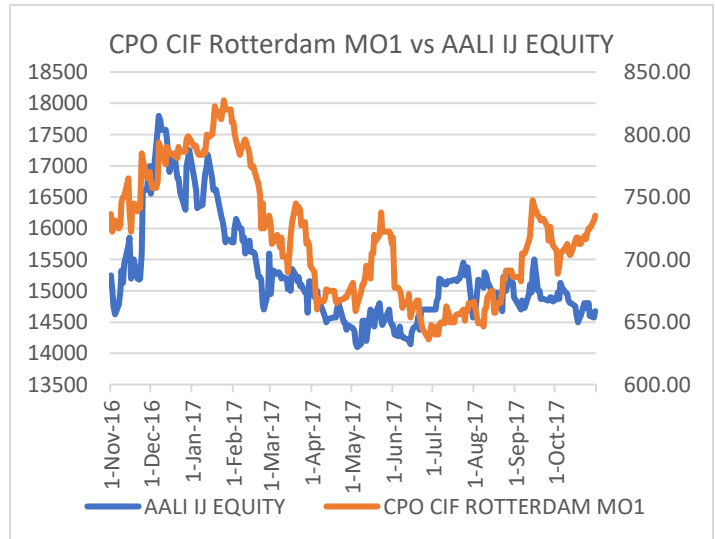


ASTRA AGRO LESTARI PT (AALI IJ) – BHINNEKA INVESTMENT GROUP

PT Astra Agro Lestari Tbk operates rubber plantations and manufactures cooking oil. Through its subsidiaries, the Company also operates a variety of other plantations such as palm oil, tea, and cocoa plantations.

Relative Value Ranking – Default Region of Company

As of Nov, 7 th 2017	AALI IJ EQUITY		Bloomberg Peers	
Overview	Current	Est 1Y	Current	Et 1Y
Price/T12M EPS	12.33	13.81	20.89	22.28
PEG Ratio	0.52	1.02	0.52	4.69
Price/T12M Sales	1.64	1.75	1.82	1.89
Price/T12M Cashflow	10.27	7.6	18.88	15.42
EV/T12M EBITDA	7.09	7.78	14.04	14.26
Sales Gr T12M	38.44	3.89	30.92	3.39
EPS Gr T12M	23.86	2.18	20.12	6.25
Gross Margin	26.24	21.84	34.42	29.24
Operating Margin	19.83	14.38	14.69	12.35
T12M ROE	13.45	8.16	10.39	7.45



Value Proposition :

- Largest planted area in Indonesia with 298.000 hectares and 5th biggest globally
- Despite having the oldest tree, AALI have high FFB yield 18,3 tonnes/ha in 2016
- Trade at discounts to the regional counterparts
- Doing rights issue in 2016 for deleverage and address sustainability and CSR concern

Valuation :

- Target Price is Rp 15,900,- implying 15.0x 2018F P/E or 7.2x EV//EBITDA

Risk :

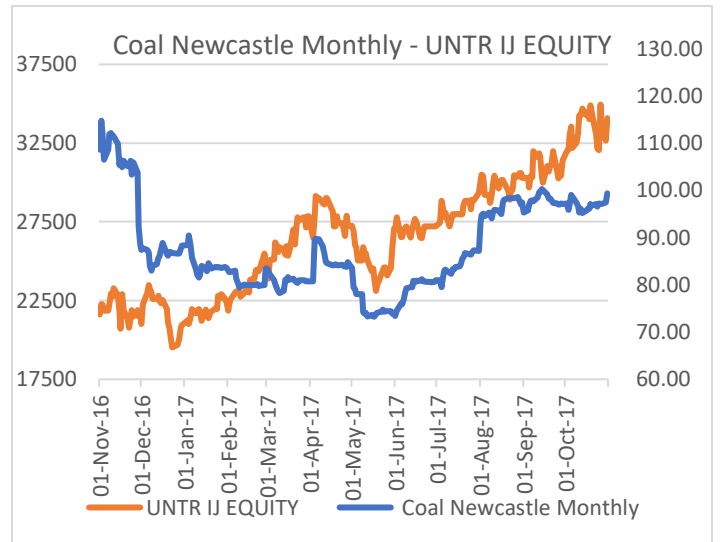
- Volatility in CPO prices & in USD exchange rates
- Weather like El Nino which disrupt production
- Rise in Minimum Wages
- Regulation and Policy Enforcement

INDO TAMBANGRAYA MEGAH TBK PT (ITMG IJ) – BHINNEKA INVESTMENT GROUP

Indo Tambangraya Megah Tbk PT operates as a coal exploration and mining company that provides energy and electricity support. The Company operates in Indonesia and supplies coal to the world energy market.

Relative Value Ranking – Default Region of Company

As of Nov, 7 th 2017	ITMG IJ EQUITY		Bloomberg Peers	
Overview	Current	Est 1Y	Current	Est 1Y
Price/T12M EPS	8.8	8.35	9.02	9.38
PEG Ratio	0.02	N.A.	0.04	4.01
Price/T12M Sales	1.15	1.02	1.38	1.24
Price/T12M Cashflow	6.76	8.33	7.19	8.02
EV/T12M EBITDA	3.56	3.91	4.26	5.07
Sales Gr T12M	9.64	4.33	11.54	6.93
EPS Gr T12M	354.83	6.37	174.14	6.86
Gross Margin	28.33	16.53	33.88	28.97
Operating Margin	20.56	5.55	20.5	14.9
T12M ROE	22.25	-4.42	18.79	2.51



Value Proposition :

- 5th largest coal company in terms of production volume with dividend payout ratio
- Less vulnerable because only 12% volume is sold domestically
- Highest Caloric Value which could cover high production cost
- Plan to diversify in power sector to dependence on coal business

Valuation :

- Target Price is Rp 15,900,- implying 15.0x 2018F P/E or 7.2x EV//EBITDA

Risk :

- Volatility in Coal prices & in USD exchange rates
- Weather & no successful acquisition of coal assets
- Decoupling between coal prices and oil prices, higher cash costs
- Regulation and Policy Enforcement

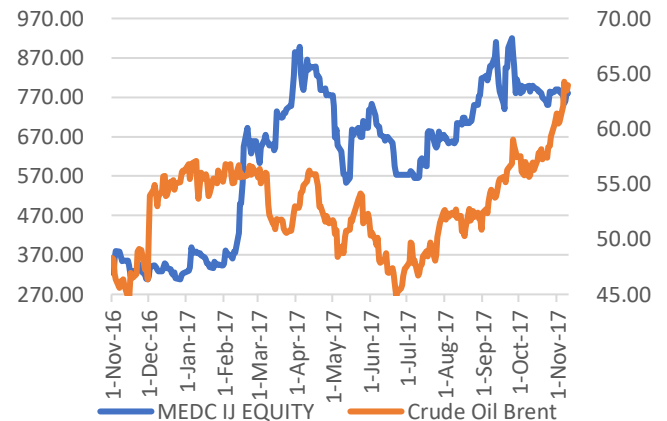
MEDCO ENERGI INTERNASIONAL TBK PT (MEDC IJ) – BHINNEKA INVESTMENT GROUP

PT Medco Energi Internasional Tbk is an integrated energy company. The Company explores for and produces oil and gas both in Indonesia and internationally, operates gas-fired power plants in Panaran I, Batam Island, and develops renewable fuels such as Bio-fuel.

Relative Value Ranking – Default Region of Company

As of Nov, 7 th 2017	MEDC IJ EQUITY		Bloomberg Peers	
Overview	Current	Est 1Y	Current	Est 1Y
Price/T12M EPS	2.74	3.61	17.31	10.82
PEG Ratio	0.01	N.A.	0.05	0.89
Price/T12M Sales	1.02	0.88	2.46	2.23
Price/T12M Cashflow	5.84	2.71	5.84	4.33
EV/T12M EBITDA	6.46	5.77	6.46	5.01
Sales Gr T12M	28.4	11.17	4.94	7.86
EPS Gr T12M	305.33	30.83	138.83	18.1
Gross Margin	47.2	38.51	61.95	56.45
Operating Margin	31	19.35	17.27	15.64
T12M ROE	29.83	3.46	6.51	3.46

Crude Oil Brent vs MEDC IJ EQUITY



Value Proposition :

- Stock is cheap vs regional peers
- Record higher gas production contributed from newly acquired oil fields
- Newly acquired gold and copper mine will lift up earning in long term
- Rights issue with proceed around US\$150 million for reducing debt

Valuation :

- Target Price is Rp 1.050,- implying 5.0x 2018F P/E or 2.5x EV//EBITDA

Risk :

- Volatility in Crude Oil prices, Gas price, Gold price & in USD exchange rates
- Expected oil and gas lifting performance
- Depleted existing reserves and maintain low cash costs
- Regulation and Policy Enforcement

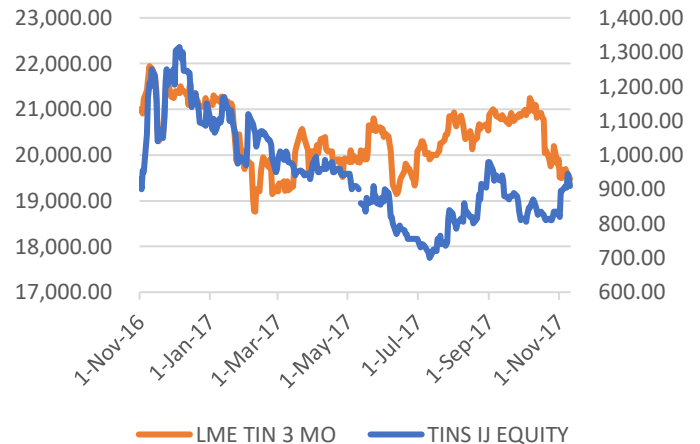
TIMAH PERSERO TBK PT (TINS IJ) – BHINNEKA INVESTMENT GROUP

PT. Timah (Persero) Tbk. operates tin mines on Indonesian islands such as Bangka and Karimun, and coastal areas of Sumatra. The Company, through its subsidiaries, also provides consultancy, shipping dockyard and workshop, transportation, exploration, and research and development services.

Relative Value Ranking – Default Region of Company

As of Nov, 7 th 2017	TINS IJ EQUITY		Bloomberg Peers	
Overview	Current	Est 1Y	Current	Est 1Y
Price/T12M EPS	14.97	16.74	41.63	19.41
PEG Ratio	0.03	N.A.	0.2	1.71
Price/T12M Sales	0.83	0.8	2.37	1.33
Price/T12M Cashflow	74.4	N.A.	24.75	11.88
EV/T12M EBITDA	5.46	6.32	8.5	11.46
Sales Gr T12M	30.93	11.49	31.98	9.7
EPS Gr T12M	547.72	24.6	106.7	34.29
Gross Margin	17.08	13.22	19.52	14.15
Operating Margin	9.5	5.1	6.41	4.07
T12M ROE	7.95	3.93	6.44	2.71

LME TIN 3 MO vs TINS IJ EQUITY



Value Proposition

- Third largest tin company in global with production in 2016 reaching 23,756 MT
- Support from majority shareholder – Indonesian Government to eliminate illegal mining
- Integrated mining activities : exploration, onshore and offshore mining and smelting and purification process and have proven reserves 335.909 ton in 473.303 ha
- Revenue trend has picked up following tin price rebound and profitability margin has recover in 2016

Valuation

- Target Price is Rp 1,040,- implying 18.0x 2018F P/E or 7x 2018F EV//EBITDA

Risk

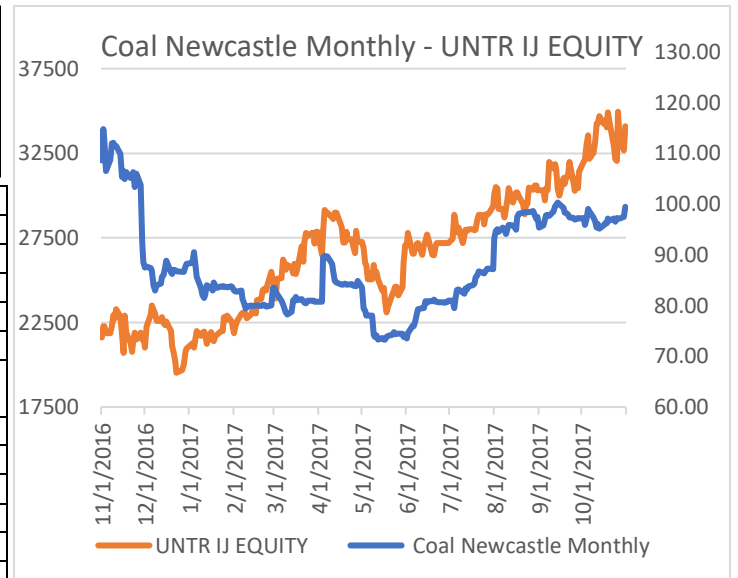
- Volatility in Tin price & in USD exchange rates
- Incremental of tin concentrate export from Myanmar
- Rise in Minimum Wages
- Regulation and Policy Enforcement

UNITED TRACTORS TBK PT (UNTR IJ) – BHINNEKA INVESTMENT GROUP

PT United Tractors Tbk distributes and leases construction machinery including Komatsu, Nissan Diesel, Scania, Bomag, Valmet, and Tadano brands. The Company also provides contract mining services, and trades and assembles heavy equipment.

Relative Value Ranking – Default Region of Company

As of Nov, 7 th 2017	UNTR IJ EQUITY		Bloomberg Peers	
Overview	Current	Est 1Y	Current	Est 1Y
Price/T12M EPS	17.76	16.36	61.26	16.36
PEG Ratio	0.04	N.A.	1.55	N.A.
Price/T12M Sales	2.3	2.07	2.67	2.07
Price/T12M Cashflow	10.83	11.88	22.3	75.05
EV/T12M EBITDA	8.79	8.05	8.79	5.85
Sales Gr T12M	28.81	13.86	24.34	13.86
EPS Gr T12M	433.21	17.96	15.22	27.96
Gross Margin	23.35	24.81	28.54	24.81
Operating Margin	17.42	18.14	13.59	18.14
T12M ROE	18.21	10.61	7.23	10.61



Value Proposition :

- Positive coal price outlook
- Demand backlog from customers was still 6 – 7 months for large size equipment
- Mining contracting division have positive margin outlook from coal price
- New contribution on coking coal operation in 2018 and new projects (Berau Coal)

Valuation :

- Target Price is Rp 34.600,- implying 16.0x 2018F P/E or 8.9x EV//EBITDA

Risk :

- Volatility in Coal prices & in USD exchange rates
- Weather
- Production shortfall
- Regulation and Policy Enforcement