



Bumitama Agri Ltd.

Excellence Through Discipline

Fourth Quarter & Full Year

2017 Presentation

27 February 2018





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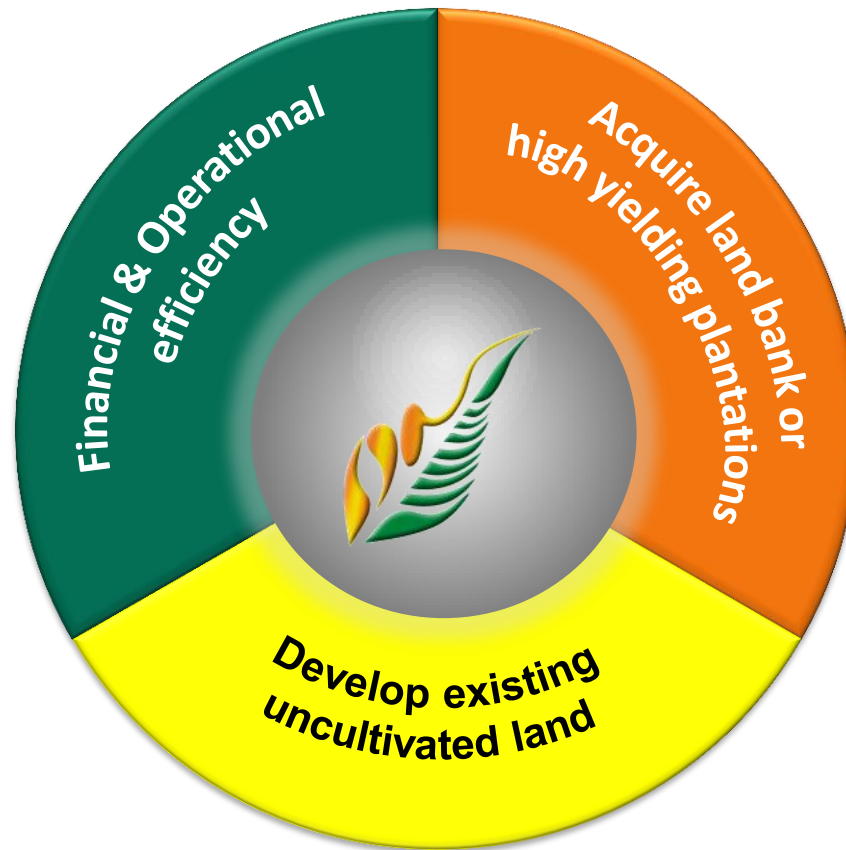
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The 1, 2, 3 Growth Strategies





To be a Leading Palm Oil Producer

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**Planting & Cultivating Oil Palms
Harvesting FFB**



Fresh Fruit Bunches

**Processing FFB into
CPO and PK**



Palm Oil mill

Products: CPO and PK



Crude Palm Oil



Palm Kernel

**Total Planted: 182,675 ha
(including Plasma) for 31 Dec 2017**

**Expansion Plan for 2018:
Target new planting of 3,000 ha**

**Total Investment for 2017:
around IDR 0.9 trillion**

**Targeted Investment for 2018:
around IDR 1.0 trillion**

**For 31 Dec 2017:
Production of CPO: 818,835 mt
Production of PK: 166,224 mt**

**FFB internal growth around
15% - 20% for 2018**



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Executive Summary – FY2017

● **Production**

- FFB volumes increased 19.1% YoY to 2,602,224 mt.
- FFB yield increased 12.3% YoY from 14.6 mt/ha to 16.4 mt/ha.
- OER at 22.7%.
- Total planted area of 182,675 ha.

● **Financial Performance**

- Revenue increased by 22.6% YoY to IDR 8,131 billion.
- Gross Profit increased by 20.9% YoY to IDR 2,389 billion.
- EBITDA increased by 26.1% YoY to IDR 2,427 billion.

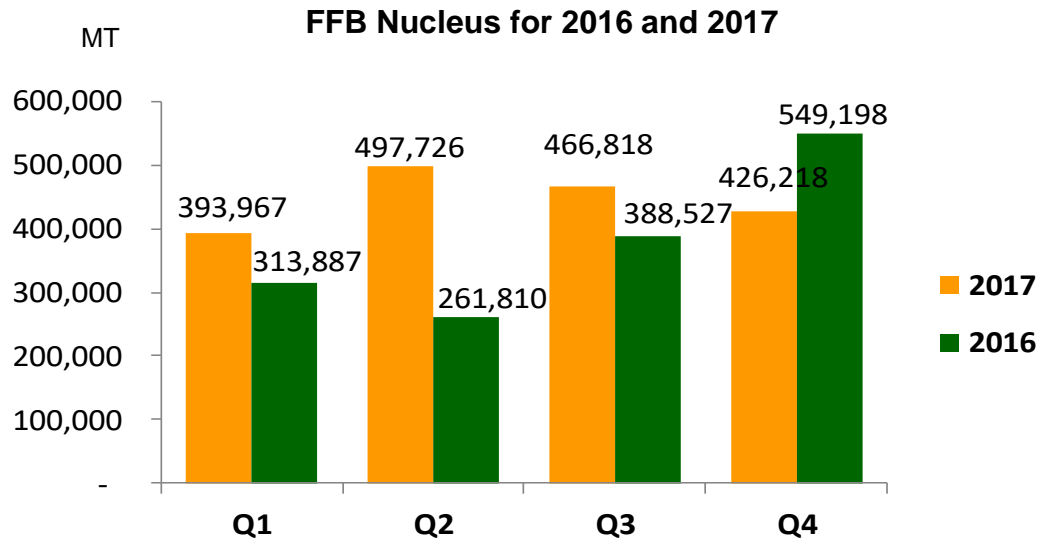


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Operational Highlight

		4Q2017	%	4Q2016	%	Change YoY		FY2017	%	FY2016	%	Change YoY	
Production													
FFB Total	(MT)	910,025	100.0	1,087,484	100.0	-16.3%	↓	3,610,202	100.0	3,086,932	100.0	17.0%	↑
FFB Internal		617,882	67.9	791,721	72.8	-22.0%	↓	2,602,224	72.1	2,185,440	70.8	19.1%	↑
FFB Nucleus		426,218	46.8	549,198	50.5	-22.4%	↓	1,784,729	49.5	1,513,422	49.0	17.9%	↑
FFB Plasma		191,664	21.1	242,523	22.3	-21.0%	↓	817,495	22.6	672,018	21.8	21.6%	↑
FFB External		292,143	32.1	295,763	27.2	-1.2%	↓	1,007,978	27.9	901,492	29.2	11.8%	↑



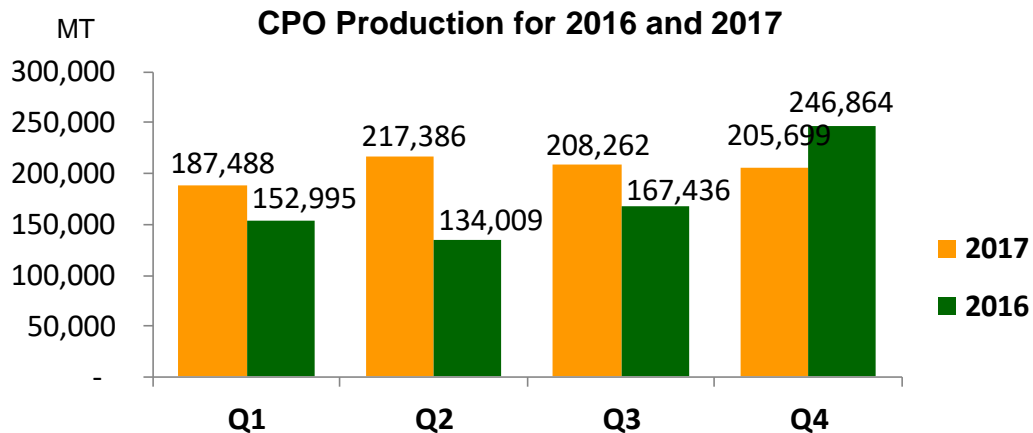


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Operational Highlight (Cont')

		4Q2017	4Q2016	Change YoY		FY2017	FY2016	Change YoY	
CPO	(MT)	205,699	246,864	-16.7%	↓	818,835	701,304	16.8%	↑
PK	(MT)	44,856	47,367	-5.3%	↓	166,224	138,175	20.3%	↑
Yield and Extraction Rate									
FFB Yield	(MT/ha)	4.0	5.3	-24.5%	↓	16.4	14.6	12.3%	↑
CPO Yield	(MT/ha)	0.9	1.2	-25.0%	↓	3.7	3.3	12.1%	↑
CPO Extraction Rate	(%)	22.6%	22.5%	0.4%	↑	22.7%	22.7%	0.0%	≡
PK Extraction Rate	(%)	4.9%	4.3%	14.0%	↑	4.6%	4.5%	2.2%	↑





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Planted Area

	As at 31 December 2017		As at 31 December 2016		Change	
	Area (ha)	% of Total	Area (ha)	% of Total	Area (ha)	
Planted Nucleus	131,421	71.9	128,966	73.6	2,455	↑
- Old & Mature	110,699	60.6	104,970	59.9	5,729	↑
- Immature	20,722	11.3	23,996	13.7	-3,274	↓

- As at 31 December 2017 the planted Plasma is 51,254 ha.
- The replanting as at 31 December 2017 is 3,809 ha.

Weighted average age of 8.9 years as at 1 January 2018



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Sales Revenue and Volume

	4Q2017	4Q2016	Change YoY	FY2017	FY2016	Change YoY
Sales Revenue (IDR million)						
- Crude Palm Oil	1,689,950	1,826,943	-7.5%	6,744,121	5,416,743	24.5%
- Palm Kernel	310,723	355,516	-12.6%	1,118,711	902,170	24.0%
- Biodiesel	63,572	87,404	-27.3%	265,326	309,968	-14.4%
- Glycerin	1,505	313	380.8%	3,226	891	262.1%
Sales Volume (MT)						
- Crude Palm Oil	207,617	235,131	-11.7%	832,723	734,219	13.4%
- Palm Kernel	41,647	48,347	-13.9%	163,061	141,866	14.9%
- Biodiesel	6,414	8,624	-25.6%	26,575	32,183	-17.4%
- Glycerin	982	1,450	-32.3%	4,246	3,779	12.4%
Average Sales Price (IDR/KG)						
- Crude Palm Oil	8,140	7,770	4.8%	8,099	7,378	9.8%
- Palm Kernel	7,461	7,353	1.5%	6,861	6,359	7.9%
- Biodiesel	9,911	10,135	-2.2%	9,984	9,631	3.7%
- Glycerin	1,533	216	609.7%	760	236	222.0%



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Income Statement Highlight

IDR million	4Q2017	4Q2016	Change YoY		FY2017	FY2016	Change YoY	
Revenue	2,065,750	2,270,176	-9.0%	↓	8,131,384	6,629,772	22.6%	↑
Gross profit	680,785	893,947	-23.8%	↓	2,389,170	1,975,641	20.9%	↑
Net profit	455,143	563,423	-19.2%	↓	1,424,196	1,188,136	19.9%	↑
Net profit attributable to owners of the company	363,607	461,578	-21.2%	↓	1,193,341	1,005,086	18.7%	↑
EBITDA	730,762	832,216	-12.2%	↓	2,426,916	1,925,351	26.1%	↑
Gross margin (%)	33.0%	39.4%	-16.2%	↓	29.4%	29.8%	-1.3%	↓
Net profit margin (%)	22.0%	24.8%	-11.3%	↓	17.5%	17.9%	-2.2%	↓
EBITDA margin (%)	35.4%	36.7%	-3.5%	↓	29.8%	29.0%	2.8%	↑



Appendix to the Announcement FY2017: Translation of Unaudited Financial Statements to USD

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

	4th Quarter			FY		
	2017 USD thousand	2016 USD thousand	Change %	2017 USD thousand	2016 USD thousand	Change %
Revenue	154,351	170,595	-9.5%	607,570	498,203	22.0%
Cost of sales	(103,483)	(103,419)	0.1%	(429,053)	(349,741)	22.7%
Gross profit	50,868	67,177	-24.3%	178,517	148,462	20.2%
Interest Income	3,479	4,702	-26.0%	11,052	13,693	-19.3%
Fair value changes in biological assets	2,676	2,025	32.2%	2,676	2,025	32.2%
Selling expense	(4,706)	(4,498)	4.6%	(15,512)	(14,138)	9.7%
General and administrative expense	(3,929)	(4,549)	-13.6%	(18,063)	(15,491)	16.6%
Finance cost	(3,516)	(2,961)	18.7%	(12,406)	(12,275)	1.1%
Foreign exchange (loss) / gain	(857)	(4,160)	-79.4%	(435)	1,192	-136.5%
Other expenses	(241)	(1,723)	-86.0%	(5,358)	(6,476)	-17.3%
Other income	418	358	16.8%	1,250	1,212	3.2%
Share of loss of associate companies	-	(518)	-100.0%	(171)	(1,637)	-89.6%
Profit before income tax	44,192	55,853	-20.9%	141,551	116,567	21.4%
Income tax expense	(10,185)	(13,513)	-24.6%	(35,137)	(27,283)	28.8%
Profit for the period	34,007	42,340	-19.7%	106,414	89,284	19.2%
Attributable to:						
Owners of the Company	27,168	34,686	-21.7%	89,165	75,528	18.1%
Non-controlling interests	6,839	7,654	-10.6%	17,248	13,756	25.4%
	34,007	42,340	-19.7%	106,414	89,284	19.2%
EBITDA	54,602	62,538	-12.7%	181,337	144,683	25.3%

Notes: The reporting currency for Bumitama is in IDR but for illustrative purpose USD is used here. The income and expense for each unaudited income statement presented are translated at average exchange rates at each respective period (Source: Bank Indonesia middle rate).



Appendix to the Announcement FY2017: Translation of Unaudited Financial Statements to USD

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-2017	31-Dec-2016	31-Dec-2017	31-Dec-2016
	USD thousand	USD thousand	USD thousand	USD thousand
ASSETS				
Non-current assets				
Plasma receivables	92,888	68,721	-	-
Property, plant and equipment	254,158	246,158	3	6
Bearer plants	538,317	522,826	-	-
Land use rights	67,139	60,660	-	-
Investment in subsidiaries	-	-	103,517	63,588
Investment in associate companies	-	170	10,640	10,639
Intangible assets	12,855	13,102	-	-
Deferred tax assets	17,118	11,098	-	-
Deferred charges/other receivable	-	464	-	464
Due from subsidiaries	-	-	536,021	598,482
Loan to an associate company	5,354	5,067	5,354	5,067
Total Non-current assets	987,829	928,266	655,535	678,246
Current assets				
Biological assets	21,853	19,370	-	-
Inventories	32,740	45,521	-	-
Deferred charges	574	397	6	4
Trade and other receivables	21,148	20,674	-	-
Due from related companies	4	36	-	-
Plasma receivables	19,167	22,495	-	-
Prepayments and advances	786	803	5	8
Dividend receivables	-	-	-	991
Prepaid taxes	28,448	23,015	4	3
Cash and short-term deposits	15,996	38,486	2,084	1,764
Total Current assets	140,716	170,797	2,099	2,770
Total Assets	1,128,545	1,099,063	657,634	681,016

Notes: The reporting currency for Bumitama is in IDR but for illustrative purpose USD is used here. The assets and liabilities for each unaudited statement of financial position presented are translated at closing exchange rates at each respective period (Source: Bank Indonesia middle rate).

Appendix to the Announcement FY2017: Translation of Unaudited Financial Statements to USD

	Group		Company	
	31-Dec-2017	31-Dec-2016	31-Dec-2017	31-Dec-2016
	USD thousand	USD thousand	USD thousand	USD thousand
LIABILITIES AND EQUITY				
Current liabilities				
Loans and borrowings	25,000	75,000	25,000	75,000
Trade and other payables	36,877	42,574	96	1
Accrued operating expenses	14,074	12,728	4,058	4,195
Dividend payables	-	104	-	-
Sales advances	3,727	2,307	-	-
Income taxes payable	14,641	9,842	-	0
Total Current liabilities	94,319	142,555	29,154	79,196
Non-current liabilities				
Deferred tax liabilities	13,564	12,242	-	-
Loans and borrowings	79,542	64,650	79,542	64,650
Islamic medium term notes	245,986	222,673	245,986	222,673
Post employment benefits	2,889	2,909	-	-
Derivative financial liabilities	66,935	94,216	66,935	94,216
Total Non-current liabilities	408,916	396,690	392,463	381,539
Total Liabilities	503,235	539,245	421,617	460,735
Net Assets	625,310	559,818	236,017	220,281
Equity attributable to owners of the Company				
Share capital	130,993	130,993	130,993	130,993
Treasury shares	(9,750)	(1,301)	(9,750)	(1,301)
Other reserves	(14,905)	(18,974)	(1,141)	(5,210)
Retained earnings	445,395	384,194	47,779	26,804
Foreign currency translation reserve	(3,482)	5,095	68,136	68,995
	548,251	500,007	236,017	220,281
Non-controlling interests	77,059	59,811	-	-
Total Equity	625,310	559,818	236,017	220,281

Notes: The reporting currency for Bumitama is in IDR but for illustrative purpose USD is used here. The assets and liabilities for each unaudited statement of financial position presented are translated at closing exchange rates at each respective period (Source: Bank Indonesia middle rate).



Appendix to the Announcement FY2017: Translation of Unaudited Financial Statements to USD

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	
	2017	2016	2017	2016
	USD thousand	USD thousand	USD thousand	USD thousand
Cash flows from operating activities				
Cash receipts from customers	148,083	170,438	608,027	519,973
Cash payments to suppliers, employees and for other operating expenses	(106,027)	(109,241)	(440,361)	(396,812)
Income tax paid	(7,372)	(11,583)	(26,986)	(20,043)
Net cash flows generated from operating activities	34,684	49,614	140,680	103,118
Cash flows from investing activities				
(Increase) / Decrease in plasma receivables	(7,021)	5,579	(16,640)	(8,797)
Investment in intangible assets	(43)	(149)	(43)	(421)
Investment in bearer plants	(10,338)	(7,559)	(31,689)	(24,721)
Investment in property, plant and equipment	(8,864)	(5,717)	(27,799)	(29,481)
Investment in land use rights	(2,606)	(4,126)	(5,927)	(13,474)
Receipt of loan repayment from associate companies	-	-	-	19,741
Net cash outflows for the acquisition of subsidiaries	-	(834)	(5,562)	(7,229)
Interest received	3,394	3,239	10,733	11,401
Net cash flows used in investing activities	(25,478)	(9,567)	(76,927)	(52,981)
Cash flows from financing activities				
Proceeds from loans and borrowings	-	-	14,929	9,954
Repayment of loan and borrowings	(10,145)	(32,065)	(49,936)	(44,894)
Decrease / (Increase) in amount due from related companies	22	4,801	32	(2,558)
Payment of dividend	-	-	(28,532)	(8,425)
Contribution from non-controlling interests	-	24	-	3,245
Buy-back of ordinary shares	(2,401)	-	(8,449)	-
Interest paid	(781)	(860)	(14,016)	(13,533)
Net cash flows used in financing activities	(13,305)	(28,100)	(85,972)	(56,211)
Net (decrease) / increase in cash and cash equivalents	(4,099)	11,947	(22,219)	(6,074)
Effect of exchange rate changes on cash and cash equivalents	(84)	(731)	(271)	1,153
Cash and cash equivalents at beginning of period / year	20,179	27,270	38,486	43,407
Cash and cash equivalents at end of period / year	15,996	38,486	15,996	38,486

Notes: The reporting currency for Bumitama is in IDR but for illustrative purpose USD is used here. The unaudited cash flow statement presented is translated at average exchange rates at each respective period (Source: Bank Indonesia middle rate).



Appendix to the Announcement FY2017: Translation of Unaudited Financial Statements to USD

Cash Flows from Operating Activities:	4th Quarter		FY	
	2017	2016	2017	2016
	USD thousand	USD thousand	USD thousand	USD thousand
Profit before income tax	44,192	55,853	141,551	116,567
Depreciation and amortisation	10,334	6,292	38,708	32,757
Finance cost	3,516	2,961	12,405	12,275
Interest income	(3,479)	(4,702)	(11,052)	(13,693)
Post employment benefits	1,320	1,271	1,320	1,271
Unrealized foreign exchange loss / (gain)	875	8	1,786	(6,574)
Impairment of property, plant and equipment	1,858	-	1,858	-
Gain on disposal of property, plant and equipment	-	(0)	-	(6)
Share of loss of associate companies	-	518	171	1,637
Fair value changes in biological assets	(2,676)	(2,025)	(2,676)	(2,025)
Operating cash flows before working capital changes	55,940	60,176	184,071	142,209
Decrease / (increase) in:				
- Trade and other receivables	(3,288)	3,061	(506)	26,617
- Inventories	(3,841)	(11,292)	12,377	3,253
- Prepaid taxes	18,309	13,969	(6,810)	1,858
- Prepayments and advances	297	135	24	5,227
- Deferred charges	(79)	46	(104)	208
(Decrease) / increase in:				
- Trade and other payables	433	2,960	(11,098)	(42,727)
- Accrued operating expenses	(1,582)	(272)	(2,344)	(3,846)
- Other taxes payable	(19,282)	(4,856)	(8,223)	(7,299)
- Sales advances	(3,674)	(2,730)	1,456	(2,339)
Employee benefits contribution paid	(1,177)	-	(1,177)	-
Cash flows generated from operations	42,056	61,197	167,666	123,161
Income tax paid	(7,372)	(11,583)	(26,986)	(20,043)
Net cash flows generated from operating activities	34,684	49,614	140,680	103,118

Notes: The reporting currency for Bumitama is in IDR but for illustrative purpose USD is used here. The unaudited cash flow statement presented is translated at average exchange rates at each respective period (Source: Bank Indonesia middle rate).



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Thank You