



PEFINDO CREDIT RATING INDONESIA

PRESS RELEASE
4 November, 2009

PT Perkebunan Nusantara V (Persero)

PEFINDO reaffirmed “**idA**” ratings for PT Perkebunan Nusantara V (Persero), hereinafter referred to PTP5 or the Company, and the Company's Bond I/2003 amounting to IDR300 billion due on November 12, 2010. The outlook for the ratings is “**Stable**”. The ratings reflect relatively stable demand of CPO, the Company's increased FFB contribution from plasma and third parties plantation, as well as moderate financial leverage and relatively strong cash flow protection. However, the ratings are constrained by the Company's relatively old palm oil plantation profile, high dependency on FFB supply from plasma plantation and third parties and exposure to cyclicity of commodity price and unfavorable weather. PTP5 is a state owned company engaging in integrated palm oil and rubber plantation producing FFB, Crude Palm Oil (CPO), palm kernel and natural rubber. At the end of June 2009, the Company's plantation area totaled to 158,495 hectares (ha), consisting of self own oil palm plantation of 72,481 ha, self own rubber plantation of 11,488 ha, and plasma plantation of 74,526 ha. The Company's operation activity is supported with 12 CPO mills, 4 rubber mills and 15,691 permanent employees.

Rating Period: October 30, 2009 – November 12, 2010

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