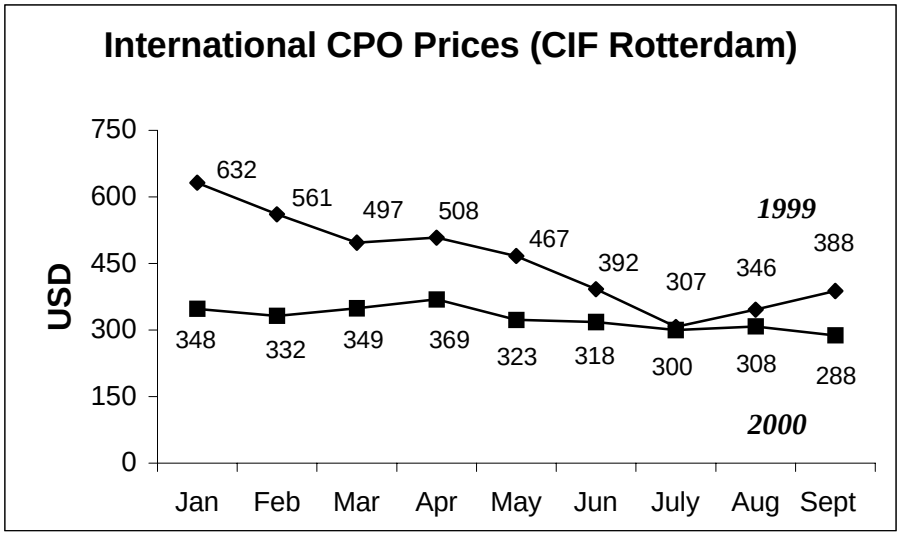
SMART NEWS 3rd Quarter 2000	Attn: Research Department Total pages: 6 pages

PT SMART's 9M'00 total sales figure is still impacted by the continuous decrease in the average international CPO prices (movement is indicated by the graph below), which caused the weighted average selling price of unbranded products to decline from Rp2,800/kg in 9M'99 to Rp2,300/kg in 9M'00. This decline resulted in a decrease of 21.0% in total sales from Rp2,340.50bn in 9M'99 to Rp1,843.65bn in 9M'00.



* Source: Oil World & Reuters

Total branded products sales decreased by 16.8% from Rp396.62bn in 9M'99 to Rp329.62bn in 9M'00, partly caused by the decline in their average selling price from Rp4,100/kg in 9M'99 to Rp3,400/kg in 9M'00 and a decrease of approximately 27.8% in the sales volume of margarine and fats. Sales volume of branded cooking oil, on the other hand, increased by approximately 36% from 9M'99 to 9M'00, but it could not compensate the effect of the decline in average selling price on total branded sales. Branded export accounted for approximately 22.0% of total sales, contributed primarily from margarine and fats.

Sales breakdown	**September 2000**		**September 1999 (Limited Reviewed)**	
	Rp bn	%	Rp bn	%
Cooking Oil	*204.79*	-	*176.20*	-
Margarine	*124.83*	-	*220.00*	-
Total branded	329.62	17.88	396.20	16.90
Unbranded	1,463.83	79.40	1,895.10	81.00
Others*	50.19	2.72	49.30	2.10
Total	1,843.64	100.00	2,340.50	100.00

* Others include tea, banana, and packaging

Because most of the company's CPO requirement for its unbranded products must be sourced from outside, the decline in the average international CPO prices also caused the company's gross profit to decrease by 30% from Rp412.64bn in 1st H1999 to Rp288.80bn in 1st H2000.

Gross Profit Contribution - Rp bn	September 2000	September 1999
Branded	161.98	249.79
Unbranded	112.21	150.99
Others	14.61	11.87
Total GPC	288.80	412.64

Selling expense declined from Rp76.58bn in 9M'99 to Rp46.49bn in 9M'00, which is mainly due to the decline in export tax and administration charges from Rp44.99bn in 9M'99 to Rp11.48bn in 9M'00. Even though total export sales increased by 12% from 9M'99 to 9M'00, the reduction in export tax to 5% enforced by the Indonesian government significantly influenced the decline in export tax, General and administrative expense, on the other hand, rose from Rp47.47bn in 9M'99 to Rp53.22bn in 9M'00, mainly due to higher salaries, wages and employees' benefits.

Forex and swap cost increased to Rp144.82bn in 9M'00 from Rp59.90bn in 9M'99, due to the continuous weakening of Rupiah against USD. As of September 2000, the company had a total loan of USD200.77mn, which includes a subordinated loan of USD47.00mn and due to related parties of USD28.00mn. Total deposits amounted to Rp117.19bn and USD49.87mn.

Subsidiary Companies - Rp bn	September 2000	September 1999
SOCI	6.73	0.44
HORTIMART	(0.02)	(0.06)
GRAHAMAS	(0.55)	(0.01)
SUPERAIR	0.36	0.16
TOTAL	6.52	0.53

The company booked a net loss of Rp39.09bn in 3QH2000, caused primarily by the significant increase in forex loss.

Production (ton)	September 2000	September 1999
FFB	601.237	563.438
CPO	134.399	129.863
PK	29.001	28.911

For financial statements such as Balance Sheets, Income Statement and Cash Flows, please refer to our homepage (http://www.smart-corp.com).

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PT SINAR MAS AGRO RESOURCES AND TECHNOLOGY Tbk AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2000 AND 1999
(IN RUPIAH)

ASSETS	**2000**	**1999**
CURRENT ASSETS		
Cash and cash equivalents	136,560,595,350	214,092,695,517
Short-term investment	407,244,302,058	591,250,989,840
Trade accounts receivable		
Related Parties	61,236,114,302	98,897,123,394
Third Parties	96,070,070,569	61,067,940,108
Other receivables		
Related Parties	29,687,984,471	73,225,840,682
Third Parties	70,517,226,116	17,303,846,624
Inventories	333,603,581,192	155,417,113,087
Prepaid Expenses	26,457,436,547	134,850,640,405
Prepaid value added tax - net	3,566,662,082	-
Total Current Assets	1,164,943,972,687	1,346,106,189,657
DEFERRED TAX ASSETS	37,838,030,219	6,754,969,705
INVESTMENTS IN SHARES OF STOCK	53,075,773,034	82,846,177,759
DUE FROM RELATED PARTIES	34,093,400,000	30,624,709,704
PROPERTY, PLANT AND EQUIPMENT		
Carrying value	1,478,324,565,264	1,133,827,014,398
Accumulated depreciation	(209,780,073,542)	(164,803,785,878)
Net Book Value	1,268,544,491,722	969,023,228,520
OTHER ASSETS		
Forward exchange contracts - net	738,936,020,612	635,343,635,292
Estimated claims for tax refund	69,579,797,387	29,365,128,976
Goodwill - net	22,473,527,426	25,290,089,790
Nursery	30,066,053,632	21,323,109,689
Software development costs in progress	9,156,991,119	13,935,217,402
Brands and trademarks - net	10,874,531,250	11,637,656,250
Advances for project plasma plantations - net	33,207,747,526	21,666,743,949
Deferred charges - net	6,756,114,296	2,539,103,477
Others	93,013,107,074	33,139,343,840
Total Other Assets	1,014,063,890,322	794,240,028,665
TOTAL ASSETS	3,572,559,557,984	3,229,595,304,010

PT SINAR MAS AGRO RESOURCES AND TECHNOLOGY Tbk AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2000 and 1999
(IN RUPIAH)

LIABILITIES AND STOCKHOLDERS' EQUITY	**2000**	**1999**
CURRENT LIABILITIES		
Short-term loans	289,800,186,177	218,029,633,333
Trade accounts payable		
Related parties	62,664,630,719	27,945,437,777
Third parties	81,214,444,793	78,743,207,567
Other payables		
Related Parties	98,821,963,688	91,421,179,902
Third Parties	46,101,694,370	92,281,270,829
Advances from customers	55,840,121,503	59,683,195,286
Accrued expenses	88,893,256,843	81,677,991,489
Taxes payable	4,840,785,482	25,984,558,361
Current maturities of long-term debts	214,261,301,410	523,835,581,367
Total Current Liabilities	942,438,384,985	1,199,602,055,911
DEFERRED TAX LIABILITIES	85,152,976,698	41,150,822,668
ADVANCES FROM CUSTOMERS – related party	559,499,281,229	-
LONG-TERM DEBTS - Net of Current Maturities	758,115,035,613	712,849,094,025
DUE TO RELATED PARTIES	393,070,005,175	413,523,767,464
SUBORDINATED LOAN	406,550,000,000	394,142,000,000
MINORITY INTEREST IN CONSOLIDATED SUBSIDIARIES	13,249,313,106	19,024,367,435
STOCKHOLDERS' EQUITY		
Capital stock - Rp 1,000 par value		
Authorized - 1,000,000,000 shares		
Issued and fully paid - 252,000,000 shares in 1998	252,000,000,000	252,000,000,000
Additional paid-in capital	46,200,000,000	46,200,000,000
Cumulative translation adjustments	28,519,466,262	37,240,076,541
Differences arising from restructuring transactions among entities under common control	(13,156,336,433)	-
Retained earnings (deficit)		
Appropriated	53,442,324,750	53,442,324,750
Unappropriated	52,519,106,599	60,420,795,216
Cash Dividen	(5,040,000,000)	-
Stockholders' Equity - Net	414,484,561,178	449,303,196,507
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**3,572,559,557,984**	**3,229,595,304,010**

PT SINAR MAS AGRO RESOURCES AND TECHNOLOGY Tbk AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2000 and 1999
(IN RUPIAH)

	2000	1999
NET SALES	1,843,647,849,283	2,340,519,500,319
COST OF GOODS SOLD	1,554,845,992,984	1,927,878,443,614
GROSS PROFIT	288,801,856,299	412,641,056,705
OPERATING EXPENSES		
Selling	46,489,909,855	76,578,975,595
General and administrative	53,216,685,096	47,466,969,608
Total Operating Expenses	99,706,594,951	124,045,945,203
INCOME FROM OPERATIONS	189,095,261,348	288,595,111,502
OTHER INCOME (CHARGES)		
Interest income	34,015,989,379	95,173,725,721
Equity in net earnings (losses) of associates - net	6,510,890,213	524,169,283
Loss on foreign exchange and swap cost - net	(144,822,179,195)	(59,898,082,168)
Interest and other financing charges	(117,295,425,751)	(163,460,049,305)
Miscellaneous - net	(10,293,879,992)	1,744,476,440
Other Charges - Net	(231,884,605,346)	(125,915,760,029)
INCOME (LOSS) BEFORE PROVISION FOR INCOME TAX	(42,789,343,998)	162,679,351,473
PROVISION FOR INCOME TAX		
Current	10,916,626,515	30,530,259,400
Deferred	(15,918,403,214)	20,592,547,880
	(5,001,776,699)	51,122,807,280
INCOME BEFORE MINORITY INTEREST	(37,787,567,299)	111,556,544,193
MINORITY INTEREST IN NET (EARNINGS) LOSS OF SUBSIDIARIES	(1,306,655,076)	(30,269,976,841)
NET INCOME	(39,094,222,375)	81,286,567,352
EARNINGS PER SHARE		
Income from operations per share	750	1,145
Net income per share	(155)	323

PT SINAR MAS AGRO RESOURCES AND TECHNOLOGY Tbk AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR NINE MONTHS ENDED SEPTEMBER 30, 2000 AND 1999
(IN RUPIAH)

	2000	1999
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customer	1,798,036,714,791	2,355,550,436,576
Cash paid to suppliers	1,514,792,827,366	1,631,514,006,610
Cash from operational	283,243,887,425	724,036,429,966
Cash paid for expenses	51,252,259,228	237,452,577,249
Interest paid	109,761,629,869	155,692,025,494
Taxes paid	68,273,595,187	39,207,387,253
Net Cash Provided by Operating Activities	53,956,403,141	291,684,439,970
CASH FLOWS FROM INVESTING ACTIVITIES		
Net decrease (increase) in short-term investments	11,510,158,894	(213,575,989,840)
Net decrease in due from related parties	3,074,363,827	5,886,487,500
Payment for acquisition for subsidiary - net of cash balance at date of acquisition	-	22,515,898,634
Net addition in investment in project plasma plantations and project KKPA	(31,059,618,535)	(17,010,882,954)
Net decrease (increase) of property, plant and equipment and increase (decrease) in nursery	(256,508,320,753)	(165,620,644,774)
Additional investments in shares of stock	(1,728,787,499)	(76,046,629,093)
Net Cash Provided by (Used in) Investing Activities	(282,486,702,614)	(449,079,432,871)
CASH FLOWS FROM FINANCING ACTIVITIES		
Paid-in capital and advances from minority interest in subsidiaries	57,179,483	160,000,000
Net increase (decrease) of short-term loans	100,424,462,099	18,710,483,333
Net additional of long term debt	38,273,984,552	228,241,655,174
Net decrease in due to related parties	144,943,137,992	13,849,576,598
Payment of cash dividen	-	(79,177,500,000)
Payment of loan administration on deferred charges	-	(999,791,641)
Net Cash Provided by Financing Activities	279,703,764,126	180,784,423,464
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	51,173,464,653	23,389,430,563
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	85,387,130,697	190,703,264,954
CASH AND CASH EQUIVALENTS AT END OF YEAR	136,560,595,350	214,092,695,517