



PT BARITO PACIFIC TBK.

FY - 2018 Performance Earnings Call

4 April 2019



Agenda

- FY-2018 Business Highlights
- FY-2018 Financial Results
- Petrochemical Business
- Energy Business
- Q & A

➤ **FY-2018 Business Highlights**

FY-2018 Business Highlights

- Achieved Consolidated EBITDA of US\$178m for 4Q-2018, bringing FY-2018 EBITDA to US\$813m with healthy EBITDA margin of 26.4%.
- Maintained high operating rates for Star Energy >95% and petrochemical plants >90%, except Butadiene plant, Styrene Monomer Plant due scheduled tie-in expansion and maintenance, and Star Energy Darajat Unit 1⁽¹⁾ due to unplanned shutdown.
- Successfully deliver two projects on-time and on-budget:
 - Expansion of Butadiene plant by 37% to 137KTA in June 2018;
 - Synthetic Rubber Plant 120KTA, a joint venture with Michelin in PT Synthetic Rubber Indonesia
- In December, BRPT declared and paid interim cash dividend equivalent to US\$17.2m
- Preparation for Second Petrochemical Plant progressing as per plan, achieve milestone of technology selection.
- BRPT obtained a 3-year bank loan of US\$200m in Q4 2018 to repay its outstanding bank loan with Bangkok Bank.

(1) Darajat Unit 1 power plant is operated by PT Indonesia Power, a subsidiary of PLN. Shutdown since 18 March 2018 due to high vibration and back to normal operation on 30 September 2018.

FY-2018 Business Highlights

- Completed IDR8.9 trillion rights issue and successfully acquired majority ownership interest in Star Energy in June 2018.
- Financing:
 - Star Energy Wayang Windu issued US\$580m Green Bond in April 2018, to refinance existing loan;
 - CAP issued IDR 1 trillion bonds, to refinance existing loan;
 - Repaid loan principal totaling US\$795.2m in FY-2018 (CAP: US\$91.9m ; Star Energy US\$703.3m ⁽¹⁾) throughout 2018.
- Divestment of non-core business in plantation, PT Royal Indo Mandiri sold 95% of its ownership interest in the plantation operations.
- PT Griya Idola, groundbreaking of Wisma Barito Pacific 2 in April and expected to be completed in 2Q-2020.
- All projects progressing as per plan.

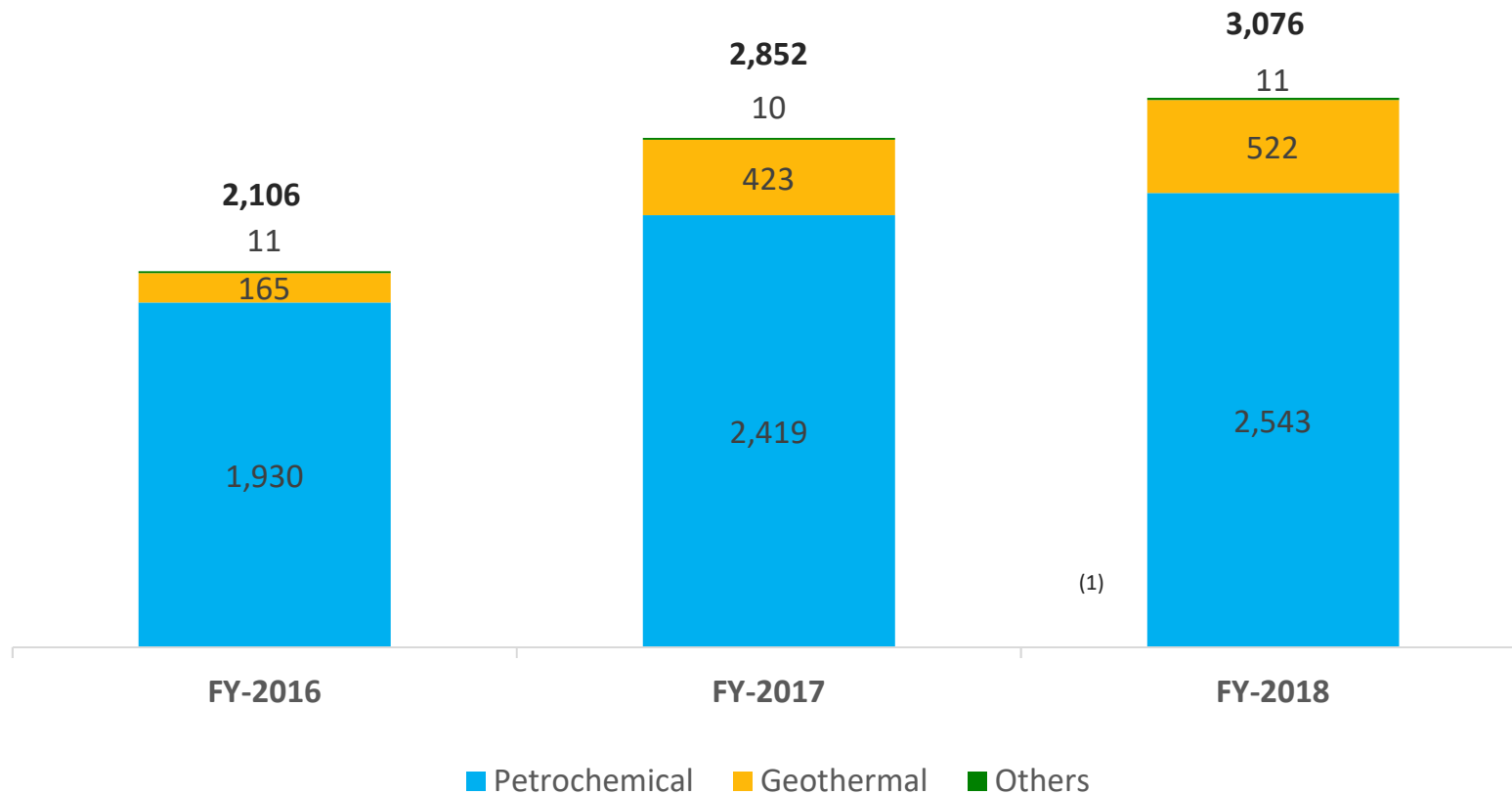
(1) Includes Star Energy Wayang Windu's refinanced term-loan by issuing 15-year US\$580m Green Bond

➤ **FY-2018 Financial Results**

FY-2018 Financial Results - Segmented Net Revenue

7.8% higher revenues in FY-2018 vs FY-2017 reflecting contribution from geothermal operations and higher average sales prices from petrochemical, partly offset by lower sales volume due to several planned and scheduled maintenance activities.

Amounts in US\$m

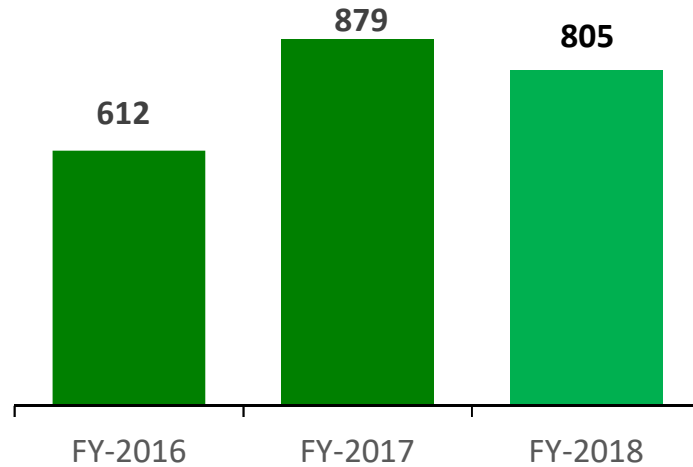


(1) Other Revenues represent revenues from woodworking industry, rental income from property and hotel, and plantation (for previously represented only).

FY-2018 Financial Results

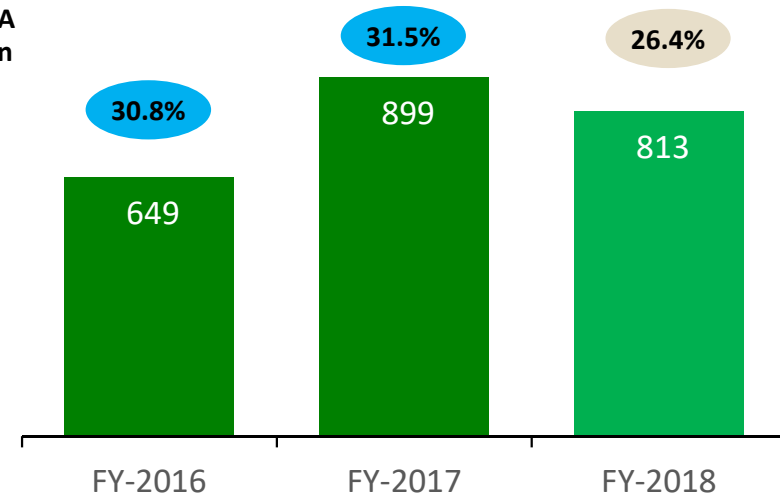
Amounts in US\$m

GROSS PROFIT

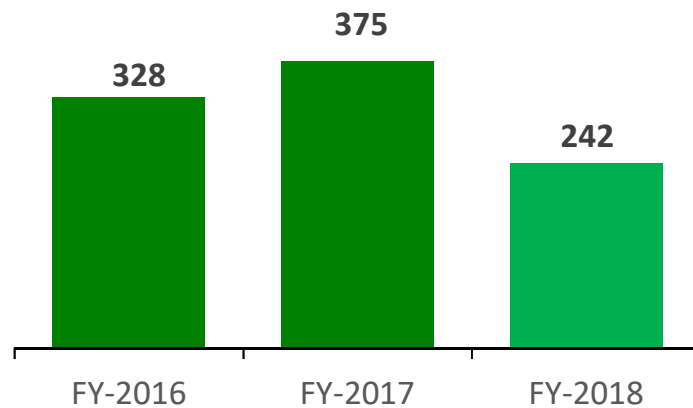


EBITDA

EBITDA margin



NET INCOME



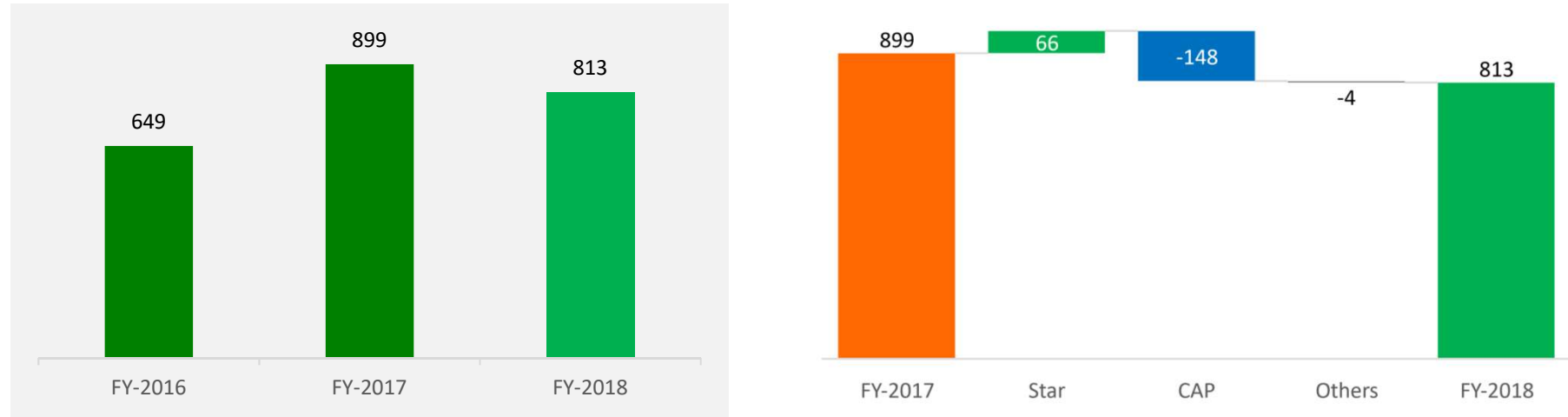
In US\$mio	FY-2018	Change	FY-2017	FY-2016
Gross Profit	805	-8.4%	879	612
EBITDA	813	-9.6%	899	649
EBITDA Margin	26.4%	-16.2%	31.5%	30.8%
Net Income After Tax	242	-35.5%	375	328

Note: Prior year's numbers are restated

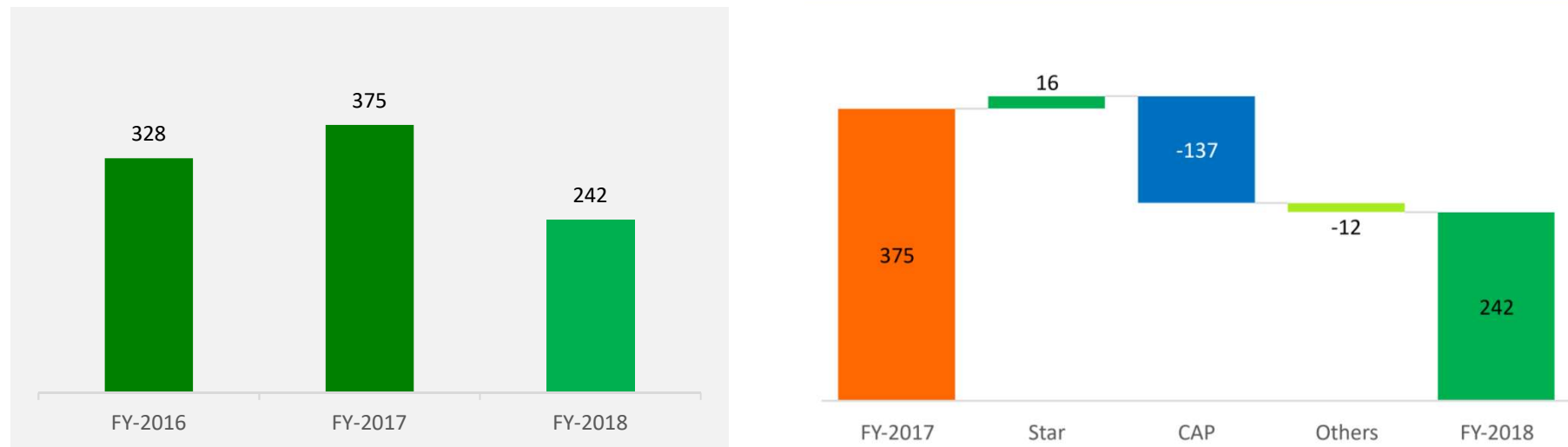
FY-2018 Financial Results

Amounts in US\$m

Consolidated EBITDA (US\$ Million)



Consolidated Net Income (US\$ Million)



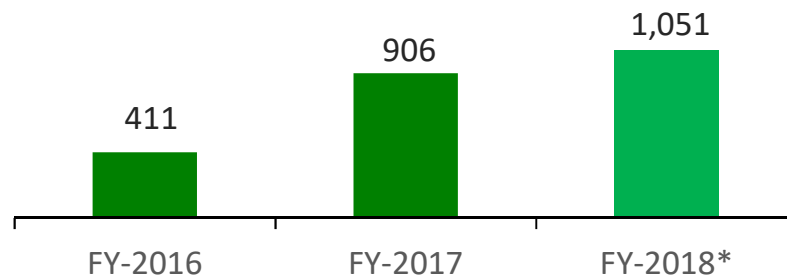
Note: Prior year's numbers are restated

FY-2018 Financial Profile

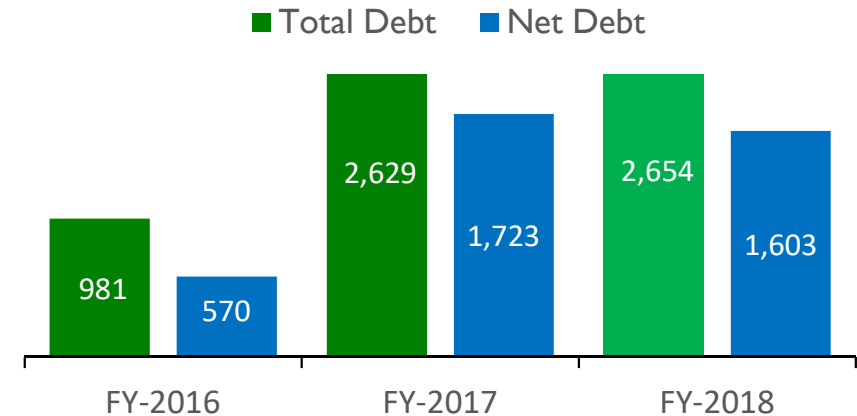
Amounts in US\$m

Strong Balance Sheet supported by financial profile strengthening

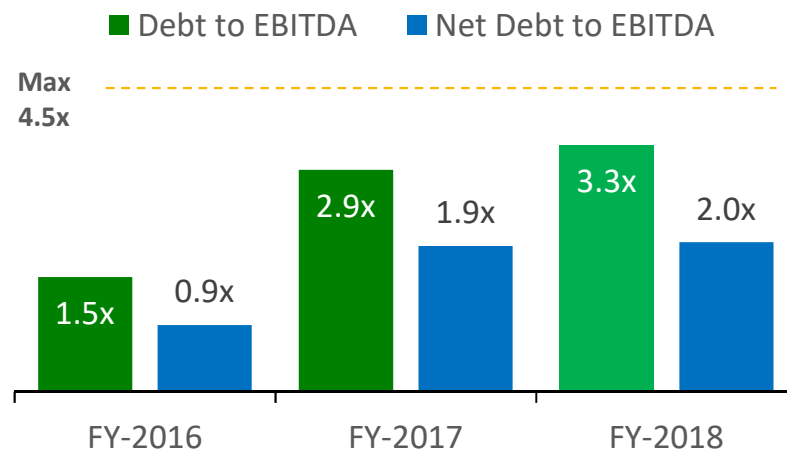
CASH BALANCE



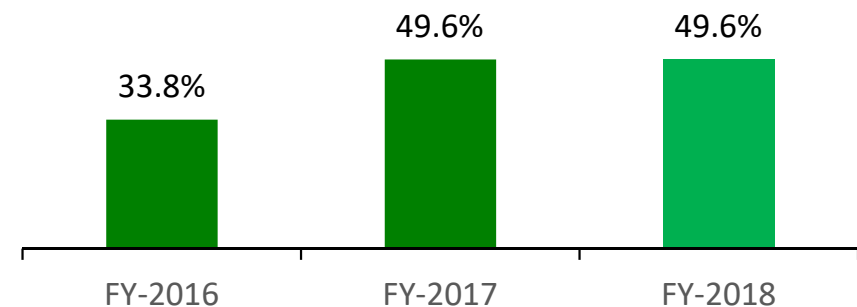
TOTAL DEBT & NET DEBT



DEBT TO EBITDA



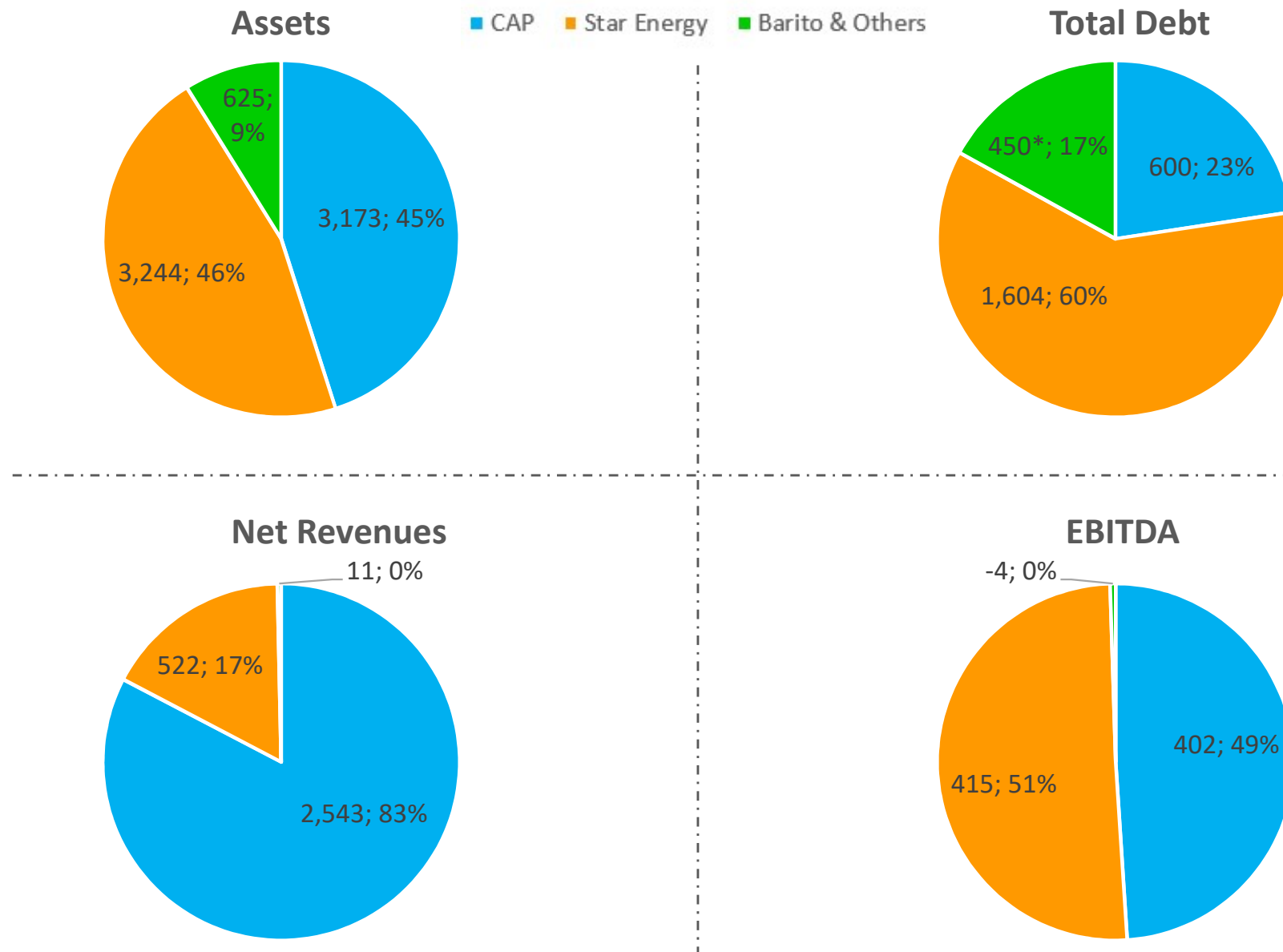
DEBT TO CAPITAL



* Cash balance includes restricted cash in bank amounting to US\$250m that will be used to refinance its existing bank loan from Bangkok Bank, which was paid in January 2019

Financial Profile By Subsidiary

Amounts in US\$m



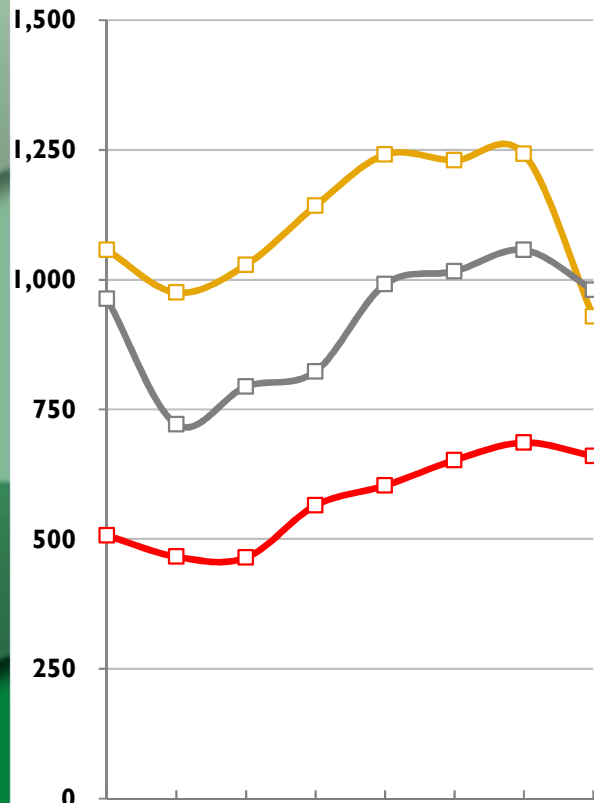
* Barito & Others Total debt includes US\$250m existing bank loan which was paid in January 2019.

➤ **Petrochemical Business**

Petrochemical Product Spread

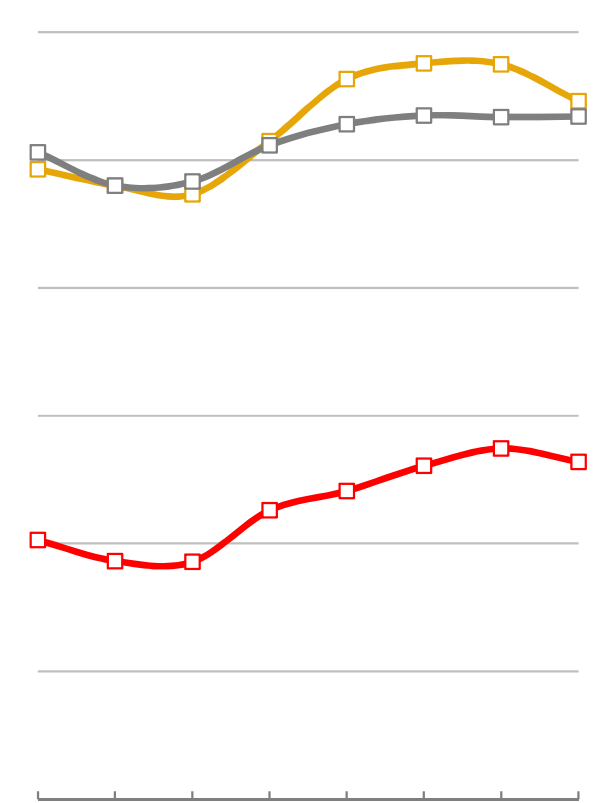
Continuing healthy product spreads, despite increasing feedstock price reflecting higher crude oil...

Olefins



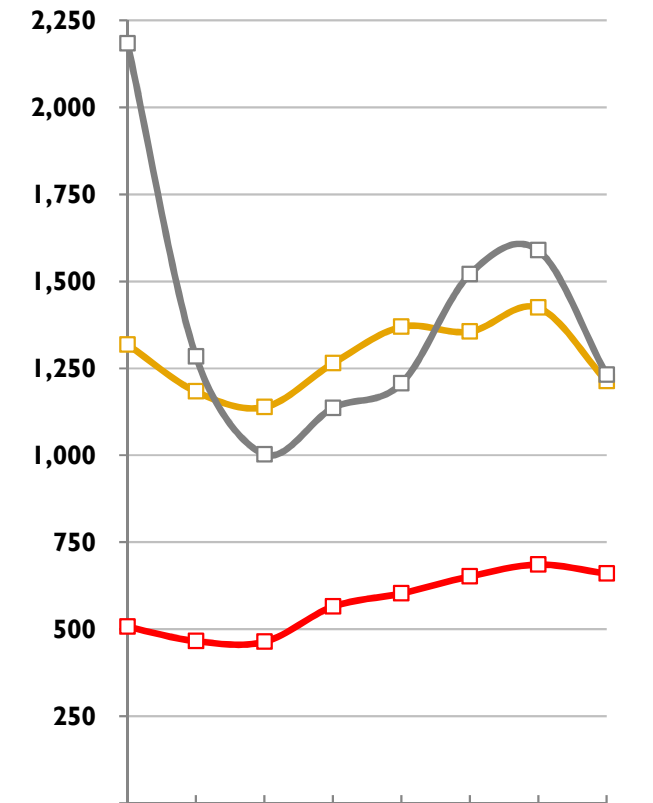
■ Ethylene ■ Propylene
■ Naphtha

Polyolefins



■ Polyethylene ■ Polypropylene
■ Naphtha

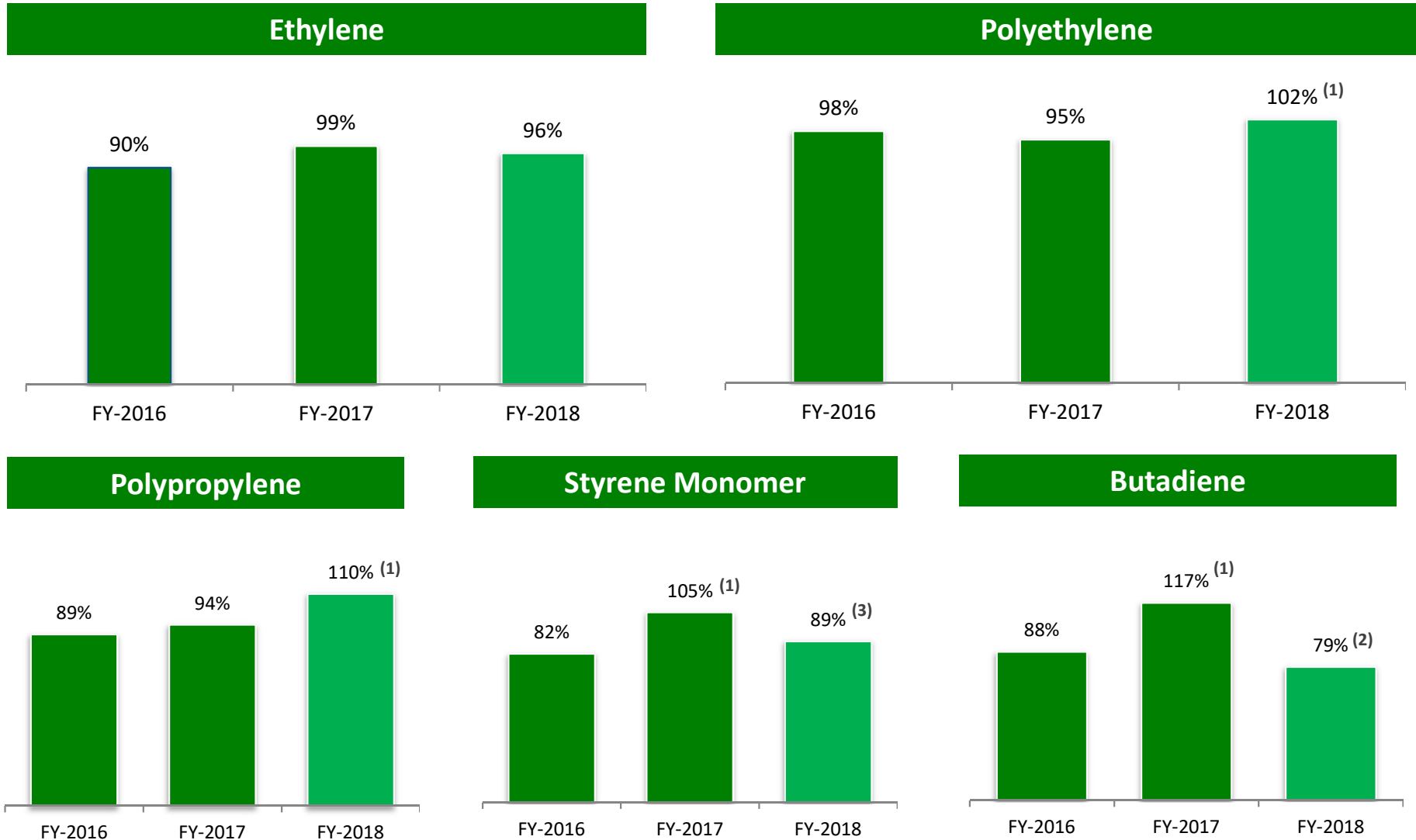
Others



■ SM ■ Butadiene ■ Naphtha

Petrochemical Operating Rates

Maintained high operating rates for all plants ...



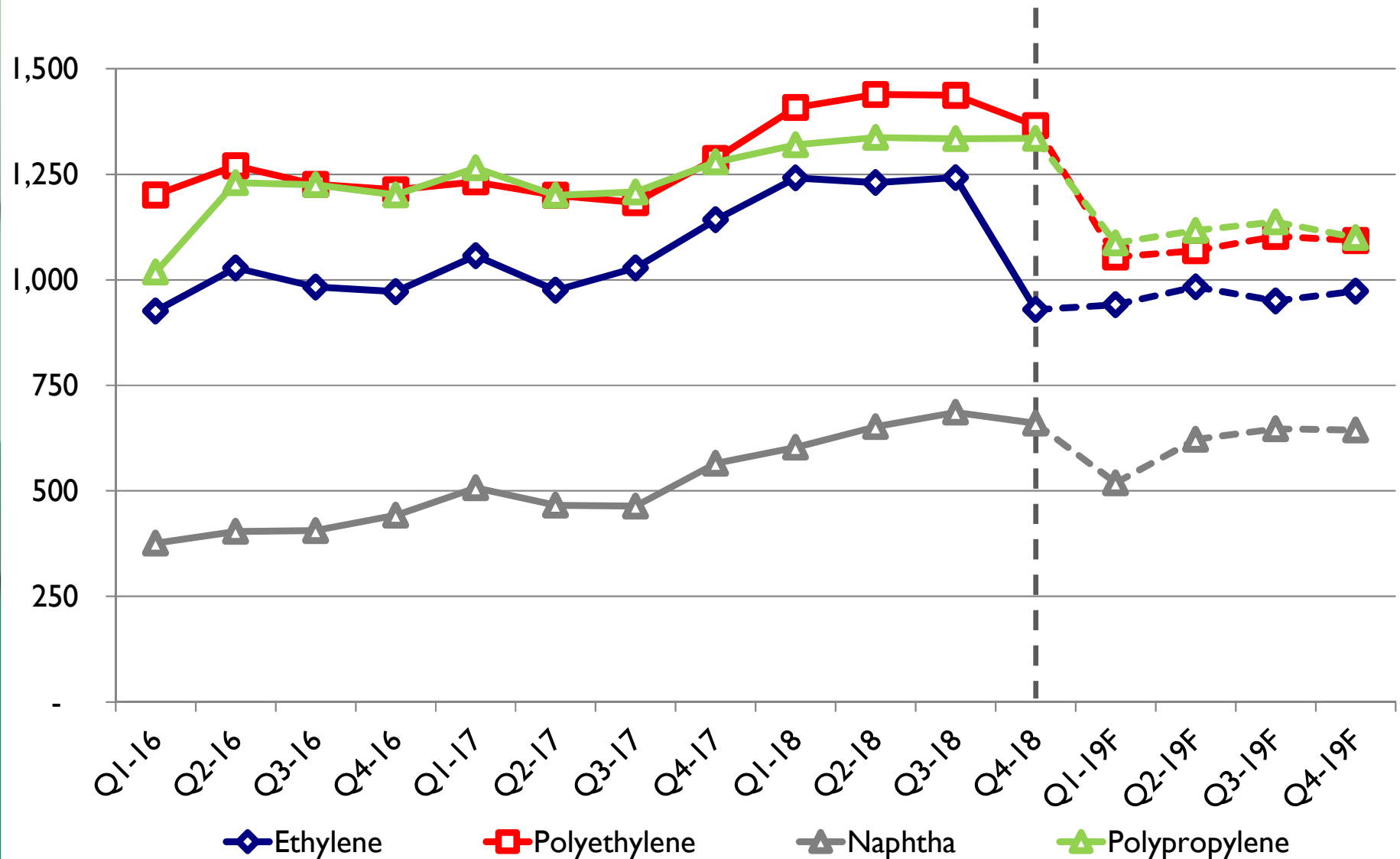
(1) Figures > 100% denote utilization in excess of nameplate capacity

(2) Due to planned shutdown for 90 days to increase capacity by 37% to 137ktpa. Butadiene plant resumed operation in June 2018.

(3) Due to scheduled TAM (2 trains)

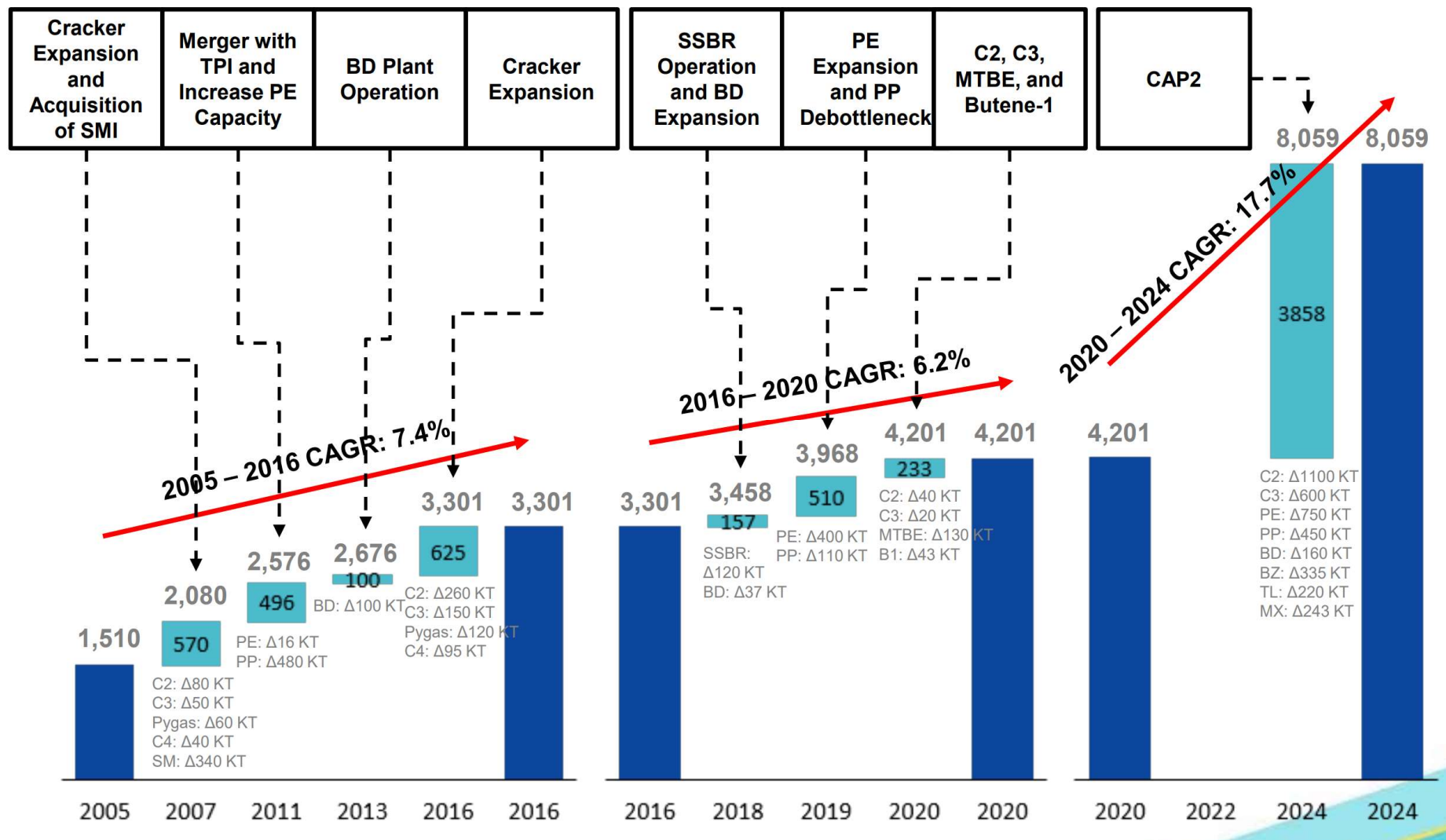
2019 Outlook - Petrochemical

Continuing healthy product spreads despite increasing feedstock price...



Note: Forecasted price based on IHS 1 April 2019

Strategic Growth via Expansion and Debottlenecking



After doubling the size of production capacity over historical 10 years, the expected further growth in the next 5 years 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 (Exclude CAP 2)

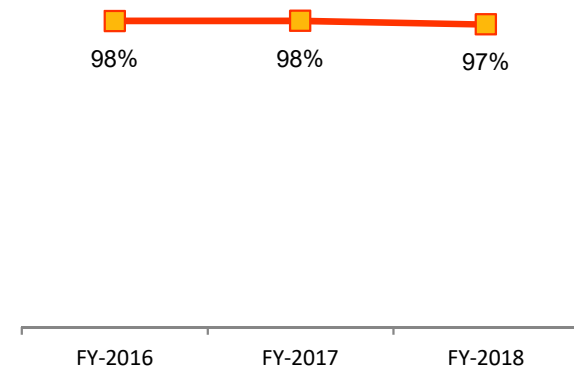
Project Description	Schedule		CAPEX (US\$m)	Funding Status	Capacity Increase	Cumulative Capacity
	Start	Proposed Start up				
Current Production Capacity beg of 2019						3,458 KT/A
PP Debottlenecking	4Q - 17	3Q – 2019	39.5	Fully Funded	110 KT/A	110 KT/A
New Polyethylene Plant	1Q – 2018	4Q – 2019	380.0	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

➤ **Energy Business**

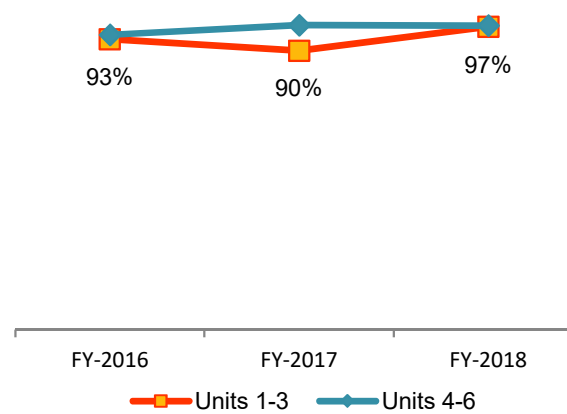
Operational and Financial Performance

Average Net Capacity Factor (1)

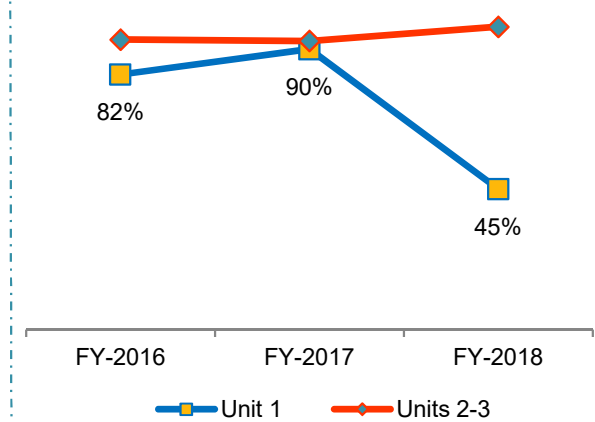
Wayang Windu



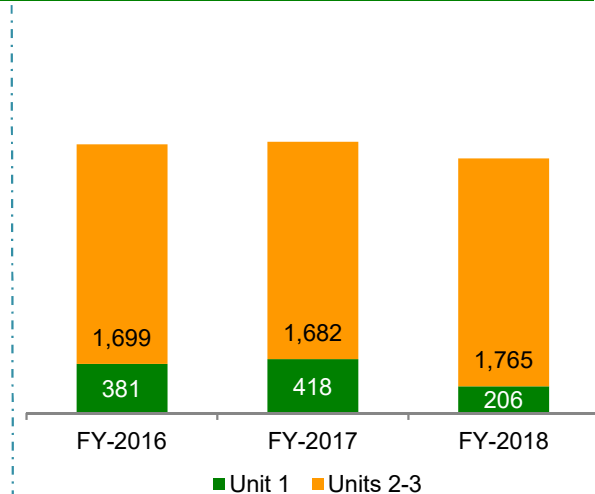
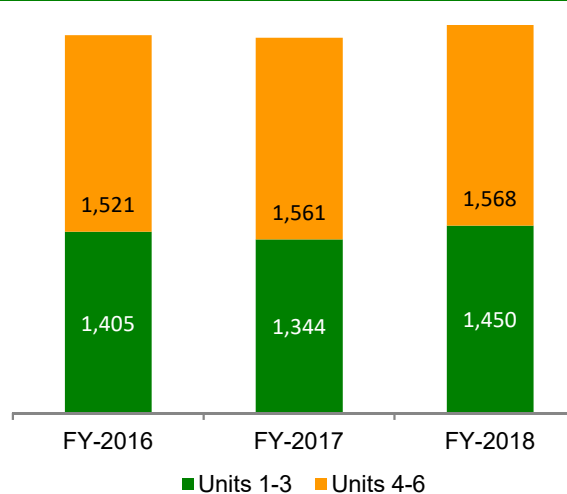
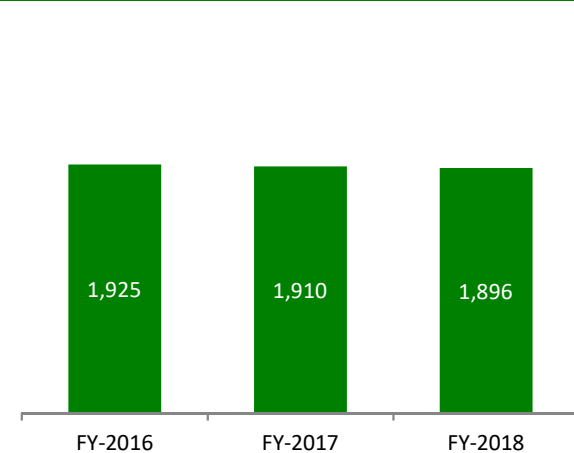
Salak



Darajat (2)



Net Dispatch (GWh)

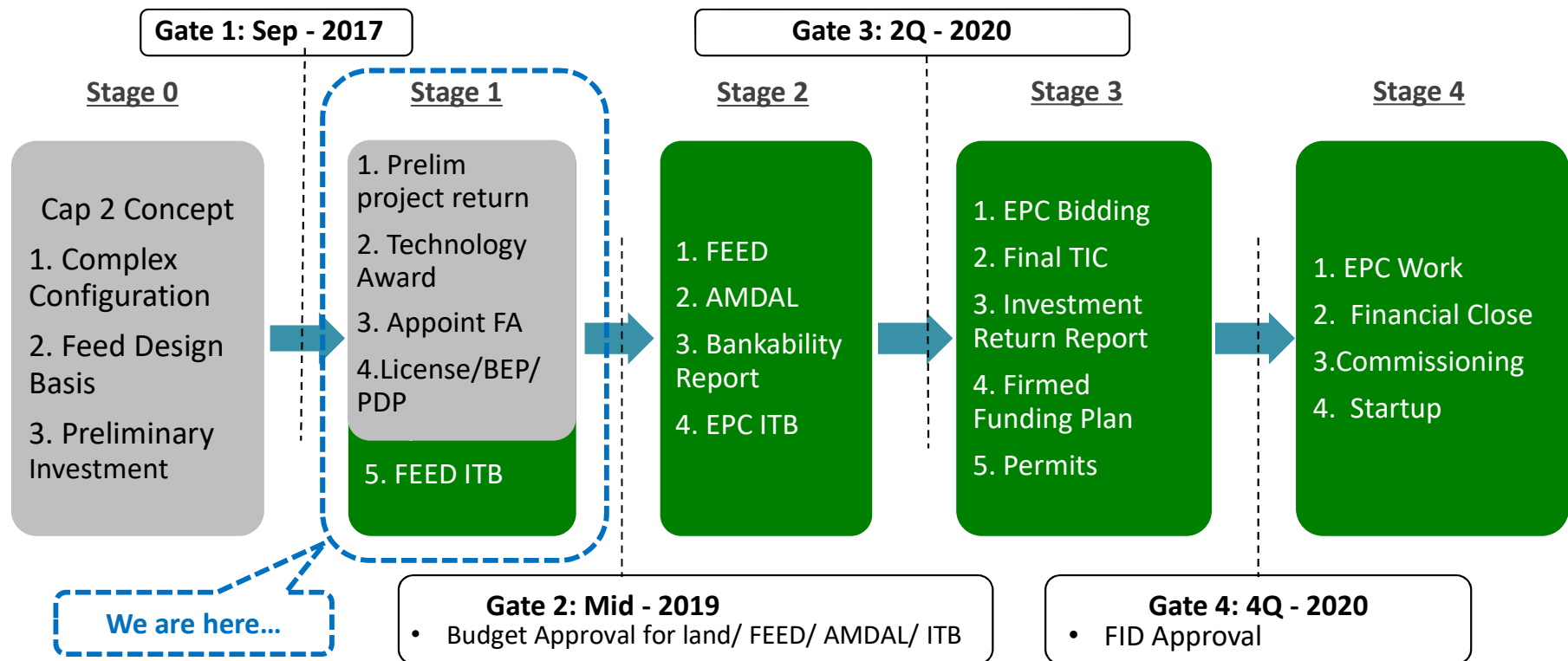


(1) Net capacity factor means the ratio of the actual output of the relevant geothermal turbine-generator unit to the theoretical output assuming full capacity usage (excluding planned maintenance)

(2) Darajat Unit 1 power plant is operated by PT Indonesia Power, a subsidiary of PLN. There were 3.5 days unplanned shutdown in January 2018 and has been shutdown since 18 March 2018 due to high vibration and back to commercial operation on 30 September 2018.

➤ **Appendix**

CAP 2 Project Master Schedule

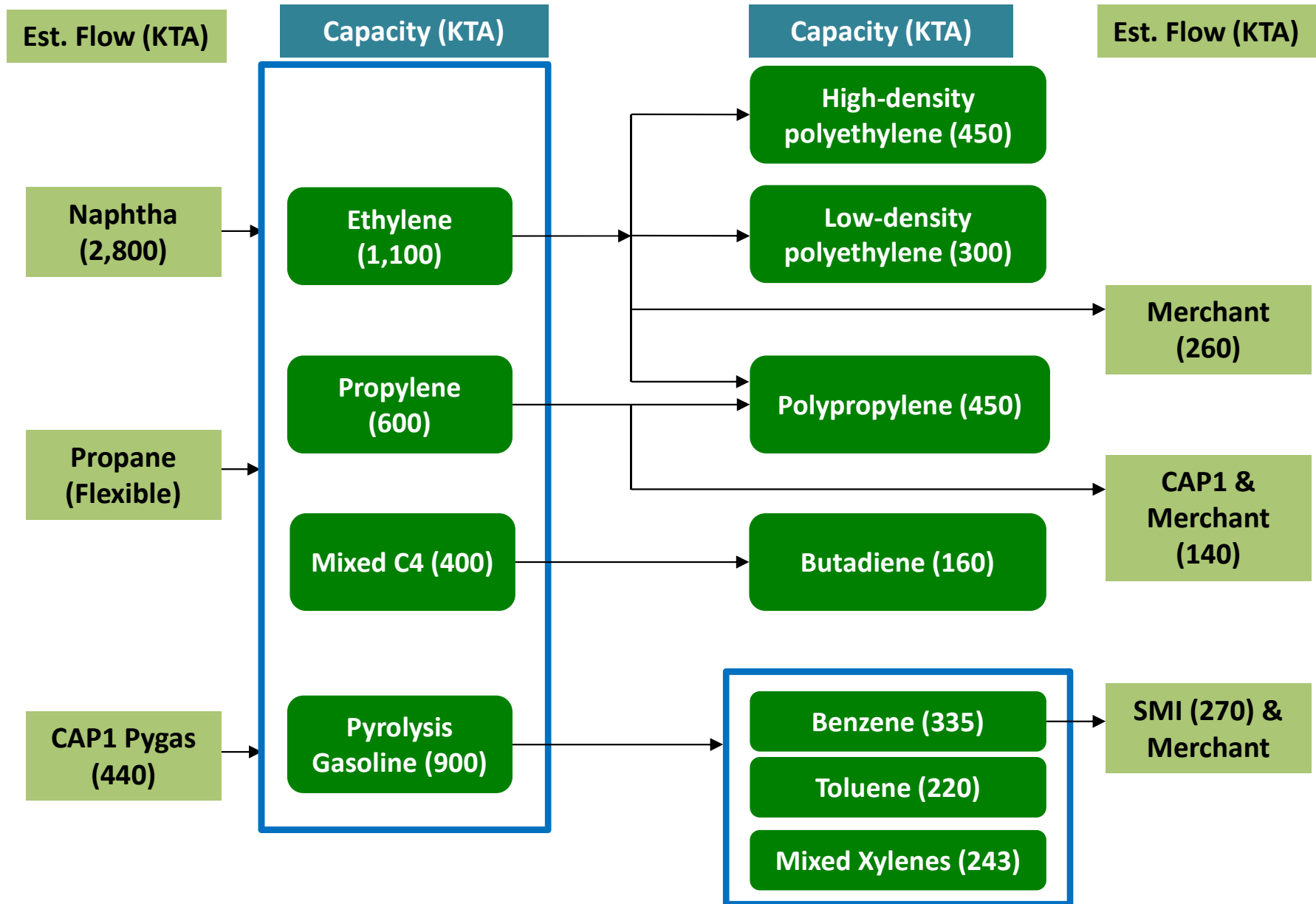


CAP 2 Current Progress: Awarded Technology Licensors and Basic Design Package

Production Plant	Licensor
Olefins (1.1 MMTA C2)	• Lummus
Butadiene (160 KTA)	• Lummus
Aromatics (335 KTA BZ, 220 KTA TL, 243 KTA MX)	• GTC

Production Plant	Licensor
HDPE (450KTA)	• Texplore
LDPE (300 KTA)	• Lyondellbasell
PP (450 KTA)	• Lyondellbasell

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 (160 KTA)	• BASF/CB&I	LDPE (300 KTA)	• LyondellBasell
Aromatics (335 KTA BZ, 220 KTA TL, 243 KTA MX)	• GTC	PP (450 KTA)	• LyondellBasell