



## BUMITAMA AGRI LTD.

### Unaudited Financial Statements for the Third Quarter ("3Q") and Nine Months ("9M") Ended 30 September 2013

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

	Group					
	3rd Quarter		Change (%)	9 Months		Change (%)
	2013 IDR million	2012 IDR million		2013 IDR million	2012 IDR million	
<b>Revenue</b>	905,933	846,147	7.1%	2,763,714	2,529,469	9.3%
Cost of sales	(569,848)	(486,560)	17.1%	(1,748,473)	(1,455,395)	20.1%
<b>Gross profit</b>	<b>336,085</b>	<b>359,587</b>	<b>-6.5%</b>	<b>1,015,241</b>	<b>1,074,074</b>	<b>-5.5%</b>
Interest Income	3,576	5,531	-35.3%	18,515	11,863	56.1%
Selling expense	(26,796)	(15,017)	78.4%	(76,322)	(41,305)	84.8%
General and administrative expense	(34,288)	(45,300)	-24.3%	(128,668)	(140,860)	-8.7%
Finance cost	(11,004)	(20,867)	-47.3%	(44,885)	(78,052)	-42.5%
Foreign exchange loss	(19,118)	(9,699)	97.1%	(33,729)	(31,787)	6.1%
(Loss)/Gain on hedging transactions	-	(398)	-100.0%	-	38,737	-100.0%
Other expenses	(1,491)	(2,582)	-42.3%	(21,485)	(9,819)	118.8%
Other income	7,161	1,321	442.1%	10,171	3,403	198.9%
Share of loss of associate companies	(6,428)	(581)	n.m.	(12,075)	(581)	n.m.
<b>Profit before income tax</b>	<b>247,697</b>	<b>271,995</b>	<b>-8.9%</b>	<b>726,763</b>	<b>825,673</b>	<b>-12.0%</b>
Income tax expense	(41,722)	(70,288)	-40.6%	(161,179)	(198,724)	-18.9%
<b>Profit for the period</b>	<b>205,975</b>	<b>201,707</b>	<b>2.1%</b>	<b>565,584</b>	<b>626,949</b>	<b>-9.8%</b>
<b>Attributable to:</b>						
Owners of the Company	168,778	177,958	-5.2%	475,014	558,544	-15.0%
Non-controlling interests	37,197	23,749	56.6%	90,570	68,405	32.4%
	<b>205,975</b>	<b>201,707</b>	<b>2.1%</b>	<b>565,584</b>	<b>626,949</b>	<b>-9.8%</b>

n.m. – not meaningful

#### Additional Information

	Group					
	3rd Quarter		Change (%)	9 Months		Change (%)
	2013 IDR million	2012 IDR million		2013 IDR million	2012 IDR million	
Profit before income tax	247,697	271,995	-8.9%	726,763	825,673	-12.0%
Depreciation and amortisation	32,035	17,152	86.8%	84,528	57,489	47.0%
Foreign exchange loss	19,118	9,699	97.1%	33,729	31,787	6.1%
Gain on hedging transactions	-	398	-100.0%	-	(38,737)	-100.0%
Interest expense	11,005	20,867	-47.3%	44,885	78,052	-42.5%
Interest income	(3,576)	(5,531)	-35.4%	(18,515)	(11,863)	56.1%
Withholding tax expense on dividend (in Other expenses)	-	-	0.0%	15,657	-	100.0%
<b>EBITDA</b>	<b>306,279</b>	<b>314,580</b>	<b>-2.6%</b>	<b>887,047</b>	<b>942,401</b>	<b>-5.9%</b>

**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		Change (%)	9 Months		Change (%)
	2013 IDR million	2012 IDR million		2013 IDR million	2012 IDR million	
<b>Statement of comprehensive income:</b>						
<b>Profit for the period/year</b>	<b>205,975</b>	<b>201,707</b>	2.1%	<b>565,584</b>	<b>626,949</b>	-9.8%
<b>Other comprehensive income</b>						
Foreign currency translation	16,863	(2,448)	n.m.	27,904	(12,636)	n.m.
Re-measurement losses on defined benefit plans	(7,155)	-	100%	(7,155)	-	100%
<b>Other comprehensive income for the period/year, net of tax</b>	<b>9,708</b>	<b>(2,448)</b>	-	<b>20,749</b>	<b>(12,636)</b>	-
<b>Total comprehensive income for the period/year</b>	<b>215,683</b>	<b>199,259</b>	<b>8.2%</b>	<b>586,333</b>	<b>614,313</b>	<b>-4.6%</b>
<b>Attributable to:</b>						
Owners of the Company	178,486	175,510	1.7%	495,763	545,908	-9.2%
Non-controlling interests	37,197	23,749	56.6%	90,570	68,405	32.4%
	<b>215,683</b>	<b>199,259</b>	<b>8.2%</b>	<b>586,333</b>	<b>614,313</b>	<b>-4.6%</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-Sep-13	31-Dec-12	30-Sep-13	31-Dec-12
	IDR million	IDR million	IDR million	IDR million
<b>ASSETS</b>				
<b>Non-current assets</b>				
Biological assets	6,533,441	5,263,330	-	-
Plasma receivables	607,733	202,073	-	-
Property, plant and equipment	1,767,233	1,500,173	827	1,458
Land use rights	354,872	280,605	-	-
Investment in subsidiaries	-	-	388,522	386,521
Investment in associate companies	85,006	94,328	97,081	102,263
Intangible assets	145,308	84,197	-	-
Deferred tax assets	38,845	33,517	-	-
Deferred Charges/other receivable	9,474	9,106	11,102	9,106
Due from subsidiaries	-	-	2,405,680	2,058,478
Loan to an associate company	199,004	87,209	199,004	87,209
Tax refundable	25,330	25,332	-	-
<b>Total Non-current assets</b>	<b>9,766,246</b>	<b>7,579,870</b>	<b>3,102,216</b>	<b>2,645,035</b>
<b>Current assets</b>				
Inventories	460,571	323,502	-	-
Deferred charges	6,883	6,621	-	-
Trade and other receivables	82,509	47,589	-	-
Due from related companies	97,168	69,293	-	-
Due from subsidiaries	-	-	966,369	930,949
Prepayments and advances	152,928	136,841	372	159
Prepaid taxes	63,380	38,648	103	118
Cash and short-term deposits	420,602	886,763	22,314	56,069
<b>Total Current assets</b>	<b>1,284,041</b>	<b>1,509,257</b>	<b>989,158</b>	<b>987,295</b>
<b>Total Assets</b>	<b>11,050,287</b>	<b>9,089,127</b>	<b>4,091,374</b>	<b>3,632,330</b>
<b>Current liabilities</b>				
Loans and borrowings	1,999,222	790,598	789,684	503,468
Trade and other payables	486,347	468,284	-	1,677
Accrued operating expenses	76,924	73,594	2,905	8,149
Sales advances	126,119	75,677	-	-
Income taxes payable	24,240	84,163	-	-
<b>Total Current liabilities</b>	<b>2,712,852</b>	<b>1,492,316</b>	<b>792,589</b>	<b>513,294</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities	549,828	501,838	-	-
Amount due to subsidiaries	-	-	23,226	335,052
Loans and borrowings	2,068,872	1,791,792	1,048,260	826,377
Post employment benefits	25,660	16,119	-	-
<b>Total Non-current liabilities</b>	<b>2,644,360</b>	<b>2,309,749</b>	<b>1,071,486</b>	<b>1,161,429</b>
<b>Total Liabilities</b>	<b>5,357,212</b>	<b>3,802,065</b>	<b>1,864,074</b>	<b>1,674,723</b>
<b>Net Assets</b>	<b>5,693,075</b>	<b>5,287,062</b>	<b>2,227,300</b>	<b>1,957,607</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	1,807,045	1,807,045	1,807,045	1,807,045
Other reserves	(184,938)	(184,938)	-	-
Retained earnings	3,564,976	3,263,328	30,362	46,805
Foreign currency translation reserve	30,871	2,967	389,893	103,757
	<b>5,217,954</b>	<b>4,888,402</b>	<b>2,227,300</b>	<b>1,957,607</b>
<b>Non-controlling interests</b>	<b>475,121</b>	<b>398,660</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>5,693,075</b>	<b>5,287,062</b>	<b>2,227,300</b>	<b>1,957,607</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

	30 Sep 2013 IDR Million	31 Dec 2012 IDR Million
Amount due within one year		
Secured	185,176	171,390
Unsecured	1,814,046	619,208
<b>Total</b>	<b>1,999,222</b>	<b>790,598</b>
Amount due more than one year		
Secured	380,945	799,375
Unsecured	1,687,928	992,417
<b>Total</b>	<b>2,068,872</b>	<b>1,791,792</b>

**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	
	2013	2012	2013	2012
	IDR million	IDR million	IDR million	IDR million
<b>Cash flows from operating activities</b>				
Cash receipts from customers	967,348	828,096	2,815,249	2,376,475
Cash payments to suppliers, employees and for other operating expenses	(824,383)	(539,460)	(2,040,497)	(1,753,626)
Cash receipts from operating activities	142,965	288,636	774,752	622,849
Corporate income tax paid	(57,458)	(61,562)	(210,199)	(263,385)
<b>Net cash flows generated from operating activities</b>	<b>85,507</b>	<b>227,074</b>	<b>564,553</b>	<b>359,464</b>
<b>Cash flows from investing activities</b>				
Increase in plasma receivables	(133,260)	(27,898)	(280,982)	(34,211)
Investment in associate companies	1,746	-	1,746	(97,081)
Investment in intangible assets	(843)	(343)	(2,327)	(2,015)
Investment in biological assets	(67,880)	(172,024)	(571,064)	(573,995)
Investment in property, plant and equipment	(105,681)	(108,190)	(358,422)	(249,202)
Investment in land use rights	(60,782)	(35,648)	(74,267)	(97,653)
Advance for acquisition of subsidiaries	(1,825)	-	(9,709)	-
Acquisition of subsidiary	-	-	(196,007)	-
Interest received	3,575	5,531	18,515	11,863
<b>Net cash flows used in investing activities</b>	<b>(364,950)</b>	<b>(338,572)</b>	<b>(1,472,517)</b>	<b>(1,042,294)</b>
<b>Cash flows from financing activities</b>				
Proceeds from loans and borrowings	447,300	142,996	1,482,950	414,565
Repayment of loan and borrowings	(441,037)	(207,506)	(561,000)	(641,296)
Additional due from related companies	(81,021)	(36,956)	(139,668)	(71,350)
Additional due to related companies	-	(3)	-	(48)
Increase in amounts due to shareholders	-	-	-	(12,955)
Repayment of obligation under finance leases	(750)	(589)	-	(6,208)
Amount paid to shareholder as part of restructuring exercise	-	-	-	(302,686)
Payment of dividend	-	-	(183,320)	-
Contribution from non-controlling interests	-	500	3,000	500
Addition in share capital	-	-	-	1,758,142
Interest paid	(109,822)	(29,539)	(178,161)	(86,724)
<b>Net cash flows (used in)/generated from financing activities</b>	<b>(185,330)</b>	<b>(131,097)</b>	<b>423,800</b>	<b>1,051,940</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(464,773)</b>	<b>(242,595)</b>	<b>(484,164)</b>	<b>369,110</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>14,925</b>	<b>(2,448)</b>	<b>18,003</b>	<b>(1,807)</b>
<b>Cash and cash equivalents at beginning of period/year</b>	<b>870,450</b>	<b>882,485</b>	<b>886,763</b>	<b>270,139</b>
<b>Cash and cash equivalents at end of period/year</b>	<b>420,602</b>	<b>637,442</b>	<b>420,602</b>	<b>637,442</b>
<b>Reconciliation of cash and cash equivalents:</b>				
Cash at banks and on hand	420,602	430,184	420,602	430,184
Short term deposits	-	207,258	-	207,258
<b>Cash and cash equivalents</b>	<b>420,602</b>	<b>637,442</b>	<b>420,602</b>	<b>637,442</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)**

	3rd Quarter		9 Months	
	2013	2012	2013	2012
	IDR million	IDR million	IDR million	IDR million
<b>Cash Flows from Operating Activities:</b>				
Profit before income tax	247,697	271,995	726,763	825,673
Depreciation and amortisation	31,431	6,327	84,528	57,489
Finance cost	24,926	20,867	44,885	78,052
Finance income	(3,575)	(5,531)	(18,515)	(11,863)
Post employment benefits	2,381	156	2,534	684
Unrealized loss (gain) on hedging transactions	-	23,665	-	(15,134)
Unrealised foreign exchange loss	40,310	20,830	65,062	14,760
Share of loss of associate companies	6,428	581	12,075	581
Operating cash flows before working capital changes	<b>349,598</b>	<b>338,890</b>	<b>917,332</b>	<b>950,243</b>
Decrease/(increase) in:				
- Trade and other receivables	(35,886)	3,798	(34,922)	(22,816)
- Inventories	(42,354)	(86,696)	(137,069)	(183,842)
- Prepaid taxes	(19,426)	(3,242)	(24,732)	(3,312)
- Prepayments and advances	7,547	28,559	(6,378)	(22,624)
- Deferred charges	681	(1,081)	(263)	19,092
- Tax refundable	-	(3,216)	2	(11,256)
(Decrease)/increase in:				
- Trade and other payables	(192,452)	15,649	18,061	(3,848)
- Accrued operating expenses	(5,389)	(11,142)	3,182	3,442
- Tax payable	13,107	-	(10,903)	-
- Sales advances	67,539	7,117	50,442	(102,229)
Cash flows generated from operations	<b>142,965</b>	<b>288,636</b>	<b>774,752</b>	<b>622,849</b>
Corporate income tax paid	(57,458)	(61,562)	(210,199)	(263,385)
<b>Net cash flows generated from operating activities</b>	<b>85,507</b>	<b>227,074</b>	<b>564,553</b>	<b>359,464</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	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 2013</b>	<b>1,807,045</b>	<b>3,263,328</b>	<b>(184,938)</b>	<b>2,967</b>	<b>4,888,402</b>	<b>398,660</b>	<b>5,287,062</b>	
Profit for the period	-	475,014	-	-	475,014	90,570	565,584	
<b>Other comprehensive income:</b>								
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	
<b>Distribution to owners:</b>								
Contribution from non-controlling interests	-	-	-	-	-	3,000	3,000	
Dividends on ordinary shares	-	(166,211)	-	-	(166,211)	(17,109)	(183,320)	
<b>Closing balance at 30 September 2013</b>	<b>1,807,045</b>	<b>3,564,976</b>	<b>(184,938)</b>	<b>30,871</b>	<b>5,217,954</b>	<b>475,121</b>	<b>5,693,075</b>	
<b>Opening balance at 1 January 2012</b>	<b>45,000</b>	<b>2,475,432</b>	<b>151,511</b>	<b>9,449</b>	<b>2,681,392</b>	<b>244,061</b>	<b>2,925,453</b>	
Profit for the period	-	558,544	-	-	558,544	68,405	626,949	
<b>Other comprehensive income:</b>								
Items that may be reclassified subsequently to profit or loss:								
Foreign currency translation	-	-	-	(12,636)	(12,636)	-	(12,636)	
Total comprehensive income for the period	-	558,544	-	(12,636)	545,908	68,405	614,313	
<b>Distribution to owners:</b>								
Issuance of new shares	1,814,581	-	-	-	1,814,581	-	1,814,581	
Share issuance expenses	(56,439)	-	-	-	(56,439)	-	(56,439)	
Arising from restructuring exercise	-	-	(336,449)	-	(336,449)	40,125	(296,324)	
Contribution from non-controlling interests	-	-	-	-	-	500	500	
<b>Closing balance at 30 September 2012</b>	<b>1,803,142</b>	<b>3,033,976</b>	<b>(184,938)</b>	<b>(3,187)</b>	<b>4,648,993</b>	<b>353,091</b>	<b>5,002,084</b>	

Company	----- Attributable to owners of the Company -----			
	Share capital	Retained earnings	Foreign currency translation reserves	Total share capital and reserves
	IDR million	IDR million	IDR million	IDR million
<b>Opening balance at 1 January 2013</b>	<b>1,807,045</b>	<b>46,805</b>	<b>103,757</b>	<b>1,957,607</b>
Profit for the period	-	149,768	-	149,768
<b>Other comprehensive income:</b>				
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	435,905
<b>Distribution to owners:</b>				
Dividends on ordinary shares	-	(166,211)	-	(166,211)
<b>Closing balance at 30 September 2013</b>	<b>1,807,045</b>	<b>30,362</b>	<b>389,893</b>	<b>2,227,300</b>
<b>Opening balance at 1 January 2012</b>	<b>45,000</b>	<b>(6,872)</b>	<b>651</b>	<b>38,779</b>
Profit for the period	-	37,940	-	37,940
<b>Other comprehensive income:</b>				
Items that may be reclassified subsequently to profit or loss:				
Foreign currency translation	-	-	82,188	82,188
Total comprehensive income for the period	-	37,940	82,188	120,128
<b>Distribution to owners:</b>				
Issuance of new shares	1,814,581	-	-	1,814,581
Share issuance expense	(56,439)	-	-	(56,439)
<b>Closing balance at 30 September 2012</b>	<b>1,803,142</b>	<b>31,068</b>	<b>82,839</b>	<b>1,917,049</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.**

There is no change in the Company's share capital since the end of the financial year ended 31 December 2012.

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 2013 and 31 December 2012.

**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 2013 and 31 December 2012 were 1,757,531,844.

**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 2012.

**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	
	2013	2012	2013	2012
(a) based on weighted average number of share (in IDR)	96	101	270	453
(b) based on a fully diluted basis	-	-	-	-
Weighted number of shares	1,757,531,844	1,757,531,844	1,757,531,844	1,233,202,541
<b>Earning per share for the period (Post offering number of shares)</b>				
	3rd Quarter		9 Months	
	2013	2012	2013	2012
(a) based on number of share * (in IDR)	96	101	270	318
(b) based on a fully diluted basis	-	-	-	-
Post-offering number of shares*	1,757,531,844	1,757,531,844	1,757,531,844	1,757,531,844

\*The EPS has been computed based on the Company's post offering share capital of 1,757,531,844 shares

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-13	31-Dec-12	30-Sep-13	31-Dec-12
Net asset value per ordinary share (in IDR)	3,239	3,008	1,267	1,114
Number of issued shares*	1,757,531,844	1,757,531,844	1,757,531,844	1,757,531,844

\*The NAV has been computed based on post offering share capital of 1,757,531,844 shares of the company

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 2013 ("3Q2013"), the Group recorded an increase in revenue by 7.1%, which was offset by higher cost of sales and operating expenses of 17.1% and 1.3%, respectively. This has resulted in a marginal increase of the Group's net profit by 2.1% to IDR 206 billion.

For the nine months of the year ("9M2013"), the Group recorded an increase in revenue by 9.3%, which was offset by higher cost of sales and operating expenses of 20.1% and 12.5%, respectively. This has resulted in the decrease of the Group's net profit by 9.8% to IDR 566 billion.

### Revenue

Revenue increased by 7.1% to IDR 906 billion in 3Q2013 and 9.3% to IDR 2,764 billion in 9M2013, compared to the previous corresponding period. This was attributable to an overall increase in aggregate sales volume of Crude Palm Oil ("CPO") and Palm Kernel ("PK"). However, this increase was offset partially by the decrease in the average selling prices of CPO and PK for the period of 3Q2013 and 9M2013.

Revenue	3rd Quarter			9 Months		
	3Q 2013	3Q 2012	Change	2013	2012	Change
	IDR million	IDR million	(%)	IDR million	IDR million	(%)
CPO	823,909	781,870	5.4%	2,554,348	2,317,323	10.2%
PK	82,024	64,277	27.6%	209,366	212,146	-1.3%
<b>Total</b>	<b>905,933</b>	<b>846,147</b>	<b>7.1%</b>	<b>2,763,714</b>	<b>2,529,469</b>	<b>9.3%</b>
<b>Volume</b>	<b>3Q 2013</b>	<b>3Q 2012</b>	<b>Change</b>	<b>2013</b>	<b>2012</b>	<b>Change</b>
	mt	mt	(%)	mt	mt	(%)
CPO	114,828	105,905	8.4%	375,470	303,143	23.9%
PK	25,987	19,855	30.9%	73,175	59,642	22.7%
<b>Average sales prices</b>	<b>3Q 2013</b>	<b>3Q 2012</b>	<b>Change</b>	<b>2013</b>	<b>2012</b>	<b>Change</b>
	IDR / Kg	IDR / Kg	(%)	IDR / Kg	IDR / Kg	(%)
CPO	7,175	7,383	-2.8%	6,803	7,644	-11.0%
PK	3,156	3,237	-2.5%	2,861	3,558	-19.6%

## **Cost of Sales**

Cost of sales comprised mainly costs in relation to plantation maintenance, harvesting, plantation overhead, depreciation and amortization, processing and fresh fruit bunches (“FFB”) purchased from third parties.

The Group’s cost of sales increased by 17.1% to IDR 570 billion in 3Q2013 and by 20.1% to 1,748 billion in 9M2013 compared to the previous corresponding period. The increase was due mainly to expanded nucleus mature planted areas from 51,532 ha in 9M2012 to 63,677 ha in 9M2013, higher volume of fresh fruit bunches (“FFB”) purchased from 684,287 ton to 805,367 ton, employee costs, and repair and maintenance costs.

Cost of Sales per Kg CPO in 9M2013 decreased by 3.0% compared to the previous corresponding period (9M2013: IDR 4,657/Kg CPO; 9M2012: IDR 4,801/Kg CPO).

## **Gross Profit**

Gross profit decreased by approximately 6.5% to IDR 336 billion in 3Q2013. For 9M2013, gross profit decreased by 5.5% to IDR 1,015 billion.

Gross profit margin decreased by 5.4% from 42.5% in 3Q2012 to 37.1% in 3Q2013, and decreased by 5.7% from 42.5% in 9M2012 to 36.7% in 9M2013. The decrease in gross margin was attributable to the lower average selling prices of CPO and PK.

## **Interest Income**

Interest income increased to IDR 19 billion in 9M2013 compared to the previous corresponding period as a result of higher average cash and short-term deposits during the year and loan to an associate company.

## **Selling Expenses**

Selling expenses increased by 78.4% to IDR 27 billion in 3Q2013 and increased by 84.8% to IDR 76 billion in 9M2013. This was due mainly to an increase in sales volume of CPO by 23.9% and PK by 22.7% in 9M2013, and higher freight costs.

## **General and Administration Expenses**

General and administrative expenses for 3Q2013 and 9M2013 amounted to IDR 34 billion and IDR 129 billion, respectively. The decreases were marginal which mainly consists of salaries & employee benefits, transportation & business travel, training, and maintenance expenses.

## **Finance Cost**

Finance cost decreased by 42.5% or IDR 33 billion from IDR 78 billion in 9M2012 to IDR 45 billion in 9M2013. This was due mainly to lower average interest rates on borrowings during the period.

### **Foreign Exchange Loss**

In 3Q2013, the Group recorded a net foreign exchange loss of IDR 19 billion compared to a net loss of IDR 10 billion in 3Q2012. For 9M2013, the Group recorded a net foreign exchange loss of IDR 34 billion compared to a net loss of IDR 32 billion in 9M2012 due mainly to translation losses on USD denominated bank loans.

### **Gain on Hedging Transactions**

The Group's hedging contracts had expired and fully redeemed as at 31 December 2012. No new hedging contracts were entered into in the current financial year.

### **Other expenses**

Increase in other expenses by IDR 12 billion was due mainly to a withholding tax amounting to IDR 15.6 billion for the interim dividend paid in June 2013.

### **Income Tax Expense**

The Group recorded a decrease of income tax expense to IDR 161 billion in 9M2013 compared to IDR 199 billion in 9M2012. The decrease was as a result of the decrease in profit before tax.

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

Share of income of associate companies amounting to IDR 12 billion in 9M2013 was due to share of loss from the Group's associate companies namely, PT Sawit Nabati Agro and PT Berkas Agro Sawitindo as both companies are young oil palm plantations whose yields are low.

## **REVIEW OF STATEMENT OF FINANCIAL POSITION**

### **Non-Current Assets**

As of 30 Sept 2013, the Group's total non-current asset increased from IDR 7,580 billion to IDR 9,766 billion, due mainly to:

- a) Biological assets which increased by IDR 1,270 billion in 30 Sept 2013 compared to 31 December 2012, mainly as a result of the capital expenditure on new plantings, maintenance of immature plantation, seeds procurement, and capitalisation of financing related costs.
- b) Plasma receivables which increased by IDR 406 billion in 30 Sept 2013 compared to 31 December 2012 predominantly due to increase in advances given to the plasma farmers in view of higher hectarage of planted areas.
- c) Property, plant and equipment which increased by IDR 267 billion in 30 Sept 2013 compared to 31 December 2012. This was mainly attributable to the construction of new palm oil mills, machineries and heavy equipment, workers' houses and office building.
- d) Intangible assets which increased by IDR 61 billion in 30 Sept 2013 compared to 31 December 2012. This was mainly attributable to goodwill resulted from acquisition of new subsidiaries.
- e) Loan to an associate company (PT Sawit Nabati Agro) which increased by IDR 112 billion in 30 Sept 2013 compared to 31 December 2012 is repayable at the end of the fifth anniversary from 20 March 2012. The loan amount is denominated in USD.

**Current Assets**

The Group's total current assets decreased from IDR 1,509 billion to IDR 1,284 billion. Save for the decrease in cash and cash equivalents which has been explained in the cash flow section below, the net increase in the current assets was due mainly to:

- a) Increase in inventories amounting to IDR 137 billion. This increase was due mainly to expanded planted areas which required higher level of fertilisers and increase in the average fertiliser purchase price.
- b) Increase in prepayment and advances of IDR 16 billion was due to advances for the procurement of seeds, and heavy equipment for construction of new palm oil mills.

**Current and Non-Current Liabilities**

Current liabilities increased due mainly to an additional revolving credit facility draw-down amounting to USD 80 million. This credit facility can be extended up to the end of facility date, i.e. 12 November 2015 and 9 May 2018.

Non-current liabilities increased due mainly to an additional term loan facility draw-down in current year amounting to USD 70 million which was partially used for repayment of the syndication loan and IDR term loan amounting to USD 12.9 million and IDR 330 billion (USD 28.4 million), respectively.

## REVIEW OF STATEMENT OF CASH FLOW

The Group reported a net decrease in cash and cash equivalents of IDR 484 billion in 9M2013, bringing the cash and bank balances to IDR 421 billion as at 30 September 2013, which was mainly attributable to the following:

- In 9M2013, the Group generated cash of IDR 565 billion from its operating activities compared to IDR 359 billion in 9M2012. The increase was due mainly to higher revenue and cash receipts from customers.
- Net cash used in investing activities was IDR 1,473 billion compared to IDR 1,042 billion in 9M2012. The net cash used was due mainly to investments in plantation assets and nursery, acquisitions of property, plant and equipment (which were mainly for the purchase of equipment for the new CPO mills, heavy equipment and machineries, construction of employees and workers' houses and offices), acquisition of subsidiaries, as well as advances to plasma farmers.
- The Group reported net cash flow generated from financing activities of IDR 424 billion compared to IDR 1,052 billion in 9M2012. The decrease was due mainly to proceeds from loans and borrowings which was partially offset by the repayment of some loans, interim dividend payment, additional transactions with related companies and interest payment as part of the interest was capitalized 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.**

Despite lower palm oil prices, the Group believes that palm oil consumption will continue to grow with the growth in demand of biodiesel. As the Group's young palm trees approach peak production age, the Group's continuous focus on improving its operations and achieving its production growth is expected to contribute positively to the Group as the long term prospect of the palm oil industry remains positive.

**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 during the third quarter of the year.

### 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 9M2013:

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 <sup>(5)</sup>	-
PT Sawit Nabati Agro	-	3,870 <sup>(1)</sup>
PT Gemilang Makmur Subur (formerly PT GY Plantation Indonesia)	-	37,721 <sup>(2)</sup>
IOI Corporation Berhad	-	22,320 <sup>(3)</sup>
PT Gunajaya Harapan Lestari	-	1,187 <sup>(4)</sup>
PT Lima Srikandi Jaya	14,800 <sup>(6)</sup>	-
<b>TOTAL</b>	<b>16,600</b>	<b>65,098</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 closing rate IDR 9,234: 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.
- (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 then outstanding bank loan.
- (5) 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.
- (6) In respect of the sales and 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 (as defined in the Prospectus) who is also one of the Company's controlling shareholders.

### 14. Update of the utilisation of the Initial Public Offering ("IPO") proceeds of S\$195.2million.

An update of the utilisation of the proceeds from the IPO as at 30 September 2013 is as follows:

Intended Use	Amount Allocated (S\$)	Amount Utilised (S\$)	Balance Amount (S\$)
Capital expenditure for expansion and development of the Group's existing uncultivated land bank and palm plantations	142.0 million	142.0 million	-
Repayment of Shareholder Loans	12.6 million	12.6 million	-
Financing the Group's share of the capital expenditure of subsidiaries under *SNA and *BAS for cultivation	27.9 million	21.6 million	6.3 million**
General working capital requirements	12.7 million	12.7 million	-
<b>Total</b>	<b>195.2 million</b>	<b>188.9 million</b>	<b>6.3 million</b>

\*Note:

SNA – PT Sawit Nabati Agro

BAS – PT Berkat Agro Sawitindo

\*\* The balance of the utilization of the proceeds from IPO for SNA and BAS will be fully utilised by 2013 for the financing of the Group's share of the capital expenditure of subsidiaries under SNA and BAS for cultivation.



**15. Negative Assurance Confirmation Statement**

We, Lim Gunawan Hariyanto and Gunardi Hariyanto Lim, Executive Chairman and CEO and Deputy Chief Executive Officer of Bumitama Agri Ltd. (“the Company”), respectively do hereby confirm on behalf of the Directors of the Company 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 2013 to be false or misleading in any material aspect.

**On behalf of the Board of Directors**

**Lim Gunawan Hariyanto**  
Executive Chairman and CEO  
13 November 2013

**Gunardi Hariyanto Lim**  
Deputy CEO

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*The joint issue managers for the Company’s IPO are DBS Bank Limited and the Hong Kong Shanghai Banking Corporation Limited. The joint issue managers assume no responsibility for the contents of this announcement.*