



LONSUM'S FIRST 9-MONTH 2009 FINANCIAL RESULT

Jakarta, 10 November 2009

PT PP London Sumatra Indonesia, Tbk. ("Lonsum") today announced its financial result for the first nine months ended 30 September 2009 (9M09), reporting consolidated net sales of IDR2.27 trillion, declined by 23.4% from IDR2.97 trillion in the same period last year, mainly due to significantly lower global prices of CPO and rubber.

In terms of production, Lonsum recorded a 9% increase in its CPO production to 267.4 thousand tons in 9M09 from 245.2 thousand tons in 9M08.

Sales contribution is as follows: palm products: 85%, rubber: 12%, seeds: 2% and others: 1% (9M08: 78%, 15%, 6% and 1%, respectively).

Production costs as a whole were lower 9.2%, particularly due to lower price of crop purchase. Production cost of nucleus plantation was also down due to lower manufacturing costs.

Despite lower COGS, gross profit declined 32.8% to IDR972.20 billion from IDR1.45 trillion in 9M08 due to weaker prices of palm products and rubber. Gross margin declined to 42.8% from 48.8%.

Operating profit was down 33.1% to IDR692.71 billion from IDR1.03 trillion, as an impact of weaker gross profit, in spite of a 32.2% lower operating expenses, mostly due to lower export tax. Operating profit margin declined to 30.5% from 34.9%. Net profit declined 31.8% to IDR489.32 billion from IDR717.87 billion.

In the third quarter, Lonsum completed the construction of its palm oil mill in East Kalimantan, with capacity of 45 ton/hour.

Benny Tjoeng, the President Director of Lonsum, quoted "The production palm products show an upward trend from time to time this year; and we continue to put effort on productivity, which is a success factor to plantation business."

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About PT PP London Sumatra Indonesia, Tbk.

PT PP London Sumatra Indonesia, Tbk. ("Lonsum") (IDX: LSIP) is a leading oil palm plantation in Indonesia.

Lonsum was established in 1906, and is one of Indonesia's oldest and largest publicly-listed plantation companies. It operates 38 company-owned estates and 14 plasma estates across North and South Sumatra, East and West Java, North and South Sulawesi and East Kalimantan, covering mainly oil palm and rubber.

In April 2009, Lonsum received certification as sustainable palm oil producer for all plantations and facilities in North Sumatra.

Investor Relations & Communications

PT PP London Sumatra Indonesia Tbk.