



PEFINDO CREDIT RATING INDONESIA

PRESS RELEASE
May 28, 2009

PT Perkebunan Nusantara VII (PERSERO)

PEFINDO reaffirmed at “**idA+**” the ratings of PT Perkebunan Nusantara VII (PERSERO) (PTP7 or the Company) and the Company’s series “B” Bond I/2004 amounting to IDR10bn due in March 2011 with a **Stable** outlook. According to the Company’s latest audited financial statements, PTP7 has bought back part of its Bond I/2004 Seri B in the amount of IDR4 billion. The ratings reflect steady demand for palm oil, the Company’s relatively well diversified product lines and relatively strong cash flow protection. The ratings, however, are constrained by the Company’s relatively elderly palm oil and natural rubber plantation areas as well as exposure to cyclical commodity price and unpredictable weather. PTP7 is a state-owned company, engaging in plantation and production of palm oil, rubber, sugar and tea. As of December 31, 2008, the Company’s planted area amounted to 93,764 hectares (ha) consisting of 38,571 ha for palm oil, 34,955 ha for rubber, 18,658 ha for sugar and 1,580 ha for tea while plasma plantation area was 54,438 ha consisting of 23,868 ha for palm oil, 20,699 ha for rubber, and 9,871 ha for sugar.

Rating Period: May 11, 2009 – February 1, 2010
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