



PT. Perusahaan Listrik Negara (Persero)

Investor Presentation

Disclaimer

NOT FOR PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES EXCEPT TO "QUALIFIED INSTITUTIONAL BUYERS" (AS DEFINED UNDER RULE 144A OF THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT")) ("QIBs") OR TO OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED UNDER REGULATION S OF THE SECURITIES ACT) OUTSIDE OF THE UNITED STATES.

This presentation has been prepared by Perusahaan Perseroan (Persero) PT Perusahaan Listrik Negara ("PLN") solely for information purposes. By accepting this presentation, you agree to maintain absolute confidentiality regarding the information disclosed in this presentation. This presentation may not be taken away, reproduced, retransmitted or further distributed to any other person or published, in whole or in part, for any purpose.

This presentation is for information and reference only and does not constitute or form part of, and should not be construed as, any offer for sale or subscription of, or solicitation of any offer to buy or subscribe for, any securities of PLN or any of its subsidiaries or affiliates (together, the "Company") in any jurisdiction or an inducement to enter into investment activity nor should it form the basis of, or be relied on in connection with, any contract or commitment whatsoever. In particular, this presentation and the information contained herein are not for publication or distribution in the United States (except to QIBs). The presentation is being given to you on the basis that you have confirmed your representation that you are (A) not a U.S. Person or acting for the account or benefit of a U.S. Person and are not located or resident in the United States or (B) a QIB. By attending this presentation, you represent and warrant that (A) you are lawfully able to receive this presentation under the laws of the jurisdiction in which you are located or other applicable laws and (B) you will not reproduce, publish, disclose, redistribute or transmit this presentation, directly or indirectly, to any other person.

This presentation is not an offer of securities for sale in the United States (except to QIBs) or to or for the account or benefits of U.S. persons outside the United States. The securities referred to herein have not been and will not be registered under the Securities Act or the securities laws of any state of the United States or other jurisdiction and the securities referred to herein may not be offered or sold in the United States or to or for the account or benefits of U.S. persons (as defined under Regulation S of the Securities Act) outside the United States, except pursuant to an applicable exemption from or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from the Company and that will contain detailed information about the Company and management, as well as financial statements.

Any offer of securities to the public that may be deemed to be made pursuant to this document in any EEA Member State that has implemented Directive 2003/71/EC (together with any applicable implementing measures in any Member State, the "Prospectus Directive") is only addressed to qualified investors in that Member State within the meaning of the Prospectus Directive.

This document may not be distributed in Indonesia or to Indonesian investors (whether individual or entity) wherever they are domiciled, or to Indonesian residents, in a manner which constitutes a public offering under the laws of the Republic of Indonesia. This document may not be used for the purpose of any offering or an invitation in any circumstances in which such offer or invitation is not authorized.

This document is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) to investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). Any investment activity to which this communication may relate is only available to, and any invitation, offer, or agreement to engage in such investment activity will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

The information in this presentation is given in confidence and the recipients of this presentation should not engage in any behaviour in relation to qualifying investments or related investments (as defined in the Financial Services and Markets Act 2000 (FSMA) and the Code of Market Conduct made pursuant to FSMA) which would or might amount to market abuse for the purposes of FSMA.

This presentation is not intended to provide and should not be relied upon for tax, legal or accounting advice, investment recommendations or a credit or other evaluation regarding the securities of PLN. Any investment decision to purchase securities in the context of a proposed offering, if any, should be made on the basis of the final terms and conditions of the securities and the information contained in the offering circular published in relation to such an offering and not on the basis of this presentation. Prospective investors should consult their tax, legal, accounting or other advisers. The issue of securities will involve particular risks – prospective investors should read and understand the explanations of relevant risks in the final version of the offering circular before making any decisions.

The information contained in this presentation has not been independently verified. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, reliability, accuracy, completeness or correctness of such information or opinions contained herein. The presentation should not be regarded by recipients as a substitute for the exercise of their own judgment. The information contained in this presentation should be considered in the context of the circumstances prevailing at the time and has not been, and will not be, updated to reflect material developments which may occur after the date of the presentation. PLN is not under any obligation to keep current the information contained in this presentation and any opinions expressed in it are subject to change without notice. None of PLN or any of their respective affiliates, advisers or representatives accept any liability whatsoever (whether in contract, tort, strict liability or otherwise) for any direct, indirect, incidental, consequential, punitive or special damages howsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation.

Certain statements in this presentation may constitute "forward-looking statements". These statements reflect the Company's beliefs and expectations about the future and are subject to risks and uncertainties. These forward-looking statements are based on a number of assumptions about the Company's operations and factors beyond the Company's control, and accordingly, actual results may differ materially from these forward-looking statements. You are cautioned not to rely on such forward-looking statements. The Company does not undertake to revise forward-looking statements to reflect future events or circumstances.

In this presentation, we refer to Adjusted EBITDA, Adjusted EBITDA margin as well as other non-GAAP measures. Adjusted EBITDA refers to operating income after subsidy plus depreciation expense, amortization expense and actuarial employee benefit expense — net of payments. Adjusted EBITDA and Adjusted EBITDA margin as well as other non-GAAP measures presented in this presentation are supplemental measures of PLN's performance and liquidity that are not required by, or presented in accordance with, Indonesian GAAP/IFAS or U.S. GAAP. Furthermore, they are not measurements of PLN's financial performance or liquidity under Indonesian GAAP/IFAS or U.S. GAAP and should not be considered as alternatives to net profit, operating income or any other performance measures derived in accordance with Indonesian GAAP/IFAS or as alternatives to PLN's cash flows or as measures of PLN's liquidity. Adjusted EBITDA and Adjusted EBITDA margin have limitations as any analytical tool does, and you should not consider them in isolation from, or as substitutes for, analysis of PLN's financial condition or results of operations, as reported under Indonesian GAAP/IFAS. Because of these limitations, Adjusted EBITDA and Adjusted EBITDA margin should not be considered as measures of discretionary cash available to invest in the growth of PLN's business.

Any reference to particular proposed terms of any issue of securities is intended as a summary and not a complete description. Terms or characteristics may change before closing and the issue of securities may not proceed. No consideration has been given to particular investment objectives, finances or needs of any recipient.

All rights reserved. This presentation contains confidential and proprietary information and no part of it may be reproduced, redistributed or passed on, directly or indirectly, to any other person (whether within or outside your organisation/firm) or published, in whole or in part, for any purpose.

Section **01**

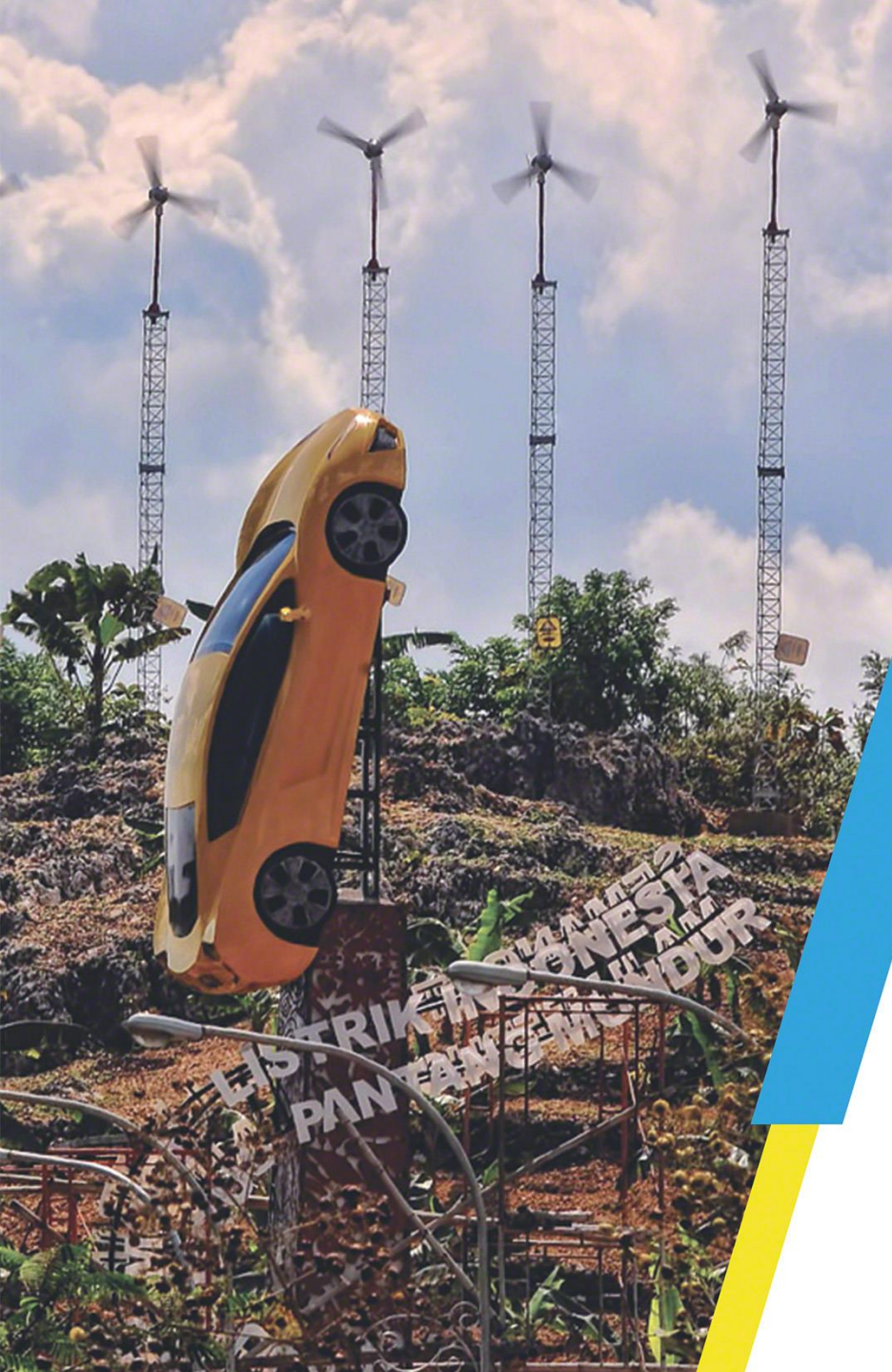
Company Overview

Section **02**

Credit Highlights

Section **03**

Financial Highlights



01

Company Overview

Company Profile

PLN is Indonesia's state-owned electric utility company, wholly-owned by the Government of the Republic of Indonesia through the Ministry of State-Owned Enterprises



- A fully-integrated Indonesian electric utility company, **100% owned by the Government of Indonesia**
- Latest ratings (Moody's, S&P, and Fitch): **Baa2 (Stable) / BBB (Negative) / BBB (Stable)**, in line with sovereign's ratings

Source: PLN.
(1) As of 31 March 2020

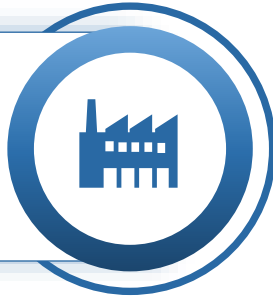


Business Segments and Operations

PLN provides most of the public electricity and electricity infrastructure in Indonesia, including power generation, transmission, distribution, construction of power plants, and retail sales of electricity

Key Business Segments

- Controls over 72.5% of total installed generating capacity of 63,148 MW amounting to approximately 45,804 MW
- Owns and operates 1,395 electricity generating plants
- Main purchaser of electricity from Independent Power Producers (“IPPs”)



- Major provider of power transmission in Indonesia
- Controls approximately 59,218 kmc of transmission lines which increased by 0.4% from 58,959 kmc in December 2019
- 145,278 MVA of transmission transformer capacity which increased by 0.6% from 144,408 MVA in December 2019



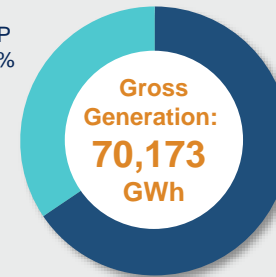
- Major distributor of electricity to customers in Indonesia
- Controls approximately 988,600 kmc of distribution lines and 60,061 MVA of distribution transformer capacity
- Serves approximately 76.5 million customers



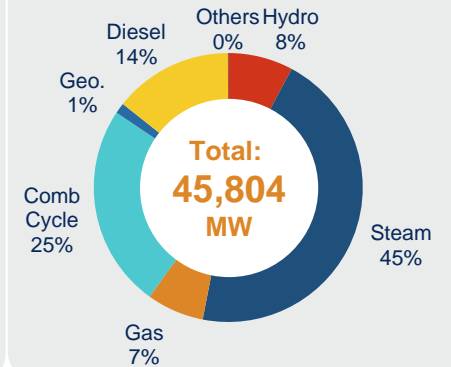
Operations Detail

Power Generation Detail

IPP
34%



PLN
66%



PLN's Generating Capacity

Transmission Network Detail

- 500 kV interconnected transmission system with 5,250 kmc
- 275 kV transmission system with 3,648 kmc
- 150 kV transmission system with 44,753 kmc
- Up to 70 kV transmission system with 5,568 kmc
- Transformer capacity of 145,278 MVA

Distribution Network Detail

- 20 kV medium-voltage line distribution network of 406,666 kmc
- Low-voltage line distribution network of 581,934 kmc
- 514,007 units of distribution transformers with total capacity of approximately 60,061 MVA

Note: Data as of 31 March 2020.

Extensive Generation Network

PLN has a power generation capacity that accounted for over 72.5% of Indonesia's total installed generation capacity of 63,148 MW



Sumatra ①	
Hydro	867 MW
Geothermal	110 MW
Steam-turbine	3,072 MW
Combined Cycle	1,008 MW
Gas-turbine	919 MW
Diesel	2,407 MW
Others	1 MW
IPP	4,245 MW
Total	12,629 MW

Kalimantan ②	
Hydro	32 MW
Steam-turbine	772 MW
Combined Cycle	60 MW
Gas-turbine	307 MW
Diesel	1,217 MW
Others	1 MW
IPP	1,157 MW
Total	3,546 MW

Sulawesi ③	
Hydro	227 MW
Geothermal	80 MW
Steam-turbine	533 MW
Gas-turbine	223 MW
Diesel	821 MW
Others	3 MW
IPP	1,736 MW
Total	3,623 MW

Maluku ④	
Diesel	454 MW
Steam-turbine	14 MW
Others	2 MW
IPP	60 MW
Total	530 MW

Java-Bali ⑤	
Hydro	2,421 MW
Geothermal	377 MW
Steam-turbine	16,145 MW
Combined Cycle	10,132 MW
Gas turbine	1,709 MW
Diesel	415 MW
Others	1 MW
IPP	9,707 MW
Total	40,907 MW

NTB ⑥	
Diesel	480 MW
Steam-turbine	107 MW
Hydro	2 MW
Others	1 MW
IPP	134 MW
Total	724 MW

NTT ⑦	
Diesel	283 MW
Steam-turbine	47 MW
Geothermal	13 MW
Hydro	5 MW
Others	4 MW
IPP	101 MW
Total	453 MW

Papua ⑧	
Diesel	473 MW
Hydro	30 MW
Steam-turbine	24 MW
Others	5 MW
IPP	204 MW
Total	736 MW

Total Capacity	
Hydro	3,584 MW
Geothermal	580 MW
Steam-turbine	20,714 MW
Combined Cycle	11,200 MW
Gas-turbine	3,158 MW
Diesel	6,550 MW
Others	18 MW
Total PLN	45,804 MW
IPP	17,344 MW
Grand Total	63,148 MW

Note: Data as of 31 March 2020

Regulated Electricity Law & Tariff

PLN conducts public service obligations by law to produce and deliver electricity to end users whereby electricity tariff are determined by the Government

Key Regulations Governing PLN

Law No. 19/2003	Indonesian State-Owned Enterprises	<ul style="list-style-type: none"> Regulating the nature, purpose, activities and limitations on Indonesian state-owned enterprises Highlighting public service obligation (PSO) role as one of Indonesian state-owned enterprises' economic purposes to strive in increasing Indonesian citizens' welfare.
Law No. 30/2009	The Electricity Law	<ul style="list-style-type: none"> Electricity business is controlled by the state through PLN, and PLN is the last resort electricity provider, in that if PLN is not supplying a particular area and there are no regional-owned companies, private enterprises or cooperatives that elect to supply electricity in that area, the Government is obligated to instruct SOE's (which include PLN) to supply electricity to that area.
Presidential Regulation No. 4/2016, as amended by No. 14/2017	Acceleration of Electricity Infrastructure Development	<ul style="list-style-type: none"> Increase the pace of development of electric infrastructure through 35,000 MW for power generation and 46,000 km transmission lines in to fulfill Indonesia's demand for electricity and stimulate economic growth.
Ministry of Energy and Mineral Resources Decree No. 39K/20/MEM/2019	2019–2028 National Master Plan	<ul style="list-style-type: none"> 10-year nationwide plan for electricity generation, transmission & distribution plans. Highlight investment strategies to achieve required capacities, fuel mix, and electrification ratio.
Ministry of Energy and Mineral Resources Regulation No. 28/2016, as amended by 3/2020	The Electricity Tariff	<ul style="list-style-type: none"> Tariff is regulated for various end users at different VA. Residential with 900 VA will be subsidized. Variables for tariff adjustment (reviewed quarterly): FX rate, ICP (State Budget assumption), and inflation.
Ministry of Finance Regulation No. 44/PMK.02/2017 as lastly amended by No. 174/PMK.02/2019	Electricity Subsidy Mechanism	<ul style="list-style-type: none"> PLN is eligible to claim subsidy for generated electricity at a 7% PSO margin. Annual subsidy amount will be based on budgeted subsidy amount of that fiscal year's State Budget.
Ministry of Finance Regulation No. 227/PMK/2019	Compensation Mechanism	<ul style="list-style-type: none"> PLN is eligible to claim compensation to the government for financially unprofitable assignments, based on the audit result from the state auditor.

Electricity Tariff Types

Demand Charge	Rates vary depending on capacity of electricity connection. Applicable to small customers with capacity of 450 VA or 900 VA for whom PLN receives subsidy
Monthly Minimum Payment	Charged for each customer apart from customers with a capacity of 450 VA or 900 VA
Variable Energy Charge	Charge fixed rates based on customer categories, increased for peak usage between 6.00 – 10.00 pm for large scale industrial, business and public customers, but not for residential customers
Special Service Tariff	Charged for special circumstances and in particular, for business and industrial customers who require special services

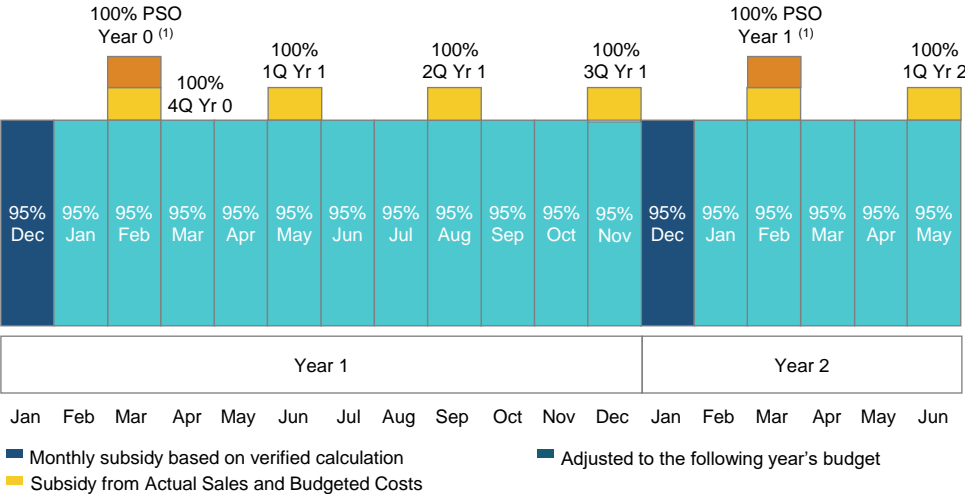
Subsidy from the Government

PLN is eligible to claim subsidies in relation to its public service obligation role. As regulated by MOF decree, the company is entitled to receive timely cost recovery from the Government

Subsidy Payment Mechanism

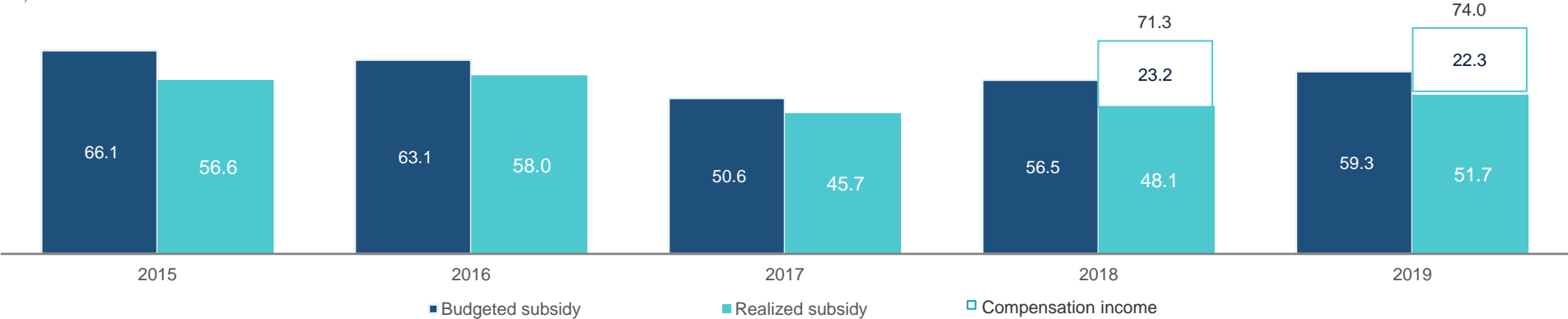
- PLN receives **95% monthly subsidy** in the subsequent month after monthly subsidy calculation is verified
- The remaining will be received **quarterly** – based on a correction report submitted by PLN at quarter end
- **Outstanding subsidy receivables** that is carried to the following year will be captured in the following year’s State Budget
- For instance, the subsidy for the month of November is to be paid in December and the subsidy for the month of December is to be put in an escrow account for PLN’s benefit and paid in January.
- The final amount of electricity subsidy in one fiscal year shall be stipulated based on the compliance audit performed by the Audit Board, the auditor assigned by the Director General of Budget under Ministry of Finance

Example⁽¹⁾



Government Maintains Support through Subsidy

(IDR Trillion)



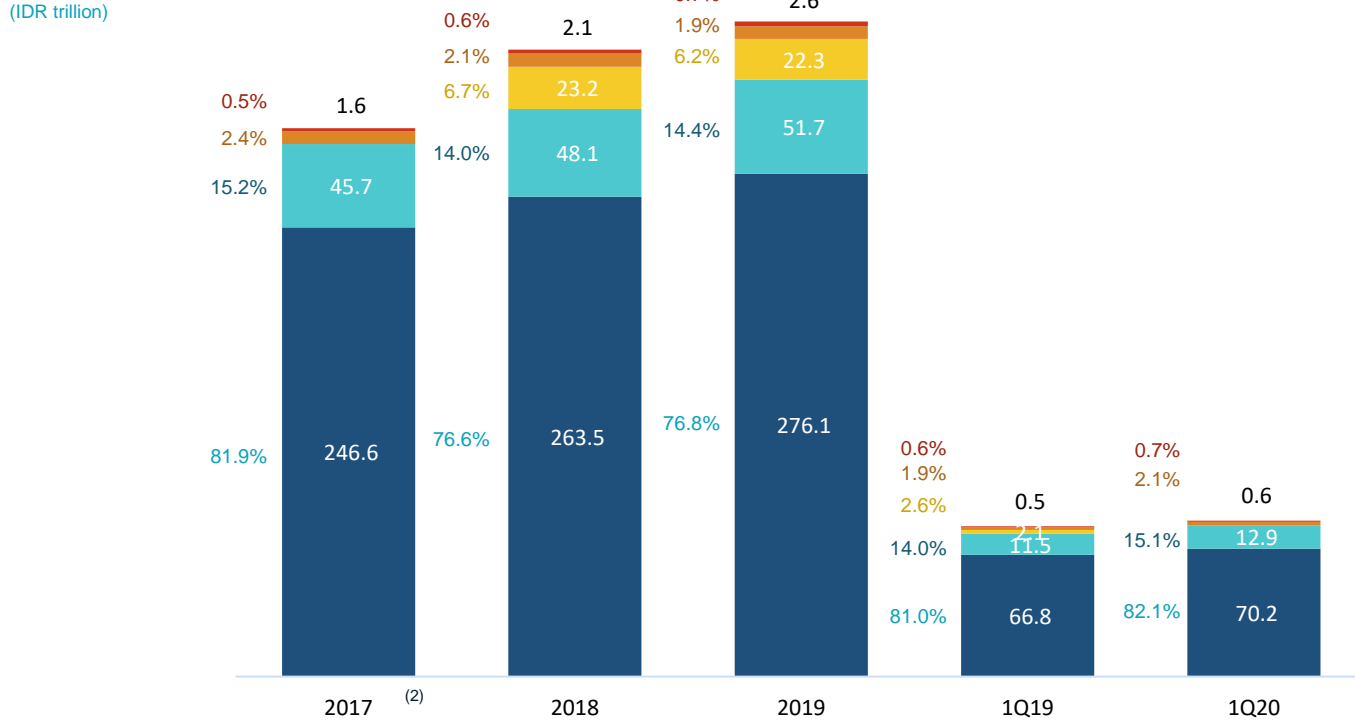
Source: PLN
 Note: (1) Illustrative timing—the timing of the final amount of electricity subsidy will be based on the timing of the State Auditor’s audit report



Income Model

PLN sells transmitted and distributed electricity to end users at a tariff determined by the Government.

Income Buildup⁽¹⁾



	2017	2018	2019	1Q19	1Q20
Composite Average Selling Price (IDR/kWh)	1,105	1,127	1,130	1,132	1,126
Average Tariff Escalation (%)	10.7%	2.0%	0.3%	--	(0.5%)

■ Electricity Sales ■ Government Subsidy ■ Compensation Income ■ Connection Fee ■ Others

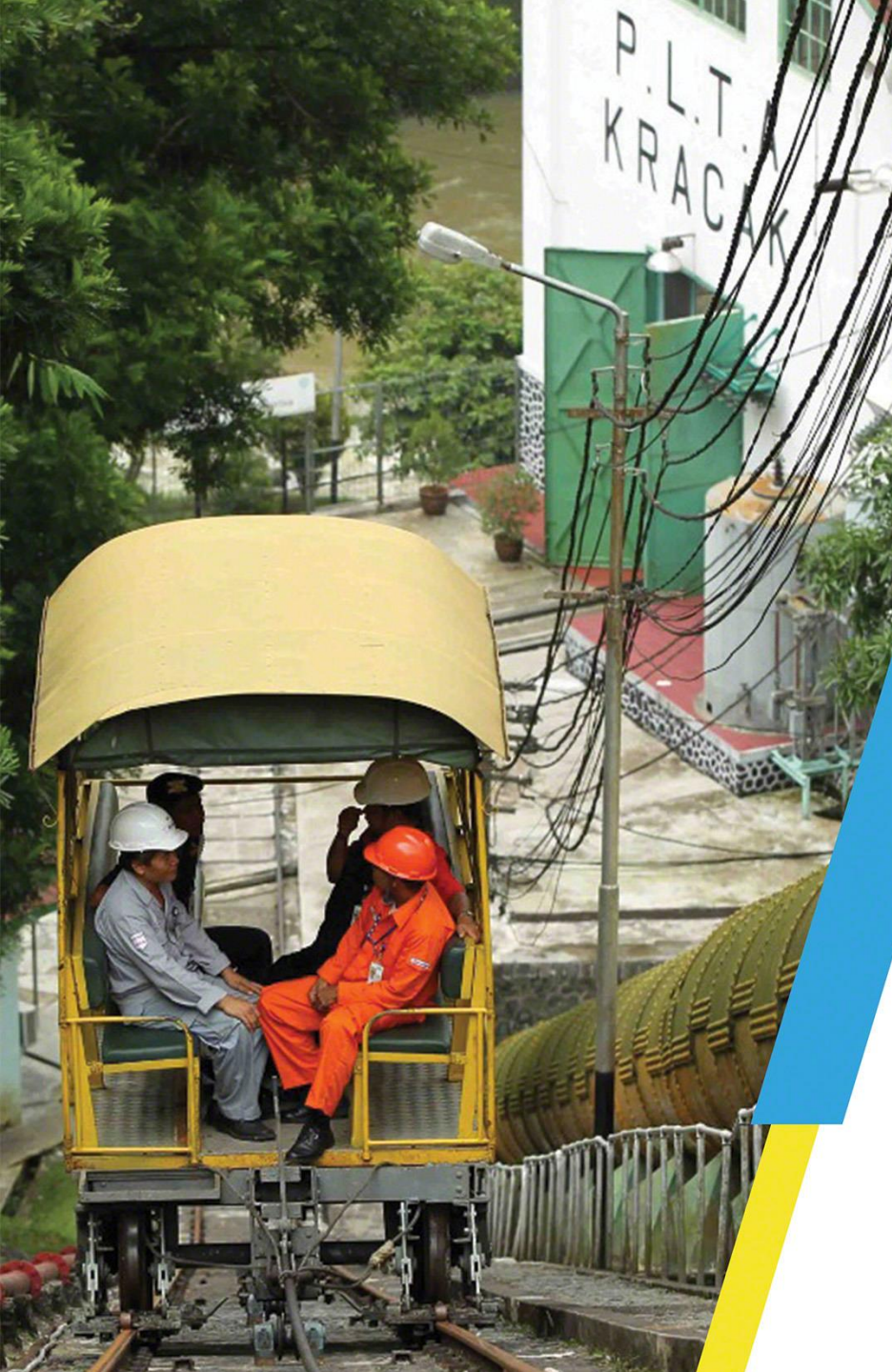
Income Breakdown

Electricity Sales	<p>Tariff comprises of:</p> <ul style="list-style-type: none"> - Demand charge (IDR/kVA/month) - Variable energy charge (IDR/kWh) - Minimum payment (IDR) - Special service tariff for special circumstances (IDR/kWh) <p>No cap on tariff increase since 2011</p>
Government Subsidy	<p>S = -[T - C (1 + m)] x V</p> <p>S: Subsidy T: Average electricity tariff C: Main operating cost (Rp/kWh) m: Margin (set by Ministry of SOE and Ministry of Energy and Mineral Resource) V: Sales volume</p> <p>Recent decline in the government subsidy (both in amount and as a percentage of revenue) was due to decrease in number of customers that were eligible for subsidies following a survey by the National team for the acceleration of poverty reduction (TNP2K)</p>
Compensation Income	<p>Additional compensation received from the Government for electricity sales whose tariffs were set lower than electricity production cost ("BPP") that was not accounted for in our annual subsidy plan</p>
Connection Fee	<p>Fees charged for electricity connections and upgrading of electricity power</p>
Others	<p>Provision of other services such as rental fees for transformers, temporary connection fees and information and communication technology services</p>

Source: PLN

Notes: (1) Based on PLN's revenue and government's electricity subsidy received. (2) 2016 restated due to adjustment on subsidy calculation.





02

Credit Highlights

PLN – Credit Highlights



① Strong Government Support

The Government's robust credit position is expected to continue its supporting towards PLN's development, notably subsidy

Strong Indonesia Credit Position

- Continuous improvement in credit quality:

MOODY'S



- Indonesia's credit profile is supported by strong growth potential, narrow fiscal deficits, and low government debt.
- Ongoing restrictions to curb the coronavirus outbreak, coupled with a continued spread of infections will severely curtail economic activity and will result in a material growth slump.

STANDARD & POOR'S



- Our ratings on Indonesia reflect the country's stable institutional settings, strong growth prospects, and historically prudent fiscal policy settings. Indonesia's elevated stock of external debt and low GDP per capita moderate these strengths.

FitchRatings



- Indonesia will be affected by the COVID-19 outbreak through lower commodity export prices and weaker tourism revenue. The outbreak could also lead to a short-term deterioration in revenue performance and affect consumer sentiment and the services sector more broadly if the coronavirus were to spread widely within Indonesia.

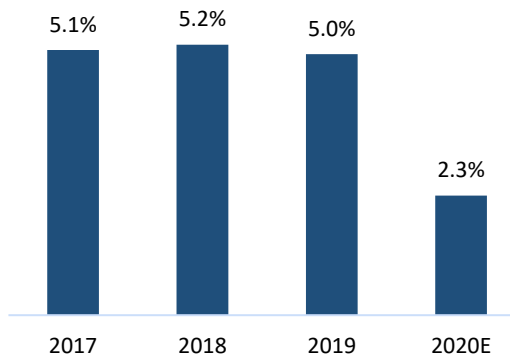
• Prolonged IDR depreciation will significantly curb consumption through weaker sentiment and act as a further break on investment

• Economic recovery is likely to be led primarily by government spending, less pronounced than in other economies in the region

Source: Moody's, S&P, and Fitch

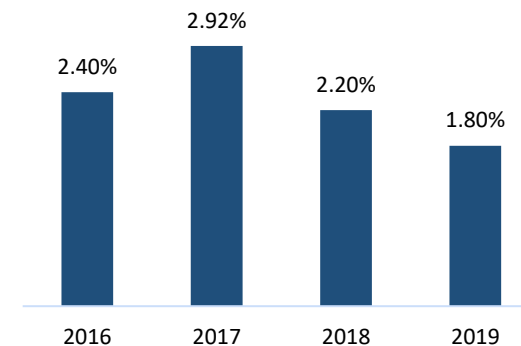
Strong Fiscal Position

GDP growth (%)



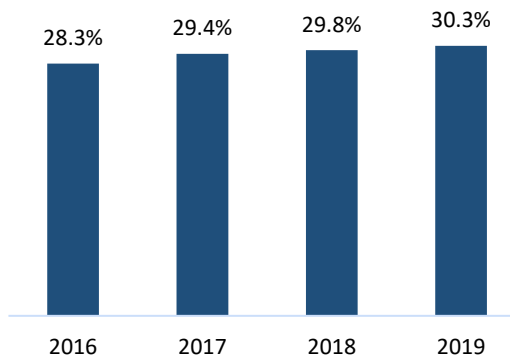
Source: Indonesian Statistics (BPS)

Budget Deficit / GDP (%)



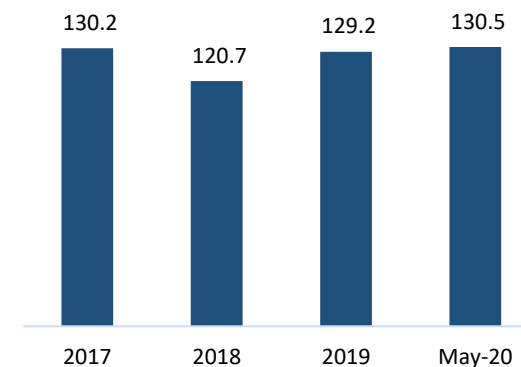
Source: Republic of Indonesia Presentation Book

Total Debt / GDP (%)



Source: Republic of Indonesia Presentation Book

Foreign Exchanges Reserves (US\$bn)



Source: Bank Indonesia

① Strong Government Support (cont'd)

Given PLN's strategic importance to Indonesia, the Government is strongly committed to the sustainability and development of PLN

Commitment to PLN

- Growing domestic electrification and development of power infrastructure is an economic priority of the government
- Being the dominant owner and operator of electricity business in Indonesia, PLN plays a critical role in meeting key social objectives of the government
- PLN performs public service obligation through the provision of electricity at subsidized rates
- Wholly-owned by the Government, with strong international stakeholders (debt investors, partners, and suppliers) further elicit strong support

"We expect PLN to maintain its critical role to carry out the Indonesian government's electric policy as the dominant integrated power utility in Indonesia. In our view, the government is committed and able to extend support to PLN in all circumstances. Government subsidies and compensation remain key to profitability and interest servicing."

S&P, December 2019

"Fitch Ratings sees PLN's status, ownership and control by the Indonesian sovereign as 'Very Strong'. The state fully owns PLN, appoints its board and senior management, and directs and approves investments. We also see the support record as 'Very Strong' and believe there is a high likelihood of state support for PLN, which receives subsidies under an exceptionally strong framework in return for meeting the state's public-service obligations."

Fitch, October 2019

"PLN's financial leverage will remain elevated, given its involvement in national capacity additions programs, namely FTP 1 and 2, and a further 35GW program. These programs will likely increase PLN's debt and pressure its key credit metrics over the medium to long term, until the programs are completed. The four-notch rating uplift reflects Moody's expectation of a very high likelihood of government support in a distressed situation. Such expectation of support considers the 100% government ownership in PLN, plus the strategically important role that PLN plays in Indonesia's critical power sector."

Moody's, May 2020

Government Support to PLN

Government Financial Assistance

- Extended government loans, converted overdue & penalties into equity in 1998
- Channels loans in which the Government is the primary obligor to lenders (2-step loan)
- Law No. 19/2003 and Law No 30/2009: Obligation to provide subsidy to PLN
- Irrevocable and unconditional guarantee on loans for Fast Track Program ("FTP") I
- In accordance with Presidential Regulation No. 4/2010 as amended by Presidential Regulation No 48/2011 and Presidential Regulation No. 194/2014, the Government is required to provide business viability guarantee letters ("BVGLs") on FTP II projects
- Government equity injection

Close Involvement of Indonesian Government

- Involved in almost every critical stage of PLN's operations: Budget setting, capital expenditure plans, IPP developments and primary energy supply
- Direct and close involvement of various ministries eg. MSOE, MEMR, MOF and MOEF
- Government agencies (i.e. the Board of Finance & Development Control—BPK, Corruption Eradication Commission—KPK and Attorney General Office) assist in implementing good corporate governance

Timely & Adequate Subsidies

- Continuous review ensuring adequate and timely subsidy payments 95% of this month's subsidy will be paid next month, and remaining 5% will be paid on a quarterly basis afterwards
- Margin for subsidized sales is determined by MSOE and MEMR

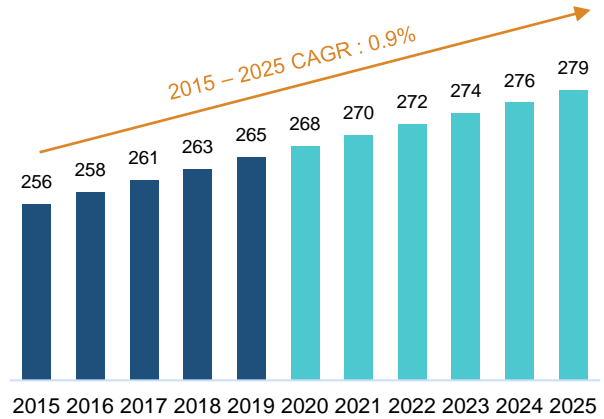
Regulation Support

- The Acceleration of Development of Electricity Infrastructure – Presidential Regulation No 4/2016, as amended by President Regulation No 14/2017
- Principles of Power Purchase Agreement – MEMR Regulation 10/2017, as partially revoked by MEMR Reg 48/2017, and as lastly amended by MEMR Regulation 10/2018
- Utilization of Natural Gas for Power Plant – MEMR Regulation 45/2017
- Utilization of Renewable Energy Resources for Electricity Supply – MEMR Regulation 50/2017, as amended by MEMR Regulation 53/2018
- Utilization of Coal for Electricity Supply and Excess Power Purchase – MEMR Regulation 19/2017
- Coal Price for Electricity Supply for Public Interest – MEMR Decree Number 1395K/30/MEM/2018, as lastly amended by MEMR Decree No. 261 K/30/MEM/2019
- Gas Price for Power Plant – MEMR Regulation 10/2020

② Solid National Fundamentals Driving Strong Electricity Demand

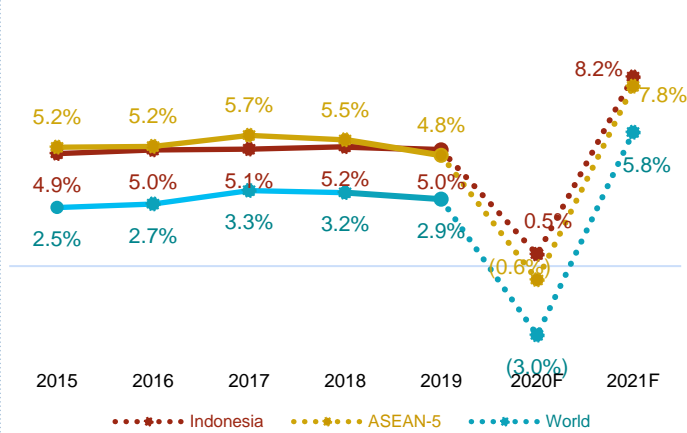
Increase in demand for electricity has been driven by Indonesia's relatively low per capita consumption where demand is expected to grow at about 6.42% per annum from 2019 to 2028.

Stable Population Growth (Millions)



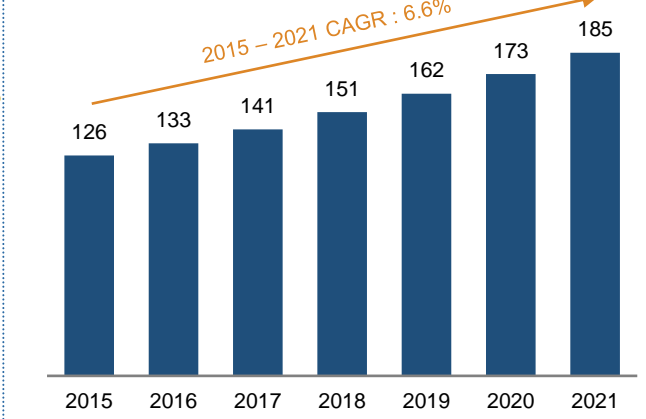
Source: BMI Research

One of the Fastest Growing Economies (1) (Real GDP Growth)



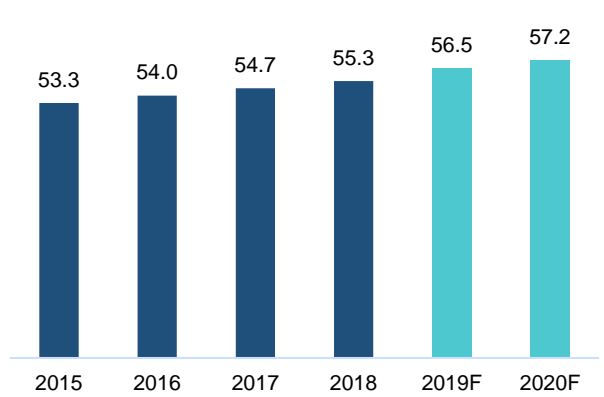
Source: IMF – World Economic Outlook

Robust Industrial Production Growth (2) (Millions)



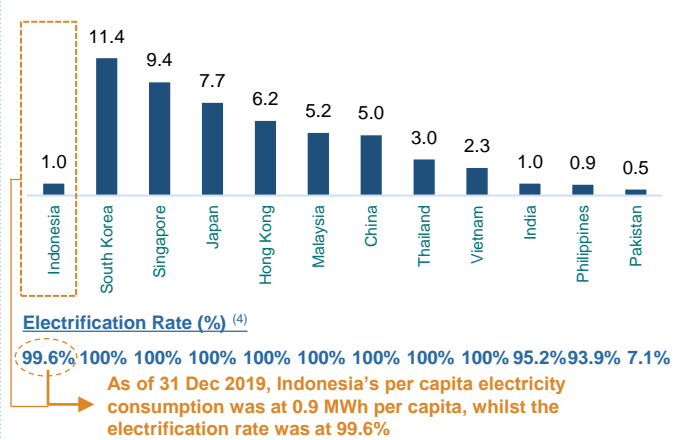
Source: BMI Research

Growing Urbanization (% of Population)



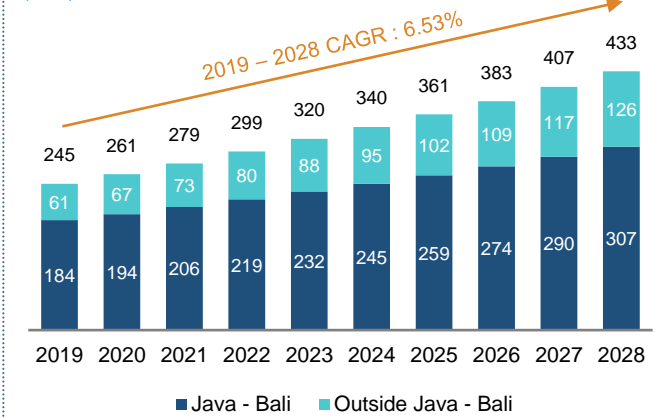
Source: BMI Research

Low Current Electricity Consumption Rate (Per Capita Electricity Consumption (3), MWh per capita)



Source: IEA, PLN

Strong Electricity Demand Growth Expected (TWh)



Source: PLN, RUPTL 2019-2028

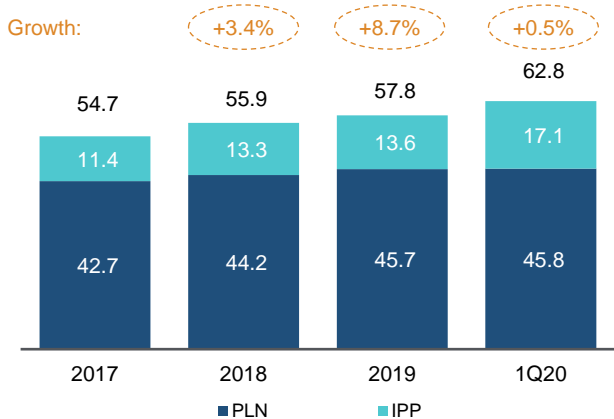
Notes: (1) ASEAN-5 includes Indonesia, Malaysia, Philippines, Thailand, Vietnam. (2) Rebased Industrial Production Index with 2010 = 100. The industrial production index is an index that measures industrial manufacturing and utilities output. (3) Based on EIU data, as of December 2017. (4) Based on 2016 data sourced from the World Energy Outlook Special Report "Energy Access Outlook 2017 — From Poverty to Prosperity"



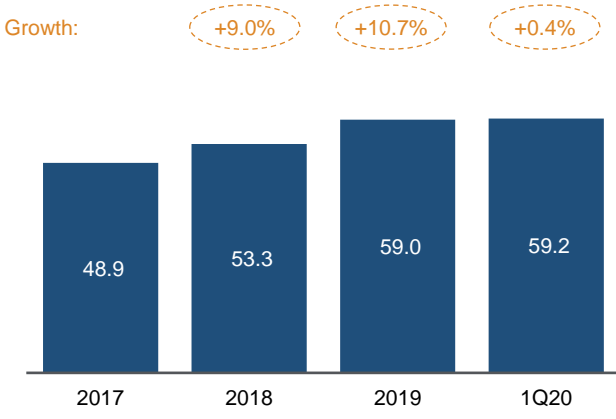
3 Well-Positioned for Growth

PLN has demonstrated track record for growth in both infrastructure development and electricity sales.

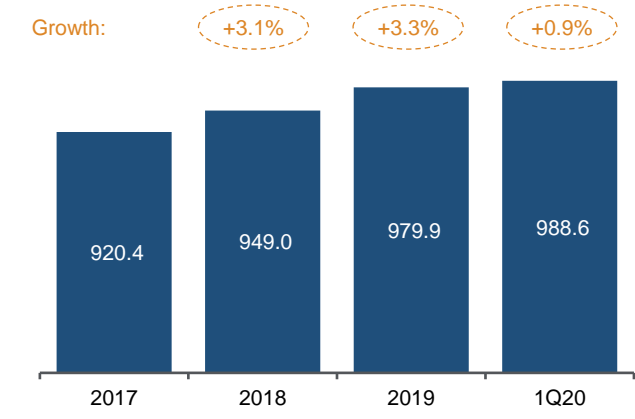
Generation Capacity (GW)



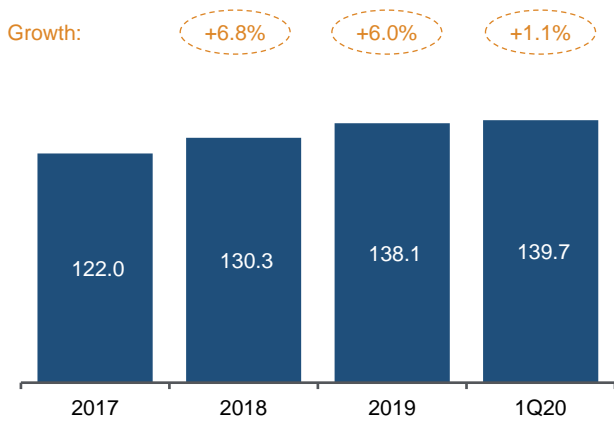
Transmission Line Length (1,000kmc)



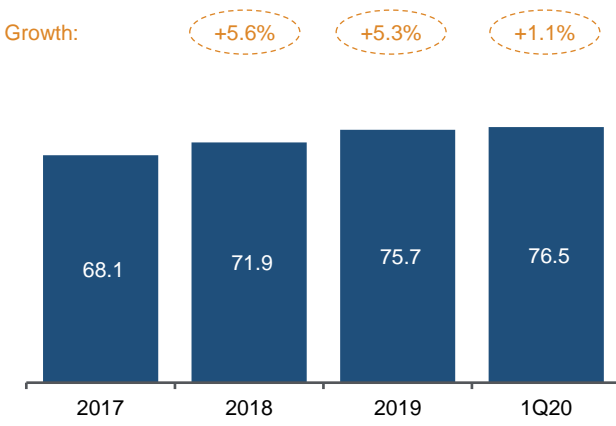
Distribution Lines Length (1,000kmc)



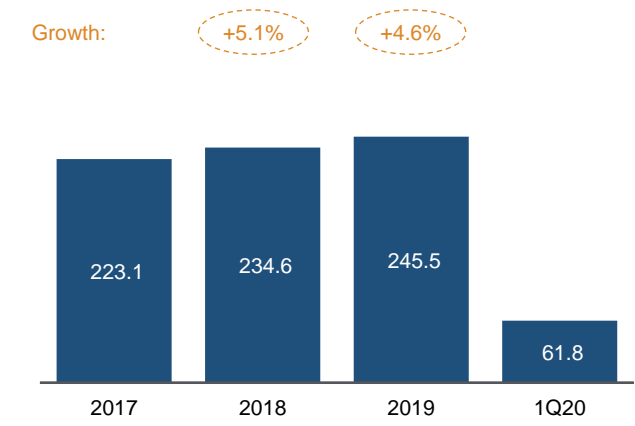
Connected Capacity (GVA)



Total Customers (millions)



Electricity Sold (TWh)



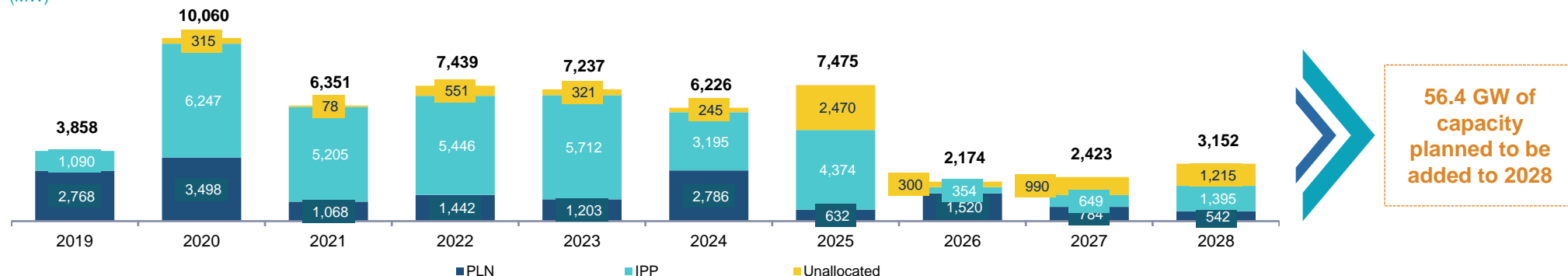
Source: PLN



③ Well-Positioned for Growth (Cont'd)

Government's initiative to expand nationwide generation capacity through The Fast Track and 35,000 MW Programs provides strong growth trajectory for PLN, with 56.4 GW of new generating capacity targeted by 2028

Additional Generation Capacity In Indonesia (MW)



56.4 GW of capacity planned to be added to 2028

Infrastructure Development Program

Programs	Fast Track Program I	Fast Track Program II	35,000 MW Program
Overview	<ul style="list-style-type: none"> To build coal-fired power plants to reduce reliance on fuel oil and meet rising domestic electricity demand 	<ul style="list-style-type: none"> Focuses on the use of renewables sources of energy such as geothermal and hydro and leverage private sector in electricity development 	<ul style="list-style-type: none"> Provide additional 35 GW (mainly coal-fired power plants) to cope with electricity shortage in Indonesia
Timeline	<ul style="list-style-type: none"> By the end of 2019 	<ul style="list-style-type: none"> By the end of 2028 	<ul style="list-style-type: none"> 5.5GW by the end of 2019 and 35GW by the end of 2028
Capacity	<ul style="list-style-type: none"> 9.9 GW 	<ul style="list-style-type: none"> 17.4 GW (PLN – 5.99 GW) 	<ul style="list-style-type: none"> 35GW (PLN – 8.97 GW)
Generation Capacity by Fuel Types⁽¹⁾	<p>Coal, 100%</p>	<p>Coal 61%, Geothermal 27%, Hydro 11%, Gas 2%</p>	<p>Coal 60%, Gas 28%, Hydro 9%, Geothermal 2%, Others 1%</p>
Financing	<ul style="list-style-type: none"> Fully Financed 	<ul style="list-style-type: none"> To be financed by two-step loans, the state budget, bank loans, capital markets and internal sources 	<ul style="list-style-type: none"> To be financed by government capital injection/ state budget, bank loans, capital markets and internal sources
Benefits	<ul style="list-style-type: none"> Improve energy mix, and therefore operating costs Relieve pressure on subsidy Capitalize on Indonesia's coal resources 	<ul style="list-style-type: none"> Involve external strategic investors through IPPs Diversify fuel sources Continue to capitalize on Indonesia's growth in demand 	<ul style="list-style-type: none"> Involve foreign investors for capital investment through IPPs Diversify fuel sources Continue to capitalize on Indonesia's growth in demand

Source: PLN, RUPTL 2019 – 2028

Note: (1) Generation Capacity by Fuel Types figures for 35,000 MW Program are only targets as per RUPTL 2019 – 2028, which are subject to changes and uncertainties.



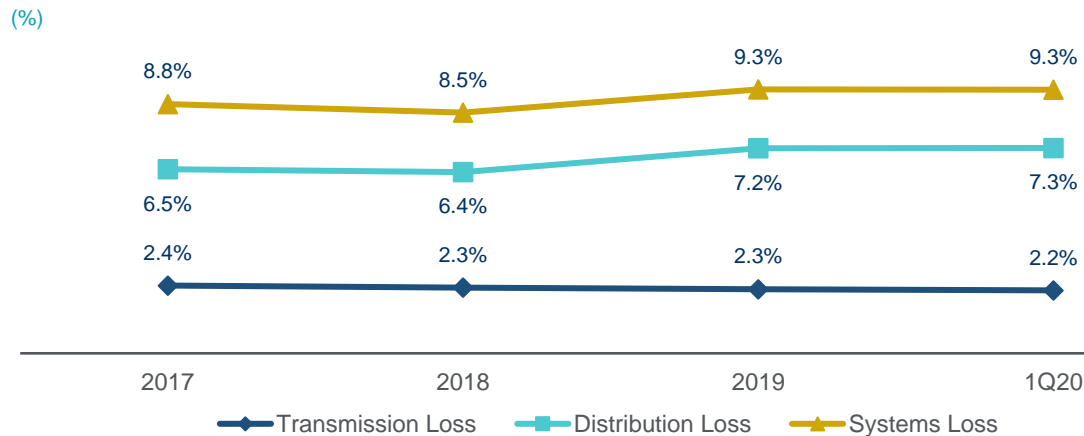
④ Efficient Operations with Continuing Improvements

PLN has a strong track record of efficient operations and will continue to focus on efficiency by reducing network losses, improving maintenance systems, generation production efficiency, inventory turnover while decreasing collection period.

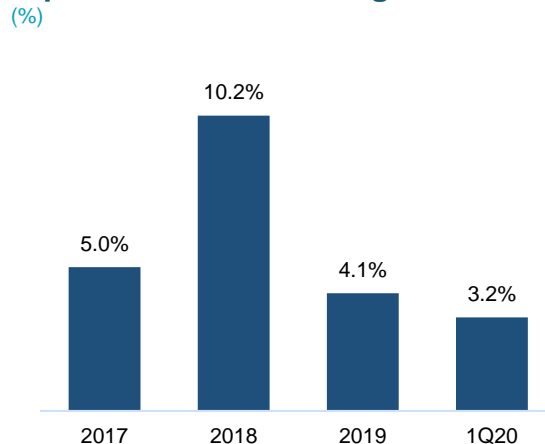
Key Initiatives to Drive Efficiency

- 1 Lower marginal fuel costs and OPEX**
 PLN will continue to reduce reliance on fuel oil, diversifying energy mix
- 2 Reduce network loss figures**
 Improve network reliability by implementing a program to address illegal street lights and energy consumption control
- 3 Minimize interruptions**
 Improved line maintenance by implementing live-line maintenance
- 4 Improve financial efficiency**
 Implement centralized online payment of electricity bills using the P2APST (Centralized Management and Supervisory of Revenue) system
- 5 Improve customer collection mechanism**
 With total prepaid end users are increasing each year, PLN will implement new prepayment system and online payment technology.
- 6 Reduce technical loss rate**
 Install more transmission & distribution equipment, including reactive power compensation equipment in substations to improve overall power factor, and by progressively phasing out intermediate voltages to reduce number of transformers required
- 7 Reduce electricity theft**
 Install automatic meter reading for most of its high and medium-voltage customers and large low-voltage customers (under 200 kVA)

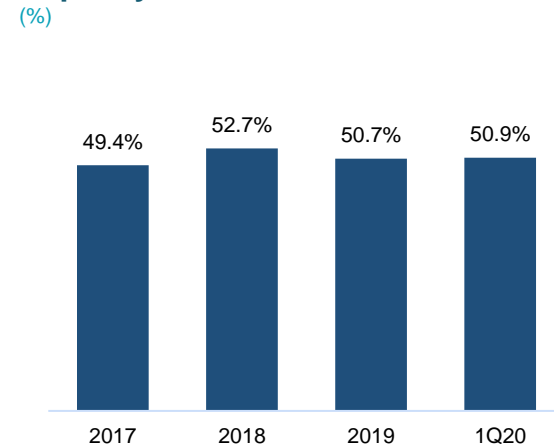
Transmission and Distribution Losses



Equivalent Forced Outage Rate⁽¹⁾



Capacity Factor⁽¹⁾



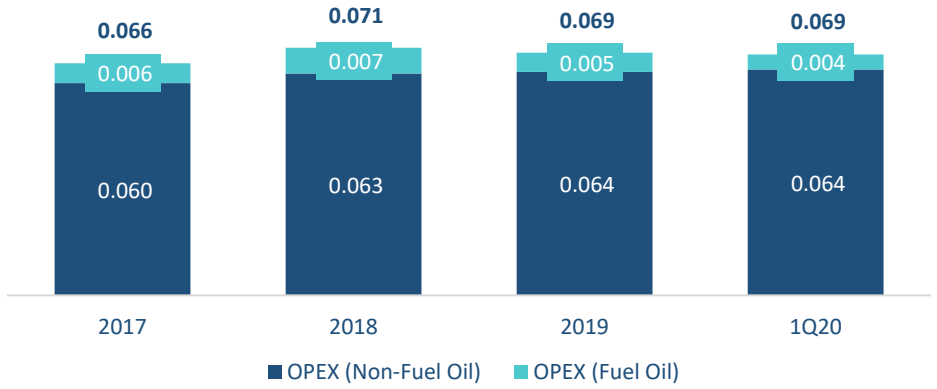
Source: PLN
 Note: (1) Java-Bali only. As of 31 December 2019, the integrated interconnection system which provides this data has been completed only in Java-Bali.



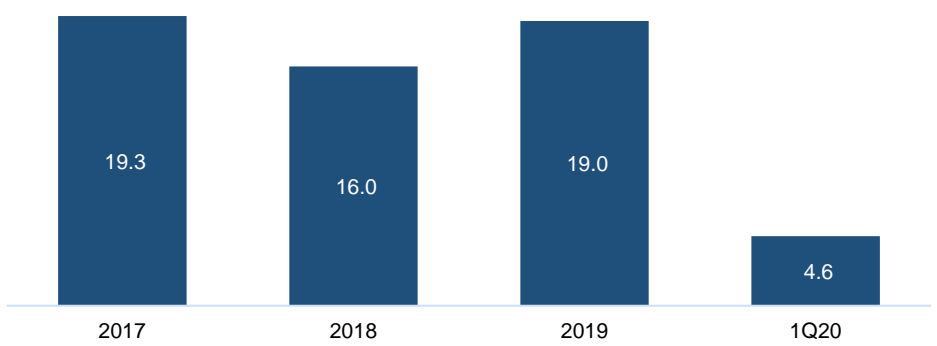
④ Efficient Operations with Continuing Improvements (Cont'd)

PLN has seen its operating expense per kWh at stable levels driven by increased operating efficiency and improved energy mix.

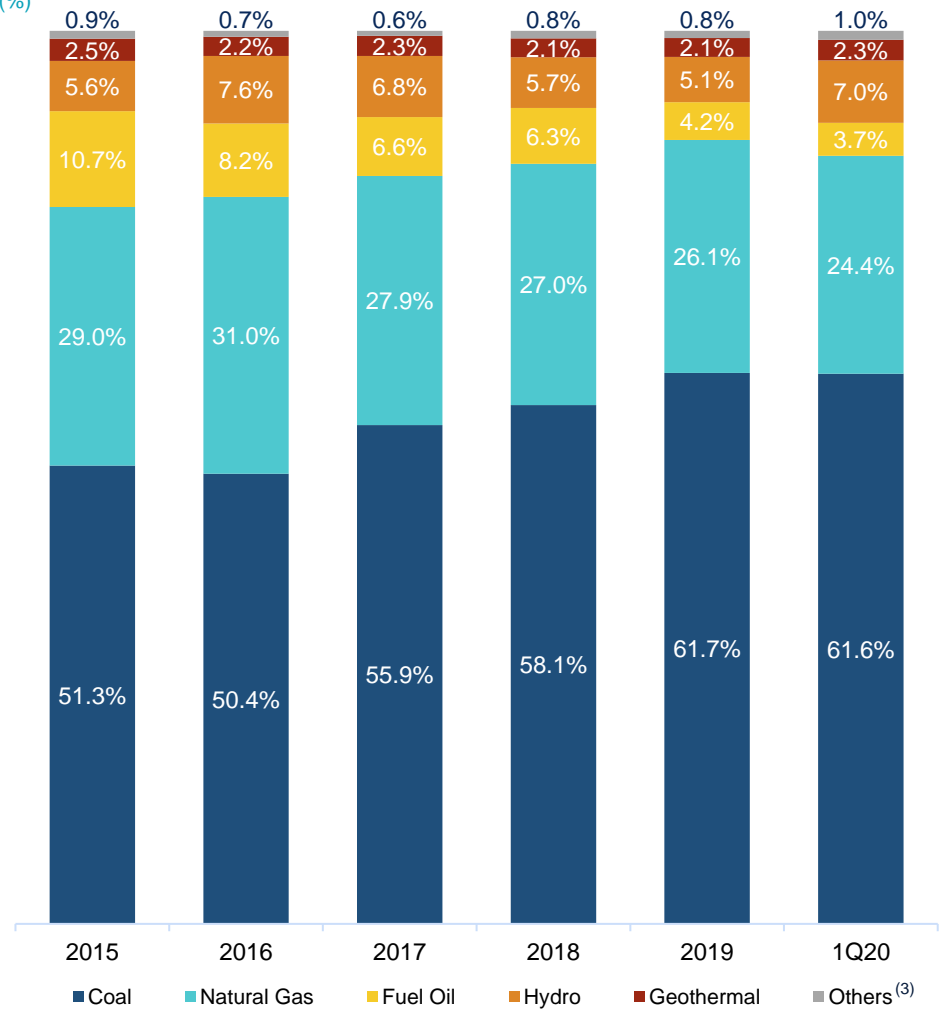
Operating Expenses⁽¹⁾
(US\$/kWh)



SAIDI
(hour / customer)



Energy Mix⁽²⁾
(%)



Source: PLN and FactSet. Based on USD/IDR exchange rate of 16,367 as of March 31st, 2020.

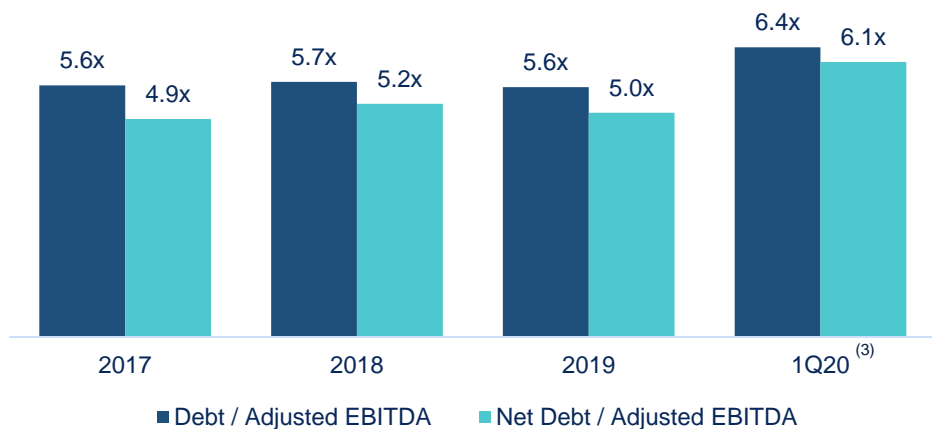
Notes: (1) Operating Expenses (with Fuel) includes fuel and lubricants, purchase electricity, lease, maintenance, personnel, depreciation and others. Operating Expenses (without Fuel) is calculated as Operating Expenses (with fuel) less fuel and lubricant cost. (2) Split by PLN production (3) Others include renewable energy (solar, wind, biomass, etc.) and biofuels (olein, CPO, biodiesel, biofame, etc.)



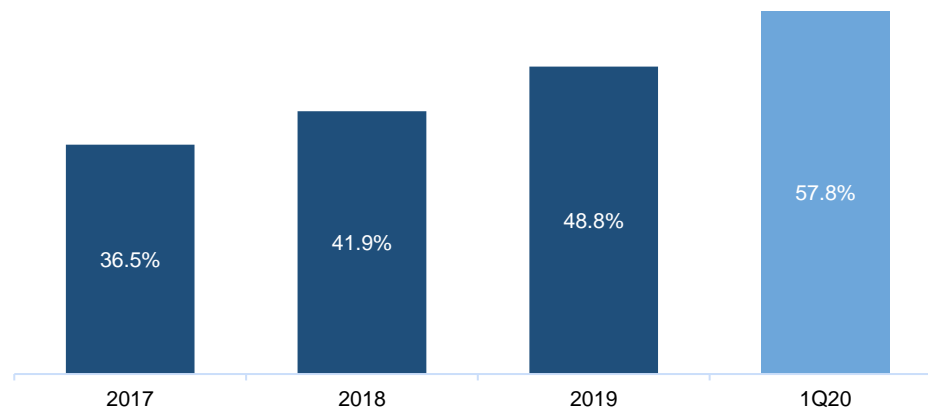
5 Strong and Stable Credit

PLN has maintained a healthy leverage level with modest gearing ratio over the last 3 years

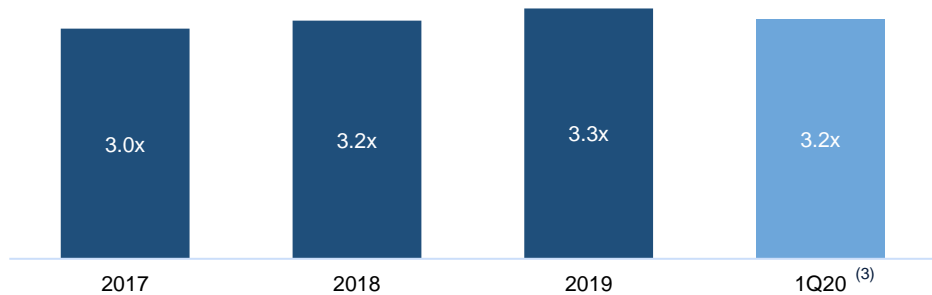
Total Borrowings⁽¹⁾ / Adjusted EBITDA⁽²⁾



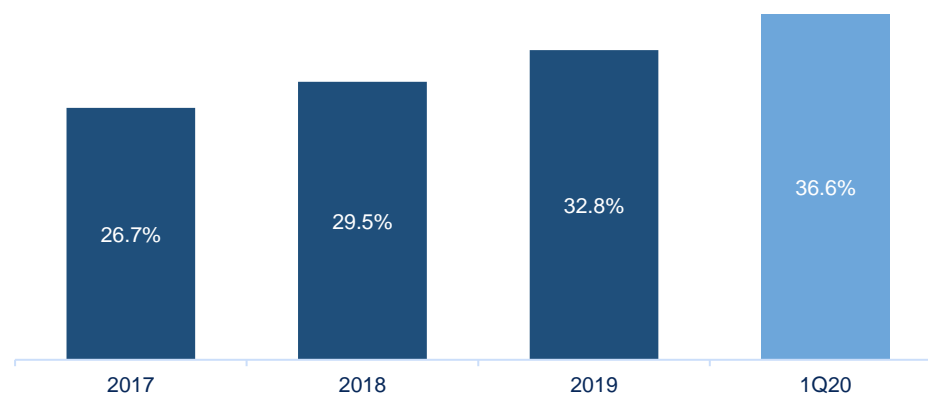
Total Borrowings / Equity



Adjusted EBITDA⁽²⁾ / Financial Cost



Total Borrowings / (Total Borrowings + Total Equity)



Source: PLN
 Notes: (1) Total Borrowings include two-step loans, Government loans, bonds payable, bank loans and medium term notes, sukuk, certain lease liabilities and electricity purchase payable. (2) Adjusted EBITDA refers to operating income after subsidy plus depreciation expense, amortization expense and actuarial employee benefit expense—net of payments. (3) Adjusted EBITDA and Financial Cost for the period of March 31st, 2020 uses last twelve months figures.



6 Experienced Management Team

PLN's management team is composed of tenured experts and professionals to ensure robust operational and financial excellence as the leading fully-integrated electric utility company in Indonesia

Board of Commissioners



Amien Sunaryadi
President Commissioner & Independent Commissioner

- Appointed in December 2019
- Former Vice President Commissioner of PT Freeport Indonesia (2018)
- Former Head of SKK Migas (2014-2018)



Suahasil Nazara
Vice President Commissioner

- Appointed in December 2019
- Vice Minister of Finance (25 Oct 2019 – Present)
- Former Member of National Economic Committee Council (KEN) (2013-2019)



Ilya Avianti
Commissioner

- Appointed in May 2020
- Former Commissioner and also Chairman of the Audit Board of Financial Authority Services (OJK) (2012-2017)



Rida Mulyana
Commissioner

- Appointed in February 2019
- Director General of Electricity in Ministry of Energy, Mineral, & Resources (2019–present)



Deden Juhara
Independent Commissioner

- Appointed in February 2019
- Former Operation Assistant of Head of Indonesian Police Force (2018–2019)



Mohamad Ikhsan
Commissioner

- Appointed in January 2019
- Member of Advisory Board in Mandiri Institute, Special Staff of SOE Minister, Professor of Economics and Business Faculty at Universitas Indonesia



Murtaqi Syamsuddin
Independent Commissioner

- Appointed in January 2020
- Former Regional Business Director of West Java of PLN (2015 – 2017)



Dudy Purwagandhi
Commissioner

- Appointed in January 2020
- Former Director of Seacons Trading Ltd Singapore (2011-2020), Special Staff of Ministry of Administrative and Bureaucratic Reform (2018-2019)

Board of Directors



Zulkifli Zaini
President Director

- Appointed in December 2019
- Former Independent Commissioner of PT Bank Permata Tbk (2017-2019) and President Director of Bank Mandiri (2010-2013)



Darmawan Prasodjo
Vice President Director

- Appointed in December 2019
- Former Commissioner of PLN (August 2018 – December 2019)



Sinthya Roesly
Finance Director

- Appointed in December 2019
- Former Head of Board Directors and Executive Director at Lembaga Pembiayaan Ekspor Indonesia (2017-2019)



Syofvi Felienty Roekman
Human Capital Management Director

- Appointed in May 2020
- Former PLN Corporate Planning Director (2017-2020)



Muhammad Ikbal Nur
Corporate Planning Director

- Appointed in May 2020
- Former Director of Finance of PT Geo Dipa Energi (2016-2020)



Bob Saril
Commerce & Customer Management Director

- Appointed in May 2020
- Former General Manager of PLN Distribution Unit of East Java (2019-2020)



Rudy Hendra Prastowo
Primary Energy Director

- Appointed in May 2020
- Former Caretaker of President Director of PT PLN Batubara (2018)



Muhammad Ikhsan Asaad
Mega Project Director

- Appointed in May 2020
- Former General Manager of PLN Distribution Unit of Jakarta (2017-2020)

Business Directors



Wiluyo Kusdiharto
- Sumatra & Kalimantan



Haryanto W.S.
- Java, Madura, Bali



Syamsul Huda
- Sulawesi, Maluku, Papua & Nusa Tenggara



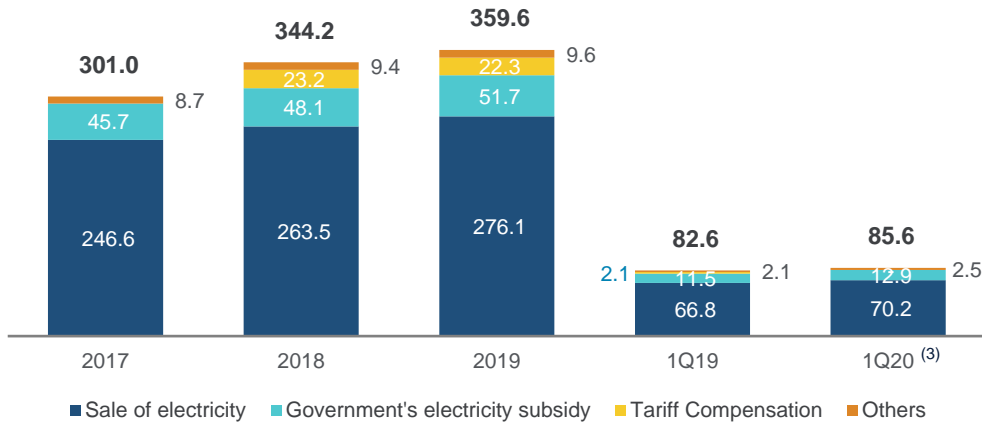
03

Financial Highlights

Financial Profile

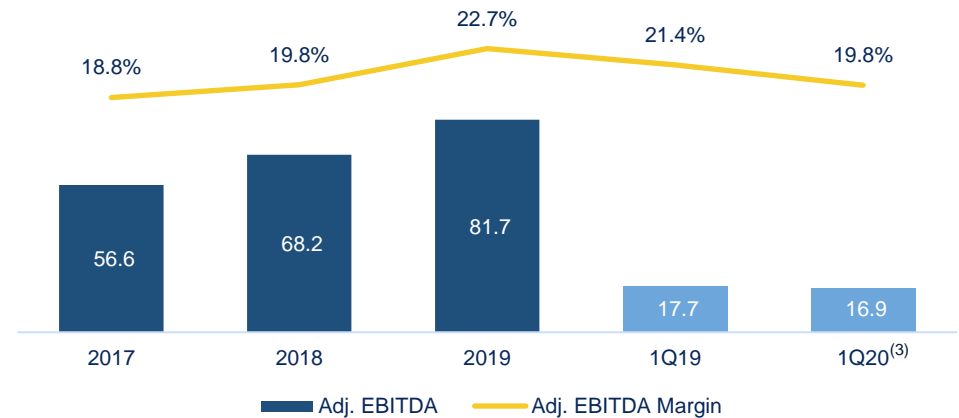
Revenue

(IDR tn)



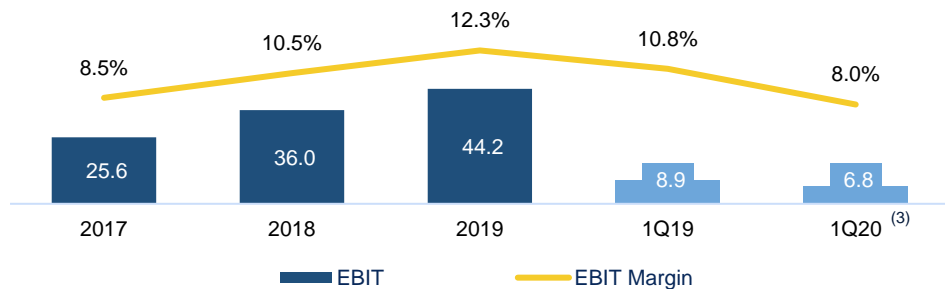
Adjusted EBITDA⁽¹⁾⁽²⁾

(IDR tn)



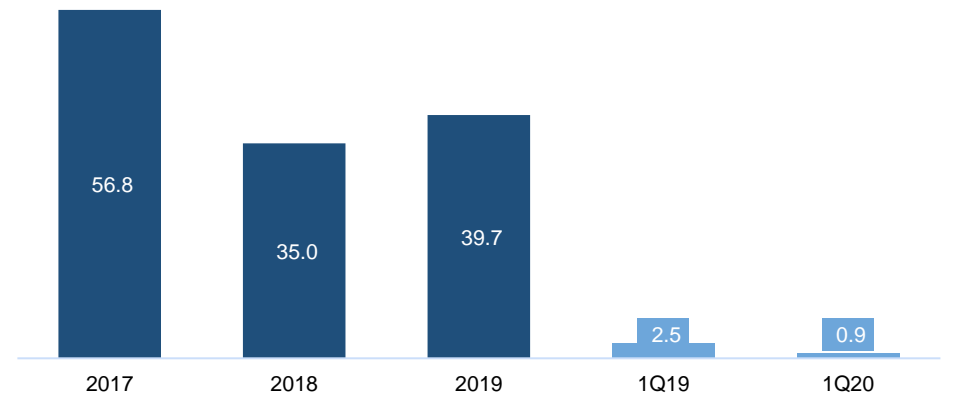
Operating Income⁽²⁾

(IDR tn)



Cash Flow from Operating Activities

(IDR tn)



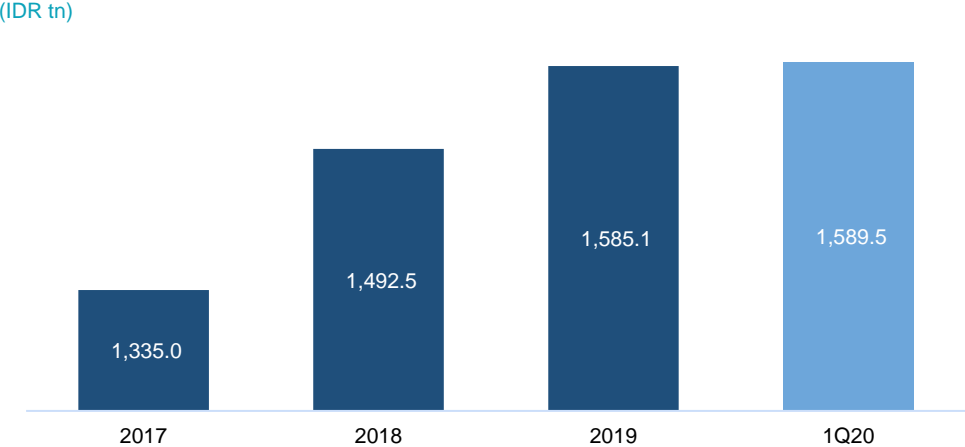
Source: PLN

Notes: (1) Adjusted EBITDA refers to operating income after subsidy plus depreciation expense, amortization expense and actuarial employee benefit expense — net of payments. (2) Adjusted EBITDA and Operating Income margins are defined as Adjusted EBITDA or Operating Income divided by sum of revenue and government subsidy. (3) Three-month period ended on March 31st, 2020, does not include compensation income

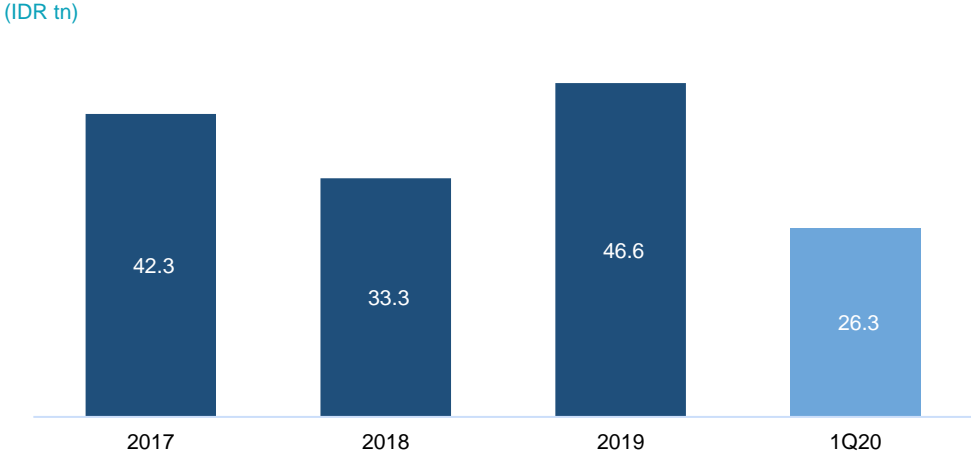


Financial Profile

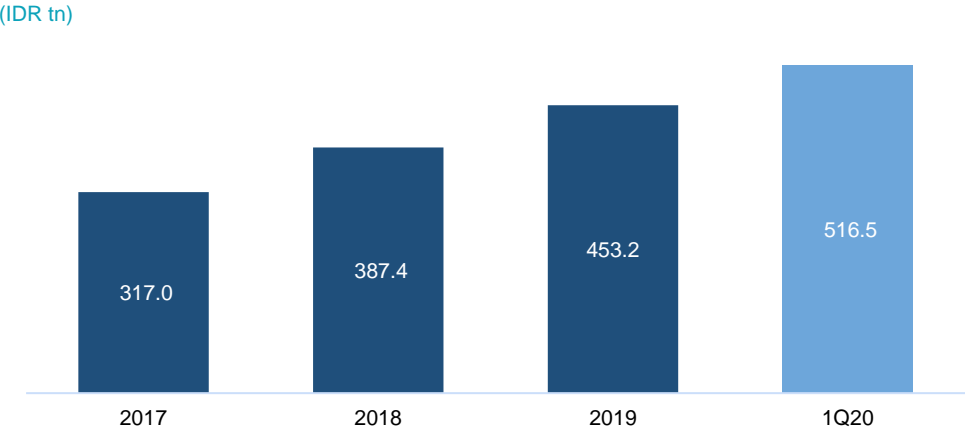
Total Assets



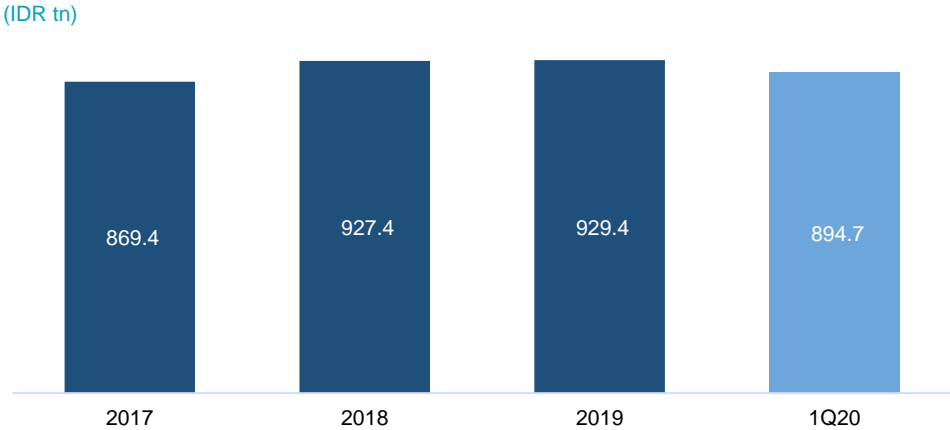
Total Cash and Cash Equivalents



Total Borrowings



Total Equity



Source: PLN



Borrowing Summary

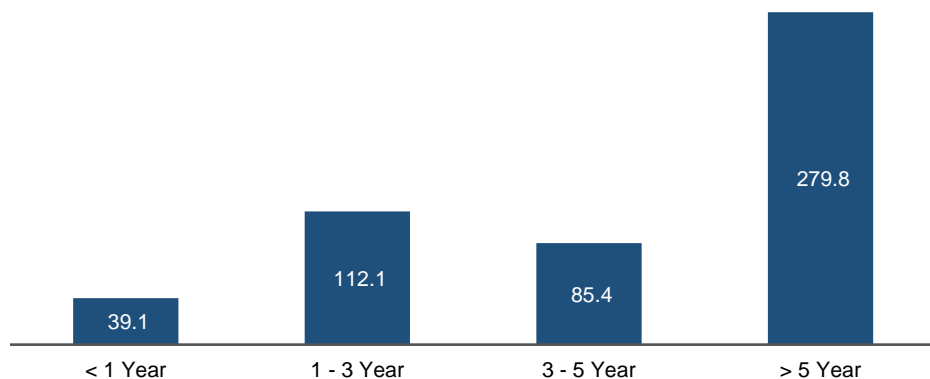
As of March 31st, 2020

Borrowings Summary

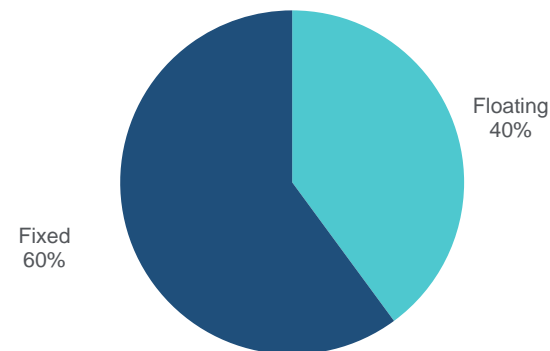
	Amount (IDRbn)	Amount ⁽¹⁾ (US\$mm)
Two-step Loans (Guaranteed)	43,902	2,682
Government Loans (Guaranteed)	144	9
Non-Bank Government Financial Institution Loans	5,124	313
Bank Loans - Related to Fast Track Program (Guaranteed)	24,278	1,483
Bank Loans (Guaranteed)	21,450	1,311
Bank Loans (Non-Guaranteed)	183,542	11,214
Asset-Backed Security (EBA)	1,806	110
Bonds Payable	205,414	12,550
Lease Liability	22,871	1,397
Electricity Purchase Payable	7,927	484
Total	516,458	31,555

Borrowings Maturity Profile

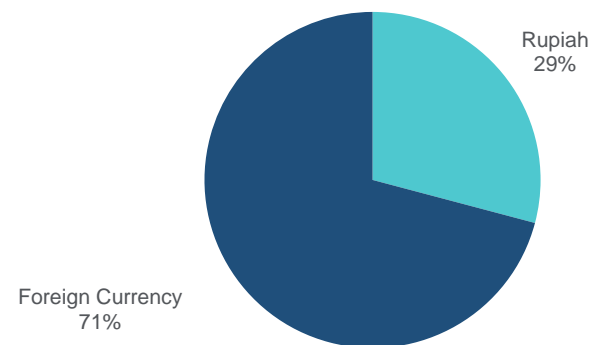
(IDR tn)



Borrowings Breakdown by Interest Type



Borrowings Breakdown by Currency



Source: PLN

Note: (1) Based on IDR/USD exchange rate of Rp16,367 per USD as of March 31st, 2020.

Thank you