

HIGHLIGHTS

- The decreasing trend of global economic growth in 2018, over supply and regulatory practices by export destination countries played important roles in the decrease of demand and prices of palm and rubber commodities.

2Q18 Performance

Income Statement (Rp bn)	2Q18	2Q17	YoY
Sales	631	743	-15%
COGS	462	392	18%
Gross Profit	169	351	-52%
Selling Expense	13	14	-7%
General & Administrative	199	196	2%
Operating Income	(43)	141	-130%
Depreciation & Amortization	31	35	-11%
EBITDA	(12)	176	-107%
Finance Expense (Income)	482	345	40%
Loss (Gain) on Foreign Exchange	643	-72	-993%
Others Expense (Income)	(554)	340	-263%
Net Income (Loss) Current Period	-614	-472	30%

Compared to 2Q17, as of 2Q18 Sales have declined to Rp 631 bn, due to decrease in Rubber volume and price

Margins	2Q18	2Q17
Gross Margin	27%	47%
Operating Margin	-7%	19%
EBITDA Margin	-2%	24%
Net Margin	-97%	-64%

Sales Revenue (in IDR bn)	2Q18	2Q17	2Q18%
FFB	12	14	2%
CPO	380	391	60%
PK	62	68	10%
Rubber	177	270	28%
Oleo	0	0	0%
Total	631	743	100%

2Q18 Sales of Rp 631 bn were contributed from Palm (CPO, PK, FFB) 72%, and Rubber 28%

Sales Volume (Ton)	2Q18	2Q17	YoY
FFB	7,542	7,753	-3%
CPO	48,526	46,613	4%
PK	10,016	9,567	5%
Rubber	8,085	9,957	-19%
Oleo	-	-	-

Compared to 2Q17, as of 2Q18 Sales volume of main Palm products were higher

Average Selling Price (in USD/Ton)	2Q18	2Q17	YoY
FFB	108	135	-20%
CPO	531	629	-16%
PK	420	533	-21%
Rubber	1,484	2,034	-27%
Oleo	-	-	-
Average Exchange Rate (IDR/USD)	14,755	13,329	11%

Compared to 2Q17, as of 2Q18 Palm and Rubber commodity prices were weaker

2Q18 Palm Oil Production

FFB Supply (MT)	2Q18	2Q17	YoY
Nucleus Production	177,833	198,828	-11%
Plasma Production	34,981	26,771	31%
Purchased	31,603	-	
Total FFB Supply	244,416	225,599	8%
Total FFB Processed	234,749	217,017	8%
Nucleus yield/Ha	4.6	5.1	-11%
Plasma yield/Ha	2.4	1.8	31%
Mill Production (MT)	2Q18	2Q17	YoY
CPO	50,970	47,792	7%
Palm Kernel	10,606	9,902	7%
CPO Extraction Rate	21.7%	22.0%	-1%
Kernel Extraction Rate	4.5%	4.6%	-1%

Compared to 2Q17 as of 2Q18 CPO production increased to 50,970 tons, due to increase in FFB plasma and purchase

2Q18 Rubber Production

Field Rubber Supply (MT)	2Q18	2Q17	YoY
Nucleus Production	8,173	10,334	-21%
Purchased			
Total Field Rubber Supply	8,173	10,334	-21%
Nucleus yield Kg/Ha	543	594	-9%
Factory Production (MT)			
Processed Rubber	7,997	9,885	

Compared to 2Q17 as of 2Q18 Rubber production decreased to 7,997 tons

Oil Palm and Rubber Plantation Hectarage

Hectarage (Ha)	2Q18	2Q17
Palm Nucleus		
Mature	38,840	38,696
Immature	4,479	4,698
Replanting	136	-
New Replanting		
Planted	43,456	43,394
Plantable	5,441	5,762
Unplantable	3,771	3,512
Palm Plasma		
Mature	14,590	14,574
Immature	386	402
Planted	14,976	14,976
Total Palm - Planted	58,431	58,370
Total Palm - Plantable	5,441	5,762
Total Palm - Unplantable	3,771	3,512
Rubber		
Mature	15,046	16,925
Immature	1,519	2,177
Replanting	145	-
New Replanting		
Planted	16,710	19,102
Plantable	946	1,646
Unplantable	2,316	2,748
Grand Total Planted	75,141	77,472
Grand Total Plantable	6,387	7,408
Grand Total Unplantable	6,087	6,260
Grand Total Hectares	87,616	91,140

As of 2Q18 BSP manages 43,456 hectares planted of palm nucleus, 14,976 hectares planted of palm plasma, and 16,710 hectares planted of rubber, for a total of 75,141 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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