

blítz




Public Expose

Full Year 2014


PT Graha Layar Prima Tbk



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- Section 1: Introduction to PT Graha Layar Prima Tbk
- Section 2: Indonesia's movie theatre industry
- Section 3: Detailed company overview
- Section 4: GLP business plan
- Section 5: Financial overview

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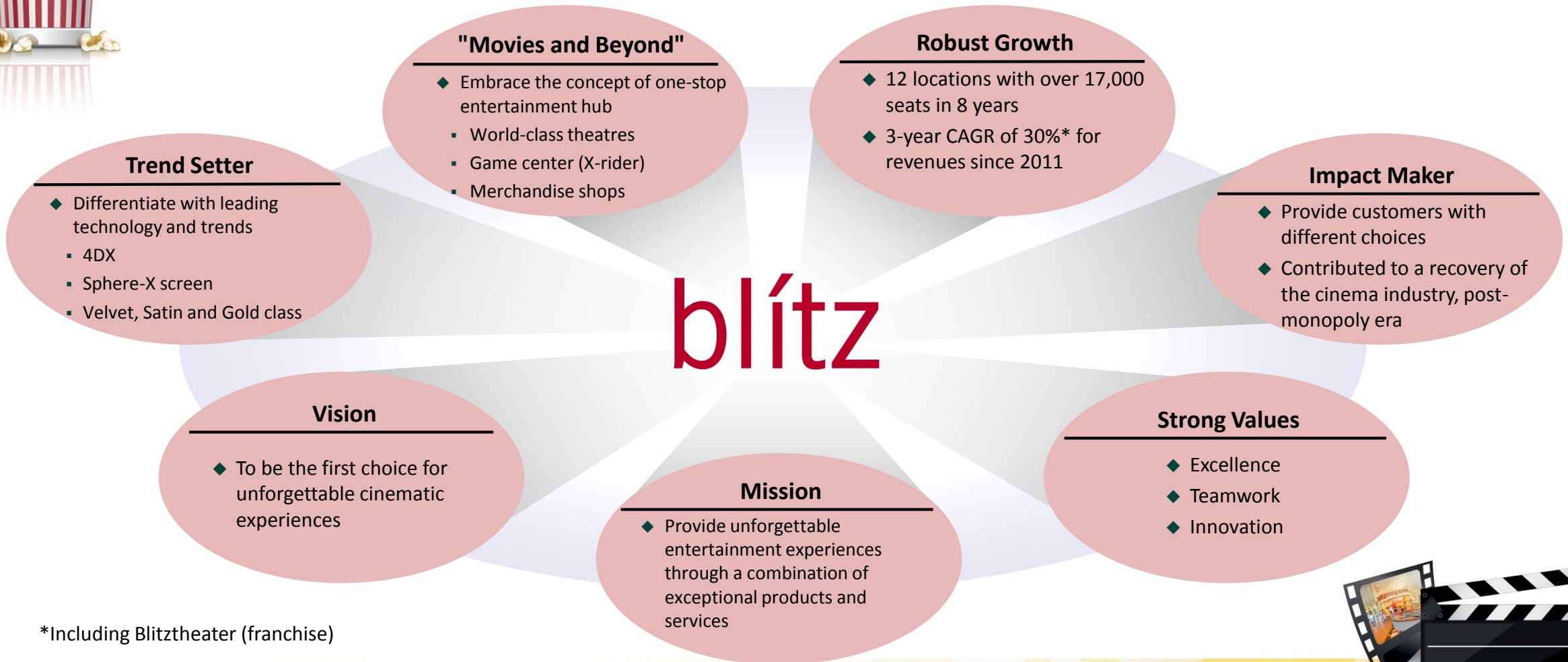
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Company Overview – PT Graha Layar Prima Tbk (“GLP”)



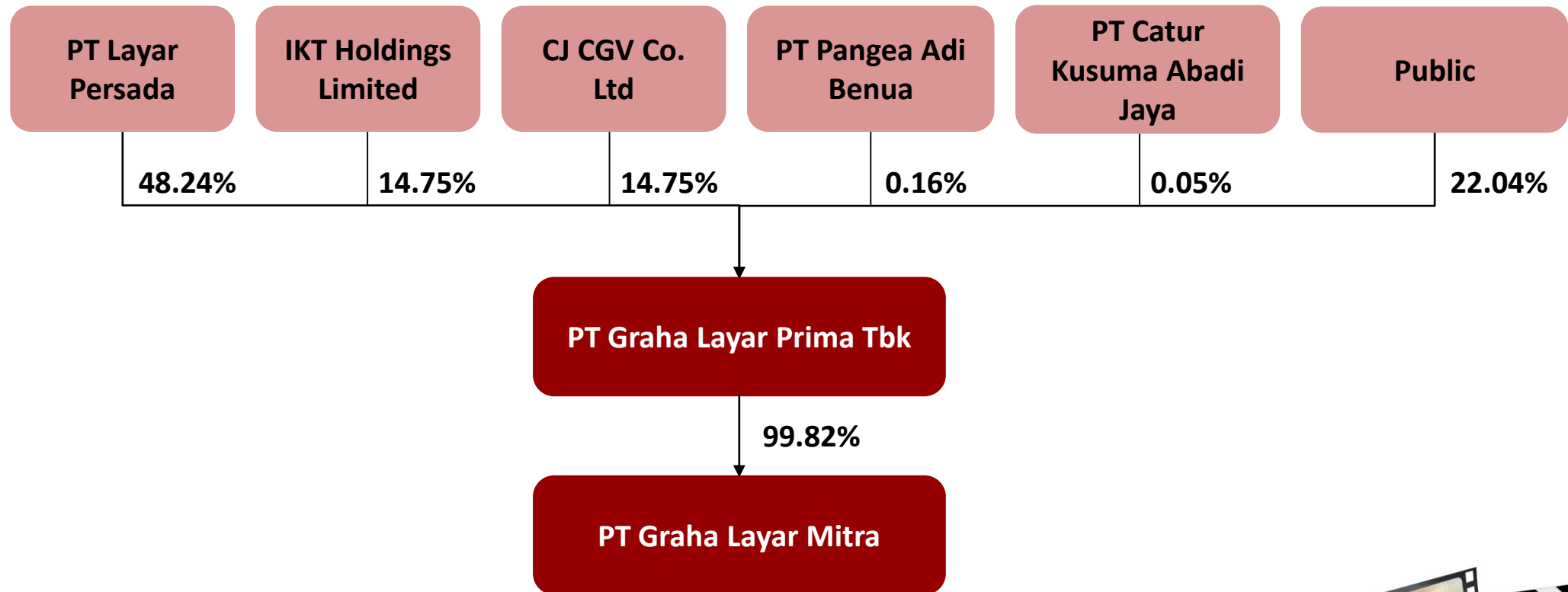
*Including Blitztheater (franchise)

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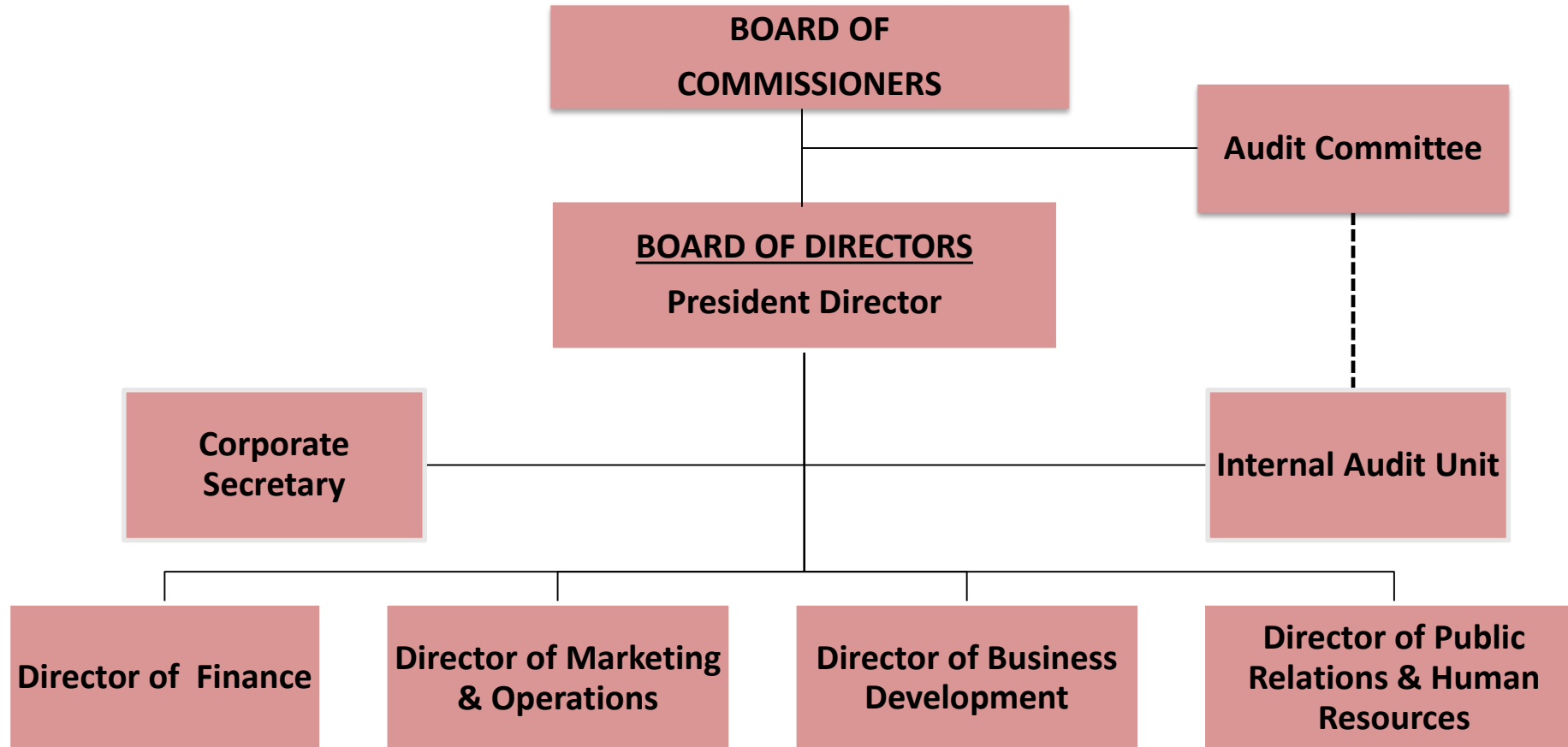


Group Structure





Organizational Structure



———— Structural reporting line
- - - - - Coordination line





We have a solid team of directors and commissioners to lead us



Bratanata Perdana
President Commissioner

Mr. Perdana is a Partner at Singapore-based Quvat Management, having previously held the position of CFO of PT Adaro. Mr. Perdana graduated from the University of Seattle with a Master of Business Administration.



H. Rosihan Arsyad
Independent Commissioner

Mr. Rosihan Arsyad was the former Governor of South Sumatra. He currently holds the position of President of United in Diversity Forum and President Commissioner of PT Softex Indonesia.



Bernard Kent Sondakh
President Director

Prior to his position as President Director of PT GLP Tbk., Mr. Sondakh was Indonesia Navy's Chief of Staff from 2002 to 2005. Mr. Sondakh graduated from the Naval College in 1970.



Jong Kil Lim
Director of Marketing and Operations

Mr. Lim brings with him expertise in the cinema industry having been the President Director of Global Business Division of CJ CGV Co. Ltd and President Director of CJ CGV China Co. Ltd for 7 years. Mr. Lim is a graduate of Korea University.



Yong Sook Kwon
Director of Business Development

Mr. Yong has been with the Company since 2014. He has also served as an Associate at Jipyong, Corporate Team, Seoul, Korea since 2006. He has extensive experience in law and received his Master in Law from Boston University, School of Law in 2011.



Johan Yudha Santosa
Director of Finance

Mr. Santosa is also the Commissioner for PT Premier Qualitas Indonesia and PT Cardig Air. Prior to his directorship position in GLP, Mr. Santosa has extensive experience in capital markets, financial services, and logistics industries. Mr. Santosa received his Accounting degree from Universitas Brawijaya.



Ferdiana Yulia Sunardi
Director of Public Relations & Human Resources

Mrs. Sunardi has been with the Company since 2006, and served the directorship position since 2013. Beforehand, she was the Marketing Director and Head of Sales for the Company. Mrs. Sunardi graduated from University of Amsterdam in 2003.





Blitz has an established presence in Indonesia

Blitz has 9 Blitzmegaplexes and 3 Blitztheaters across Java, Sumatra, and Kalimantan

1. Paris Van Java – BDG



2. Grand Indonesia – JKT



3. Pacific Place – JKT



4. Mall Of Indonesia – JKT



5. Teraskota Mall – TG



6. Central Park – JKT



7. Bekasi Cyber Park – BKS



8. Plaza Balikpapan – BPN



9. Kepri Mall – BTM



10. Grand Galaxy Park – BKS



11. Harbour Bay – BTM




12. Mikko Mall - BDG



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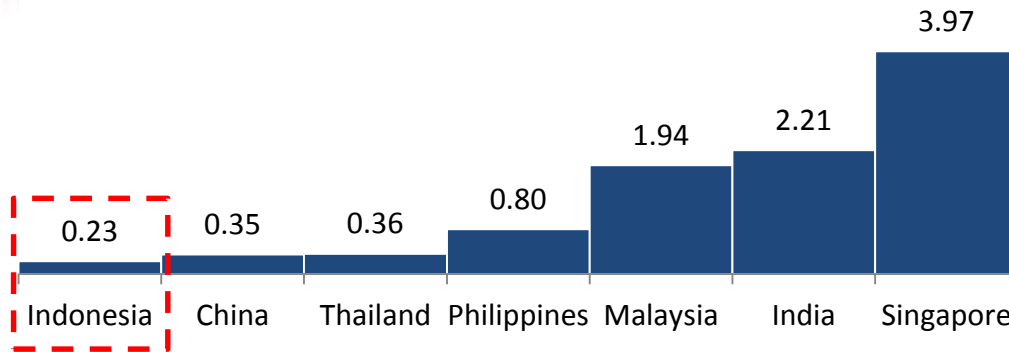
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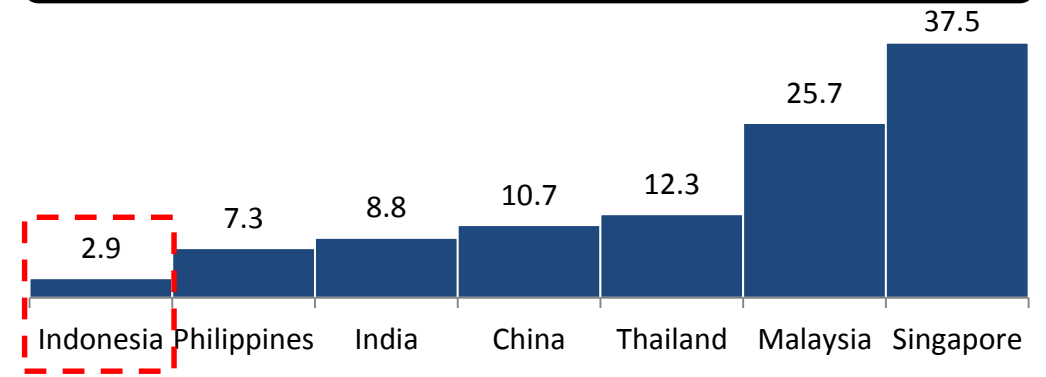


Indonesia has an underpenetrated cinema market compared to its peer countries

Admission per head in Indonesia is way below other countries...



...caused by the low number of screens (per million people)



Indonesia has high growth potential and remains underserved

	Indonesia	Thailand	Philippines	Malaysia	Singapore	India	China
Population (mn)	250	67	98	30	5	1,252	1,357
Nominal GDP (US\$bn)	868	387	272	312	297	1,876	9,240
Nominal per Capita GDP (US\$)	3,475	5,779	2,765	10,514	55,182	1,499	6,807
Mobile Subscribers (mn)	303	92	103	42	8	886	1,229
Mobile Penetration	121%	137%	105%	141%	148%	71%	91%
Box Office Market (US\$mn)	156	119	163	197	148	1,594	2,705
No. of Screens	722	846	700	754	200	11,065	14,482
Population per Screen ('000)	345	79	137	39	27	114	93
Admissions (mn)	55	25	76	57	21	2,780	470
Average Admission Price (US\$)	2.82	4.78	2.15	3.46	7.01	0.57	5.76

Source: Screen Digest (2013), World Bank report (2013). Current number of screens in Indonesia (as of late 2014) has likely increased to 800+.





Cinemas are concentrated in large cities in Java; smaller cities and provinces are underserved

Only 34 out of the 80 largest cities have major cinema chains; 11 provinces do not have major cinema chains at all



Java	
Population	137 million
# of Cinema	120+ cinema

Sumatra	
Population	51 million
# of Cinema	19+ cinema

Kalimantan	
Population	14 million
# of Cinema	8+ cinema

Sulawesi	
Population	17 million
# of Cinema	7+ cinema

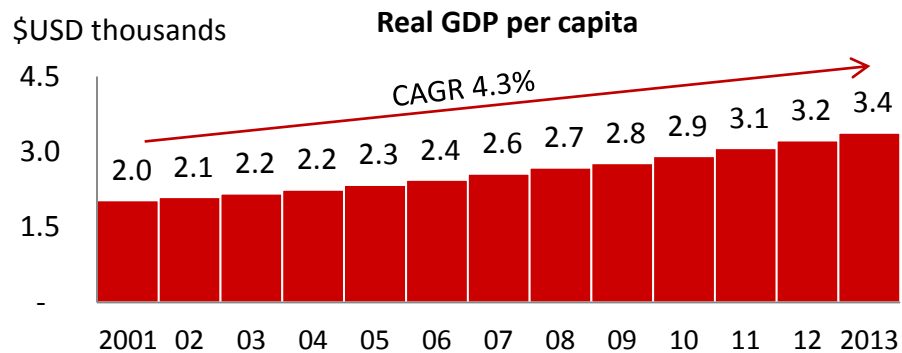


Source: Web research (November 2014). We took conservative estimates of the number of cinemas of three key players.

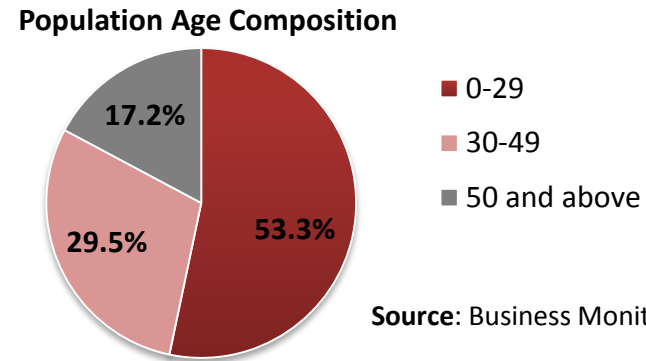


However, country demographics paint a promising picture of the future

GDP per capita has expanded, providing more disposable income and driving consumption...

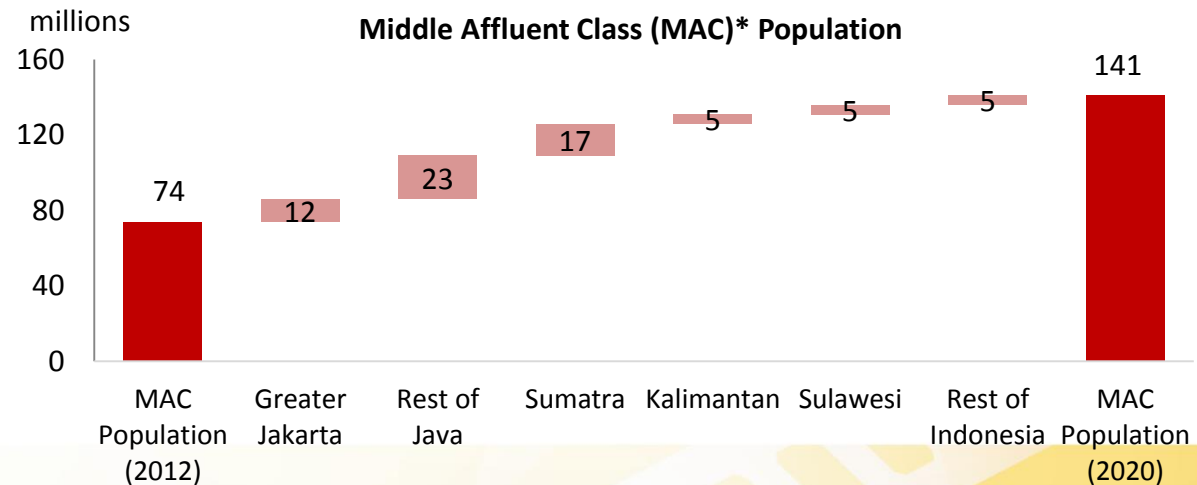


...supported by a young population below the age of 30




Source: Business Monitor International, World Bank

Indonesia's consumer sector is poised to grow, creating a potentially large market for the Cinema Industry



Source: BCG's 2013 Report – *Asia's Next Big Opportunity: Indonesia's Rising Middle-Class and Affluent Consumers*
 * Middle Affluent Class has monthly household expenditures of over Rp.2 million*



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Blitz will focus on expanding the Blitzmegaplex brand

The 2 main brands – Blitzmegaplex and Blitztheater – allow for maximum flexibility in expansion

blitzmegaplex

blitz
theater

Ownership	100% owned by PT GLP	Joint Operation with mall owner
Locations	9 locations as of May 2015	3 locations as of May 2015
Operational Practice	All business activities are under PT GLP	PT GLP provides know-how, supervision and leverage its network to mall owner
Financial Practice	PT GLP bears all costs for Capex and Working Capital	PT GLP receives certain royalties / fees from mall owner; mall owner bears all Capex and Working Capital

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Blitz has ramped up its presence since 2006

	2006	2007	2008	2009	2010	2011	2012	2013	2014			
	PVJ	GI	PP	MOI	TK	CP	BCP	BPN ²	BTM	GXY	HB	MIKO
Screens	11 ¹	11	8	10	9	10	9	6	4	4	4	7
Cumulative screens	11	22	30	40	49	59	68	74	78	82	86	93
Seats	2,297	2,989	1,116	1,890	1,720	1,925	1,628	929	642	642	632	1,276
Cumulative seats	2,297	5,286	6,402	8,292	10,012	11,937	13,565	14,494	15,136	15,778	16,410	17,686



Examples of Recent Operational Improvement Initiatives

Introduced Blitztheater
A joint venture cinema between PT GLP and local mall owners. The latest Blitztheater site opened in January 2014 at Harbour Bay – Batam

Enhanced Combo Menu Assortment
Introduced new combo menu with wider range of selection and a better price benefit for customers

Improved Area Efficiency
After successfully building the most efficient Blitz cinema at BCP, Blitz continuously rolls out area efficiency initiatives at other sites

Relaunch of New Blitzcard
Loyalty card to purchase tickets online and at an Automatic Ticket Machine (BCM/BTM), with extra benefit of reward points and flexibility of using three different payment methods: cash, debit, and credit card

¹ At its opening in 2006, PVJ featured 9 screens. In November 2013, PVJ opened 2 additional velvet auditoriums.

² Plaza Balikpapan (BPN) site was first opened as Blitztheater, then converted into Blitzmegaplex since February 2015





Blitz provides innovative and high quality experiences to consumers

The Blitz Difference

- Largest screens in Indonesia
- Up to 11 screens per location
- Stadium seating for unobstructed view
- THX-certified state-of-the-art audio system
- Wide range of movies
- Other features include: event hosting and merchandise store

Standard Class



- Range from 128 – 535 comfortable seats per auditorium
- Dolby cinema system in each auditorium
- 3 auditoriums with over 500 seats each, available at Grand Indonesia and Mall of Indonesia

Satin Class



- 3 Satin class auditoriums, each with 52 reclining seats
- Satin Lounge and exclusive ticket box
- Available at Grand Indonesia, Mall of Indonesia, and Balikpapan

Velvet Class



- 9 Velvet class auditoriums, each with 34-42 luxury sofa beds, fluffy pillows, and warm and cozy blankets
- Available at Pacific Place, Mall of Indonesia, Central Park, Grand Indonesia, and Paris Van Java





The latest innovations from Blitz

Sweet Box



- Mini red sofa with no armrests for added comfort when watching movies. Catered to customers' needs for spacious seats (e.g., for couples, mothers and kids)
- Located at the back row of each auditorium
- Available at Harbour Bay and Miko Mall

4DX



- A four-dimensional film experience for the first time in history
- Special effects such as wind, fragrances, water, and moving chairs make patrons feel like they are part of the action
- Available at Mall of Indonesia, Grand Indonesia, Central Park and Paris Van Java

Gold Class



- Premium reclining seat with personal remote control, accompanied by call button for food & beverages order
- Wall-to-wall screen offers a wider viewing experience
- Gold lounge and exclusive ticket box
- One 70-seat auditorium available at Grand Indonesia





Our initiatives attract new customers and reward loyal ones

Almost a half of a million blitzCard holders, of which the vast majority are regular users; blitzCard accounts for approximately one out of four ticket purchases

1. blitzCard

- Loyalty card that can be used for all transactions at Blitz, re-launched in May 2014
- Benefits include online purchase, no queuing, discount at other merchants and reward points that can be exchanged for snacks, beverages and movie tickets



2. Bank Promotion

- Customers get special discounts such as buy-1-get-1-free and up to 50% discount on movie tickets



3. Others

- Other promotional activities that target specific locations and specific market, such as: Saving on Tuesday, Student Promotion, Residential Promotion, Family Movie Time, etc





Blitz CSR: our way of giving back to the movie community

Toto's Film Making Class



- Participants of local students are guided by experienced mentors about the end-to-end process of film making, and are also given the opportunity to attend film seminars and festivals
- Held in collaboration with CJ CGV and KOICA (Korea International Cooperation Agency)
- Eight workshops will be held in Jakarta and Bandung over a two-year period (2014 – 2016)

Watching Movie Together (NOBAR) with 1000 Special Needs Children



- 1,000 children with special needs watched movie "*I AM STAR*" in Blitz Mall of Indonesia on December 3, 2014
- Held in cooperation with Dinas Sosial North Jakarta to commemorate the International Disability Day
- Blitz received an award from the Indonesian Record Museum (MURI) for this event as a party that provided a venue for 1,000 children with special needs

Film Festivals



- Toto's Film Festival (September 2015)
- Thai Film Festival (12 – 14 September 2014)
- Korea Indonesia Movie Festival (23 – 28 October 2014)
- Korea ASEAN Cinema Weekend (7-9 November 2014)
- Jiffest 2014 World Cinema (15 November 2014)






Blitz also takes part in promoting Indonesian movies

Blitz Arthouse - The House of Indonesian Movies



- Blitz dedicates a special auditorium in Pacific Place Jakarta, with a capacity of 128 seats, to screen Indonesian films from diverse genres (new movies, award winning movies, documentaries, short movies)
- Also includes Cinema Talk program, a discussion forum among film makers, actors, and wider movie communities
- Launched in January 2015



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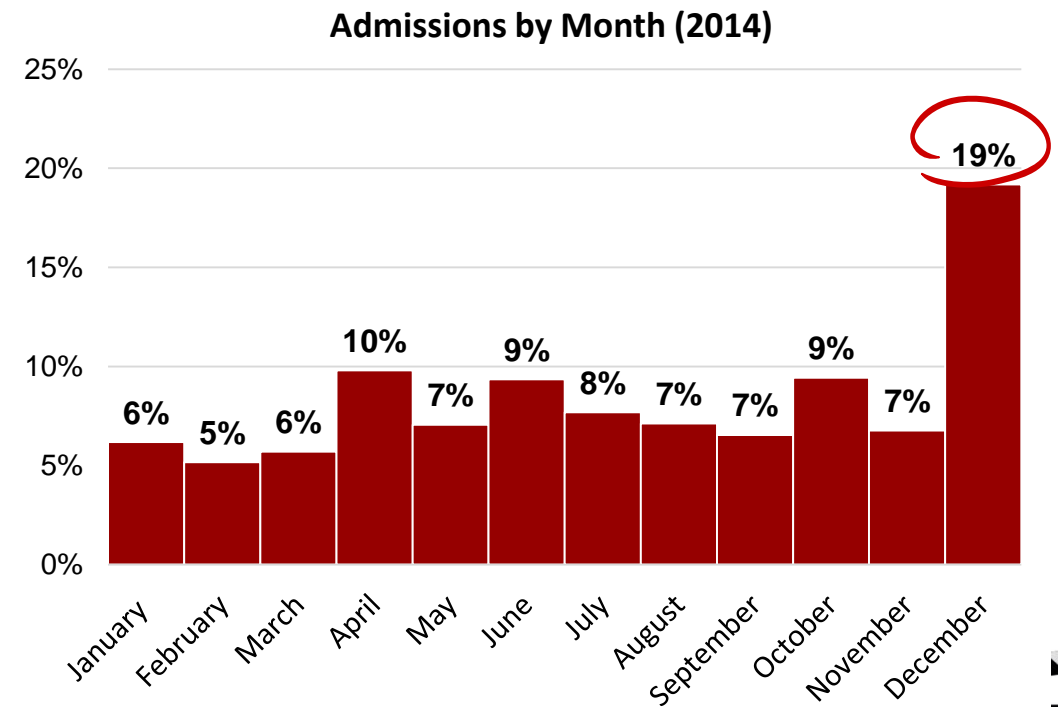
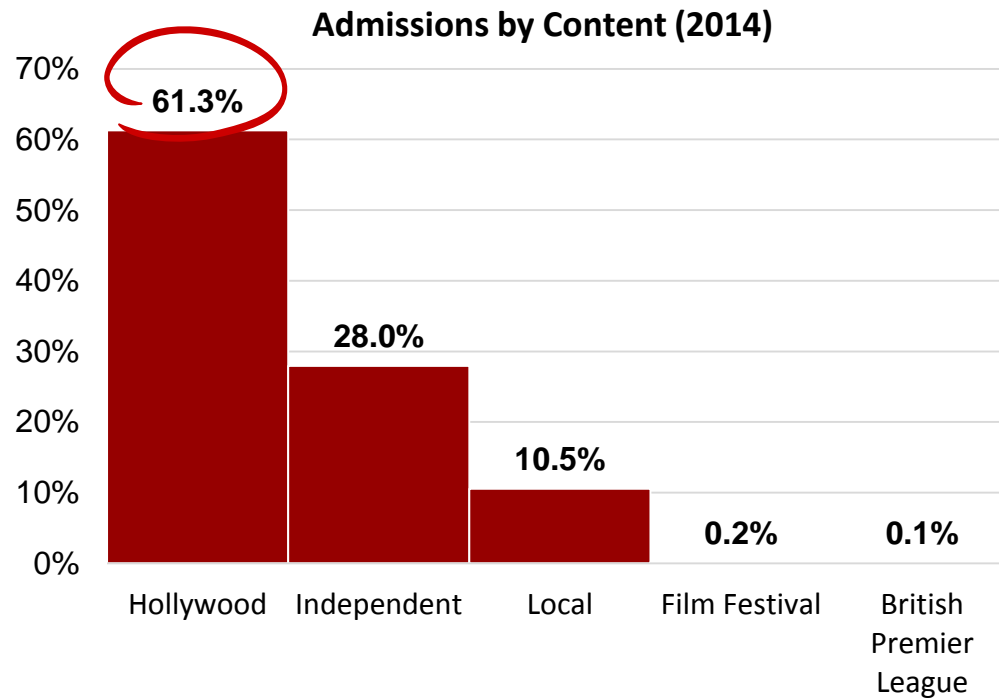




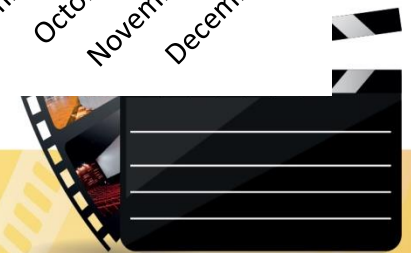
Our business performance is highly dependent on movie contents and their release time

Hollywood films accounted for 61%¹ of total admissions in 2014

December accounted for 19%¹ of total admissions in 2014, driven by the success of "Doraemon" movie



¹ Based on full year 2014 admissions of 6.8 million

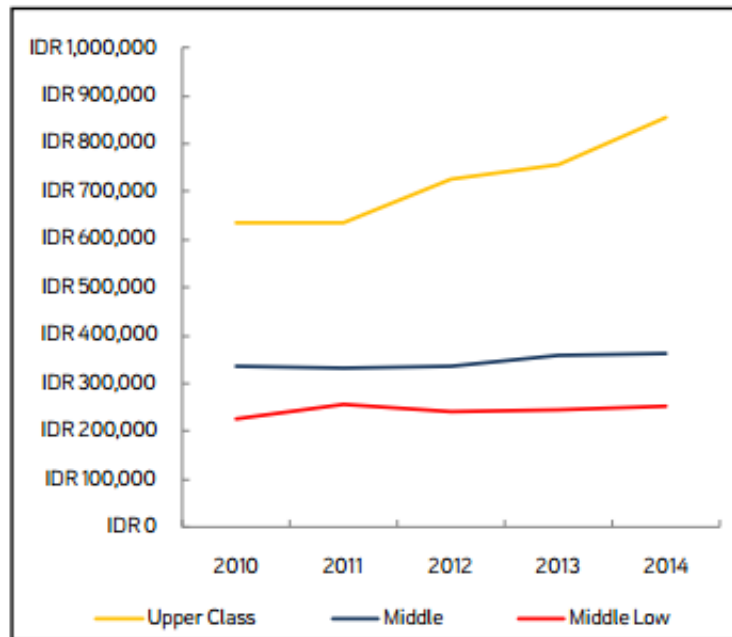




Higher rental prices and a new competitor may increase Blitz's challenges in securing future sites

Rents are increasing in prime areas

Asking Base Rental Rate in Jakarta, Based on Mall Grade (per m² per month)



Competition will intensify with a new player in the market



- The recent entry of new player that is strongly supported by a property conglomerate, will bring challenges in securing potential sites

Source: Colliers international – research and forecast reports Jakarta (Q4 2014)





In 2015, Blitz will “raise the bar” in Indonesia’s cinema industry by introducing **Sphere-X**

The world’s first installed Sphere-X, in collaboration with CGV



- All round curved screen, providing the most immersive viewing environment through the evolution of 3S (Screen, Sound, Seat)
- Realization of wall to wall screen
- Use Sky 3D Sound system, enabling surround sound from both sides to spread all the way to the ceiling and then fall back
- Capacity of 500 seats, available at Grand Indonesia by end of July 2015

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We also develop value-added initiatives

Through relationships with distributors, Blitz is expanding its portfolio to include alternate contents

Independent Movies

- Blitz also screens other contents such as Japanese, Korean, Thai, and Hindi movies



Concerts and Sports

- Blitz began screening concerts in 2011
- Screened the World Cup in 2010 and Barclays Premier League in 2014





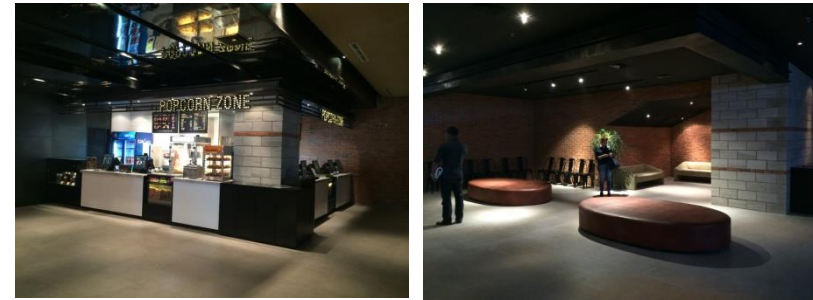
Blitz will continue to solidify its presence in Indonesia...

... through further site expansion...




- Build additional sites in key markets including Jakarta, Bandung, Surabaya, and Yogyakarta
- Further expand to potential 2nd and 3rd tier cities such as Cirebon and Karawang

... and enhancements in current sites



- Establish Grand Indonesia as GLP's flagship theatre by upgrading auditorium to the latest technology (4DX and Sphere-X) and enhancing its supporting facilities
- Improve area efficiency of current sites



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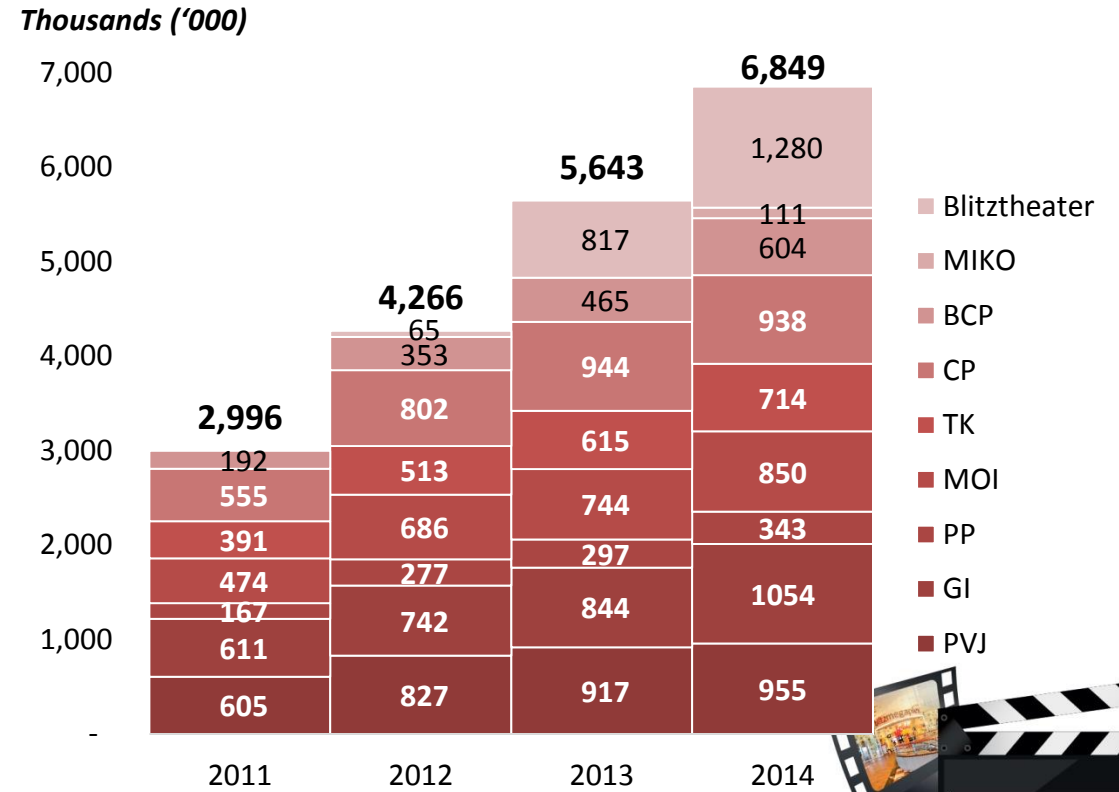
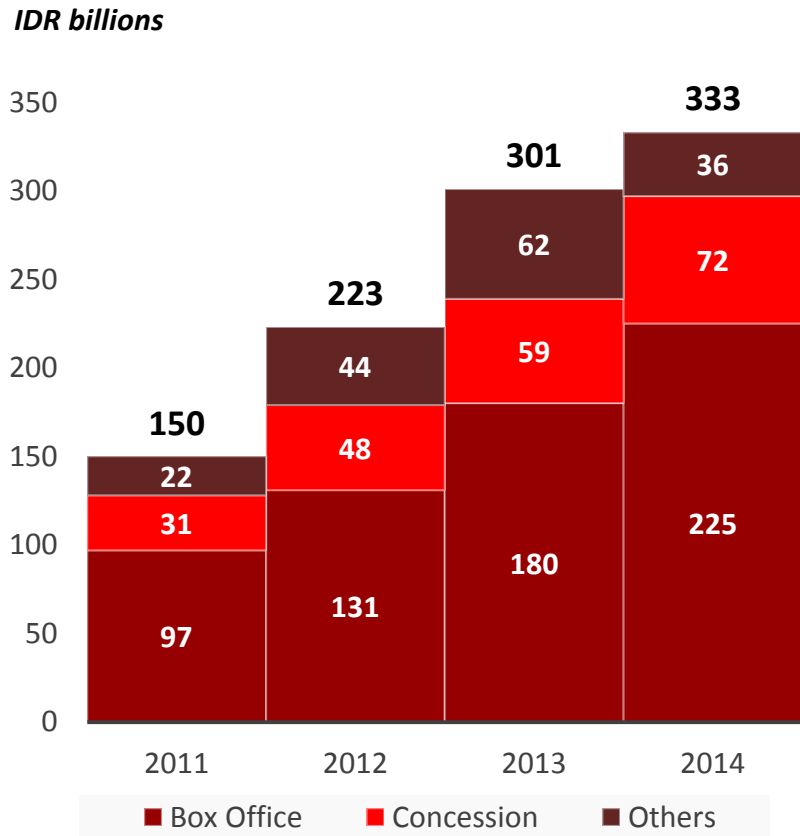




Blitz has enjoyed robust revenue and admissions growth over the past 3 years

Compound annual revenue growth of 30%* over the past three years

Admissions have shown similarly strong growth



*Including Blitztheater (franchise)





Consolidated* historical financials – income statement

High compound annual revenue growth of 30% since 2011 in a still underpenetrated market indicates robust growth potential for the future

<i>IDR mm</i>	2011	2012	2013	2014	Q1 2014	Q1 2015
Net revenue	150,076	223,324	300,948	332,577	57,431	69,463
Gross profit	91,418	136,572	184,282	186,027	30,530	43,359
EBIT	(76,609)	(31,669)	(9,263)	(50,681)	(15,638)	(17,725)
Net income	8,714	115,381	(12,223)	(31,754)	(18,097)	(12,171)

*Including Blitztheater (franchise)

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Consolidated* historical financials – balance sheet

<i>IDR mm</i>	2011	2012	2013	2014	Q1 2015
Current assets	63,841	73,519	341,044	320,974	267,292
Non-Current assets	355,744	286,698	294,091	334,375	386,484
Total assets	419,585	360,217	635,135	655,349	653,776
Current liabilities	247,938	62,376	597,476	132,037	142,120
Non-Current liabilities	778,045	788,857	6,636	8,684	6,923
Total liabilities	1,025,983	851,233	604,112	140,721	149,043
Total equity and MI	(606,397)	(491,016)	31,023	514,629	504,733
Total liabilities & equity	419,585	360,217	635,135	655,349	653,776

*Including Blitztheater (franchise)

Note: as of September 2014, Blitz has no debt





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SEGERA HADIR blitz CINEMA



JWALK MALL Yogyakarta
JUNI 2015

BEC MALL Bandung
JULI 2015



BIOSKOP BARU LEBIH SERU

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Terima Kasih

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