

# FIRST PACIFIC COMPANY LIMITED 第一太平有限公司

(Incorporated with limited liability under the laws of Bermuda)

### **Press Release**

Friday, 20 March 2015

#### Indofood's 2014 financial results

The attached press release was released today in Jakarta by PT Indofood Sukses Makmur Tbk ("Indofood" IDX:INDF), in which the 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 consumer products and distribution to the market. It is based and listed in Indonesia; its Consumer Branded Products subsidiary PT Indofood CBP Sukses Makmur Tbk and agribusiness subsidiaries PT Salim Ivomas Pratama Tbk and PT PP London Sumatra Indonesia Tbk are also listed in Indonesia. Two other subsidiaries, Indofood Agri Resources Ltd. and China Minzhong Food Corporation Limited, are listed in Singapore, and an agribusiness associate Roxas Holdings Inc. is listed in the Philippines. Through its five complementary Strategic Business Groups, Indofood manufactures and distributes a wide range of food products: Consumer Branded Products (noodles, dairy, non-alcoholic beverages, snack foods, food seasonings, and nutrition and special foods), Bogasari (flour and pasta), Agribusiness (oil palm, rubber, sugar cane, cocoa and tea plantations, cooking oils, margarine and shortenings), Distribution and Cultivation & Processed Vegetables (fresh and processed vegetables).

Indofood is one of the world's largest manufacturer 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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#### PRESS RELEASE

For Immediate Release

#### INDOFOOD'S 2014 FINANCIAL RESULTS

- Consolidated net sales grew 14.3% to Rp63.59 trillion
- Income from operations increased 17.9% to Rp7.21 trillion
- Income for the year attributable to equity holders of the parent entity grew 55.2% to Rp3.89 trillion
- Earnings per share ("EPS") increased to Rp442 from Rp285

Jakarta, 20 March 2015 – PT Indofood Sukses Makmur Tbk ("Indofood" or the "Company") today announced its financial results for the year ended 31 December 2014. Indofood recorded consolidated net sales of Rp63.59 trillion, an increase of 14.3% from Rp55.62 trillion in 2013. Consumer Branded Products Group ("CBP") continued to be the biggest contributor to Indofood's consolidated net sales, contributing around 47%, followed by Bogasari, Agribusiness, and Distribution Group with around 25%, 20% and 8% contributions respectively.

The CBP Group, which consists of Noodles, Dairy, Snack Foods, Food Seasonings, Nutrition & Special Foods and Beverages Division, posted 20.9% growth in total sales value, primarily driven by higher average selling prices. Total sales value of Bogasari Group increased 6.7% due to higher average selling prices and volume. Agribusiness Group recorded 10.4% mainly as a results of higher average selling prices of palm products as well as higher edible oils and fats sales. Distribution Group also registered total sales value growth of 12.9%, primarily due to higher sales of CBP Group.

Gross profit for the year rose 25.3% to Rp17.05 trillion from Rp13.61 trillion in 2013, and gross profit margin increased to 26.8% from 24.5%. Despite higher operating expenses, income from operations grew 17.9% to Rp7.21 trillion from Rp6.11 trillion, while operating margin increased to 11.3% from 11.0%. Income for the year attributable to equity holders of the parent entity increased 55.2% to Rp3.89 trillion from Rp2.50 trillion on lower finance expense mainly due to lower net loss on foreign exchange from financing activities. Net profit margin increased to 6.1% from 4.5%. Without taking into account non-recurring items and differences in foreign exchange, core profit increased 37.2% to Rp3.89 trillion from Rp2.84 trillion last year.

Jakarta 12910, Indonesia

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Anthoni Salim, the President Director and Chief Executive Officer of Indofood, said: "We are pleased to report that Indofood has performed well in 2014. We are optimistic but cautious as we enter 2015. We will continue to strengthen and expand our business domestically, identify opportunities regionally and internationally, while anticipating potential threats of ASEAN Economic Community that will be coming into effect. With clear objectives and strategic directions, the ability to adapt dynamically to market conditions, as well as discipline, we are confident that we would be well positioned to capture the opportunities and mitigate the challenges."

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#### About PT Indofood Sukses Makmur Tbk

PT Indofood Sukses Makmur Tbk ("Indofood") (IDX: INDF) is a leading Total Food Solutions Company with operation spanning from the production of raw materials and their processing, to consumer products in the market.

Indofood capitalizes on a resilient business model with five complementary Strategic Business Groups ("Group"), namely:

- Consumer Branded Products, its business activities are conducted by PT Indofood CBP Sukses Makmur Tbk ("ICBP"), which was listed on Indonesia Stock Exchange ("IDX") since October 7, 2010. ICBP is one of the leading consumer branded product producers in Indonesia, with a wide range of consumer products. In 2013, ICBP started its non-alcoholic beverage business, and has current product portfolio of ready-to-drink tea and coffee, packaged water, carbonated soft drinks and fruit juice drinks.
- 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 is led by Indofood Agri Resources Ltd. ("IndoAgri"), listed on the Singapore Stock Exchange ("SGX"). Both of IndoAgri's two operating subsidiaries PT Salim Ivomas Pratama Tbk and PT PP London Sumatra Indonesia Tbk, are listed on the IDX. 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. In addition, the Group is also involved in the cultivation and processing of rubber and sugar cane, as well as other crops. In 2013, IndoAgri initiated expansion of its global business through equity investment in the sugar business in Brazil and the Philippines.
- Distribution. With the most extensive distribution network in Indonesia, this Group distributes the
  majority of Indofood's and its subsidiaries' consumer products, as well as other third-party
  products.
- Cultivation & Processed Vegetables. Cultivation and processed vegetables group activities are
  conducted by China Minzhong Food Corporation Limited ("CMFC"), which is listed on the SGX
  and is an integrated vegetable processing company in the People's Republic of China. Through
  its decades of experience, CMFC has developed an integrated demand-driven operation with
  wide-ranging cultivation and processing capabilities. In addition, CMFC also has a branded
  products operation.



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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME For the Year Ended December 31, 2014

www.indofood.com

CONSOLIDATED STATEMENT OF CASH FLOWS For the Year Ended December 31, 2014

| CONSOLIDATED STATEMENT OF FINANCIAL POSITION As of December 31, 2014 |                   |                   |   |   |                        |                        |                        | CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME For the Year Ended December 31, 2014                        |  |                          | CONSOLIDATED STATEMENT OF CASH FLOWS For the Year Ended December 31, 2014  |  |  |
|--|-------------------|-------------------|---|---|------------------------|------------------------|------------------------|--|--|--------------------------|--|--|--|
| (Expressed in Millions of Rupiah, Unless Otherwise Stated)           |                   |                   |   |   |                        |                        |                        | (Expressed in Millions of Rupiah, Unless Otherwise Stated)   |  |                          | (Expressed in Millions of Rupiah, Unless Otherwise Stated)   |  |  |
|  |                   | ctra sevios-reviv | non yes southeast                       |   |                        | State He Sensor Book   | an avteros             |  |  |                          |  |  |  |
|  | n                 |                   | 13 January 1, 2013 /                    | 100000000000000000000000000000000000000   |                        | December 31, 2013      |                        |  | 2014   | 2012                     | 1  | 2014   | 2042   |
| ASSETS   | December 31, 2014 | (As Restated)     | December 31, 2012                       | LIABILITIES AND EQUITY  | December 31, 2014      | (As Restated) D        | December 31, 2012      |  | 2014   | 2013                     |  | 2014   | 2013   |
| CURRENT ASSETS   |                   |                   |   | LIABILITIES   |                        |                        |                        | CONTINUING OPERATIONS  |  | ļ                        |  |  | J  |
| Cash and cash equivalents  | 14,157,619        | 13,666,194        | 13,345,881                              | CURRENT LIABILITIES   | 5.069.833              | 4,625,586              | 0.040.040              | NET SALES  | 63,594,452   | 55,623,657               | CASH FLOWS FROM OPERATING ACTIVITIES   |  |  |
| Time Deposits  |                   | 3,398,300         |   | Short-term bank loans and overdraft Trust receipts payable  | 5,069,833<br>3,922,784 | 4,625,586<br>4,103,558 | 2,613,840<br>3,856,065 | COST OF GOODS SOLD<br>GROSS PROFIT   | <u>46,544,646</u><br>17,049,806  | 42,017,559<br>13,606,098 | Cash received from customers<br>Cash paid to suppliers   | 69,061,463<br>(36,388,546)   | 57,335,336<br>(30,730,271)   |
| Short-term investments   | 665,340           | 692,832           | 552,726                                 | Trade payables Third parties  | 3,307,564              | 3,400,715              | 2,288,717              | Selling and distribution expenses  | (6,247,224)  | (4.771.507)              | Payments for production and operating expenses   | (14,085,551)   | (12,378,470)   |
| Accounts receivable  |                   |                   |   | Related parties   | 539,400                | 277,135                | 211,104                | General and administrative expenses  | (3,928,237)  | (3,277,191)              | Payments to employees Cash generated from operations   | (6,101,960)<br>12,485,406  | (4,770,551)<br>9,456,044   |
| Trade  |                   |                   |   | Other payables - Third parties<br>Accrued expenses  | 1,303,973<br>2,051,104 | 1,172,720<br>1,513,147 | 1,143,628              | Other operating income   | 727,004  | 1,053,109                | Receipts of interest income  | 866,999  | 513,735  |
| Third parties - net  | 2,986,729         | 4,360,898         | 2,696,937                               | Short-term employee benefits liability  | 728,613                | 770,224                | 621,265                | Other operating expenses<br>INCOME FROM OPERATIONS   | 7,208,732  | (498,643)<br>6,111,866   | Payments of interest expense<br>Payments of taxes - net  | (1,628,172)<br>(2,398,644)   | (1,088,505)<br>(1,972,114)   |
| Related parties  | 553,910           | 375,733           | 339,888                                 | Taxes payable Current maturities of long-term debts   | 479,296                | 305,536                | 317,874                | Finance income   | 692,581  | 605,996                  | Others receipts (payments) - net   | (56,271)   | 19,630   |
| Non-trade  |                   |                   |   | Bank loans  | 1,091,748              | 954,935                | 491,524                | Finance expenses   | (1,552,958)  | (2,699,919)              | Net Cash Provided by Operating Activities  | 9,269,318  | 6,928,790  |
| Third parties  | 496,276           | 322,114           | \$ 385,191                              | Bonds payable and Sukuk Ijarah payables<br>Liability for purchases of fixed assets  | 11.349                 | 2,336,642<br>11,111    | 8,334                  | Share in net loss of associates  | (119,058)  | (17,192)                 | CASH FLOWS FROM INVESTING ACTIVITIES   |  | J'   |
| Related parties  | 302,755           | 208,269           | 219,383                                 | Liabilities directly associated with disposal group classified as helds for sale  | 4,176,022              | 11,111                 | 0,004                  | INCOME BEFORE INCOME TAX EXPENSE   | 6,229,297  | 4,000,751                | Proceeds from sale of long-term investments Proceeds from sale of fixed assets   | 66,312<br>42,569   | 73,212   |
| Inventories - net  | 8,454,845         | 8,160,539         | 7,786,166                               | Total Current Liabilities   | 22,681,686             | 19,471,309             | 12,805,200             | Income Tax Expense-Net   | (1,828,217)  | (1,176,600)              | Additions to fixed assets and plantations  | (4,749,421)  | (5.359.482)  |
| Advances and deposits  | 646,497           | 884,410           | 393,212                                 | 100-100 (100-100) (100-100 (100-100 (100-100 (100-100) (100-100 (100-100 (100-100) (100-100 (100-100 (100-100) (100-100 (100-100) (100-100 (100-100) (100-100 (100-100) (100-100) (100-100 (100-100) (  | 22,001,000             | 18,471,008             | 12,000,200             | INCOME FOR THE YEAR  |  | 1                        | Investment in time deposits Advances for purchases of assets   | (4,003,380)<br>(472,397)   | (3,398,300)<br>(1,181,632)   |
| Prepaid taxes  | 345,967           | 203,619           | 176,537                                 | NON-CURRENT LIABILITIES Long-term debts - net of current maturities   |                        |                        |                        | BEFORE PRO FORMA ADJUSMENT   | 4,401,080  | 2,824,151                | Addition to intangible assets  | (367,756)  | (.,,,  |
| Future crop expenditures   | 161,819           | 143,896           | 122,141                                 | Bank loans  | 12,826,553             | 13,294,577             | 3,992,605              | Pro Forma Adjustment<br>INCOME FOR THE YEAR FROM   | -  | 1,749                    | Additional capital, advances for stock subscription in associates and<br>convertible notes in associates   | (296,095)  | (1,418,760)  |
| Prepaid expenses and other current assets                            | 391,057           | 355,291           | 217,928                                 | Bonds payable<br>Liability for purchases of fixed assets  | 3,985,409<br>25,914    | 1,993,227<br>36,511    | 4,323,442<br>37,780    | CONTINUING OPERATIONS  | 4,401,080  | 2,825,900                | Capitalized future cane crop expenditures  | (217,487)  | (146,968)  |
| Assets of disposal group classified as held for sal                  | ale 11,832,922    | -                 | ·                                       | Total Long-term debts   | 16,837,876             | 15,324,315             | 8,353,827              | A DISCONTINUED OPERATION   | 100  | A                        | Acquisition of Subsidiaries, net of cash acquired  Net Cash Used in Investing Activities   | (164,952)  | (2,969,902)  |
| Total Current Assets   | 40,995,736        | 32,772,095        | 26,235,990                              | Deferred tax liabilities - net  | 1,174,397              | 1,278,384              | 1,362,434              | INCOME FOR THE YEAR FROM   |  | ļ                        | A company or many and a company of the company of t | (10,102,001)   | (14,401,002,   |
| 1  |                   |                   |   | Due to related parties  | 523,202                | 515,443                | 342,720                | A DISCONTINUED OPERATION   | 745,243  | 590,735                  | CASH FLOWS FROM FINANCING ACTIVITIES Proceeds from short-term bank loans   | 5,926,863  | 9.131.519  |
| <u>.  </u>   |                   |                   |   | Liabilities for employee benefits Estimated liabilities for assets dismantling costs  | 3,434,347<br>59,001    | 2,729,970<br>50,923    | 2,292,950<br>92,037    | INCOME FOR THE YEAR  | 5,146,323  | 3,416,635                | Proceeds from long-term bank loans   | 2,447,317  | 9,332,199  |
| NON-CURRENT ASSETS   |                   |                   |   | Other long-term payable   | ,                      | 136,166                |                        | Other comprehensive income (less)  |  | 1                        | Proceeds from issuance of Rupiah bonds VII - net<br>Capital contribution from non-controlling interests  | 1,989,645<br>205,786   | 117,017  |
| Claims for tax refund  | 456,683           | 565,241           | 518,238                                 | Advances for stock subscription from non-controlling interests  Total Non-current Liabilities   | 22,028,823             | 213,150                | 12,443,968             | Other comprehensive income (loss) Unrealized gains (losses) on available-for-sale financial assets         | (27,492)   | 140,107                  | Proceeds from advances for stock subscription from   | 200,100  | and the second   |
| Plasma receivables - net   | 618,026           |                   |   | An   |                        | (A)                    |                        | Exchange differences on translation of financial   | e de la companya de l | Sented Acres             | non-controlling interest Payments of short-term bank loans   | (3,805,066)  | 213,150<br>(8,598,230)   |
| Deferred tax assets - net  | 1,587,470         | 1,249,370         | 904,782                                 | TOTAL LIABILITIES   | 44,710,509             | 39,719,660             | 25,249,168             | statements Fair value gain (loss) arising from cash flow hedges  | (399,161)<br>92,948  | 1,390,021<br>(49,981)    | Payment of bond payables and Sukuk ijarah  | (2,340,000)  | Section Control of the Control   |
| Long-term investments  | 1,877,887         | 1,573,095         | 295,565                                 | PALIEN  |                        |                        |                        | Other comprehensive income (loss)  | (333,705)  | 1,480,147                | Payments of cash dividends<br>Payments of long-term bank loans   | (1,246,821)<br>(1,109,732)   | (1,624,380)<br>(1,014,638)   |
| Plantations  |                   |                   |   | EQUITY Capital stock - Rp100 (full amount) par value per share  |                        |                        |                        | TOTAL COMPREHENSIVE INCOME FOR THE YEAR  | 4,812,618  | 4,896,782                | Payments of cash dividends by Subsidiaries to non-controlling interests  | (487,811)  | (552,396)  |
| Mature plantations - net   | 5,116,106         |                   |   | Authorized - 30,000,000,000 shares  | 878.043                | 878,043                | 878.043                | Income for the year attributable to :  |  |                          | Purchase of treasury stock by a Subsidiary Payments of liability for purchases of fixed assets   | (166,257)<br>(11,185)  | (212,225)  |
| Immature plantations   | 3,197,449         |                   |   | Issued and fully paid - 8,780,426,500 shares Additional pald-in capital   | 522,249                | 522,249                | 522,249                | Equity holders of the parent entity  | 3,885,375  | 2,503,841                |  |  | 121 19 555600  |
| Industrial timber plantations - net                                  | 279,221           |                   |   | Unrealized gains on available -for- sale financial assets   | 539,039                | 554,051                | 464,664                | Non-controlling interests  | 1,260,948  | 912,794                  | Net Cash Provided by Financing Activities  | 1,402,739  | 6,790,594  |
| Fixed assets - net   | 22,011,488        |                   |   | Difference from changes in equity of Subsidiaries<br>and effects of transactions with non-controlling interests   | 6,637,221              | 6,579,227              | 6,524,586              | Total  | 5,146,323  | 3,416,635                | NET EFFECTS OF CHANGES IN EXCHANGE   |  |  |
| Deferred charges - net   | 596,345           |                   | and the second second second            | Exchange differences on translation of financial statements Pro forma capital   | 520,453                | 1,286,568              | 74,337                 | Total comprehensive income<br>for the year attributable to :   |  | ļ                        | RATES ON CASH AND CASH EQUIVALENTS   | 129,645  | 980,673  |
| Goodwill - net   | 3,976,524         |                   |   | Reserve of disposal group as held for sale  | 387,359                |                        | (2,437)                | Equity holders of the parent entity  | 3,528,115  | 3,792,041                | NET INCREASE IN CASH AND CASH EQUIVALENTS  | 639,095  | 298,225  |
| Intangible assets - net  | 2,761,473         | .,,               | _,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | Retained earnings Appropriated for general reserve  | 90,000                 | 85,000                 | 80,000                 | Non-controlling interests  | 1,284,503  | 1,104,741                | CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR   | 13,518,710   | 13,220,485   |
| Long-term prepayments  | 761,489           |                   |   | Unappropriated  | 16,125,970             | 13,524,258             | 12,664,836             | Total  | 4,812,618  | 4,896,782                | gresses and a second and the second  | 20 000 (2000 (100) (1000 (100) (1000 (1000 (100) (1000 (1000 (1000 (100) (1000 (1000 (100) (1000 (1000 (100) (1000 (1000 (100) (1000 (1000 (100) (100) (100) (1000 (100) (100) (100) (100) (100) (1000 (100) | The state of the s |
| Advances for stock subscription in associate                         |                   | 259,700           |   | Equity Attributable to Equity Holders of the Parent Entity  | 25,700,334             | 23,429,396             | 21,206,278             | BASIC EARNINGS PER SHARE FROM CONTINUING OPERATIONS<br>ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT ENTITY |  |                          | CASH AND CASH EQUIVALENTS AT END OF YEAR   | 14,157,805   | 13,518,710   |
| Other non-current assets   | 1,702,988         |                   |   | Non-controlling Interests   | 15,528,042             | 14,462,360             | 12,933,959             | (full amount)  | 372  | 225                      | Cash and cash equivalents consist of :   |  | 60.202.00% Dec   |
| Total Non-Current Assets   | 44,943,149        | 44,839,321        | 33,153,415                              | Total Equity  | 41,228,376             | 37,891,756             | 34,140,237             | BASIC EARNINGS PER SHARE FROM A DISCONTIUED OPERATION  |  |                          | Cash and cash equivalents from continuing operation<br>Cash and cash equivalents from discontinued operation   | 14,157,619<br>117,370  | 13,666,194   |
| d  |                   |                   |   | 0.00 (0 |                        | -                      |                        | ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT ENTITY  |  | !                        | Overdraft  | (117,184)  | (147,484)  |
| TOTAL ASSETS   | 85,938,885        | 77,611,416        | 59,389,405                              | TOTAL LIABILITIES AND EQUITY  | 85,938,885             | 77,611,416             | 59,389,405             | (full amount)  | 70   | 60                       | Net  | 14,157,805   | 13,518,710   |
| i  |                   |                   |   |   |                        |                        |                        |  |  |                          | 1  |  |  |

Notes: 1. The above financial information is extracted from the consolidated financial statements of PT Indolood Sukses Makmur Tbk and its subsidiaries as of December 31, 2014 and for the year then ended, prepared by the Company's management in accordance with Indonesian Financial Accounting Standards, which have been audited by Purwantono, Suherman & Surja ("PSS"), a member firm of Ernst & Young Global Llmited, independent auditors, in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants, with an unqualified audit opinion, as statted in their report dated March 12, 2015 not included in this publication. Such audit report contains an Emphasis of Matter paragraph, which describes restated consolidated financial statements as of December 31, 2013. However, the audit opinion of PSS is not modified with respect to such matter. The above financial information does not contain the consolidated statements of changes in equity and cash flows, and notes to the consolidated financial statements.

2. Basic earnings per share for the year ended December 31, 2014 and 2013 is computed based on the weighted average of the number of issued and fully paid shares during the respective periods.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

3. The foreign exchange rates used at December 31, 2014 and 2013 were Rp12,440 and Rp12,189 respectively to US\$1.

Jakarta, March 20, 2015

The Board of Directors PT IND@FOOD SUKSES MAKMUR THE