1. Company Profile

2. Operational & Financial Performance

3. Project Updates

4. Industry Outlook
Company Profile ("CAP")

- The largest integrated producer of Olefins and Polyolefins in Indonesia.
- Producing plastic raw materials and chemicals used in a variety of everyday consumer products (packaging, pipes, jerry cans, automotive, electronics, shoes, etc.).
- Owns the only Naphtha Cracker, Styrene Monomer, and Butadiene plant in Indonesia.
- The largest producer of Propylene (470KTA) & Polypropylene (480KTA) in Indonesia.
- Sole producer of Ethylene (860KTA); and one of two Polyethylene producers (336KTA) in Indonesia.
- Strategic/adjacent plant location with customers in the industrial estate of Cilegon-Merak.
- Operates 3 Jetty with capacity of DWT 6K, 10K, and 80K within the plant complex to facilitate logistics.
- Backed by strong principal shareholders, Barito Pacific Grup* (65.2%) and SCG Chemicals (30.5%) as of Aug 2016.

Notes: (*) Including the ownership of Marigold Resources and Magna Resources.
KTA: Kilo tonnes per annum; DWT: Dead-weight ton
1. Company Profile

Vision and Business Strategies

**Indonesia’s Leading and Preferred Petrochemical Company**

1. Increase capacity and build on leading market position.
2. Expand product offerings and further optimize integration along the petrochemical value chain.
3. Develop feedstock advantage to improve cost competitiveness.
4. Develop and nurture human capital.
5. Leverage owned unique infrastructure and improve premium service to customers.
1. Company Profile

23 years track record of successful growth

**PT Chandra Asri**
- **2004**
  - Product expansion through selling of Mixed C₄

**PT Tri Polya Indonesia Tbk.**
- **1992**
  - Started commercial production of polypropylene comprising of 2 trains with annual capacity of 160ktpa

**PT Chandra Asri Petrochemical Tbk.**
- **1995**
  - Commercial production begins at CAP with initial cracker capacity of 520ktpa
  - Added an extra furnace, increasing ethylene production by 80ktpa and extended pipeline network by 25 km
  - Acquired 100% of PT Styrrindo Mono Indonesia (“SMI”)

**2004**
- Product expansion through selling of Mixed C₄

**2007**
- Increased capacity of PP plant to 480ktpa

**2009**
- Increased capacity of PP plant to 480KT

**2010**
- Issued inaugural 5-year US$230m Bond

**2011**
- Merger of CAP and TPI effective from 1 Jan 2011
  - Completed de-bottlenecking in Apr 2011 to raise capacity of polypropylene plant to 480ktpa
  - SCG acquired 30% of CAP from Barito Pacific and Temasek

**2012**
- Refinanced bond with lower cost US$220m 7-year term loan, substantially reducing interest expense

**2014**
- Commenced Cracker expansion project 600KTPA to 860 KTPA.

**2015**
- Completed Cracker expansion project in Dec 2015 to raise capacity to 860KTPA.
  - Refinanced US$150m loan with lower cost US$94.98m 7-year term loan.

- **1992**
  - Formed JV with Michelin (SRI) in June 2013 for construction of SBR Plant
  - Secured funding for Cracker expansion:
    - US$128m rights issue in November 2013
    - US$265m 7-ys term loan in December 2013

- **2013**
  - Secured US$150m term loan to fund the butadiene project in Nov 2011
  - Commenced construction of Indonesia’s first butadiene plant in Aug 2011

- **2014**
  - Issued inaugural 5-year US$230m Bond

- **2009**
  - Completed Train 3, raising capacity of polypropylene plant to 360ktpa

- **2010**
  - Increased capacity of PP plant to 480KTPA

- **2011**
  - Commenced construction of Indonesia’s first butadiene plant in Sept 2013
  - Secured funding for Cracker expansion:
    - US$128m rights issue in November 2013
    - US$265m 7-ys term loan in December 2013
Integrated Business Operations

"Integrated business operations from upstream to downstream resulting in higher efficiency, lower costs, and value-added."

Legend:
- **CAP Facility**: Light blue
- **CAP Products**: Dark blue
- **Future products by SRI**: Yellow
1. Company Profile

Integrated Business Operations (cont’d)

Key Products

- Ethylene
  - 860 KTPA
- Propylene
  - 470 KTPA
- Py-Gas
  - 400 KTPA
- Crude C4
  - 315 KTPA

Naphtha Cracker licensed by Lummus and KBR.

Plant Main Process

- Polyethylene
  - Licensed by Univation
  - 336 KTPA
- HDPE
  - 2
- Polypropylene
  - W.R. Grace
  - 480 KTPA
- Butadiene
  - BASF/Lummus
  - 100 KTPA

Key Markets

- Domestic
- Export

Improved margins along the integration of the production value chain

Notes:
(1) LLDPE: Linear Low Density Polyethylene
(2) HDPE: High Density Polyethylene
1. Company Profile

Diverse Product Portfolio

Net Revenues 1H-2016: US$882.1 million (100%)

<table>
<thead>
<tr>
<th>Polyolefins</th>
<th>Olefins</th>
<th>Styrene Monomer</th>
<th>Butadiene</th>
</tr>
</thead>
<tbody>
<tr>
<td>Polyethylene</td>
<td>Ethylene</td>
<td>Propylene</td>
<td>Mixed C₄</td>
</tr>
</tbody>
</table>

49%  
28%  
15%  
7%

Established PT Synthetic Rubber Indonesia, JV between SMI and Michelin, to build Styrene Butadiene Rubber plant.

Net Revenues 1H-2016:
- US$432 million
- US$250 million
- US$131 million
- US$64 million

Net Revenues as % of total:
- Polyolefins: 49%
- Olefins: 28%
- Styrene Monomer: 15%
- Butadiene: 7%

*) Other business segment: Tanks and Jetty rent with revenues US$ 5mn or 1% of total 1H-2015 revenues
Strategic Location

“Adjacent and interlinked with customer’s facilities (45 km Ethylene pipeline)."
1. Company Profile

Loyal & Broad Customer Base

- Diversified clientele. Top 10 Customers contribute 46% of revenues in 1H-2016.

- Key Customers are loyal customers who have long term relationship.

- Convenience for customers who are directly linked with pipes integrated with CAP's production facilities.

- Strong marketing and distribution platform with wide network serving ~300+ Customers.

- Short delivery trend time resulting in pricing premium to market reference prices.

Sales Composition based on Customers

Total Net Revenues 1H-2016: US$882.1 million

46% for Top 10 Customers
54% for Others

Key Customers

- DOW
- HONAM Petrochemical Corp
- BASF
- LG Chem
- NIPPON SHOKUBAI
- ASC AGC Group
- WINGS
- TRINSEO
- PT. NILPIONO ADHARMA
- LANXESS
- INDOCHLOR
Stable and flexible feedstock supply

- Long-standing and stable business relationships with suppliers.
- No significant interruptions on the feedstock supply.
- Flexibility in feedstock purchases (spot vs. contract) - no single supplier dependence.
- Synergies on joint procurement with SCG.
- Naphtha storage with great capacity.

Feedstock Overview

Naphtha Purchases: Spot vs Contract

2012: 28% Spot, 72% Contract
2013: 45% Spot, 55% Contract
2014: 30% Spot, 70% Contract
2015: 22% Spot, 78% Contract

Main feedstock - 2015

- Benzene: 100% External Sourced
- Propylene: 69% External Sourced, 31% Internally Sourced
- Ethylene: 5% External Sourced, 95% Internally Sourced
- Naphtha / LPG: 100% External Sourced
1. Company Profile

**Strong management team with extensive industry experience**

**Board of Commissioners**

- **Djoko Suyanto**: 4 years in industry, 1 year with CAP
- **Tan Ek Kia**: 41 years in industry, 5 years with CAP
- **Ho Hon Cheong**: 9 months in industry, 9 months with CAP
- **Agus Salim Pangestu**: 10 years in industry, 9 years with CAP
- **Loeki Sundjaja Putera**: 15 years in industry, 14 years with CAP
- **Chaovalit Ekabut(1)**: 11 years in industry, 4 years with CAP
- **Cholanat Yanaranop(1)**: 28 years in industry, 4 years with CAP

**Senior Management**

- **Erwin Ciputra**: President Director, 13 years in industry, 12 years with CAP
- **Kulachet Dharachandra(1)**: VP Director of Operations, 19 years in industry, Started June16 with CAP
- **Baritono Pangestu**: VP Director of Polymer Commercial, 10 years in industry, 9 years with CAP
- **Terry Lim Chong Thian**: Director of Finance, 34 years in industry, 10 years with CAP
- **Suryandi Sirinantanakul(1)**: Director of Human Resource and Corp. Administration, 26 years in industry, Started Jan16 with CAP
- **Piboon Ruly Aryawan**: Director of Monomer Commercial, 22 years in industry, 13 years with CAP
- **Fransiskus Ruly Aryawan**: Director of Monomer Commercial, 34 years in industry, 10 years with CAP

**Notes**

(1) Appointed by SCG.
1. Company Profile

2. **Operational & Financial Performance**

3. Project Updates

4. Industry Outlook
2. Operational & Financial Performance

Plan Utilization Rate (%)

- Consistently achieved high utilization rate of above 90%.
- Decline of utilization in 2015 was due to shutdowns in the 4th quarter for Tie-in work of the Cracker Expansion project. In addition, within the 85-day shutdowns period were also conducted a Turnaround Maintenance (TAM).
- Post Expansion completion in Dec-2015, Cracker plant operates with new capacity of 860 KTA (up to 43%).
- Butadiene Plant operates since Sept-2013.
2. Operational & Financial Performance

Volume and Price by products

Olefins

<table>
<thead>
<tr>
<th></th>
<th>Ethylene</th>
<th>Propylene</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Volume (KT)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2Q-15</td>
<td>99</td>
<td>111</td>
</tr>
<tr>
<td>2Q-16</td>
<td>198</td>
<td>185</td>
</tr>
<tr>
<td>YTD Jun-15</td>
<td>208</td>
<td>52</td>
</tr>
<tr>
<td>YTD Jun-16</td>
<td>337</td>
<td>107</td>
</tr>
</tbody>
</table>

**Price & spread (US$/ton)**

<table>
<thead>
<tr>
<th></th>
<th>Ethylene</th>
<th>Propylene</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q-15</td>
<td>1.258</td>
<td>0.887</td>
</tr>
<tr>
<td>2Q-16</td>
<td>1.028</td>
<td>0.729</td>
</tr>
<tr>
<td>YTD Jun-15</td>
<td>1.134</td>
<td>0.581</td>
</tr>
<tr>
<td>YTD Jun-16</td>
<td>996</td>
<td>578</td>
</tr>
</tbody>
</table>

**Internal Sales Vol:**

<table>
<thead>
<tr>
<th></th>
<th>Ethylene</th>
<th>Propylene</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q-15</td>
<td>677</td>
<td>581</td>
</tr>
<tr>
<td>2Q-16</td>
<td>404</td>
<td>404</td>
</tr>
<tr>
<td>YTD Jun-15</td>
<td>556</td>
<td>578</td>
</tr>
<tr>
<td>YTD Jun-16</td>
<td>604</td>
<td>392</td>
</tr>
</tbody>
</table>
2. Operational & Financial Performance

Volume and Price by products
Polyolefins

### Polyethylene

<table>
<thead>
<tr>
<th>Volume (KT)</th>
<th>Price &amp; spread (US$/ton)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q-15</td>
<td>56</td>
</tr>
<tr>
<td>2Q-16</td>
<td>65</td>
</tr>
<tr>
<td>YTD Jun-15</td>
<td>130</td>
</tr>
<tr>
<td>YTD Jun-16</td>
<td>139</td>
</tr>
<tr>
<td>YTD Jun-15</td>
<td>1.474</td>
</tr>
<tr>
<td>YTD Jun-16</td>
<td>1.374</td>
</tr>
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</table>

### Polypropylene

<table>
<thead>
<tr>
<th>Volume (KT)</th>
<th>Price &amp; spread (US$/ton)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q-15</td>
<td>110</td>
</tr>
<tr>
<td>2Q-16</td>
<td>113</td>
</tr>
<tr>
<td>YTD Jun-15</td>
<td>117</td>
</tr>
<tr>
<td>YTD Jun-16</td>
<td>116</td>
</tr>
<tr>
<td>YTD Jun-15</td>
<td>1.449</td>
</tr>
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<td>YTD Jun-16</td>
<td>1.230</td>
</tr>
</tbody>
</table>

### Polyethylene

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</tr>
<tr>
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</tr>
</tbody>
</table>
2. Operational & Financial Performance

Volume and Price by products
Styrene Monomer and Butadiene

<table>
<thead>
<tr>
<th>Styrene Monomer⁽¹⁾</th>
<th>Butadiene</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Volume (KT)</strong></td>
<td><strong>Volume (KT)</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2Q-15</th>
<th>2Q-16</th>
<th>YTD Jun-15</th>
<th>YTD Jun-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Styrene Monomer</td>
<td>68</td>
<td>64</td>
<td>120</td>
<td>113</td>
</tr>
<tr>
<td>Butadiene</td>
<td>14</td>
<td>15</td>
<td>25</td>
<td>26</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Price &amp; spread (US$/ton)</strong></th>
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</table>

<table>
<thead>
<tr>
<th></th>
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<th>2Q-16</th>
<th>YTD Jun-15</th>
<th>YTD Jun-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Styrene Monomer</td>
<td>792</td>
<td>611</td>
<td>1,130</td>
<td>591</td>
</tr>
<tr>
<td>Butadiene</td>
<td>581</td>
<td>404</td>
<td>894</td>
<td>980</td>
</tr>
</tbody>
</table>

⁽¹⁾Styrene Monomer and by products (Toluene and Ethyl Benzene)
## 2. Operational & Financial Performance

### Financial Highlights: Profit or Loss 1H-2016

<table>
<thead>
<tr>
<th></th>
<th>2Q-15 (US$ mn)</th>
<th>1Q-16 (US$ mn)</th>
<th>2Q-16 (US$ mn)</th>
<th>2Q-16 YoY</th>
<th>2Q-16 QoQ</th>
<th>1H-15 (US$ mn)</th>
<th>1H-16 (US$ mn)</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Revenues</td>
<td>442</td>
<td>359</td>
<td>523</td>
<td>18%</td>
<td>46%</td>
<td>799</td>
<td>882</td>
<td>10%</td>
</tr>
<tr>
<td>Cost of Revenues</td>
<td>370</td>
<td>296</td>
<td>368</td>
<td>-1%</td>
<td>24%</td>
<td>711</td>
<td>664</td>
<td>-7%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>72</td>
<td>63</td>
<td>156</td>
<td>116%</td>
<td>149%</td>
<td>88</td>
<td>218</td>
<td>147%</td>
</tr>
<tr>
<td>Operating Profit (Loss)</td>
<td>48</td>
<td>46</td>
<td>135</td>
<td>181%</td>
<td>193%</td>
<td>46</td>
<td>180</td>
<td>291%</td>
</tr>
<tr>
<td>Profit (Loss) For The Year</td>
<td>15</td>
<td>35</td>
<td>96</td>
<td>538%</td>
<td>172%</td>
<td>18</td>
<td>132</td>
<td>636%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>65</td>
<td>68</td>
<td>156</td>
<td>141%</td>
<td>129%</td>
<td>93</td>
<td>224</td>
<td>140%</td>
</tr>
</tbody>
</table>

| Gross Profit Margin      | 16%            | 17%            | 30%            | 11%       | 25%       |
| Operating Profit Margin  | 11%            | 13%            | 26%            | 6%        | 20%       |
| Net Profit Margin        | 3%             | 10%            | 18%            | 2%        | 15%       |
| EBITDA Margin            | 15%            | 19%            | 30%            | 12%       | 25%       |
2. Operational & Financial Performance

Financial Highlights: continued

**Net Revenues**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2015A YTD</th>
<th>2016A YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2-16A</td>
<td>442</td>
<td>523</td>
</tr>
<tr>
<td>Q2-16B</td>
<td>800</td>
<td>882</td>
</tr>
</tbody>
</table>

**EBITDA**

- **Ebitda margin**
  - 15% 30% 12%

- **Capex**
  - 140% 25%

**CF from Operations**

- 2013: 154
- 2014: 116
- 2015: 105
- 1H-2016: 54
- 1H-2016: 198

**Capex**

- 2013: 101
- 2014: 194
- 2015: 198
- 1H-2015: 82
- 1H-2016: 34
1. Company Profile
2. Operational & Financial Performance

3. **Project Updates**

4. Industry Outlook
Mechanical completion achieved on 9 December 2015.

TAM/tie-in works for expansion was completed as scheduled. Cracker operated again with on-spec products on 19 December.

Total expenditures within budget ca. US$380 million.

Cracker facility capacity increased to 860 KTA (up to 43%) since the beginning of 2016.
Cracker Expansion Project

"With Cracker capacity that is equivalent to world-class as well as plant modernization, CAP further strengthen its position in the petrochemical industry in Indonesia".
SBR plant project

- EPC contract awarded to Toyo Engineering & IKPT in June 2015.
- CAP has fully injected total equity of US$54m.
- Overall progress 32% as of June 2016.
- Drainage work & temporary site facility completed.
- Pipe-rack construction, civil construction work, structure and building erection, on-going.
- Targeted to be operational in 2018.

"Provide added value for Butadiene and Styrene Monomer, into high-tech Synthetic Rubber products".
3. Project Updates

Polyethylene plant expansion

- Licence: UNIPOL Polyethylene Process from Univation Technologies, LLC.
- Capacity: new facility of total 400 KTA to produce LLDPE, HDPE and Metallocene LLDPE.
- FID target in mid 2017.
- It will capture more market shares of PE in domestic where the country is still short of supply. Market demand is estimated +/- 1.4mn TPA.

"Following the completion of its Cracker expansion and in line with its strategy of pursuing vertical integration, CAP has a strategic plan to build a new PE plant to add value to its excess Ethylene product"

Existing PE plant in Cilegon with capacity 336 KTA where 1 train is UNIPOL PE Technology 200 KTA and another train 136 KTA is SDK
1. Company Profile
2. Operational & Financial Performance
3. Project Updates
4. **Industry Outlook**
4. Industry Outlook

Industry Outlook

“Demand fundamental remain good for petrochemical industry over the next few years, new capacity additions post 2015 resulting in modest decline in average margins following period of sustained higher profitability”

**SEA Ethylene price spreads over naphtha**

**SEA Polyolefins price spreads over naphtha**

Note:
- 2015 is based on actual on year to date basis (Jan-Nov)
- Forecast price is based on Brent Crude at $30 (2016-2020) and $50 (2021-2022) per barrel

Source: Nexant (Feb 2016)
4. Industry Outlook

Industry Outlook (Cont’d)

SEA Butadiene price spreads over Net Raw Material Cost

- 2015 is based on actual on year to date basis (Jan-Nov)
- Forecast price is based on Brent Crude at $30 (2016-2020) and $50 (2021-2022) per barrel

SEA SM price spreads over Net Raw Material Cost

- 2015 is based on actual on year to date basis (Jan-Nov)
- Forecast price is based on Brent Crude at $30 (2016-2020) and $50 (2021-2022) per barrel

* Styrene market price less net raw material prices (benzene0.78 + ethylene0.28)

Source: Nexant (Feb 2016)
“CAP is a market leader in Indonesia across all of its products and a leading player in the region”.

4. Industry Outlook

Largest Petrochemical company in Indonesia\(^{(1)}\)

**Ethylene (2015)**
- Import 58%
- CAP 42%
- Total Supply: 1.4M tons

**Polyethylene (2015)**
- Import 43%
- Others 32%
- CAP 25%
- Total Supply: 1.4M tons

**Polypropylene (2015)**
- Import 52%
- CAP 30%
- Total Supply: 1.6M tons

**Styrene Monomer (2015)**
- Import 52%
- Others 18%
- CAP 100%
- Total Supply: 0.2M tons

**Polyolefin Top 10 South East Asia Producers**

![Graph showing Polyolefin Top 10 South East Asia Producers]

Source: CAP, Nexant (Feb 2016)
Note: (1) By production excluding fertilizer producers.

Source: Nexant (Feb-2016)
Thank You

Address:
PT Chandra Asri Petrochemical Tbk
Wisma Barito Pacific Tower A, Lt. 7
Jl. Let. Jend. S. Parman Kav. 62-63
Jakarta 11410

Visit our website at www.chandra-asri.com

Contact:
Investor Relations
Email: investor-relations@capcx.com
Tel: +62 21 530 7950
Fax: +62 21 530 8930

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