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INDIKA ENERGY RESULTS FOR THE PERIOD ENDED

JUNE 30, 2013

31 July 2013, JAKARTA – PT Indika Energy Tbk. (IDX: INDY) today reported its consolidated financial statement for its first half ended June 30, 2013, with reported **Net Revenues of US\$413.3 million**, a 23.7% increased from US\$334.0 million reported in 1H2012 due mainly to higher revenue contribution from Tripatra's EPC Project, Exxon Mobile, Cepu.

However, largely due to the dropped in contribution from Kideco resulting from global weakening in coal price, higher interest expense, and impairment of goodwill and intangible assets has brought down the company's **Profit attributable to Owners of the Company from US\$79.7 million in 1H2012 to US\$ -7.9 million reported in 1H2013**.

Cash and other financial assets remain strong. The company ended first half 2013 with US\$689.0 million in cash and other financial assets.

Capex Realization for the period ended 1H2013 was US\$ 44.0 million.

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PT Indika Energy Tbk.

Description (in US\$ million)	2Q13	1Q13	Changes (%)	6M13	6M12	Changes (%)
Revenues	227.9	185.4	22.9%	413.3	334.0	23.7%
Petrosea	91.1	91.0	0.1%	182.0	174.5	4.3%
MBSS	38.1	36.8	3.4%	74.9	68.1	10.0%
Tripatra	84.7	55.5	52.5%	140.2	82.9	69.2%
Others	14.0	2.1	566.7%	16.2	8.5	90.6%
Gross Profit	47.3	42.0	12.5%	89.3	86.8	2.9%
Equity in profit of associates and jointly controlled entities	32.3	40.0	-19.3%	72.3	124.7	-42.0%
General and administrative expenses	(44.0)	(32.7)	34.6%	(76.7)	(63.3)	21.0%
Investment income	2.0	1.8	9.4%	3.9	4.9	-20.7%
Finance cost	(24.8)	(25.5)	-2.5%	(50.3)	(38.6)	30.3%
Gain Recognized from acquisition of a subsidiary	-	-	-	-	2.7	-100.0%
Amortization of intangible assets	(9.6)	(10.9)	-11.8%	(20.5)	(12.8)	59.7%
Impairment of goodwill and intangible assets	(14.6)	-	100.0%	(14.6)	-	100.0%
Others- net	(4.4)	0.4	-1120.1%	(4.0)	(9.4)	-57.3%
Income before tax	(15.8)	15.3	-203.4%	(0.5)	94.9	-100.6%
Profit for the period :	(15.3)	12.7	-220.2%	(2.6)	88.2	-102.9%
Profit attributable to Owners of the Company	(17.1)	9.2	-286.7%	(7.9)	79.7	-110.0%
Profit attributable to Non-controlling interests	1.8	3.5	-48.4%	5.4	8.5	-36.8%
LTM - Adjusted EBITDA *	-	-	-	315.0	265.5	18.6%
EPS (US\$/share)	-0.00328	0.00176	-286.7%	0.00064	0.00965	-93.4%
Gross Margin	20.8%	22.7%		21.6%	26.0%	
Net Margin	-7.5%	4.9%		-1.9%	23.8%	
LTM - Adjusted EBITDA Margin*	-	-	-	76.2%	79.5%	
ROA	-1.3%	1.4%		-0.6%	6.8%	
ROE	-3.4%	3.5%		-1.6%	14.6%	

*including dividends from Associates

Description (in US\$ million)	6M13	12M12	Changes (%)
Current Assets	1,030.9	690.7	49.3%
Total Assets	2,594.2	2,347.3	10.5%
Current Liabilities	322.8	527.6	-38.8%
Total Debt	1,252.5	1,036.5	20.8%
Shareholders' Equity	998.4	1,024.7	-2.6%
Cash Balance*	689.0	421.1	63.6%
Current Ratio (X)	3.2	1.3	
Debt to Equity (X)	1.3	1.0	
Net Debt to Equity (X)	0.6	0.6	

*including restricted cash

Net Revenues increased 23.7% to US\$413.3 million vs. US\$334.0 million reported in the corresponding period last year due mainly to:

- Petrosea's revenue increased by 4.3% to US\$182.0 million in 1H2013** primarily on the back of Contributions of new contracts entered in E&C and POSB businesses, with reported revenue of US\$4.5 million and US\$17.3 million respectively in 1H2013.

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On the other hand, revenue derived from contract mining, decreased slightly from US\$161.3 million in 1H2012 to US\$160.2 million in 1H2013. Overburden removal volume up by 2.8% to 71.1 million BCM on the back of Kideco and new SBB Uskap project which resulted in additional revenue of US\$5.2 million. However, this increased was offset by US\$7.1 million decline in overhauling revenue.

- b) **Tripatra's revenue up 69.2% to US\$140.2 million** contributed primarily by:
1). EPC Project – Exxon Mobil, Cepu US\$88.6 million in 1H2013 vs. US\$18.4 million in 1H2012 and 2) Pertamina-Medco E&P Tomori Sulawesi US\$27.5 million, a new project started in September 2012.
- c) **MBSS' revenue up 10.0% to US\$74.9 million in 1H2013** due to higher coal volume transported by both barging (+42.1% YoY to 18.4 million tons) and transhipment businesses (+43.1% to 11.3 million tons).

The cost of contracts and goods sold increased 31.0% to US\$323.9 million from US\$247.2 million in 1H2012 due to increases in: 1). Direct salaries, wages & employee benefits; 2). Materials; 3). Operational heavy equipment tools cost; 4). Construction; and 5). Depreciation. The above is in line with Tripatra's project expansion, ie EPC Project – Exxon Mobil, Cepu & Pertamina-Medco E&P Tomori Sulawesi.

General and administrative expenses increased US\$13.3 million (+21.0% YoY) to US\$76.7 million in 1H2013 largely due to: 1). Increase in expenses associated to the development of newly acquired coal assets, MTU; 2). six months consolidation of MTU in 1H2013 vs. one month consolidation in 1H2012; and 3). Salaries, wages and employee benefit increased by US\$14.7 million (+50.0% YoY) to US\$ 44.2 million in 1H2013 as a result redundancy cost at subsidiaries and timing difference in recognition of expenses in particular performance bonus and 13th month salary (THR) recorded in 2Q2013 compared to in July in 2012.

Equity in profit of associates & jointly controlled entities declined by 42.0% from US\$124.7 million in 1H12 to US\$72.3 million in 1H2013 mainly due to lower earnings derived from Kideco and Santan.

Kideco's reported net profit of US\$158.7 million on revenue of US\$1,124.1 million in 1H2013. Net profit reported down 39.2% from US\$ 260.9 million in 1H2012 due to lower ASP realised (US\$60.38/ton in 1H2013 vs. US\$74.69/ton in 1H2012).

Santan's reported net loss of US\$6.3 million on revenue of US\$68.0 million in 1H201, dropped from \$7.0 million Net Profit reported in 1H2012. With Cash Cost including royalty is at US\$80.6 per ton, Santan is operating at lost with realised

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ASP of US\$74.41/ton. S\$93.83/ton in 1H2012) and lower coal sales volume which down by 10.8% to 0.9 million tonnes in 1H13.

Sea Bridge Shipping's reported net profit of US\$3.1 million (-55.7% YoY) on revenue of US\$13.1 million.

Cotrans' reported net profit of US\$2.9 million (-24.4% YoY) on Net Revenue of US\$36.3 million.

Finance costs increased by US\$11.7 million from US\$38.6 million in 1H2012 to US\$50.3 million (+30.3% YoY) due largely to the increased in the Company's average debt balance as a result of Liability Management Exercise in January 2013 to prefund 2016 - US\$230 million Bond callable in November 2013.

Amortization of Intangible Assets increased by 59.7% to US\$20.5 million from US\$12.8 million in 1H12 due to full period amortization of intangible assets resulting from the acquisition of MTU (May 2012) and MEA (March 2012). Intangible assets are amortised on a straight-line basis, based on their estimated "useful lives" - 27 years for MTU and 7 years for MEA.

Impairment on goodwill and intangible assets stood at US\$14.6 million. With no significant positive development, coupled with prolong weakening in global coal price and company's decision to slow down and stop exploration activities, it is decided to impair the West Kalimantan project as it is viewed presently there will be no future economic benefits.

As a result of the impairment, the company registered Loss Attributable to the Owners of the company in the amount of US\$7.9 million for the period ended 30 June 2013.

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PT Kideco Jaya Agung

Description (in US\$ million)	2Q13	1Q13	Changes (%)	6M13	6M12	Changes (%)
Sales	575.0	549.2	4.7%	1,124.1	1,257.1	10.6%
Gross Profit	138.6	170.1	-18.5%	308.7	496.0	-37.8%
Operating Profit	128.6	164.5	-21.8%	293.1	476.9	-38.5%
Net Income	67.9	90.8	-25.2%	158.7	260.9	-39.2%
EBITDA	135.6	171.5	-20.9%	307.2	492.0	-37.6%
Gross Margin	24.1%	31.0%		27.5%	39.5%	
Operating Margin	22.4%	30.0%		26.1%	37.9%	
Net Margin	11.8%	16.5%		14.1%	20.8%	
EBITDA Margin	23.6%	31.2%		27.3%	39.1%	
ROA*	8.8%	10.3%		41.3%	37.5%	
ROE*	17.4%	19.0%		81.4%	107.3%	

*annualized

Description (in US\$ million)	6M13	12M12	Changes (%)
Current Assets	523.8	523.7	0.02%
Total Assets	769.2	745.1	3.2%
Current Liabilities	358.5	312.1	14.8%
Debt	-	-	-
Shareholders' Equity	389.7	386.0	1.0%
Cash Balance	192.3	172.0	11.8%
Current Ratio (X)	1.5	1.7	
Debt to Equity (X)	-	-	
Net Debt to Equity (X)	net cash	net cash	

Description (in million tons)	2Q13	1Q13	Changes (%)	6M13	6M12	Changes (%)
Coal Production	9.6	8.9	7.9%	18.6	16.7	11.3%
Coal Sales Volume	9.5	9.1	4.9%	18.6	16.8	10.6%
Stripping ratio (X)	6.39	6.48	-1.3%	6.44	6.41	0.4%
Average selling price (US\$/ton)	60.33	60.43	-0.2%	60.38	74.69	-19.2%

Kideco's revenue down by 10.6% from US\$1,257.1 million reported in 1H2012 to US\$1,124.1 over the corresponding period in 2013 due to lower global coal price.

ASP per ton realized by Kideco in 1H2013 was US\$60.38, 19.2% lower compared to US\$ 74.69 in reported 1H2012 with coal sales volume increased 10.6% from 16.8 million tons to 18.6 million in 1H2013.

While Stripping Ratio remain stable at 6.4 X, Cash Cost including royalty down slightly by 3.8% to US\$43.15/ton from US\$44.87/ton reported in 1H2012.

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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 Multi Tambangjaya Utama, PT Mitra Energi Agung); **Energy Services** – EPC oil and gas (Tripatra); – EPC contract mining (PT Petrosea Tbk.); **Energy Infrastructure** – coal transport & logistic (PT Mitra Bahera Segara Sejati Tbk., PT Sea Bridge Shipping, PT Cotrans Asia, PT Indika Logistic & Support Services); – power generation (PT Cirebon Electric Power).

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