



NEWS RELEASE FROM ADARO ENERGY

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ADARO ENERGY DISTRIBUTES FINAL CASH DIVIDEND US\$117.07 MILLION Contribution to Nation Building with Corporate Income Tax of US\$330.42 Million, and Royalties of US\$383.70 Million

Jakarta, April 19th, 2013 – PT Adaro Energy Tbk (“Company”) (IDX: ADRO) held its Annual General Meeting of Shareholders (AGMS) today at Balai Kartini, Jakarta. The AGMS was attended by the Company shareholders and achieved the quorum required by prevailing laws and regulations.

During the AGMS the shareholders approved the annual report which among others consist of consolidated financial statements and operational report. Shareholders also ratified the consolidated financial statements for the year ended December 31st, 2012. The Company booked net revenue of US\$3.72 billion, down 6.6% from US\$3.99 billion in 2011. While profit for the year attributable to owners of the parent was recorded at US\$385.35 million, decreased 30% from US\$550.35 million in 2011 due to decreased sales volumes and lower average selling price because of challenging market conditions. The Company’s profit for the year attributable to owners of the parent included contribution to the government of Indonesia in the form of corporate income tax of US\$330.42 million and royalty expenses of US\$383.70 million.

The Company’s EBITDA was US\$1,088 million, in-line with our 2012 guidance of US\$1,000 million to US\$1,300 million. Adaro Energy’s President Director, Mr. Garibaldi Thohir said, **“We are pleased with meeting our EBITDA target in 2012 and our record production in the fourth quarter. Our business is driven by the global coal market and we could not avoid the impact of weaker coal prices experienced for much of 2012. We have responded by focusing on consolidation and efficiency to strengthen our company. As the growth of Indonesia and all of ASEAN continues, we will be poised to be a leading energy supplier and contributor to the domestic economy.”**

The Company’s coal production and sales volume in fiscal year 2012 declined 1.0% and 4.3% y-o-y to 47.2 million tonnes (Mt) and 48.6 Mt, respectively. However, as coal markets began to rebound in 4Q12, we were able to capitalize and produced record quarterly volume of 13.3 Mt. Although our 2012 production was below guidance of 48 Mt to 51 Mt, we made the conscience decision not to sell additional



volumes while coal prices were discounted, maintaining our strategy to preserve margin.

The Company's consolidated financial position as at end of December 31st, 2012 remained solid, with net debt to last twelve months EBITDA increased to 1.79x at the end of 2012 from 1.05x at end of December 2011 and net debt to equity was 0.65x at end of December 31st, 2012 virtually flat y-o-y. The liquidity remained robust with access to cash of nearly US\$920 million (including US\$420 million of unutilized committed funding from long-term bank facilities).

Furthermore, total assets were recorded at US\$6.69 billion or up 18.3% as compared to last year, while total liabilities increased 15% to US\$3.70 billion. Shareholders' equity grew 23% to US\$2.99 billion due to the increase of retained earnings from net income in 2012.

Shareholders also agreed to use the Company's profit for the year attributable to owners of the parent for fiscal year 2012 amounting to US\$385.35 million as follows:

- a. US\$3.85 million to be set aside for reserve fund as stipulated in article 70 of Company Law No.40 year 2007.
- b. US\$117.07 million or 30.38% of profit for the year for final cash dividend payment which includes the interim cash dividend amounting to US\$76.77 million paid on June 12th, 2012 and January 15th, 2013. While the remaining US\$40.30 million will be distributed as cash dividend. The schedule of cash dividend payment will be published in two nationally circulated newspapers in accordance with the prevailing laws and regulations.
- c. US\$264.43 million will be appropriated to retained earnings.

The AGMS also approved the appointment of the Company's members of the Board of Commissioners for the next five year term, and the appointment of a new member of the Board of Directors namely Julius Aslan. Therefore, the composition of the Board of Commissioners and the Board of Directors become as follow:

President Commissioner : Edwin Soeryadjaya
Vice President Commissioner: Ir. Theodore Permadi Rachmat
Commissioner : Ir. Subianto
Commissioner (Independent) : Ir. Palgunadi Tatit Setyawan
Commissioner (Independent) : Dr. Ir. Raden Pardede

President Director : Garibaldi Thohir
Vice President Director : Christian Ariano Rachmat
Director : Sandiaga S. Uno
Director : David Tendian
Director : Chia Ah Hoo
Director : M. Syah Indra Aman
Director : Julius Aslan



The AGMS also authorized the Company's Board of Commissioners to appoint a Public Accounting Firm, which registered with OJK, to audit the Company's financial report for the on going and fiscal year ending 31 December 2013 and also authorized the Company's Board of Commissioners to determine the honorarium of the Public Accounting Firm as well as other requirements.

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