

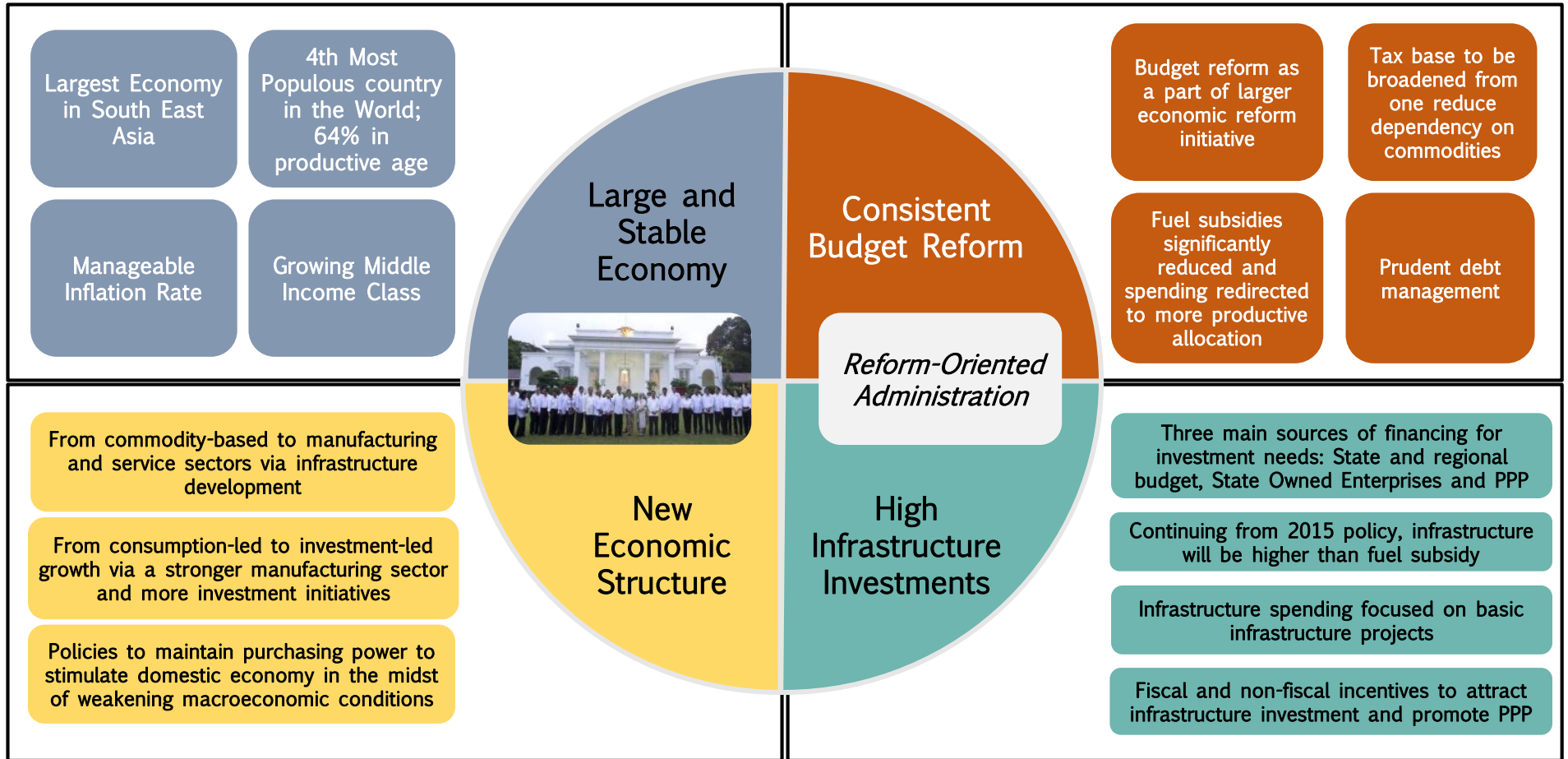
Section 2



Economic Factor:
Strong and Stable Growth Prospects
Remain Intact



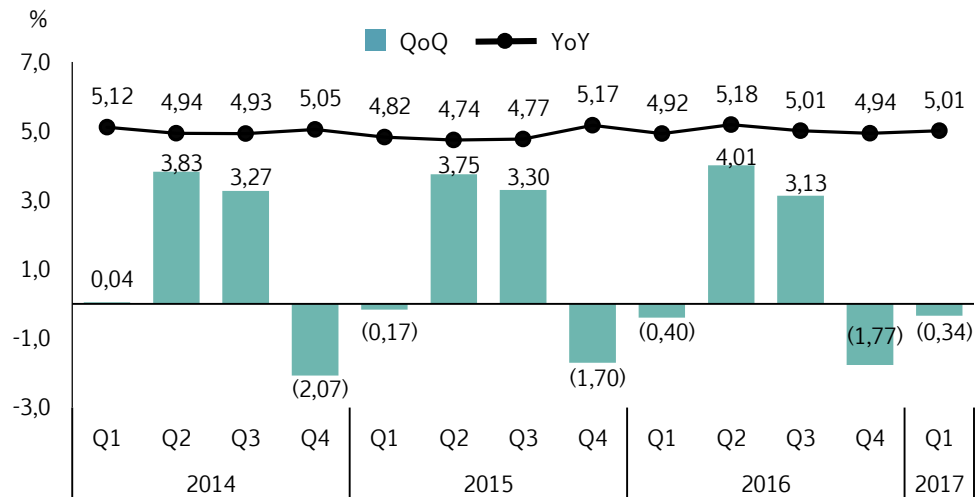
Conducive Environment Underpinning Strong Growth Fundamentals



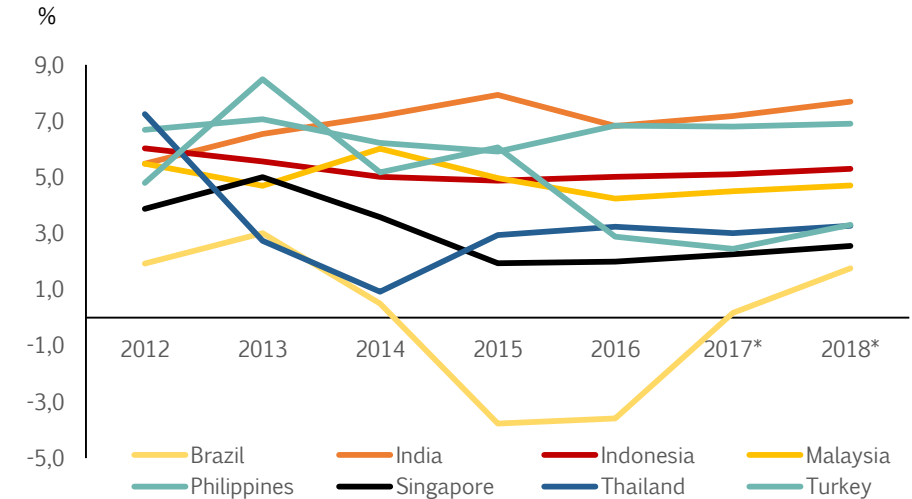
Indonesia's Strong GDP



Strong GDP Growth¹



Favourable GDP Growth Compared to Peers²



GDP Growth Based on Expenditures (% YoY)¹

By expenditure	2014					2015					2016					2017
	Q1	Q2	Q3	Q4	Tot.	Q1	Q2	Q3	Q4	Tot.	Q1	Q2	Q3	Q4	Tot.	Q1
HH. consumption	5.2	5.2	5.1	5.1	5.1	5.0	5.0	5.0	4.9	5.0	5.0	5.1	5.0	5.0	5.0	4.9
Non profit HH. consumption	23.2	22.4	5.8	(0.5)	12.2	(8.1)	(8.0)	6.6	8.3	(0.6)	6.4	6.7	6.6	6.7	6.6	8.0
Government consumption	6.1	(1.8)	1.2	0.9	1.2	2.9	2.6	7.1	7.1	5.3	3.4	6.2	(2.9)	(4.0)	(0.1)	2.7
Gross Fixed Cap. Formation	5.4	4.0	4.4	4.1	4.4	4.6	4.0	4.9	6.4	5.0	4.7	4.2	4.2	4.8	4.5	4.8
Exports	3.1	1.5	4.9	(4.4)	1.1	(0.7)	(0.3)	(0.9)	(6.4)	(2.1)	(3.3)	(2.2)	(5.6)	4.2	(1.7)	8.0
Imports	5.1	0.4	0.2	3.0	2.1	(2.6)	(7.4)	(6.6)	(8.7)	(6.4)	(5.1)	(3.2)	(3.7)	2.8	(2.3)	5.0
GDP	5.1	4.9	4.9	5.0	5.0	4.8	4.7	4.8	5.2	4.9	4.9	5.2	5.0	4.9	5.0	5.0

Growth Prospect

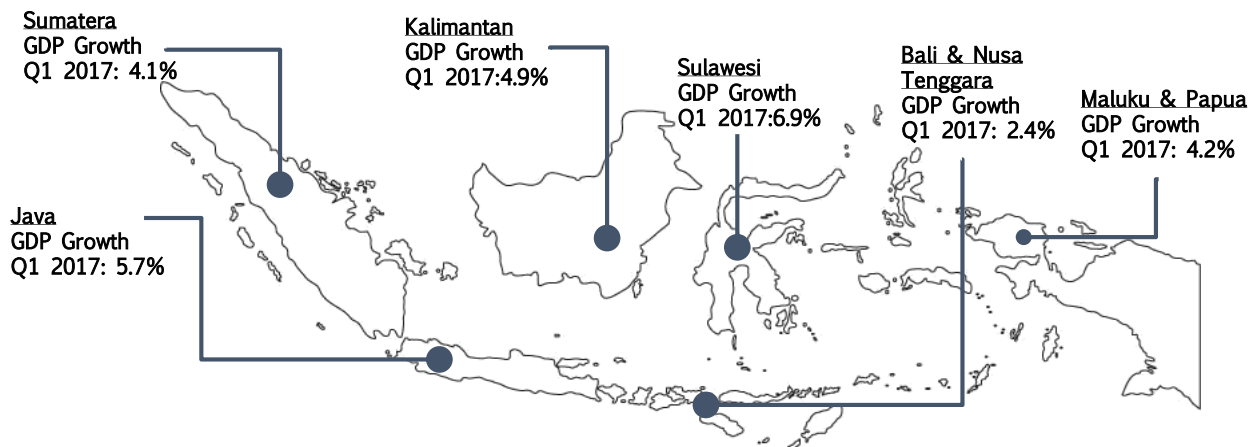
Institutions	2017 GDP growth (%YoY)
2017 Budget	5.1
Bank Indonesia	5.0-5.4
IMF	5.1
World Bank	5.3
ADB	5.1
Consensus Forecast (May 2017)	5.2

1. Source: Central Bureau of Statistics of Indonesia (BPS)
 2. Source: World Economic Outlook Database - April 2017; * indicates estimated figure

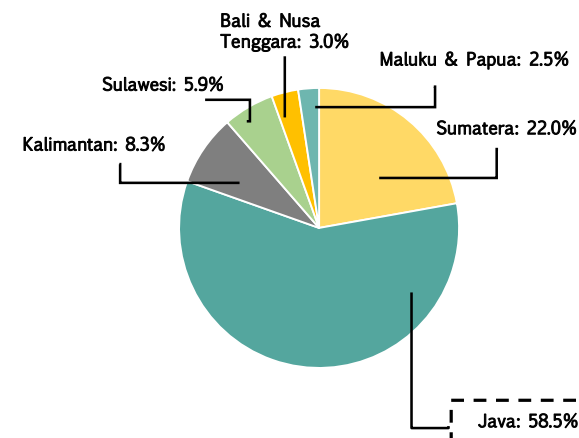
Strong and Stable GDP Performance



Spatial GDP Growth



Spatial GDP Growth Contribution



Contributors to GDP Growth by Sector (% YoY)

By sectors	2014					2015					2016					2017
	Q1	Q2	Q3	Q4	Tot.	Q1	Q2	Q3	Q4	Tot.	Q1	Q2	Q3	Q4	Tot.	Q1
Agriculture, forestry, and fishery	5.2	4.9	3.6	3.3	4.2	3.8	6.5	2.9	1.6	3.8	1.5	3.4	3.0	5.3	3.3	7.1
Mining	(1.2)	0.7	0.7	1.5	0.4	0.6	(3.6)	(4.4)	(6.0)	(3.4)	1.2	1.2	0.3	1.6	1.1	(0.5)
Industrial processing	4.5	4.9	5.0	4.2	4.6	4.1	4.2	4.6	4.4	4.3	4.7	4.6	4.5	3.4	4.3	4.2
Construction	7.2	6.5	6.5	7.7	7.0	6.0	5.4	6.8	7.1	6.4	6.8	5.1	5.0	4.2	5.2	6.3
Big traders, wholesale, retail	6.1	5.1	5.2	4.4	5.2	3.8	1.6	1.4	3.7	2.6	4.1	4.1	3.6	3.9	3.9	4.8
Transportation and warehousing	7.0	7.6	7.7	7.2	7.4	5.8	5.9	7.3	7.7	6.7	7.9	6.9	8.3	7.9	7.7	7.6
Information and communication	9.9	10.7	9.8	10.1	10.1	9.7	9.3	10.6	9.2	9.7	7.6	9.3	9.0	9.6	8.9	9.1
Financial service and insurance	3.6	5.5	1.9	7.9	4.7	8.6	2.6	10.4	12.8	8.6	9.3	13.6	9.0	4.2	8.9	5.7
Other Services	8.4	9.5	9.5	8.4	8.9	8.0	8.1	8.1	8.2	8.1	7.9	7.9	7.7	7.7	7.8	8.0
GDP	5.1	4.9	4.9	5.0	5.0	4.8	4.7	4.8	5.2	4.9	4.9	5.2	5.0	4.9	5.0	5.0