



***Bakrie &
Brothers***



MANAGEMENT PRESENTATION

April 2017

AGENDA

- Financial Updates
- Business Updates
- Portfolio Performance
- Strategic Initiatives
- Appendix

PORTFOLIO OF PUBLICLY TRADES SHARES AND PRIVATELY HELD COMPANIES

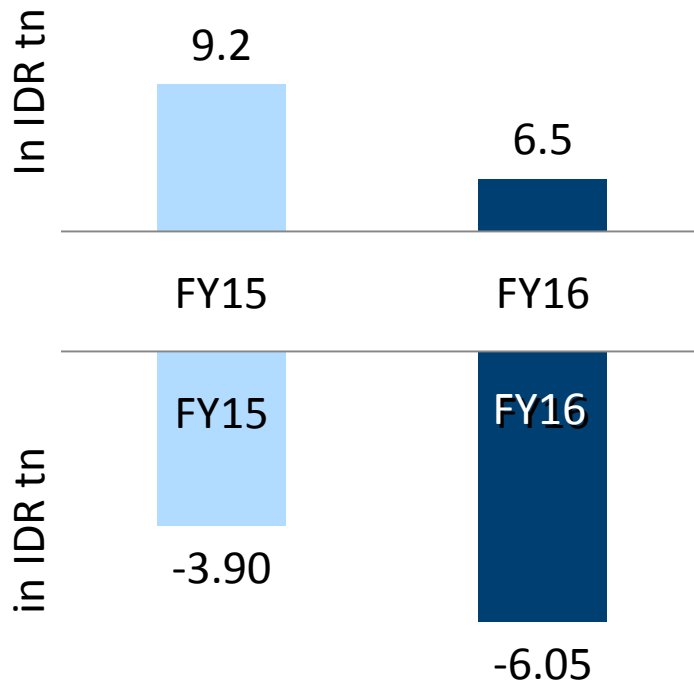
PT Bakrie & Brothers Tbk

Industry/ Sector	Metal	Automotive Parts	Building Materials	Energy Trading	Infra-structure	Mining & Natural Resources	Mining & Natural Resources	Telecom	Oil & Gas	Property Development	Agri-business
Company	Bakrie Metal Industries	Bakrie Autoparts	Bakrie Building Industries	Bakrie Energy Int'l	Bakrie Indo Infra-structure	Bumi Resources	Darma Henwa	Bakrie Telecom	Energi Mega Persada	Bakrieland Development	Bakrie Sumatera Plantation
Holdings	99.99%	99.99%	99.99%	100%	99.96%	1.5%	0.2%	0.1%	0.1%	0.2%	2.7%
FULLY CONTROLLED AND CONSOLIDATED						INVESTMENT					

**as of December 31, 2016*

FINANCIAL PERFORMANCE – B/S

(consolidated – in IDR trillion)

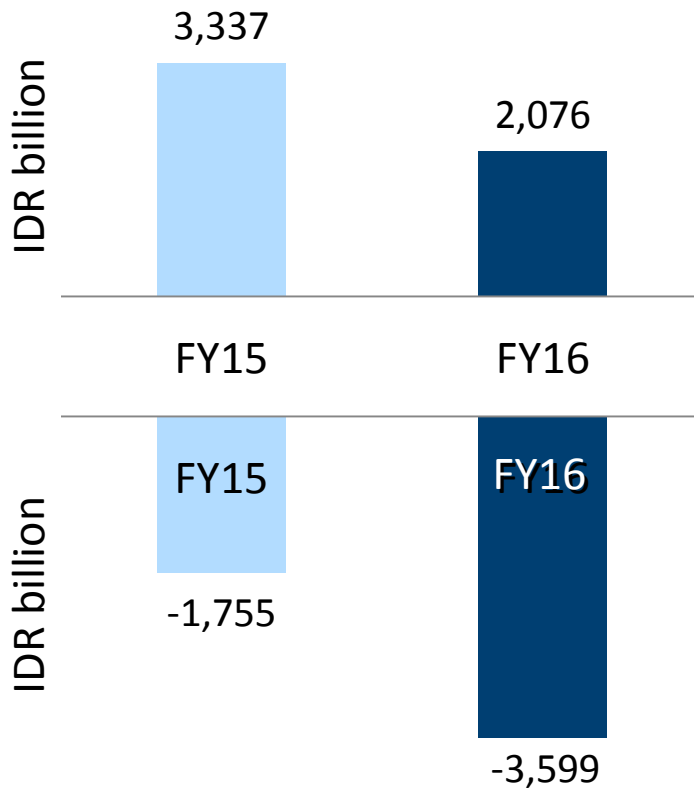


- **Assets** decreased by 29% as compared to 2015. This was due to a decrease in investments in associate and jointly controlled entities.

- **Equity deficiency** increased to Rp6.05 trillion by the end of 2016. Such increase was due to losses experienced by the company.

FINANCIAL PERFORMANCE – P&L

(consolidated – in IDR billion)

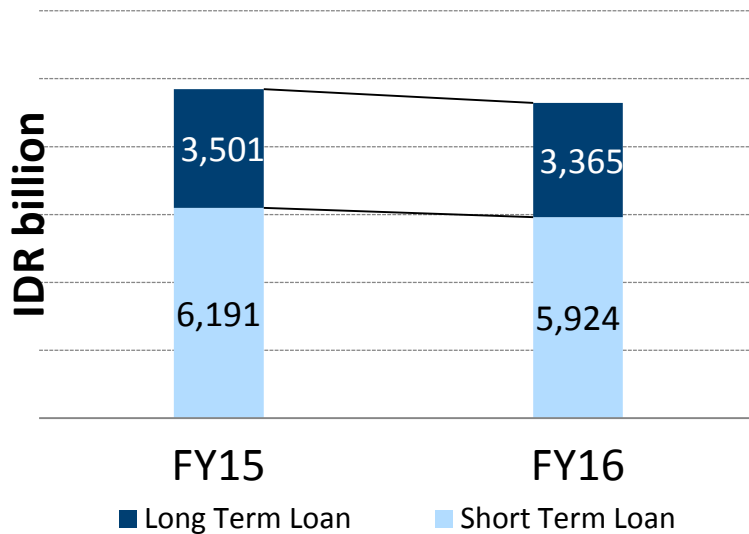


- **Revenue** decreased by 38% in the full year of 2016.
 - This was mostly due to decline of demand in automotive, building materials and metal businesses.
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- **Profit (loss) attributable to owners of parent** significantly increased in 2016.
 - This was mainly because the Company recorded share in net (loss) of associated and jointly controlled entities.

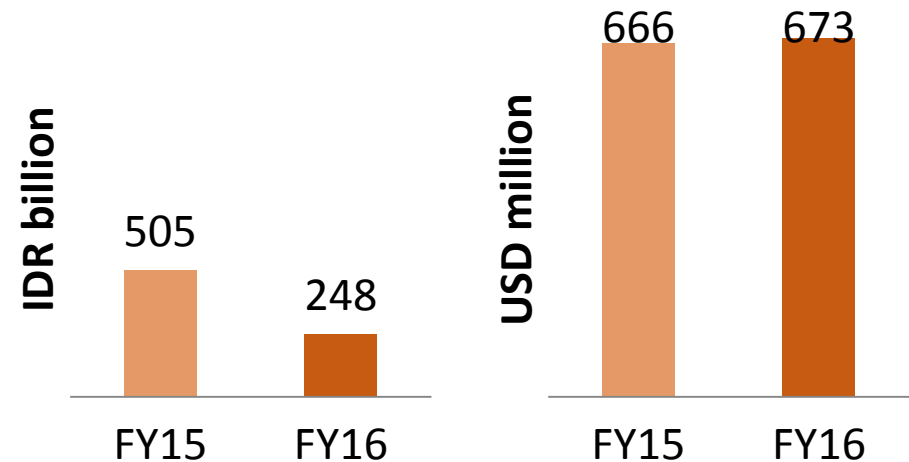
DEBT STRATEGY

(Parent only)

Long Term vs. Short Term



Total Debt IDR and USD



- **Total Loan** decreased by IDR 403 billion or 4%
- **Total Loan** in IDR decreased by IDR 257 billion or 51%
- **Total Loan** in USD increased by USD 7 million or 1%

BUSINESS UPDATES ON 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.
- Major supplier of components for domestic Mitsubishi and Hino commercial car with plan to expand its current replacement market.
- In the near future BA plans to tap into passenger vehicle to further expand its market.



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

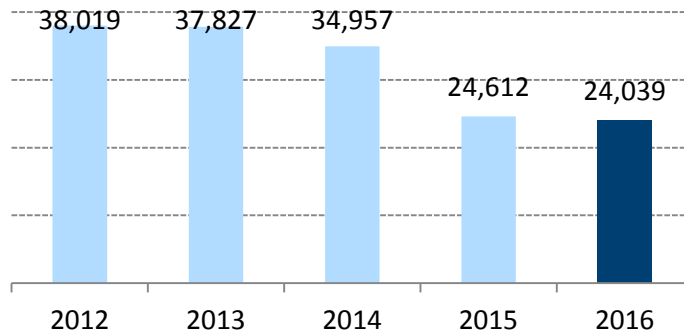


Bakrie Indo Infrastructure (BIIN)

- 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*

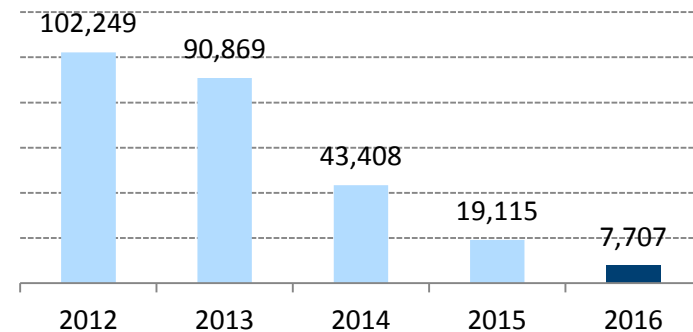
Product

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

Performance

- Sales revenue decreased by 30% in 2015 and relatively stable in 2016, which reflects the easing of automotive industry contraction.

EBITDA [million Rupiah]



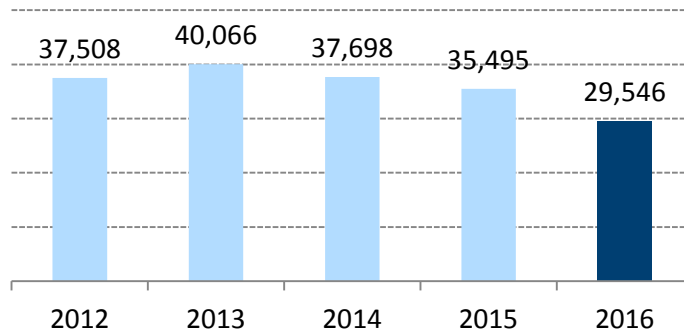
Prospect

- 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]



**not including sales from Bangun Bantala Indonesia*

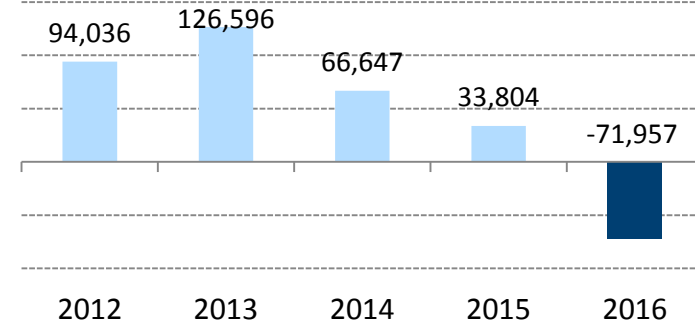
Product

- Fiber Cement products with further expansion on its capacities and product portfolio.
- Sales composition consists of 70% roofing products and 30% ceiling and partition.

Performance

- Sales volume decreased by 17% in 2016.

EBITDA [million Rupiah]



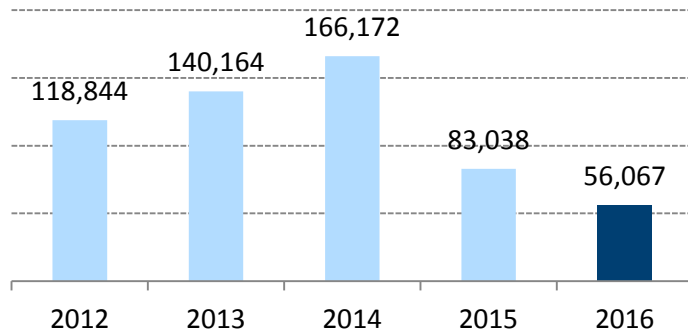
Prospect

- 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.

(1) Bank Indonesia

BAKRIE METAL INDUSTRIES

Sales Volume (metric ton)



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

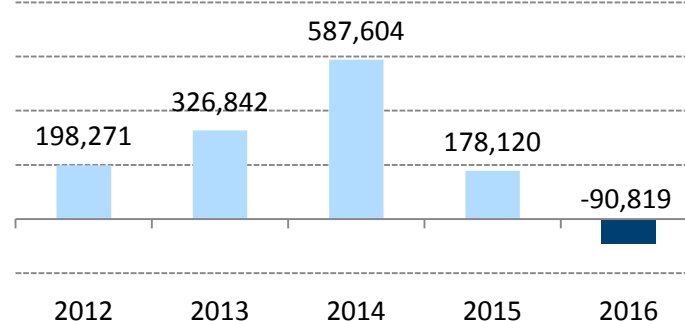
Product

- Services for steel construction, EPC, and a producer for pipes with diameter ranging from 0,5in to 24in.
- Sales Composition consists of 44% products and services in oil & gas sector.

Performance

- Sales Volume decreased by 32% in 2016.
- 2016 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.

GROWTH STRATEGY

Infrastructure Projects Development

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



GROWTH STRATEGY

Infrastructure Projects Development

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

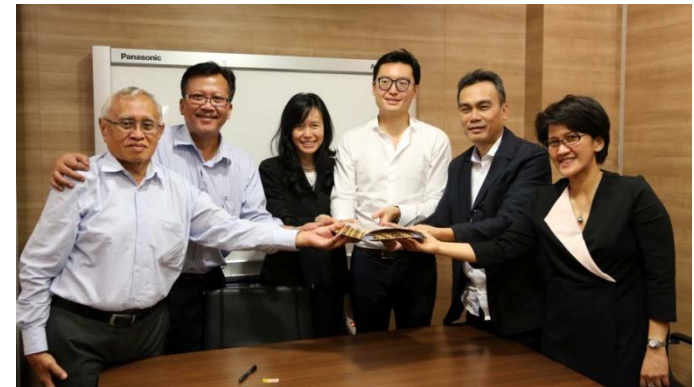


GROWTH STRATEGY

Infrastructure Projects Development

Tanjung Jati A Power Plant 2x660MW

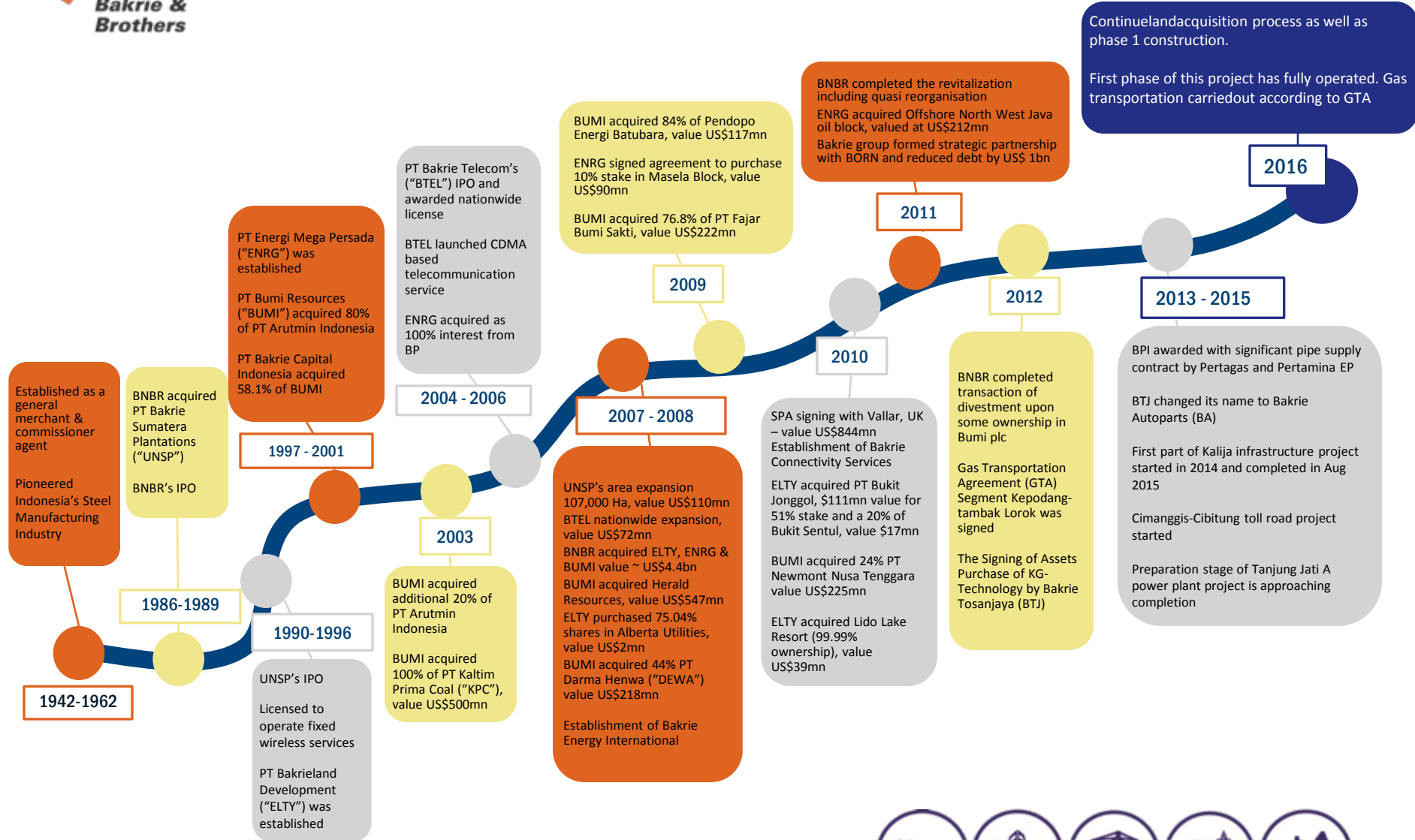
- Collaborating with YTL Jawa Energy BV (a subsidiary of YTL Corporation Berhad)
- Signing of PPA in December 2015
- Currently in investment funding process



APPENDIX



SEVEN DECADES OF BUSINESS VENTURES



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