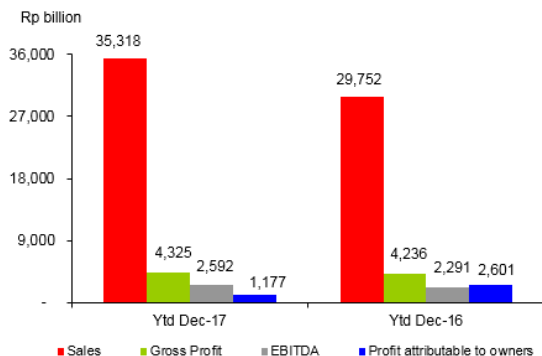


Performance Summary



In 2017, SMART's revenue increased to Rp 35.32 trillion supported by increases in both average selling prices and sales volume. EBITDA also registered an increase of 13% to Rp 2.59 trillion. Net profit attributable to owners of parent company reached Rp 1.18 trillion, a 55% decrease compared to 2016 as last year's net profit was boosted by a deferred tax benefit of Rp 1.60 trillion. We also recorded a foreign exchange loss during the year against a foreign exchange gain recorded in the previous year.

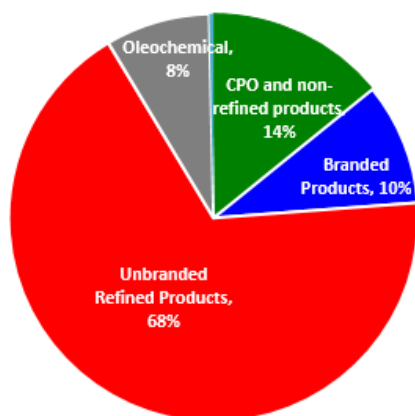
As of 31 December 2017, the Company's palm plantation area stood at 138,700 hectares, comprising 136,300 hectares of mature estates and 2,400 hectares of immature estates. Nucleus and plasma estates amounted to 107,400 and 31,300 hectares, respectively.

Plantation Statistics

Description	Ytd Dec-17	Ytd Dec-16	Growth
FFB produced - tonnes	2,696,864	2,666,564	1.1%
CPO produced - tonnes	625,911	627,034	-0.2%
PK produced - tonnes	156,106	155,288	0.5%
Oil extraction rate - %	21.84	21.93	-0.09%
Kernel extraction rate - %	5.45	5.43	0.02%

SMART's fruit production has started to recover during the year of 2017 as the impact of the El Niño condition subsided. FFB production increased to 2,696,864 tonnes. CPO and PK production reached 625,911 and 156,106 tonnes, respectively, while oil extraction rate was slightly lower at 21.84% and kernel extraction rate stood at 5.45%.

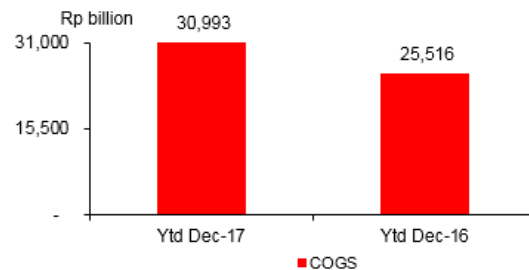
Net Sales



Total net sales increased by 19% year-on-year to Rp 35.32 trillion primarily attributable to higher average selling prices and sales volume. In line with our strategy to pursue higher value added products, combined sales of branded and unbranded refined products represented 78% of total sales, while CPO and non-refined products represented 14%.

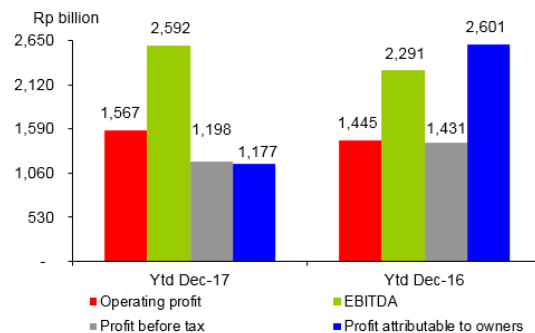
Cost of goods sold

Cost of goods sold for the year 2017 increased by 21% year-on-year to Rp 30.99 trillion from Rp 25.52 trillion in 2016 as raw material costs increased in line with the increase in sales volume and CPO market prices.



Operating profit

Operating profit for the current year was higher by 8% at Rp 1.57 trillion on the back of increase in gross profit while operating expenses declined.



EBITDA

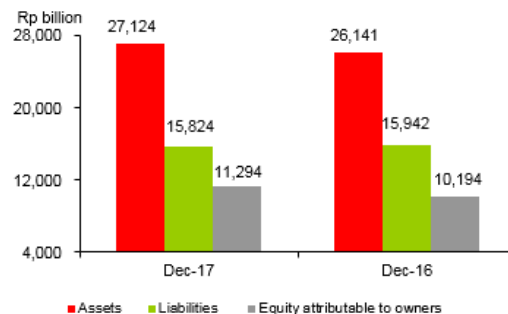
For the year 2017, the Company recorded EBITDA of Rp 2.59 trillion compared to Rp 2.29 trillion last year, resulting from the higher operating profit.

Profit attributable to owners of parent company

The Company achieved net profit of Rp 1.18 trillion in 2017, compared to Rp 2.60 trillion last year. The decrease in earnings was mainly due to the recording of deferred tax benefit of Rp 1.60 trillion in the previous year, and loss on foreign exchange recorded during current year as opposed to a gain in 2016. This performance translated into earnings per share of Rp 410.

Assets

As of 31 December 2017, the Company's total assets increased slightly to Rp 27.12 trillion from Rp 26.14 trillion at the end of 2016. This was mostly attributable to higher trade receivables and other non current assets, which was partially offset by lower other current assets.



Liabilities

Total liabilities as of 31 December 2017 stood at Rp 15.82 trillion, slightly lower than at the end of 2016. Of this amount, bank debt and bonds payable totaled Rp 12.31 trillion. As of 31 December 2017, our adjusted net gearing further improved to 0.46x from 0.48x as per end 2016.

Equity attributable to owners of parent company

Total equity attributable to owners of parent company increased to Rp 11.29 trillion as of 31 December 2017, from Rp 10.19 trillion as of 31 December 2016. The Company's retained earnings grew to Rp 8.70 trillion compared to Rp 7.61 trillion as at end of 2016, resulting from the current year's profit attributable to owners of parent company and after the distribution of dividend of Rp 71.80 billion for 2016 net profit.