



## FIRST PACIFIC COMPANY LIMITED

### 第一太平有限公司

*(Incorporated with limited liability under the laws of Bermuda)*

# Press Release

**Tuesday, 31 July 2018**

### **Indofood's first semester 2018 financial results**

The attached press release was released today in Jakarta by PT Indofood Sukses Makmur Tbk ("Indofood", IDX: INDF), in which First Pacific Group holds an economic interest of 50.1%.

Indofood is a leading Total Food Solutions company with operations in all stages of food manufacturing from the production of raw materials and their processing through to the manufacture of consumer food products and their distribution to the market. It is based and listed in Indonesia while its Consumer Branded Products subsidiary PT Indofood CBP Sukses Makmur Tbk and agribusiness subsidiaries PT Salim Ivomas Pratama Tbk and PT Perusahaan Perkebunan London Sumatra Indonesia Tbk are also listed in Indonesia. Another subsidiary, Indofood Agri Resources Ltd. is listed in Singapore, and an agribusiness associate, Roxas Holdings, Inc. is listed in the Philippines. Through its four complementary Strategic Business groups, Indofood manufactures and distributes a wide range of food products: Consumer Branded Products (noodles, dairy, snack foods, food seasonings, nutrition and special foods, and beverages), Bogasari (wheat flour and pasta), Agribusiness (oil palm, rubber, sugar cane, cocoa and tea plantations, branded cooking oils, margarine and shortenings) and Distribution.

Indofood is one of the world's largest manufacturers by volume of wheat-based instant noodles, one of the largest plantation companies by area and the largest flour miller in Indonesia. Indofood also has an extensive distribution network across Indonesia.

Further information on Indofood can be found at [www.indofood.com](http://www.indofood.com)

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PRESS RELEASE

*For Immediate Release*

## INDOFOOD'S FIRST SEMESTER 2018 FINANCIAL RESULTS

- Consolidated net sales increased to Rp36.00 trillion
- Income from operations increased to Rp4.54 trillion
- Income for the period attributable to equity holders of the parent entity was Rp1.96 trillion

**Jakarta, 31 July 2018** – PT Indofood Sukses Makmur Tbk (“Indofood” or the “Company”) today announced its financial results for the period ended 30 June 2018. The Company posted 1.0% growth in consolidated net sales to Rp36.00 trillion from Rp35.65 trillion in the same period last year.

Income from operations increased 2.1% to Rp4.54 trillion from Rp4.45 trillion, and operating margin slightly expanded to 12.6% from 12.5%. Income for the period attributable to equity holders of the parent entity declined 12.7% to Rp1.96 trillion from Rp2.24 trillion in the same period last year; net income margin declined to 5.4% from 6.3%. Core profit declined 11.1% to Rp1.98 trillion from Rp2.23 trillion.

Anthoni Salim, the President Director and Chief Executive Officer of Indofood, said: “Despite a lower Agribusiness performance in the first half of 2018, we are pleased that our top line continued to be positive. The festivity has supported the improvement of FMCG industry in the second quarter of 2018, which supported our CBP performance. We remain positive with the remaining year, nevertheless we will keep on to be cautious with the volatility of commodity prices and exchange rate.”

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### **About PT Indofood Sukses Makmur Tbk**

Over the last two decades, Indofood has progressively transformed into a Total Food Solutions company with operations in all stages of food manufacturing, from the production of raw materials and their processing, to consumer products in the market. Today, it is renowned as a well-established company and a leading player in each business category in which it operates. In its business operations, Indofood capitalizes on economies of scale and a resilient business model with four complementary Strategic Business Groups (“Group”), namely:

- **Consumer Branded Products (“CBP”)**  
Supported by the strength of its product brands, the Group produces a diverse range of consumer branded products including noodles, dairy, snack foods, food seasonings, nutritional and specialty foods, and beverages.
- **Bogasari**  
The Group is primarily a producer of wheat flour as well as pasta, with business operations supported by its own shipping and packaging units.
- **Agribusiness**  
The Group's principal activities range from research and development, seed breeding, oil palm cultivation and milling, to the production and marketing of branded cooking oils, margarine and shortening. The Group also cultivates and processes rubber, sugar cane and other crops.
- **Distribution**  
With the most extensive distribution network in Indonesia, the Group distributes the majority of the consumer products manufactured by Indofood and its subsidiaries, as well as by third parties, to the market.

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AND ITS SUBSIDIARIES

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**Indofood**  
THE SYMBOL OF QUALITY FOODS

www.indofood.com

## INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION As of June 30, 2018 (Expressed in Millions of Rupiah, Unless Otherwise Stated) (Unaudited)

## INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME For the Six Months Period Ended June 30, 2018 (Expressed in Millions of Rupiah, Unless Otherwise Stated) (Unaudited)

## INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS For the Six Months Period Ended June 30, 2018 (Expressed in Millions of Rupiah, Unless Otherwise Stated) (Unaudited)

ASSETS	December 31, 2017			LIABILITIES AND EQUITY	December 31, 2017			2018		2017	
	June 30, 2018	(As Restated)	(As Restated)		June 30, 2018	(As Restated)	(As Restated)	2018	(As Restated)	2018	(As Restated)
<b>CURRENT ASSETS</b>				<b>CURRENT LIABILITIES</b>				<b>NET SALES</b>	<b>35,999,542</b>	<b>35,651,851</b>	
Cash and cash equivalents	14,157,331	13,689,998	13,362,236	Short-term bank loans	11,763,742	9,949,734	5,697,745	<b>COST OF GOODS SOLD</b>	<b>25,829,867</b>	<b>25,508,226</b>	
Short-term investments	1,129,930	800,159	534,138	Trust receipts payable	1,141,704	636,225	1,218,864	<b>GROSS PROFIT</b>	<b>10,169,675</b>	<b>10,143,625</b>	
Accounts receivable				Trade payables				Selling and distribution expenses	(4,012,143)	(3,823,794)	
Trade				Third parties	4,294,456	3,361,953	2,964,533	General and administrative expenses	(2,199,824)	(2,028,378)	
Third parties - net	4,852,911	3,941,053	3,729,640	Related parties	253,925	714,034	573,340	Loss from fair value of biological assets	(11,247)	(85,160)	
Related parties	1,283,110	1,098,680	1,887,206	Other payables and deposit received - Third parties	1,573,271	1,390,487	1,222,334	Other operating income	752,256	414,409	
Non-trade				Dividend payables	2,352,763	-	-	Other operating expenses	(156,631)	(173,893)	
Third parties	1,357,273	1,430,300	1,216,638	Accrued expenses	2,165,098	2,153,449	2,260,066	<b>INCOME FROM OPERATIONS</b>	<b>4,542,286</b>	<b>4,446,809</b>	
Related parties	328,640	382,852	371,033	Short-term employee benefits liability	582,315	912,622	824,778	Finance income	274,532	355,916	
Inventories - net	9,756,966	9,792,768	8,670,179	Taxes payable	1,000,315	392,351	840,162	Finance expenses	(1,124,154)	(673,306)	
Biological Assets	547,275	536,821	464,722	Current maturities of long-term debts				Final tax on interest income	(52,571)	(62,473)	
Advances and deposits	754,724	690,160	699,403	Bank loans	3,788,116	2,124,644	1,608,077	Share in net losses of associates and joint ventures	(29,450)	(3,973)	
Prepaid taxes	568,610	368,412	320,384	Bonds payable	-	-	1,999,082	<b>INCOME BEFORE INCOME TAX EXPENSE</b>	<b>3,610,643</b>	<b>4,062,973</b>	
Prepaid expenses and other current assets	640,986	216,928	214,044	Liability for purchases of fixed assets	2,528	2,264	10,460	Income Tax Expense	(1,176,920)	(1,073,677)	
<b>Total Current Assets</b>	<b>35,377,756</b>	<b>32,948,131</b>	<b>29,469,623</b>	<b>Total Current Liabilities</b>	<b>28,918,233</b>	<b>21,637,763</b>	<b>19,219,441</b>	<b>INCOME FOR THE PERIOD</b>	<b>2,433,723</b>	<b>2,989,296</b>	
				<b>NON-CURRENT LIABILITIES</b>				<b>Other comprehensive income (losses)</b>			
<b>NON-CURRENT ASSETS</b>				Long-term debts - net of current maturities				Items that will not be reclassified to profit or loss, net of tax:			
Claims for tax refund	222,635	215,062	271,485	Bank loans	5,131,699	7,618,216	9,889,092	Re-measurement gains (losses) of employees' benefit liabilities	9,423	(7,561)	
Plasma receivables - net	1,249,836	1,158,659	1,064,600	Bonds payable	3,988,627	3,986,500	1,994,160	Share of other comprehensive losses of associates and joint ventures	(9,143)	(1,864)	
Deferred tax assets - net	1,978,382	2,120,165	2,044,321	Liability for purchases of fixed assets	-	2,377	4,603	Items that may be reclassified to profit or loss:			
Long-term investments	3,855,912	3,588,183	3,276,017	<b>Total long-term debts</b>	<b>9,120,326</b>	<b>11,607,093</b>	<b>11,887,855</b>	Unrealized gains on available-for-sale financial assets	334,477	234,327	
Fixed assets - net	41,593,461	39,492,287	35,126,820	Deferred tax liabilities - net	1,060,655	1,127,069	1,181,562	Exchange differences on translation of financial statements	168,418	(33,484)	
Investment property	42,188	42,188	42,188	Due to related parties	417,859	351,659	542,099	Share of other comprehensive income (losses) of associates and joint ventures	4,649	(65,720)	
Deferred charges - net	808,049	758,038	627,998	Advance for stock subscription from non-controlling interest	-	1,820	83,300	<b>Other comprehensive income for the period</b>	<b>507,824</b>	<b>125,698</b>	
Goodwill	3,968,725	3,968,725	3,976,524	Liabilities for employee benefits	6,832,513	6,462,639	5,360,277	<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>2,941,547</b>	<b>3,114,994</b>	
Intangible assets - net	2,203,298	1,830,140	2,329,997	Estimated liabilities for assets dismantling costs	97,114	110,068	89,838	Income for the period attributable to:			
Long-term prepayments	937,691	961,395	981,204	<b>Total Non-Current Liabilities</b>	<b>17,528,467</b>	<b>19,660,348</b>	<b>19,144,931</b>	Equity holders of the parent entity	1,956,008	2,239,872	
Other non-current assets	1,381,566	1,317,904	3,488,858	<b>TOTAL LIABILITIES</b>	<b>46,446,700</b>	<b>41,298,111</b>	<b>38,364,372</b>	Non-controlling interests	477,715	749,424	
<b>Total Non-current Assets</b>	<b>58,241,743</b>	<b>55,452,746</b>	<b>53,230,012</b>	<b>EQUITY</b>				<b>Total</b>	<b>2,433,723</b>	<b>2,989,296</b>	
				Capital stock - Rp100 (full amount) par value per share				<b>Total Comprehensive income for the period attributable to:</b>			
<b>TOTAL ASSETS</b>	<b>93,619,499</b>	<b>88,400,877</b>	<b>82,699,635</b>	Authorized - 30,000,000,000 shares	878,043	878,043	878,043	Equity holders of the parent entity	2,446,823	2,406,400	
				Issued and fully paid - 8,780,426,500 shares	283,732	283,732	283,732	Non-controlling interests	494,724	708,954	
				Additional paid-in capital	1,149,047	951,812	707,446	<b>Total</b>	<b>2,941,547</b>	<b>3,114,994</b>	
				Unrealized gains on available-for-sale financial assets				<b>BASIC EARNINGS PER SHARE FROM CONTINUING OPERATIONS</b>			
				Difference from changes in equity of Subsidiaries				<b>ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT ENTITY</b>	<b>223</b>	<b>255</b>	
				and effects of transactions with non-controlling interests	6,469,733	6,754,788	6,727,795	(full amount)			
				Exchange differences on translation of financial statements	1,125,269	932,027	871,186				
				Retained earnings	-	-	-				
				Appropriated for general reserve	110,000	105,000	100,000				
				Unappropriated	21,259,765	21,397,123	19,542,019				
				<b>Equity Attributable to Equity Holders of the Parent Entity</b>	<b>31,275,589</b>	<b>31,302,525</b>	<b>29,110,221</b>				
				<b>Non-controlling Interests</b>	<b>15,897,210</b>	<b>15,800,241</b>	<b>15,225,042</b>				
				<b>TOTAL EQUITY</b>	<b>47,172,799</b>	<b>47,102,766</b>	<b>44,335,263</b>				
				<b>TOTAL LIABILITIES AND EQUITY</b>	<b>93,619,499</b>	<b>88,400,877</b>	<b>82,699,635</b>				

Notes : 1. The financial information as of and for six-month period ended June 30, 2018 and 2017 is unaudited.  
2. PT Indofood Sukses Makmur Tbk and its subsidiaries (collectively referred to as the "Group") adopted the new or revised Statement of Financial Accounting Standard (PSAK) effective January 1, 2018 on retrospective basis. The interim consolidated statement of financial position of the Group as of December 31, 2017 and January 1, 2017 and the interim consolidated statement of profit or loss and other comprehensive income for the six months period ended June 30, 2017 were restated to reflect the impact of first time adoption of PSAK 69: Agriculture and PSAK 16: Fixed Assets regarding bearer plants amendments.  
3. Certain information such as consolidated statement of changes in equity and notes to the consolidated financial statements are not included in the information presented above.  
4. The foreign exchange rate used at June 30, 2018 and December 31, 2017 were Rp14,404 and Rp13,548, respectively, to US\$1.

Jakarta, July 31, 2018

The Board of Directors  
**PT INDOFOOD SUKSES MAKMUR Tbk**