



BUMITAMA AGRI LTD.

Unaudited Financial Statements for the Second Quarter ("2Q") and First Half ("6M") Ended 30 June 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					
	2nd Quarter		Change (%)	1st Half		Change (%)
	2013 IDR million	2012 IDR million		2013 IDR million	2012 IDR million	
Revenue	984,571	828,988	18.8%	1,857,781	1,683,321	10.4%
Cost of sales	(646,155)	(508,268)	27.1%	(1,178,625)	(968,834)	21.7%
Gross profit	338,416	320,720	5.5%	679,156	714,487	-4.9%
Interest income	7,916	4,658	69.9%	14,939	6,332	135.9%
Selling expense	(22,287)	(11,888)	87.5%	(49,526)	(26,289)	88.4%
General and administrative expense	(26,262)	(33,560)	-21.7%	(94,380)	(95,558)	-1.2%
Finance cost	(22,243)	(28,537)	-22.1%	(33,881)	(57,186)	-40.8%
Foreign exchange loss	(11,233)	(13,105)	-14.3%	(14,611)	(22,088)	-33.9%
Gain on hedging transactions	-	48,785	-100.0%	-	39,135	-100.0%
Other expenses	(19,968)	(6,730)	196.7%	(19,993)	(7,238)	176.2%
Other income	1,487	1,720	-13.5%	3,010	2,083	44.5%
Share of loss of associate companies	(3,625)	-	100.0%	(5,647)	-	100.0%
Profit before income tax	242,201	282,063	-14.1%	479,067	553,678	-13.5%
Income tax expense	(61,522)	(60,574)	1.6%	(119,458)	(128,436)	-7.0%
Profit for the period	180,679	221,489	-18.4%	359,609	425,242	-15.4%
Attributable to:						
Owners of the Company	154,746	191,537	-19.2%	306,236	380,586	-19.5%
Non-controlling interests	25,933	29,952	-13.4%	53,373	44,656	19.5%
	180,679	221,489	-18.4%	359,609	425,242	-15.4%

Additional Information

	Group					
	2nd Quarter		Change (%)	1st Half		Change (%)
	2013 IDR million	2012 IDR million		2013 IDR million	2012 IDR million	
Profit before income tax	242,201	282,063	-14.1%	479,067	553,678	-13.5%
Depreciation and amortisation	26,236	20,813	26.1%	52,495	40,337	30.1%
Foreign exchange loss	11,233	13,105	-14.3%	14,611	22,088	-33.9%
Gain on hedging transactions	-	(48,785)	-100.0%	-	(39,135)	-100.0%
Interest expense	22,243	28,537	-22.1%	33,881	57,186	-40.8%
Interest income	(7,916)	(4,658)	69.9%	(14,939)	(6,332)	135.9%
Withholding tax expense on dividend (in Other expenses)	15,657	-	100.0%	15,657	-	100.0%
EBITDA	309,653	291,075	6.4%	580,771	627,822	-7.5%

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					
	2nd Quarter		Change (%)	1st Half		Change (%)
	2013 IDR million	2012 IDR million		2013 IDR million	2012 IDR million	
Statement of comprehensive income:						
Profit for the period/year	180,679	221,489	-18.4%	359,609	425,242	-15.4%
Other comprehensive income						
Foreign currency translation	4,911	(2,071)	n.m.	11,040	(10,188)	n.m.
Other comprehensive income for the period/year, net of tax	4,911	(2,071)	n.m.	11,040	(10,188)	n.m.
Total comprehensive income for the period/year	185,590	219,418	-15.4%	370,649	415,054	-10.7%
Attributable to:						
Owners of the Company	159,657	189,465	-15.7%	317,277	370,398	-14.3%
Non-controlling interests	25,933	29,952	-13.4%	53,373	44,656	19.5%
	185,590	219,418	-15.4%	370,649	415,054	-10.7%

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-13	31-Dec-12	30-Jun-13	31-Dec-12
	IDR million	IDR million	IDR million	IDR million
ASSETS				
Non-current assets				
Biological assets	5,798,191	5,263,330	-	-
Plasma receivables	373,570	202,073	-	-
Property, plant and equipment	1,692,192	1,500,173	973	1,458
Land use rights	293,767	280,605	-	-
Investment in subsidiaries	-	-	388,522	386,521
Investment in associate companies	91,434	94,328	97,081	102,263
Intangible assets	248,404	84,197	-	-
Deferred tax assets	33,517	33,517	-	-
Deferred Charges/other receivable	7,864	9,106	41,249	9,106
Due from subsidiaries	-	-	1,946,937	2,058,478
Loan to an associate company	140,908	87,209	140,933	87,209
Tax refundable	25,330	25,332	-	-
Total Non-current assets	8,705,177	7,579,870	2,615,695	2,645,035
Current assets				
Inventories	418,217	323,502	-	-
Deferred charges	7,565	6,621	-	-
Trade and other receivables	46,624	47,589	-	-
Due from related companies	74,242	69,293	-	-
Due from subsidiaries	-	-	923,074	930,949
Prepayments and advances	190,994	136,841	174	159
Prepaid taxes	43,954	38,648	4,136	118
Cash and short-term deposits	870,450	886,763	16,143	56,069
Total Current assets	1,652,046	1,509,257	943,527	987,295
Total Assets	10,357,223	9,089,127	3,559,222	3,632,330
Current liabilities				
Loans and borrowings	938,861	790,598	663,257	503,468
Lease payables	750	-	-	-
Trade and other payables	678,798	468,284	-	1,677
Accrued operating expenses	82,317	73,594	3,440	8,149
Sales advances	58,580	75,677	-	-
Income taxes payable	26,869	84,163	1,379	-
Total Current liabilities	1,786,175	1,492,316	668,076	513,294
Non-current liabilities				
Deferred tax liabilities	501,838	501,838	-	-
Amount due to subsidiaries	-	-	-	335,052
Loans and borrowings	2,575,699	1,791,792	942,489	826,377
Post employment benefits	16,119	16,119	-	-
Total Non-current liabilities	3,093,656	2,309,749	942,489	1,161,429
Total Liabilities	4,879,831	3,802,065	1,610,564	1,674,723
Net Assets	5,477,392	5,287,062	1,948,658	1,957,607
Equity attributable to owners of the Company				
Share capital	1,807,045	1,807,045	1,807,045	1,807,045
Other reserves	(184,938)	(184,938)	-	-
Retained earnings	3,403,353	3,263,328	5,513	46,805
Foreign currency translation reserve	14,008	2,967	136,100	103,757
	5,039,468	4,888,402	1,948,658	1,957,607
Non-controlling interests	437,924	398,660	-	-
Total equity	5,477,392	5,287,062	1,948,658	1,957,607

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 June 2013 IDR Million	31 Dec 2012 IDR Million
Amount due within one year		
Secured	192,950	171,390
Unsecured	746,661	619,208
Total	939,611	790,598
Amount due more than one year		
Secured	734,217	799,375
Unsecured	1,841,482	992,417
Total	2,575,699	1,791,792

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	2nd Quarter		1st Half	
	2013	2012	2013	2012
	IDR million	IDR million	IDR million	IDR million
Cash flows from operating activities				
Cash receipts from customers	1,065,115	734,344	1,847,901	1,548,379
Cash payments to suppliers, employees and for other operating expenses	(666,988)	(705,621)	(1,216,114)	(1,214,166)
Cash receipts from operating activities	398,127	28,723	631,787	334,213
Corporate income tax paid	(88,787)	(167,223)	(152,741)	(201,824)
Net cash flows generated from/(used in) operating activities	309,340	(138,500)	479,046	132,389
Cash flows from investing activities				
Increase in plasma receivables	(69,392)	6,039	(147,722)	(6,313)
Investment in associate companies	-	-	-	(97,081)
Investment in intangible assets	(761)	(559)	(1,484)	(1,672)
Investment in biological assets	(291,127)	(255,848)	(503,184)	(401,971)
Investment in property, plant and equipment	(131,745)	(85,115)	(252,741)	(141,012)
Investment in land use rights	(11,315)	(26,871)	(13,485)	(62,005)
Advance for acquisition of subsidiaries	(51,047)	-	(40,228)	-
Acquisition of subsidiary	-	-	(163,662)	-
Interest received	7,916	4,658	14,939	6,332
Net cash flows used in investing activities	(547,471)	(357,695)	(1,107,567)	(703,722)
Cash flows from financing activities				
Proceeds from loans and borrowings	1,035,650	271,570	1,035,650	271,570
Repayment of loan and borrowings	(61,436)	(355,973)	(119,963)	(433,790)
Additional due from related companies	(26,782)	(30,663)	(58,647)	(34,394)
Additional due to related companies	-	(74)	-	(45)
Increase in amounts due to shareholders	-	(91,259)	-	(12,955)
Repayment of obligation under finance leases	-	(3,099)	-	(5,618)
Proceeds from obligation under finance lease	750	-	750	-
Amount paid to shareholder as part of restructuring exercise	-	125	-	(302,686)
Payment of dividend	(183,320)	-	(183,320)	-
Contribution from non-controlling interests	3,000	-	3,000	-
Addition in share capital	-	1,434,925	-	1,758,142
Interest paid	(48,443)	(23,536)	(68,339)	(57,185)
Net cash flows generated from financing activities	719,419	1,202,015	609,131	1,183,039
Net increase/(decrease) in cash and cash equivalents	481,288	705,820	(19,390)	611,706
Effect of exchange rate changes on cash and cash equivalents	4,060	(194)	3,077	641
Cash and cash equivalents at beginning of period/year	385,102	176,860	886,763	270,139
Cash and cash equivalents at end of period/year	870,450	882,486	870,450	882,486
Reconciliation of cash and cash equivalents:				
Cash at banks and on hand	870,450	420,486	870,450	420,486
Short term deposits	-	462,000	-	462,000
Cash and cash equivalents	870,450	882,486	870,450	882,486

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)

	2nd Quarter		1st Half	
	2013	2012	2013	2012
	IDR million	IDR million	IDR million	IDR million
Cash Flows from Operating Activities:				
Profit before income tax	242,201	282,063	479,067	553,678
Depreciation and amortisation	26,236	31,206	52,495	50,335
Amortisation of intangible asset	(144)	433	602	828
Finance cost	8,320	28,536	19,960	57,185
Finance income	(7,916)	(4,658)	(14,939)	(6,332)
Post employment benefits	(21)	233	153	528
Unrealized gain on hedging transactions	-	(48,448)	-	(38,799)
Unrealised foreign exchange loss / (gain)	10,590	(1,825)	24,749	(6,070)
Share of loss of associate companies	3,626	-	5,647	-
Operating cash flows before working capital changes	282,892	287,540	567,734	611,353
Decrease/(increase) in:				
- Trade and other receivables	15,653	(28,402)	964	(26,614)
- Inventories	53,925	(66,747)	(94,715)	(97,147)
- Prepaid taxes	(17,606)	(20,965)	(5,306)	(70)
- Prepayments and advances	57,811	(49,329)	(13,925)	(51,182)
- Deferred charges	(984)	24,087	(944)	20,174
- Tax refundable	-	(3,218)	2	(8,041)
(Decrease)/increase in:				
- Trade and other payables	47,664	(43,577)	210,513	(19,496)
- Accrued operating expenses	10,301	(2,988)	8,571	14,583
- Tax payable	(29,119)	-	(24,010)	-
- Sales advances	(22,410)	(67,678)	(17,097)	(109,347)
Cash flows generated from operations	398,127	28,723	631,787	334,213
Corporate income tax paid	(88,787)	(167,223)	(152,741)	(201,824)
Net cash flows generated from/(used in) operating activities	309,340	(138,500)	479,046	132,389

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	IDR' million	
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	-	306,236	-	-	306,236	53,373	359,609	
Other comprehensive income:								
Items that may be reclassified subsequently to profit or loss:								
Foreign currency translation	-	-	-	11,041	11,041	-	11,041	
Total comprehensive income for the period	-	306,236	-	11,041	317,277	53,373	370,650	
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 June 2013	1,807,045	3,403,353	(184,938)	14,008	5,039,468	437,924	5,477,392	
Opening balance at 1 January 2012	45,000	2,475,432	151,511	9,449	2,681,392	244,061	2,925,453	
Profit for the period	-	380,586	-	-	380,586	44,656	425,242	
Other comprehensive income:								
Items that may be reclassified subsequently to profit or loss:								
Foreign currency translation	-	-	-	(10,188)	(10,188)	-	(10,188)	
Total comprehensive income for the period	-	380,586	-	(10,188)	370,398	44,656	415,054	
Distribution to owners:								
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)	
Closing balance at 30 June 2012	1,803,142	2,856,018	(184,938)	(739)	4,473,483	328,842	4,802,325	

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
Opening balance at 1 January 2013	1,807,045	46,805	103,757	1,957,607
Profit for the period	-	124,919	-	124,919
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Foreign currency translation	-	-	32,343	32,343
Total comprehensive income for the period	-	124,919	32,343	157,262
Distribution to owners:				
Dividends on ordinary shares	-	(166,211)	-	(166,211)
Closing balance at 30 June 2013	1,807,045	5,513	136,100	1,948,658
Opening balance at 1 January 2012	45,000	(6,872)	651	38,779
Loss for the period	-	(168)	-	(168)
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Foreign currency translation	-	-	7,004	7,004
Total comprehensive income for the period	-	(168)	7,004	6,836
Distribution to owners:				
Issuance of new shares	323,217	-	-	323,217
Closing balance at 30 June 2012	368,217	(7,040)	7,655	368,832

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 June 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 June 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)	2nd Quarter		1st Half	
	2013	2012	2013	2012
(a) based on weighted average number of share (in IDR)	88	111	174	392
(b) based on a fully diluted basis	-	-	-	-
Weighted number of shares	1,757,531,844	1,724,491,470	1,757,531,844	971,037,889

Earning per share for the period (Post offering number of shares)	2nd Quarter		1st Half	
	2013	2012	2013	2012
(a) based on number of share * (in IDR)	88	109	174	217
(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-Jun-13	31-Dec-12	30-Jun-13	31-Dec-12
Net asset value per ordinary share (in IDR)	3,117	3,008	1,109	1,114
Number of shares outstanding	1,757,531,844	1,757,531,844	1,757,531,844	1,757,531,844

Net asset value per share (based on post-offering number of shares)	Group		Company	
	30-Jun-13	31-Dec-12	30-Jun-13	31-Dec-12
Net asset value per ordinary share (in IDR)	3,117	3,008	1,109	1,114
Post Offering Number of shares outstanding*	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 second quarter of 2013 ("2Q2013"), the Group recorded an increase in sales by 18.8%, which was offset by higher cost of sales and operating expenses of 27.1% and 6.8%, respectively. This has resulted in the decrease of the Group's net profit by 18.4% to IDR 181 billion.

For the first half of the year ("6M2013"), the Group's net profit decreased by 15.4% to IDR 360 billion. This was in spite of an increase in sales by 10.4%, which was offset by higher cost of sales and operating expenses by 21.7% and 18.1% respectively.

Revenue

Revenue increased by 18.8% to IDR 985 billion in 2Q2013 and 10.4% to IDR 1,858 billion in 6M2013, 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 6M2013.

Revenue	2nd Quarter			1st Half		
	2Q 2013	2Q 2012	Change	2013	2012	Change
	IDR million	IDR million	(%)	IDR million	IDR million	(%)
CPO	917,934	757,849	21.1%	1,730,439	1,535,452	12.7%
PK	66,637	71,139	-6.3%	127,342	147,869	-13.9%
Total	984,571	828,988	18.8%	1,857,781	1,683,321	10.4%

Volume	2Q 2013	2Q 2012	Change	2013	2012	Change
	mt	mt	(%)	mt	mt	(%)
CPO	135,500	93,747	44.5%	260,642	197,238	32.1%
PK	23,512	19,247	22.2%	47,188	39,787	18.6%

Average sales prices	2Q 2013	2Q 2012	Change	2013	2012	Change
	IDR / Kg	IDR / Kg	(%)	IDR / Kg	IDR / Kg	(%)
CPO	6,774	8,084	-16.2%	6,639	7,785	-14.7%
PK	2,834	3,696	-23.3%	2,699	3,717	-27.4%

Cost of Sales

Cost of sales comprised mainly costs in relation to plantation maintenance, harvesting, plantation overhead, depreciation and amortization, processing and FFB purchased from third parties.

The Group's cost of sales increased by 27.1% to IDR 646 billion in 2Q2013 and by 21.7% to IDR 1,179 billion in 6M2013 compared to the previous corresponding period. The increase was due mainly to expanded nucleus mature planted areas from 51,532 ha to 63,677 ha in 6M2013, higher volume of fresh fruit bunches ("FFB") purchased from 407,124 ton to 500,215 ton, fertiliser dosage, employee costs, and repair and maintenance costs.

Gross Profit

Gross profit increased by approximately 5.5% to IDR 338 billion in 2Q2013. For 6M2013, gross profit decreased by 4.9% to IDR 679 billion.

Gross profit margin decreased by 4.3% from 38.7% in 2Q2012 to 34.4% in 2Q2013, and for the first half year decreased by 5.9% from 42.4% in 6M2012 to 36.6% in 6M2013. The decrease in gross margin was attributable to lower selling price and increase in cost of sales during the period.

Interest Income

Interest income increased to 15 billion in 6M2013 compared to the previous corresponding period as a result of higher average cash and short-term deposits.

Selling, General and Administration Expenses

Selling, general and administrative expenses increased by 6.8% to IDR 49 billion in 2Q2013 and 18.1% to IDR 144 billion in 6M2013 compared to previous corresponding period. This was due mainly to an increase in selling expenses by 88.4% or IDR 23 billion as result of increase in sales volume of CPO by 32.1% and PK by 18.6%, and higher freight and loading cost in some areas in early 2013.

Finance Cost

Finance cost decreased by 40.8% or IDR 23 billion from IDR 57 billion in 6M2012 to IDR 34 billion in 6M2013. This was due mainly to a decrease in interest rates on borrowings during the period.

Foreign Exchange Loss

In 2Q2013, the Group recorded a net exchange foreign exchange loss of IDR 11 billion compared to a net loss of IDR 13 billion. For 6M2013, the Group recorded a net foreign exchange loss of IDR 15 billion compared to a net loss of IDR 22 billion in 6M2012 due mainly to translation losses on USD denominated bank loans.

Gain on Hedging Transactions

The Group's hedging contracts have 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 13 billion was due mainly to a withholding tax amounting to IDR 15.4 billion for the interim dividend paid in June 2013.

Income Tax Expense

The Group recorded an increase in income tax expense to IDR 62 billion in 2Q2013 compared to IDR 61 billion in 2Q2012, and a decrease to IDR 119 billion in 6M2013 compared to IDR 128 billion in 6M2012. The decrease was as a result of the decrease in profit before tax.

Share of loss of associate companies

Share of loss of associated companies amounting to IDR 6 billion in 6M2013 was due to share of losses from the Group's associated companies namely, PT Sawit Nabati Agro and PT Berkat 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 June 2013, the Group's total non-current asset increased from IDR 7,580 billion to IDR 8,705 billion, due mainly to:

- a) Biological assets which increased by IDR 535 billion in 30 June 2013 compared to 31 December 2012 as a result of the capital expenditure on new plantings, maintenance of immature plantation and seeds procurement.
- b) Plasma receivables which increased by IDR 171 billion in 30 June 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 192 billion in 30 June 2013 compared to 31 December 2012. This was mainly attributable to the construction of new palm oil mills, workers' houses and office building.
- d) Intangible assets which increased by IDR 164 billion in 30 June 2013 compared to 31 December 2012. This was attributable mainly to goodwill resulting from acquisition of new subsidiaries.
- e) Loan to an associate company (PT Sawit Nabati Agro) which increased by IDR 54 billion in 30 June 2013 compared to 31 December 2012.

Current Assets

The Group's total current asset increased from IDR 1,509 billion to IDR 1,652 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 95 billion. This increase was due mainly to higher delivery of some fertilisers compared to the actual application during the first half of the year.
- b) Increase in prepayment and advances of IDR 54 billion due to advances for the procurement of seeds and heavy equipment for construction of new palm oil mills.

Current and Non-Current Liabilities

As of 30 June 2013, the Group's current and non-current liabilities increased by IDR 1,078 billion due mainly to an increase of loan and borrowings of IDR 932 billion and increase in trade and other payables. The increase of trade and other payables was as a result of an increase of the purchase of fertilisers, diesel fuel, FFB and construction of new palm oil mills.

REVIEW OF STATEMENT OF CASH FLOW

The Group reported net cash generated from operating activities of IDR 309 billion in 2Q2013 compared to net cash used in operating activities amounting to IDR 139 billion in 2Q2012. For 6M2013, the Group generated cash of IDR 479 billion from its operating activities compared to IDR 132 billion in 6M2012. The higher cash flows generated from operating activities were due mainly to cash receipts from customers of IDR 1,848 billion, which was partially offset against cash payments to suppliers, employees, and other operating expenses of IDR 1,216 billion, as well as payment for corporate income tax of IDR 153 billion. Higher cash receipt from customers was in line with the higher sales generated and higher cash collection of receivables from customers.

In 2Q2013, net cash used in investing activities was IDR 547 billion compared to IDR 358 billion in 2Q2012. In 6M2013, the net cash used in investing activities was IDR 1,108 billion compared to IDR 704 billion in 6M2012. The net cash used was due mainly to investments in plantation assets and nursery amounting to IDR 503 billion, 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) amounting to IDR 253 billion, acquisition of subsidiaries amounting to IDR 164 billion, as well as advances to plasma farmers amounting to IDR 148 billion.

In 2Q2013, the Group reported net cash flow generated from financing activities of IDR 719 billion compared to net cash flow generated from financing activities of IDR 1,202 billion in 2Q2012. For 6M2013, the Group reported net cash flow generated from financing activities of IDR 609 billion compared to net cash flow generated in financing activities of IDR 1,183 billion in 6M2012. The cash flow generated from financing activities was due mainly to proceeds from loans and borrowings of IDR 1,036 billion. This was partially offset by the repayment of some loans and borrowings amounting to IDR 120 billion, interim dividend payment amounting to IDR 183 billion, additional transactions with related companies of IDR 59 billion and interest payment of IDR 68 billion as part of the interest are capitalized to immature plantations.

Overall, the net cash generated from operating activities and financing activities was partially offset by the cash flows used in investing activities, resulting in a net decrease in cash and cash equivalents of IDR 19 billion in 6M2013, bringing the Group's cash and short-term deposits balances to IDR 870 billion as at 30 June 2013.

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 is growing at a steady and sustainable pace with its young palm trees approaching 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?

Yes

2QFY2013	
Name of Dividend	Interim
Dividend Type	Cash
Dividend Rate	SGD0.012 per ordinary share
Payment Type	Tax Exempted (1-tier)
Book Closure Date	31 May 2013
Date Paid	20 June 2013

The Company is pleased to advise that it has set a dividend policy to distribute up to 20% of its distributable income. The policy on distribution of dividend depends on results of the Company's operations, cash flows and financial position, capital expenditure plan, debt repayment schedule, dividend received from its subsidiaries, industry condition and prospect, and other factors deemed relevant by the Board of Directors.

(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

See 11(a)

(d) Books closure date

See 11(a)

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

An interim dividend of SGD0.012 per ordinary share (tax exempted – 1 tier) had been paid on 20 June 2013.

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 2Q2013 and 6M2013:

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 ⁽⁵⁾	-
PT Sawit Nabati Agro	-	2,030 ⁽¹⁾
PT Gemilang Makmur Subur (formerly PT GY Plantation Indonesia)	-	21,163 ⁽²⁾
IOI Corporation Berhad	-	12,729 ⁽³⁾
PT Gunajaya Harapan Lestari	-	792 ⁽⁴⁾
TOTAL	1,200	36,714

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 7,841: SGD 1.00*

- (1) *PT Sawit Nabati Agro is our associated Companies which are controlled by IOI Corporation.*
- (2) *PT Gemilang Makmur Subur (formerly 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. The loan extended by the Group attracted an interest rate of SIBOR+4.5% per annum.*
- (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 as described on page 210 of the Company's prospectus dated 3 April 2013.*

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 June 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	18.0 million	9.9 million**
General working capital requirements	12.7 million	12.7 million	-
Total	195.2 million	185.3 million	9.9 million

**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. Additional information on Acquisition PT Sukses Manunggal Sawitindo (“PT SMS”)

The Company refers to its announcement released to SGX-ST via SGXNET on 19 October 2012 in relation to the acquisition of approximately 95% of the issued shares in PT Sukses Manunggal Sawitindo. The Company would like to update that as of to-date, the relevant government approvals in Indonesia have not been obtained. Both the Company and the Lim Family (which includes one of the Company’s controlling shareholders) have mutually agreed to extend the date of completion to 30 June 2014.

16. Negative Assurance Confirmation Statement

We, Lim Gunawan Harianto 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 second quarter and half year ended 30 June 2013 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Lim Gunawan Harianto
Executive Chairman and CEO
12 August 2013

Gunardi Hariyanto Lim
Deputy CEO

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.