

INDICATIVE SCHEDULE

Publication Permit from OJK	:	3 May 2017
Bookbuilding Period	:	5 – 15 May 2017
Effective Statement from OJK	:	19 May 2017
Offering Period	:	22 May 2017
Allotment Date	:	23 May 2017
Electronic Distribution	:	26 May 2017
Listing on Indonesia Stock Exchange	:	29 May 2017

PUBLIC OFFERING

Unless defined otherwise in this Abridged Prospectus, all definitions in the Prospectus will apply and used in this Abridged Prospectus.

Bond Name

"Indofood Sukses Makmur VIII Year 2017 with Fixed Interest Rate Bond"

Bond Type

The tenor of the Bond is five years with a fixed rate of \bullet (\bullet percent) per year ("Bond Interest"). The Bond will be issued in scriptless, unless the Bond Jumbo Certificate which will be issued under the name of KSEI as a proof of liability for the benefit of Bond Holders. The proof of Bond ownership of the Bond Holders is the Written Confirmation which will be issued by KSEI or Account Holders.

Bond Principal Amount

The issued Bond Principal Amount is up to IDR2,000,000,000,000 (two trillion Rupiah). The transfer unit is IDR1 (one Rupiah) and its multiples and the minimum trading unit is IDR5,000,000 (five million Rupiah) or its multiples.

Offering Price

100% (one hundred percent) of the Bond Principal amount.

Bond Interest

- The Bond offers a fixed interest rate in the amount of \bullet (\bullet percent) per year.
- Bond Interest is paid quarterly since the Distribution Date at the Bond Interest Payment Date. The Bond Interest will be paid by the Company to the Account Holders through KSEI which acts as a Payment Agent at the respective Bond Interest Payment Date.
- Bond Interest is a percentage per year from the Bond Principal, payable based on the number of days that has passed, whereby one month is calculated as 30 (thirty) days and one year is calculated as 360 (three hundred and sixty) days.

Tenor and Maturity

The tenor of the Bond is five years, which have to be settled with the same price as the principal amount that is stated on the Written Confirmation held by Bond Holders at the Bond Redemption Date and the last Bond Interest Payment Date, which is 26 May 2022.

Bond Interest will be paid quarterly since the Distribution Date at the Bond Interest Payment Dates, as the following:

No.	Description	Bond Interest Payment Date
1.	First Bond Interest	26 August 2017
2.	Second Bond Interest	26 November 2017
3.	Third Bond Interest	26 February 2018
4.	Fourth Bond Interest	26 May 2018
5.	Fifth Bond Interest	26 August 2018
6.	Sixth Bond Interest	26 November 2018
7.	Seventh Bond Interest	26 February 2019
8.	Eighth Bond Interest	26 May 2019
9.	Ninth Bond Interest	26 August 2019
10.	Tenth Bond Interest	26 November 2019
11.	Eleventh Bond Interest	26 February 2020
12.	Twelfth Bond Interest	26 May 2020
13.	Thirteenth Bond Interest	26 August 2020
14.	Fourteenth Bond Interest	26 November 2020
15.	Fifteenth Bond Interest	26 February 2021
16.	Sixteenth Bond Interest	26 May 2021
17.	Seventeenth Bond Interest	26 August 2021
18.	Eighteenth Bond Interest	26 November 2021
19.	Nineteenth Bond Interest	26 February 2022
20.	Twentieth Bond Interest	26 May 2022

Collateral

The Bond is not guaranteed with specific collateral in the form of object or income or other assets of the Company in any form and is not guaranteed by any other parties. The entire wealth of the Company, whether movable or immovable, either existing or will exist in the future, become the collateral for all of the Company's debt to all creditors which is not specifically guaranteed or without preferential rights, including this Bond which is pari-passu based on Article 1131 and Article 1132 of the Indonesian Civil Code.

Bond Rating Result

In order to comply with Rule No. IX.C.11, the Company has engaged Pefindo to conduct the rating process. Based on the rating of the Bond in accordance with letter No. RC-278/PEF-DIR/IV/2017 dated 3 April 2017, and the rating result of the Company in accordance with letter No. RC-281/PEF-DIR/IV/2017 dated 3 April 2017, the rating of the Company and the issued Bond are:

AA+

(Double A Plus; Stable Outlook)

The above rating is valid for the period from 3 April 2017 until 1 April 2018.

Bond Repurchase

In the event the Company repurchases the Bond, the following conditions will apply:

- 1) Bond Repurchase is aimed by the Company as a redemption or kept to be sold with market price;
- 2) Bond Repurchase may be conducted through the Stock Exchange or outside the Stock Exchange;
- 3) Bond Repurchase may be conducted one year after Allotment Date;
- 4) Bond Repurchase may not be conducted if such repurchase can cause the Company to not be able to meet the conditions in the Trustee Agreement;
- 5) Bond Repurchase may not be conducted if the Company is negligent (default) as defined in the Trustee Agreement, unless the Company has obtained approval from the General Meeting of Bond Holders ("GMB");
- 6) Bond Repurchase may only be conducted by the Company from unaffiliated parties, unless such affiliation occurs because of the ownership or equity investment by the government;
- 7) The plan of the Bond Repurchase must be reported to the OJK by the Company at 2 Working Days at the latest before the Bond Repurchase plan is announced in the newspaper; and
- 8) Bond Repurchase may only be conducted after it has been announced in at least one newspaper with Bahasa Indonesia language with national circulation in at least 2 Working Days before the start of the offering date for Bond Repurchase.

Further information on the Bond Repurchase may be seen at Chapter I of the Prospectus regarding Public Offering.

Sinking Fund

The Company do not allocate a sinking fund for this Bond for the purpose to optimize the use of proceeds based on the planned use of proceeds of the Bond.

Rights of the Bond Holders

- Receive the payment of Bond Principal and Bond Interest from the Company which will be paid through KSEI as the Payment Agent at the date of the respective Bond Redemption Date and/or Bond Interest Payment Date. The Bond Principal shall be payable with the same price with the principal amount as stated in the Written Confirmation owned by the Bond Holders.
- If after the Bond Redemption Date and/or Bond Interest Payment Date the Company have not paid the amount as stated in Clause 10.2.a of the Trustee Agreement, the Company shall pay a penalty for such negligence in the amount of 2% (two percent) per year on top of the Bond Interest rate for the payable amount. The amount of penalty shall be calculated based on the days passed since the redemption date for the payable amount until the redemption date for all of the remaining payable amount, under the condition one month will be calculated as 30 (thirty) days and one year will be calculated as 360 (three hundred and sixty) days, one and others under the terms in the Payment Agent Agreement.
- One or more Bond Holders, representing more than 20% (twenty percent) of the total Bond Principal amount which is still payable may submit a written request to the Trustee to hold a GMB with a specified agenda by attaching a copy of Written Confirmation for GMB ("KTUR") from KSEI which is received from Account Holders and showing the original KTUR to the Trustee.
- Through GMB, the Bond Holders have the right to do the following:
 - Make decisions with respect to the Company's or the Bond Holders' proposal regarding (i) tenor, (ii) Bond Principal, (iii) interest rate, (iv) changes in the procedure or period of Bond Interest payment, (v) collateral or sinking fund; other than the changes in point (i) until (v), there will be no other changes in the Trustee Agreement which shall be approved by the GMB;
 - Notify the Company and/or Trustee, provide guidance to the Trustee, and/or approve to provide leeway time for a negligence based on the Trustee Agreement as well as the consequences, or to take other actions for a negligence;
 - Dismiss the Trustee and appoint a replacement based on the conditions stated in the Trustee Agreement;
 - Take action as authorized by or on behalf of the Bond Holders including the determination of potential negligence that could lead to a negligence as stated in the Trustee Agreement and Bapepam & LK's Rule No. VI.C.4; and
 - The Trustee intends to take other actions which are not authorized or are not stated in the Trustee Agreement or based on laws and regulations.

One Transfer Unit of IDR1 (one Rupiah) gives the right to the Bond Holder to cast one vote in the GMB.

Trustee

Based on the Trustee Agreement, PT Bank Mega Tbk has been appointed by the Company to act as the Trustee for the Bond Offering. As such, PT Bank Mega Tbk will act as the Trustee or a trust entity to represent the interest and act for and on behalf of the bondholders with regard to the Offering in accordance with Capital Market Law.

PT Bank Mega Tbk
Bank Mega Tower 16th floor
Jalan Kapten Tendean No. 12-14 A
Jakarta 12790
Phone : (021) 79175000
Faximile : (021) 7990720
Attn. : Capital Market Services

ABRIDGED PROSPECTUS

INFORMATION IN THIS DOCUMENT MAY STILL BE COMPLETED AND/OR AMENDED. THE REGISTRATION STATEMENT FOR THE SECURITIES HAS BEEN SUBMITTED TO THE FINANCIAL SERVICES AUTHORITY ("OJK") BUT HAS NOT RECEIVED EFFECTIVE STATEMENT FROM THE OJK. THIS INFORMATION MAY ONLY BE USED IN ACCORDANCE WITH THE BOOKBUILDING OF THE SECURITIES. THE SECURITIES MAY NOT BE OFFERED BEFORE THE EFFECTIVE STATEMENT FOR THE REGISTRATION STATEMENT HAS BEEN OBTAINED FROM THE OJK. THE SUBSCRIPTION FOR THE SECURITIES MAY ONLY BE DONE AFTER THE PROSPECTIVE INVESTORS OR SUBSCRIBERS HAVE RECEIVED OR HAVE HAD THE CHANCE TO READ THE PROSPECTUS.

DETAILED INFORMATION REGARDING THE OFFERING CAN BE FOUND IN THE PROSPECTUS.

OJK HAS NOT PROVIDED APPROVAL OR DISAPPROVAL FOR THE SECURITIES NOR HAS NITAM STATED THE ACCURACY OR ADEQUACY FOR THE PROSPECTUS. ANY REPRESENTATIONS TO THE CONTRARY ARE ILLEGAL.

PT INDOFOOD SUKSES MAKMUR TBK (THE "COMPANY") AND THE JOINT LEAD UNDERWRITERS ARE FULLY RESPONSIBLE FOR THE ACCURACY OF INFORMATION OR MATERIAL FACTS AS WELL AS OPINIONS STATED IN THIS ABRIDGED PROSPECTUS.



PT INDOFOOD SUKSES MAKMUR Tbk

Business Activities

Industrial wheat milling into flour that is integrated with Subsidiaries' business activities in the consumer branded products, agribusiness which is consisted of plantations and palm oil processing and other crops, as well as distribution industries

Domiciled in South Jakarta, Indonesia

Head Office

Jakarta Plant
Jalan Raya Cilincing No.1
Tanjung Priok
Jakarta 14110

Surabaya Plant
Jalan Nilam Timur No. 16
Tanjung Perak
Surabaya 60165

Sudirman Plaza – Indofood Tower 27th Floor
Jalan Jenderal Sudirman Kav. 76 – 78
Jakarta 12910, Indonesia
Telephone: (021) 5795 8822;
Faximile: (021) 5793 7484
Website: www.indofood.com

PUBLIC OFFERING OF INDOFOOD SUKSES MAKMUR VIII YEAR 2017 WITH FIXED INTEREST RATE BOND WITH A PRINCIPAL AMOUNT OF UP TO IDR2,000,000,000,000 (TWO TRILLIONS RUPIAH)

Indofood Sukses Makmur VIII Year 2017 with Fixed Interest Rate Bond (the "Bond") is published scriptless, with five years tenor and with a fixed interest rate of \bullet (\bullet percent) per year with a principal amount of up to IDR2,000,000,000,000 (two trillions Rupiah). The bond interest rates will be paid quarterly, with the first interest payment at 26 August 2017 while the last interest payment will be made at 26 May 2022 which is also the Bond Redemption Date.

IMPORTANT NOTICE

The Bond is not guaranteed with specific collateral in the form of object or income or other assets of the Company in any form and is not guaranteed by any other parties. The entire wealth of the Company, whether movable or immovable, either existing or will exist in the future, become the collateral for all of the Company's debt to all creditors which is not specifically guaranteed or without preferential rights, including this Bond which is pari-passu based on Article 1131 and Article 1132 of the Indonesian Civil Code.

The Company may buy back part or all of the Bond prior to the date of redemption of Bond Principal one year after the Allotment Date. In the event that the Company has repurchased for most or all of the Bond, the Company has the right to impose such repurchase as a settlement or for the repurchased Bond to be kept and which can later be sold and/or to be applied as a settlement.

Further information on collateral and bond buyback may be seen at Chapter I of the Prospectus regarding Public Offering

The Company only issues a Bond Jumbo Certificate and is registered under the name of PT Kustodian Sentral Efek Indonesia ("KSEI") and will be distributed electronically which will be administered in collective custody in KSEI.

With regard to this Bond offering, the Company has obtained the rating result for the Company and the Bond from PT Pefindo ("Pefindo"):

AA+

(Double A Plus; Stable Outlook)

Further information on the rating result may be seen at Chapter I of the Prospectus regarding Public Offering

The listing of the offered Bond will be conducted at the Indonesia Stock Exchange

JOINT LEAD UNDERWRITERS



Will be determined later (if any)

The joint lead underwriters and underwriter underwrite the bond offering with full commitment basis

TRUSTEE

PT Bank Mega Tbk.

THE MAIN BUSINESS RISK WHICH IS FACED BY THE COMPANY AND ITS SUBSIDIARIES ("INDOFOOD GROUP") IS THE POSSIBILITY OF CONTAMINATED PRODUCTS, NON HALAL PRODUCTS ISSUE AND THE USE OF CHEMICAL PRESERVATIVES ISSUE.

RISK WHICH IS FACED BY THE BOND INVESTORS IS THE ILLIQUIDITY OF THE OFFERED BOND WHICH IS AMONG OTHERS RESULTING FROM THE PURCHASE OF BOND FOR LONG TERM INVESTMENT.

This Abridged Prospectus is published at Jakarta on 4 May 2017

USE OF PROCEEDS FROM THE PUBLIC OFFERING

The proceeds from this Bond Offering, after deducting the issuance expenses, will be used to pay the principal amount of Indofood VI bond.

FINANCIAL HIGHLIGHTS

The table below presents the financial highlights of Indofood Group which is based on and/or calculated based on the consolidated financial statements of Indofood Group as of 31 December 2016 and 2015 and for the years ended on those dates, of which consolidated financial statements are attached to the Prospectus.

The consolidated financial statements of Indofood Group as of 31 December 2016 and 2015 and for the years ended on those dates were audited by Public Accountant Firm Purwanto, Sungkoro & Surja, independent auditor, based on the auditing standards as set forth by IAPI (signed by Indrajuwana Komala Widjaja), with unmodified audit opinion.

Consolidated Statements of Financial Position

Description	31 December	
	2016	2015
ASSETS		
Current Assets		
Cash and cash equivalents	13,362.2	13,076.1
Short-term investments	534.1	1,090.6
Accounts receivable		
Trade		
Third parties – net	3,729.7	3,522.5
Related parties	887.2	733.3
Non-trade		
Third parties	216.6	458.1
Related parties	371.0	402.7
Inventories – net	8,469.8	7,627.3
Advances and deposits	699.4	809.7
Prepaid taxes	320.4	302.1
Future crop expenditures	180.9	165.3
Prepaid expenses and other current assets	214.1	253.9
Assets of disposal group classified as held for sale	-	14,375.1
Total Current Assets	28,965.4	42,816.7
Non-current Assets		
Claims for tax refund	271.5	261.9
Plasma receivables – net	1,664.6	785.8
Deferred tax assets – net	2,044.3	2,083.3
Long-term investments	3,276.0	1,898.2
Plantations		
Mature plantations – net	6,014.0	5,193.4
Immature plantations	3,995.4	3,812.9
Industrial timber plantations – net	284.2	281.7
Fixed assets – net	25,701.9	25,096.4
Investment property	42.2	42.2
Deferred charges – net	628.0	676.2
Goodwill	3,976.5	3,976.5
Intangible assets – net	2,330.0	2,628.2
Long-term prepayments	981.2	948.1
Other non-current assets	3,479.3	1,530.0
Non-Current Assets	53,189.1	49,014.8
TOTAL ASSETS	82,174.5	91,831.5
LIABILITIES		
Current Liabilities		
Short-term bank loans and overdraft	5,697.7	5,971.6
Trust receipts payable	1,218.9	1,747.6
Trade payables		
Third parties	2,964.5	3,080.9
Related parties	573.3	504.0
Other payables and deposit received – third parties	1,222.3	1,589.2
Accrued expenses	2,260.1	2,137.3
Short-term employee benefits liability	824.8	684.4
Taxes payable	840.1	352.9
Current maturities of long-term debts		
Bank loans	1,608.1	2,948.8
Bonds payable	1,999.1	-
Liability for purchases of fixed assets	10.5	42.9
Liabilities directly associated with disposal group classified as held for sale	-	6,046.9
Total Current Liabilities	19,219.4	25,107.5
Non-current Liabilities		
Long-term debts – net of current maturities		
Bank loans	9,889.1	12,889.3
Bonds payable	1,994.2	3,989.2
Liability for purchases of fixed assets	4.6	15.5
Total Long-term Debts	11,887.9	16,894.0
Deferred tax liabilities – net	1,050.3	1,518.8
Due to related parties	542.1	338.8
Advance for stock subscription from non-controlling interest	83.3	-
Liabilities for employee benefits	5,360.3	4,775.8
Estimated liabilities for assets dismantling costs	89.8	75.0
Total Non-Current Liabilities	19,013.7	23,602.4
TOTAL LIABILITIES	38,233.1	48,709.9
EQUITY		
Equity Attributable to Equity Holders of the Parent Entity		
Issued and fully paid capital	878.0	878.0
Additional paid-in capital	283.7	523.3
Unrealized gains on available-for-sale financial assets	707.5	924.4
Difference from changes in equity of Subsidiaries and effects of transactions with non-controlling interests	6,727.8	6,645.4
Exchange differences on translation of financial statements	871.2	844.6
Reserve of disposal group classified as held for sale	-	627.4
Retained earnings		
Appropriated for general reserve	100.0	95.0
Unappropriated	19,406.1	16,732.3
Total Equity Attributable to Equity Holders of the Parent Entity	28,974.3	27,269.4
Non-controlling interests	14,967.1	15,852.2
TOTAL EQUITY	43,941.4	43,121.6
TOTAL LIABILITIES AND EQUITY	82,174.5	91,831.5

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Description	For the years ended on 31 December	
	2016	2015
Net sales	66,750.3	64,061.9
Cost of goods sold	47,321.9	46,803.9
Gross profit	19,428.4	17,258.0
Operating expenses and other operating expenses (income)	11,143.4	9,805.1
Income from operations	8,285.0	7,362.9

Description	For the years ended on 31 December	
	2016	2015
Finance income (expenses)	(523.5)	(1,929.8)
Final tax on finance income	(130.6)	(136.7)
Shares in net losses of associates	(245.7)	(334.3)
Income tax expense – net	(2,532.7)	(1,730.4)
Income for the year from a discontinued operation	414.4	477.8
Income for the year	5,266.9	3,709.5
Income for the year attributable to:		
- Equity holders of the parent entity	4,144.6	2,967.9
- Non-controlling interests	1,122.3	741.6
EBITDA*	10,940.1	9,810.6

* EBITDA is calculated based on income from operations added with depreciation and amortization expenses

Operating and Financial Ratios

Description	31 December	
	2016	2015
Growth Ratios (in %)		
Net sales	4.2	0.7
Gross profit	12.6	0.8
Income from operations	12.5	0.6
Income for the year	42.0	(29.1)
Income for the year attributable to equity holders of the parent entity	39.6	(24.7)
Income for the year attributable to non-controlling interests	51.3	(42.4)
Total assets	(10.5)	6.7
Total liabilities	(21.5)	6.3
Total equity	1.9	7.1
Operating Ratios (in %, unless stated otherwise)		
Gross profit / Net sales	29.1	26.9
Income from operations / Net sales	12.4	11.5
Income for the year attributable to equity holders of the parent entity / Net sales	6.2	4.6
Income from operations / Total equity *	19.0	17.7
Income for the year / Total equity *	12.1	8.9
Income from operations / Total assets **	9.5	8.3
Income for the year / Total assets **	6.1	4.2
Inventory turnover (x)	5.9	5.8
Inventory days (days)	61	62
Receivable turnover (x)	15.0	16.4
Receivable days (days)	24	22
Financial Ratios (x)		
Current assets / Current liabilities	1.5	1.7
Acid test ratio	1.0	1.3
Total liabilities / Total equity	0.9	1.1

BUSINESS RISKS

As with any other businesses, Indofood Group's businesses can not be separated from the risks of both micro and macro level. Below are some of the risks faced by Indofood Group:

Business Risks Associated with Indofood Group's Business Activities

- Indofood Group faces risk on the possibility of contaminated products, issue of non-halal products and the issue of the use of preservatives;
- The application of Anti Monopoly Regulation could negatively impact Indofood Group;
- Production price and costs fluctuate depending on raw material prices in the international markets and the fluctuation of Rupiah exchange rate against foreign currencies;
- Indofood Group faces risk on the impact of the unstable international commodities prices against the price of the commodities produced by Indofood Group;
- Indofood Group faces risk on the increased competition in their business segments;
- Indofood Group faces risk associated with climate and extreme weather;
- Indofood Group faces risk on the sufficient and sustainable supply of raw materials;
- Indofood Group could experience a negative impact on the implementation and enforcement of more stringent environmental regulations;
- Indofood Group faces risk on the regulatory changes related to the acquisition, renewal and area reduction of Land Cultivation Rights; and
- Indofood Group faces risk that can be caused by labor strike.

Business Risks Associated with Conditions in Indonesia

- Risk on the change of economy, social, politic and security situation;
 - Risk of terrorism activities in Indonesia may worsen the stability of the state which may have an impact on Indofood Group's business activities;
 - Natural disasters can have a negative impact on Indofood Group; and
 - Risk from the fluctuation of Rupiah exchange rate.
- Indofood Group Face Risks from Their Liabilities**
- Indofood Group faces default risk;
 - Indofood Group faces risk of exchange rate on unhedged liabilities in foreign currencies; dan
 - Indofood Group faces risk of rating downgrade of its Bonds.
- Further information on business risks faced by Indofood Group may be seen at Chapter V of the Prospectus regarding Business Risks.

SIGNIFICANT EVENT AFTER THE DATE OF THE INDEPENDENT AUDITOR'S REPORT

No important event which is material and relevant to the financial condition and business result of Indofood Group, which occurs after the date of independent auditor's report (dated 20 March 2017) for the consolidated financial statements of Indofood Group as of 31 December 2016 and for the year ended on that date, which was audited by Public Accountant Firm Purwantono, Sungkoro & Surja with unmodified audit opinion, that needs to be disclosed in the Prospectus.

DESCRIPTION ABOUT THE COMPANY

A. Brief History

The Company, which is domiciled in South Jakarta, is a limited liability company established under the laws in the Republic of Indonesia, with Domestic Investment facility. The Company was established under the name of PT Panganjaya Intikusuma, based on the Deed of Establishment No. 228 dated 14 August 1990, as amended by the Deed of Entry and Withdrawal of Founders and Deed of Amendment No. 171 dated 20 June 1991, all drawn up before Benny Kristianto, SH, Notary at Jakarta and obtained approval from the Ministry of Justice and Human Rights of the Republic of Indonesia ("MOJ") based on decree No. C2-2915.HT.01.01.Th.91 dated 12 July 1991, registered in the South Jakarta District Court No. 579/Not/1991/PN.JKT.SEL. No. 580/Not/1991/PN.JKT.SEL and No. 581/Not/1991/PN.JKT.SEL dated 5 August 1991 and was announced in the Official Gazette No. 12 dated 11 February 1992, Supplement No. 611.

The Company's Articles of Association has been amended several times, while the latest amendment was based on the Deed of Meeting Resolution No. 22, dated 8 May 2015, drawn up before Kumala Tjahjani Widodo, SH, MH, M.Kn, Notary in Jakarta, with respect to changes of the Company's Articles of Association to conform with OJK regulation. The deed has obtained approval from MOJ based on decree No. AHU-0936677.AH.01.02.Tahun2015, dated 5 June 2015 and has been notified to and accepted by the MOJ based on letter No. AHU-AH.01.03-0936772 regarding Acceptance Notification Concerning Amendments of Articles of Association, dated 5 June 2015, and has also been registered in the Company Register which is administered by MOJ under No. AHU-3513929.AH.01.11.Tahun2015, dated 5 June 2015 and has been announced in the Official Gazette No. 89, dated 6 November 2015, Supplement No. 44146.

Based on article 3 of the Company's Articles of Association, the Company's scope of activities, among others, is consisted of establishing and running processed foods, seasonings, beverages, packaging, edible oil, grain milling and flour sacks textile manufacturing industries.

Currently, Indofood Group is one of the largest processed food manufacturers in Indonesia of which main products, such as instant noodles, flour, cooking oil, margarine and shortening, and non-alcoholic beverages. Indofood Group's operation is consisted of four strategic business units, namely: CBP Group, Bogasari Group, Agribusiness Group and Distribution Group.

B. Latest Capital and Shareholding Structure

Based on the List of Shareholders as of 31 March 2017 which is issued by PT Raya Saham Registrasi, the capital and shareholding structure of the Company is as follows:

Description	Nominal Value IDR100 per share		Percentage (%)
	No. Of Shares	Nominal Value (Rp)	
Authorized Capital	30,000,000,000	3,000,000,000,000	
Issued and Fully Paid Capital			
CAB Holdings	4,396,103,450	439,610,345,000	50.07
Anthoni Salim	1,329,770	132,977,000	0.02
Taufik Wiraatmadja	50,000	5,000,000	0.00
Franciscus Welirang	250	25,000,000	0.00
Public (each below 5%)	4,382,943,030	438,294,303,000	49.91
Total Issued and Fully Paid Capital	8,780,426,500	878,042,650,000	100.00
Shares in Portfolio	21,219,573,500	2,121,957,350,000	

C. Management and Supervision

The current composition of the Company's Board of Commissioners is as drawn in the Deed of Meeting Resolution No. 10, dated 3 June 2016, drawn up before Kumala Tjahjani Widodo, SH, MH, M.Kn, Notary in Jakarta, which is as follows:

Board of Commissioners

President Commissioner	: Manuel V. Pangliman
Commissioner	: Benny Setiawan Santoso
Commissioner	: Edward A. Tortorici
Commissioner	: Robert Charles Nicholson
Commissioner	: Christopher Huxley Young
Independent Commissioner	: Utomo Josodirdjo
Independent Commissioner	: Bambang Subianto
Independent Commissioner	: Adi Pranoto Leman

The current composition of the Company's Directors is as stated in the Deed of Meeting Resolution No. 21, dated 8 May 2015, drawn up before Kumala Tjahjani Widodo, SH, MH, M.Kn, Notary in Jakarta, which is as follows:

Directors

President Director	: Anthoni Salim
Director	: Franciscus Welirang
Director	: Tjhe Tje Fie (Thomas Tjhe)
Director	: Darmawan Sarsito (Kevin Sietho)
Director	: Taufik Wiraatmadja
Director	: Moleonoto (Paulus Moleonoto)
Director	: Axton Salim
Director	: Werianty Setiawan
Director	: Joseph Bataona
Director	: Joedianto Soejonoepoetro

D. Description of Subsidiaries

Below are the Subsidiaries which are the members of Indofood Group that provide significant contribution to Indofood Group and that are still conducting their business activities:

No.	Name of Company	Effective Ownership (%)	Year of Commercial Operation	Business Activities
1.	PT Indofood CBP Sukses Makmur Tbk	80.53	2009	Production of noodles, culinary products, biscuits, food seasonings, nutrition & special foods
2.	PT Surya Rengo Containers	48.31	1993	Production of packaging materials
3.	PT Indofood Fritlay Makmur	41.07	1990	Production of snacks
4.	PT Indolakt	55.22	1997	Production and distribution of dairy products and industrial estate
5.	PT Indofood Asahi Sukses Beverage	41.07	2013	Marketing and distribution of non-alcoholic drinks
6.	PT Tirta Makmur Perkasa	32.86	2014	Marketing and distribution of packaged drinking water
7.	PT Indomarco Adi Prama	99.99	1951	Distribution
8.	PT Putri Daya Usahatama	65	1988	Distribution
9.	PT Samudra Sukses Makmur	99.99	2006	Shipping
10.	Pascian Pie Ltd	100	1998	Ship operation
11.	Ocean 21 Holdings Pte Ltd	100	2006	Investment
12.	Indofood Agri Resources Ltd	62.78	2007	Investment
13.	PT Salim Vomas Pratama Tbk	53.1	1994	Palm Oil Plantations, mills and production of cooking oil and other related products
14.	PT Perusahaan Dagang, Perkebunan dan Industri Serikat Putra	52.1	1992	Palm oil plantations and mills
15.	PT Gunung Mee Raya	52.1	1992	Palm Oil plantations and mills
16.	PT Cibaling Tunggal Plantations	52.1	1989	Palm Oil plantations
17.	PT Perusahaan Perkebunan, Industri dan Dagang Indraplanti	52.1	1989	Palm Oil plantations and mills
18.	PT Lajperdana Indah	32.7	2009	Integrated sugarcane plantations and refinery
19.	PT Mela Citra Perdana	31.9	2005	Services

No.	Name of Company	Effective Ownership (%)	Year of Commercial Operation	Business Activities
20.	PT Perusahaan Perkebunan London Sumatera Indonesia Tbk	31.6	1982	Palm oil seed breeding, cultivation of palm oil, rubber, cocoa, coconut and tea plantations, and processing in mills, marketing and selling of the related agricultural produce.

BUSINESS ACTIVITIES AND PROSPECT OF THE COMPANY

A. General

Indofood Group is 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. Indofood Group produces various products, such as instant noodles, dairy, snack foods, food seasonings, biscuits, specialty foods for babies and children, cereal snacks for children and milk for pregnant and lactating mothers, non-alcoholic drinks, flour, pasta, edible oils, margarine and shortenings, which are marketed under leading brands and well-known to public, and are also available throughout Indonesia. All of Indofood Group products are Halal certified by the Indonesian Council of Ulama (MUI), and have received MD numbers from Food and Drug Monitoring Agency (BPOM).

B. Business Activities

1. CBP Group

Noodles Division

The Noodles Division's business activity is operated by PT Indofood CBP Sukses Makmur Tbk ("PT ICBP") and its Subsidiaries, which is one of the largest instant noodle manufacturers in the world with a total production capacity of 18 (eighteen) billion packs per year, spread across 17 (seventeen) factories in Indonesia and one factory in Malaysia. The product portfolio of The Noodles Division covers various choices of instant bag noodles, instant cup noodles, egg noodles, mug noodles dan snack noodles. Instant noodle products are exported to approximately 60 (sixty) countries in the world.

As a leading brand that is popular in Indonesia, the products of PT ICBP are known for their excellent quality and taste. In addition, PT ICBP offers a wide range of product brands catering to different consumer needs and market segments. Indomie, Supermi, Sarimi dan Sakura are the leading brands in the segment of instant bag noodles. Indomie continues to be the market leader with the highest top-of-mind score for many years. Indomie My Noodlez was launched to reach out to the children segment, while the Indomie Real Meat was launched using real meat toppings innovation. Indomie Bite Mie was launched with the aim to participate in the fast-growing segment of snack noodles. Pop Mie continues to maintain its position as a leader in the instant cup noodles segment. PT ICBP also has Mie Telur Cap 3 Ayam and Sarimi Gelas, which are product brands of The Noodles Division for egg noodles and mug noodles segments.

The main raw materials to produce instant noodles are flour, cooking oils and food seasonings, which are mostly supplied by other groups or divisions within Indofood Group.

Dairy Division

The Dairy Division's business activity is operated by PT Indolakt ("PT IDLK") and its Subsidiaries, which is currently a Subsidiary of PT ICBP with an effective ownership of 68.6%. Currently, The Dairy Division operates six factories in Java to produce a variety of dairy products such as sweetened condensed milk ("SCM"), creamer, ultra-high temperature ("UHT") milk, sterilized bottled milk, pasteurized liquid milk, lactic acid beverages, powdered milk, ice cream and butter.

As one of the leading producers of dairy products in Indonesia, the majority of PT IDLK's product brands are well-known as popular brands that offer quality products for various market segments. The flagship brand of the Dairy Division, Indomilk, is a leading brand in Indonesia and has enjoyed strong market presence for more than 40 (forty) years. Other popular brands include Cap Enak, Tiga Sapi, Indomilk Kids and Milkkuat for milk products, Indoeskrim for ice cream and Orchid Butter for butter.

Snack Foods Division

The Snack Foods Division comprises two business units, namely snack foods and biscuits. The Snack Foods Unit is operated by PT Indofood Fritlay Makmur ("PT IFL") which is a joint venture between PT ICBP and Fritlay Netherlands Holding B.V., a PepsiCo's affiliate, with a shareholding ratio of 51:49. PT IFL produces western and contemporized traditional snacks made from potato, cassava, soybean and sweet potato, as well as various extruded snacks. The products are marketed under Chitato, Lay's, Qeta, Cheetos, Jetz and Chiki brands, most of which command leading positions in their respective categories. The Biscuits Unit is fully operated by PT ICBP, and produces various product brands that are targeted at different market segments. Treng for teens and young adults, Wonderland for families, and Duetto for pre-teen consumers. The Snack Foods Division operates four factories in Java.

Food Seasonings Division

The food seasonings business is undertaken by the Food Seasonings Division and PT Nestlé Indofood Citaras Indonesia ("PT NICI"), which is an equal-share joint venture company between PT ICBP and Nestle S.A.

The Food Seasonings Division manufactures an extensive range of culinary products such as soy sauce, chili sauce, tomato sauce and paste instant seasonings for Indofood Group and PT NICI. Furthermore, this Division also manufactures and markets cordial syrups under the Indofood Freiss brand and instant porridge under the Buburia brand. This Division operates two factories in Java.

PT NICI is responsible for marketing of all the culinary products, and manufacturing the dry-mix instant seasonings. The culinary products are marketed under the Indofood, Sambal Rumahang, Indofood Rakik and Maggi brands.

Nutrition & Special Foods Division

The Nutrition & Special Foods Division's business activity is operated by PT ICBP. The Nutrition & Special Foods Division is one of the leading players in the Indonesian baby food industry, which produces a range of specialty foods with balanced nutritional content that adhere to international food safety standards such as cereals, biscuits and puddings for infants and children, cereal snacks for children, and a variety of milk products for expectant and lactating mothers.

Baby cereals are marketed under the brand Promina, which targets the affluent market segment, and the SUN brand for the mass market. This Division also offers an affordable and healthy cereal-based snacks for children as a practical and healthy breakfast solution, which is marketed under Govit brand. The Nutrition & Special Foods Division operates a factory in West Java.

Beverages Division

The Beverages Division's business activity is operated by PT Indofood Asahi Sukses Beverage ("PT IASB") and PT Asahi Indofood Beverage Makmur ("PT AIBM") with their Subsidiaries. PT IASB and PT AIBM are joint ventures between PT ICBP with Asahi Group Holdings Southeast Asia Pte Ltd with a shareholding ratio of 51:49 in PT IASB and 49:51 in PT AIBM. PT IASB and PT AIBM are each responsible to market and produce non-alcoholic drinks, which started their operational activities at the end of 2013.

PT IASB and PT AIBM operate a wholly owned PepsiCo bottling business, and hold an 80% stake in a packaged water business. Beverages Division operates 19 (nineteen) facilities which are spread throughout Indonesia. Currently, the Beverages Division owns a product portfolio which is consisted of ready-to-drink tea and coffee, bottled drinking water, carbonated drinks, energy drinks and fruit-flavored drinks, which are marketed under Ichi Ocha, Tekita, Cafela, Club, Pepsi, Sting and Fruitamin brands.

Packaging Division

The Packaging Division produces flexible and corrugated packagings to support CBP Group's and third-party customers' operational activities. Packaging Division holds an important role in the whole operational chain of CBP Group.

2. Bogasari Group

The Bogasari Group is one of the largest integrated flour miller in Indonesia. The Group also produces and sells pasta for domestic and international markets. In carrying out its business activity, the Bogasari Group is supported by a maritime unit to transport wheat, which is the main material for flour, from Australia, Canada and the United States. To meet its packaging needs, the Bogasari Group also manufactures polypropylene bags.

The Group produces various types of flour for different purposes, such as the raw material of bread, noodle, and cake. In addition, the Bogasari Group also produces premix flour.

The flour is marketed under five brands that are well-known by consumers in Indonesia: Cakra Kembar, Segitiga Biru, Kunci Biru, Lencana Merah and Payung. Premix flour is marketed under the Chesa brand. While pasta products are marketed under La Fonte brand.

The Bogasari Group operates four flour mills in Jakarta, Surabaya, Cibitung and Tangerang.

3. Agribusiness Group

Agribusiness Group is one of the largest diversified and vertically integrated agribusiness groups in Indonesia and one of the largest branded edible oils, margarine and shortenings manufacturers in Indonesia. The principal activities of the Agribusiness Group include research and development, seed breeding, oil palm cultivation and milling processing, as well as the manufacturing and marketing of cooking oils, margarine and shortening. The Agribusiness Group also engages in the cultivation of sugar cane, rubber, industrial tree plantation and other crops.

The Agribusiness Group's business activities consist of two divisions, namely the Plantation Division and the Edible Oils & Fats Division.

Plantation Division

The Plantation Division mainly manages palm oil plantations. In addition, the business activities of this Division also include, among others, cultivation of rubber, sugar cane, cocoa and tea. As of 31 December 2016, the Plantation Division has approximately 300 thousand hectares plantations, consist of approximately 247 thousand hectares of palm oil, 20 thousand hectares of rubber, 13 thousand hectares of sugar cane and the remaining of nearly 20 thousand hectares have been planted with other crops such as industrial tree, cocoa and tea plantations. This Division also manages approximately 90 thousand hectares of plasma plantations of palm oil

and rubber. In addition, the Plantation Division also has the capability to produce approximately 33 million high quality palm oil seeds, which will guarantee the fulfillment of the Plantation Division's needs on high quality palm oil seeds in an effort to expand palm oil plantations through new plantings, supporting reforestation activities and to meet demand for palm oil seeds from external parties.

Up until 31 December 2016, the Plantation Division operates 24 (twenty four) palm oil mills located in Sumatra and Kalimantan with a total milling capacity of approximately 6.4 million tons of Fresh Fruit Bunches (FFB) per year. The Plantation Division also manages four crumb rubber processing facilities with a total production capacity of approximately 43 thousand tons of dry rubber per year and three sheet rubber processing facilities with a total production capacity of approximately 11 thousand tons of dry rubber per year, as well as two sugar mills/refineries with a total production capacity of around 2.2 million tons of sugar cane per year. In addition, this Division also operates a cocoa factory and a tea factory.

Edible Oils & Fats Division

The Edible Oils & Fats Division is one of the major players and market leaders in the branded edible oils and fats industry in Indonesia. This Division produces various products such as cooking oil, margarine and shortenings for the domestic market, and are also exported to China, Nigeria, East Timor, Singapore, Angola, the Philippines, Sri Lanka, Papua New Guinea and other countries. The branded cooking oil are marketed under leading brands including Bimoli, Bimoli Spesial, Delima and Happy, while consumer branded margarine and shortenings are packed and sold under the Palmia, Amanda and Delima brands.

The Edible Oils & Fats Division operates five Crude Palm Oil ("CPO") refineries with a combined annual processing capacity of 1.4 million tons, located in Java, Sumatra and Sulawesi.

4. Distribution Group

The Distribution Group is a strategic asset that forms a vital part of Indofood's vertically integrated operations with around 1,200 stock points, serving more than 500,000 registered retail outlets. Most stock points are located in high density areas that have good access to both traditional and modern trade outlets, making it possible to distribute the products in the area in the shortest time possible and to increase the frequency of visits to retailers. The Group distributes most of Indofood Group's consumer branded products and various third party products.

C. Marketing

Brands

Currently Indofood Group has brands which have been registered in advertising agencies, which are already widely known.

Marketing Strategies

In order to strengthen its position as the leading processed food manufacturers in Indonesia, the management sets out the following strategies:

- Maintain and improve product quality;
- Increase the offered range of products;
- Increase investment and ability in the field of research and development;
- Strengthen brand equity;
- Improve services to customers; and
- Improve product availability and enhance product visibility.

Sales and Distribution Network

Indofood Group markets and sells consumer branded products through various distribution networks of the Distribution Group and third party distributors.

D. Business Environment

Industry and Competition

1. CBP Group

Along with the improving macroeconomic conditions, the food and beverage industry in Indonesia returned to growth in 2016 after declining in 2014 and 2015. Growth in the food and beverage industry is also driven by urbanization and investment by players in packaged food industry, as well as the growth of modern retail outlets. The increase in income per capita has boosted the purchasing power of consumers, changing consumer taste to western food preference, as well as changes in consumer behavior where they shift to packaged food products that are considered to be more practical and hygienic. The tendency of these behavioral changes is rising along with the increase in the level of urbanization and the number of working women. At the same time, producers also increased the budget for advertising and promotion as well as launching new products, while modern retailers continue to exponentially increase the number of their outlets across Indonesia.

With the increasing market potential, competition landscape is also getting tougher from both domestic producers and also imported products. The CBP Group's products generally face competition, either directly or indirectly, from alternative and traditional food products. In general, the CBP Group's products compete in terms of quality, taste, brand, product innovation and price. In the face of competition, the CBP Group, among others, continues to maintain and improve the quality of their products, carry out various marketing initiatives which are effective and in accordance with their respective target markets, launch various products that suit the needs and tastes of customers, implement cost efficiency programs in order to improve competitiveness.

2. Bogasari Group

Flour industry continues to experience growth with the development of various flour-based food products industries such as noodles, pasta, bread and biscuits, which are driven by changes in public lifestyles and the increasing influence of western culture. Since 2013, competition from imported flour has been declining due to the additional import tariffs imposed on certain countries, however, competition from large-scale local players continues to increase. They continue to increase production capacity. Most small-scale local players were under pressure and sold their production facilities to large-scale players. Currently, the number of wheat flour players are 20 (twenty), a decrease of the previous 22 (twenty two).

The potential market of flour is still attractive given that the flour consumption per capita in Indonesia is only about 25 kg, far lower than the per capita consumption of neighboring countries. Therefore, the competition is still expected to be tight to the large-scale local players who will continue to improve their capacity to obtain large market shares.

3. Agribusiness Group

Plantation Division

The level of global demand for palm oil continues to increase from year to year to reach 62.3 million tons in 2016 (Source: Oil World) which was driven by the increasing demand for foods due to population growth, income growth and urbanization in developing countries. India, Indonesia, China and the European Union are the largest palm oil consumers in the world, which was about 48.9% of world palm oil consumption.

Along with the increase in the level of demand, CPO production also continued to increase, reaching 58.9 million tons in 2016 (Source: Oil World). The largest palm oil producing countries are Indonesia and Malaysia, which together accounted for 83.9% of world palm oil production. Indonesia is the largest palm oil producer in the world since 2006, shifting the position of Malaysia due to land scarcity and declining palm oil productivity in Malaysia. CPO is a commodity traded in international commodity markets, and in general, prices are determined by demand and supply of the commodity. Markets for the Agribusiness Group's products have a number of major producers, especially those from Indonesia and Malaysia. The palm oil industry in Indonesia consist of palm oil companies owned by the Government and large private companies such as Sinar Mas Group, Astra Agro Lestari Group, the Wilmar Group, First Resources Group and other private companies, as well as farmers. For expansion, the Agribusiness Group also competes with other palm oil plantation companies in obtaining land.

Edible Oils & Fats Division

The Edible Oils & Fats industry in Indonesia, among others, include palm oil, corn oil, soybean oil, sunflower oil, olive oil, and margarine products. Palm-based edible oil is a staple product in Indonesia because it is the edible oil that widely used for cooking oil and ingredients for food preparation. Most of the cooking oils sold in Indonesia are not branded and are generally sold in markets and traditional stores, which mainly cater to the lower segment of society. Price volatility of CPO and various Government policies in the edible oil industry in recent years have tighten the competition between branded cooking oil and cooking oil, in which if the price difference narrows between branded cooking oil and non branded cooking oil, consumers tend to switch to branded cooking oil and vice versa. In addition, competition between branded cooking oil players also remains tight as the players set competitive prices.

4. Distribution Group

Currently, the Distribution Group is one of the distributors with the most extensive distribution network in Indonesia. Through around 1,200 stock points, the distribution network at the district level and the distribution reach are successfully expanded with deeper penetration throughout Indonesia. Until the date of this Abridged Prospectus, the Distribution Group has served over 500,000 registered retail outlets. With the development of e-commerce, the Distribution Group also launched "idmarco.com" program, which is an e-commerce platform for customers who want the convenience of online shopping.

E. Business Prospect

In 2016, the Indonesian economy increased after experiencing growth decline in recent years. In 2016, Gross Domestic Product ("GDP") grew by 5.02%, increased from 4.88% in 2015, driven by domestic private consumption. On average from 2007-2016, Indonesian economic growth was relatively good, which was the 3rd fastest among 20 (twenty) countries who are members of the G20. Inflation rate also improved to 3.02% from 3.35% in 2015. The level of consumer confidence increased partly because of the stability of exchange rate. Indonesia's improved macroeconomic conditions are expected to continue in the future, supported by more robust private investments as a result of conducive monetary policies and reforms in the investment climate. Domestic private consumption and consumer confidence are likely to improve, sustained by low inflation and a stable Rupiah. On the other hand, income per capita is expected to grow again after a decline in 2013, 2014, 2015 due to the weakening of Rupiah exchange rate. This factor may enhance the consumer purchasing power, which could benefit the packaged food and beverage sector as more than 50.0% of consumption expenditure are for foods (source: BPS).

The packaged food and beverage industry is expected to continue to grow, along with the improvement of domestic macroeconomic condition, supported by a large population of more than 240 million people with a favorable demographic structure where around half are under the age of 25 (twenty five) years old, lifestyle changes, increased urbanization and the number of retail outlets, as well as a wide range of innovative products. Growth in the packaged food and beverage industry is also expected to increase business opportunities for the Indofood Group, particularly the CBP Group.

Favorable economic conditions, accompanied with lifestyle changes where people begin to favor western foods, driven by the increasing popularity of fast food franchises from overseas will continue to increase demand for flour-based foods such as bread, pasta and other foods. Therefore, the flour industry is expected to continue to grow in the future, and will increase opportunities for the growth of the Bogasari Group.

For the Agribusiness Group, fluctuations of palm oil prices will still affect the performance of the Agribusiness Group. The fluctuation is partly caused by the level of production and demand for palm oil and its derivative products, weather and the correlation between palm oil and other vegetable oils.

Palm oil production is expected to recover as a result of El Nino in 2015, which led to a production decline in 2016. Currently, Indonesia is the second largest palm oil