



# Satrio Skywalk

Proposal to Structure & Project Finance the Satrio Skywalk

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**Presented By:**  
PT Emerging Asia Capital Partners



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# Executive Summary

## Section 1

# Executive Summary – The Satrio Skywalk

■ PT Emerging Asia Capital Partners (“EACP”) is pleased to present a proposal to structure an elevated skywalk in the city center of Jakarta (the “Satrio Skywalk” or the “Project”)

■ EACP bankers have been financial advisors to many infrastructure projects in Southeast Asia, including Bangkok’s BTS Skytrain

■ EACP believes that by partnering with a local property developer we can successfully structure and complete the Satrio Skywalk

## EACP’s Proposal to construct and operate a Skywalk on Jalan Prof. Dr. Satrio

### The Problem

- Jalan Prof. Dr. Satrio (“Satrio”) is one of the most congested roads in Jakarta
- Severe traffic issues lead to terrible levels of air pollution and wasted time
- Sidewalks are narrow and in disrepair, making Satrio dangerous and dirty for pedestrians
- People have no safe, comfortable means to travel from Sudirman to Rasuna Said

### The Solution

- Construct the “Satrio Skywalk”, 10 – 12 m above Satrio, under the Casablanca Overpass
- Skywalk will span 2.3 km and link Jln Sudirman (Skytrain) to Jln Rasuna Said
- Equipped with two – way horizontal autowalk (16 – 19 min walking time each way) + walk-way
- Sky-bridges and stairs / escalators will connect passengers to buildings and street level

### The Roadmap

- EACP to conduct Pre-Feasibility Study (“PFS”) together with Indonesian partner
- Submit PFS to Jakarta City Government and discuss Concession Agreement (“CA”)
- Form Indonesian - International Consortium to conduct Bankable Feasibility Study (“BFS”)

### The Benefits

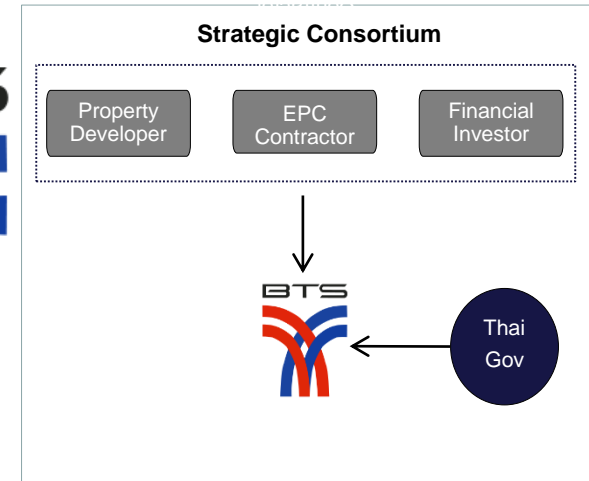
- Provides a safe, comfortable, convenient pathway between Jln Sudirman and Rasuna Said
- Reduces traffic congestion, energy consumption, pollution, pedestrian injuries, wasted time
- Creates “Green Energy” through Solar Cells
- Provides 100% privately-financed system which is free to the public

# EACP: A Trackrecord in Infrastructure

- EACP is a boutique advisory firm focused on energy, infrastructure & resources
- We operate primarily in Asia and Africa
- EACP provides project finance advice / execution for large, complex projects
- We also provide M&A and financing services to our clients
- Our clients include large multinational corporations and governments
- EACP is committed to the Indonesian market



## BTS Skytrain --A Solution for the Bangkok CBD

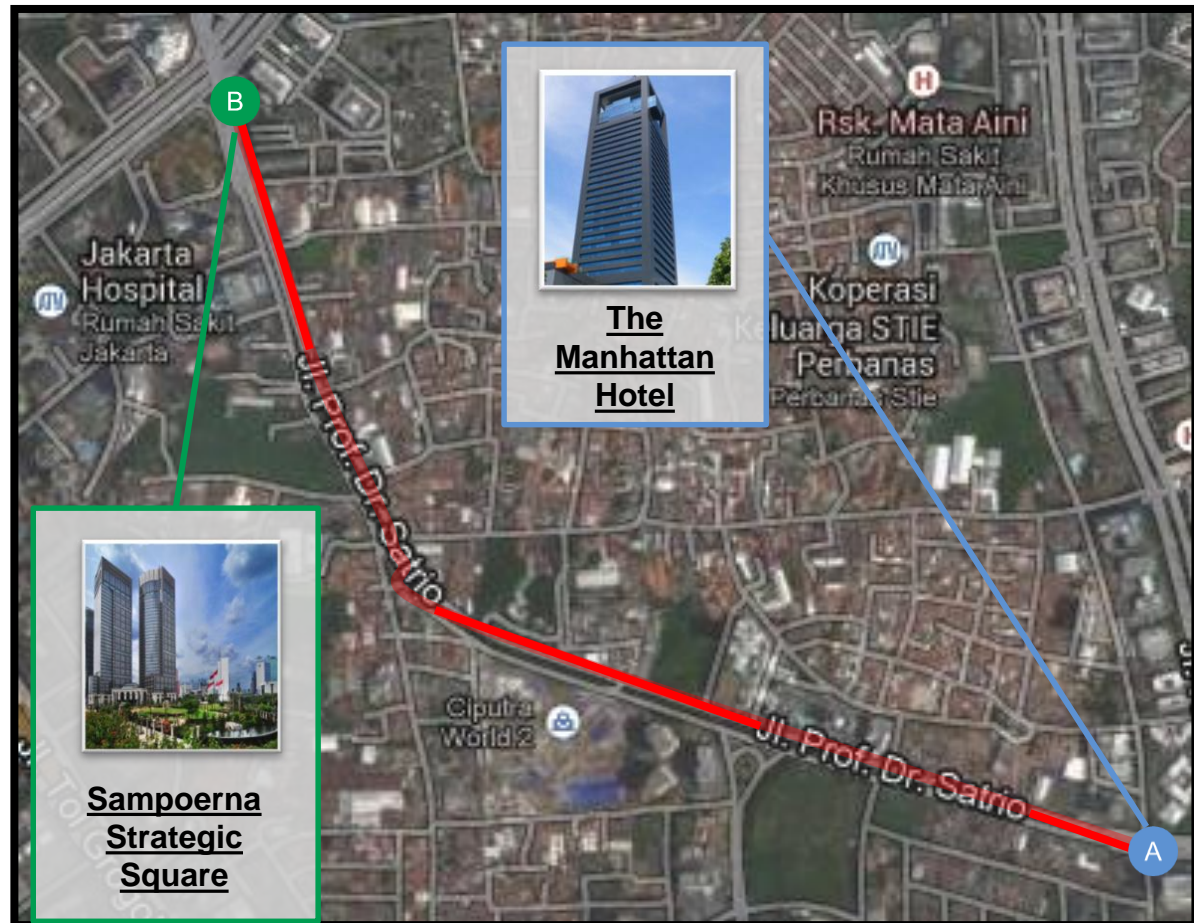


- BTS Skytrain began in Dec 1999 as a 24 km system in Bangkok CBD
- Operated privately under a 30 - year Build-Operate-Transfer concession granted by the Bangkok Metropolitan Administration ("BMA")
- EACP bankers, on behalf of Tanayong Group, organized a competitive tender process to source a strategic consortium to help Tanayong to build, own and operate the BTS Skytrain
- We selected Siemens / ITD as the strategic consortium from among five bidders --- and then we arranged 100% private \$1.7 bn project financing

# Proposed Route: Jln Sudirman – Jln Rasuna Said

## Satrio Skywalk will become a critical piece of infrastructure in Jakarta

- Proposed route stretches 2.3 km along Jn Prof. Dr. Satrio from Jln Sudirman to Jln Rasuna Said
- Satrio Skywalk will link the future Skytrain and Monorail lines and smooth the path for thousands of passengers and pedestrians each day
- Several malls, office buildings, hotels and key landmarks will be freely accessed by the people of Jakarta



# Current Environment & Landmarks

- Jl. Prof. Dr. Satrio is located in the business center of Jakarta
- The Casablanca Overpass, currently under construction by PT Istaka Karya can serve as support for the Satrio Skywalk – reducing the need for additional pilings
- Jl. Prof. Dr. Satrio contains one of Jakarta's largest assortments of malls and shopping in a close proximity
- Convenient walking access to the Mega Kuningan business district

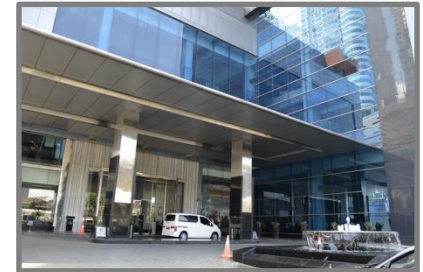
*Skywalk will be suspended from the Casablanca Overpass*



## Landmarks Along Jln Satrio



Cyber 2 Tower



Manhattan Hotel



ITC / Mal Ambassador



Kuningan City Mall



Ciputra World



Semporena Strategic Square

# Current Situation on Jln Prof. Dr. Satrio

## Safety and Environmental Issues

### Traffic

- Traffic congestion has always been a serious issue in Jakarta
- Average car speed is less than 18 km/hour during morning rush hour
- Very narrow roads makes two-way vehicular movement difficult; also not suitable for pedestrians
- These issues are amplified during rush hour

### Pollution

- The traffic jams create a large amount of air pollution from idling cars and motorcycles
- Air pollutants: carbon dioxide (CO<sub>2</sub>), carbon monoxide (CO), sulfur dioxide (SO<sub>2</sub>), particulate matter
- Pedestrians are vulnerable to air pollution as face masks are often used
- Noise pollution also plays a significant role, affecting hotels, residences, and small businesses

### Resources

- A significant amount of energy (E.g., fuel, electricity) is wasted during traffic jams
- Other types of transportation, i.e. mass transit systems, have lower energy costs
- The estimated cost of energy wasted during periods of congestion is as high as Rp 100 bn per day
- Time is also wasted as traffic jams cause backups on Jl. Casablanca, Jl. Sudirman and other major roads

### Accidents

- Satrio connects to some of the most accident prone roads in Jakarta
- In 2014 alone, Jakarta experienced 7,817 accidents causing 901 deaths
- Sidewalks along Satrio are typically dilapidated and dangerous for passengers

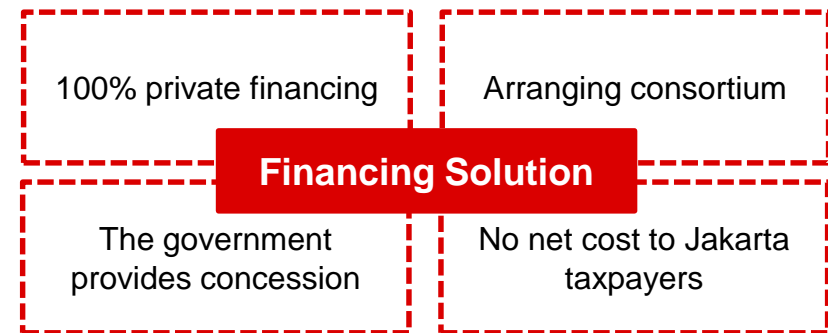
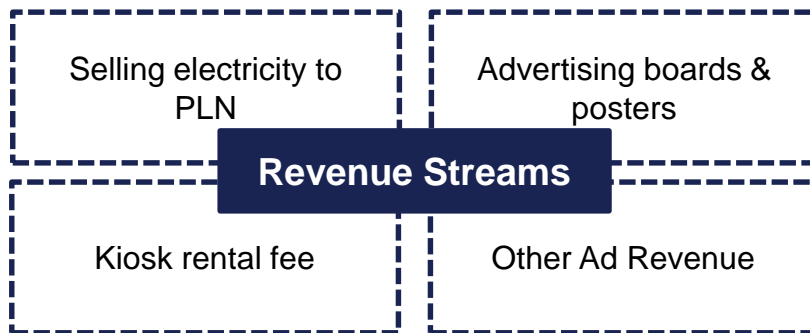
# Satrio Skywalk to Improve Jakarta Quality of Life

## Fundamental Concept

- Construction of an elevated walkway 2.3 km in length, 6 – 10 m height
- Will link Sudirman and Rasuna Said, allowing safe, comfortable passage
- Two – way autowalk system (.65 m/s) reduces walking time to 16 – 19 min
- Stairs & sky-bridges will link to malls and commercial buildings
- Solar cells will be installed on the roof of the Satrio Skywalk
- Revenue from electricity sales, advertising, kiosk rental
- Free access to the public, security guards to maintain safety

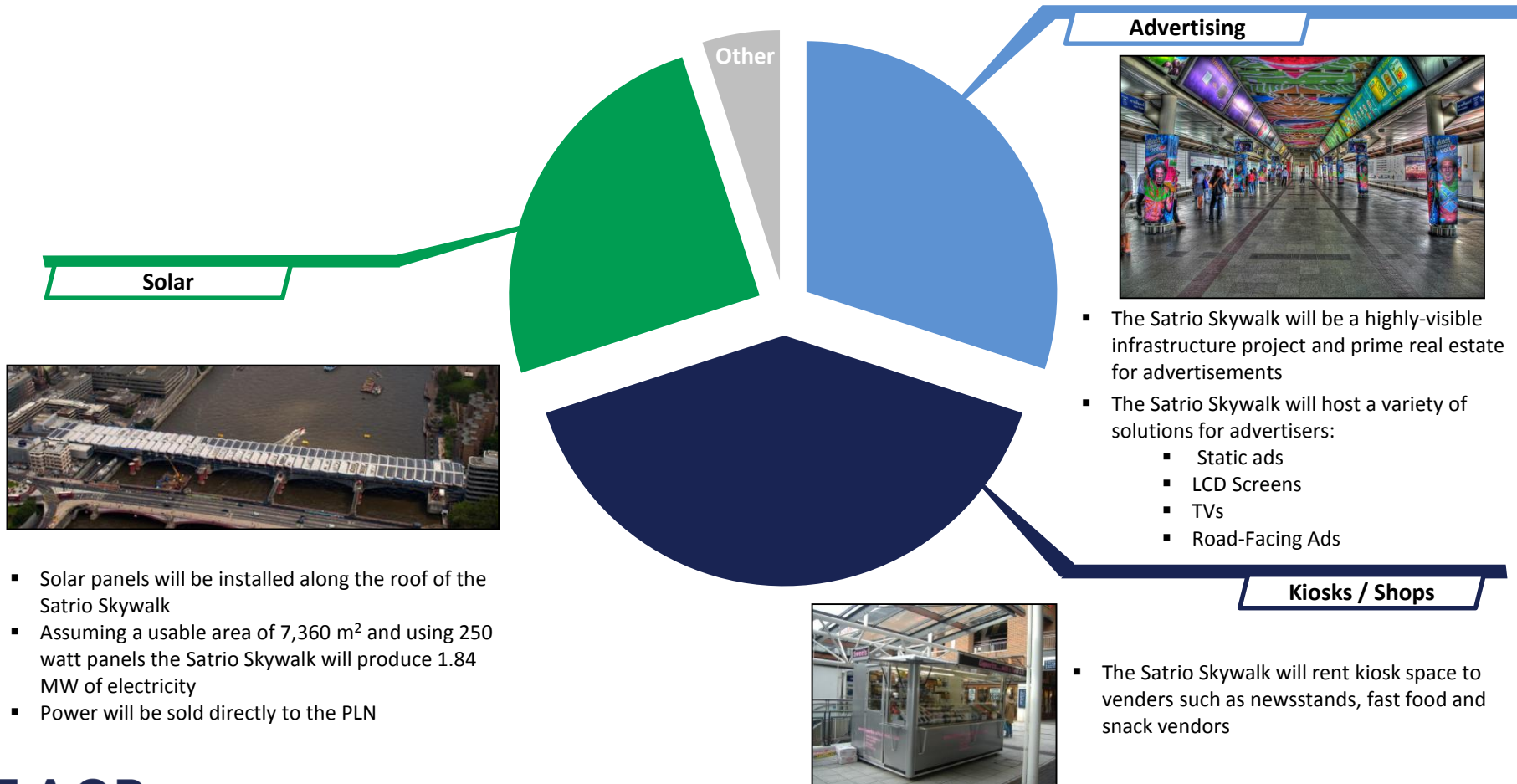


## Skywalk can be self-sustaining and incur no costs to the National Government or Jakarta DKI



# Potential Revenue Sources

## Satrio Skywalk Pro Forma Revenue Mix



# Skywalk Connection to Mega Kuningan

## Key Benefits of the Satrio Skywalk

### Alleviate Traffic



#### Develop public infrastructure to alleviate traffic within Jl. Prof. Dr. Satrio:

- More cost effective mode of transportation for the vast majority of Jakarta residents
- Removes bottleneck for commuters, as well as for travel and business meetings within Jakarta

### Environmental



#### Reduce pollution within Jakarta CBD:

- Reduces carbon emissions and congestion within the city center
- Creation of “Green” energy through solar panels on Casablanca Overpass

### Time Saving



#### The skywalk will aid commuters in reaching their destination faster

- The Satrio Skywalk will help commuters and pedestrians to travel smoothly from Sudirman to Rasuna Said
- The Satrio Skywalk will promote economic growth and improve the quality of life for people in and around the Skywalk

# Projected Sources & Uses of Funds

## Pro-Forma Uses of Funds

Use of Funds	Units	US\$ mm
Skywalk Construction	US\$ 2 mm / km x 2.3 km	4.6
Moving Walkway Installation	54 Units x US\$ 0.2 mm/Unit	10.8
Solar Panel Installation	1.84 MW x US\$ 2.25 / Watt	4.1
Wind Turbine Installation	US\$ 500 / Units x 3,150 Units	1.6
<b>Total Uses of Funds</b>		<b>21.1</b>

## Pro-Forma Sources of Funds

Source of Funds	Percentage of Total	US\$ mm
Equity	25%	5.3
Bank Debt	49%	10.3
DFI Debt	10%	2.1
Export Credits	16%	3.4
<b>Total Sources of Funds</b>	<b>100%</b>	<b>21.1</b>

# Projected Operating Results

## Pro-Forma Project Income and Cash Flows

Units: US\$ '000

Operating Year:						Accelerated Carve-Out		
	1	2	3	4	5	10	15	20
Media & Kiosk Leasing	2,409	2,529	2,656	2,789	2,928	3,737	4,770	6,088
Energy Sales	980	1,029	1,080	1,134	1,191	1,520	1,941	2,477
Others	9	9	9	9	9	9	-	-
<b>Total Revenues</b>	<b>3,398</b>	<b>3,567</b>	<b>3,745</b>	<b>3,932</b>	<b>4,128</b>	<b>5,266</b>	<b>6,711</b>	<b>8,565</b>
<b>Total Expenses</b>	<b>287</b>	<b>289</b>	<b>291</b>	<b>293</b>	<b>295</b>	<b>308</b>	<b>324</b>	<b>345</b>
Interest Expense	1,046	907	767	628	488	-	-	-
Income Taxes	326	399	474	551	631	1,017	1,359	1,807
<b>Net Profit</b>	<b>979</b>	<b>1,196</b>	<b>1,421</b>	<b>1,652</b>	<b>1,891</b>	<b>3,050</b>	<b>4,078</b>	<b>5,420</b>
<b>Free Cash Flow to Firm</b>	<b>2,192</b>	<b>2,328</b>	<b>2,471</b>	<b>2,621</b>	<b>2,778</b>	<b>3,683</b>	<b>4,820</b>	<b>6,597</b>

# Project Roadmap

## Section 2

# Project Preparation & Pre - Feasibility Study (“PFS”)

## Step1: Preparing the Satrio Skywalk PFS

### Finalize Routing, Identify Construction Issues

- Preliminary assessment of route feasibility
- Secure agreements with landholders
- Identify potential construction issues along route or under Overpass

### Financial Projections

- Refine revenue, OPEX and CAPEX estimates
- Determine likely equity and debt funding sources / terms
- Guidelines needed to bring in Development Finance Institutions

### Government Support

- Propose draft concession agreement to Government
- Determine PPA terms for solar power sales
- Request permission to install solar assets on Casablanca Overpass

### EPC, Environmental , Social Impact Assessment

- Hold discussions with specific E&M / Civil Works firms
- Receive preliminary quotes for key equipment items
- Conduct preliminary EIA and SIA

■ EACP and a respected local property developer can team up to develop the Project

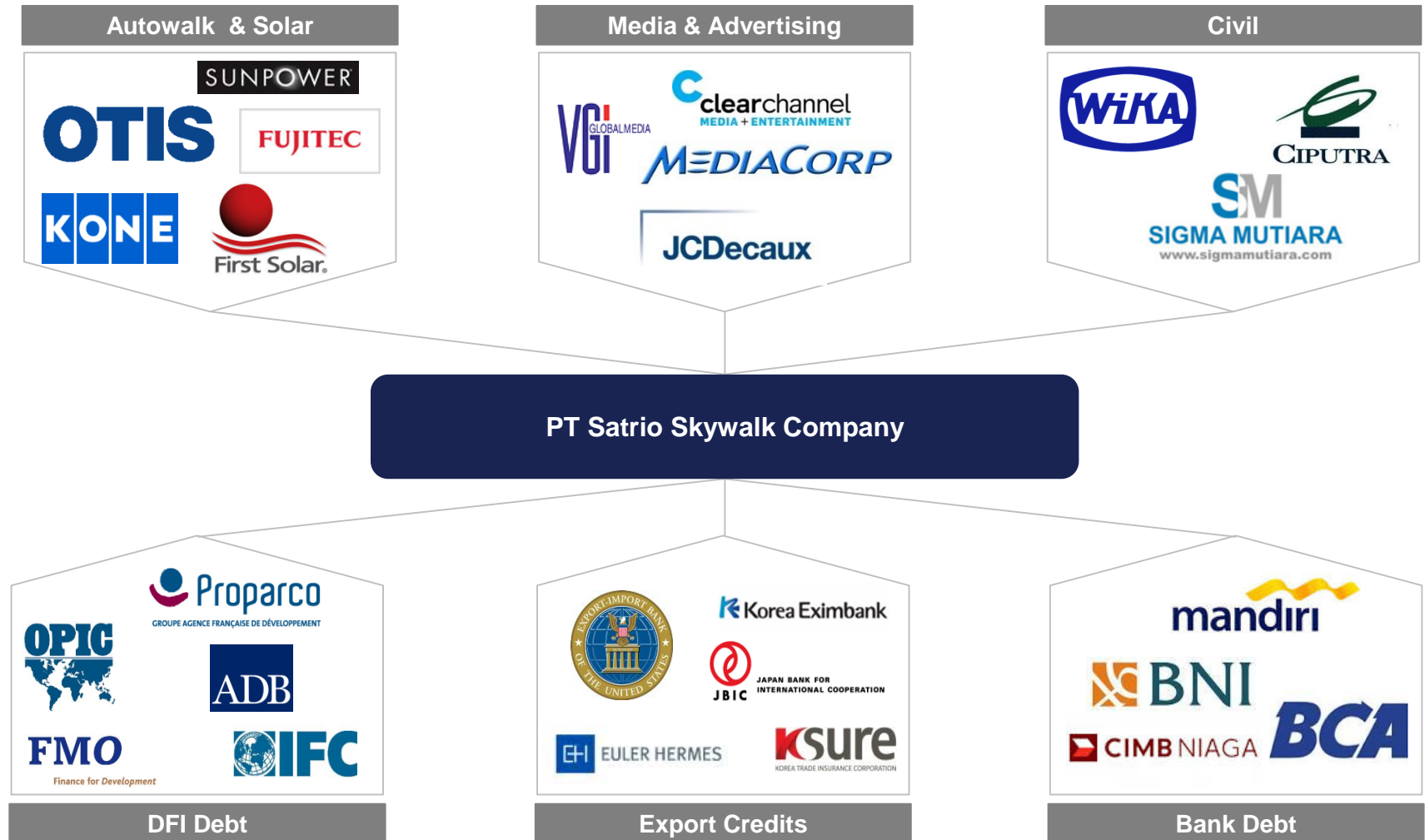
■ The first step in developing the Project is the conceptual preparation

■ EACP will work closely with land owners and the Jakarta DKI Government to ensure support for the Project

■ Once completed, the conceptual preparation shall serve as the basis for the **PFS**, which EACP can conduct along with specific expert firms as needed (such as patronage forecast, EIA, Engineering Design Firm)

# Consortium Structure

## Step 2: Approach Key EPC & Financial Firms Regarding Interest in Consortium / EPC Work



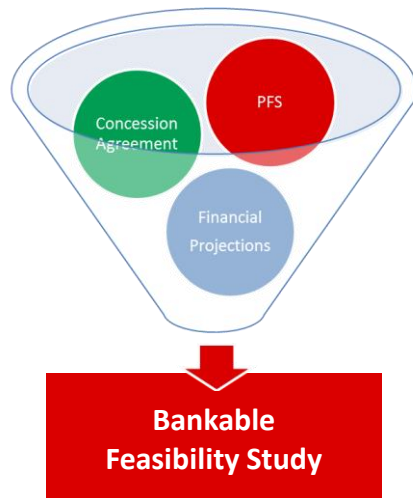
# Bankable Feasibility Study

## Step 3: Secure Grant for BFS, Firm - up Consortium



- EACP will contact international development agencies, such as to discuss a grant to cover cost of the BFS
- Their involvement should ensure that the Satrio Skywalk is both free of corruption and environmentally friendly
- Their involvement will also attract development finance institutions and other key lenders

## Step 4: Develop BFS, Finalize Terms, Close Financing




- The grant will be used to hire an Owner's Engineer and finance the completion of the **BFS**
- Once the BFS is complete, the Project Company can execute the Concession Agreement, finalize the Consortium + EPC / O&M Contracts, close financing and begin construction

# EACP's Platform

## Section 3

# Southeast Asia Platform

## Platform for Direct Access into Southeast Asia's Emerging Markets



**Thailand**

- Recent Track Record: Secured equity financing from RATCH and EGCO for a wood pellet project
- Sectors: renewable energy, oil & gas, financial services, industrial and agriculture
- EACP Office: **Bangkok**

**Indonesia**

- Recent Track Record: PT General Energy Bali 's 380 MW coal-fired power plant
- Sectors: coal, natural resources, hydropower, oil & gas, infrastructure and power
- EACP Office: **Jakarta**

**Myanmar**

- Developing opportunities as country liberalizes
- Sectors: oil & gas, infrastructure, telecom and power
- Partner: **Myanmar Capital Advisors (Yangon)**

**Vietnam**

- Recent Track Record: SCG's acquisition of two publicly-listed PVC manufacturers
- Sectors: logistics, cement, banking and F&B
- Partner: **Vietnam Capital Partners (Ho Chi Minh City)**

**Myanmar Capital Advisors**  
www.myanmarcapitaladvisors.com  
Offers market entry strategy, partner analysis and selection, industry analysis, government engagement and project management

**VCP Vietnam Capital Partners**  
www.vncappartners.com  
Vietnam's largest investment banking team aiming to bridge clients into Vietnam with their extensive knowledge and broad relationship

# East Asia Strategic Investor Platform

## Intimate Relationships with Key Strategic Investors in East Asia

- Currently, East Asia is one of the most important suppliers of FDI globally
- Senior members of EACP have built intimate relationships with key Asian strategic investors in the energy, utilities, infrastructure and resource sectors, as well as their export credit agencies and sovereign wealth funds, over the last 20 years since their inception of overseas investment in the early 1990s
- EACP is best positioned to assist emerging market projects in identifying strategic partners and financing from East Asia

### China

<b>FCY Reserve (9/12)</b>	US\$3,285b	<b>GDP ('11)</b>	US\$7,203b
<b>Outbound FDI stock</b>	US\$374b	<b>Credit Ratings</b>	AA-/Aa3

#### Selected Key EACP Clients

Huaneng Power, Datang Power, Guodian Power, Huadian Power, State Grid, China Yangtze Power, Sinohydro, China Coal, Shenhua, China Minmetals, Sinosteel, China Metallurgical Group, CNOOC, CNPC, Sinopec, Sinochem, ChemChina, CSCEC, CCCC, CRBC, CRCC, CITIC, China Exim, Sino-Sure, CIC

### Singapore

<b>FCY Reserve (9/12)</b>	US\$254b	<b>GDP ('11)</b>	US\$259b
<b>Outbound FDI stock</b>	US\$ 179b <sup>(2)</sup>	<b>Credit Ratings</b>	AAA/Aaa

#### Selected Key EACP Clients

SembCorp, Keppel, Olam, ST Engineering Group, Changi Airport, PAS, Temasek, GIC

### Japan

<b>FCY Reserve (9/12)</b>	US\$1,274b	<b>GDP ('11)</b>	US\$5,870b
<b>Outbound FDI stock</b>	US\$880b	<b>Credit Ratings</b>	AA-/Aa3

#### Selected Key EACP Clients

Mitsubishi Corp, Marubeni Corp, Itochu Corp, Mitsui & Co, Sojitz Corp, Sumitomo Corp, Nippon Steel, JFE, JX Nippon Oil, INPEX, Tokyo Gas, Osaka Gas, Tokyo Electric, Kansai Electric, Chubu Electric, J-Power, Khushu Electric, JBIC, NEXI

### South Korea

<b>FCY Reserve (9/12)</b>	US\$323b	<b>GDP ('11)</b>	US\$1,116b
<b>Outbound FDI stock</b>	US\$139b	<b>Credit Ratings</b>	A+/Aa3

#### Selected Key EACP Clients

Korea Electric Power Corp, KOGAS, Korea National Oil, Korea Resources Corp, Hyundai Group, LG Group, SK Group, Samsung, Lotte, Hanwha Group, Daewoo, Doosan, POSCO Group, STX Group, Hanjin Group, CJ, Incheon Int'l Airport, Korea Zinc, Korea Water, KEXIM, K-Sure, KIC,

### Hong Kong

<b>FCY Reserve (9/12)</b>	US\$301b	<b>GDP ('11)</b>	US\$243b
<b>Outbound FDI stock</b>	US\$ 988b <sup>(1)</sup>	<b>Credit Ratings</b>	AAA/Aa1

#### Selected Key EACP Clients

Hutchison Whampoa, Cheungkong Infra, Hong Kong Electric, HK & China Gas, Swire, Noble Group, CLP, Jardine Matheson, Li & Fung

#### Notes:

- FDI into China PRC accounts for c. 70-80% of the total outbound FDI. Significant portion of remainder outbound FDI are investments of Chinese funds parked in Hong Kong.
- Singapore is a SE Asian investment hub. Therefore, significant portion of the total outbound FDI is from non-Singaporean sources.



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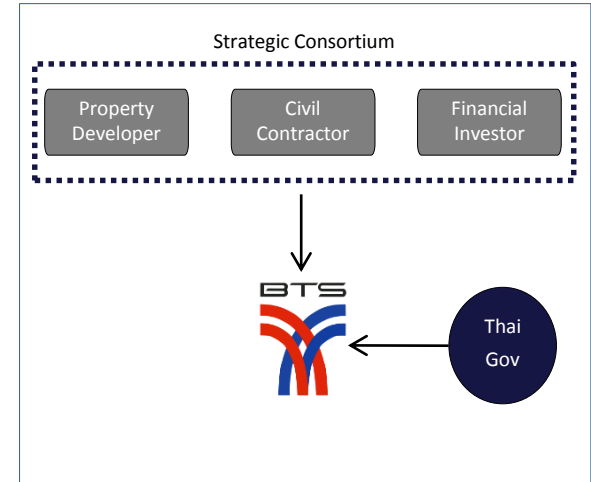
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# EACP's Credentials

## BTS Skytrain



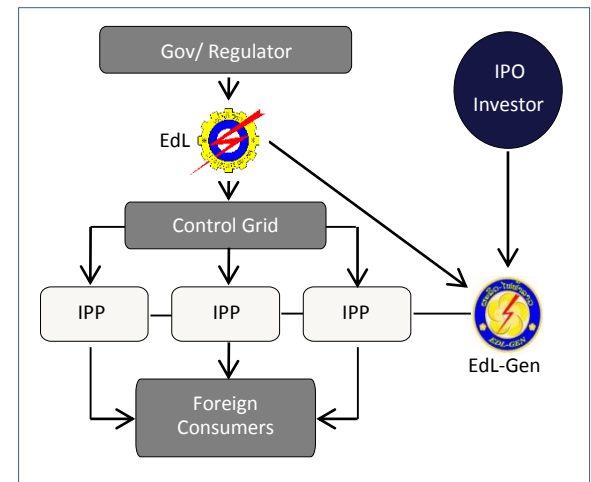
- The Bangkok Mass Transit System, commonly known as the "BTS Skytrain", is a 55km elevated rapid transit system in Bangkok
- Operated by the Bangkok Mass Transit System Public Company Limited ("BTSC") under a 30 year Build-Operate-Transfer concession granted by the Bangkok Metropolitan Administration ("BMA")
- EACP bankers advised the Tanayong Group on (i) selection of the strategic EPC consortium (Siemens + ITD) and (ii) project financing of the USD 1.7 billion BTS Skytrain project



## EdL Generation



- EACP bankers acted as advisors to the government of Laos regarding the restructuring of its electricity industry
- EACP bankers recommended that EdL spin-off its electricity-generating assets into a newly formed company, EdL-Gen
- EACP bankers also structured and lead-managed the \$120 million IPO of EdL-Gen, the first public offering on the Laos Stock Exchange



# Achievements

## Highlighted Transactions Completed by EACP Bankers

**Eastern Water Resources**  
Water Utility



Buy-side Financial Advisor

**Saudi Aramco**  
R&M Assets



Buy-side Financial Advisor

**Daya Bumi Salak Pratama**  
Geothermal IPP



Project Finance Advisor

**El Paso Energy Intl.**  
Power Utility



Buy-side Financial Advisor

**El Paso Energy**  
City Gas Distribution



Buy-side M&A Advisor

**El Paso Energy**  
900MW LNG Power Plant



Buy-side M&A Advisor

**Consortium of Companies**  
Coal Mine & Rail Line



Buy-side M&A Advisor

**Alliant Energy**  
Chinese Power Asset Sale



Sell-side Financial Advisor

**Asia Pulp and Paper**  
Captive Power Assets



Sell-side Financial Advisor

**China Yangtze Power**  
Strategic Equity Investment



Buy-side M&A Advisor

**POSCO**  
HBI Plant



Project Finance Advisor

**POSCO**  
Pellet Plant



Project Finance Advisor

**Temasek Holdings**  
1,100MW CCGT Power Plant



Buy-side M&A Advisor

**Electricite du Laos**  
Laos Government



Privatization Advisor

**Thai Plastic and Chemical**  
Petrochemicals



Buy-side M&A Advisor

**SK Energy**  
1,100 MW LNG Power



Project Finance Advisor

**Dyno Nobel**  
Explosive Chemicals



Buy-Side M&A Advisor

**Rosneft**  
Petrochemicals



Sell-Side M&A Advisor

# Achievements

## Highlighted Transactions Completed by EACP Bankers

**Korea Electric Power**  
1,100MW CCGT Power Plant



Project Finance Advisor

**Korea Electric Power**  
Power Utility



Privatization Advisor

**Korea Electric Power**  
1,700MW Power Plant



Buy-side M&A advisor

**Bangkok Mass Transit**  
Mass Transit Infrastructure



Buy-side Project Finance

**EdL-Generation**  
Power & Utility



Initial Public Offering

**CBM Asia Development**  
Coal-bed Methane Exploration



Sell-side Financial Advisor

**Korea District Heating Corp.**  
Heating Distribution



Privatization Advisor

**CVC Asia Pacific**  
1,100 MW LNG Power Plant



Buy-side M&A Advisor

**Osaka Gas**  
City Gas Distribution



Buy-side M&A Advisor

**Sub Anan Biomass**  
Biomass Power Plant



Sell-side Financial Advisor

**PT General Energy Bali**  
Coal-fired Power Plant



Sell-side Financial Advisor

**Rinergy Company**  
Wind Farm



Project Finance Advisor

**Korea National Oil Corp.**  
Oil Field



Project Finance Advisor

**Elf Atochem**  
Specialty Chemical Plant



Buy-side M&A Advisor

**China Light & Power**  
900MW Coal Power Plant



Project Financial Advisor

**Korea Development Bank**  
Banking



Buy-side Financial Advisor

**EdL-Generation**  
Carbon Credit



Carbon Credit Registration

**P3 Global Energy**  
LNG Terminal



Buy-side Financial Advisor