



PT Bukit Asam Tbk

Corporate Presentation FY2018

Agenda

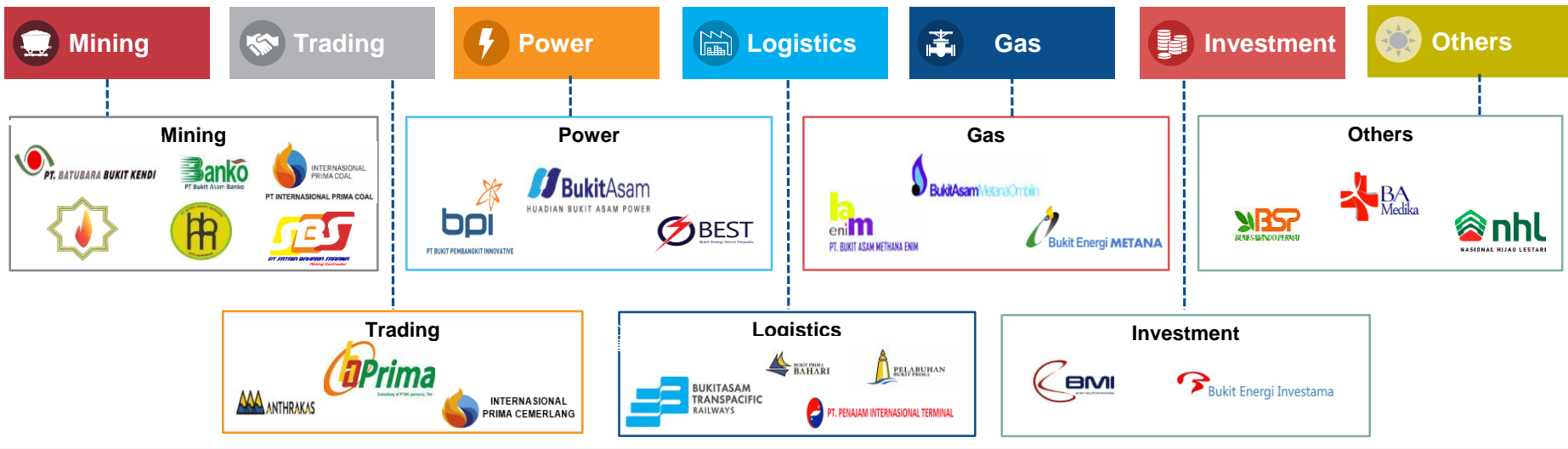


1. Introduction
2. FY 2018 Update
3. Company Overview

1. Introduction

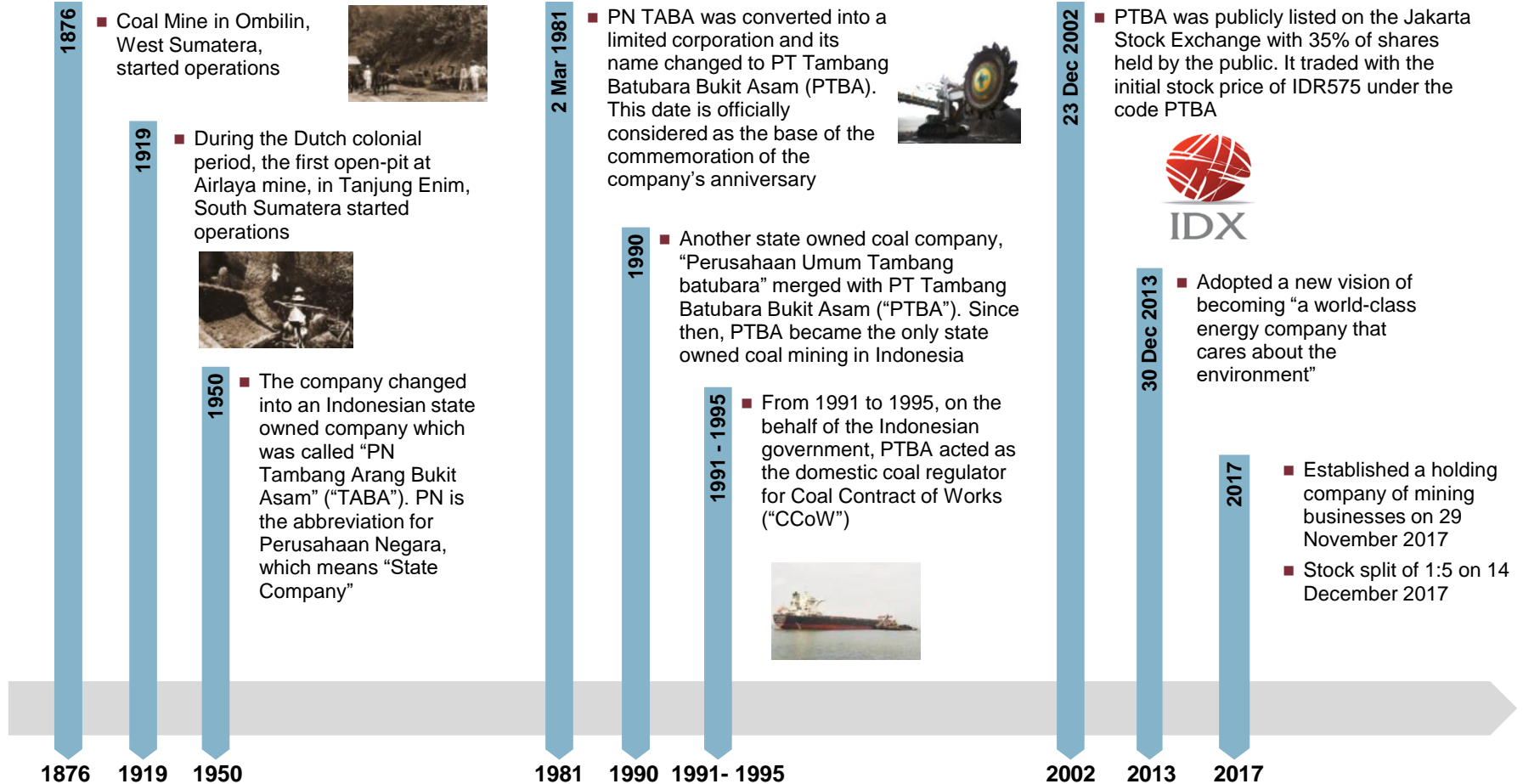


The Subsidiaries and Indirect Subsidiaries



- PT Bukit Asam Tbk (“PTBA” or the “Company”) operates a fully integrated large coal mining in Tanjung Enim (South Sumatera), Ombilin (West Sumatera), Peranap (Riau) and East Kalimantan.
- PTBA continues to diversify its source of revenues – The Company’s core coal mining business is supported by the development of other businesses in power generation, logistic, investment and others.

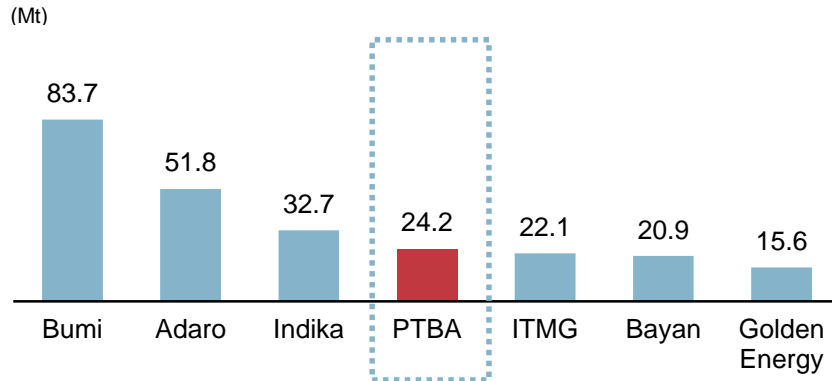
Key Milestones



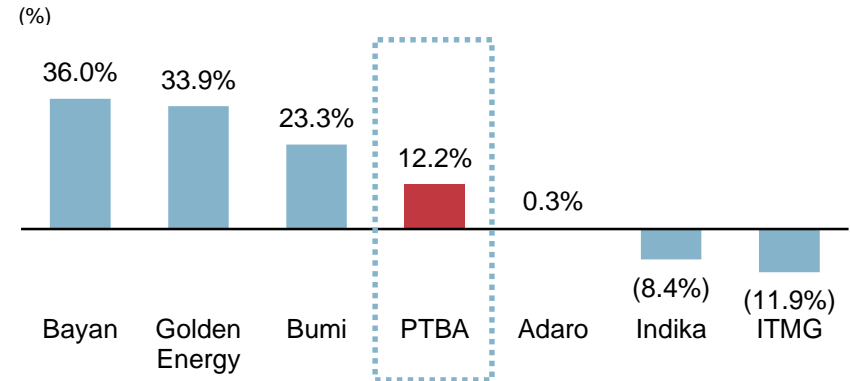
PTBA is Indonesia's Oldest and Most Experienced Coal Producer

PTBA is One of The Fastest Growing and Lowest Cost Coal Producers in Indonesia

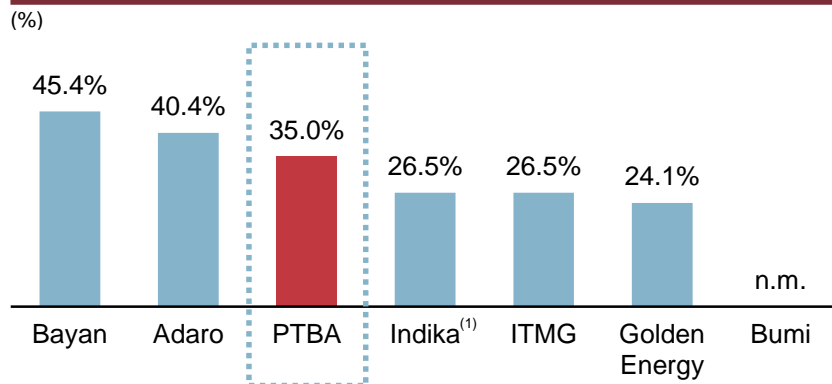
2017 Coal Production



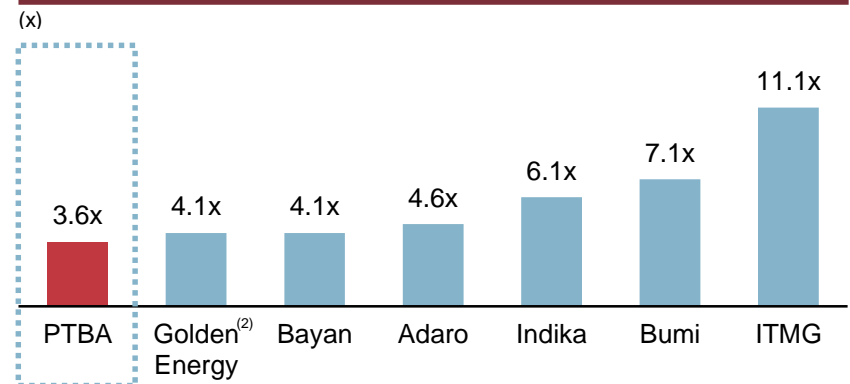
2015 – 2017 Production CAGR



2017 EBITDA Margin



2017 Weighted Average Stripping Ratio



Source: Company filings.

(1) Adjusted EBITDA.

(2) Refers to the strip ratio of BIB concession area.

2. Update FY2018



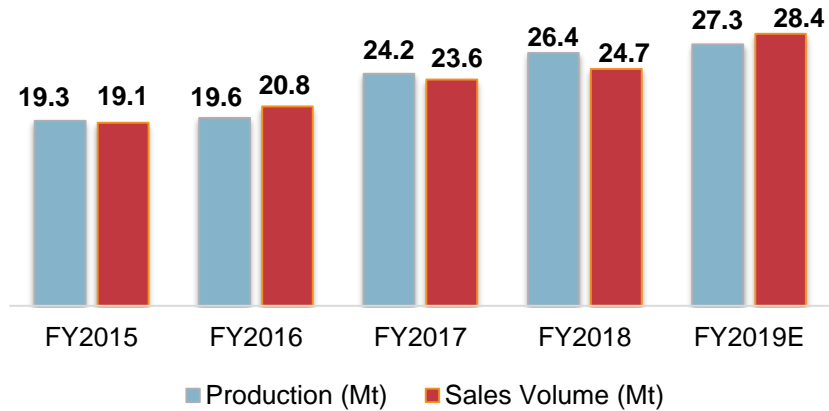
Key Performance Highlights

	FY2019 E	FY2018	FY2017	FY2018 vs FY2017 (% change)
Sales volume (Mt)	28.38	24.69	23.63	4.5%
Production (Mt)	27.26	26.36	24.23	8.8%
Railway Capacity (Mt)	25.30	22.69	21.36	6.2%
Revenue (IDR TN)	n.a.	21.17	19.47	8.7%
Net Profit (IDR TN)	n.a.	5.02	4.48	12.1%
Weighted Average Selling Price (IDR/t)	n.a.	835,155	808,690	3.3%
Stripping Ratio (x)	4.8	4.1	3.6	16.3%

Key Operational Highlights

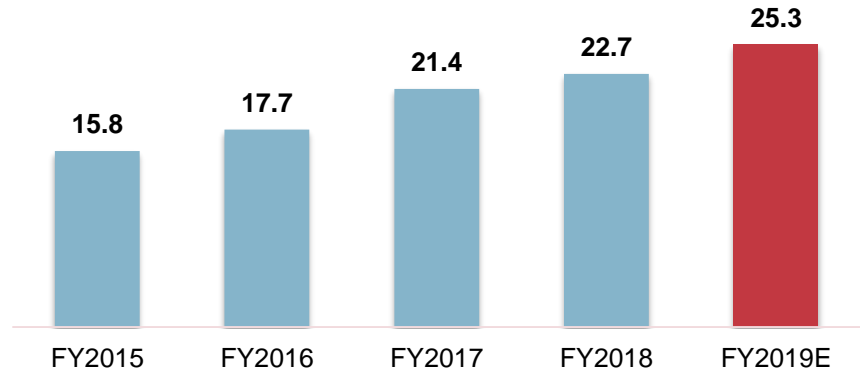
Production and Sales Volume

(Mt)



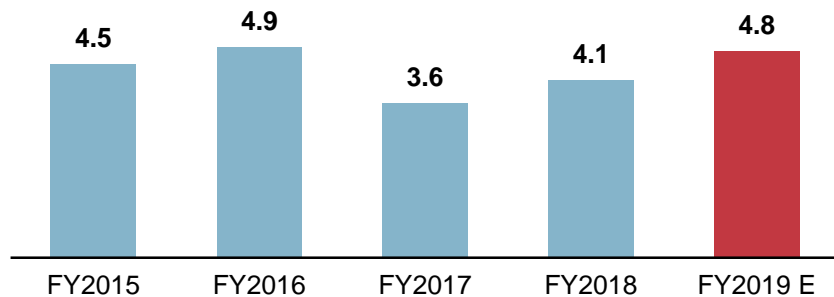
Railway Capacity

(Mt)



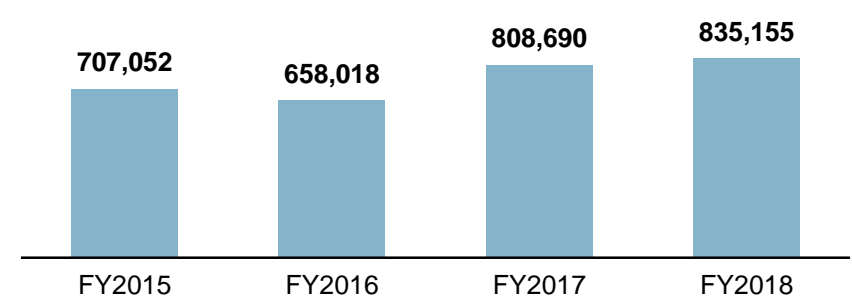
Weighted Average Stripping Ratio

(x)



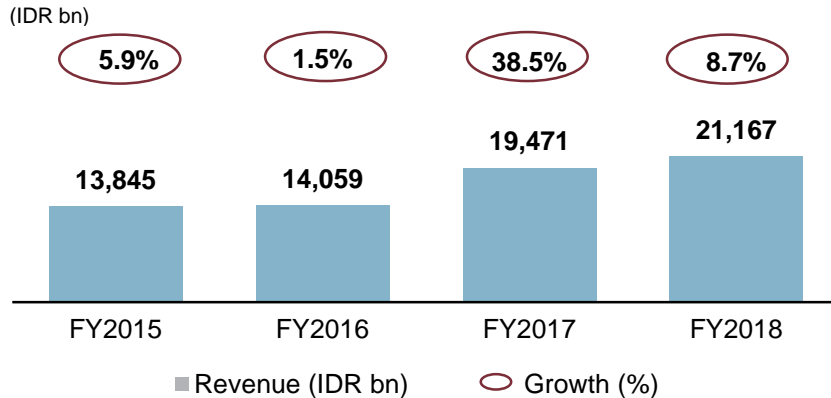
Weighted Average Selling Price

(IDR/t)

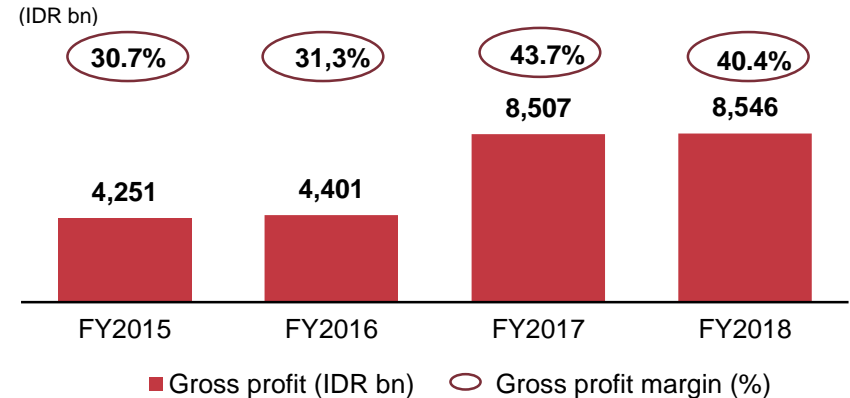


Key Financial Highlights

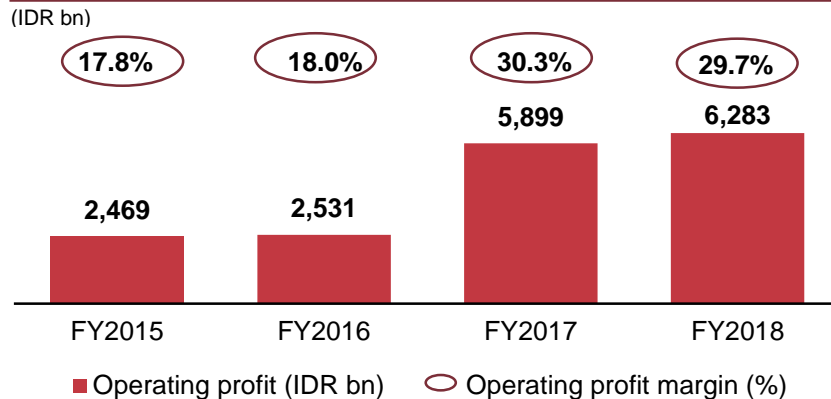
Revenue and Growth



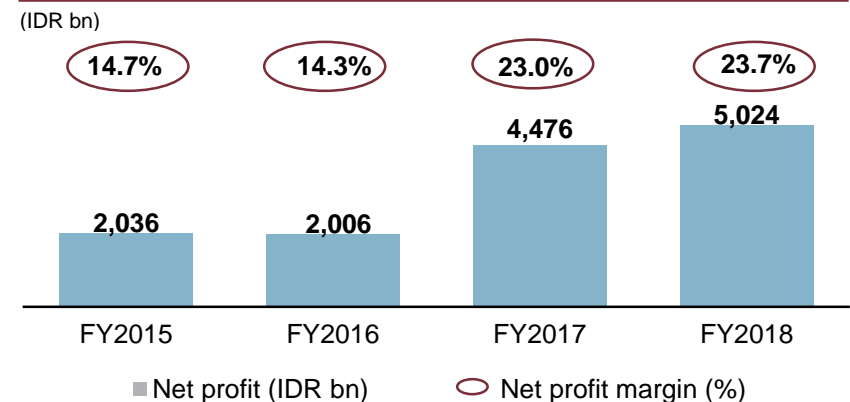
Gross Profit and Margins



Operating Profit and Margins

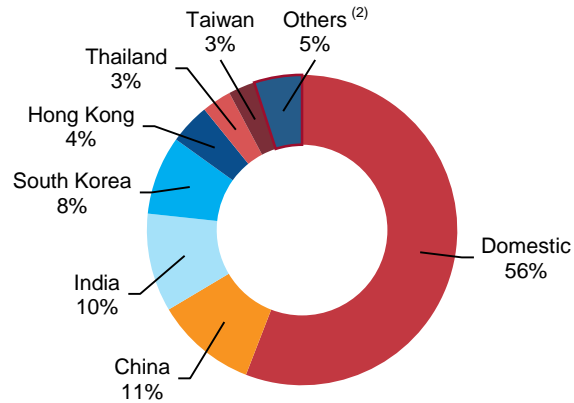


Net Profit and Margins

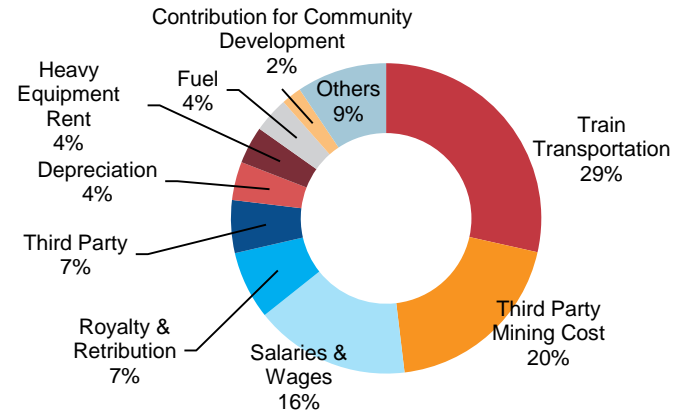


Key Financial Highlights

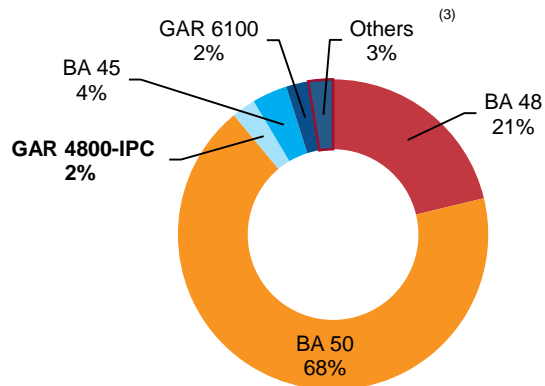
Sales Breakdown by Country⁽¹⁾



Cost Breakdown



Sales Breakdown by Quality⁽¹⁾



Total Cash Cost (FOB)⁽⁴⁾

Tanjung Enim cash cost (IDR '000/t)	FY2017	FY2018	FY2018 vs FY2017 (% change)
Total	497	536	(8%)

- (1) Breakdown based on sales distribution per ton.
 (2) Others include Cambodia, Japan, Vietnam, Malaysia, Philippines, Pakistan
 (3) Others include GAR 4200-IPC, GAR 4400-IPC, GAR 4700-IPC, GAR BA55, GAR 5800, BA 64, GAR 6700, ANS, Peranap.
 (4) Tanjung Enim Mine Include COGS, G&A, Selling Expenses, Inventory and Royalty.

3. Company Overview



Company Overview



1

Significant coal sales exposure to Indonesia market and benefiting the most from growth in domestic coal demand

2

Expanding railways capacity to Sumatra mines



3

Resilient operational track record, further propelled by the optimism of railway capacity and future development projects

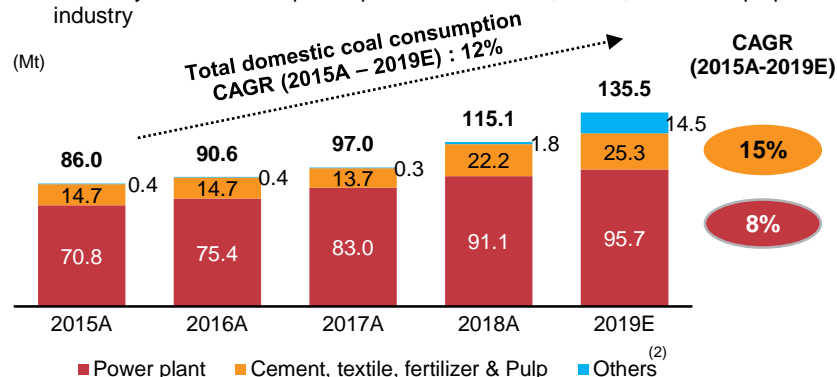
4

Robust financial strength with strong net cash position

Significant Coal Sales Exposure to Indonesia Market and Benefiting The Most from Growth in Domestic Coal Demand

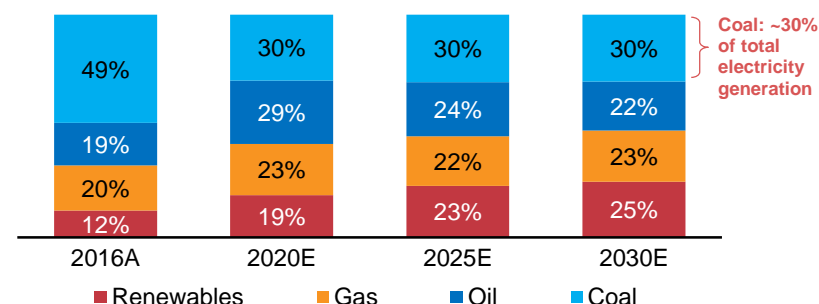
Domestic coal consumption expected to grow at ~12% ⁽¹⁾

- Overall coal domestic consumptions is expected to grow at 12%, largely driven by demand from power plants and Cement, textile, fertilizer & pulp industry



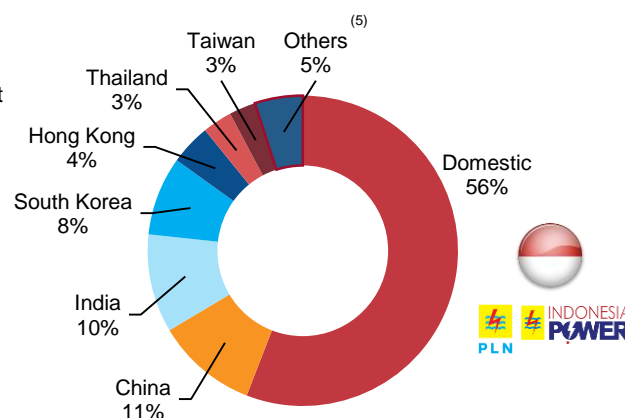
Coal remains the key source of Indonesia's energy over time ⁽³⁾

- Indonesia's energy mix is expected to undergo a transformation over the next decade that would result in more coal being consumed⁽¹⁾
- Indonesia plans to increase power generation by 35 GW Program, of which 20GW is expected to be generated using coal⁽¹⁾



PTBA's sales breakdown per country ⁽⁴⁾

- Given its strong relationship with PLN and abundant reserves (>100 years' reserve life), PTBA has one of the most attractive production growth profile among ASEAN coal miners
- As the world's largest consumer and producer of thermal coal, China remains a key export market to PTBA, providing a stable source of revenue moving forward
- Furthermore, PTBA derives 11% of its FY2018 sales from China (13% in FY2017)



(1) Directorate General of Mineral and Coal, Ministry of Energy and Mineral Resources

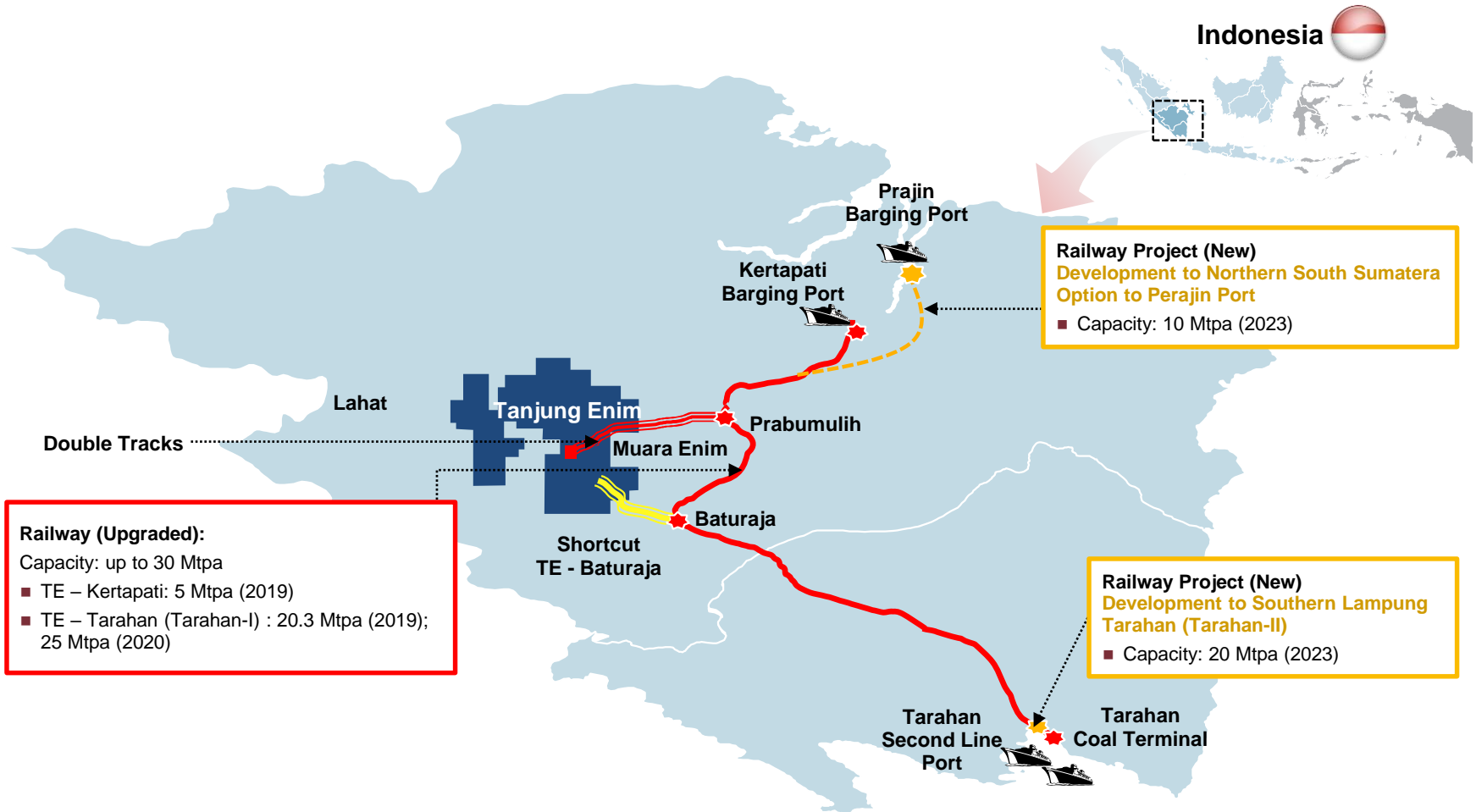
(2) Others include Metallurgy, Smelter and Briquette industries.

(3) 2020E – 2030E forecasted electricity generation composition as reported by the Indonesia Energy Statistics (World Bank, Indonesia Energy Statistics). 2016A data based on BMI.

(4) Breakdown based on sales distribution per country in tons FY2018

(5) Others include Cambodia, Japan, Vietnam, Malaysia, Philippines, Pakistan

Expanding Railways Capacity to Sumatra Mines

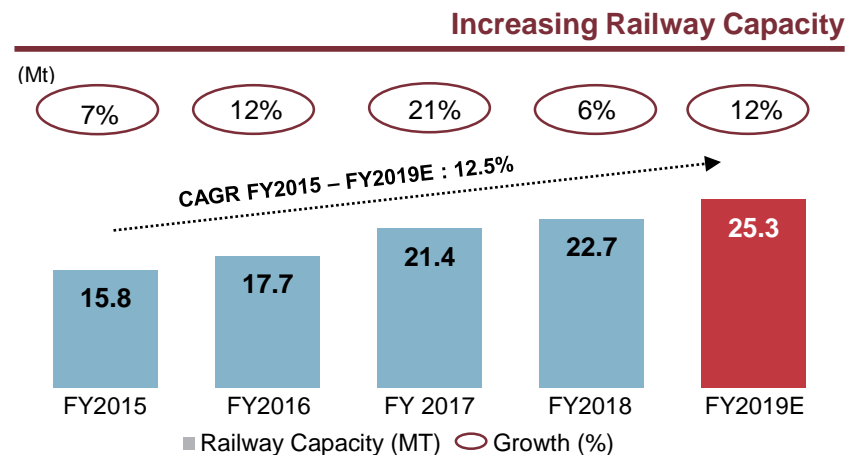


The Tanjung Enim Mine (25 Mtpa existing production capacity) and Tarahan Port (largest coal terminal in Sumatera, accommodating “Capesize” bulk carrier vessels of up to 210,000 DWT) are 100% owned and operated by PTBA

Resilient Operational Track Record Further Propelled by The Optimism of Railway Capacity and Future Development Projects

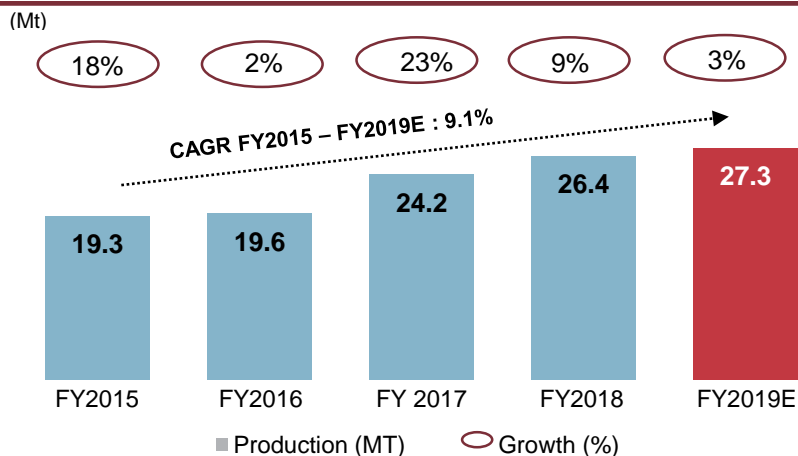
Optimisation of Railway Capacity and Future Expansion Projects

	Existing capacity	Estimated capacity upgrade
New railway projects		
Tanjung Enim – Prajin	■ n.a.	■ 10 Mtpa (2023)
Tarahan Second Line	■ n.a.	■ 20 Mtpa (2023)
Railway upgrades		
Tanjung Enim – Kertapati	■ 3.7 Mtpa	■ 5 Mtpa (2019)
Tanjung Enim – Tarahan	■ 19.4 Mtpa	■ 20.3 Mtpa (2019) ■ 25 Mtpa (2020)

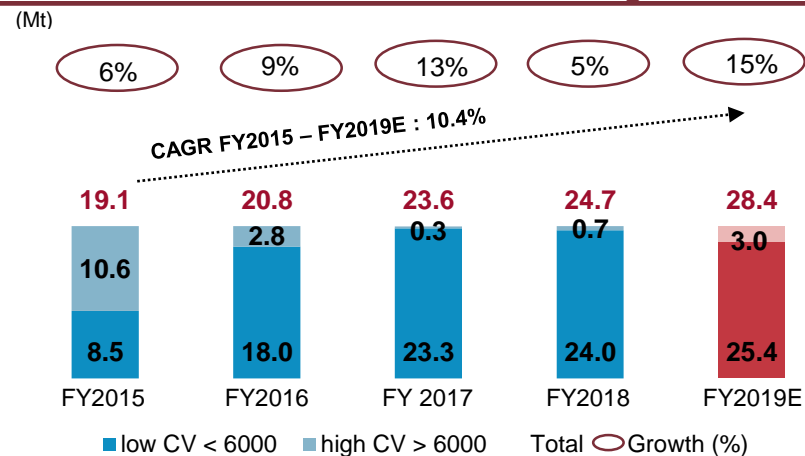


Management expects the optimisation of existing railway capacity to result in a better outlook in FY2019 onwards

Increasing Production



Increasing Sales Volume

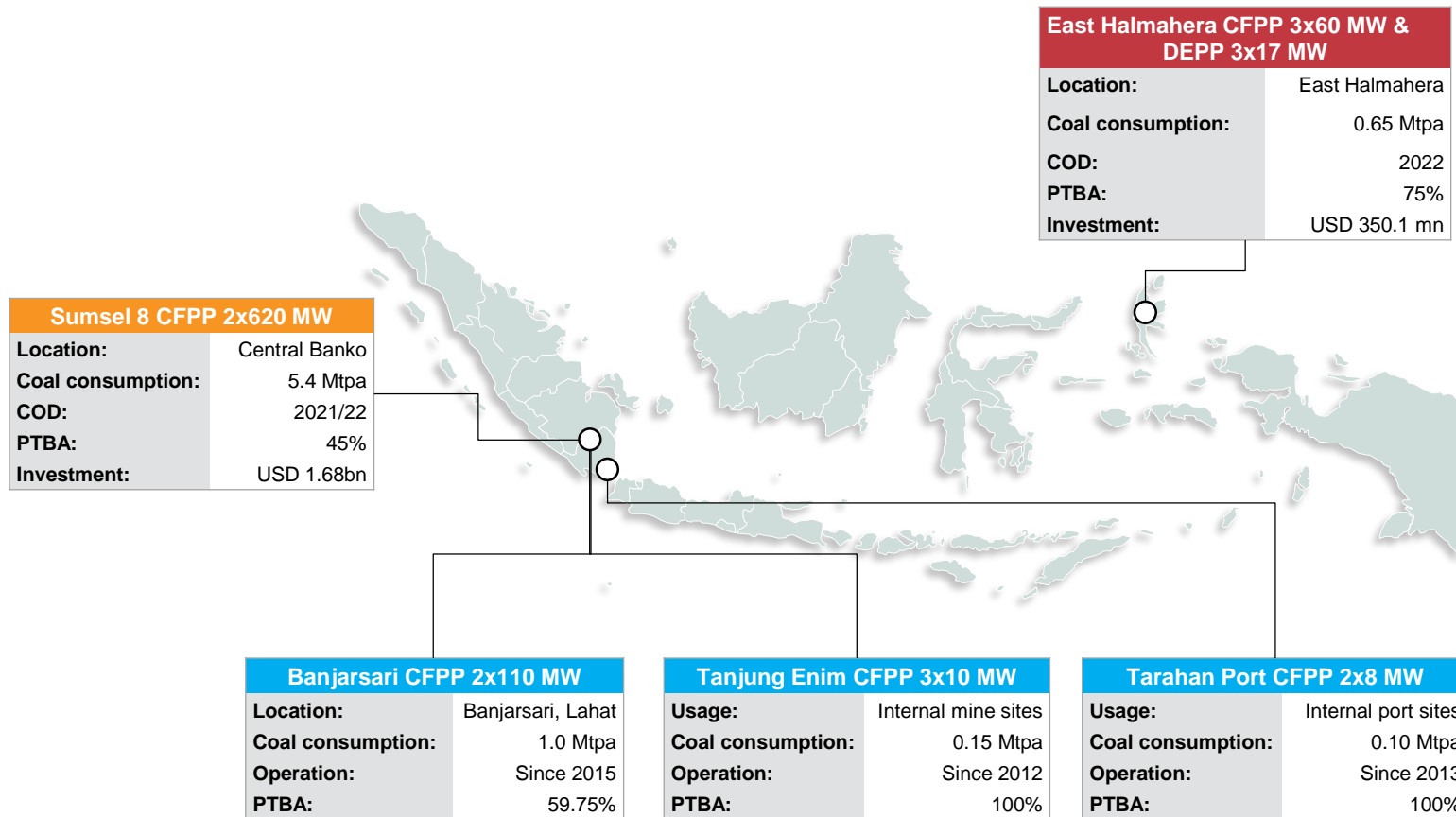


Production and sales volume have increased on year on year basis; FY2018 production is 26.4 Mt (+9% YoY, vs 24.2 Mt in FY2017) and FY2018 sales is 24.7 Mt (+5% YoY, vs 23.6 Mt in FY2017)

3 Development Projects

Power Plants

Total Power Plant ~ 1,700 MW



Legend:

■ Tender / Feasibility Study Process

■ Construction

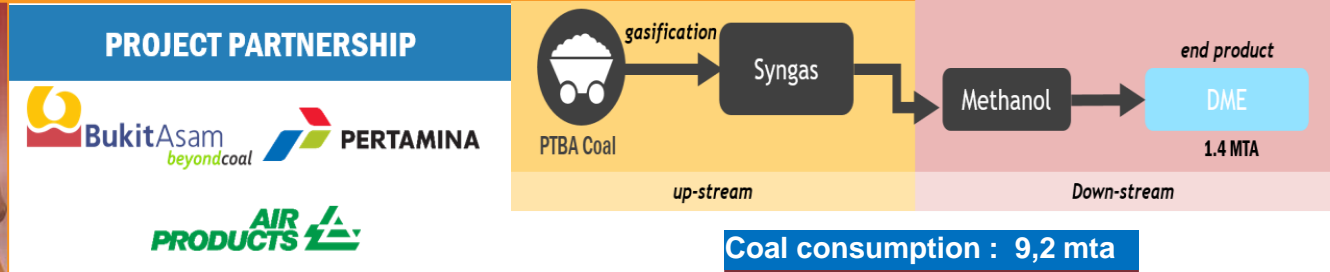
■ Operated

3 Development Projects

Coal to Chemical Peranap Mine



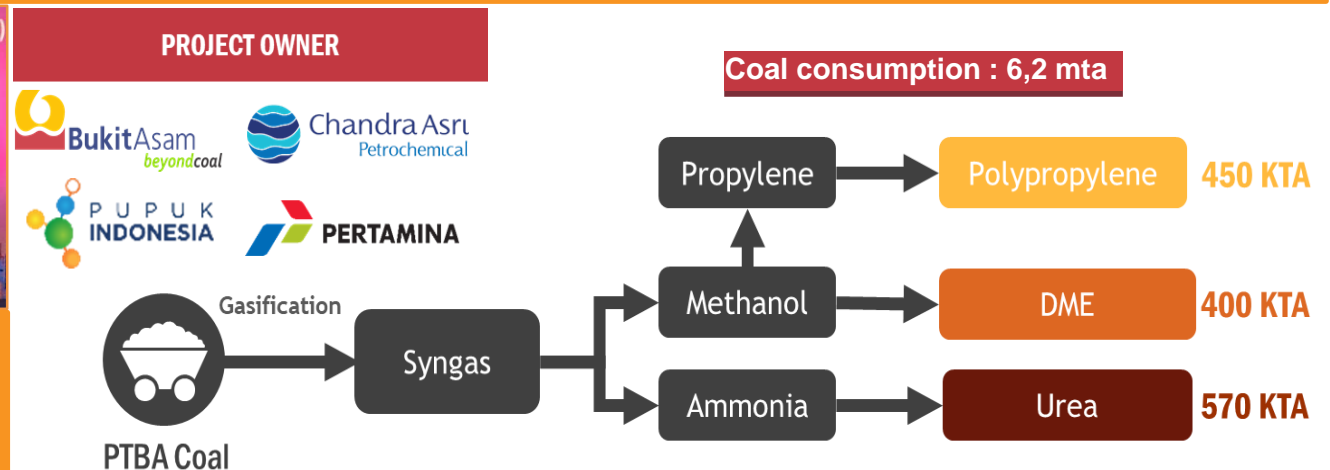
Declaration of Coal Downstreaming Project in Peranap



Coal to Chemical Tanjung Enim Mine

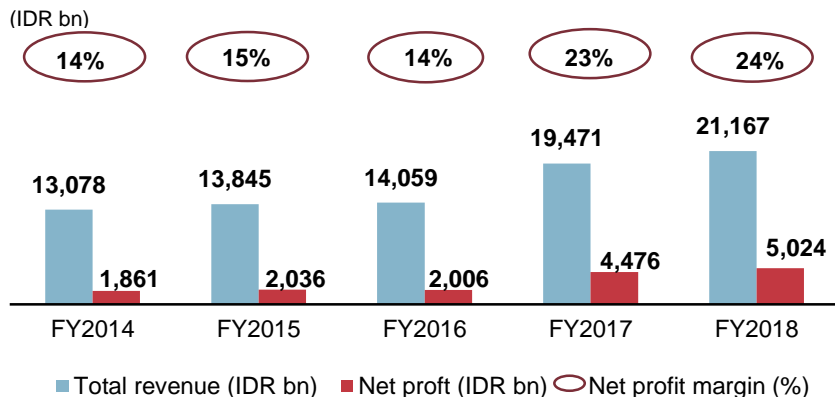


Declaration of Coal Downstreaming Project in Tanjung Enim by the Minister of SOE, Minister of Energy and Mineral Resources and Minister of Industry

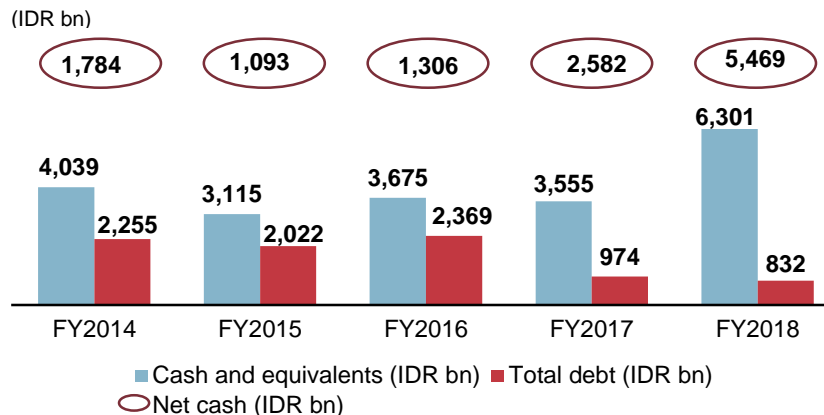


Robust Financial Strength with Strong Net Cash Position

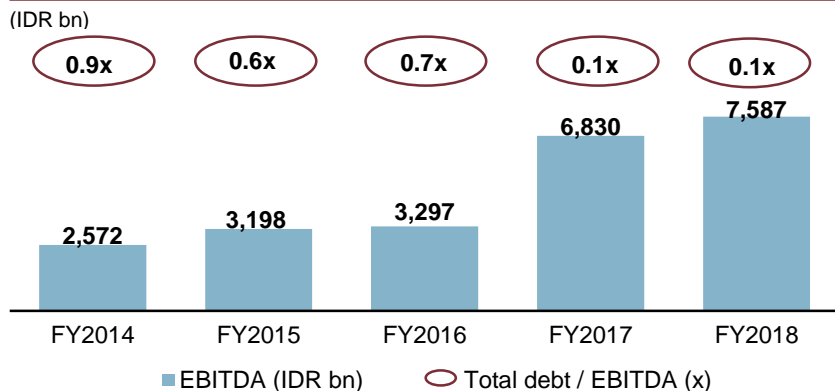
Total Revenue, Net Profit and Net Profit Margin



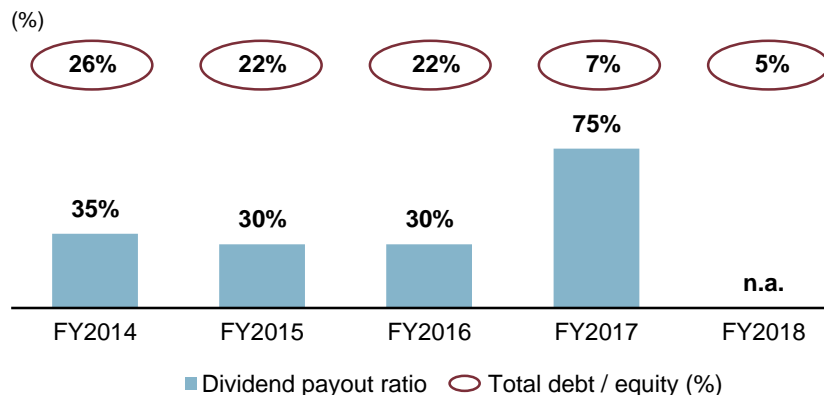
Minimal Debt ⁽¹⁾ with Overall Net Cash Position



EBITDA and Total Debt ⁽¹⁾ / EBITDA Ratio



Low Leverage⁽¹⁾ with Min. 30% Dividend Payout Ratio Over The Last Few Years



Significant improvement in operating margins driven by lower stripping ratio, favourable transportation and increasing the portion of in-house mining contractor

Strong balance sheet with low net gearing and good cash flows

(1) Total debt includes bank borrowings and finance lease obligations.



For More Information :

Contact	: Septyo Cholidie
Position	: Investor Relations Manager
Address	: PT Bukit Asam Tbk Menara Kadin, 15 th Floor, Jl. Rasuna Said, Blok X-5 Kav. 2 & 3, Jakarta 12950 Indonesia
Telephone	: +62 21 5254014
Facsimile	: +62 21 5254002
E-mail	: scholidie@bukitasam.co.id
Website	: www.ptba.co.id

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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.