance for stock subscription		
Other non-current assets	5,130,914	4,844,221	Total Non-Current Liabilities	16,274,324	15,416,894	Income for the period attributable to:			from Non-controlling interests	7,000	3,414
Total Non-current Assets	64,358,482	63,265,178	TOTAL LIABILITIES	46,119,482	46,620,996	Equity holders of the parent entity	2,545,288	1,956,008	Proceeds of long-term borrowings from related parties	-	137,900
TOTAL ASSETS	97,367,672	96,537,796	EQUITY			Non-controlling interests	390,739	477,715	Payments of liability for purchases of fixed assets	(2,481)	-
			Capital stock - Rp100 (full amount) par value per share			Total Comprehensive Income	2,936,027	2,433,723	Payments of cash dividends by subsidiaries to non-controlling interests	(148,025)	(105,126)
			Authorized - 30,000,000,000 shares			for the period attributable to:			Payments of long-term bank loans	(1,186,397)	(3,120,352)
			Issued and fully paid - 8,780,426,500 shares	878,043	878,043	Equity holders of the parent entity	2,869,997	2,446,823	Payment of Rupiah bonds VII	(2,000,000)	-
			Additional paid-in capital	283,732	283,732	Non-controlling interests	438,473	494,724	Payments of short-term bank loans	(21,407,037)	(10,038,099)
			Unrealized gains on available-for-sale financial assets	1,706,891	1,425,098	Total	3,308,470	2,941,547	Payment of long-term borrowings from related parties	-	(1,700)
			Difference from changes in equity of Subsidiaries			BASIC EARNINGS PER SHARE			Net Cash Used in Financing Activities	(3,384,816)	(926,281)
			and effects of transactions with non-controlling interests	6,812,435	6,649,034	ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT ENTITY					
			Exchange differences on translation of financial statements	951,589	1,074,413	(full amount)	290	223			
			Retained earnings								
			Appropriated for general reserve	115,000	110,000						
			Unappropriated	24,227,864	23,193,960						
			Equity Attributable to Equity Holders of the Parent Entity	34,975,554	33,614,280						
			Non-controlling Interests	16,272,636	16,302,520						
			TOTAL EQUITY	51,248,190	49,916,800						
			TOTAL LIABILITIES AND EQUITY	97,367,672	96,537,796						

Notes : 1. The financial information as of and for six-month period ended June 30, 2019 and 2018 is unaudited
2. The financial information above is derived from the consolidated financial statements as of December 31, 2018 and for the year then ended, that have been audited by Public Accounting Firm Purwanto, Sungkoro & Surja, which in their report dated March 19, 2019 opined that the consolidated financial statements of PT Indofood Sukses Makmur Tbk and its subsidiaries (collectively referred to as the "Group") present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2018, and their consolidated financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.
3. Certain information such as consolidated statement of changes in equity and notes to the consolidated financial statements are not included in the information presented above.
4. The foreign exchange rate used at June 30, 2019 and December 31, 2018 were Rp14,141 and Rp14,461, respectively, to US\$1

Jakarta, July 31, 2019

The Board of Directors
PT INDOFOOD SUKSES MAKMUR Tbk