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Financial Results 1Q10 and Updates

**Press Release****Higher Sales in Domestic Markets Helps Grow Q1' 2010 Sales to Rp 408 billion  
Rupiah Appreciation and Raw Material Price Impacts Quarter 1'2010 Margin**

- Q1'2010 Sales Revenue Rp 408 billion .. Higher by 6.7% YoY
- Domestic Sales Revenue grew 31.8% YoY to Rp 222 billion ( 54% of Total Sales)
- Cassava root pest problem in Thailand and lower yield in Indonesia impacts raw material price
- Gross Margin for the Quarter 1'2010 .. 22.3%
- Consolidated Net profit Q1'2010 at Rp 30.2 billion ( Q1'2009.. Rp 40.8 billion)

**PT Sorini Agro Asia Corporindo Tbk. (SOBI)**, listed in Indonesian Stock Exchange, leading producer of Sorbitol, Starch and Starch Sweeteners, reported lower Net profit during the Q1'2010 of Rp 30.2 billion compared to Rp 40.8 billion during Q1' 2009. Sales of Sorbitol, Starch and Starch Sweeteners in domestic market continued to grow strongly to Rp 222 billion or up by 31.8% YoY.

Consolidated Sales grew 6.7% to Rp 408 billion during the quarter ended 31<sup>st</sup> March 2010 with domestic sales accounting for 54% of the Consolidated Sales.

**Summary of Financial Performance**

	(in Rp bn)	1Q10	1Q09	YoY
<b>Sales</b>		<b>408.0</b>	<b>382.3</b>	<b>6.7%</b>
Cost of sales		(317.0)	(255.7)	24.0%
<b>Gross profit</b>		<b>91.0</b>	<b>126.7</b>	<b>-28.2%</b>
Operating expenses		(45.4)	(54.5)	-16.8%
<b>Operating profit</b>		<b>45.6</b>	<b>72.1</b>	<b>-36.8%</b>
Other income (expenses)		1.9	(7.2)	-126.4%
<b>Income before tax</b>		<b>47.5</b>	<b>64.9</b>	<b>-26.9%</b>
Tax expenses		(10.6)	(18.7)	-43.6%
Minority interest		(6.7)	(5.4)	24.5%
<b>Net profit</b>		<b>30.2</b>	<b>40.8</b>	<b>-26.0%</b>
Gross margin		22.3%	33.1%	
Operating margin		11.2%	18.9%	
Net profit margin		7.4%	10.7%	

**Stronger Rupiah Hurts Export Margins; Rupiah Appreciated by 21% :**

The Indonesian rupiah has appreciated against foreign currencies including USD during the 1<sup>st</sup> quarter of 2010; The exchange rate of Indonesian Rupiah against USD as on 31 March 2010 is Rp 9,115; on 31<sup>st</sup> March 2009 the corresponding exchange rate was Rp 11,575 per USD (appreciation of 21%). As a significant portion of Sorini sales is denominated in USD, Export Sales expressed in Indonesian rupiah is lower during Quarter 1'2010 compared to same quarter last year, despite increase in sales volumes. This also has impacted the profit margins for the Quarter 1'2010.

**Higher Raw Material Prices Impacts Gross Margin :**

Declining Cassava root production in Thailand due to the bug infestation and lower root availability in Indonesia resulted in significant increase in Tapioca Starch prices which is the main raw material for production of Sorbitol and other Starch Sweeteners. While Sorini's maintained adequate stock to service its customer requirements, the

significant increase impacted its cost of production for the quarter resulting in lower Gross margins of 22.3% during Q1'2010.

### Focus on Domestic Markets for Starch and Starch Sweeteners :

Domestic sales grew 31.8% YoY to Rp 222 billion during Quarter 1'2010 compared to Rp 168 billion during the same period last year. Export sales value declined 13% to Rp 186 billion, due to stronger rupiah despite increase in export sales volume by 8% to 36,308MT YoY.

Sorini's focus on increasing its starch sweeteners production capacity and also increase sales of products like Dextrose, Maltodextrine and Maltose in Indonesia resulted in increase in total volume of Sorbitol and starch sweeteners by 13% YoY. The Company also sold higher volume of Starch in domestic markets.

<b>Sales by product</b>				<i>(in Rp bn)</i>
Value	1Q10	1Q09	YoY	
Sorbitol and Starch sweeteners	315	333	-5.5%	
Starch	93	49	88.7%	
<b>Total</b>	<b>408</b>	<b>382</b>	<b>6.7%</b>	

<b>Volume</b>				<i>(in '000MT)</i>
	1Q10	1Q09	YoY	
Sorbitol and Starch sweeteners	61	54	13.0%	
Starch	24	15	62.8%	
<b>Total</b>	<b>84</b>	<b>68</b>	<b>23.6%</b>	

<b>Sales by region</b>				<i>(in Rp bn)</i>
Value	1Q10	1Q09	YoY	
Domestic	222	168	31.8%	
Export	186	214	-13.0%	
<b>Total</b>	<b>408</b>	<b>382</b>	<b>6.7%</b>	

<b>Portion</b>		
	1Q10	1Q09
Domestic	54.4%	44.0%
Export	45.6%	56.0%

### Maintaining Sound Balance Sheet – Growth in Assets

Total Assets grew to Rp 1,434 billion as at 31<sup>st</sup> March 2010 an increase of 37% YoY with the addition of production capacities in Starch Sweeteners, acquisition of Starch production facilities during the Quarter 4'2009 and increase in working capital with increase in sales. The Company has a healthy gearing ratio of 0.61 x as at 31<sup>st</sup> March 2010 while maintaining its working capital turnover ratios.

<b>Balance Sheets</b>				
	<i>(in Rp bn)</i>	1Q10	1Q09	YoY
Cash and cash equivalent		81.5	101.0	-19.3%
Trade receivables		203.7	151.2	34.7%
Inventories		357.0	330.9	7.9%
Fixed assets		633.0	400.6	58.0%
Other assets		159.6	64.7	146.7%
<b>Total assets</b>		<b>1,434.8</b>	<b>1,048.4</b>	<b>36.9%</b>
Bank loans		377.5	239.8	57.4%
Finance lease payables		137.5	38.1	260.9%
Trade payables		50.0	33.9	47.6%
Other liabilities		92.5	96.1	-3.7%
<b>Total liabilities</b>		<b>657.4</b>	<b>407.8</b>	<b>61.2%</b>



Minority interest	74.2	56.0	32.5%
Capital	93.5	91.5	2.2%
Share option	2.5	1.2	109.4%
Retain earnings	607.2	491.9	23.4%
<b>Total Equity</b>	<b>703.1</b>	<b>584.6</b>	<b>20.3%</b>
<b>Total liabilities and equity</b>	<b>1,434.8</b>	<b>1,048.4</b>	<b>36.9%</b>
Inventory days TO ( <i>annualized</i> )	79.8	79.0	1.1%
Receivables days TO ( <i>annualized</i> )	45.6	36.1	26.3%
Payables days TO ( <i>annualized</i> )	14.4	12.1	19.0%
Net gearing	61.7%	30.3%	

### Outlook for the Coming Quarters :

While closely reviewing the prices of Tapioca starch in Thailand and Indonesia, which are currently in the dry season (non harvest season), Sorini is also considering other alternative sources for procuring its raw materials and reviewing its purchase and inventory plans. The Company is also working with local farmers to increase in house starch production to mitigate the raw material cost increases.

While the Company believes it will seek to re-negotiate the selling prices with its customers during the contract renewal, it will also work on various cost efficiency measures and increase production as well as increasing sales of Starch and starch sweeteners in domestic markets to optimize its sales and margins.

The construction of the new starch factory Sorini Sakti Jaya, in Lampung is underway and is expected to be completed in early 2011, while the modernization of PT Bumi Tapioca Jaya and three Starch factories acquired 2009 will be undertaken in the coming quarters.

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