



BUMITAMA AGRI LTD.

Unaudited Financial Statements for the Third Quarter ("3Q") and Nine Months ("9M") Ended 30 September 2014

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

	Group					
	3rd Quarter			9 Months		
	2014 IDR million	2013 IDR million	Change (%)	2014 IDR million	2013 IDR million	Change (%)
Revenue	1,366,150	905,933	50.8%	4,187,403	2,763,714	51.5%
Cost of sales	(756,138)	(569,848)	32.7%	(2,401,161)	(1,748,473)	37.3%
Gross profit	610,012	336,085	81.5%	1,786,242	1,015,241	75.9%
Interest Income	16,006	3,576	347.6%	41,926	18,515	126.4%
Selling expense	(42,959)	(26,796)	60.3%	(119,710)	(76,322)	56.8%
General and administrative expense	(58,636)	(29,400)	99.4%	(162,066)	(123,780)	30.9%
Finance cost	(32,034)	(11,004)	191.1%	(83,466)	(44,885)	86.0%
Foreign exchange loss	(13,923)	(19,118)	-27.2%	(67,494)	(33,729)	100.1%
Other expenses	(19,131)	(6,379)	199.9%	(42,709)	(26,373)	61.9%
Other income	1,005	7,161	-86.0%	13,187	10,171	29.7%
Share of loss of associate companies	(4,853)	(6,428)	-24.5%	(14,690)	(12,075)	21.7%
Profit before income tax	455,487	247,697	83.9%	1,351,220	726,763	85.9%
Income tax expense	(116,469)	(41,722)	179.2%	(313,164)	(161,179)	94.3%
Profit for the period	339,018	205,975	64.6%	1,038,056	565,584	83.5%
Attributable to:						
Owners of the Company	285,406	168,778	69.1%	886,577	475,014	86.6%
Non-controlling interests	53,612	37,197	44.1%	151,479	90,570	67.3%
	339,018	205,975	64.6%	1,038,056	565,584	83.5%

Additional Information

	Group					
	3rd Quarter			9 Months		
	2014 IDR million	2013 IDR million	Change (%)	2014 IDR million	2013 IDR million	Change (%)
Profit before income tax	455,487	247,697	83.9%	1,351,220	726,763	85.9%
Depreciation and amortisation	42,777	31,431	36.1%	122,644	84,528	45.1%
Foreign Exchange loss	13,923	19,118	-27.2%	67,494	33,729	100.1%
Interest expense	32,034	11,004	191.1%	83,466	44,885	86.0%
Interest income	(16,006)	(3,576)	347.6%	(41,926)	(18,515)	126.4%
Withholding tax expense on dividend (in Other expenses)	-	-	0.0%	22,007	15,657	40.6%
EBITDA	528,215	305,674	72.8%	1,604,905	887,047	80.9%

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

	Group					
	3rd Quarter			9 Months		
	2014 IDR million	2013 IDR million	Change (%)	2014 IDR million	2013 IDR million	Change (%)
Statement of comprehensive income:						
Profit for the period/year	339,018	205,975	64.6%	1,038,056	565,584	83.5%
Other comprehensive income						
Item that may be reclassified subsequently to profit or loss:						
Foreign currency translation	(45,552)	16,863	n.m.	(10,588)	27,904	n.m.
Fair value reserve on derivative	(96,164)	-	-100.0%	(86,797)	-	-100.0%
Re-measurement gain on defined benefit plans	-	(7,155)	-100.0%	-	(7,155)	-100.0%
Other comprehensive income for the period/year, net of tax	(141,716)	9,708	n.m.	(97,385)	20,749	n.m.
Total comprehensive income for the period/year	197,302	215,683	-8.5%	940,671	586,333	60.4%
Attributable to:						
Owners of the Company	157,668	178,486	-11.7%	801,858	495,763	61.7%
Non-controlling interests	39,634	37,197	6.6%	138,813	90,570	53.3%
	197,302	215,683	-8.5%	940,671	586,333	60.4%

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-Sep-14	31-Dec-13	30-Sep-14	31-Dec-13
	IDR million	IDR million	IDR million	IDR million
ASSETS				
Non-current assets				
Biological assets	7,277,865	6,758,331	-	-
Plasma receivables	612,119	612,756	-	-
Property, plant and equipment	2,457,963	2,092,508	102	541
Land use rights	429,970	403,684	-	-
Investment in subsidiaries	-	-	396,021	386,521
Investment in associate companies	85,044	108,061	129,145	123,894
Intangible assets	178,720	180,073	-	-
Deferred tax assets	192,175	121,957	-	-
Deferred Charges/other receivable	10,045	10,023	23,631	11,654
Due from subsidiaries	-	-	7,821,336	3,529,563
Loan to an associate company	276,996	228,562	276,996	228,562
Tax refundable	6,036	25,330	-	-
Total Non-current assets	11,526,933	10,541,285	8,647,231	4,280,735
Current assets				
Inventories	653,165	378,559	-	-
Deferred charges	6,377	13,274	-	5,449
Trade and other receivables	159,040	101,810	-	-
Due from related companies	122,987	141,183	-	-
Due from subsidiaries	-	-	278,434	1,938,051
Prepayments and advances	276,716	118,392	237	215
Prepaid taxes	77,557	67,140	83	50
Cash and short-term deposits	2,748,123	482,118	10,938	19,318
Total Current assets	4,043,965	1,302,476	289,692	1,963,083
Total Assets	15,570,898	11,843,761	8,936,923	6,243,818
Current liabilities				
Loans and borrowings	633,756	558,758	423,756	353,481
Lease payables	-	193	-	-
Trade and other payables	691,144	508,117	-	-
Accrued operating expenses	106,410	95,517	26,987	13,630
Sales advances	351,265	263,469	-	-
Income taxes payable	196,934	57,276	20,096	2,644
Total Current liabilities	1,979,509	1,483,330	470,839	369,755
Non-current liabilities				
Deferred tax liabilities	600,187	626,457	-	-
Amount due to subsidiaries	-	-	-	188,779
Loans and borrowings	2,386,509	3,584,903	2,255,059	3,308,659
Islamic medium term notes	3,718,067	-	3,718,067	-
Post employment benefits	8,481	8,481	-	-
Derivative financial liabilities	86,797	-	86,797	-
Total Non-current liabilities	6,800,041	4,219,841	6,059,923	3,497,438
Total Liabilities	8,779,550	5,703,171	6,530,762	3,867,193
Net Assets	6,791,348	6,140,590	2,406,161	2,376,625
Equity attributable to owners of the Company				
Share capital	1,807,045	1,807,045	1,807,045	1,807,045
Other reserves	(259,069)	(184,938)	(86,797)	-
Retained earnings	4,631,237	3,955,971	165,537	63,120
Foreign currency translation reserve	41,097	51,685	520,376	506,460
	6,220,310	5,629,763	2,406,161	2,376,625
Non-controlling interests	571,038	510,827	-	-
Total equity	6,791,348	6,140,590	2,406,161	2,376,625

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

	30 Sept 2014 IDR Million	31 Dec 2013 IDR Million
Amount due within one year		
Secured	210,000	205,470
Unsecured	423,756	353,481
Total	633,756	558,951
Amount due more than one year		
Secured	170,946	328,291
Unsecured	5,933,630	3,256,612
Total	6,104,576	3,584,903

Details of any collateral

The unsecured borrowings contained 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	3rd Quarter		9 Months	
	2014	2013	2014	2013
	IDR million	IDR million	IDR million	IDR million
Cash flows from operating activities				
Cash receipts from customers	1,355,707	967,348	4,255,905	2,815,249
Cash payments to suppliers, employees and for other operating expenses	(891,662)	(824,383)	(2,796,071)	(2,040,497)
Corporate income tax paid	(61,486)	(57,458)	(188,571)	(210,199)
Net cash flows generated from operating activities	402,559	85,507	1,271,263	564,553
Cash flows from investing activities				
Decrease/(increase) in plasma receivables	(57,265)	(133,260)	17,149	(280,982)
Investment in associate companies	-	1,746	-	1,746
Investment in intangible assets	-	(843)	-	(2,327)
Investment in biological assets	(114,695)	(67,880)	(498,490)	(571,064)
Investment in property, plant and equipment	(253,016)	(105,681)	(512,906)	(358,422)
Investment in land use rights	(9,204)	(60,782)	(26,286)	(74,267)
Advance for acquisition of subsidiaries	-	(1,825)	-	(9,709)
Acquisition of subsidiary	-	-	-	(196,007)
Interest received	16,006	3,575	41,926	18,515
Net cash flows used in investing activities	(418,174)	(364,950)	(978,607)	(1,472,517)
Cash flows from financing activities				
Proceeds from loans and borrowings	-	447,300	-	1,482,950
Repayment of loan and borrowings	(876,387)	(441,037)	(1,137,836)	(561,000)
Proceeds from issuance of Islamic medium term notes	1,852,838	-	3,579,503	-
Decrease/(Increase) in amount due from related companies	10,787	(81,021)	(74,229)	(139,668)
Repayment of obligation under finance leases	-	(750)	(193)	-
Payment of dividend	(43,349)	-	(290,413)	(183,320)
Contribution from non-controlling interests	-	-	-	3,000
Interest paid	(31,218)	(109,822)	(100,920)	(178,161)
Net cash flows generated from/(used in) financing activities	912,671	(185,330)	1,975,912	423,800
Net increase/(decrease) in cash and cash equivalents	897,056	(464,773)	2,268,568	(484,164)
Effect of exchange rate changes on cash and cash equivalents	(23,227)	14,925	(2,563)	18,003
Cash and cash equivalents at beginning of period/year	1,874,294	870,450	482,118	886,763
Cash and cash equivalents at end of period/year	2,748,123	420,602	2,748,123	420,602

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:	3rd Quarter		9 Months	
	2014	2013	2014	2013
	IDR million	IDR million	IDR million	IDR million
Profit before income tax	455,487	247,697	1,351,220	726,763
Depreciation and amortisation	42,777	31,431	122,644	84,528
Finance cost	32,034	24,926	83,466	44,885
Finance income	(16,006)	(3,576)	(41,926)	(18,515)
Post employment benefits	-	2,381	-	2,534
Unrealized foreign exchange loss	8,976	40,311	73,613	65,062
Share of loss of associate companies	4,853	6,428	14,690	12,075
Operating cash flows before working capital changes	528,121	349,598	1,603,707	917,332
Decrease/(increase) in:				
- Trade and other receivables	(8,628)	(35,886)	(13,238)	(34,922)
- Inventories	(97,791)	(42,354)	(274,607)	(137,069)
- Prepaid taxes	(20,605)	(19,426)	(10,417)	(24,732)
- Prepayments and advances	(99,874)	7,547	(158,325)	(6,378)
- Deferred charges	(462)	681	(3,360)	(263)
- Tax refundable	-	-	19,294	2
(Decrease)/increase in:				
- Trade and other payables	142,218	(192,452)	183,027	18,061
- Accrued operating expenses	(2,471)	(5,389)	10,893	3,182
- Tax payable	14,360	13,107	15,065	(10,903)
- Sales advances	9,177	67,539	87,795	50,442
Cash flows generated from operations	464,045	142,965	1,459,834	774,752
Corporate income tax paid	(61,486)	(57,458)	(188,571)	(210,199)
Net cash flows generated from operating activities	402,559	85,507	1,271,263	564,553

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	Retained earnings	Other reserves	Foreign currency translation reserve	Total share capital and reserves		
	IDR million	IDR million	IDR million	IDR million	IDR million		
Opening balance at 1 January 2014	1,807,045	3,955,971	(184,938)	51,685	5,629,763	510,827	6,140,590
Profit for the period	-	886,577	-	-	886,577	151,479	1,038,056
Other comprehensive income:							
Items that may be reclassified subsequently to profit or loss:							
Foreign currency translation	-	-	-	(10,588)	(10,588)	-	(10,588)
Fair value reserve on derivative	-	-	(74,131)	-	(74,131)	(12,666)	(86,797)
Total comprehensive income for the period	-	886,577	(74,131)	(10,588)	801,858	138,813	940,671
Distribution to owners:							
Contribution from non-controlling interests	-	-	-	-	-	500	500
Dividends on ordinary shares	-	(211,311)	-	-	(211,311)	(79,102)	(290,413)
Closing balance at 30 September 2014	1,807,045	4,631,237	(259,069)	41,097	6,220,310	571,038	6,791,348
Opening balance at 1 January 2013	1,807,045	3,263,328	(184,938)	2,967	4,888,402	398,660	5,287,062
Profit for the period	-	475,014	-	-	475,014	90,570	565,584
Other comprehensive income:							
Items that may be reclassified subsequently to profit or loss:							
Foreign currency translation	-	-	-	27,904	27,904	-	27,904
Re-measurement on defined benefit plan	-	(7,155)	-	-	(7,155)	-	(7,155)
Total comprehensive income for the period	-	467,859	-	27,904	495,763	90,570	586,333
Distribution to owners:							
Contribution from non-controlling interests	-	-	-	-	-	3,000	3,000
Dividends on ordinary shares	-	(166,211)	-	-	(166,211)	(17,109)	(183,320)
Closing balance at 30 September 2013	1,807,045	3,564,976	(184,938)	30,871	5,217,954	475,121	5,693,075

Company	----- Attributable to owners of the Company -----				
	Share capital	Retained earnings	Other reserves	Foreign currency translation reserves	Total share capital and reserves
	IDR million	IDR million	IDR million	IDR million	IDR million
Opening balance at 1 January 2014	1,807,045	63,120	-	506,460	2,376,625
Profit for the period	-	313,728	-	-	313,728
Other comprehensive income:					
Items that may be reclassified subsequently to profit or loss:					
Foreign currency translation	-	-	-	13,916	13,916
Fair value reserve on derivative	-	-	(86,797)	-	(86,797)
Total comprehensive income for the period	-	313,728	(86,797)	13,916	240,847
Distribution to owners:					
Dividends on ordinary shares	-	(211,311)	-	-	(211,311)
Closing balance at 30 September 2014	1,807,045	165,537	(86,797)	520,376	2,406,161
Opening balance at 1 January 2013	1,807,045	46,805	-	103,757	1,957,607
Profit for the period	-	149,768	-	-	149,768
Other comprehensive income:					
Items that may be reclassified subsequently to profit or loss:					
Foreign currency translation	-	-	-	286,136	286,136
Total comprehensive income for the period	-	149,768	-	286,136	435,904
Distribution to owners:					
Dividends on ordinary shares	-	(166,211)	-	-	(166,211)
Closing balance at 30 September 2013	1,807,045	30,362	-	389,893	2,227,300

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.

There is no change to the Company's issued and paid up share capital in the three months period ended 30 September 2014.

There are no treasury shares and the Company does not have shares that may be issued on conversion of any outstanding convertibles as at 30 September 2014 and 30 September 2013.

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 (the Company did not hold any treasury shares) as at 30 September 2014 and 31 December 2013 were 1,757,531,844 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.

Not Applicable.

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 2013 except for the new and revised standards that are effective for annual periods beginning as of 1 January 2014. The adoption of these new standards has no significant impact to the Group's consolidated financial statements.

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.

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 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)	3rd Quarter		9 Months	
	2014	2013	2014	2013
(a) based on weighted average number of share (in IDR)	162	96	504	270
(b) based on a fully diluted basis	-	-	-	-
Weighted number of shares	1,757,531,844	1,757,531,844	1,757,531,844	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.

Net asset value per share	Group		Company	
	30-Sep-14	31-Dec-13	30-Sep-14	31-Dec-13
Net asset value per ordinary share (in IDR)	3,864	3,494	1,369	1,352
Number of issued shares	1,757,531,844	1,757,531,844	1,757,531,844	1,757,531,844

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:

(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 INCOME STATEMENT

Overview

During the third quarter of 2014 ("3Q2014") and nine months of 2014 ("9M2014"), the Group recorded an increase in net profit after tax of 64.6% to IDR 339 billion and 83.5% to IDR 1,038 billion respectively. The improved net profit was the result of higher selling price and sales volume of both Crude Palm Oil ("CPO") and Palm Kernel ("PK") compared to the previous corresponding period.

Revenue

Revenue increased by 50.8% to IDR 1,366 billion in 3Q2014 and by 51.5% to IDR 4,187 billion in 9M2014, compared to the previous corresponding period. This was attributable to an increase in selling price and increases in aggregate sales volume of CPO and PK by 17.4% and 9.6% respectively.

Revenue	3rd Quarter			9 Months		
	2014	2013	Change	2014	2013	Change
	IDR million	IDR million	(%)	IDR million	IDR million	(%)
CPO	1,242,692	823,909	50.8%	3,763,848	2,554,348	47.4%
PK	123,458	82,024	50.5%	423,555	209,366	102.3%
Total	1,366,150	905,933	50.8%	4,187,403	2,763,714	51.5%
Volume	2014	2013	Change	2014	2013	Change
	mt	mt	(%)	mt	mt	(%)
CPO	152,666	114,828	33.0%	440,831	375,470	17.4%
PK	26,650	25,987	2.6%	80,210	73,175	9.6%
Average sales prices	2014	2013	Change	2014	2013	Change
	IDR / kg	IDR / kg	(%)	IDR / kg	IDR / kg	(%)
CPO	8,140	7,175	13.4%	8,538	6,803	25.5%
PK	4,633	3,156	46.8%	5,281	2,861	84.6%

Cost of Sales

Cost of sales comprised mainly costs in relation to plantation maintenance, harvesting, plantation overhead, depreciation and amortisation, processing, and fresh fruit bunches ("FFB") purchased externally (including plasma and third parties).

The Group's cost of sales increased by 32.7% to IDR 756 billion in 3Q2014 and by 37.3% to IDR 2,401 billion in 9M2014 compared to the previous corresponding period. The increase was mainly due to higher production volume and the higher purchase price of FFB from plasma and third parties.

Cost of Sales per kg CPO in 3Q2014 slightly decreased by 0.2% but increased by 17.0% for 9M2014 compared to the previous corresponding period (3Q2014: IDR 4,953/kg CPO; 3Q2013: IDR 4,963/kg CPO; 9M2014: IDR 5,447/kg CPO; 9M2013: IDR 4,657/kg CPO).

Gross Profit

Gross profit increased by 81.5% to IDR 610 billion for 3Q2014 and 75.9% to IDR 1,786 billion for 9M2014 mainly due to increase in selling price and sales volume of both CPO and PK during the period.

Interest Income

Interest income increased by 347.6% to IDR 16 billion in 3Q2014 and by 126.4% to IDR 42 billion in 9M2014, as a result of higher average cash and short-term deposits during the period.

Selling Expenses

Selling expenses increased by 60.3% to IDR 43 billion in 3Q2014 and 56.8% to IDR 120 billion in 9M2014. The increase in selling expenses was mainly due to increases in sales volume, higher average freight cost compared to the previous corresponding period, and higher volume of PK sales transaction with CIF (cost, insurance and freight) term which has higher freight cost.

General and Administration Expenses

General and administrative expenses increased by 99.4% to IDR 59 billion in 3Q2014 and 30.9% to IDR 162 billion in 9M2014. Increase in general and administrative expenses was mainly due to increase in salaries & employee benefits and office expenses as a result of an increase in head counts, increase in professional fees, and increase in insurance premium tariffs.

Finance Cost

Finance cost increased by 191.1% to IDR 32 billion in 3Q2014 and 86.0% to IDR 83 billion in 9M2014. This was mainly due to higher borrowings from the issuance of Malaysian Ringgit Islamic Medium Term Notes ("IMTN") during the period.

Foreign Exchange Loss

In 3Q2014, the Group recorded a net foreign exchange loss of IDR 14 billion compared to a net loss of IDR 19 billion in 3Q2013. For 9M2014, the Group recorded a net foreign exchange loss of IDR 67 billion compared to a net loss of IDR 34 billion in 9M2013 which was mainly due to translation losses on USD denominated borrowings as a result of the depreciation of IDR to USD during the period.

Other expenses

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

Other income

Other income amounting to IDR 1 billion in 3Q2014 and IDR 13 billion in 9M2014 was attributable mainly to refund of interest of Value Added Tax – In ("VAT – In") restitution received by one of the Group's subsidiaries in the current year.

Income Tax Expense

The Group recorded an increase in income tax expense to IDR 116 billion in 3Q2014 compared to IDR 42 billion in 3Q2013, and an increase to IDR 313 billion in 9M2014 compared to IDR 161 billion in 9M2013. The increase was as a result of the increase in profit before tax.

Share of loss of associate companies

Share of loss of associate companies amounting to IDR 15 billion in 9M2014 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"), which are considered young oil palm plantations whose yields are low.

REVIEW OF STATEMENT OF FINANCIAL POSITION

Non-Current Assets

As of 30 September 2014, the Group's total non-current assets increased from IDR 10,541 billion to IDR 11,527 billion, mainly due to:

- a) Biological assets which amounted to IDR 7,278 billion as at 30 September 2014, comprised maintenance of immature plantation, seeds procurement, and capitalisation of financing related costs.
- b) Property, plant and equipment increased by IDR 365 billion to IDR 2,458 billion as at 30 September 2014 compared to 31 December 2013. This was mainly attributable to the construction of palm oil mills, purchase of machineries and vehicles & heavy equipments.
- c) Investment in associate companies amounted to IDR 85 billion representing the Group's investment of 28% ownership in SNA Group. Movement in the balance was mainly due to share of loss of the associate companies during the period.

The increases in non-current assets were partially offset against the following:

- d) Tax refundable decreased by IDR 19 billion to IDR 6 billion as at 30 September 2014 compared to 31 December 2013. This was mainly attributable to the refund of Value Added Tax – In restitution received by one of the Group's subsidiaries amounting to IDR 19 billion during the beginning of the year.

Current Assets

As at 30 September 2014 the Group's total current assets increased from IDR 1,302 billion to IDR 4,044 billion. Save for the increase in cash and cash equivalents which was explained in the cash flow section below, the net increase in the current assets was mainly due to:

- a) Increase in inventories by IDR 275 billion to IDR 653 billion. This increase was mainly due to delivery of fertiliser for application in second half of the year, increase in finished goods (CPO and PK) as a result of increase in production, increase in spare parts, material, and equipment related to construction of new mills, higher fuel and oil due to usage for the new mills. The inventory turnover days for both CPO and PK as at 30 September 2014 was 25 days.
- b) Trade and other receivables increased by IDR 57 billion to IDR 159 billion which was mainly due to increase in sales volume with CIF term.
- c) Prepayment and advances increased by IDR 158 billion to IDR 277 billion as at 30 September 2014 mainly due to construction of new mills, advances for biodiesel project, and purchase of heavy equipments and machineries.

Current and Non-Current Liabilities

Increase in liabilities by IDR 3,076 billion to IDR 8,780 billion as at 30 September 2014 was mainly due to the issuance of Malaysian Ringgit IMTN during the year which was used mainly for repayment of bank loans.

On 2 September 2014, the Company issued a second tranche of the Malaysian Ringgit IMTN amounting to MYR 500 million for a 5-year tenure and profit sharing (coupon) of 5.00% per annum. The second issuance of the Malaysian Ringgit IMTN was then swapped to US Dollar with the coupon of 6-month LIBOR + 1.81% per annum.

REVIEW OF STATEMENT OF CASH FLOW

The Group reported a net increase in cash and cash equivalents of IDR 2,269 billion in 9M2014, bringing the cash and bank balances to IDR 2,748 billion as at 30 September 2014, which was mainly attributable to the following:

- In 3Q2014, the Group generated cash of IDR 403 billion from its operating activities compared to IDR 86 billion in 3Q2013. In 9M2014, the Group generated cash of IDR 1,271 billion from its operating activities compared to IDR 565 billion in 9M2013. The increase was mainly due to higher cash collection resulted from higher revenue in 3Q2014 and 9M2014 compared to the same period in prior year.
- Net cash used in investing activities was IDR 418 billion in 3Q2014 compared to IDR 365 billion in 3Q2013. In 9M2014, the Group reported net cash used in investing activities of IDR 979 billion compared to IDR 1,473 billion in 9M2013. The decrease in net cash used was mainly due to lower planting activities during the year. Net cash used in investing activities also comprised acquisitions of property, plant and equipment (which were mainly related to construction of new CPO mills and infrastructures).
- In 3Q2014, the Group reported net cash generated from financing activities of IDR 913 billion compared to net cash used of IDR 185 billion in 3Q2013. The increase was mainly due to proceeds from the second issuance of IMTN in September 2014 and this was partially netted off with the repayment of bank loans. In 9M2014, the Group reported net cash flow generated from financing activities of IDR 1,976 billion compared to IDR 424 billion in 9M2013. The increase was mainly due to proceeds from issuance of IMTN during the year amounting to IDR 3,580 billion and partially netted off with the repayment of bank loans, interim dividend payment, and interest payment where part of the interest was capitalised to immature plantations.

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.

The Group remains positive on the longer term outlook given the strong fundamental of palm oil which is supported by growing demand for edible oils in emerging market and the substitute and alternative usage of palm oil.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No.

(c) Date payable

Not Applicable.

(d) Books closure date

Not Applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared or recommended for the current financial period.

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 9M2014:

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	1,800 ⁽⁶⁾	-
Goldwood Investment Ltd	1,342 ⁽⁷⁾	-
PT Sawit Nabati Agro	-	2,353 ⁽¹⁾
PT Gemilang Makmur Subur (formerly PT GY Plantation Indonesia)	-	3,364 ⁽²⁾
IOI Corporation Berhad	-	29,637 ⁽³⁾
PT Gunajaya Harapan Lestari	879 ⁽⁸⁾	113,618 ⁽⁴⁾
PT Lima Srikandi Jaya	6,750 ⁽⁵⁾	-
TOTAL	11,231	148,512

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 closing rate IDR 9,585: SGD 1.00

- (1) PT Sawit Nabati Agro is the Group's associated companies which is controlled by IOI Corporation.
- (2) PT Gemilang Makmur Subur (formerly known as PT GY Plantation Indonesia) is an associate of Dr. Lim Hariyanto Wijaya Sarwono and Mr. Lim Gunawan Hariyanto, each a controlling shareholder of the Company. The shareholders' mandate in respect of transactions with PT Gemilang Makmur Subur had ceased with effect from 31 July 2014 due to the termination of the GY Cooperation Agreement (as announced via SGXNet on 07 August 2014).
- (3) In respect of transactions conducted pursuant to the Shareholders' Mandate for Transactions with IOI Corporation and its Associates (as described in the Prospectus).
- (4) In respect of the loan extended by the Group to PT Gunajaya Harapan Lestari for the repayment by PT Gunajaya Harapan Lestari of its outstanding bank loan. The shareholders' mandate in respect of transactions with PT Gunajaya Harapan Lestari had ceased with effect from 31 July 2014 due to the termination of the GHL Cooperation Agreement (as announced via SGXNet on 07 August 2014).
- (5) In respect of the rental agreement of vessels and tugboat 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.
- (6) 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.
- (7) In respect of the aggregate rent paid by the Group to Goldwood Investments Ltd for office space in Singapore pursuant to the lease agreement between Goldwood Investments Ltd and the Company.
- (8) In respect of the purchase of FFB third parties and loan extended by the Group to PT Gunajaya Harapan Lestari.

14. Negative Assurance Confirmation Statement

We, Lim Gunawan Hariyanto and Tan Boon Hoo, Executive Chairman and CEO and 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 third quarter and nine months period ended 30 September 2014 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
12 November 2014

Tan Boon Hoo
Lead Independent Director