

## HIGHLIGHTS

- In spite of uncertain climate, UNSP can still increase profit from its estates' operational activities through optimization of performance of its nucleus palm and rubber plantation in 2017.

### 1Q17 Performance

Income Statement (Rp bn)	1Q17	1Q16	YoY
Sales	414	334	24%
COGS	204	288	-29%
Gross Profit	<b>210</b>	<b>46</b>	357%
Selling Expense	7	11	-36%
General & Administrative	86	84	2%
Operating Income	<b>117</b>	<b>-49</b>	-339%
Depreciation & Amortization	18	19	-5%
EBITDA	<b>135</b>	<b>-30</b>	-550%
Finance Expense (Income)	168	199	-16%
Loss (Gain) on Foreign Exchange	-76	-276	-72%
Others Expense (Income)	378	-119	-418%
Net Income (Loss) Current Period	<b>-353</b>	<b>147</b>	-340%

*Compared to 1Q16, as of 1Q17 Operating Income have increased to Rp 117 bn*

Margins	1Q17	1Q16
Gross Margin	51%	14%
Operating Margin	28%	-15%
EBITDA Margin	33%	-9%
Net Margin	-85%	44%

Sales Revenue (in IDR bn)	1Q17	1Q16	1Q17%
FFB	7	5	2%
CPO	205	207	50%
PK	40	34	10%
Rubber	162	89	39%
Oleo	0	0	0%
Total	414	334	100%

*1Q17 Sales of Rp 414 bn were contributed from Palm (CPO, PK, FFB) 61%, and Rubber 39%*

Sales Volume (Ton)	1Q17	1Q16	YoY
FFB	3,860	3,707	4%
CPO	23,701	31,450	-25%
PK	4,795	6,633	-28%
Rubber	5,843	5,686	3%
Oleo	0	0	0%

*Compared to 1Q16, as of 1Q17 Sales volume of main Palm and Rubber products were lower*

Average Selling Price (in USD/Ton)	1Q17	1Q16	YoY
FFB	136	101	34%
CPO	648	486	33%
PK	625	374	67%
Rubber	2,078	1,156	80%
Oleo	0	0	0
Average Exchange Rate (IDR/USD)	13,346	13,527	-1%

*Compared to 1Q16, as of 1Q17 Palm and Rubber commodity prices were higher*

**1Q17 Palm Oil Production**

FFB Supply (MT)	1Q17	1Q16	YoY
Nucleus Production	99,208	83,177	19%
Plasma Production	12,704	24,649	-48%
Purchased	-	49,568	-100%
Total FFB Supply	111,911	157,393	-29%
Total FFB Processed	107,840	152,439	
Nucleus yield/Ha	2.6	2.2	17%
Plasma yield/Ha	0.9	1.8	-51%
Mill Production (MT)	1Q17	1Q16	YoY
CPO	23,793	30,994	-23%
Palm Kernel	5,081	6,476	-22%
CPO Extraction Rate	22.1%	20.3%	9%
Kernel Extraction Rate	4.7%	4.2%	11%

**Compared to 1Q16 as of 1Q17 CPO production decreased to 23,793 tons, due to decrease in FFB plasma and purchase**

**1Q17 Rubber Production**

Field Rubber Supply (MT)	1Q17	1Q16	YoY
Nucleus Production	5,634	4,938	14%
Purchased	-	714	-100%
Total Field Rubber Supply	5,634	5,652	0%
Nucleus yield Kg/Ha	330	316.3	4%
Factory Production (MT)			
Processed Rubber	5,942	5,489	

**Compared to 1Q16 as of 1Q17 Rubber production decreased to 5,942 tons**

**Oil Palm and Rubber Plantation Hectarage**

Hectarage (Ha)	1Q17	1Q16
<b>Palm Nucleus</b>		
Mature	38,290	37,443
Immature	5,108	7,531
Replanting		-
<b>New Replanting</b>		
Planted	43,399	44,974
Plantable	5,351	4,110
Unplantable	3,812	3,476
<b>Palm Plasma</b>		
Mature	14,574	13,965
Immature	402	962
Planted	14,976	14,927
<b>Total Palm - Planted</b>	<b>58,374</b>	<b>59,901</b>
<b>Total Palm - Plantable</b>	<b>5,351</b>	<b>4,110</b>
<b>Total Palm - Unplantable</b>	<b>3,812</b>	<b>3,476</b>
<b>Rubber</b>		
Mature	16,223	15,610
Immature	2,913	3,639
Replanting		5
<b>New Replanting</b>		
Planted	19,136	19,254
Plantable	1,752	2,123
Unplantable	2,714	2,227
<b>Grand Total Planted</b>	<b>77,511</b>	<b>79,155</b>
<b>Grand Total Plantable</b>	<b>7,103</b>	<b>6,232</b>
<b>Grand Total Unplantable</b>	<b>6,526</b>	<b>5,704</b>
<b>Grand Total Hectares</b>	<b>91,140</b>	<b>91,091</b>

**As of 1Q17 BSP manages 43,399 hectares planted of palm nucleus, 14,976 hectares planted of palm plasma, and 19,136 hectares planted of rubber, for a total of 77,511 hectares planted**

**PT Bakrie Sumatera Plantations Tbk** is an integrated and sustainable agrobusiness that operates in the business field of oil palm plantation and the production of palm oil and its derivatives; the business field of rubber plantation and the processing of natural rubber products; and the business field of processing oleochemicals products. The company has listed its shares in the Indonesia Stock Exchange since 1990 with ticker code UNSP.

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