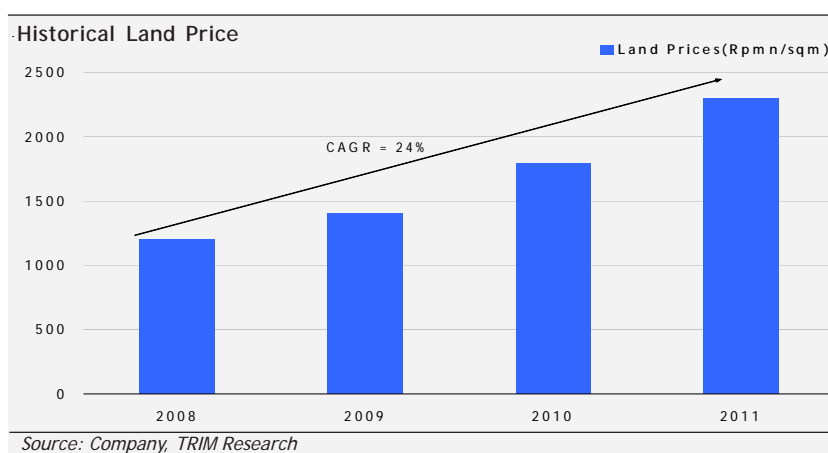


## BKSL: Key Take Away from Site Visit

We were visiting Sentul City (BKSL) yesterday, a property company with the biggest land bank in Indonesia. It took only 70 minutes to reach the area since the company has direct entrance from Sentul Selatan toll road. BKSL own 9,100ha land bank; consist of 3,100ha land bank in Sentul City and 49% ownership of 12,000ha land bank in Sentul Nirwana (51% owned by ELTY). However, the company must set aside 30% of the total area as a green environment due to government regulation. BKSL focus to manage Sentul City area while Sentul Nirwana fully managed by ELTY. As we seen during our visit, Sentul City is still on the early stage of development with only 1,000ha developed area. Although the land price has doubled from Rp1.2mn-1.4mn/sqm to Rp2.3mn-3.3mn/sqm in the last 3 years, Sentul City land seems far more affordable than the booming Serpong area (Rp7mn/sqm based on management information).



### Commercial Area to Generate More Sales..

The company seems to face difficulties to sell its product since 9M11 marketing sales only reached Rp150bn, 42.9% of FY11 target in Rp350bn. Management is guiding FY11 marketing sales to reach Rp220bn. We believe the main problem of this difficulty caused by minor commercial area, and it should be eliminate after more commercial areas emerging in Sentul City. BKSL committed to build 80Ha commercial area, including several entertainment concepts.

#### Education

There are already several schools and campuses built there, such as Pelita Harapan School, BPK Penabur, Fajar Hidayah Islamic School, STIE Tazkia, and STIE Trisakti University to come, relocate its economic and medical faculty and begin the progress in 2012.

#### Convention Center

One of BKSL's Investor already developed SICC (convention center) and Harris hotel which going to operate soon.

#### Training Center

Currently Mayapada group already build its training center in Sentul City and BBCA to commit.

#### River Market (Pasar Apung)

They also developing the river market, where the traditional Indonesia food stalls is located on the river. BKSL develop this together with Mr. Bondan, a well-known culinary expert in Indonesia.

#### Hospital

BKSL together with Pertamina, is developing new hospital and have just groundbreaking in Friday, 21st of October 2011 in 2.5 Ha land and 14ksqm.

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#### ❑ World Class Theme Park

BKSL also developing the two world class theme parks, one for middle up segment called World of Wonders in Sentul City and Junglepark in Sentul Nirwana (Joint venture with ELTY) which targeting the middle low segment. These will generate recurring income for BKSL in the long term as they will also build mall and 5 stars condotel there.

Sentul City Future Plan



Source: Company

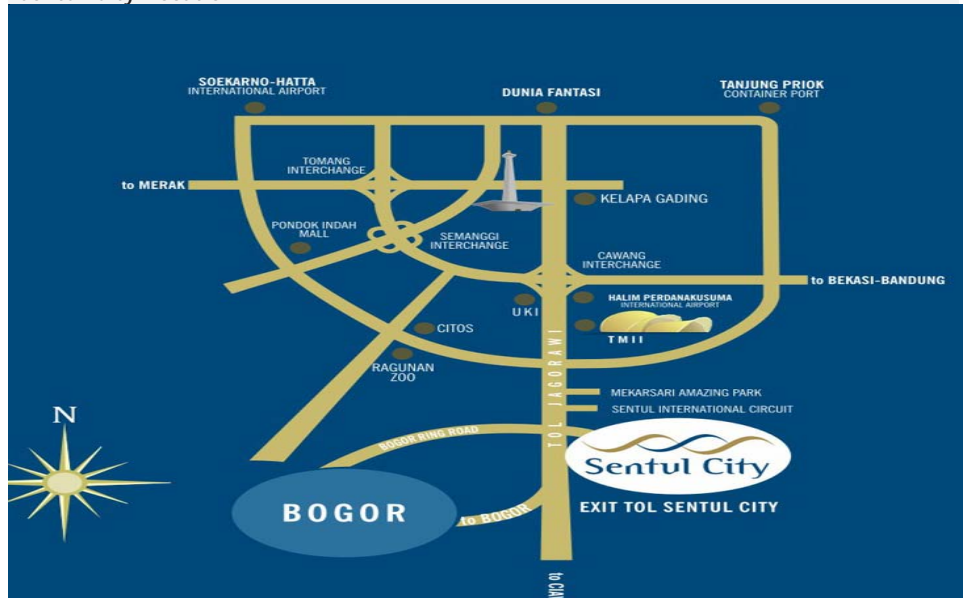
#### Jagorawi Toll Road to Open New Opportunity..

The widening of Jagorawi toll road which will ease the traffic jam will directly benefit BKSL. The initiate road from Bogor government also open new traffic link to Sentul City. Currently, there are about 2mn people lives in Bogor; Sentul City will provide a recreation center alternative after Puncak.

#### Valuation

BKSL currently traded at 2.0 x PBV while the industry traded at 2.3 x PBV. Based on last year independent appraisal measurement, BKSL's 9,100ha land bank was equal to Rp16.3tr, we roughly take into account 24.7% average land price increase from 2010 to 2011 resulting Rp20.3tr current value. Current market cap is at Rp9.3tr, translating 45.8% discount. Moreover, we believe Sentul is going to be the next wave of greater Jakarta's property boom as Serpong area has become less affordable.

Sentul City Location



Source: Company

Completed Projects

Mountain View Cluster



Source: Company

England Park Cluster



Source: Company

Bukit Hijau Golf Cluster



Source: Company

Hilltop Cluster



Source: Company

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