



P&L (IDR Millions) – YoY	3M2019	3M2018	Change (%)
Revenue	2,172,898	2,140,720	1.5%
Gross Profit	519,682	534,620	-2.8%
Operating Profit	394,275	398,185	-1.0%
NPAT	203,852	203,463	0.2%
EBITDA	505,731	526,920	-4.0%
Unrealized forex (loss)/gain	20,901	(21,153)	-

BS (IDR Millions)	31 Mar 2019	31 Mar 2018	Change (%)
Asset	16,576,740	14,151,905	17.1%
Liability	11,589,272	9,948,496	16.5%
Equity	4,987,468	4,203,409	18.7%
Interest Bearing Debt	7,623,764	6,884,218	10.7%
Cash & cash equivalent*	535,903	335,038	60.0%

\*included in cash & cash equivalent, restricted cash under other current asset

Financial Ratios	3M2019	3M2018
Gross margin	23.9%	25.0%
Operating margin	18.1%	18.6%
Net margin	9.4%	9.5%
EBITDA margin	23.3%	24.6%
Net Debt to Equity	1.42	1.56
ROA	4.9%	5.8%
ROE	16.3%	19.4%

Sales Volume	3M2019	3M2018	Change (%)
CPO	4,650	15,010	-69.0%
Palm Cooking Oil	60,895	83,855	-27.4%
PKO	6,275	5,333	17.7%
Sugar	70,204	64,859	8.2%
Biodiesel (FAME)	74,372	23,191	220.7%

Sales Price (IDR/Kg) ex VAT	3M2019	3M2018	Change (%)
CPO	5,820	7,891	-26.2%
Palm Cooking Oil	8,765	9,367	-6.4%
PKO	9,546	15,296	-37.6%
Sugar	9,191	8,907	3.2%
Biodiesel (FAME)	7,407	8,308	-10.8%

**FINANCIAL HIGHLIGHT**

TBLA booked stable first quarter revenue despite continuing downtrend in CPO price. Significant jump in Biodiesel sales and improved sugar sales were the major contributing factors supporting revenue.

Biodiesel sales volume in 1Q2019 went up threefold to **74,372 ton** versus same period last year, with Pertamina’s full year contracted order amounting to **217,000 ton**. Additionally, China’s export order is also expected to continue this year at similar size from last year’s **35,000 ton**. Combination of domestic and export order will drive TBLA’s biodiesel plant to run close to maximum utilization this year.

Sugar sales volume up from 1Q2018 as TBLA’s carried forward inventory of around 140k ton from FY2018 that can be spread across the first two quarters of the year.

Operating profit and EBITDA remain stable despite cooking oil and biodiesel’s lower selling price. Since TBLA externally procured almost half of the CPO used for downstream feedstock this quarter, lower CPO price effectively reduced production cost for refined products. TBLA purchased **60,288 ton** and internally produced **68,858 ton** of CPO this quarter. While Y-o-Y CPO price dropped by **26.2%**, cooking oil and biodiesel prices had been more resilient, dropping by only **6.4%** and **10.8%** respectively.

Despite lower CPO price and much higher interest expense, NPAT remains unchanged from same period last year. 1Q2019 Interest expense went up to **Rp140bn** from **Rp113bn** in 1Q2018, since bond coupons were not expensed up until 2Q2018.



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## 3M2019 NEWSLETTER

Production Summary	3M2019	3M2018	Change (%)
<b>FFB Harvested</b>			
<i>FFB Nucleus (MT)</i>	155,726	175,990	<b>-11.5%</b>
<i>FFB Plasma (MT)</i>	34,345	25,308	<b>35.7%</b>
<i>FFB 3<sup>rd</sup> Party (MT)</i>	108,454	206,394	<b>-47.5%</b>
<i>FFB Yield – Nucleus (MT/Ha)</i>	4.7	5.0	
<b>Crude Palm Oil Production (MT)</b>	68,858	73,046	<b>-5.7%</b>
<i>CPO Extraction Rate (OER)</i>	24.64%	20.20%	
<b>Palm Kernel Oil Production (MT)</b>	5,489	5,592	<b>-1.8%</b>
<i>PKO Extraction Rate (KER)</i>	42.13%	41.87%	
<b>Cooking Oil (MT)</b>	63,950	79,106	<b>-19.2%</b>
<b>FAME (Biodiesel)</b>	51,826	14,704	<b>252.5%</b>

Planted Area (Ha)	31 Mar 2019	31 Mar 2018
Oil Palm		
<i>Mature</i>	44,804	42,868
<i>Immature</i>	11,446	12,891
<b>Total Oil Palm</b>	<b>56,250</b>	<b>55,759</b>
<b>Sugar Cane</b>	<b>12,082</b>	<b>12,270</b>

### PRODUCTION HIGHLIGHT

Annual and quarterly FFB nucleus production and third-party purchase dropped due to lower overall harvest volume in Lampung region.

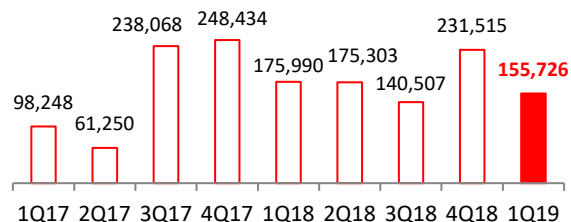
With lesser 3<sup>rd</sup> party FFB and higher contribution of better-quality feedstock, especially from TBLA's Palembang estate, OER went up drastically from **20.02%** to **24.64%**.

Despite lower FFB harvest, cpo production was still relatively stable compared to last year. Shortfall of CPO required for downstream production was made up by increasing the proportion of external CPO purchase.

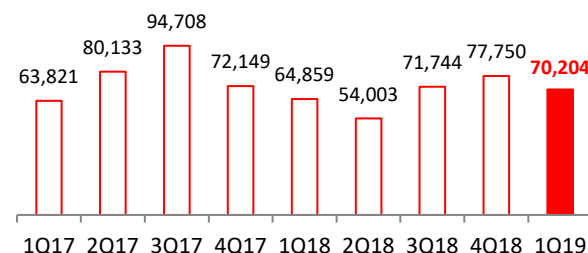
Y-o-Y cooking oil production dropped as market demand softens leading to the Country's election period. At the same time, Biodiesel (FAME) production and sales went up significantly as the full year impact of Indonesia's B20 policy is being realized this year.

Since most of TBLA's production infrastructures are still running with excess capacity, no major capex spending is expected this year. Capex will mainly involve maintenance and new planting. TBLA's new palm oil panting continues at an annual rate of around 2,000 ha.

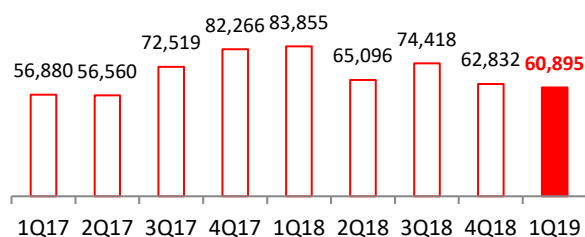
**FFB NUCLEUS HARVEST VOL**



**SUGAR SALES VOL**



**PALM COOKING OIL SALES VOL**



**BIODIESEL SALES VOL**

