

## FOR IMMEDIATE DISTRIBUTION

4 April 2017

### Successful Issuance of Indika Energy's USD265 Million Bond Due 2022

On 3 April 2017 – PT Indika Energy Tbk ("Indika Energy") successfully launched and priced a landmark 5NC3-year bond issuance of USD265 million in aggregate principal amount with a coupon of 6.875%, and a reoffer yield 6.950%. The transaction marks Indika Energy's return to the debt capital primary markets after 4 years since their last USD500 million 10NC5-year issuance in January 2013, achieving the lowest yield for a 5-year offering in ASEAN for a high yield mining company in the last 5 years.

Use of proceeds from the transaction will be to redeem or repay the following: (i) the outstanding 2018 Notes, (ii) TPEC's credit facility with PT Bank Mandiri (Persero) Tbk, (iii) MBSS's club deal loan facility with PT Bank ANZ Indonesia and Standard Chartered Bank, (iv) MBSS's term loan facility with PT Bank Permata Tbk and (v) MBSS's al murabahah financing facility with Indonesia Eximbank; and for working capital and other general corporate purposes.

With this transaction, Indika Energy has refinanced its 2018 maturity and extended its average debt maturity, thereby redefining its bond curve and highlighting the access that the company has to the capital markets and diversified funding sources. Moody's has placed their Caa1 ratings on review for potential upgrade to B2 and Fitch has placed their CCC rating on review for potential upgrade to B-.

The offering was met with global demand from a wide array of investors. The final orderbook at pricing were in excess of US\$1.2bn from 135 accounts, and was allocated 65% into Asia, 19% into the U.S. and 16% into EMEA. By investor type, fund managers took 82%, banks/private banks took 11% and pension/insurance accounts took 7%.

M. Arsjad Rasjid P. M., President Director and Chief Executive Officer said, *"This transaction further demonstrates our commitment to the international investment community and the trust that investors have placed in the company to execute on our financial and capital management strategies prudently. We are pleased with the institutional demand these bonds received globally."*

The Bonds are being offered and sold in a private offering to persons who are (a) both qualified institutional buyers ("QIBs") as defined in Rule 144A under the U.S. Securities Act of 1933, as amended (the "Securities Act") and a qualified purchaser ("QP") within the meaning of Section 2(a)(51) of the U.S. Investment Company Act of 1940, and (b) outside the United States under Regulation S under the Securities Act. The Bonds are not offered or sold in the manner that constitutes public offering under Indonesian Law No.8 of 1995 on Capital Markets. The offering is expected to close on 10 April 2017, subject to customary closing conditions.

# NEWS RELEASE



Indika Energy intends to list the Bonds on the Singapore Exchange Securities Trading Limited (the "SGX-ST"). Admission of the Bonds to the official list of the SGX-ST is not to be taken as an indication of the merits of the offering, Indika Energy or the Bonds.

###

## **ABOUT PT INDIKA ENERGY TBK.**

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 & gas (PT Tripatra Engineers & Constructors, PT Tripatra Engineering); EPC – contract mining (PT Petrosea Tbk.), and Energy Infrastructure – marine transportation, ports & logistics for bulk goods and natural resources (PT Mitrabahtera Segara Sejati Tbk., PT Sea Bridge Shipping, PT Cotrans Asia, PT Indika Logistic & Support Services, PT Kuala Pelabuhan Indonesia); coal-fired power plant (PT Cirebon Electric Power).

[www.indikaenergy.co.id](http://www.indikaenergy.co.id)

## **FURTHER INFORMATION**

Retina Rosabai – Head of Investor Relations & Corporate Finance

Nicky Kurniawan – Senior Manager of Investor Relations & Corporate Finance

[E investor.relations@indikaenergy.co.id](mailto:investor.relations@indikaenergy.co.id)

T +62 21 2557 9888

## **DISCLAIMER**

**Not for distribution or forwarding, directly or indirectly, into the United States of America, Canada or Japan.**

This news release may contain certain financial information, projections, plans, strategies, and objectives of PT Indika Energy Tbk., that are not statements of historical fact which would be treated as forward looking statements within the meaning of applicable law. Neither PT Indika Energy Tbk., its affiliates nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements in this communication. This news release is for information only and is not an offer to sell or an invitation to buy any securities and neither this news release nor anything herein forms the basis for any contract or commitment whatsoever.

## NEWS RELEASE



This announcement does not constitute or form a part of an offer or solicitation for sale of securities of PT Indika Energy Tbk. in the United States or any other jurisdiction. The securities referred to herein have not been, and will not be, registered under the Securities Act, or any state securities laws of the United States elsewhere and may not be offered or sold in the United States or to U.S. Persons (as defined under the Securities Act) absent registration or an exemption from registration under the Securities Act. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from the issuer and that will contain detailed information about the company and management, as well as financial statements. PT Indika Energy Tbk does not intend to register any securities in the United States or to conduct a public offering of securities in the United States. Nothing in this communication shall constitute an offer to sell or the solicitation of an offer to buy securities in any jurisdiction in which such offer or sale would be unlawful. A rating is not a recommendation to buy, sell or hold the notes and may be subject to suspension, reduction or withdrawal at any time by the rating agency.

This announcement does not constitute a public offering in Indonesia under Law Number 8 of 1995 regarding Capital Market and its implementing regulations (the "Indonesian Capital Market Law"). Any securities may not be offered within the territory of the Republic of Indonesia or to Indonesian citizens using mass media (which includes newspapers, magazines, film, television, radio and other electronic media, letter and brochures as well as any printed matter) or offered to more than 100 Indonesian parties and/or sold to more than 50 Indonesian parties or Indonesian residents, wherever they are domiciled, whether in or outside Indonesia within a certain time, in a manner which constitutes a public offering under the Indonesian Capital Market Law. END