



## Press Release

For Immediate Release

### Saratoga Business Fundamentals Strengthen in 2014

- *Saratoga investee companies contributed Rp 943 billion in net profit*
- *Saratoga investee companies achieved key milestones in line with 2014 target*
- *Saratoga targets US\$50-100 million in new and follow-on investments to fortify its investment portfolio in 2015*

**Jakarta, March 30, 2015** – PT Saratoga Investama Sedaya, Tbk. (ticker code: SRTG) managed to post a 226% growth in net profit to Rp 803 billion in 2014 from Rp 246 billion in 2013, attributable to the Company's shareholders. Such business growth was consistently strengthened by its primary business sectors, namely infrastructure and natural resources.

PT Saratoga Investama Sedaya, Tbk. President Director Sandiaga S. Uno said that amid the challenging macroeconomic conditions throughout 2014, Saratoga was able to maintain its growth momentum and continuously to strengthen its business fundamentals in a positive manner. The remarkable business achievement became an indicator that the investment strategy executed both prudently and in a measured manner was capable of addressing the dynamic market conditions.

"We are very grateful for the outstanding performance attained by the company in 2014. **Lintas Marga Sedaya**, a Saratoga investee company responsible the construction of the 116 km Cikampek – Palimanan toll road, has achieved more than 80% completion of the construction. **Tri Wahana Universal**, our investee company in oil refinery, has managed to increase its daily average production from 8,736 bopd to 13,976 bopd. In addition, **Provident Agro**, our investee company in palm oil plantation, booked Rp 168 billion in profit courtesy of the plantations that have reached the average productive age of 7 years," said Sandiaga in Jakarta (3/30).

With the support of sound business fundamentals among the investee companies, Saratoga is optimistic of continuing and sustaining its growth momentum despite the major challenges ahead. The company will consistently explore every investment opportunity to further raise its corporate value and contribute more to Indonesia's economy.

According to Sandiaga, Saratoga will continue to strengthen the three pillars of its investment portfolio, particularly in the infrastructure and consumer sectors, as both have huge growth potential in Indonesia. The infrastructure sector, as the main catalyst of Indonesia's economy, has attracted greater attention from the government, which for its part delivered positive signals when it shifted fuel subsidies for infrastructure development.

As an active investment company, Saratoga considered more than 100 investment opportunities in 2014, fairly stable compared to the opportunities in the previous year. Through filtering and strict due diligence, Saratoga finally added two more investments in 2014, namely **PT Gilang Agung Persada (GAP)** and **PT Trimitra Karya Jaya (TKJ)**.



To maximize the market potential in the consumer sector, Saratoga in 2014 acquired 4.17% of PT GAP shares, a company operating in fashion, lifestyle and luxurious brands with a value of US\$5 million.

In line with its long-term vision toward high-value metal commodities, Saratoga also acquired 80% of PT Trimitra shares, which controls a 25.7% ownership in copper and gold mining projects as of December 31, 2014.

Saratoga executed several financing activities as part of risk management in 2014 by:

- Aligning its loan tenor with the duration of its investments
- Managing its exposure to foreign exchange risk by converting a US\$57.5 million loan to become rupiah-denominated Medium Term Notes (MTN) through private placement
- Reducing our effective US dollar interest loan rate from 5.32% to 4.29%

In 2014, Saratoga's strong commitment to continuously develop and ensure transparency as well as good corporate governance, has allowed the Company to secure an A (idn) rating with stable outlook from Fitch Rating. We are the first Indonesian investment company to receive such rating from Fitch.

### **Performance of Investee Companies**

#### ▪ **Consumer Sector**

Although the consumer sector faced challenges in 2014, **PT Mitra Pinasthika Mustika**, Tbk. (ticker code: MPMX), an integrated consumer automotive company in Indonesia booked a 16% sales growth to Rp 16.1 trillion and Rp 487 billion in net profit. Its strong business fundamentals was reflected in higher sales figures, but the result was offset by conservative provisioning in connection with its financing business.

#### ▪ **Infrastructure Sector**

**PT Lintas Marga Sedaya**, the concession holder for the 116 km Cikampek – Palimanan toll road that is part of the Trans Java tollway, has completed more than 80% of its construction. The toll project is expected to start operating before the *Idul Fitri* holiday this year.

In the telecommunications tower business, **PT Tower Bersama Infrastructure, Tbk.** (ticker code: TBIG), generated Rp 2.7 trillion in EBITDA, up 23% from Rp 2.2 trillion in the previous year.

Meanwhile in the power plant business, **PT Medco Power Indonesia** (MPI), an electricity-generating company that focuses on renewable sources, achieved financial closure of US\$1.17 billion for its 330 MW Sarulla Geothermal project in 2014.

In the oil refinery business, **PT Tri Wahana Universal** (TWU) posted Rp 6.1 trillion in sales, or up 69% from 2013, courtesy of higher oil refinery production from 8,736 barrels per day to 13,976 barrels per day.

#### ▪ **Natural Resources Sector**

In the coal sector, **PT Adaro Energy**, Tbk. (ticker code: ADRO) throughout 2014 managed to cope with the challenging commodity cycle. From its coal production of 56.2 million metric tons, ADRO generated US\$3.3 billion in revenue and US\$183.5 million in net profit.



In the plantation business, **PT Provident Agro, Tbk.** (ticker code: PALM) posted a turn-around result of Rp 168 billion in profit for 2014 from previously suffering a loss of Rp 417 billion. The achievement reflected a more matured plantation profile with an average age of 7 years. The result also included a one-off sale of one of the plantations.

## 2015 Projection

Saratoga Chief Financial Officer Jerry Ngo said that the Company will strive for more positive growth and target US\$50-100 million in new and follow-on investments to fortify its investment portfolio.

“Although macroeconomic conditions will continue to be dynamic in 2015, we are confident that they will lead us to investment opportunities in strategic sectors in Indonesia. Through measured and prudent strategies, Saratoga will continue to focus on investments in sectors that offer long-term prospects,” said Jerry.

Description	Saratoga Financial Performance for 2014/2013			In Rp (billion)	
	2014	2013		Growth (%)	
Net revenue	6,124	3,658		67%	
Cost of revenue	5,385	3,286		64%	
Gross profit	739	373		98%	
Other income	683	215		217%	
Net profit attributable to shareholders	803	246		227%	
Available for sale financial assets	2,091	2,333		(10)%	
Investment in share of stocks	10,645	10,946		(3)%	
Total Assets	16,347	16,209		1%	
Total Equity	11,579	10,667		9%	
Net Asset Value – market value	22,248	17,789		25%	
Total investment per sector					
Consumer	2,356	1,928		22%	
Infrastructure	3,194	4,449		(28)%	
Natural Resources	7,187	6,902		4%	
Total	12,737	13,279		4%	

- End -

## About PT Saratoga Investama Sedaya Tbk.

Founded in 1998, PT Saratoga Investama Sedaya, Tbk. (Saratoga) is a leading active investment company in Indonesia. Saratoga takes an active role in managing its investee companies as well as in exploring investment opportunities in Indonesia.



Saratoga focuses on investment opportunities in the early-stage as well as in the growth stage, and also in special conditions with emphasis on sectors that support Indonesian economic development, such as consumer, infrastructure, and natural resources.

Saratoga's vision is to continue to be the major active investment company in Indonesia as well as the partner of choice for national and foreign investors, who wish to participate in the dynamic growth of the Indonesian economy.

For more information on PT Saratoga Investama Sedaya Tbk. please visit:

[www.saratoga-investama.com](http://www.saratoga-investama.com)

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