



PT BARITO PACIFIC TBK.

1Q - 2018 Performance Earnings Call

6 July 2018

Agenda

- Business Highlights 1Q - 2018
- 1Q - 2018 Consolidated Results
- Petrochemical Business
- Material Updates
- Q & A

➤ **Business Highlights 1Q - 2018**

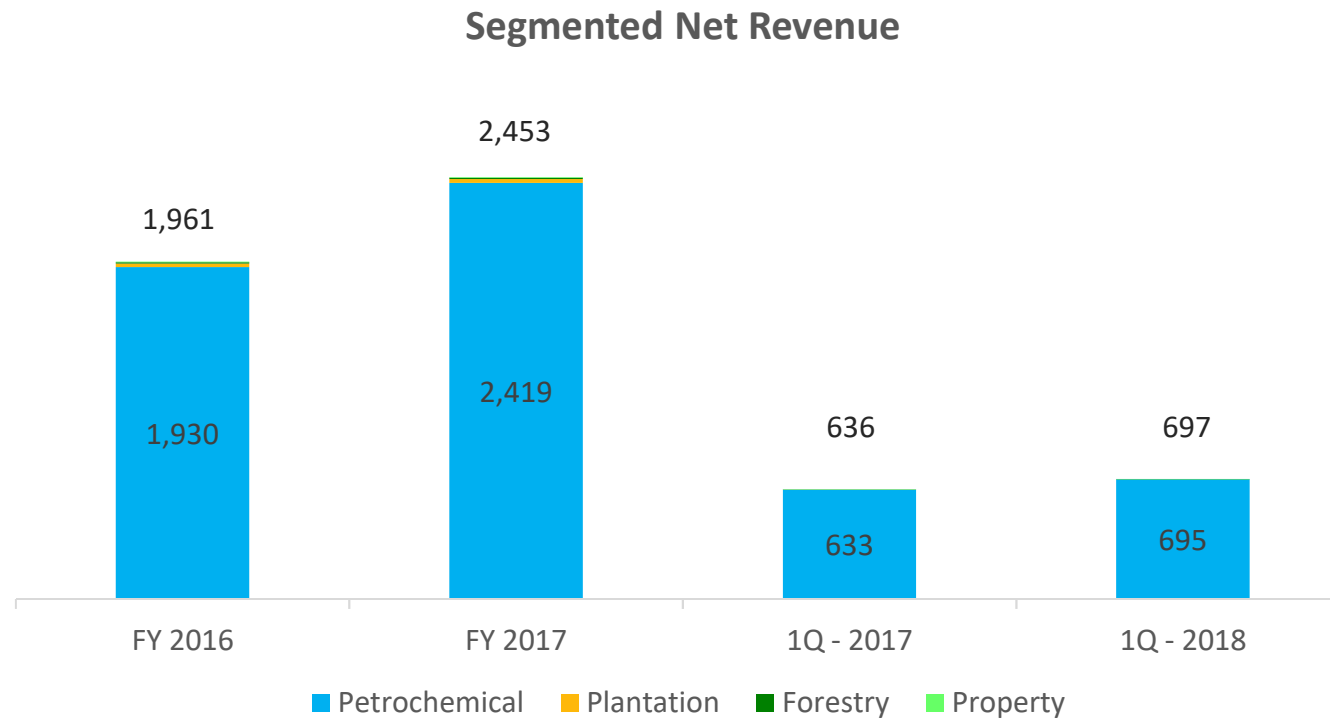
Business Highlights 1Q - 2018

- Achieved EBITDA of US\$131m with margin of 19% for 1Q - 2018 amid rising naphtha cost in tandem with higher crude oil price, partly offset by strong production and sales volumes, primarily Polymers.
- Maintained high operating rates for all petrochemical plants except for planned shutdown of Butadiene for tie-in /TAM
- Successfully extend tenure of US\$250m term-loan with Bangkok Bank Public Company for another 12 months.
- PT Chandra Asri Petrochemical, issued IDR500 billion Bond (~US\$36.2m) in March 2018, proceeds used to prepay US\$94.98m Term Loan facility and for working capital.
- PT Griya Idola, groundbreaking of Wisma Barito Pacific 2 in April 2018 with expected completion in 2Q - 2020.
- PT Royal Indo Mandiri, entered into Conditional Sales Purchase Agreement to sell 95% of its ownership interest in the plantation operations.
- All projects progressing as per plan.

➤ **1Q - 2018 Consolidated Results**

1Q - 2018 Consolidated Results

9% higher revenues in 1Q-2018 vs 1Q-2017 reflecting higher sales volume and product prices

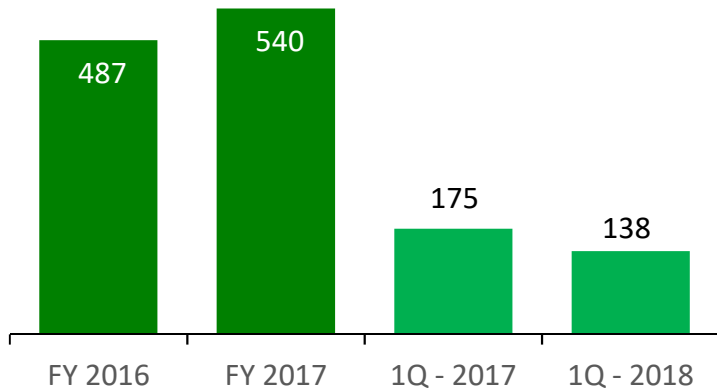


Notes:

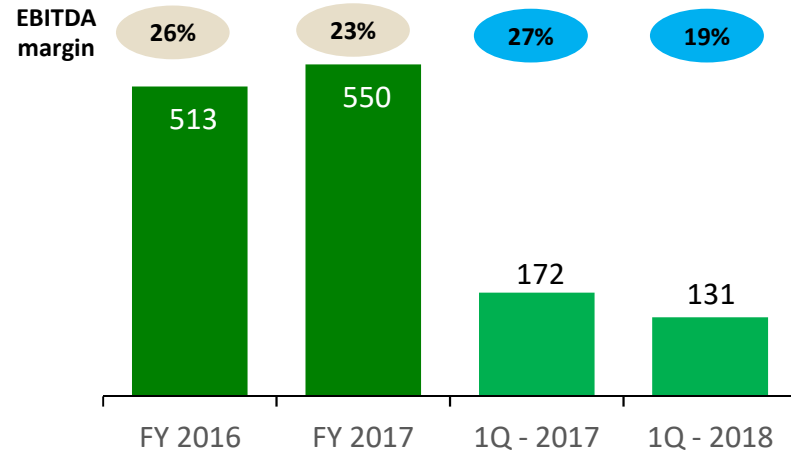
1. During the years ended December 31, 2016 and 2017, and for the three-month periods ended March 31, 2018, our petrochemical business generated net revenues of US\$1,930 million, US\$2,419 million and US\$695 million, of which it constituted 98.4%, 98.6% and 99.7% , respectively, of BRPT’s net revenue.
2. On March 2, 2018, PT Royal Indo Mandiri (“RIM”) entered into Conditional Share Purchase Agreement, whereby RIM agreed to sell 95% ownership interest in Plantation business.

1Q - 2018 Consolidated Results

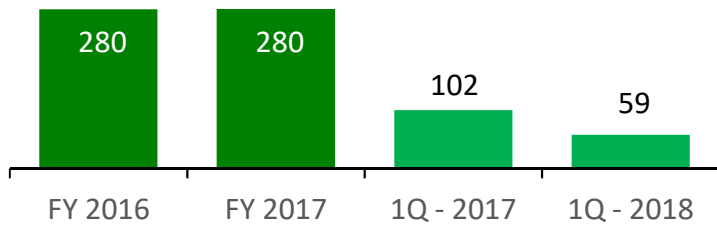
GROSS PROFIT



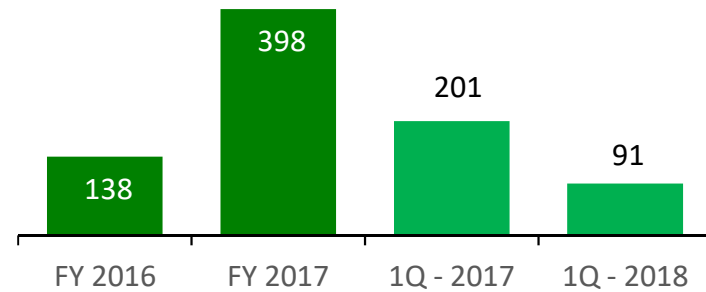
EBITDA



NET INCOME



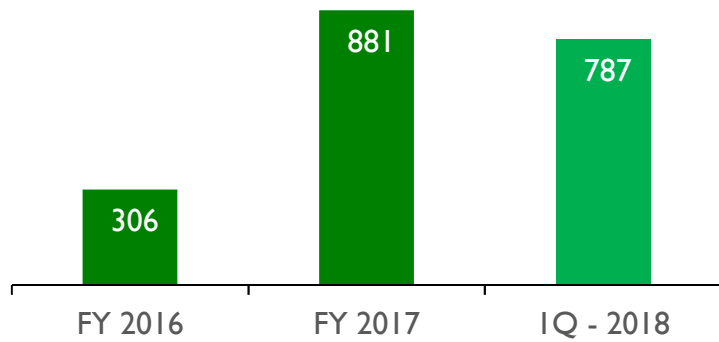
CAPEX



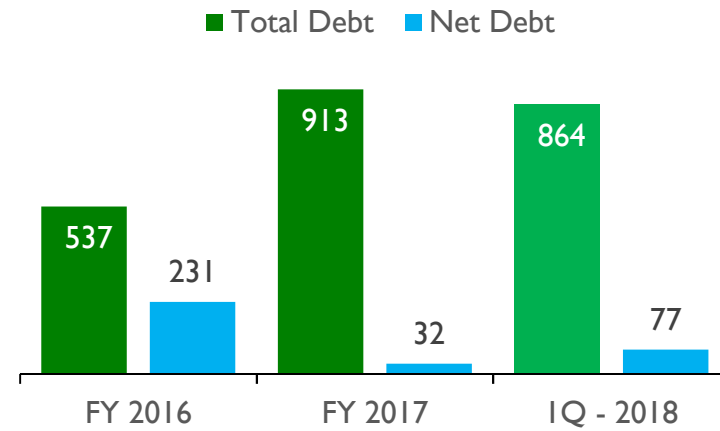
1Q - 2018 Consolidated Results

Strong Balance Sheet supported by financial profile strengthening

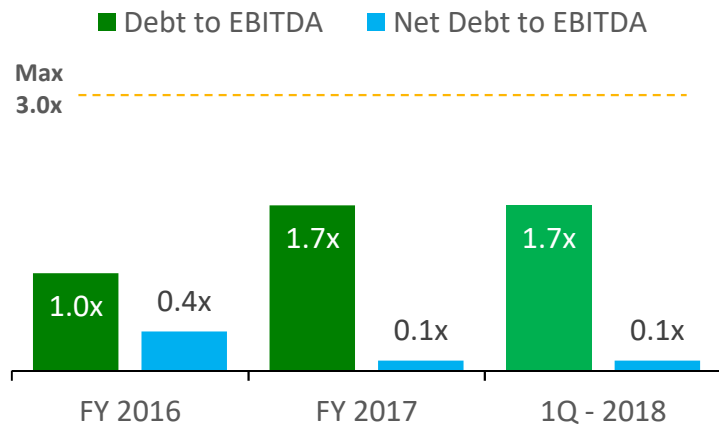
CASH BALANCE



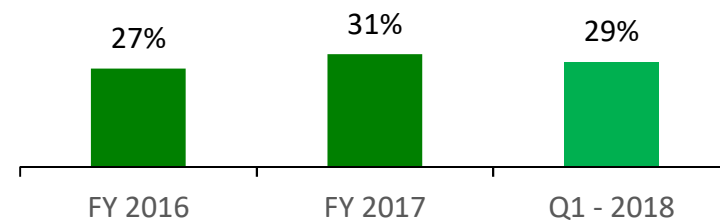
TOTAL DEBT & NET DEBT



DEBT TO EBITDA



DEBT TO CAPITAL



1Q - 2018 Consolidated Results

1Q - 2018 (US\$m)	Net Revenue	EBITDA ⁽¹⁾	Net Income	Total Debt	Cash Balance	Net Debt	Net Debt to EBITDA
Barito Pacific	697	131	59	864	787	77	0.1x
CAP	695	129	74	621	764	<i>Net Cash</i>	<i>Net Cash</i>
Star Energy ⁽²⁾	-	-	-	-	-	-	-

(1) EBITDA is defined as net profit for the period from continuing operations before finance costs - net of interest income, income tax expense - net, depreciation and amortization, adjusted for unrealized foreign exchange loss/(gain) - net, loss/(gain) on derivative financial instruments, and share in loss of an associate and joint venture - net.

(2) Barito Pacific has completed its acquisition of 66.67% ownership interest in Star Energy Geothermal Pte. Ltd. ("Star Energy") on June 7, 2018.

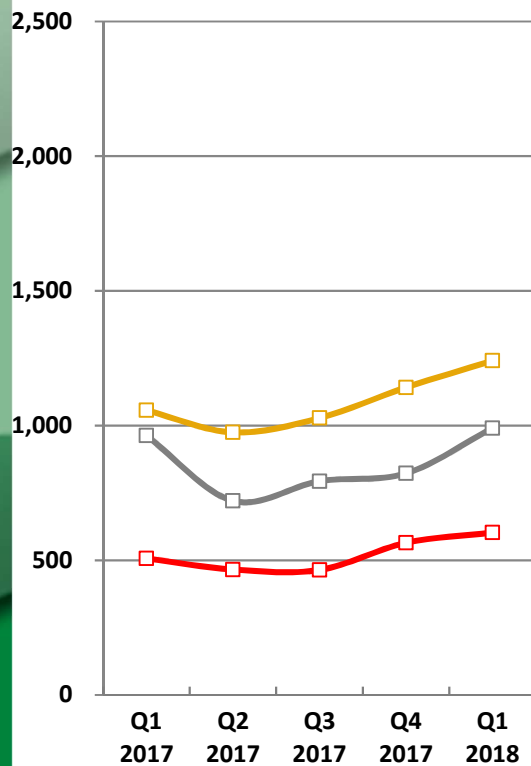


➤ **Petrochemical Business**

Petrochemical Product Spread

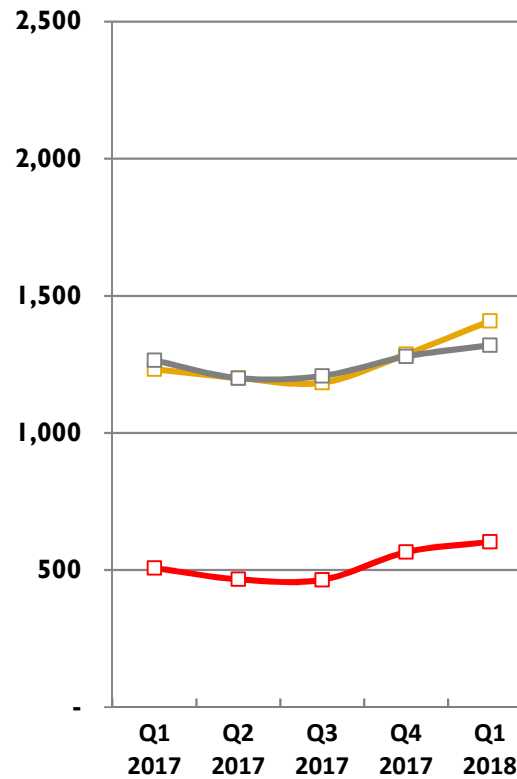
Continuing healthy product spreads, despite increasing feedstock price reflecting higher crude oil...

Olefins



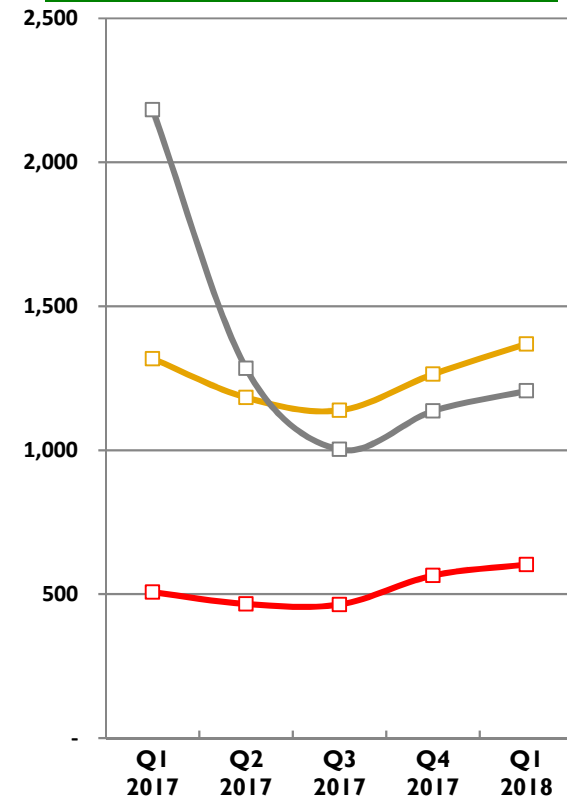
■ Ethylene ■ Propylene
■ Naphtha

Polyolefins



■ Polyethylene ■ Polypropylene
■ Naphtha

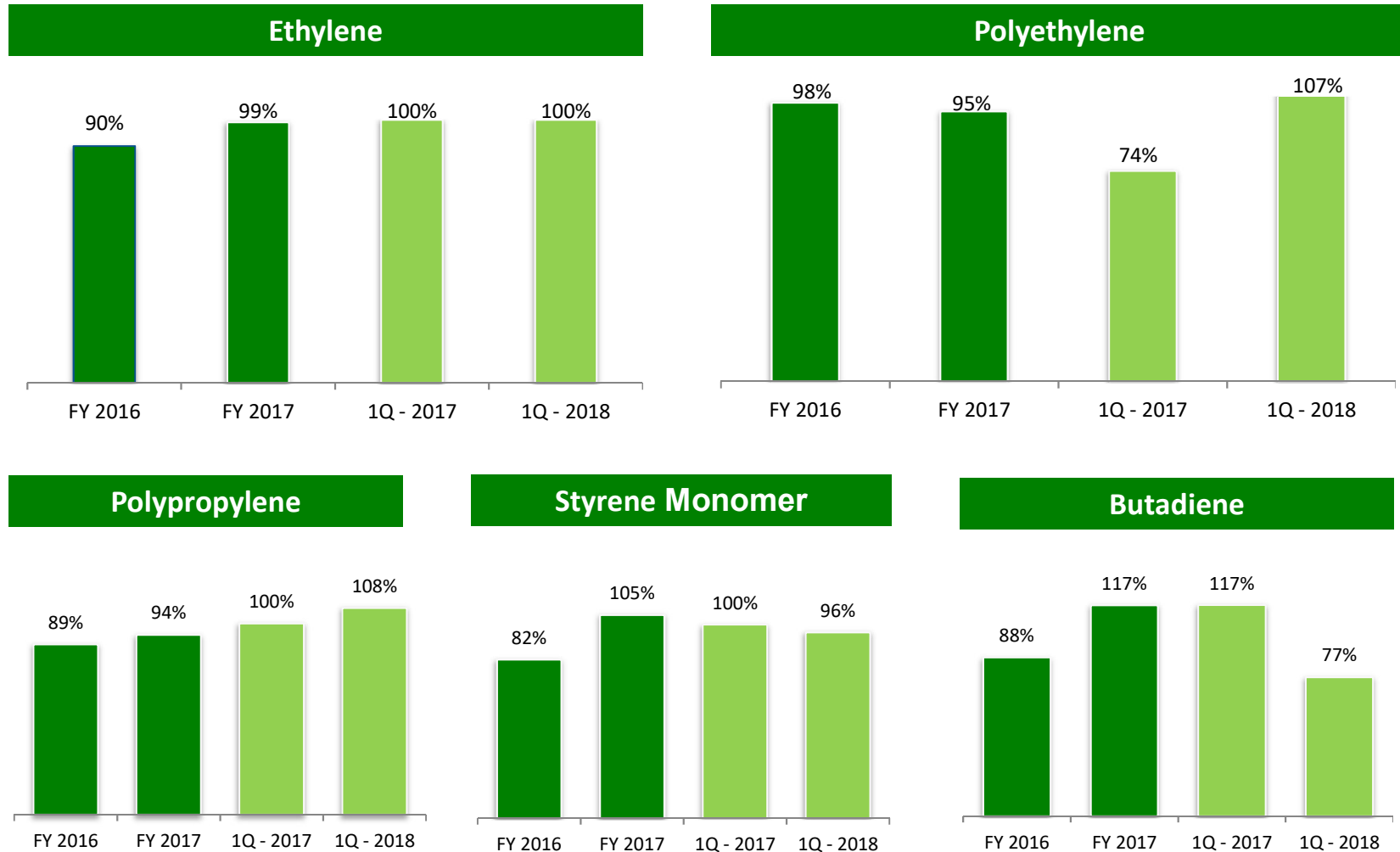
Others



■ SM ■ Butadiene ■ Naphtha

Petrochemical Operating Rates

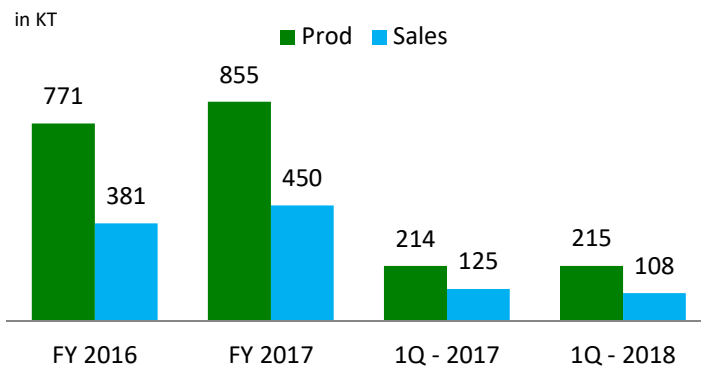
Maintained high operating rates for all plants ...



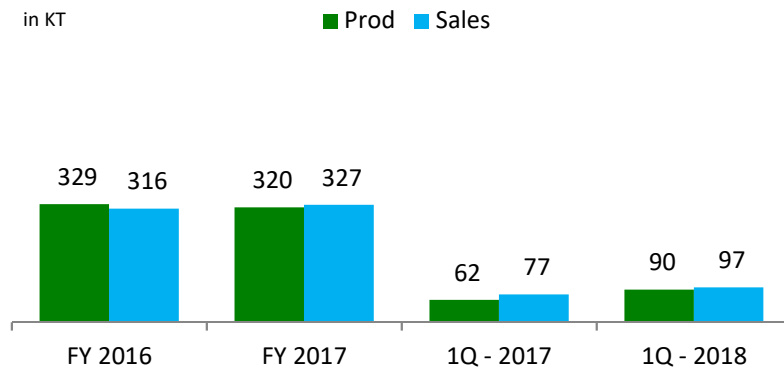
Petrochemical Production and Sales Volumes

Higher volumes resulting from higher operating rates

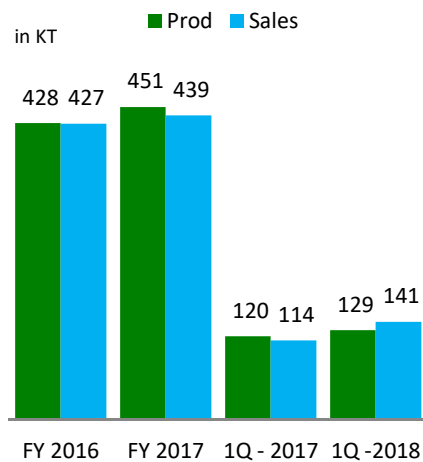
Ethylene**



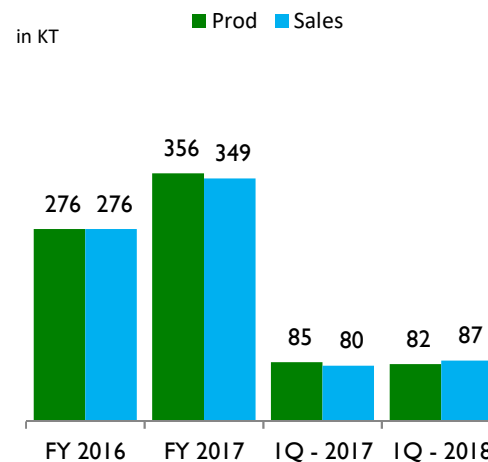
Polyethylene



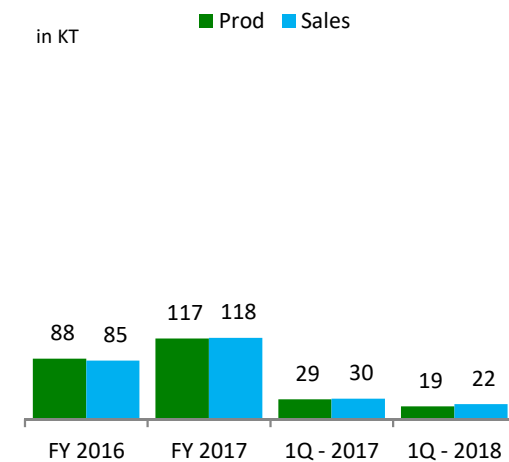
Polypropylene



Styrene Monomer



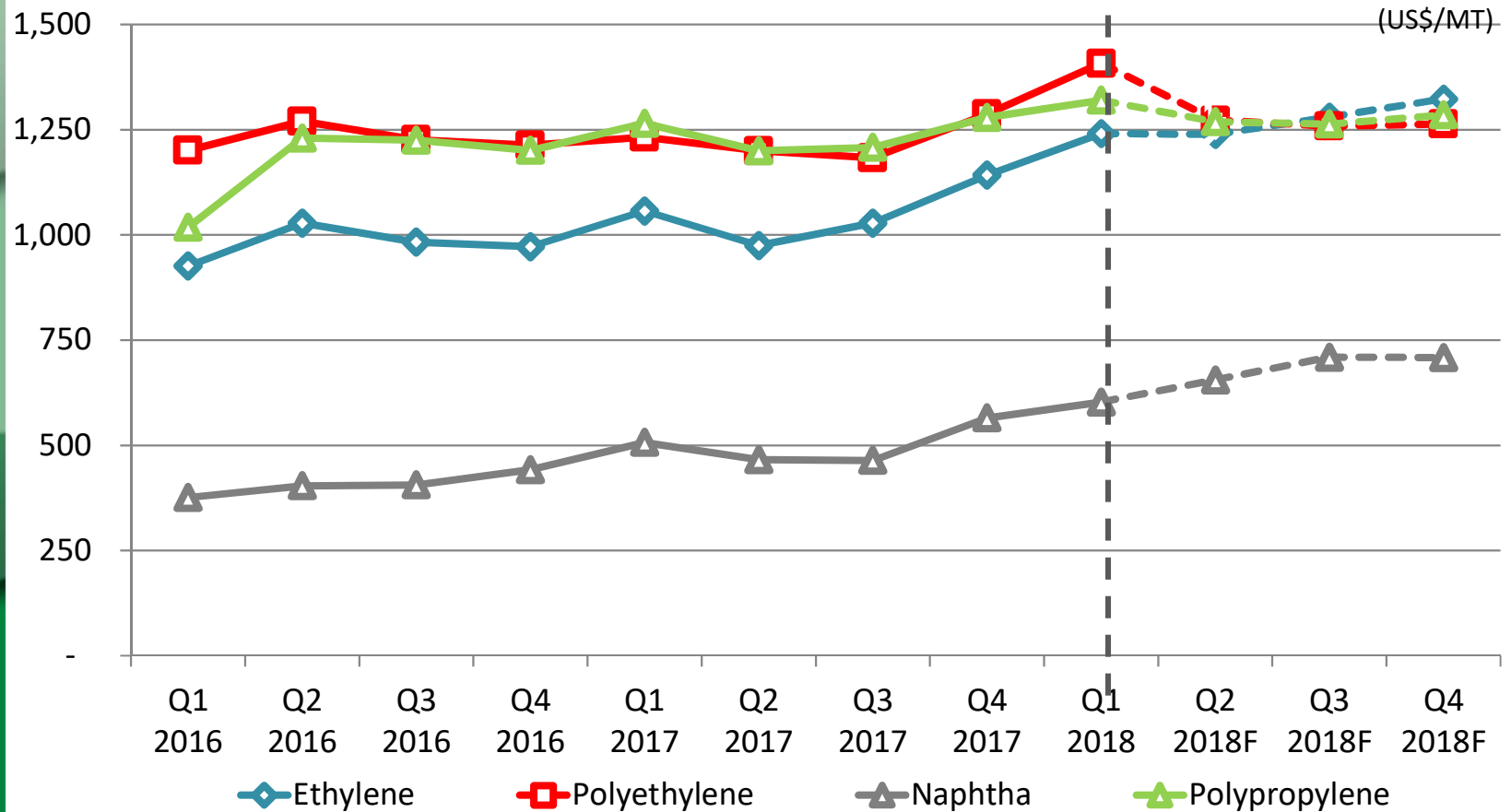
Butadiene



** Around 50% of the produced Ethylene used for internal consumption/production

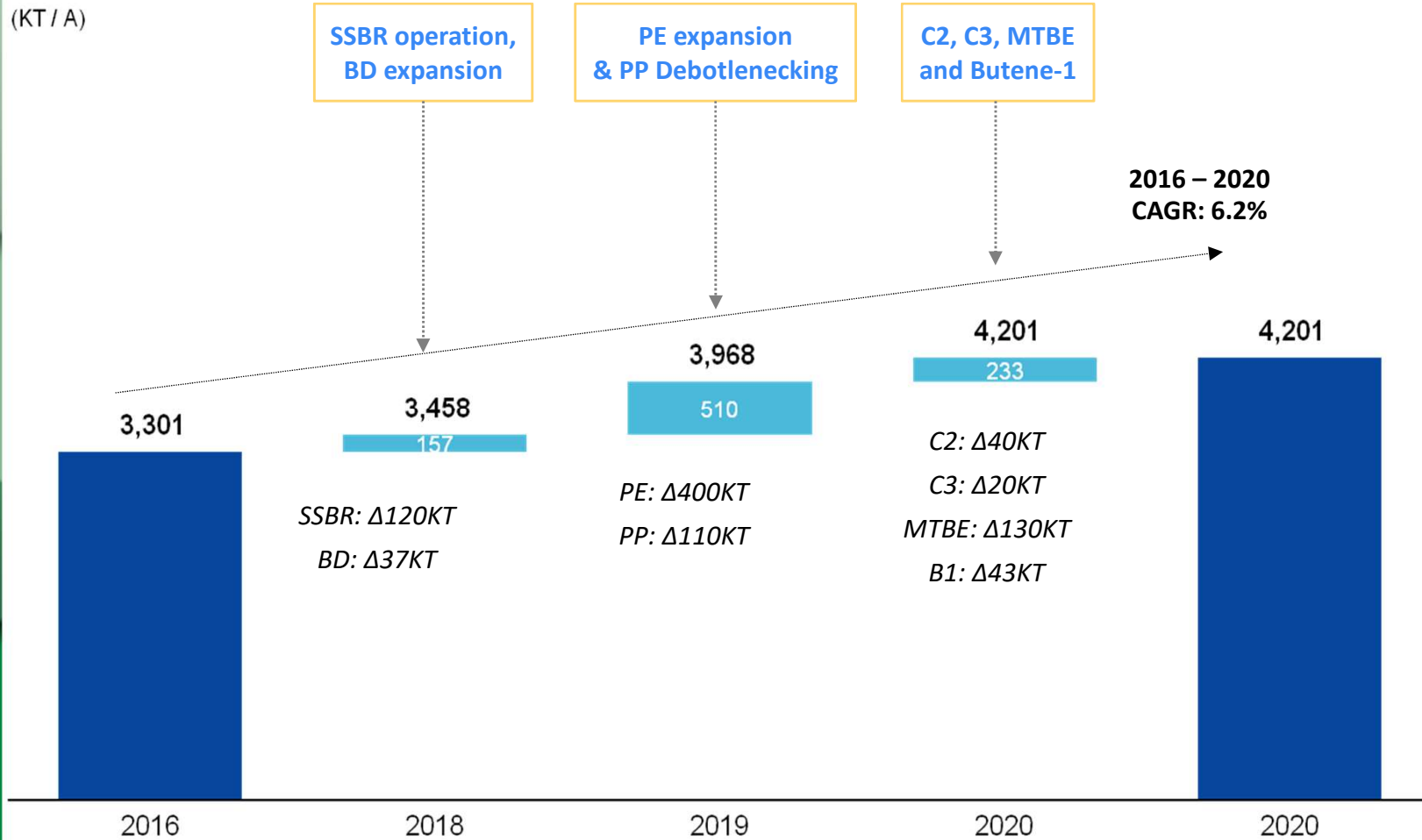
2018 Outlook - Petrochemical

Continuing healthy product spreads despite increasing feedstock price...



Note: Forecasted price based on IHS 31 May 2018

Strategic Growth via Expansion and Debottlenecking (Excluding 2nd Petrochem Complex)



After doubling the size of production capacity over historical 10-yr, expected further growth in the next 5-yr will come from several expansion & debottlenecking initiatives.

Note:
SSBR – Solution Styrene Butadiene Rubber
BD Expansion - Butadiene Plant Expansion

PE - Polyethylene MTBE - Methyl tert-butyl ether
PP – Polypropylene C2 / C3 – Refers to furnace revamp

Strategic Growth via Expansion and Debottlenecking

Project Description	Schedule		CAPEX (US\$m)	Funding Status	Capacity Increase	Cumulative Capacity
	Start	Proposed Start up				
Current Production Capacity						3,301 KT/A
Butadiene Plant Expansion	2Q – 2017	2Q – 2018	42.0	Fully Funded	37 KT/A	37 KT/A
Synthetic Rubber Project (through SRI JV)	4Q – 2015	3Q – 2018	570.0	Fully Funded	120 KT/A	120 KT/A
Production Capacity at the end of 2018						3,458 KT/A
PP Debottlenecking	4Q - 17	3Q – 2019	39.5	Fully Funded	110 KT/A	110 KT/A
New Polyethylene Plant	1Q – 2018	4Q – 2019	380.0	Fully Funded	400 KT/A	400 KT/A
Production Capacity at the end of 2019						3,968 KT/A
Furnace Revamp	3Q – 2018	1Q – 2020	48.0	Fully Funded	40 KT/A C2; 20 KT/A C3	60 KT/A
MTBE and Butene – 1 Plant	Not yet started	3Q – 2020	114.0	Fully Funded	130 KT/A MTBE; 43 KT/A B1	173 KT/A
Production Capacity at the end of 2020						4,201 KT/A

➤ **Material Updates**

Material Updates

- **Right Issue Completion**
 - Total raised: **Rp8.9 trillion**
 - Use of Proceeds: Rp7.4 trillion to pay outstanding acquisition price of Star Energy; Rp1.5 trillion for working capital needs of its subsidiaries
 - New Shares issued: 3.8 billion shares at **Rp2,330 per share**
 - Issued 958 million warrants
 - Exercise Window I: July 1, 2019 – June 30, 2020 (@Rp1,864 per share)
 - Exercise Window II: July 1, 2020 – June 30, 2021 (@Rp2,330 per share)

- **Dividend Issuance**
 - In June 2018, BRPT **declared US\$30m dividend** (25.4% of 2017 net income) that will be paid on July 18, 2018, equivalent to (**Rp24.43 per share**).

Material Updates

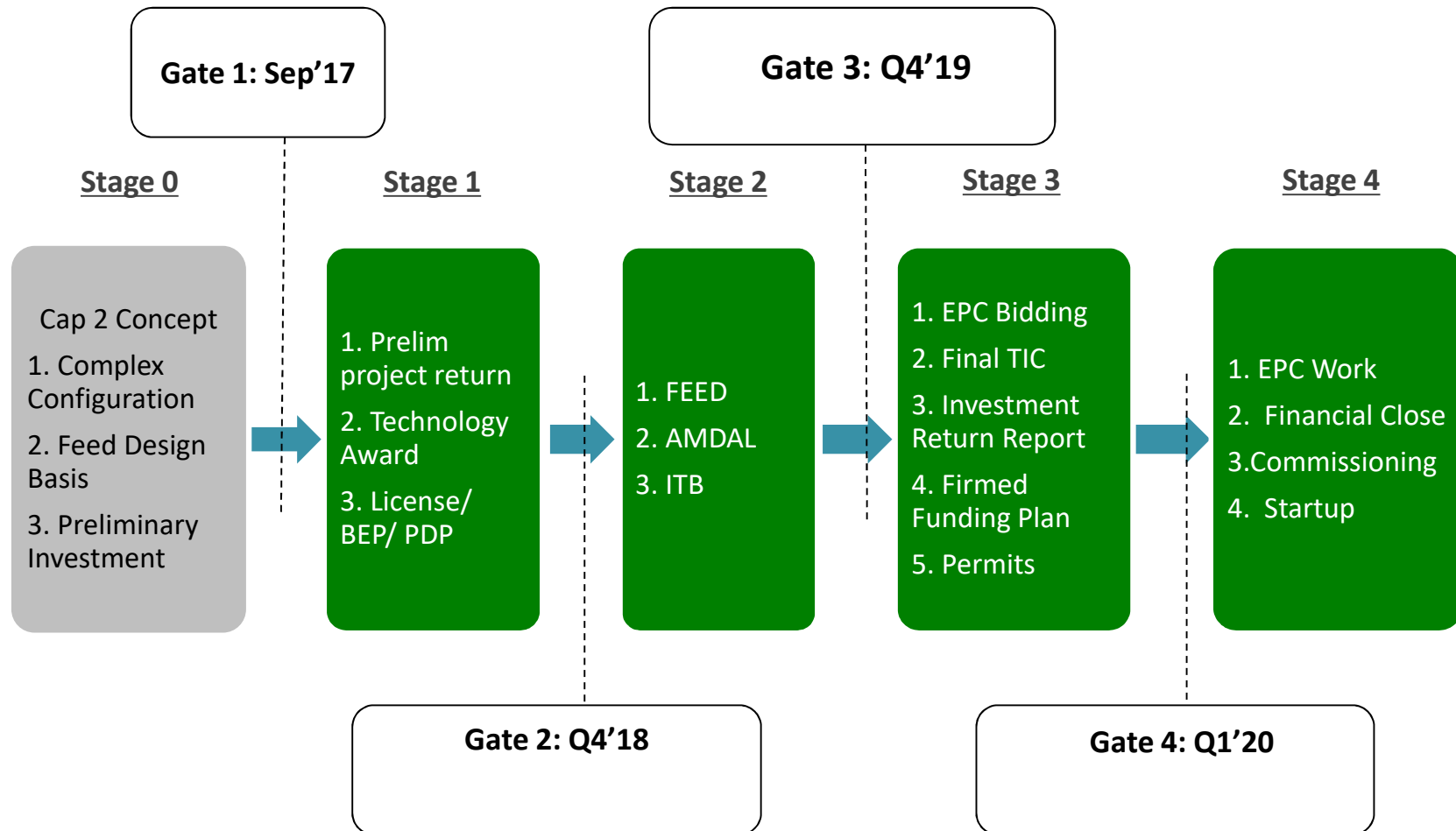
- **Star Energy Acquisition**
 - On June 7, 2018, **BRPT completed its acquisition of 66.67% ownership interest in Star Energy Group Holdings Pte Ltd.**, Indonesia’s leading geothermal power producers.
 - Consolidated operating capacity: 875 MW (steam and electrical power)
 - Net operating capacity: 473 MW (steam and electrical power)
 - Key assets (consolidated / net capacity): Wayang Windu (227 / 136 MW), Salak (377 / 196 MW), Darajat (271 / 141 MW)
 - BCPG, a Thai listed renewable energy company, owns a 33.33% stake.

- **Java 9 & 10 Power Project**
 - PT Indo Raya Tenaga (“IRT”) selected the EPC for Java 9 & 10 Suralaya Power Project (**ultra supercritical 2 x 1,000MW coal-fired power**) for a total project cost of US\$3.1 billion (70:30 financing). IRT targets its financial closing project in 1Q - 2019.

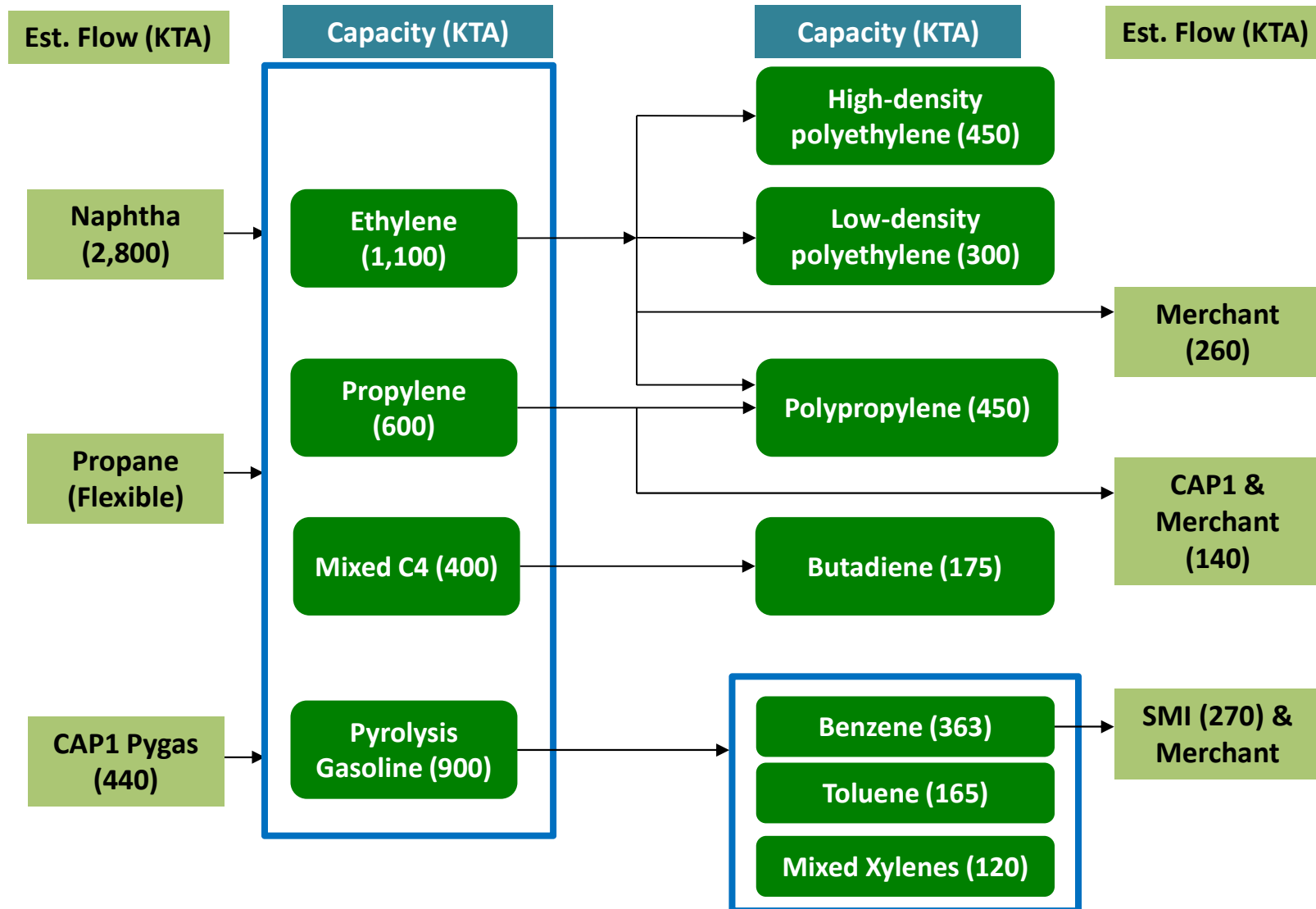
➤ **Q & A**

➤ **Appendix**

CAP 2 Project Master Schedule



CAP 2 Product flows and production capacities



CAP 2 Progress...

Awarded Technology Licensors and Basic Design Package in April 2018

Production Plant	Licensor	Production Plant	Licensor
Olefins (1.1 MMTA C2)	• CB&I	HDPE (450KTA)	• Texplore
Butadiene (175 KTA)	• BASF/CB&I	LDPE (300 KTA)	• LyondellBasell
Aromatics (363 KTA BZ, 165 KTA TL, 120 KTA MX)	• GTC	PP (450 KTA)	• LyondellBasell

1Q - 2018 Consolidated Results

EBITDA 1Q – 2017 vs EBITDA 1Q - 2018

