

# PT Alam Sutera Realty Tbk

Company Presentation for Analyst Meeting



## A leading property company in Indonesia

- Established in 1994 and listed on the Indonesia Stock Exchange since December 2007
- Well-located & large scale urban townships comprising high quality residential and commercial properties, ancillary facilities and infrastructure
- Proven property development track record

## Large, well-located, and valuable landbank

- Owns and controls a large, well-located, and valuable landbank
- Sufficient to sustain operations for the next 20 plus years
- Successful track record in landbank replenishment and growth

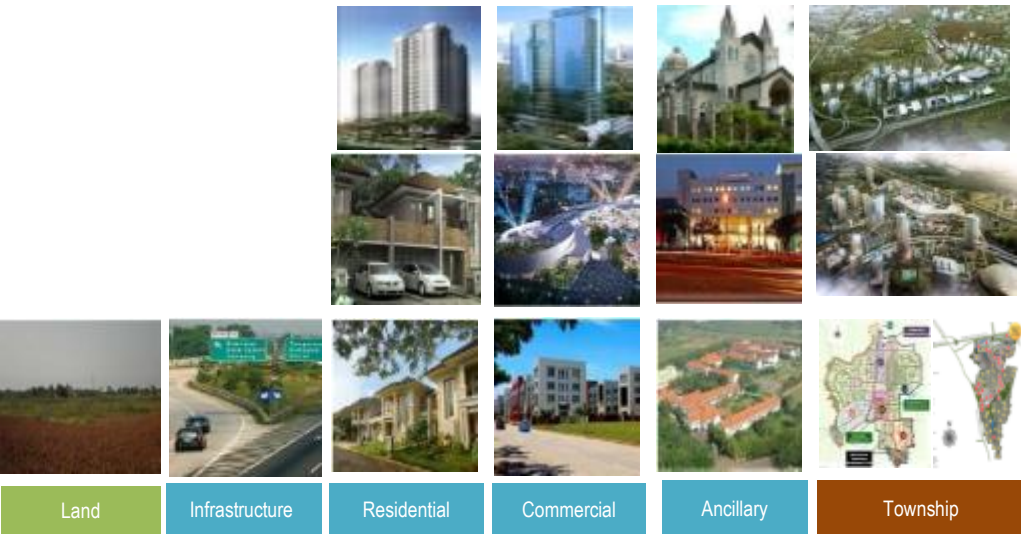
## Growth from a single-project developer to a multi-project company in Indonesia

- Successfully replicate the core township development business model with Suvarna Sutera project in Pasar Kemis
  - In the period 2011 – 2014, we have sold 3,436 units of houses and land lots, valued at IDR 3.4 tn
- Diversifies the Group's revenue and customer base
  - Allow access to the high-growth mid-end residential property market segment with strong end-user demand that's driven by Indonesia's sound economic fundamentals
  - Further geographic diversification by making strategic investments in Jakarta CBD and Bali
  - Launched Kota Ayodhya project in February 2014
- Plans to increase recurring income from existing projects

## Strong financial liquidity profile

- Prudent approach to fund expansion by maintaining a sound financial profile
- Access to multiple sources of financing both across banks and global capital markets

The Company's core business model is focused on township development that has higher barriers to entry and leverages the Company's core strength and competitive advantages



- Large scale, highly accessible urban township developed in phases over several years under a master plan.
- Wide range of high quality real estate products are offered for sale or lease within the township.
- Well-developed infrastructure, property management and other value added services enhance the townships long-term value and attractiveness.
- Unmatched by our competitors and has become our competitive advantage.

Well-balanced product mix of residential and commercial properties and land lots						
	Landed house clusters	Commercial land lots	High-rise apartments	Office Towers	Shop Houses	Retail
Description	<ul style="list-style-type: none"> <li>•Cluster of 150 to 500 landed houses in gated residential enclaves of 4 to 23 ha</li> <li>•Customer can purchase ready-built houses or land lots (on which they may construct homes of their own design and at their own expense)</li> </ul>	<ul style="list-style-type: none"> <li>•Commercial land lots are sold to customers who would develop commercial properties and facilities</li> <li>•Increase the attractiveness of the township as a residential and commercial destination, promotes its long term growth and enhances its values</li> </ul>	<ul style="list-style-type: none"> <li>•High-rise apartment towers, with communal and recreational facilities</li> <li>•Apartment saleable area is typically between 38 to 80 sqm</li> </ul>	<ul style="list-style-type: none"> <li>•High-rise office properties to cater to the demand from local and international companies seeking to establish an office presence in greater Jakarta</li> </ul>	<ul style="list-style-type: none"> <li>•Cluster/rows of low-rise shop houses, located along main roads, and typically used for commercial purposes</li> <li>•Each shop house is typically 2-3 storeys high with an average GFA of 220 sqm.</li> </ul>	<ul style="list-style-type: none"> <li>•Wide range of retail properties, including food malls, shopping centers, and markets</li> <li>•Target customers include residents of the Alam Sutera township and surrounding areas</li> </ul>

## BOC



**Harjanto Tirtohadiguno**  
President Commissioner



**Angeline Sutedja**  
Commissioner



**Pingki Elka Pangestu**  
Independent Commissioner



**The Nicholas**  
Commissioner



**Prasasto Sudyatmiko**  
Independent Commissioner

## BOD



**Purbaja Pantja**  
President Director



**Benny Redjo Setyono**  
Vice President Director



**Joseph Sanusi Tjong**  
Director



**Lilia Setiprawarti Sukotjo**  
Director



**RM Frangky AD**  
Director



**Andrew Charles Walker**  
Non-Affiliated Director

# Consolidated Marketing Sales Historical Performance



in IDR mm

	2008	2009	2010	2011	2012	2013	2014	2015	
Jan - Feb	30,220	25,607	305,677	350,273	946,380	914,199	288,388	568,540	*
Mar - Apr	42,286	127,905	311,097	387,115	828,500	789,403	782,323	307,824	**
May - Jun	175,282	120,867	401,299	278,831	371,374	1,428,167	1,551,284	289,005	
Jul - Aug	58,658	202,314	283,121	943,003	664,426	419,920	687,784	-	
Sept - Oct	143,619	358,480	139,117	567,897	634,310	1,143,089	628,945	-	
Nov - Dec	42,159	187,649	167,518	284,382	202,881	126,586	316,908	-	
<b>Total</b>	<b>492,224</b>	<b>1,022,822</b>	<b>1,607,829</b>	<b>2,811,501</b>	<b>3,647,871</b>	<b>4,821,364</b>	<b>4,255,633</b>	<b>1,165,369</b>	

*Note:*

- Marketing sales from Jan 1 - March 13, 2015. This number does not include our sales from commercial lots in Pasar Kemis and high-rise as well as GWK land sales, all of which would only be launched starting end of March and in 2Q15

\*\* Marketing Sales from March 14 – April 30, 2015. Our Terrace 8 Pasar Kemis Shop-house launch in April 2015 was very successful with 100% take-up rate on the first day and approximately IDR 206bn (from 133 units) contribution to marketing sales.

# Marketing Sales Target – 2015 Update

## Our Sales Benefit from Product Diversifications



*In IDR bn*

Type of Product	Previous Target (Set on January 2015)	1H15 Actual	2H15 Target	Revised Target
<b>Serpong</b>				
- Commercial	2,000	433	867	1,300
<b>Pasar Kemis</b>				
- Commercial	1,000	206	294	500
- Residential	1,000	293	507	800
<b>High Rise</b>				
- Apartments	750	176	424	600
- Offices	800	57	1,143	1,200
<b>GWK</b>				
- Hospitality	250		100	100
<b>Total</b>	<b>5,800</b>	<b>1,165</b>	<b>3,335</b>	<b>4,500</b>

Note

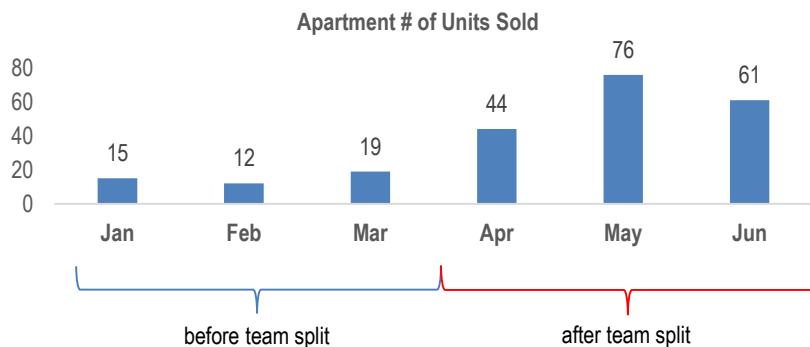
The above numbers do not include potential transactions as per below:

1. 20 ha Superblock development in Alam Sutera including an International Exhibition and Convention Center
2. 300 ha mixed use development in Pasar Kemis including a large scale theme park, exclusive residential and commercial areas
3. 6 ha parcel of land for hospitality located in Sanur, Bali

# Marketing Sales Target – 2015 Update

Solid Pipeline to Achieve Revised Marketing Sales Target In Addition to Large One-Off Transactions

## 1 Marketing Team Reshuffling Effectiveness



## 2 Strong Pipelines

- **High Rises**
  - Pipeline: ± 54,000 sqm
  - Estimated at IDR 44+mm psm
- **Commercial Lots**
  - Pipeline: ± 30,000 sqm
  - Estimated at IDR 20+ mm psm
- **Potential JV with Asian Based Property Developer**

## 3 New Product / Marketing Launches Throughout 2H 2015

- **Grand Property Expo** on 8-23 August 2015
  - Location: Mall @ Alam Sutera
  - Promotional Event for All Alam Sutera Products
  - Non-cluster commercial lot launches in Suvarna Padi
- **New Product Launches** focused on Pasar Kemis

## 4 Potential One-Off Transactions

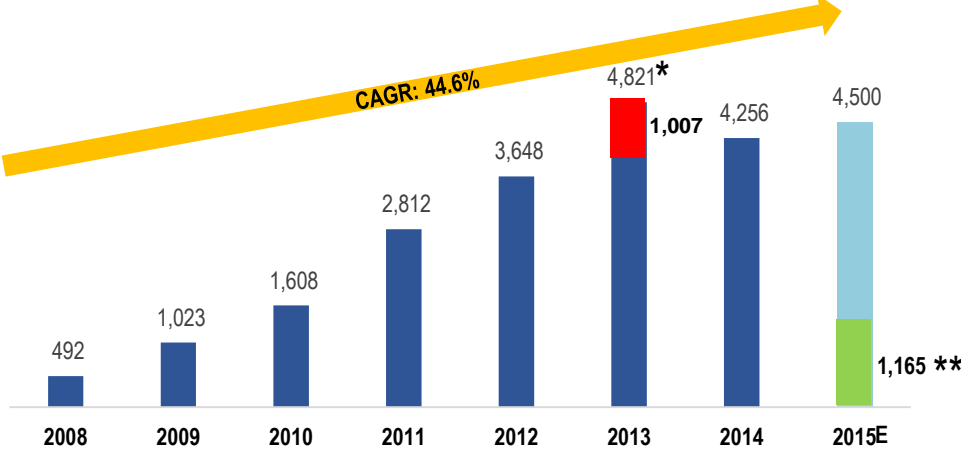
- **20 ha Superblock Development**
  - MoU to form a Joint Venture and co-develop a 20-ha parcel of land located at Alam Sutera, which includes an International Exhibition and Congress Center
- **300 ha Large Scale Themepark**
  - MoU to form a Joint Venture and co-develop 300-ha parcel of land located at Suvarna Sutera, Pasar Kemis, which includes a large-scale themepark
- **6 ha Sanur Landbank Potential Sale**

# Consolidated Marketing Sales

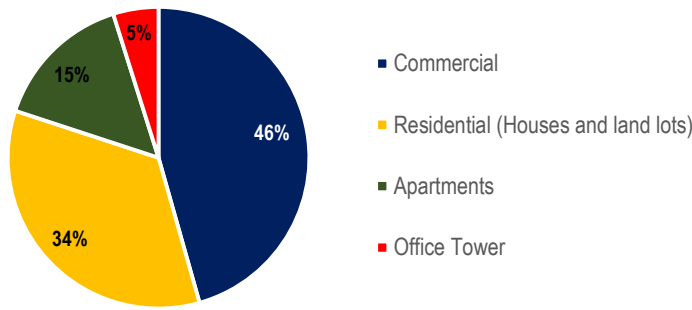
## Breakdown by Area, Product, and Payment Method

**Leading Property Developer with Consistent Sales Growth**

### Consolidated Marketing Sales (in IDR bn)



### Marketing Sales Breakdown by Product 1H2015

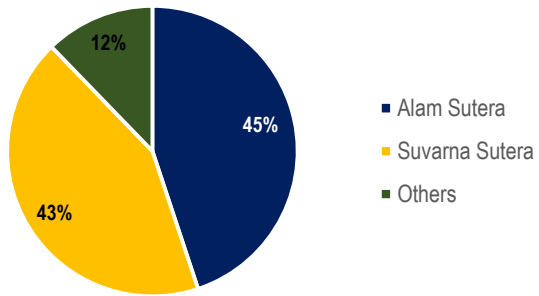


*Note: \*The Company sold 91 ha size of land to Bekasi Fajar @ IDR 1,007 bn (includes VAT).  
\*\* 1H15 marketing sales*

### Customer Payment Method Breakdown

Payment Profile - Jun'15	Hard Cash	Cash Installment	Mortgage
Alam Sutera Township	11%	72%	17%
Suvarna Sutera Township	18%	47%	36%
Consolidated	14%	61%	25%

### Marketing Sales Breakdown by Area 1H2015

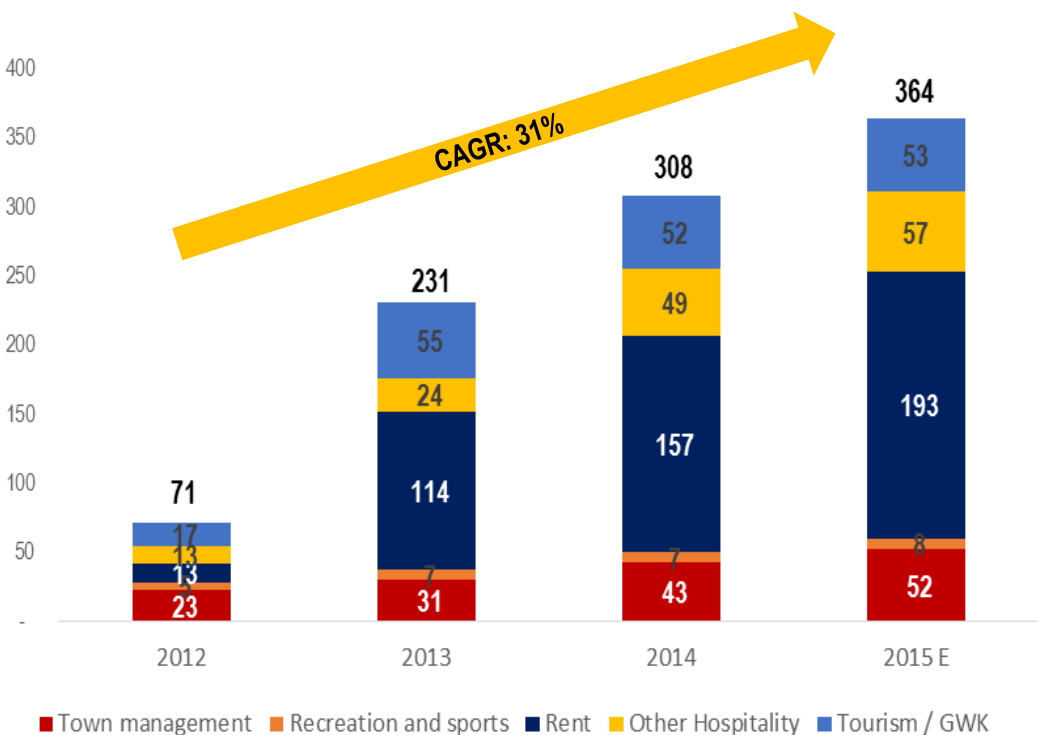




# Recurring Income

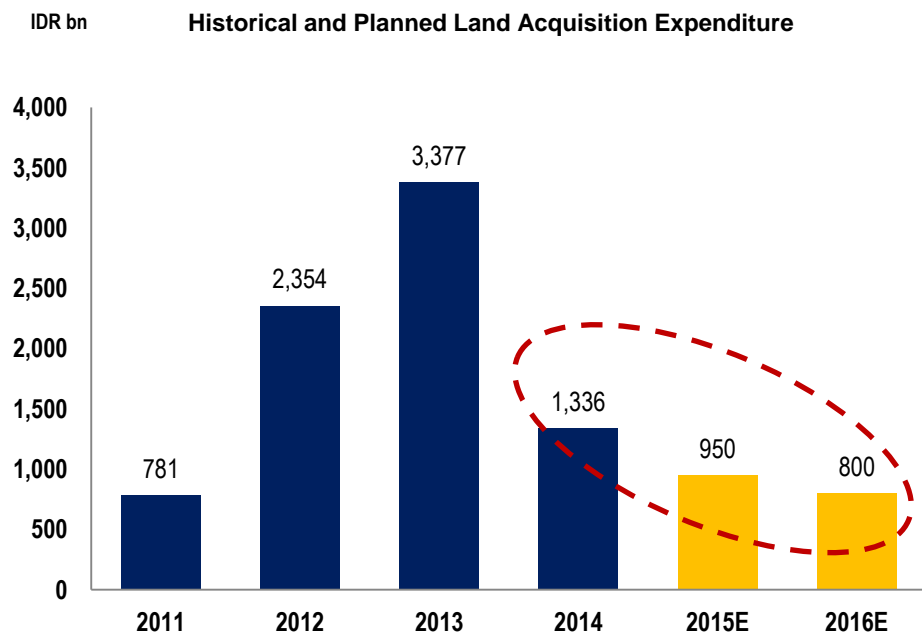
## Improving Recurring Income

Significant Improvement Expected in 2017 When Our GWK Statue Is Completed And Mall @Alam Sutera Contract Renewal Takes Place



# Overall Capital Spending Plan

## Slowdown on Landbank Purchase and Reduce Capital Spending



- The Company has sufficient landbank at more than 20 yrs lifetime catering to all market spectrums through land located at Pasar Kemis and Serpong.
- Acquisition phase is completed and no further major acquisition is expected.

## Capital Spending Revised Downward

*in IDR bn*

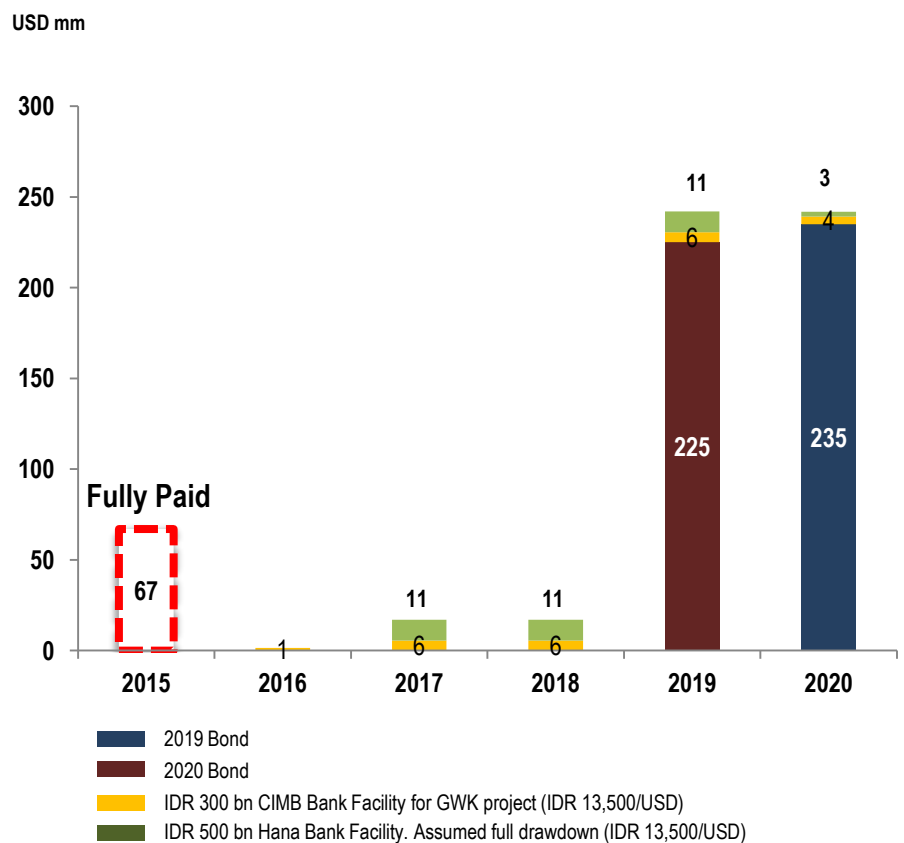
Description	Previous Target	Revised Target
Land acquisition	1,000	950
Construction - High Rise	1,000	800
Construction - Low Rise	1,000	500
<b>Total Capex</b>	<b>3,000</b>	<b>2,250</b>

- Land acquisition:
  - Modernland IDR 750bn
  - Pasar Kemis IDR 200bn
- Construction - High Rise:
  - Prominence
  - The Tower
  - Paddington Heights
  - Kota Ayodhya
  - GWK
- Construction - Low Rise:
  - Serpong IDR 40bn
  - Pasar Kemis IDR 460 bn

# Balance Sheet Update

## Our Debt Profile

### Debt Maturity Profile



### Remaining Bond Details

Description	2020 Bond	2019 Bond
Notes	USD 235 mm 6.95% interest p.a. Senior Notes due 2020	USD 225 mm 9% interest p.a. Senior Notes due 2019
Rating	B1 Stable/ B+ Stable/ B+ Stable (Moody's/ S&P / Fitch)	
Interest Payment	Mar 27 and Sept 27 of each year, commencing Sept 27, 2013	Jan 29 and Jul 29 of each year, commencing Jul 29, 2014

### Key Highlights

- We have fully redeemed our 2017 Bond in April 2015
- Flexibility to call the remaining USD bonds in 2017
- **Target:** achieve lower gearing by improving cash position through slower capex spending and initiative to accelerate asset monetization
- **Safety Measures:** existing bonds are substantially hedged (up to IDR 14,500)
- Entered into an IDR 500 bn construction loan agreement with Hana Bank in July 2015. Total drawdown as of July 31<sup>st</sup> 2015 is IDR 193 bn

# Financial Highlights

## 1H15 Numbers



### Income Statement

Description (in IDR bn)	1H14	1H15	% Change
<b>Revenue</b>	<b>1,945</b>	<b>1,733</b>	<b>-11%</b>
<b>Gross Profit</b>	<b>1,077</b>	<b>1,371</b>	<b>27%</b>
<i>% of Rev</i>	<i>55%</i>	<i>79%</i>	
<b>Operating Income</b>	<b>897</b>	<b>1,133</b>	<b>26%</b>
<i>% of Rev</i>	<i>46%</i>	<i>65%</i>	
<b>EBITDA</b>	<b>937</b>	<b>1,189</b>	<b>27%</b>
<i>% of Rev</i>	<i>48%</i>	<i>69%</i>	
<b>Net Income</b>	<b>580</b>	<b>537</b>	<b>-8%</b>
<i>% of Rev</i>	<i>30%</i>	<i>31%</i>	

### Balance Sheet and Financial Ratios

Description (in IDR bn)	1H14	1H15
<b>Cash and Time Deposit</b>	<b>1,978</b>	<b>886</b>
<b>Total Debt</b>	<b>6,253</b>	<b>6,289</b>
<b>Debt/ LTM EBITDA</b>	<b>4.06</b>	<b>2.81</b>
<b>Net Debt/ LTM EBITDA</b>	<b>3.05</b>	<b>2.57</b>
<b>Debt to Equity</b>	<b>108%</b>	<b>93%</b>
<b>Net Debt to Equity</b>	<b>81%</b>	<b>85%</b>
<b>EBITDA/Interest</b>	<b>3.46</b>	<b>4.00</b>

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