INVENTORY DRAWDOWN

Jakarta, 30 April 2019 – PT Sampoerna Agro Tbk. and subsidiaries (“Sampoerna Agro” or “the Company”) released its unaudited financial and operational results for the period ending in 31 March 2019 (“1Q19”).

Sampoerna Agro recorded significant reduction in inventory level of its key products in 1Q19. Value of palm products inventory had plunged 41% in the first three months of the year, from Rp229.59 billion at the beginning of 2019 to Rp136.42 billion at the close of March 2019.

“Even though production volume manage to rise versus last year, output level during the first quarter is typically thin due to low crop cycle. This makes inventory drawdown within the period much more essential to boost sales performance, especially since commodity prices are trending much lower than a year ago,” said Budi Halim, CEO of the Company.

In 1Q19, Sampoerna Agro booked 14% rise in palm oil output versus the same period in 2018 (“1Q18”), which amounted 77,281 tons of late. Plantation estates in both Sumatera and Kalimantan regions had contributed to the production rise, at 12% and 17% respectively. Within the same period, palm kernel output also climbed 18% and 19% year-on-year in both regions.

Due to the inventory drawdown, sales volume of both palm oil and palm kernel surged even more, at 49% and 22% respectively. So despite much lower sale prices, which declined 17% and 34% year-on-year to average Rp6,641 and Rp4,304 per kg within the period, sales generated from both palm oil and palm kernel reached Rp731.63 billion, or 17% higher versus 1Q18. Both key products contributed 97% towards total consolidated revenue in 1Q19 which totaled Rp757.25 billion in 1Q19, or 13% higher than 1Q18 figure of Rp667.64 billion.

“Going forward, we see there is a limited downside surprise for palm oil, at least for the near term, as fossil oil futures is trading at a premium of more than USD100 to palm oil,” said Lim King Hui, Commercial Director of the Company. “The spread important because it means more consumption of palm oil for energy should be taking place,” he added.

The gap between gas oil futures and palm oil has widened to average USD120 in the month of April 2019, versus less than USD75 in the first quarter of the year. Palm oil futures is seen stable at around USD500 per ton since beginning of the year while gas oil futures has appreciated 30% year-to-date.

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Area statement as of March 2019:

<table>
<thead>
<tr>
<th>Area Statement as of March 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nucleus</td>
</tr>
<tr>
<td>Plasma</td>
</tr>
<tr>
<td>Sub-T</td>
</tr>
<tr>
<td>Sago</td>
</tr>
<tr>
<td>Rubber</td>
</tr>
<tr>
<td>Others</td>
</tr>
<tr>
<td>TOTAL</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Producing</th>
<th>Immature</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>73,200</td>
<td>11,189</td>
<td>84,389</td>
</tr>
<tr>
<td>48,253</td>
<td>2,494</td>
<td>50,748</td>
</tr>
<tr>
<td>121,453</td>
<td>13,683</td>
<td>135,136</td>
</tr>
<tr>
<td>1,403</td>
<td>11,378</td>
<td>12,781</td>
</tr>
<tr>
<td>72</td>
<td>19,898</td>
<td>19,970</td>
</tr>
<tr>
<td></td>
<td>575</td>
<td>575</td>
</tr>
<tr>
<td></td>
<td>122,928</td>
<td>168,462</td>
</tr>
</tbody>
</table>

Production of key products:

<table>
<thead>
<tr>
<th>Product</th>
<th>Jan-19</th>
<th>Feb-19</th>
<th>Mar-19</th>
<th>YTD19</th>
<th>Jan-18</th>
<th>Feb-18</th>
<th>Mar-18</th>
<th>YTD18</th>
<th>∆</th>
</tr>
</thead>
<tbody>
<tr>
<td>FFB - nucleus</td>
<td>75,513</td>
<td>69,078</td>
<td>76,997</td>
<td>221,588</td>
<td>64,377</td>
<td>59,835</td>
<td>75,903</td>
<td>200,115</td>
<td>+11%</td>
</tr>
<tr>
<td>FFB - external</td>
<td>52,896</td>
<td>40,785</td>
<td>39,860</td>
<td>133,542</td>
<td>49,224</td>
<td>36,051</td>
<td>37,957</td>
<td>123,232</td>
<td>+8%</td>
</tr>
<tr>
<td>CPO</td>
<td>28,317</td>
<td>24,108</td>
<td>24,855</td>
<td>77,281</td>
<td>23,989</td>
<td>20,673</td>
<td>23,147</td>
<td>67,808</td>
<td>+14%</td>
</tr>
<tr>
<td>P.Kernel</td>
<td>6,648</td>
<td>5,590</td>
<td>6,053</td>
<td>18,291</td>
<td>5,469</td>
<td>4,679</td>
<td>5,278</td>
<td>15,427</td>
<td>+19%</td>
</tr>
<tr>
<td>G.Seeds (1000s)</td>
<td>629</td>
<td>865</td>
<td>569</td>
<td>2,062</td>
<td>272</td>
<td>456</td>
<td>389</td>
<td>1,117</td>
<td>+85%</td>
</tr>
</tbody>
</table>

Average selling price of key products:

<table>
<thead>
<tr>
<th>Product</th>
<th>Jan-19</th>
<th>Feb-19</th>
<th>Mar-19</th>
<th>YTD19</th>
<th>Jan-18</th>
<th>Feb-18</th>
<th>Mar-18</th>
<th>YTD18</th>
<th>∆</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPO</td>
<td>6,381</td>
<td>6,655</td>
<td>6,925</td>
<td>6,641</td>
<td>7,847</td>
<td>7,900</td>
<td>8,141</td>
<td>7,960</td>
<td>-17%</td>
</tr>
<tr>
<td>P.Kernel</td>
<td>4,434</td>
<td>4,408</td>
<td>4,043</td>
<td>4,304</td>
<td>7,029</td>
<td>6,605</td>
<td>5,916</td>
<td>6,571</td>
<td>-34%</td>
</tr>
<tr>
<td>G.Seeds (Rp/unit)</td>
<td>7,641</td>
<td>8,063</td>
<td>7,449</td>
<td>7,721</td>
<td>7,998</td>
<td>7,565</td>
<td>7,954</td>
<td>7,830</td>
<td>-1%</td>
</tr>
</tbody>
</table>

Revenue breakdown by key products:

<table>
<thead>
<tr>
<th>Product</th>
<th>Jan-19</th>
<th>Feb-19</th>
<th>Mar-19</th>
<th>YTD19</th>
<th>Jan-18</th>
<th>Feb-18</th>
<th>Mar-18</th>
<th>YTD18</th>
<th>∆</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPO</td>
<td>232.22</td>
<td>200.22</td>
<td>220.14</td>
<td>652.57</td>
<td>172.03</td>
<td>181.82</td>
<td>172.43</td>
<td>526.28</td>
<td>+24%</td>
</tr>
<tr>
<td>P.Kernel</td>
<td>31.70</td>
<td>24.27</td>
<td>23.08</td>
<td>79.06</td>
<td>42.21</td>
<td>30.15</td>
<td>26.28</td>
<td>98.63</td>
<td>-20%</td>
</tr>
<tr>
<td>G.Seeds</td>
<td>3.41</td>
<td>3.38</td>
<td>2.96</td>
<td>9.76</td>
<td>7.72</td>
<td>7.998</td>
<td>7.565</td>
<td>7.954</td>
<td>-1%</td>
</tr>
<tr>
<td>Others</td>
<td>6.23</td>
<td>5.26</td>
<td>4.37</td>
<td>15.86</td>
<td>9.98</td>
<td>8.75</td>
<td>9.74</td>
<td>28.47</td>
<td>-44%</td>
</tr>
<tr>
<td>Total Sales</td>
<td>273.56</td>
<td>233.14</td>
<td>250.55</td>
<td>757.25</td>
<td>228.93</td>
<td>225.60</td>
<td>213.12</td>
<td>667.64</td>
<td>+13%</td>
</tr>
</tbody>
</table>

Note: Others are revenue generated from sago, rubber, FFB, palm kernel products, RBDPO, and electricity.

FFB output (Kalimantan vs Sumatra)

FFB output (Nucleus vs External)

For further inquiries, please contact us at investor.relations@sampoernaagro.com