



COMPANY UPDATE 1H2016

Indika Energy

August 2016

Disclaimer



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Recent Developments



- MUTU and PT Mitra Abadi Mahakam (“MAM”) signed a mining service agreement in Kalimantan with contract value of US\$108 million in April 2016
- Petrosea and PT Binuang Mitra Bersama Blok Dua signed an agreement services and rental of heavy equipment and personnel in South Kalimantan contract value of IDR2.38 trillion in May 2016.
- Fitch Ratings’ downgraded Indika’s credit rating from B negative outlook to CCC in June 2016
- Indika Energy signed CSPA to sell 75% shares in PT Prasarana Energi Indonesia to PT Imeco Multi Prasarana in 30 June 2016.
- On 8 March 2016, the government has appointed the Company as the operator in Bonded Logistics Center (PLB). This is the first PLB in Indonesia. On July 13, 2016, the Hakuryu-10 jack-up rig operated by Japan Drilling Indonesia entered into PLB and becomes the first client.

Dividends’ Schedule

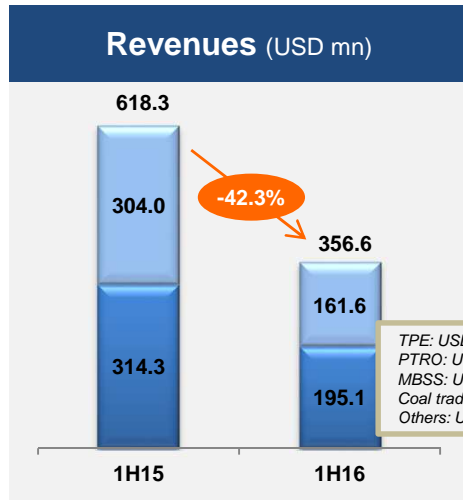
Company	2015 Net Profit (USD mn)	Dividend Declared (USD mn)	Indika Energy Portion (USD mn)		Payment Date	Payout Ratio
Kideco	138.1	131.2	60.3	32.2	Mar’ 16	95.0%
				13.8	Jul’16	
				14.3	Nov’16	
Cotrans	16.0	16.0	7.6	5.3	Mar’16	100%
				2.3	Oct’16	
KPI / ILSS	8.0	5.2	4.0	4.0	Apr’ 16	
Total			71.9	71.9		
Cash Return from CEP				6.2	May’ 16	
				6.0	Sept’ 16	
Total			84.1			

Key Assumptions vs Actual

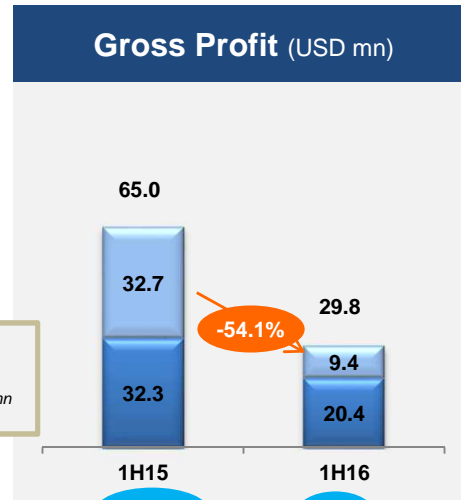


Description	Unit	2016 Budget	1Q16 A	1H16 A
Exchange Rate Average	USD/IDR	13,900.00	13,527.1	13,420.40
Thermal Coal Price (NC) Average	USD/ton	53.5	52.8	52.0
KIDECO				
Overburden Volume	Bcm	183.2	44.3	91.5
Production Volume	Mt	32	8.4	16.9
Strip ratio	x	5.7	5.3	5.4
Capex	USD mn	2.8	0.7	1.8
PTRO				
Overburden Volume	BCM	60.6	11.0	21.8
Backlog*	USD mn	679.8	600.2	769.8
Capex	USD mn	27.4	1.7	3.9
MBSS				
Barging Volume	Mt	19	6.1	11.3
FC Volume	Mt	19.2	3.5	6.4
Backlog	USD mn	189.4	162.3	152.7
Capex	USD mn	6.1	1.4	3.8
Tripatra				
Backlog	USD mn	180.0	168.2	133.1
Capex	USD mn	0.0	0.0	0.0

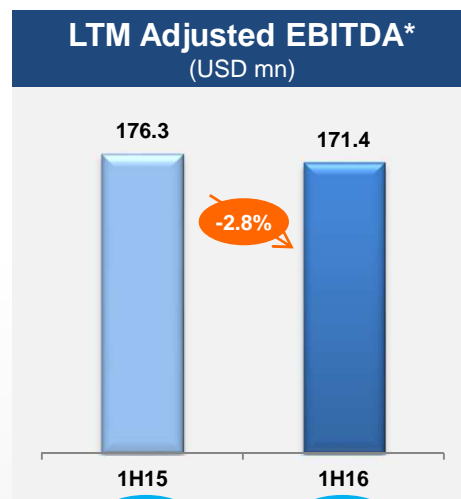
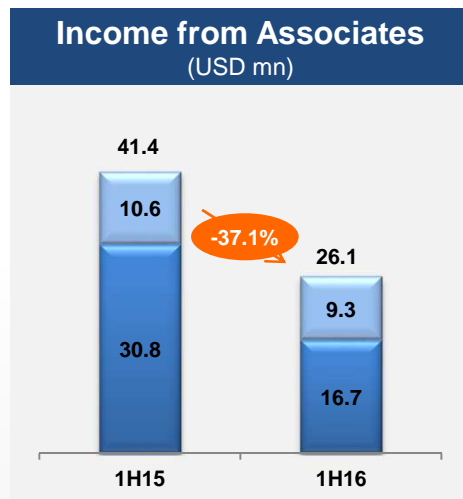
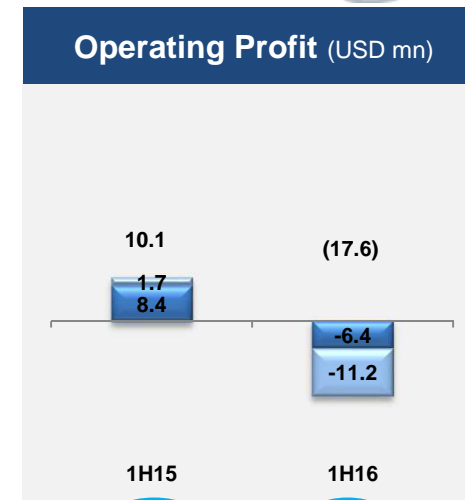
Indika Energy's Financial Highlights (1)



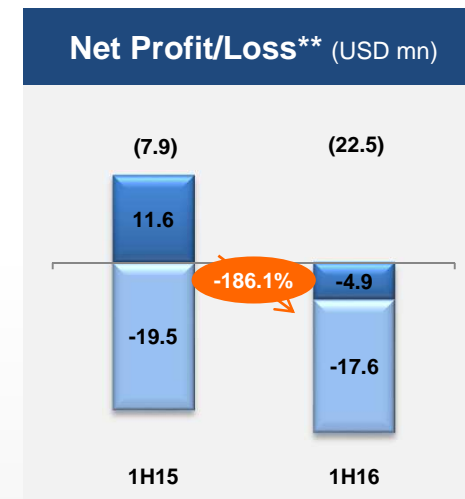
TPE: USD118.8 mn
 PTRO: USD88.6 mn
 MBSS: USD33.1 mn
 Coal trading: USD83.3 mn
 Others: USD32.8 mn



Margin **10.5%** **8.4%**



Margin **14.6%** **20.5%**

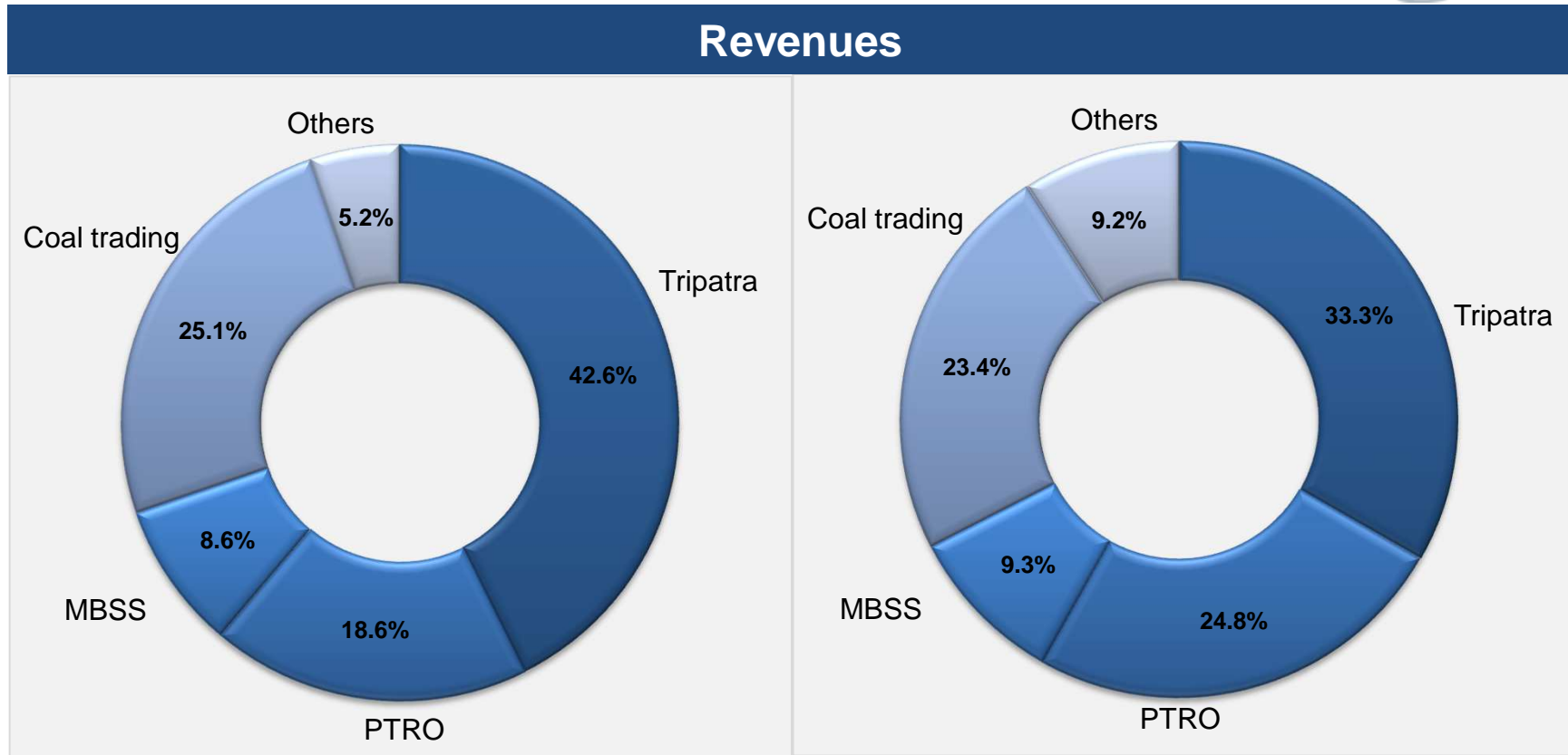


Margin **-1.3%** **-6.3%**

Q1 **Q2**

* Last twelve months period ended June 30, 2016. Includes dividends from associates
 ** Profit/loss for the period attributable to owners of the company

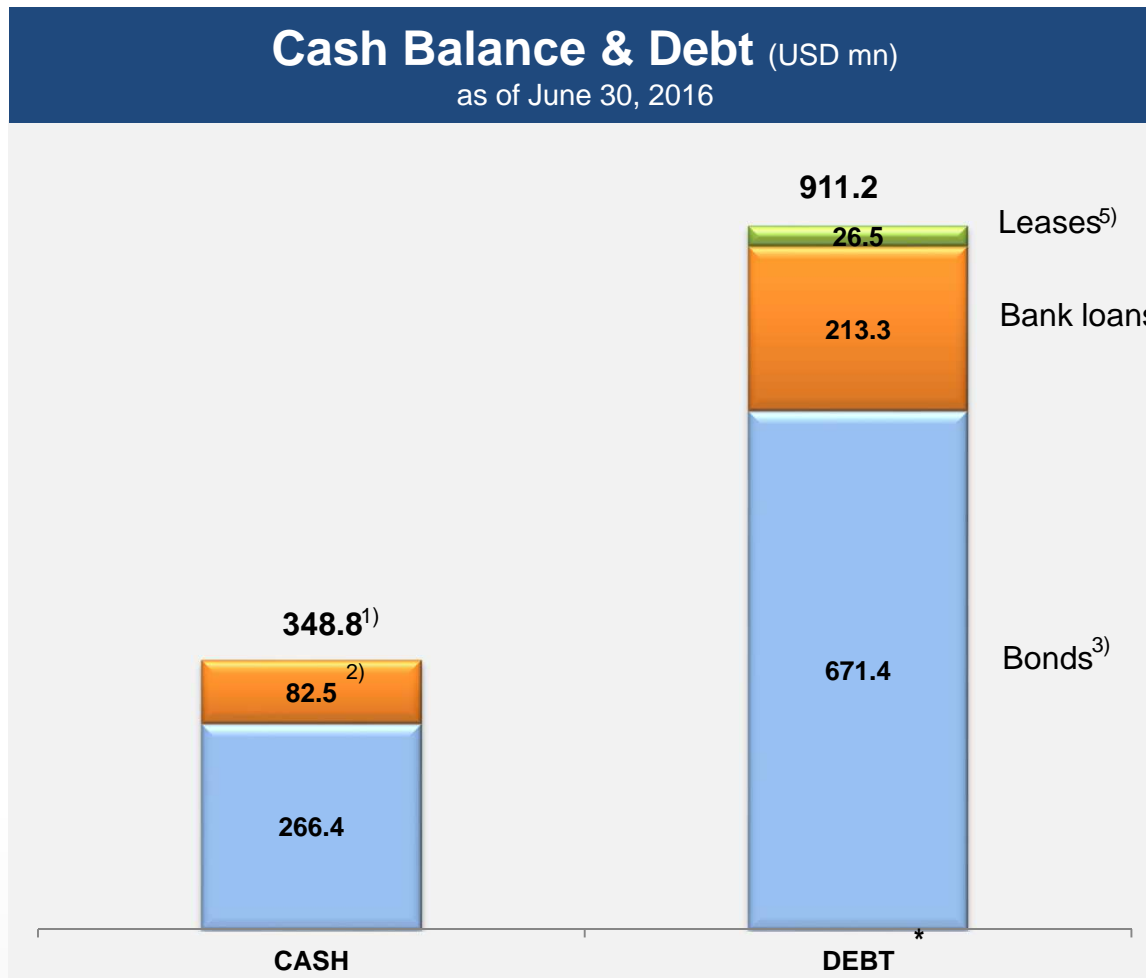
Indika Energy's Financial Highlights (2)



6M15: USD618.3 million

6M16: USD356.6 million

Indika Energy's Financial Highlights (3)



1) Consists of : Petrosea: USD67.5 mn, MBSS: USD33.1 mn, Tripatra: USD67.6 mn, Indika Holding: USD180.6 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 USD62.0 mn, Tripatra: USD39.9 mn, Petrosea: USD26.1 mn, Indika Holding: USD85.3 mn (including IIC, IIR, ILSS and Others).

5) Lease: PTRO USD26.5 mn.

* Include accrued interest

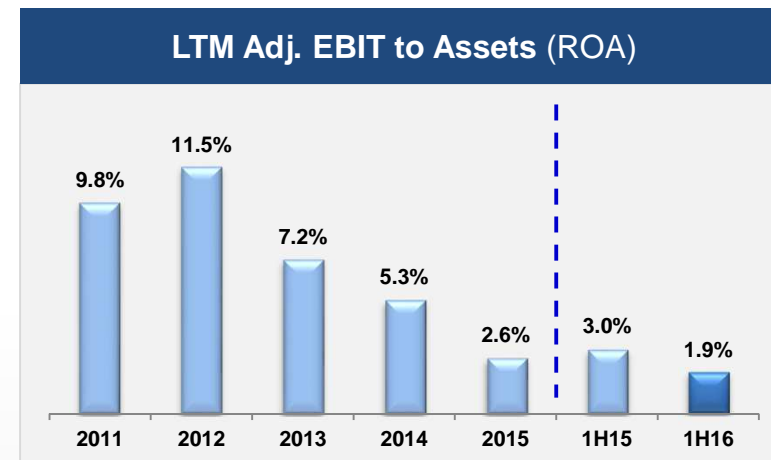
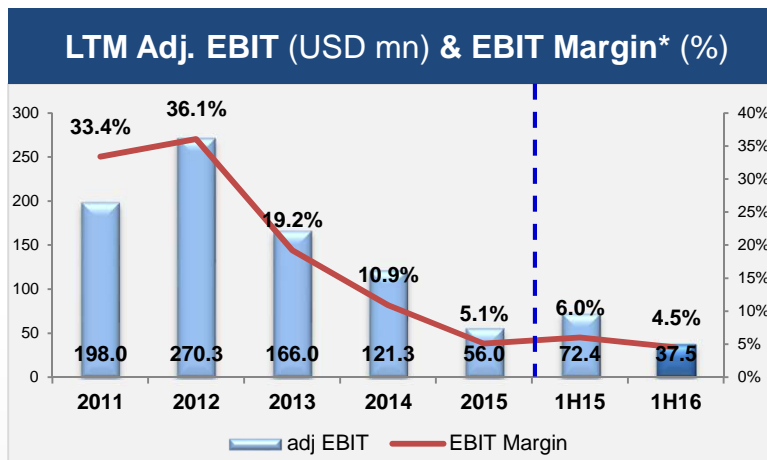
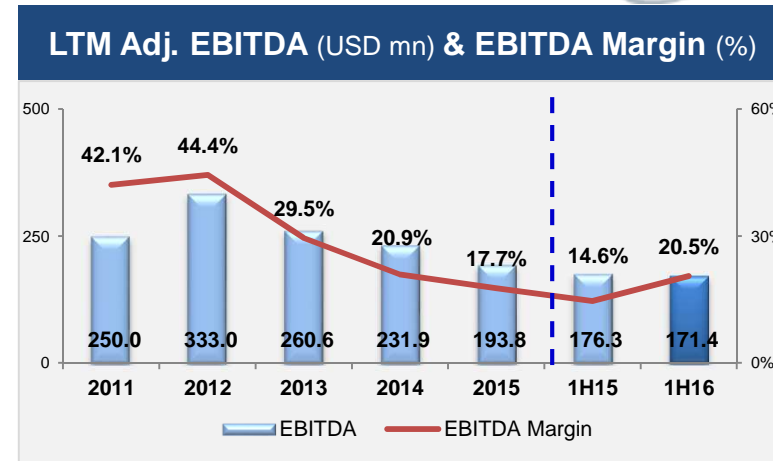
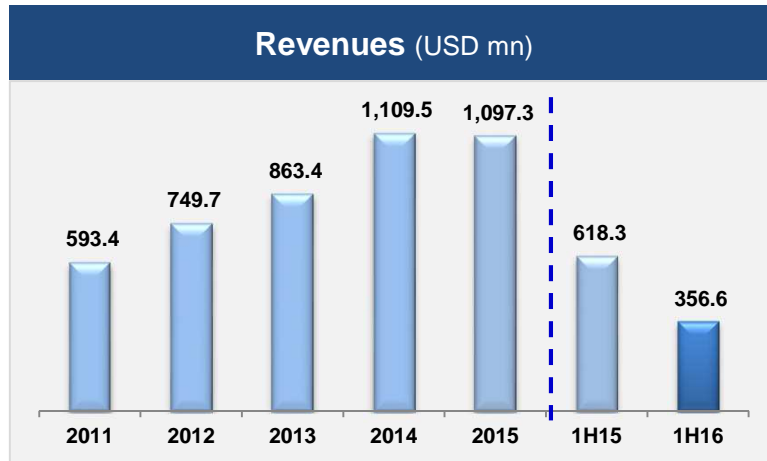
Indika Energy's Financial Highlights (4)

Capex Spending



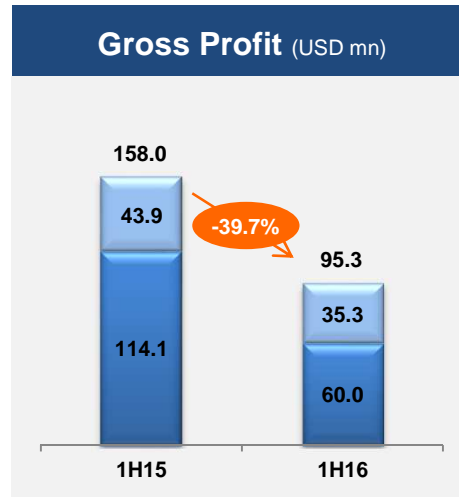
Capex Allocation	2016 B (USD mn)	1Q16 Actual	1H16 Actual	Realization
IE Holding	1.4	0.0	0.0	0.0%
PTRO	27.4	1.7	3.9	14.2%
MBSS	6.1	1.4	3.8	62.3%
Tripatra	0.0	0.0	0.0	0.0%
MUTU	2.3	0.0	0.0	0.0%
Resources	1.0	0.0	0.0	0.0%
Total	38.2	3.1	7.6	19.9%

Indika Energy's Key Business Indicators

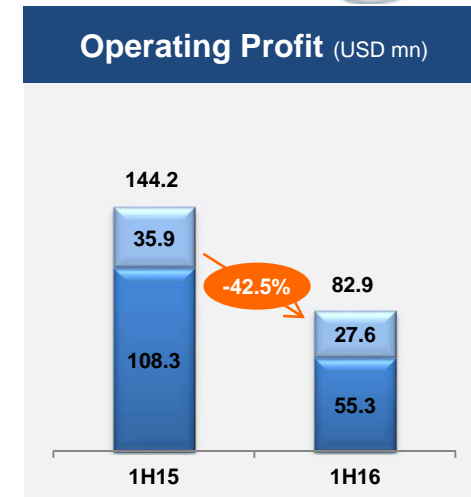


* Adjusted EBITDA / EBIT includes consolidated EBITDA / EBIT plus dividends from Kideco, Cotrans, Seabridge, Santan Batubara and Cirebon Electric Power

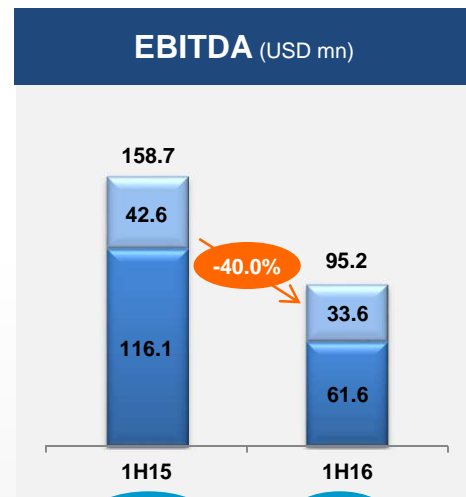
Kideco's Financial Highlights (1)



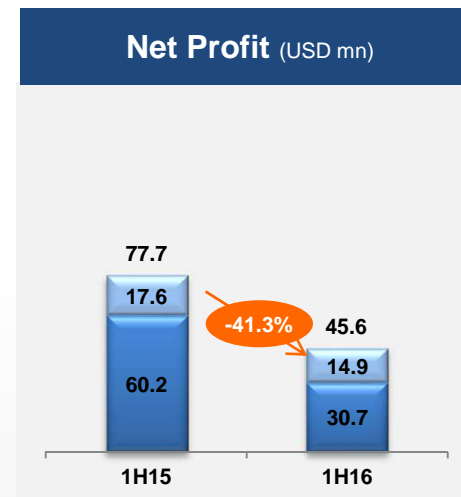
Margin **18.3%** **15.0%**



Margin **16.7%** **13.1%**

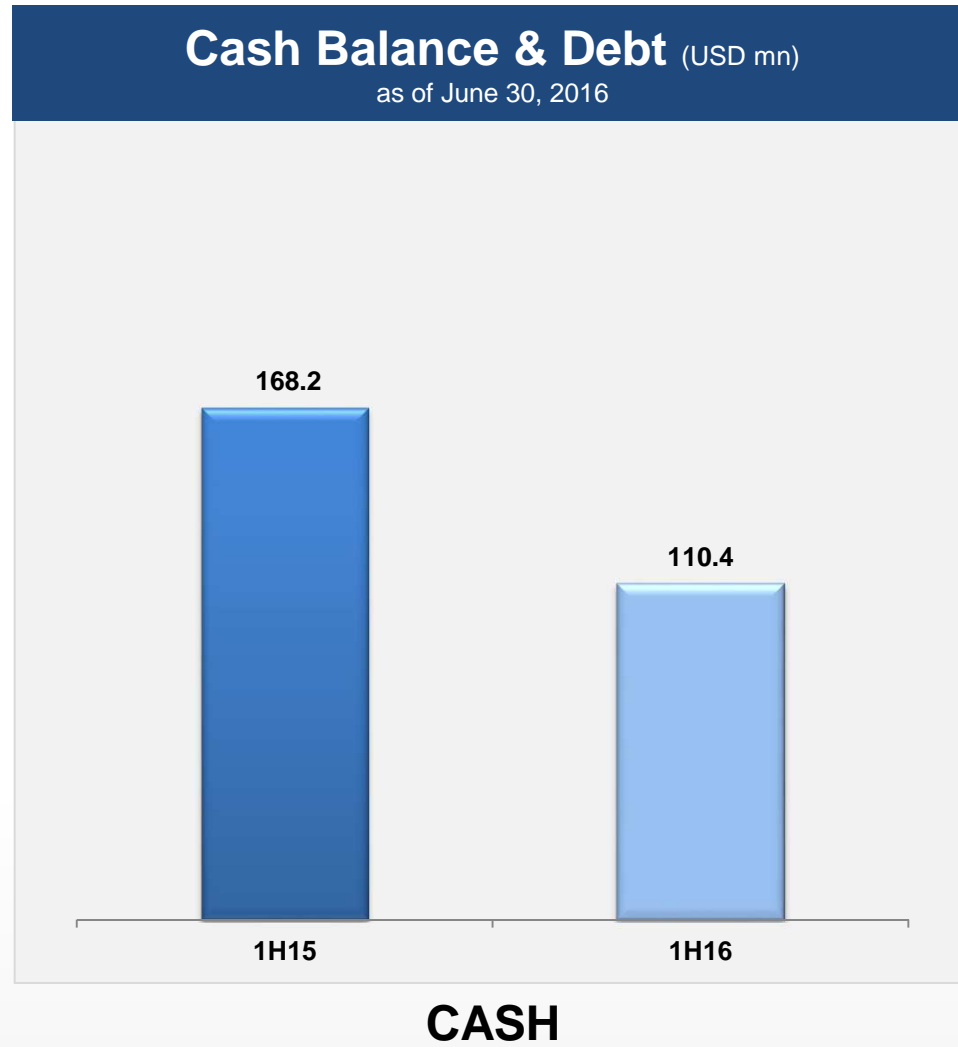


Margin **18.3%** **15.0%**



Margin **9.0%** **7.2%**

Kideco's Financial Highlights (2)

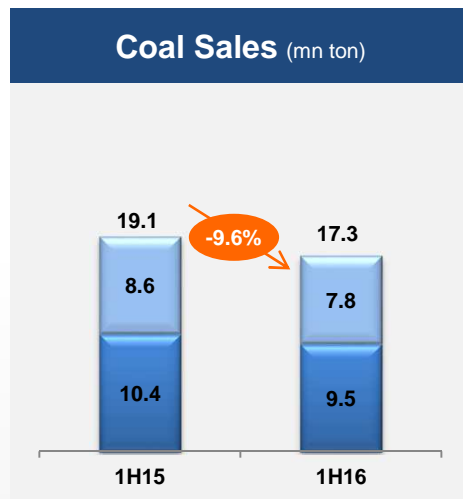
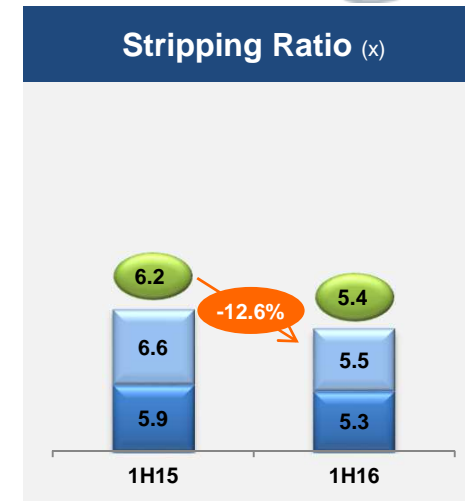
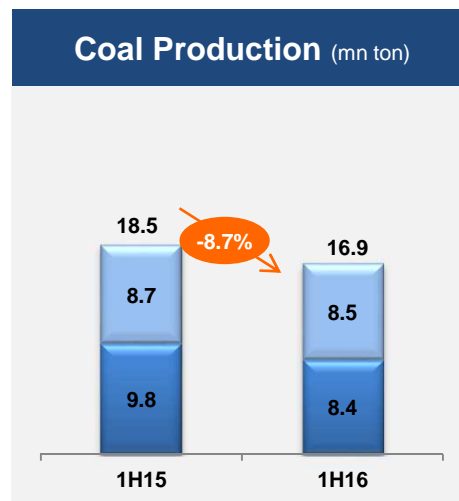
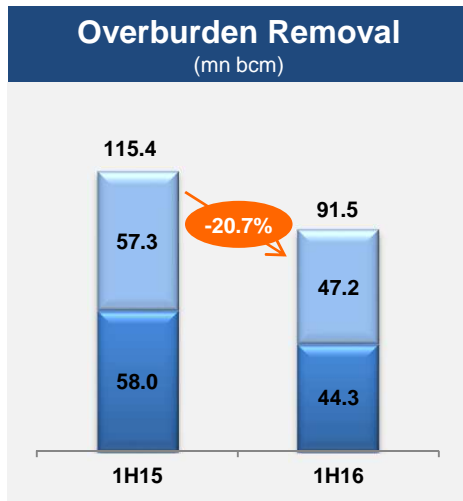


Kideco's Financial Highlights (3) Capex Spending

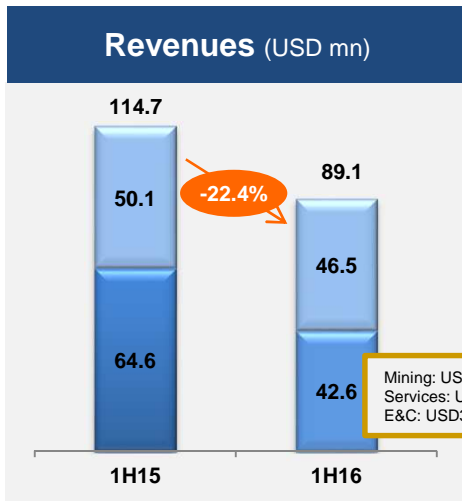


Capex Allocation	2016 Budget (USD mn)	1Q16 Spending (USD mn)	1H16 Spending (USD mn)	%
Maintenance	2.3	0.7	1.7	60.7%
Equipment & others	0.5	0.0	0.1	20.0%
Total	2.8	0.7	1.8	64.3%

Kideco's Operating Highlights



Petrosea's Financial Highlights



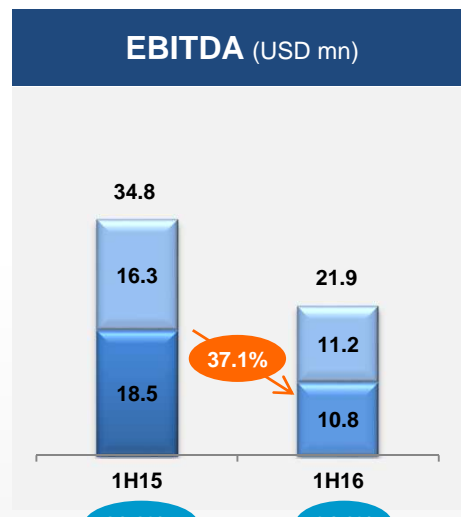
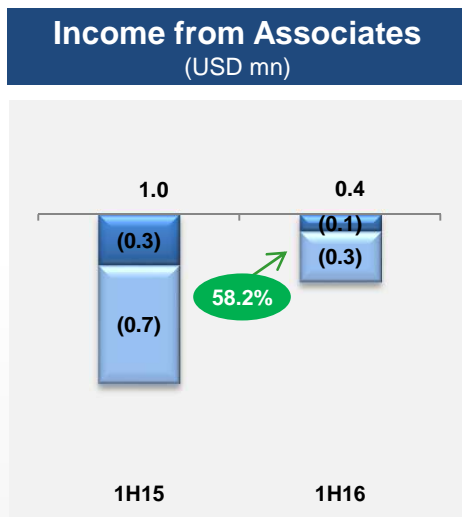
Mining: USD41.5
Services: USD12.7
E&C: USD34.9



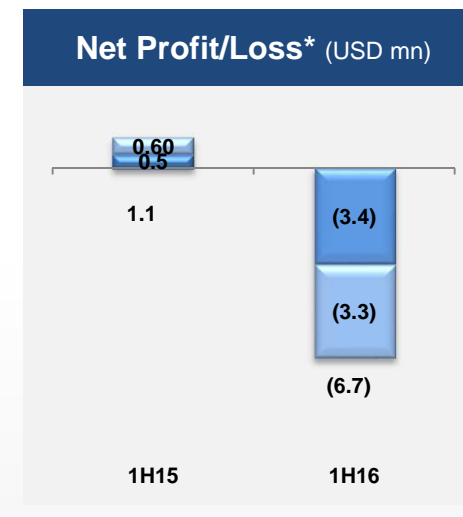
Margin 15.9% (1H15) / 9.8% (1H16)



Margin 8.3% (1H15) / -0.4% (1H16)



Margin 30.3% (1H15) / 24.6% (1H16)



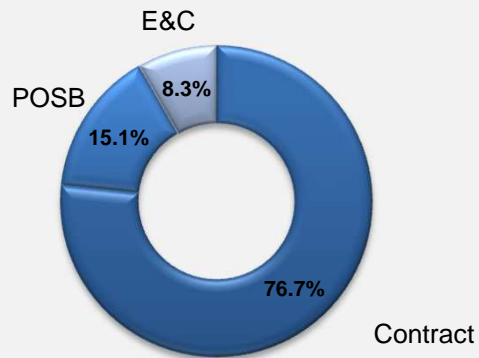
Margin 0.9% (1H15) / -7.5% (1H16)

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

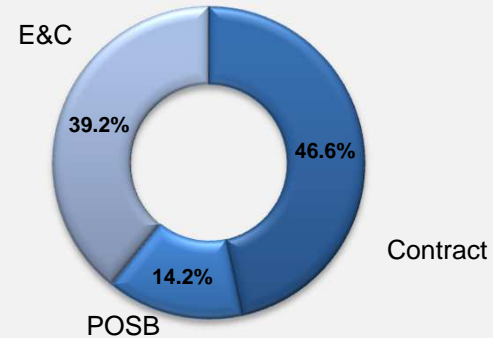
Petrosea's Financial Highlights (2)



Revenues Breakdown by Value

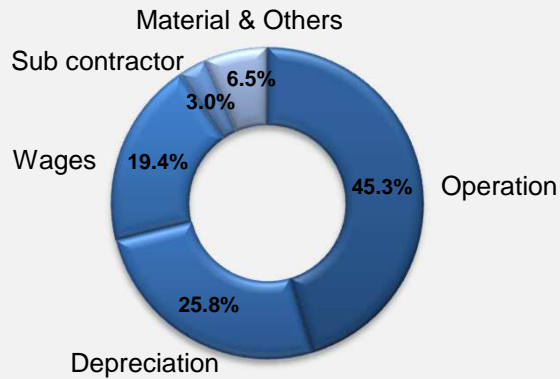


1H15: USD114.7 mn

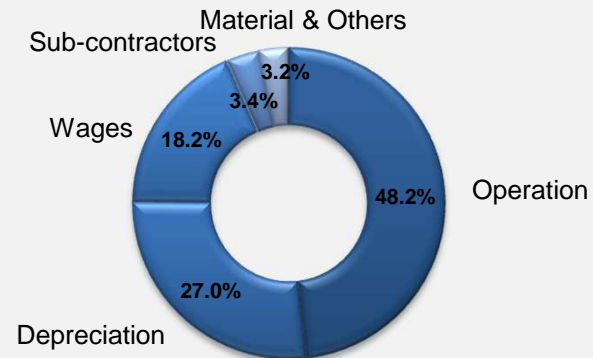


1H16: USD89.1 mn

Cost Structure

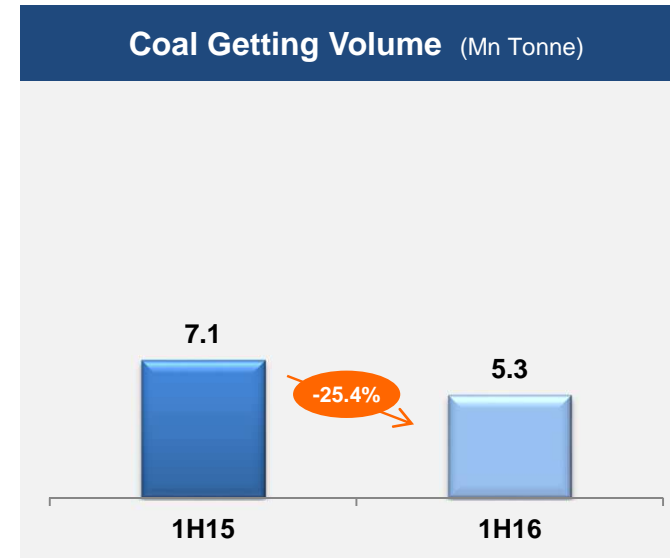
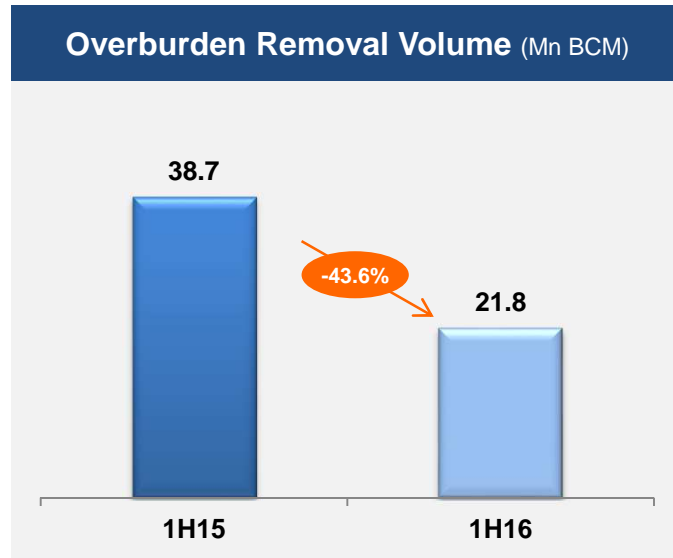


1H15: USD96.5 mn



1H16: USD80.3 mn

Petrosea's Contract Mining Operation



Client	1H15	1H16
Adimitra Baratama*	16.2	0.0
Kideco Jaya Agung	19.3	13.2
Tabang	3.2	2.6
Indoasia Cemerlang	0.0	4.7
Anzawara Satria	0.0	1.0
Binuang Mitra Bersama	0.0	0.3
Total Volume (Mn bcm)	38.7	21.8
Revenue from Contract Mining (USD mn)	87.9	41.5
Contract Mining Revenue/Bcm	2.3	1.9

Client	1H15	1H16
Adimitra Baratama*	1.3	0.0
Kideco Jaya Agung	3.7	1.8
Tabang	2.1	0.1
Binuang Mitra Bersama	0.0	0.04
Total Volume (Mn ton)	7.1	5.3

* ABN, the contract was terminated

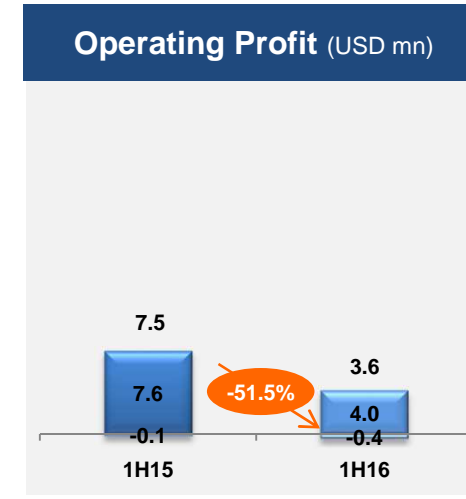
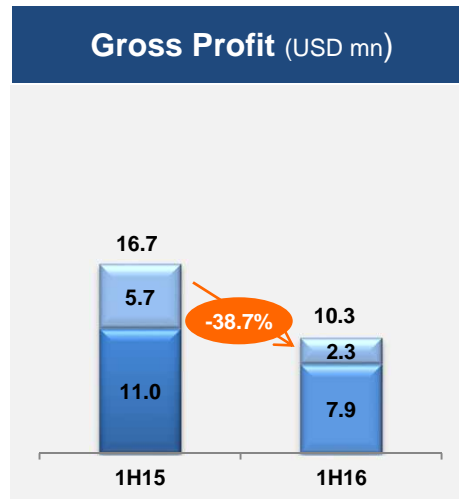
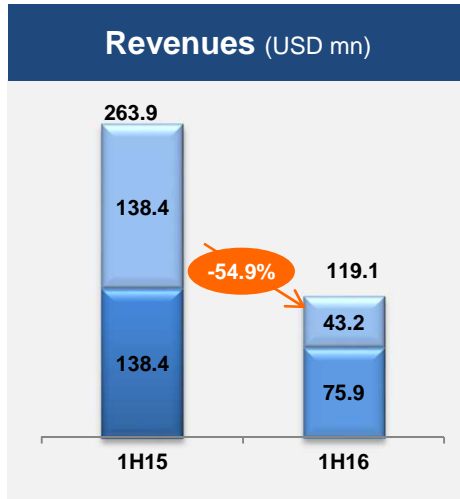
Petrosea's Backlog in 2016



USD mn

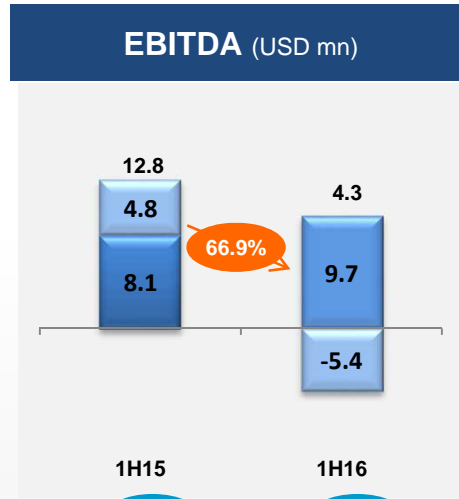
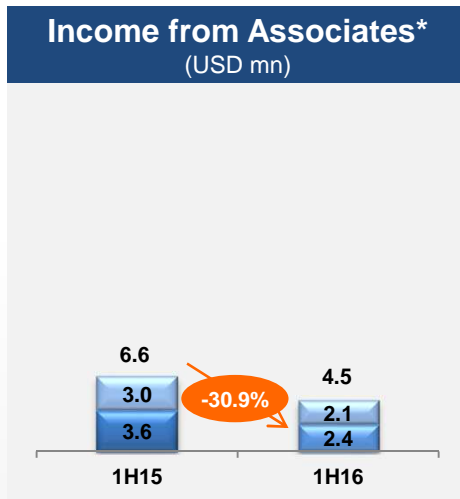
Descriptions	Remaining Contract Value	New Contract/ Adjustment Value in 2016	Revenue Recognition	Remaining Contract Value
	Per 31 Dec 2015		Period ended Jun 30, 2016	Per Jun 30, 2016
Contract mining	436.7	177.5	41.5	572.7
E&C	170.2	(2.8)	34.9	132.5
POSB	72.9	4.4	12.7	64.6
Total	679.8	179.1	89.1	769.8

Tripatra's Financial Highlights

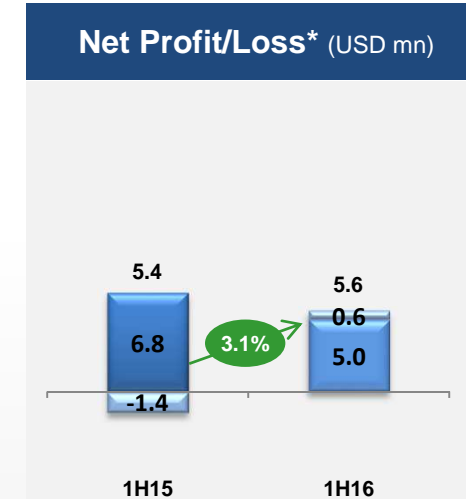


Margin **6.3%** **8.6%**

Margin **2.8%** **3.1%**



Margin **4.9%** **3.6%**



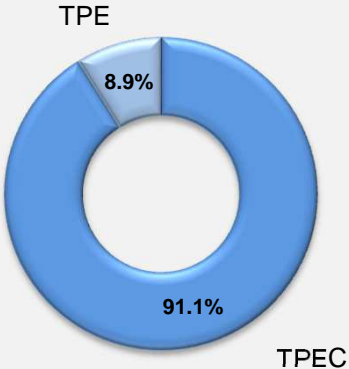
Margin **2.0%** **4.7%**

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

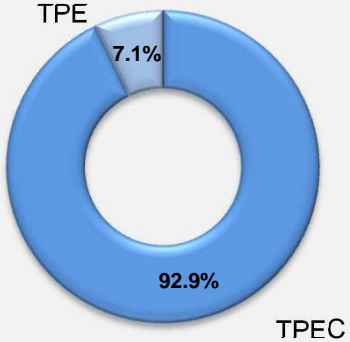
Tripatra's Financial Highlights (2)



Revenues Breakdown by Value

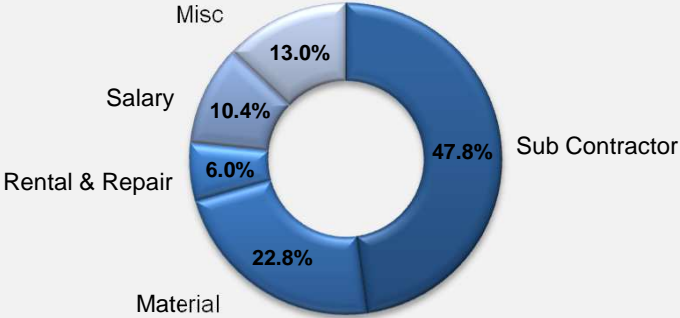


1H15: USD263.9 mn

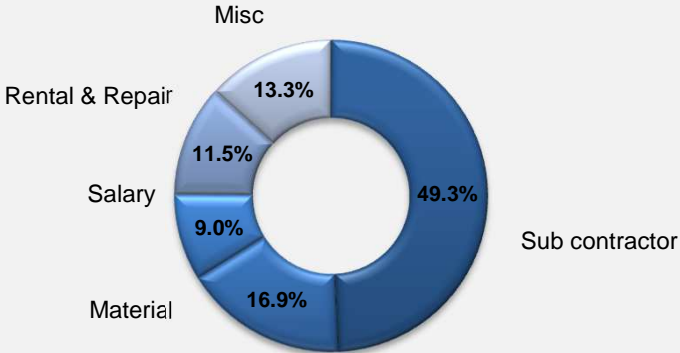


1H16: USD119.1 mn

Cost Structure



1H15: USD247.2 mn



1H16: USD108.8 mn

Tripatra's Backlog in 2016

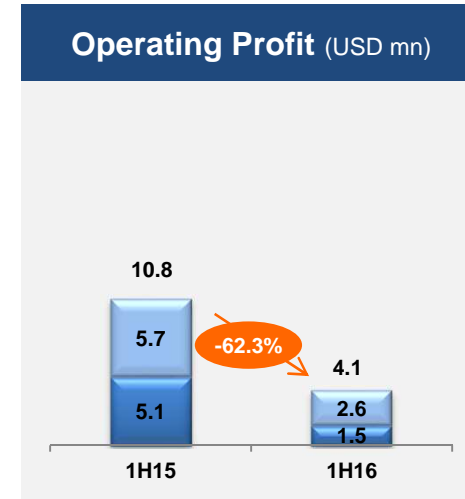
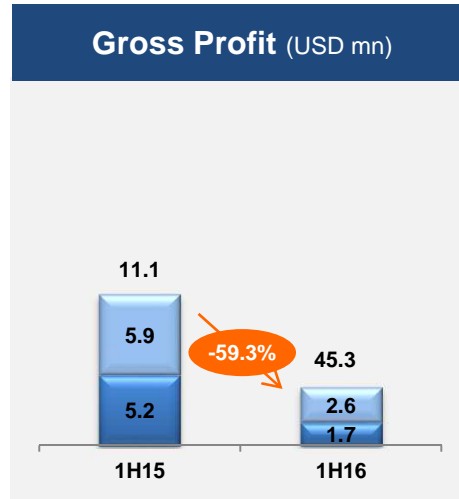


USD mn

Descriptions	Remaining Contract Value	New Contract/ Adjustment Value in 2016	Revenue Recognition	Remaining Contract Value
	Per 31 Dec 2015		Period ended Jun 30, 2016	Per Jun 30, 2016
Tripatra Engineers & Constructors	167.7	62.2	107.1	122.8
Tripatra Engineering	12.3	9.6	11.7	10.2
Total	180.0	71.8	118.8	133.1

Tripatra's Financial Highlights (4)

Cotrans Asia's Operation

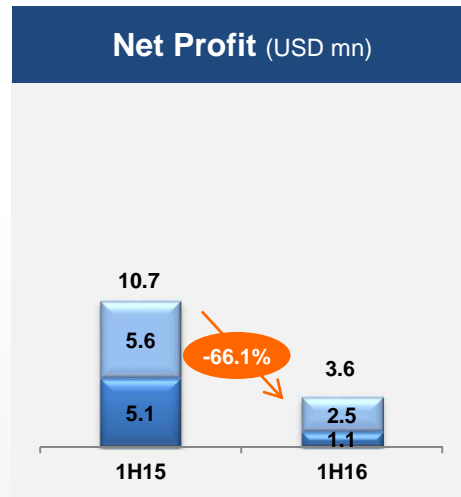


Margin 28.0%

14.7%

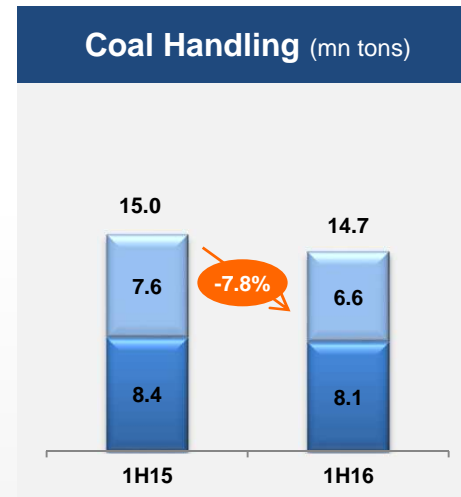
Margin 27.1%

13.2%



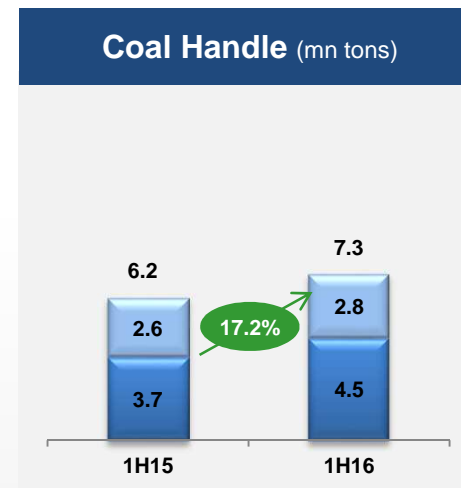
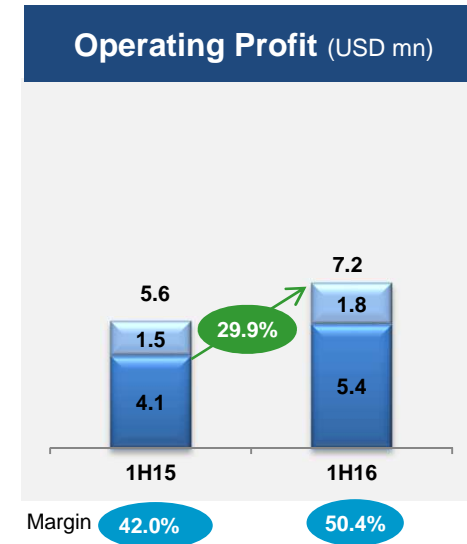
Margin 26.9%

11.7%

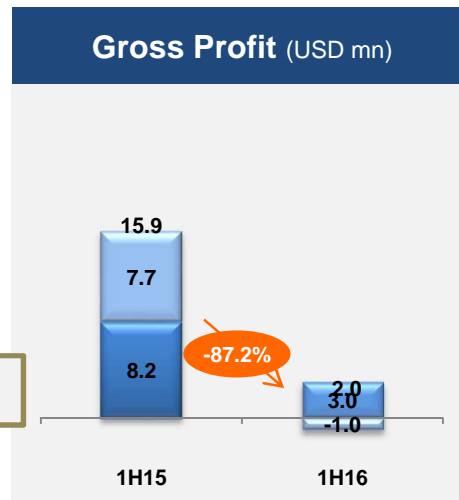
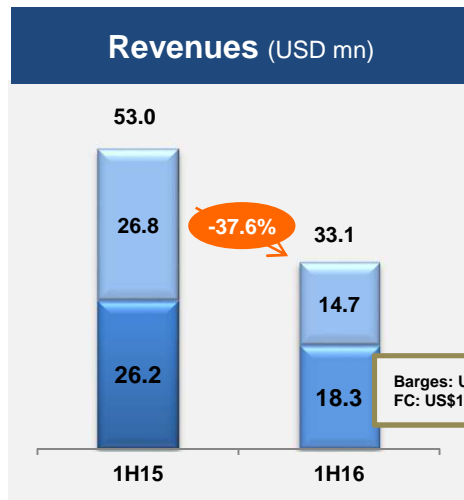


Tripatra's Financial Highlights (5)

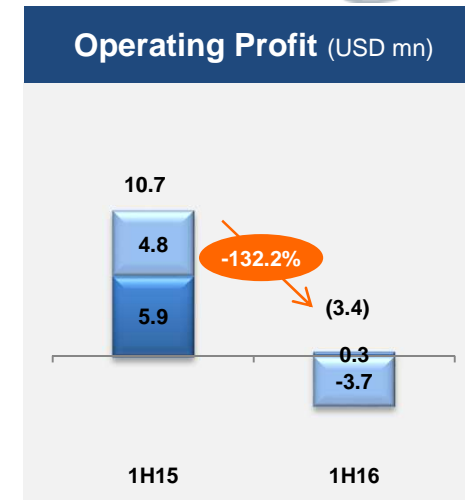
Sea Bridge Shipping's Operation



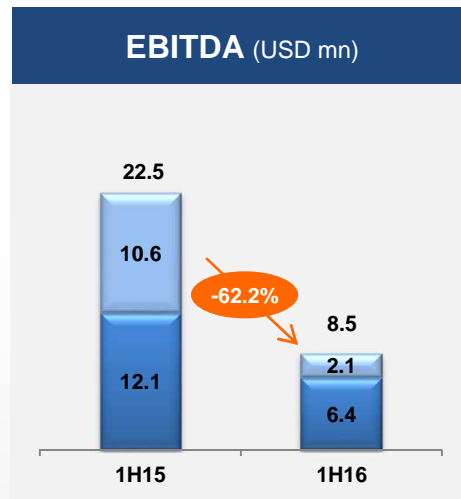
MBSS' Financial Highlights (1)



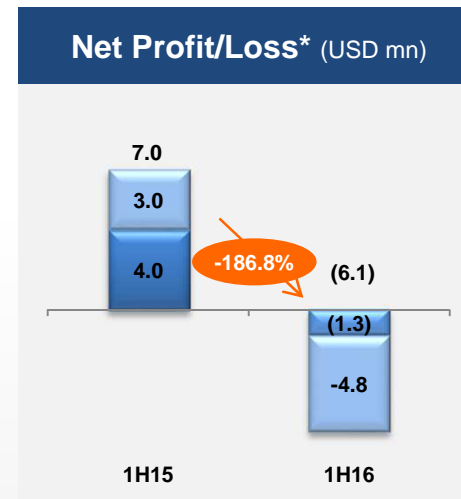
Margin **30.0%** **6.2%**



Margin **20.1%** **-10.4%**



Margin **42.4%** **25.7%**



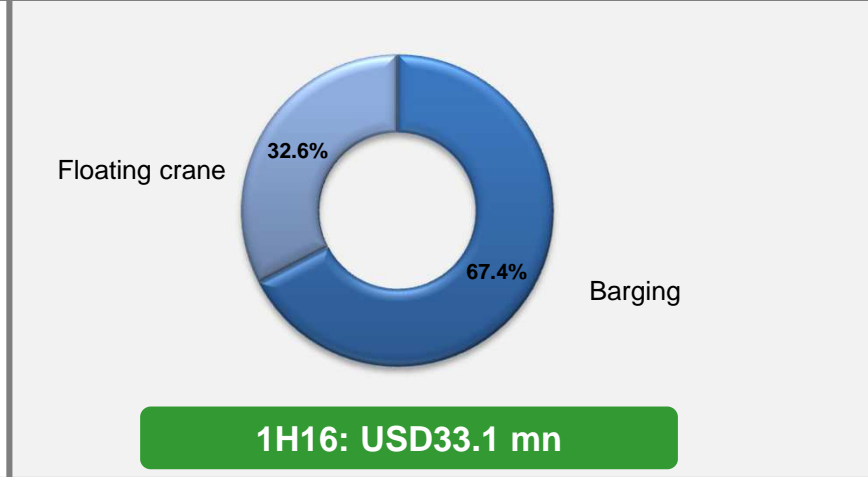
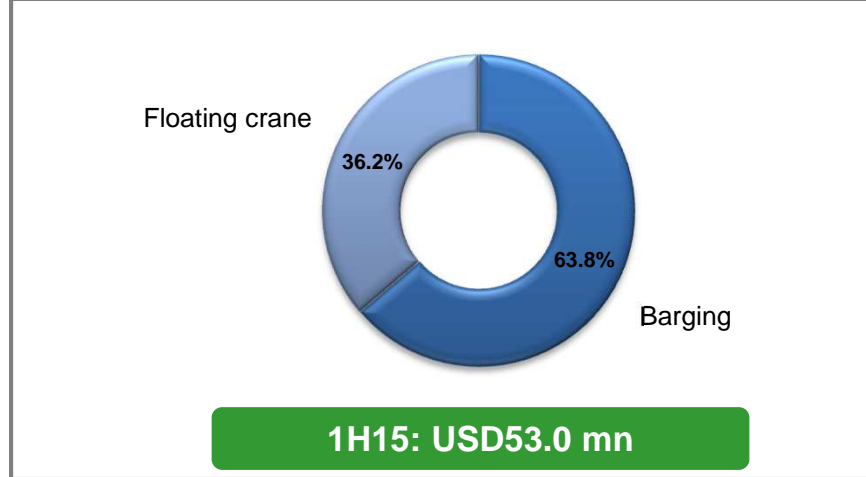
Margin **13.2%** **-18.3%**

* Net income/Loss attributable to owners of the company

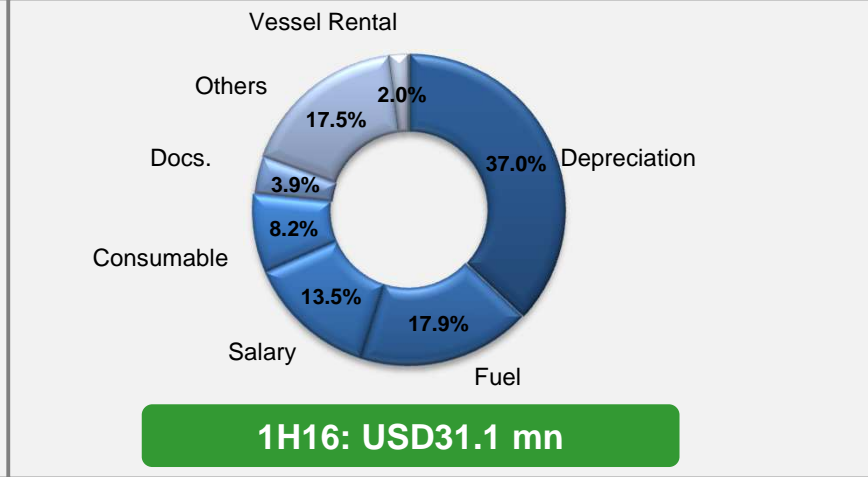
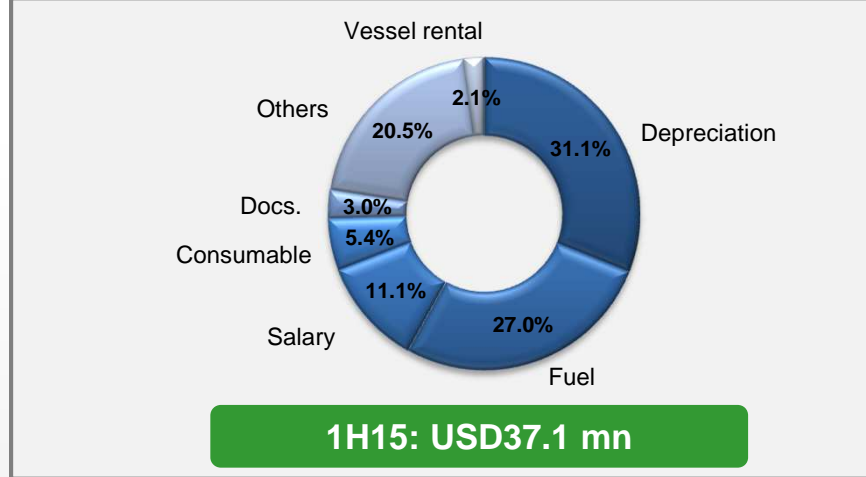
MBSS' Financial Highlights (2)



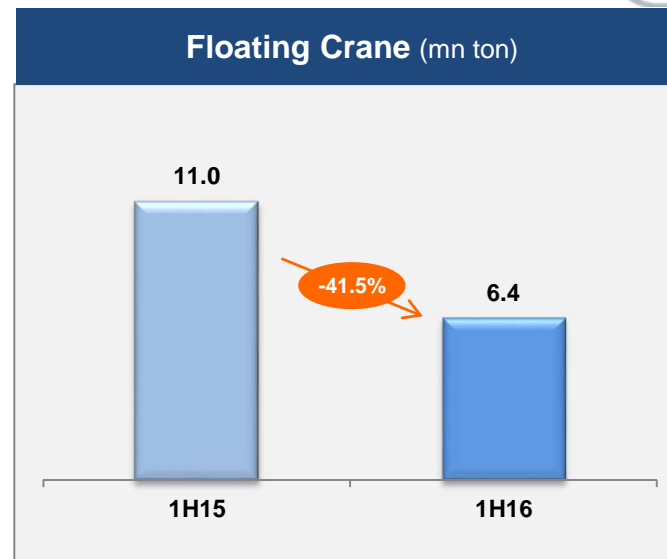
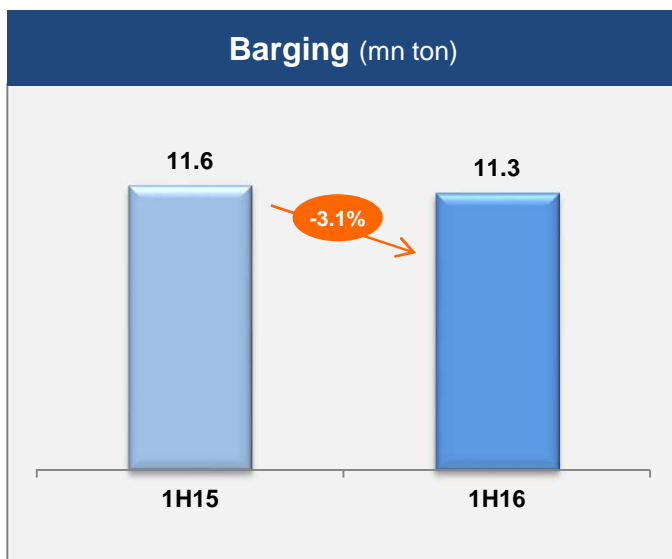
Revenues Breakdown



Cost Structure



MBSS' Operating Highlights



Clients	1H15	1H16
KPC	0.3	0.1
ADRO	3.0	2.5
BCS	1.1	0.9
Cotrans	4.9	5.4
MMS	0.2	0.6
BSSR	0.1	0.1
Others	1.9	1.7
Total Volume*	11.6	11.3
Revenue (USD mn)	33.8	22.3
Revenue/ton	2.9	2.0

Clients	1H15	1H16
KJA	4.7	2.5
BRAU	3.8	2.7
BCS	1.3	1.0
Others - spot	1.2	0.3
Total Volume	11.0	6.4
Revenue (USD mn)	19.2	10.8
Revenue/ton	0.6	1.7

* Includes time charter

MBSS' Backlog in 2015

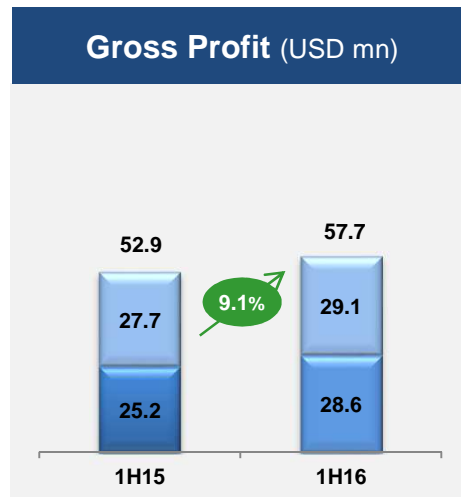


USD mn

Clients	Remaining Contract Value	New Contract/ Adjustment Value in 2016	Revenue Recognition	Remaining Contract Value
	Per 31 Dec 2015		Period ended Jun 30, 2016	Per Jun 30, 2016
Barging	102.2	0.5	22.3	80.4
Floating Crane	87.2	(4.1)	10.8	72.3
Total	189.4	(3.6)	33.1	152.7

* Excludes revenue from time charter

Cirebon Electric Power's Financial Highlights

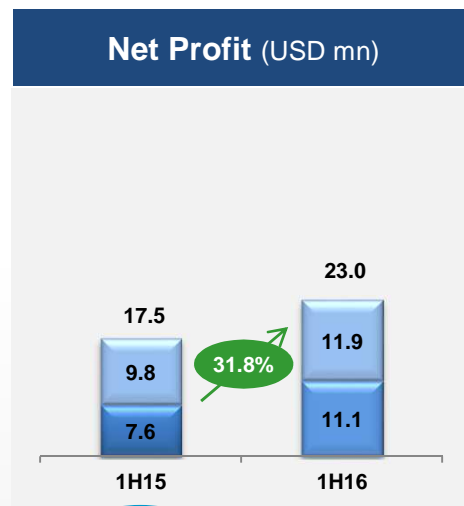


Margin **41.8%**

45.0%

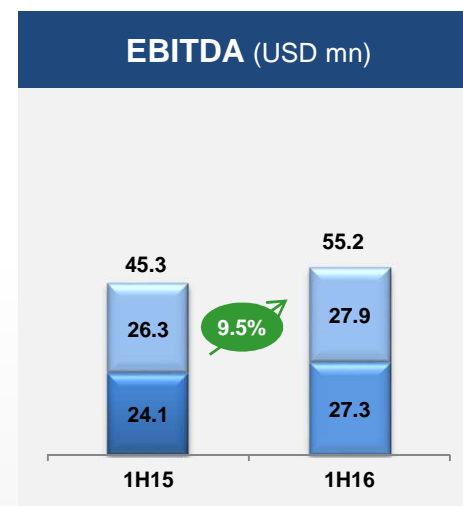
Margin **39.7%**

42.9%



Margin **13.8%**

17.9%



Margin **39.8%**

43.0%



THANK YOU

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