



# **Pakuwon Jati**

## ***Results Presentation -1Q 2018***

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## Section 1

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# Results summary



# Results summary

<i>(Rp bn unless otherwise stated)</i>	1Q 2018	1Q 2017	Variance	Comments
<b>Revenue</b>	<b>1,647</b>	<b>1,378</b>	<b>+19.5%</b>	22% increase in recurring revenues and 17% increase in development revenue recognition. Pakuwon Permai contributed Rp 413bn (25%) of revenues.
<b>Gross Profit<sup>1</sup></b>	<b>944</b>	<b>794</b>	<b>+18.9%</b>	
<i>Gross Profit Margin (%)</i>	57.3%	57.6%		
<b>EBITDA<sup>1</sup></b>	<b>923</b>	<b>756</b>	<b>+22.2%</b>	
<i>EBITDA Margin (%)</i>	56.0%	54.8%		
<b>Net Income for the Period<sup>2</sup></b>	<b>694</b>	<b>518</b>	<b>+33.9%</b>	
<i>Net Income Margin (%)</i>	42.1%	37.6%		
<b>Net Income Attributable to Owners<sup>2</sup></b>	<b>617</b>	<b>491</b>	<b>+25.5%</b>	
<b>Earning Per Share (Rp)<sup>2</sup></b>				
Basic	12.81	10.20	+25.5%	

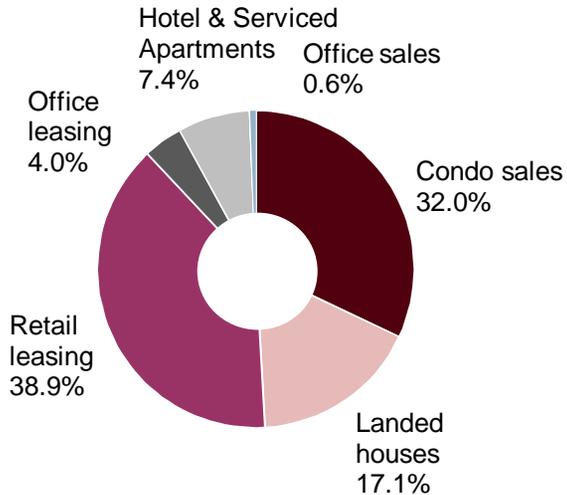
Notes:

1 Adjusted for acquisition related COGS from goodwill costs of Rp4bn in 1Q2018 and Rp7bn in 1Q2017

2 Adjusted for acquisition COGS from goodwill costs of Rp4bn in 1Q2018 and Rp7bn in 1Q2017, forex gain (loss) of (Rp42bn) and Rp20bn in 1Q2018 and 1Q2017 respectively, loss on derivative of Rp8bn and Rp3bn in 1Q2018 and 1Q2017 respectively, and penalty on redemption of bond payable of Rp 154bn in 1Q2017

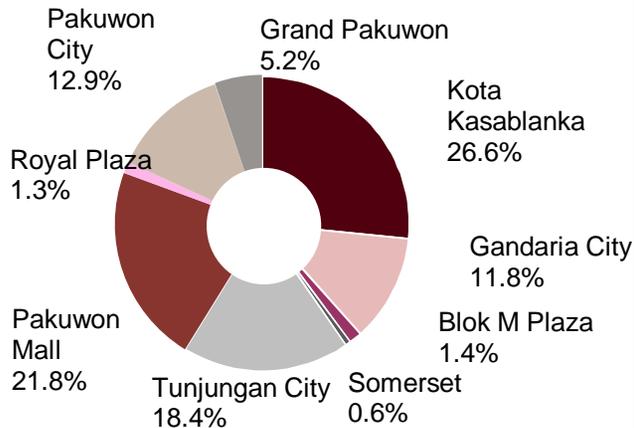
# Results breakdown

## Revenue by segment (1Q2018)



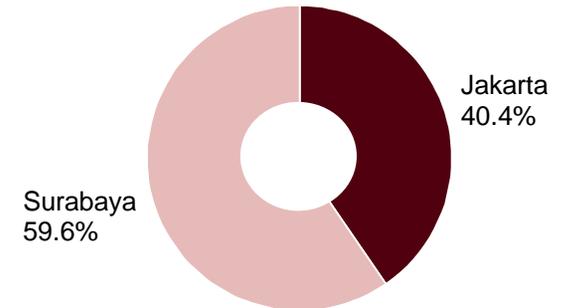
- **50%** recurring revenue
- Contribution of recurring income continues to be driven by retail mall leasing income
- Increased residential sales recognition of condominiums and landed houses
- PWON continues to target long term 50/50 recurring/development

## Revenue by project (1Q2018)



- Increased revenue contribution of Surabaya projects primarily from Pakuwon Mall and Pakuwon City
- Increased revenue contribution of Jakarta projects primarily from Kota Kasablanka phase 2
- Going forward, we expect contribution from Tunjungan Plaza 6

## Revenue by geography (1Q2018)



- Jakarta revenue contribution expected to grow as PWON recognizes Kota Kasablanka phase 2 condos and develop Bekasi and Simatupang landbank
- Continued management focus on growing in both Jakarta and Surabaya

# Key recent developments

- ✓ Opened Tunjungan Plaza Phase 6 retail mall on 23 September 2017
- ✓ Received in July 2017 ratings upgrade from Moody's to Ba2, stable outlook
- ✓ Opened Pakuwon Mall Phase 2 & 3 on 22 February 2017
- ✓ Refinanced USD200m of 7.125% Senior Unsecured Note due 2019
- ✓ Issued USD250m of 5.0% Senior Unsecured Note due 2024
- ✓ Acquired in June 2016, 11ha land in Daan Mogot, West Jakarta
- ✓ Completed Four Points by Sheraton Surabaya, soft opening in June 2016
- ✓ Received in May 2016 ratings upgrade from S&P to BB-, stable outlook
- ✓ Opened Tunjungan City phase 5 retail mall and Sheraton Hotel, Gandaria City in October 2015
- ✓ Received ratings upgrade from Fitch and Moody's (respectively, BB-/ Ba3)

## Section 2

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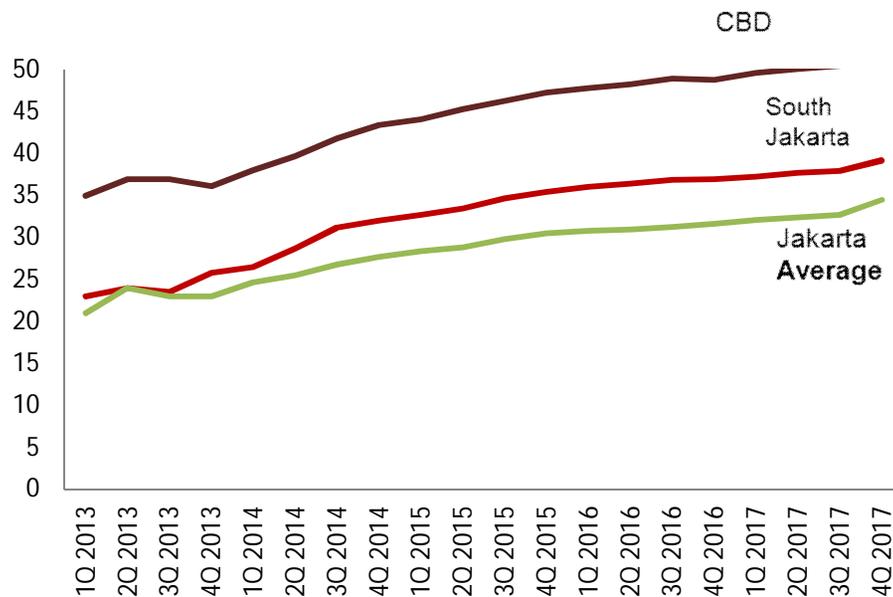
# Business summary



# Residential market update

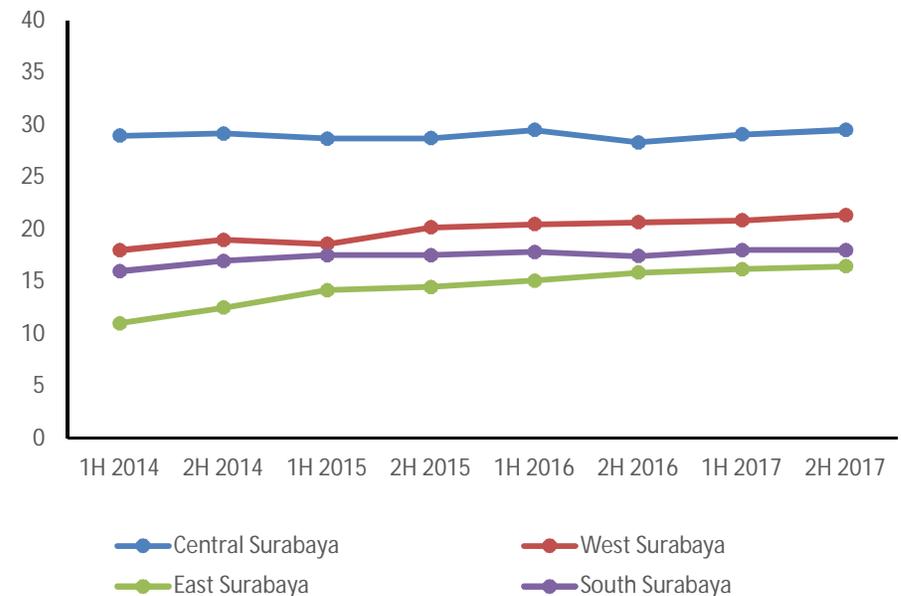
Residential sales in prime locations by established developers remain resilient despite moderate softening in broader non-prime locations

ASPs of condos in Jakarta (Rpm psm)



Source: Colliers Apartment Market Report – Jakarta 4Q 2017

ASPs of condos in Surabaya (Rpm psm)

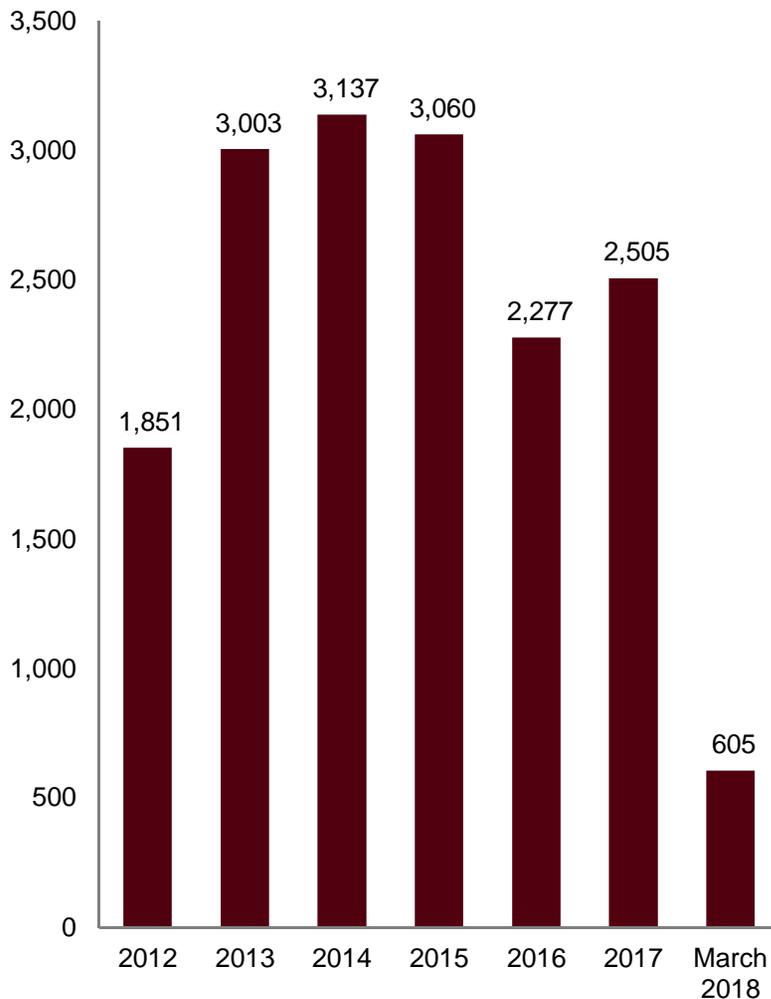


Source: Colliers Apartment Market Report – Surabaya 2H 2017

# Residential development – Strong take-up of existing projects

Strong pre-sales across all residential and office projects underpins future growth

Historical Pre-sales (Rp bn)



Note: 2014 includes addition of pre-sales from PT Pakuwon Permai

Pre-sales and construction update (excludes residential township)

Superblock / Township	Project name	Segment	GSA (sqm)	% Sold	Progress update
<b>Kota Kasablanka</b>	88 Kasablanka A	Office	36.3K	100% <sup>1</sup>	Completed
	Casa Grande	Condo	96.2K	99%	Completed
	Angelo	Condo	36.9k	77%	Topping off
	Bella	Condo	36.8k	70%	Topping off
	Chianti	Condo	47.3k	54%	Topping off
	Pakuwon Tower	Office	32.1k	4% <sup>1</sup>	Level 47
<b>Tunjungan City</b>	Pakuwon Center	Office	8.9K	95% <sup>1</sup>	Completed
	The Peak	Condo	30.0K	99%	Completed
	One Icon	Condo	48.8K	71%	Topping off
	Pakuwon Tower	Office	15.7K	43% <sup>1</sup>	Topping off
<b>Pakuwon City</b>	Harvard	Condo	26.0k	100%	Completed
	Stanford	Condo	25.5k	99%	Completed
	Yale	Condo	25.4k	100%	Completed
	Princeton	Condo	25.7k	99%	Completed
	Amor	Condo	47.4k	56%	Piling
<b>Pakuwon Mall</b>	Orchard	Condo	27.6K	100%	Completed
	Tanglin	Condo	32.3K	99%	Completed
	La Riz	Condo	41.4K	97%	Completed
	Anderson	Condo	57.1k	76%	At level 36
	Benson	Condo	53.4k	46%	At level 6

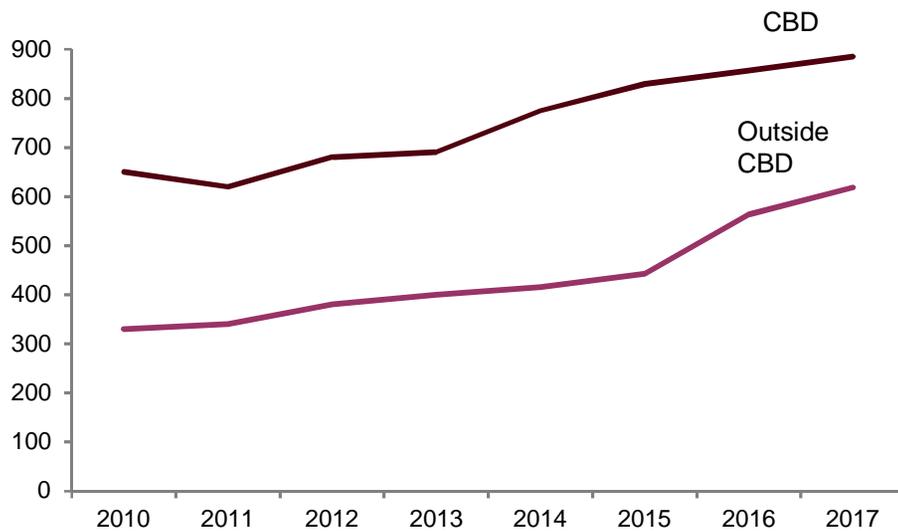
Company data as at March 31, 2018

Note: 1 As % of saleable area, excluding approximately 55-60% of area set aside for lease

# Retail market update

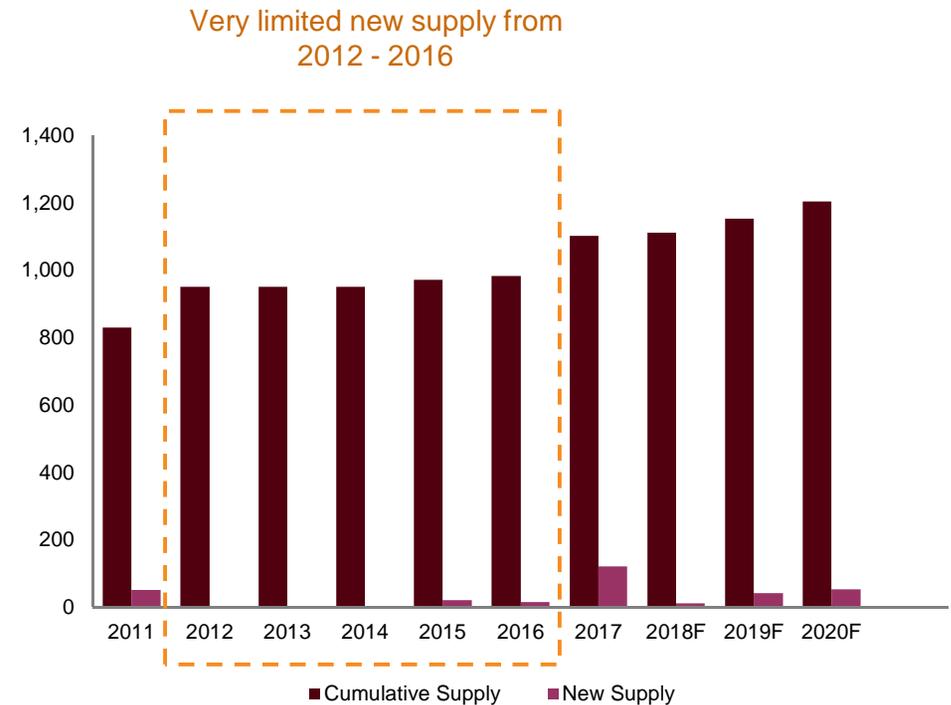
Retail property market helped by limited new supply in Jakarta and Surabaya – driving up occupancy and rents

Average asking base rental rates in Jakarta (Rp'000 psm / month)



Source: Colliers Retail Market Report - Jakarta 4Q 2017

Cumulative retail supply in Surabaya (sqm)



Source: Colliers Retail Market Report – Surabaya 2H 2017

# Retail malls – Continued strong leasing interest

## Wide appeal of PWON's malls demonstrated by consistently high occupancy

### Historical Occupancy

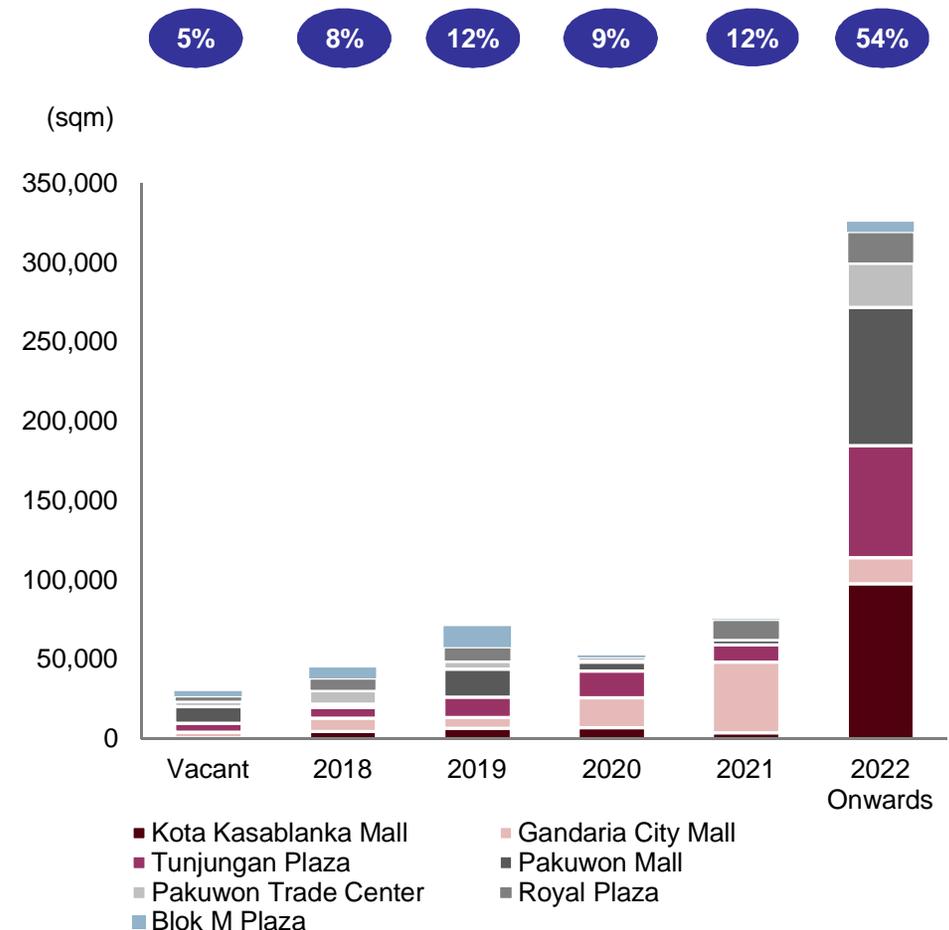
- Maintained strong occupancy across portfolio
- Drop in Blok M occupancy as PWON is only committing to shorter 1-2 year leases due to redevelopment potential from proposed MRT station to be connected to the mall

	2014	2015	2016	2017	1Q 2018
Tunjungan Plaza	99%	98%	94%	98%	95% <sup>1</sup>
Kota Kasablanka Mall	99%	99%	99%	98%	99%
Gandaria City Mall	98%	98%	96%	96%	96%
Pakuwon Mall	91%	91%	89%	94%	92% <sup>2</sup>
Pakuwon Trade Center	91%	92%	92%	94%	94%
Royal Plaza	96%	97%	97%	97%	95%
Blok M Plaza	93%	92%	93%	91%	90%

<sup>1</sup> Includes Tunjungan Plaza 6 opened on 23 September 2017

<sup>2</sup> Includes Pakuwon Mall 2 & 3 opened on 22 February 2017

### Lease Expiry Profile (NLA breakdown)



# Office & hotel – Stable rents and rising RevPAR

Offices and hotels further diversify income base and increase recurring income, while complementing existing superblocks

## Average Office Rental (before service charge)

(Rp'000 psm / month)	2014	2015	2016	2017	1Q 2018	2017 - 1Q 2018 % Chg
Kota Kasablanka Tower A	222	223	226	219	219	+0%
Kota Kasablanka Tower B	185	168	175	176	175	(0%)
Gandaria Tower	185	230	232	236	235	(1%)
Pakuwon Center	-	-	-	159	159	+0%

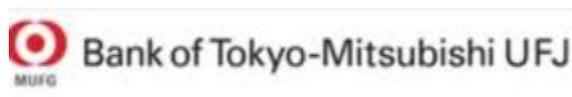
Note: Average office rental USD/IDR exchange rate of Rp10,930 and Rp12,315 in 2013 and 2014, respectively

## Hotel RevPAR

(Rp '000 /room/day)	2014	2015	2016	2017	1Q 2018	2017 - 1Q 2018 % Chg
Sheraton Surabaya	784	717	515	486	601	+24%
Somerset Berlian	887	824	666	705	607	(14%)
Ascott Waterplace	-	-	530	728	715	(2%)
Sheraton Grand Jakarta	-	-	510	767	939	+22%
Four Points	-	-	414	503	631	+26%

Note: - Average Somerset RevPAR USD/IDR exchange rate of Rp10,930, Rp12,315, and Rp13,118 in 2013, 2014, and 2015 respectively

## Major office tenants



## Hotel brands (existing)



## Section 3

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# Growth & strategy



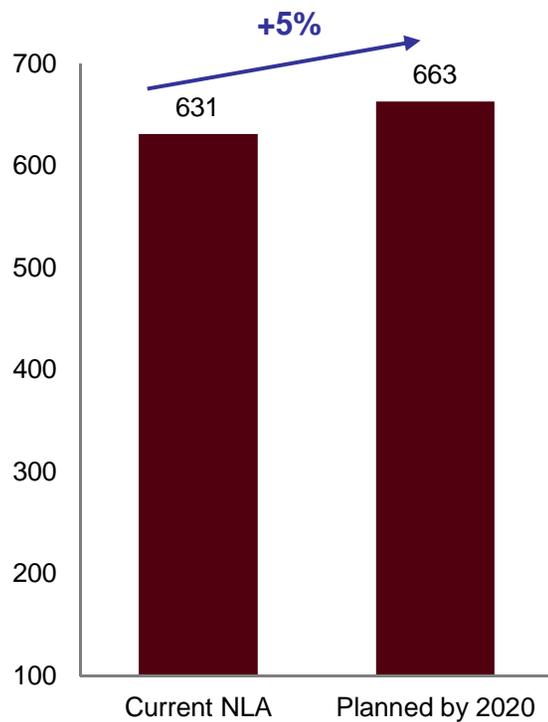
# Long term growth strategy on track

- ✓ **Target 50/50 recurring/development revenue mix over the long term**
- ✓ **Leverage on strength in retail malls and superblock developments**
- ✓ **Continue to dominate Surabaya and expand Jakarta portfolio**
- ✓ **Actively replenish land bank + acquire land around existing projects**
- ✓ **Maintain prudent capital structure and balance sheet**

# Growth of recurring income portfolio

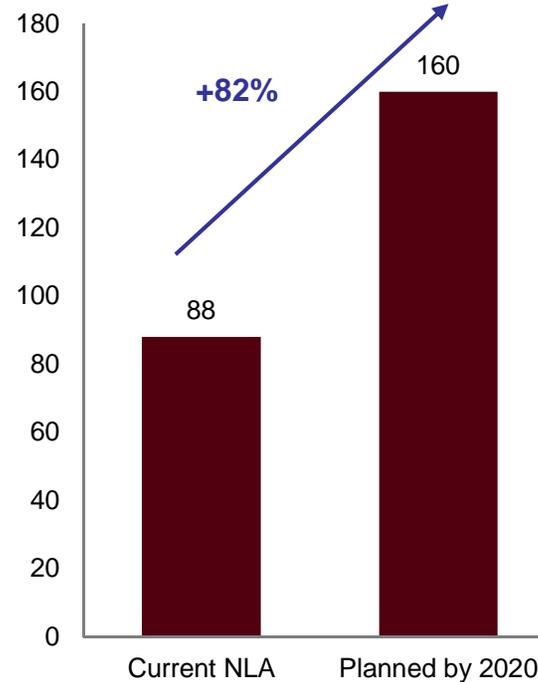
Plans to continue growing retail, office, and hotel portfolio to maintain recurring income mix

## Retail Mall NLA Growth



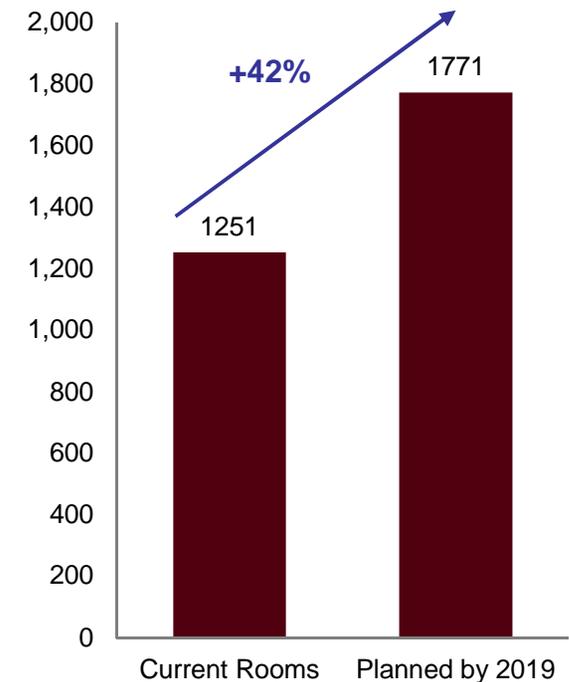
- Pakuwon Mall Phase 4
- East Coast Center 2 Food & Entertainment Center

## Office Leasing NLA Growth



- Tunjungan City Phase 6
- Kota Kasablanka Tower C

## Hotel Room Growth



- Pakuwon Mall Hotel

# Land bank – Sufficient for >10 years of development

439 hectares of land bank to sustain growth and high margins, without being a drag on balance sheet and return on capital

Location	Project	Land under development (ha)	Additional land bank (ha)	Total land bank (ha)
<b>South Jakarta</b>	Kota Kasablanka	2.7	3.8	6.5
	Gandaria City	-	1.9	1.9
	Simatupang land bank	-	4.5	4.5
<b>West Jakarta</b>	Daan Mogot land bank		11.0	11.0
<b>Greater Jakarta</b>	Bekasi land bank		3.6	3.6
<b>Central Surabaya</b>	Tunjungan City	1.1	2.1	3.2
<b>East Surabaya</b>	Pakuwon City Township	-	211.6	211.6
	Outside Pakuwon City	-	21.5	21.5
<b>West Surabaya</b>	Grand Pakuwon Township	-	162.9	162.9
	Pakuwon Mall	3.3	0.6	3.9
	Royal Plaza	-	1.8	1.8
	Outside Grand Pakuwon	-	6.9	6.9
<b>Total Land Bank</b>				<b>439.3</b>

## Section 4

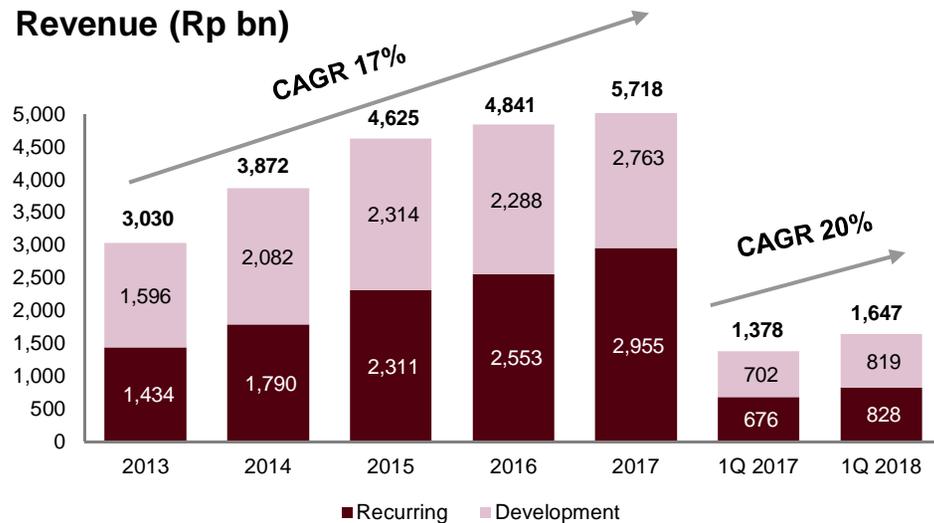
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# Capital management

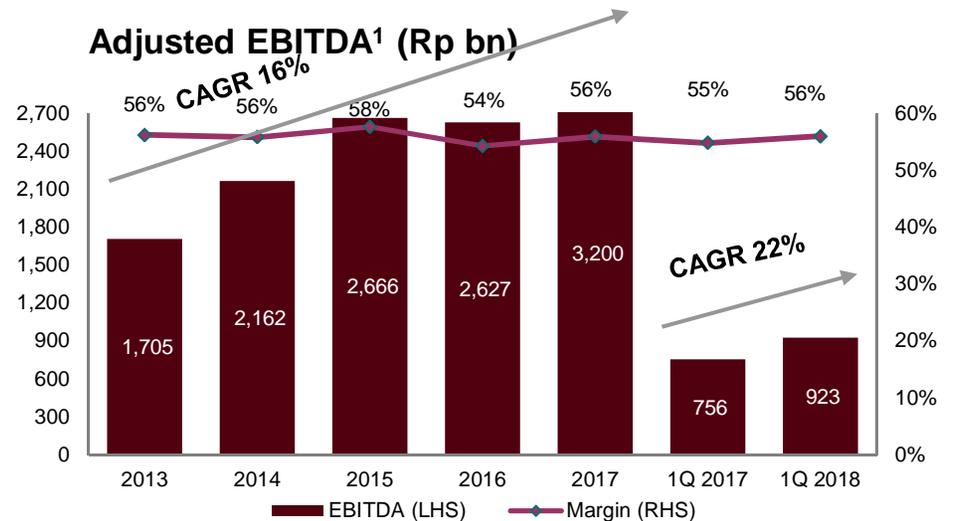


# Strong financial growth and optimized capital structure

## Revenue (Rp bn)



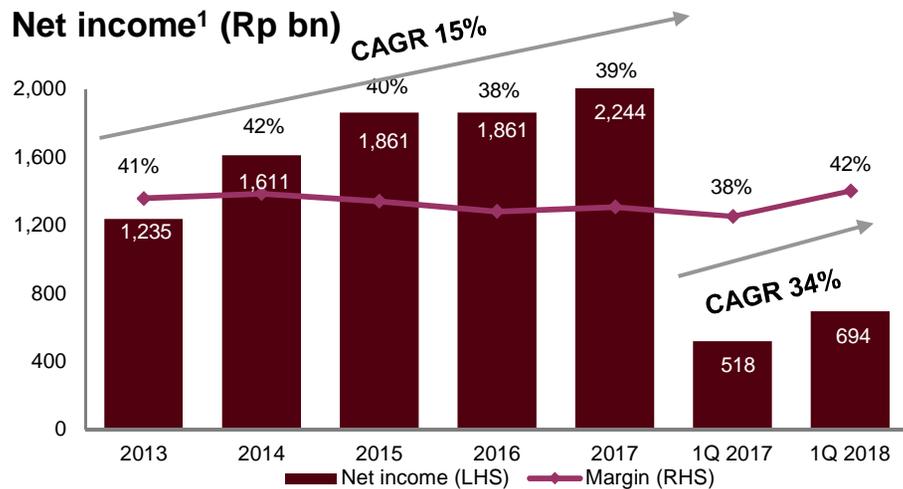
## Adjusted EBITDA<sup>1</sup> (Rp bn)



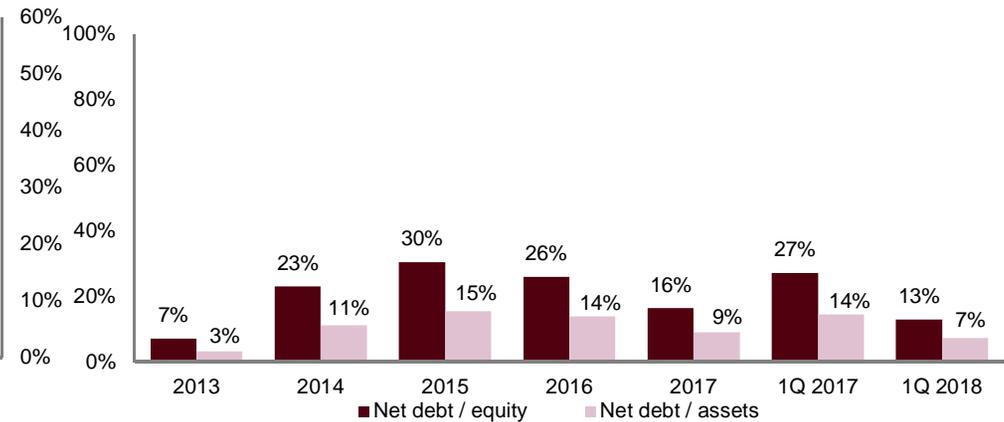
Note:

- Adjusted for acquisition related COGS from goodwill costs of Rp 59bn, 108bn, 28bn, 26bn, 7bn and 4bn in 2014, 2015, 2016, 2017, 1Q2017 and 1Q2018

## Net income<sup>1</sup> (Rp bn)



## Consistent deleveraging



Note

- Adjusted for forex gains/(losses) of Rp(102bn), (40bn), (277bn), 58bn, (25bn)bn, 20bn and (42bn) in 2013, 2014, 2015, 2016, 2017, 1Q2017 and 1Q2018 ; derivative financial instruments gain/(losses) of Rp (33bn), (76bn), (32bn), (31bn), (3bn) and (8bn) in 2014, 2015, 2016, 2017, 1Q2017 and 1Q2018 and gain on previously held interest of Rp 132bn from the acquisition of 25% stake in PT Centrum Utama Prima, gains on purchase of subsidiaries with discount of Rp 988bn, adjusted for additional COGS from goodwill costs of Rp59bn, 108bn, 28bn, 26bn, 7bn and 4bn in 2014, 2015, 2016, 2017, 1Q2017 and 1Q2018 and penalty on redemption of bond payable of Rp 154bn in 1Q2017

# Strong financial position and prudent balance sheet

<i>(Rp bn unless otherwise stated)</i>	As of 1Q 2108	As of 1Q 2107
<b>Cash</b>	<b>3,734</b>	<b>2,855</b>
<b>Total Debt<sup>1</sup></b>	<b>5,452</b>	<b>5,934</b>
<b>Net Debt</b>	<b>1,718</b>	<b>3,079</b>
<b>Net Debt / Equity</b>	<b>13%</b>	<b>27%</b>
<b>Net Debt / Assets</b>	<b>7%</b>	<b>14%</b>
<b>Fixed Charge Coverage Ratio (FCCR)<sup>2</sup></b>	<b>4,4x</b>	<b>3,8x</b>
<b>% Fixed Rate Debt</b>	<b>63%</b>	<b>56%</b>
<b>Credit rating<sup>3</sup></b>		
S&P	BB- / stable	BB- / stable
Moody's	Ba2 / stable	Ba3 / stable
Fitch	BB- / positive	BB- / stable

1. Issuance of US\$250m of 5.0% Senior Unsecured Notes due 2024 and redemption of US\$200m of 7.125% Senior Unsecured Notes due 2019

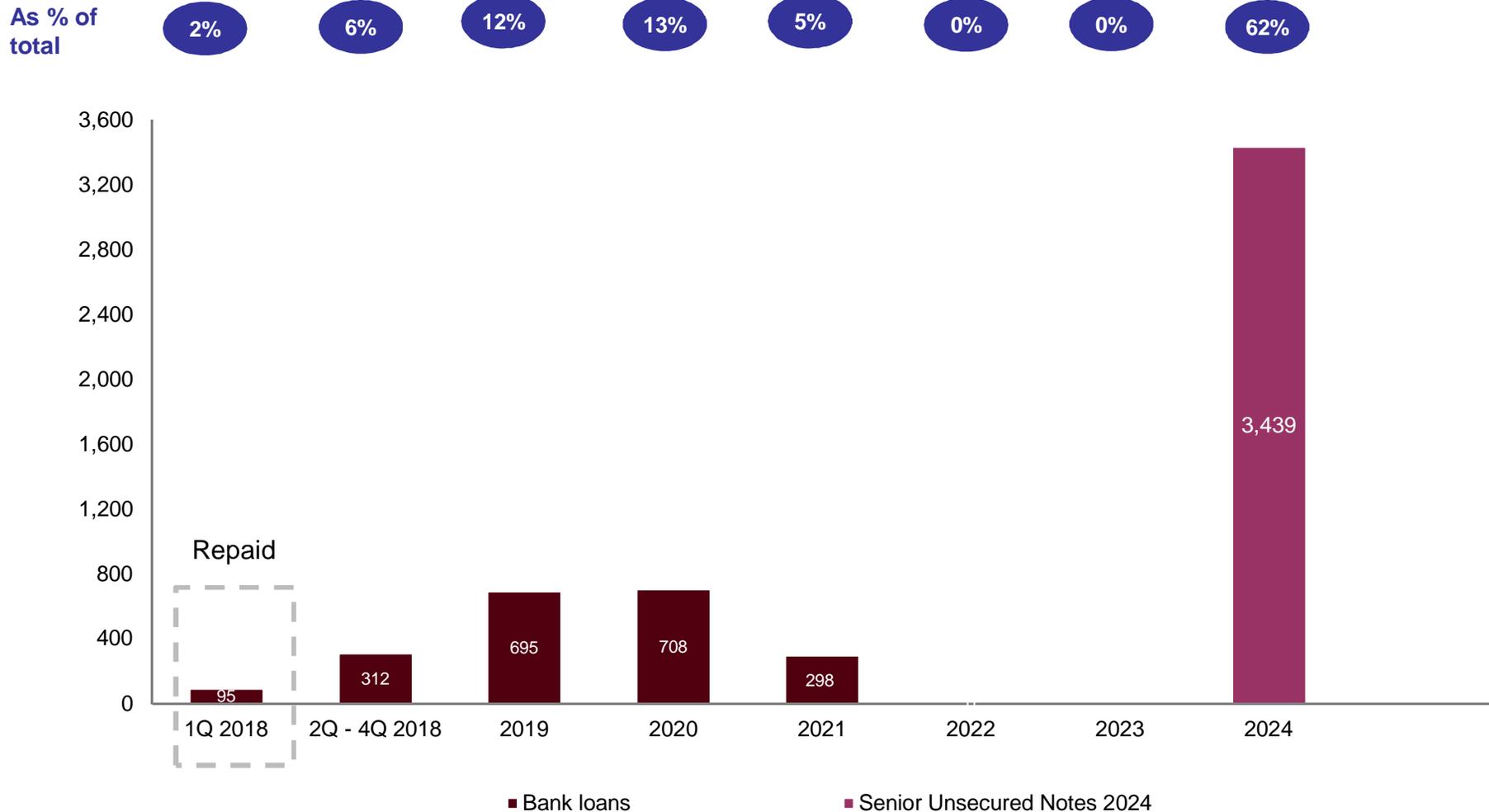
2. FCCR calculated as EBITDA / Consolidated Fixed Charges (Interest)

3. Received ratings upgrade from Fitch to BB-, positive outlook at 8 June 2017 and Moody's to Ba2, stable outlook as at 13 July 2017

# Well balanced debt maturity profile

Average debt maturity of 5.2 years, with cost of debt between c.6.1 – 10.2% p.a.<sup>1</sup>

## Debt Maturity Profile (Rp bn)



Notes:

1 Based on post-FX hedging cost of US\$250m of 5.0% Senior Unsecured Notes due 2024

## Appendix A

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# Company overview



# What sets Pakuwon Jati apart

- ✓ The largest retail mall owner amongst Indonesian developers
- ✓ A well-balanced portfolio of development and investment properties
- ✓ Growth and value creation from identified development pipeline
- ✓ Strategically located in Indonesia's two largest and wealthiest metropolises
- ✓ One of Indonesia's most established developers, with a 36 year track record

## Market leader in Surabaya

-  **#1** Largest superblock in Surabaya
-  **#1** Largest land bank in Surabaya City
-  **#1** Largest shopping mall in Indonesia
-  **1st** To launch retail mall and condos in Surabaya

## Market leader in South Jakarta

-  **#1** +  **#3** Largest superblocks in South Jakarta
-  **#1** Largest shopping mall in South Jakarta
-  **#2** Largest mall portfolio in Jakarta
-  **#3** Largest shopping mall in Jakarta

# Portfolio overview

## Strategically located superblocks and townships in Jakarta and Surabaya

### Kota Kasablanka



### Gandaria City



### Tunjungan City



### Pakuwon City



### Grand Pakuwon



Location	Jakarta Fringe CBD	South Jakarta	Surabaya CBD	East Surabaya	West Surabaya
<b>Description</b>	12.9ha located right next to Jakarta's Golden Triangle. Contains the largest mall in South Jakarta, opened on July 28, 2012	3 <sup>rd</sup> largest superblock in South Jakarta, sitting on a 9.3ha lot along a main thoroughfare linking South Jakarta to West Jakarta	PWON's first development in 1986, expanded in phases. Developing Phase 5 and 6 with premium retail, office, and residential towers	Self-contained city in East Surabaya, consisting of a residential area, commercial area, and an education park	Self contained city in West Surabaya, consisting of residential area and a future commercial area
<b>Residential</b>	4 condos, 1,077 units, GSA: 96k sqm 3 additional condos, GSA: 121k sqm	2 condos, 715 units 1 condo GSA: 83k sqm	TP5: The Peak GSA: 30k sqm TP6: One Icon GSA: 49k sqm	House and land lot community 4 Educuity condos GSA:103k sqm <sup>1</sup> 3 ECM condos GSA: 120k sqm	House and land lot community
<b>Office (for sale)</b>	Tower A GSA: 34k sqm Tower C GSA: 32k sqm	Tower A GSA: 37k sqm	TP5: Pakuwon Center GSA:11k sqm TP6: Office Tower GSA: 15k sqm	Shophouses, university, schools, and a hospital	
<b>Retail</b>	Middle to upmarket NLA: 111k sqm	Middle to upper middle NLA: 98k sqm	NLA: 103k sqm TP5: NLA: 20k sqm TP6 NLA: 25k sqm	Family shopping centre NLA: 21k sqm East Coast Center 2 Food & Entertainment Center NLA: 20k sqm	
<b>Office (for lease)</b>	Tower A NLA: 24k sqm Tower B NLA: 32k sqm Tower C NLA: 48k sqm	Tower A NLA: 21k sqm	TP5: Pakuwon Center NLA: 9k sqm TP6: Office Tower NLA: 24k sqm		
<b>Hotel</b>		293 rooms, 5-star hotel	359 rooms, 5-star hotel 293 rooms, 4-star hotel		

Projects in red are currently under construction or targeted to start construction within the next 2 years. GSA/NLA and number of units/rooms are estimates.

Note 1 : Remaining 15 planned condo developments

# Portfolio overview (cont'd)

## Strategically located superblocks and townships in Jakarta and Surabaya

**Pakuwon Mall**



**Royal Plaza**



**Blok M Plaza**



**Somerset Berlian**



Location	West Surabaya	South Surabaya	South Jakarta	South Jakarta
<b>Description</b>	<p>14.6ha Superblock located in West Surabaya's affluent residential neighborhood.</p> <p>Has a mid-market retail mall, Pakuwon Mall ("PM") and a strata retail mall 89% owned and managed by PP, Pakuwon Trade Centre ("PTC").</p> <p>Developing Phase 3 &amp; 4 with premium leased retail, residential condos and hotels.</p> <p>Phase 2 &amp; 3 mall are over 80% leased.</p>	<p>Mid-market strata retail mall 78% owned and managed by a subsidiary of PP.</p> <p>Situated along one of Surabaya's main thoroughfares connecting North, Central and Greater Surabaya and easily accessible from nearby toll roads, bus terminals and train stations.</p>	<p>Mid-market retail mall in South Jakarta's commercial district.</p> <p>Situated along the main thoroughfare connecting South Jakarta and the central business district.</p> <p>Planned MRT terminal connects directly into the mall (estimated to complete by approx. 2018).</p>	<p>Serviced apartment situated in the exclusive residential area of South Jakarta and a short drive from the financial center.</p> <p>Managed by The Ascott Limited under the "Somerset" brand</p>
<b>Opening date</b>	PM Phase 1: 2003, PTC: 2004, PM Phase2&3: 2017	2006	1991	2007
<b>Residential</b>	<p>Phase 2: "Orchard" &amp; "Tanglin" towers GSA: 60k sqm</p> <p>Phase 3: "LaRiz" tower GSA: 41k sqm</p> <p>Phase 4: Three condo towers GSA: 122k sqm</p>			
<b>Retail</b>	<p>PM NLA: 47k sqm, PTC NLA: 46k<sup>1</sup> sqm</p> <p>Phase 2 NLA: 37k sqm</p> <p>Phase 3 NLA: 36k sqm</p> <p>Phase 4 NLA: 12k sqm</p>	NLA: 53k <sup>2</sup> sqm	NLA: 31k sqm	
<b>Hospitality</b>	<p>316 rooms, 4-star hotel</p> <p>204 rooms, 5-star hotel</p> <p>182 serviced apartment units (Ascott brand)</p>			124 serviced apartment units <sup>3</sup> (Somerset brand)

Projects in red are currently under construction or targeted to start construction within the next 2 years. GSA/NLA and number of units/rooms are estimates.

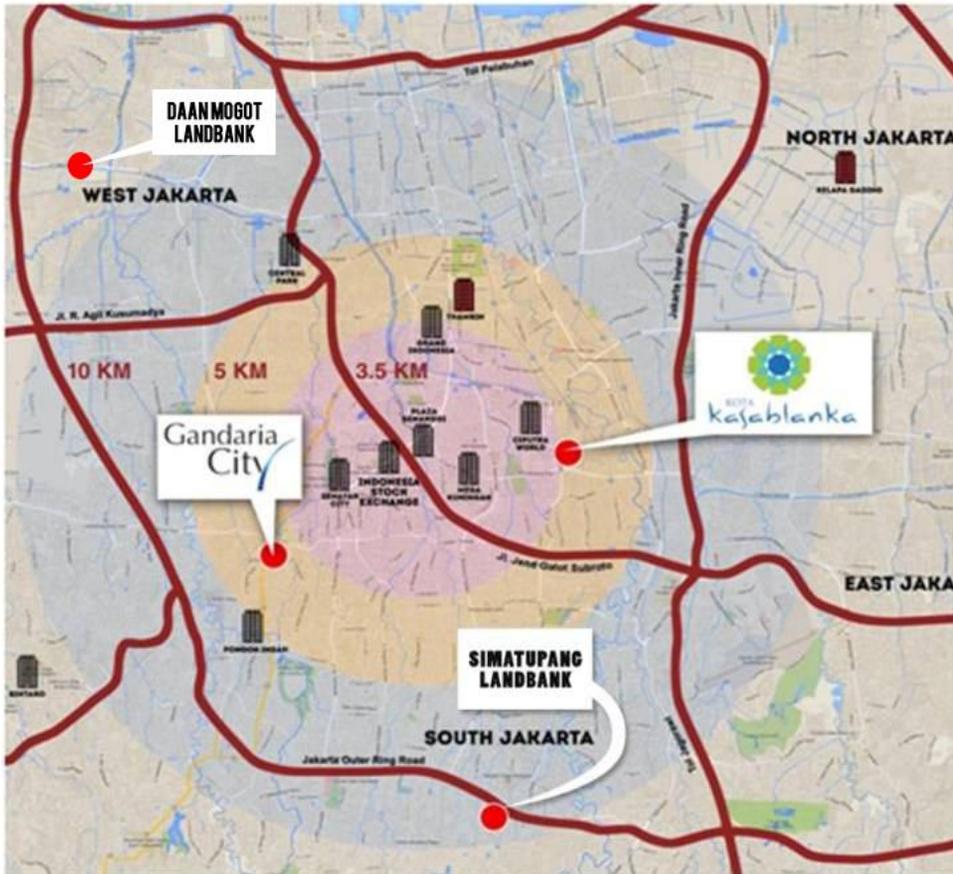
NLA : Net Leasable Area, GSA: Gross Saleable Area

Notes:

1. Pakuwon Trade Center ("PTC") NLA excludes sold area of 5,467 sqm
2. Royal Plaza NLA excludes sold area of 15,226 sqm
3. 8 out of 124 units have been sold to 3<sup>rd</sup> party investors, who in turn receive 5% of all net income generated by the Somerset Berlian

# Project locations

## Jakarta



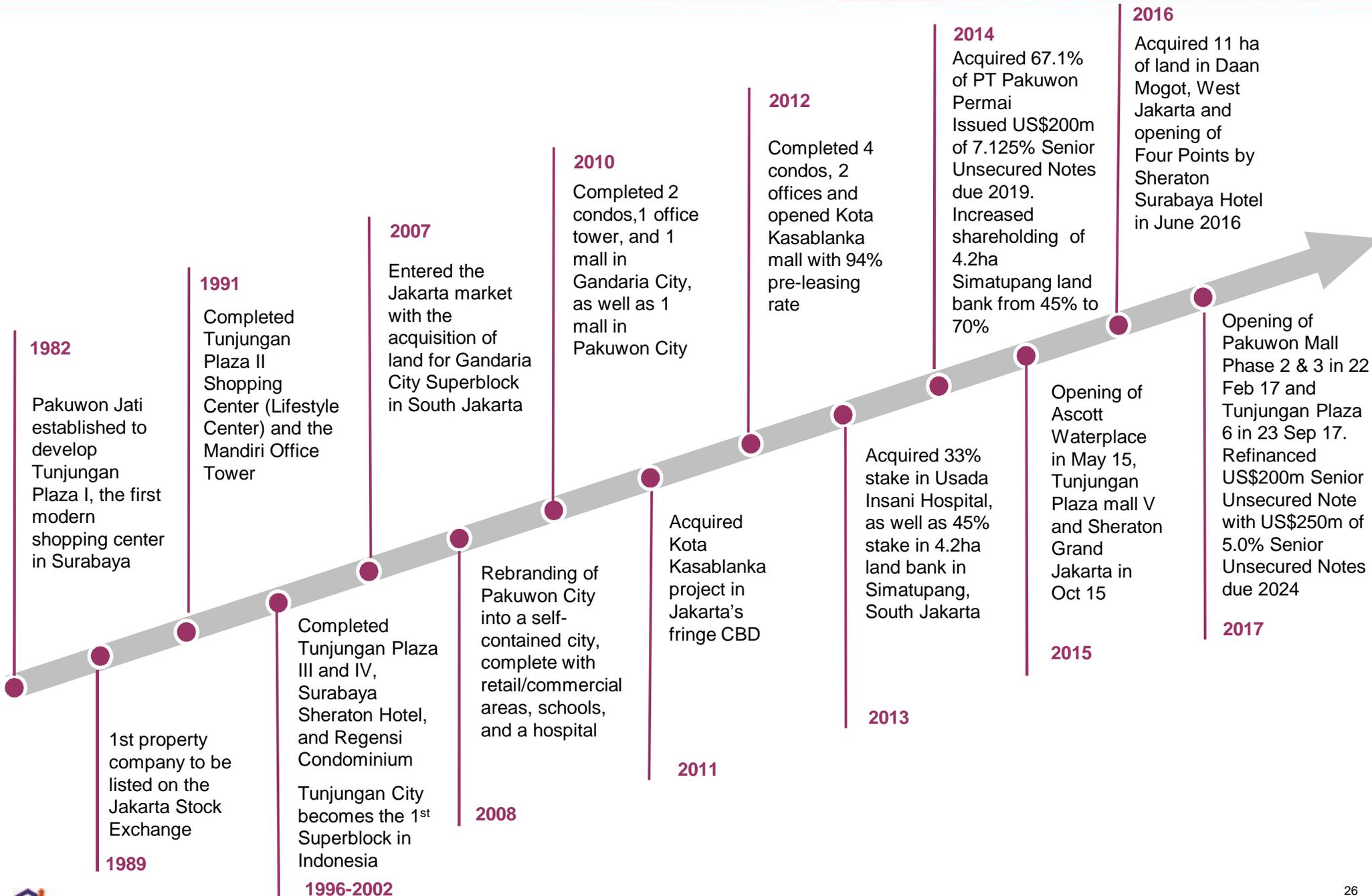
Newly acquired PP assets

Source: Company Data

## Surabaya



# 36 year track record and growing...



# Kota Kasablanka Superblock



KOTA  
**Kasablanka**  
LIGHT UP THE COLOR OF YOUR LIFE

## Kota Kasablanka Superblock

Jakarta fringe CBD

12.9 ha of land area

570,500 sqm of GFA

4,500 carpark lots

2.7 ha expansion



# Kota Kasablanka Phase 2



## Kota Kasablanka Phase 2

Jakarta fringe CBD

3 condominiums

1 office block



# Gandaria City



## Gandaria City Superblock

South Jakarta

9.3 ha of land area

573,800 sqm of GFA

4,500 carpark lots

0.9 ha expansion

### GANDARIA 8 TOWER A

*Office*

NLA : 58,685 sqm



### GANDARIA HEIGHTS

*Condominium*

GSA : 73,633 sqm

Units : 715



### GRAND SHERATON HOTEL

*Gandaria City*

*5-star hotel*

Rooms: 293



### GANDARIA CITY

*Shopping Center*

NLA : 98,388 sqm



# Gandaria City Phase 2



**Gandaria City  
expansion**

South Jakarta

1 condominium

**Completed projects**

5-star hotel



Artist rendering

# Tunjungan City



## Tunjungan City Superblock

Surabaya CBD

8.8 ha of land area

476,613 sqm of GFA

4,200 carpark lots

1.1 ha expansion



Artist rendering

# Tunjungan City Phase 5 & 6



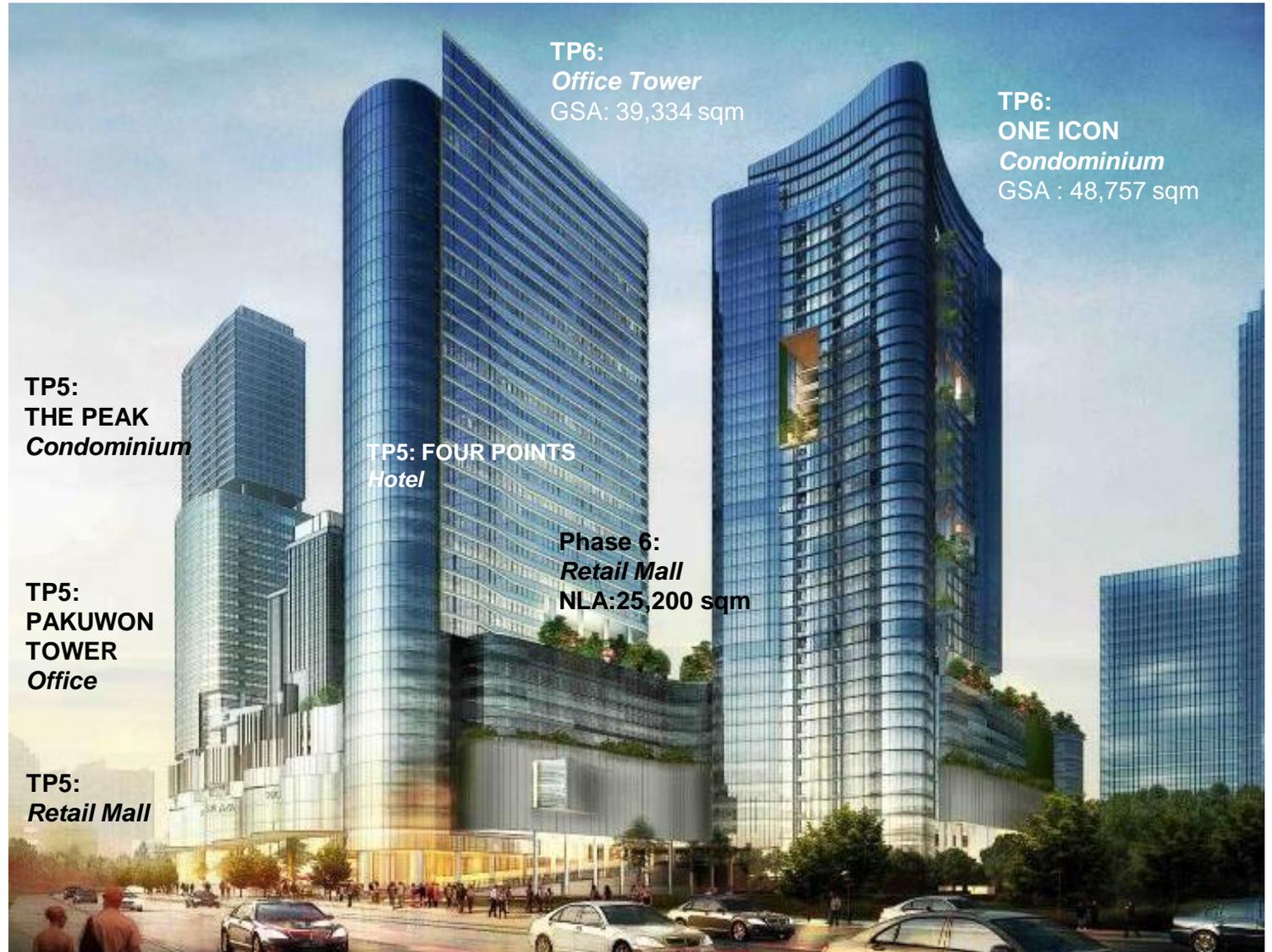
## Tunjungan City Phase 5&6

Surabaya CBD

Mall, offices, condos, hotel

### Completed projects

Tunjungan City Phase 5  
Tunjungan Plaza 6 retail mall



Artist rendering

# Pakuwon City Township

## Pakuwon City Residential Township

East Surabaya

<30 minutes from city center

211.6 ha township, including :

- 27 ha residential and commercial center with 19 condominium towers, a 90k sqm retail mall, and a University, International and Chinese school, hospital
- 184.6 ha remaining for landed residential developments

Pakuwon City entrance



Pakuwon town square

Shopping mall



Artist rendering

Commercial and education park

Shopping mall, schools, hospital, condos



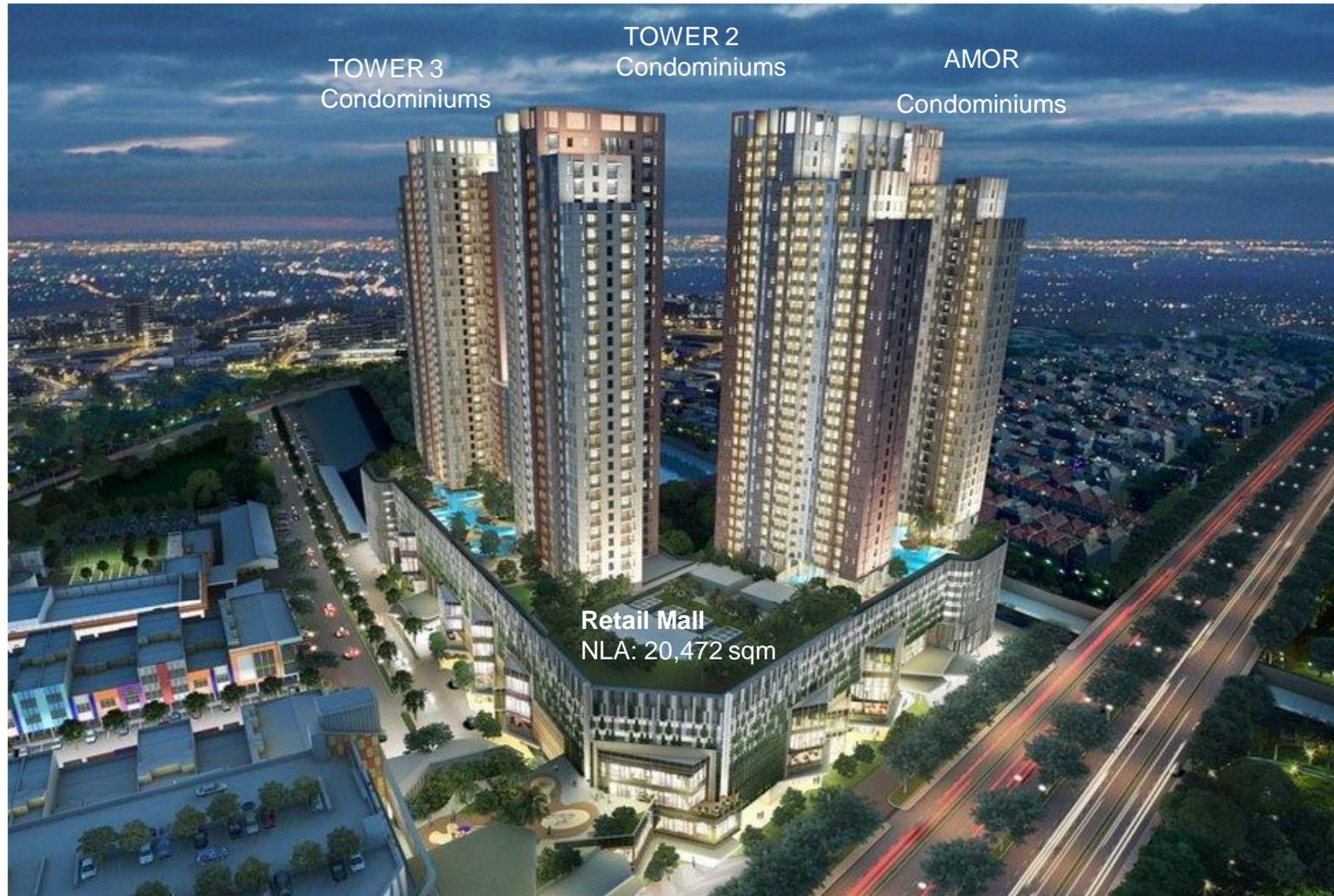
Artist rendering

# Pakuwon City – East Coast Mansion

## Pakuwon City Residential Township

East Surabaya

- **New projects**  
3 condominiums
- **Food and Entertainment Center**



Artist rendering

# Grand Pakuwon Township

New middle to high-end gated development in the west of Surabaya poised to replicate the successful roll out of Pakuwon City Township in East Surabaya

## Grand Pakuwon Township

West Surabaya

<10 minutes from downtown Surabaya  
30 minutes from City Center

162.9 ha residential township



Artist rendering

# Pakuwon Mall

At completion Pakuwon Mall will be Indonesia's largest retail mall with direct connections to 12 condominium towers, 2 hotels and 1 serviced apartment

**PAKUWON**  
MALL

**Pakuwon Mall**  
West Surabaya

**14.6 ha** of land area  
**960,000 sqm** of GFA  
**4.545** carpark lots



Artist rendering

# Pakuwon Mall Phase 2 and 3

**PAKUWON**  
MALL

## **Pakuwon Mall Phase 2 & 3** West Surabaya

- 2** Retail Mall
- 3** condominiums
- 2** hotels

### **Completed projects**

- Retail mall expansion Phase 2 & 3
- Orchard & Tanglin condominiums
- La Riz condominium



Artist rendering

# Pakuwon Mall Phase 4

**PAKUWON**  
MALL

**Pakuwon Mall Phase 4**  
West Surabaya

- 3 condominiums
- Retail mall expansion



Artist rendering

# Royal Plaza retail mall



**Royal Plaza**  
South Surabaya

3.2 ha of land area  
184,423 sqm of GFA  
1,450 carpark lots



# Blok M Plaza retail mall Future Development



**Blok M Plaza**  
South Jakarta

1.1 ha of land area  
247,373 sqm of GFA<sup>1</sup>  
632 carpark lots



Artist rendering

Note 1 : Completed GFA only

## Appendix B

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# PT Pakuwon Permai acquisition



# Acquisition summary

## Acquisition of 67.1% of PT Pakuwon Permai ("PP") for Rp1,685bn (US\$138.1m), net of cash on PP balance sheet

<b>Overview of target</b>	<ul style="list-style-type: none"> <li>• 67.1% of PT Pakuwon Permai ("PP"), which owns 1 superblock (retail, condos, hotel/serviced apartment) + 2 standalone retail malls + 1 standalone serviced apartment             <ul style="list-style-type: none"> <li>– <i>Retail mall NLA</i>: 178k<sup>1</sup> sqm existing &amp; operational + 86k sqm pipeline to start construction in the next 2 years</li> <li>– <i>Hotel/serviced apartment</i>: 147<sup>2</sup> rooms existing + 791 rooms under construction</li> <li>– <i>Condominium GSA</i>: 101k sqm under construction + 122k sqm pipeline to start construction in the next 2 years</li> </ul> </li> <li>• Remaining 32.9% owned by PT Pakuwon Darma ("PD"), an affiliated company of Pakuwon Jati ("PWON")             <ul style="list-style-type: none"> <li>– PWON has no near term plans to acquire PD's stake in PP</li> </ul> </li> </ul>
<b>Target financials (based on 100% of PP)</b>	<ul style="list-style-type: none"> <li>• FY2014 recurring revenue of Rp388.7bn (US\$31.2m)<sup>3</sup></li> <li>• FY2014 recurring EBITDA of Rp226.5bn (US\$18.2m)<sup>3</sup></li> <li>• PP is debt-free and has Rp980.4bn (US\$80.4m) of cash and cash equivalents<sup>4</sup></li> </ul>
<b>Purchase consideration</b>	<ul style="list-style-type: none"> <li>• Purchase consideration to vendor: Rp2,343bn (US\$192.0m)</li> <li>• Purchase consideration net of cash on PP balance sheet: Rp1,685bn (US\$138.1m) (based on 67.1% of cash on PP B/S)</li> </ul>
<b>Funding source</b>	<ul style="list-style-type: none"> <li>• Net proceeds from US\$200m 2019 USD bonds issued in July 2014</li> </ul>
<b>Completion</b>	<ul style="list-style-type: none"> <li>• 10 October 2014</li> </ul>

### Notes:

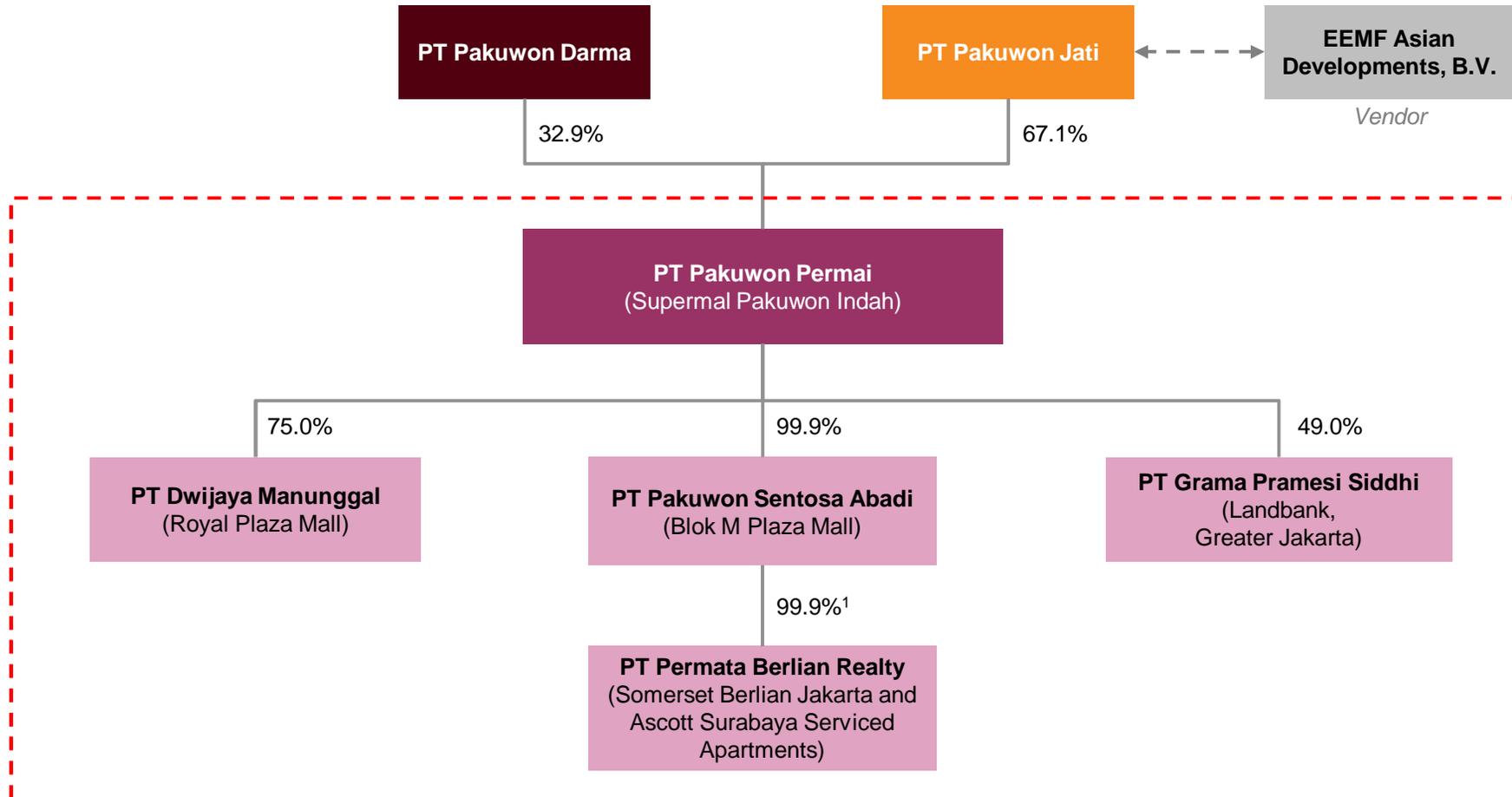
1 Retail mall NLA excludes sold area of 20,693 sqm

2 10 out of 147 units have been sold to 3rd party investors, who in turn receive 5% of all net income generated by the Somerset Berlian

3 USD FY 2014 recurring revenue and EBITDA based on USD:IDR of 1:12,440 as at 31 December 2014, for illustrative purposes only

4 Based on audited balance sheet as of 30 June 2014, including cash on hand, mutual funds, and bond investments classified as current assets USD:IDR of 1:12,200 used as at PP acquisition date, for illustrative purposes only

# Acquisition shareholding structure



Note:

1 Ownership as at date of acquisition; 49% owned as at 30 Jun 2014

# Rationale for the acquisition

<p><b>1</b></p> <p><b>In line with current strategy and core expertise</b></p>	<ul style="list-style-type: none"> <li>• Diversify current portfolio with the addition of 1 new superblock, 2 retail malls and 1 serviced apartment</li> <li>• Continued balanced mix between recurring and development income, with 23.1% increase in recurring revenue<sup>1</sup></li> <li>• Continued balanced mix between Jakarta and Surabaya</li> </ul>
<p><b>2</b></p> <p><b>53% increase in operating retail mall NLA</b></p>	<ul style="list-style-type: none"> <li>• Immediate addition of 178k sqm of retail NLA across 3 malls, with planned expansions of 86k sqm to start construction in the next 2 years</li> <li>• High quality malls with strong anchor tenants and consistently high occupancy</li> <li>• Improves economies of scale and creates a stronger leasing network across Indonesia's two largest cities</li> </ul>
<p><b>3</b></p> <p><b>41% increase in operating hotel rooms</b></p>	<ul style="list-style-type: none"> <li>• Immediate addition of 147 hotel rooms, with further development of 791 rooms under construction</li> <li>• High quality hotels with strong occupancy and rising RevPAR</li> <li>• Diversifies hotel managers to include Ascott/Capitaland</li> </ul>
<p><b>4</b></p> <p><b>74% increase in pipeline condominium GSA</b></p>	<ul style="list-style-type: none"> <li>• 101k sqm GSA condominium towers currently under construction, of which 65.0% pre-sold</li> <li>• Further 3 towers to be launched and begin construction over the next 2-3 years</li> <li>• Increase in condominium GSA to drive further growth in pre-sales</li> </ul>
<p><b>5</b></p> <p><b>Expected increase in earnings and accelerated growth</b></p>	<ul style="list-style-type: none"> <li>• Acquisition funded via net proceeds from US\$200m 2019 bonds issued in July this year</li> <li>• Immediate addition to EBITDA will be supportive of credit metrics</li> <li>• Additional c.Rp2.5trn (c.US\$205m) of capex targeted from 2015 to 2017, on top of c.Rp351.5bn (US\$28.8m) of capex that has already been incurred on projects under construction<sup>2</sup></li> </ul>

Notes:

1 Based on FY2014 financials

2 As of 30 June 2014

## Appendix C

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# Jakarta land bank



# Expansion into South Jakarta CBD – Summary

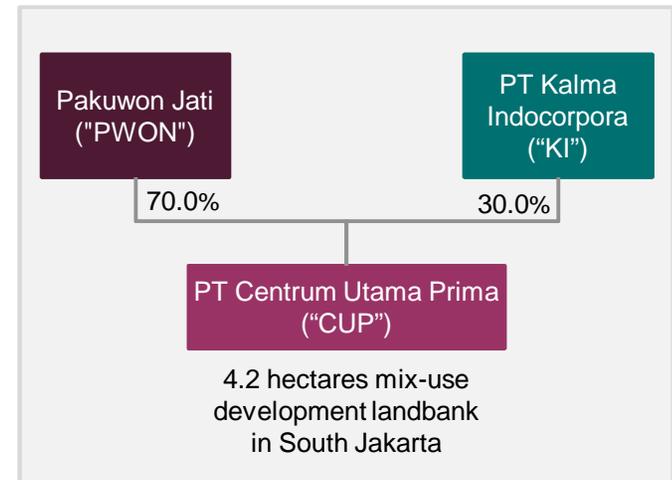
## Overview: Acquisition of land in Simatupang, South Jakarta

- 1** Pakuwon Jati ("PWON") together with two partners acquired **4.2 hectares of land in South Jakarta for Rp.490 billion**, through its joint-venture company PT Centrum Utama Prima ("CUP")
  - Drawing from internal cash flows **PWON invested Rp.247.5 billion in cash for a 45.0% stake in CUP**
  - Executed in partnership with two non-affiliated privately held property companies who own 30.0% and 25.0% of CUP
  - PWON acquired 25% of shares in CUP for Rp.187 billion from MDS on 27 August 2014
- 2** The land parcel was acquired from Jakarta International School ("JIS") through a closed auction bid arranged by Colliers International Indonesia
- 3** The JIS land along with land owned by the two non-affiliated property companies were amalgamated and acquired by CUP to facilitate better main road access into the project
- 4** Land will be utilised for a **mixed-use development with condominiums, offices and F&B components**
- 5** PWON will draw on its expertise to lead the master planning, development, sales as well as leasing and property management

## Rationale for acquisition

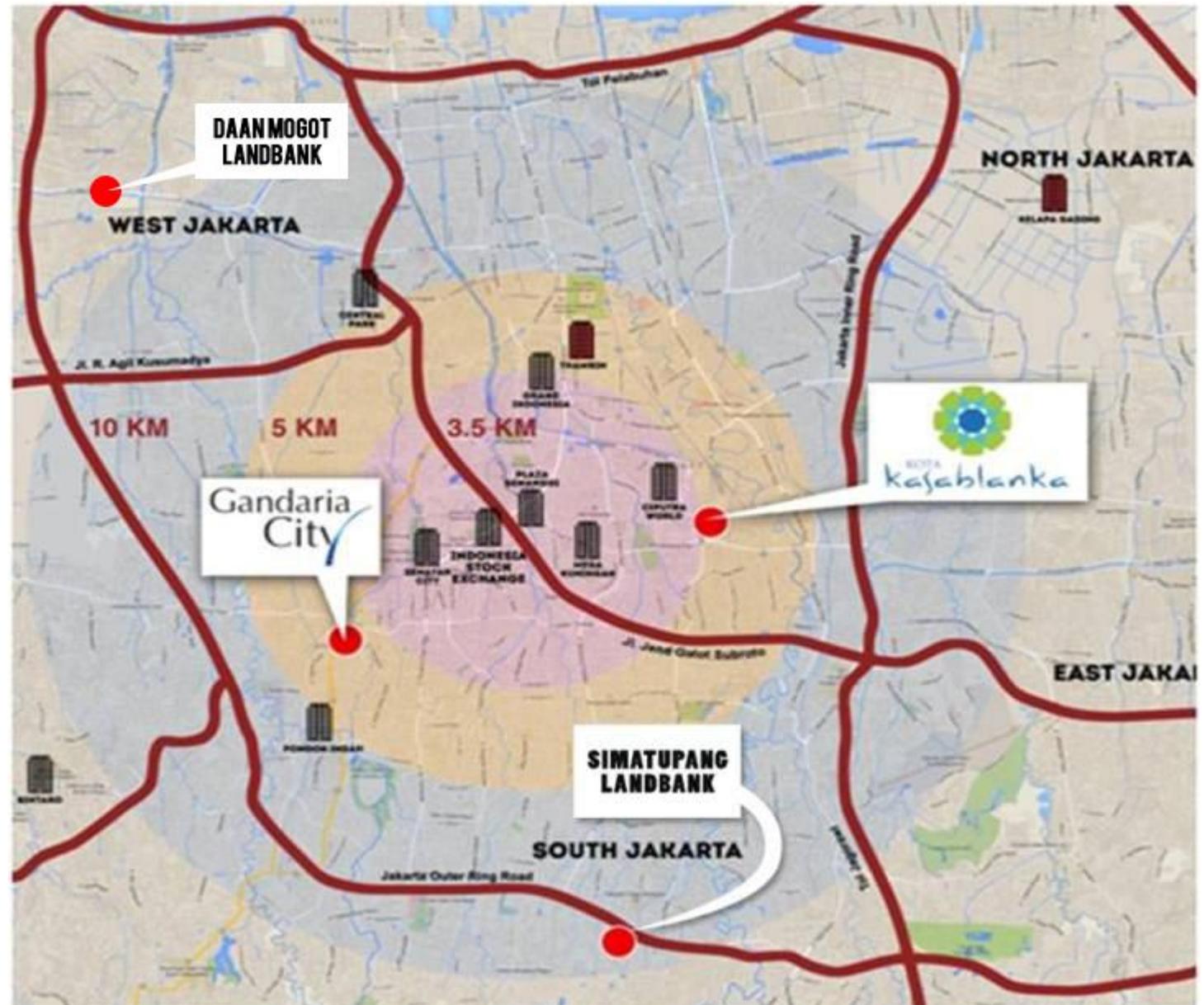
- ✓ Expansion of core business into prime South Jakarta area, **tapping into South Jakarta CBD**
- ✓ **Balanced revenue growth** from the project's sales and leasing potential
- ✓ Sizeable land plot expected to sustain around **8 years of development**
- ✓ **Leverages on synergies** with PWON's management team and core expertise

## Ownership structure



# Expansion into South Jakarta CBD – *Location map*

Strategically located 20 minutes from Superblock Gandaria City, with direct access to TB Simatupang and Jakarta Outer Ring Road



# Expansion into South Jakarta CBD – Site map

## Site overview

Location	: JI. TB Simatupang RT002 /RW001 Kebagusan Pasar Minggu Jakarta Selatan
Land Size	: 44,725 sqm



# Expansion into West Jakarta – Site map

## Site overview

Location	: Jl. Daan Mogot Rawa Buaya Cengkareng Jakarta Barat
Land Size	: 110,000 sqm



### SITE LOCATION DAAN MOGOT CITY

DAAN MOGOT - JAKARTA      TIJ # 2016.09.14

## Appendix D

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# Healthcare & Hospital expansion

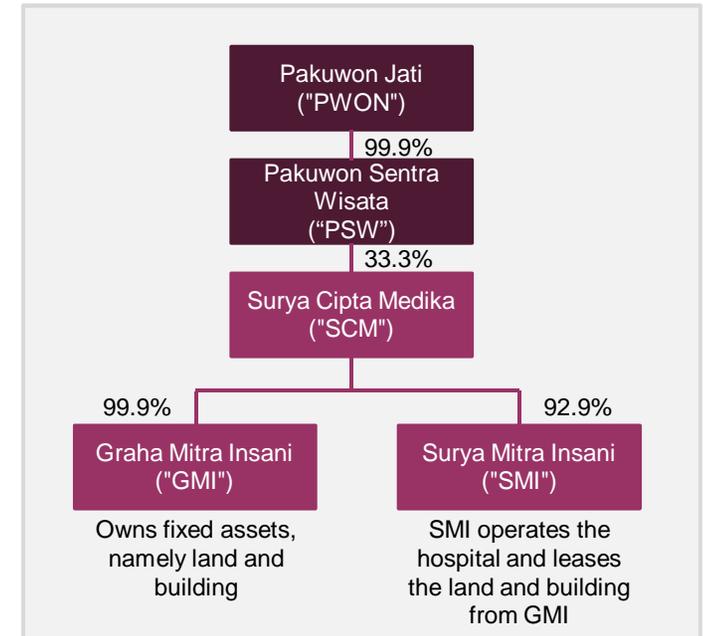


# Healthcare expansion - *Diversifying recurring income base*

## Overview: Acquisition of Usada Insani Hospital ("RSUI")

- 1 Pakuwon Jati ("PWON"), through its wholly owned subsidiary PT Pakuwon Sentra Wisata ("PSW") has **acquired a 33.3% stake in PT Surya Cipta Medika ("SCM")**, a **company engaged in the provision of healthcare services and hospital ownership**
- 2 PWON has undertaken this transaction in partnership with PT Menjangan Sakti ("Mensa Group") and PT Elang Mahkota Teknologi Tbk ("Emtek")
  - Each partner holds an equal investment of 33.3% in SCM
- 3 Drawing on internal cash flows PWON invested Rp.31 billion in cash for its 33.3% stake in SCM
  - Funds received was used for the acquisition of RSUI and equipment
- 4 The Mensa Group, one of the largest pharmaceutical and medical equipment distributors in Indonesia will be responsible for overseeing operations of the Hospital

## Ownership Structure



## Rationale for acquisition

- ✓ **High quality asset** with significant growth prospects
- ✓ Enlarges recurring income via a **complementary and scalable platform**
- ✓ Taps into Indonesia's nascent **healthcare growth story**
  - **Increases stability of recurring income** given robust underlying fundamentals of healthcare
- ✓ **Leverages on synergies** within PWON's townships and mixed-use development to enhance value
- ✓ Measured entry into a new space with **experienced partners to minimise execution/operational risk**
- ✓ Platform for **corporate social responsibility** programs

# Healthcare expansion – *Asset overview*

## External View



## Facilities & Equipment



## Hospital Overview

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Location	:	Jl. KH. Hasyim Ashari No. 24, Cipondoh – Tangerang
Established	:	September 1991
Land Size	:	14,030 sqm
Building size	:	17,000 sqm
Parking	:	150 cars; 300 motorcycles

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## Beds and Rooms

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Beds	:	350; Bed Occupancy Ratio (BOR) of around 70%
Operating rooms	:	6; Approximately 450 procedures per month
Obstetric rooms	:	6

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## Facilities

- Laboratories
- Physiotherapy
- 2 radiology facilities including panoramic
- Chemotherapy facilities
- CT Scan 16 slice
- USGs
- Endoscopy
- ECG/EEG
- MRI
- Hemodialysis facilities, with 70% utilization
- 5 ambulance units

## Services

- Outpatient care, c.10,000 patients per month
  - Inpatient care (VIP, Class 1, Class 2, Class 3)
  - Intensive Care Unit (ICU)
  - 3 pharmacies
  - Polyclinic with c.10,000 patients per month
  - Academy for nurses, (with STIKES Banten)
  - Emergency care
  - Medical rehabilitation
  - Insurance
-

## Appendix E

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# Senior Unsecured Notes due 2024



# Offering Summary

<b>Notes Offered</b>	US\$250mn aggregate principal amount of 5% Senior Unsecured Notes due 2024 (the “Notes”)
<b>Maturity Date</b>	Feb 14, 2024
<b>Interest</b>	The Notes will bear interest from and including Feb 14, 2017, payable semi-annually in arrears
<b>Issuer Ratings</b>	Ba3, stable (Moody's) / BB-, stable (S&P) / BB-, stable (Fitch)
<b>Security Ratings</b>	Ba3 / BB- / BB-
<b>Tenor</b>	7NC4 years
<b>Distribution</b>	Reg S only
<b>Covenants</b>	Standard high yield covenants, including an FCCR test of not less than 2.5x
<b>Use of Proceeds</b>	Redemption of 2019 note and general corporate purposes