

# NEWS RELEASE



Jakarta, April 26, 2018

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## **Adaro Energy Balance Sheet Remained Healthy with Solid Liquidity Position *Focusing on Operational Excellence in Unfavorable Weather Conditions***

**Jakarta, April 26, 2018** – PT Adaro Energy Tbk (IDX: ADRO) (AE) today released its unaudited consolidated financial statements for the first three months of 2018. Our results serve as solid foundation for a more resilient and competitive Adaro Energy.

Adaro Energy's President Director and Chief Executive Officer, Mr. Garibaldi Thohir, said:

**“Adaro Energy delivered a robust set of results in 1Q18. Our balance sheet remained healthy as we continue to preserve a strong capital structure. These results along with encouraging coal market fundamentals put us in a good position to capitalize on the positive momentum in the coal market by executing our strategic plan to grow organically and inorganically. Our commitment to shareholder returns is further strengthened through increased cash dividend payment of US\$250 million for fiscal year 2017, demonstrating our strong financial position and potential for cash generation.”**

### 1Q18 Financial Highlights:

- AE's balance sheet remained healthy with strong liquidity of US\$1,349 million, providing flexibility to anticipate market uncertainties and respond to new opportunities. Net debt to equity and net debt to last 12 months operational EBITDA stood at a healthy level of 0.01x and 0.03x, respectively.
- AE recorded operational EBITDA of US\$273 million, 1% lower compared to the same period last year, mainly due to higher strip ratio, fuel costs, and royalties to the Government.
- We revised operational EBITDA guidance for 2018 from US\$1.3 - US\$.1.5 billion to US\$1.1 - US\$1.3 billion following the recent domestic pricing regulation issued by the Ministry of Energy and Mineral Resources of the Republic of Indonesia.
- Our free cash flow of US\$115 million was 37% lower compared to the same period last year, due to higher capital expenditure as we executed our plans for the period as well as higher tax payments.

## Financial Performance

<i>(US\$ million, except otherwise stated)</i>	1Q18	1Q17	% Change
Net Revenue	764	727	5%
Cost of Revenue	(538)	(509)	6%
Gross Profit	226	218	4%
Operating Income	168	189	-11%
Core Earnings <sup>1</sup>	109	132	-17%
Operational EBITDA <sup>2</sup>	273	276	-1%
Total Assets	6,769	6,510	4%
Total Liabilities	2,607	2,695	-3%
Stockholders' Equity	4,162	3,815	9%
Interest-Bearing Debt	1,306	1,411	-7%
Cash	1,124	1,113	1%
Net Debt <sup>3</sup>	37	299	-88%
Capital Expenditure <sup>4</sup>	83	9	822%
Free Cash Flow <sup>5</sup>	115	182	-37%
Basic Earnings Per Share (EPS) in US\$	0.00233	0.00304	-23%

## Financial Ratios

	1Q18	1Q17	% Change
Gross Profit Margin (%)	29.6%	30.0%	-1%
Operating Margin (%)	22.0%	26.0%	-15%
Operational EBITDA Margin (%)	35.7%	38.0%	-6%
Net Debt to Equity (x)	0.01	0.08	-
Net Debt to last 12 months Op.EBITDA (x)	0.03	0.31	-
Cash from Operations to Capex (x)	2.66	25.34	-

<sup>1</sup> Profit for the year, excluding non-operational items net of tax (amortization of mining properties and prior year tax assessment).

<sup>2</sup> EBITDA excluding foreign exchange loss/gain and prior year tax assessment.

<sup>3</sup> Cash including available-for-sale financial assets-current portion.

<sup>4</sup> Regular spending defined as: purchase of fixed assets – proceed from disposal of fixed assets + payment for addition of mining properties + addition of fixed assets under finance leases.

<sup>5</sup> Operational EBITDA – taxes – change in net working capital – capital expenditure excluding finance leases.

## Operating Segment

<i>(US\$ million)</i>	Revenue			Profit for the period		
	1Q18	1Q17	% Change	1Q18	1Q17	% Change
Coal mining & trading	704	679	4%	118	122	-3%
Mining services	43	32	34%	(24)	(14)	71%
Others	17	16	6%	9	14	-36%
Elimination	-	-	-	(15)	(12)	25%
<b>Adaro Energy Group</b>	<b>764</b>	<b>727</b>	5%	<b>88</b>	<b>110</b>	-20%

### FINANCIAL PERFORMANCE ANALYSIS FOR THE FIRST THREE MONTHS OF 2018

#### Revenue, Average Selling Price and Production

Our revenue increased by 5% to US\$764 million – despite the 9% decline in sales volume – due to the 14% higher Average Selling price (ASP), compared to the same period last year.

AE's coal mining and trading division generated 92% of total revenue while the revenue contribution from non-coal businesses continues to improve.

AE's total coal production in 1Q18 reached 10.95 Mt, 8% lower compared to the same period last year as our main operations at Adaro Indonesia experienced longer rain days which affected operations. This resulted in 9% lower sales volume year over year to 10.93 Mt. We are on track to achieve our 2018 production guidance of 54-56 Mt.

#### Cost of Revenue

Cost of revenue increased 6% year over year to US\$538 million mainly driven by higher mining costs as a result of higher strip ratio and fuel costs, as well as higher royalty payment to the Government of Indonesia.

AE's strip ratio for the period was 4.94x, in line with our guidance of 4.9x for 2018, a 7% increase from 4.62x in 1Q17.

In order to manage risk arising from fuel price fluctuations, we have hedged approximately 20% of our fuel requirements for 2018 at prices below our budget.

#### Royalties to Government

Royalties to the Government of Indonesia increased 6% to US\$79 million in line with higher revenue from coal sales driven by higher ASP.

## **Operating Expenses**

AE's operating expenses increased 26% in 1Q18 compared to the same period last year to US\$54 million as a result of higher employee costs due to addition of new employees, and increased sales commission in line with higher ASP and strong marketing efforts to develop market recognition and acceptance for our new coal products.

## **Operational EBITDA**

We recorded 1% lower operational EBITDA of US\$273 million largely attributable to increased costs from higher cost of revenue and operating expenses. We managed to maintain a solid operational EBITDA margin of 36%, as cost discipline measures continue.

We have revised EBITDA guidance for 2018 from US\$1.3 - US\$1.5 billion to US\$1.1 - US\$1.3 billion following the recent domestic pricing regulation issued by the Ministry of Energy and Mineral Resources of the Republic of Indonesia.

## **Core Earnings**

Core earnings declined 17% to US\$109 million mainly driven by higher cost of revenue and operating expenses as well as higher finance costs following the increase of LIBOR. Our core earnings exclude non-operational items net of tax.

## **Total Assets**

Total assets of US\$6,769 million were 4% higher compared to the same period last year. Current assets increased by 8% to US\$1,785 million, primarily due to higher cash balance and available-for-sale financial assets. Non-current assets increased by 3% to US\$4,984 million.

## **Total Liabilities**

Total liabilities decreased 3% compared to last year to US\$2,607 million. Current liabilities increased by 7% to US\$713 million predominantly due to higher trade payables and current maturity of long-term borrowings. Non-current liabilities declined by 7% to US\$1,894 million largely due to lower long-term borrowings positions as repayment of bank loans continues.

### ***Current Maturity of long-term Borrowings***

The current portion of long-term borrowings increased 22% compared to the same period last year to US\$196 million as a result of more principal payments due this year.

### ***Long-term Borrowings, net of Current Maturity***

The non-current portion of long-term borrowings decreased by 11% compared to the same period last year to US\$1,110 million, due to lower non-current portion of bank loans as repayments proceeded.

## **Debt Management and Liquidity**

We made US\$101 million of debt repayment in 1Q18 and thus reduced bank loans by 9% compared to the same period last year to US\$1,209 million.

Our liquidity level remained robust at US\$1,349 million, consisting of US\$1,124 million in cash, US\$145 million in available-for-sale financial assets, and US\$80 million in undrawn committed loan facilities. Debt servicing remains manageable with average debt repayment schedule from 2018 to 2021 approximately US\$326 million per year, well covered by our strong liquidity position.

## **Cash Flows from Operating Activities**

Our cash flows from operating activities decreased 10% to US\$208 million. The decrease was driven by increased payments among others, payments to suppliers, payments of royalties, payments to employees, and payments of income tax.

## **Cash Flows from Investing Activities**

AE booked US\$70 million in net cash flows used in investing activities, mainly for advance payment for the acquisition of Kestrel coking coal mine, heavy equipment purchase and replacement, and development of AMC.

### ***Capital Expenditure and Free Cash Flow***

AE spent US\$83 million in capital expenditure during the period mainly for heavy equipment purchase and replacement, and development of our metallurgical coal asset. Our capital expenditure guidance of US\$750 million - US\$900 million remains as we continue with our capital spending plans for the remainder of the year.

We generated free cash flow of US\$115 million, 37% lower compared to the same period last year due to higher capital spending as well as higher tax payments

## **Cash Flows from Financing Activities**

Net cash flow used in financing activities in the quarter was US\$219 million, consisting of among others, repayment of bank loans totaling US\$101 million and payments of dividends to our shareholders amounting US\$100 million.

## **Dividend**

AE's Annual General Meeting of Shareholders held on 23 April 2018, approved to distribute a total cash dividend of US\$250 million (US\$0.00782/share) for fiscal year 2017 or 51.75% of profit for the year. This dividend includes interim cash dividend of US\$100 million (US\$0.00313/share) paid in January 2018 and final cash dividend of US\$150 million (US\$0.00469/share) to be paid in May 2018.

This demonstrates our commitment to provide returns for all of our shareholders who have been very supportive to us while remain disciplined to ensure business sustainability.

## **ADARO ENERGY (AE) QUARTERLY ACTIVITIES REPORT FOR 1Q18**

### **REVIEW OF COAL MARKET**

In the early parts of the quarter, winter that was colder than usual boosted heating demand and hence the demand for coal in many countries, including the UK – which had continuously tried to reduce coal's proportion in its energy mix and shut down its coal-fired capacity and China. China's coal-fired power generation increased due to the harsh winter and gas shortage and created a tighter coal market in the country. Utilities also struggled to increase coal inventories around the Chinese New Year holidays and therefore the government relaxed its control over coal production and coal imports into China increased in the period. It is expected that after demand for heating declines and supply increases, coal prices will moderate. The colder weather helped coal price to remain strong in the quarter and global coal Newcastle price averaged at US\$102.41 per tonne in 1Q18.

On the other hand, India experienced domestic coal shortages which resulted in suspended operations for 12 GW of coal-fired capacity, mostly in the western part of the country. Logistics remain as key challenge for Indian utilities as railway transportation infrastructure struggles to keep up with coal demand.

As coal price performance continued to be robust, in March, the Indonesian government decided to put a price cap on benchmark domestic coal price for usage in power generation at US\$70 per tonne with the aim to put electricity tariff in the country under control until December 2019. Indonesia this year plans to increase its domestic coal consumption, and in 1Q18 alone consumed approximately 20.4 Mt of coal.

### **REVIEW OF AE'S OPERATIONS**

In the first quarter of the year, we produced 10.95 Mt of coal from PT Adaro Indonesia, Balangan Coal Companies, and Adaro MetCoal Companies (AMC), 8% lower compared to the same period last year. Overburden removal declined by 1% y-o-y to 54.05 million bank cubic meter (Mbcm), resulting in a blended strip ratio of 4.94x, in line with our guidance of 4.9x.

We sold 10.93 Mt of coal during the quarter, 9% lower compared to the same period last year. Our total coal sales included 0.27 Mt of coal from AMC's Haju mine. Sales of our E4200 product increased 42% y-o-y as we continued our marketing efforts to develop the market acceptance for this product. Despite extreme weather condition affecting our operations, we maintain our commitment as a reliable supplier to our customers by strengthening the control and monitoring of the mine operation activities.

	Units	1Q18	4Q17	1Q18 vs. 4Q17	1Q17	1Q18 vs. 1Q17
<b>Coal Production</b>	Mt	10.95	12.43	-12%	11.86	-8%
<b>Sales Volume</b>	Mt	10.93	12.39	-12%	12.03	-9%
<b>Overburden Removal</b>	Mbcm	54.05	55.53	-3%	54.76	-1%

We sold 22% of our coal to the domestic market in 1Q18, as we continued to fulfill our obligation to the domestic market. At 15% Japan was our second largest customer in the quarter, due to increased demand from coal-fired power plants during the winter period.

Sales breakdown 1Q18	%
Indonesia	22%
Japan	15%
Korea	12%
China	12%
Malaysia	11%
India	9%
Hong Kong	7%
Taiwan	3%
Spain	3%
Philippines	2%
Thailand	2%
Others	2%

\*Others include: USA, Vietnam, Singapore and The Netherlands

## ADARO MINING

### PT Adaro Indonesia (AI)

In 1Q18, AI produced 9.80 Mt and sold 10.66 Mt of coal, 10% and 8% lower compared to 1Q17, respectively. Total overburden removal from AI's three pits was 49.35 Mbcm, 6% lower than 1Q17. AI's strip ratio for the quarter was 5.04x.

Rain days at AI's operations were above average, and it impacted mining operations as actual operational lost hour across AI's three pits increased and was significantly higher than planned. The extreme weather condition also raised challenges to mine water treatment due to the much higher volume of water to be treated. However, by strengthening the control and monitoring on all aspects of the mining operations and evaluating the parameters of mine planning, AI was able to manage the impact of such extreme weather effectively.

AI employs three mining contractors at its operations and in 1Q18, SIS conducted approximately 44% of activities, PAMA 40%, and BUMA 16%.

## Balangan Coal Companies

We produced 0.86 Mt of coal from Balangan Coal Companies in the first quarter of 2018, a 23% increase from 1Q17. Overburden removal from Balangan Coal Companies in 1Q18 was 2.75 Mbcm, 170% higher than in 1Q17 which resulted in a strip ratio of 3.20x.

## Adaro MetCoal Companies (AMC)

The Haju mine at PT Lahai Coal produced 0.29 Mt and sold 0.27 Mt of coal, 26% and 42% higher from 1Q17. Overburden removal at AMC was 1.95 Mbcm in 1Q18, up by 65% from 1Q17 which resulted in a strip ratio of 6.72x.

In the quarter, our marketing team continued to develop the market for AMC's coal. As part of our marketing efforts, we provided technical assistance and superior customer service to help customers in getting the most value out of AMC's coal.

## ADARO SERVICES

### PT Saptaindra Sejati (SIS)

During the quarter, SIS booked a total coal production volume of 9.06 Mt and an overburden removal volume of 41.43 Mbcm, 21% and 4% higher y-o-y, respectively as coal production volume from Adaro Group and third party customers increased.

Overburden removal and coal production volume from Adaro were 50% and 78% of SIS's total volume in 1Q18, in that order.

	Units	1Q18	4Q17	1Q18 vs. 4Q17	1Q17	1Q18 vs. 1Q17
<b>Overburden Removal</b>	Mbcm	41.43	43.49	-5%	39.96	4%
<b>Coal Production</b>	Mt	9.06	9.09	0%	7.51	21%

## ADARO LOGISTICS

### PT Maritim Barito Perkasa (MBP)

In 1Q18, MBP's total coal barging volume was 9.83 Mt, 1% increase from 1Q17. MBP continues to prioritize volume from Adaro Group, and Adaro Group's coal volume accounted for 95% of MBP's total coal barging volume in 1Q18, similar y-o-y.

	Units	1Q18	4Q17	1Q18 vs. 4Q17	1Q17	1Q18 vs. 1Q17
<b>Coal barging</b>	<b>Mt</b>	<b>9.83</b>	<b>10.69</b>	<b>-8%</b>	<b>9.72</b>	<b>1%</b>
Adaro	Mt	9.36	10.14	-8%	9.25	1%
Others	Mt	0.47	0.56	-16%	0.47	0%



## **ADARO POWER**

Engineering, Procurement and Construction (EPC) activities at PT Bhimasena Power Indonesia (BPI) and PT Tanjung Power Indonesia (TPI) are progressing well. At the end of 1Q18, progress for BPI was at 42% and 91% for TPI.

## **QUALITY, HEALTH, SAFETY & ENVIRONMENT (QHSE)**

In the first two months of 2018, total man-hours worked across AE's operations were 18,978,310 hours. During the period, we experienced one lost time injuries (LTI). Our lost time injury frequency rate (LTIFR) for the period was 0.05 and severity rate (SR) was 0.26.

## **CORPORATE ACTIVITIES**

On 28 March 2018, the Adaro Group and EMR Capital entered into a binding agreement to acquire Rio Tinto's 80% interest in the Kestrel coking coal mine, located in the Bowen Basin, the world's premier metallurgical coal region in Australia.

PT ADARO ENERGY Tbk DAN ENTITAS ANAKNYA/AND ITS SUBSIDIARIES

Lampiran 1/1 Schedule

LAPORAN POSISI KEUANGAN  
KONSOLIDASIAN INTERIM  
31 MARET 2018 DAN 31 DESEMBER 2017  
(Dinyatakan dalam ribuan Dolar AS,  
kecuali nilai nominal dan data saham)

INTERIM CONSOLIDATED STATEMENTS OF  
FINANCIAL POSITION  
AS AT 31 MARCH 2018 AND 31 DECEMBER 2017  
(Expressed in thousands of US Dollars,  
except for par value and share data)

	Catatan/ Notes	31 Maret/ March 2018	31 Desember/ December 2017	
<b>ASET</b>				<b>ASSETS</b>
<b>ASET LANCAR</b>				<b>CURRENT ASSETS</b>
Kas dan setara kas	4	1,123,845	1,206,848	Cash and cash equivalents
Deposito berjangka yang dibatasi penggunaannya - bagian lancar	5	34	34	Restricted time deposits - current portion
Aset keuangan tersedia untuk dijual - bagian lancar	6	145,350	247,007	Available-for-sale financial assets - current portion
Piutang usaha	7	325,859	314,718	Trade receivables
Persediaan	9	94,028	85,466	Inventories
Pajak dibayar dimuka - bagian lancar	33a	59,960	74,140	Prepaid taxes - current portion
Pajak yang bisa dipulihkan kembali	33b	12,272	12,464	Recoverable taxes
Piutang lain-lain		3,333	6,729	Other receivables
Instrumen keuangan derivatif	18	3,065	3,300	Derivative financial instruments
Uang muka dan biaya dibayar dimuka - bagian lancar	8	17,380	28,034	Advances and prepayments - current portion
Aset lancar lain-lain		<u>283</u>	<u>422</u>	Other current assets
<b>Total aset lancar</b>		<b><u>1,785,409</u></b>	<b><u>1,979,162</u></b>	<b>Total current assets</b>
<b>ASET TIDAK LANCAR</b>				<b>NON-CURRENT ASSETS</b>
Deposito berjangka yang dibatasi penggunaannya - bagian tidak lancar	5	22,018	8,106	Restricted time deposits - non-current portion
Aset keuangan tersedia untuk dijual - bagian tidak lancar	6	7,598	6,837	Available-for-sale financial assets - non-current portion
Investasi pada ventura bersama	11	78,940	45,810	Investments in joint ventures
Uang muka dan biaya dibayar dimuka - bagian tidak lancar	8	136,393	38,033	Advances and prepayments - non-current portion
Pajak dibayar dimuka - bagian tidak lancar	33a	42,074	43,542	Prepaid taxes - non-current portion
Properti pertambangan	12	2,334,631	2,355,258	Mining properties
Aset tetap	10	1,518,660	1,506,553	Fixed assets
Goodwill	13	793,610	793,610	Goodwill
Aset pajak tangguhan	33e	17,160	8,766	Deferred tax assets
Aset tidak lancar lain-lain		<u>32,478</u>	<u>28,470</u>	Other non-current assets
<b>Total aset tidak lancar</b>		<b><u>4,983,562</u></b>	<b><u>4,834,985</u></b>	<b>Total non-current assets</b>
<b>TOTAL ASET</b>		<b><u><u>6,768,971</u></u></b>	<b><u><u>6,814,147</u></u></b>	<b>TOTAL ASSETS</b>

Catatan atas laporan keuangan konsolidasian interim terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian interim secara keseluruhan.

The accompanying notes to the interim consolidated financial statements form an integral part of these interim consolidated financial statements.

PT ADARO ENERGY Tbk DAN ENTITAS ANAKNYA/AND ITS SUBSIDIARIES

Lampiran 1/2 Schedule

**LAPORAN POSISI KEUANGAN  
KONSOLIDASIAN INTERIM  
31 MARET 2018 DAN 31 DESEMBER 2017**  
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**INTERIM CONSOLIDATED STATEMENTS OF  
FINANCIAL POSITION  
AS AT 31 MARCH 2018 AND 31 DECEMBER 2017**  
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	<u>Catatan/ Notes</u>	<u>31 Maret/ March 2018</u>	<u>31 Desember/ December 2017</u>	
<b>LIABILITAS DAN EKUITAS</b>				<b>LIABILITIES AND EQUITY</b>
<b>LIABILITAS</b>				<b>LIABILITIES</b>
<b>LIABILITAS JANGKA PENDEK</b>				<b>CURRENT LIABILITIES</b>
Utang usaha	14	296,915	279,163	Trade payables
Utang dividen	27	33,107	111,832	Dividends payable
Beban yang masih harus dibayar	16	54,159	37,396	Accrued expenses
Liabilitas imbalan kerja jangka pendek		2,912	2,689	Short-term employee benefit liabilities
Utang pajak	33c	106,970	56,713	Taxes payable
Utang royalti	15	5,153	31,269	Royalties payable
Bagian lancar atas pinjaman jangka panjang:				Current maturity of long-term borrowings:
- Utang sewa pembiayaan	19	34,285	35,571	Finance lease payables -
- Utang bank	20	162,178	201,160	Bank loans -
Utang lain-lain		<u>17,557</u>	<u>17,509</u>	Other liabilities
<b>Total liabilitas jangka pendek</b>		<b><u>713,236</u></b>	<b><u>773,302</u></b>	<b>Total current liabilities</b>
<b>LIABILITAS JANGKA PANJANG</b>				<b>NON-CURRENT LIABILITIES</b>
Pinjaman dari pihak ketiga	17	15,892	15,892	Loans from a third party
Pinjaman jangka panjang setelah dikurangi bagian yang akan jatuh tempo dalam satu tahun:				Long-term borrowings, net of current maturities:
- Utang sewa pembiayaan	19	47,308	49,594	Finance lease payables -
- Utang bank	20	1,046,675	1,090,830	Bank loans -
Liabilitas pajak tangguhan	33e	598,999	612,253	Deferred tax liabilities
Liabilitas imbalan pasca kerja	21	66,039	64,925	Post-employment benefits liabilities
Provisi rehabilitasi, reklamasi dan penutupan tambang	22	<u>118,563</u>	<u>115,724</u>	Provision for mine rehabilitation, reclamation and closure
<b>Total liabilitas jangka panjang</b>		<b><u>1,893,476</u></b>	<b><u>1,949,218</u></b>	<b>Total non-current liabilities</b>
<b>TOTAL LIABILITAS</b>		<b><u>2,606,712</u></b>	<b><u>2,722,520</u></b>	<b>TOTAL LIABILITIES</b>

Catatan atas laporan keuangan konsolidasian interim terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian interim secara keseluruhan.

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PT ADARO ENERGY Tbk DAN ENTITAS ANAKNYA/AND ITS SUBSIDIARIES

Lampiran 1/3 Schedule

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KONSOLIDASIAN INTERIM  
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**INTERIM CONSOLIDATED STATEMENTS OF  
FINANCIAL POSITION  
AS AT 31 MARCH 2018 AND 31 DECEMBER 2017**  
(Expressed in thousands of US Dollars,  
except for par value and share data)

	<u>Catatan/ Notes</u>	<u>31 Maret/ March 2018</u>	<u>31 Desember/ December 2017</u>	
<b>EKUITAS</b>				<b>EQUITY</b>
<b>Ekuitas yang diatribusikan kepada pemilik entitas induk</b>				<b>Equity attributable to owners of the parent entity</b>
Modal saham - modal dasar 80.000.000.000 lembar; ditempatkan dan disetor penuh 31.985.962.000 lembar dengan nilai nominal Rp100 per saham	23	342,940	342,940	Share capital - authorised 80,000,000,000 shares; issued and fully paid 31,985,962,000 shares at par value of Rp100 per share
Tambahan modal disetor, neto	24	1,154,494	1,154,494	Additional paid-in capital, net
Selisih transaksi dengan pihak non-pengendali	25	4,072	4,072	Difference in value from transactions with non-controlling interests
Saldo laba	26	2,041,155	1,966,721	Retained earnings
Penghasilan komprehensif lain	2h, 2i	21,982	43	Other comprehensive income
<b>Total ekuitas yang diatribusikan kepada pemilik entitas induk</b>		<u>3,564,643</u>	<u>3,468,270</u>	<b>Total equity attributable to owners of the parent entity</b>
<b>Kepentingan non-pengendali</b>	28	<u>597,616</u>	<u>623,357</u>	<b>Non-controlling interests</b>
<b>TOTAL EKUITAS</b>		<u><b>4,162,259</b></u>	<u><b>4,091,627</b></u>	<b>TOTAL EQUITY</b>
<b>TOTAL LIABILITAS DAN EKUITAS</b>		<u><b>6,768,971</b></u>	<u><b>6,814,147</b></u>	<b>TOTAL LIABILITIES AND EQUITY</b>

Catatan atas laporan keuangan konsolidasian interim terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian interim secara keseluruhan.

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PT ADARO ENERGY Tbk DAN ENTITAS ANAKNYA/AND ITS SUBSIDIARIES

Lampiran 2/1 Schedule

LAPORAN LABA RUGI DAN PENGHASILAN  
KOMPRESIF LAIN KONSOLIDASIAN INTERIM  
UNTUK PERIODE TIGA BULAN YANG BERAKHIR  
PADA TANGGAL 31 MARET 2018 DAN 2017

(Dinyatakan dalam ribuan Dolar AS,  
kecuali laba bersih per saham dasar dan dilusian)

INTERIM CONSOLIDATED STATEMENTS OF PROFIT  
OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE THREE-MONTH PERIODS ENDED  
31 MARCH 2018 AND 2017

(Expressed in thousands of US Dollars,  
except for basic and diluted earnings per share)

	Catatan/ Notes	31 Maret/March		
		2018	2017	
Pendapatan usaha	29	763,959	726,547	Revenue
Beban pokok pendapatan	30	(537,586)	(508,961)	Cost of revenue
<b>Laba bruto</b>		<b>226,373</b>	<b>217,586</b>	<b>Gross profit</b>
Beban usaha	31	(54,243)	(43,072)	Operating expenses
(Beban)/pendapatan lain-lain, neto	32	(4,205)	14,475	Other (expenses)/income, net
<b>Laba usaha</b>		<b>167,925</b>	<b>188,989</b>	<b>Operating income</b>
Biaya keuangan		(15,670)	(12,749)	Finance costs
Pendapatan keuangan		6,572	3,222	Finance income
Bagian atas keuntungan neto ventura bersama	11	5,708	2,083	Share in net profit of joint ventures
		(3,390)	(7,444)	
<b>Laba sebelum pajak penghasilan</b>		<b>164,535</b>	<b>181,545</b>	<b>Profit before income tax</b>
Beban pajak penghasilan	33d	(76,906)	(71,562)	Income tax expense
<b>Laba periode berjalan</b>		<b>87,629</b>	<b>109,983</b>	<b>Profit for the period</b>
<b>Penghasilan/(kerugian) komprehensif lain periode berjalan:</b>				<b>Other comprehensive income/ (loss) for the period:</b>
Pos-pos yang akan direklasifikasi ke laba rugi:				Items that will be reclassified to profit or loss:
Perubahan nilai wajar aset keuangan tersedia untuk dijual	6	(7,944)	-	Changes in fair value of available-for-sale financial assets
Selisih kurs karena penjabaran laporan keuangan		1,631	(996)	Exchange difference due to financial statements translation
Bagian atas penghasilan/(kerugian) komprehensif lain dari entitas ventura bersama	11	27,422	(6,568)	Share of other comprehensive income/(loss) of joint ventures
Perubahan atas nilai wajar lindung nilai arus kas	18	1,533	(1,542)	Changes in value of cash flow hedges
Pajak penghasilan terkait pos-pos ini	33d	(690)	694	Income tax relating to these items
		21,952	(8,412)	
<b>Total penghasilan komprehensif periode berjalan, setelah pajak</b>		<b>109,581</b>	<b>101,571</b>	<b>Total comprehensive income for the period, net of tax</b>

Catatan atas laporan keuangan konsolidasian interim terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian interim secara keseluruhan.

The accompanying notes to the interim consolidated financial statements form an integral part of these interim consolidated financial statements.

PT ADARO ENERGY Tbk DAN ENTITAS ANAKNYA/AND ITS SUBSIDIARIES

Lampiran 2/2 Schedule

LAPORAN LABA RUGI DAN PENGHASILAN  
KOMPREHENSIF LAIN KONSOLIDASIAN INTERIM  
UNTUK PERIODE TIGA BULAN YANG BERAKHIR  
PADA TANGGAL 31 MARET 2018 DAN 2017

(Dinyatakan dalam ribuan Dolar AS,  
kecuali laba bersih per saham dasar dan dilusian)

INTERIM CONSOLIDATED STATEMENTS OF PROFIT  
OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE THREE-MONTH PERIODS ENDED  
31 MARCH 2018 AND 2017

(Expressed in thousands of US Dollars,  
except for basic and diluted earnings per share)

	Catatan/ Notes	31 Maret/March		
		2018	2017	
<b>Laba periode berjalan yang dapat diatribusikan kepada:</b>				<b>Profit for the period attributable to:</b>
Pemilik entitas induk		74,434	97,135	Owners of the parent entity
Kepentingan non-pengendali	28	<u>13,195</u>	<u>12,848</u>	Non-controlling interests
<b>Laba periode berjalan</b>		<b><u>87,629</u></b>	<b><u>109,983</u></b>	<b>Profit for the period</b>
<b>Total penghasilan komprehensif periode berjalan yang dapat diatribusikan kepada:</b>				<b>Total comprehensive income for the period attributable to:</b>
Pemilik entitas induk		96,373	87,332	Owners of the parent entity
Kepentingan non-pengendali	28	<u>13,208</u>	<u>14,239</u>	Non-controlling interests
<b>Total penghasilan komprehensif periode berjalan, setelah pajak</b>		<b><u>109,581</u></b>	<b><u>101,571</u></b>	<b>Total comprehensive income for the period, net of tax</b>
<b>Laba bersih per saham diatribusikan kepada pemilik entitas induk</b>	35			<b>Earnings per share attributable to owners of the parent entity</b>
- Dasar (nilai penuh)		0.00233	0.00304	Basic (full amount) -
- Dilusian (nilai penuh)		0.00217	0.00283	Diluted (full amount) -

Catatan atas laporan keuangan konsolidasian interim terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian interim secara keseluruhan.

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PT ADARO ENERGY Tbk DAN ENTITAS ANAKNYA/AND ITS SUBSIDIARIES

Lampiran 3 Schedule

LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN INTERIM  
UNTUK PERIODE TIGA BULAN YANG BERAKHIR PADA TANGGAL  
31 MARET 2018 DAN 2017

(Dinyatakan dalam ribuan Dolar AS)

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE THREE-MONTH PERIODS ENDED  
31 MARCH 2018 AND 2017

(Expressed in thousands of US Dollars)

	Diatribusikan kepada pemilik entitas induk/Attributable to owners of the parent entity			Penghasilan komprehensif lain/ Other comprehensive income							Total	Kepentingan non-pengendali/ Non-controlling interests	Total ekuitas/ Total equity	
	Modal saham/ Share capital	Tambahannya modal disetor, neto/ Additional paid-in capital, net	Selisih transaksi dengan pihak non-pengendali/ Difference in value from transactions with non-controlling interests	Saldo laba/Retained earnings		Translasi mata uang asing/ Foreign currency translation	Cadangan atas perubahan nilai wajar lindung nilai arus kas/ Reserve for changes in fair value of cash flow hedges	Bagian penghasilan/ (kerugian) komprehensif lain dari entitas ventura bersama/ Share of other comprehensive income/ (loss) of joint ventures	Cadangan perubahan nilai wajar aset keuangan tersedia untuk dijual/ Reserve for changes in fair value of available-for-sale financial assets					
				Dicadangkan/ Appropriated	Belum dicadangkan/ Unappropriated									
<b>Saldo pada 1 Januari 2017</b>	<b>342,940</b>	<b>1,154,494</b>	<b>7,135</b>	<b>52,707</b>	<b>1,574,902</b>	<b>(17,434)</b>	<b>1,179</b>	<b>30,535</b>	<b>-</b>	<b>3,146,458</b>	<b>639,424</b>	<b>3,785,882</b>	<b>Balance as at 1 January 2017</b>	
Total penghasilan komprehensif periode berjalan	-	-	-	-	94,272	476	(848)	(6,568)	-	87,332	14,239	101,571	Total comprehensive income for the period	
Dividen (Catatan 27 dan 28)	-	-	-	-	-	-	-	-	-	-	(72,148)	(72,148)	Dividends (Notes 27 and 28)	
<b>Saldo pada 31 Maret 2017</b>	<b>342,940</b>	<b>1,154,494</b>	<b>7,135</b>	<b>52,707</b>	<b>1,669,174</b>	<b>(16,958)</b>	<b>331</b>	<b>23,967</b>	<b>-</b>	<b>3,233,790</b>	<b>581,515</b>	<b>3,815,305</b>	<b>Balance as at 31 March 2017</b>	
<b>Saldo pada 1 Januari 2018</b>	<b>342,940</b>	<b>1,154,494</b>	<b>4,072</b>	<b>56,053</b>	<b>1,910,668</b>	<b>(19,162)</b>	<b>645</b>	<b>17,703</b>	<b>857</b>	<b>3,468,270</b>	<b>623,357</b>	<b>4,091,627</b>	<b>Balance as at 1 January 2018</b>	
Total penghasilan komprehensif periode berjalan	-	-	-	-	74,434	1,010	746	27,422	(7,239)	96,373	13,208	109,581	Total comprehensive income for the period	
Dividen (Catatan 27 dan 28)	-	-	-	-	-	-	-	-	-	-	(38,949)	(38,949)	Dividends (Notes 27 and 28)	
<b>Saldo pada 31 Maret 2018</b>	<b>342,940</b>	<b>1,154,494</b>	<b>4,072</b>	<b>56,053</b>	<b>1,985,102</b>	<b>(18,152)</b>	<b>1,391</b>	<b>45,125</b>	<b>(6,382)</b>	<b>3,564,643</b>	<b>597,616</b>	<b>4,162,259</b>	<b>Balance as at 31 March 2018</b>	

Catatan atas laporan keuangan konsolidasian interim terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian interim secara keseluruhan.

The accompanying notes to the interim consolidated financial statements form an integral part of these interim consolidated financial statements.

PT ADARO ENERGY Tbk DAN ENTITAS ANAKNYA/AND ITS SUBSIDIARIES

Lampiran 4 Schedule

LAPORAN ARUS KAS KONSOLIDASIAN INTERIM  
UNTUK PERIODE TIGA BULAN YANG BERAKHIR  
31 MARET 2018 DAN 2017  
(Dinyatakan dalam ribuan Dolar AS)

INTERIM CONSOLIDATED STATEMENTS OF  
CASH FLOWS  
FOR THE THREE-MONTH PERIODS ENDED  
31 MARCH 2018 AND 2017  
(Expressed in thousands of US Dollars)

	31 Maret/March		
	2018	2017	
<b>Arus kas dari aktivitas operasi</b>			<b>Cash flows from operating activities</b>
Penerimaan dari pelanggan	753,275	696,963	Receipts from customers
Pembayaran kepada pemasok	(326,808)	(308,682)	Payments to suppliers
Pembayaran kepada karyawan	(67,589)	(50,821)	Payments to employees
Penerimaan pendapatan bunga	4,512	3,222	Receipts of finance income
Pembayaran royalti	(99,210)	(85,045)	Payments of royalties
Pembayaran pajak penghasilan badan dan pajak penghasilan final	(42,457)	(24,841)	Payments of corporate income tax and final income tax
Penerimaan restitusi pajak penghasilan	20	-	Receipts of income tax refund
Pembayaran beban bunga dan keuangan	(13,877)	(11,615)	Payments of interest and finance costs
Pembayaran pajak penjualan	(1,975)	(1,456)	Payments of sales tax
Penerimaan lain-lain, neto	2,566	12,653	Other receipts, net
<b>Arus kas bersih yang diperoleh dari aktivitas operasi</b>	<b>208,457</b>	<b>230,378</b>	<b>Net cash flows provided from operating activities</b>
<b>Arus kas dari aktivitas investasi</b>			<b>Cash flows from investing activities</b>
Pembelian aset tetap	(70,483)	(6,765)	Purchase of fixed assets
Arus kas keluar untuk uang muka proyek	(80,984)	-	Cash outflow for project advances
Penerimaan aset keuangan tersedia untuk dijual	89,409	-	Proceeds from sales of available-for-sale financial assets
Hasil penjualan aset tetap	7	187	Proceeds from disposal of fixed assets
Pembayaran atas penambahan properti pertambangan	(7,608)	(2,512)	Payment for addition of mining properties
<b>Arus kas bersih yang digunakan untuk aktivitas investasi</b>	<b>(69,659)</b>	<b>(9,090)</b>	<b>Net cash flows used in investing activities</b>
<b>Arus kas dari aktivitas pendanaan</b>			<b>Cash flows from financing activities</b>
Pembayaran utang bank	(100,701)	(31,000)	Repayments of bank loans
Penerimaan utang bank	16,000	-	Receipt from bank loan
Pembayaran dividen kepada pemegang saham Perusahaan	(100,116)	(60,773)	Payments of dividends to the Company's shareholders
Pembayaran dividen kepada kepentingan non-pengendali	(11,716)	(83,430)	Payments of dividends to non-controlling interests
Pembayaran utang sewa pembiayaan	(8,488)	(8,822)	Payments of finance lease payables
Transfer ke deposito berjangka yang dibatasi penggunaannya	(13,912)	(2,578)	Transfer to restricted time deposits
Penerimaan setoran modal dari kepentingan non-pengendali	-	134	Receipt of capital injection from non-controlling interests
<b>Arus kas bersih yang digunakan untuk aktivitas pendanaan</b>	<b>(218,933)</b>	<b>(186,469)</b>	<b>Net cash flows used in financing activities</b>
<b>(Penurunan)/kenaikan bersih kas dan setara kas</b>	<b>(80,135)</b>	<b>34,819</b>	<b>Net (decrease)/increase in cash and cash equivalents</b>
<b>Kas dan setara kas pada awal periode</b>	<b>1,206,848</b>	<b>1,076,948</b>	<b>Cash and cash equivalents at the beginning of the period</b>
<b>Efek perubahan nilai kurs pada kas dan setara kas</b>	<b>(2,868)</b>	<b>890</b>	<b>Effect of exchange rate changes on cash and cash equivalents</b>
<b>Kas dan setara kas pada akhir periode (Catatan 4)</b>	<b>1,123,845</b>	<b>1,112,657</b>	<b>Cash and cash equivalents at the end of the period (Note 4)</b>

Lihat Catatan 37 untuk penyajian transaksi non-kas Grup.

Refer to Note 37 for presentation of the Group's non-cash transactions.

Catatan atas laporan keuangan konsolidasian interim terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian interim secara keseluruhan.

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