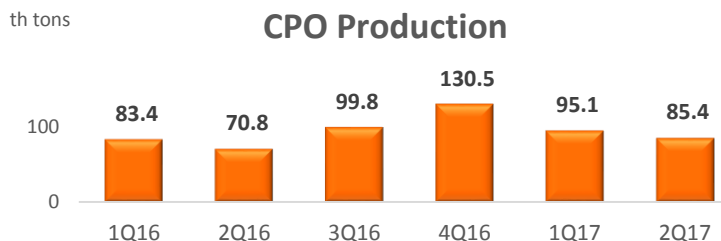
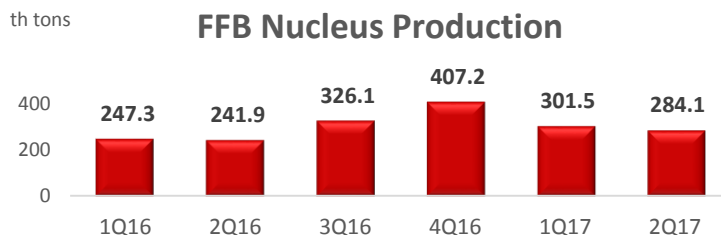


Operational Highlights (Tinjauan Operasional)

Production Volume (tons)	1H 2016	1H 2017	Δ %
FFB Nucleus			
TBS Inti	489,176	585,576	19.7
FFB Yield - Nucleus (tons/ha)			
Produktivitas TBS Inti (ton/ha)	6.0	6.9	
FFB Processed			
TBS yang diproses	673,171	793,532	17.9
CPO (Crude Palm Oil)			
CPO Extraction Rate	22.9%	22.7%	
CPO Yield - Nucleus (tons/ha)	1.4	1.6	
PK (Palm Kernel)			
PK Extraction Rate	6.0%	6.3%	22.9
PK Yield - Nucleus (tons/ha)	0.4	0.4	
Rubber			
Rubber Yield - Nucleus (tons/ha)	5,358	5,089	(5.0)



In 1H2017, Lonsum nucleus FFB production increased 19.7% yoy to 585,576 tons as a result of strong recovery post El Nino impact in 2016. In line with this, FFB processed increased 17.9% yoy to 793,532 tons which led to Lonsum's CPO production increase by 17.1% yoy to 180,526 tons. PK production increased 22.9% yoy to 49,743 tons.

Produksi TBS inti Lonsum pada 1H2017 naik 19,7% yoy menjadi 585.576 ton akibat kuatnya pemulihan setelah dampak El Nino yang terjadi pada tahun 2016. Seiring dengan ini maka TBS yang diproses naik 17,9% yoy menjadi 793.532 ton sehingga mendorong kenaikan produksi CPO sebesar 17,1% yoy menjadi 180.526 ton. Produksi PK naik 22,9% yoy menjadi 49.743 ton.

FFB yield-nucleus was at 6.9 tons/ha while CPO and PK extraction rate were at 22.7% and 6.3%, respectively in 1H2017.

Produktivitas TBS inti tercatat 6,9 ton/ha sementara itu rendemen CPO dan PK masing-masing sebesar 22,7% dan 6,3% pada 1H2017.

In 1H2017, rubber production was down 5.0% yoy to 5,089 tons.

Produksi karet pada 1H2017 turun 5,0% yoy menjadi 5.089 ton.

Hectare Statement (Pernyataan Hektar)

Total nucleus planted area as of 30 June 2017 was 114,649 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 9,951 hectares and 2,942 hectares, respectively.

Total area tertanam kebun inti pada tanggal 30 Juni 2017 mencapai 114.649 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 9.951 hektar dan 2.942 hektar.

NUCLEUS Planted Area	December 2016			June 2017		
	Mature	Immature	Total (ha)	Mature	Immature	Total (ha)
Oil Palm	83,056	11,576	94,632	84,878	9,951	94,829
Rubber	13,127	3,354	16,481	13,249	2,942	16,191
Others	2,350	998	3,348	2,489	1,140	3,629
Total Planted Area	98,533	15,928	114,461	100,616	14,033	114,649

Per June 2017, Plasma planted area is 34,673 ha: 91% is Oil Palm, 9% is Rubber.

Financial Highlight (Tinjauan Kinerja Keuangan)

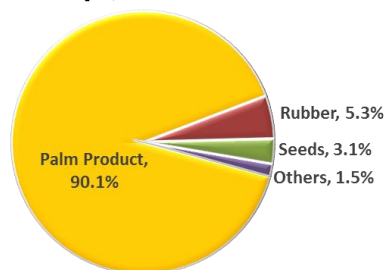
Profit & Loss (Rp Billion unless otherwise stated)	1H 2016	1H 2017	Δ	Laba Rugi (Rp Miliar kecuali dinyatakan lain)
Sales	1,652.5	2,467.6	49.3%	Penjualan
Gross Profit	340.4	736.0	116.2%	Laba Bruto
Gross Margin	20.6%	29.8%		Marjin Laba Bruto
Operating Profit	170.2	570.2	235.0%	Laba Usaha
Operating Margin	10.3%	23.1%		Marjin Laba Usaha
Profit for the Period	112.5	459.9	308.8%	Laba Periode Berjalan
Net Margin	6.8%	18.6%		Marjin Laba Periode Berjalan
Profit for the period attributable to owners of the parent	112.6	459.5	308.0%	Laba periode berjalan yang dapat diatribusikan kepada pemilik entitas induk
Basic EPS attributable to the owners of the parent (full amount)	17	67	294.1%	Laba per saham yang dapat diatribusikan kepada pemilik entitas induk (angka penuh)
EBITDA	321.3	757.4	135.7%	EBITDA
EBITDA Margin	19.4%	30.7%		Marjin EBITDA

	Sales (Rp Billion)			Volume (tons / 000 seeds)		
	1H 2016	1H 2017	Δ	1H 2016	1H 2017	Δ
Palm Product	1,489.6	2,237.6	50.2%			
CPO	1,250.7	1,821.6	45.7%	172,000	213,414	24.1%
PK	238.9	416.0	74.1%	41,470	53,486	29.0%
Rubber	87.4	163.5	87.1%	4,813	5,714	18.7%
OP Seeds	50.3	37.5	-25.5%	4,738	3,940	-16.8%
Others	25.2	29.0	15.1%			
Total	1,652.5	2,467.6	49.3%			

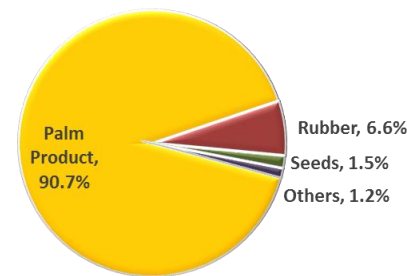
Financial Position (Rp Billion)	31 Dec 2016	30 June 2017
TOTAL ASSETS	9,459.1	9,655.8
Cash & Cash Equivalents	1,140.6	1,451.4
TOTAL LIABILITIES	1,813.1	1,790.3
EQUITY	7,646.0	7,865.5

ENDING FX RATE (Rp/USD) 13,436 13,319

1H 2016 Sales Mix
Rp1,652.5 bn



1H 2017 Sales Mix
Rp2,467.6 bn



Lonsum sales in 1H2017 reached Rp2.47 trillion, up 49.3% yoy mainly due to higher sales from both palm products (CPO and PK) and rubber. Palm products contributed around 91% from total sales, followed by rubber and oil palm seeds with around 7% and 2% respectively.

Lonsum's gross profit increased 116.2% yoy to Rp736 billion mainly attributable to higher sales volume and ASP from palm products and rubber. Accordingly, operating profit also increased 235.0% yoy to Rp570.2 billion. Net profit attributable to owners of the parent jumped 308.0% yoy to Rp459.5 billion with earning per share of Rp67.

Net operating cash flow improved to Rp505.9 billion compared to Rp219 billion at the same period last year. Cash position stood at Rp1.45 trillion at the end of 1H2017. Lonsum maintained its net cash position in this period.

Penjualan Lonsum pada 1H2017 mencapai Rp2,47 triliun, naik 49,3% yoy terutama disebabkan kenaikan penjualan dari produk sawit (CPO dan PK) dan karet. Kontribusi produk sawit terhadap total penjualan mencapai sekitar 91% diikuti oleh karet sekitar 7% dan benih bibit sawit sekitar 2%.

Laba bruto Lonsum naik 116,2% yoy menjadi Rp736 miliar 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 235,0% yoy menjadi Rp570,2 miliar. Laba bersih yang diatribusikan kepada pemilik entitas induk pada periode ini meningkat 308,0% yoy mencapai Rp459,5 miliar dengan laba per saham mencapai Rp67.

Kas bersih dari kegiatan operasi naik menjadi Rp505,9 miliar dibandingkan dengan Rp219 miliar pada periode yang sama tahun lalu. Posisi kas dan setara kas pada akhir periode 1H2017 mencapai Rp1,45 triliun. Lonsum mempertahankan posisi kas bersih pada periode ini.