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INDIKA ENERGY RESULTS FOR THE PERIOD ENDED JUNE 30, 2012

31 JULY 2012, JAKARTA - PT Indika Energy Tbk ("Indika Energy"), Indonesia's leading integrated energy company, reported its financial statement for the period ended June 30, 2012 including the consolidation of the coal mining company Multi Tambangjaya Utama ("MTU") acquired in May 30, 2012.

HIGHLIGHTS

- **Total Revenue of US$ 334.0 million in 1H12** was 46.7% higher than 1H11. This was driven by higher contribution from Petrosea and MBSS.

- **Gross Profit of US$ 86.8 million,** more than double from US$ 41.4 million reported in 1H11 reflecting strong revenue growth from higher margin subsidiaries.

- **Profit Attributable to Shareholders for the first six-month 2012 was US$ 79.7 million**, US$ 14.4 million higher than 1H11. This reflected a 22% growth YoY.

- **Cash Balance of US$ 456.1 million with Total Debt of US$ 978.4 million and Total Assets of US$ 2,339.8 million.**

COAL MINING OPERATION

- **Kideco's Net Profit reported at US$ 260.9 million (+21.2% YoY) on Net Revenue of US$ 1,257.1 million (+19.4% YoY).**

- **Santan Batubara's Net Profit reported at US$ 6.9 million (-46.5% YoY) on Net Revenue of US$ 96.1 million (+ 20.5% YoY).**

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PT Indika Energy Tbk.

Description (in US$ million)	6M12 *unaudited*	6M11 *unaudited*	Changes (%)
Revenue	334.0	227.7	46.7%
Petrosea	174.5	112.4	55.2%
MBSS**	68.1	26.6	156.0%
Tripatra	82.9	67.6	22.6%
Others	8.5	21.1	-59.7%
Gross Profit	86.8	41.4	109.9%
Income from Associate Companies	124.7	109.3	14.0%
Operating expenses	(63.3)	(43.2)	46.5%
Investment income	4.9	4.8	1.7%
Finance cost	(38.6)	(24.7)	56.4%
Negative goodwill	12.4	-	100.0%
Other gains & losses	(22.2)	(12.0)	84.9%
Profit before tax	104.7	75.6	38.4%
Profit for the period	88.2	66.9	31.9%
Attributable to Owners of the Company	**79.7**	**65.3**	**22.0%**
Attributable to Non-controlling interest	8.5	1.6	436.9%
Adjusted EBITDA *	175.0	145.9	20.0%
EPS (US$/share)	0.01529	0.01254	22.0%
Gross Margin	26.0%	18.2%	
Net Margin	23.8%	28.7%	
Adjusted EBITDA Margin*	52.4%	64.1%	
ROA***	7.3%	8.2%	
ROE***	16.5%	18.2%	
ROCE***	17.0%	15.3%	

**including dividends from Associates*

***being consolidated since April 6, 2011*

****annualized*

Description (in US$ million)	6M12 *unaudited*	12M11 *audited*	6M12-12M11 (%)
Current Assets	677.0	702.2	-3.6%
Total Assets	2,339.8	2,021.4	15.7%
Current Liabilities	494.3	491.9	0.5%
Total Debt	978.4	939.2	4.2%
Shareholders' Equity	1,071.2	861.4	24.4%
Cash Balance*	456.1	560.8	-18.7%
Current Ratio (X)	1.4	1.4	
Debt to Equity (X)	0.9	1.1	
Net Debt to Equity (X)	0.5	0.4	

**no more restricted cash as of June 30, 2012*

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Total Revenue rose 46.7% to US$ 334.0 million (1H12) from US$ 227.7 million reported in 1H11 led by:

1). Higher revenue contribution from Petrosea with reported revenue of US$ 174.5 million in 1H12, +55.2% YoY from US$ 112.4 million reported in 1H11 on the back of higher O/B volume. It went up by 34.9% to 69.8 mbcm from 51.8 mbcm reported over the same period last year.

2). Full 6-month contribution from MBSS with reported revenue US$ 68.1 million compared to only US$ 26.6 million in 1H11 with only 3-month contribution from MBSS as the acquisition took place in April 2011.

3). Tripatra reported net revenue of US$ 76.7 million in 1H12, a 16.3% increase YoY from US$ 66.0 million reported in 1H11. The increased is mainly driven by **a).** The ExxonMobil MCL project which started in 4Q11. The ExxonMobil MCL project is a consortium between Tripatra and Samsung Engineering Co.Ltd. for the development of the Banyu Urip Project EPC-1 Production Processing Facilities located near Bojonegoro, East Java, Indonesia; **b).** Improved performance from PT. Kuala Pelabuhan Indonesia (KPI) where revenue +52.5% YoY from US$ 16.4 million in 1H11 to $25.0 million in 1H12.

Other business revenue which represented only 2.5% of 1H12 revenue came mainly from Coal Trading division. The YoY improvement achieved by other subsidiaries were slightly offset due to reduced coal trading activities experienced in 1H12. Coal transacted was only 209.2 thousand tons in 1H12, a 33.2% decline from 313.3 thousand tons in 1H11. The combination of lower ASP and coal volume has resulted in revenue down 56.3% from US$ 18.2 million in 1H11 to US$ 8.0 million in 1H12.

Gross Profit reported at US$ 86.8 million, a 109.8% jumped YoY **-** driven by strong revenue growth from high margin subsidiary. In addition, full 6-month inclusion of the higher margin business from MBSS (approx 40% GM) also helped to expand Indika Energy's consolidated gross margin to 26.0% in 1H12 from 18.2% reported in 1H11.

Income from Associates increased by 14.0% from US$ 109.3 million (1H11) to US$ 124.7 million in 1H12 mainly due to Kideco's contribution which accounts for approximately 93% of the total. Santan Batubara, Cotrans & SBS accounts for 2.8% and 3.9% respectively.

Operating Expenses increased by 46.5% from US$ 43.2 million in 1H11 to US$ 63.3 million in 1H12. The main factors driving this increased were ongoing organic and inorganic expansion programs across Indika's business. Main cost components were:

1). Salaries, wages and employee benefit and accrued compensation on employee stock option program increased by 49.5% YoY to US$ 29.5 million.

2). Equipment, vehicles and office rental expenses jumped by 69.6% YoY to $ 6.9 million

3). Professional Fees are pretty much stable at US$ 6.6 million (+0.5 % YoY). We do expect, going into the second half of 2012, that Professional Fees will be much higher due to the fact that costs/fees associated with a series of M&A transactions will be realized. These costs will no longer qualify for capitalization as part of acquisition cost but will be treated instead as expenses under Financial Accounting Standard (PSAK) accounting treatment.

4). Depreciation of Property Plant n Equipment such as heavy equipment, buildings, leasehold and improvements, office equipments, furniture and fixtures, vehicles and helicopters stood at US$ 3.8 million (+31.7% YoY).

Interest and Financial Charges rose to US$ 38.6 million (+56.4% YoY) due mainly to full six months recognition of coupon and amortization of bond issuance cost in 1H2012 of US$30.1 million, where an additional US$ 115 .0 million bond was raised in May 2011 during the company's Liability Management Exercise. In June 2012, US$ 65.0 million bond was repaid.

In addition, interest charges on bank loans and leases on equipment, tugs and barges also rose to US$ 8.0 million as a result of business expansion and new bank loans obtained amounting to US$ 180.0 million, which were used to fund the acquisition of 51% of MBSS, an integrated coal logistic company. The latter were repaid in April 2012.

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We continued to make progress in growing our coal assets through M&A with the acquisition of MEA n MTU in 1H12. An additional US$ 200.0 million was raised to partially fund the acquisition, MTU, a 3rd generation CCOW.

Negative Goodwill reported in 1H12 stood at US$ 12.4 million resulting from the difference between the fair value of the net coal assets acquired of **MEA** and the acquisition value. This transaction was completed in March 2012.

Other Gains and Losses, jumped significantly to US$ 22.2 million from US$ 12.0 million reported in 1H11. The increase was driven in particular by foreign exchange losses of US$ 8.0 million and amortization of intangible assets of US$ 12.8 million. These non-cash losses resulted mainly from the sizable time deposits in IDR denomination reserved for dividends which needed to be translated into USD as the functional currency of the Financial Statements.

The increase in amortization of intangible assets from US$ 7.3 million to US$ 12.8 million mostly due to the full 6 months inclusion of amortization resulting from the MBSS' acquisition, followed by 3 months and 1 months amortization from the MEA and MTU acquisitions, respectively.

Profit Attributable to Shareholders for the first six-month 2012 was US$ 79.7 million, US$ 14.4 million higher than 1H11. This reflected a 22.0% growth YoY.

Company's balance sheets remain healthy with Net Debt Equity of 5X. Cash Balance of US$ 456.1 million with Total Debt of US$ 978.4 million.

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PT Kideco Jaya Agung

Description (in US$ million)	6M12 *unaudited*	6M11 *unaudited*	Changes (%)
Revenue	1,257.1	1,052.5	19.4%
Gross Profit	496.0	401.7	23.5%
Operating Profit	476.9	382.2	24.8%
Net Profit	260.9	215.3	21.2%
EBITDA	492.0	396.1	24.2%
Gross Margin	39.5%	38.2%	
Operating Margin	37.9%	36.3%	
Net Margin	20.8%	20.5%	
EBITDA Margin	39.1%	37.6%	
ROA*	59.8%	64.0%	
ROE*	107.3%	130.1%	
ROCE*	177.8%	208.8%	
**annualized*			

Description (in US$ million)	6M12 *unaudited*	12M11 *audited*	6M12-12M11 (%)
Current Assets	711.2	604.0	17.7%
Total Assets	926.6	817.7	13.3%
Current Liabilities	369.5	316.5	16.8%
Debt	-	7.3	-100.0%
Shareholders' Equity	516.9	456.0	13.3%
Cash Balance	327.7	293.5	11.7%
Current Ratio (X)	1.9	1.9	
Debt to Equity (X)	-	0.0	
Net Debt to Equity (X)	net cash	net cash	

Description (in million tons)	2Q12 *unaudited*	1Q12 *unaudited*	Changes (%)	6M12 *unaudited*	6M11 *unaudited*	Changes (%)
Coal Production	8.6	8.1	6.3%	16.8	15.6	7.4%
Coal Sales Volume	9.0	8.4	7.3%	17.4	15.7	11.0%
Stripping ratio (X)	6.58	6.40	2.8%	6.49	7.06	-8.0%
Average selling price (US$/ton)	69.34	75.08	-7.7%	72.11	67.04	7.6%

Kideco's Revenue advanced by 19.4% YoY from US$ 1,052.5 million to US$ 1,257.1 million, on the back of higher sales volume and average selling price. Sales volume increased by 11.0 % from 15.7 million tons recorded in 1H11 to 17.4 million tons in 1H12 while average selling price registered an increase of

7.6% from US$ 67.0/ton to US$ 72.1/ton in 1H12. However, if we do a QoQ comparison, the average selling price came down by US$ 5.74/ton from US$ 75.08/ton in 1Q12 to US$ 69.34 in 2Q12 – in line with International Coal Price movement.

Cash Cost including royalty (13.5%) increased by 9.1% to US$ 44.7/ton from US$ 40.97/ton in 1H11 driven by higher contract mining costs as well as higher fuel price. Lower Stripping Ratio, 6.49X in 1H12 compared to 7.06X in 1H11 has helped restrain the increased in cash cost.

Kideco's reported Net Profit of US$ 260.9 million, an increase by 21.2 % from US$ 215.3 million reported in 1H11.

Kideco's balance sheets remain very strong with Cash Balance of US$ 327.7 million and Zero Debt.

PT Santan Batubara

Description (in US$ million)	6M12 *unaudited*	6M11 *unaudited*	Changes (%)
Revenue	96.1	79.8	20.5%
Gross Profit	20.2	26.3	-23.2%
Operating Profit	9.5	17.5	-45.5%
Net Profit	6.9	12.9	-46.5%
EBITDA	10.9	23.1	-53.0%
Gross Margin	21.0%	33.0%	
Operating Margin	9.9%	21.9%	
Net Margin	7.2%	16.2%	
EBITDA Margin	11.3%	28.9%	
ROA*	23.5%	62.6%	
ROE*	40.7%	119.9%	
ROCE*	54.5%	158.1%	
**annualized*			

Santan's revenue increased by 20.5 % YoY from US$ 79.8 million reported over the same period last year to US$ 96.1 million in 1H12 on the back of improvement in both coal production and ASP YoY .

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Description (in US$ million)	6M12 *unaudited*	12M11 *audited*	6M12-12M11 (%)
Current Assets	45.2	40.3	12.1%
Total Assets	61.9	56.0	10.5%
Current Liabilities	23.1	24.4	-5.6%
Debt	-	-	n/a
Total Liabilities	24.4	25.5	-4.1%
Shareholders' Equity	37.5	30.6	22.6%
Cash Balance	3.8	8.9	-56.8%
Current Ratio (X)	1.96	1.65	
Debt to Equity (X)	n/a	n/a	
Net Debt to Equity (X)	net cash	net cash	

Coal Sales was reported at 1.0 million tons, an increase by 18.8 % from 0.8 million tons produced in 1H11. Average selling price also increased by 1.6 % YoY from US$ 92.4/ton in 1H11 to US$ 93.8/ton in 1H12. However, with recent unfavorable market conditions, we have seen the coal ASP decline by US$ 3.32/ton from US$ 95.4/ton in 1Q12 to US$ 92.08/ton in 2Q12.

Cash Cost including royalty increased by 24.7% from US$ 67.6/ton to US$ 84.3/ton in 1H12. The increase is driven by higher stripping ratio and longer hauling distance. The Stripping Ratio reported in 1H12 was 12.7X compared to 11.6X reported in 1H11.

As a result of increased cash cost, Santan's reported Net Profit for 1H12 was only US$ 6.9 million, a decrease by 46.5% from US$ 12.9 million reported over the same period last year.

Description (in million tons)	2Q12 *unaudited*	1Q12 *unaudited*	Changes (%)	6M12 *unaudited*	6M11 *unaudited*	Changes (%)
Coal Production	0.55	0.48	15.7%	1.03	0.84	22.8%
Coal Sales Volume	0.48	0.54	-10.7%	1.02	0.86	18.8%
Stripping ratio (X)	12.61	12.09	4.4%	12.70	11.61	9.4%
Average selling price (US$/ton)	92.08	95.40	-3.5%	93.83	92.40	1.6%

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PT Petrosea Tbk.

Description (in US$ million)	6M12 *unaudited*	6M11 *unaudited*	Changes (%)
Revenue	174.5	112.4	55.2%
Coal Contract Mining	161.3	97.0	66.3%
POSB	11.8	9.3	26.9%
Engineering & Construction	1.4	6.1	-77.0%
Gross Profit	46.1	28.9	59.7%
Income from Associate Companies	3.6	6.8	-46.6%
Operating expenses	(13.7)	(8.9)	54.0%
Interest income	0.072	0.129	-44.2%
Finance cost	(6.1)	(2.3)	164.1%
Other gains & losses	(3.1)	(0.4)	696.4%
Profit before tax	27.0	24.3	11.2%
Profit for the year	20.8	19.2	8.3%
Attributable to Owners of the Company	**20.8**	**19.2**	**8.3%**
Attributable to Non-controlling interest	-	-	n/a
EBITDA	56.3	37.1	51.8%
Adjusted EBITDA*	56.5	39.8	42.1%
EPS (US$/share)	0.0207	0.0190	8.7%
Gross Margin	26.4%	25.7%	
Net Margin	11.9%	17.1%	
EBITDA	32.3%	33.0%	
Adjusted EBITDA Margin*	32.4%	35.4%	
ROA**	9.8%	15.3%	
ROE**	26.2%	31.1%	
ROCE**	21.8%	29.8%	
**including dividends from Associates*			
***annualized*			

Description (in US$ million)	6M12 *unaudited*	12M11 *audited*	6M12-12M11 (%)
Current Assets	127.3	105.2	21.0%
Total Assets	474.1	377.3	25.7%
Current Liabilities	133.2	112.5	18.5%
Total Debt	222.9	137.0	62.7%
Shareholders' Equity	159.0	159.2	-0.1%
Cash Balance	16.0	22.6	-29.1%
Current Ratio (X)	0.96	0.94	
Debt to Equity (X)	1.40	0.86	
Net Debt to Equity (X)	1.30	0.72	

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Revenue increased by 55.2% YoY to US$ 174.5 million from US$ 112.4 million driven by significant growth in the mining contracting business, which accounted for approximately 92.4% of Petrosea's 1H12 Revenue.

Overburden volume increased by 34.9 % to 69.8 mbcm. The increase took place across all clients, led by ABN, Gunung Bayan, Santan Batubara and Kideco respectively as shown on the table below.
Given the present unfavorable market condition, Petrosea is in discussion with its mining clients in regards to their mine plan in the short and medium terms in order to manage the risk of any potential slowdown.

Description	2Q12 *unaudited*	1Q12 *unaudited*	Changes (%)	6M12 *unaudited*	6M11 *unaudited*	Changes (%)
Waste Removal (million bcm)						
Gunung Bayan Pratama	13.60	10.68	27.3%	24.28	20.37	19.2%
Santan Batubara	7.08	6.13	15.5%	13.21	9.73	35.8%
Adimitra Baratama Nusantara	12.22	10.29	18.8%	22.51	16.05	40.2%
Kideco Jaya Agung	5.21	4.63	12.5%	9.84	5.63	100.0%
Total	**38.11**	**31.73**	**20.1%**	**69.84**	**51.78**	**34.9%**

Petrosea operated 33 fleets (+12 fleets YoY) in 1H12 with an annual rated capacity of 168 mbcm.

Income from Associates dropped significantly to US$ 3.6 million from US$6.8 mn reported in 1H11 as a result of the higher stripping ratio and longer than anticipated hauling distance which resulted in higher cash cost at Santan Batubara.

Petrosea reported a US$1.9 million write off on old equipment following the completion of an ongoing asset management improvement/replacement exercises with the aim to upgrade its fleet profile.

As a result of weak performance from Santan Batubara, coupled with the write off, Net Profit rose marginally by 8.3% YoY to US$ 20.8 million from US$ 19.2 million in 1H11.

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PT Mitrabahtera Segara Sejati Tbk.

Description (in US$ million)	6M12 *unaudited*	6M11 *unaudited*	Changes (%)
Revenue	68.1	53.3	27.8%
Barging	52.5	38.8	35.3%
Transshipments	15.6	14.5	7.6%
Gross Profit	27.3	22.9	19.3%
Operating expenses	(5.2)	(4.6)	13.6%
Interest income	0.03	0.05	-38.8%
Finance cost	(3.2)	(3.0)	7.4%
Other gains & losses	0.6	(0.6)	-193.1%
Profit before tax	19.1	14.3	33.9%
Profit for the year	18.3	13.6	34.2%
Attributable to Owners of the Company	**18.2**	**13.6**	**34.3%**
Attributable to Non-controlling interest	0.03	0.04	-20.6%
EBITDA	31.5	25.3	24.2%
EPS (US$/share)	0.0104	0.0083	25.5%
Gross Margin	40.1%	42.9%	
Net Margin	26.8%	25.5%	
EBITDA Margin	46.2%	47.5%	
ROA*	11.3%	9.5%	
ROE*	19.1%	15.6%	
ROCE*	14.6%	12.2%	
**annualized*			

Description (in US$ million)	6M12 *unaudited*	12M11 *audited*	6M12-12M11 (%)
Current Assets	58.9	40.6	44.9%
Total Assets	341.7	304.2	12.3%
Current Liabilities	64.6	59.6	8.5%
Total Debt	121.0	103.0	17.5%
Shareholders' Equity	201.2	180.9	11.2%
Cash Balance	23.2	6.3	271.2%
Current Ratio (X)	0.91	0.68	
Debt to Equity (X)	0.60	0.57	
Net Debt to Equity (X)	0.49	0.53	

MBSS' Net Revenue of US$ 68.1 million, an increased by 27.8% YoY from US$ 53.3 million reported in 1H11 on the back of improvements in both barging business (+35.3 % YoY) and transshipment business (+7.6 % YoY).

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Barging business which accounted for approximately 77.0% of MBSS total revenue has registered a strong 35.3% growth YoY to US$ 52.5 million. Supported by 78 fleets (vs 58 fleets in 1H11), MBSS transported 14.5 million tons of coal in 1H12, a strong 39.6% volume growth from 10.4 million tons reported over the same period last year.

On the other hand, the transshipment business which accounted for approximately 23.0% of MBSS' revenue only reported a modest 7.6% growth YoY to US$ 15.6 million. The modest growth was caused by lower volume (-4.3% YoY to 7.87 million tons), but compensated with higher rate per ton.

Description (in million tons)	2Q12 *unaudited*	1Q12 *unaudited*	Changes (%)	6M12 *unaudited*	6M11 *unaudited*	Changes (%)
Barging	7.98	6.48	23.1%	14.46	10.36	39.6%
Transshipments	4.36	3.51	24.2%	7.87	8.23	-4.3%

Gross margin declined from 42.9% to 40.1% due largely to increased in cost associated with vessel rentals, handling and depreciation.

MBSS' Net Profit of US$ 18.2 million, rose 34.3% YoY from US$ 13.6 million in 1H11.

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Latest Developments

1. In April 2012, Indika has repaid US$ 180.0 million of short term loan used to purchase MBSS.
2. In May 2012, Indika raised US$ 200.0 million of short term loan to purchase a coal asset, MTU.
3. In June 2012 Indika paid the outstanding US$ 65.0 million of 5-year senior notes raised in year 2007.
4. In July 2012 Indika obtained US$ 75.0 million of working capital and US$ 35.0 million of short term loan facilities.
5. In July 2012 Indika received the remaining balance of US$ 69.0 million from the total of US$ 207.0 million final dividends based on 2011 results from Kideco. Kideco declared total dividend of US$ 450.0 million, representing 98.7% of FY11 reported Net Profit of US$ 456.0 million.
6. In July 2012 indika paid dividends of Rp 312.6 billion (approximately US$ 32.9 million), representing 28.1% of FY11 reported Net Profit of US$ 126.5 million.

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About PT Indika Energy Tbk. (www.indikaenergy.co.id)

PT Indika Energy Tbk ("Indika Energy") is Indonesia's leading integrated energy company through its strategic investments in the areas of Energy Resources - coal production (PT Kideco Jaya Agung, PT Santan Batubara, PT Mitra Tambangjaya Utama, PT Mitra Energi Agung); Energy Services – EPC oil n gas (Tripatra); EPC – contract mining (PT Petrosea Tbk); Energy Infrastructure – coal transport & logistic (PT Mitrabahtera Segara Sejati, PT Sea Bridge Shipping, PT Coatrans Asia); power generation project (PT Cirebon Electric Power).

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