



## **NEWS RELEASE DARI ADARO ENERGY**

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### **Adaro Energy Distributes Final Cash Dividend US\$259.09 Million, the Highest Dividend since IPO**

***Contribution to Nation Building with Corporate Income Tax of US\$450.5 Million  
and Royalties of US\$405.4 Million***

**Jakarta, April 27th, 2012** --- PT Adaro Energy Tbk ("company") (IDX : ADRO) held its Annual General Meeting of Shareholders (AGMS) today at the Ritz-Carlton Hotel, Mega Kuningan, in Jakarta. The AGMS was attended by the company's shareholders and achieved the quorum required by prevailing laws and regulations.

During the AGMS the shareholders approved the annual report which among others consists of consolidated financial statements and operational report. Shareholders also ratified the consolidated financial statements for the year ended December 31<sup>st</sup>, 2011. The company booked net revenue of US\$3.99 billion, up 47% from US\$2.72 billion in 2010. While net income was recorded at US\$552 million or up 124% from US\$247 million in 2010. The increase of net income benefited from strong production volume growth, robust average selling price, and continued cost control. This record net income included contribution to the government of Indonesia in the form of corporate income tax of US\$450.5 million and royalty expenses of US\$405.4 million.

We recorded our twentieth straight year of uninterrupted annual production growth as coal production increased 13% to 47.7 million tonnes, while sales volume increased 16% to 50.8 million tonnes. The combination of normal weather, arrival of new and larger sized heavy equipment and our contractors' high quality performance enabled us to achieve our production target set previously.



Moreover, we posted a record EBITDA of US\$1.47 billion, surpassed our full year EBITDA projection of US\$1.1 to US\$1.3 billion, up 67% as compared to the previous year, maintaining amongst the best EBITDA margin in Indonesian thermal coal of 37%. The company's consolidated financial position as at end of December 31<sup>st</sup>, 2011 remained strong with net debt to EBITDA improved to 1.05x from 1.16x in 2010 and net debt to equity was a healthy 0.63x. Our liquidity remained excellent with access to cash of US\$1.26 billion (including US\$700 million of unutilized committed bank facilities).

Furthermore, total assets were recorded at US\$5.66 billion or up 27% as compared to last year, while total liabilities increased 32% to US\$3.22 billion. Shareholders' equity grew 20% to US\$2.44 billion due to the increase of retained earnings from net income in 2011.

Shareholders also agreed to use the company's net income (after deducting net income attributable to non-controlling shareholders) for fiscal year 2011, as follows:

- a. US\$5.50 million to be set aside for reserve fund as stipulated in article 70 of Company Law No. 40 Year 2007.
- b. US\$259.09 million or 47.08% of net income for a final cash dividend payment which includes the interim cash dividend amounting to US\$75.17 million paid on December 9<sup>th</sup>, 2011. While the remaining US\$183.92 million will be distributed as a cash dividend. This dividend payment would be the highest since Adaro's IPO in 2008. The cash dividend payment schedule will be published in two nationally circulated newspapers in accordance with the prevailing laws and regulations.
- c. US\$285.76 million will be appropriated to retained earnings.

The AGMS also authorized Adaro Energy's Board of Commissioners to appoint a Public Accounting Firm, which is registered with BAPEPAM-LK, to audit the Company's financial report for the on going and fiscal year ending 31 December 2012 and also authorized the Company's Board of Commissioners to determine the honorarium of the Public Accounting Firm as well as other requirements.



**Notes to Editor:**

PT Adaro Energy Tbk was established in 2004, under the name of PT Padang Karunia, has been known as the second largest thermal coal producer in Indonesia which is vertically integrated from pit to power. The company through its subsidiaries has a very large JORC compliant coal resource and reserve of 4.6 billion tonnes and 1.1 billion tonnes, respectively. The breakdown of our resource and reserve is as follow:

- a. PT Adaro Indonesia (Coal Contract of Work 100%)
  - Location: South Kalimantan
  - License: First Generation CCoW valid until 2022
  - Product: Sub-bituminous Coal (Envirocoal: E-5000 and E-4000)
  - JORC Compliant 2010 (adjusted for coal mined in 2011): Resource 4.37 billion tonnes and Reserve 891 million tonnes
- b. IndoMet Coal Project (25% JV with BHP Billiton)
  - Location: Central Kalimantan
  - License: Third Generation CCoW
  - Product: Coking Coal
  - Resource 774 million tonnes
- c. PT Mustika Indah Permai (Coal Lease 75%)
  - Location: South Sumatera
  - License: IUP granted for 20 years since April 2010
  - Product: Sub-bituminous Coal (Ultima)
  - JORC Compliant: Resource 286 million tonnes, and Reserve 273 million tonnes
- d. PT Bukit Enim Energi (Coal Lease 61.04%)
  - Location: South Sumatera
  - License: IUP granted for 20 years since March 2011
  - Product: Sub-bituminous Coal
- e. PT Bhakti Energi Persada (Coal Lease 10.2%)
  - Location: East Kalimantan
  - Product: Sub-bituminous Coal

Adaro Energy's vision is to be a leading Indonesian Mining and Energy Group. The company continues to focus on creating maximum sustainable value from Indonesian coal. Our approach to value creation can be summarized by four key strategies, namely organic growth from the current reserve base, improving the efficiency of our coal supply chain, increasing and diversifying reserves, products and locations and deepening integration.

On July 16<sup>th</sup>, 2008, Adaro Energy conducted its IPO and listed its shares on the Indonesia Stock Exchange by issuing new shares amounting to 11.14 billion shares or 34.83% of its issued and fully paid capital. With the IPO price of Rp1,100 per share (nominal share value of Rp100 per share), Adaro Energy raised Rp12.25 trillion from the public. The IPO was considered the largest IPO in the history of the Indonesia Capital Market.

As of December 2011, Adaro Energy had Total Assets of US\$5.66 billion, Total Liabilities of US\$3.22 billion and Total Equity of 2.44 billion. The Company is owned by PT Adaro Strategic Investments (43.91%), PT Saratoga Investama Sedaya (3.01%), PT Trinugraha Thohir (0.25%), PT Triputra Investindo Arya (0.17%), PT Persada Capital Investama (0.03%), Garibaldi Thohir (6.15%), Edwin Soeryadjaya (4.25%), Theodore Permadi Rachmat (2.21%), Sandianga Salahuddin Uno (1.98%) and Ir. Subianto (1.30%). Therefore, the Company's key shareholders control 63.3% stake.

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