

MANAGEMENT PRESENTATION

April 2018

Agenda



- Financial Update
- Business Update
- Growth Strategy
- Strategic Initiatives
- Appendix

FINANCIAL UPDATE



Portfolio of Shares



PT Bakrie & Brothers Tbk

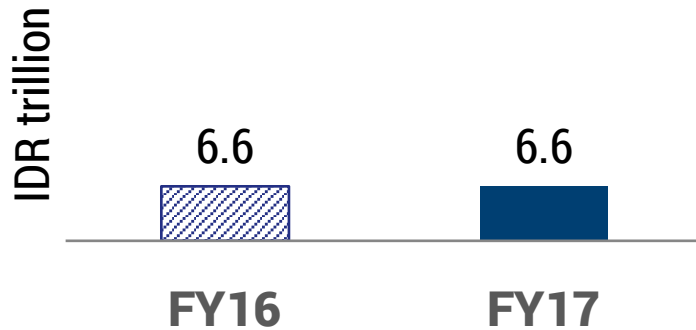


Industry/ Sector	Metal	Automotive Parts	Building Materials	Energy Trading	Infrastructure	Mining & Natural Resources	Mining & Natural Resources	Telecom	Oil & Gas	Property Development	Agri-business
Company	Bakrie Metal Industries	Bakrie Autoparts	Bakrie Building Industries	Bakrie Energy International	Bakrie Indo Infrastructure	Bumi Resources	Darma Henwa	Bakrie Telecom	Energi Mega Persada	Bakrieland Development	Bakrie Sumatera Plantation
Holdings	99.99%	99.99%	99.99%	100%	99.99%	0.84%	0.11%	0.12%	0.0002%	0.17%	2.72%
FULLY CONTROLLED AND CONSOLIDATED						INVESTMENT					

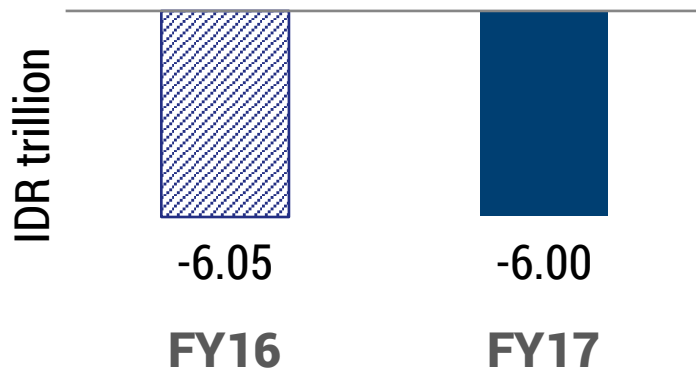
**as of December 31st, 2017*

Financial Performance

Balance Sheet Summary



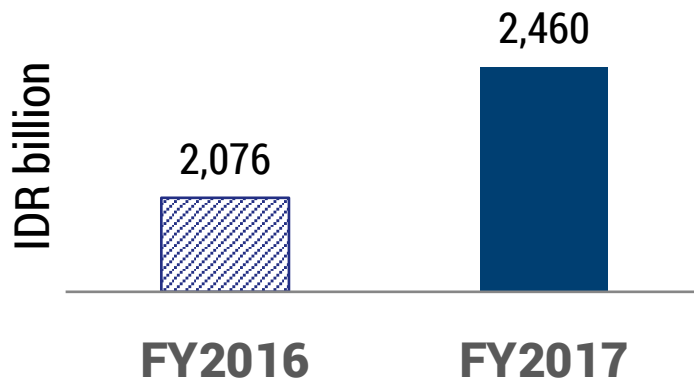
- **Assets** remained the same



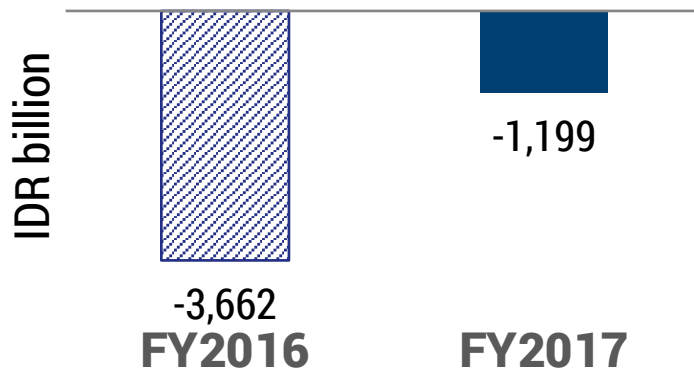
- **Equity deficiency** slightly improved to Rp 6 trillion for the full year of 2017

Financial Performance

Profit & Loss Summary - Consolidated



- **Revenue** increased by 18% for the full year of 2017 as compared to the same period in 2016
- This was mainly attributed to improvement to macro conditions that play significant role to Bakrie Autoparts and Bakrie Pipe Industries, namely the commodity sector and oil & gas industry

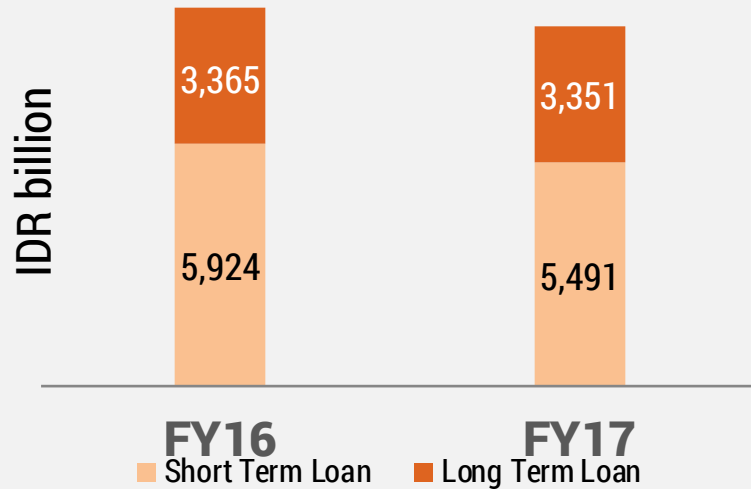


- The Company booked **loss attributable to owners of parent** for the full year of 2017.

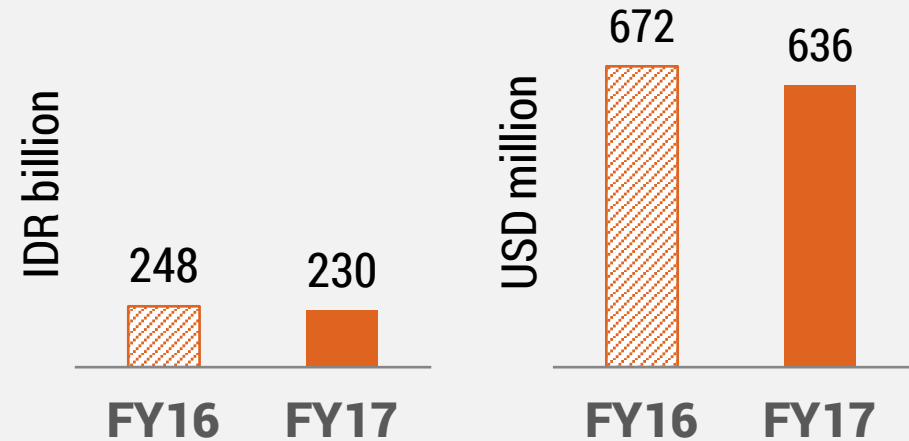
Debt Position

Parent Only

Long Term vs. Short Term



Total Debt IDR and USD



- **Total Loan** slightly decreased by IDR 448 billion or -5%
- **Total Loan in IDR** decreased by IDR 18 billion or 7%
- **Total Loan in USD** decreased by USD 37 million or 6%

BUSINESS UPDATE



Privately Held Companies



Bakrie Autoparts

- The pioneer in grey & ductile casting iron products for OEM automotive components in Indonesia.
- Main automotive component supplier for commercial vehicles such as Mitsubishi and Hino in the domestic market.
- In the near future BA plans to tap into passenger vehicle and replacement market to further expand its business.



Bakrie Building Industries

- A producer of fiber-cement products for domestic and export market.
- Held approximately 21% market share in the domestic roof and ceiling market with 80 strong and loyal distributor network.
- Supported by a network of 80 loyal distributors
- Expanding its product portfolio to offer energy efficient building material.



Bakrie Metal Industries

- Specializing in steel fabrication and civil engineering services to diversified sectors.
- Extensive experience in handling major EPC projects for offshore and onshore facilities.
- Produces small to medium steel pipes for oil & gas distribution, construction and water pipe.
- Held approximately 60% of local pipe market share with major oil & gas customers

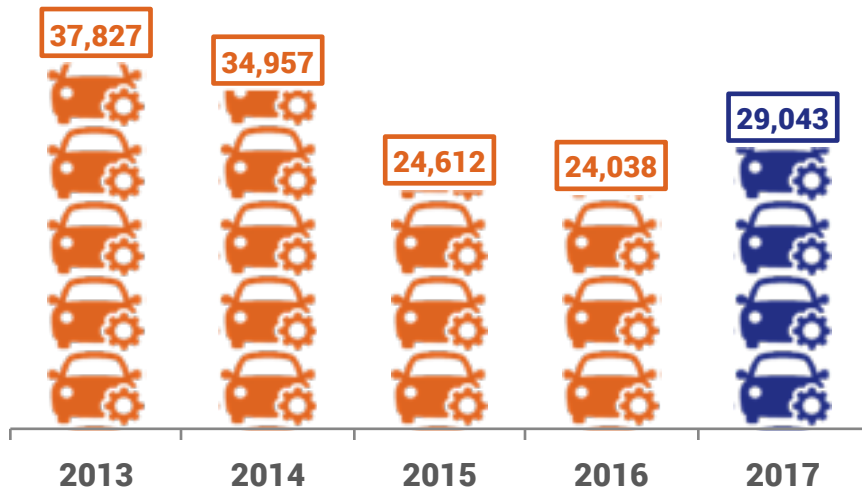


Bakrie Indo Infrastructure

- Bakrie Power specializing in power plant development, currently constructing 3x18 MW and power plant 2x660 MW power plant
- Bakrie Oil & Gas Infrastructure; specializing in gas pipeline infrastructure, currently operating 200km offshore gas pipeline
- Bakrie Toll Indonesia; specializing in developing toll road, currently constructing 26km urban toll road

Bakrie Autoparts

Sales Volume [metric ton]



**not including sales from BMC which is counted per piece*

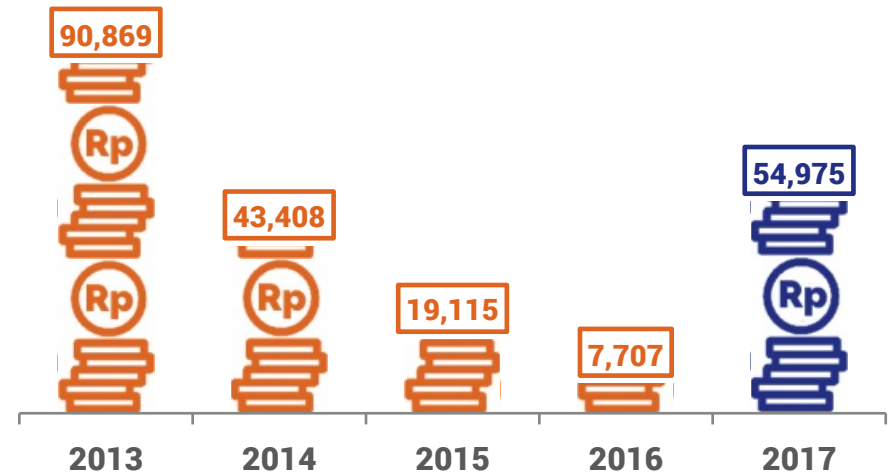
Product

- OEM supplier for automotive components.
- Sales composition consists of 82% automotive components and 18% general casting.

Performance

- Sales revenue decreased by 2% in 2015, remained relatively stable in 2016, and experienced a 21% increase in 2017. which reflects the easing of automotive industry contraction, where commercial vehicle segment experienced a 7.2% y-o-y growth.

EBITDA [million Rupiah]



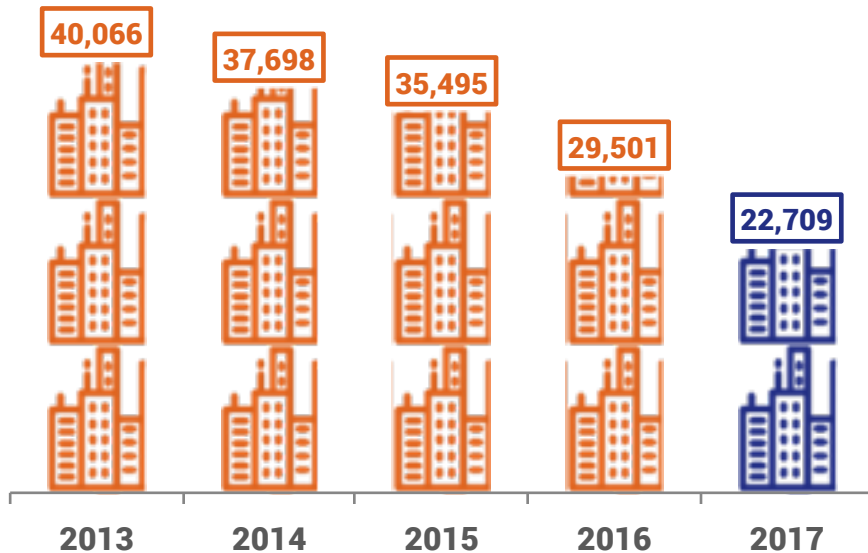
Prospect

- Gaikindo predicted the growth for sales in motor vehicles at 6% in 2017, an increase compared to 5% growth in 2016.
- Infrastructure projects are predicted to increase the demand for cars and trigger demands in rural areas. ⁽¹⁾.
- To further improve its performance, BA plans to tap into passenger vehicle market which contributed up to 82% of domestic market share in 2016⁽¹⁾.

(1) GAIKINDO

Bakrie Building Industries

Sales Volume ['000 std.m]



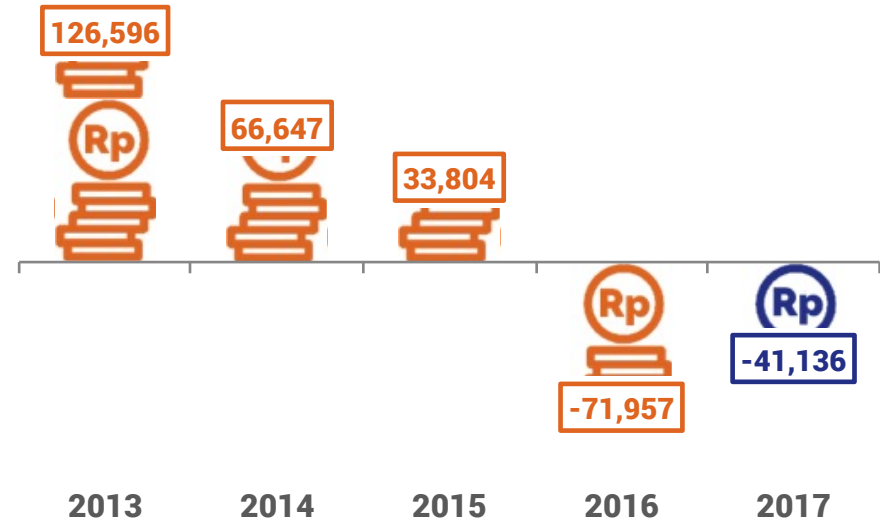
Product

- Fiber Cement products with further expansion on its capacities and product portfolio.
- Sales composition consists of 76% roofing products and 24% ceiling and partition.

Performance

- Sales volume decreased by 23% in 2017

EBITDA [million Rupiah]

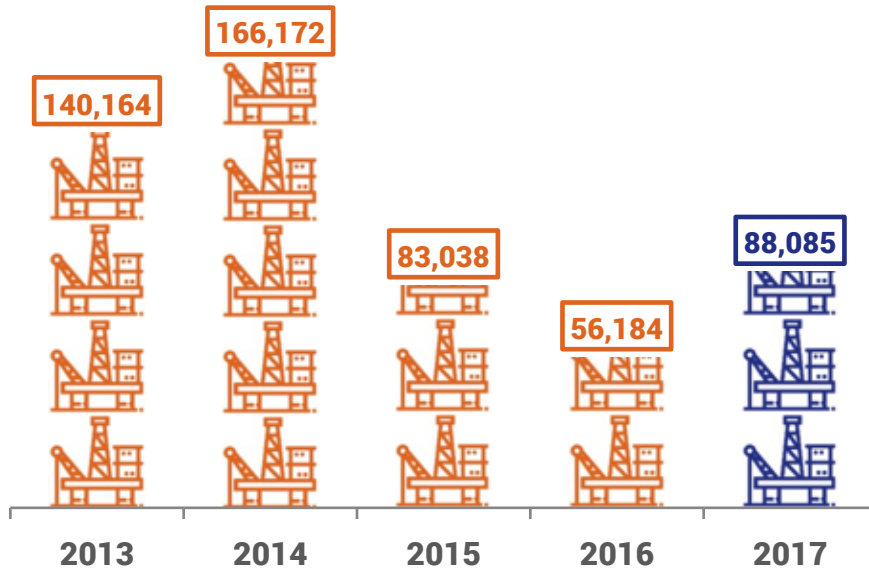


Prospect

- In 2016 growth rate of property loans (for house and apartment) was 17%⁽¹⁾.
- Promising growth potentials in line with government policies to boost property industry includes; BI rate maintained at 6.5% and the 13th Economic Policy Package focusing on simplifying regulations on housing for the lower income segment of Indonesia.

Bakrie Metal Industries

Sales Volume [metric ton]



**not including steel structure production for oil and gas sector that is calculated by man-hour*

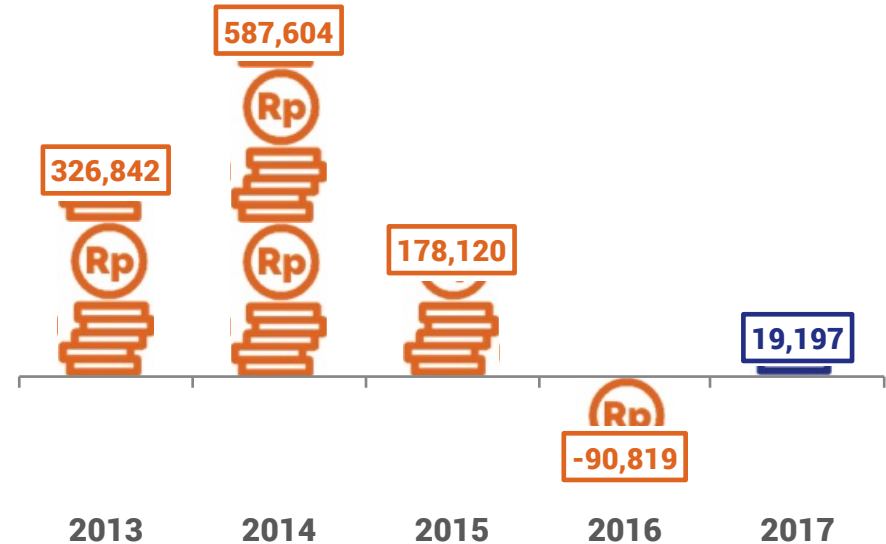
Product

- Services for steel construction, EPC, and a producer for pipes with diameter ranging from 0,5in to 24in.
- Sales Composition consists of 52% products and services in oil & gas sector.

Performance

- Sales Volume increased by 57% in 2017.
- 2017 performance was still bolstered by non-oil and gas market.

EBITDA [million Rupiah]



Prospect

- Potential from oil & gas (OG) distribution is declining in line with the national oil lifting statistics.
- Penetrate further to non-OG market given booming infra sector, as well as broadening captive OG market
- Currently gas consumption for Indonesia is 153 cu meter per capita, far below Thailand (769) and Malaysia (1044)⁽¹⁾.

(1) CIA World Factbook

GROWTH STRATEGY



Manufacturing Business Units

- **Bakrie Autoparts** – Consolidate productive assets, increase capacity through upgrading of production capacity, product portfolio expansion by adding higher margin products for both automotive and non-automotive.
- **Bakrie Building Industries** – product portfolio expansion by addition of high value added products; expansion of distribution network to shorten distance to consumers.
- **Bakrie Metal Industries** – addition of product types by establishment of coating plant and metal services laboratory; expansion of non-oil & gas market; expansion of related business lines.



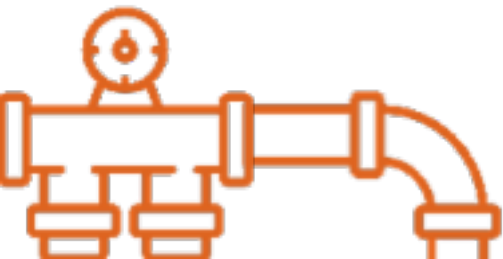
STRATEGIC INITIATIVES



Infrastructure Projects

Kalija Pipeline 1st Phase

- Collaborating with PT Perusahaan Gas Negara Tbk (PGN).
- Construction was completed on August 21, 2015.
- Gas were transported from Kepodang field (Muriah gas field owned by Petronas) to Tambak Lorok Power Plant, 116 mmscfd gas daily.



Infrastructure Projects

Cimanggis-Cibitung Toll Road

- Collaborating with PT Waskita Toll Road (a subsidiary of PT Waskita Karya Tbk).
- First phase construction begun in September 2015, as well as construction process in Cimanggis interchange.
- Land acquisition for section I and section II is going as planned.



Infrastructure Projects

Tanjung Jati A Power Plant 2x660MW

- Collaborating with YTL Jawa Energy BV (a subsidiary of YTL Corporation Berhad).
- Finalizing renegotiation process with PLN to adjust to the Government's new policy on electricity tariffs.
- Land acquisition for transmission line is at 85% completion.
- Currently processing the Environmental Impact Assessment.



APPENDIX



Seven Decades of Business

1942 – 1962

- Established as a general merchant and commissioner agent
- Pioneered Indonesia's steel manufacturing industry

1990 - 1996

- UNSP's IPO
- Licensed to operate fixed wireless service
- PT Bakrieland Development ("ELTY") was established

2003

- BUMI acquired additional 20% of PT Arutmin Indonesia
- BUMI acquired 100% of PT Kaltim Prima Coal ("KPC") valued at US\$500mn

2007 - 2008

- BTEL nationwide expansion valued at US\$72mn
- BNBR acquired ELTY, ENRG and BUMI valued at US\$4.4bn
- BUMI acquired 44% of PT Darma Henwa ("DEWA") valued at US\$218mn
- Establishment of PT Bakrie Energy International

2011

- BNBR completed quasi reorganisation
- ENRG acquired ONWJ oil block valued at US\$212mn
- Bakrie Group formed strategic partnership with BORN and reduced debt by US\$1bn

2013 - 2015

- First phase of Kalija gas pipeline project completed in 2015 and fully operated in 2016
- Cimanggis Cibitung toll road project started

1986 - 1989

- BNBR acquired PT Bakrie Sumatera Plantations ("UNSP")
- BNBR's IPO

1997 - 2001

- PT Energi Mega Persada ("ENRG") was established
- PT Bumi Resources ("BUMI") acquired 80% of PT Arutmin Indonesia
- PT Bakrie Capital Indonesia acquired 58.1% of BUMI

2004 - 2006

- PT Bakrie Telecom's ("BTEL") IPO and awarded nationwide license
- BTEL launched CDMA based telco service
- ENRG acquired 100% ownership from BP

2009 - 2010

- BUMI acquired 84% of Pendopo Energi Batubara valued at US\$117mn
- SPA signing with Vallar, UK, valued at US\$844mn
- Establishment of Bakrie Connectivity Services

2012

- BNBR completed divestment upon some ownership in Bumi plc
- Gas Transportation Agreement segment Kepodang Tambak Lorok was signed
- Signed of Assets Purchase of KG-Technology by BA

2016 - 2017

- Cimanggis-Cibitung Tollways Project continues land acquisition process as well as pha 1
- First phase of Kalija project has fully operated. Gas transportation carried out according to GTA

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