

# PT DHARMA SATYA NUSANTARA TBK (DSNG) INVESTOR NEWSLETTER



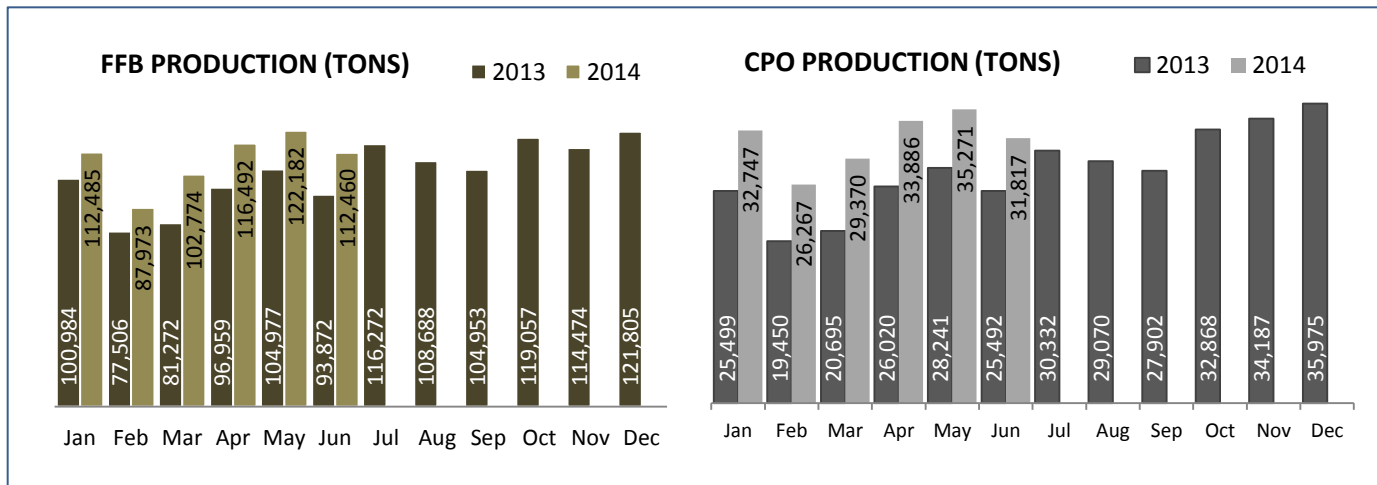
Number 5 | July 2014

DSN's total FFB production in H1-2014 reached 654,365 tons, or an increase of 17.8% compared to H1-2013. Total FFB processed also rose during the period, to 795,789 tons or 32.6% higher compared to 2013, while our CPO production reached 189,359 tons, for an increase of 30.2% from the previous year. The company's CPO sales volume

increased by 30.6%, to 192,821 tons.

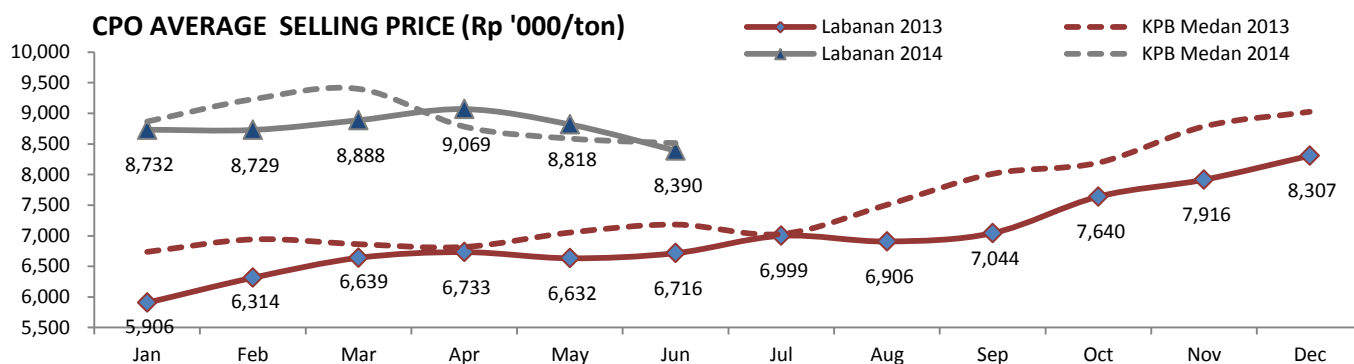
Our CPO OER improved through second quarter, for an H1 yield of 23.80%. Our blended average FFA levels also improved in second quarter, with an although overall FFA of 2.76%.

	H1-2014	H1-2013	YoY%	Q2-2014	Q1-2014	QoQ%	FY2013
<b>Plantation Performance</b>							
FFB Production (ton)	654,365	555,569	17.8%	351,134	303,231	15.8%	1,240,819
- FFB Nucleus (ton)	600,393	519,972	15.5%	321,674	278,719	15.4%	1,152,611
- FFB Plasma (ton)	53,972	35,597	51.6%	29,459	24,512	20.2%	88,207
<b>Mill Performance</b>							
FFB Processed (ton)	795,789	600,353	32.6%	421,976	373,813	12.9%	1,380,528
CPO Production(ton)	189,359	145,397	30.2%	100,974	88,385	14.2%	335,730
PK Production (ton)	24,183	18,931	27.7%	13,195	10,988	20.1%	43,277
PKO Production (ton)	8,233	4,262	93.2%	4,473	3,760	19.0%	13,482
CPO OER (%)	23.80	24.22	-1.7%	23.93	23.64	1.2%	24.32
FFA (%)	2.76	2.60	6.2%	2.66	2.87	-7.3%	2.67
<b>Sales Performance</b>							
CPO (ton)	192,821	147,693	30.6%	103,267	89,554	15.3%	336,240
PK (ton)	5,009	12,512	-60.0%	2,476	2,533	-2.3%	15,622
PKO (ton)	9,702	3,200	203.2%	3,001	6,701	-55.2%	9,400



## PLANTING PROGRAM

New Planting	H1 '14	H1 '13	%Δ	Q2 '14	Q1 '14	QoQ%	FY2013	Planted Hectarege				
								Planted (as of June '14) (ha)	Average Age (yr)	Mature (ha)	Immature (ha)	Total Planted (ha)
Nucleus (ha)	2,128	2,920	-27.1%	1,235	893	38.3%	5,799	Nucleus	7.5	48,038	11,953	59,991
Plasma (ha)	1,370	1,276	7.4%	782	588	33.0%	3,392	Plasma	3.5	6,371	7,665	14,036
<b>Total (ha)</b>	<b>3,499</b>	<b>4,196</b>	<b>-16.6%</b>	<b>2,017</b>	<b>1,481</b>	<b>36.2%</b>	<b>9,190</b>	<b>Total</b>	<b>6.7</b>	<b>54,409</b>	<b>19,618</b>	<b>74,027</b>



DSNG Price is based on FOB Labanan Port Pricing

**WOOD PRODUCTS BUSINESS**

In the first half of 2014, wood panel production volume declined by 15.2% to 113,889 m3 compare to the same period in 2013. At the same time, the Average Selling Price (ASP) of our wood panels rose by 17.9%. Engineered Door production volume also declined by 10.9% in the period, with ASPs higher by 22.2%. Meanwhile both the volume and ASP of our Engineered Flooring product increased by 7.9% and 24.2% respectively in the first six months this year.

	1H-2014	1H-2013	% Δ	FY2013
<b>Sales Volume</b>				
Panel (m3)	113,889	134,358	-15.2%	244,642
Engineered doors (Pcs)	25,897	29,066	-10.9%	51,989
Engineered flooring (M2)	599,815	556,066	7.9%	1,073,412
<b>Average Selling Price</b>				
Panel (Rp million /m3)	4.30	3.64	17.9%	3.97
Engineered doors (Rp million /pcs)	1.19	0.98	22.2%	1.06
Engineered flooring (Rp million /m2)	0.36	0.29	24.2%	0.31

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