



## BUMITAMA AGRI LTD.

### Unaudited Financial Statements for the Fourth Quarter ("4Q") and Full Year Ended 31 December 2014

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

	Group					
	4th Quarter			FY		
	2014 IDR million	2013 IDR million	Change (%)	2014 IDR million	2013 IDR million	Change (%)
<b>Revenue</b>	1,569,861	1,298,994	20.9%	5,757,264	4,062,708	41.7%
Cost of sales	(1,014,424)	(714,402)	42.0%	(3,415,585)	(2,462,875)	38.7%
<b>Gross profit</b>	<b>555,437</b>	<b>584,592</b>	<b>-5.0%</b>	<b>2,341,679</b>	<b>1,599,833</b>	<b>46.4%</b>
Interest Income	64,614	3,788	1605.8%	106,540	22,303	377.7%
(Loss)/gain arising from fair value changes in biological assets	(38,263)	28,825	n.m.	(38,263)	28,825	n.m.
Selling expense	(53,338)	(29,284)	82.1%	(173,048)	(105,606)	63.9%
General and administrative expense	(22,354)	(18,992)	17.7%	(184,420)	(142,772)	29.2%
Finance cost	(21,783)	(11,849)	83.8%	(105,249)	(56,734)	85.5%
Foreign exchange loss	(8,200)	(11,445)	-28.4%	(75,694)	(45,174)	67.6%
Other expenses	(26,925)	(3,717)	624.3%	(69,634)	(30,091)	131.4%
Other income	6,902	3,208	115.2%	20,089	13,379	50.2%
Share of loss of associate companies	(2,437)	(3,759)	-35.2%	(17,127)	(15,834)	8.2%
<b>Profit before income tax</b>	<b>453,653</b>	<b>541,367</b>	<b>-16.2%</b>	<b>1,804,873</b>	<b>1,268,129</b>	<b>42.3%</b>
Income tax expense	(119,930)	(125,215)	-4.2%	(433,094)	(286,394)	51.2%
<b>Profit for the period</b>	<b>333,723</b>	<b>416,152</b>	<b>-19.8%</b>	<b>1,371,779</b>	<b>981,735</b>	<b>39.7%</b>
<b>Attributable to:</b>						
Owners of the Company	266,429	380,446	-30.0%	1,153,006	855,460	34.8%
Non-controlling interests	67,294	35,706	88.5%	218,773	126,275	73.3%
	<b>333,723</b>	<b>416,152</b>	<b>-19.8%</b>	<b>1,371,779</b>	<b>981,735</b>	<b>39.7%</b>

#### Additional Information

	Group					
	4th Quarter			FY		
	2014 IDR million	2013 IDR million	Change (%)	2014 IDR million	2013 IDR million	Change (%)
Profit before income tax	453,653	541,367	-16.2%	1,804,873	1,268,129	42.3%
Depreciation and amortisation	61,236	49,129	24.6%	183,880	133,659	37.6%
Foreign Exchange loss	8,200	11,445	-28.4%	75,694	45,174	67.6%
Interest expense	21,783	11,849	83.8%	105,249	56,734	85.5%
Interest income	(64,614)	(3,788)	1605.8%	(106,540)	(22,303)	377.7%
Withholding tax expense on dividend (in Other expenses)	21,600	-	0.0%	43,607	15,657	178.5%
Loss/(gain) arising from fair value changes in biological assets	38,263	(28,825)	-232.7%	38,263	(28,825)	-232.7%
<b>EBITDA</b>	<b>540,121</b>	<b>581,177</b>	<b>-7.1%</b>	<b>2,145,026</b>	<b>1,468,225</b>	<b>46.1%</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					
	4th Quarter			FY		
	2014 IDR million	2013 IDR million	Change (%)	2014 IDR million	2013 IDR million	Change (%)
<b>Statement of comprehensive income:</b>						
<b>Profit for the period/year</b>	<b>333,723</b>	<b>416,152</b>	<b>-19.8%</b>	<b>1,371,779</b>	<b>981,735</b>	<b>39.7%</b>
<b>Other comprehensive income</b>						
<b>Item that may be reclassified subsequently to profit or loss:</b>						
Foreign currency translation	(13,805)	20,814	n.m.	(24,393)	48,718	n.m.
Fair value reserve on derivative	31,572	-	100.0%	(55,225)	-	-100.0%
Re-measurement gain on defined benefit plans	(10,237)	10,549	n.m.	(10,237)	3,394	n.m.
<b>Other comprehensive income for the period/year, net of tax</b>	<b>7,530</b>	<b>31,363</b>	<b>-76.0%</b>	<b>(89,855)</b>	<b>52,112</b>	<b>n.m.</b>
<b>Total comprehensive income for the period/year</b>	<b>341,253</b>	<b>447,515</b>	<b>-23.7%</b>	<b>1,281,924</b>	<b>1,033,847</b>	<b>24.0%</b>
<b>Attributable to:</b>						
Owners of the Company	262,926	411,809	-36.2%	1,064,784	907,572	17.3%
Non-controlling interests	78,327	35,706	119.4%	217,140	126,275	72.0%
	<b>341,253</b>	<b>447,515</b>	<b>-23.7%</b>	<b>1,281,924</b>	<b>1,033,847</b>	<b>24.0%</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	
	31-Dec-14	31-Dec-13	31-Dec-14	31-Dec-13
	IDR million	IDR million	IDR million	IDR million
<b>ASSETS</b>				
<b>Non-current assets</b>				
Biological assets	7,517,948	6,758,331	-	-
Plasma receivables	784,662	612,756	-	-
Property, plant and equipment	2,865,809	2,092,508	184	541
Land use rights	486,160	403,684	-	-
Investment in subsidiaries	-	-	396,021	386,521
Investment in associate companies	84,250	108,061	131,556	123,894
Intangible assets	171,276	180,073	-	-
Deferred tax assets	256,592	121,957	-	-
Deferred Charges/other receivable	10,263	10,023	11,883	11,654
Due from subsidiaries	-	-	5,581,149	3,529,563
Loan to an associate company	282,167	228,562	282,167	228,562
Tax refundable	-	25,330	-	-
<b>Total Non-current assets</b>	<b>12,459,127</b>	<b>10,541,285</b>	<b>6,402,960</b>	<b>4,280,735</b>
<b>Current assets</b>				
Inventories	526,801	378,559	-	-
Deferred charges	8,326	13,274	-	5,449
Trade and other receivables	139,576	101,810	-	-
Due from related companies	126,270	141,183	-	-
Due from subsidiaries	-	-	435,400	1,938,051
Prepayments and advances	81,099	118,392	199	215
Dividend receivables	-	-	194,400	-
Prepaid taxes	151,292	67,140	34	50
Cash and short-term deposits	310,858	482,118	8,701	19,318
<b>Total Current assets</b>	<b>1,344,222</b>	<b>1,302,476</b>	<b>638,734</b>	<b>1,963,083</b>
<b>Total Assets</b>	<b>13,803,349</b>	<b>11,843,761</b>	<b>7,041,694</b>	<b>6,243,818</b>
<b>Current liabilities</b>				
Loans and borrowings	588,959	558,758	433,324	353,481
Lease payables	-	193	-	-
Trade and other payables	772,622	508,117	-	-
Accrued operating expenses	154,377	95,517	71,745	13,630
Dividend payables	20,400	-	-	-
Sales advances	165,237	263,469	-	-
Income taxes payable	221,107	57,276	2,309	2,644
<b>Total Current liabilities</b>	<b>1,922,702</b>	<b>1,483,330</b>	<b>507,378</b>	<b>369,755</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities	690,933	626,457	-	-
Amount due to subsidiaries	-	-	-	188,779
Loans and borrowings	139,769	3,584,903	-	3,308,659
Islamic medium term notes	3,551,370	-	3,551,370	-
Post employment benefits	12,369	8,481	-	-
Derivative financial liabilities	377,480	-	377,480	-
<b>Total Non-current liabilities</b>	<b>4,771,921</b>	<b>4,219,841</b>	<b>3,928,850</b>	<b>3,497,438</b>
<b>Total Liabilities</b>	<b>6,694,623</b>	<b>5,703,171</b>	<b>4,436,228</b>	<b>3,867,193</b>
<b>Net Assets</b>	<b>7,108,726</b>	<b>6,140,590</b>	<b>2,605,466</b>	<b>2,376,625</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	(240,163)	(184,938)	(55,225)	-
Retained earnings	4,889,062	3,955,971	298,376	63,120
Foreign currency translation reserve	27,292	51,685	555,270	506,460
	<b>6,483,236</b>	<b>5,629,763</b>	<b>2,605,466</b>	<b>2,376,625</b>
<b>Non-controlling interests</b>	<b>625,490</b>	<b>510,827</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>7,108,726</b>	<b>6,140,590</b>	<b>2,605,466</b>	<b>2,376,625</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

	31 Dec 2014 IDR Million	31 Dec 2013 IDR Million
Amount due within one year		
Secured	188,523	205,470
Unsecured	400,436	353,481
<b>Total</b>	<b>588,959</b>	<b>558,951</b>
Amount due more than one year		
Secured	139,769	328,291
Unsecured	3,551,370	3,256,612
<b>Total</b>	<b>3,691,139</b>	<b>3,584,903</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	4th Quarter		FY	
	2014	2013	2014	2013
	IDR million	IDR million	IDR million	IDR million
<b>Cash flows from operating activities</b>				
Cash receipts from customers	1,391,966	1,412,549	5,647,871	4,227,798
Cash payments to suppliers, employees and for other operating expenses	(436,851)	(592,270)	(3,232,922)	(2,632,767)
Corporate income tax paid	(102,616)	(111,795)	(291,187)	(321,994)
<b>Net cash flows generated from operating activities</b>	<b>852,499</b>	<b>708,484</b>	<b>2,123,762</b>	<b>1,273,037</b>
<b>Cash flows from investing activities</b>				
Decrease/(increase) in plasma receivables	(168,455)	42,575	(151,306)	(238,407)
Investment in intangible assets	-	(388)	-	(2,715)
Investment in biological assets	(313,160)	(81,369)	(811,650)	(643,493)
Investment in property, plant and equipment	(427,018)	(376,774)	(939,924)	(735,196)
Investment in land use rights	(56,190)	(48,812)	(82,476)	(123,079)
Acquisition of subsidiary	(9,441)	-	(9,441)	(204,946)
Interest received	64,614	3,788	106,540	22,303
<b>Net cash flows used in investing activities</b>	<b>(909,650)</b>	<b>(460,980)</b>	<b>(1,888,257)</b>	<b>(1,925,533)</b>
<b>Cash flows from financing activities</b>				
Proceeds from loans and borrowings	-	22,105	-	1,505,055
Repayment of loan and borrowings	(2,300,918)	(88,556)	(3,438,754)	(649,557)
Proceeds from issuance of Islamic medium term notes	-	-	3,579,503	-
Increase in amount due from related companies	(6,739)	(73,574)	(80,968)	(213,242)
Repayment of obligation under finance leases	-	-	(193)	-
Payment of dividend	-	-	(290,413)	(183,319)
Contribution from non-controlling interests	-	-	-	3,000
Advance for acquisition of subsidiaries	-	-	-	(9,709)
Interest paid	(54,668)	(39,964)	(155,588)	(218,126)
<b>Net cash flows generated from/(used in) financing activities</b>	<b>(2,362,325)</b>	<b>(179,989)</b>	<b>(386,413)</b>	<b>234,102</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(2,419,476)</b>	<b>67,515</b>	<b>(150,908)</b>	<b>(418,394)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(17,789)</b>	<b>(5,999)</b>	<b>(20,352)</b>	<b>13,749</b>
<b>Cash and cash equivalents at beginning of period/year</b>	<b>2,748,123</b>	<b>420,602</b>	<b>482,118</b>	<b>886,763</b>
<b>Cash and cash equivalents at end of period/year</b>	<b>310,858</b>	<b>482,118</b>	<b>310,858</b>	<b>482,118</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:	4th Quarter		FY	
	2014	2013	2014	2013
	IDR million	IDR million	IDR million	IDR million
Profit before income tax	453,653	541,367	1,804,873	1,268,129
Depreciation and amortisation	61,236	49,129	183,880	133,659
Finance cost	21,783	11,849	105,249	56,734
Finance income	(64,614)	(3,788)	(106,540)	(22,303)
Post employment benefits	16,474	5,764	16,474	8,298
Impairment of goodwill	6,564	-	6,564	-
Unrealized foreign exchange loss / (gain)	215,144	(31,008)	288,757	34,051
Share of loss of associate companies	2,437	3,758	17,127	15,833
(Loss)/gain arising from fair value changes in biological assets	38,263	(28,825)	38,263	(28,825)
Operating cash flows before working capital changes	<b>750,940</b>	<b>548,246</b>	<b>2,354,647</b>	<b>1,465,576</b>
Decrease/(increase) in:				
- Trade and other receivables	17,747	(19,300)	4,509	(54,221)
- Inventories	126,365	82,012	(148,242)	(55,057)
- Prepaid taxes	(73,734)	(3,760)	(84,151)	(28,492)
- Prepayments and advances	195,618	34,536	37,293	28,158
- Deferred charges	(1,949)	(6,391)	(5,309)	(6,653)
- Tax refundable	6,036	-	25,330	2
(Decrease)/increase in:				
- Trade and other payables	81,478	21,771	264,505	39,833
- Accrued operating expenses	47,967	18,742	58,860	21,923
- Tax payable	3,259	19,615	18,324	8,712
- Sales advances	(186,026)	137,350	(98,231)	187,792
Post employment benefits	(12,586)	(12,542)	(12,586)	(12,542)
Cash flows generated from operations	<b>955,115</b>	<b>820,279</b>	<b>2,414,949</b>	<b>1,595,031</b>
Corporate income tax paid	(102,616)	(111,795)	(291,187)	(321,994)
<b>Net cash flows generated from operating activities</b>	<b>852,499</b>	<b>708,484</b>	<b>2,123,762</b>	<b>1,273,037</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 capitalization 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		
<b>Opening balance at 1 January 2014</b>	<b>1,807,045</b>	<b>3,955,971</b>	<b>(184,938)</b>	<b>51,685</b>	<b>5,629,763</b>	<b>510,827</b>	<b>6,140,590</b>
Profit for the period	-	1,153,006	-	-	1,153,006	218,773	1,371,779
<b>Other comprehensive income:</b>							
Items that may be reclassified subsequently to profit or loss:							
Foreign currency translation	-	-	-	(24,393)	(24,393)	-	(24,393)
Fair value reserve on derivative	-	-	(55,225)	-	(55,225)	-	(55,225)
Re-measurement on defined benefit plan	-	(8,604)	-	-	(8,604)	(1,633)	(10,237)
Total comprehensive income for the period	-	1,144,402	(55,225)	(24,393)	1,064,784	217,140	1,281,924
<b>Distribution to owners:</b>							
Contribution from non-controlling interests	-	-	-	-	-	625	625
Dividends on ordinary shares	-	(211,311)	-	-	(211,311)	(103,102)	(314,413)
<b>Closing balance at 31 December 2014</b>	<b>1,807,045</b>	<b>4,889,062</b>	<b>(240,163)</b>	<b>27,292</b>	<b>6,483,236</b>	<b>625,490</b>	<b>7,108,726</b>
<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	-	855,460	-	-	855,460	126,275	981,735
<b>Other comprehensive income:</b>							
Items that may be reclassified subsequently to profit or loss:							
Foreign currency translation	-	-	-	48,718	48,718	-	48,718
Re-measurement on defined benefit plan	-	3,394	-	-	3,394	-	3,394
Total comprehensive income for the period	-	858,854	-	48,718	907,572	126,275	1,033,847
<b>Distribution to owners:</b>							
Contribution from non-controlling interests	-	-	-	-	-	3,000	3,000
Dividends on ordinary shares	-	(166,211)	-	-	(166,211)	(17,108)	(183,319)
<b>Closing balance at 31 December 2013</b>	<b>1,807,045</b>	<b>3,955,971</b>	<b>(184,938)</b>	<b>51,685</b>	<b>5,629,763</b>	<b>510,827</b>	<b>6,140,590</b>

Company	----- Attributable to owners of the Company -----				
	Share capital	Retained earnings	Other reserves	Foreign currency translation reserves	Total share capital and reserves
	IDR million	IDR million	IDR million	IDR million	IDR million
<b>Opening balance at 1 January 2014</b>	<b>1,807,045</b>	<b>63,120</b>	<b>-</b>	<b>506,460</b>	<b>2,376,625</b>
Profit for the period	-	446,567	-	-	446,567
<b>Other comprehensive income:</b>					
Items that may be reclassified subsequently to profit or loss:					
Foreign currency translation	-	-	-	48,810	48,810
Fair value reserve on derivative	-	-	(55,225)	-	(55,225)
Total comprehensive income for the period	-	446,567	(55,225)	48,810	440,152
<b>Distribution to owners:</b>					
Dividends on ordinary shares	-	(211,311)	-	-	(211,311)
<b>Closing balance at 31 December 2014</b>	<b>1,807,045</b>	<b>298,376</b>	<b>(55,225)</b>	<b>555,270</b>	<b>2,605,466</b>
<b>Opening balance at 1 January 2013</b>	<b>1,807,045</b>	<b>46,805</b>	<b>-</b>	<b>103,757</b>	<b>1,957,607</b>
Profit for the period	-	182,526	-	-	182,526
<b>Other comprehensive income:</b>					
Items that may be reclassified subsequently to profit or loss:					
Foreign currency translation	-	-	-	402,703	402,703
Total comprehensive income for the period	-	182,526	-	402,703	585,229
<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>63,120</b>	<b>-</b>	<b>506,460</b>	<b>2,376,625</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 to the Company's issued and paid up share capital as at the end of the financial year ended 31 December 2014.

There are no treasury shares and the Company does not have shares that may be issued on conversion of any outstanding convertibles as at 31 December 2014 and 31 December 2013.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The Company's total number of issued shares (the Company did not hold any treasury shares) as at 31 December 2014 and 31 December 2013 were 1,757,531,844 shares.

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not Applicable.

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

The financial statements presented above have not been audited or reviewed by the Company's auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not Applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements as at 31 December 2013 except for the new and revised standards that are effective for annual periods beginning as of 1 January 2014. The adoption of these new standards has no significant impact to the Group's consolidated financial statements.

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

Not Applicable.



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

Earning per share for the period (weighted average number of shares)	4th Quarter		FY	
	2014	2013	2014	2013
(a) based on weighted average number of share (in IDR)	152	216	656	487
(b) based on a fully diluted basis	-	-	-	-
Weighted number of shares	1,757,531,844	1,757,531,844	1,757,531,844	1,757,531,844

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

Net asset value per share	Group		Company	
	31-Dec-14	31-Dec-13	31-Dec-14	31-Dec-13
Net asset value per ordinary share (in IDR)	4,045	3,494	1,482	1,352
Number of issued shares	1,757,531,844	1,757,531,844	1,757,531,844	1,757,531,844

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

(a) Any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) Any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

## REVIEW OF INCOME STATEMENT

### Overview

During the fourth quarter of 2014 ("4Q2014"), the Group recorded a decrease in net profit by 19.8% to IDR 334 billion. The decrease was due to lower selling price for both Crude Palm Oil ("CPO") and palm Kernel ("PK"), higher cost of sales, selling expenses, general and administration expenses, other expenses due to withholding tax expenses arising from dividend received by the Company from its subsidiary, and loss arising from fair value changes in biological assets. However for the year ("FY2014"), the Group recorded an increase in net profit by 39.7% to IDR 1,372 billion. The improved net profit was mainly as the result of higher sales volume and selling price of both CPO and PK compared to the previous corresponding period.

### Revenue

Revenue increased by 20.9% to IDR 1,570 billion in 4Q2014 and 41.7% to IDR 5,757 billion in FY2014, compared to the previous corresponding period. The increase of revenue in 4Q2014 was mainly due to an increase in aggregate sales volume of CPO and PK while for FY2014, the increase in revenue was due to higher of sales volume and selling price of both CPO and PK.

Revenue	4th Quarter			FY		
	2014	2013	Change	2014	2013	Change
	IDR million	IDR million	(%)	IDR million	IDR million	(%)
CPO	1,434,817	1,192,153	20.4%	5,198,666	3,746,501	38.8%
PK	135,044	106,841	26.4%	558,598	316,207	76.7%
<b>Total</b>	<b>1,569,861</b>	<b>1,298,994</b>	<b>20.9%</b>	<b>5,757,264</b>	<b>4,062,708</b>	<b>41.7%</b>
Volume	2014	2013	Change	2014	2013	Change
	mt	mt	(%)	mt	mt	(%)
CPO	183,194	147,112	24.5%	624,025	522,582	19.4%
PK	33,952	25,179	34.8%	114,162	98,354	16.1%
Average sales prices	2014	2013	Change	2014	2013	Change
	IDR / kg	IDR / kg	(%)	IDR / kg	IDR / kg	(%)
CPO	7,832	8,104	-3.4%	8,331	7,169	16.2%
PK	3,978	4,243	-6.3%	4,893	3,215	52.2%

### Cost of sales

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

The Group's cost of sales increased by 42.0% to IDR 1,014 billion in 4Q2014 and by 38.7% to IDR 3,416 billion in FY2014 compared to the previous corresponding period. Cost of Sales per kg CPO in 4Q2014 and FY2014 increased by 14.0% and 16.1% respectively compared to the previous corresponding period (4Q2014: IDR 5,537/kg CPO; 4Q2013: IDR 4,856/kg CPO; FY2014: IDR 5,473/kg CPO; FY2013: IDR 4,713/kg CPO). The year-on-year increase was mainly due to higher purchase price of FFB from plasma and third parties, plantation and mill maintenance cost.

### **Gross profit**

Gross profit decreased by 5.0% to IDR 555 billion for 4Q2014 due to decrease in selling price for both CPO and PK by 3.4% and 6.3% respectively, and higher cost of sales by 42.0% in 4Q2014. However, in FY2014 gross profit increased by 46.4% to IDR 2,342 billion mainly due to increase in sales volume and selling price for both CPO and PK during the period.

### **Interest income**

Interest income increased by 377.7% to IDR 107 billion in FY2014 mainly due to a higher short-term deposit during the year and interest income earned from advances given to the plasma farmers.

### **Loss/gain arising from fair value changes of biological assets**

The Group recognised a loss arising from changes in fair value of biological assets amounting to IDR 38 billion in 4Q2014 and FY2014. The annual computation of this value was arrived using the discounted cash flow method. The loss from fair value changes on biological assets both in 4Q2014 and FY2014 amounting to IDR 38 billion was mainly due to depreciation of IDR against USD during the period.

### **Selling expenses**

Selling expenses increased by 82.1% to IDR 53 billion in 4Q2014 and 63.9% to IDR 173 billion in FY2014. The increase in selling expenses was mainly due to increases in sales volume, higher average freight cost, and higher volume of CIF sales term.

### **General and administration expenses**

General and administrative expenses increased by 17.7% to IDR 22 billion in 4Q2014 and 29.2% to IDR 184 billion in FY2014. The increase in general and administrative expenses was mainly due to increase in salaries & employee benefits and office expenses as a result of increases in headcount, professional fees and insurance premium tariffs.

### **Finance cost**

Finance cost increased by 83.8% to IDR 22 billion in 4Q2014 and 85.5% to IDR 105 billion in FY2014. This was mainly due to additional loans from the issuance of Malaysian Ringgit Islamic Medium Term Notes ("IMTN") during the year.

### **Foreign exchange loss**

In 4Q2014, the Group recorded a net foreign exchange loss of IDR 8 billion compared to a net loss of IDR 11 billion in 4Q2013. For FY2014, the Group recorded a net foreign exchange loss of IDR 76 billion compared to a net loss of IDR 45 billion in FY2013 which was mainly due to translation losses on USD denominated borrowings as a result of the depreciation of IDR to USD during the period.

### **Other expenses**

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

**Other income**

Other income increased to IDR 7 billion in 4Q2014 and IDR 20 billion in FY2014 which mainly consist of interest from refund of Value Added Tax – In (“VAT – In”) restitution received by one of the Group’s subsidiaries in the current year.

**Income tax expense**

The Group recorded a decrease in income tax expense to IDR 120 billion in 4Q2014 compared to IDR 125 billion in 4Q2013, and an increase to IDR 433 billion in FY2014 compared to IDR 286 billion in FY2013. The increase was in line with the increase in profit before tax.

**Share of loss of associate companies**

Share of loss of associate companies amounting to IDR 17 billion in FY2014 was due to the share of losses from the Group’s associate companies namely, PT Sawit Nabati Agro and PT Berkat Agro Sawitindo group of companies (“SNA Group”), with young oil palm plantations whose yields are low.

## REVIEW OF STATEMENT OF FINANCIAL POSITION

### Non-Current Assets

As at 31 December 2014, the Group's total non-current assets increased from IDR 10,541 billion to IDR 12,459 billion, mainly due to:

- a) Biological assets amounted to IDR 7,518 billion as at 31 December 2014 which comprised maintenance of immature plantation, seeds procurement, and capitalization of financing related costs.
- b) Plasma receivables increased by IDR 172 billion to IDR 785 billion as at 31 December 2014. It was mainly due to increase in advances given to the plasma farmers with respect to maintenance cost of immature plantation and development of new plasma plantation.
- c) Property, plant and equipment increased by IDR 773 billion to IDR 2,866 billion as at 31 December 2014 compared to 31 December 2013. This was mainly attributable to the construction of palm oil mills, purchase of machineries and heavy equipment.

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

- d) Investment in associate companies amounted to IDR 84 billion representing the Group's investment of 28% ownership in SNA Group. The movement in the balance was mainly due to share of loss of the associate companies during the period.
- e) Tax refundable decreased by IDR 25 billion as at 31 December 2014 compared to 31 December 2013. This was mainly attributable to the refund of Value Added Tax – In restitution received by one of the Group's subsidiaries at the beginning of the year.

### Current Assets

As at 31 December 2014 the Group's total current assets increased from IDR 1,302 billion to IDR 1,344 billion. Save for the increase in cash and cash equivalents which was explained in the cash flow section below, the net increase in the current assets was mainly due to:

- a) Increase in inventories by IDR 148 billion to IDR 527 billion. This increase was mainly due to delivery of fertiliser at the end of the year for application in first half of 2015, increase in finished goods (CPO and PK) as a result of increase in production, increase in spare parts, material, and equipment related to construction of new mills. The inventory turnover days for both CPO and PK as at 31 December 2014 and 31 December 2013 was 19 days and 24 days, respectively.
- b) Trade and other receivables increased by IDR 38 billion to IDR 140 billion mainly due to increase in sales volume with CIF term.
- c) Prepaid taxes increased by IDR 84 billion to IDR 151 billion as at 31 December 2014 mainly due to increase in Value Added Tax – In as a result from purchase of machineries & heavy equipment, spare parts, and material related to construction of new mills.

### Current Liabilities

As at 31 December 2014, the Group's total current liabilities increased from IDR 1,483 billion to IDR 1,923 billion, mainly due to:

- a) Increase in trade and other payable by IDR 265 billion to IDR 773 billion. This increase was mainly due to increase in purchase of fertilisers, heavy equipment and machineries for the construction of new mills.
- b) Increase in income taxes payable to IDR 164 billion in 31 December 2014 as a result of an increase in profit before income tax in the current year.

## Non-Current Liabilities

As at 31 December 2014, the Group's total non-current liabilities increased from IDR 4,220 billion to IDR 4,772 billion was mainly due to the issuance of Malaysian Ringgit IMTN ("IMTN") during the year offset by repayment of some of bank loans. The increase in non-current liabilities was also attributable to the derivative financial liabilities amounting to IDR 377 billion from mark-to-market foreign currency swap of IMTN as at 31 December 2014.

## REVIEW OF STATEMENT OF CASH FLOW

The Group reported a net decrease in cash and cash equivalents of IDR 151 billion in FY2014, bringing the cash and bank balances to IDR 311 billion as at 31 December 2014, which was mainly attributable to the following:

- In 4Q2014, the Group generated cash of IDR 852 billion from its operating activities compared to IDR 708 billion in 4Q2013. In FY2014, the Group generated cash of IDR 2,124 billion from its operating activities compared to IDR 1,273 billion in FY2013. The increase was mainly due to higher cash collection resulted from higher revenue in FY2014 compared to the same period in prior year.
- Net cash used in investing activities was IDR 910 billion in 4Q2014 compared to IDR 461 billion in 4Q2013. In FY2014, the Group reported net cash used in investing activities of IDR 1,888 billion compared to IDR 1,926 billion in FY2013. The decrease in net cash used was mainly due to an acquisition of a subsidiary during the year. Net cash used in investing activities also comprised acquisitions of property, plant and equipment (which were mainly related to construction of new CPO mills and infrastructures).
- In 4Q2014, the Group reported net cash used in financing activities of IDR 2,362 billion compared to IDR 180 billion in 4Q2013. The increase was mainly due to bank loan repayment of USD 35 million and refinancing amounting to USD 150 million. In FY2014, the Group reported net cash flow used in financing activities of IDR 386 billion compared to net cash generated of IDR 234 billion in FY2013. The decrease was mainly due to bank loan repayment/refinancing, interest payment, and dividend payment which was partially netted off with proceeds from issuance of IMTN amounting to IDR 3,580 billion during the year.

**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.**

2015 will continue to be a challenging year for the palm oil industry with slower growth anticipated for the major economies. Nonetheless, the industry fundamentals remain strong as demand for palm oil is expected to increase in line with global consumption growth.

The Group will continue to increase its production of sustainable palm oil and enhance its operational and cost management efficiency.

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

Any dividend declared for the current financial period reported on?

Yes.

<b>FY 2014</b>	
Name of Dividend	Interim dividend
Dividend Type	Cash
Dividend amount per share	1.30 Singapore Cent
Payment Type	Tax Exempted (1-tier)

The Directors have recommended the payment of a final dividend in respect of the financial year ended 31 December 2014.

The details of the dividend will be announced before end of March 2015. The payment of the dividend will be subject to the approval by shareholders at the forthcoming AGM to be convened in end April 2015.

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

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

Yes.

<b>FY 2013</b>	
Name of Dividend	Interim dividend
Dividend Type	Cash
Dividend amount per share	1.20 Singapore Cent
Payment Type	Tax Exempted (1-tier)

**(c) Date payable**

To be announced later.

**(d) Books closure date**

To be announced later.

**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 FY2014:

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	2,400 <sup>(6)</sup>	-
PT Sawit Nabati Agro	-	2,473 <sup>(1)</sup>
PT Gemilang Makmur Subur (formerly PT GY Plantation Indonesia)	-	3,364 <sup>(2)</sup>
IOI Corporation Berhad	-	44,549 <sup>(3)</sup>
PT Gunajaya Harapan Lestari	1,872 <sup>(4)</sup>	113,618 <sup>(4)</sup>
PT Lima Srikandi Jaya	8,550 <sup>(5)</sup>	-
<b>TOTAL</b>	<b>12,822</b>	<b>164,004</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 9,422: SGD 1.00

- (1) PT Sawit Nabati Agro is the Group's associated company 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 rental agreement of vessels and tugboat transactions involving PT Lima Srikandi Jaya which is one of the subsidiaries of Harita Group. Harita Group is owned by Lim family and also one of the Company's controlling shareholders.
- (6) In respect of the aggregate rent paid by the Group to Mr. Gunardi Hariyanto Lim for office space in Indonesia pursuant to the lease agreement between Mr. Gunardi Hariyanto Lim and PT Bumitama Gunajaya Agro.



**ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

- 14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

The Group's primary business activities are cultivating and harvesting palm trees, processing FFB internally from the Group's oil palm plantations, plasma plantations as well as purchase from third parties, and selling of CPO and PK in Indonesia. Accordingly, no segmental information is presented based on business segment as it is not meaningful.

- 15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable.

- 16. A Breakdown of sales**

	The Group		
	FY2014	FY2013	Increase / (Decrease)
	IDR million	IDR million	IDR million
(a) sales reported for the first half year	2,821,253	1,857,781	963,472
(b) operating profit before deducting minority interests reported for the first half year	699,038	359,609	339,429
(c) sales reported for the second half year	2,936,011	2,204,927	731,084
(d) operating profit before deducting minority interests reported for the second half year	672,741	622,126	50,615

- 17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:**

	FY2014	FY2013
	SGD '000	SGD '000
Ordinary – Interim (paid)	22,848	21,090

18. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year.
Lim Liana Sarwono	62	The sister of Lim Gunawan Hariyanto, Executive Chairman and CEO of BAL and daughter of Dr. Lim Hariyanto Wijaya Sarwono, a controlling shareholder of BAL.	Senior Purchasing Manager since 1998  - Responsible for securing quality purchases at reasonable prices.	No Change
Lim Christina Hariyanto	47	The sister of Lim Gunawan Hariyanto, Executive Chairman and CEO of BAL and daughter of Dr. Lim Hariyanto Wijaya Sarwono, a controlling shareholder of BAL.	Head of Investor Relations since 2012  - Responsible for IR activities for Bumitama Agri Ltd.	No Change
Lim Shu Hua, Cheryl	26	The daughter of Lim Gunawan Hariyanto, Executive Chairman and CEO of BAL and granddaughter of Dr. Lim Hariyanto Wijaya Sarwono, a controlling shareholder of BAL.	Deputy Group Dept Head of Commercial since January 2014  - Responsible for developing commercial strategy.	Held the position as Purchasing Manager prior to January 2014

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

**Lim Gunawan Hariyanto**  
Executive Chairman and CEO  
24 February 2015