



PEFINDO CREDIT RATING INDONESIA

PRESS RELEASE

February 24, 2012

PT Perkebunan Nusantara VII (PERSERO)

PEFINDO affirmed its ratings of PT Perkebunan Nusantara VII (PERSERO), hereinafter referred to as the Company or PVII, its MTN III/2010 series A&B and MTN V/2011 at “**idA**”. The outlook of the Corporate rating is “**stable**”. The ratings reflect favorable Crude Palm Oil (CPO) outlook, and strong sales growth for almost all products, as well as PVII’s relatively well diversified products. Nevertheless, the ratings are constrained by the Company’s aggressive capital structure, higher dependence on external palm oil Fresh Fruit Bunch (FFB) and rubber supply, and exposure to the cyclical nature of commodity price and unpredictable weather.

PVII is a state-owned company engaging in plantation and production of CPO, rubber, sugar, and tea. The plantation and its processing facilities are spread in three provinces, which are Lampung, South Sumatera and Bengkulu. As of September 30, 2011, the self-owned planted area was 89,927 hectares (ha) consisting of 36,434 ha for palm oil, 34,932 ha for rubber, 17,123 ha for sugar, and 1,438 ha for tea while plasma plantation area was 30,492 ha consisting of 23,868 ha for palm oil and 6,624 ha for sugar.

Rating Period: December 22, 2011 – December 1, 2012

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