2014

Press release

Regulated information

Results

of the SIPEF group as per 31 December 2014 (12m/14)

- Annual palm oil production rose by 5.7%, but disappointing in the fourth quarter (-2.8%).
- World market prices for palm oil, rubber and tea have fallen.
- Devaluation of local currencies (IDR, PGK and Euro) has helped our constant efforts to manage production costs.
- Profit before tax before IAS41 adjustment increased by 17.2%.
- Results before IAS41, group share, amounted to KUSD 48 520, the net IRFS result being KUSD 56 268.
- Net free cash flow amounted to KUSD 27 255 and was used to pay dividends and improve the net financial position.
- Heads of Agreement signed on the sale of Galley Reach Holdings Ltd, our rubber plantation in Papua New Guinea.
- At current sales prices, we expect lower results in 2015.
- Distribution of a gross dividend of 1.25 Euro per share is proposed, in line with the payout ratio of previous years.

1. Management report

1.1. Group production

	Fourth Quarter				Year To Date			
2014 (In tonnes)	**Own**	**Third parties**	**Q4/14**	**YoY %**	**Own**	**Third parties**	**Q4/14**	**YoY %**
Palmoil	55 975	13 497	69 472	- 2.80%	219 623	48 865	268 488	5.74%
Rubber	2 229	239	2 468	- 8.42%	9 675	736	10 411	0.08%
Tea	788		788	- 0.88%	2 816		2 816	- 1.19%
Bananas	4 956		4 956	- 16.24%	23 595		23 595	5.69%
2013 (In tonnes)	**Own**	**Third parties**	**Q4/13**		**Own**	**Third parties**	**Q4/13**	
Palmoil	58 742	12 730	71 472		206 476	47 436	253 912	
Rubber	2 502	193	2 695		9 773	630	10 403	
Tea	795		795		2 850		2 850	
Bananas	5 917		5 917		22 325		22 325	

Contrary to rising production in the first three quarters of the year we noted significantly lower volumes for the mature Indonesian palm oil plantations in the fourth trimester (-14.9%). These trends were observed generally in South-East Asia, and were the expected consequence of the drought at the beginning of the year, further exacerbated by the floods in Malaysia.
The young plantations of UMW/TUM in North Sumatra were alone in sustaining their rising production trend through the end of the year, which resulted in a total rise in volume of 78.3% compared to 2013.
In addition, at Hargy Oil Palms in Papua New Guinea, after the traditionally weaker months of July and August, production recovered well, whereby, also in the fourth trimester, volumes exceeded those of last year by 4.3%, a growth identical with their annual growth.
Thanks to these strong growth poles, UMW/TUM and Hargy Oil Palms, the annual production of the SIPEF Group rose by 5.7%, as opposed to 2013.

Furthermore, in the fourth quarter rubber production in Sumatra yielded rather low volumes, especially in Bengkulu and in South Sumatra, where the plantation of Melania in Palembang had to contend with the effects of evident wintering in the second quarter (-18.1%).
Due to increased activity on our own plantations in Papua New Guinea, as well as through purchases from third parties, total annual production within the group remained, however, at the same level as in 2013.

In the fourth quarter we further noted a slight rise in tea production in Cibuni-Java, but this was not enough to match annual production of the previous period (-1.2%).

Due to relatively cold weather conditions in Ivory Coast in the months of July through September the growth of banana bunches was delayed. The volume advantage (+13.6%) built up in the first nine months of the year was partially lost, but the year ended, nevertheless, with an increase of +5.7% against 2013.

1.2. Markets

Average market prices

in USD/tonne*		YTD Q4/14	YTD Q4/13
Palmoil	CIF Rotterdam	821	857
Rubber	RSS3 FOB Singapore	1 958	2 795
Tea	Mombasa	2 045	2 399
Bananas	FOT Europe	1 043	1 022

* *World Commodity Price Data*

The fourth quarter had a very unusual start as palm production had been in a declining cycle since it peaked in August. Normally September / October are the peak production months but the dry weather in February and March earlier in the year had a strong negative effect on yields. On top of that there was the very wet north-eastern monsoon in December causing floods in many plantations, however, the Malaysian peninsula was effected most. We can conclude that the production down cycle that started in September, was made worse by the floods and will go into the history books as one of the strongest declines in terms of yields.

Unfortunately the poor production encountered very slow demand and relatively high stocks, and its usual price driving effect was ignored to a large extent. The record US soybean crop was confirmed and the growing conditions in South America were finally very good for the newly grown soybeans, which also had a price dampening effect. Probably the biggest reason for continued pressure on our vegetable oil markets came from the massive collapse in the petroleum market and the appreciation of the dollar. All discretionary biodiesel demand was ruled out and mandatory agreements were tested for the feasibility.

The palm oil market dropped from 735 USD/tonne CIF Rotterdam down to 660 USD/tonne mid-December when the market enjoyed a Christmas rally on the back of the floods in Malaysia.

The price of palm kernel oil was obviously impacted by the weak vegetable oil markets, however, to a lesser extent. The palm kernel prices ranged from 935 USD/tonne CIF Rotterdam to 860 USD/tonne and finally closed the year at 1 020 USD/tonne in the Christmas rally.

The rubber market experienced a lackluster quarter. The national rubber associations of Thailand, Malaysia and Indonesia called upon their farmers to not sell below 1 500 USD/tonne, but one can wonder whether such actions will bring the desired results. The price of Sicom RSS3 remained stable from 1 561 USD/tonne and slowly rose to 1 721 USD/tonne at the end of the year.

Tea production in Kenya continued to be very good throughout 2014, although at the end of November the dry weather kicked in stronger and earlier than expected. Market prices remained low but stable throughout the quarter. The price of our Cibuni teas is strongly linked to the Kenyan prices.

Results

of the SIPEF group as per 31 December 2014 (12m/14)

1.3. Consolidated income statement

Consolidated income statement

In KUSD (condensed)	31/12/2014 Before IAS41	31/12/2014 IAS41	31/12/2014 IFRS	31/12/2013* Before IAS41	31/12/2013* IAS41	31/12/2013* IFRS
Revenue	285 899		285 899	286 057		286 057
Cost of sales	- 206 996	5 511	- 201 485	- 207 043	4 503	- 202 540
Gross profit	**78 903**	**5 511**	**84 414**	**79 014**	**4 503**	**83 517**
Variation biological assets		29 937	29 937		34 499	34 499
Planting cost (net)		- 22 308	- 22 308		- 26 454	- 26 454
Selling, general and administrative expenses	-25 447		- 25 447	- 25 154		- 25 154
Other operating income/(charges)	6 237	- 1 439	4 798	28		28
Operating result	**59 693**	**11 701**	**71 394**	**53 888**	**12 548**	**66 436**
Financial income	181		181	142		142
Financial charges	- 870		- 870	- 838		- 838
Exchange differences	- 11		- 11	- 2 868		- 2 868
Financial result	**- 700**		**- 700**	**- 3 564**		**- 3 564**
Profit before tax	**58 993**	**11 701**	**70 694**	**50 324**	**12 548**	**62 872**
Tax expense	- 19 583	- 3 061	- 22 644	- 10 660	- 3 031	- 13 691
Profit after tax	**39 410**	**8 640**	**48 050**	**39 664**	**9 517**	**49 181**
Share of results of associated companies	12 586	- 462	12 124	9 591	94	9 685
Result from continuing operations	**51 996**	**8 178**	**60 174**	**49 255**	**9 611**	**58 866**
Profit for the period	**51 996**	**8 178**	**60 174**	**49 255**	**9 611**	**58 866**
Equity holders of the parent	**48 520**	**7 748**	**56 268**	**46 625**	**9 002**	**55 627**

* The 2013 comparative figures have been restated due to the equity method consolidation of PT Agro Muko in accordance with the new IFRS 11 standard.

1.4. Consolidated gross profit (before IAS41)

Consolidated gross profit (before IAS41)

In KUSD (condensed)	31/12/2014	%	31/12/2013*	%
Palmoil	71 828	91.1	62 095	78.6
Rubber	1 147	1.5	8 924	11.3
Thee	39	0.0	1 615	2.0
Bananen en planten	3 588	4.5	3 545	4.5
Corporate en andere	2 301	2.9	2 835	3.6
	78 903	100.0	79 014	100.0

* The 2013 comparative figures have been restated due to the equity method consolidation of PT Agro Muko in accordance with the new IFRS 11 standard.

An adjustment to the international accounting standards concerning the consolidation method of joint ventures has had considerable influence on the incorporation of PT Agro Muko (percentage of control of 47.3% and percentage of interest of 44.9%) in the SIPEF Group. PT Agro Muko must be incorporated according to the equity consolidation method as of

Results

of the SIPEF group as per 31 December 2014 (12m/14)

1 January 2014 compared to the proportionate consolidation method last year. This adjustment only has an influence on the presentation of the financial statements and does not affect equity, the profit from the related period and the net result, share of the group. The comparative figures of the previous year were restated to facilitate the further analysis of the financial statements.

Total turnover and cost of sales remained almost unchanged from last year, thus also stabilizing the gross margin at around USD 79 million. Higher palm oil gross profit (+15.7%) was completely offset by lower rubber and tea gross profits (respectively -87.2% and -97.6%). The share of banana activities remained almost stable at USD 3.6 million.
Palm oil share rose sharply due to the combination of:

- increased volumes
- lower cost price per unit, and
- comparable sales price/tonne.

The share of rubber and tea dropped considerably due to the sharp fall in realised sales prices.
In 2014, permanent efforts to control cost prices were facilitated by a devaluation in local currencies against the USD compared to 2013 (12.7% for the IDR in Indonesia, as well as the PGK in Papua New Guinea), resulting in a drop in local costs in terms of USD.

Other operating income/charges include, amongst others, the partial release of a provision for a VAT dispute in Indonesia (KUSD 3 914), and a capital gain realised on the sale of PT Timbang Deli (KUSD 2 124), the plantation integrated into the joint venture with Verdant BioScience to grow high-yield oil palms.

Low net financial charges reflect the group's strategy to finance the expansion with its own funds. Foreign exchange results had very limited impact, a direct consequence of a consistently applied hedging policy.

The profit before tax, without taking into account the IAS41 impact, amount to KUSD 58 993 compared to KUSD 50 324 in 2013, an increase of 17.2%.

The effective tax rate before IAS41 amounted to 33.2%. The theoretical average tax rate of 27.4% was offset mainly by a stronger USD against the Euro, resulting in an additional deferred tax charge of KUSD 5 155 at the level of our head office in Belgium.

As of 2014, included under the share results of associated companies (KUSD 12 586), besides the historical insurance industry (KUSD 514), were also PT Agro Muko (KUSD 12 812), PT Timbang Deli (KUSD -171) and Verdant BioScience (KUSD -596).
The strong rise compared to last year is largely due to the increased profitability of palm oil activities in PT Agro Muko compared to last year, and the release of a provision for a VAT dispute in Indonesia (KUSD 1 642). Rubber activities of PT Agro Muko and PT Timbang Deli, however, suffered significant losses.

Profits for the period, without taking into account the IAS41 impact, amount to KUSD 51 996 compared to KUSD 49 255 in 2013, an increase of 5.6%.

The IAS41 adjustment consists of replacing depreciation expenses included in the cost of sales by the difference in "fair value" of biological assets between the end of 2013 and the end of 2014, less planting costs and the accompanying tax charge. The gross variation of biological assets amounted to KUSD 29 937, mainly due to the expansion and growing maturity of the newly planted areas of our oil palm plantation in Hargy Oil Palms Ltd in Papua New Guinea and the general application of an increased long-term margin for palm oil. Planting costs of KUSD 22 308 and other operational charges of KUSD 1 439 reduced the net impact before taxes to KUSD 11 701, the basis for an average deferred tax calculation at a rate of 26.2%. Together with the net IAS41 result of the equity consolidated companies (KUSD -462), the net positive IAS41 impact share of the group, amounts to KUSD 7 748.

The net IFRS result, share of the group, including IAS41 adjustments, amounts to KUSD 48 520 and is 4.1% higher than last year.

1.5. Consolidated cash flow

Consolidated cash flow

In KUSD (condensed)	31/12/2014	31/12/2013*
Cash flow from operating activities	80 599	68 656
Change in net working capital	11 653	2 750
Income taxes paid	- 18 516	- 16 430
Cash flow from operating activities after tax	**73 736**	**54 976**
Acquisitions intangible and tangible assets	- 58 380	- 88 203
Operating free cash flow	**15 356**	**- 33 227**
Dividends received from associated companies	12 087	7 142
Proceeds from sale of assets	- 180	644
Free cash flow	**27 263**	**- 25 441**
Equity transactions with non-controlling parties	- 8	- 4
Decrease/(increase) of treasury shares	0	- 173
Net free cash flow	**27 255**	**- 25 618**

In USD per share	31/12/2014	31/12/2013*
Weighted average shares outstanding	8 889 740	8 891 870
Basic operating result	8.03	7.47
Basic/Diluted net earnings	6.33	6.26
Cash flow from operating activities after tax	8.29	6.18

* The 2013 comparative figures have been restated due to the equity method consolidation of PT Agro Muko in accordance with the new IFRS 11 standard.

Cash flow from operating activities rose to KUSD 80 599. The released funds from working capital are mainly due to the decrease of receivables. After income tax paid, cash flow from operating activities after tax amounted to KUSD 73 736, representing an increase of KUSD 18 760 (+34.1%) compared to last year.

This cash generation was mainly used to complete the two new extraction plants for palm oil, additional compensation for land acquisitions and the new project in South Sumatra, to plant 1 606 additional hectares with oil palms in the expansion zones and to maintain almost 13 000 hectares of immature plants. Considering that the construction of the two new plants was carried out mainly in 2012 and 2013, investments were about USD 30 million less than last year.
Dividends received by associated companies are dividends the group received from PT Agro Muko (KUSD 11 823) and those from the insurance branch (KUSD 263).

Net free cash flow generated during 2014 amounted to KUSD 27 255, and was applied to pay dividends in July and improve the net financial position.

Results

of the SIPEF group as per 31 December 2014 (12m/14)

1.6. Consolidated statement of financial position

Consolidated statement of financial position		
In KUSD (condensed)	**31/12/2014**	**31/12/2013***
Biological assets (depreciated costs)	148 748	140 275
Revaluation	180 111	161 662
Biological assets (IAS41)	**328 859**	**301 937**
Other fixed assets	315 920	293 078
Net assets held for sale	8 417	3 711
Net current assets, net of cash	26 472	37 341
Net cash position	- 24 617	- 35 077
Total net assets	655 051	600 990
Shareholders' equity, group share	547 515	508 058
Non controlling interest	35 838	33 828
Provisions and deferred tax liabilities	71 698	59 104
Total net liabilities	655 051	600 990

* The 2013 comparative figures have been restated due to the equity method consolidation of PT Agro Muko in accordance with the new IFRS 11 standard.

The continued expansion of plantations in Indonesia and Papua New Guinea, and the increase in fair value of existing surfaces planted with oil palms in these countries, further increased biological assets, which now amount to KUSD 328 859.
Other increased assets, besides the usual replacement investments, concerned additional compensation payments made for the expansion in South Sumatra and Bengkulu, and investments to further optimise production equipment in Hargy Oil Palms in Papua New Guinea and the UMW Group in North Sumatra.
The “net assets held for sale” refers to the net assets of Galley Reach Holdings. In September 2014 it was decided to restructure the group’s rubber activities and, consequently, to also put our rubber plantation in Papua New Guinea up for sale. On 11 February 2015, a Heads of Agreement was signed. The sale should be finalized within the period of the next three months, subject to completion of a due diligence.

1.7. Dividends

The board of directors proposes to pay a gross dividend of EUR 1.25 per share on 1 July 2015; this corresponds to a payout of 30.48% on the profit, share of the group, before IAS 41, and in line with the payout ratio of previous years.

1.8. Prospects

Productions.
We note that the lower production of fruit in mature plantations in Sumatra is expected to continue through 2015 due to the delayed effect of the general drought at the beginning of 2014 in Indonesia and Malaysia. Only the young areas of UMW/TUM continue to consistently increase their yields.

The oil palm plantations of Hargy Oil Palms in Papua New Guinea are operationally affected by the usual rainy season, but production for the month of January nevertheless increased by 8.8% compared to last year, due to additional mature hectares and neighbouring farmers also harvesting 14.5% more fruit for processing in our plants.

Total palm oil production for the group currently shows a slight increase of 0.9% compared to last year.

Results

of the SIPEF group as per 31 December 2014 (12m/14)

Markets.

A significant stocks decrease occurred in January in palm oil on the back of poor production numbers. The impact of low yields has shifted somewhat to the east where East Malaysia and Kalimantan on the island of Borneo are impacted most. The expected tightness in stocks in the coming months has not been translated in the price yet as the importing countries continue to run on low stocks and low imports. The record South American soybean crop has given them a lifeline, however if for whatever reason they need to buy spot oil, it could trigger a rally and inverses should grow. The focus of the market will be on the Indonesian biodiesel inclination. The government has recently increased the subsidy for biodiesel blending for consumption of the general public from 1 500 IDR/liter to 4 000 IDR/liter, roughly 316 USD/tonne of biodiesel. This huge subsidy makes the calculation of biodiesel blending work, and could trigger about 1.5 million metric tons additional demand. The question of how much will be actually blended is in the hands of Pertamina and the Indonesian government. The announcement of the subsidy alone certainly gave the market price of crude palm oil a boost. The relative small discount of palm oil vis-à-vis soybean oil will limit however the upside as it is not expected that palm will trade structurally a premium versus other vegetable oils.

The rubber market staged to higher prices since Thailand, the biggest producer, is in wintering and the overhaul of the Thai government stocks are apparently sold. The market indicators are slightly positive as stocks are lower globally and demand seems to improve on the back of the low prices. We are confident that prices remain on a slow but steady uptrend.

The impact of the dry season in Kenya is certainly reflected in higher prices. The tea gardens west of the Rift have suffered through hot and dry weather and the crop has dropped significantly. The long rains normally start in March, but if they come later it could further stress the tea bushes. In the meantime our Cibuni tea prices increased merely 20%.

African banana production is currently still below expectations but the strong USD has triggered much interest in European markets for cheaper imports from West Africa.

Results.

Meanwhile, we have sold 21% of the palm oil production forecast for 2015 at an average price of 813 USD/tonne CIF Rotterdam equivalent premiums included, and we continue to gradually place our volumes on the market. In addition, 23% of the expected volumes of rubber have been sold at an average price of 1 530 USD/tonne FOB and roughly a third of the tea volumes have been sold at current better market prices. Also in 2015, we are continuing our marketing strategy of selling bananas in England and France at fixed prices during the whole year.

If prices for our main products of palm oil, rubber and tea are maintained at current market levels, we expect results for 2015 to be lower than last year. The final result will be determined to a large extent by reaching expected production volumes, the level of market prices for the rest of the year, the retention of current export tax levies on palm oil in Indonesia and the evolution of cost prices, which are currently positively influenced by the devaluation of local currencies against the reporting currency of USD.

Cash flow and expansion.

In 2015, investment programmes, except the usual replacement investments, will remain concentrated on the expansion of our activities in South Sumatra and in Hargy Oil Palms in Papua New Guinea.

In Musi Rawas, compensation of local landowners will be continued on three concessions and we will then proceed to plant these zones. At the end of the year, more than 6 000 hectares had already been compensated, of which more than 1 000 hectares have been planted with oil palms, and these efforts will continue at an accelerated pace.

Hargy Oil Palms nurseries will provide for the additional planting of 1 000 hectares during 2015 to supplement the existing 13 000 hectares of oil palms in the province of West New Britain in Papua New Guinea.

Our expansion programmes will, however, remain adjusted to the cash flow generated by the group without building up a structural long-term debt exposure.

2. Agenda 2015

23 April 2015	Interim report Q1
30 April 2015	Annual report online available (at the latest) at www.sipef.com
10 June 2015	Annual general meeting
1 july 2015	Dividend payment
20 August 2015	Announcement on the half year results
22 October 2015	Interim report Q3

3. Condensed financial statements

3.1. Condensed financial statements of the SIPEF group

3.1.1. Condensed consolidated statement of financial position (see annex 1)
3.1.2. Condensed consolidated income statement (see annex 2)
3.1.3. Condensed consolidated statement of comprehensive income (see annex 2)
3.1.4. Condensed consolidated statement of cash flows (see annex 3)
3.1.5. Condensed consolidated statement of changes in equity (see annex 4)
3.1.6. Segment information (see annex 5)

4. Report of the statutory auditor

The statutory auditor has confirmed that his audit procedures, which have been substantially completed, have revealed no material adjustments that would have to be made to the accounting information included in this press release.
With regard to the valuation of the biological assets, the statutory auditor draws the reader's attention to the fact that, because of the inherent uncertainty associated with the valuation of the biological assets due to the volatility of the prices of the agricultural produce and the absence of a liquid market, their carrying value may differ from their realisable value.

Deloitte Bedrijfsrevisoren - represented by Dirk Cleymans

Schoten, 19 February 2015.

For more information, please contact:

F. Van Hoydonck,
managing director
(GSM +32 478 92 92 82)

J. Nelis,
chief financial officer

Tel.: +32 3 641 97 00
Fax : +32 3 646 57 05

finance@sipef.com
www.sipef.com
(section "investor relations")

SIP
LISTED
NYSE
EURONEXT

SIPEF is a Belgian agro-industrial company listed on NYSE Euronext Brussels. The company mainly holds majority stakes in tropical businesses, which it manages and operates. The group is geographically diversified, and produces a number of different commodities, principally palm oil. Its investments are largely ventures in developing countries.

Condensed consolidated statement of financial position

annex 1

In KUSD	31/12/2014	31/12/2013*
Non-current assets	**647 792**	**601 929**
Intangible assets	43 453	36 748
Goodwill	1 348	1 348
Biological assets	328 859	301 937
Property, plant & equipment	193 737	187 166
Investment property	3	3
Investments in associates	73 557	63 953
Financial assets	3 822	3 860
Other financial assets	3 822	3 860
Receivables > 1 year	0	0
Other receivables	0	0
Deferred tax assets	3 013	6 914
Current assets	**106 789**	**101 793**
Inventories	26 498	31 616
Trade and other receivables	35 197	40 116
Trade receivables	23 795	25 215
Other receivables	11 402	14 901
Current tax receivables	6 751	5 335
Investments	80	0
Other investments and deposits	80	0
Derivatives	0	986
Cash and cash equivalents	27 579	17 343
Other current assets	1 839	906
Assets held for sale	8 845	5 491
Total assets	**754 581**	**703 722**

In KUSD	31/12/2014	31/12/2013*
Total equity	**583 353**	**541 886**
Shareholders' equity	547 515	508 058
Issued capital	45 819	45 819
Share premium	21 502	21 502
Treasury shares	- 4 776	- 4 776
Reserves	500 912	459 741
Translation differences	- 15 942	- 14 228
Non-controlling interests	35 838	33 828
Non-current liabilities	**74 711**	**66 018**
Provisions > 1 year	1 479	3 236
Provisions	1 479	3 236
Deferred tax liabilities	62 820	53 454
Trade and other liabilities > 1 year	0	0
Financial liabilities > 1 year (incl. derivatives)	0	0
Pension liabilities	10 412	9 328
Current liabilities	**96 517**	**95 818**
Trade and other liabilities < 1 year	40 188	38 519
Trade payables	20 274	16 947
Advances received	219	144
Other payables	14 505	9 170
Income taxes	5 190	12 258
Financial liabilities < 1 year	54 032	52 420
Current portion of amounts payable after one year	0	0
Financial liabilities	52 276	52 420
Derivatives	1 756	0
Other current liabilities	1 869	3 099
Liabilities associated with assets held for sale	428	1 780
Total equity and liabilities	**754 581**	**703 722**

* The 2013 comparative figures have been restated due to the equity method consolidation of PT Agro Muko in accordance with the new IFRS 11 standard.

Condensed consolidated income statement

annex 2

In KUSD	31/12/2014 Before IAS 41	31/12/2014 IAS 41	31/12/2014 IFRS	31/12/2013* Before IAS 41	31/12/2013* IAS 41	31/12/2013* IFRS
Revenue	285 899		285 899	286 057		286 057
Cost of sales	-206 996	5 511	-201 485	-207 043	4 503	-202 540
Gross profit	**78 903**	**5 511**	**84 414**	**79 014**	**4 503**	**83 517**
Variation biological assets		29 937	29 937		34 499	34 499
Planting cost (net)		-22 308	-22 308		-26 454	-26 454
Selling, general and administrative expenses	-25 447		-25 447	-25 154		-25 154
Other operating income/(charges)	6 237	-1 439	4 798	28		28
Operating result	**59 693**	**11 701**	**71 394**	**53 888**	**12 548**	**66 436**
Financial income	181		181	142		142
Financial charges	- 870		- 870	- 838		- 838
Exchange differences	- 11		- 11	-2 868		-2 868
Financial result	**- 700**		**- 700**	**-3 564**		**-3 564**
Profit before tax	**58 993**	**11 701**	**70 694**	**50 324**	**12 548**	**62 872**
Tax expense	-19 583	-3 061	-22 644	-10 660	-3 031	-13 691
Profit after tax	**39 410**	**8 640**	**48 050**	**39 664**	**9 517**	**49 181**
Share of results of associated companies	**12 586**	- 462	**12 124**	**9 591**	94	**9 685**
Result from continuing operations	**51 996**	**8 178**	**60 174**	**49 255**	**9 611**	**58 866**
Profit for the period	**51 996**	**8 178**	**60 174**	**49 255**	**9 611**	**58 866**
Attributable to:						
- Non-controlling interests	3 476	430	3 906	2 630	610	3 240
- Equity holders of the parent	48 520	7 748	56 268	46 625	9 002	55 627
Earnings per share (in USD)						
From continuing and discontinued operations						
Basic earnings per share			6.33			6.26
Diluted earnings per share			6.33			6.26
From continuing operations						
Basic earnings per share			6.33			6.26
Diluted earnings per share			6.33			6.26

* The 2013 comparative figures have been restated due to the equity method consolidation of PT Agro Muko in accordance with the new IFRS 11 standard.

Condensed consolidated income statement

annex 2

Consolidated statement of comprehensive income

	31/12/2014			31/12/2013*		
In KUSD	**Before IAS 41**	**IAS 41**	**IFRS**	**Voor IAS 41**	**IAS 41**	**IFRS**
Profit for the period	**51 996**	**8 178**	**60 174**	**49 255**	**9 611**	**58 866**
Other comprehensive income:						
Items that may be reclassified to profit and loss in subsequent periods:						
- Exchange differences on translating foreign operations	- 1 714		- 1 714	684		684
Items that will not be reclassified to profit and loss in subsequent periods:						
- Defined Benefit Plans - IAS 19 Revised	- 1 252		- 1 252	- 1 306		- 1 306
- Income tax relating to components of other comprehensive income	313		313	324		324
Total other comprehensive income for the year, net of tax:	**- 2 653**		**- 2 653**	**- 298**		**- 298**
Other comprehensive income attributable to:						
- Non-controlling interests	- 78		- 78	- 87		- 87
- Equity holders of the parent	- 2 574		- 2 574	- 211		- 211
Total comprehensive income for the year	**49 343**	**8 178**	**57 521**	**48 957**	**9 611**	**58 568**
Total comprehensive income attributable to:						
- Non-controlling interests	3 398	430	3 828	2 543	610	3 153
- Equity holders of the parent	45 945	7 748	53 693	46 414	9 002	55 416

* The 2013 comparative figures have been restated due to the equity method consolidation of PT Agro Muko in accordance with the new IFRS 11 standard.

Condensed consolidated statement of cash flows

annex 3

In KUSD	31/12/2014	31/12/2013*
Operating activities		
Profit before tax	70 694	62 872
Adjusted for:		
Depreciation	15 977	14 186
Movement in provisions	- 1 366	- 779
Stock options	424	307
Changes in fair value of biological assets	- 7 650	- 8 035
Other non-cash results	- 939	- 957
Financial income and charges	3 187	24
Capital loss on receivables	888	0
Result on disposal of property, plant and equipment	1 170	1 038
Result on disposal of financial assets	- 1 786	0
Cash flow from operating activities before change in net working capital	80 599	68 656
Change in net working capital	11 654	2 751
Cash flow from operating activities after change in net working capital	92 253	71 407
Income taxes paid	- 18 516	- 16 430
Cash flow from operating activities	73 737	54 977
Investing activities		
Acquisition intangible assets	- 6 992	- 9 502
Acquisition biological assets	- 20 349	- 25 734
Acquisition property, plant & equipment	- 31 039	- 52 967
Acquisition financial assets	0	0
Dividends received from associated companies	12 087	7 142
Proceeds from sale of property, plant & equipment	330	644
Proceeds from sale of financial assets	- 510	0
Cash flow from investing activities	- 46 473	- 80 417
Free cash flow	**27 264**	**- 25 440**
Financing activities		
Equity transactions with non-controlling parties	- 8	- 4
Decrease/(increase) of treasury shares	0	- 173
Repayment in long-term financial borrowings	0	0
Increase/(decrease) short-term financial borrowings	- 144	39 813
Last year's dividend paid during this bookyear	- 15 041	- 20 122
Dividends paid by subsidiaries to minorities	- 1 225	- 1 180
Financial income and charges	- 437	- 597
Cash flow from financing activities	- 16 855	17 737
Net increase in investments, cash and cash equivalents	**10 409**	**- 7 703**
Investments and cash and cash equivalents (opening balance)	17 725	25 424
Effect of exchange rate fluctuations on cash and cash equivalents	- 9	4
Investments and cash and cash equivalents (closing balance)	28 125	17 725

* The 2013 comparative figures have been restated due to the equity method consolidation of PT Agro Muko in accordance with the new IFRS 11 standard.

Condensed consolidated statement of changes in equity

annex 4

In KUSD	Issued capital SIPEF	Share premium SIPEF	Treasury shares	*Defined benefit plans - OCI - IAS 19R*	Reserves	Translation differences	Share-holders' equity	Non-controlling interests	Total equity
January 1, 2014	**45 819**	**21 502**	**-4 776**	**- 895**	**460 636**	**-14 228**	**508 058**	**33 828**	**541 886**
Result for the period					56 268		56 268	3 906	60 174
Other comprehensive income				- 861		- 1 714	- 2 574	- 78	- 2 652
Total comprehensive income	**0**	**0**	**0**	**- 861**	**56 268**	**-1 714**	**53 694**	**3 828**	**57 522**
Last year's dividend paid					- 15 041		- 15 041	- 1 225	- 16 266
Equity transactions with non-controlling parties					- 25		- 25	18	- 7
Other					830		829	- 611	218
December 31, 2014	**45 819**	**21 502**	**- 4 776**	**- 1 756**	**502 668**	**- 15 941**	**547 515**	**35 838**	**583 353**
January 1, 2013*	**45 819**	**21 502**	**- 4 603**	**0**	**424 836**	**- 14 912**	**472 642**	**31 848**	**504 490**
Result for the period					55 627		55 627	3 240	58 867
Other comprehensive income				- 895		684	- 211	- 87	- 298
Total comprehensive income	**0**	**0**	**0**	- 895	**55 627**	**684**	**55 416**	**3 153**	**58 569**
Last year's dividend paid					- 20 122		- 20 122		- 20 122
Equity transactions with non-controlling parties					- 12		- 12	7	- 5
Other			- 173		307		134	- 1 180	- 1 046
December 31, 2013*	**45 819**	**21 502**	**- 4 776**	**- 895**	**460 636**	**- 14 228**	**508 058**	**33 828**	**541 886**

* The 2013 comparative figures have been restated due to the equity method consolidation of PT Agro Muko in accordance with the new IFRS 11 standard.

Segment information

annex 5

Segment reporting is based on two segment reporting formats. The primary reporting format represents business segments – palm products, rubber, tea, bananas and plants and insurance – which represent the management structure of the group. The result of the insurance segment amounts to KUSD 514 and is included in the share of results of associated companies.
The secondary reporting format represents the geographical locations where the group is active. Gross profit per geographical market shows revenue minus cost of sales based on the location where the enterprise's products are produced.
Segment result is revenue minus expense that is directly attributable to the segment and the relevant portion of income and expense that can be allocated on a reasonable basis to the segment.

Gross profit by product

	Revenue	Cost of sales	Gross profit before IAS 41	IAS 41	Gross profit IFRS	% of total
2014 - KUSD						
Palm	239 100	- 167 272	71 828	4 426	76 254	90.4
Rubber	21 141	- 19 994	1 147	622	1 769	2.1
Tea	6 502	- 6 463	39	60	99	0.1
Bananas and plants	16 712	- 13 124	3 588	402	3 990	4.7
Corporate	2 280		2 280		2 280	2.7
Others	164	- 143	21		21	0.0
Total	285 899	- 206 996	78 903	5 511	84 414	100.0
2013 - KUSD*						
Palm	228 205	- 166 109	62 096	4 328	66 424	79.6
Rubber	31 024	- 22 100	8 924	356	9 280	11.1
Tea	7 340	- 5 725	1 615	25	1 640	2.0
Bananas and plants	16 518	- 12 973	3 545	- 259	3 286	3.9
Corporate	2 815		2 815		2 815	3.4
Others	155	- 135	20		20	0.0
Total	286 057	- 207 042	79 015	4 450	83 465	100.0

The segment "corporate" comprises the management fees received from non group entities, additional commissions on sea freights and any other commissions that are not included in the sales contracts.
Under IFRS (IAS 41) depreciation on biological assets is not allowed.

Gross profit by geographical segment

	Revenu	Cost of sales	Other income	Gross profit before IAS 41	IAS 41	Gross profit IFRS	% of total
2014 - KUSD							
Indonesia	165 984	- 127 037	575	39 522	2 447	41 969	49.7
Papua New Guinea	99 185	- 66 692		32 493	2 663	35 156	41.7
Ivory Coast	16 712	- 13 124		3 588	402	3 990	4.7
Europe	3 279			3 279		3 279	3.9
Others	164	- 143		21		21	0.0
Total	285 324	- 206 996	575	78 903	5 511	84 414	100.0
2013 - KUSD*							
Indonesia	166 006	- 122 800	637	43 843	1 691	45 534	54.6
Papua New Guinea	99 696	- 71 902		27 794	3 018	30 812	36.9
Ivory Coast	15 719	- 12 205		3 514	- 259	3 255	3.9
Europe	3 844			3 844		3 844	4.6
Others	155	- 135		20		20	0.0
Total	285 420	- 207 042	637	79 015	4 450	83 465	100.0

* The 2013 comparative figures have been restated due to the equity method consolidation of PT Agro Muko in accordance with the new IFRS 11 standard.