



P&L (IDR) – YoY	6M2013	6M2014	Change (%)
Revenue	1,680,511	2,733,447	+62.7%
Gross Profit	457,705	603,531	+31.9%
Operating Profit	251,401	363,272	+44.5%
NPAT <sup>1</sup>	121,868	213,082	+74.8%
EBITDA	308,086	458,095	+48.7%

P&L (IDR) - QoQ	1Q2014	2Q2014	Change (%)
Revenue	1,158,485	1,574,962	+36.0%
Operating Profit	166,966	196,306	+17.6%
NPBT	168,962	105,393	-37.6%
NPBT (ex forex gain/loss)	128,948	165,945	+28.7%

BS (IDR)	30 June 2014	30 June 2014	Change (%)
Asset	5,370,315	6,377,448	+5.8%
Liability	3,489,614	4,366,767	-1.1%
Equity	1,880,701	2,010,681	+11.8%
Debt <sup>3</sup>	<b>2,249,528</b>	3,026,742	-1.2%

<sup>1</sup>Net Profit After Tax; <sup>2</sup>Earnings Before Interest, Tax & Depreciation; <sup>3</sup>All interest bearing liabilities

Ratios	6M2013	6M2014
Gross margin	27.2%	22.1%
Operating Margin	15.0%	13.3%
NPAT margin	7.3%	7.8%
EBITDA margin	18.5%	15.3%
Return on Asset (ROA) - Annualized	4.5%	6.7%
Return on Equity (ROE) - Annualized	13.0%	21.2%
Debt to Equity Ratio (DER)	1.2	1.5

Sales Volume	6M2013	6M2014	Change (%)
CPO	76,000	81,285	+7.6%
PKO	46,636	41,312	-11.4%
Palm Cooking Oil	61,231	65,128	+9.1%
Sugar	0	42,852	++
Sugar cane	40,097	48,543	+21.0%

Sales Price (IDR/Kg) ex VAT	6M2013	6M2014	Change (%)
CPO	7,377	9,143	+23.9%
PKO	6,775	11,877	+75.3%
Palm Cooking Oil	7,745	10,101	+39.4%
Sugar	0	7,514	++
Sugar cane	470	407	-13.4%

**SALES & FINANCIAL HIGHLIGHTS**

- Y-o-Y Revenue went up by **62.7%** to Rp2.73tn from Rp1.68tn booked in 1H13; whilst Y-o-Y Gross profit, EBITDA and NPAT went up by **31.9%**, **48.7%** and **74.8%** respectively, compared to 1H2013, all on the back of higher selling price of all CPO products and new contribution from the recently operated sugar refinery;
- Q-o-Q Revenue went up by **36.0%** from Rp1.15tn in 1Q14 to Rp1.58tn in 2Q14; Q-o-Q NPBT went down by **37.6%** from Rp168.9bn booked in 1Q14 to Rp105.4bn in 2Q14. This is mainly caused by fluctuation in unrealized forex gain/loss derived from marking to market TBLA's USD loan;
- TBLA booked Rp40.0bn of unrealized forex gain in 1Q14, but due to the strengthening of the USD against the IDR between April – June 2014, that gain has now gone and the Company booked Rp20.5bn of unrealized forex loss in 1H2014. If we were to normalize earnings before tax by taking out unrealized forex effect, then Q-o-Q NPBT actually went up by about **28.3%**.
- With a much higher NPAT, ROA and ROE improved significantly compared to the same period last year. ROA went up from **5.2%** to **8.5%**, while ROE went up from **17.3%** to **27.3%**.
- All CPO products price went up compared to last year, which translates to higher Revenue. Sales volumes of all major products also higher with the exception of PKO, but this is made up with much higher selling price. PKO ASP went up by **75.3%** compared to 1H2013.
- The Company's new sugar refinery which was commissioned end of last year is now fully operating. TBLA obtained raw sugar import quota of 108,000 between the months of April – July 2014. Hence, refined sugar production (and sales) began in May 2014 and contribution from sugar sales can be seen in the Company's P&L starting this 2<sup>nd</sup> quarter.
- In line with the Company's goal to become a fully integrated sugar producer, progressive conversion of old oil palm estate to sugarcane is underway, and this is evident from increasing sugarcane harvest. Sugarcane harvest went up by 21.0% compared to the same period last year.



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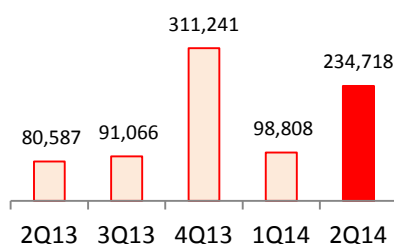
## 6M2014 NEWSLETTER

Production Summary	6M2013	6M2014	Change (%)
<b>FFB Harvested</b>			
<i>FFB Nucleus (MT)</i>	199,174	333,526	<b>+67.5%</b>
<i>FFB Plasma (MT)</i>	38,932	66,526	<b>+70.9%</b>
<i>FFB 3<sup>rd</sup> Party (MT)</i>	156,427	328,207	<b>+109.8%</b>
<i>FFB Yield – Nucleus (MT/Ha)</i>	6.1	8.9	<b>+45.9%</b>
<b>Crude Palm Oil (CPO)</b>			
<i>CPO Production (MT)</i>	86,817	138,702	<b>+59.7%</b>
<i>CPO Extraction Rate (OER)</i>	23.6%	20.1%	<b>-14.8%</b>
<b>Palm Kernel Oil (PKO)</b>			
<i>PKO Production (MT)</i>	26,049	41,031	<b>+57.5%</b>
<i>Kernel Extraction Rate (KER)</i>	42.7%	42.3%	<b>-1.0%</b>

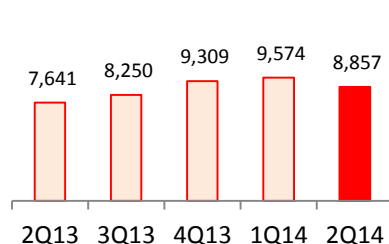
Planted Area (Ha)	30 June 2013	30 June 2014
<b>Oil Palm</b>		
<i>Mature</i>	42,764	49,041
<i>Immature</i>	13,386	7,796
<b>Total Oil Palm</b>	<b>56,150</b>	<b>56,837</b>
<b>Sugar Cane</b>	<b>1,554</b>	<b>2,406</b>

### QUARTERLY TREND (all figures in metric ton except for CPO ASP)

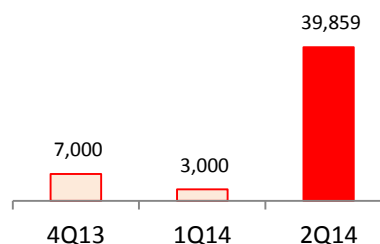
**FFB NUCLEUS HARVEST**



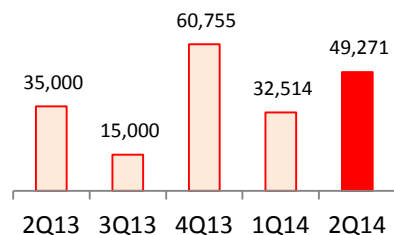
**CPO ASP (IDR/KG)**



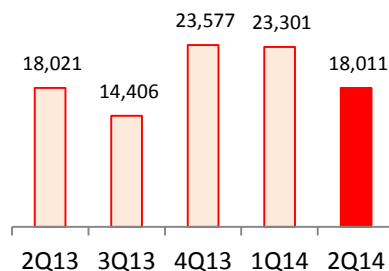
**SUGAR SALES VOL**



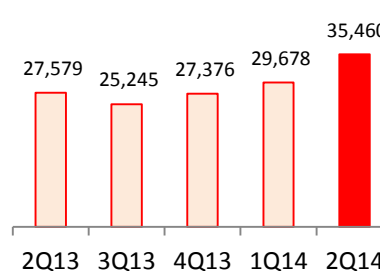
**CPO SALES VOL**



**PKO SALES VOL**



**PALM COOKING OIL SALES VOL**



### PRODUCTION SUMMARY

- FFB nucleus harvest went up significantly as a bulk of our Palembang estate went from immature to mature. On annual basis nucleus harvest went up by **67.5%** compared to the same period last year, whilst it more than double compare to 1Q14. The same goes for the Company's plasma estate in Palembang as FFB plasma harvest went up by **70.9%** from previous year. 3<sup>rd</sup> party FFB purchase doubled from 1H13 as the Company's strive to increase mills utilization rate.
- Both **Y-o-Y** and **Q-o-Q** CPO sales volumes went higher as TBLA released higher portion of its inventory in the 2nd quarter. CPO's ASP went lower in 2Q14 compared to 1Q14 along with global trend.
- Q-o-Q** palm cooking oil sales volumes went higher by **19.5%** due to local festive season, but greater demand both local and export is also evident this year as **Y-o-Y** sales volume went up by **28.6%**.
- Sugar sales soars as the Company's newly operated sugar refinery runs into full gear starting April this year. TBLA obtained 108,000mt of raw sugar import quota for 1H2014 and sold close to 40,000mt of sugar between May and June 2014. The remaining would be book in 2H14. TBLA's refinery has a capacity of 216,000mt p.a.
- Conversion of the Company's old CPO estate to sugar cane in Lampung is still one of the Company's top priorities. Planted sugarcane estate went up by **54.8%** compared to 1H13.

For more information, please contact Head of Investor Relations:

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