



# Indonesia

**Our Vision: To be “An Environmentally Conscious World Class Energy Company”**

**Corporate Presentation, NOVEMBER 2014**

[www.ptba.co.id](http://www.ptba.co.id)

Reuters: PTBA.JK

Bloomberg: PTBA IJ

Exchange: JKT

Ticker: PTBA





- 1. Introduction
- 2. Operational Review
- 3. Commercial Review
- 4. Financial Review
- 5. Project Development
- Appendices



## Company's Key Milestones

### Indonesia's Oldest and Most Experienced Coal Producer



During the Dutch colonial period, the first open-pit at Airlaya mine, in Tanjung Enim, South Sumatera started operating.

1919



PN TABA was converted into a limited corporation and its name changed to PT Tambang Batubara Bukit Asam (PTBA). This date is officially considered as the base of the company's anniversary.

2 Mar 1981



PTBA was publicly listed on the Jakarta Stock Exchange with 35% of shares held by the public. It traded with the initial stock price of IDR575 under the code PTBA.

23 Dec 2002

1876

Coal Mine in Ombilin, West Sumatera, started in operation.



1950

The company changed into an Indonesian state owned company which was called "PN Tambang Arang Bukit Asam" (TABA). PN is abbreviation of Perusahaan Negara, means "State Company".



1990

Another state owned coal company, "Perusahaan Umum Tambang batubara" merged with PT Bukit Asam (PTBA). Since then, PTBA become the only state owned coal mining in Indonesia.



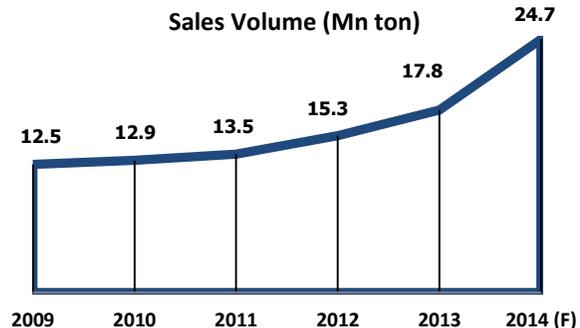
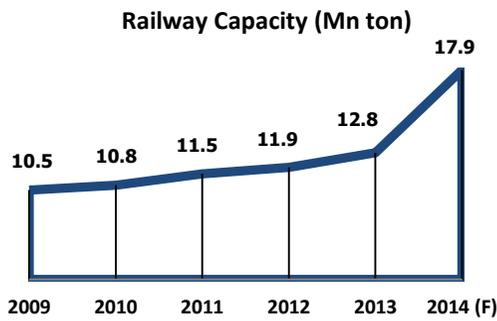
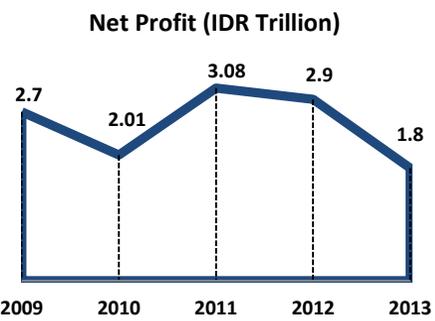
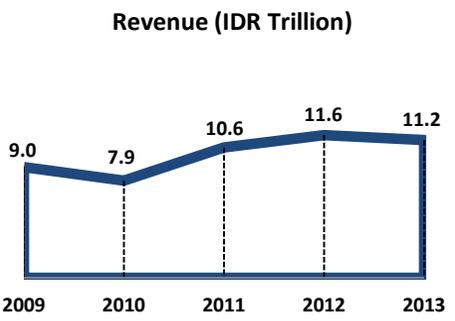
During the period 1991-1995, on the behalf of the Indonesian government, PTBA acted as the domestic coal regulator for Coal Contract of Works (CCoW).

**Subsidiaries:**

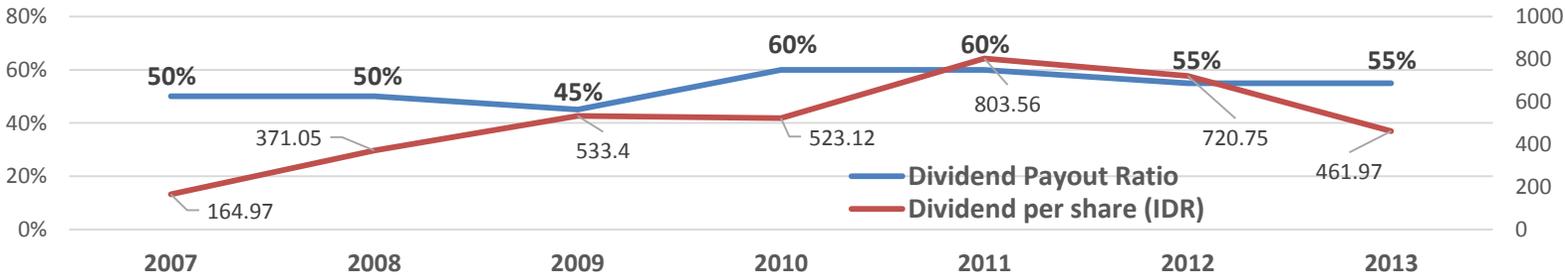


<p><b>Coal Business</b></p> 	<p><b>Coal Trading</b></p> 	<p><b>Power Generation</b></p> 	<p><b>Logistic</b></p> 	<p><b>CBM Gas</b></p> 
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## Operational Highlights



	FY13(A) a	FY14(F) b	% c=b/a	9M13 d	9M14 e	% f=e/d
▪ SALES VOLUME (MT)	17.8	24.7	139%	13.2	13.2	100%
▪ PRODUCTION (MT)	15.1	19.8	131%	10.9	12.5	115%
▪ COAL PURCHASE (MT)	2.7	3.9	144%	2.3	1.4	61%
▪ RAILWAY (MT)	12.8	17.9	140%	9.6	11.0	115%
▪ REVENUES (IDR TN)	11.2			8.1	9.6	119%
▪ NET PROFIT (IDR TN)	1.8			1.2	1.6	127%



## Operations Location

Mining Business License (IUP)	
Tanjung Enim Mine	66,414 Ha
Ombilin Mine	2,950 Ha
Peranap Mine	18,230 Ha
IPC Mine	3,238 Ha
<b>Total</b>	<b>90,832 Ha</b>

Total Resources	7.29 billion tons
Total Mineable Reserves	1.99 billion tons

**PERANAP MINE**  
 Resources : 0.79 billion tons  
 Mineable : 0.37 billion tons

**OMBILIN MINE**  
 Resources : 0.10 billion tons  
 Mineable : 0.02 billion tons

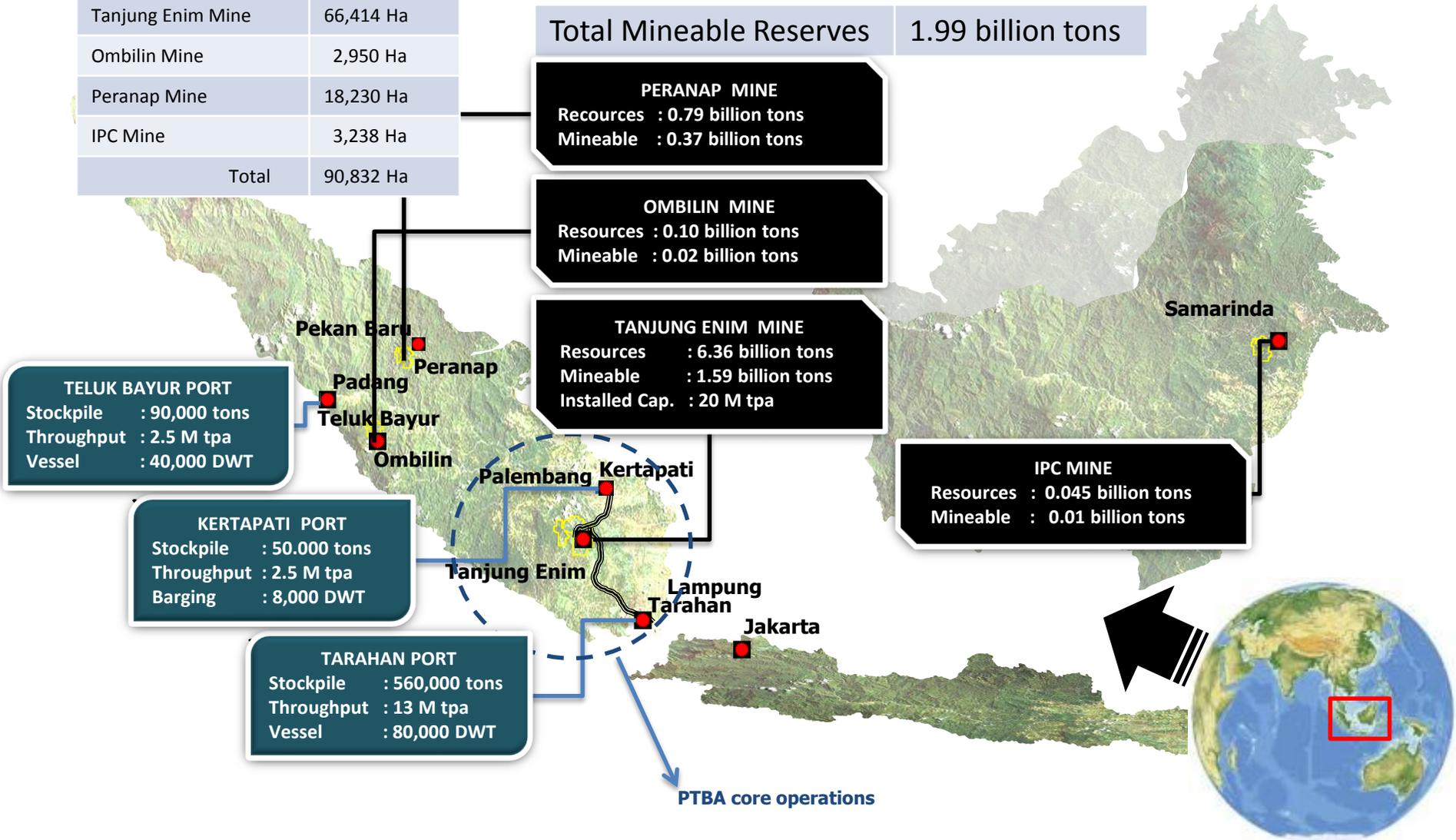
**TANJUNG ENIM MINE**  
 Resources : 6.36 billion tons  
 Mineable : 1.59 billion tons  
 Installed Cap. : 20 M tpa

**IPC MINE**  
 Resources : 0.045 billion tons  
 Mineable : 0.01 billion tons

**TELUK BAYUR PORT**  
 Stockpile : 90,000 tons  
 Throughput : 2.5 M tpa  
 Vessel : 40,000 DWT

**KERTAPATI PORT**  
 Stockpile : 50,000 tons  
 Throughput : 2.5 M tpa  
 Barging : 8,000 DWT

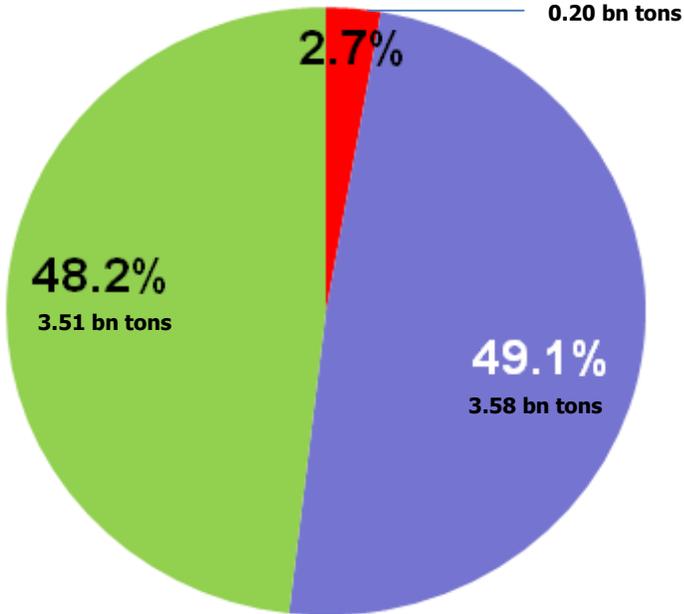
**TARAHAN PORT**  
 Stockpile : 560,000 tons  
 Throughput : 13 M tpa  
 Vessel : 80,000 DWT



PTBA core operations

## Coal Resources

Total: 7.29 billion tons

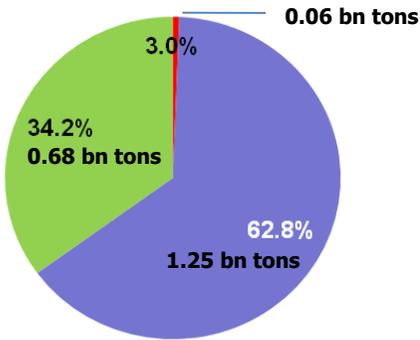


■ Bituminous   ■ Sub-Bituminous   ■ Lignite

## Resources & Reserves

### Coal Mineable Reserves

Total: 1.99 billion tons



■ Bituminous   ■ Sub-Bituminous   ■ Lignite

Parameter	BITUMINOUS	SUB BITUMINOUS	LIGNITE
TM (% ar)	< 18	18 -30	> 35
CV (KCal/Kg adb)	> 6,400	4,900 – 6,400	< 4,900
(KCal/Kg ar)	5,800 – 7,950	4,400 – 5,800	< 4,400

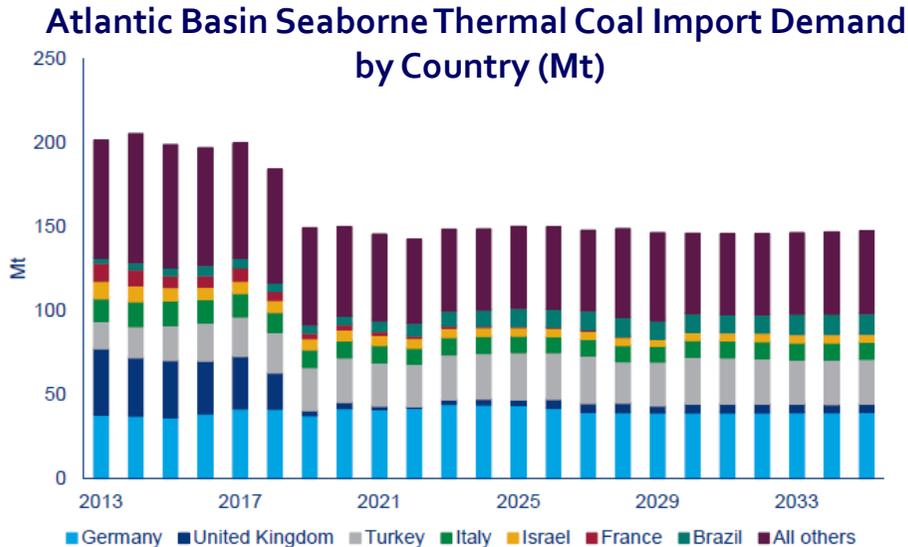
## Global Coal Review



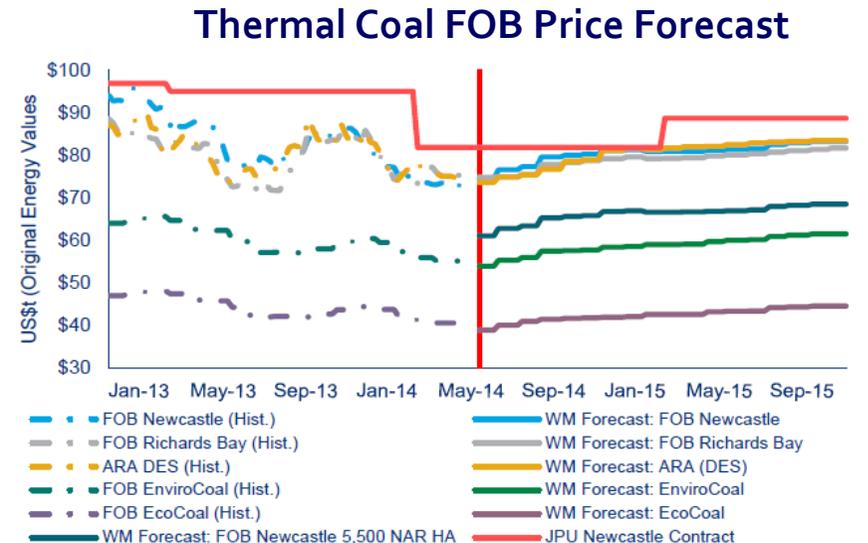
Source: Wood Mackenzie Coal Market Service, November 2013



Source: Wood Mackenzie Coal Market Service, July 2014

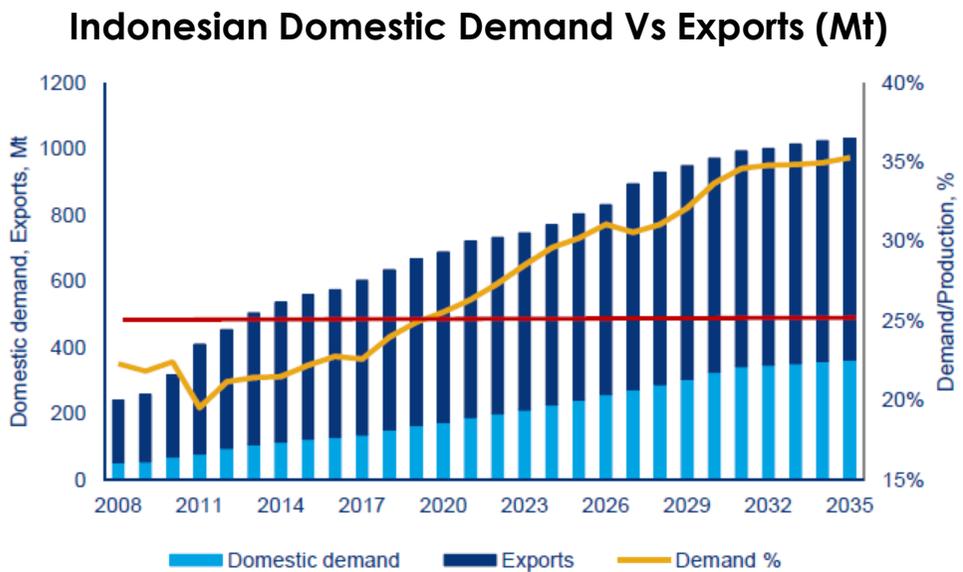


Source: Wood Mackenzie Coal Market Service, November 2013

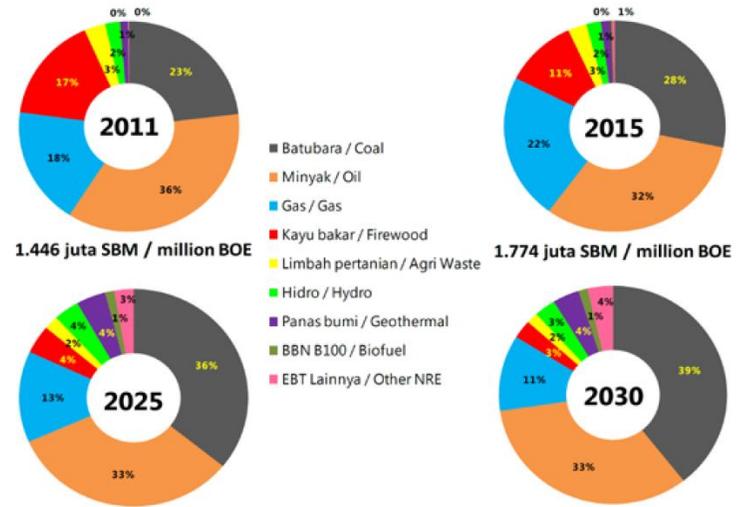


Source: globalCOAL and Indonesian Govt (History), Wood Mackenzie Coal Market Service, June 2014

## National Coal Review Primary Energy Mix (%)

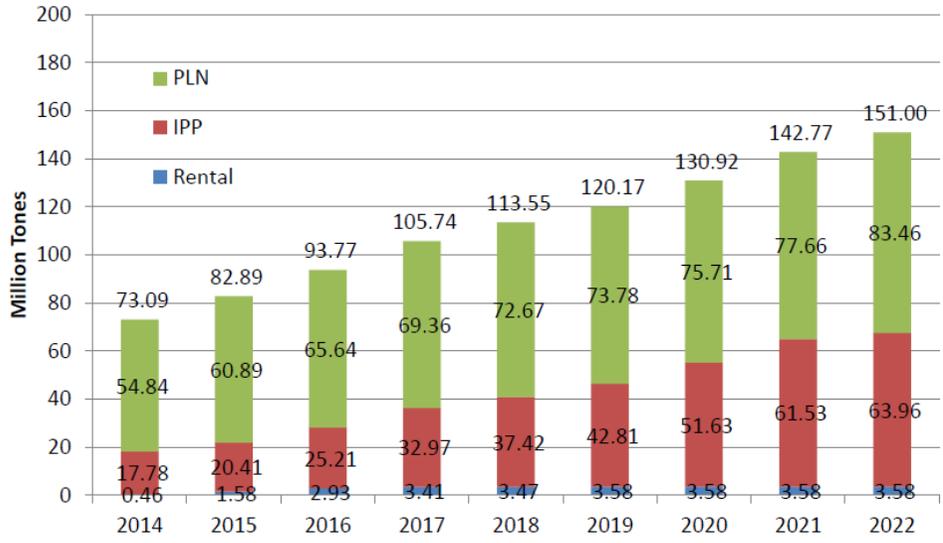


Source: Wood Mackenzie Coal Market Service, November 2013



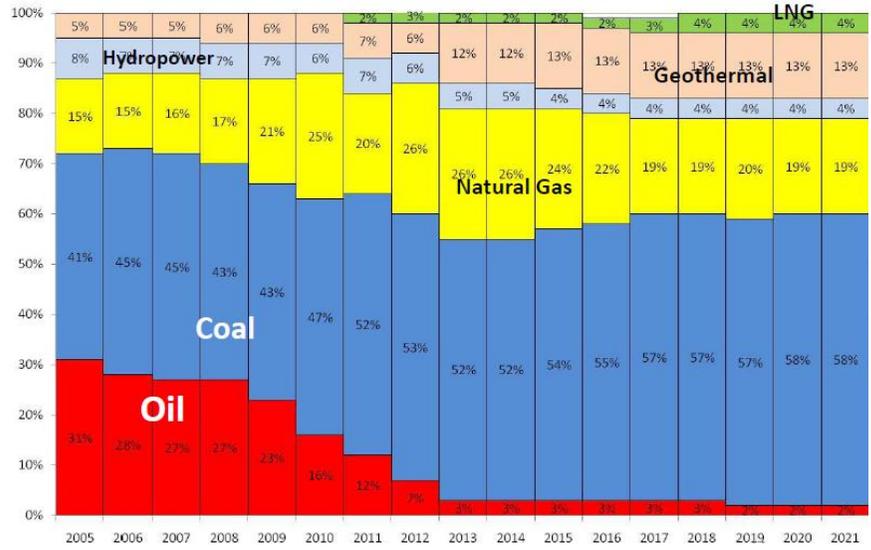
Source: Agency For The Assessment And Application Of Technology, Dec 2013

### Coal Consumption Guidance for Electricity



Source: PLN, 2014

### Fuel Mix 2005-2021 : For Power Generation



Source: PLN, 2014

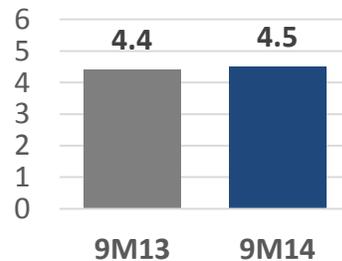
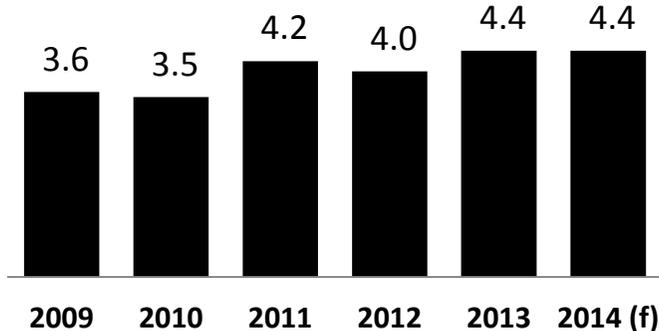
## Costs & Prices

### Total Cash Cost (FOB)

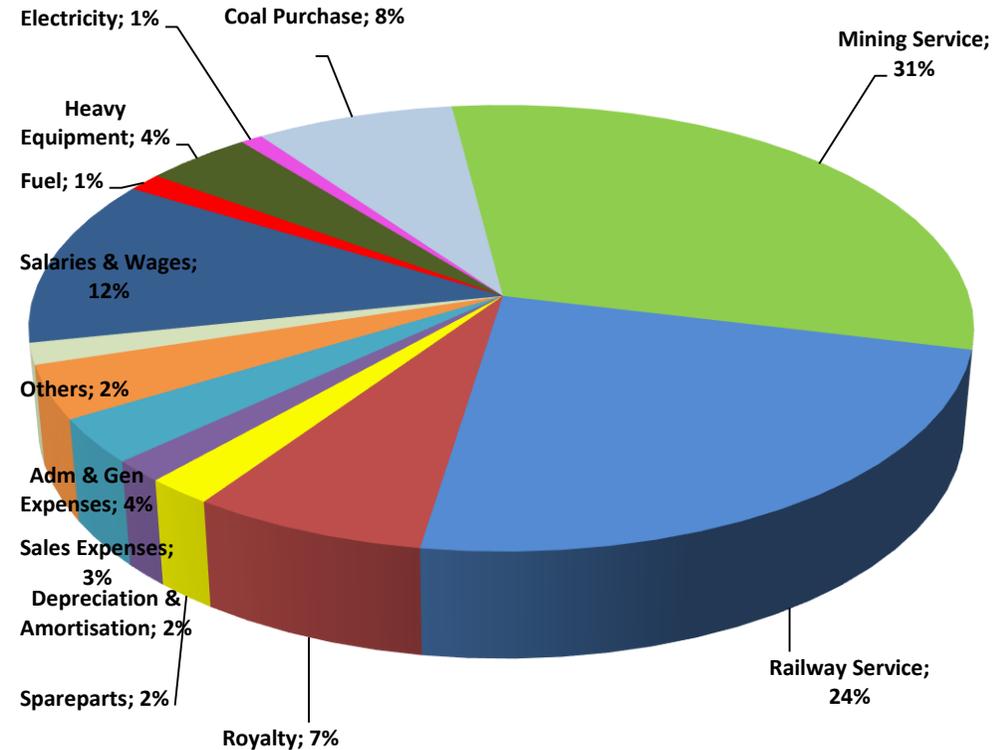
Tanjung Enim System *)	9M13	9M14	YoY
Ex Royalty (IDR)	556,121	584,281	+5%
Total (IDR)	598,033	630,544	+5%

\*) Note: Total cash cost include COGS, G&A, Selling Expenses, Inventory

### Weighted Average Strip Ratio



### 9M14 Total Cost Breakdown



### Average Selling Price (ASP)

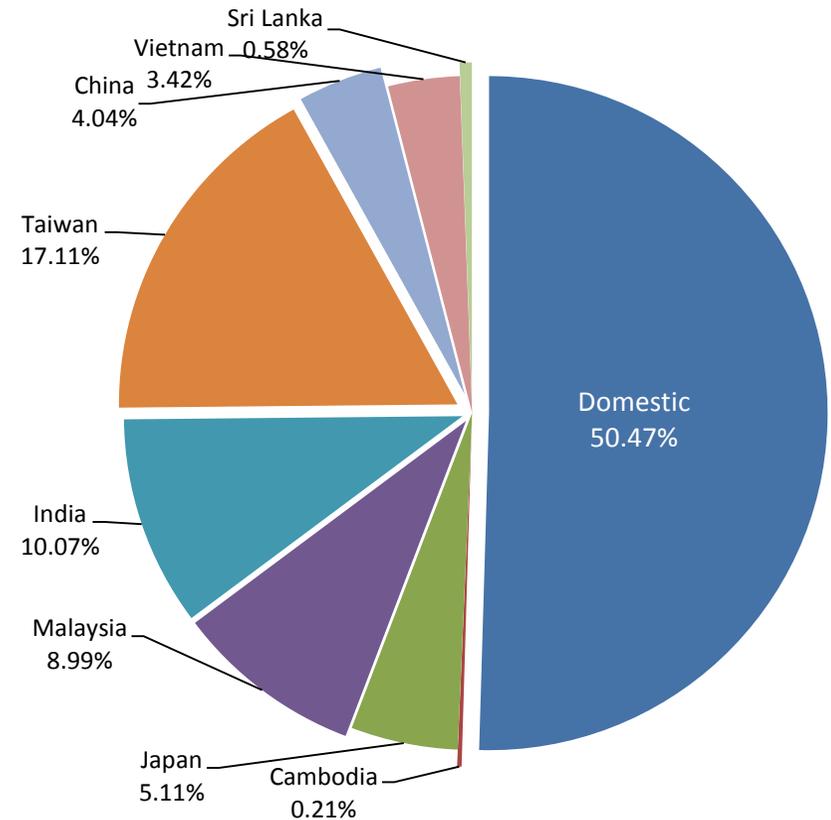
	FY13	9M13	9M14	YoY
Weighted ASP (IDR/Ton)	631,145	612,046	728,079	+19%
Export (USD/Ton)	74.33	76.25	71.11	-7%
Domestic (IDR/Ton)	582,581	585,800	671,426	+15%

## Coal Brand & Sales Breakdown

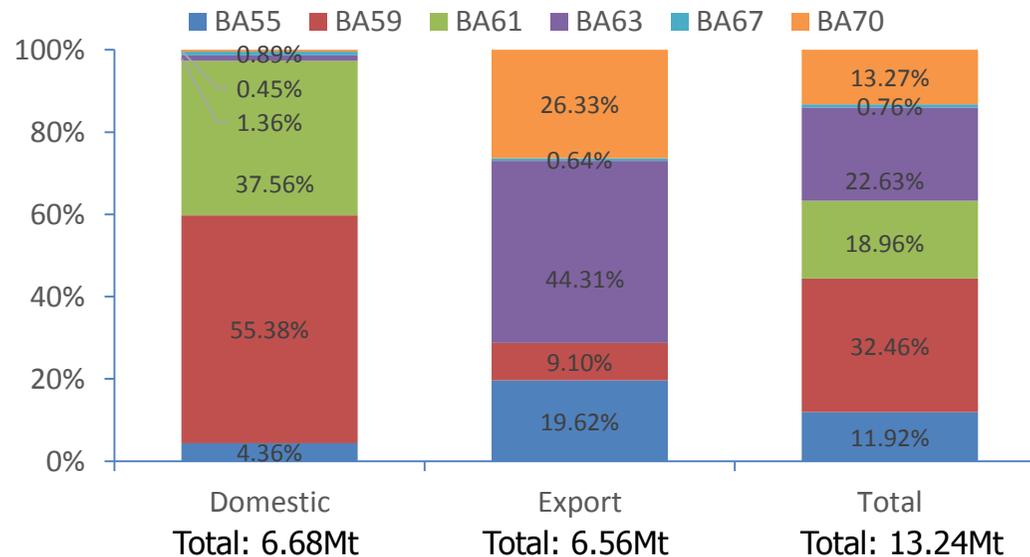
### Type Of Coal by Quality

Coal Brand	CV		TM	IM	Ash	VM	FC	TS max	HGI
	Kcal/Kg,adb	Kcal/Kg,ar	%,ar	%,adb	%,adb	%,adb	%,adb	%,adb	
IPC 53	5,300	-	34	15	8	39	40	0.5	-
BA 55	5,500	4,550	30	15	8	39	38	0.8	50
BA 59	5,900	5,000	28	14	6	39	40	0.6	50
BA 61	6,100	5,000	28	12	7	41	40	0.8	50
BA 63	6,300	5,550	21	10	6	41	43	0.8	55
BA 67	6,700	6,100	16	8	6	42	44	0.8	55
BA 70 LS	7,000	6,450	14	7	4	42	47	0.7	55
BA 70 HS	7,000	6,450	14	7	4	42	47	1.2	55
BA 76	7,600	7,400	5	2	8	14	76	1.2	-

### 9M14 Sales Breakdown by country

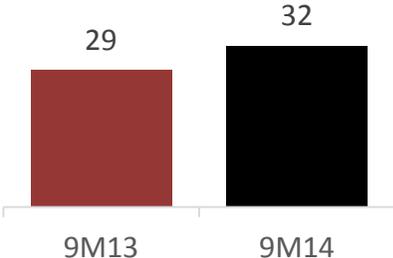


### 9M14 Sales Breakdown by Quality

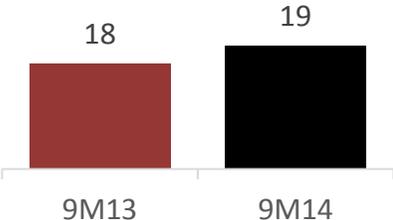


## Financial Ratios

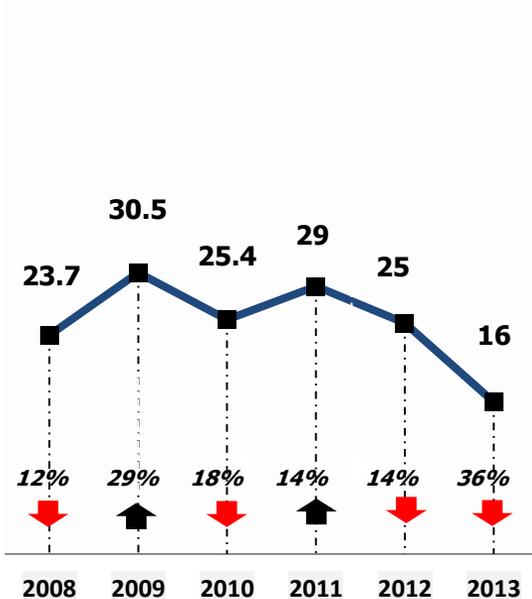
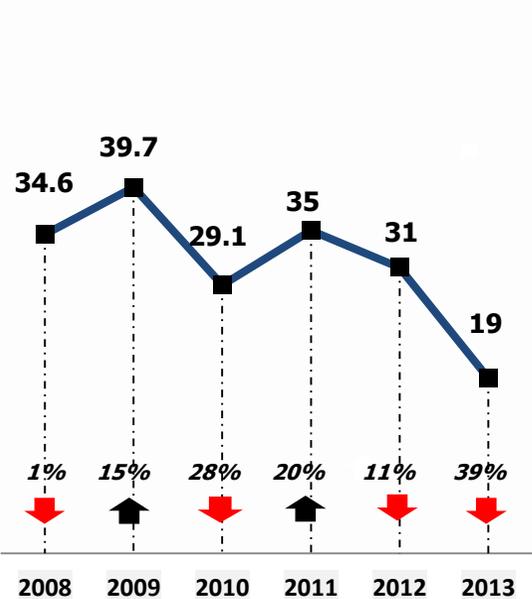
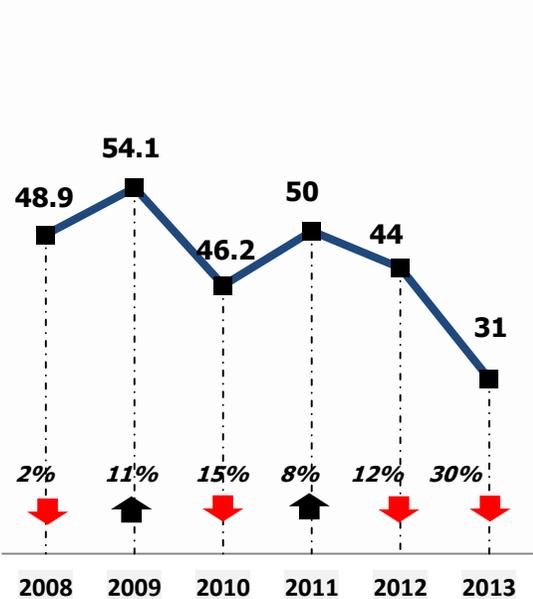
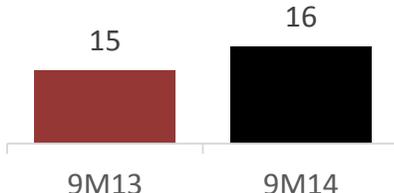
**GROSS PROFIT MARGIN (%)**



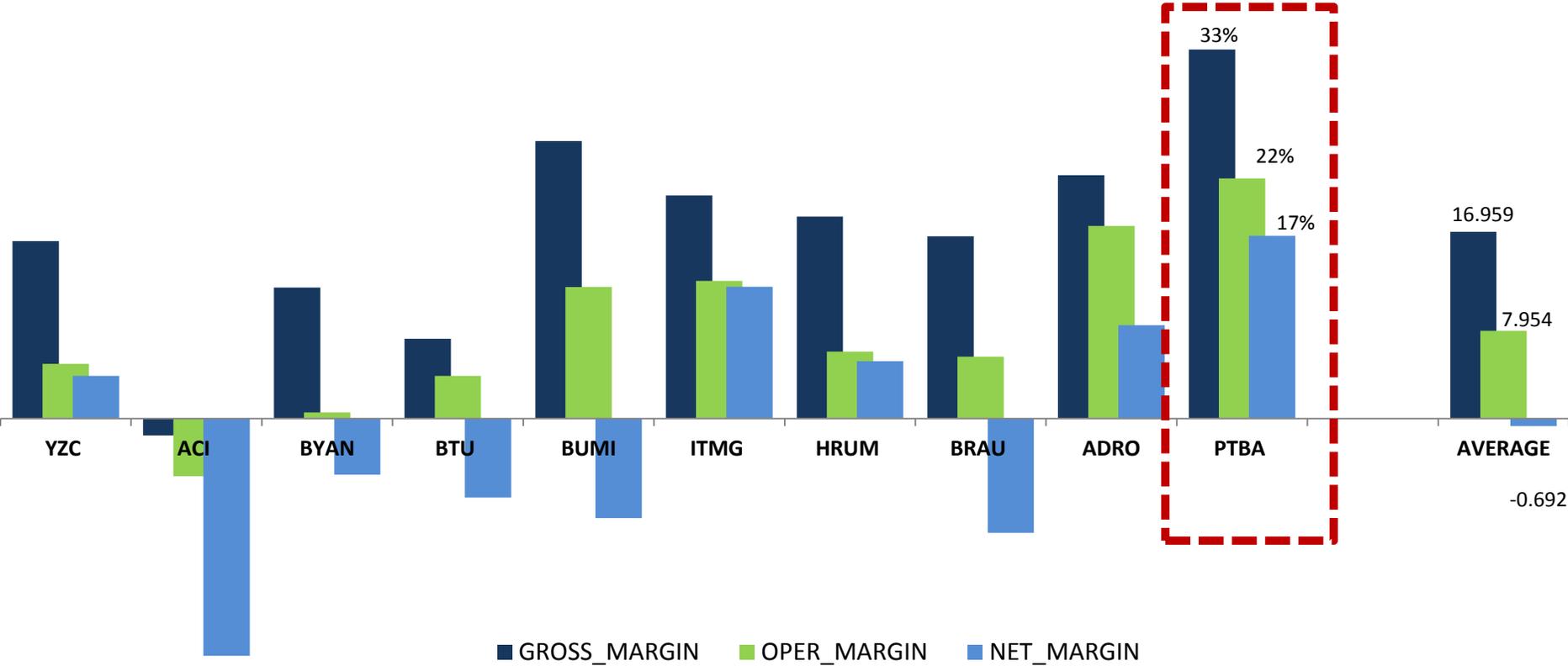
**OPERATING PROFIT MARGIN (%)**



**NET PROFIT MARGIN (%)**



## PTBA Versus Global & Local Peers



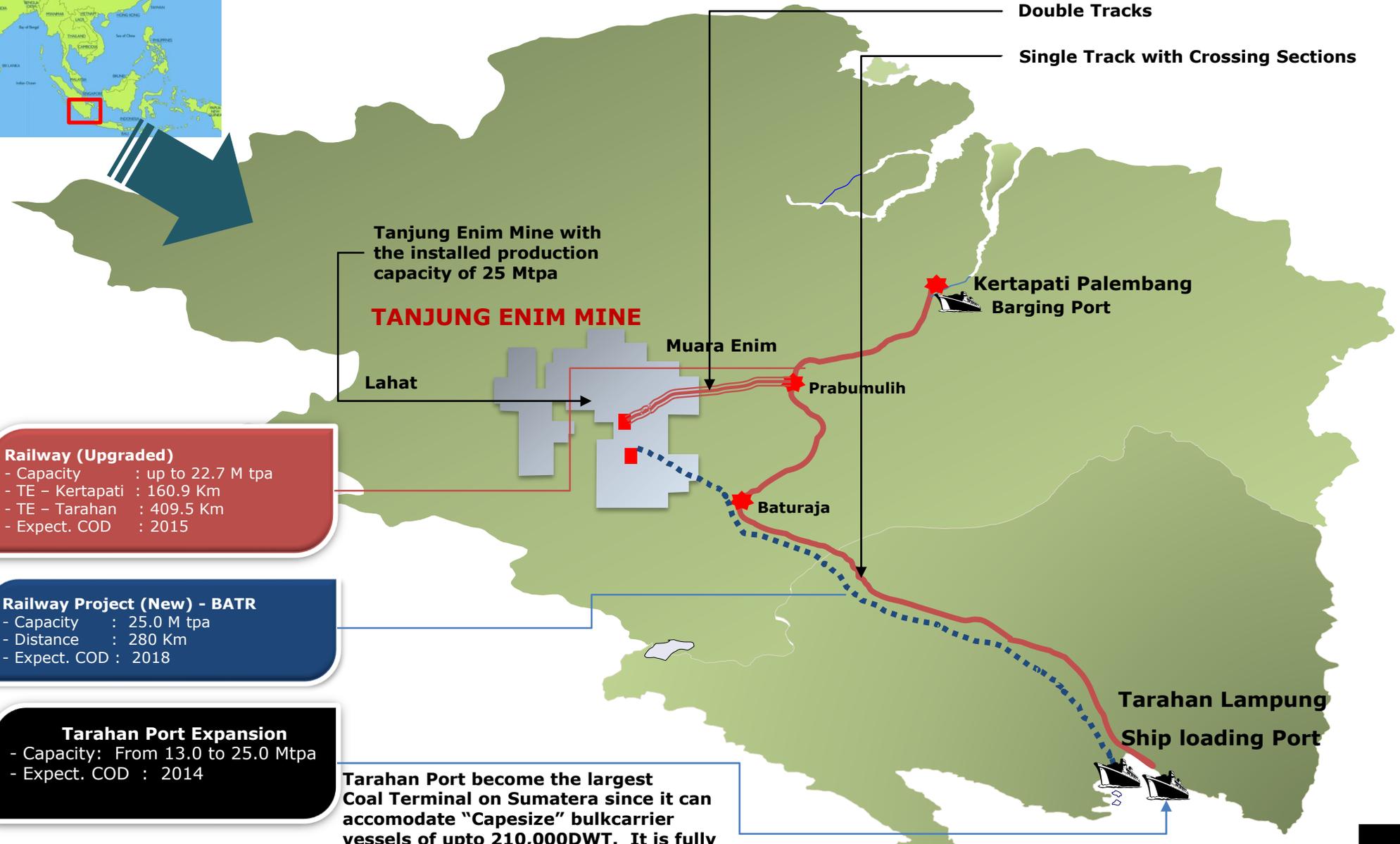
Source: Bloomberg, 14 October 2014

- YZC :Yanzhou Coal Mining
- ACI : Arch Coal Inc. – USA (NYSE)
- ADRO : PT Adaro Energi – IDX
- HRUM : PT Harum Energi – IDX
- BRAU : PT Berau coal – IDX
- ITMG : PT Indo Tambangraya Megah – IDX
- BTU : Peabody Energy Corp. – USA (NYSE)
- PTBA : PT Bukit Asam – IDX
- BUMI : PT Bumi Resources – IDX
- BYAN : PT Bayan Resources – IDX

## Summary Financial Performance

(IDR Tn)	FY13	9M13	9M14	YoY
<b>Sales</b>	11.209	8.104	9.638	119%
<b>COGS</b>	7.745	5.738	6.589	115%
<b>EBITDA</b>	2.530	1.746	2.241	128%
<b>Net Income</b>	1.826	1.243	1.582	127%
<b>Assets</b>	11.677	11.372	14.049	124%
<b>Cash</b>	3.343	3.266	4.436	136%
<b>Net Margin</b>	16%	15%	16%	107%
<b>Return On Asset</b>	16%	11%	11%	100%
<b>Return On Equity</b>	24%	19%	19%	100%
<b>Return On Investment</b>	21%	18%	18%	100%

# Infrastructures Expansion



Tanjung Enim Mine with the installed production capacity of 25 Mtpa

## TANJUNG ENIM MINE

Lahat

Muara Enim

Prabumulih

Baturaja

Kertapati Palembang Barging Port

Tarahan Lampung Ship loading Port

**Railway (Upgraded)**

- Capacity : up to 22.7 M tpa
- TE - Kertapati : 160.9 Km
- TE - Tarahan : 409.5 Km
- Expect. COD : 2015

**Railway Project (New) - BATR**

- Capacity : 25.0 M tpa
- Distance : 280 Km
- Expect. COD : 2018

**Tarahan Port Expansion**

- Capacity: From 13.0 to 25.0 Mtpa
- Expect. COD : 2014

Tarahan Port become the largest Coal Terminal on Sumatera since it can accomodate "Capesize" bulkcarrier vessels of upto 210,000DWT. It is fully owned and operated by PTBA

# Power Plants Projects

## 800-1200MW Power Plant

- Location : Peranap Riau
- Coal Cons. : 8.4 M tpa
- COD : 2018

## 3x600MW Sumsel 9&10 PP

- Location : Muara Enim
- Coal Cons. : 8.4 M tpa
- COD : 2018

## 2x110MW Power Plant

- Location : Banjarsari
- Coal Cons. : 1.4 M tpa
- COD : 2014

## 2x620MW Power Plant

- Location : Central Banko
- Coal Cons. : 5.4 M tpa
- COD : 2017

## 3x10MW Power Plant

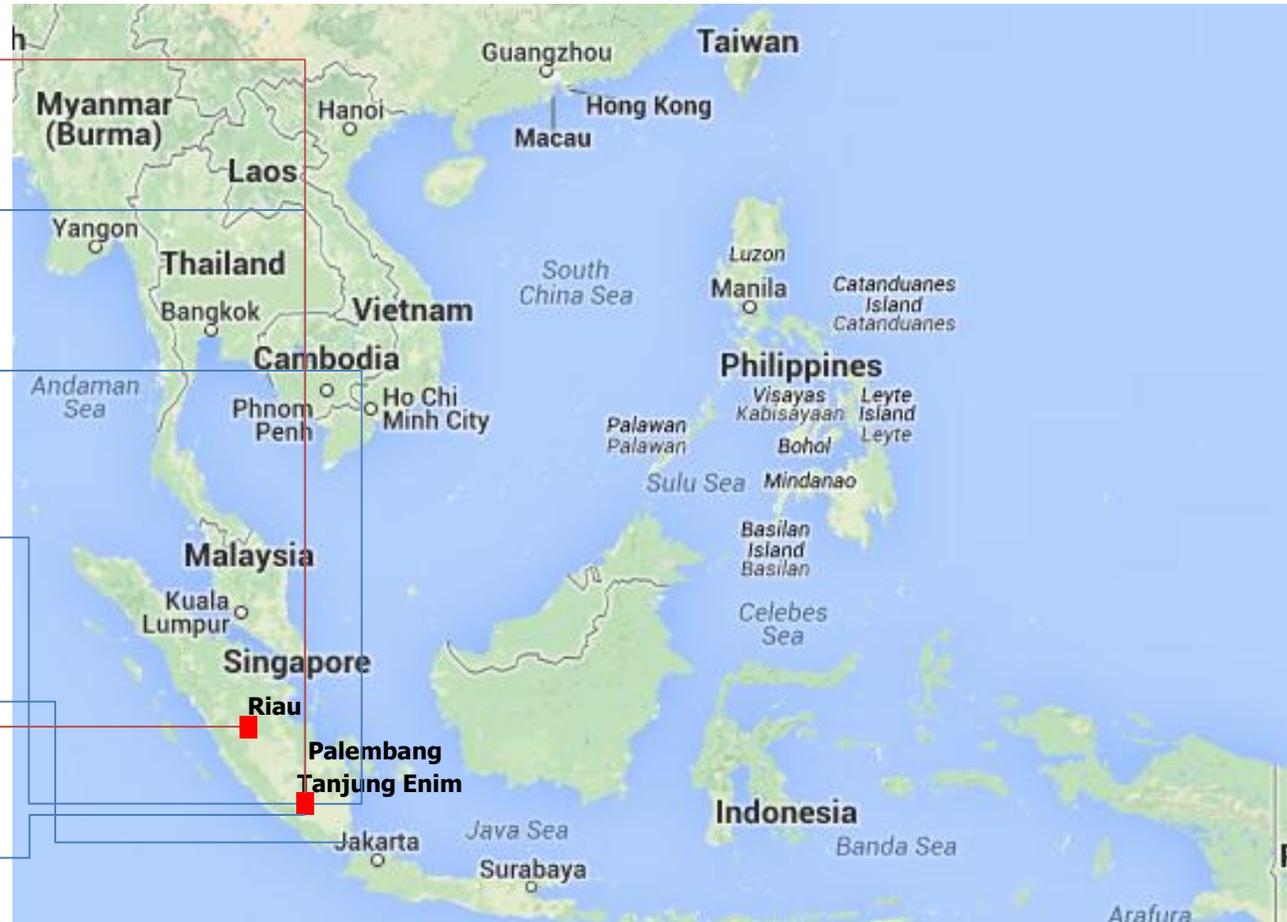
- Usage : Internal Mine Sites
- Coal Cons. : 0.15 M tpa
- In Operation since Oct 2012

## 2x8MW Power Plant

- Usage : Internal Port Sites
- Coal Cons. : 0.10 M tpa
- In Operation since Dec 2013

## 4x65MW Power Plant

- Location : Tanjung Enim
- Coal Cons. : 1.4 M tpa
- In Operation since 1987

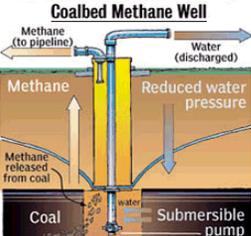


Tender / Cooperation Process



Existing Projects

## Production Infrastructure & CBM Projects

	Project	Status
	<p>Upgraded Existing Railway Line</p> 	<ul style="list-style-type: none"> <li>• Tanjung Enim – Tarahan Port (410km), TE – Kertapati Port (161km)</li> <li>• 100% owned by State Railway Company, PT KAI</li> <li>• Capacity of 22.7Mtpa (2015 – 2029)</li> <li>• Currently, it has a total of 3,071 wagons, included 600 new wagons that arrived in April 2014.</li> </ul>
	<p>BATR – Newly Developed Railway (Bukit Asam Transpacific Railway)</p>	<ul style="list-style-type: none"> <li>• Tanjung Enim – New Coal Terminal in Lampung (280km)</li> <li>• PTBA (10%), Rajawali Asia Resources (80%), China Railway EC (10%)</li> <li>• Investment of USD2 Bn, EPC Contract of USD1.3 Bn</li> <li>• 18 Nov 2011, Frame Work Agreement funding with China Bank Consortium was signed.</li> <li>• Currently in finalization for mining JV Restructuring</li> <li>• Project will reach its peak capacity of 25 Mtpa by                             <ul style="list-style-type: none"> <li>• Year 1 7.5 Mt</li> <li>• Year 2 15.0 Mt</li> <li>• Year 3 20.0 Mt</li> <li>• Year 4 25.0 Mt</li> </ul> </li> </ul>
	<p>Tarahan Port Expansion</p>	<ul style="list-style-type: none"> <li>• Located at the southern tip of Sumatera Island</li> <li>• Newly developed infrastructures for RCD3 &amp; RCD4, Jetty #2 &amp; Shiploader, Additional stockpile of 2x150,000Mt, and Office.</li> <li>• By 4Q14, will be in operation with the new Jetty #2 is able to accomodate the giant ‘Capesize’ bulkcarrier vessels of upto 210,000DWT.</li> <li>• Will be the largest coal terminal on Sumatera</li> </ul>
	<p>Coal Bed Methane (CBM)</p>	<ul style="list-style-type: none"> <li>• Located in Tanjung Enim Mine</li> <li>• PTBA (27.5%), Pertamina (27.5%), Dart Energy Australia (45%)</li> <li>• ±40 MMSCF (Million Standard Cubic Feet per Day, with potential reserve of 0.8 Trillion Cubic Feet (TCF)</li> <li>• Investment of USD14.48 Mn (for the first three years)</li> </ul>

## Power Generation Projects

	The Plant	Status
	2x110MW Banjarsari Power Plant	<ul style="list-style-type: none"> <li>• PTBA (59.75%), PJB (29.15%), NII (11.10)</li> <li>• Investment of USD320 Mn</li> <li>• Coal Consumption: 1.4 M tpa</li> <li>• Estimated Commercial Date: 4Q14</li> </ul>
	2x620MW Banko Tengah Plant	<ul style="list-style-type: none"> <li>• PTBA (45%), China Huadian Hong Kong Company Ltd (55%)</li> <li>• Investment of USD1.6 Bn</li> <li>• Coal Consumption: 5.4 M tpa</li> <li>• PPA signed in September 2012</li> <li>• Currently in the process of Financial Closure</li> <li>• Estimated Commercial Date: 2018</li> </ul>
	800-1200MW Peranap Power Plant	<ul style="list-style-type: none"> <li>• PTBA (Majority in Mining), PLN (Majority in Power Plant), TNB (Majority in Transmission)</li> <li>• Investment of USD1.8 Bn</li> <li>• Coal Consumption: up to 8.4 M tpa</li> <li>• Currently in the process of preparation for the FS of power plant &amp; transmission</li> <li>• Estimated Commercial Date: 2018</li> </ul>
	3x10MW Power Plant for internal use	<ul style="list-style-type: none"> <li>• Located at Tanjung Enim Mine</li> <li>• Investment of USD42 Mn</li> <li>• Coal consumption: 0.15 Mtpa</li> <li>• In operation since October 2012</li> </ul>
	2x8MW Power Plant for internal use	<ul style="list-style-type: none"> <li>• Located at Tarahan Port</li> <li>• Investment of USD29.12 Mn</li> <li>• Coal consumption: 0.10 Mtpa</li> <li>• In operation since December 2013</li> </ul>

## Supporting National Energy Policy

<input type="checkbox"/> <b>Having A Total Long Term Coal Supply with:</b>	<b><u>Committed Volume</u></b>
○ <b>National Power Company\PLN (2010 – 2030)</b>	<b>: 262 Mt</b>
○ <b>Indonesia Power (2013 – 2022)</b>	<b>: 52 Mt</b>
○ <b>Huadian Bukit Asam Power\Power Plant (25 Years)</b>	<b>: 150 Mt</b>
○ <b>Bukit Pembangkit Innovative\Power Plant (30 Years)</b>	<b>: 36 Mt</b>
○ <b>Indonesia Fertilizer (30 Years)</b>	<b>: 69 Mt</b>
○ <b>Cilacap Power Plant (4 Years)</b>	<b>: 5 Mt</b>
	<hr/>
	<b>Total : 574 Mt</b>
<input type="checkbox"/> <b>Supporting Power Plants Projects Development for:</b>	<b><u>Coal Consumption</u></b>
○ <b>3x10MW Power Plant, Muara Enim (In Operation)</b>	<b>: 0.15 Mtpa</b>
○ <b>2x8MW Power Plant, Lampung (In Operation)</b>	<b>: 0.10 Mtpa</b>
○ <b>2x110MW Banjarsari Power Plant (In Completion Process)</b>	<b>: 1.40 Mtpa</b>
○ <b>2x610MW Banko Tengah Power Plant (In Progress)</b>	<b>: 5.40 Mtpa</b>
○ <b>800 – 1200MW Peranap (In the Process)</b>	<b>: 8.40 Mtpa</b>
○ <b>1800MW Sumsel 9-10 Power Plant (In Bidding Process)</b>	<b>: 8.10 Mtpa</b>

## The New Look of Tarahan Port in 4Q 2014



## PTBA Structure

PTBA operates a fully integrated large coal mining in Tanjung Enim ( South Sumatera), Ombilin (West Sumatera), Peranap (Riau), and East Kalimantan with Total Resources & Reserves are 7.29 billion tons and 1.99 billion tons respectively



The Indonesian Government owns 65% of Total Shares

The Subsidiaries:



- Bukit Kendi (75%), coal mining, South Sumatera
- International Prima Coal (51%), East Kalimantan
- Bukit Asam Banko (65%), South Sumatera

- Bukit Asam Prima (99.99%)

- Bukit Pembangkit Innovative (59.75%)
- Huadian Bukit Asam Power (45%)

- Bukit Asam Transpacific Railway (10%)

- Bukit Asam Metana Enim (99.99%)
- Bukit Asam Metana Ombilin (99.99%)
- Bukit Asam Metana Peranap (99.99%)



## The Top Thirty Shareholders of PTBA ended 30 September 2014

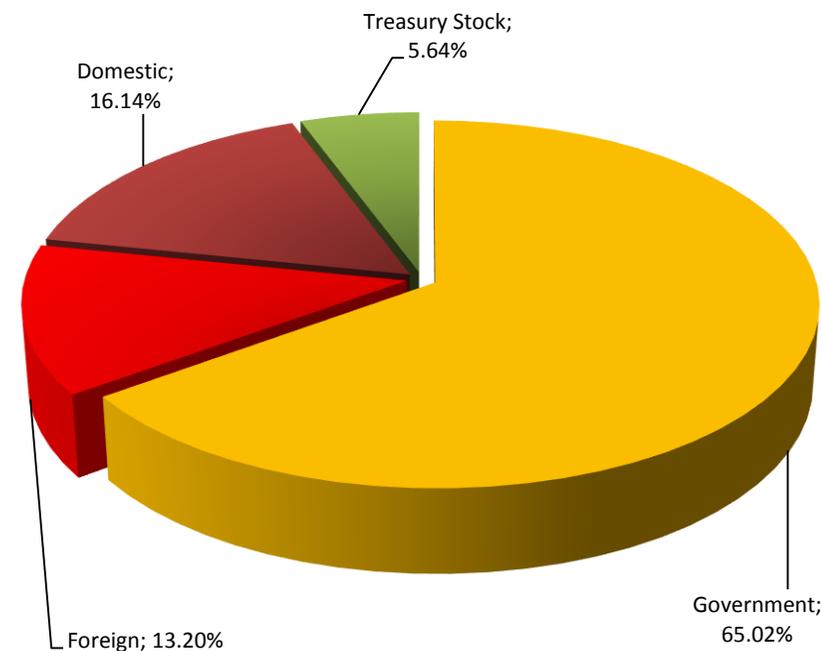
NO	Shareholders	Number	%
1	NEGARA REPUBLIK INDONESIA	1,498,087,500	65.02
2	TAMBANG BATU BARA BUKIT ASAM (PERSERO),	129,997,500	5.64
3	BPJS KETENAGAKERJAAN-JHT	53,376,000	2.32
4	PT TASPEN (PERSERO) - THT	35,516,000	1.54
5	PEMERINTAH PROPINSI SUMATERA SELATAN	21,315,000	0.93
6	BBH BOSTON S/A VANGRD EMG MKTS STK INFD	16,558,825	0.72
7	PT AIA FINL - UL EQUITY	16,495,200	0.72
8	BBH LUXEMBOURG S/A FIDELITY FD SICAV-FID	14,548,100	0.63
9	BPJS KETENAGAKERJAAN - JKK	10,888,000	0.47
10	JP MORGAN CHASE BANK RE ABU DHABI INVEST	9,951,829	0.43
11	PT PRUDENTIAL LIFE ASSURANCE-REF	9,153,000	0.40
12	PAMAPERSADA NUSANTARA, PT	9,000,000	0.39
13	BPJS KETENAGAKERJAAN - BPJS	8,529,900	0.37
14	PEMERINTAH DAERAH KABUPATEN MUARA ENIM	6,946,000	0.30
15	SSB TRLD SSL C/O SSB, BOSTON TRILOGY INV	6,456,644	0.28
16	SSB OBIH S/A ISHARES MSCI EMERGING MARKE	6,452,100	0.28
17	SSB 1BA9 ACF MSCI EQUITY INDEX FUND B-IN	6,164,500	0.27
18	SSB WTAS S/A WISDOMTREE EMERGING MRKTS E	5,884,700	0.26
19	ASURANSI JIWA MANULIFE INDONESIA, PT-494	5,775,800	0.25
20	SSB C021 ACF COLLEGE RETIREMENT EQUITIES	5,670,727	0.25
21	CITIBANK NEW YORK S/A EMERGING MARKETS C	5,453,900	0.24
22	REKSA DANA SCHRODER DANA PRESTASI DINAMI	5,427,400	0.24
23	THE NT TST CO S/A DRIEHAUS EMERGING MKTS	5,333,900	0.23
24	JPMCB-VANGUARD TOTAL INTERNTNL STOCK IND	4,889,100	0.21
25	REKSA DANA ASHMORE DANA PROGRESIF NUSANT	4,885,000	0.21
26	JPMCB-STICHTING DEPOSITARY APG EME MRKT	4,467,000	0.19
27	BNYM SA/EASTSPRING INVESTMENTS-204008408	4,279,100	0.19
28	SSLUX G56K S/A GOLDMAN SACHS FD - 214461	3,617,000	0.16
29	BNYM S/A FLORIDA RETIREMENT SYSTEM-20399	3,574,114	0.16
30	SSB OBGF S/A ISHARES MSCI INDONESIA ETF-	3,501,550	0.15

Source: Datindo, 07 October 2014

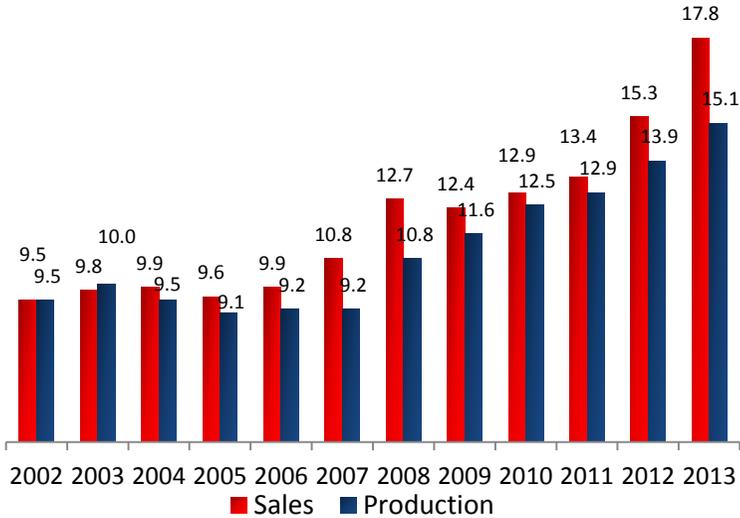
Note: Total outstanding shares of 2,304,131,850

## Shareholders Information

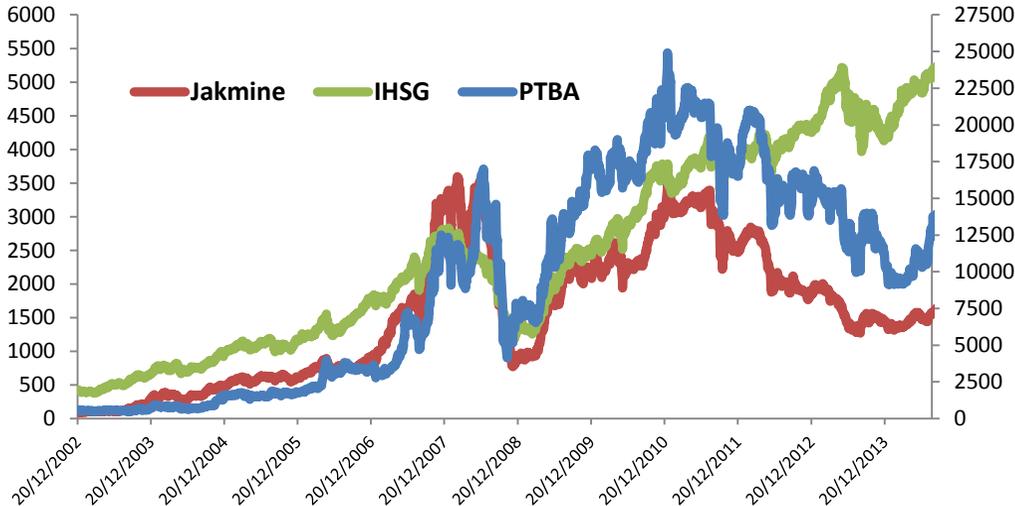
### Share Holders Breakdown



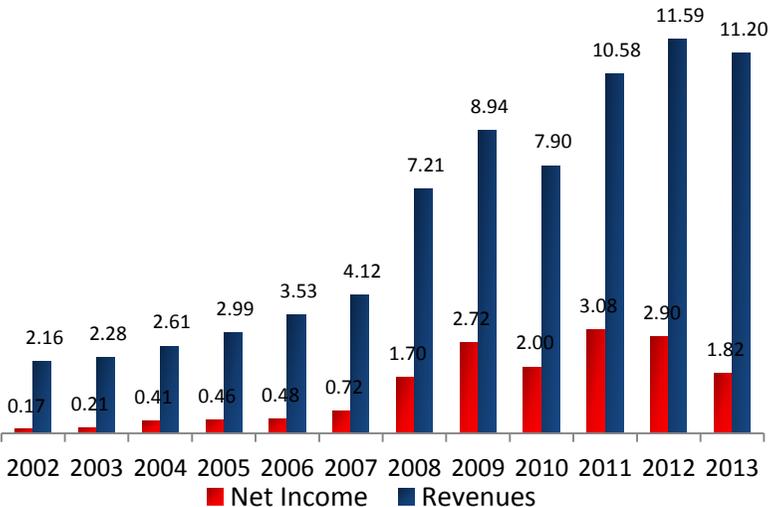
### PTBA Production Vs Sales 2002 - 2013



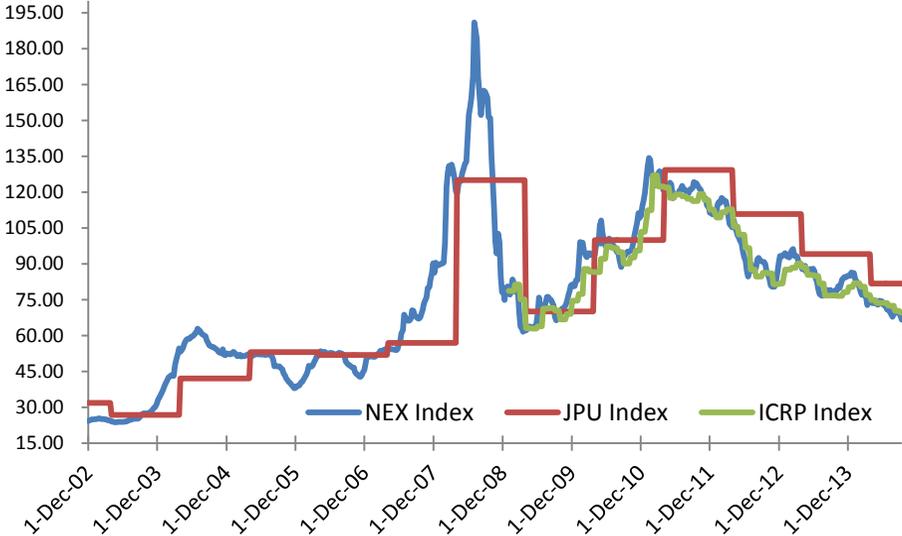
### Index Movement Dec'02 – Oct'14



### PTBA Revenues Vs Net Income 2002 - 2013

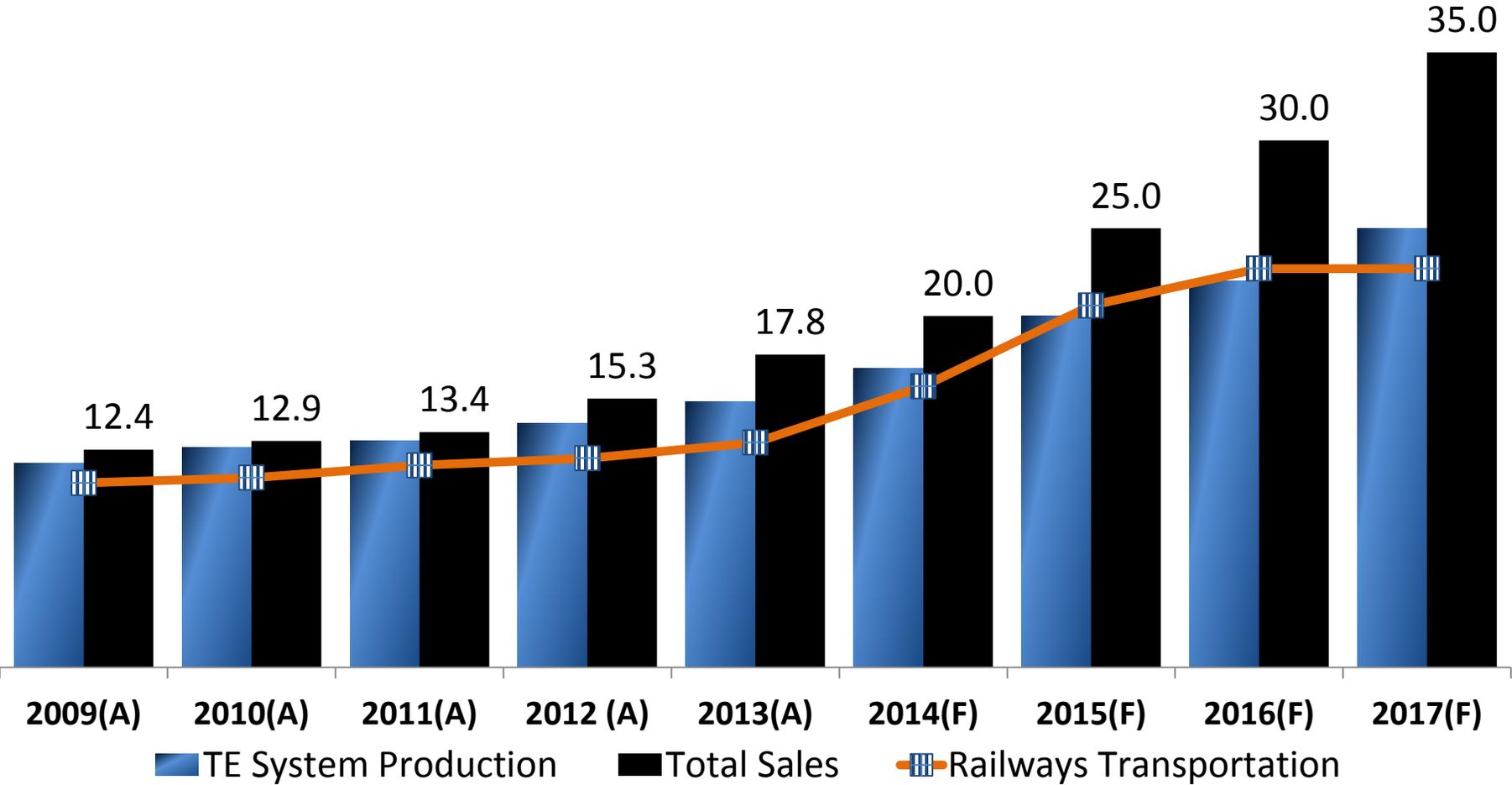


### Coal Price Indexes Dec'02 – Oct'14 (USD/t)



# Projected Sales Volume to 2017

In Million Ton



**Disclaimer:**

This presentation contains forward-looking statements based on assumptions and forecasts made by PT Bukit Asam (Persero) Tbk management. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and speak only as of the date they are made. We undertake no obligation to update any of them in light of new information or future events.

These forward-looking statements involve inherent risks and are subject to a number of uncertainties, including trends in demand and prices for coal generally and for our products in particular, the success of our mining activities, both alone and with our partners, the changes in coal industry regulation, the availability of funds for planned expansion efforts, as well as other factors. We caution you that these and a number of other known and unknown risks, uncertainties and other factors could cause actual future results or outcomes to differ materially from those expressed in any forward-looking statement.

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