

# *Company Presentation - PUBLIC EXPOSE 2014*

## *18 January 2016*



PT BERLIAN LAJU TANKER Tbk



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# Agenda

1. Business Performance
2. Financial Performance
3. Restructuring Progress
4. Next Steps



1. This public expose will provide updates in respect of the financial and operational affairs of BLT for 2014 and 2015. These affairs and BLT's financial statements for 2013 and 2014 were addressed at the previous public expose held on 4 December 2014.
2. Global growth was tepid throughout 2014 and 2015 mainly due to weaker domestic demand in key emerging market economies. Seaborne trade in chemicals and associated products fell by 2.1% in volume in 2014 which is primarily attributable to the overall weakness in the Chinese and European economies before rebounding slightly by 2.8% in 2015.
3. The chemical tanker industry continues to suffer from oversupply. The slow growth and oversupply continued to weigh on freight rates throughout 2014 and 2015 with only a moderate recovery expected in 2016.
4. The shipping industry has seen some improvement since 2014 mainly due to falling bunker prices from USD560/ton to USD323/ton from 2014 to 2015 which have improved profit margins. Bunker prices are expected to continue to decrease which is expected further improve profit margins in 2016.
5. The restructuring initiatives implemented since 2013 has BLT's fleet well positioned to take advantage of reduced bunker prices and remain competitive.

6. Set out below is a summary of the fleet's trading by region as at 31 December 2014 and 2015:

#	Entity	Vessels Operated		Trading Region
		31 Dec 2014	31 Dec 2015	
1	BLT Jakarta	13	5*	1. Indonesia 2. Far East Asia - South East Asia 3. Australia/New Zealand - Far East Asia
2	Gold Bridge	5	0	1. North/ South bound Asia
3	Chembulk	21	0	1. Trans-Atlantic 2. US Gulf - South America 3. Trans-Pacific 4. Middle East – India 5. South-East Asia - Arabian Gulf Region
	<b>Total</b>	<b>39</b>	<b>5</b>	

Note:

(\*) BLT Jakarta only traded in Indonesia and South East Asia for 2015.

7. Set out below is a summary of the fleet's operating performance from 2012 to 2015:

Year	2012	2013	2014	9M2015
Timecharter Earnings/Day	8,543	11,539	11,871	13,651
Operating Expenses/Day	5,103	5,083	4,905	5,419



# Financial Performance

(In US\$ '000)	9M2015 (unaudited)	9M2014 (unaudited)	2014	2013	2012
<b>OPERATING REVENUE</b>	<b>207,216</b>	<b>239,261</b>	<b>315,425</b>	<b>329,460</b>	<b>452,796</b>
Voyage expenses	(69,659)	(107,895)	(138,205)	156,712	(236,930)
<b>Operating revenues after voyage expenses</b>	<b>137,557</b>	<b>131,366</b>	<b>177,220</b>	<b>172,748</b>	<b>215,866</b>
Ship operating expenses	(44,586)	(47,287)	(64,111)	(71,307)	(120,570)
Vessel depreciation	(30,823)	(30,890)	(41,820)	(46,083)	(70,010)
Charter expenses	(7,835)	(13,509)	(16,616)	(16,680)	(27,003)
<b>Total operating costs</b>	<b>(83,244)</b>	<b>(91,686)</b>	<b>(122,547)</b>	<b>134,070)</b>	<b>(217,583)</b>
<b>GROSS PROFIT (LOSS)</b>	<b>54,313</b>	<b>39,680</b>	<b>54,673</b>	<b>38,678</b>	<b>(1,717)</b>
General & Admin expenses	(15,584)	(18,551)	(40,983)	(48,029)	(37,987)
<b>OPERATING PROFIT (LOSS)</b>	<b>38,729</b>	<b>21,129</b>	<b>13,690</b>	<b>(9,351)</b>	<b>(39,704)</b>
Finance cost	(72,161)	(67,277)	(93,363)	(99,328)	(177,957)
Other gain and losses	5,840	2,918	40,011	307,394	(588,026)
Investment income	4	7	10	142	400
<b>TOTAL OTHER LOSS</b>	<b>(27,588)</b>	<b>(43,223)</b>	<b>(39,652)</b>	<b>198,857</b>	<b>(805,287)</b>
Income tax expense - net	(1)	(5)	195	(19,590)	(1,298)
<b>INCOME/LOSS FOR THE YEAR</b>	<b>(27,589)</b>	<b>(43,228)</b>	<b>(39,457)</b>	<b>179,267</b>	<b>(806,585)</b>
<b>EBITDA</b>	<b>69,808</b>	<b>52,260</b>	<b>55,848</b>	<b>37,150</b>	<b>30,835</b>

## Income Statement

### Operating revenue ("OR")

- OR in 2014 decreased by 4.3% compared to 2013
- OR in 9M2015 numbers decreased by 13.4% compared to 9M2014.
- Due to reduction of number of vessels.

### Voyages expenses ("VE")

- VE in 2014 decreased by 11.8% compared to 2013,
- VE in 9M2015 decreased by 35.4% compared to 9M2014.
- Due to reduction in number of vessels and fall in bunker prices .

### Total operating costs ("TOC")

- TOC in 2014 decreased by 8.6% compared to 2013.
- TOC in 9M2015 numbers decreased by 9.2%.compared to 9M2014
- Due to reduction in number of vessels and stricter monitoring of operating expenses incurred by the ship managers.

### G&A ("GA")

- GA in 2014 decreased by 14.7% compared to 2013 due to lower impairment of receivables
- GA in 9M2015 decreased by 16.0% compared to 9M2014 due to lower professional fees

### Other gain and losses (net)

- Mainly due to gain on debt restructuring and foreign exchange gain

### EBITDA

- EBITDA in 2014 increased by 50.3% compared to 2013,
- EBITDA in 9M2015 numbers increased by 33.6% compared to 9M2014.
- Due to cost savings from decrease in bunker price and effective ship management control.

(in US\$ '000)

	30 Sep 15 (unaudited)	2014	2013	2012
<b>ASSETS</b>				
Cash & cash equivalents	21,378	33,113	29,440	30,338
Fixed assets	564,753	590,380	642,933	804,960
Other assets	74,439	64,319	136,058	287,912
<b>TOTAL ASSETS</b>	<b>660,570</b>	<b>687,812</b>	<b>808,431</b>	<b>1,123,210</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>	<b>201,318</b>	<b>165,612</b>	<b>133,519</b>	<b>2,030,398</b>
Loans	621,943	657,330	706,302	114,869
Bonds payable	232,922	238,751	224,887	-
Notes payables	394,198	382,135	363,911	-
Obligations under finance lease	135,236	148,143	197,976	242,070
Other payables	275,281	268,433	312,500	6,424
<b>Non-current liabilities</b>	<b>1,659,580</b>	<b>1,694,792</b>	<b>1,805,576</b>	<b>363,363</b>
<b>TOTAL LIABILITIES</b>	<b>1,860,898</b>	<b>1,860,404</b>	<b>1,939,095</b>	<b>2,393,761</b>
Equity attributable to owners	(1,200,328)	(1,172,592)	(1,130,664)	(1,342,098)
Non-controlling Interest	-	-	-	71,547
<b>TOTAL CAPITAL DEFICIENCY</b>	<b>(1,200,328)</b>	<b>(1,172,592)</b>	<b>(1,130,664)</b>	<b>(1,270,551)</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>660,570</b>	<b>687,812</b>	<b>808,431</b>	<b>1,123,210</b>

## Balance Sheet

### **Assets**

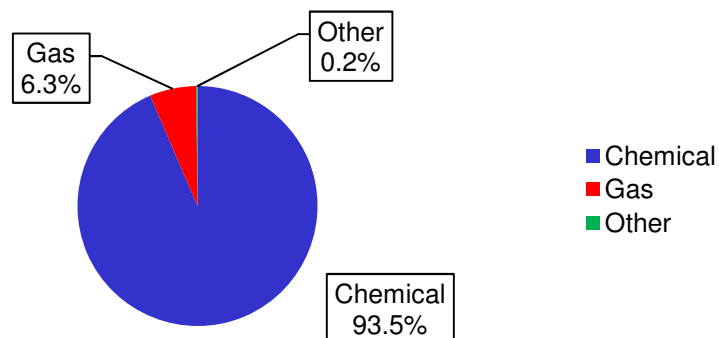
- Total assets decreased by 4.0% compared to 2013.
- Due to decrease in available-for-sale financial assets, investment in associates and joint venture and number of vessels from 42 vessels to 39 vessels.

### **Liabilities**

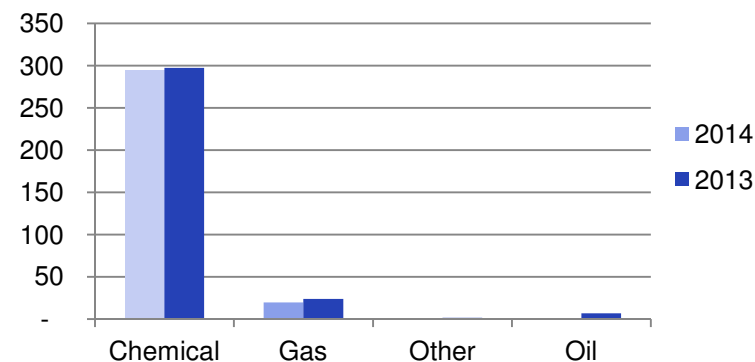
- Total liabilities decreased by 4.1% compared to 2013.
- Due to decrease in obligations under finance lease, trade accounts payable and other payables.

2014

Revenue by Segment

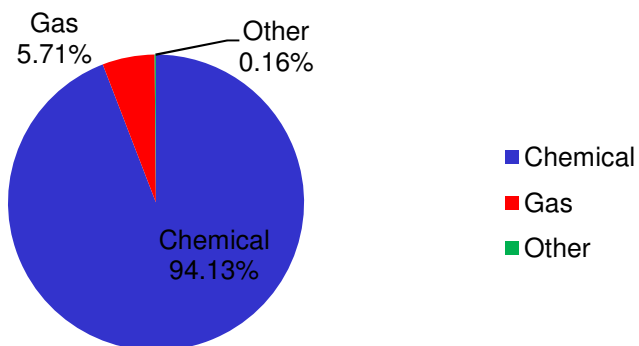


Segment Revenue (in US\$ mn)

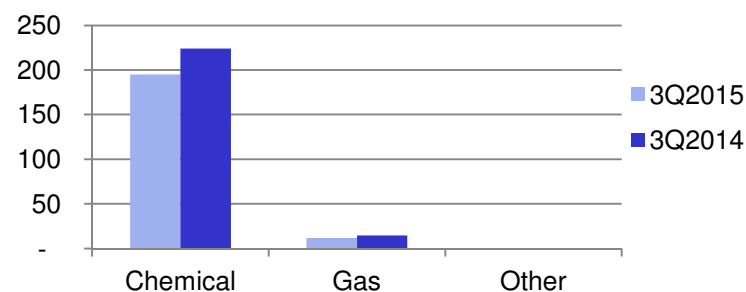


9M2015

Revenue by Segment



Segment Revenue (in US\$ mn)





#	Date	Key Initiative / Obligation
a)	8-Dec-14	Sanction by the US Bankruptcy Court for the mandatory exchange process to effect the USD 400m HY Bond ("HY Bond") definitive documentation.
b)	15-Dec-14	Finalised Convertible Bondholders definitive documentation.
c)	8-Jan-15	Completion of recognition of the PKPU Plan under Chapter 15 of the US Bankruptcy Code and sanction of the mandatory exchange process for the HY Bonds by the US Bankruptcy Court.
d)	20-Apr-15	Issuance of the audited financial statements for FY2014.
e)	22 -Apr-15	Restructuring Support Agreement with MLA Lenders agreed and finalised.
f)	12-Jun-15	Issuance of the financial statements for first quarter of 2015.
g)	15-Jul-15 & 16-Jul-15	Conducted Scheme Meetings in Singapore
h)	14-Aug-15	The PKPU Amendment Plan approved by the BLT's Creditors.
i)	17-Aug-15	Singapore High Court approved and sanctioned the Singapore Schemes.
j)	28-Aug-15	Issuance of the financial statements for second quarter of 2015.

# Restructuring Progress

#	Date	Key Initiative / Obligation
k)	6-Nov-15	Issuance of the financial statements for third quarter of 2015.
l)	17-Nov-15	Conducted AGM/EGM of BLT with requisite shareholders approving restructuring plan set out in the PKPU Amendment Plan
m)	1-Dec-15	MLA Closing took place
n)	6-Dec-15	Approval from Ministry of Law and Human Rights for share issuance was obtained.
o)	7-Dec-15	Submission of application to IDX for the listing of new shares to be issued as part of the debt to equity swap ("New Share Listing Application")
p)	8-Jan-16	Obtained approval from IDX on New Share Listing Application
q)	11-Jan-16	IDX announcement sanctioning Debt to Equity Swap and collection mechanism for IDR bond

## MLA Closing

8. The MLA Closing took place on 1 December 2015 and BLT transferred the MLA Vessels and the Designated Assets to the MLA Lenders. As at 5 January 2016, BLT's fleet is reduced to 5 ships with purchase options over two MLA Vessels.
9. With the increasing opportunities in the Indonesian cabotage market, BLT intends to deploy the fleet to develop this business by leveraging on its strong history as an international shipowner/operator, its strong relationships with various oil majors and expertise in the chemical and gas industry

## Update on Litigation

10. After BLT's PKPU Plan was homologized by the Central Jakarta Commercial Court on 22 March 2013, some of the IDR bondholders from Obligasi 2009 (accounting for 0.76% of the total unsecured creditors) filed a cassation on 28 March 2013 against the Commercial Court Decision.
11. The Supreme Court rejected the claims on 25 July 2013 and affirmed the PKPU Plan which authorised BLT to execute the PKPU Plan with the possibility to amend with the approval of at least 50% of the creditors and 66.67% of the amount of claims outstanding from the two classes of creditors (secured and unsecured) attending and voting at a creditor's meeting. These voting threshold are regulated under PKPU Law No 37 Year 2004.
12. The IDR bondholders then filed a civil review on 18 July 2014. The Supreme Court Decision was reached on 2 November 2015, refuting their civil review claim.
13. After the issuance of the PKPU Amendment Plan to the creditors, the same group of IDR bondholders filed a lawsuit to nullify the PKPU Plan on 8 July 2015. The Commercial Court in the Central Jakarta District Court has again dismissed the plaintiffs' lawsuit in its entirety in a hearing on 7 September 2015. The same group filed an appeal again on 15 September 2015 to the Supreme Court. BLT is of the view that the appeal filed is without merit and is confident of winning this appeal.

#	Estimated Date*	Key Initiative / Obligation
a)	31-Jan-16	Issuance of new shares for the debt to equity swap
b)	14-Feb-16	Submission of application to IDX to resume trading of shares in BLT ("Resumption of Trading")
c)	28-Feb-16	Approval from IDX on Resumption of Trading
d)	15-Mar-16	Resumption of Trading on IDX

Note:

(\*) Please note that these are just estimated dates and subject to the related parties

14. Post debt to equity swap, BLT will resolve its capital deficit which is a key condition imposed by IDX for shares in BLT to resume trading. The resumption of trading will allow unsecured creditors who will receive new shares in the Company and the public shareholders of the Company an opportunity to benefit from returns via their equity interest in BLT.
15. The new shares is estimated to be distributed to unsecured creditors by end January 2016.
16. Thereafter, BLT will apply for resumption of trading and estimate trading in BLT 's shares to resume by mid-March 2016.

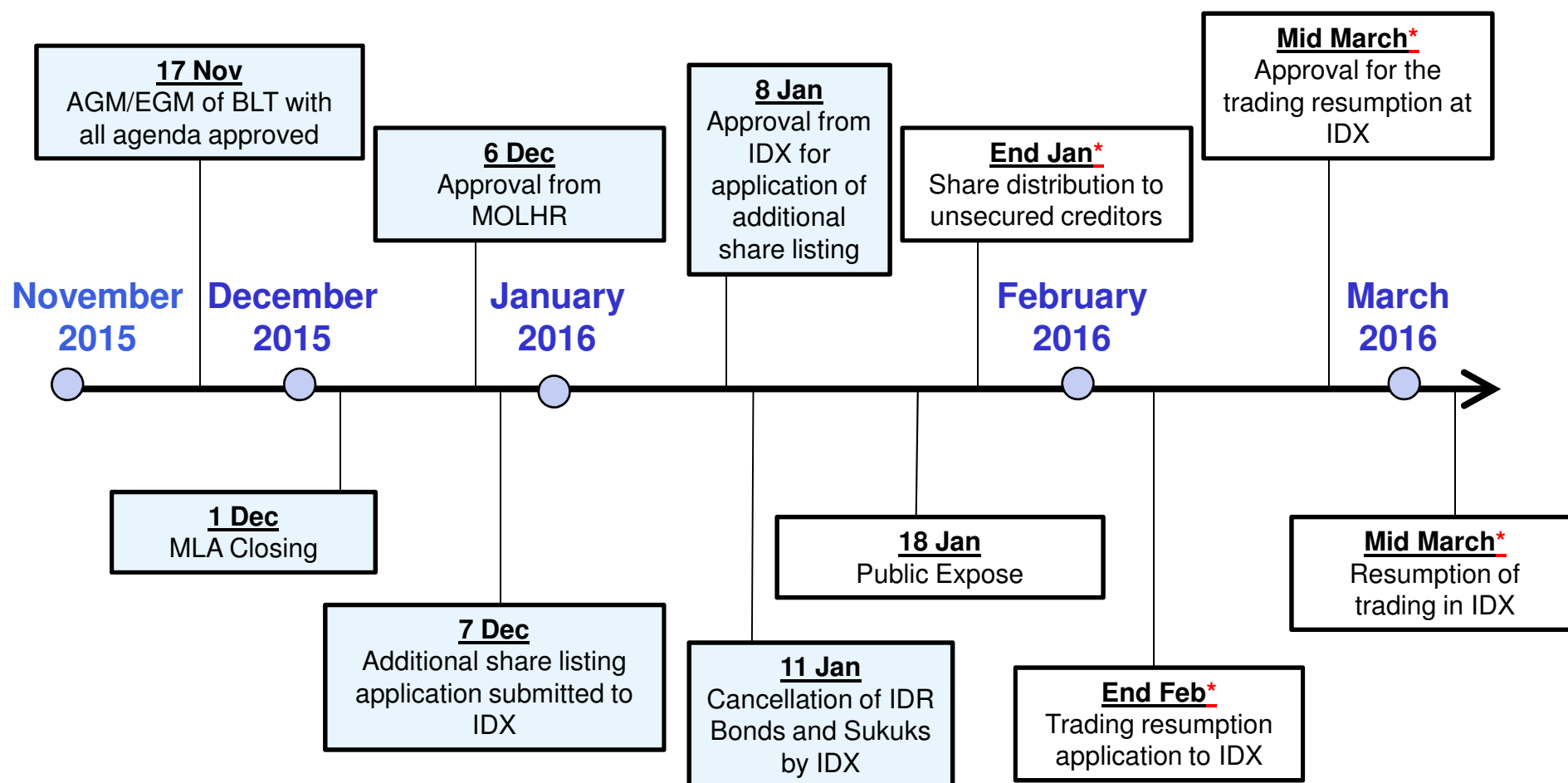


## Debt to Equity Swap

17. Under Article 286 of Law No. 37 of Year 2004 ("**PKPU Law**"), a PKPU Plan will bind all creditors, except secured creditors which vote against the proposal. Dissenting secured creditors are entitled to compensation which is the lower of their collateral value or their claim which is directly secured by the collateral.
18. Under Article 281 of the PKPU Law, the requisite majority required to approve a PKPU Plan need to be at least 50% of the creditors and 66.67% of the amount of claims outstanding from the two classes of creditors (secured and unsecured) attending and voting at a creditor's meeting.
19. BLT's PKPU Plan was homologized by the Central Jakarta Commercial Court on 22 March 2013 through Decision No. 27/PKPU/2012/PN.Niaga.Jkt.Pst ("Commercial Court Decision") and was affirmed by the Supreme Court through Decision No. 273K/PDT.SUS-PKPU/2013 dated 25 July 2013 ("Supreme Court Decision").
20. Section I paragraph 4 of the PKPU Plan authorised BLT to amend the PKPU Plan with the approval of at least 50% of the creditors and 66.67% of the amount of claims outstanding from the two classes of creditors (secured and unsecured) attending and voting at a creditor's meeting.

## Debt to Equity Swap

21. A meeting of BLT's creditors was held on 14 August 2015 to vote on the amendment of the PKPU Plan dated 15 July 2015 ("PKPU Amendment Plan").
22. The PKPU Amendment Plan was unanimously approved by BLT's secured creditors and also approved by a majority of BLT's unsecured creditors of 64.67% in number and 86.64% of the total claims (in value) of the unsecured creditors attending the meeting.
23. By virtue of Commercial Court Decision and Supreme Court Decision, section I paragraph 4 of the PKPU Plan, which sets out the amendment provisions in the PKPU Plan, is lawful and binds the creditors of BLT in accordance with the PKPU Law.
24. The debt to equity swap has since been approved by the relevant authorities. The mechanism for share collection of Obligasi BLT III Tahun 2007, Obligasi BLT IV 2009, Seri B, Obligasi BLT IV 2009, Seri C, Sukuk Ijarah BLT II Tahun 2009 Seri A and Sukuk Ijarah BLT II Tahun 2009 Seri B and Sukuk Ijarah BLT Tahun 2007 (collectively ("IDR Bonds and Sukuks")) was announced by IDX on 11 January 2016.



\*Estimated Dates



**Thank you**