



INVESTOR PRESENTATION
1Q2015

PT Japfa Comfeed Indonesia Tbk

Company Overview

Key Investment Highlights

Financial Highlights

Appendix



Company Overview

Introduction to Japfa Tbk



Established vertically integrated agriculture business with dominant focus in Indonesia

- One of the largest poultry players in Indonesia with FY14 net sales of around US\$ 2billion⁽¹⁾ and EBITDA of US\$ 140million⁽¹⁾
- Strategically involved in aquaculture and beef offering diversification of revenues
- Listed on IDX for over 20 years with market cap of around US\$ 813million⁽¹⁾
- Mostly focused in Indonesia, an attractive high growth animal protein market

Leading market share and strong growth

- Japfa has maintained high market share over the past 30 years of operations
- Economies of scale providing advantages in terms of raw material purchases and cost efficiencies
Deep geographical reach to be closer to customer base and raw material suppliers
- Strong historical net sales growth of 14% CAGR from 2007-2014
- As of May 2014, Japfa had market share of 22% for animal feed and 25% for DOC and top 2 market position across key business segments

Focused on producing affordable animal protein in Indonesia

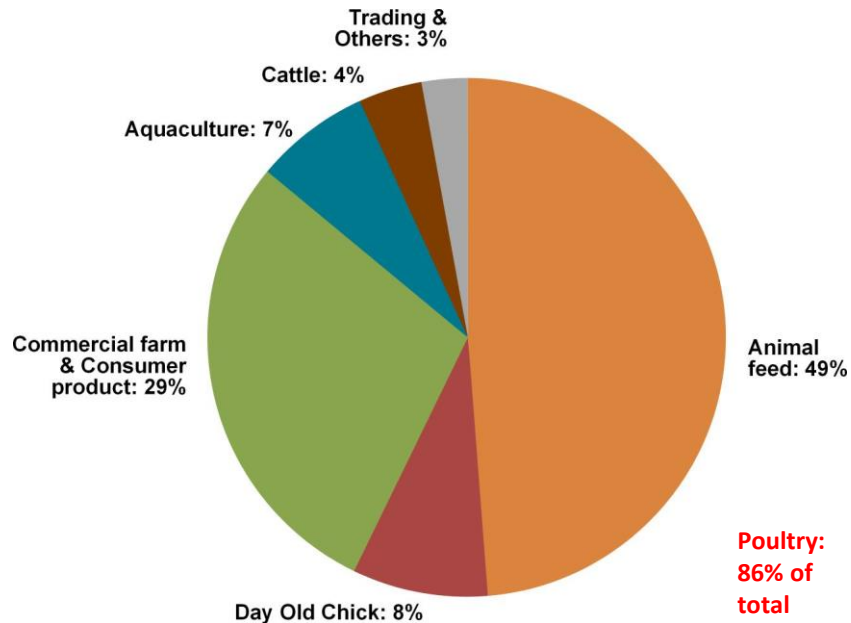
Note: (1) Based on 30 December 2014, share price : IDR 950/share and exchange rate : IDR.12,440/US\$

Core Competencies Across The Value Chain



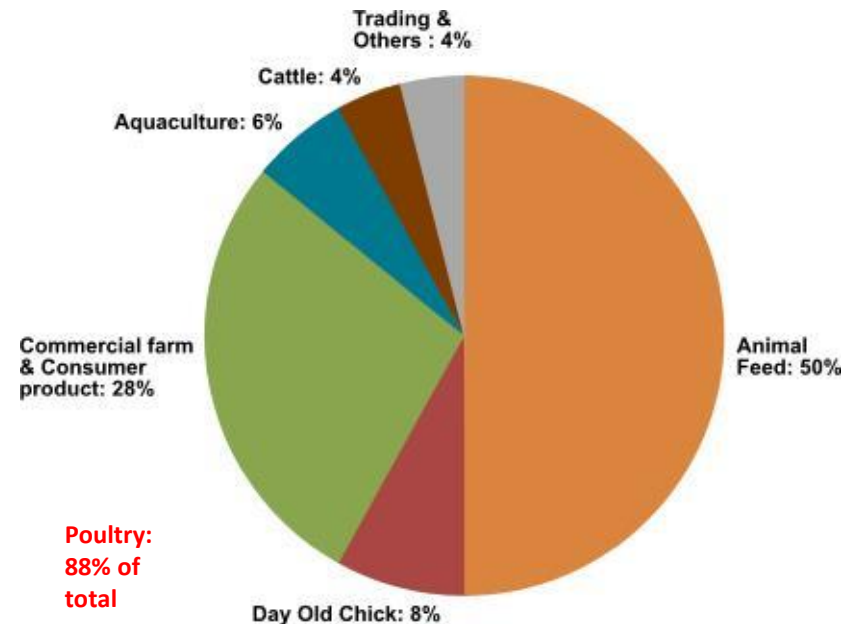
Poultry Contributes Bulk of Revenue and is our Core Business Focus

1Q2015 Sales Contribution Per Segment



Total 1Q2015 Revenue : Rp. 5.9 Trillion

FY14 Sales Contribution Per Segment



Total FY14 Revenue : Rp. 24.5 Trillion

Diversified business with a clear focus on the poultry sector given our expertise and favorable industry dynamics



Key Investment Highlights



1

Established market leader in poultry

2

Synergy and efficiency achieved through vertically integrated large scale businesses

3

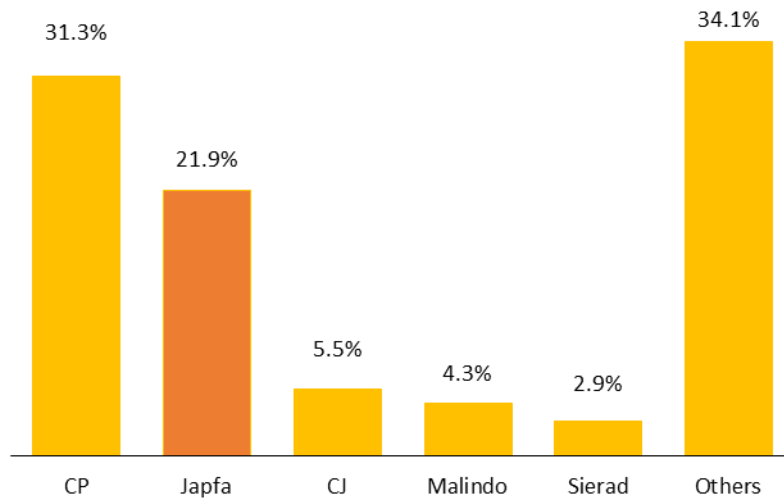
Quality operations supported by state-of-the-art bio security measures

4

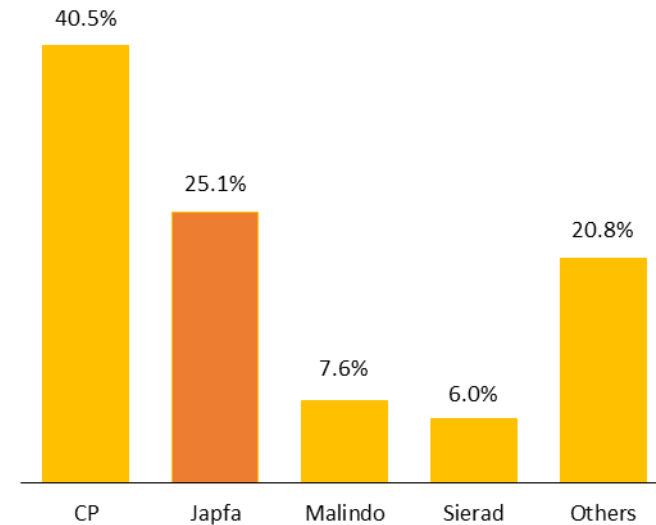
Experienced and professional leadership team

1 Established Market Leader in Poultry

Indonesia animal feed production capacity share ⁽¹⁾



Indonesia DOC production capacity share



Source: Company Annual Reports, Frost & Sullivan (May 2014)

Note: ⁽¹⁾ Market share calculation in the above table excludes aqua feed

- Stable and attractive industry dynamics with top 2 players, Charoen Pokphand (“CP”) and Japfa, controlling more than 50% of the animal feed and DOC breeding market
- Presence of smaller players limited to specific regions compared to Japfa’s national coverage
- Limited poultry imports due to halal considerations in Indonesia and consumers’ preference for live chicken

Japfa commands a strong market position in the animal feed and DOC breeding markets

2 Synergy and efficiency achieved through vertically integrated large scale business

Animal Feed

- ✓ Ability to control feed formulation to suit type of breed which Japfa produces
- ✓ Ability to control timing of delivery and availability of feed for breeding purposes



Day Old Chicks

- ✓ Exclusive rights to superior strain of DOC which is suited to Indonesian climate and consumer tastes
- ✓ Effective control over complete poultry breeding process, commencing from operation of great grandparent farms



Commercial Farming

- ✓ Right feed, superior breed and commercial farming techniques, resulting in robust performance



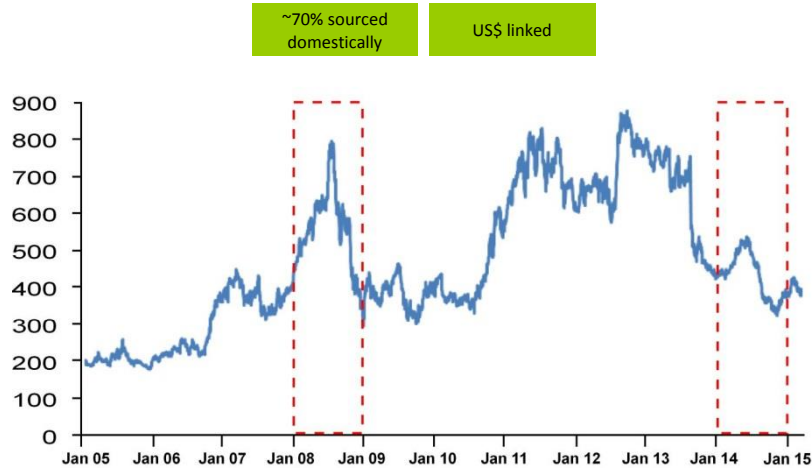
End Products

- ✓ Proximity to end customer market ensures supply of fresh chicken products
- ✓ Integrated chain enhances food safety, hygiene and traceability



2 Synergy and efficiency achieved through vertically integrated large scale business

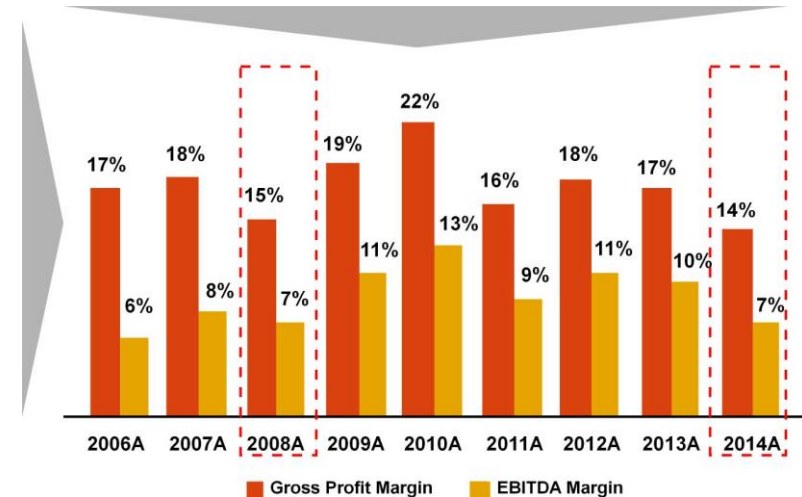
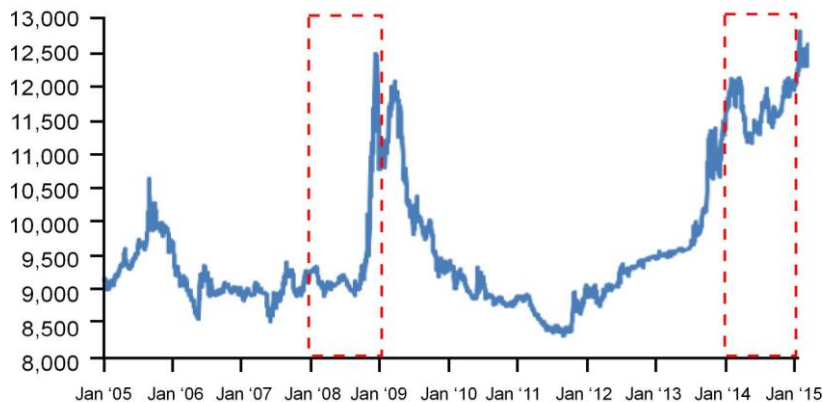
Corn prices (US\$/Bushel)



Soybean meal prices (US\$/MT)



IDR/US\$ exchange rate






Japfa is able to effectively pass on increases in raw material prices for feed to end consumers

3 Quality Operations Supported by State-Of-The-Art Bio Security Measures

A Minimize exposure from the elements

Isolation <ul style="list-style-type: none"> ▪ Remote location ▪ Geographical spread 	Sanitation and Disinfection	Full body immersion 	Spray and fumigation 	Traffic Control	Monorail 	Conveyor system 
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B Optimizing flock resistance from diseases

Farm Management <ul style="list-style-type: none"> ▪ Sophisticated animal husbandry practice 	Constant Monitoring <ul style="list-style-type: none"> ▪ Vaksindo - Animal vaccine research and production company - The only poultry company in Indonesia with the ability and facilities to research viruses (including AI) and produce autogenous vaccines - Constructed a new BSL 3 Animal Trial Facility  
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4 Experienced and professional leadership team

Board of Commissioners



Syamsir Siregar
President
Commissioner

Year of agri
experience: 10



Hendrick Kolonas
Vice President
Commissioner

Year of agri
experience: 19



Retno Astuti Wibisono
Independent
Commissioner

Year of agri
experience: 14



Ignatius Herry Wibowo
Independent
Commissioner

Year of agri
experience: 16

Board of Directors



Handojo Santosa
President
Director

Year of agri
experience: 28



**Bambang
Budi Hendarto**
Vice President
Director

Year of agri
experience: 36



**Koesbyanto
Setyadharma**
Director

Year of agri
experience: 26



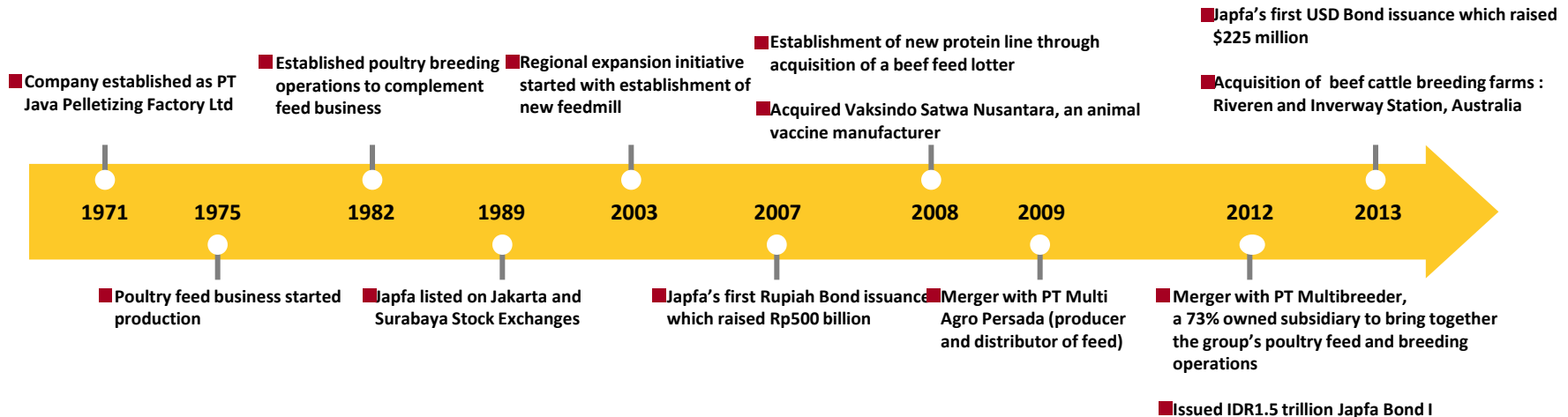
Tan Yong Nang
Director

Year of agri
experience: 7



Rachmat Indrajaya
Independent
Director

Year of agri
experience: 7



Japfa's management team has significant industry experience and has successfully led the Company through various cycles

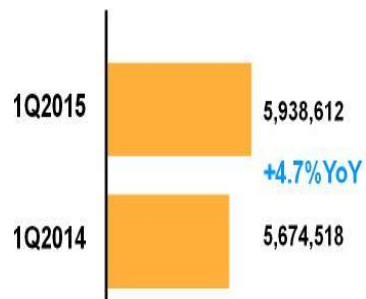


Financial Highlights

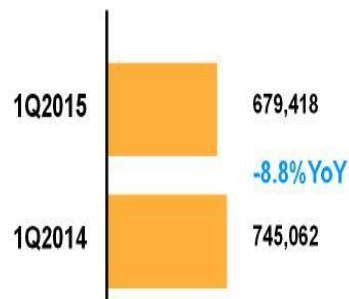
(In Mln. Rp.)	1Q2015	1Q2014	% change	
PT Japfa Comfeed				
Revenue	5,938,612	5,674,518	+4.7%	▲
Gross Profit	679,418	745,062	-8.8%	▼
<i>Gross profit margin</i>	<i>11.4%</i>	<i>13.1%</i>	<i>-1.7ppt</i>	▼
Operating profit	110,698	142,204	-22.2%	▼
<i>Operating profit margin</i>	<i>1.9%</i>	<i>2.5%</i>	<i>-0.6ppt</i>	▼
PAT	-214,879	68,111	-415.5%	▼
<i>PAT margin</i>	<i>-3.6%</i>	<i>1.2%</i>	<i>-4.8ppt</i>	▼

Financial Performance

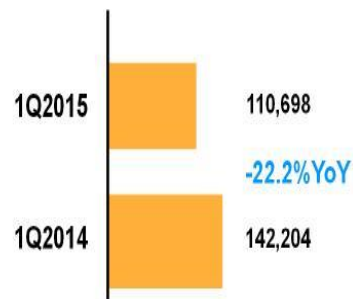
Revenue (In Mln Rp.)



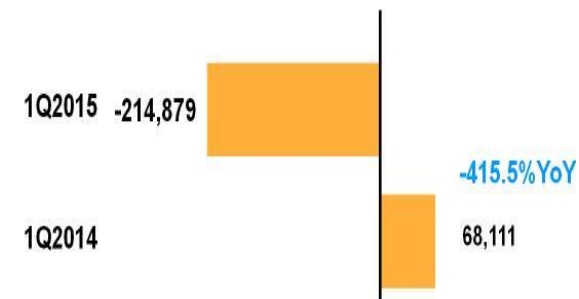
Gross Profit (In Mln Rp.)



Operating Profit (In Mln Rp.)

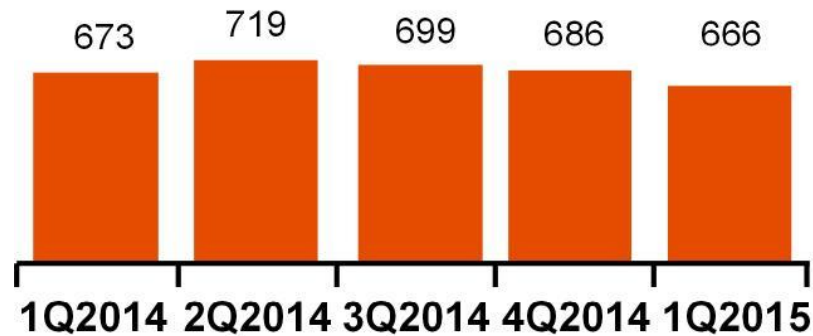


PAT (In Mln Rp.)

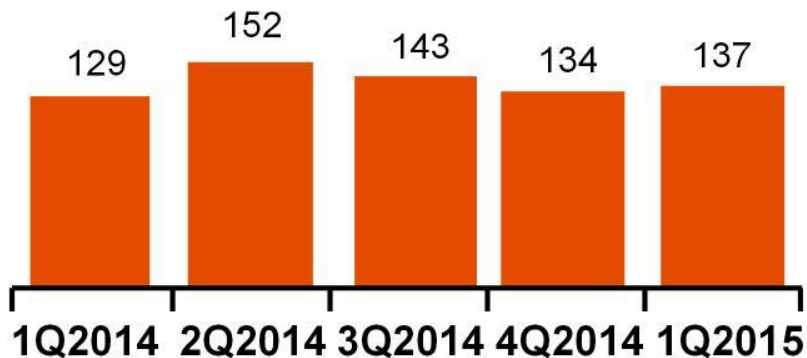


- Revenue increased by 4.7% YoY.
- Gross profit fell by 8.8% YoY, with margin shrinkage especially in poultry feed and breeding.
- Feed Operating Profit was able to cover the operating losses from Breeding and Commercial Farming. Hence, Japfa Comfeed was still able to deliver an Operating Profit of Rp110.7billion in 1Q 2015
- Foreign exchange losses were Rp177.5billion in 1Q 2015 as compared to foreign exchange gains of Rp104.7billion in 1Q 2014, due primarily to the unrealized exchange losses on the US Dollar-denominated Senior Notes (Due 2018) caused by the 5% depreciation of IDR against the USD
- PAT is affected by the combination of margin shrinkage in poultry business and foreign exchange losses

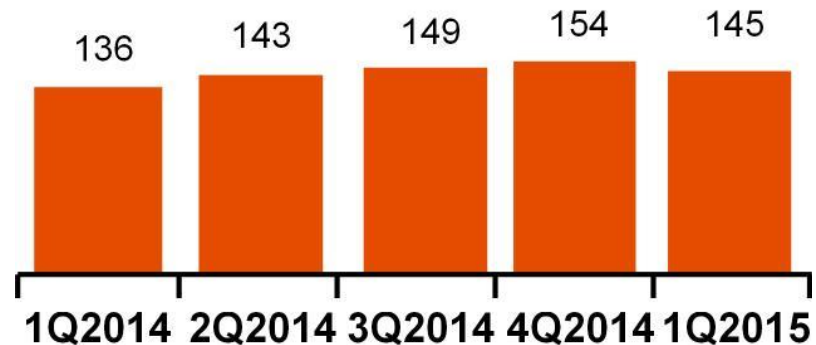
Animal Feed – Poultry: Sales Volume ('000 tons)



DOC – Broiler: Sales Volume (mil birds)

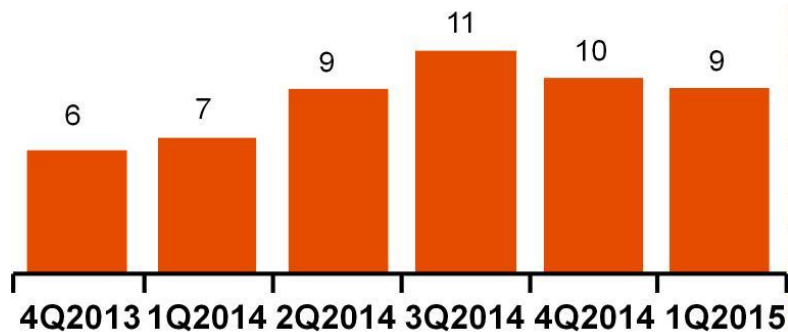


Commercial Farm- Live Birds : Sales Volume ('000 tons)

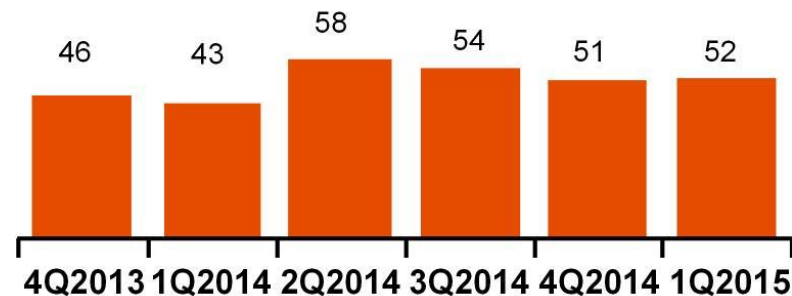


Operational Performance

Beef – Live Cattle: Sales Volume ('000 tons)



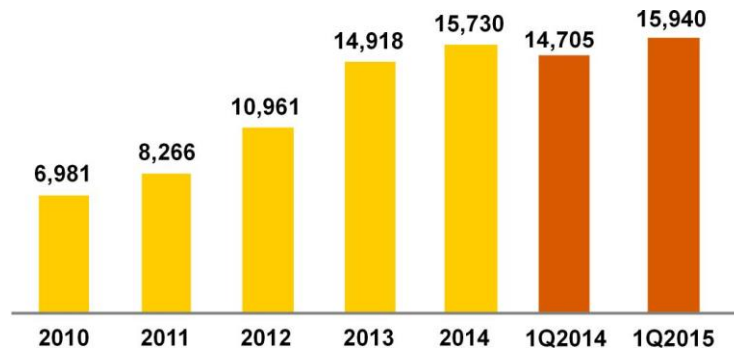
Aquaculture – Aqua-feed: Sales Volume ('000 tons)



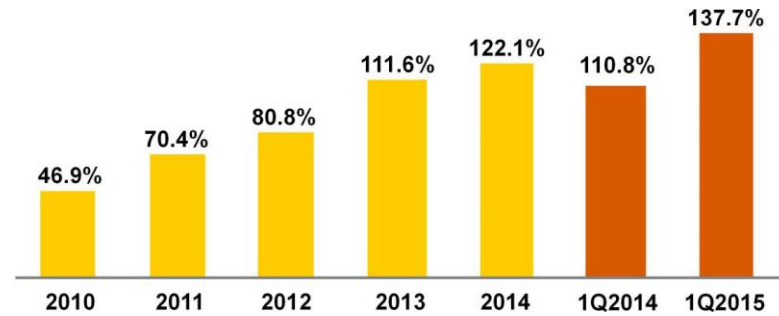
Proven financial track record

Total Assets

(In IDR billion)

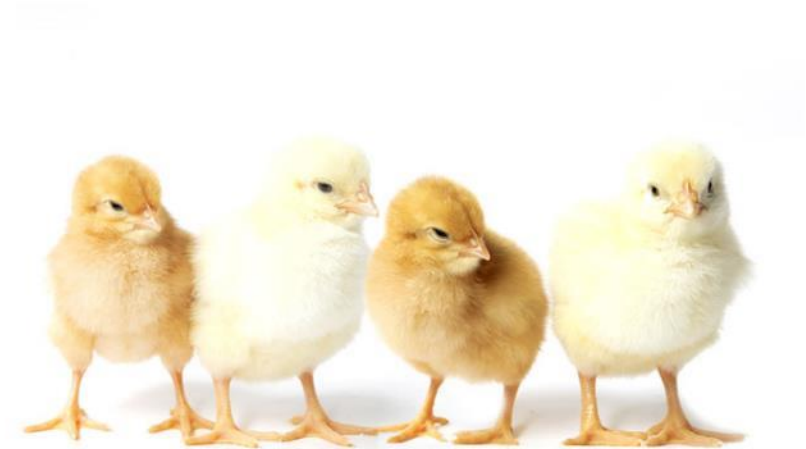
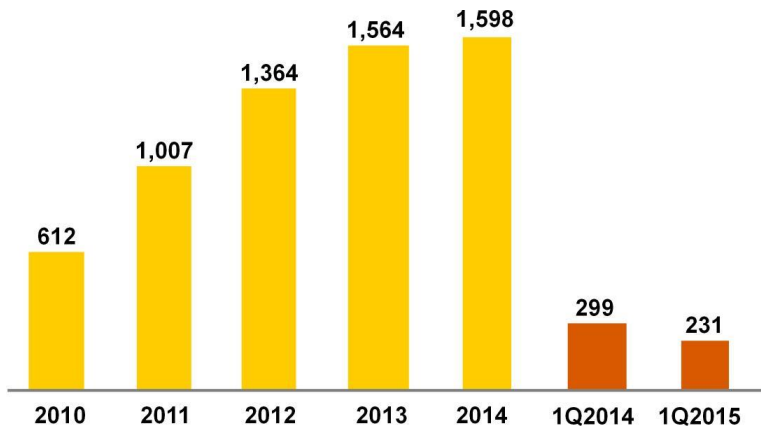


Net Debt / Equity



CAPEX

(In IDR billion)

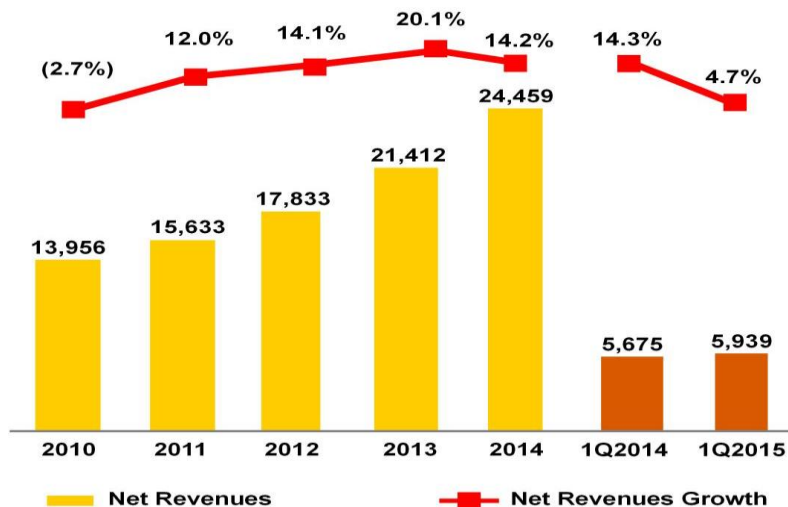


Proven Financial Track Record



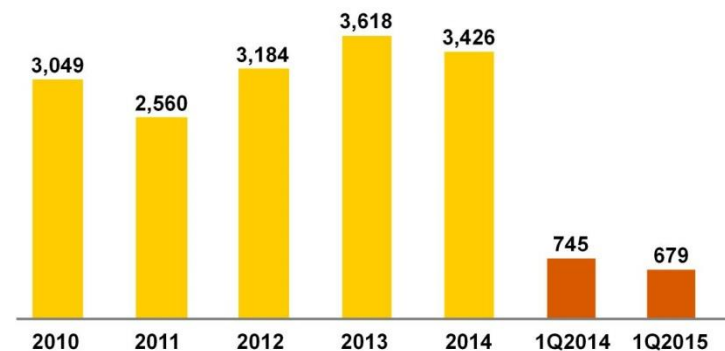
Net Revenues

(In IDR billion)



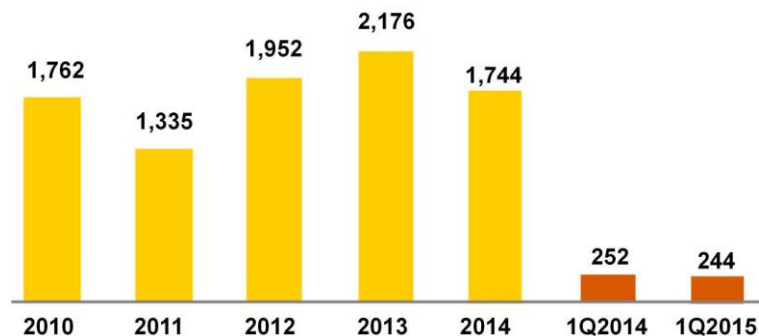
Gross Profit

(In IDR billion)



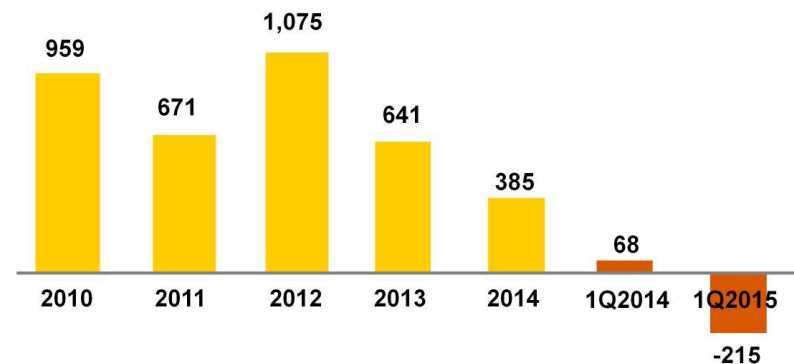
EBITDA

(In IDR billion)



Net Profit

(In IDR billion)

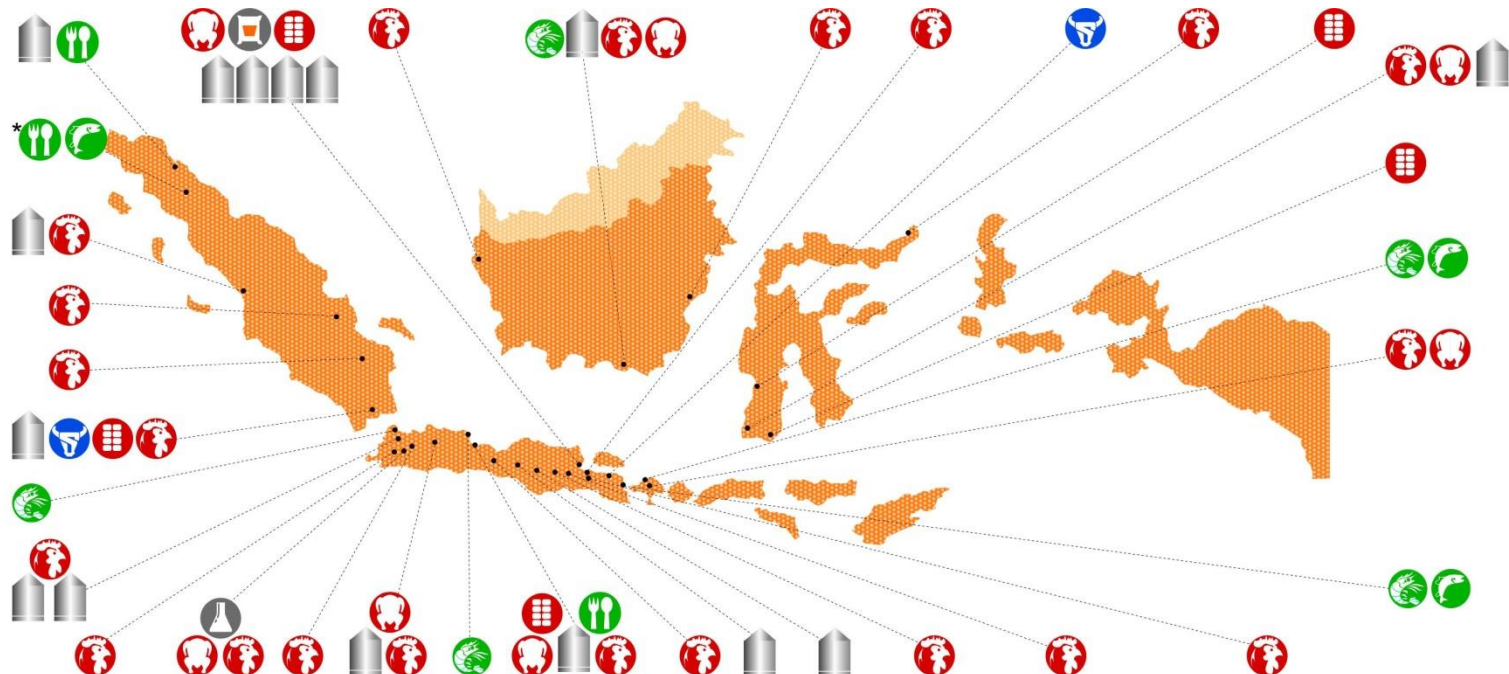










Appendix

Pan-national distribution platform

Deep national coverage with strong local knowledge



 Pabrik Pakan Ternak / Animal Feedmills	Medan, Padang, Lampung, Tangerang, Cikande, Purwakarta, Cirebon, Sragen, Grobogan, Sidoarjo, Gresik, Gedangan, Surabaya, Banjarmasin, Makassar	 Beef Cattle Feedlot	Lampung, Probolinggo, Darwin (Australia)
 Peternakan & Sentral Penetasan / Breeding Farms & Central Hatcheries	Lampung, Palembang, Jambi, Padang, Purwakarta, Bogor, Serang, Subang, Sukabumi, Pemalang, Pasuruan, Malang, Mojokerto, Semarang, Jombang, Kediri, Boyolali, Bali, Manado, Makassar, Pontianak, Samarinda, Banjarbaru	 Shrimp Ponds & Hatcheries	Carita, Anyer, Indramayu, Banyuwangi, Bali, Bati-bati
 Rumah Potong Ayam / Slaughter House	Sadang, Parung, Pabelan, Makassar, Bali, Krian, Bati-Bati	 Fish Farming & Hatcheries	Lake Toba, Simalungun, Banyuwangi, Bali
 Pengeringan Jagung / Corn Dryer	Lampung, Brebes, Gowa, Grobogan, Pare-pare	 Seafood Processing Unit	Medan, Cirebon, Simalungun (*under construction)
		 Woven Plastic Bag Factory	Wonoayu
		 Pabrik Vaksin Hewan / Animal Vaccine Factory	Bogor

Note: Japfa has 65 breeding farms and not all the farms are reflected on the map.

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