

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.*



**FIRST PACIFIC COMPANY LIMITED**

**第一太平**

*(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 (i) Unaudited Financial Statements for the first quarter ended 31 March 2010; and (ii) Press Release for the first quarter 2010 Results.**

**Dated this the 30<sup>th</sup> day of April, 2010**

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  
Ambassador Albert F. del Rosario  
Napoleon L. Nazareno  
Professor Edward K.Y. Chen\*, *GBS, CBE, JP*

Tedy Djuhar  
Sutanto Djuhar  
Ibrahim Risjad  
Benny S. Santoso  
Graham L. Pickles\*  
Sir David W.C. Tang\*, *KBE*  
Jun Tang\*

*\*Independent Non-executive Directors*

[Print this page](#)**FIRST QUARTER RESULTS \* FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT***\* Asterisks denote mandatory information*

Name of Announcer *	INDOFOOD AGRI RESOURCES LTD.
Company Registration No.	200106551G
Announcement submitted on behalf of	INDOFOOD AGRI RESOURCES LTD.
Announcement is submitted with respect to *	INDOFOOD AGRI RESOURCES LTD.
Announcement is submitted by *	MAK MEI YOOK
Designation *	COMPANY SECRETARY
Date & Time of Broadcast	30-Apr-2010 06:08:40
Announcement No.	00001

**>> ANNOUNCEMENT DETAILS***The details of the announcement start here ...*

For the Financial Period Ended *	31-03-2010
Description	Please refer to the attached file.
Attachments	<a href="#">IFAR1Q10Results.pdf</a> Total size = <b>121K</b> (2048K size limit recommended)

[Close Window](#)

## UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2010

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		
	Q1 2010	Q1 2009	Change
	Rp ' million	Rp ' million	%
Revenue	2,111,630	1,994,943	5.8
Cost of sales	(1,313,281)	(1,173,193)	11.9
<b>Gross Profit</b>	<b>798,349</b>	<b>821,750</b>	<b>(2.8)</b>
Gross Profit %	37.8%	41.2%	
Selling and distribution costs	(52,203)	(56,790)	(8.1)
General and administrative expenses	(167,200)	(153,686)	8.8
Foreign exchange gains/ (losses)	35,126	(94,750)	n/m
Other operating income	22,830	62,281	(63.3)
Other operating expenses	(24,582)	(5,630)	336.6
<b>Profit from operations</b>	<b>612,320</b>	<b>573,175</b>	<b>6.8</b>
Financial income	19,806	23,718	(16.5)
Financial expenses	(86,207)	(105,853)	(18.6)
<b>Profit before tax</b>	<b>545,919</b>	<b>491,040</b>	<b>11.2</b>
Income tax expense	(140,851)	(192,120)	(26.7)
<b>Net profit / total comprehensive income for the period</b>	<b>405,068</b>	<b>298,920</b>	<b>35.5</b>
<b>Total comprehensive income attributable to:-</b>			
- Equity holders of the Company	309,844	240,244	29.0
- Minority interests	95,224	58,676	62.3
	<b>405,068</b>	<b>298,920</b>	<b>35.5</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		
	Q1 2010	Q1 2009	Change
	Rp ' million	Rp ' million	%
Profit from operations	612,320	573,175	6.8
Add: Depreciation and amortisation	95,124	78,602	21.0
EBITDA	707,444	651,777	8.5
EBITDA%	33.5%	32.7%	

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

In SGD 'cents (converted at Rp6,595/S\$1)	Group		
	Q1 2010	Q1 2009	Change %
EPS	3.3	2.5	28.7

  

In SGD 'cents (converted at Rp6,505/S\$1)	Group		
	31/03/2010	31/12/2009	Change %
NAV per share	104.3	101.0	3.3

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

Other information:-	Group		
	Q1 2010	Q1 2009	Change
	Rp ' million	Rp ' million	%
Depreciation of property, plant and equipment	78,550	65,077	20.7
Amortisation of prepaid land premiums and deferred land rights acquisition costs	16,574	13,525	22.5
Interest on borrowings	83,943	103,988	(19.3)
Loss on write-off of property and equipment	2	300	(99.3)
Loss on write-off of plasma receivables	-	4,087	n/m
Loss/ (gain) arising from changes in fair values of plasma receivables and provision for uncollectible plasma receivables	11,312	(432)	n/m
(Gain)/ loss on disposals of property and equipment	(11)	1,211	(100.9)
Provision/(reversal) of allowance for decline in market values of inventories and obsolescence of inventories	55	(17,047)	(100.3)

*n.m. denotes "Not Meaningful"*

1(b)(i). A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31/03/2010	31/12/2009	31/03/2010	31/12/2009
	Rp ' million	Rp ' million	Rp ' million	Rp ' million
<b>Non-current assets</b>				
Biological assets	9,652,329	9,486,096	-	-
Property, plant and equipment	4,505,632	4,223,457	68,950	70,001
Prepaid land premiums and deferred land rights acquisition costs	1,434,259	1,430,347	-	-
Goodwill	3,155,786	3,155,786	-	-
Claims for tax refund	328,438	328,844	-	-
Deferred tax assets	295,468	294,327	-	-
Investment in subsidiary companies	-	-	8,487,971	8,487,971
Loans to a subsidiary company	-	-	2,259,501	2,259,501
Other non-current assets	762,930	817,811	24	24
<b>Total non-current assets</b>	<b>20,134,842</b>	<b>19,736,668</b>	<b>10,816,446</b>	<b>10,817,497</b>
<b>Current assets</b>				
Inventories	1,321,804	1,082,557	-	-
Trade and other receivables	719,321	752,702	16,049	17,626
Advances to suppliers	232,548	160,756	-	-
Prepaid taxes	182,020	112,779	-	-
Cash and cash equivalents	1,960,436	1,802,345	172,985	183,450
<b>Total current assets</b>	<b>4,416,129</b>	<b>3,911,139</b>	<b>189,034</b>	<b>201,076</b>
<b>Total assets</b>	<b>24,550,971</b>	<b>23,647,807</b>	<b>11,005,480</b>	<b>11,018,573</b>
<b>Current liabilities</b>				
Trade and other payables and accruals	1,049,208	979,911	9,472	11,257
Advances from customers	70,492	92,891	-	-
Interest-bearing loans and borrowings	2,200,174	1,746,464	-	-
Income tax payable	108,889	106,182	130	130
<b>Total current liabilities</b>	<b>3,428,763</b>	<b>2,925,448</b>	<b>9,602</b>	<b>11,387</b>
<b>Non-current liabilities</b>				
Interest-bearing loans and borrowings	4,513,314	4,491,213	-	-
Bonds and Sukuk Ijarah payables	722,115	721,802	-	-
Other payables	264,112	323,096	-	-
Employee benefits liabilities	475,666	442,960	-	-
Deferred tax liabilities	1,762,638	1,763,993	-	-
<b>Total non-current liabilities</b>	<b>7,737,845</b>	<b>7,743,064</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>11,166,608</b>	<b>10,668,512</b>	<b>9,602</b>	<b>11,387</b>
<b>Net assets</b>	<b>13,384,363</b>	<b>12,979,295</b>	<b>10,995,878</b>	<b>11,007,186</b>
<b>Attributable to equity holders</b>				
Share capital	3,584,279	3,584,279	10,912,411	10,912,411
Treasury shares	(29,283)	(29,283)	(29,283)	(29,283)
Reserves	6,203,362	5,893,518	112,750	124,058
	<b>9,758,358</b>	<b>9,448,514</b>	<b>10,995,878</b>	<b>11,007,186</b>
Minority interests	3,626,005	3,530,781	-	-
<b>Total equity</b>	<b>13,384,363</b>	<b>12,979,295</b>	<b>10,995,878</b>	<b>11,007,186</b>

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

	<b>Group</b>	
	<b>31/03/2010</b>	<b>31/12/2009</b>
	<b>Rp ' million</b>	<b>Rp ' million</b>
(i) Amounts payable in one year or less, or on demand		
Secured	1,630,174	1,176,464
Unsecured	570,000	570,000
Sub-total	<b>2,200,174</b>	<b>1,746,464</b>
(ii) Amounts repayable after one year		
Secured	4,475,814	4,453,713
Unsecured	759,615	759,302
Sub-total	<b>5,235,429</b>	<b>5,213,015</b>
<b>TOTAL</b>	<b>7,435,603</b>	<b>6,959,479</b>

(iii) Details of the collaterals

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

The unsecured amount repayable after one year included Bonds and Sukuk Ijarah payables of Rp722 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	
	Q1 2010	Q1 2009
	Rp ' million	Rp ' million
<b>Cash flows from operating activities</b>		
Profit before taxation	545,919	491,040
Adjustments :		
Depreciation and amortisation	95,124	78,602
Unrealized foreign exchange (gains) / losses	(28,702)	127,118
Loss/ (gain) arising from changes in fair values of plasma receivables	5,782	(2,251)
Provision for uncollectible plasma receivables	5,530	1,819
Write-off of property, plant and equipment	2	300
(Gain) / Loss on disposals of property and equipment	(11)	1,211
Provision / (reversal) for decline in market values of inventories and obsolescence of inventories	55	(17,047)
Loss on write-off of plasma receivables	-	4,087
Changes in provision for asset dismantling costs	(229)	65
Changes in employee benefits liabilities	32,705	13,869
Changes in fair value of long-term receivables	6	(334)
Write-off of bad debts	601	-
Financial income	(19,806)	(23,718)
Financial expenses	86,207	105,853
<b>Operating cash flows before working capital changes</b>	<b>723,183</b>	<b>780,614</b>
<b>Changes in working capital</b>		
Other non-current assets	37,800	(119,909)
Inventories	(239,302)	(141,053)
Trade and other receivables	22,569	(122,586)
Advances to suppliers	(67,992)	(120,573)
Prepaid taxes	(69,241)	26,320
Trade and other payables	61,844	76,728
Advances from customers	(22,399)	51,336
<b>Cash flows generated from operations</b>	<b>446,462</b>	<b>430,877</b>
Interest received	19,806	23,718
Interest paid	(77,667)	(107,512)
Income tax paid	(140,640)	(362,252)
<b>Net cash flows generated from / (used in) operating activities</b>	<b>247,961</b>	<b>(15,169)</b>

	Group	
	Q1 2010 Rp ' million	Q1 2009 Rp ' million
<b>Cash flows from investing activities</b>		
Additions to property, plant and equipment	(204,476)	(302,438)
Additions to biological assets	(162,945)	(185,780)
Increase in plasma receivables	(62,724)	(31,666)
Proceeds from disposal of property and equipment	117	271
Additions to prepaid land premiums and deferred land rights acquisition costs	(7,221)	(6,349)
Investment in shares of an associate	(5,601)	-
Advances for projects and purchase of fixed assets	(91,608)	(49,000)
Acquisition of minority interests in subsidiaries	-	(89,464)
Proceeds from investments in repurchase receivables	-	10,953
Proceeds from disposal of biological assets	-	200
<b>Net cash flows used in investing activities</b>	<b>(534,458)</b>	<b>(653,273)</b>
<b>Cash flows from financing activities</b>		
Proceeds from interest-bearing loans and borrowings	840,940	372,216
Repayment of interest-bearing loans and borrowings	(287,705)	(288,763)
Net proceeds of amount due to related parties	(59,924)	4,643
Dividend payments by subsidiaries to minority shareholders	-	(3,980)
<b>Net cash flows generated from financing activities</b>	<b>493,311</b>	<b>84,116</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>206,814</b>	<b>(584,326)</b>
<b>Effect of changes in exchange rates on cash and cash equivalents</b>	<b>(48,723)</b>	<b>51,652</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1,802,345</b>	<b>2,408,266</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>1,960,436</b>	<b>1,875,592</b>



- 1(d)(i). *A statement (for the issuer and group) showing either (i) all the changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.*

**STATEMENT OF CHANGES IN EQUITY**

	Group		Company	
	31/03/2010 Rp ' million	31/03/2009 Rp ' million	31/03/2010 Rp ' million	31/03/2009 Rp ' million
<b>Issued Capital</b>				
Balance as at 1 January / 31 March <sup>(1)</sup>	3,584,279	3,584,279	10,912,411	10,912,411
<b>Treasury shares (IndoAgri)</b>				
Balance as at 1 January / 31 March	(29,283)	(29,283)	(29,283)	(29,283)
<b>Reserves*</b>				
Balance as at 1 January	5,893,518	4,366,689	124,058	143,766
Net profit/ (loss) and total recognized income / (expenses) for the period	309,844	240,244	(11,308)	(2,311)
<b>Balance as at 31 March</b>	<b>6,203,362</b>	<b>4,606,933</b>	<b>112,750</b>	<b>141,455</b>
<b>Minority Interests</b>				
Balance as at 1 January	3,530,781	3,053,817	-	-
Dividend payments by subsidiaries	-	(3,980)	-	-
Minority interests of acquired Subsidiaries	-	(73,186)	-	-
Net profit and total recognized income for the period	95,224	58,676	-	-
<b>Balance as at 31 March</b>	<b>3,626,005</b>	<b>3,035,327</b>	<b>-</b>	<b>-</b>
<b>Total Equity</b>	<b>13,384,363</b>	<b>11,197,256</b>	<b>10,995,878</b>	<b>11,024,583</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 31 March 2010 and 2009, the number of issued shares were 1,447,782,830, of which 9,000,000 shares were held by the Company as treasury shares.

There were no outstanding convertibles as at 31 March 2010 and 2009.

(d)(iii). *To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.*

	Company	
	31/03/2010 ( ' 000)	31/12/2009 ( ' 000)
Total number of issued shares	1,447,783	1,447,783
Less: Treasury shares	(9,000)	(9,000)
Total number of issued shares excluding treasury shares	<b>1,438,783</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 2010	9,000	29,283
Purchase of Treasury shares	-	-
Balance as at 31 March 2010	<b>9,000</b>	<b>29,283</b>

The Company did not purchase any of its issued shares during Q1 2010.

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 31 March 2010.

Earnings per share (Rp)	Group		Change %
	Q1 2010	Q1 2009	
Based on weighted average number of share	215	167	28.7
Based on a fully diluted basis	215	167	28.7

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 1,438,782,830 shares (excluding 9,000,000 held in treasury shares) as of 31 March 2010 and 2009.

Net asset value per share (Rp)	Group		Company	
	31/03/2010	31/12/2009	31/03/2010	31/12/2009
	6,782	6,567	7,642	7,650

- 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		
	Q1 2010 Rp ' million	Q1 2009 Rp ' million	Change %
<b>Revenue</b>			
Plantations			
External sales	617,558	587,875	5.0
Inter-segment sales	703,248	610,503	15.2
Sub-total	1,320,806	1,198,378	10.2
Cooking Oil			
External sales	1,287,050	1,254,796	2.6
Inter-segment sales	-	-	-
Sub-total	1,287,050	1,254,796	2.6
Commodity			
External sales	207,022	152,272	36.0
Inter-segment sales	11,953	6,434	85.8
Sub-total	218,975	158,706	38.0
Elimination	(715,201)	(616,937)	15.9
<b>Total revenue</b>	<b>2,111,630</b>	<b>1,994,943</b>	<b>5.8</b>
<b>Gross Profit</b>	<b>798,349</b>	<b>821,750</b>	<b>(2.8)</b>
Gross Profit %	37.8%	41.2%	

**Revenue and Gross Margin:**

**The Group** recorded total revenue of Rp2.1 trillion in 1Q2010, up 6% against 1Q2009. All business divisions reported higher revenue against 1Q2009 particularly a 10% growth in the Plantation Division. Higher average selling prices of plantation crops (i.e. CPO, PK and rubber), combined with the volume growth for rubber and copra-based products were the key drivers for the improved performance.

The overall gross profit margin for 1Q2010 was at 37.8% as compared to 41.2% in 1Q2009, this was mainly attributed to a lower performance in Cooking Oils and Fats Division.

**Plantation Division** performed well this quarter with total revenue of Rp1.3 trillion, a 10% growth over 1Q2009. The improved sales were mainly due to higher average selling prices of CPO and PK, as well as stronger rubber sales. Operating profit margin for this division was higher at 37.2% in 1Q2010 compared to 35.9% in 1Q2009 on higher selling prices of plantation crops. This was partly offset by lower CPO and PK sales volume of 9% and 4% respectively

CPO production reported a 5% decline from 162,000 tonnes to 154,000 tonnes on lower nucleus fresh fruit bunches (FFB) output and lower FFB purchases from plasma farmers. Lower production in Sumatra was mainly due to higher rainfall during the quarter which affected the harvesting and transportation of FFB.

**Cooking Oils and Fats Division** The division reported total revenue of Rp1.3 trillion in 1Q2010, up 3% against 1Q2009 due to higher sales of by-products, but this was partly offset by lower sales volume of margarine products. This division's operating profit margin reduced from 9.7% in 1Q2009 to 1.2% in 1Q2010 mainly due to lower gross profit margin.

**Commodity Division** reported a 38% increase in revenue over 1Q2009 due to higher sales volume of copra-based and palm oil-based products, and this was partly offset by lower average selling price of copra-based products. This division incurred operating losses of Rp10 billion in 1Q2010, largely attributable to negative gross profit margin.

**Gain/(loss) arising from changes in fair values of biological assets:** In accordance with the Singapore Financial Reporting Standards ("SFRS") No. 41, "Agriculture", biological assets are stated at fair value less estimated point-of-sale costs (estimated selling costs). Gains or losses arising from the changes in fair values of the biological assets at each reporting date are included in the consolidated income statement for the period in which they arise.

Notwithstanding the above, it is the practice of the Group to engage an independent firm of valuers to prepare the valuation of the biological assets (which primarily comprise oil palm and rubber plantations) on a semi-annual basis. The valuations were prepared based on the discounted net future cash flows of the underlying plantations. The expected net future cash flows of the underlying plantations are determined using the forecasted market prices of the related agricultural produce.

In line with the Group's practice, there was no recognition of gain/(loss) arising from the changes in fair values of biological assets in 1Q2010.

**Profit from Operations:** Despite lower gross profit, the Group's 1Q2010 profit from operations increased by 7% to Rp612 billion mainly due to net foreign exchange gain of Rp35 billion versus Rp95 billion loss in 1Q2009 and tight cost control. Other operating income in 1Q2010 was lower compared to 1Q2009 mainly due to reversal for decline in value of inventories of Rp17 billion and gains from dilution of shareholding in a subsidiary of Rp23 billion in 1Q2009. In line with this, 1Q2010 EBITDA margin was marginally higher at 33.5% compared to 32.7% in 1Q2009.

**Net Profit After Tax (NPAT):** The Group's NPAT improved 36% to Rp405 billion in 1Q2010 mainly due to higher profit from operations, coupled with lower interest expenses and income tax expense arising from a reduction of corporate income tax rate from 28% to 25% and non-taxability of net foreign exchange gain in respect of US dollar denominated loans of capital nature.

### Review of Financial Position

The Group's non-current assets were at Rp20.1 trillion as at 31 March 2010, up from Rp19.7 trillion as at 31 December 2009. The increase was principally due to additions of biological assets in respect of new planting and immature plantations; and capital expenditure relating to housing and infrastructure in plantations, on-going construction works for a new CPO refinery and a sugar factory.

Total current assets were Rp4.4 trillion as at 31 March 2010 compared to Rp3.9 trillion as at 31 December 2009. The increase was mainly due to (i) an increase of Rp0.2 trillion in cash and cash equivalents to Rp2.0 trillion as at 31 March 2010 mainly due to positive operating cash flows generated from operating activities; (ii) increase in inventories mainly due to higher plantation crops, higher fertilizers and imported raw sugar; and (iii) increase in advances to suppliers for the purchases of goods and services, as well as for the purchases of equipment for the new refinery in Jakarta.

Total liabilities increased from Rp10.7 trillion as at 31 December 2009 to Rp11.2 trillion as at 31 March 2010. The increase was mainly due to (i) higher trade and other payables and accruals relating to purchases of equipment for the new CPO refinery; and (ii) higher interest bearing loans and borrowings from the drawdown of bank facilities during the quarter.

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.**

With the improved global economic outlook, CPO prices saw a steady recovery in 2009 with an average of US\$683 per tonne (CIF Rotterdam) before ending the year at US\$792 per tonne. CPO prices continued to remain firm at an average of US\$808 per tonne in 1Q2010 supported by the expected tighter palm oil supply; and lower palm oil inventory in Malaysia arising from lower seasonal production in 1Q2010.

We expect the demand outlook for palm oil to remain positive in 2010 with the improving global economic climate, consumption growth from India, China and other emerging Asian economies, and coupled with stronger demand for biodiesel driven by government mandates in Europe, Brazil and Argentina.

Looking ahead, we expect the Indonesian economy to remain upbeat. The demand for palm oil products, and domestic consumption patterns supported by the population growth in Indonesia, will remain relatively resilient in the short to medium term.

We will continue to expand our oil palm planted area through new planting and improve our production yields through our R&D initiatives. In addition, we will continue to extend our certification of Roundtable on Sustainable Palm Oil (RSPO) sustainable palm oil within our plantation estates in Sumatra this year. With the target completion of a sugar factory in 3Q2010, we expect to capture a larger revenue contribution from the Indonesian sugar market, which still currently faces a shortfall of 40% of domestic consumption.

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 first quarter ended 31 March 2010.

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

In Rp' million	Plantations	Cooking Oil & Fats	Commodity	Others/ eliminations	Total
<b>Q1 2010</b>					
<b>Revenue</b>					
External sales	617,558	1,287,050	207,022	-	2,111,630
Inter-segments sales	703,248	-	11,953	(715,201)	-
<b>Total Revenue</b>	<b>1,320,806</b>	<b>1,287,050</b>	<b>218,975</b>	<b>(715,201)</b>	<b>2,111,630</b>

<b>Results</b>					
Segment profit	491,387	14,924	(9,876)	80,759 **	577,194
Segment profit %	37.2%	1.2%	(4.5%)		27.3%
Net gain on foreign exchange					35,126
Net financial costs					(66,401)
<b>Profit before taxation</b>					<b>545,919</b>
Tax expense					(140,851)
<b>Profit for the period</b>					<b>405,068</b>

In Rp' million	Plantations	Cooking Oil & Fats	Commodity	Others/ eliminations	Total
<b>Q1 2009</b>					
<b>Revenue</b>					
External sales	587,875	1,254,796	152,272	-	1,994,943
Inter-segments sales	610,503	-	6,434	(616,937)	-
<b>Total Revenue</b>	<b>1,198,378</b>	<b>1,254,796</b>	<b>158,706</b>	<b>(616,937)</b>	<b>1,994,943</b>

<b>Results</b>					
Segment profit	429,813	121,507	2,685	113,920 **	667,925
Segment profit %	35.9%	9.7%	1.7%		33.5%
Net loss on foreign exchange					(94,750)
Net financial costs					(82,135)
<b>Profit before taxation</b>					<b>491,040</b>
Tax expense					(192,120)
<b>Profit for the period</b>					<b>298,920</b>

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

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

	Group				
	Q1 2010		Q1 2009		Change
	Rp' million	%	Rp' million	%	
Indonesia	1,555,085	73.5	1,525,389	76.4	1.9
Asia	298,853	14.2	268,628	13.5	11.3
Europe	93,989	4.5	127,595	6.4	(26.3)
America	98,561	4.7	25,349	1.3	288.8
Africa, Middle East & Oceania	65,142	3.1	47,982	2.4	35.8
<b>Total revenue</b>	<b>2,111,630</b>	<b>100.0</b>	<b>1,994,943</b>	<b>100.0</b>	<b>5.8</b>

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

Please refer to Para 8 and 10 above.

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

Please refer to Para 11 above.

16. ***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 quarter 2010:

Name of Interested Person	Aggregate value of all Interested person transactions (excluding transactions less than S\$100,000)
	Rp 'billion
<b>PT ISM Group</b>	
<ul style="list-style-type: none"> <li>• Sales of cooking oil &amp; margarine</li> <li>• Purchase of goods and services</li> </ul>	<p>346.9</p> <p>11.2</p>
<b>Salim Group</b>	
<ul style="list-style-type: none"> <li>• Sales of seeds</li> <li>• Purchases of services</li> <li>• Interest bearing loans from Salim Group</li> <li>• Interest bearing loans to subsidiaries, which are associates of Salim Group                             <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, in proportion to the Group's shareholdings, in favour of banks in respect of loan facilities extended to certain subsidiaries, which are associates of Salim Group                             <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>	<p>4.4</p> <p>4.4</p> <p>221.2</p> <p>369.5</p> <p>372.6</p> <p>891.4</p> <p>895.5</p> <p>0.1</p>

**BY THE ORDER OF THE BOARD**

Mark Julian Wakeford  
 Chief Executive Officer and Executive Director

30 April 2010



## **Confirmation by the Board Pursuant to Rule 705(4) of the Listing Manual**

Pursuant to Rule 705(4) 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 first quarter ended 31 March 2010 to be false or misleading in any material aspect.

On behalf of the Board of Directors:

Mark Julian Wakeford  
Chief Executive Officer

Moleonoto Tjang  
Executive Director

30 April 2010

[Print this page](#)

## MISCELLANEOUS

*\* Asterisks denote mandatory information*

Name of Announcer *	INDOFOOD AGRI RESOURCES LTD.
Company Registration No.	200106551G
Announcement submitted on behalf of	INDOFOOD AGRI RESOURCES LTD.
Announcement is submitted with respect to *	INDOFOOD AGRI RESOURCES LTD.
Announcement is submitted by *	MAK MEI YOOK
Designation *	COMPANY SECRETARY
Date & Time of Broadcast	30-Apr-2010 06:10:36
Announcement No.	00002

## &gt;&gt; ANNOUNCEMENT DETAILS

*The details of the announcement start here ...*

Announcement Title *	IndoAgri's Press Release for 1Q 2010
Description	Please refer to the attached file.
Attachments	<a href="#">IFAR1Q10Press.pdf</a> Total size = <b>58K</b> (2048K size limit recommended)

[Close Window](#)

PRESS RELEASE

## IndoAgri's attributable profit up 29% to Rp310 billion (S\$47 million) in 1Q2010

- 1Q2010 revenue up 5.8% to Rp2.1 trillion (S\$320 million) against 1Q2009 on higher average selling prices of palm products and stronger rubber sales
- 1Q2010 EBITDA margin grew to 33.5% from 32.7% in 1Q2009 on higher profit from operations and foreign currency gains

**SINGAPORE – 30 April 2010** – SGX Main board-listed IndoAgri (the “Group”), a major vertically integrated agribusiness group and manufacturer of leading brands of edible oils and fats in Indonesia, reported a good set of results for 1Q2010 with attributable profit up 29% to Rp310 billion (S\$47 million), from Rp240 billion (S\$36 million) for 1Q2009. The improved profit was mainly due to higher profit from operations, coupled with lower interest expenses and income tax expense.

### FINANCIAL HIGHLIGHTS

	Rp' billion			S\$ 'million <sup>1</sup>	
	1Q2010	1Q2009	1Q2010 vs 1Q2009	1Q2010	1Q2009
<b>Revenue</b>	<b>2,112</b>	<b>1,995</b>	<b>5.8%</b>	<b>320</b>	<b>302</b>
Gross Profit	798	822	(2.8%)	121	125
Gross Margin (%)	37.8%	41.2%		37.8%	41.2%
<b>EBITDA *</b>	<b>707</b>	<b>652</b>	<b>8.5%</b>	<b>107</b>	<b>99</b>
EBITDA Margin (%)	33.5%	32.7%		33.5%	32.7%
Profit From Operations	612	573	6.8%	93	87
Profit Before Taxation	546	491	11.2%	83	74
Net Profit	405	299	35.5%	61	45
<b>Attributable Net Profit</b>	<b>310</b>	<b>240</b>	<b>29.0%</b>	<b>47</b>	<b>36</b>
EPS (fully diluted)					
– Rp/S\$ cents	215	167	28.7%	3.3	2.5

*n.m. denotes "Not Meaningful"*

With the CPO prices remaining firm in 1Q2010 at an average of US\$808 per tonne (CIF Rotterdam), the Group reported 1Q2010 revenue of Rp2.1 trillion (S\$320 million), which was 5.8% higher compared to Rp2.0 trillion (S\$302 million) in 1Q2009 as a result of higher average selling prices of plantation crops and higher rubber sales.

Despite higher revenue, gross profit margin declined marginally from 41.2% in 1Q2009 to 37.8% in 1Q2010 mainly due to lower performance in Cooking Oils and Fats Division.

<sup>1</sup>Converted at exchange rate of Rp6,595 to S\$1

The Group's profit from operations grew 6.8% to Rp612 billion (S\$93 million) primarily due to foreign exchange gains of Rp35 billion in 1Q2010. As such, EBITDA margin grew to 33.5% in 1Q2010 from 32.7% in 1Q2009.

## **INDUSTRY OUTLOOK AND FUTURE PLANS**

With the gradual improvement in the global economic outlook, CPO prices witnessed a steady recovery in 2009 and ended the year with an average price of US\$792 per tonne. This trend continued into 1Q2010 on the back of tighter palm oil supply, and lower palm oil inventory in Malaysia arising from lower seasonal production in 1Q2010.

We will continue to expand the oil palm acreage through new planting and investing in R&D and seed breeding to improve production yields. In addition, the Group continues to give emphasis to corporate social responsibilities and intends to extend our production of Roundtable Sustainable Palm Oil (RSPO) certified sustainable palm oil within our plantation estates in Sumatra.

Mr Mark Wakeford, CEO and Executive Director commented, ***"We are pleased to announce a positive set of results for 1Q2010 with attributable profit up 29% in 1Q2010 on higher average selling prices of plantation crops and foreign exchange gains, combined with tight cost control. We expect the demand for palm oil to remain positive in 2010 supported by consumption growth from India, China and other emerging Asian economies, coupled with stronger demand for biodiesel driven by government mandates in Europe, Brazil and Argentina. With the target completion of our sugar factory in 3Q2010, we also expect to capture a larger revenue contribution from the Indonesian sugar market as this market is likely to face a shortfall of about 40% of domestic consumption."***

---The End ---

## **ABOUT INDOAGRI**

**Indofood Agri Resources Ltd. ("IndoAgri")** is a vertically 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 31 March 2010, IndoAgri owns 229,145 hectares of plantations spread throughout Indonesia. Of which, 194,487 hectares and 21,550 hectares are planted with oil palm and rubber, respectively. In addition, IndoAgri also has 13,108 hectares of other crops such as sugar cane, cocoa, tea and coconut.

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