

PT Bakrie & Brothers Tbk

Investor Newsletter

November 07



Bakrie & Brothers (ticker: BNBR) is one of Indonesian oldest and largest conglomerate that focuses on three core businesses: infrastructure, plantation & telecommunication. The company's infrastructure businesses consist of two steel pipe mills, two steel fabrication and construction contractors, one automotive component manufacturer and one building materials manufacturer. The plantation business is represented by the listed Bakrie Sumatera Plantations (ticker: UNSP) that owns a sizable oil palm & rubber plantations, including several processing facilities. The telecommunication division mainly represented by the listed Bakrie Telecommunication (ticker: BTEL), which is the country's second largest CDMA fixed wireless operator.

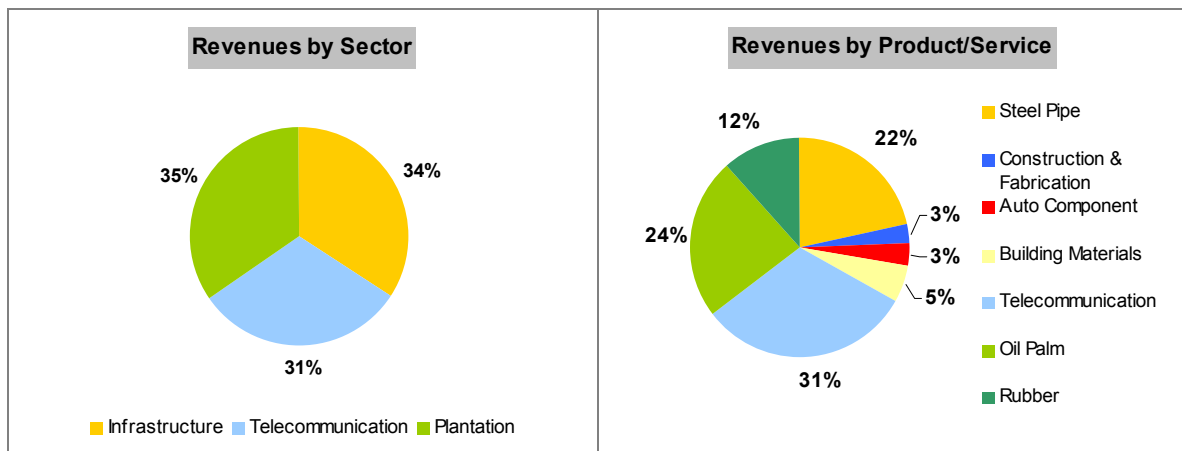
9M07 Revenues

Sector	Year-on-Year (YoY)			Month-on-Month (MoM)		
	9M06	9M07	+/-	Aug 07	Sep 07	+/-
Infrastructure*	2,005.7	1,096.7	-45%	85.6	144.8	69%
Plantation	802.0	1,115.0	39%	136.6	169.9	24%
Telecom**	588.2	989.2	68%	128.4	154.2	20%
Total	3,395.9	3,201.0	-6%	350.6	468.9	34%

*BPI, SEAPI, BCons, BCMI, BTJ & BBI **Excl. Bakrie Communications

9M07 revenues decline by 6% yoy due to lower contribution from infrastructure. This was mainly the result of delay in many pipeline tenders, coupled with an extremely high 2006 base, in which there were several major pipeline projects. In contrast, both plantation and telecommunication posted double digit growth, inline with strong commodity prices and subscriber growth.

Revenue Mix



Despite lower contribution, infrastructure remained the largest revenues contributor for 9M07. However, in terms of product or service, telecommunication was the biggest during the period.

News of The Month

Project Management for Trans Java Toll Road

Bakrie & Brothers secured project management roles for portions of Trans Java toll road, totaling more than 200 km in length, valued at around Rp 12 tn. The project is scheduled to commence in 2008.

Epicentrum Smart City Project

Bakrie & Brothers, through its subsidiaries signed an MoU to become the telecommunication & media network contactor as well as service provider within the Rasuna Epicentrum area. The service will include: telephone, pay TV, internet, IPTV and multimedia gaming for office tenants, apartment owners as well as shopping mall retailers.

Bakrie Pipe Industries (BPI)

9M07 revenues declined by 32% yoy. This was mostly attributed to lower sales volume, following delays in several pipeline tender. Average price was also down, due to changes in product mix. Yet, compare to the previous month, September revenues increase sharply to Rp 85 bn, on the back of general market sales and final delivery for Kodeco project.

Bakrie Corrugated Metal Industries (BCMI)

BCMI posted an annual 11% increase in revenues during 9M07, fueled by high growth in sales volume. Average price went down as this year's contracts are for material supply only and do not include installation fee. September sales jumped from the month before to Rp 14 bn, following a completion of 500 tons steel bridge projects in Kalimantan & Papua.

Bakrie Tosanjaya (BTJ)

9M07 revenues jumped by 58% yoy on the back of triple digit sales volume growth in all product categories. Inline with the recovery within the automotive market, average price during the same period also increased.

Bakrie Building Industry (BBI)

BBI booked 19% increase in revenues by 9M07 when compare to the year before, driven by robust demand for roof & ceiling products. While lack of property projects during the period has resulted in lower wall product sales.

Bakrie Telecom Tbk (BTEL)

9M07 revenues soared by 68% yoy to Rp 989 bn. This was due to more than doubling of subscribers to 2.9 mn by September 07.

New Area Launch Ahead of Schedule

Following its nationwide rollout, BTEL currently operating in East Java (Surabaya & Malang), Central Java (Semarang, Solo & Yogyakarta) and Sumatra (Medan & Padang). This means Esia service now covers about 40% of Indonesia's wireless market.

Bakrie Sumatera Plantation Tbk (BSP)

BSP booked a 39% annual increase in revenues by 9M07. This was mainly due to 95% higher oil palm product revenues, following double digit increase in sales volume as well as average price in all product categories. On the other hand, rubber sales decreased by 12%, inline with lower sales volume. Average price also went down slightly. In addition to lower global price, this was also the result of replanting and change in product mix.

Subsidiaries Highlights

Subsidiary	Year-on-Year (YoY)			Month-on-Month (MoM)		
	9M06	9M07	+/-	Aug 07	Sep 07	+/-
BPI						
Revenue (Rp bn)	975.1	666.8	-32%	42.0	85.0	102%
Volume ('000 tons)	93.4	76.8	-18%	5.4	9.1	69%
Ave. Price (Rp mn/ton)	10.4	8.7	-16%	7.8	9.4	21%
Order in Hand ('000 tons)				24.2	24.1	0%
SEAPI						
Revenue (Rp bn)	536.5	15.9	-97%	-	7.2	na
Volume ('000 tons)	42.1	1.5	-96%	-	0.6	na
Ave. Price (Rp mn/ton)	12.8	10.8	-16%	-	12.2	na
Order in Hand ('000 tons)				-	1.7	na
BCons						
Revenue (Rp bn)	536.5	15.9	-97%	-	7.2	na
Revenue (US\$ mn)	42.1	1.5	-96%	-	0.6	na
BCMI						
Revenue (Rp bn)	64.4	71.2	11%	6.4	14.0	120%
Volume ('000 tons)	3.6	4.5	25%	0.4	0.9	114%
Ave. Price (Rp mn/ton)	17.8	15.7	-12%	14.9	15.3	3%
Order in Hand ('000 tons)				2.7	2.2	-19%
BTJ						
Revenue (Rp bn)	66.3	104.6	58%	12.8	11.6	-9%
Volume ('000 tons)						
Auto Component	2.7	7.1	158%	1.2	1.1	-14%
Others	0.9	1.8	100%	0.1	0.1	6%
Total	3.7	8.9	143%	1.4	1.2	-12%
Ave. Price (Rp mn/ton)						
Auto Component	8.6	8.9	4%	8.7	9.3	7%
Others	9.1	10.3	12%	10.2	9.7	-5%
BBI						
Revenue (Rp bn)	145.6	173.1	19%	20.3	17.7	-13%
Volume ('000 tons)						
Roof & Ceiling Product	90.0	117.9	31%	13.8	12.0	-13%
Wall Product	29.9	13.1	-56%	1.8	1.6	-11%
Total	119.9	131.0	9%	15.5	13.6	-12%
Ave. Price (Rp mn/ton)						
Roof & Ceiling Product	1.4	1.4	-4%	1.4	1.4	-1%
Wall Product	0.5	0.5	-9%	0.6	0.7	17%

Subsidiary	Year-on-Year (YoY)			Month-on-Month (MoM)		
	9M06	9M07	+/-	Aug 07	Sep 07	+/-
BTEL						
Revenues (Rp bn)	588.2	989.2	68%	128.4	154.2	20%
BSP						
Revenue (Rp bn)						
Oil Palm	381.0	744.0	95%	84.7	126.4	49%
Rubber	421.0	371.0	-12%	51.9	43.6	-16%
Total	802.0	1,115.0	39%	136.6	169.9	24%
Volume ('000 tons)						
CPO	101.6	117.8	16%	11.4	17.4	53%
Palm Kernel	18.6	26.2	41%	3.2	4.0	25%
FFB	1.2	1.5	25%	0.0	0.0	33%
Rubber	21.5	19.9	-7%	2.6	2.2	-17%
Ave. Price (Rp mn/ton)						
CPO	3.4	5.6	65%	6.4	6.5	2%
Palm Kernel (PK)	1.8	3.0	67%	3.4	3.3	-3%
Rubber	19.5	18.7	-4%	20.0	20.3	1%

Upcoming Events

29 November 2007

3Q07 Analyst Briefing, The Financial Club, Jakarta

14 – 17 January 2008

CLSA's Asia Investor Forum, Las Vegas, USA

PT Bakrie & Brothers Tbk

Wisma Bakrie 2, 16 - 17th fl.
 Jl HR Rasuna Said, Kav. B-2
 Jakarta 12920, Indonesia
 Tel : +6221 936 33333, 99999
 +6221 5200 905 (Investor Relations)
 Fax : +6221 5794 2046
 Web : www.bakrie-brothers.com

Contact Details

Dian Adhitama, ext. 404
dian.adhitama@bakrie.co.id

Wim Andrian, ext. 355
wim.andrian@bakrie.co.id

Grace Natalia, ext. 543
grace.natalia@bakrie.co.id

Some of the statements in this document contain "forward looking" statements with respect to the financial conditions, results of operations and businesses, and related plans and objectives. These Statements do not directly or exclusively relate to historical facts and reflect the Company's current intentions, plans, expectations, assumptions and beliefs about future events. The Statements involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those in the statements as originally made. Such statements are not, and should not be construed as a representation to future performance of the Company. Readers are urged to view all forward-looking statements contained herein with caution.