

PT DHARMA SATYA NUSANTARA TBK (DSNG) INVESTOR NEWSLETTER



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DSN Group's CPO production in 2014 reached 390,857 tons, for an increase of 16.4% compared to production in 2013. Total FFB production also rose to new high of 1,376,498 tons for the full year, or 10.9% higher compared to the 2013.

FFA levels rose somewhat to a blended average of 2.93% in 2014, up from 2.67% in the previous year.

Mill productivity remained high, with total FFB processed increasing by 18.5% to 1,635,341 tons, while the CPO Oil Extraction Rate declined slightly to 23.9% from 24.3% in 2013.

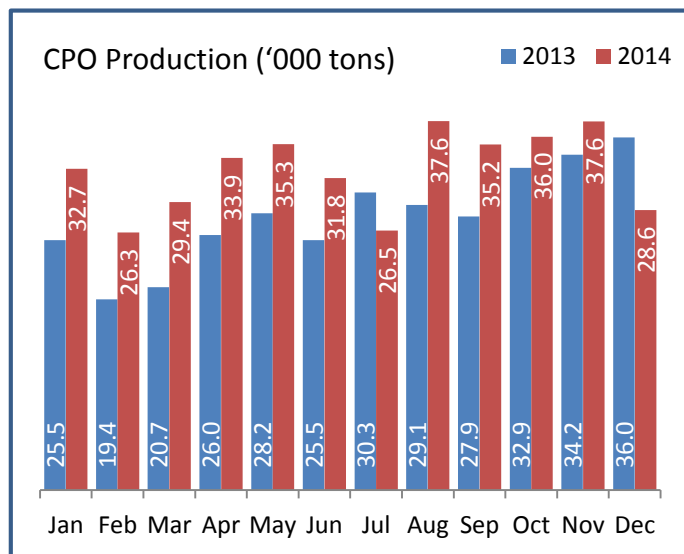
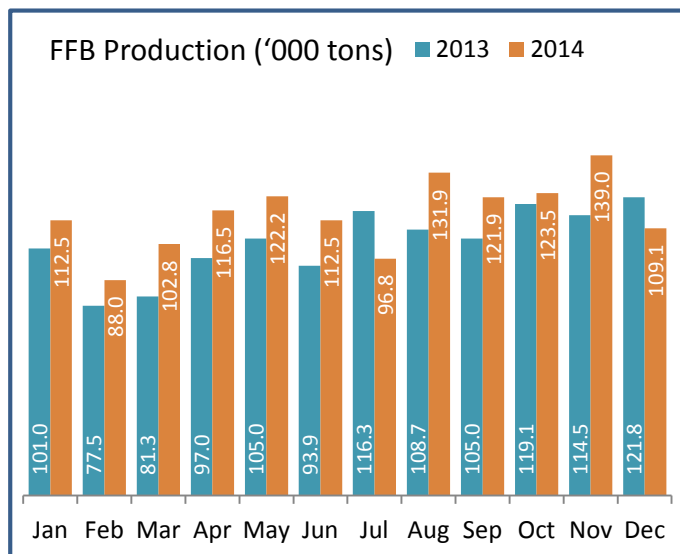
The company's CPO sales volume increased to 394,344 tons in the year, or 17.3% higher than the same period last year. New planting in 2014 achieved 9,528 hectares, with the total planted area as of December 2014 encompassing 80,066 hectares.

	Q1-2014	Q2-2014	Q3-2014	Q4-2014	Q-o-Q (%)	FY2013	FY2014	% Δ
Plantation Performance								
FFB Production (ton)	303,231	351,134	350,505	371,628	6.0	1,240,819	1,376,498	10.9
FFB Nucleus (ton)	278,719	321,674	319,661	337,581	5.6	1,152,611	1,257,635	9.1
FFB Plasma (ton)	24,512	29,460	30,844	34,048	10.2	88,207	118,864	34.8
Mill Performance								
FFB Processed (ton)	373,813	421,976	409,831	429,721	4.9	1,380,528	1,635,341	18.5
CPO Production (ton)	88,385	100,974	99,333	102,165	2.9	335,730	390,857	16.4
PK Production (ton)	10,988	13,195	14,402	14,739	2.3	43,277	53,324	23.2
PKO Production (ton)	3,760	4,473	4,608	5,357	16.2	13,482	18,197	35.0
CPO OER (%)	23.64	23.93	24.24	23.77	-1.9	24.32	23.90	-1.7
FFA (%)	2.87	2.66	3.05	3.12	2.3	2.67	2.93	9.7
Sales Performance								
CPO (ton)	89,554	103,267	100,785	100,738	-0.1	336,240	394,344	17.3
PK (ton)	2,533	2,476	2,581	2,536	-1.7	15,622	10,127	-35.2
PKO (ton)	6,701	3,001	6,001	4,001	-33.3	9,400	19,704	109.6

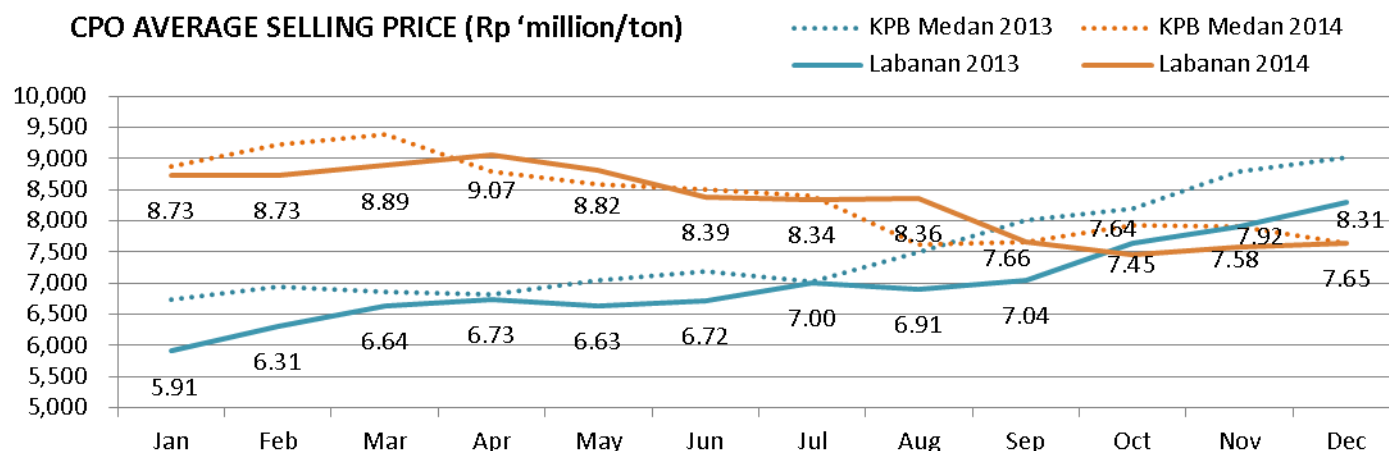
PLANTING PROGRAM

New Planting	FY2013	FY2014	%
Nucleus (ha)	5,799	4,917	-15.2
Plasma (ha)	3,392	4,611	35.9
Total (ha)	9,191	9,528	3.7

Planted (as of Dec 2014) (ha)	Mature (ha)	Average Age (yr)	Immature (ha)	Total Planted (ha)
Nucleus	48,038	7.14	14,741	62,779
Plasma	6,371	2.86	10,916	17,287
Total	54,409	6.22	25,657	80,066



CPO AVERAGE SELLING PRICE (Rp 'million/ton)



WOOD PRODUCTS BUSINESS

	Q1-2014	Q2-2014	Q3-2014	Q4-2014	Q-o-Q %	FY2013	FY2014	% Δ
Sales Volume								
Panel (m3)	58,019	55,870	35,984	51,823	44.0	244,642	201,696	-17.6
Engineered doors (Pcs)	10,273	15,624	11,880	13,692	15.3	51,989	51,469	-1.0
Engineered flooring (M2)	304,252	295,563	278,883	267,258	-4.2	1,073,412	1,145,956	6.8
Average Selling Price								
Panel (Rp 'million/m3)	4.32	4.27	4.38	4.53	3.4	3.97	4.37	10.1
Engineered doors (Rp 'million/pcs)	1.28	1.13	1.19	1.36	14.3	1.06	1.24	17.0
Engineered flooring (Rp 'million/m2)	0.35	0.37	0.37	0.39	5.4	0.31	0.37	19.4

Wood panel production volume decreased by 17.6% to 201,696 m3 compare to the same period in 2014 and Engineered Doors also decreased by 1.0%. At the same time, Engineered Flooring volume rose by 6.8%.

The Average Selling Price for our wood products in 2014 was broadly higher. Engineered flooring pricing rose by 19.4%, while Panel pricing was higher by 10.1% from the previous year and Engineered Door ASP's, also rose by 17.0%.

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