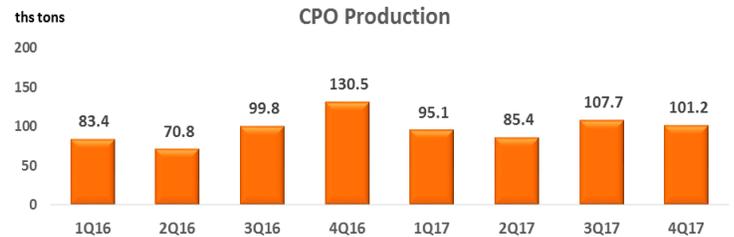
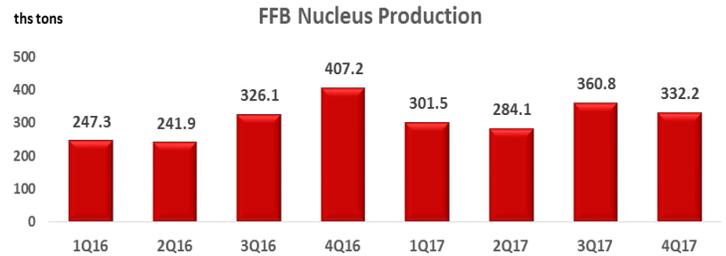


### Operational Highlights (Tinjauan Operasional)

Production Volume (tons)	FY 2016	FY 2017	Δ %
<b>FFB Nucleus</b>	<b>1,222,477</b>	<b>1,278,623</b>	<b>4.6</b>
FFB Yield - Nucleus (tons/ha)	14.7	14.9	
<b>FFB Processed</b>	<b>1,710,928</b>	<b>1,699,648</b>	<b>(0.7)</b>
<b>CPO (Crude Palm Oil)</b>	<b>384,535</b>	<b>389,357</b>	<b>1.3</b>
CPO Extraction Rate	22.5%	22.9%	
CPO Yield - Nucleus (tons/ha)	3.4	3.4	
<b>PK (Palm Kernel)</b>	<b>103,234</b>	<b>106,496</b>	<b>3.2</b>
PK Extraction Rate	6.0%	6.3%	
PK Yield - Nucleus (tons/ha)	0.9	0.9	
<b>Rubber</b>	<b>10,796</b>	<b>9,692</b>	<b>(10.2)</b>
Rubber Yield - Nucleus (tons/ha)	0.8	0.7	



In FY2017, Lonsum nucleus FFB production increased by 4.6% yoy to 1,278,623 tons mainly due to recovery post El-Nino impact in 2016. Lonsum's CPO production increased 1.3% yoy to 389,357 tons while PK production increased 3.2% yoy to 106,496 tons.

FFB yield-nucleus was at 14.9 tons/ha while CPO and PK extraction rate were at 22.9% and 6.3%, respectively in FY2017.

In FY2017, rubber production was down 10.2% yoy to 9,692 tons.

Produksi TBS inti Lonsum pada FY2017 naik 4,6% yoy menjadi 1.278.623 ton terutama seiring pemulihan setelah dampak El Nino yang terjadi pada tahun 2016. Produksi CPO Lonsum naik 1,3% yoy menjadi 389.357 ton sementara itu produksi PK naik 3,2% yoy menjadi 106.496 ton.

Produktivitas TBS inti tercatat 14,9 ton/ha sementara itu rendemen CPO dan PK masing-masing sebesar 22,9% dan 6,3% pada FY2017.

Produksi karet pada FY2017 turun 10,2% yoy menjadi 9.692 ton.

### Hectare Statement (Pernyataan Hektar)

Total nucleus planted area as of 31 December 2017 was 115,695 hectares of which 83% was planted with oil palm, 14% was planted with rubber and the remaining 3% was planted with other crops, mainly tea and cocoa. Lonsum's immature planted area for oil palm and rubber plantation were 9,905 hectares and 2,896 hectares, respectively.

Total area tertanam kebun inti pada tanggal 31 Desember 2017 mencapai 115.695 hektar, dimana 83% ditanami kelapa sawit, 14% ditanami karet dan sisanya sebesar 3% ditanami oleh tanaman lain, terutama teh dan kakao. Lonsum masih memiliki area tertanam belum menghasilkan untuk kelapa sawit dan karet masing-masing seluas 9.905 hektar dan 2.896 hektar.

NUCLEUS Planted Area	December 2016			December 2017		
	Mature	Immature	Total (ha)	Mature	Immature	Total (ha)
Oil Palm	83,056	11,576	94,632	85,717	9,905	95,622
Rubber	13,127	3,354	16,481	13,339	2,896	16,235
Others	2,350	998	3,348	2,645	1,193	3,838
<b>Total Planted Area</b>	<b>98,533</b>	<b>15,928</b>	<b>114,461</b>	<b>101,701</b>	<b>13,994</b>	<b>115,695</b>

Per Desember 2017, planted oil palm plasma area is 31,442 ha



# PT PP London Sumatra Indonesia Tbk

## Ikhtisar FY2017 Highlights

February 28, 2018

### Financial Highlights (Tinjauan Kinerja Keuangan)

Profit & Loss (Rp Billion unless otherwise stated)	FY 2016	FY 2017	Δ	Laba & Rugi (Rp Miliar kecuali dinyatakan)
Sales	3,847.9	4,738.0	23.1%	Penjualan
Gross Profit	1,110.8	1,342.8	20.9%	Laba Bruto
Gross Margin	28.9%	28.3%		Marjin Laba Bruto
Operating Profit	810.8	958.4	18.2%	Laba Usaha
Operating Margin	21.1%	20.2%		Marjin Laba Usaha
Profit for the Year	592.8	763.4	28.8%	Laba Tahun Berjalan
Net Margin	15.4%	16.1%		Marjin Laba Tahun Berjalan
Profit for the Year Attributable to Owners of the Parent	593.8	763.5	28.6%	Laba Tahun Berjalan yang Dapat Diatribusikan Kepada Pemilik Entitas Induk
Basic EPS Attributable to the Owners of the Parent (full amount)	87	112	28.7%	Laba per Saham yang Dapat Diatribusikan Kepada Pemilik Entitas Induk (angka penuh)
EBITDA	1,135.4	1,340.0	18.0%	EBITDA
EBITDA Margin	29.5%	28.3%		Marjin EBITDA

Financial Position (Rp Billion)	31 Dec 2016	31 Dec 2017
TOTAL ASSETS	9,459.1	9,744.4
Cash & Cash Equivalents	1,140.6	1,633.5
TOTAL LIABILITIES	1,813.1	1,622.2
TOTAL EQUITY	7,646.0	8,122.2
ENDING FX RATE (Rp/USD)	13,436	13,548

Lonsum sales in FY2017 reached Rp4.74 trillion, up 23.1% yoy mainly due to higher sales from palm products (CPO and PK), rubber and oil palm seeds. Palm products contributed around 91% from total sales, followed by rubber and oil palm seeds with around 6% and 2% respectively.

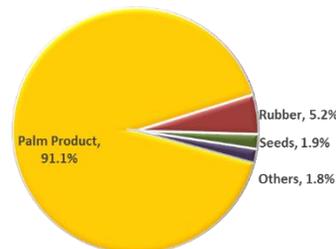
Lonsum's gross profit increased 20.9% yoy to Rp1.34 trillion mainly attributable to higher sales volume and average selling price from palm products and rubber. Accordingly, operating profit also increased 18.2% yoy to Rp958.4 billion.

Net profit attributable to owners of the parent in FY2017 increased 28.6% yoy to Rp763.5 billion with earning per share of Rp112.

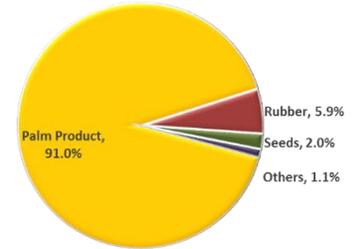
Net operating cash flow in FY2017 improved to Rp1.26 trillion compared to Rp1.07 trillion in FY2016. Cash position reached Rp1.63 trillion at the end of FY2017. Lonsum maintained its strong financial position with total asset around Rp9.74 trillion and net cash position in FY2017.

	Sales (Rp Billion)			Volume (tons/000 seeds)		
	FY 2016	FY 2017	Δ %	FY 2016	FY 2017	Δ %
<b>Palm Product</b>	<b>3,504.8</b>	<b>4,309.8</b>	<b>23.0</b>			
CPO	2,838.9	3,493.0	23.0	369,583	422,627	14.4
PK	665.9	816.8	22.7	98,802	110,019	11.4
<b>Rubber</b>	<b>199.6</b>	<b>281.3</b>	<b>40.9</b>	<b>10,311</b>	<b>11,015</b>	<b>6.8</b>
<b>OP Seeds</b>	<b>74.4</b>	<b>95.1</b>	<b>27.8</b>	<b>7,168</b>	<b>10,450</b>	<b>45.8</b>
<b>Others</b>	<b>69.1</b>	<b>51.7</b>	<b>(25.2)</b>			
<b>Total</b>	<b>3,847.9</b>	<b>4,738.0</b>	<b>23.1</b>			

FY 2016 Sales Mix  
Rp3,847.9 bn



FY 2017 Sales Mix  
Rp4,738.0 bn



Penjualan Lonsum pada FY2017 mencapai Rp4,74 triliun, naik 23,1% yoy terutama disebabkan kenaikan penjualan dari produk sawit (CPO dan PK), karet dan benih bibit sawit. Kontribusi produk sawit terhadap total penjualan mencapai sekitar 91% diikuti oleh karet sekitar 6% dan benih bibit sawit sekitar 2%.

Laba bruto Lonsum naik 20,9% yoy menjadi Rp1,34 triliun yang sebagian besar didukung oleh kenaikan volume penjualan dan harga jual rata-rata dari produk sawit dan karet. Hal ini turut berkontribusi pada laba usaha yang naik 18,2% yoy menjadi Rp958,4 miliar.

Laba bersih yang diatribusikan kepada pemilik entitas induk pada FY2017 meningkat 28,6% yoy mencapai Rp763,5 miliar dengan laba per saham mencapai Rp112.

Kas bersih dari kegiatan operasi pada FY2017 naik menjadi Rp1,26 triliun dibandingkan dengan Rp1,07 triliun pada FY2016. Lonsum mempertahankan posisi kuat yang kuat dengan total aset sebesar Rp9,74 triliun dan posisi kas bersih pada FY2017.