

**SETTING UP A PULP FACTORY
TABLE OF CONTENT**

| TITLE PAGE | PAGE |
|--|-------------|
| EXECUTIVE SUMMARY | i-iii |
| TABLE OF CONTENT | |
| 1. INTRODUCTION | |
| 1.1 Thesis Objective ----- | 1 |
| 1.2 Method of Inquiry ----- | 1 |
| 1.3 Background ----- | 1 |
| 2. COMPANY PROFILE | |
| 2.1 Company Introduction ----- | 4 |
| 2.2 Company's Short Term Objective ----- | 4 |
| 2.3 Company's Long Term Objective ----- | 4 |
| 3. GENERAL OVERVIEW OF INDONESIAN PULP/PAPER INDUSTRY | |
| 3.1 Market Opportunities ----- | 6 |
| 3.2 Market Condition ----- | 6 |
| 3.3 Strategic Business Entry ----- | 9 |
| 3.4 Entry and Exit Barriers ----- | 9 |
| 3.5 HPH and HTI ----- | 10 |
| 4. MARKET OVERVIEW | |
| 4.1 Domestic Consumption ----- | 13 |
| 4.2 Domestic 1991 Install Capacity ----- | 15 |
| 4.3 Projected Demand ----- | 16 |
| 4.4 Major New Project Investment ----- | 18 |
| 4.5 Indonesian Pulp Export ----- | 22 |
| 4.6 Indonesian Pulp Import ----- | 24 |
| 4.7 1993 to 1997 Projection ----- | 25 |
| 4.8 Strategy in Marketing the Product ----- | 26 |
| 5. SWOT ANALYSIS ----- | 28 |
| 6. DEVELOPING A BUSINESS PLAN ----- | 29 |
| 6.1 Human Resource ----- | 29 |
| 6.1.1 Organizational Structure ----- | 29 |
| 6.1.2 Management Team ----- | 29 |
| 6.1.3 Training Program ----- | 31 |
| 6.1.4 Fringes Benefits ----- | 31 |

| | | |
|------------|---|-----------|
| 6.2 | Technical Aspect ----- | 33 |
| | 6.2.1 General Aspect ----- | 33 |
| | 6.2.2 Production Process ----- | 34 |
| | 6.2.3 Raw Materials and Supplies ----- | 35 |
| | 6.2.4 Capital Requirement ----- | 36 |
| | 6.2.5 Environmental Control ----- | 37 |
| | 6.2.6 Construction Period ----- | 39 |
| 6.3 | Financial Aspect ----- | 39 |
| | 6.3.1 Investment & Source of Fund ----- | 39 |
| | 6.3.2 Assumptions ----- | 41 |
| | 6.3.3 Financial Projections ----- | 45 |
| | 6.3.4 Financial Ratio Analysis ----- | 47 |
| 7. | CONCLUSION ----- | 52 |

TABLES

APPENDICES

BIBLIOGRAPHY

LIST OF TABLES AND APPENDICES

| | |
|----------|--|
| Table 01 | Depreciation/Amortization & Maintenance Cost----- |
| Table 02 | Depreciation/Amortization & Maintenance Schedule ----- |
| Table 03 | Investment Time Schedule ----- |
| Table 04 | Cost of Goods Sold Schedule----- |
| Table 05 | Cash Requirement Schedule ----- |
| Table 06 | Working Capital Requirement Schedule ----- |
| Table 07 | Production And Sales Schedule----- |
| Table 08 | Profit and Loss Schedule----- |
| Table 09 | Cash Flow Schedule----- |
| Table 10 | Pay-back Period Schedule ----- |
| Table 11 | Balance Sheet Schedule ----- |
| Table 12 | Financial Ration Schedule----- |
| Table 13 | Return on Investment (ROI) Schedule ----- |
| Table 14 | Sensitivity Analysis Schedule----- |

| | |
|------------|-------------------------------|
| Appendix 1 | Line Organizational Chart |
| Appendix 2 | Construction Time Table |
| Appendix 3 | Distribution Channel of Pulp |
| Appendix 4 | Distribution Channel of Paper |