Pakuwon Jati

Results Presentation – 1H 2015

PT. PAKUWON JATI

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Section 1

Results summary

PT. PAKUWON JATI

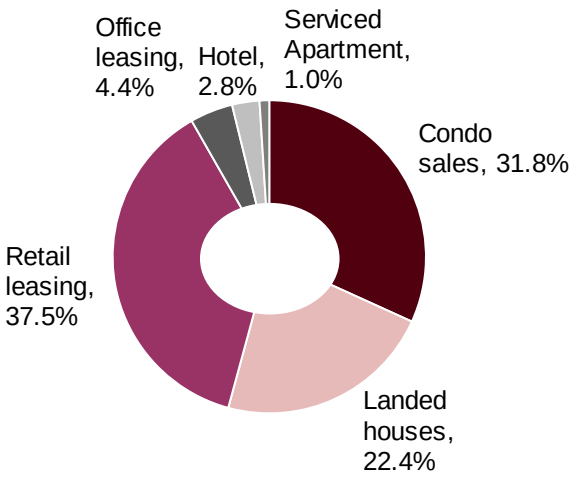
Results summary

(Rp bn unless otherwise stated)	1H 2015	1H 2014	Variance	Comments
Revenue	**2,426**	**1,880**	**+29.0%**	38% increase in recurring revenue; 22% increase in development revenue. Pakuwon Permai contributed RP466bn (19%) of revenues
Gross Profit[1]	**1,478**	**1,160**	**+27.4%**	
Gross Profit Margin (%)	*60.9%*	*61.7%*		Gross profit and Ebitda margins remained consistent over the periods (adjusted for acquisition related goodwill from Pakuwon Permai)
EBITDA[1]	**1,455**	**1,129**	**+28.9%**	
EBITDA Margin (%)	*60.0%*	*60.0%*		
Net Income for the Period[2]	**1,031**	**907**	**+13.7%**	
Net Income Margin (%)	*42.5%*	*48.2%*		Reduction in net income margin primarily due to additional interest expenses associated with Permai acquisition
Net Income Attributable to Owners[2]	**962**	**896**	**+7.3%**	
Earning Per Share (Rp)[2]				
Basic	19.97	18.61	+7.3%	
Diluted	19.87	17.94	+10.8%	

Notes:
1 Adjusted for acquisition related COGS from goodwill costs of Rp44bn in 1H 2015
2 Adjusted for acquisition related COGS from goodwill costs of Rp44bn in 1H 2015 and forex gains/(loses) of Rp9 and (163)bn in 1H 2014 and 1H 2015 respectively

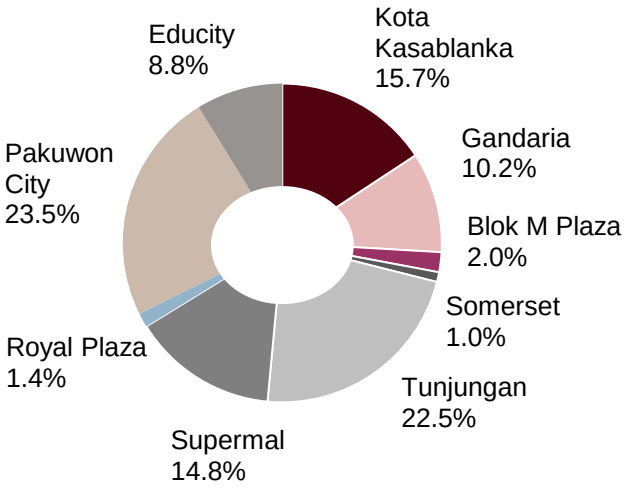
Results breakdown

Revenue by segment (1H 2015)



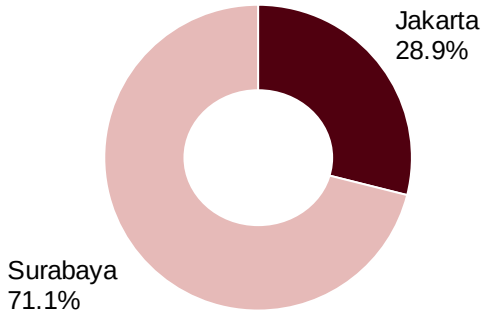
- **46%** recurring revenue
- Contribution of recurring income continues to be driven by retail mall leasing income
- Increased residential sales recognition of condominiums and landed houses
- PWON continues to target long term 50/50 recurring/development

Revenue by project (1H 2015)



- Increased revenue contribution of Surabaya projects primarily residential condominiums and landed houses as well as Pakuwon Permai
- Going forward, we expect contribution from Grand Pakuwon (launched in 2014) and increased contribution from Pakuwon Permai

Revenue by geography (1H 2015)



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

Key recent developments

- ✓ **Received ratings upgrade from Fitch and Moody's and positive outlook from S&P (respectively, BB-/ Ba3 /B+)**
- ✓ **Completed Ascott Waterplace Surabaya, soft opening in July 2015**
- ✓ **Awarded construction of Kota Kasablanka's phase 2 condominiums and offices to PT Lotte-Totalindo**
- ✓ **Acquired 67.1% of PT Pakuwon Permai ("PP") for Rp1,685bn (US$138.1m), net of cash on PP balance sheet**
  - Funded via proceeds from US$200m 2019 USD bonds issued in July 2014
  - Completed on 10 October 2014
  - Key assets/projects include:
    - *Retail mall NLA: 178k sqm existing & operational + 86k sqm pipeline to start construction in the next 2 years*
    - *Hotel/serviced apartment: 147 rooms existing + 791 rooms under construction*
    - *Condominium GSA: 101k sqm under construction + 122k sqm pipeline to start construction in the next 2 years*
  - PP is debt-free and has Rp980.4bn (US$80.4m) of cash and cash equivalents as at acquisition
  - 1H 2015 recurring revenue of Rp216.8bn (US$16.3m) and recurring EBITDA of Rp129.8bn (US$9.7m)
- ✓ **Increased stake in 4.2ha Simatupang land bank from 45% to 70%**
- ✓ **Launched new township development in West Surabaya – Grand Pakuwon in December 2014**
- ✓ **Accelerated launch of 4th condo tower at Supermal Pakuwon Indah post acquisition of PP due to strong demand**
- ✓ **Uniqlo confirmed leasing of 2,300sqm retail space at Gandaria City Mall, opened on 24 April 2015**

Section 2

Business summary

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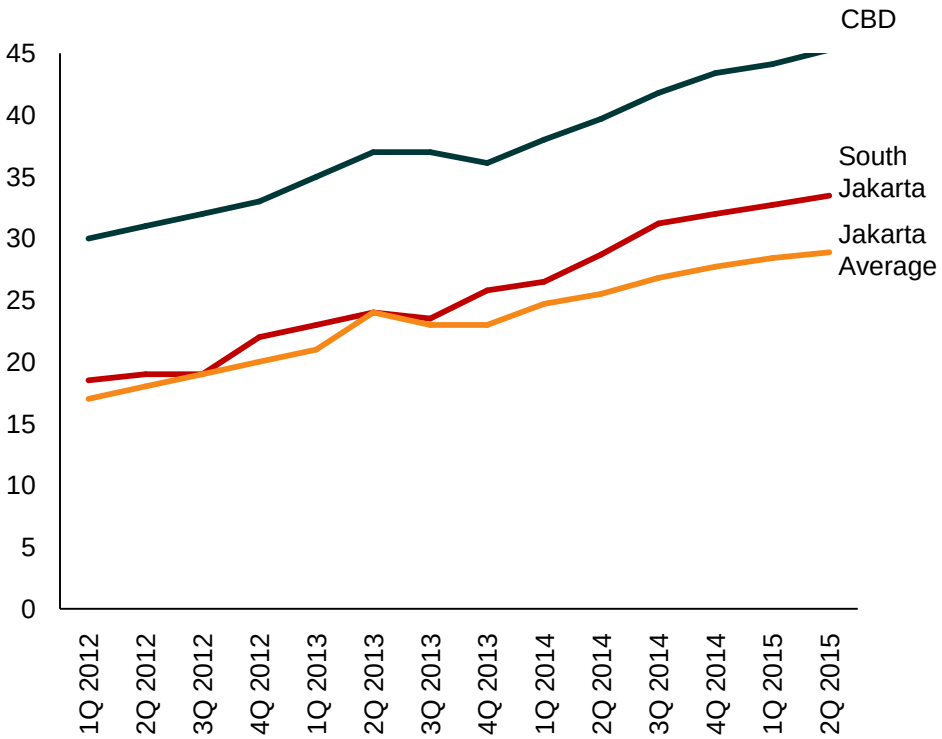
Residential market update

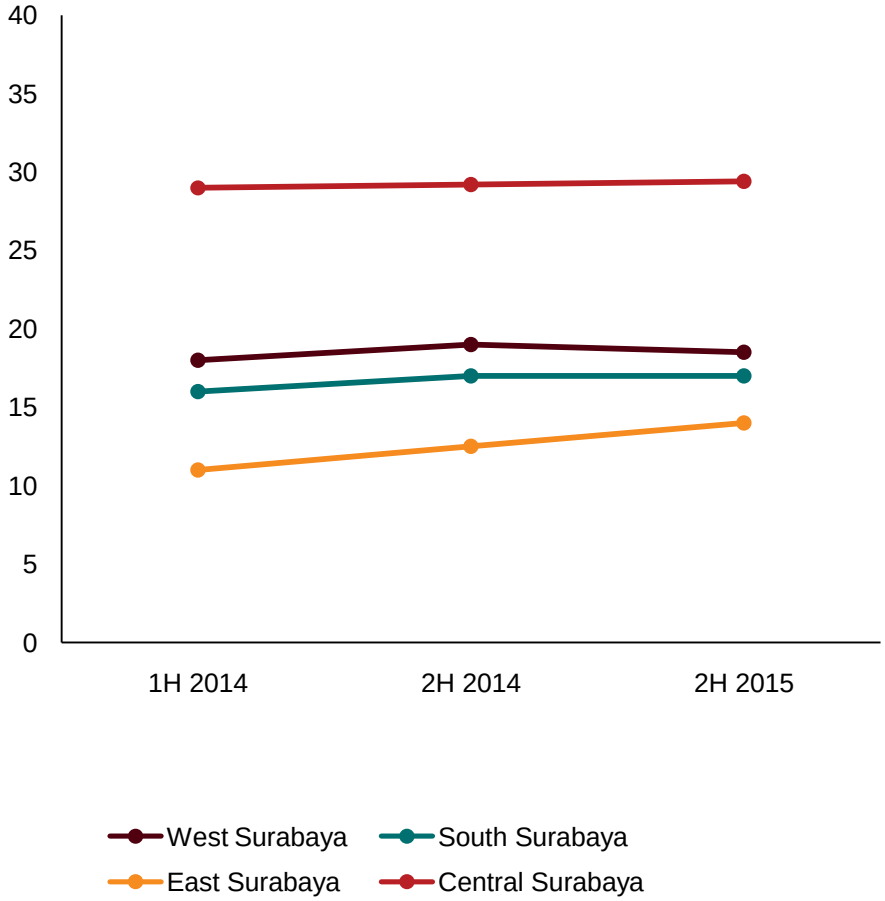
Residential sales in prime locations by established developers remain resilient despite moderate softening in broader non-prime locations

ASPs of condos in Jakarta (Rpm psm)



Source: Colliers Apartment Market Report – Jakarta 2Q 2015

ASPs of condos in Surabaya (Rpm psm)

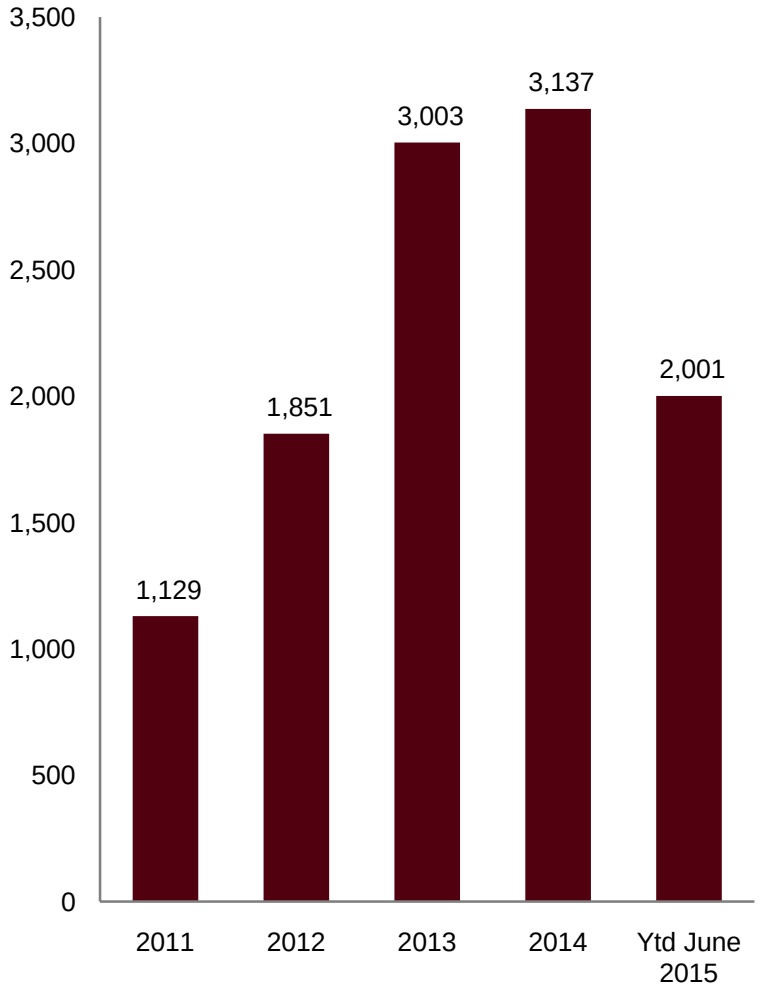


Source: Colliers Apartment Market Report – Surabaya 1H 2015

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)

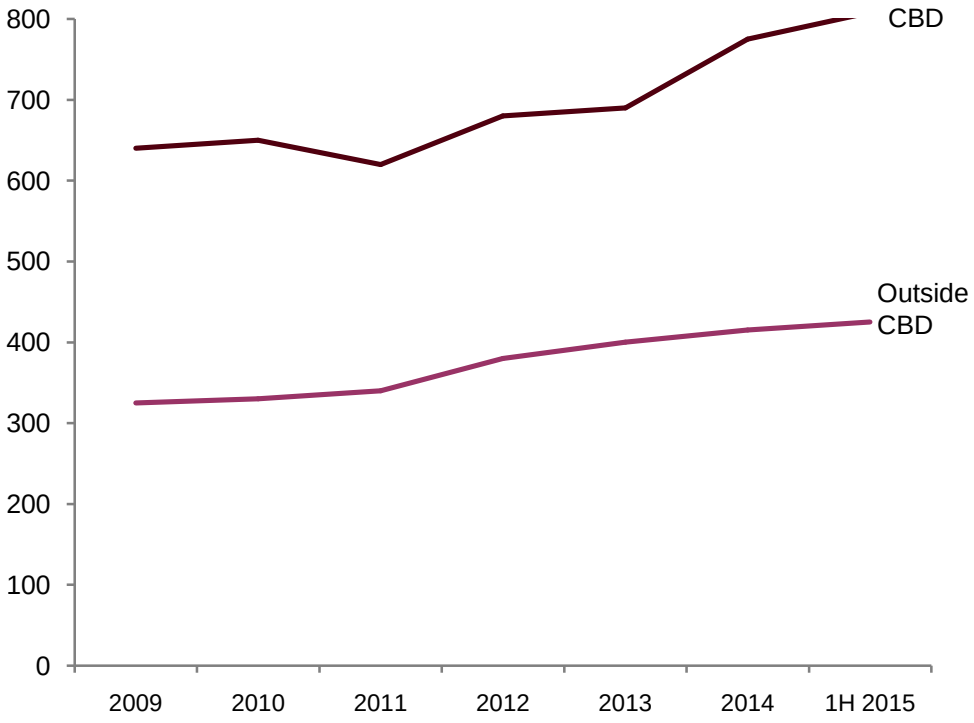
Superblock / Township	Project name	Segment	GSA (sqm)	% Sold	Progress update
Kota Kasablanka	88 Kasablanka A	Office (sale + lease)	58.3K	100%[1]	Completed
	Casa Grande	Condo	96.2K	96%	Completed
	Angelo	Condo	35.8k	64%	Piling
	Bella	Condo	35.8k	58%	Piling
Tunjungan City	Pakuwon Center	Office (sale + lease)	20.3K	28%[1]	Topping off and finishing works in progress
	The Peak	Condo	30.0K	63%	Topping off and finishing works in progress
	One Icon	Condo	48.8K	55%	At level 14
Pakuwon City	Harvard	Condo	26.0k	100%	Completed
	Stanford	Condo	25.5k	97%	Completed
	Yale	Condo	25.4k	94%	Completed
	Princeton	Condo	25.7k	80%	Completed
Supermal Pakuwon Indah	Orchard	Condo	27.6K	88%	Completed
	Tanglin	Condo	32.3K	86%	Completed
	The Ritz	Condo	41.4K	47%	At level 8
	Anderson	Condo	57.1k	49%	Construction to begin 3Q15

Note: 1 As % of saleable area, excluding approximately 35-40% of area set aside for lease
Company data as at end 30 June 2015

Retail market update

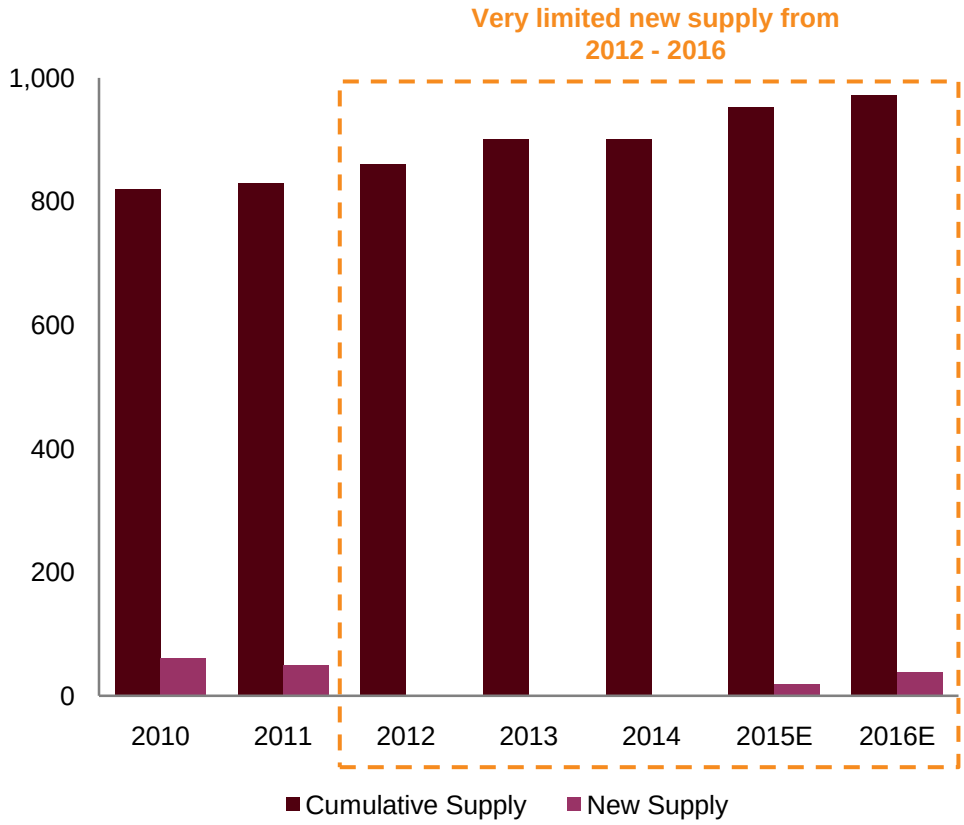
Retail property market helped by limited new supply in Jakarta and Surabaya – driving up occupancy and rents

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



Source: Colliers Retail Market Report - Jakarta 2Q 2015

Cumulative retail supply in Surabaya (sqm)



Source: Colliers Retail Market Report – Surabaya 1H 2015

Retail malls – Continued strong leasing interest

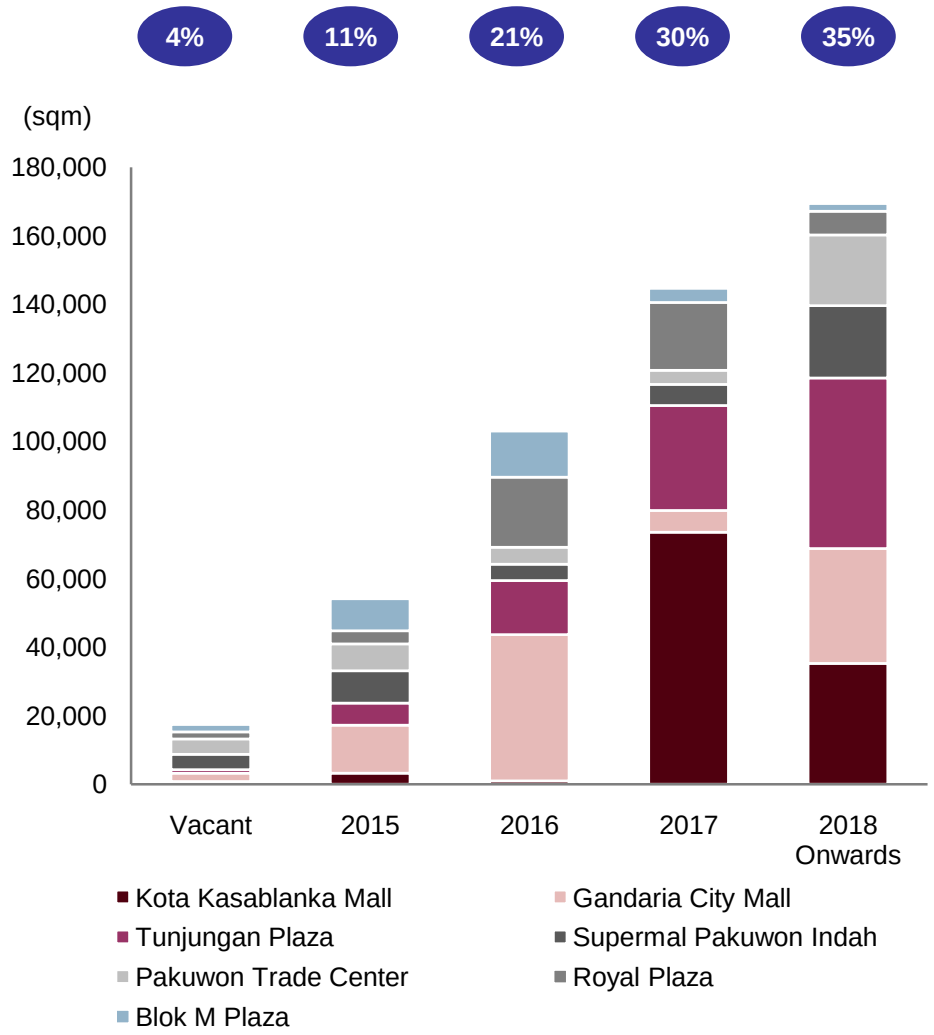
Wide appeal of PWON's malls demonstrated by consistently high occupancy

Historical Occupancy

- Maintained strong occupancy across portfolio
- Some vacancies in Supermal Pakuwon Indah due to tenant re-mixing/re-locations in anticipation of new extension due to complete in 2016
- 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

	2012	2013	2014	1H 2015
Tunjungan Plaza	98%	99%	99%	98%
Kota Kasablanka Mall	94%	94%	99%	99%
Gandaria City Mall	95%	98%	98%	98%
Supermal Pakuwon Indah	89%	91%	91%	92%
Pakuwon Trade Center	91%	93%	91%	91%
Royal Plaza	96%	96%	96%	97%
Blok M Plaza	88%	95%	93%	93%

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)

(US$ psm / month)	2012	2013	2014	1H 2015	2014 - 1H 15 % Chg
Kota Kasablanka Tower A	N/A	$17	$18	$ 19	+4%
Kota Kasablanka Tower B	N/A	$15	$15	$ 15	+2%
Gandaria Tower A	$14	$14	$15	$ 16	+8%

Hotel RevPAR

	2012	2013	2014	1H 2015	2014 - 1H 15 % Chg
Tunjungan Sheraton (Rp)	639	724	784	654	(17%)
Somerset Berlian (US$)	79	77	72	65	(10%)

Major office tenants

ICBC
LG Electronics
HUAWEI
Prudential
hp
Bank of Tokyo-Mitsubishi UFJ

Hotel brands (existing and upcoming)

pullman HOTELS AND RESORTS
Sheraton
FOUR POINTS BY SHERATON
ibis STYLES HOTELS
SOMERSET SERVICED RESIDENCES
THE ASCOTT LIMITED

Section 3

Growth & strategy

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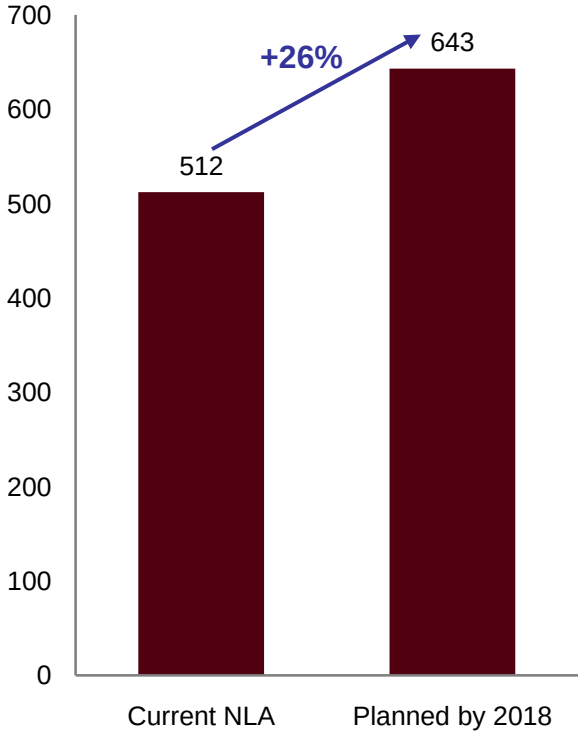
Long term growth strategy on track

- ✓ 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

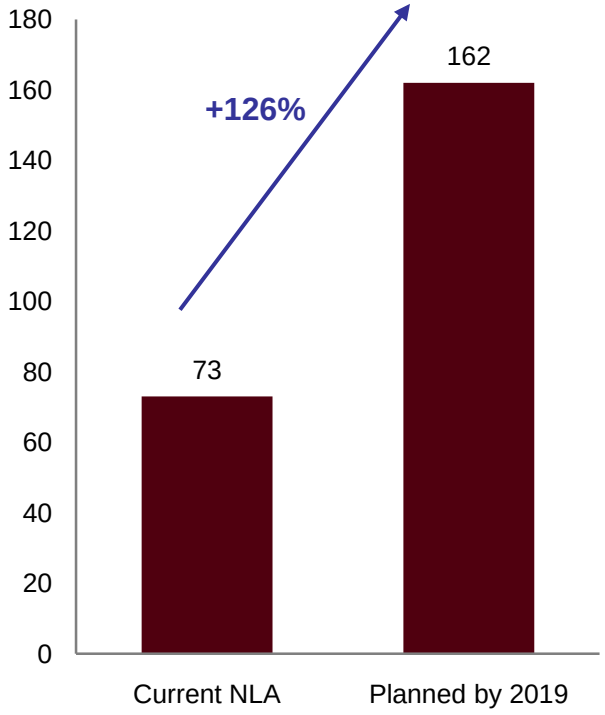
Plans to continue growing retail, office, and hotel portfolio to maintain recurring income mix

Retail Mall NLA Growth



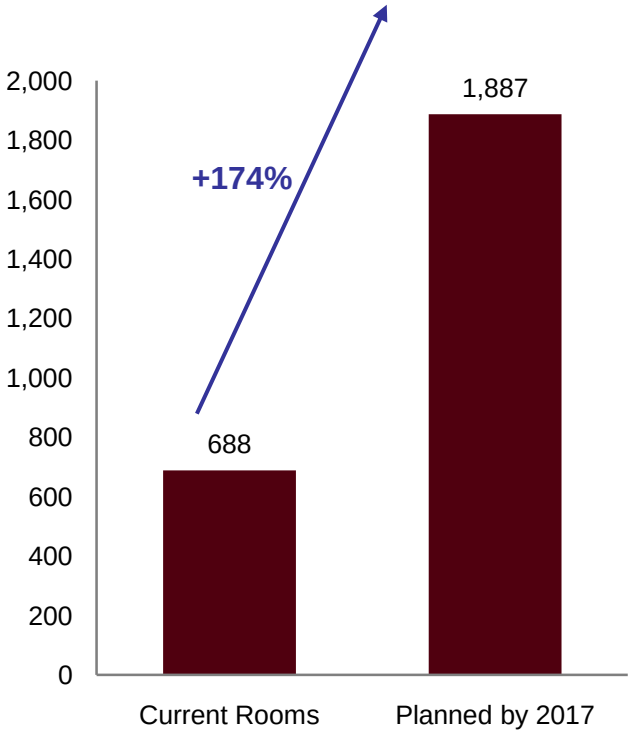
- Tunjungan Plaza Phase 5 and 6 mall extensions
- Supermal Pakuwon Indah Phase 2, 3 and 4

Office Leasing NLA Growth



- Kota Kasablanka Tower C
- Gandaria Tower B
- Tunjungan Phase 5 and 6

Hotel Room Growth



- Gandaria Sheraton
- Tunjungan Four Points
- Supermal Pakuwon Indah Pullman and Ibis

Land bank – Sufficient for >10 years of development

457 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)
South Jakarta	Kota Kasablanka	2.7	4.1	6.8
	Gandaria City	0.9	1.9	2.8
	Simatupang land bank	-	4.5	4.5
Greater Jakarta	Bekasi land bank		2.7	2.7
Central Surabaya	Tunjungan City	1.6	2.5	4.1
East Surabaya	Pakuwon City Township	-	239.2	239.2
	Outside Pakuwon City	-	22.0	22.0
West Surabaya	Grand Pakuwon Township	-	162.0	162.0
	Supermall Pakwuon Indah	5.4	0.6	6.0
	Outside Grand Pakuwon	-	7.5	7.5
Total Land Bank				**457.60**

Section 4

Capital management

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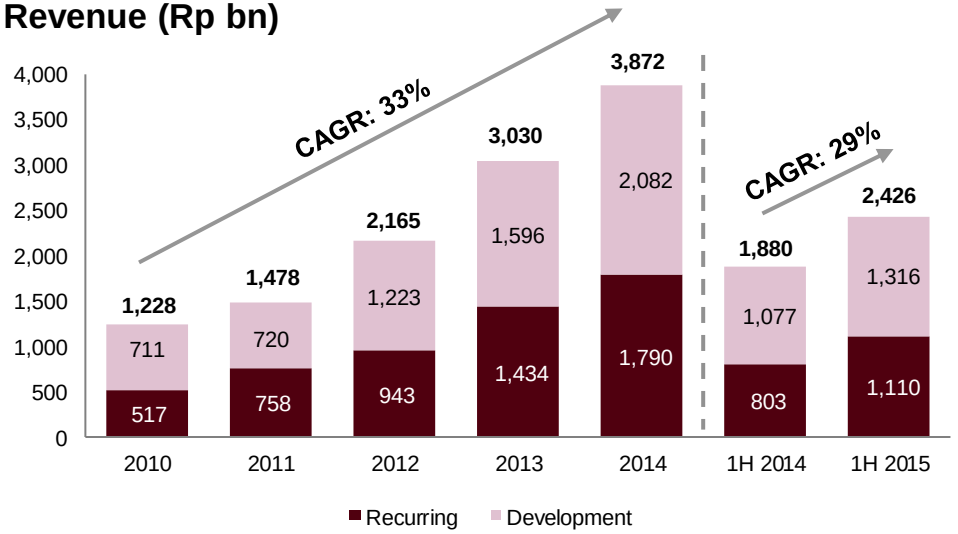
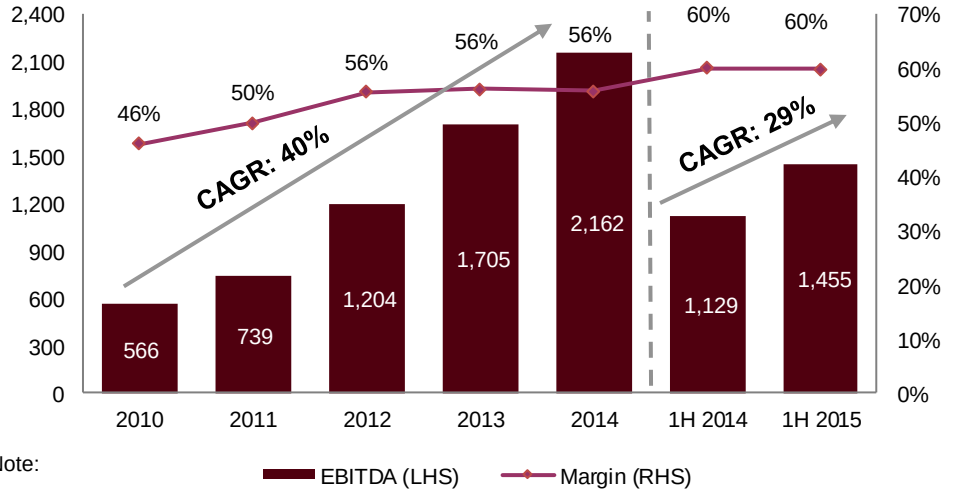
Strong financial growth and optimized capital structure

Revenue (Rp bn)



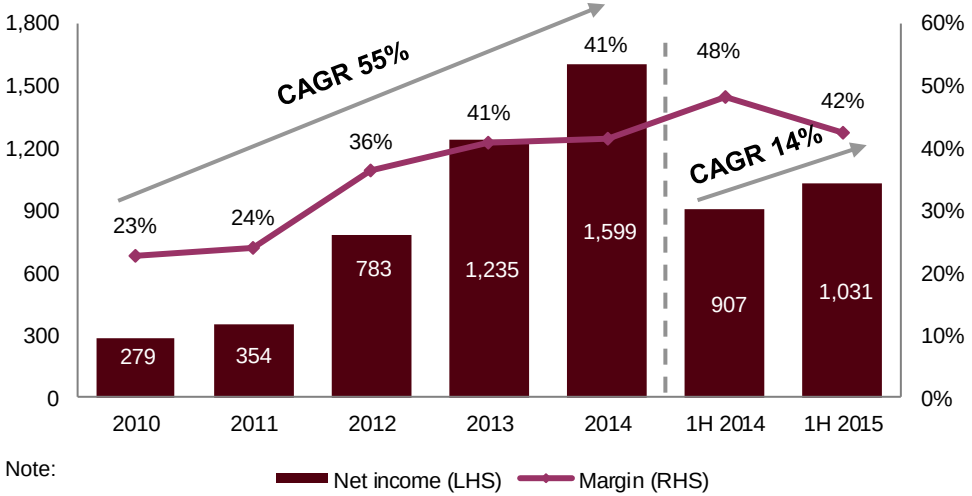
Adjusted EBITDA[1] (Rp bn)



Note:

1. Adjusted for acquisition related COGS from goodwill costs of Rp59bn in 2014, Rp44bn in 1H 2015

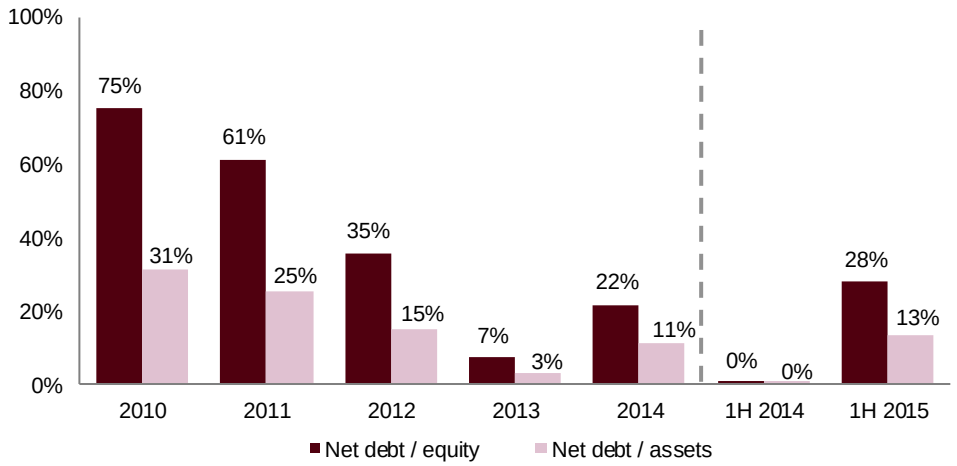
Net income[1] (Rp bn)



Note:

1 Adjusted for acquisition related amortization expense of Rp25bn in 2010 and forex gains/(losses) of Rp 18, (7), (35), (102), (40), 9, (195)bn in 2010, 2011, 2012, 2013, 2014, 1H 2014 and 1H 2015, derivative financial instruments gains /(loses) of Rp (22)bn in 2014 and Rp32bn in 1H 2015, 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 and adjusted for additional COGS from goodwill costs of Rp 59bn in 2014 and Rp44bn in 1H 2015

Consistent deleveraging



Strong financial position and prudent balance sheet

Modest increase in gearing to acquire 67% of PT Pakuwon Permai, which provides immediate cashflows as well as a strong pipeline of developments

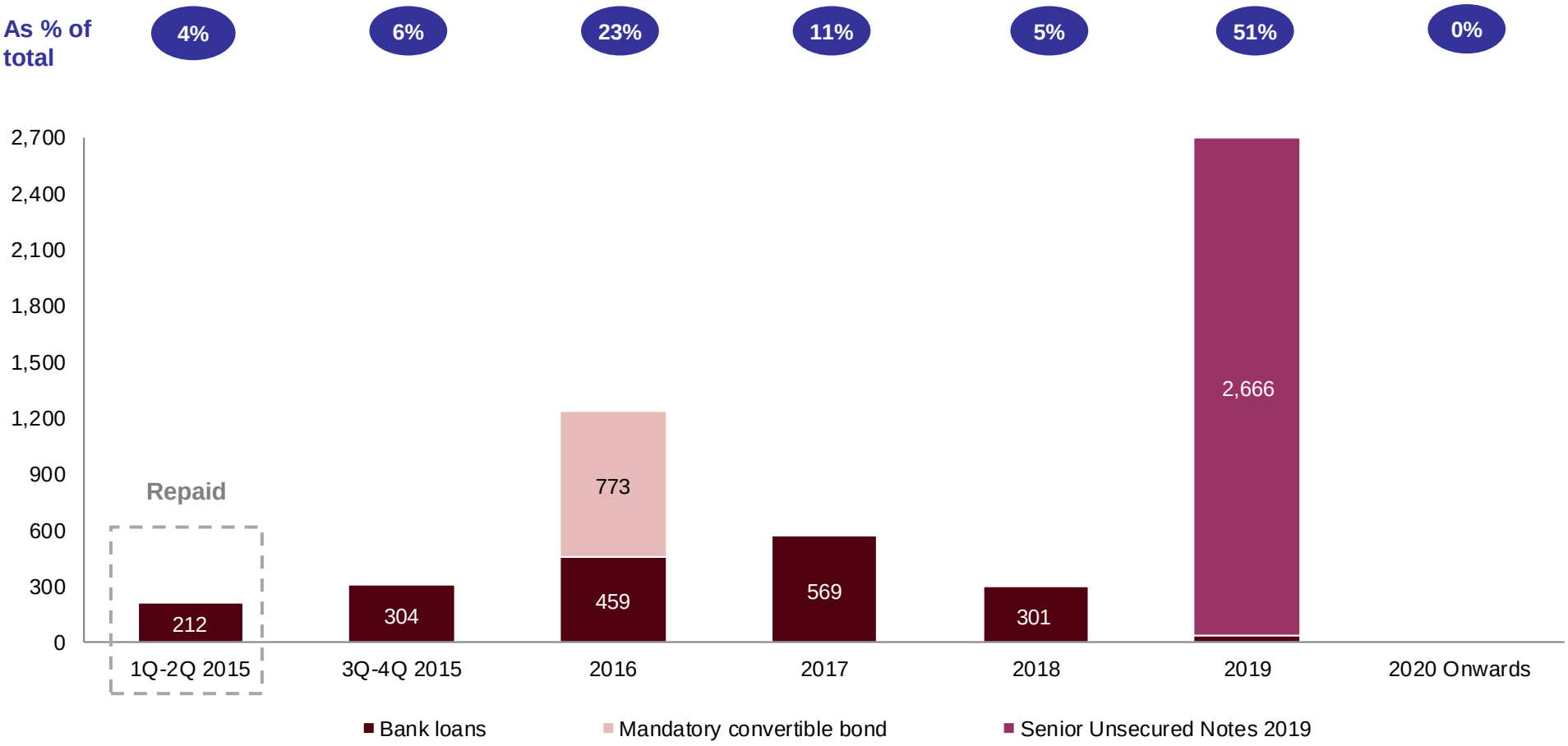
(Rp bn unless otherwise stated)	As of 1H 2015	As of 1H 2014	Comments
Cash	**2,644**	**2,280**	
Total Debt	**5,111**	**2,286**	*Increase from US$200m 7.125% Senior Unsecured Notes due 2019*
Net Debt	**2,467**	**6**	
Net Debt / Equity	**28%**	**0%**	
Net Debt / Assets	**13%**	**0%**	
Fixed Charge Coverage Ratio (FCCR)[1]	**3,9x**	**-**	
% Fixed Rate Debt[2]	**61%**	**0%**	
Credit rating			
S&P	B+ / positive	NR	
Moody's	Ba3 / stable	NR	
Fitch	BB- / stable	NR	

Notes:
1 FCCR calculated as EBITDA / Consolidated Fixed Charges (Interest)
2 Excludes Mandatory Convertible Note at PT Artisan Wahyu (non interest bearing)

Well balanced debt maturity profile

Average debt maturity of 3.5 years, with cost of debt between c.10 – 11% p.a.[1]

Debt Maturity Profile (Rp bn)



Notes:
1 Based on post-FX hedging cost of USD senior unsecured notes

Appendix A

Company overview

PT. PAKUWON JATI

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 30 year track record

Market leader in Surabaya	
#1	Largest superblock in Surabaya
#1	Largest land bank in Surabaya City
#1	Largest shopping mall in East Java
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**
Description	12.5ha located right next to Jakarta's Golden Triangle. Contains the largest mall in South Jakarta, opened on July 28, 2012	3rd largest superblock in South Jakarta, sitting on a 9.4ha 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
Residential	4 condos, 1,077 units, GSA: 96k sqm 3 additional condos, GSA: 117k sqm	2 condos, 715 units	2 additional condos, GSA: 79k sqm	House and land lot community 4 Educity condos: 103k sqm GSA Total: 19 planned condo developments[1]	House and land lot community
Office (for sale)	Tower A GSA: 34k sqm Tower C GSA: 49k sqm	Tower A GSA: 37k sqm Tower B GSA: 50k sqm	TP5 and TP6 office GSA: 35k sqm	Shophouses, university, schools, and a hospital	
Retail	Middle to upmarket NLA: 111k sqm	Middle to upper middle NLA: 98k sqm	Largest mall in East Java NLA: 103k sqm TP5 and TP6 NLA: 45k sqm	Family shopping centre NLA: 21k sqm	
Office (for lease)	Tower A NLA: 24k sqm Tower B NLA: 32k sqm Tower C NLA: 33k sqm	Tower A NLA: 21k sqm Tower B NLA: 33k sqm	TP5 and TP6 office NLA: 23k sqm		
Hotel		294 room, 5-star hotel	359 room, 5-star hotel 293 room, 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 condominiums scheduled to launch post 2015

NLA : Net Leasable Area, GSA: Gross Saleable Area

Portfolio overview (cont'd)

Strategically located superblocks and townships in Jakarta and Surabaya

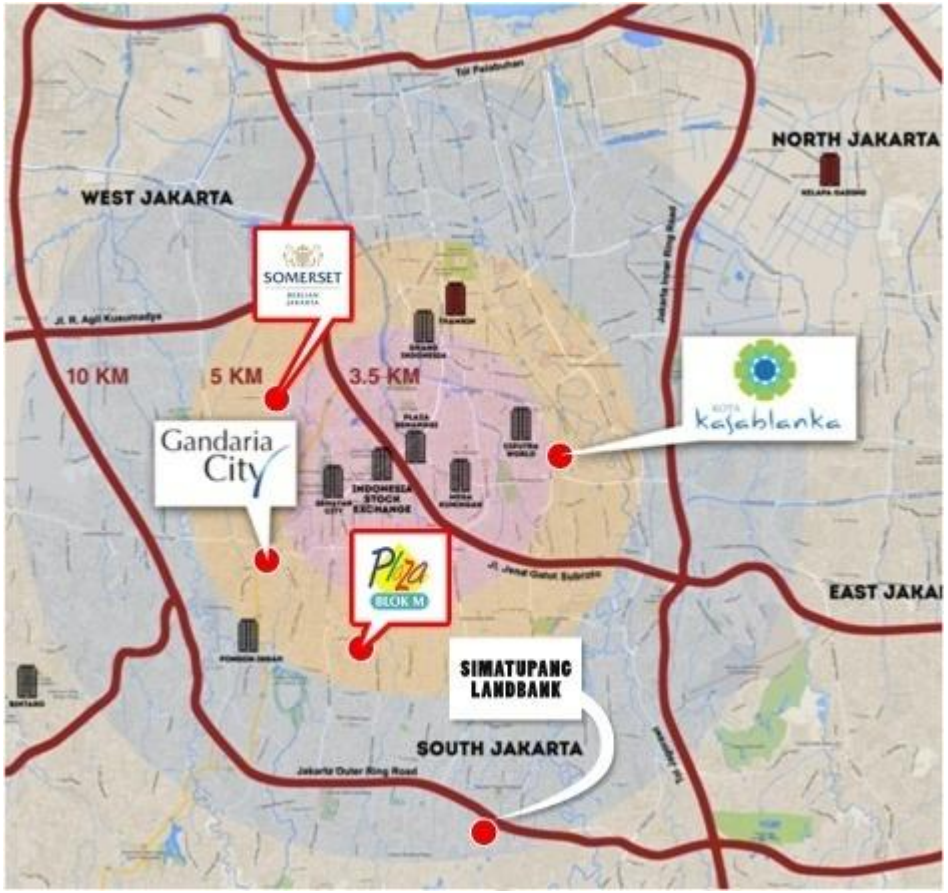
	Supermal Pakuwon Indah	Royal Plaza	Blok M Plaza	Somerset Berlian
Location	**West Surabaya**	**South Surabaya**	**South Jakarta**	**South Jakarta**
Description	14.6ha Superblock located in West Surabaya's affluent residential neighborhood. Has a mid-market retail mall, Supermal Pakuwon Indah ("SPI") and a strata retail mall 89% owned and managed by PP, Pakuwon Trade Centre ("PTC"). Developing Phase 2 & 3 with premium leased retail, residential condos, hotels and serviced apartment. Phase 2 & 3 malls are over 50% pre-leased and scheduled to open in 2016 and 2017 respectively	Mid-market strata retail mall 78% owned and managed by a subsidiary of PP. 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.	Mid-market retail mall in South Jakarta's commercial district. Situated along the main thoroughfare connecting South Jakarta and the central business district. Planned MRT terminal connects directly into the mall (estimated to complete by approx. 2018).	Serviced apartment situated in the exclusive residential area of South Jakarta and a short drive from the financial center. Managed by The Ascott Limited under the "Somerset" brand
Opening date	SPI Phase 1: 2003, PTC: 2004	2006	1991	2007
Residential	Phase 2: "Orchard" & "Tanglin" towers GSA: 60k sqm Phase 3: "The Ritz" tower GSA: 41k sqm Phase 4: Three condo towers GSA: 122k sqm			
Retail	SPI NLA: 47k sqm, PTC NLA: 46k[1] sqm Phase 2 NLA: 37k sqm Phase 3 NLA: 37k sqm Phase 4 NLA: 12k sqm	NLA: 53k[2] sqm	NLA: 31k sqm	
Hospitality	398 rooms, 3-star hotel (Ibis Styles brand) 211 rooms, 5-star hotel (Pullman brand) 182 serviced apartment units (Ascott brand)			147 serviced apartment units[3] (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. 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

Project locations

Jakarta

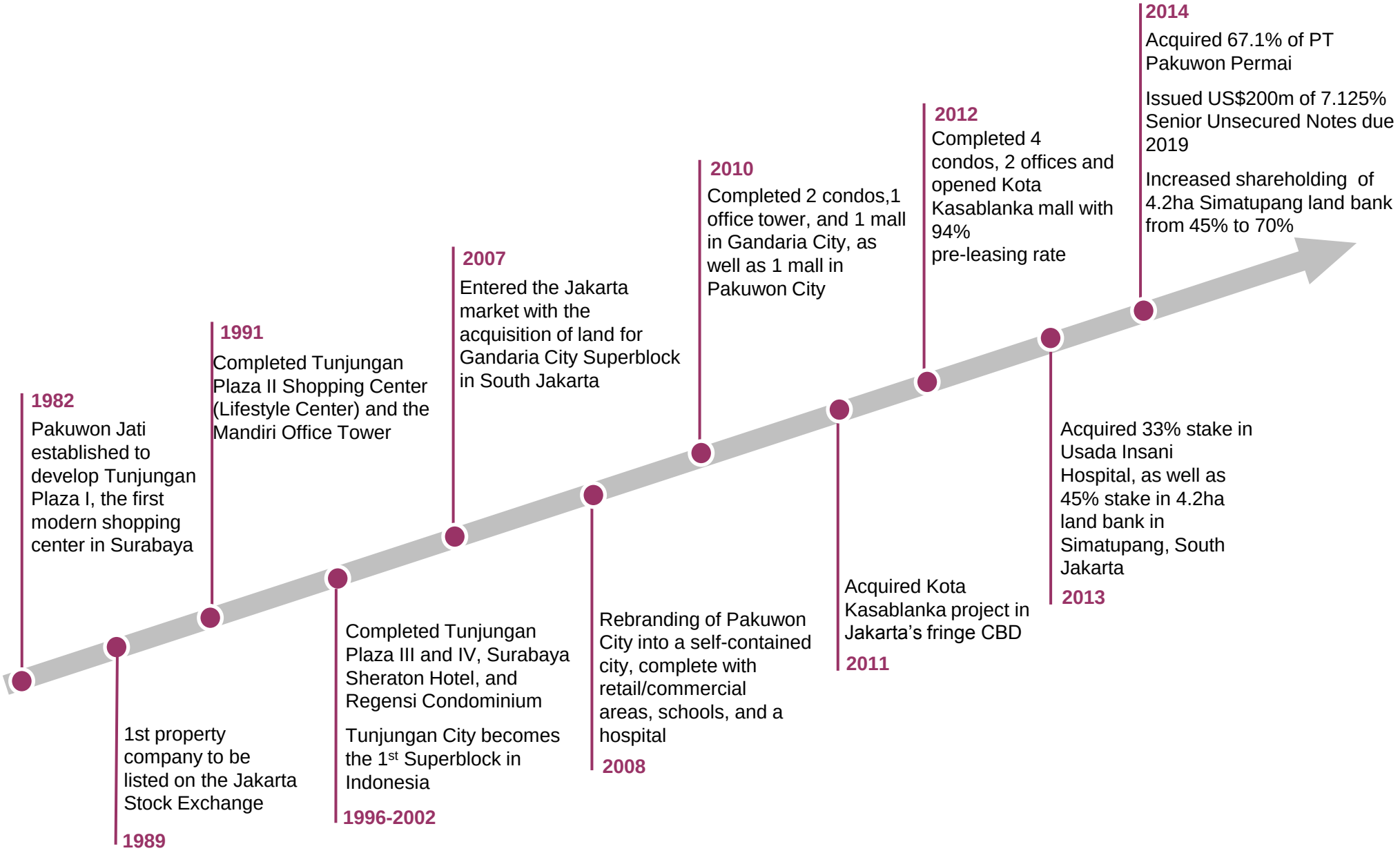


Surabaya

Newly acquired PP assets

Source: Company Data

30 year track record and growing…



Kota Kasablanka Superblock

Kota Kasablanka Superblock

Jakarta fringe CBD

12.5 ha of land area

570,500 sqm of GFA[1]

4,500 carpark lots

2.7 ha expansion

Kota Kasablanka Phase 2

Kota Kasablanka Phase 2

Jakarta fringe CBD

3 condominiums

1 office block

Artist rendering

Gandaria City

Gandaria City Superblock

South Jakarta

9.4 ha of land area

573,800 sqm of GFA[1]

4,800 carpark lots

0.9 ha expansion

Artist rendering

Gandaria City Phase 2

Gandaria City

Gandaria City expansion

South Jakarta

5-star hotel

1 office tower

Artist rendering

Tunjungan City

TUNJUNGAN PLAZA

Tunjungan City Superblock

Surabaya CBD

7.7 ha of land area

315,292 sqm of GFA[1]

4,200 carpark lots

1.6 ha expansion

Artist rendering

Tunjungan City Phase 5 & 6

TUNJUNGAN PLAZA

Tunjungan City Phase 5 & 6

Surabaya CBD

Mall, offices, condos, hotel

Artist rendering

Pakuwon City Township

Pakuwon City Residential Township

East Surabaya

<30 minutes from city center

239 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
- **212 ha** remaining for landed residential developments

Pakuwon City entrance

Pakuwon town square

Shopping mall

Commercial and education park

Shopping mall, schools, hospital, condos

Artist rendering

Pakuwon City - Educity

Pakuwon City Residential Township

East Surabaya

Projects currently under development

4 EduCity condominiums

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

<30 minutes from downtown Surabaya

162 ha residential township

Artist rendering

Supermal Pakuwon Indah

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

SUPERMAL
PAKUWON INDAH

Supermal Pakuwon Indah

West Surabaya

14.6 ha of land area

274,577 sqm of GFA[1]

2,852 carpark lots[1]

Artist rendering

Note 1 : Completed GFA only (Phase 1)

Supermal Pakuwon Indah Phase 2

Supermal Pakuwon Indah Phase 2

West Surabaya

Retail mall expansion

2 condominium towers

Artist rendering; Company data as of August 2014

Supermal Pakuwon Indah Phase 3

Supermal Pakuwon Indah Phase 3

West Surabaya

Retail mall expansion
1 condominium
2 hotels

Artist rendering; Company data as of August 2014

Royal Plaza retail mall

Royal Plaza

South Surabaya

3.1 ha of land area
184,423 sqm of GFA[1]
1,450 carpark lots

Blok M Plaza retail mall

Blok M Plaza
South Jakarta

1.1 ha of land area
64,049 sqm of GFA[1]
632 carpark lots

Appendix B

PT Pakuwon Permai acquisition

PT. PAKUWON JATI

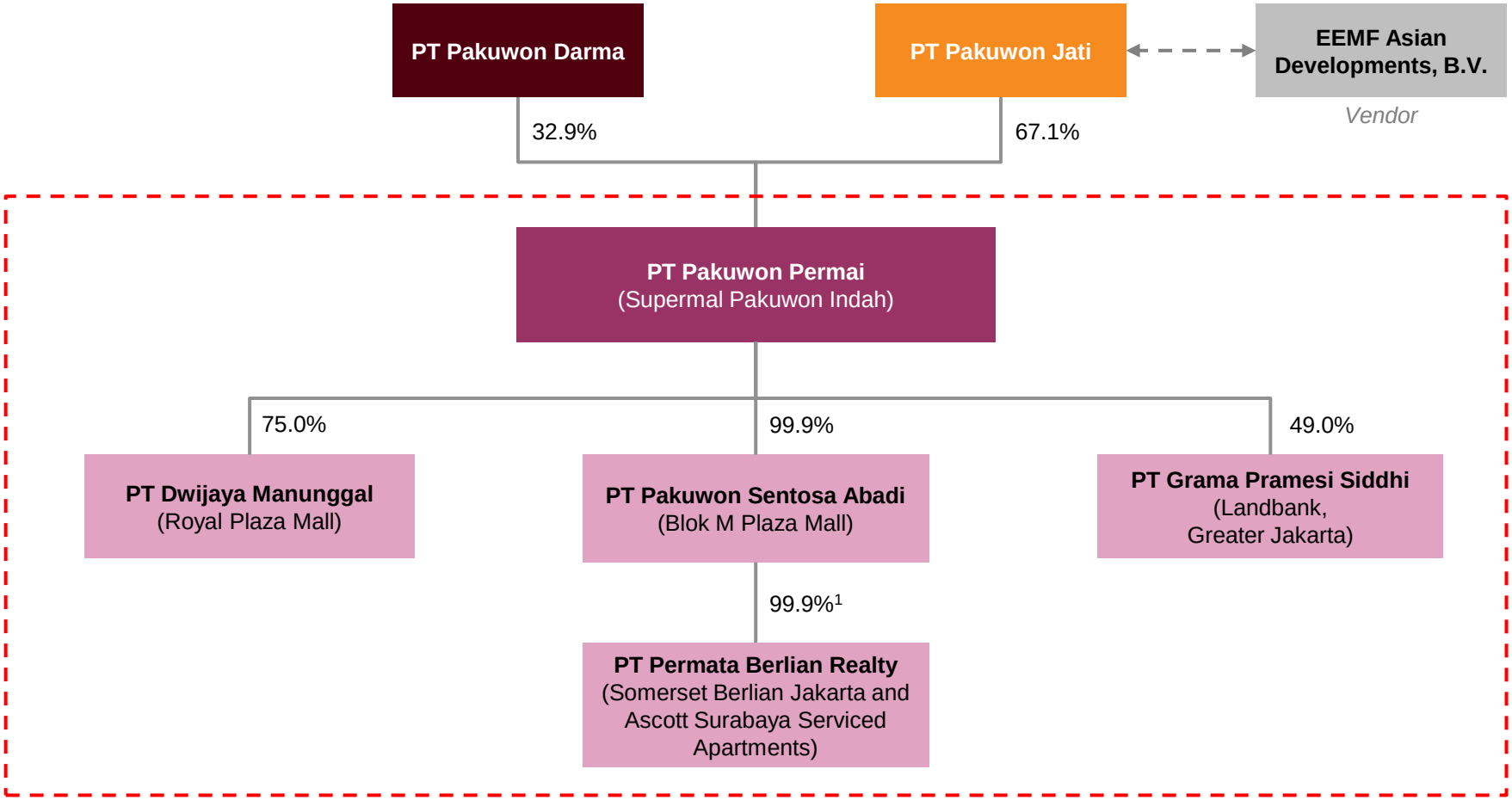
Acquisition summary

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

Overview of target	• 67.1% of PT Pakuwon Permai ("PP"), which owns 1 superblock (retail, condos, hotel/serviced apartment) + 2 standalone retail malls + 1 standalone serviced apartment – *Retail mall NLA:* 178k[1] sqm existing & operational + 86k sqm pipeline to start construction in the next 2 years – *Hotel/serviced apartment:* 147[2] rooms existing + 791 rooms under construction – *Condominium GSA:* 101k sqm under construction + 122k sqm pipeline to start construction in the next 2 years • Remaining 32.9% owned by PT Pakuwon Darma (“PD”), an affiliated company of Pakuwon Jati ("PWON") – PWON has no near term plans to acquire PD's stake in PP
Target financials ***(based on 100% of PP)***	• FY2014 recurring revenue of Rp388.7bn (US$31.2m)[3] • FY2014 recurring EBITDA of Rp226.5bn (US$18.2m)[3] • PP is debt-free and has Rp980.4bn (US$80.4m) of cash and cash equivalents[4]
Purchase consideration	• Purchase consideration to vendor: Rp2,343bn (US$192.0m) • Purchase consideration net of cash on PP balance sheet: Rp1,685bn (US$138.1m) (based on 67.1% of cash on PP B/S)
Funding source	• Net proceeds from US$200m 2019 USD bonds issued in July 2014
Completion	• 10 October 2014

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

1 In line with current strategy and core expertise	• Diversify current portfolio with the addition of 1 new superblock, 2 retail malls and 1 serviced apartment • Continued balanced mix between recurring and development income, with 23.1% increase in recurring revenue[1] • Continued balanced mix between Jakarta and Surabaya
2 53% increase in operating retail mall NLA	• 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 • High quality malls with strong anchor tenants and consistently high occupancy • Improves economies of scale and creates a stronger leasing network across Indonesia's two largest cities
3 41% increase in operating hotel rooms	• Immediate addition of 147 hotel rooms, with further development of 791 rooms under construction • High quality hotels with strong occupancy and rising RevPAR • Diversifies hotel managers to include Accor and Ascott/Capitaland
4 74% increase in pipeline condominium GSA	• 101k sqm GSA condominium towers currently under construction, of which 65.0% pre-sold • Further 3 towers to be launched and begin construction over the next 2-3 years • Increase in condominium GSA to drive further growth in pre-sales
5 Expected increase in earnings and accelerated growth	• Acquisition funded via net proceeds from US$200m 2019 bonds issued in July this year • Immediate addition to EBITDA will be supportive of credit metrics • 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[2]

Notes:
1 Based on FY2014 financials
2 As of 30 June 2014

Appendix C

4.2ha South Jakarta land bank

PT. PAKUWON JATI

Expansion into South Jakarta CBD – *Summary*

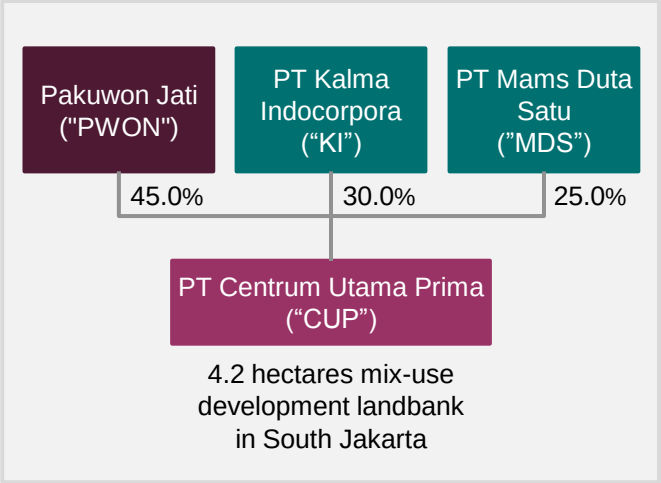
Overview: Acquisition of land in Simatupang, South Jakarta

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

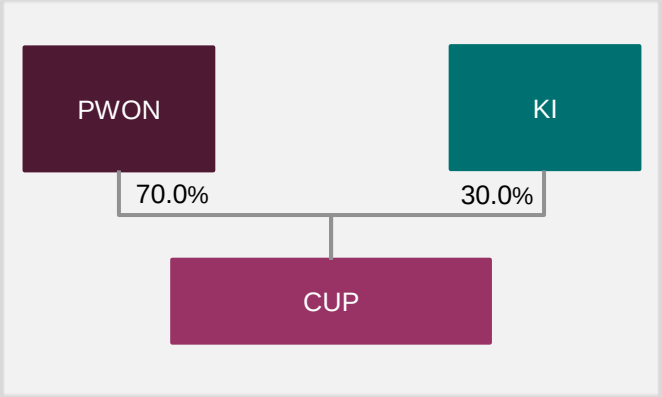
Rationale for acquisition

- ✓ 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

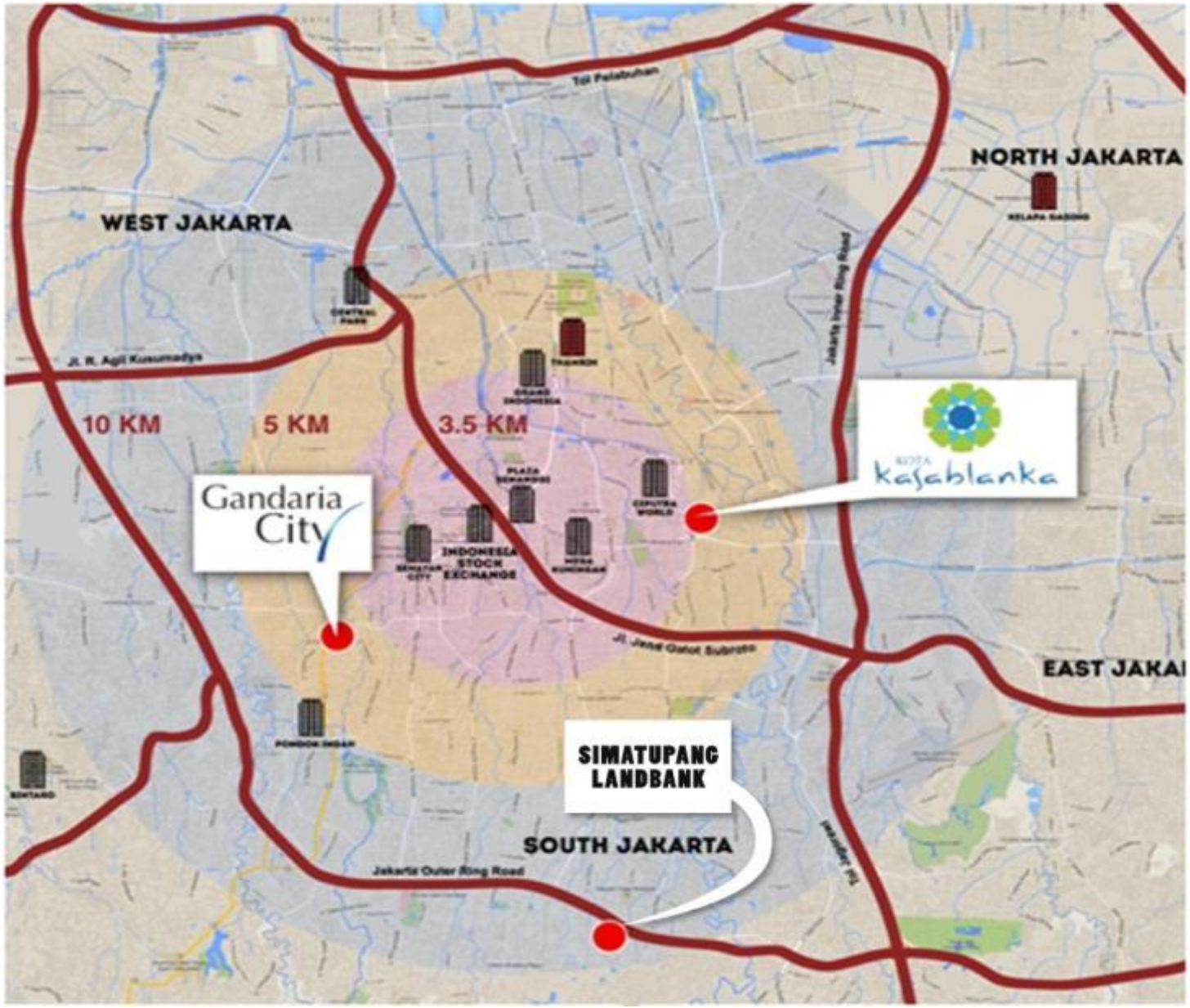


Planned Ownership Structure



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	:	Jl. TB Simatupang RT002 /RW001 Kebagusan Pasar Minggu Jakarta Selatan
Land Size	:	42,140 sqm

Appendix D

Healthcare & Hospital expansion

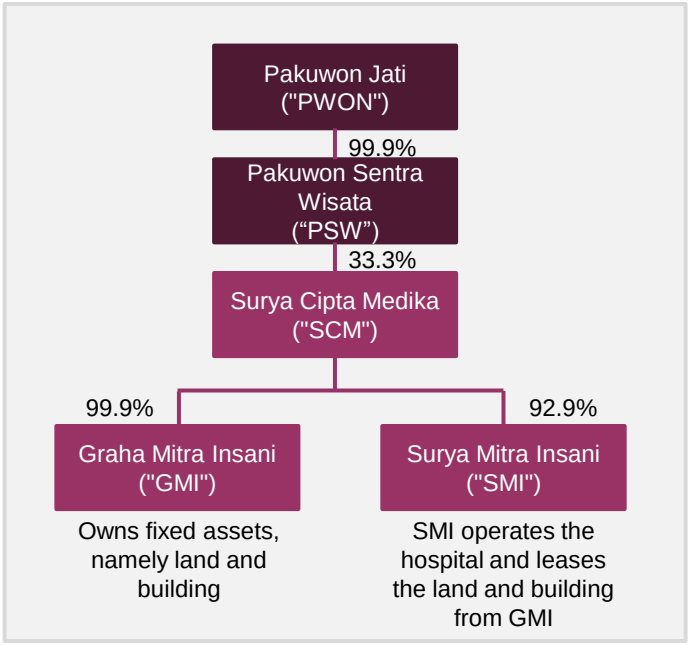
PT. PAKUWON JATI

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

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

Beds and Rooms

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

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

Senior Unsecured Notes due 2019

PT. PAKUWON JATI

Offering Summary

Notes Offered	US$200mn aggregate principal amount of 7.125% Senior Unsecured Notes due 2019 (the “Notes”)
Maturity Date	July 2, 2019
Interest	The Notes will bear interest from and including July 2, 2014, payable semi-annually in arrears
Issuer Ratings	Ba3, stable (Moody's) / B+, positive (S&P) / BB-, stable (Fitch)
Security Ratings	Ba3 / B+ / BB-
Tenor	5NC3 years
Distribution	Reg S only
Covenants	Standard high yield covenants, including an FCCR test of not less than 2.5x prior to 2017 and 3.0x thereafter
Use of Proceeds	Acquisition transactions, debt refinancing, and/or working capital purposes