



# COMPANY UPDATE 3M2016

**Indika Energy**

May 2016

# Disclaimer



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# Key Assumptions vs Actual



| Description                     | Unit    | FY15 A   | 2016 Budget | 3M16 A   |
|---------------------------------|---------|----------|-------------|----------|
| Exchange Rate Average           | USD/IDR | 13,392.0 | 13,900.0    | 13,527.1 |
| Thermal Coal Price (NC) Average | USD/ton | 58.0     | 53.5        | 52.8     |
| <b>KIDEKO</b>                   |         |          |             |          |
| Production Volume               | Mt      | 39.0     | 32.0        | 8.4      |
| Strip ratio                     | x       | 6.3      | 5.7         | 5.3      |
| Capex                           | USD mn  | 7.6      | 2.8         | 0.7      |
| <b>PTRO</b>                     |         |          |             |          |
| Overburden Volume               | BCM     | 66.0     | 60.6        | 11.0     |
| Backlog*                        | USD mn  | 679.8    | 679.8       | 600.2    |
| Capex                           | USD mn  | 40.1     | 27.4        | 1.7      |
| <b>MBSS</b>                     |         |          |             |          |
| Barging Volume                  | Mt      | 22.2     | 19.0        | 6.1      |
| Floating Crane Volume           | Mt      | 15.8     | 19.2        | 3.5      |
| Backlog                         | USD mn  | 189.4    | 189.4       | 162.3    |
| Capex                           | USD mn  | 9.3      | 6.1         | 1.4      |
| <b>Tripatra</b>                 |         |          |             |          |
| Backlog                         | USD mn  | 180.0    | 180.0       | 168.2    |
| Capex                           | USD mn  | 3.2      | 0.0         | 0.0      |

\*For 2015, excludes ABN-related backlog (approx. USD350 mn); ABN's contract was terminated in June 2015. Includes a new contract with Freeport for US\$160 mn.

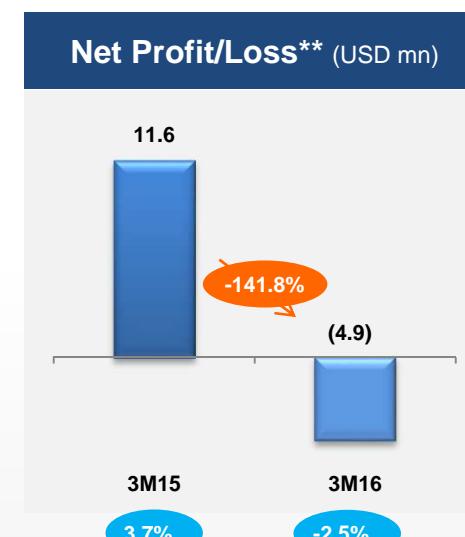
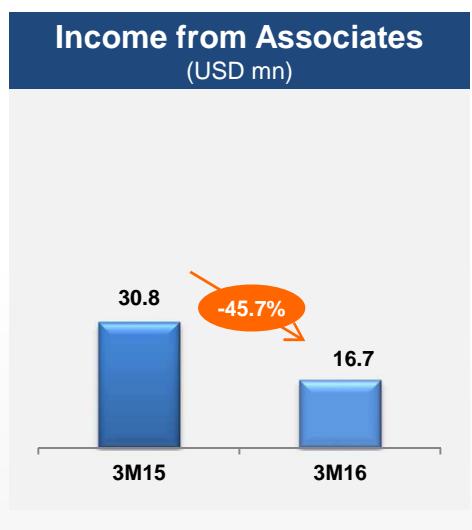
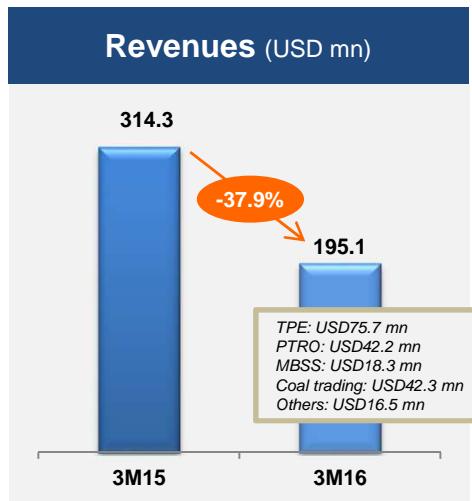
# Recent Developments



- In April, Moody's downgraded Indika's rating on both US\$171mn notes due 2018 and US\$500mn notes due 2023 to 'Caa1' from 'B3'. The Outlook on the ratings remains Negative.
- Approved Dividend

| Company        | 2015 Net Profit (USD mn) | Dividend Declared (USD mn) | Indika Energy Portion (USD mn) |             | Proposed Payment Date | Payout Ratio |
|----------------|--------------------------|----------------------------|--------------------------------|-------------|-----------------------|--------------|
| <b>Kideco</b>  | 138.1                    | 131.2                      | 60.3                           | 32.2        | Mar' 16               | 95.0%        |
|                |                          |                            |                                | 13.8        | Jul'16                |              |
|                |                          |                            |                                | 14.3        | Nov'16                |              |
| <b>Cotrans</b> | 16.0                     | 16.0                       | 7.6                            | 5.3         | Mar'16                | 100%         |
|                |                          |                            |                                | 2.3         | Oct'16                |              |
|                |                          |                            | 4.0                            | 4.0         | Apr' 16               |              |
| <b>Total</b>   |                          |                            | <b>71.9</b>                    | <b>71.9</b> |                       |              |

# Indika Energy's Financial Highlights (1)



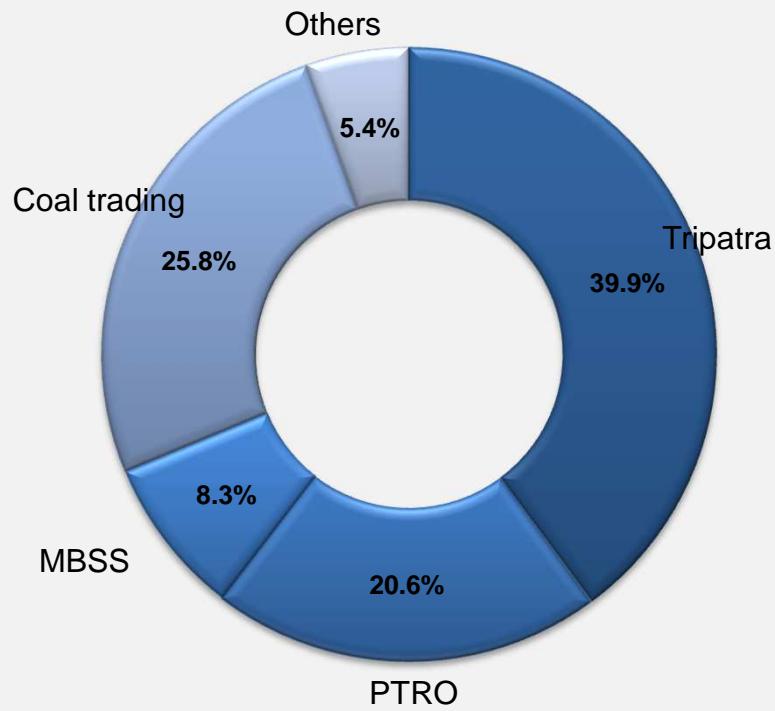
\* Last twelve months period ended March 31, 2015. Includes dividends from associates

\*\* Profit/loss for the period attributable to owners of the company

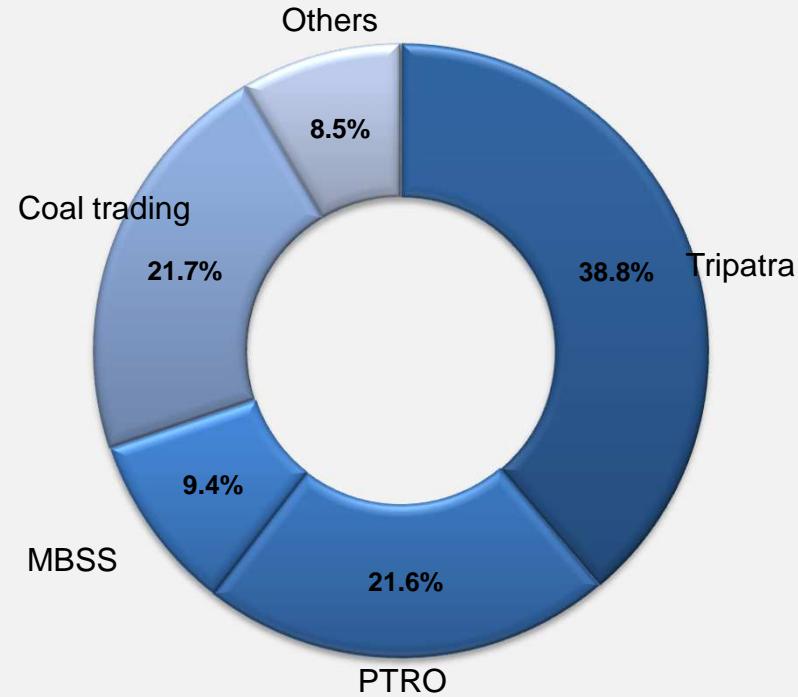
# Indika Energy's Financial Highlights (2)



## Revenues



3M15: USD314.3 million



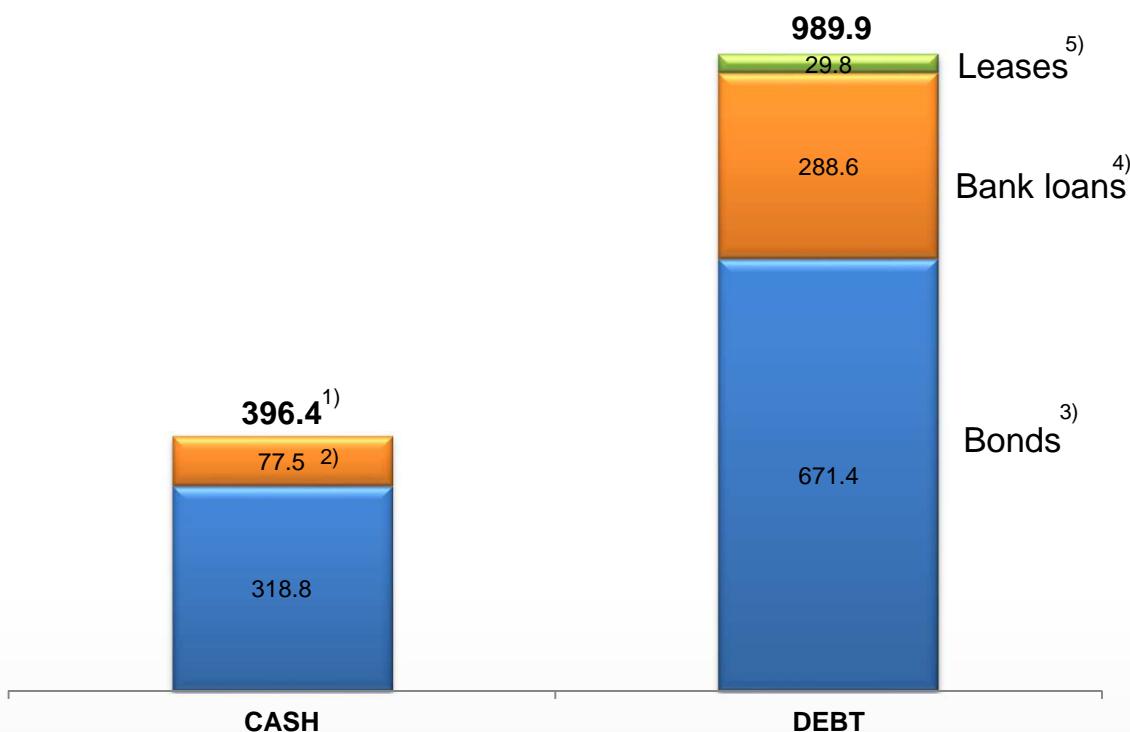
3M16: USD195.1 million

# Indika Energy's Financial Highlights (3)



## Cash Balance & Debt (USD mn)

as of Mar 31, 2016



- 1) Consists of : Petrosea: USD72.2 mn, MBSS: USD37.1 mn, Tripatra: USD72.0 mn, Indika Holding: USD215.1 mn (including IIC, IIR, ILSS and Others).
- 2) Other financial assets.
- 3) USD171.4 mn due 2018 (Senior notes III), USD500 mn due 2023 (Senior Notes IV).
- 4) Bank Loan: MBSS USD65.7 mn, Tripatra: USD70.9 mn, Petrosea: USD27.7 mn, Indika Holding: USD124.3 mn (including IIC, IIR, ILSS and Others).
- 5) Lease: PTRO USD29.8 mn.

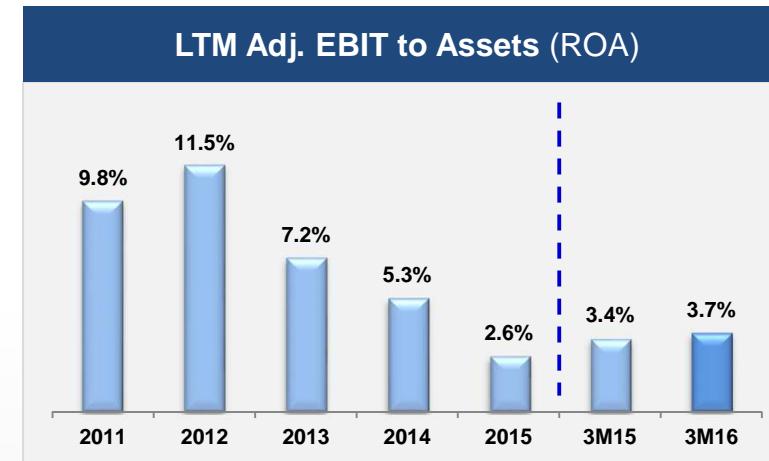
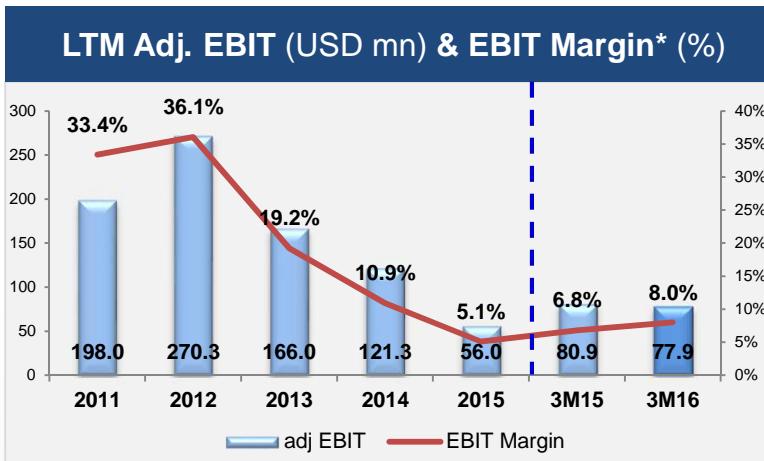
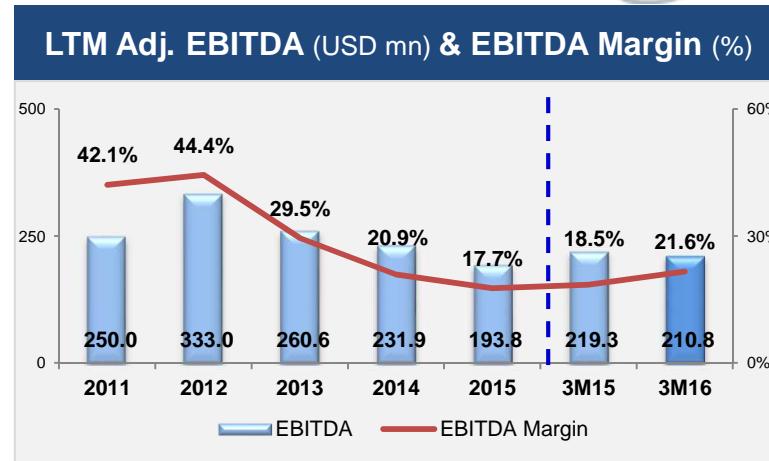
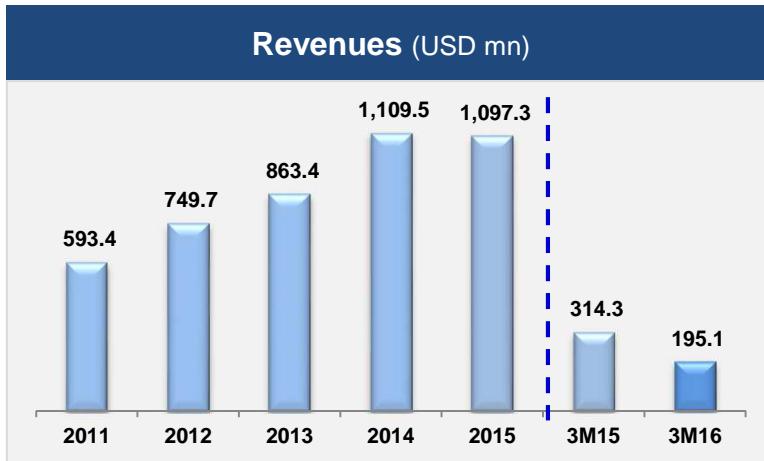
# Indika Energy's Financial Highlights (4)

## Capex Spending



| Capex Allocation | 2016 B<br>(USD mn) | 3M16<br>Actual | Realization |
|------------------|--------------------|----------------|-------------|
| IE Holding       | 1.4                | 0.0            | 0.0%        |
| PTRO             | 27.4               | 1.7            | 6.2%        |
| MBSS             | 6.1                | 1.4            | 23.0%       |
| Tripatra         | 0.0                | 0.0            | 0.0%        |
| MUTU             | 2.3                | 0.0            | 0.0%        |
| Resources        | 1.0                | 0.0            | 0.0%        |
| <b>Total</b>     | <b>38.2</b>        | <b>3.1</b>     | <b>8.1%</b> |

# Indika Energy's Key Business Indicators

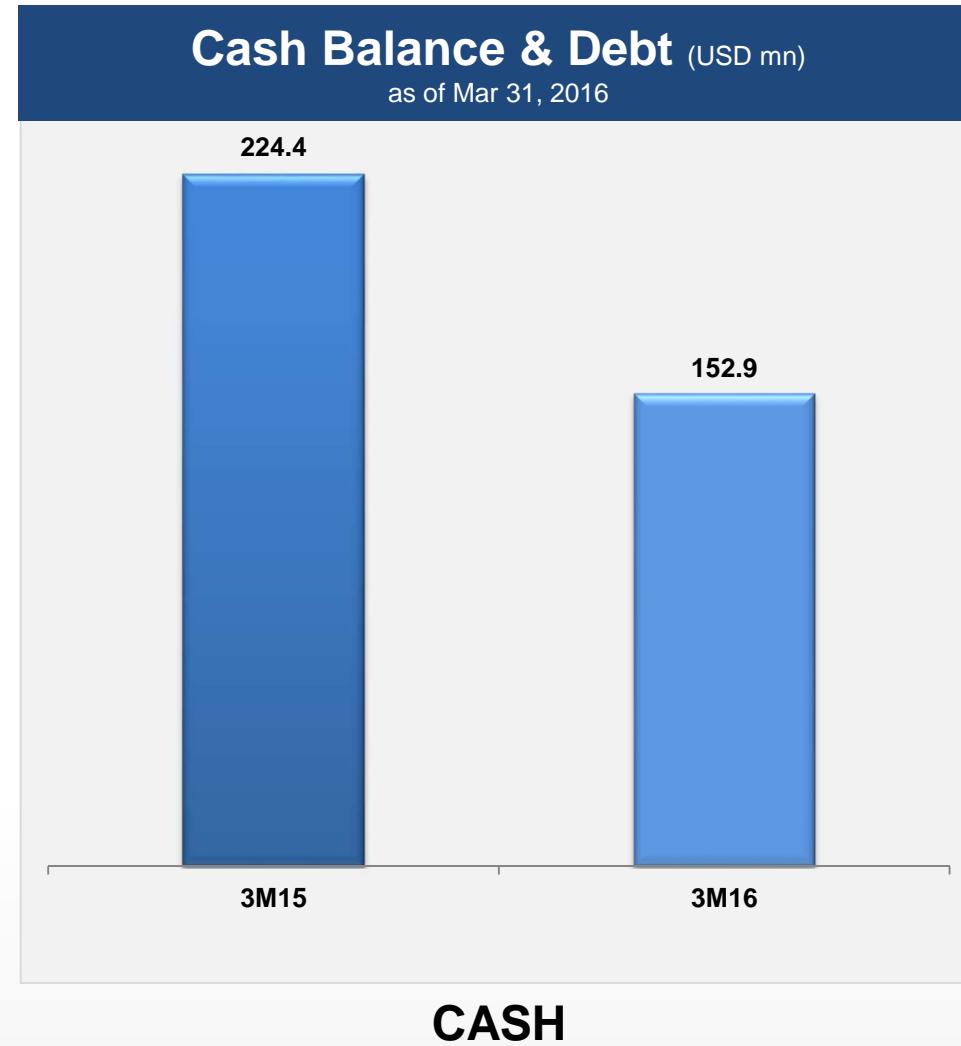


\* Adjusted EBITDA / EBIT includes consolidated EBITDA / EBIT plus dividends from Kideco, Cotrans, Seabridge, Santan Batubara and Cirebon Electric Power

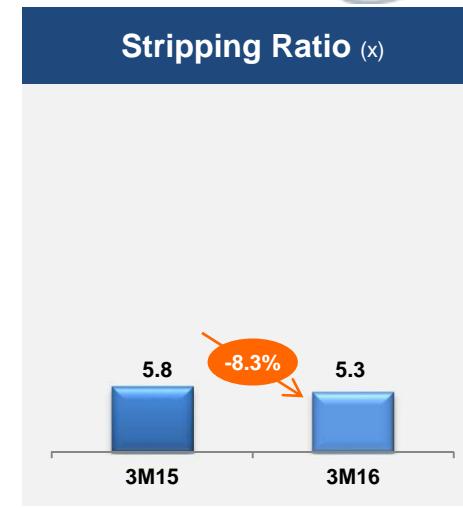
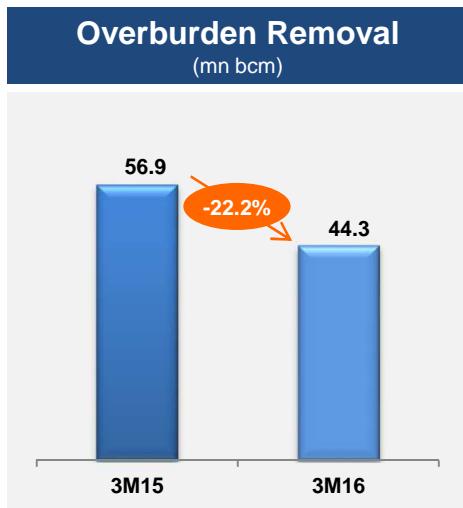
# Kideco's Financial Highlights (1)



## Kideco's Financial Highlights (2)



# Kideco's Operating Highlights (2)



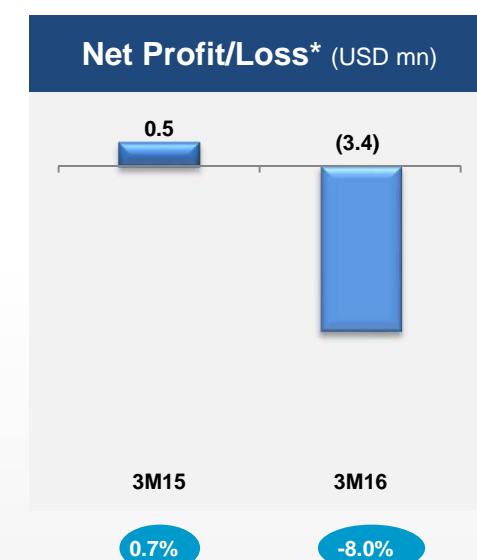
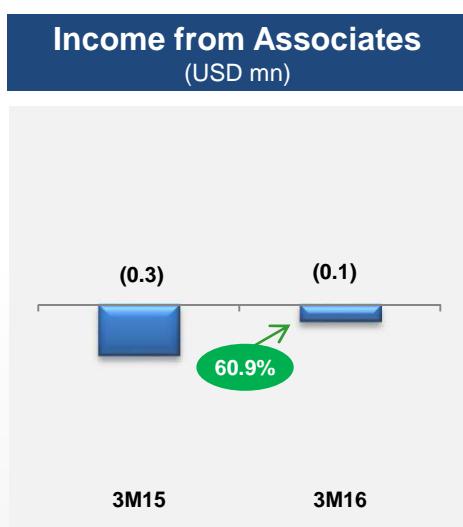
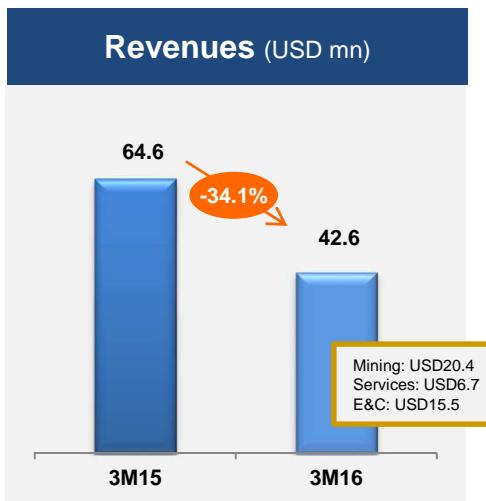
# Kideco's Financial Highlights (3)

## Capex Spending



| Capex Allocation   | 2016 Budget (USD mn) | 3M16 Spending (USD mn) | %            |
|--------------------|----------------------|------------------------|--------------|
| Maintenance        | 2.3                  | 0.7                    | 30.4%        |
| Equipment & others | 0.5                  | 0.0                    | 0.0%         |
| <b>Total</b>       | <b>2.8</b>           | <b>0.7</b>             | <b>25.0%</b> |

# Petrosea's Financial Highlights

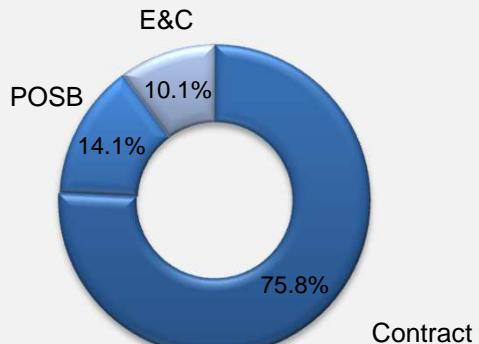


\* Profit/loss for the period attributable to owners of the company

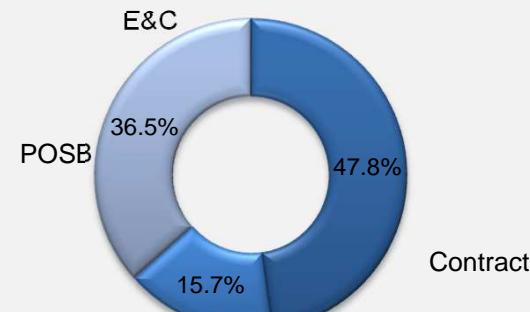
# Petrosea's Financial Highlights (2)



## Revenues Breakdown by Value

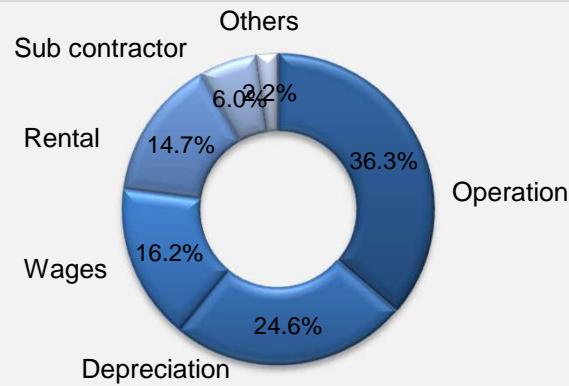


3M15: USD64.6 mn

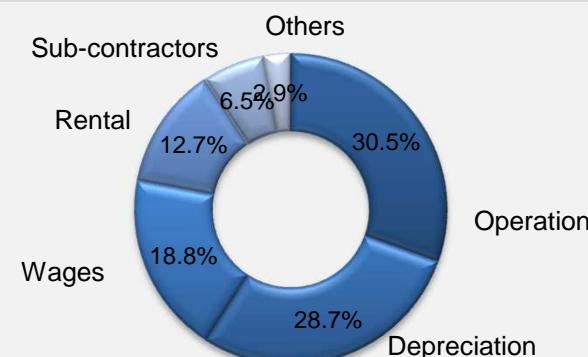


3M16: USD42.6 mn

## Cost Structure

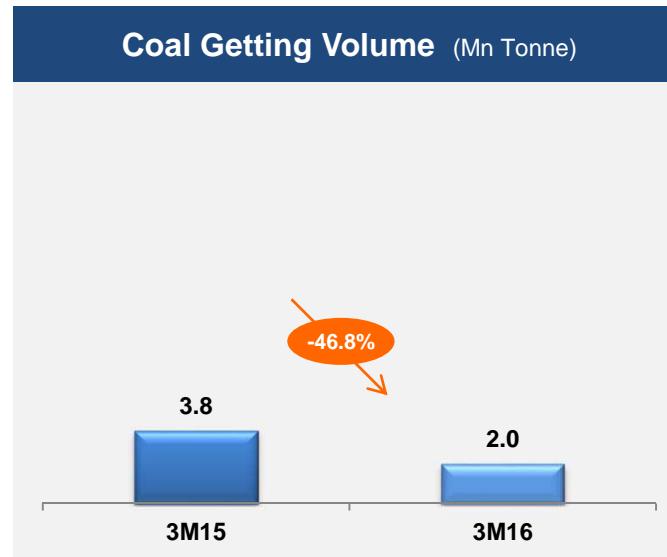
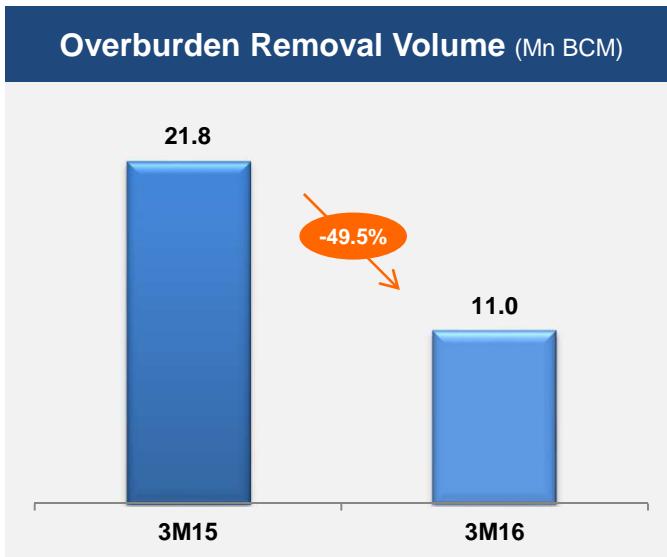


3M15: USD56.0 mn



3M16: USD38.2 mn

# Petrosea's Contract Mining Operation



| Client                                       | 3M15        | 3M16        |
|--|-------------|-------------|
| Adimitra Baratama*                           | 10.9        | 0.0         |
| Kideco Jaya Agung                            | 9.3         | 6.8         |
| Tabang                                       | 1.5         | 1.3         |
| Indoasia Cemerlang                           | .0.0        | 2.4         |
| Anzawara Satria                              | 0.0         | 0.4         |
| <b>Total Volume (Mn bcm)</b>                 | <b>21.8</b> | <b>11.0</b> |
| <b>Revenue from Contract Mining (USD mn)</b> | <b>49.0</b> | <b>20.4</b> |
| Contract Mining Revenue/Bcm                  | 2.2         | 1.8         |

| Client                       | 3M15       | 3M16       |
|------------------------------|------------|------------|
| Adimitra Baratama*           | 0.9        | 0.0        |
| Kideco Jaya Agung            | 2.0        | 1.7        |
| Tabang                       | 0.9        | 0.3        |
| <b>Total Volume (Mn ton)</b> | <b>3.8</b> | <b>2.0</b> |

\* ABN, the contract was terminated

# Petrosea's Backlog in 2016

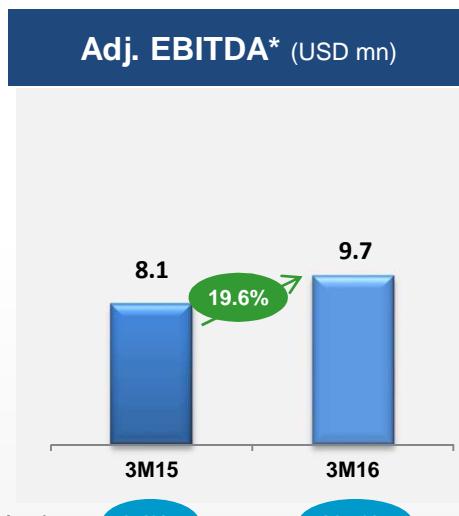
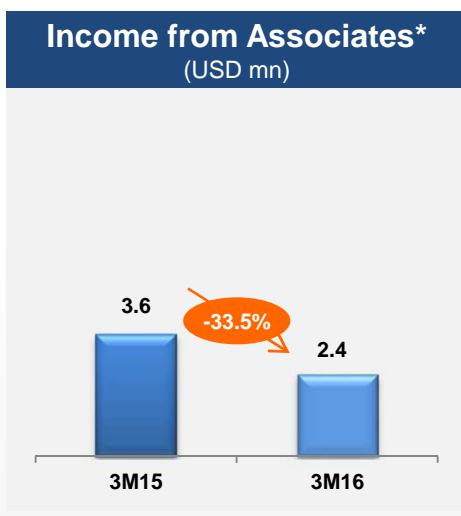


USD mn

| Descriptions    | Remaining Contract Value | New Contract/ Adjustment Value in 2016 | Revenue Recognition      | Remaining Contract Value |
|-----------------|--------------------------|--|--------------------------|--------------------------|
|                 | Per 31 Dec 2015          |  | Period ended 31 Mar 2016 | Per 31 Mar 2016          |
| Contract mining | 436.7                    | (30.4)                                 | 20.4                     | 385.9                    |
| E&C             | 170.2                    | (8.4)                                  | 15.5                     | 146.3                    |
| POSB            | 72.9                     | 1.8                                    | 6.7                      | 68.0                     |
| <b>Total</b>    | <b>679.8</b>             | <b>(37.0)</b>                          | <b>42.6</b>              | <b>600.2</b>             |

\* Early termination of ABN contract

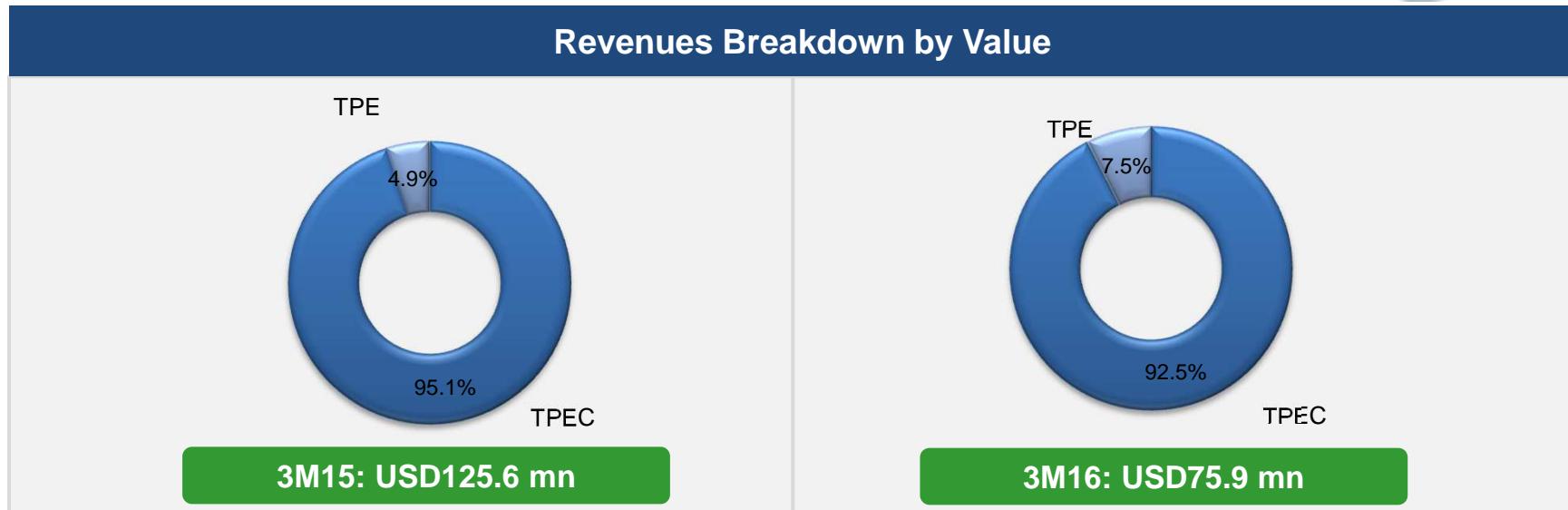
# Tripathra's Financial Highlights



\* Including dividends from associates

\*\* Profit/loss for the period attributable to owners of the company

# Tripatra's Financial Highlights (2)



# Tripatra's Backlog in 2016



USD mn

| Descriptions                      | Remaining<br>Contract Value | New Contract/<br>Adjustment Value<br>in 2016 | Revenue<br>Recognition      | Remaining<br>Contract Value |
|-----------------------------------|-----------------------------|--|-----------------------------|-----------------------------|
|                                   | Per<br>31 Dec 2015          |  | Period ended<br>31 Mar 2016 | Per<br>31 Mar 2016          |
| Tripatra Engineers & Constructors | 167.7                       | 59.6   | 70.2                        | 157.1                       |
| Tripatra Engineering              | 12.3                        | 4.5  | 5.7                         | 11.1                        |
| <b>Total</b>                      | <b>180.0</b>                | <b>64.1</b>                                  | <b>75.9</b>                 | <b>168.2</b>                |

# Tripatra's Financial Highlights (1)

Cotrans Asia's Operation

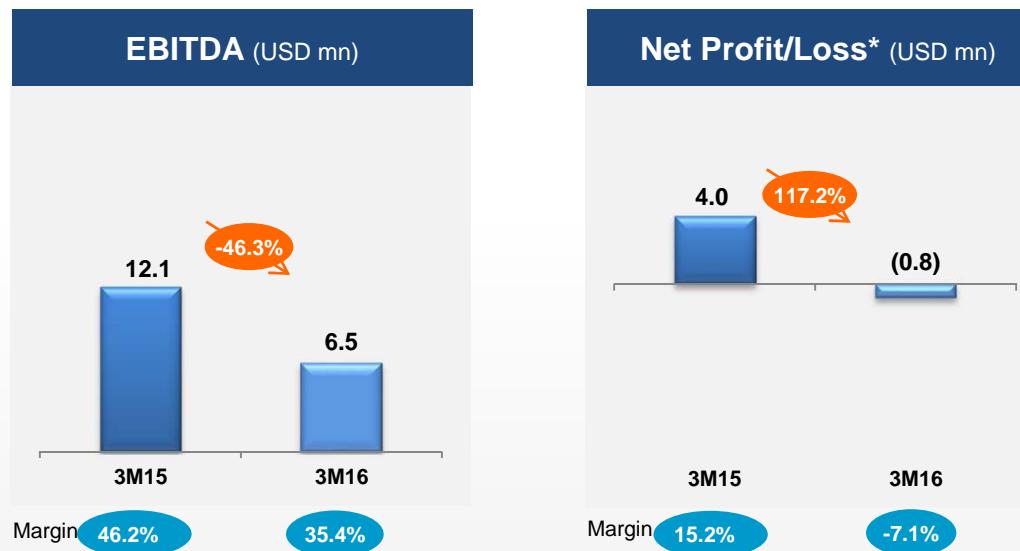


# Tripatra's Financial Highlights (2)

## Sea Bridge Shipping's Operation

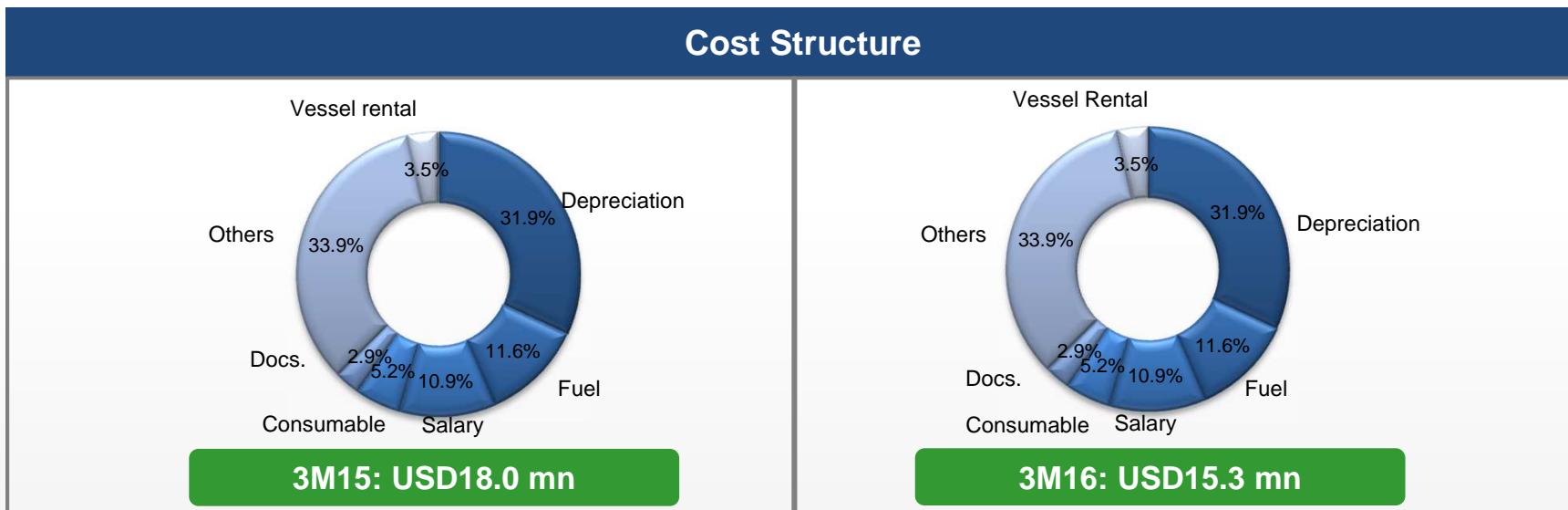
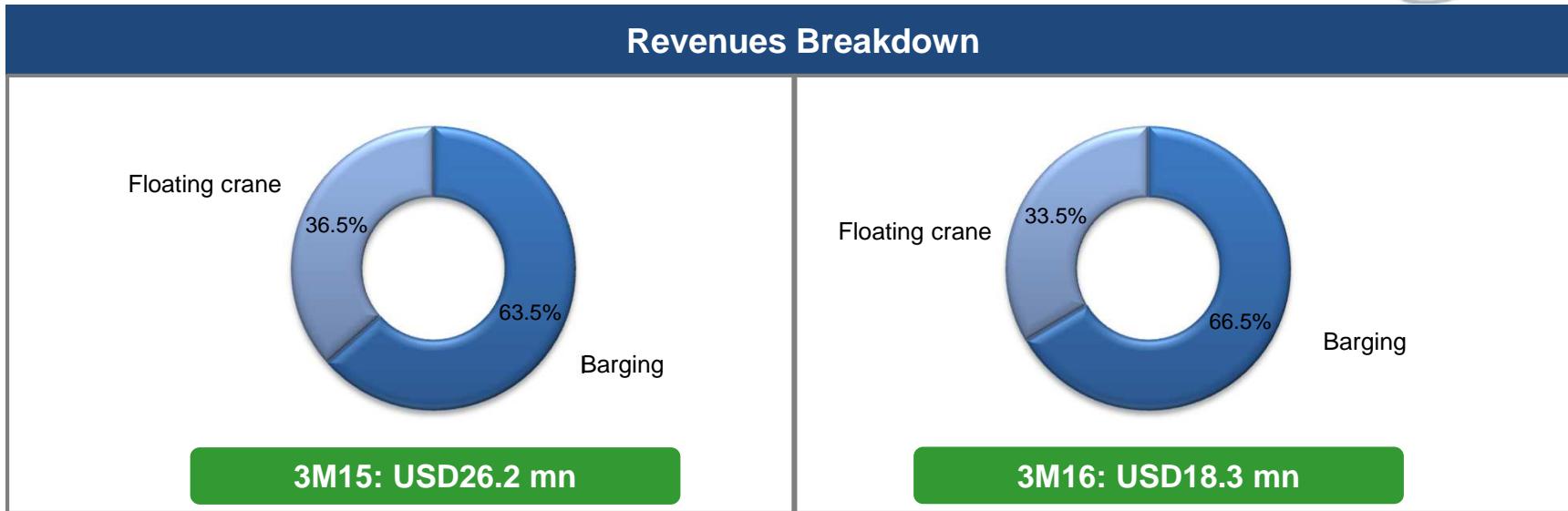


# MBSS' Financial Highlights (1)

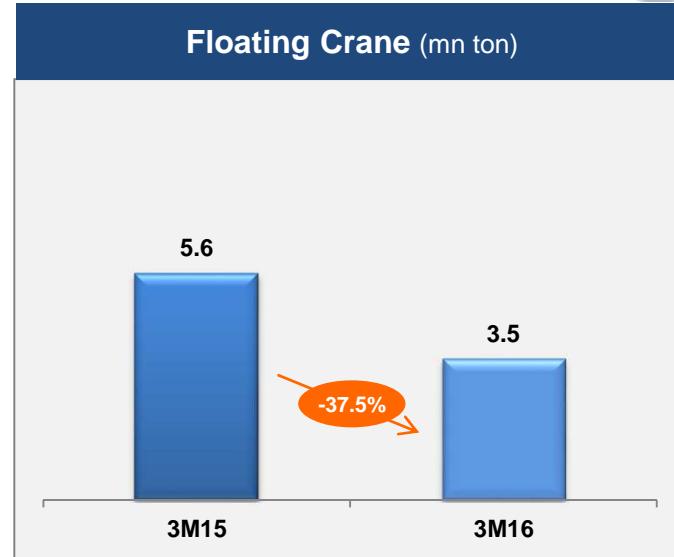


\* Net income/Loss attributable to owners of the company

# MBSS' Financial Highlights (2)



# MBSS' Operating Highlights



| Clients                 | 3M15        | 3M16        |
|-------------------------|-------------|-------------|
| Cotrans                 | 2.5         | 2.9         |
| KPC                     | 0.0         | 0.0         |
| ADRO                    | 1.8         | 1.3         |
| BORN                    | 0.          | 0.0         |
| BCS                     | 0.6         | 0.6         |
| KJA                     | 0.2         | 0.0         |
| Others                  | 0.5         | 1.3         |
| <b>Total Volume*</b>    | <b>5.6</b>  | <b>6.1</b>  |
| <b>Revenue (USD mn)</b> | <b>16.6</b> | <b>12.2</b> |
| <b>Revenue/ton</b>      | <b>3.0</b>  | <b>2.0</b>  |

\* Includes time charter

| Clients                 | 3M15       | 3M16       |
|-------------------------|------------|------------|
| KJA                     | 2.6        | 1.3        |
| BRAU                    | 1.9        | 1.7        |
| ADRO                    | 0.0        | 0.0        |
| BCS                     | 0.7        | 0.5        |
| Others                  | 0.4        | 0.0        |
| <b>Total Volume</b>     | <b>5.6</b> | <b>3.5</b> |
| <b>Revenue (USD mn)</b> | <b>9.6</b> | <b>6.1</b> |
| <b>Revenue/ton</b>      | <b>1.7</b> | <b>1.7</b> |

# MBSS' Backlog in 2015



USD mn

| Clients        | Remaining<br>Contract<br>Value | New Contract/<br>Adjustment<br>Value in 2016 | Revenue<br>Recognition      | Remaining<br>Contract<br>Value |
|----------------|--------------------------------|--|-----------------------------|--------------------------------|
|                | Per<br>31 Dec 2015             |  | Period ended<br>31 Mar 2016 | Per<br>31 Mar 2016             |
| Barging        | 102.2                          | (4.2)  | 12.2                        | 85.8                           |
| Floating Crane | 87.2                           | (4.7)  | 6.1                         | 76.4                           |
| <b>Total</b>   | <b>189.4</b>                   | <b>(8.9)</b>                                 | <b>18.3</b>                 | <b>162.2</b>                   |

\* Excludes revenue from time charter

# Cirebon Electric Power's Financial Highlights





THANK YOU

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