

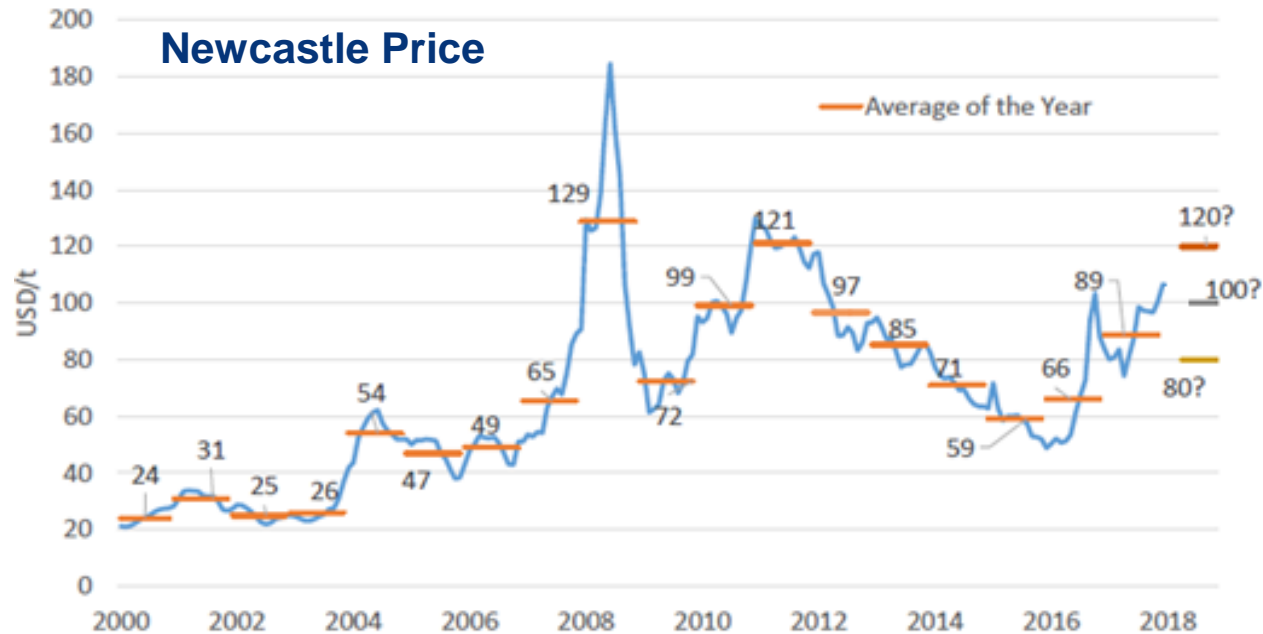
# Corporate Presentation – H1 2018



**Built on Strength, Focus on Future**

- 1. Commercial Overview**
- 2. Performance Results**
- 3. Development Projects**
- 4. Appendices**





## **Positive sentiment :**

- Strong industrial activity, hot weather and weak hydro generation sustain strong coal demand in China. Meanwhile, China's domestic coal supply constraints also occur.
- More delays in restart of Japanese nuclear reactors help coal demand.
- Indian domestic coal industry difficulties in delivering coal to utilities.
- Electrification in SEA depends on coal, where competitive alternatives are still limited.

## **Negative sentiment :**

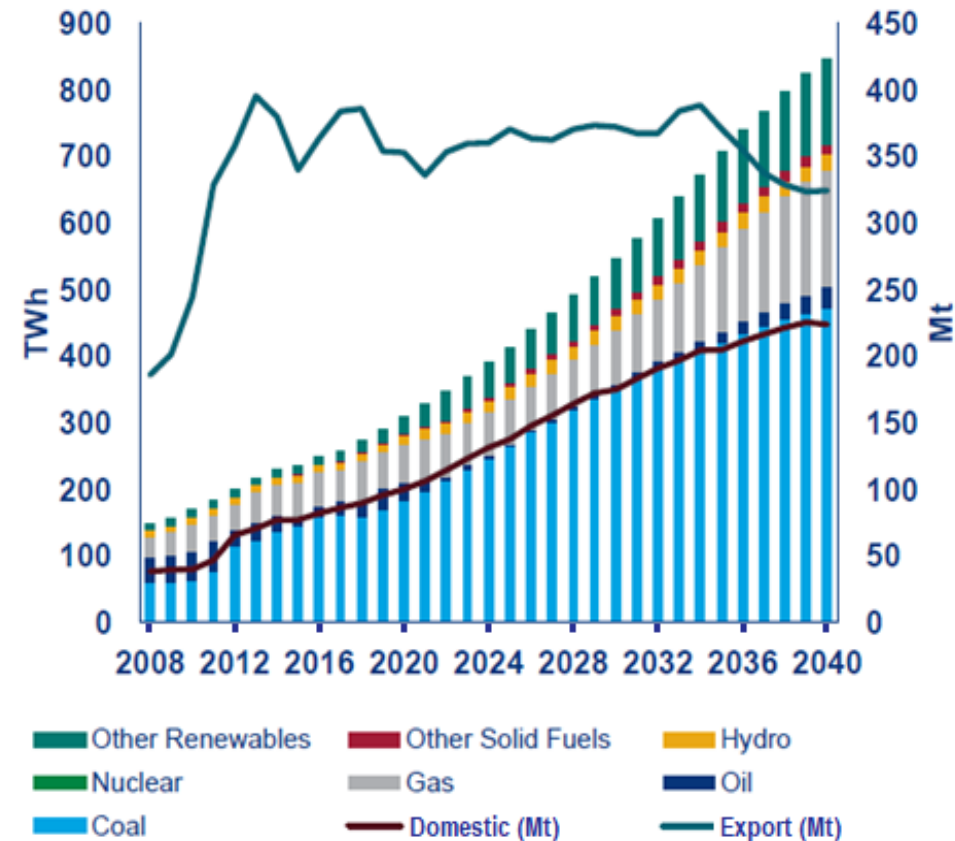
- China continues to control the domestic price into 'reasonable range' between RMB500/t and RMB570/t.
- The strong pressure on using renewable energies will challenge coal utilization.

Source : Wood Mackenzie, Noble Group & PTBA Research, 2018

## Indonesia: Balancing The Needs of Domestic and Export Markets

- Under the current high prices, Indonesia's coal export will increase.
- New regulations (DMO Rules and US\$70 Price Cap) give pressure on Indonesian coal industry.
- Indonesia will need to constantly balance its export and domestic market, especially in the near term when exports remain high.
- Exports are expected to remain strong in the near term, staying around 350-360 Mt until 2020 and then gradually decline to around 300 Mt by 2040.

## Indonesia Generation - Mix (TWh), Domestic Demand and Export (Mt)

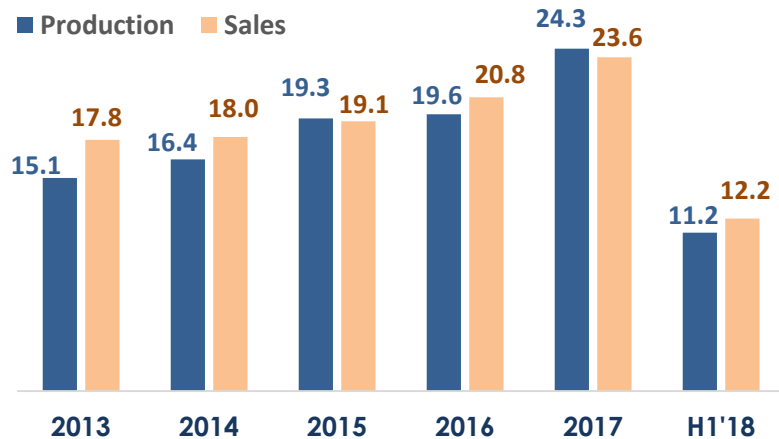


Source : Wood Mackenzie & PTBA Research, 2018

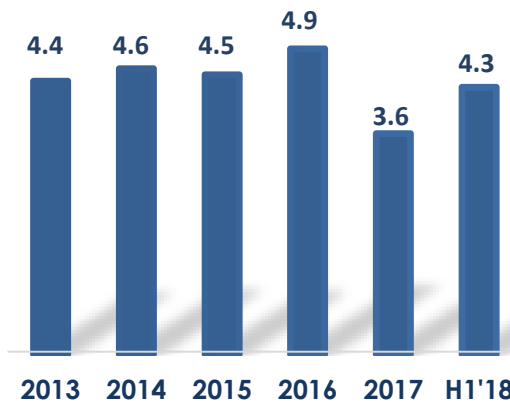
# Performance Results

	FY18 (E) a	H1'18 b	H1'17 c	YoY % b/c
▪ Sales Volume (Mt)	25.88	12.22	11.36	107.6%
▪ Production (Mt)	25.54	11.21	9.43	118.9%
▪ Railway Capacity (Mt)	23.10	11.10	10.23	108.5%
▪ Revenues (IDR TN)	n/a	10.53	8.97	117.4%
▪ Net Profit (IDR TN)	n/a	2.58	1.72	149.4%
▪ Weighted Average Selling Price (IDR/t)	n/a	838.288	770.938	108.7%
▪ Stripping Ratio (SR)	4.37	4.30	4.14	103.8%

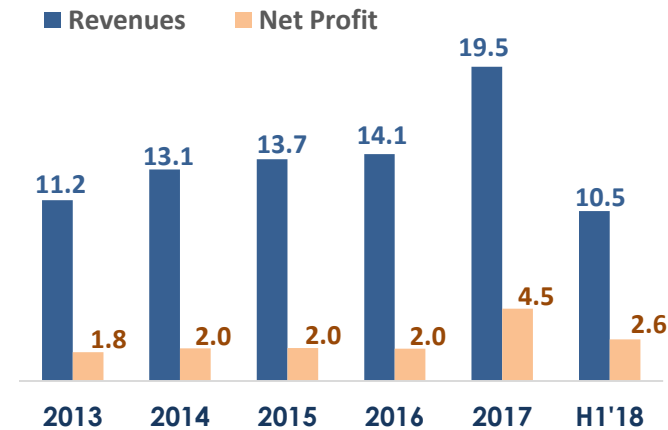
**Production & Sales (Mt)**



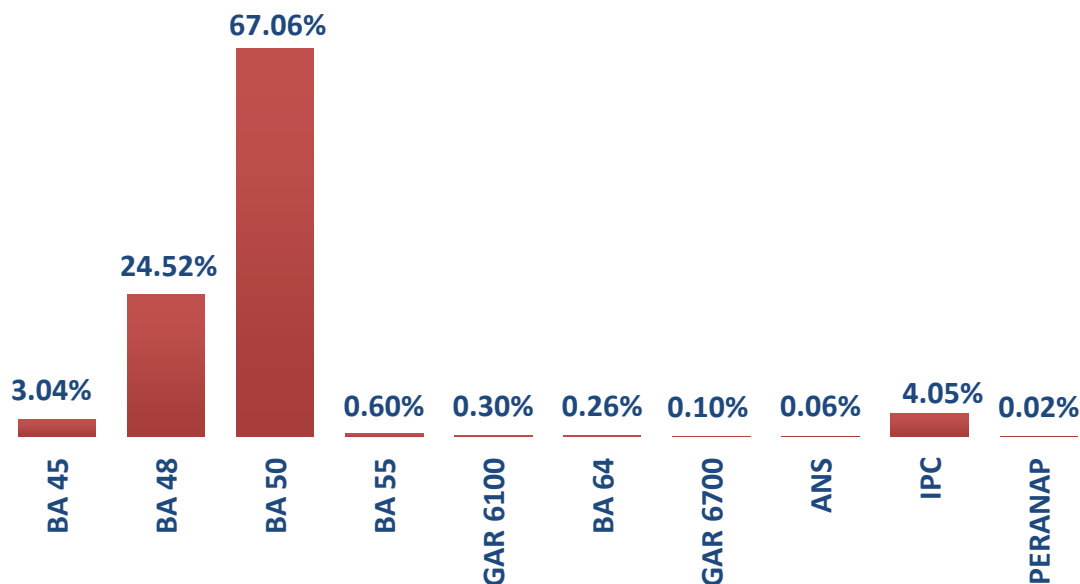
**Weighted Average SR**



**Revenues & Net Profit (IDR TN)**



## H1'18 Sales Breakdown by Quality



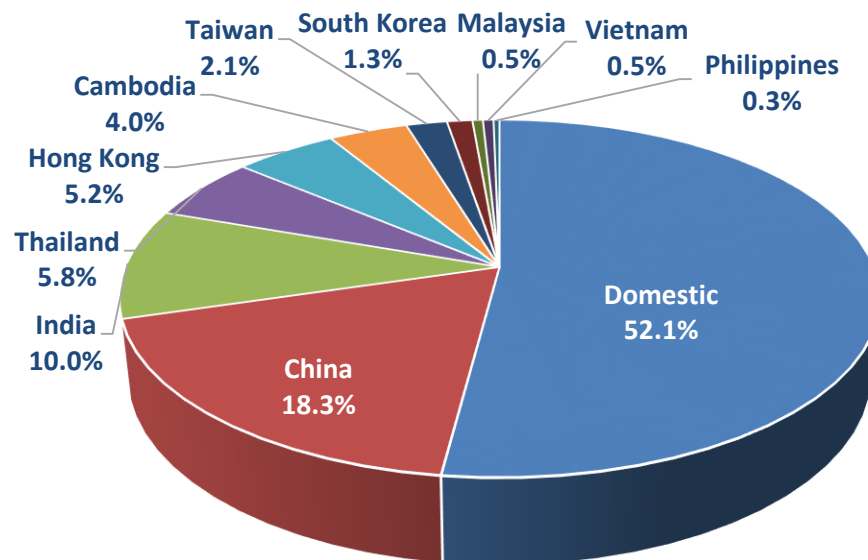
## Total Cash Cost (FOB)

Tanjung Enim System	H1'18 a	H1'17 b	YoY % a/b
Total (IDR/t)	613.836	682.930	89,9

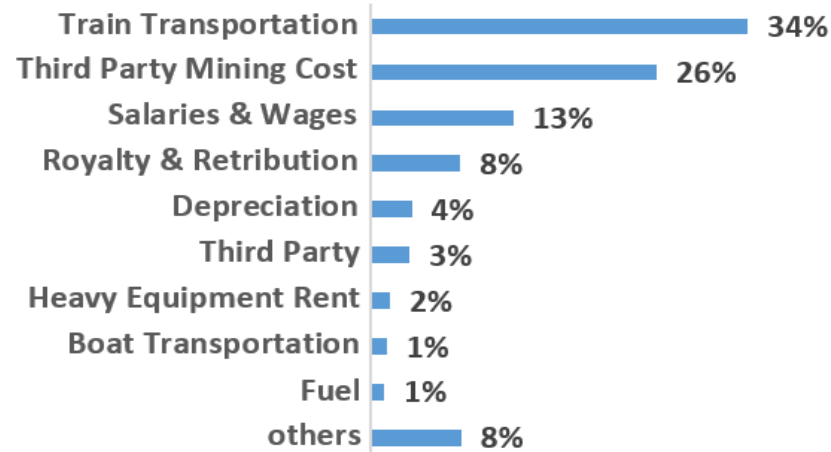
Note: Total cash cost include COGS, G&A, Selling Expenses, Inventory, Royalty

# Performance Results

## H1'18 Sales Breakdown by Country

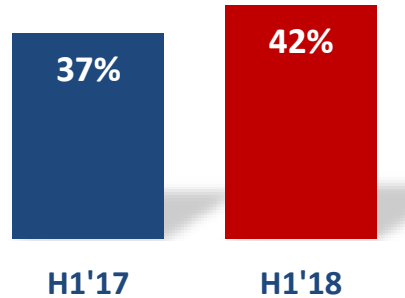


## Total Cost Breakdown

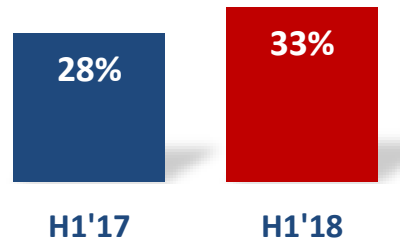


# Performance Results

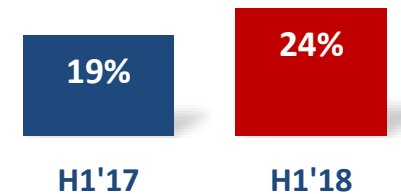
## Gross Profit Margin



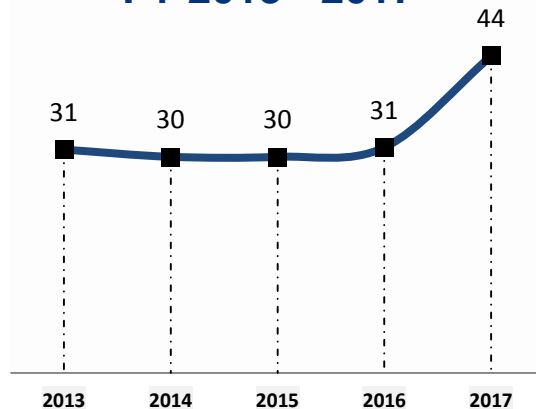
## Operating Profit Margin



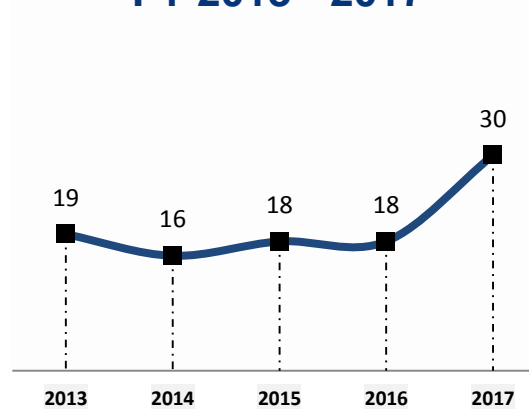
## Net Profit Margin



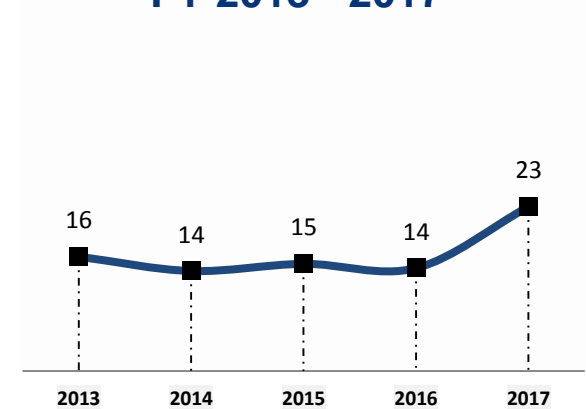
### FY 2013 - 2017



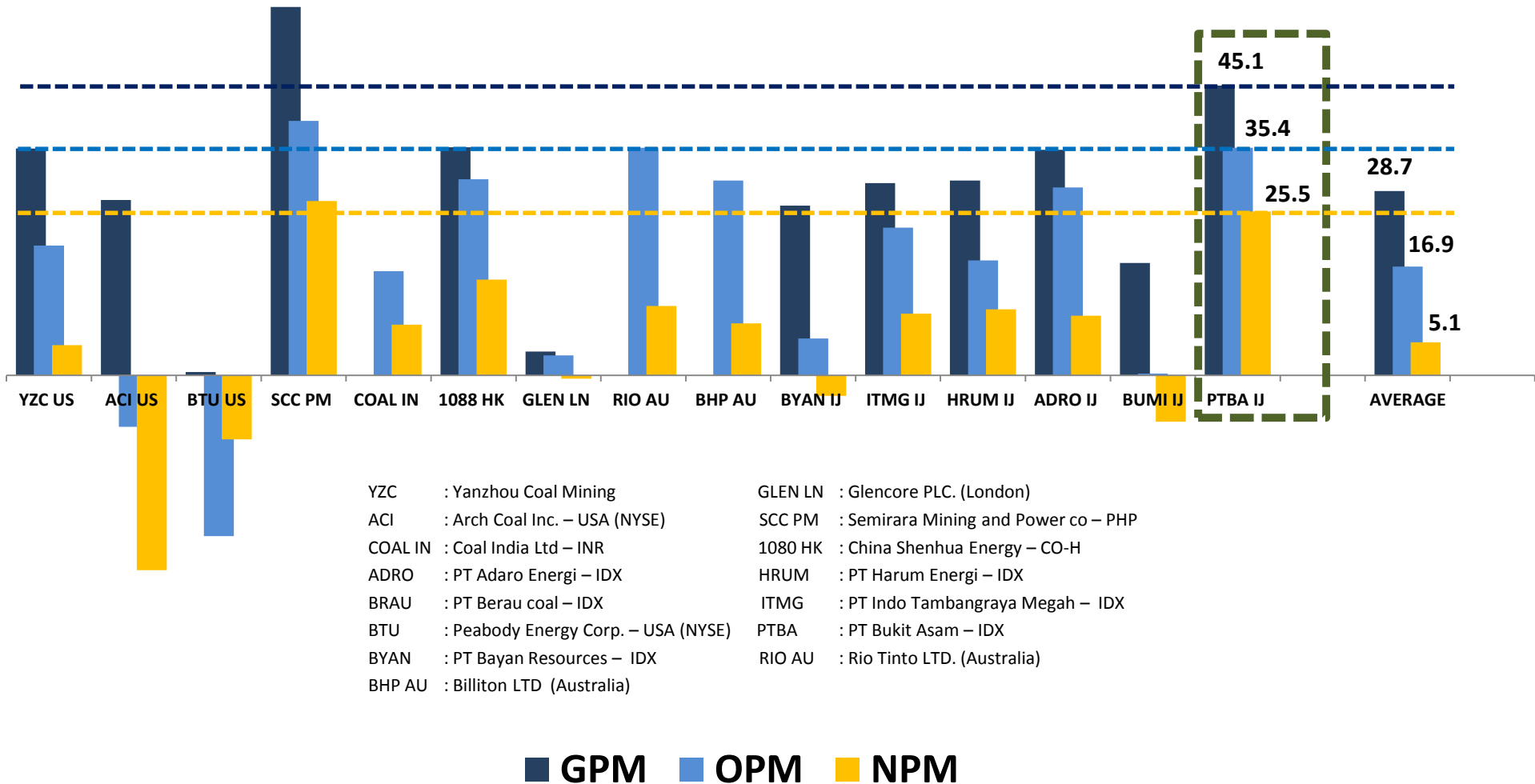
### FY 2013 - 2017



### FY 2013 - 2017



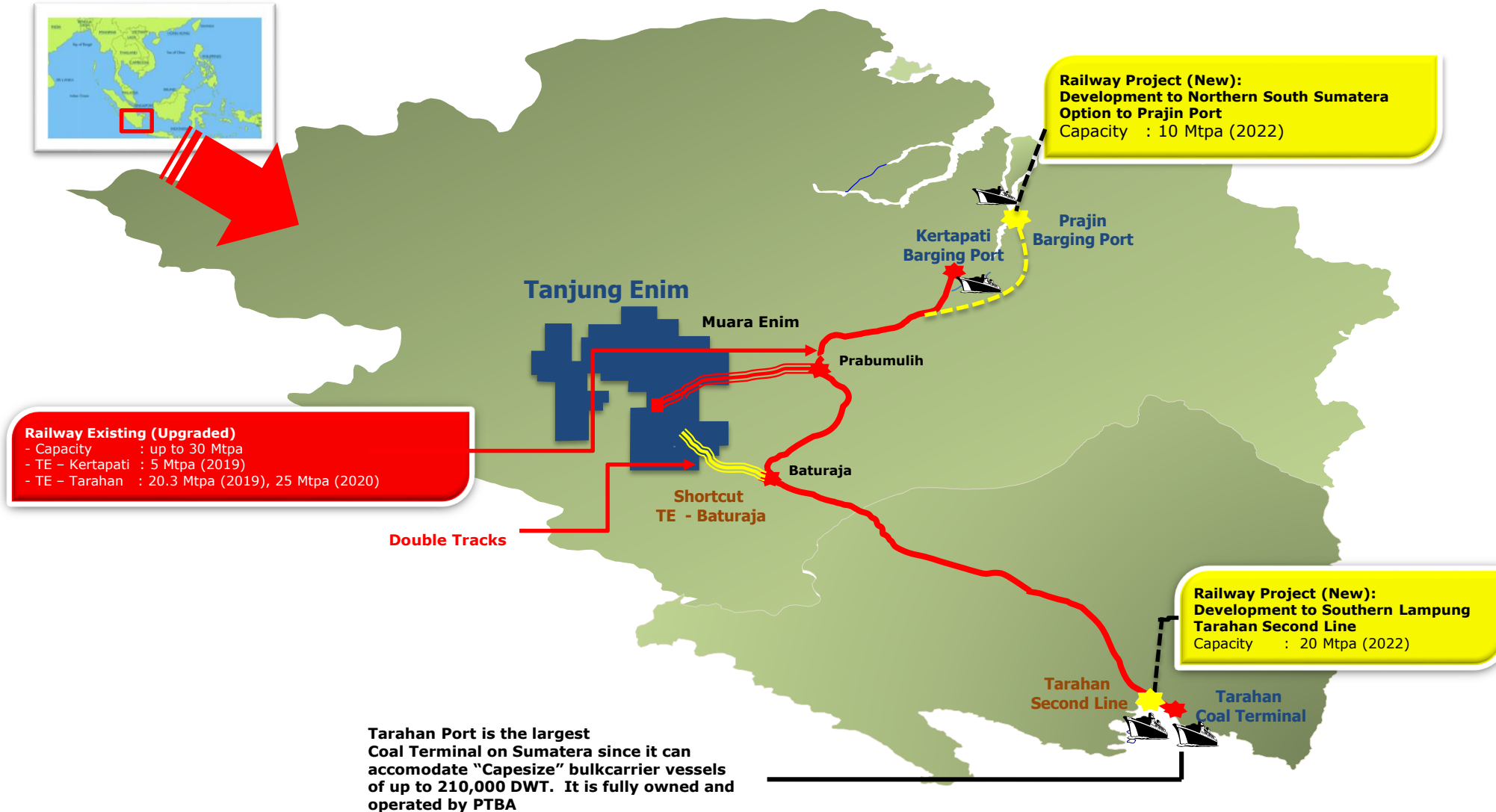
## PTBA Vs Global & Local Peers



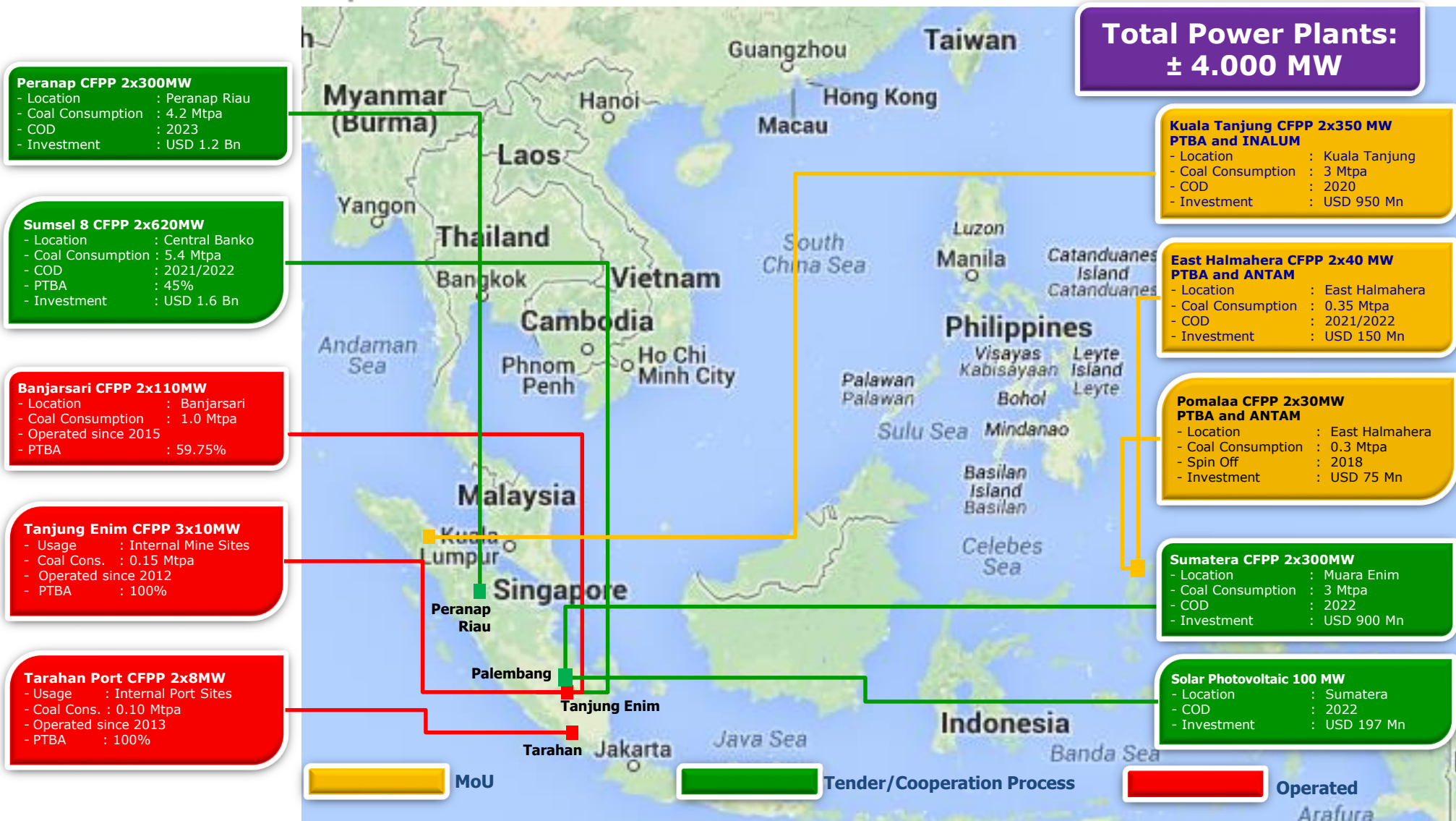
Source: Bloomberg, July 2<sup>nd</sup> 2018



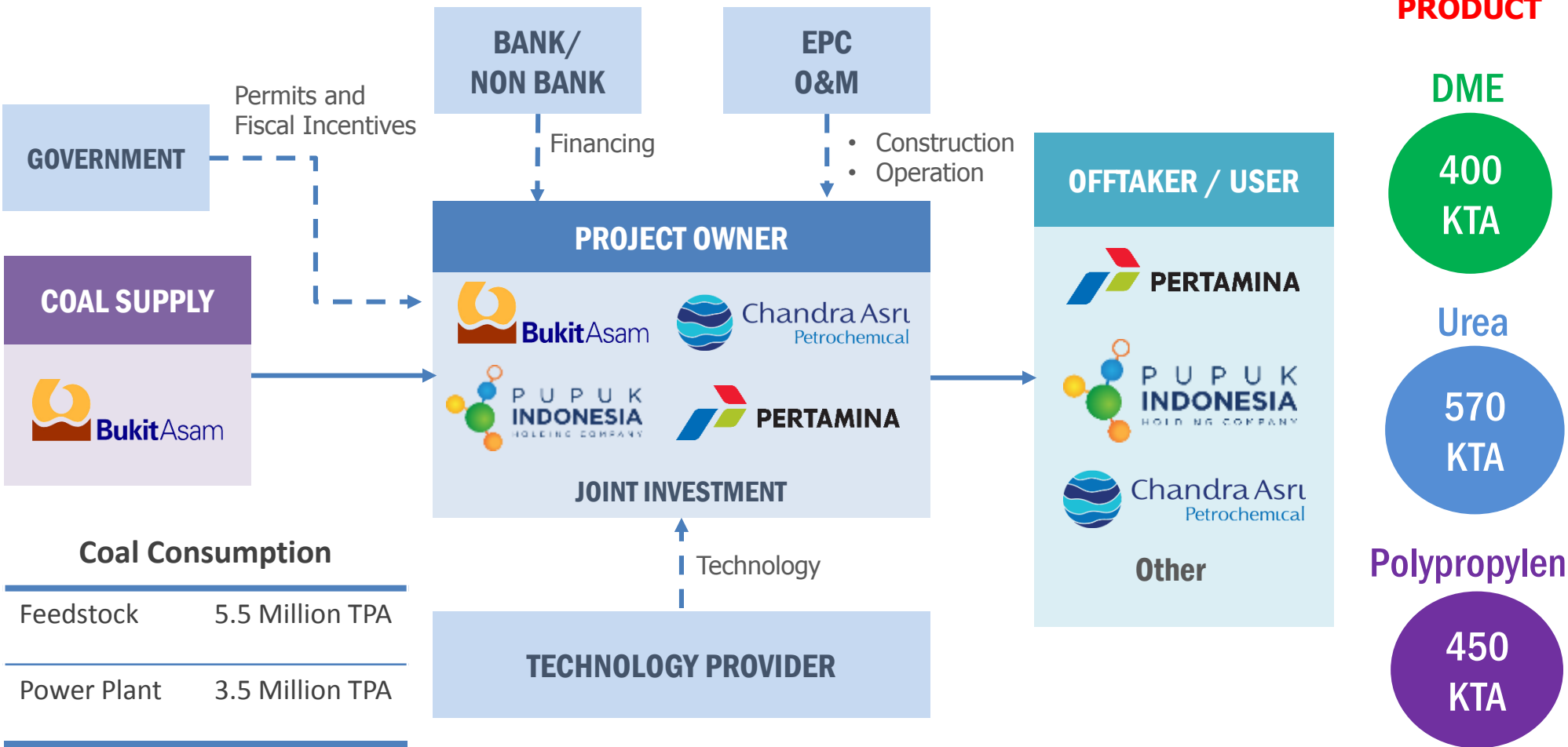
## Distribution Infrastructures Development



## Power Plants Development

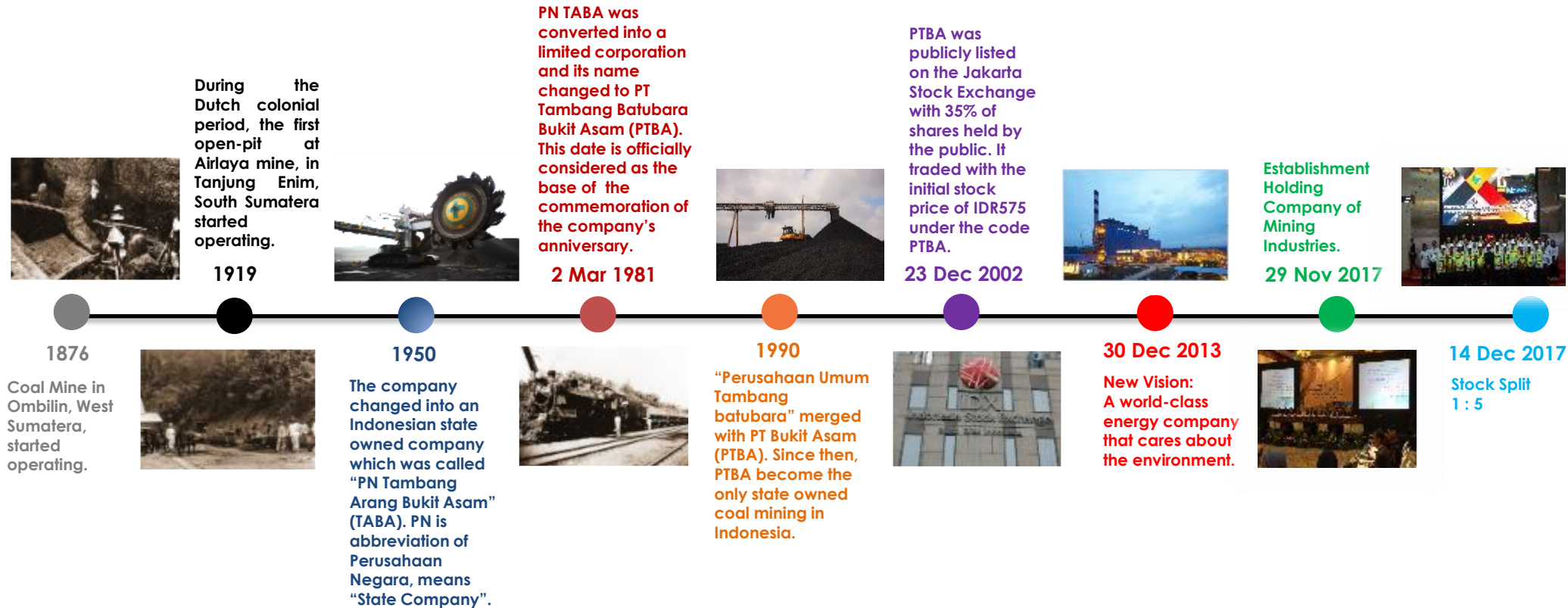


**COAL TO CHEMICAL PLANT**



Coal Consumption	
Feedstock	5.5 Million TPA
Power Plant	3.5 Million TPA
<b>Total</b>	<b>9 Million TPA</b>

## Company's Key Milestones



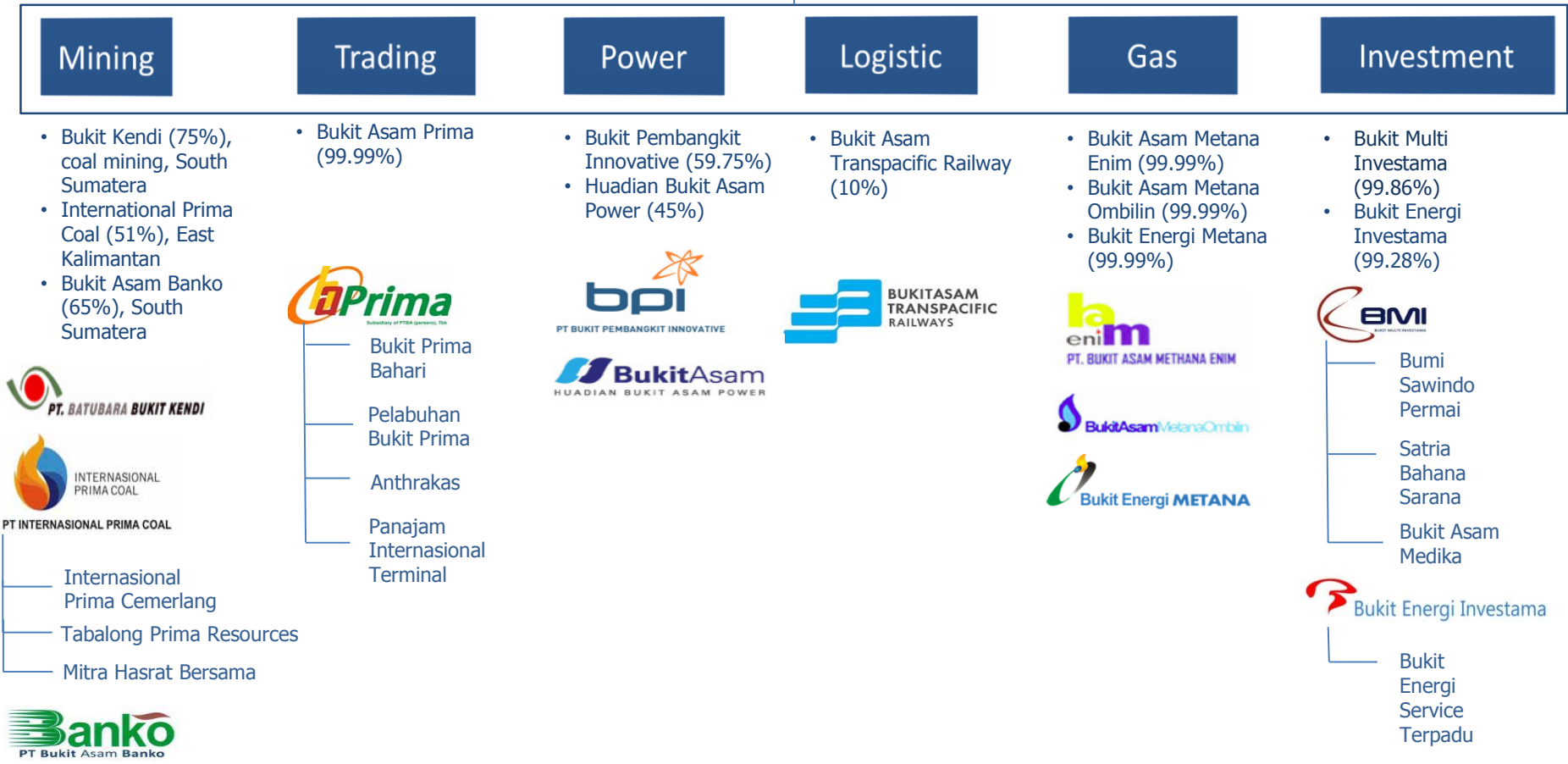
**PTBA – "Indonesia's Oldest and Most Experienced Coal Producer"**

PTBA Structure



PT. Indonesia Asahan Alumunium (Persero)  
owns 65% of Total Shares

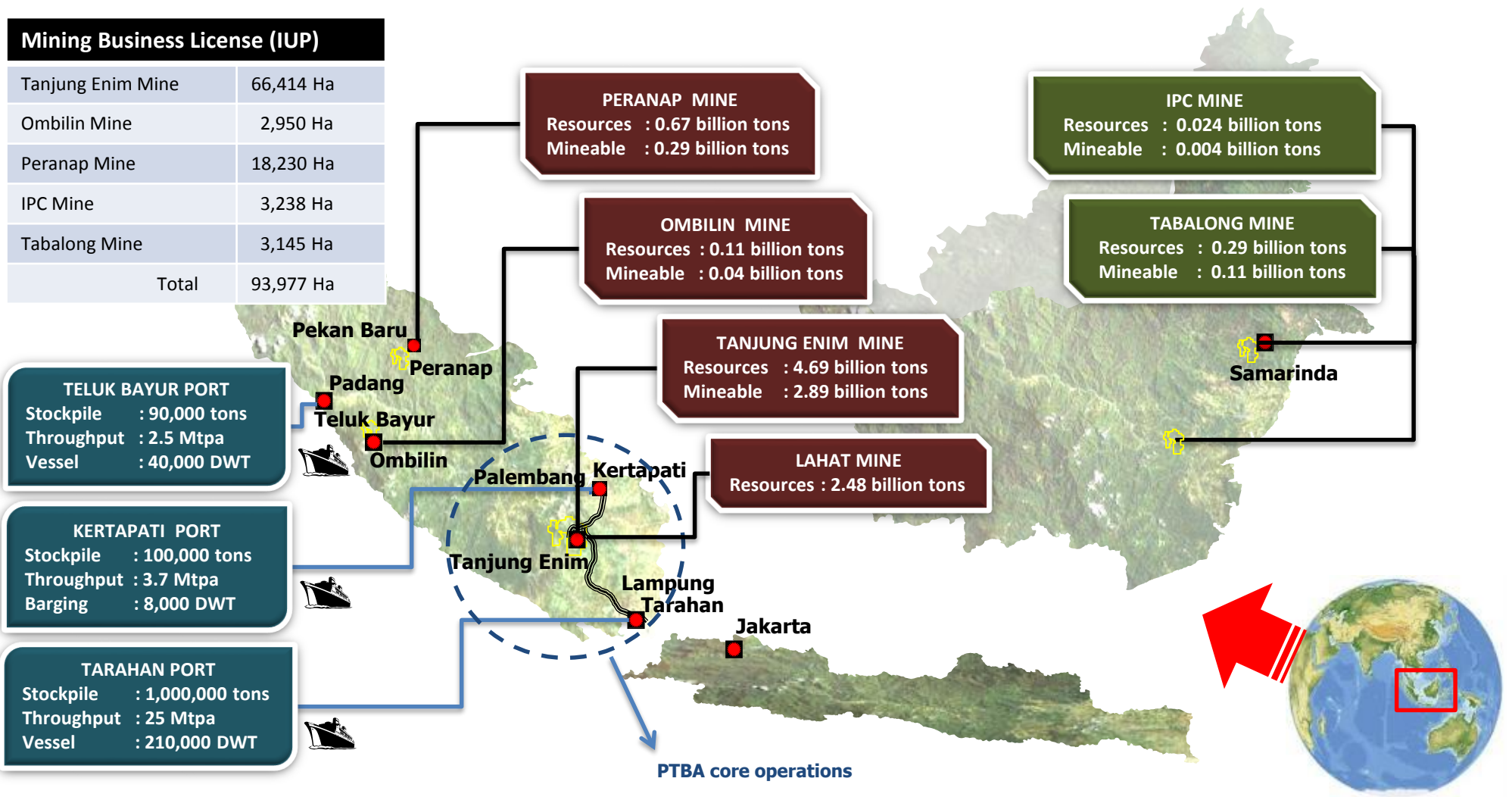
The Subsidiaries:





## Operating Overview

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
Tabalong Mine	3,145 Ha
Total	93,977 Ha







## Tarahan Coal Terminal

- Coverage: 43 Ha
- Throughput: 25 Mtpa
- Capacity of Berths:
  - ❖ Shiploader#2 210,000DWT
  - ❖ Shiploader#1 80,000DWT
  - ❖ Bargeloader 10,000DWT
- Supporting Facilities:
  - ❖ Total Stockpiles: 0.9 Million ton
  - ❖ 2x8MW Coal Fired Power Plant
  - ❖ Train Unloading System with 4 RCDs (Rotary Car Dumper)
  - ❖ 10,000DWT Barge Unloading
- Certified by ISPS Code

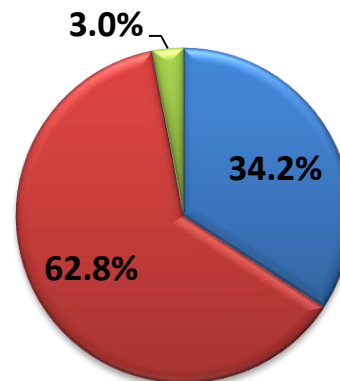
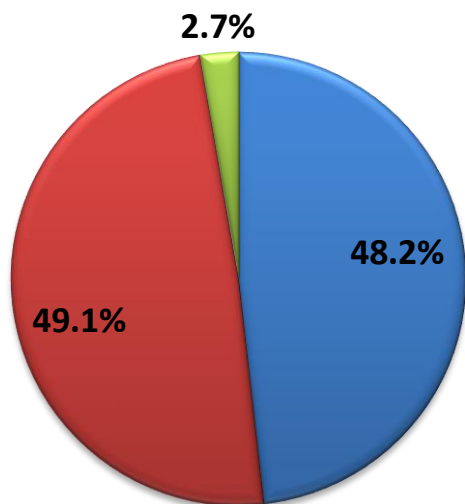


## Coal Resources \*

Total: 8.27 bn tons

## Coal Mineable Reserves \*

Total: 3.33 bn tons



■ Lignite ■ Sub-bituminous ■ Bituminous

■ Lignite ■ Sub-bituminous ■ Bituminous

**"PTBA has the Largest Coal Resources & Reserves in Indonesia"**

**"The Reserves can hold for more than half century"**

**"The Most Sustainable Coal Producer in Indonesia"**

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

\* Based on KCMI Standard by PT. Britminindo, 2015



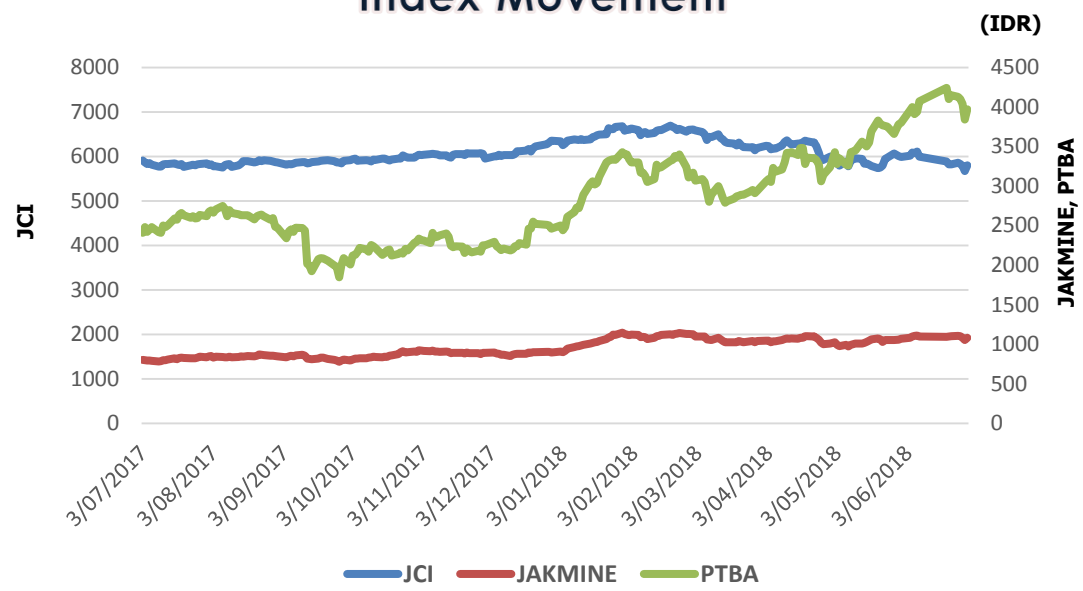
## Market Brand

Coal Brand	CV		TM	IM	Ash	VM	FC	TS max	Ash Fusion Temperatures (°C)				HGI
	Kcal/Kg, adb	Kcal/Kg, ar	%, ar	%, adb	%, ar	%, ar	%, ar	%, adb	Deformation	Spherical	Hemisphere	Flow	
IPC 53	5300	-	34	15	8	39	40	0.5	-	-	-	-	-
BUKITASAM – 45	5464	4500	30	15	6	35	29	1.0	1216	1246	1384	1413	52
BUKITASAM – 48	5733	4800	29	14	6	35	30	1.0	1216	1246	1384	1413	52
BUKITASAM – 50	6111	5000	28	12	6	35	31	1.0	1323	1379	1381	1398	55
BUKITASAM – 55	6513	5500	24	10	6	34	36	1.0	1308	1374	1388	1409	54
BUKITASAM – 64	7070	6400	14	5	6	34	46	1.2	1466	1488	1491	1493	60

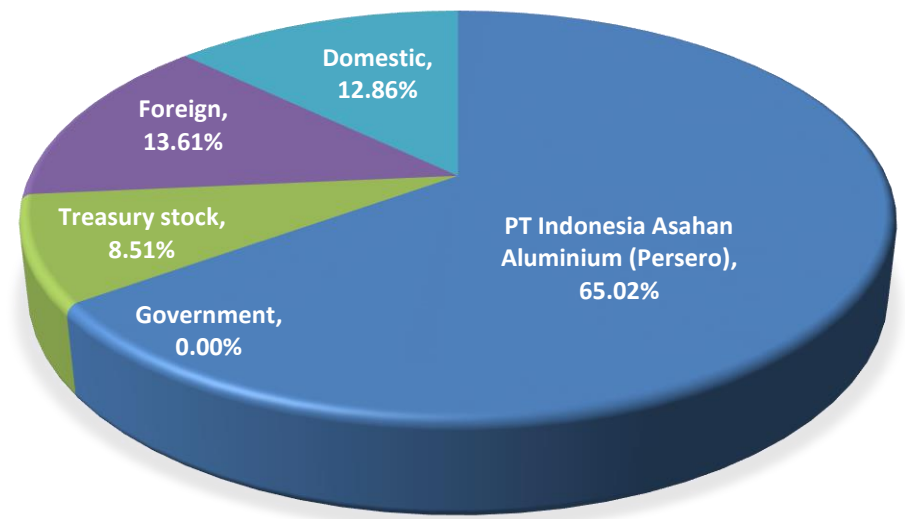
- PTBA Coal are low ash, low sulfur, high HGI and high AFT that suitable for Power Plants and General Industries. PTBA Coal also have trace element contents which meet with environmental standards (Boron : 66 ppm and Arsenic : 0.07 ppm).
- Most of Sale and Purchase Agreements are made under Long Term Contact.
- Price References are always based on International Thermal Coal Prices Index.



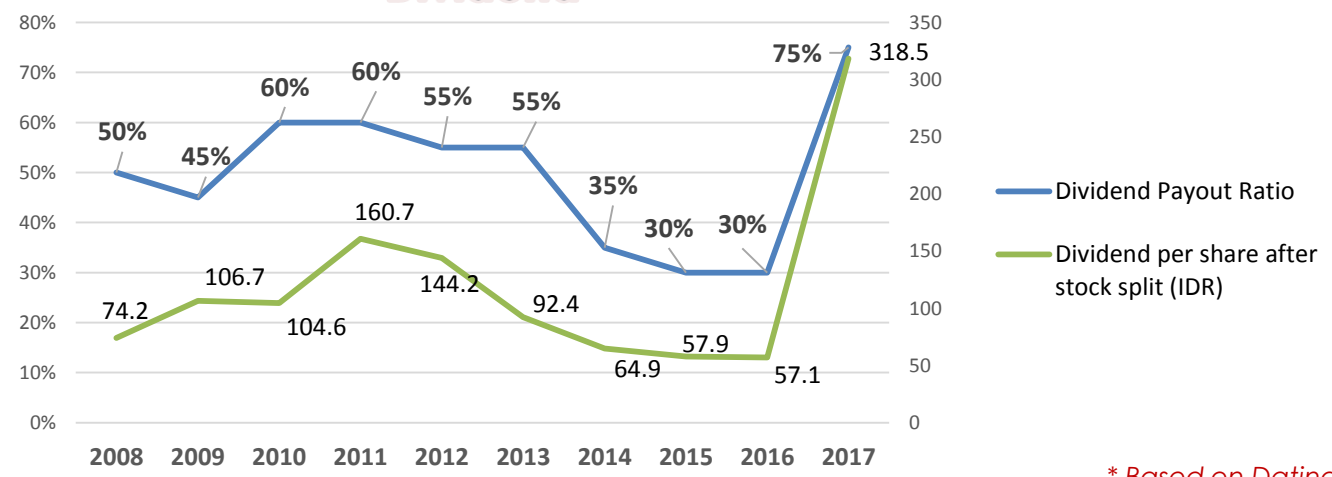
## Index Movement



## Shareholders Information \*



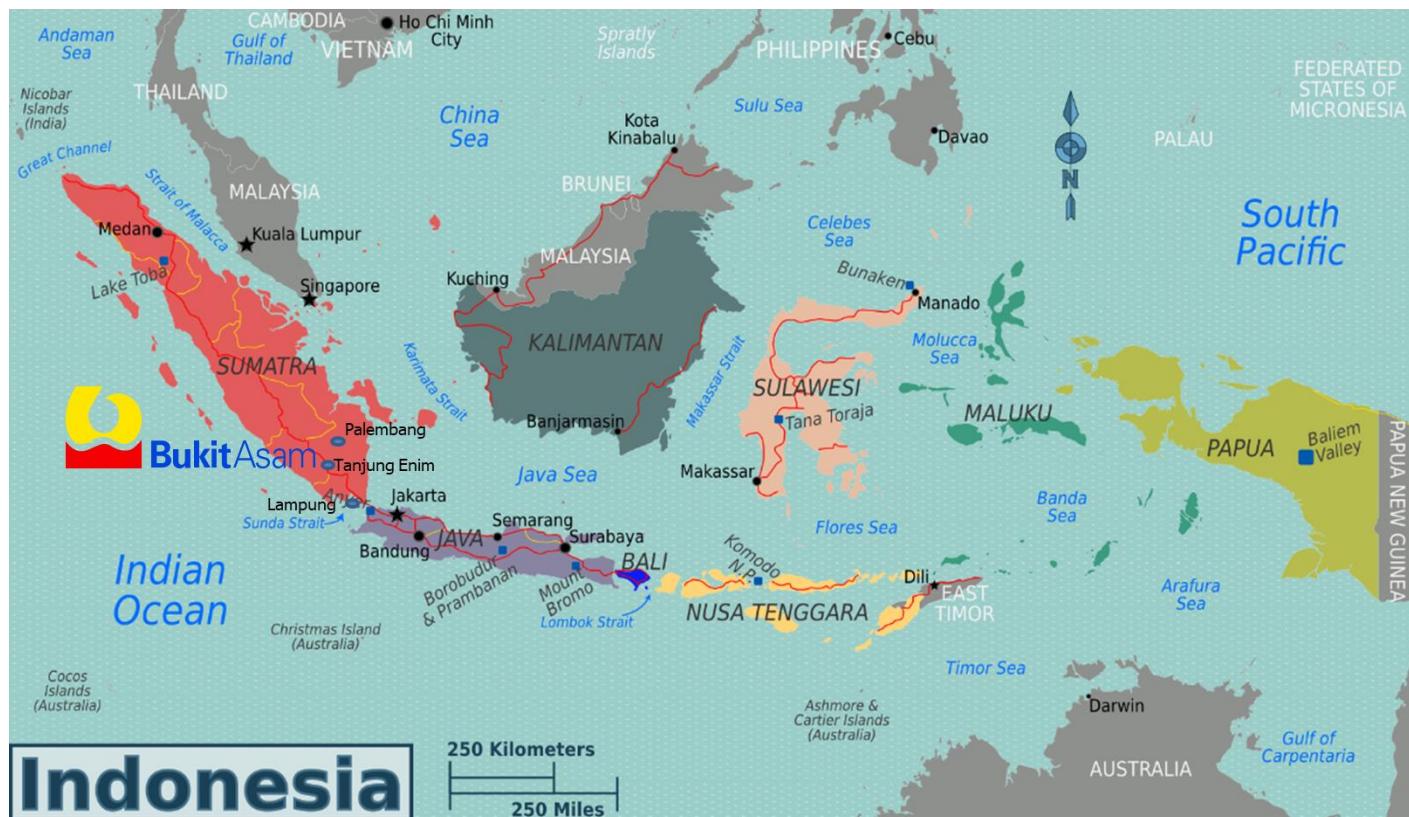
## Dividend



\* Based on Datindo, June 29<sup>th</sup>, 2018



**BukitAsam**  
beyondcoal



### For More Information :

Contact : Niko Chandra  
Position : Investor Relations Manager  
Address : PT Bukit Asam Tbk  
Menara Kadin, 15<sup>th</sup> Floor,  
Jl. Rasuna Said, Blok X-5  
Kav. 2 & 3, Jakarta 12950  
Indonesia  
Telephone : +62 21 5254014  
Facsimile : +62 21 5254002  
E-mail : [nchandra@bukitasam.co.id](mailto:nchandra@bukitasam.co.id)  
Website : [www.ptba.co.id](http://www.ptba.co.id)

### Disclaimer:

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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.