



BUMITAMA AGRI LTD.

Unaudited Financial Statements for the Second Quarter (“2Q”) and First Half (“6M”) Ended 30 June 2012

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 (%)
	2012 IDR million	2011 IDR million		2012 IDR million	2011 IDR million	
Revenue	828,988	694,702	19.3%	1,683,321	1,432,062	17.5%
Cost of Sales	(508,268)	(383,716)	32.5%	(968,834)	(770,990)	25.7%
Gross Profit	320,720	310,986	3.1%	714,487	661,072	8.1%
Interest Income	4,658	3,855	20.8%	6,332	6,615	-4.3%
Selling Expense	(11,888)	(7,311)	62.6%	(26,289)	(17,878)	47.0%
General and Administrative expense	(33,560)	(35,663)	-5.9%	(95,558)	(79,897)	19.6%
Finance cost	(28,537)	(27,696)	3.0%	(57,186)	(58,596)	-2.4%
Foreign exchange (loss)/gain	(13,105)	14,158	n.m.	(22,088)	30,952	n.m.
Gain on hedging transactions	48,785	-	100.0%	39,135	-	100.0%
Other expense	(6,730)	(2,858)	135.5%	(7,238)	(4,358)	66.1%
Other income	1,720	4,545	-62.2%	2,083	5,999	-65.3%
Profit before income tax	282,063	260,016	8.5%	553,678	543,909	1.8%
Income tax expense	(60,574)	(58,232)	4.0%	(128,436)	(127,514)	0.7%
Profit for the period	221,489	201,784	9.8%	425,242	416,395	2.1%
Attributable to:						
Owners of the Company	191,537	176,894	8.3%	380,586	363,478	4.7%
Non-controlling interests	29,952	24,890	20.3%	44,656	52,917	-15.6%
	221,489	201,784	9.8%	425,242	416,395	2.1%

n.m. – not meaningful

Additional Information

	Group					
	2nd Quarter		Change (%)	1st Half		Change (%)
	2012 IDR million	2011 IDR million		2012 IDR million	2011 IDR million	
Profit before income tax	282,063	260,016	8.5%	553,678	543,909	1.8%
Depreciation of property, plant and equipment	20,813	16,574	25.6%	40,337	32,845	22.8%
Foreign Exchange loss / (gain)	13,105	(14,158)	n.m.	22,088	(30,952)	n.m.
Gain on hedging transactions	(48,785)	-	100.0%	(39,135)	-	100.0%
Interest Expense	28,537	27,696	3.0%	57,186	58,596	-2.4%
Interest Income	(4,658)	(3,855)	20.8%	(6,332)	(6,615)	-4.3%
Loss on disposal of property, plant and equipment	-	88	100.0%	-	88	100.0%
EBITDA	291,075	286,361	1.6%	627,822	597,871	5.0%

n.m. – not meaningful

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

	Group					
	2nd Quarter		Change (%)	1st Half		Change (%)
	2012 IDR million	2011 IDR million		2012 IDR million	2011 IDR million	
Statement of comprehensive income:						
Profit for the period	221,489	201,784	9.8%	425,242	416,395	2.1%
Other comprehensive income						
Foreign currency translation	(2,073)	141	n.m.	(10,188)	(7)	n.m.
Other comprehensive income for the period, net of tax	(2,073)	141	n.m.	(10,188)	(7)	n.m.
Total comprehensive income for the period	219,416	201,925	8.7%	415,054	416,388	-0.3%
Attributable to:						
Owners of the Company	189,464	177,035	7.0%	370,398	363,471	1.9%
Non-controlling interests	29,952	24,890	20.3%	44,656	52,917	-15.6%
	219,416	201,925	8.7%	415,054	416,388	-0.3%

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-12	31-Dec-11	30-Jun-12	31-Dec-11
	IDR million	IDR million	IDR million	IDR million
ASSETS				
Non-current assets				
Biological assets	4,719,459	4,319,988	-	-
Plasma receivables	112,858	106,545	-	-
Property, plant and equipment	1,263,704	1,170,287	1,710	-
Land use rights	209,418	144,914	-	-
Investment in a Subsidiary	-	-	374,463	-
Investment in Jointly controlled Entity	-	-	-	51,164
Investment in Associate Company	97,081	-	97,081	-
Intangible assets	78,432	77,588	-	-
Deferred tax assets	8,140	8,140	-	-
Tax refundable	24,634	16,593	-	-
Total Non-current assets	6,513,726	5,844,055	473,254	51,164
Current assets				
Inventories	360,480	263,333	-	-
Deferred charges	5,457	25,630	4,828	19,680
Trade and other receivables	133,698	33,891	1,217,732	-
Prepayments and advances	69,181	17,997	33	-
Prepaid taxes	51,833	51,763	347	8
Cash and short-term deposits	882,486	270,139	165,778	2,706
Total Current assets	1,503,135	662,753	1,388,718	22,394
Total Assets	8,016,861	6,506,808	1,861,972	73,558
Current liabilities				
Loans and borrowings	564,543	516,300	-	-
Obligations under finance leases	542	6,092	-	-
Trade and other payables	358,970	365,237	1	54
Accrued operating expenses	70,891	56,308	6,845	10,684
Sales advances	86,998	196,345	-	-
Income taxes payable	68,904	152,827	-	-
Total Current liabilities	1,150,848	1,293,109	6,846	10,738
Non-current liabilities				
Deferred tax liabilities	462,981	464,638	-	-
Amount due to Shareholder	-	12,955	-	24,041
Loans and borrowings	1,584,474	1,794,882	-	-
Obligation under finance leases	137	203	-	-
Post Employee benefits	16,096	15,568	-	-
Total Non-current liabilities	2,063,688	2,288,246	-	24,041
Total Liabilities	3,214,536	3,581,355	6,846	34,779
Net Assets	4,802,325	2,925,453	1,855,126	38,779
Equity attributable to owners of the Company				
Share capital	1,803,142	45,000	1,803,142	45,000
Other Reserves	(184,938)	151,511	-	-
Retained earnings	2,856,018	2,475,432	(14,250)	(6,872)
Foreign currency translation reserve	(739)	9,449	66,234	651
	4,473,483	2,681,392	1,855,126	38,779
Non-controlling interests	328,842	244,061	-	-
Total equity	4,802,325	2,925,453	1,855,126	38,779

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-Jun-12 IDR Million	31-Dec-11 IDR Million
Amount due within one year		
Secured	565,085	522,392
Total	565,085	522,392
Amount due more than one year		
Secured	1,584,611	1,795,085
Unsecured	-	12,955
Total	1,584,611	1,808,040

Details of any collateral

The secured borrowings are collateralised by fixed and floating charges over assets (including land use rights) and trade receivables, corporate guarantees, share of certain of our subsidiaries 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.

	2nd Quarter		1st Half	
	2012	2011	2012	2011
	IDR million	IDR million	IDR million	IDR million
Cash flows from operating activities:				
Cash receipts from customers	734,344	690,665	1,548,379	1,484,092
Cash payment to supplier, employees and for other operating expenses	(705,621)	(448,892)	(1,214,166)	(1,013,106)
Cash (payments)/receipts from operating activities	28,723	241,773	334,213	470,986
Corporate income tax paid	(167,223)	(51,885)	(201,824)	(85,524)
Net cash(used in) / provided by operating activities	(138,500)	189,888	132,389	385,462
Cash flows from investing activities				
Decrease/(increase) in plasma receivables	6,039	56,916	(6,313)	76,214
Investment in associate company	-	-	(97,081)	-
Investment in intangible assets	(559)	(396)	(1,672)	(396)
Investment in biological assets	(255,848)	(126,466)	(401,971)	(231,661)
Investment in property, plant and equipment	(85,115)	(135,190)	(141,012)	(193,565)
Investment in land use rights	(26,871)	(947)	(62,005)	(8,813)
Decrease/(increase) in restricted cash	-	(22,946)	-	(16,507)
Interest received	4,658	3,855	6,332	6,615
Net cash flows used in investing activities	(357,696)	(225,174)	(703,722)	(368,113)
Cash flows from financing activities				
Proceeds from loans and borrowings	271,570	19,405	271,570	40,681
Repayment of loans and borrowings	(355,973)	(71,293)	(433,790)	(142,425)
Decrease/(increase) in amount due from related companies	(30,663)	265	(34,394)	(2,379)
(Decrease)/increase in amount due to related companies	(74)	56,041	(45)	61,075
(Decrease)/increase in amounts due to shareholders	(91,259)	358	(12,955)	-
Repayment of obligation under finance leases	(3,099)	(1,976)	(5,618)	(6,319)
Amount paid to shareholder as part of restructuring exercise	125	-	(302,686)	-
Issuance of new shares	1,434,925	-	1,758,142	-
Interest paid	(23,536)	(23,944)	(57,185)	(58,596)
Net cash flows provided by/ (used in) financing activities	1,202,016	(21,144)	1,183,039	(107,963)
Net increase/(decrease) in cash and cash equivalents	705,820	(56,430)	611,706	(90,614)
Effect of exchange rate changes on cash and cash equivalents	(194)	(2,440)	641	(3,944)
Cash and cash equivalents at beginning of year	176,860	327,388	270,139	363,076
Cash and cash equivalents at end of period year	882,486	268,518	882,486	268,518
Reconciliation of cash and cash equivalents:				
Cash at banks and on hand	420,486	268,518	420,486	268,518
Short term deposits	462,000	-	462,000	-
Cash and cash equivalents	882,486	268,518	882,486	268,518

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	
	2012	2011	2012	2011
Cash Flows from Operating Activities:	IDR million	IDR million	IDR million	IDR million
Profit before income tax	282,063	260,016	553,678	543,909
Depreciation of property, plant and equipment	31,206	23,713	50,335	39,970
Amortisation of intangible asset	433	3,405	828	3,419
Finance Cost	28,536	27,696	57,185	58,596
Interest income	(4,658)	(3,855)	(6,332)	(6,615)
Provision for employee service entitlements	233	-	528	-
Gain on hedging transactions	(48,448)	-	(38,799)	-
Unrealized foreign exchange loss/(gain)	(1,825)	2,580	(6,070)	3,937
Operating cash flows before working capital changes	287,540	313,555	611,353	643,216
Decrease/(increase) in:				
- Trade and other receivables	(28,402)	83,573	(26,614)	54,677
- Inventories	(66,747)	(57,767)	(97,147)	(94,845)
- Prepaid taxes	(20,965)	(2,426)	(70)	(66,078)
- Prepayment sand advances	(49,329)	(64,965)	(51,182)	(73,613)
- Deferred charges	24,087	(5,461)	20,174	(42,369)
- Tax refundable	(3,218)	-	(8,041)	-
(Decrease)/increase in:				
- Trade and other payables	(43,577)	(49,939)	(19,496)	50,914
- Accrued operating expenses	(2,988)	8,118	14,583	22,193
- Sales advances	(67,678)	17,085	(109,347)	(23,109)
Cash flows (used in)/resulting from operations	28,723	241,773	334,213	470,986
Corporate income tax paid	(167,223)	(51,885)	(201,824)	(85,524)
Net cash flows (used in)/resulting from operating activities	(138,500)	189,888	132,389	385,462

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		
Balance as of 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
Foreign currency translation	-	-	-	(10,188)	(10,188)	-	(10,188)
<i>Total comprehensive income for the period, net of tax</i>	-	380,586	-	(10,188)	370,398	44,656	415,054
Contributions by and distributions to owners:					-		-
Issuance of new shares	1,814,581	-	-	-	1,814,581	-	1,814,581
Share issuance expense	(56,439)	-	-	-	(56,439)	-	(56,439)
Arising from restructuring exercise	-	-	(336,449)	-	(336,449)	40,125	(296,324)
Balance as of 30 June 2012	1,803,142	2,856,018	(184,938)	(739)	4,473,483	328,842	4,802,325
Balance as of 1 January 2011	-*	1,713,580	284,125	9,842	2,007,547	265,893	2,273,440
Profit for the period	-	363,478	-	-	363,478	52,917	416,395
Foreign currency translation	-	-	-	(7)	(7)	-	(7)
<i>Total comprehensive income for the period, net of tax</i>	-	363,478	-	(7)	363,471	52,917	416,388
Contributions by and distributions to owners:							
Conversion of loan from Holding Company into share capital	45,000	-	-	-	45,000	-	45,000
Arising from restructuring exercise	-	-	-	-	-	(5,161)	(5,161)
Balance as of 30 June 2011	45,000	2,077,058	284,125	9,835	2,416,018	313,649	2,729,667
Balance as of 1 April 2012	368,217	2,664,481	(184,938)	1,334	2,849,094	298,765	3,147,859
Profit for the period	-	191,537	-	-	191,537	29,952	221,489
Foreign currency translation	-	-	-	(2,073)	(2,073)	-	(2,073)
<i>Total comprehensive income for the period, net of tax</i>	-	191,537	-	(2,073)	189,464	29,952	219,416
Contributions by and distributions to owners:					-		-
Issuance of new shares	1,491,364	-	-	-	1,491,364	-	1,491,364
Share issuance expense	(56,439)	-	-	-	(56,439)	-	(56,439)
Arising from restructuring exercise	-	-	-	-	-	125	125
Balance as of 30 June 2012	1,803,142	2,856,018	(184,938)	(739)	4,473,483	328,842	4,802,325
Balance as of 1 April 2011	45,000	1,900,164	284,125	9,694	2,238,983	293,920	2,532,903
Profit for the period	-	176,894	-	-	176,894	24,890	201,784
Foreign currency translation	-	-	-	141	141	-	141
<i>Total comprehensive income for the period, net of tax</i>	-	176,894	-	141	177,035	24,890	201,925
Contributions by and distributions to owners:							
Arising from restructuring exercise	-	-	-	-	-	(5,161)	(5,161)
Balance as of 30 June 2011	45,000	2,077,058	284,125	9,835	2,416,018	313,649	2,729,667

* denotes amount less than IDR 1 million

Company	Share capital	Accumulated Loss	Foreign currency translation reserve	Total equity
	IDR million	IDR million	IDR million	IDR million
Balance as of 1 January 2012	45,000	(6,872)	651	38,779
Loss for the period	-	(7,378)	-	(7,378)
Foreign currency translation	-	-	65,583	65,583
<i>Total comprehensive income for the period, net of tax</i>	-	(7,378)	65,583	58,205
Contribution by and distribution to owners:				
Issuance of new shares	1,814,581	-	-	1,814,581
Share issuance expense	(56,439)	-	-	(56,439)
Balance as of 30 June 2012	1,803,142	(14,250)	66,234	1,855,126
Balance as of 1 January 2011	-*	(5,706)	395	(5,311)
Loss for the period	-	(1,987)	-	(1,987)
Foreign currency translation	-	-	(1,749)	(1,749)
<i>Total comprehensive income for the period, net of tax</i>	-	(1,987)	(1,749)	(3,736)
Contribution by and distribution to owners:				
Conversion of loan from Holding Company into share capital	45,000	-	-	45,000
Balance as of 30 June 2011	45,000	(7,693)	(1,354)	35,953
Balance as of 1 April 2012	368,217	(7,040)	7,655	368,832
Loss for the period	-	(7,210)	-	(7,210)
Foreign currency translation	-	-	58,579	58,579
<i>Total comprehensive income for the period, net of tax</i>	-	(7,210)	58,579	51,369
Contribution by and distribution to owners:				
Issuance of new shares	1,491,364	-	-	1,491,364
Share issuance expense	(56,439)	-	-	(56,439)
Balance as of 30 June 2012	1,803,142	(14,250)	66,234	1,855,126
Balance as of 1 April 2011	45,000	(7,542)	(861)	36,597
Loss for the period	-	(151)	-	(151)
Foreign currency translation	-	-	(493)	(493)
<i>Total comprehensive income for the period, net of tax</i>	-	(151)	(493)	(644)
Balance as of 30 June 2011	45,000	(7,693)	(1,354)	35,953

* denotes amount less than IDR 1 million

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.

Other than the share issues made pursuant to the Group's restructuring exercise undertaken prior to the initial public offering as disclosed in the Company's Prospectus dated 3 April 2012, there is no change in the Company's share capital.

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 2012 and 31 December 2011 was 1,757,531,844 and 6,400,000 respectively.

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 2011.

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	
	2012	2011	2012	2011
(a) based on weighted average number of share (in IDR)	254	74,967	391	89,388
(b) based on a fully diluted basis	-	-	-	-
Weighted number of shares	753,453,581	2,359,631	972,539,724	4,066,299

Earning per share for the period (Post offering number of shares)	2nd Quarter		1st Half	
	2012	2011	2012	2011
(a) based on number of share * (in IDR)	109	101	217	207
(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-12	31-Dec-11	30-Jun-12	31-Dec-11
	IDR million	IDR million	IDR million	IDR million
Net asset value per ordinary share (in IDR)	2,732	457,102	1,056	6,059
Number of shares outstanding	1,757,531,844	6,400,000	1,757,531,844	6,400,000

Net asset value per share (based on post-offering number of shares)	Group		Company	
	30-Jun-12	31-Dec-11	30-Jun-12	31-Dec-11
	IDR million	IDR million	IDR million	IDR million
Net asset value per ordinary share (in IDR)	2,732	1,665	1,056	22
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 2012 ("2Q2012"), the Group recorded a 9.8% increase in net profit to IDR 221 billion and for the first half 2012 ("6M2012"), the Group's net profit increased by 2.1% to IDR 425 billion. The increase in net profit in 6M2012 was due mainly to an increase in revenue from Crude Palm Oil ("CPO") and gain on hedging transactions which was partially offset by foreign exchange loss.

Revenue

Revenue increased by 19.3% to IDR 829 billion in 2Q2012 and 17.5% to IDR 1,683 billion in 6M2012. This was attributable to an overall increase in aggregate sales volume of CPO and PK. However, the increase was partially offset by a decrease in the average selling prices of CPO and PK for the period of 6M2012.

Revenue	2nd Quarter		Change	1st Half		Change
	2012	2011		2012	2011	
	IDR million	IDR million	(%)	IDR million	IDR million	(%)
CPO	757,849	610,291	24.2%	1,535,452	1,254,795	22.4%
PK	71,139	84,411	-15.7%	147,869	177,267	-16.6%
Total	828,988	694,702	19.3%	1,683,321	1,432,062	17.5%

Volume (in mt)	2nd Quarter		Change	1st Half		Change
	2012	2011		2012	2011	
			(%)			(%)
CPO	93,747	79,972	17.2%	197,238	157,353	25.3%
PK	19,247	15,246	26.2%	39,787	30,052	32.4%

Average sales prices/kg	2nd Quarter		Change	1st Half		Change
	2012	2011		2012	2011	
	IDR	IDR	(%)	IDR	IDR	(%)
CPO	8,084	7,631	5.9%	7,785	7,974	-2.4%
PK	3,696	5,537	-33.2%	3,717	5,899	-37.0%

Cost of Sales

Cost of sales increased by 32.5% to IDR 508 billion in 2Q2012 and 25.7% to IDR 969 billion in 6M2012. The increase was mainly attributed to an increase in the cost of fresh fruit bunches ("FFB") purchased, fertilizer and labor cost.

The following comparative table sets out the cost of the various activities and charges included in the Group's cost of sales for 2Q2012 and 6M2012 in absolute terms and as a percentage of total cost of sales:

Cost Of Sales	Group					
	2nd Quarter		Change	1st Half		Change
	2012	2011		2012	2011	
IDR million	IDR million	(%)	IDR million	IDR million	(%)	
Purchase of FFB	342,428	256,391	33.6%	598,821	498,973	20.0%
Maintenance Cost	135,313	81,929	65.2%	223,028	136,232	63.7%
Harvesting	39,038	31,820	22.7%	72,611	57,227	26.9%
Depreciation and Amortization	19,361	10,658	81.7%	37,453	26,003	44.0%
Processing Cost	12,541	11,727	6.9%	24,190	19,693	22.8%
Purchase of CPO & PK	-	22,684	-100.0%	-	40,158	-100.0%
Overhead Cost	13,143	5,426	142.2%	21,574	11,051	95.2%
Net Changes of Inventory	(53,556)	(36,920)	45.1%	(8,843)	(18,347)	-51.8%
Total Cost Of Sales	508,268	383,716	32.5%	968,834	770,990	25.7%

Gross profit

Gross profit increased by approximately 3.1% to IDR 321 billion in 2Q2012. Gross profit margin decreased to 38.7% in 2Q2012 compared to 44.8% in 2Q2011. For 6M2012 gross profit increased approximately by 8.1% to IDR 714 billion, and gross profit margin decreased to 42.4% in 6M2012 from 46.2% in the corresponding period last year.

Selling, General and Administration Expenses

Selling, general and administration expenses increased by 5.8% to IDR 45 billion in 2Q2012 and increased by 24.6% to IDR 122 billion in 6M2012, due mainly to increases in salaries and employee benefits from additional headcounts, annual salary increments and bonuses.

Foreign Exchange (Loss)/Gain

In 2Q2012, the Group recorded a net foreign exchange loss of IDR 13 billion compared to a net gain of IDR 14 billion in 2Q2011, and for 6M2012 the Group recorded a net foreign exchange loss of IDR 22 billion compared to a net gain of IDR 31 billion in 6M2011 due mainly to translation losses on US\$ denominated bank loans and amounts due to the shareholders as the IDR further depreciates against the US\$. At 30 June 2012, the exchange rate between IDR and the US Dollar was IDR 9,480 : US\$1.00, compared to IDR 8,597 : US\$1.00 as at 30 June 2011.

Gain on Hedging Transactions

The Group recorded a gain on forward sale contracts of CPO entered into by the Group to hedge a portion of its CPO sales. The gain mostly consists of unrealized gain arose from the marked-to-market valuation of the outstanding contracts.

Income Tax Expense and Net Profit

The Group recorded an increase in income tax expense to IDR 61 billion in 2Q2012 compared to IDR 58 billion in 2Q2011, and income tax expense for 6M2012 and 6M2011 remained the same, amounted to IDR 128 billion. The increase in income tax expense was due to the increase in profit before tax.

REVIEW OF STATEMENT OF FINANCIAL POSITION

Total assets increased from IDR 6,507 billion as at 31 December 2011 to IDR 8,017 billion as at 30 June 2012. The Group's non-current assets increased by IDR 670 billion due mainly to additions in biological assets and property, plant and equipment. Current assets increased by IDR 840 billion due mainly to the increase in cash and short-term deposits and inventories.

The Group's total liabilities decreased from IDR 3,581 billion as at 31 December 2011 to IDR 3,215 billion as at 30 June 2012, due mainly to a decrease in loans and borrowings, income tax payable, trade and other payables, and sales advance.

REVIEW OF CASH FLOW STATEMENT

The Group reported net cash used in operating activities amounting to IDR 139 billion in 2Q2012, compared to net cash generated from operating activities of IDR 190 billion in 2Q2011. For 6M2012, the group generated cash of IDR 132 billion from its operating activities compared to IDR 385 billion in 6M2011. The lower cash flows from operating activities in spite of the improvement in profit from operations was due mainly to payment of corporate income tax, higher inventories and trade and other receivables as at the end of the current financial period.

In 2Q2012, net cash used in investing activities was IDR 358 billion, compared to IDR 225 billion in 2Q2011. In 6M2012, the net cash used in investing activities by the Group was IDR 704 billion, an increase from IDR 368 billion in 6M2011. The cash was used primarily for the Group's investments in biological assets, as well as acquisitions of property, plant and equipment (which comprised mainly of the purchase of equipment for the Group's new CPO mill, heavy equipment and machinery, construction of employees and workers' houses and offices) amounting to IDR 402 billion and IDR 141 billion, respectively.

For financing activities, in 2Q2012, net cash provided by financing activities was IDR 1,202 billion, compared to net cash used in financing activities of IDR 21 billion. For 6M2012, the Group generated cash of IDR 1,183 billion compared to net cash used in financing activities of IDR 108 billion in 6M2011. The higher cash flow from financing activities was due mainly to the issuance of new shares amounting IDR 1,758 billion and proceeds from loans and borrowing IDR 272 billion. This was partially offset by repayment of loans and borrowings amounting to IDR 434 billion and payment to shareholder as part of the restructuring exercise amounting to IDR 303 billion.

Overall, the net cash used in investing activities, was partially offset by the cash flows generated from financing and operating activities, resulting in a net increase in cash and cash equivalents of IDR 612 billion in 6M2012, bringing the Group's cash and bank balances to IDR 882 billion as at 30 June 2012.

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.

Demand from emerging economies in Asia like China, India and Indonesia is expected to grow year-on-year due to population growth and higher CPO consumption per capita. Average palm oil prices in Malaysia may hold their ground, in view of the shortage in supplies of edible oil from the drought-hit U.S. Midwest and the brewing El Nino weather pattern.

Looking ahead, with the CPO price still remaining resilient for the rest of the year and the Group's expectation of an increase in production volume as more of its trees reaches their prime producing years, the Group is confident of achieving satisfactory results.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No

(c) Date payable

Not Applicable

(d) Books closure date

Not Applicable

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

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

13. Disclosure of the aggregate value of the transactions conducted under the shareholders' mandate for interested person transaction Rule 920(1)(a)(ii) of the Listing Manual

The Group has the following interested person transactions ("IPT") for the 2Q2012 and 6M2012 :

Name of interested person	Aggregate value of all interested person transaction during the financial year under review (excluding transaction 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 the Shareholders' Mandate during the financial year under review (excluding transactions less than S\$ 100,000) pursuant to Rule 920 of the Listing Manual
	IDR million	IDR million
Mr Gunardi Hariyanto Lim	1,200	-
PT GY Plantation Indonesia ⁽¹⁾	-	11,334
IOI Corporation Berhad ⁽²⁾	-	22,246
TOTAL	1,200	33,580

**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 7,415: SGD 1.00*

- (1) 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.
- (2) IOI Corporation Berhad is a controlling shareholder of the Company.

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 13 August 2012 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	68.2 million	73.8 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	2.7 million	25.2 million
General working capital requirements	12.7 million	5.0 million	7.7 million
Total	195.2 million	88.5 million	106.7 million

**Note:*

SNA – PT Sawit Nabati Agro

BAS – PT Berkat Agro Sawitindo

15. Confirmation by the Board Pursuant to Rule 705(5)

We, Lim Gunawan Hariyanto and Gunardi Hariyanto Lim, Executive Chairman and Deputy Chief Executive Officer of Bumitama Agri Ltd. (the "Company"), 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 the financial statements for the second quarter ended 30 June 2012 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Lim Gunawan Hariyanto
Executive Chairman and CEO
13 August 2012

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.