



## BUMITAMA AGRI LTD.

### Unaudited Financial Statements for the Second Quarter ("2Q") and First Half ("1H") Ended 30 June 2017

#### 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		
	2017 IDR million	2016 IDR million	Change (%)	2017 IDR million	2016 IDR million	Change (%)
<b>Revenue</b>	1,920,419	1,376,742	39.5%	4,014,770	2,864,909	40.1%
Cost of sales	(1,358,304)	(1,132,783)	19.9%	(2,915,864)	(2,208,103)	32.1%
<b>Gross profit</b>	<b>562,115</b>	<b>243,959</b>	<b>130.4%</b>	<b>1,098,906</b>	<b>656,806</b>	<b>67.3%</b>
Interest Income	31,965	33,139	-3.5%	67,761	85,011	-20.3%
Selling expense	(32,392)	(26,995)	20.0%	(80,909)	(77,447)	4.5%
General and administrative expense	(49,322)	(43,700)	12.9%	(129,673)	(111,426)	16.4%
Finance cost	(41,283)	(42,321)	-2.5%	(78,925)	(84,816)	-6.9%
Foreign exchange gain / (loss)	784	(3,483)	n.m.	12,078	45,618	-73.5%
Other expenses	(5,710)	(4,561)	25.2%	(14,663)	(11,749)	24.8%
Other income	161	7,643	-97.9%	6,708	8,742	-23.3%
Share of loss of associate companies	-	(5,010)	-100.0%	(2,285)	(16,090)	-85.8%
<b>Profit before income tax</b>	<b>466,318</b>	<b>158,671</b>	<b>193.9%</b>	<b>878,998</b>	<b>494,649</b>	<b>77.7%</b>
Income tax expense	(129,209)	(33,978)	280.3%	(219,727)	(107,640)	104.1%
<b>Profit for the period</b>	<b>337,109</b>	<b>124,693</b>	<b>170.4%</b>	<b>659,271</b>	<b>387,009</b>	<b>70.4%</b>
<b>Attributable to:</b>						
Owners of the Company	285,041	107,649	164.8%	563,484	337,085	67.2%
Non-controlling interests	52,068	17,044	205.5%	95,787	49,924	91.9%
	<b>337,109</b>	<b>124,693</b>	<b>170.4%</b>	<b>659,271</b>	<b>387,009</b>	<b>70.4%</b>

n.m. – not meaningful

#### Additional Information

	Group					
	2nd Quarter			1st Half		
	2017 IDR million	2016 IDR million	Change (%)	2017 IDR million	2016 IDR million	Change (%)
Profit before income tax	466,318	158,671	193.9%	878,998	494,649	77.7%
Depreciation and amortisation	125,263	149,833	-16.4%	252,789	223,189	13.3%
Foreign exchange (gain) / loss	(784)	3,483	n.m.	(12,078)	(45,618)	-73.5%
Finance cost	41,283	42,321	-2.5%	78,925	84,816	-6.9%
Interest income	(31,965)	(33,139)	-3.5%	(67,761)	(85,011)	-20.3%
Withholding tax expense on dividend (in Other expenses)	1,440	-	100.0%	1,440	-	100.0%
<b>EBITDA</b>	<b>601,555</b>	<b>321,169</b>	<b>87.3%</b>	<b>1,132,313</b>	<b>672,025</b>	<b>68.5%</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		
	2017	2016	Change	2017	2016	Change
	IDR million	IDR million	(%)	IDR million	IDR million	(%)
<b>Profit for the period</b>	<b>337,109</b>	<b>124,693</b>	<b>170.4%</b>	<b>659,271</b>	<b>387,009</b>	<b>70.4%</b>
<b>Other comprehensive income</b>						
<b>Item that may be reclassified subsequently to profit or loss:</b>						
Foreign currency translation (loss) / gain	(35,564)	(554)	n.m.	37,913	196,246	-80.7%
<b>Item that will not be reclassified to profit or loss:</b>						
Fair value reserve on derivative financial liabilities	80,602	44,648	80.5%	28,456	68,477	-58.4%
<b>Other comprehensive income for the period, net of tax</b>	<b>45,038</b>	<b>44,094</b>	<b>2.1%</b>	<b>66,369</b>	<b>264,723</b>	<b>-74.9%</b>
<b>Total comprehensive income for the period</b>	<b>382,147</b>	<b>168,787</b>	<b>126.4%</b>	<b>725,640</b>	<b>651,732</b>	<b>11.3%</b>
<b>Attributable to:</b>						
Owners of the Company	330,079	151,743	117.5%	629,853	601,808	4.7%
Non-controlling interests	52,068	17,044	205.5%	95,787	49,924	91.9%
	<b>382,147</b>	<b>168,787</b>	<b>126.4%</b>	<b>725,640</b>	<b>651,732</b>	<b>11.3%</b>

*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-2017	31-Dec-2016	30-Jun-2017	31-Dec-2016
	IDR million	IDR million	IDR million	IDR million
<b>ASSETS</b>				
<b>Non-current assets</b>				
Plasma receivables	1,008,136	923,331	-	-
Property, plant and equipment	3,391,066	3,307,380	52	79
Bearer plants	7,178,201	7,024,690	-	-
Land use rights	854,528	815,034	-	-
Investment in subsidiaries	-	-	846,930	854,370
Investment in associate companies	-	2,285	141,707	142,952
Intangible assets	174,123	176,034	-	-
Deferred tax assets	141,290	149,113	-	-
Deferred charges/other receivable	-	6,228	-	6,228
Due from subsidiaries	-	-	7,393,001	8,041,210
Loan to an associate company	69,336	68,084	69,336	68,084
<b>Total Non-current assets</b>	<b>12,816,680</b>	<b>12,472,179</b>	<b>8,451,026</b>	<b>9,112,923</b>
<b>Current assets</b>				
Biological assets	282,113	260,251	-	-
Inventories	517,909	611,617	-	-
Deferred charges	5,052	5,333	186	50
Trade and other receivables	155,355	277,770	-	-
Due from related companies	248	478	-	-
Plasma receivables	313,057	302,246	-	-
Prepayments and advances	13,650	10,784	103	101
Dividend receivables	-	-	-	13,314
Prepaid taxes	479,979	309,230	53	44
Cash and short-term deposits	381,952	517,097	63,931	23,700
<b>Total Current assets</b>	<b>2,149,315</b>	<b>2,294,806</b>	<b>64,273</b>	<b>37,209</b>
<b>Total Assets</b>	<b>14,965,995</b>	<b>14,766,985</b>	<b>8,515,299</b>	<b>9,150,132</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Loans and borrowings	865,735	1,007,700	865,735	1,007,700
Trade and other payables	534,522	572,029	12	13
Accrued operating expenses	173,300	171,012	53,527	56,366
Dividend payables	-	1,397	-	-
Sales advances	140,331	30,996	-	-
Income taxes payable	217,128	132,231	1	1
<b>Total Current liabilities</b>	<b>1,931,016</b>	<b>1,915,365</b>	<b>919,275</b>	<b>1,064,080</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities	173,242	164,488	-	-
Loans and borrowings	658,729	868,634	658,732	868,634
Islamic medium term notes	3,106,239	2,991,828	3,106,239	2,991,828
Post employment benefits	39,082	39,082	-	-
Derivative financial liabilities	1,087,462	1,265,881	1,087,462	1,265,881
<b>Total Non-current liabilities</b>	<b>5,064,754</b>	<b>5,329,913</b>	<b>4,852,433</b>	<b>5,126,343</b>
<b>Total Liabilities</b>	<b>6,995,770</b>	<b>7,245,278</b>	<b>5,771,708</b>	<b>6,190,423</b>
<b>Net Assets</b>	<b>7,970,225</b>	<b>7,521,707</b>	<b>2,743,591</b>	<b>2,959,709</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	1,807,045	1,807,045	1,807,045	1,807,045
Treasury shares	(47,645)	(17,946)	(47,645)	(17,946)
Other reserves	(226,478)	(254,934)	(41,540)	(69,996)
Retained earnings	5,475,688	5,162,032	172,109	360,141
Foreign currency translation reserve	59,807	21,894	853,622	880,465
	<b>7,068,417</b>	<b>6,718,091</b>	<b>2,743,591</b>	<b>2,959,709</b>
<b>Non-controlling interests</b>	<b>901,808</b>	<b>803,616</b>	<b>-</b>	<b>-</b>
<b>Total Equity</b>	<b>7,970,225</b>	<b>7,521,707</b>	<b>2,743,591</b>	<b>2,959,709</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-2017</b>	<b>31-Dec-2016</b>
	<b>IDR Million</b>	<b>IDR Million</b>
Amount due within one year		
Unsecured	865,735	1,007,700
<b>Total</b>	<b>865,735</b>	<b>1,007,700</b>
Amount due more than one year		
Unsecured	3,764,968	3,860,462
<b>Total</b>	<b>3,764,968</b>	<b>3,860,462</b>

The unsecured borrowings contain negative pledge clauses.

**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	Group			
	2nd Quarter		1st Half	
	2017	2016	2017	2016
	IDR million	IDR million	IDR million	IDR million
<b>Cash flows from operating activities</b>				
Cash receipts from customers	2,109,495	1,805,587	4,231,996	3,225,432
Cash payments to suppliers, employees and for other operating expenses	(1,417,441)	(1,299,305)	(3,056,739)	(2,532,154)
Corporate income tax paid	(153,658)	(31,366)	(204,840)	(61,245)
<b>Net cash flows generated from operating activities</b>	<b>538,396</b>	<b>474,916</b>	<b>970,417</b>	<b>632,033</b>
<b>Cash flows from investing activities</b>				
Increase in plasma receivables	(52,793)	(48,464)	(68,430)	(214,048)
Investment in intangible assets	-	(217)	-	(310)
Investment in bearer plants	(93,302)	(141,744)	(156,715)	(203,044)
Investment in property, plant and equipment	(69,192)	(48,065)	(131,819)	(207,114)
Investment in land use rights	(18,300)	(42,292)	(29,003)	(91,269)
Net cash outflows for the acquisition of subsidiaries	(2,170)	(250)	(74,437)	(73,359)
Interest received	33,464	28,367	65,710	75,943
<b>Net cash flows used in investing activities</b>	<b>(202,293)</b>	<b>(252,665)</b>	<b>(394,694)</b>	<b>(713,201)</b>
<b>Cash flows from financing activities</b>				
Proceeds from loans and borrowings	199,800	66,595	199,800	66,595
Repayment of loan and borrowings	(399,185)	(35,000)	(532,545)	(70,000)
Decrease / (Increase) in amount due from related companies	(99)	(201,481)	230	(77,075)
Payment of dividend	(251,428)	(86,587)	(252,825)	(112,112)
Contribution from non-controlling interests	-	100	-	100
Buy-back of ordinary shares	(16,356)	-	(29,699)	-
Interest paid	(10,959)	(12,836)	(92,489)	(88,884)
<b>Net cash flows used in from financing activities</b>	<b>(478,227)</b>	<b>(269,209)</b>	<b>(707,528)</b>	<b>(281,376)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(142,124)</b>	<b>(46,958)</b>	<b>(131,805)</b>	<b>(362,544)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(1,225)</b>	<b>4,452</b>	<b>(3,340)</b>	<b>(1,183)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>525,301</b>	<b>277,576</b>	<b>517,097</b>	<b>598,797</b>
<b>Cash and cash equivalents at end of period</b>	<b>381,952</b>	<b>235,070</b>	<b>381,952</b>	<b>235,070</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:	Group			
	2nd Quarter		1st Half	
	2017	2016	2017	2016
	IDR million	IDR million	IDR million	IDR million
Profit before income tax	466,318	158,671	878,998	494,649
Depreciation and amortisation	125,263	149,833	252,789	223,189
Finance cost	41,283	42,321	78,925	84,816
Interest income	(31,965)	(33,139)	(67,761)	(85,011)
Post employment benefits	-	209	-	-
Unrealized foreign exchange gain	(12,531)	(9,834)	(32,320)	(31,558)
Share of loss of associate companies	-	5,010	2,285	16,090
Operating cash flows before working capital changes	<b>588,368</b>	<b>313,071</b>	<b>1,112,916</b>	<b>702,175</b>
Decrease/(increase) in:				
- Trade and other receivables	126,912	466,492	123,938	424,776
- Inventories	(44,516)	90,957	91,293	233,744
- Prepaid taxes	(129,360)	(45,797)	(185,809)	(112,461)
- Prepayments and advances	(3,984)	12,262	(2,683)	64,135
- Deferred charges	251	1,255	227	1,501
(Decrease)/increase in:				
- Trade and other payables	8,400	(436,918)	(154,739)	(498,420)
- Accrued operating expenses	2,409	47,541	(15,025)	(44,407)
- Tax payable	57,360	19,609	95,803	(88,969)
- Sales advances	86,214	37,810	109,336	11,204
Cash flows generated from operations	<b>692,054</b>	<b>506,282</b>	<b>1,175,257</b>	<b>693,278</b>
Corporate income tax paid	(153,658)	(31,366)	(204,840)	(61,245)
<b>Net cash flows generated from operating activities</b>	<b>538,396</b>	<b>474,916</b>	<b>970,417</b>	<b>632,033</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 Group -----						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 2017</b>	<b>1,807,045</b>	<b>(17,946)</b>	<b>5,162,032</b>	<b>(254,934)</b>	<b>21,894</b>	<b>6,718,091</b>	<b>803,616</b>	<b>7,521,707</b>
Profit for the period	-	-	563,484	-	-	563,484	95,787	659,271
<b>Other comprehensive income:</b>								
Items that may be reclassified subsequently to profit or loss:								
Foreign currency translation	-	-	-	-	37,913	37,913	-	37,913
Fair value reserve on derivative	-	-	-	28,456	-	28,456	-	28,456
Re-measurement on defined benefit plan	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	563,484	28,456	37,913	629,853	95,787	725,640
<b>Distribution to owners:</b>								
Contribution from non-controlling interests	-	-	-	-	-	-	4,005	4,005
Buy-back of ordinary shares	-	(29,699)	-	-	-	(29,699)	-	(29,699)
Dividends on ordinary shares	-	-	(249,828)	-	-	(249,828)	(1,600)	(251,428)
<b>Closing balance at 30 June 2017</b>	<b>1,807,045</b>	<b>(47,645)</b>	<b>5,475,688</b>	<b>(226,478)</b>	<b>59,807</b>	<b>7,068,417</b>	<b>901,808</b>	<b>7,970,225</b>
<b>Opening balance at 1 January 2016 (restated)</b>	<b>1,807,045</b>	<b>(17,946)</b>	<b>4,241,266</b>	<b>(217,473)</b>	<b>(151,743)</b>	<b>5,661,149</b>	<b>545,893</b>	<b>6,207,042</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>4,491,765</b>	<b>(148,996)</b>	<b>44,503</b>	<b>6,176,371</b>	<b>659,340</b>	<b>6,835,711</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 2017</b>	<b>1,807,045</b>	<b>(17,946)</b>	<b>360,141</b>	<b>(69,996)</b>	<b>880,465</b>	<b>2,959,709</b>
Profit for the period	-	-	61,796	-	-	61,796
<b>Other comprehensive income:</b>						
Items that may be reclassified subsequently to profit or loss:						
Foreign currency translation	-	-	-	-	(26,843)	(26,843)
Item that will not be reclassified subsequently to profit or loss:						
Fair value reserve on derivative	-	-	-	28,456	-	28,456
Total comprehensive income for the period	-	-	61,796	28,456	(26,843)	63,409
<b>Distribution to owners:</b>						
Share issuance expense	-	-	-	-	-	-
Buy-back of ordinary shares	-	(29,699)	-	-	-	(29,699)
Dividends on ordinary shares	-	-	(249,828)	-	-	(249,828)
<b>Closing balance at 30 June 2017</b>	<b>1,807,045</b>	<b>(47,645)</b>	<b>172,109</b>	<b>(41,540)</b>	<b>853,622</b>	<b>2,743,591</b>
<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>

- 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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 in the Company's share capital since the end of last reported period as at 31 March 2017. Details of treasury shares as at 30 June 2017 and 30 June 2016 are as follows:

	Company	
	Number of shares	
	30-Jun-2017	30-Jun-2016
Treasury shares	6,341,200	2,255,300
Issued ordinary shares excluding treasury shares	1,751,190,644	1,755,276,544
<b>Issued ordinary shares</b>	<b>1,757,531,844</b>	<b>1,757,531,844</b>

The Company did not have any outstanding convertibles and subsidiary holdings as at 30 June 2017 and 30 June 2016.

- 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.**

	Company	
	Number of shares	
	30-Jun-2017	31-Dec-2016
Issued ordinary shares excluding treasury shares	1,751,190,644	1,755,276,544

- 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.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings 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 2016, except for the new and revised standard that are effective for annual periods beginning on or after 1 January 2017. 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)	2nd Quarter		1st Half	
	2017	2016	2017	2016
Based on weighted average number of share (in IDR)	162	61	321	192
Weighted number of shares	1,754,882,913	1,757,153,644	1,755,127,346	1,757,153,644

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-Jun-2017	31-Dec-2016	30-Jun-2017	31-Dec-2016
Net asset value per ordinary share (in IDR)	4,036	3,827	1,567	1,686
Number of issued shares *	1,751,190,644	1,755,276,544	1,751,190,644	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:
- (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 second quarter of 2017 ("2Q2017") and first half of the year ("1H2017"), the Group recorded an increase in net profit after tax of 170.4% to IDR 337 billion and 70.4% to IDR 659 billion, respectively. The improved net profit was mainly attributable to higher average selling price and higher sales volume from the recovery in palm production compared to the previous corresponding period.

### Revenue

Revenue increased by 39.5% to IDR 1,920 billion in 2Q2017 and 40.1% to IDR 4,015 billion in 1H2017 compared to the previous corresponding periods. The improved palm and palm kernel production and higher average selling price had contributed to the improvement in revenue.

On the other hand, revenue from biodiesel was lower compared to previous year due to lower sales contract in the current period.

Revenue	2Q2017	2Q2016	Change	1H2017	1H2016	Change
	IDR million	IDR million	(%)	IDR million	IDR million	(%)
CPO	1,678,161	1,117,615	50.2%	3,363,535	2,370,058	41.9%
Palm Kernel	210,457	180,757	16.4%	542,236	357,167	51.8%
Biodiesel	31,680	78,150	-59.5%	108,572	137,352	-21.0%
Glycerin	121	220	-45.0%	427	332	28.6%
<b>Total</b>	<b>1,920,419</b>	<b>1,376,742</b>	<b>39.5%</b>	<b>4,014,770</b>	<b>2,864,909</b>	<b>40.1%</b>
Volume	2Q2017	2Q2016	Change	1H2017	1H2016	Change
	mt	mt	(%)	mt	mt	(%)
CPO	208,295	143,737	44.9%	407,739	343,163	18.8%
Palm Kernel	37,880	28,301	33.8%	77,231	65,683	17.6%
Biodiesel	3,122	7,786	-59.9%	10,126	14,786	-31.5%
Glycerin	398	749	-46.9%	1,552	1,167	33.0%
Average sales prices	2Q2017	2Q2016	Change	1H2017	1H2016	Change
	IDR / kg	IDR / kg	(%)	IDR / kg	IDR / kg	(%)
CPO	8,057	7,775	3.6%	8,249	6,907	19.4%
Palm Kernel	5,556	6,387	-13.0%	7,021	5,438	29.1%
Biodiesel	10,147	10,037	1.1%	10,722	9,289	15.4%
Glycerin	304	294	3.4%	275	284	-3.2%

**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, mill processing, and fresh fruit bunches ("FFB") purchased externally (plasma and third parties). Biodiesel costs mainly consist of processing and feed stock purchased costs.

The Group's cost of sales increased by 19.9% to IDR 1,358 billion in 2Q2017 and by 32.1% to IDR 2,916 billion in 1H2017 compared to the previous corresponding periods. The increase was mainly attributable to higher production volume, purchase price of external FFB and higher fertiliser application for the current period.

**Interest Income**

Interest income amounting to IDR 32 billion in 2Q2017 and IDR 68 billion in 1H2017 mainly consist of interest income earned from advances given to the plasma farmers.

**General and administrative expenses**

General and administrative expenses increased by 12.9% to IDR 49 billion in 2Q2017 and by 16.4% to IDR 130 billion in 1H2017 mainly due to increase in salaries and employee benefits, training & personnel and professional fees expenses.

**Foreign Exchange Gain/(Loss)**

The Group recorded a net foreign exchange gain of IDR 0.8 billion and IDR 12 billion in 2Q2017 and 1H2017 respectively, which was mainly due to translation gain on USD denominated borrowings in the Group's IDR financial statements arising from the appreciation of IDR against USD during the current period.

**Other expenses**

Other expenses amounting to IDR 6 billion and IDR 15 billion in 2Q2017 and 1H2017 respectively, 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 2 billion in 1H2017 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").

**Income tax expense**

The Group recorded an increase in income tax expense to IDR 129 billion in 2Q2017 compared to IDR 34 billion in 2Q2016 and IDR 220 billion in 1H2017 compared to IDR 108 billion in 1H2016, due to higher profit before income tax during the current period.

## REVIEW OF STATEMENT OF FINANCIAL POSITION

### Non-Current Assets

As at 30 June 2017, the Group's total non-current assets increased by IDR 345 billion from IDR 12,472 billion to IDR 12,817 billion, mainly due to:

- a) The acquisition of a new subsidiary caused bearer plants to increase by IDR 154 billion to IDR 7,178 billion.
- b) The increase in advances given to the plasma farmers with respect to maintenance cost of immature plasma plantation and the development/acquisition of new plasma plantation resulted in higher plasma receivables by IDR 85 billion to IDR 1,008 billion.
- c) The construction of new palm oil mill, purchase of vehicles and heavy equipments and acquisition of a new subsidiary during the period had contributed to the increase in the Group's property, plant and equipment ("PPE") by IDR 84 billion to IDR 3,391 billion.

### Current Assets

As at 30 June 2017, the Group's total current assets decreased by IDR 145 billion from IDR 2,295 billion to IDR 2,149 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 were mainly due to:

- a) Improved cash collection from the customers were reflected in the decrease of trade and other receivables by IDR 122 billion to IDR 155 billion and improved in trade receivables turn over days (1H2017: 8 days; FY2016: 11 days).
- b) The decrease of fertiliser arising from earlier application of fertiliser in the plantations reduced inventory by IDR 94 billion to IDR 518 billion.

The decrease in current assets above were partially offset against increase in prepaid taxes by IDR 171 billion to IDR 480 billion which mainly attributable to input VAT for purchases of raw materials.

### Current Liabilities

A slight increase in current liabilities by 0.8% or equals to IDR 16 billion as at 30 June 2017 was mainly due to higher sales advances and income taxes payable as a result of improved revenue and profitability of the Group, which was partially offset by repayment of RCF bank loans during the period.

### Non-Current Liabilities

As at 30 June 2017, the Group's total non-current liabilities decreased by IDR 265 billion from IDR 5,330 billion to IDR 5,065 billion mainly due to:

- a) Loans and borrowings decreased by IDR 210 billion due to repayment of RCF bank loans during the period.
- b) The improved mark-to-market of cross currency swap of Islamic Medium Term Note ("IMTN") decreased the derivative financial liabilities by IDR 178 billion to IDR 1,087 billion; which 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 132 billion as at 30 June 2017, bringing the cash and bank balances to IDR 382 billion, which was mainly attributable to the following:

- The Group generated net cash flow from operating activities of IDR 538 billion in 2Q2017 compared to IDR 475 billion in 2Q2016 and IDR 970 billion in 1H2017 compared to IDR 632 billion in 1H2016 mainly due to better cash collection from customers.
- Lower net cash used in investing activities of IDR 202 billion in 2Q2017 and IDR 395 billion in 1H2017 compared to previous year was mainly due to lower cash used for advances to plasma plantation, acquisition of property, plant & equipment as well as plantation assets, and land use rights.
- The Group reported net cash used in financing activities of IDR 478 billion in 2Q2017 compared to IDR 269 billion in 2Q2016 and of IDR 708 billion in 1H2017 compared to IDR 281 billion in 1H2016 mainly due to higher repayment of some RCF bank loans as well as higher dividend payment during the 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.**

The recovery of palm oil production will continue for the second half of 2017. The downward pressure on CPO prices could be very gradual going into the second half of 2017, unless there is fresh positive news which can lift palm prices from its current level. Notwithstanding, the palm oil industry remains positive, supported by growing domestic and emerging market demand and Biodiesel blending mandate, B20 of Indonesia.

The Group remains positive on the long term outlook of the palm oil industry and will continue to focus on yield improvement as well as cost management.

**11. Dividend****(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

Yes.

<b>2QFY2017</b>	
Name of Dividend	Interim
Dividend Type	Cash
Dividend amount per share	0.75 Singapore cent
Payment Type	Tax Exempted (1-tier)

**(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**

4<sup>th</sup> September 2017.

**(d) Books closure date**

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of BUMITAMA AGRI LTD. ("the Company") will be closed on 25 August 2017 for the preparation of dividend warrants.

Duly completed registrable transfers received by the Company's Share Registrar, B.A.C.S. Private Limited at 8 Robinson Road #03 - 00 ASO Building, Singapore 048544 up to 5.00 p.m. on 24 August 2017 will be registered to determine shareholders' entitlements to the said dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 24 August 2017 will be entitled to the proposed dividend.

**12. If no dividend has been declared/recommended, 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 1H2017:

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	-	48,378 <sup>(2)</sup>
PT Sawit Nabati Agro	-	198 <sup>(3)</sup>
PT Lima Srikandi Jaya	3,600 <sup>(4)</sup>	-
<b>TOTAL</b>	<b>4,800</b>	<b>48,576</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 transactions conducted pursuant to the Shareholders' Mandate for transaction with Sawit Nabati Agro (SNA) Group (as described in the Prospectus).*
- (4) *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 officer (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 2017 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  
14 August 2017

**Tan Boon Hoo**  
Lead Independent Director