

Jakarta, 24 February 2010

No. CS- 24/LSIP/II/2009

To.

Badan Pengawas Pasar Modal & Lembaga Keuangan (Bapepam-LK)

Gedung Baru Departemen Keuangan RI

Jl. Dr. Wahidin Raya No. 1

Jakarta 10710

Attn: **Bapak Dr. A. Fuad Rahmany**
Chariman of Bapepam - LK

To.

Bursa Efek Indonesia

Gedung Bursa Efek Indonesia

Jl Jend. Sudirman Kav.52-53

Jakarta 12190

Attn : **Bapak Ito Warsito**
President Director

Re : Announcement of Production Highlight - FY 2009 of PT PP London Sumatra Indonesia Tbk.

Dear Sirs,

We hereby enclosed Announcement of Production Highlight - FY2009 of PT PP London Sumatra Indonesia Tbk. in Indonesian and English language.

Thank you for your kind attention and cooperation.

Sincerely yours,

PT. PP LONDON SUMATRA INDONESIA Tbk

Endah R. Madnawidjaja

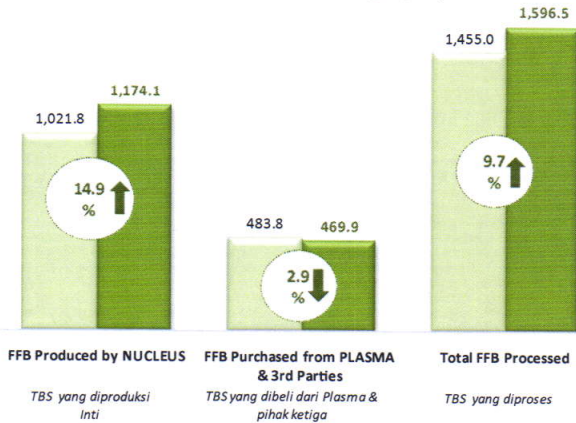
Corporate Secretary

CC: Board of Directors of PT. PP London Sumatra Indonesia Tbk

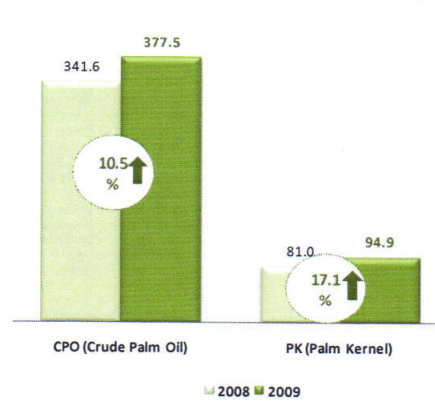


Production Highlight (Ikhtisar Produksi)

FFB Production (000's tons)
Produksi Tandan Buah Segar (TBS)



CPO & Palm Kernel Production (000's tons)
Produksi Minyak Sawit (MS) & Inti Sawit (IS)



Lonsum achieved strong CPO production growth, in line with its FFB production. CPO production increased 10.5% from 341,553 tons in 2008 to 377,505 tons in 2009. FFB production from Nucleus grew by 14.9% on the back of FFB yield improvement and additional mature areas. FFB yield (Nucleus) improved from 17.8 ton/ha in 2008 to 19.0 ton/ha in 2009, while oil extraction rate (OER) improved from 23.5% in 2008 to 23.6% in 2009.

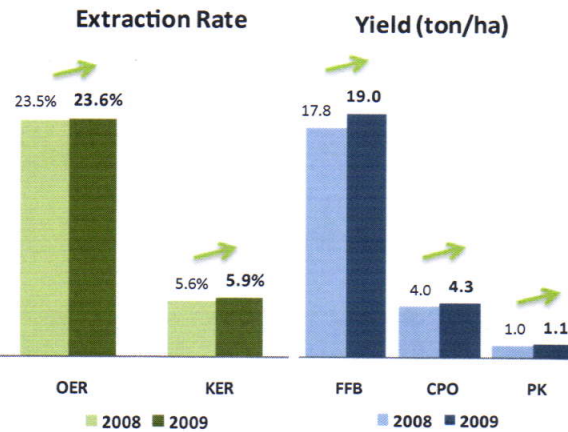
Lonsum mencapai hasil produksi Minyak Sawit (MS) yang tinggi di tahun 2009, sejalan dengan produksi Tandan Buah Segar (TBS). Produksi MS naik 10,5% dari 341.553 ton di 2008 menjadi 377.505 ton di 2009. Produksi TBS Inti naik 14,9% disebabkan oleh penambahan areal menghasilkan dan peningkatan hasil panen. Hasil panen Inti naik dari 17,8 ton/ha di 2008 menjadi 19,0 ton/ha di 2009, sedangkan rendeman Minyak Sawit naik dari 23,5% di 2008 menjadi 23,6% di 2009.

Palm Kernel (PK) production increased 17.1% from 81,046 tons in 2008 to 94,890 tons in 2009. Rubber production fell 7.0% from 23,440 tons in 2008 to 21,806 tons in 2009. Cocoa and Tea production grew by 4.2% and 8.0%, respectively from 2008.

Produksi Inti Sawit (IS) naik 17,1% dari 81.046 ton di 2008 menjadi 94.890 ton di 2009. Produksi karet turun 7,0% dari 23.440 ton di 2008 menjadi 21.806 ton di 2009. Produksi kakao dan teh masing-masing naik 4,2% dan 8,0% dari tahun 2008.

Production Volume (tons)	2009	2008	Growth
FFB Produced by NUCLEUS (TBS yang diproduksi Inti)	1,174,055	1,021,822	14.9%
FFB Purchased from PLASMA & 3rd Parties (Pembelian TBS dari Plasma & Pihak ketiga)	469,897	483,801	-2.9%
Total FFB Processed (TBS yang diproses)	1,596,496	1,454,995	9.7%
CPO (Crude Palm Oil)	377,505	341,553	10.5%
PK (Palm Kernel)	94,890	81,046	17.1%
Rubber*	21,806	23,440	-7.0%
Cocoa	1,985	1,904	4.2%
Tea	1,205	1,116	8.0%

* Rubber includes sheet and crumb rubber (dry tons)
* Karet terdiri dari karet lembaran dan bongkaran (ton kering)



Extraction Rate	Total		North Sumatra		South Sumatra & East Kalimantan	
	2009	2008	2009	2008	2009	2008
OER	23.6%	23.5%	24.0%	24.1%	23.4%	23.0%
KER	5.9%	5.6%	6.2%	6.2%	5.7%	5.1%

NUCLEUS YIELD (ton/ha)	Total		North Sumatra		South Sumatra & East Kalimantan	
	2009	2008	2009	2008	2009	2008
FFB	19.0	17.8	23.1	21.4	14.8	13.6
CPO	4.3	4.0	5.5	5.2	3.1	2.7
PK	1.1	1.0	1.4	1.3	0.8	0.6
Rubber	1.2	1.3				



➤ **Hectare Statement (*Pernyataan Hektar*)**

By the end of December 2009, total planted area for nucleus are now over 100,000 ha, of which 79% are Oil Palm, 17% are Rubber, and the balance are other crops. Total land bank as of Dec 2009 is 215,917 ha.

Pada akhir bulan Desember 2009, total areal inti yang dikelola sudah lebih dari 100.000 ha, dengan komposisi 79% kebun sawit, 17% kebun karet dan sisanya adalah tanaman lain. Total land bank per Desember 2009 adalah 215.917 ha.

New planting for oil palm in 2009 is 3,605 ha and replanting is 810 ha.

Penanaman areal baru untuk kelapa sawit di 2009 adalah 3.605 ha dan penanaman kembali adalah 810 ha.

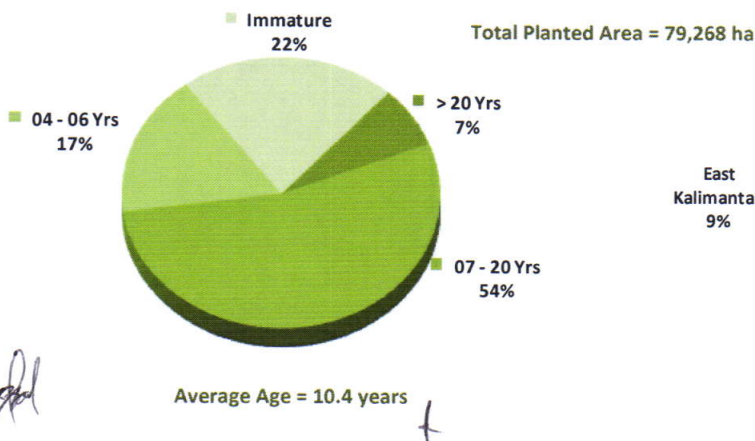
NUCLEUS Planted Hectare	2009			2008		
	Mature	Immature	Total (ha)	Mature	Immature	Total (ha)
Oil Palm	61,839	17,429	79,268	57,257	18,358	75,615
Rubber	12,854	4,476	17,330	12,858	4,537	17,394
Others	2,971	727	3,698	2,870	761	3,631
Total Planted Area	77,665	22,632	100,296	72,985	23,655	96,640

Plasma planted area are 36,209 ha: 89% are Oil Palm, 11% are Rubber.

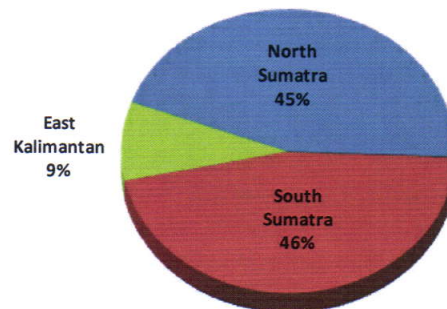
Total Oil Palm (Nucleus) planted area are 79,268 ha with average age of 10.4 years, of which 22% are still immature. The age profile are as follows (i) 17% are young (4-6 years), (ii) 54% are in the prime age (7-20 years), and (iii) 7% are more than 20 years.

Total areal tertanam kelapa sawit inti adalah 79.268 ha dengan umur rata-rata 10,4 tahun, dimana 22% nya adalah tanaman belum menghasilkan. Profil umur tanaman adalah sebagai berikut (i) 17% tanaman muda (4-6 tahun), (ii) 54% tanaman prima (7-20 tahun) dan (iii) 7% tanaman dengan umur lebih dari 20 tahun.

2009 Oil Palm Plantation (Nucleus) Age Profile



2009 Oil Palm Plantation (Nucleus) by Area



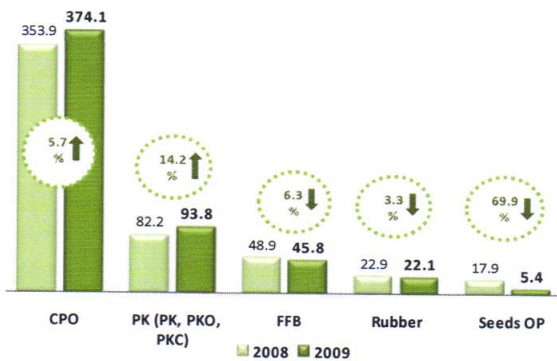


➤ **Sales Volume (Volume Penjualan)**

CPO sales volume in 2009 is 374,134 tons, which is a 5.7% increase from 2008. PK products sales volume is 93,796 tons, which is a 14.2% increase from 2008. FFB sales volume went down by 6.3% due to FFB produced in East Kalimantan are processed in the new palm oil mill that was commissioned in July 2009. Rubber sales decreased by 3.3% due to lower demand and lower production of rubber. Oil Palm seeds sales in 2009 are 5.4 million seeds, which is 69.9% lower compared to 2008 due to lower demand and slower oil palm plantation expansion.

Penjualan MS pada tahun 2009 adalah 374.134 ton, naik 5,7% dari tahun 2008. Penjualan IS adalah 93.796 ton, naik 14,2% dari tahun 2008. Penjualan TBS turun 6,3% karena TBS yang diproduksi dari Kalimantan Timur telah diproses di pabrik minyak sawit yang mulai beroperasi pada bulan Juli 2009. Penjualan karet turun 3,3% karena turunnya permintaan dan penurunan produksi karet. Total penjualan kecambah kelapa sawit pada tahun 2009 adalah 5,4 juta kecambah, turun 69,9% di dibandingkan dengan tahun 2008 karena rendahnya permintaan dan melambatnya ekspansi pembangunan kebun kelapa sawit.

2009 Sales Volume (000's tons & 000's seeds)

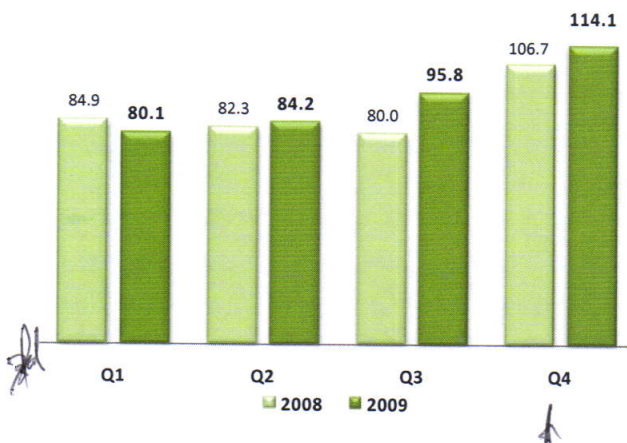


Sales Volume (tons)	2009	2008	Growth
Palm Products:			
CPO	374,134	353,861	5.7%
PK (PK, PKO, PKC)	93,796	82,158	14.2%
FFB	45,837	48,945	-6.3%
Rubber			
	22,110	22,870	-3.3%
Seeds (000's seeds):			
Seeds OP	5,377	17,877	-69.9%
Seeds Cocoa	1,187	764	55.4%
Cocoa			
	2,015	1,974	2.1%
Tea			
	1,213	1,040	16.7%

Overall CPO sales mix in 2009 is 86% domestic, of which 41% is to parent company, PT Salim Ivomas Pratama (SIMP) on arms length commercial terms, and 45% are sold to 3rd party domestic. The rest of the balance 14% is exported.

Secara keseluruhan penjualan MS di 2009 adalah 86% penjualan domestik, dimana 41% adalah penjualan ke induk perusahaan, PT Salim Ivomas Pratama (SIMP) dengan syarat-syarat dan ketentuan komersial yang wajar, dan 45% dijual kepada pihak ke tiga domestik. Sisanya 14% adalah penjualan ekspor.

2009 CPO Sales Volume - Quarterly (000's tons)



2009 CPO Sales Volume Mix

