



## BUMITAMA AGRI LTD.

### Unaudited Financial Statements for the Second Quarter ("2Q") and First Half ("1H") Ended 30 June 2016

#### 1(a)(i) Income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group					
	2nd Quarter			1st Half		
	2016	2015 Restated	Change	2016	2015 Restated	Change
	IDR million	IDR million	(%)	IDR million	IDR million	(%)
<b>Revenue</b>	1,376,742	1,581,256	-12.9%	2,864,909	2,915,177	-1.7%
Cost of sales	(1,132,783)	(1,231,274)	-8.0%	(2,208,103)	(2,153,859)	2.5%
<b>Gross profit</b>	<b>243,959</b>	<b>349,982</b>	<b>-30.3%</b>	<b>656,806</b>	<b>761,318</b>	<b>-13.7%</b>
Interest Income	33,139	34,704	-4.5%	85,011	67,100	26.7%
Selling expense	(26,995)	(53,880)	-49.9%	(77,447)	(93,459)	-17.1%
General and administrative expense	(43,700)	(39,311)	11.2%	(111,426)	(104,303)	6.8%
Finance cost	(42,321)	(36,081)	17.3%	(84,816)	(77,005)	10.1%
Foreign exchange gain / (loss)	(3,483)	(617)	n.m.	45,618	(32,254)	n.m.
Other expenses	(4,561)	(7,308)	-37.6%	(11,749)	(13,217)	-11.1%
Other income	7,643	7,818	-2.2%	8,742	10,090	-13.4%
Share of loss of associate companies	(5,010)	(3,166)	58.3%	(16,090)	(46,173)	-65.2%
<b>Profit before income tax</b>	<b>158,671</b>	<b>252,141</b>	<b>-37.1%</b>	<b>494,649</b>	<b>472,097</b>	<b>4.8%</b>
Income tax expense	(33,978)	(51,643)	-34.2%	(107,640)	(99,844)	7.8%
<b>Profit for the period</b>	<b>124,693</b>	<b>200,498</b>	<b>-37.8%</b>	<b>387,009</b>	<b>372,253</b>	<b>4.0%</b>
<b>Attributable to:</b>						
Owners of the Company	107,649	176,566	-39.0%	337,085	327,820	2.8%
Non-controlling interests	17,044	23,932	-28.8%	49,924	44,433	12.4%
	<b>124,693</b>	<b>200,498</b>	<b>-37.8%</b>	<b>387,009</b>	<b>372,253</b>	<b>4.0%</b>

n.m. – not meaningful

#### Additional Information

	Group					
	2nd Quarter			1st Half		
	2016	2015 Restated	Change	2016	2015 Restated	Change
	IDR million	IDR million	(%)	IDR million	IDR million	(%)
Profit before income tax	158,671	252,141	-37.1%	494,649	472,097	4.8%
Depreciation and amortisation	149,833	111,893	33.9%	223,189	199,932	11.6%
Foreign exchange (loss) / gain	3,483	617	n.m.	(45,618)	32,254	n.m.
Finance cost	42,321	36,081	17.3%	84,816	77,005	10.1%
Interest income	(33,139)	(34,704)	-4.5%	(85,011)	(67,100)	26.7%
<b>EBITDA</b>	<b>321,169</b>	<b>366,028</b>	<b>-12.3%</b>	<b>672,025</b>	<b>714,188</b>	<b>-5.9%</b>

n.m. – not meaningful

**1(a)(ii) A statement of total comprehensive income together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Statement of comprehensive income:	Group					
	2nd Quarter			1st Half		
	2016	2015 Restated	Change (%)	2016	2015 Restated	Change (%)
	IDR million	IDR million		IDR million	IDR million	
Profit for the period	124,693	200,498	-37.8%	387,009	372,253	4.0%
Other comprehensive income						
Item that may be reclassified subsequently to profit or loss:						
Foreign currency translation	(554)	(69,643)	-99.2%	196,246	(151,498)	-229.5%
Item that will not be reclassified subsequently to profit or loss:						
Fair value reserve on derivative	44,648	5,451	n.m.	68,477	8,662	690.5%
Other comprehensive income for the period, net of tax	44,094	(64,192)	n.m.	264,723	(142,836)	n.m.
Total comprehensive income for the period	168,787	136,306	23.8%	651,732	229,417	184.1%
Attributable to:						
Owners of the Company	151,743	102,987	47.3%	601,808	184,984	n.m.
Non-controlling interests	17,044	33,319	-48.8%	49,924	44,433	12.4%
	168,787	136,306	23.8%	651,732	229,417	184.1%

*n.m. – not meaningful*

**1(b)(i) Statement of Financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	Group			Company	
	30-Jun-16	31-Dec-15 Restated	1-Jan-15 Restated	30-Jun-16	31-Dec-15
	IDR million	IDR million	IDR million	IDR million	IDR million
<b>ASSETS</b>					
<b>Non-current assets</b>					
Plasma receivables	866,242	713,697	245,089	-	-
Property, plant and equipment	3,317,692	3,244,388	2,865,809	109	140
Bearer plants	5,860,685	5,251,488	4,830,251	-	-
Land use rights	706,138	615,560	486,160	-	-
Investment in subsidiaries	-	-	-	808,965	675,463
Investment in associate companies	7,239	24,043	84,250	140,609	145,886
Intangible assets	172,600	173,301	171,276	-	-
Deferred tax assets	1,099,415	1,025,670	847,383	-	-
Deferred charges/other receivable	9,244	12,788	10,262	9,244	12,788
Due from subsidiaries	-	-	-	6,507,849	5,922,757
Loan to an associate company	331,438	327,686	282,167	331,438	327,686
<b>Total Non-current assets</b>	<b>12,370,693</b>	<b>11,388,621</b>	<b>9,822,647</b>	<b>7,798,214</b>	<b>7,084,720</b>
<b>Current assets</b>					
Biological assets	224,781	233,308	324,535	-	-
Inventories	421,171	650,842	526,801	-	-
Deferred charges	6,599	8,101	8,326	200	61
Trade and other receivables	249,277	598,598	139,576	-	-
Due from related companies	42,909	158,977	126,270	-	-
Due from subsidiaries	-	-	-	1,507,052	2,357,835
Plasma receivables	589,484	426,289	539,573	-	-
Prepayments and advances	16,199	80,081	81,099	421	99
Dividend receivables	-	-	-	-	173,500
Prepaid taxes	444,955	301,288	151,292	96	12
Cash and short-term deposits	235,070	598,797	310,858	11,014	22,603
<b>Total Current assets</b>	<b>2,230,445</b>	<b>3,056,281</b>	<b>2,208,330</b>	<b>1,518,783</b>	<b>2,554,110</b>
<b>Total Assets</b>	<b>14,601,138</b>	<b>14,444,902</b>	<b>12,030,977</b>	<b>9,316,997</b>	<b>9,638,830</b>
<b>Current liabilities</b>					
Loans and borrowings	1,249,519	1,983,667	588,959	1,196,640	1,861,201
Trade and other payables	782,164	935,430	772,622	664	13
Accrued operating expenses	138,758	144,873	154,377	56,279	55,202
Dividend payables	-	43,732	20,400	-	-
Sales advances	73,322	62,119	165,237	-	-
Income taxes payable	194,506	106,334	221,107	10,321	7,679
<b>Total Current liabilities</b>	<b>2,438,269</b>	<b>3,276,155</b>	<b>1,922,702</b>	<b>1,263,904</b>	<b>1,924,095</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities	722,888	780,080	690,933	-	-
Loans and borrowings	989,196	343,933	139,769	989,196	343,933
Islamic medium term notes	3,266,036	3,202,894	3,551,370	3,266,036	3,202,894
Post employment benefits	25,224	25,224	12,369	-	-
Derivative financial liabilities	841,168	1,126,928	377,480	841,168	1,126,928
<b>Total Non-current liabilities</b>	<b>5,844,512</b>	<b>5,479,059</b>	<b>4,771,921</b>	<b>5,096,400</b>	<b>4,673,755</b>
<b>Total Liabilities</b>	<b>8,282,781</b>	<b>8,755,214</b>	<b>6,694,623</b>	<b>6,360,304</b>	<b>6,597,850</b>
<b>Net Assets</b>	<b>6,318,357</b>	<b>5,689,688</b>	<b>5,336,354</b>	<b>2,956,694</b>	<b>3,040,980</b>
<b>Equity attributable to owners of the Company</b>					
Share capital	1,807,045	1,807,045	1,807,045	1,807,045	1,807,045
Treasury shares	(17,946)	(17,946)	-	(17,946)	(17,946)
Other reserves	(148,996)	(217,473)	(240,163)	35,942	(32,535)
Retained earnings	4,059,789	3,809,290	3,287,685	282,943	326,096
Foreign currency translation reserve	44,503	(151,743)	27,292	848,710	958,320
	<b>5,744,395</b>	<b>5,229,173</b>	<b>4,881,859</b>	<b>2,956,694</b>	<b>3,040,980</b>
<b>Non-controlling interests</b>	<b>573,962</b>	<b>460,515</b>	<b>454,495</b>	<b>-</b>	<b>-</b>
<b>Total Equity</b>	<b>6,318,357</b>	<b>5,689,688</b>	<b>5,336,354</b>	<b>2,956,694</b>	<b>3,040,980</b>

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

- Amount repayable in one year or less, or on demand
- Amount repayable after one year

	<b>30-Jun-16 IDR Million</b>	<b>31-Dec-15 IDR Million</b>
Amount due within one year		
Secured	70,180	139,769
Unsecured	1,179,339	1,843,898
<b>Total</b>	<b>1,249,519</b>	<b>1,983,667</b>
Amount due more than one year		
Unsecured	4,255,232	3,546,827
<b>Total</b>	<b>4,255,232</b>	<b>3,546,827</b>

**Details of any collateral**

The unsecured borrowings contain negative pledge clauses.

Secured borrowings are collateralised by the Group's assets (including land use rights, trade receivables, and property, plant and equipment), and insurance claims.

**1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

CASH FLOW	2nd Quarter		1st Half	
	2016	2015 Restated	2016	2015 Restated
	IDR million	IDR million	IDR million	IDR million
<b>Cash flows from operating activities</b>				
Cash receipts from customers	1,805,587	1,571,350	3,225,432	2,818,410
Cash payments to suppliers, employees and for other operating expenses	(1,299,305)	(1,041,884)	(2,532,154)	(2,071,950)
Corporate income tax paid	(31,366)	(185,220)	(61,245)	(246,268)
<b>Net cash flows generated from operating activities</b>	<b>474,916</b>	<b>344,246</b>	<b>632,033</b>	<b>500,192</b>
<b>Cash flows from investing activities</b>				
Increase in plasma receivables	(48,464)	(294,646)	(214,048)	(510,745)
Investment in intangible assets	(217)	-	(310)	-
Investment in bearer plants	(141,744)	(489,895)	(203,044)	(581,176)
Purchase of property, plant and equipment	(48,065)	(181,573)	(207,114)	(350,389)
Investment in land use rights	(42,292)	(7,061)	(91,269)	(11,485)
Acquisition of subsidiaries	(250)	-	(73,359)	-
Interest received	28,367	34,704	75,943	67,100
<b>Net cash flows used in investing activities</b>	<b>(252,665)</b>	<b>(938,471)</b>	<b>(713,201)</b>	<b>(1,386,695)</b>
<b>Cash flows from financing activities</b>				
Proceeds from loans and borrowings	66,595	-	66,595	2,070,920
Repayment of loan and borrowings	(35,000)	(76,737)	(70,000)	(590,557)
Increase in amount due from related companies	(201,481)	(5,454)	(77,075)	(23,948)
Payment of dividend	(86,587)	(281,497)	(112,112)	(281,497)
Contribution from non-controlling interests	100	425	100	425
Interest paid	(12,836)	(18,927)	(88,884)	(89,316)
<b>Net cash flows (used in) / generated from financing activities</b>	<b>(269,209)</b>	<b>(382,190)</b>	<b>(281,376)</b>	<b>1,086,027</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(46,958)</b>	<b>(976,415)</b>	<b>(362,544)</b>	<b>199,524</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>4,452</b>	<b>97,663</b>	<b>(1,183)</b>	<b>(4,742)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>277,576</b>	<b>1,384,392</b>	<b>598,797</b>	<b>310,858</b>
<b>Cash and cash equivalents at end of period</b>	<b>235,070</b>	<b>505,640</b>	<b>235,070</b>	<b>505,640</b>

**1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)**

Cash Flows from Operating Activities:	2nd Quarter		1st Half	
	2016	2015 Restated	2016	2015 Restated
	IDR million	IDR million	IDR million	IDR million
Profit before income tax	158,671	252,141	494,649	472,097
Depreciation and amortisation	149,833	111,893	223,189	199,932
Finance cost	42,321	36,081	84,816	77,005
Finance income	(33,139)	(34,704)	(85,011)	(67,100)
Post employment benefits	209	(110)	-	(110)
Unrealized foreign exchange loss	(9,834)	(23,197)	(31,558)	183,344
Gain on divestment of business in a subsidiary	-	(5,749)	-	(5,749)
Gain on disposal of property, plant and equipment	-	(168)	-	(168)
Share of loss of associate companies	5,010	3,166	16,090	46,173
<b>Operating cash flows before working capital changes</b>	<b>313,071</b>	<b>339,353</b>	<b>702,175</b>	<b>905,424</b>
Decrease/(increase) in:				
- Trade and other receivables	466,492	37,485	424,776	15,894
- Inventories	90,957	93,521	233,744	3,428
- Prepaid taxes	(45,797)	(71,878)	(112,461)	(95,114)
- Prepayments and advances	12,262	14,344	64,135	(81,037)
- Deferred charges	1,255	223	1,501	492
(Decrease)/increase in:				
- Trade and other payables	(436,918)	107,183	(498,420)	101,433
- Accrued operating expenses	47,541	42,888	(44,407)	32,957
- Tax payable	19,609	(13,455)	(88,969)	(46,241)
- Sales advances	37,810	(20,198)	11,204	(90,776)
Cash flows generated from operations	<b>506,282</b>	<b>529,466</b>	<b>693,278</b>	<b>746,460</b>
Corporate income tax paid	(31,366)	(185,220)	(61,245)	(246,268)
<b>Net cash flows generated from operating activities</b>	<b>474,916</b>	<b>344,246</b>	<b>632,033</b>	<b>500,192</b>

**1(d)(i) A statement (for the issuer and group) showing either (i) all 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.**

Group	----- Attributable to owners of the Company -----						Non-controlling interests	Total equity
	Share capital	Treasury shares	Retained earnings	Other reserves	Foreign currency translation reserve	Total share capital and reserves		
	IDR million	IDR million	IDR million	IDR million	IDR million	IDR million		
<b>Opening balance at 1 January 2016</b>								
- As previously reported	1,807,045	(17,946)	5,515,407	(217,473)	(151,743)	6,935,290	653,213	7,588,503
- Cumulative effect of adopting FRS 41	-	-	(1,706,117)	-	-	(1,706,117)	(192,698)	(1,898,815)
<b>Opening balance at 1 January 2016 (As restated)</b>	<b>1,807,045</b>	<b>(17,946)</b>	<b>3,809,290</b>	<b>(217,473)</b>	<b>(151,743)</b>	<b>5,229,173</b>	<b>460,515</b>	<b>5,689,688</b>
Profit for the period	-	-	337,085	-	-	337,085	49,924	387,009
<b>Other comprehensive income:</b>								
Items that may be reclassified subsequently to profit or loss:								
Foreign currency translation	-	-	-	-	196,246	196,246	-	196,246
Fair value reserve on derivative	-	-	-	68,477	-	68,477	-	68,477
Total comprehensive income for the period	-	-	337,085	68,477	196,246	601,808	49,924	651,732
<b>Distribution to owners:</b>								
Contribution from non-controlling interests	-	-	-	-	-	-	63,523	63,523
Dividends on ordinary shares	-	-	(86,586)	-	-	(86,586)	-	(86,586)
<b>Closing balance at 30 June 2016</b>	<b>1,807,045</b>	<b>(17,946)</b>	<b>4,059,789</b>	<b>(148,996)</b>	<b>44,503</b>	<b>5,744,395</b>	<b>573,962</b>	<b>6,318,357</b>
<b>Opening balance at 1 January 2015</b>								
- As previously reported	1,807,045	-	4,889,062	(240,163)	27,292	6,483,236	625,490	7,108,726
- Cumulative effect of adopting FRS 41	-	-	(1,601,377)	-	-	(1,601,377)	(170,995)	(1,772,372)
<b>Opening balance at 1 January 2015 (As restated)</b>	<b>1,807,045</b>	<b>-</b>	<b>3,287,685</b>	<b>(240,163)</b>	<b>27,292</b>	<b>4,881,859</b>	<b>454,495</b>	<b>5,336,354</b>
Profit for the period	-	-	327,820	-	-	327,820	44,433	372,253
<b>Other comprehensive income:</b>								
Items that may be reclassified subsequently to profit or loss:								
Foreign currency translation	-	-	-	-	(151,498)	(151,498)	-	(151,498)
Fair value reserve on derivative	-	-	-	8,662	-	8,662	-	8,662
Total comprehensive income for the period	-	-	327,820	8,662	(151,498)	184,984	44,433	229,417
<b>Distribution to owners:</b>								
Contribution from non-controlling interests	-	-	-	-	-	-	425	425
Dividends on ordinary shares	-	-	(261,097)	-	-	(261,097)	-	(261,097)
<b>Closing balance at 30 June 2015</b>	<b>1,807,045</b>	<b>-</b>	<b>3,354,408</b>	<b>(231,501)</b>	<b>(124,206)</b>	<b>4,805,746</b>	<b>499,353</b>	<b>5,305,099</b>

Company	----- Attributable to owners of the Company -----					
	Share capital	Treasury shares	Retained earnings	Other reserves	Foreign currency translation reserves	Total share capital and reserves
	IDR million	IDR million	IDR million	IDR million	IDR million	IDR million
<b>Opening balance at 1 January 2016</b>	<b>1,807,045</b>	<b>(17,946)</b>	<b>326,096</b>	<b>(32,535)</b>	<b>958,320</b>	<b>3,040,980</b>
Profit for the period	-	-	43,433	-	-	43,433
<b>Other comprehensive income:</b>						
Items that may be reclassified subsequently to profit or loss:						
Foreign currency translation	-	-	-	-	(109,610)	(109,610)
Item that will not be reclassified subsequently to profit or loss:						
Fair value reserve on derivative	-	-	-	68,477	-	68,477
Total comprehensive income for the period	-	-	43,433	68,477	(109,610)	2,300
<b>Distribution to owners:</b>						
Dividends on ordinary shares	-	-	(86,586)	-	-	(86,586)
<b>Closing balance at 30 June 2016</b>	<b>1,807,045</b>	<b>(17,946)</b>	<b>282,943</b>	<b>35,942</b>	<b>848,710</b>	<b>2,956,694</b>
<b>Opening balance at 1 January 2015</b>	<b>1,807,045</b>	<b>-</b>	<b>298,376</b>	<b>(55,225)</b>	<b>555,270</b>	<b>2,605,466</b>
Profit for the period	-	-	11,001	-	-	11,001
<b>Other comprehensive income:</b>						
Items that may be reclassified subsequently to profit or loss:						
Foreign currency translation	-	-	-	-	154,027	154,027
Item that will not be reclassified subsequently to profit or loss:						
Fair value reserve on derivative	-	-	-	8,662	-	8,662
Total comprehensive income for the period	-	-	11,001	8,662	154,027	173,690
<b>Distribution to owners:</b>						
Dividends on ordinary shares	-	-	(261,097)	-	-	(261,097)
<b>Closing balance at 30 June 2015</b>	<b>1,807,045</b>	<b>-</b>	<b>48,280</b>	<b>(46,563)</b>	<b>709,297</b>	<b>2,518,059</b>

**1(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 issues of equity securities, issue of shares for cash or as 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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

As of 30 June 2016, the number of issued shares was 1,757,531,844 shares, of which 2,255,300 shares were held by the Company as treasury shares (30 June 2015: 1,757,531,844 issued shares, of which none were held as treasury shares).

	Company	
	As at	
	30-Jun-16	30-Jun-15
Number of shares held as treasury shares	2,255,300	-
Number of issued shares excluding treasury shares	1,755,276,544	1,757,531,844
<b>Total number of issued shares</b>	<b>1,757,531,844</b>	<b>1,757,531,844</b>

**1(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.**

The Company's total number of issued shares excluding treasury shares as at 30 June 2016 and 31 December 2015 were 1,755,276,544 shares.

**1(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.**

There were no treasury shares which were sold, transferred, disposed, cancelled or used in the current financial period.

**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The financial statements presented above have not been audited or reviewed by the Company's 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 Group has applied the same accounting policies and methods of computation in the preparation of the financial statements as at 31 December 2015, except for the new and revised standard that are effective for annual periods beginning on or after 1 January 2016.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Amendments to FRS 41 Agriculture – Bearer Plants

The Group adopted the amendments to FRS 41 with effect from January 2016. Under the amendments, biological assets that meet the definition of bearer plants will no longer be within the scope of FRS 41, instead bearer plants will be measured under FRS 16 – Property, Plant and Equipment at accumulated cost (before maturity) using the cost model (after maturity). However, the agricultural produce growing on bearer plants will remain within the scope of FRS 41 to be measured at fair value less costs to sell.

Based on its initial adoption on 1 January 2016, the Group's total assets decreased by approximately IDR 1.9 trillion with a corresponding decrease in total equity.

The Group has applied these amendments retrospectively; hence the financial statements of corresponding comparative period have been restated accordingly with the following impact:

Consolidated income statement	As previously reported 1H2015	Restated 1H2015
	IDR million	IDR million
Cost of sales	(2,046,601)	(2,153,859)
Profit before income tax	579,355	472,097
Income tax expense	(126,658)	(99,844)
Profit for the period	452,697	372,253
Profit for the period attributable to:		
Owners of the Company	398,662	327,820
Non-controlling interests	54,035	44,433

Consolidated statement of financial position	As previously reported 31-Dec-15	Restated 31-Dec-2015
	IDR million	IDR million
Biological assets	8,016,549	233,308
Bearer plants	-	5,251,488
Deferred tax assets	392,732	1,025,670
Retained earnings	5,515,407	3,809,290
Equity attributable to owners of the Company	6,935,290	5,229,173
Non-controlling interests	653,213	460,515

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends; (a) based on weighted average number of shares and (b) on fully diluted basis (detailing any adjustments made to the earnings)**

Earning per share for the period (weighted average number of shares)	2nd Quarter		1st Half	
	2016	2015 Restated	2016	2015 Restated
Based on weighted average number of share (in IDR)	61	100	192	187
Weighted number of shares	1,757,153,644	1,757,531,844	1,757,153,644	1,757,531,844

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**  
**(a) Current financial period reported on; and**  
**(b) Immediately preceding financial year.**

	Group		Company	
	30-Jun-16	31 Dec 2015 Restated	30-Jun-16	31 Dec 2015 Restated
Net asset value per share				
Net asset value per ordinary share (in IDR)	3,273	2,979	1,684	1,732
Number of issued shares *	1,755,276,544	1,755,276,544	1,755,276,544	1,755,276,544

\* excluding Treasury Shares

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 the following:
- 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
  - 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 INCOME STATEMENT

### Overview

For the second quarter of the year, the Group experienced challenging operating conditions which resulted in lower net profit compared to second quarter of prior year. Nevertheless, the Group still recorded net profit of IDR 387 billion for the half year period ended 30 June 2016 ("1H2016") as compared to IDR 372 billion in the corresponding period in 2015 ("1H2015").

### Revenue

The Group recorded revenue of IDR 2,865 billion in 1H2016 as compared to IDR 2,915 billion in 1H2015. The decrease in revenue was affected by lower average CPO selling price and lower production output during the current period.

Despite of the decrease in total revenue, sales of biodiesel during the period has improved and contributed approximately 5.0% to the Group's total revenue. Below is the breakdown of revenue during 2Q2016 and 1H2016 compared to the previous corresponding period.

Revenue	2Q2016	2Q2015	Change	1H2016	1H2015	Change
	IDR million	IDR million	(%)	IDR million	IDR million	(%)
CPO	1,117,615	1,414,429	-21.0%	2,370,058	2,603,257	-9.0%
PK	180,757	166,539	8.5%	357,167	311,632	14.6%
Biodiesel	78,150	-	n.m.	137,352	-	n.m.
Glycerin	220	288	-23.7%	332	288	15.1%
<b>Total</b>	<b>1,376,742</b>	<b>1,581,256</b>	<b>-12.9%</b>	<b>2,864,909</b>	<b>2,915,177</b>	<b>-1.7%</b>
<b>Volume</b>						
	2Q2016	2Q2015	Change	1H2016	1H2015	Change
	mt	mt	(%)	mt	mt	(%)
CPO	143,737	188,086	-23.6%	343,163	341,026	0.6%
PK	28,301	35,372	-20.0%	65,683	65,038	1.0%
Biodiesel	7,786	-	n.m.	14,786	-	n.m.
Glycerin	749	121	n.m.	1,167	121	n.m.
<b>Average sales prices</b>						
	2Q2016	2Q2015	Change	1H2016	1H2015	Change
	IDR / kg	IDR / kg	(%)	IDR / kg	IDR / kg	(%)
CPO	7,775	7,520	3.4%	6,907	7,634	-9.5%
PK	6,387	4,708	35.7%	5,438	4,792	13.5%
Biodiesel	10,037	-	n.m.	9,289	-	n.m.
Glycerin	294	2,375	n.m.	284	2,375	n.m.

n.m. – not meaningful

**Cost of Sales**

The Group's cost of sales comprised of palm oil and biodiesel costs. Palm oil costs mainly consist of costs in relation to plantation maintenance, harvesting, plantation overhead, depreciation and amortisation, milling, and fresh fruit bunches ("FFB") purchased externally (including plasma and third parties). While biodiesel costs mainly consists of processing and feed stock purchased costs.

In 1H2016, the Group recorded lower palm oil cost of sales compared to the previous corresponding period which was mainly attributable to efficiency programme.

However biodiesel cost increased was mainly due to improved production volume.

Higher cost of sales and lower revenue as explained above had resulted in the decrease of the Group's gross profit in 1H2016 to IDR 657 billion.

**Interest Income**

Interest income increased by 26.7% to IDR 85 billion in 1H2016 compared to previous corresponding period was mainly attributable to interest income earned from advances extended to the plasma farmers.

**Selling, general and administrative expenses**

Selling expenses comprised mainly transportation freight and loading expenses. Decrease in selling expense compared to the previous period was mainly attributable to better logistic management and decrease in fuel price during second quarter of current period.

General and administrative expenses increased mainly due to payment of Eid Fitr festive allowance during the current period while in prior year the payment was made in the third quarter of 2015.

**Foreign Exchange Gain/(Loss)**

The Group recorded net foreign exchange gain of IDR 46 billion in 1H2016 which was mainly due to translation gain on USD denominated borrowings in the Group's IDR financial statements as a result of the appreciation of IDR against USD during the current period.

**Other expenses**

Other expenses mainly consist of withholding tax expense on interest received by the Company from its subsidiaries.

### **Share of loss of associate companies**

Share of loss of associate companies amounting to IDR 16 billion in 1H2016 was due to share of losses from the Group's associate companies namely, PT Sawit Nabati Agro and PT Berkat Agro Sawitindo Group of companies ("SNA Group").

Lower share of loss during the period was mainly due to improvement in foreign exchange translation as a result of the appreciation of IDR against USD during the current period.

At present, SNA mill and its supply base are not Roundtable on Sustainable Palm Oil ("RSPO") certified. However, they will undergo RSPO certification from year 2018 onward as per their own sustainability programme. The IOI's RSPO certification suspension has no effect on SNA's revenue and profitability.

### **Income tax expense**

The Group recorded an increase to IDR 108 billion in 1H2016 compared to IDR 100 billion in 1H2015. The changes in the income tax expense was in line with the higher profits recorded by the Group.

## REVIEW OF STATEMENT OF FINANCIAL POSITION

### Non-Current Assets

As at 30 June 2016, the Group's total non-current assets increased by IDR 982 billion from IDR 11,389 billion to IDR 12,371 billion, was mainly due to:

- a) Bearer plants increased by IDR 609 billion to IDR 5,861 billion as at 30 June 2016 was mainly due to acquisition of some subsidiaries during the period, namely PT Sukses Manunggal Sawitindo and PT Langgeng Makmur Sejahtera.
- b) Plasma receivables increased by IDR 153 billion to IDR 866 billion as at 30 June 2016 was mainly due to increase in advances given to the plasma farmers with respect to maintenance cost of immature plantation and the development/acquisition of new plasma plantation.
- c) Land use rights increased by IDR 91 billion to IDR 706 billion as at 30 June 2016 was mainly attributable to acquisition of land bank in current period.
- d) Property, plant and equipment ("PPE") increased by IDR 73 billion to IDR 3,318 billion as at 30 June 2016 was mainly attributable to the purchase of machineries, vehicles and heavy equipment, and construction of infrastructure. Moreover, acquisition of new subsidiaries during the period has also contributed to the increase of the Group's PPE.

### Current Assets

As at 30 June 2016, the Group's total current assets decreased from IDR 3,056 billion to IDR 2,230 billion. Save for the decrease in cash and cash equivalents which was explained in the cash flow section below, the net decrease in the current assets was mainly due to:

- a) Biological assets amounted to IDR 225 billion as at 30 June 2016 comprised of agricultural produce growing on the bearer plants as in accordance with the implementation of new FRS 41 in current year.
- b) Inventory decreased by IDR 230 billion to IDR 421 billion as at 30 June 2016. The decrease was mainly due to decrease in finished goods (CPO and PK) as a result of lower production during the period. The inventory turnover days for both CPO and PK as at 30 June 2016 was 15 days compared to 23 days as at 31 December 2015.
- c) Trade and other receivables decreased by IDR 349 billion to IDR 249 billion was mainly attributable to repayment of other receivables.
- d) Due from related companies decreased by IDR 116 billion to IDR 43 billion as at 30 June 2016 was mainly attributable to reclassification of loan of PT Sukses Manunggal Sawitindo.
- e) Prepayment and advances decreased by IDR 64 billion to IDR 16 billion as at 30 June 2016 was mainly due to settlement of advance related to acquisition of PT Langgeng Makmur Sejahtera in current period.

Above decreases in current assets were partially compensated against the following:

- f) Current portion of plasma receivables increased by IDR 163 billion to IDR 589 billion as at 30 June 2016 compared to 31 December 2015. This was mainly attributable to advances given to the plasma farmers which expected to be refinanced to the banks within the next 12 months.
- g) Prepaid taxes increased by IDR 144 billion to IDR 445 billion as at 30 June 2016 was mainly attributable to input VAT for purchases of machineries, equipment, and spare parts related to the construction and extension of mills, claim for tax refund, and final tax paid in regards with revaluation of some of the Group's assets based on regulation issued by the Indonesian Ministry of Finance.

### **Current Liabilities**

Decrease in current liabilities by IDR 838 billion to IDR 2,438 billion as at 30 June 2016 was mainly due to:

- a) Loan and borrowings decreased by IDR 734 billion due to repayment of IDR bank loan during the period and also due to extension of revolving loan credit facility ("RCF") agreements from some banks with 2 years tenure.
- b) Trade and other payables which was mainly comprise of payables related to purchase of fertiliser, chemical, and mill construction projects decreased by IDR 153 billion to IDR 782 billion as at 30 June 2016.

### **Non-Current Liabilities**

As at 30 June 2016, the Group's total non-current liabilities increased from IDR 5,479 billion to IDR 5,845 billion. This was mainly due to reclassification of loan and borrowings as resulted by extension of loan agreement with 2 year tenure from some banks.

The increase in non-current liabilities was partially offset with the decrease in derivative financial liabilities to IDR 841 billion as a result of mark-to-market of cross currency swap of IMTN as at 30 June 2016. The impact will be reversed when the IMTN is due.

## **REVIEW OF STATEMENT OF CASH FLOW**

The Group reported a net decrease in cash and cash equivalents of IDR 363 billion as at 30 June 2016, bringing the cash and bank balances to IDR 235 billion, which was mainly attributable to the following:

- In 1H2016, the Group generated cash of IDR 632 billion compared to IDR 500 billion in 1H2015. The increase was mainly due to higher cash collection from customers as well as lower payment for corporate income taxes during the period.
- Net cash used in investing activities of IDR 713 billion in 1H2016 was mainly comprised of acquisition in property, plant and equipment, bearer plants, land rights and acquisition of subsidiaries, as well as advances given to plasma farmers. The decrease was mainly due to slower expansion during the current period.
- Net cash used in financing activities of IDR 281 billion in 1H2016 compared to net cash generated from financing activities of IDR 1,086 billion in 1H2015 was mainly due to lower proceed from loan of IDR 67 billion or equals to USD 5 million from a new RCF loan during current period.

- 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.**

Palm oil prices will continue to be affected by slowing global economy. Therefore the Group will continue to focus on yield and productivity improvement as well as cost management. After suffering from low production during the first half of this year due to severe drought last year, we expect our production to start to recover in the second half of this year.

- 11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

Not applicable.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

Not applicable.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

- 12. If no dividend has been declared/recommendeded, a statement to that effect.**

Not applicable.



**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 interested person transactions ("IPT") for 1H2016:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual during the financial year under review (excluding transactions less than S\$100,000)
	in IDR million	in IDR million
Mr Gunardi Hariyanto Lim	1,200 <sup>(1)</sup>	-
IOI Corporation Berhad	-	42,096 <sup>(2)</sup>
PT Lima Srikandi Jaya	3,300 <sup>(3)</sup>	-
<b>TOTAL</b>	<b>4,500</b>	<b>42,096</b>

Notes:

*\*For illustrative purpose the aggregate value of all interested person transactions, conducted under the Shareholders' Mandate during the financial year under review using the current period closing rate*

- (1) *In respect of the aggregate rent paid by the Group to Mr. Gunardi Hariyanto Lim for office space in Indonesia pursuant to the lease agreement between Mr. Gunardi Hariyanto Lim and PT Bumitama Gunajaya Agro.*
- (2) *In respect of transactions conducted pursuant to the Shareholders' Mandate for Transactions with IOI Corporation and its Associates (as described in the Prospectus).*
- (3) *In respect of the rental agreement of vessels transactions involving PT Lima Srikandi Jaya which is one of the subsidiaries of Harita Group. Harita Group is owned by Lim family and also one of the Company's controlling shareholders.*

**14. Undertaking Confirmation Statement from all its directors and executive officers under Rule 720(1)**

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.

**15. Negative Assurance Confirmation Statement**

We, Lim Gunawan Hariyanto (Executive Chairman and CEO) and Tan Boon Hoo (Lead Independent Director) of Bumitama Agri Ltd. (“the Company”), confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render these unaudited interim financial results for the second quarter and half year ended 30 June 2016 to be false or misleading in any material aspect.

**For and on behalf of the Board of Directors**

**Lim Gunawan Hariyanto**  
Executive Chairman and CEO  
5 August 2016

**Tan Boon Hoo**  
Lead Independent Director