COMPANY UPDATE
9M2017

Indika Energy

December 2017

Disclaimer

Investors and security holders are cautioned that this communication contains forward-looking statements and that forward-looking statements are subject to various risks and uncertainties, many of which are difficult to predict and are generally beyond the control of PT Indika Energy Tbk.

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 communication does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No securities may be offered or sold in the United States absent registration or an applicable exemption from registration requirements. Any public offering of securities to be made in the United States will be made by means of a prospectus. Such prospectus will contain detailed information about the company making the offer and its management and financial statements. No public offer of securities is to be made by PT Indika Energy Tbk. or any of its affiliates in the United States.

Key Assumptions vs Actual

Description	Unit	FY16 A	2017 Budget	1Q17 A	1H17 A	9M17 A
Exchange Rate Average	USD/IDR	13,307.4	13,300.0	13,348.5	13,330.7	13,330.5
Thermal Coal Price (NC) Average	USD/ton	67.0	70.0	80.9	80.5	85.4
KIDECO						
Overburden Volume	BCM	193.9	192.0	43.0	87.1	142.8
Production Volume	Mt	32.1	32.0	7.9	15.7	24.1
Strip ratio	x	6.0	6.0	5.4	5.6	5.9
Capex	USD mn	2.6	2.8	0.0	0.2	0.3
PTRO						
Overburden Volume	BCM	57.3	110.4	17.3	33.2	59.5
Backlog end of period	USD mn	819.0	819.0	736.9	834.4	739.8
Capex	USD mn	11.7	68.3	1.7	18.6	28.3
MBSS						
Barging Volume	Mt	17.9	17.8	4.9	9.9	14.2
Floating Crane Volume	Mt	12.9	13.6	2.4	5.4	7.0
Backlog end of period	USD mn	76.5	76.5	68.1	66.9	64.7
Capex	USD mn	6.2	11.5	1.4	4.3	7.4
Tripatra						
Backlog end of period	USD mn	811.0	811.0	751.6	690.8	658.4
Capex	USD mn	2.3	0.0	0.0	0.0	0.0
Coal Trading						
Trade Volume	Mt		8.0	1.5	3.0	5.4
ASP	USD/ton		36.9	39.7	40.5	33.6

Latest Development (1)

- In November 2017, Indika Energy, as a 46% shareholder of Kideco, has received interim and special dividend total US115 mn from Kideco's up to September 2017 performance.
- PT Cirebon Energi Prasarana ("**CEPR**") has successfully obtained financial closing with its senior lenders, a consortium between JBIC, NEXI and KEXIM. The construction of this 1000MW coal-fired power plant has already started and COD is expected to be completed in 1H2022.
- In November 2017, Indika Energy' annouces its new composition of shareholdings are as follows:
  - PT Indika Kawan Sejati : 37.79%
  - PT Teladan Resources : 30.65%
  - Public : 31.56%
  - Mr Agus Lasmono and Mr Wiwoho Basuki Tjokronegoro & Family will remain the ultimate shareholders of Indika Energy, together holding 55.29%

- Approved Dividend

Company	Dividend Declared (US$ million)	Indika Energy Portion (US$ million)
Kideco : 2016 performance	85,0	39,1
Kideco : 2017 interim and special Dividend	250.0	115.0
Cotrans	11,3	5,1
Cash Return from CEP	27,0	5.4
Total		**164.6**

Latest Development (2)
Key assumptions in 2018 budget

Description	Unit	2018 Budget
Exchange Rate Average	USD/IDR	13,500.00
Thermal Coal Price (NC) Average	USD/ton	85.0
KIDECO		
Overburden Volume	Bcm	202.0
Production Volume	Mt	32 – 34
Strip ratio	x	5.9
Capex	USD mn	7.6
PTRO		
Overburden Volume	BCM	133.9
Backlog	USD mn	761.0
Capex	USD mn	112.6
MBSS		
Barging Volume	Mt	22.7
FC Volume	Mt	8.2
Backlog	USD mn	67.8
Capex	USD mn	7.2
Tripatra		
Backlog	USD mn	611.3
Capex	USD mn	None
Coal Trading		
Coal Trading Volume	Mt	8.6
MUTU		
Production Volume	Mt	1.5
Capex	USD mn	13.8

CAPEX Allocation	Unit	2018 Budget
IE Holding	USD mn	1.3
PTRO	USD mn	112.6
MBSS	USD mn	7.2
Tripatra	USD mn	0.0
ILSS	USD mn	0.3
Kideco	USD mn	7.6
MUTU	USD mn	13.8
Total	**USD mn**	**142.8**

Latest Development (3)

Accounting Treatment Impacts Post Kideco Transactions

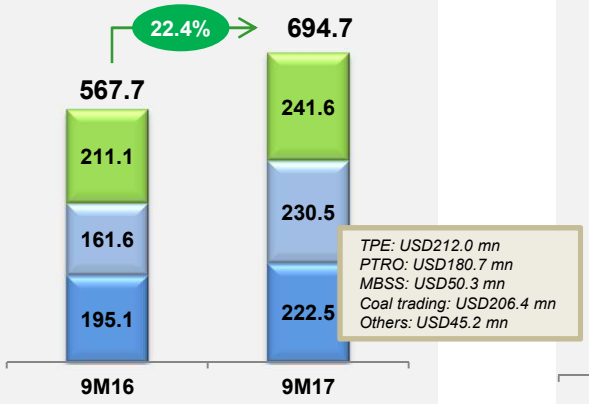
Amortization & Deferred Tax Calculation			
Description	**UoM**	**Until LoC (2023)**	**Until LoM (2032)**
Net Asset Kideco*	US$m	227.3	227.3
Fair Value KJPP	US$m	1,233.5	1,233.5
Intangible Asset	US$m	1,006.2	1,006.2
Deferred Tax Liability**	US$m	(452.8)	(318.6)
Profit and Loss impact	US$m	553.4	687.6
Year Amortization	year	5	15
Amortization per year	US$m	110.7	45.8
Net PL impact at 91%	**US$m**	**100.7**	**41.7**

**) as per file for KJPP valuation*

***) until 2023 tax rate is 45%, and remaining 10 years tax rate is 25%*

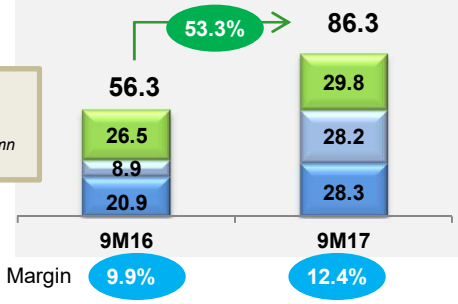
Indika Energy's Financial Highlights (1)

Revenues (USD mn)

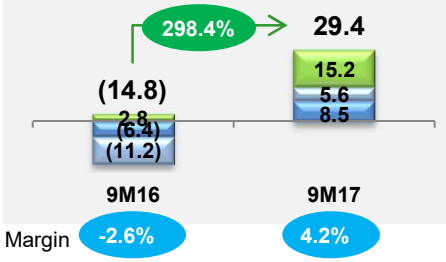


TPE: USD212.0 mn
PTRO: USD180.7 mn
MBSS: USD50.3 mn
Coal trading: USD206.4 mn
Others: USD45.2 mn

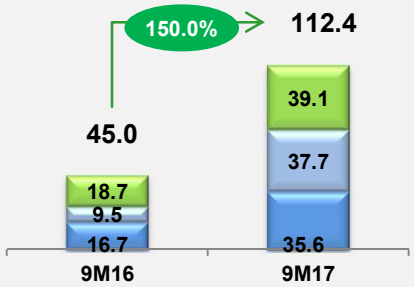
Gross Profit (USD mn)



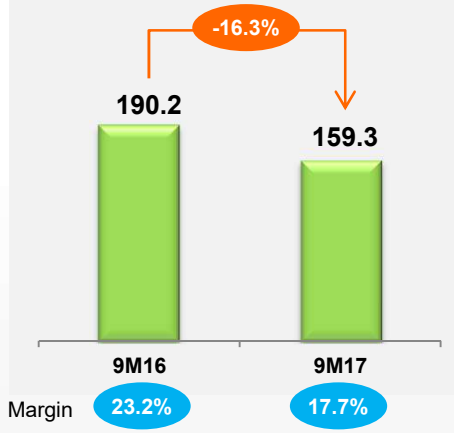
Operating Profit (USD mn)



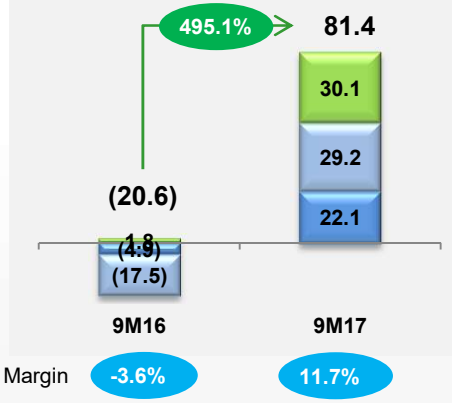
Income from Associates (USD mn)



LTM Adjusted EBITDA* (USD mn)



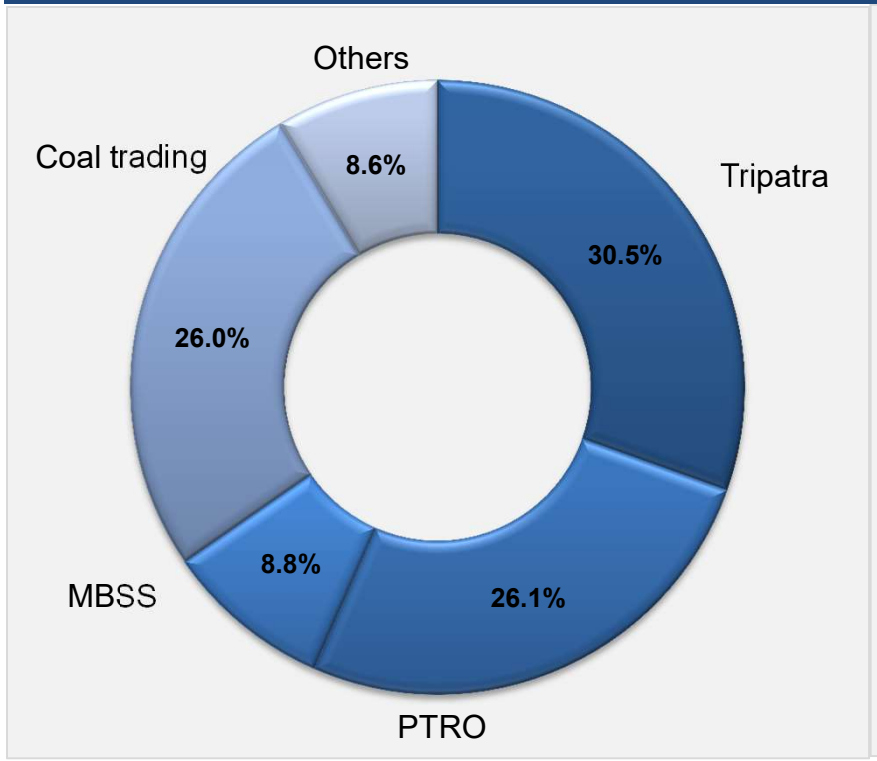
Net Profit/Loss** (USD mn)

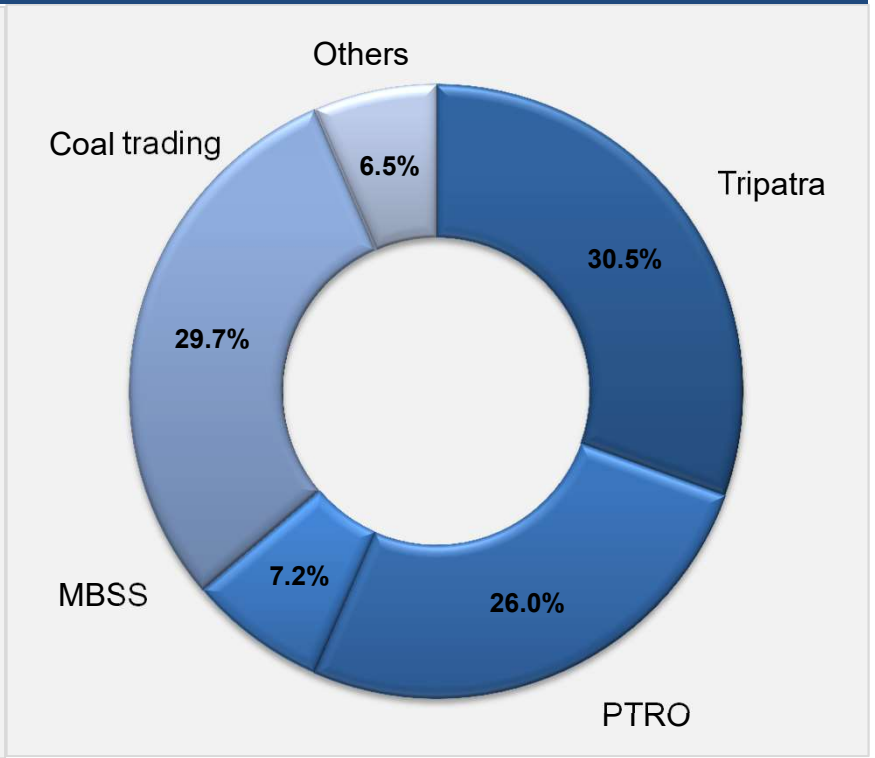


** Last twelve months period ended Sept. 30, 2017. Includes dividends from associates*
*** Profit/loss for the period attributable to owners of the company*

Indika Energy's Financial Highlights (2)

Revenues

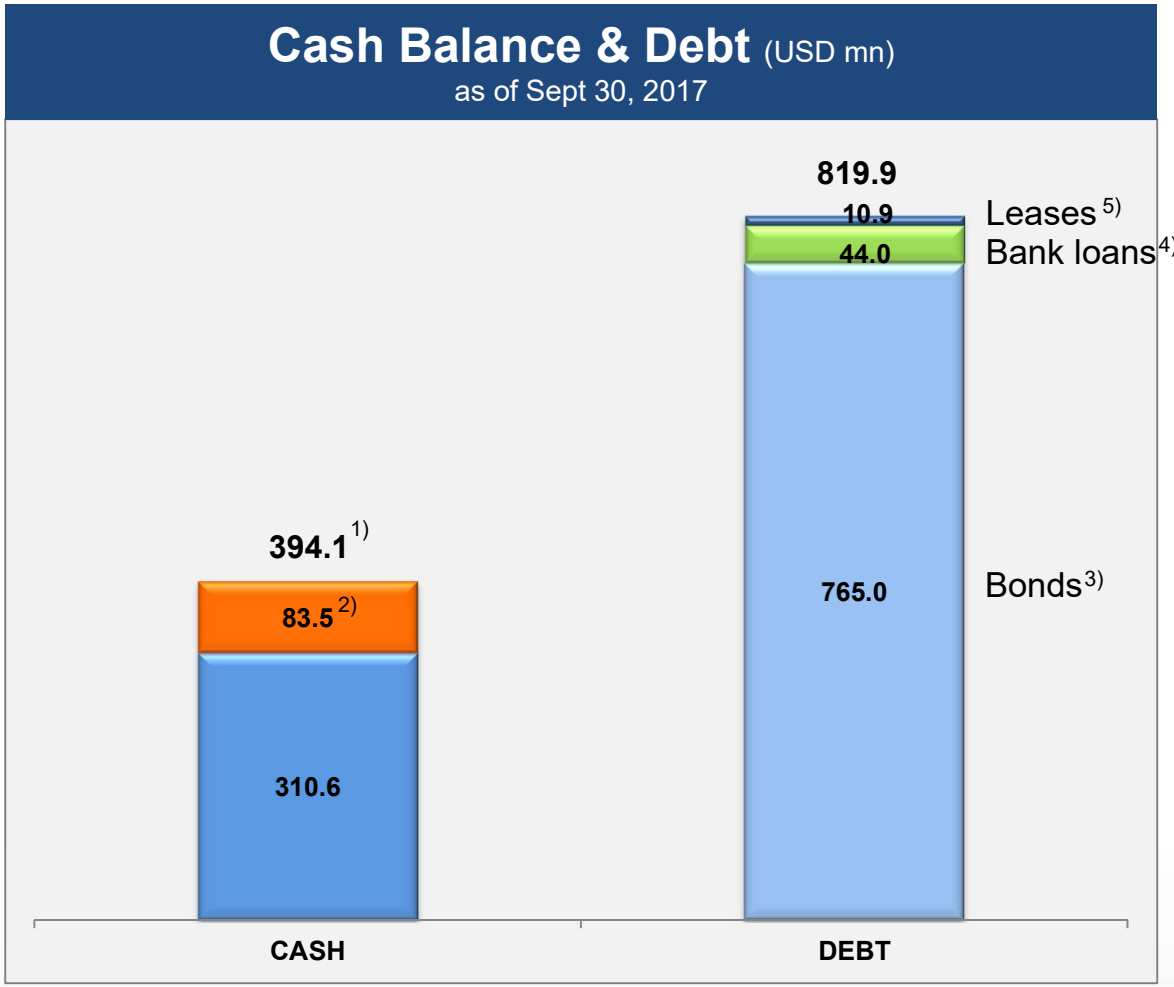




9M16: USD567.7 million

9M17: USD694.7 million

Indika Energy's Financial Highlights (3)



1) *Consists of : Petrosea: USD80.0 mn, MBSS: USD32.3 mn, Tripatra: USD129.5 mn, Indika Holding: USD152.3 mn (including IIC, IIR, ILSS and Others).*

2) *Other financial assets.*

3) *USD265.0 mn due 2022 (Senior notes V), USD500 mn due 2023 (Senior Notes IV) excluding accrued interested and unamortized issuance cost.*

4) *Bank Loan: Petrosea: USD16.6 mn, MBSS USD1.5 mn, Tripatra: USD5.0 mn, ICI: USD20.9 and accrued interest of USD0.1mn*

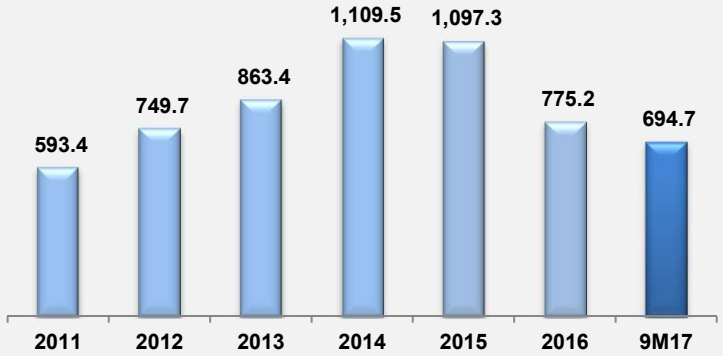
5) *Lease: PTRO USD10.9 mn.*

Indika Energy's Financial Highlights (4)
Capex Spending

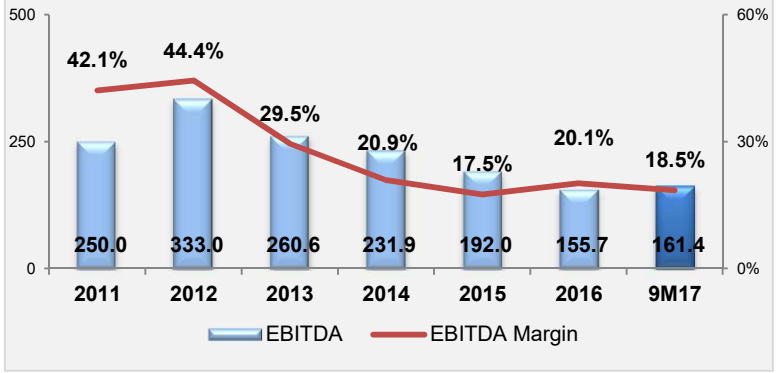
Capex Allocation	2017 B (USD mn)	1Q17 Actual	1H17 Actual	9M17 Actual	Realization
IE Holding	0.5	0.0	0.0	0.3	60.0%
PTRO	68.4	1.7	18.6	28.3	41.4%
MBSS	11.5	1.4	4.3	7.4	64.3%
Tripatra	0.0	0.0	0.0	0.0	na
Resources	7.7	0.0	1.4	3.0	39.0%
Total	88.1	3.1	24.4	39.0	44.3%

Indika Energy's Key Business Indicators

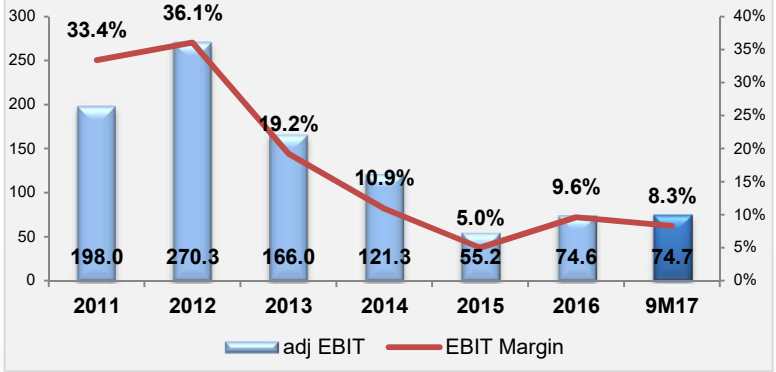
Revenues (USD mn)



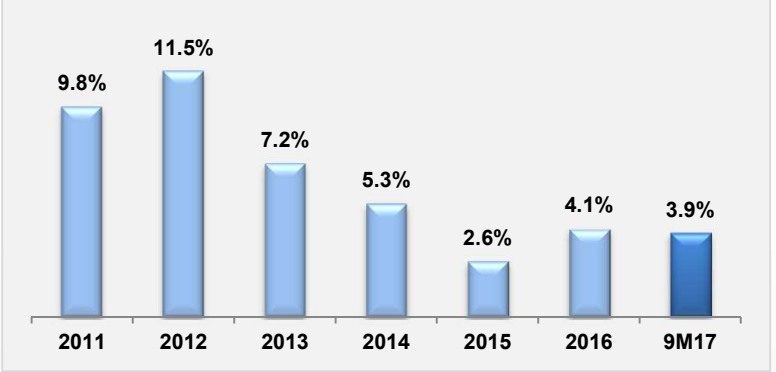
LTM Adj. EBITDA (USD mn) & EBITDA Margin (%)



LTM Adj. EBIT (USD mn) & EBIT Margin* (%)



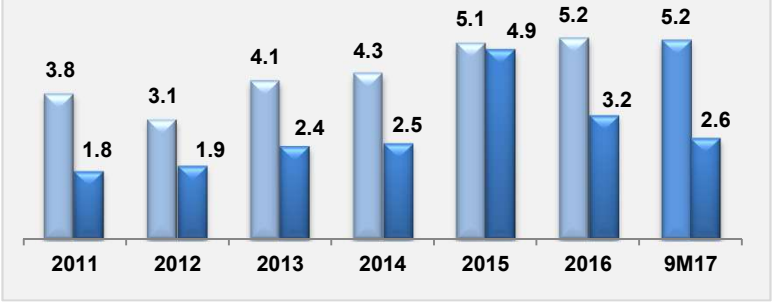
LTM Adj. EBIT to Assets (ROA)



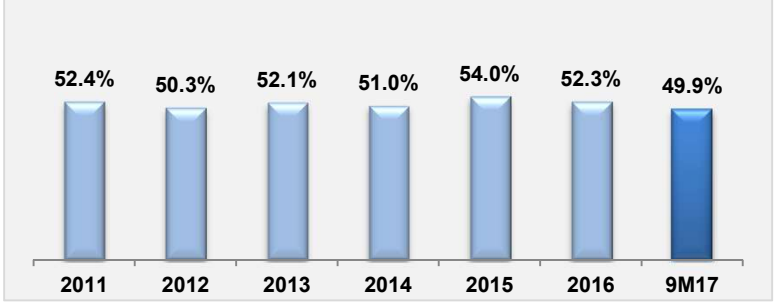
** Adjusted EBITDA / EBIT includes consolidated EBITDA / EBIT plus dividends from Kideco, Cotrans, SBS, Santan Batubara and CEP*

Indika Energy's Key Credit Ratios (1)

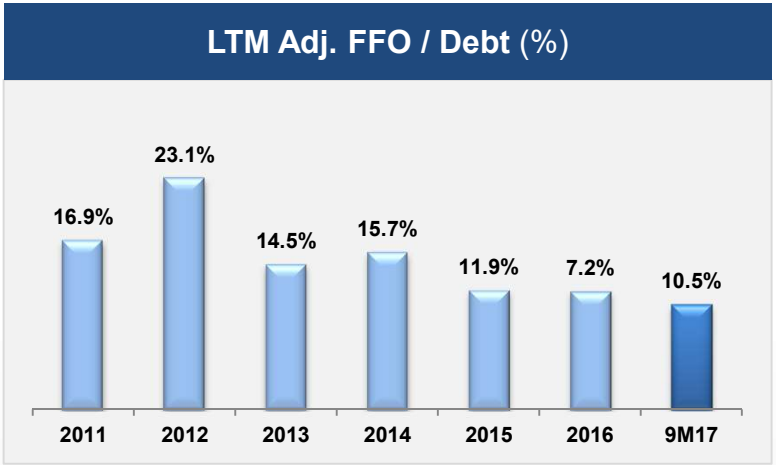
Gross Debt & Net Debt / Adj. EBITDA (x)



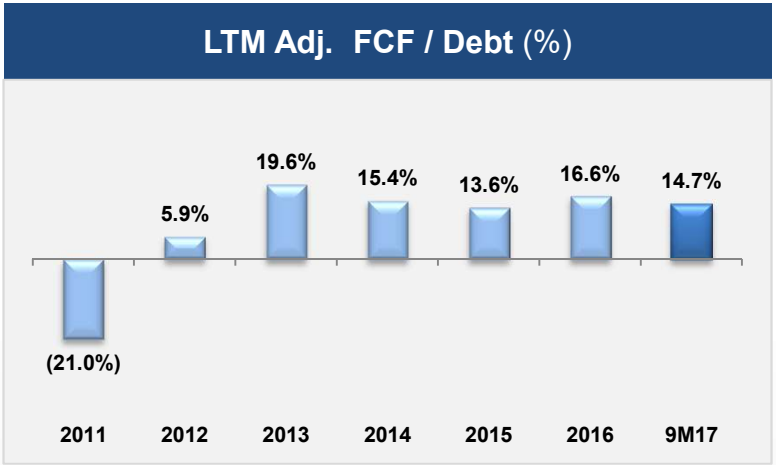
Debt / Capital (%)



LTM Adj. FFO / Debt (%)

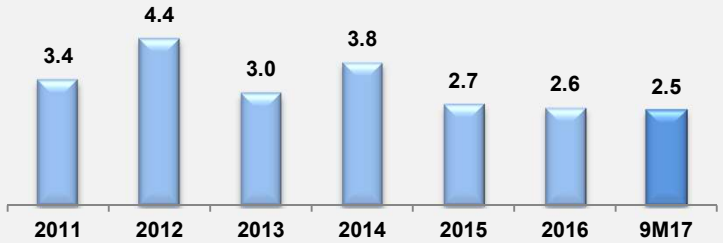


LTM Adj. FCF / Debt (%)

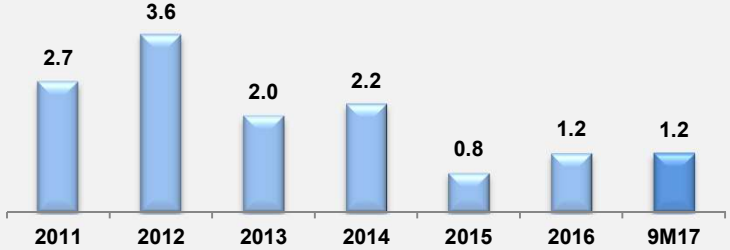


Indika Energy's Key Credit Ratios (2)

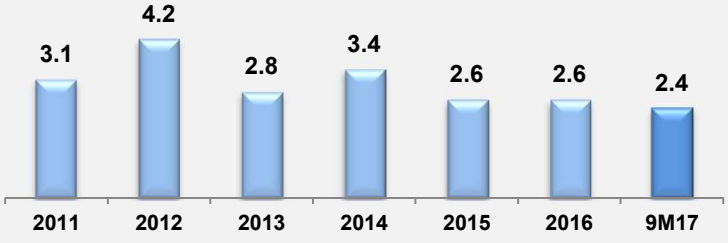
LTM EBITDA / Interest (x)



LTM EBIT / Interest (x)



LTM FFO + Interest / Interest (x)

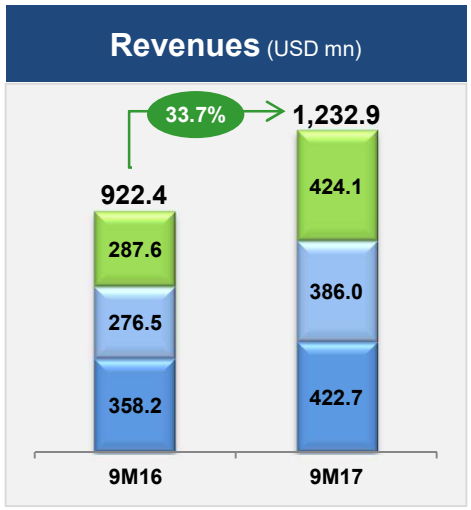


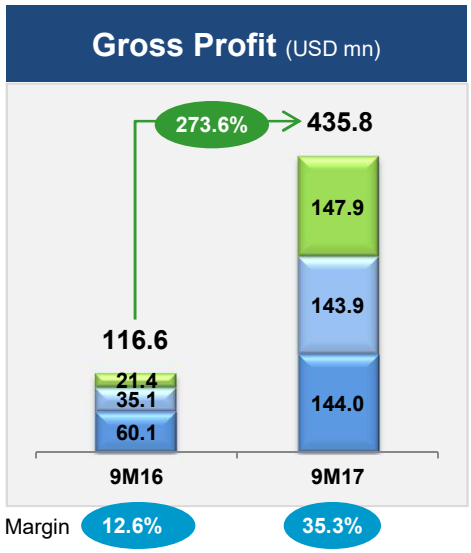
LTM EBITDA Less Capex / Interest (x)

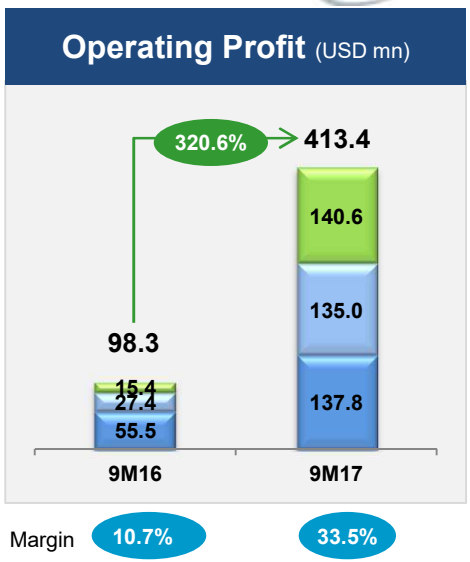


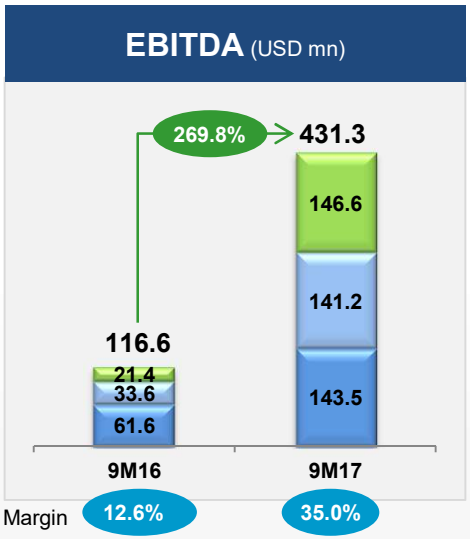
* Adjusted EBITDA / EBIT includes consolidated EBITDA / EBIT plus dividends from Kideco, Cotrans, SBS, Santan Batubara and CEP

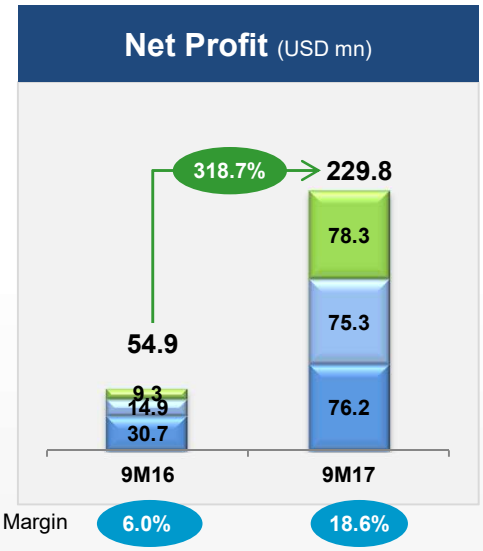
Kideco's Financial Highlights 9M2017 (1)



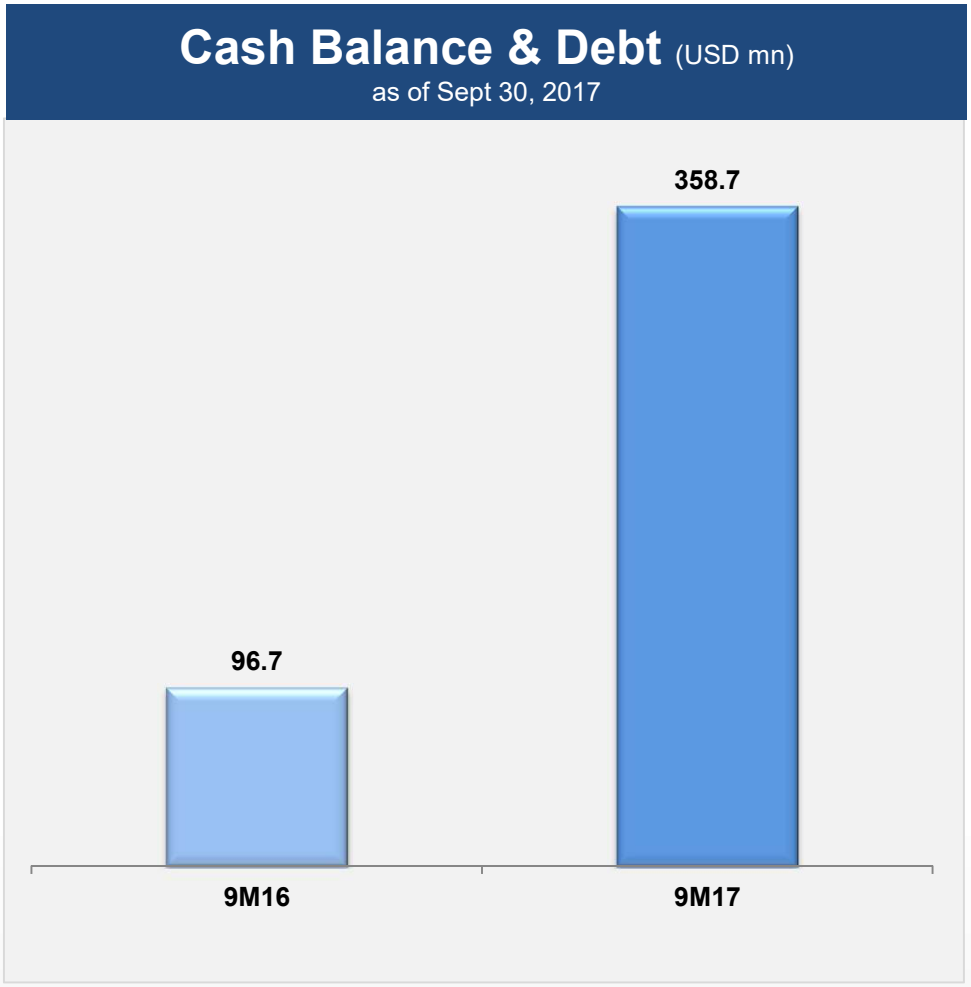








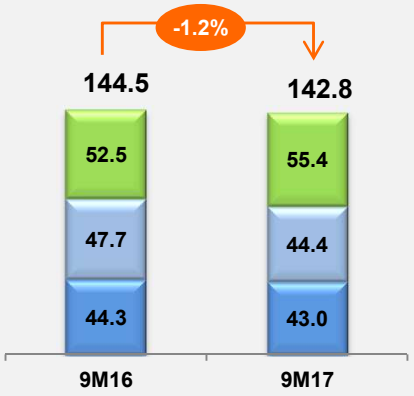
Kideco's Financial Highlights 9M2017 (2)



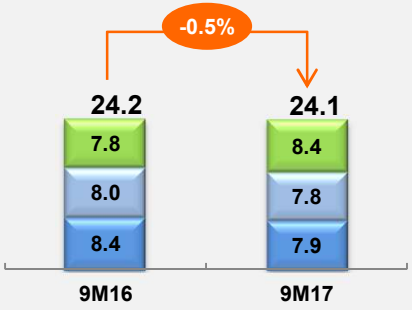
CASH

Kideco's Operating Highlights 9M2017

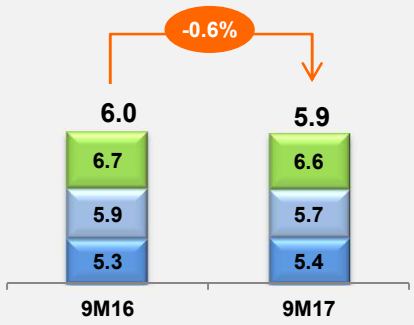
Overburden Removal (mn bcm)



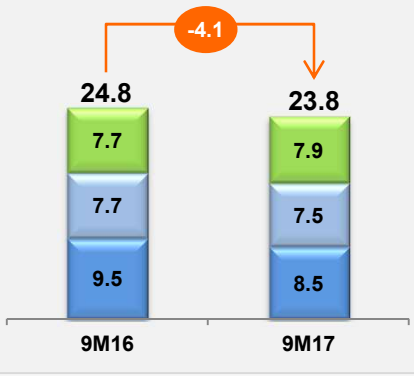
Coal Production (mn ton)



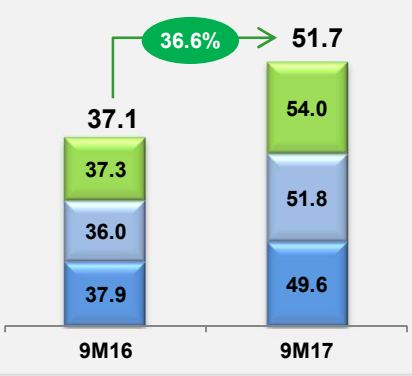
Stripping Ratio (x)



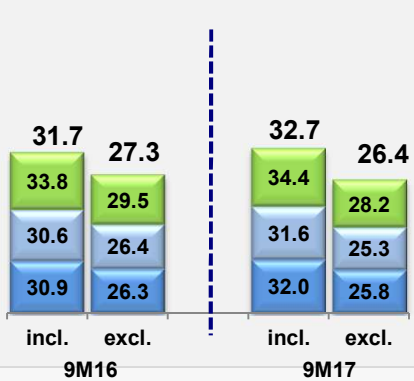
Coal Sales (mn ton)



Average Selling Price (USD/ton)



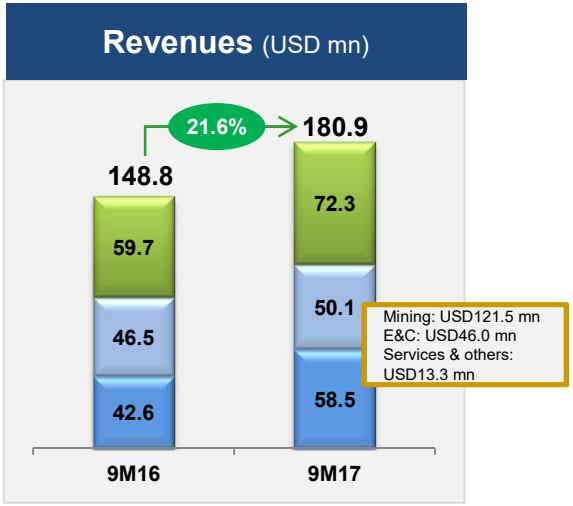
Cash Cost Excl./Incl. Royalty (USD/ton)

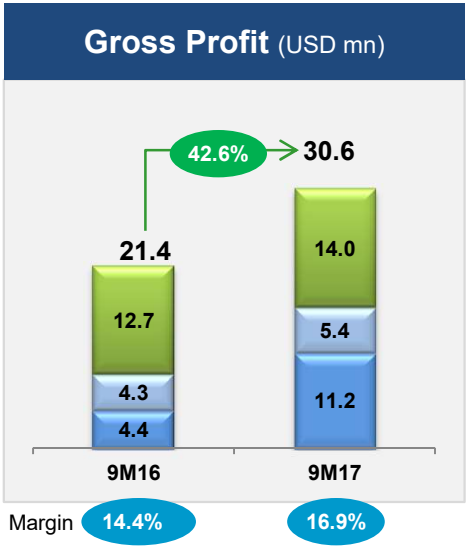


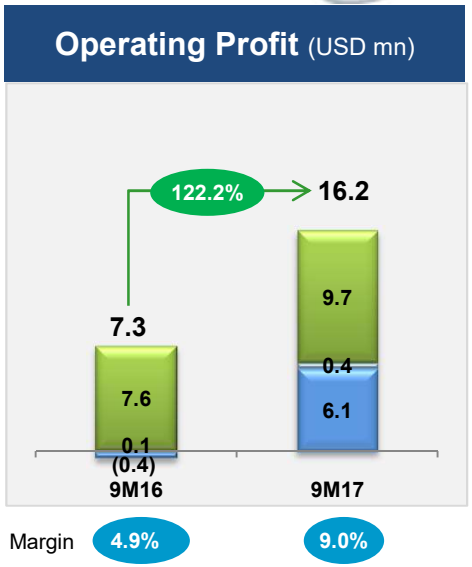
Kideco's Financial Highlights (3)
Capex Spending

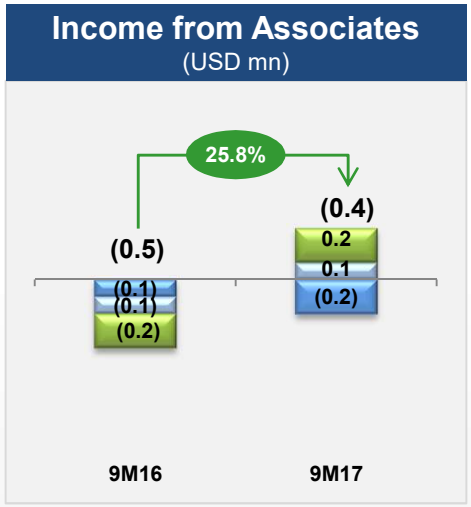
Capex Allocation	2017 Budget (USD mn)	1Q17 Actual (USD mn)	1H17 Actual (USD mn)	9M17 Actual (USD Mn)	Realization
Maintenance	0.7	0.0	0.1	0.1	14.3%
Equipment & others	2.1	0.0	0.1	0.2	11.3%
Total	**2.8**	**0.0**	**0.2**	**0.3**	**12.1%**

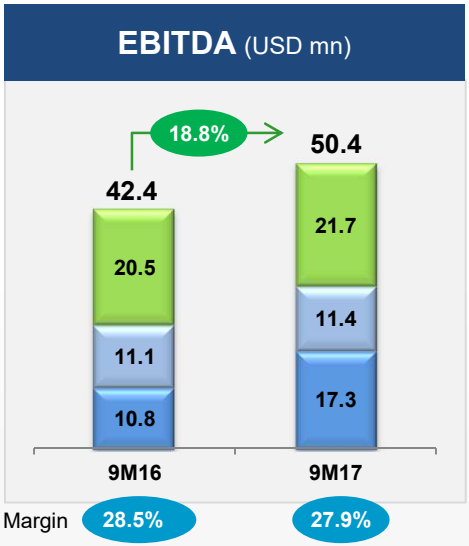
Petrosea's Financial Highlights

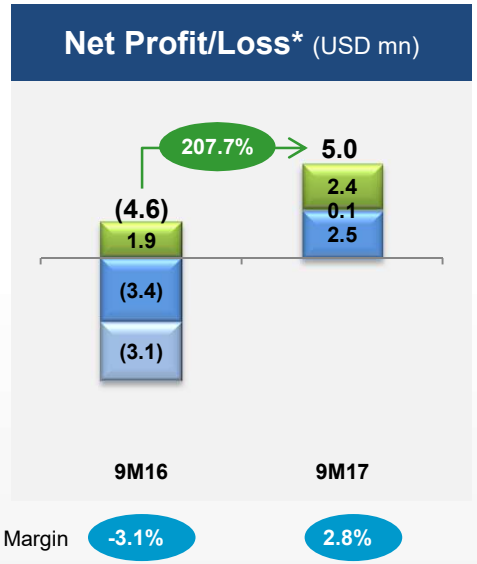








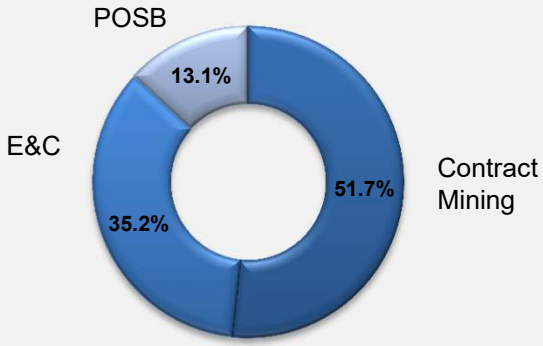




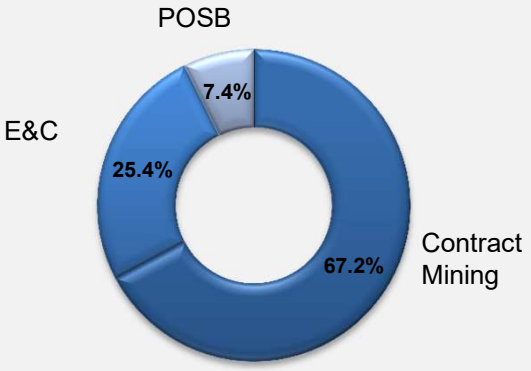
** Profit/loss for the period attributable to owners of the company*

Petrosea's Financial Highlights (2)

Revenues Breakdown by Value

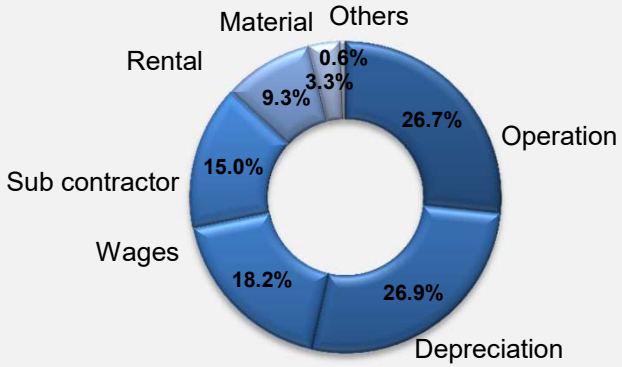


9M16: USD148.8 mn

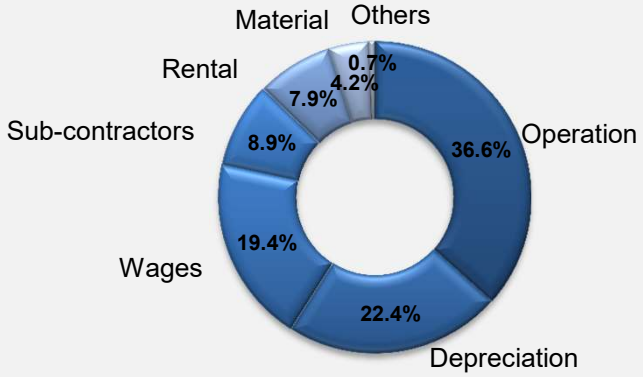


9M17: USD180.9 mn

Cost Structure



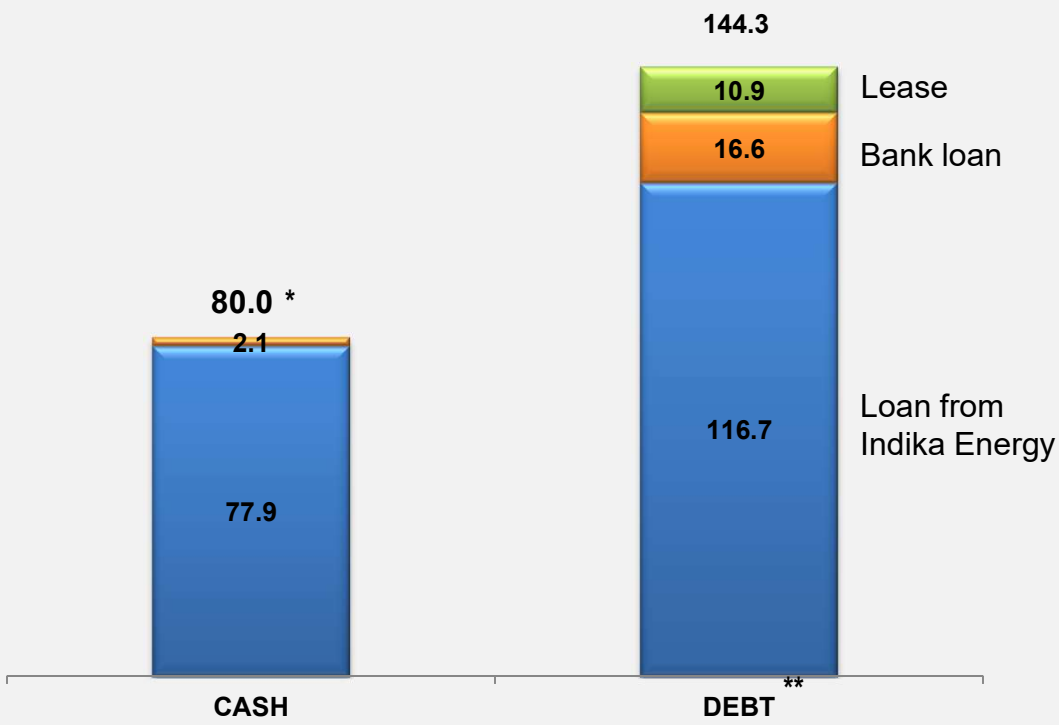
9M16: USD127.3 mn



9M17: USD150.3 mn

Petrosea's Financial Highlights (3)

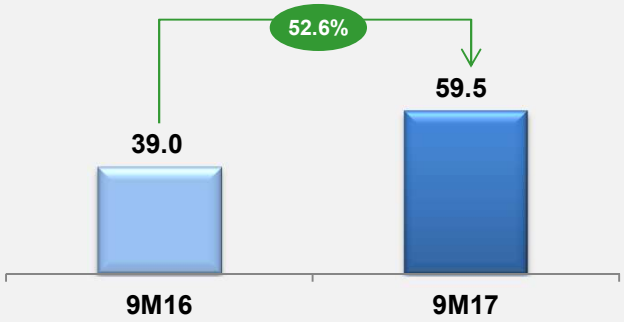
Cash Balance & Debt (USD mn)
as of Sept 30, 2017



** Other financial assets*
*** includes accrued interest*

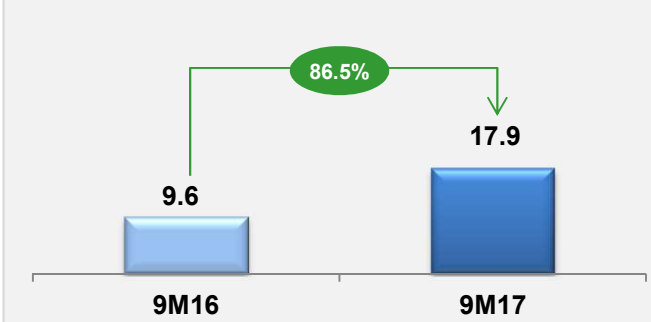
Petrosea's Contract Mining Operation

Overburden Removal Volume (Mn BCM)



Client	9M16	9M17
Kideco Jaya Agung	20.7	22.0
Tabang	5.3	12.2
Indoasia Cemerlang	7.7	10.0
Anzawara Satria	1.0	3.4
Binuang	4.3	11.8
Total Volume (Mn bcm)	**39.0**	**59.5**
Revenue from Contract Mining (USD mn)	**76.9**	**121.5**
Contract Mining Revenue/Bcm	**2.0**	**2.0**

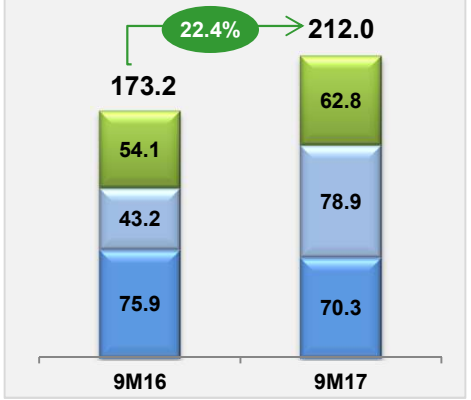
Coal Getting Volume (Mn Tonne)



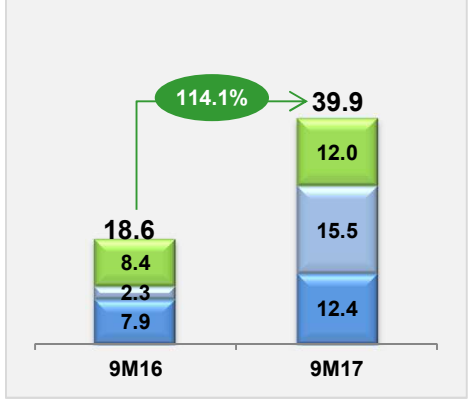
Client	9M16	9M17
Kideco Jaya Agung	5.2	4.4
Tabang	3.8	9.7
Indoasia Cemerlang	0.0	0.7
Anzawara Satria	0.1	0.5
Binuang	0.5	2.5
Total Volume (Mn ton)	**9.6**	**17.9**

Tripatra's Financial Highlights

Revenues (USD mn)

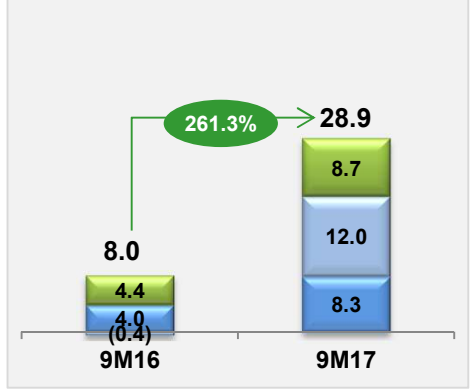


Gross Profit (USD mn)



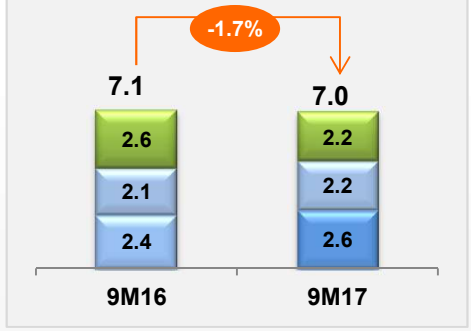
Margin 10.8% 18.8%

Operating Profit (USD mn)

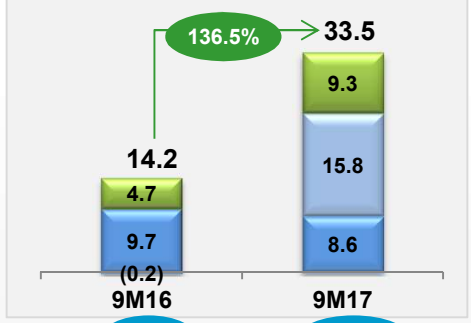


Margin 4.6% 13.6%

Income from Associates* (USD mn)

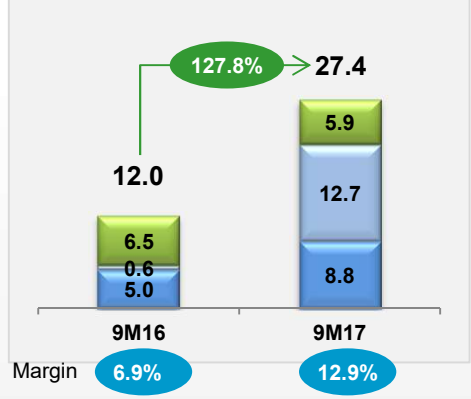


Adj. EBITDA* (USD mn)



Margin 8.2% 15.8%

Net Profit/Loss** (USD mn)



Margin 6.9% 12.9%

* *Including dividends from associates*
** *Profit/loss for the period attributable to owners of the company*

Tripatra's Financial Highlights (3)

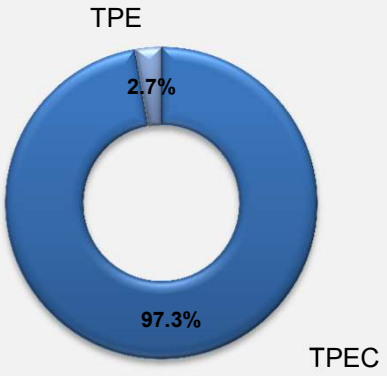
Cash Balance & Debt (USD mn)

As of Sept. 30, 2017

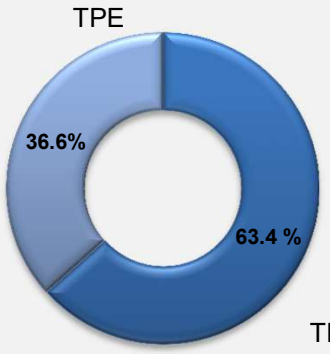


Tripatra's Financial Highlights (2)

Revenues Breakdown by Value

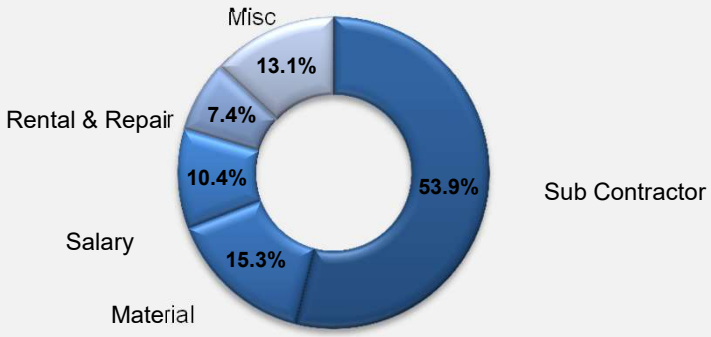


9M16: USD172.9 mn

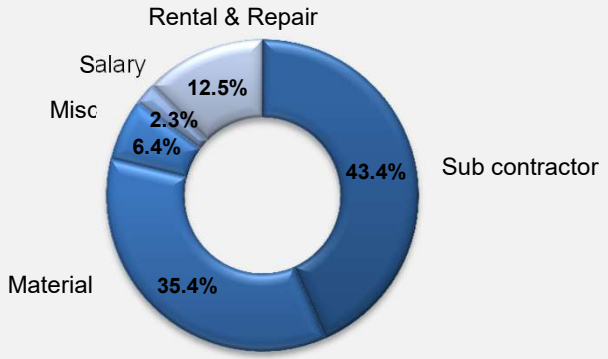


9M17: USD212.0 mn

Cost Structure



9M16: USD154.6 mn

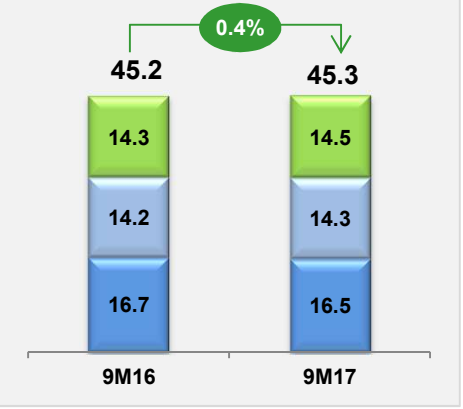


9M17: USD172.1 mn

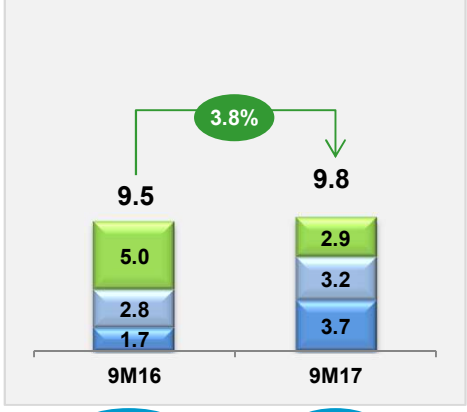
Tripatra's Financial Highlights (1)

Cotrans Asia's Operation

Revenues (USD mn)

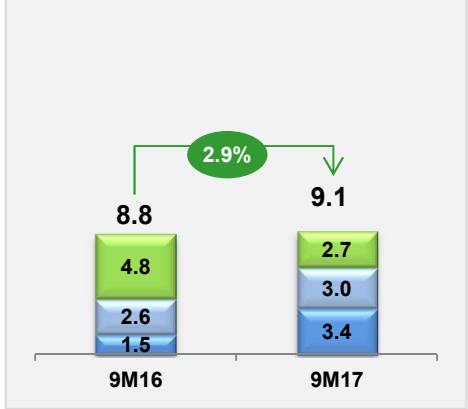


Gross Profit (USD mn)



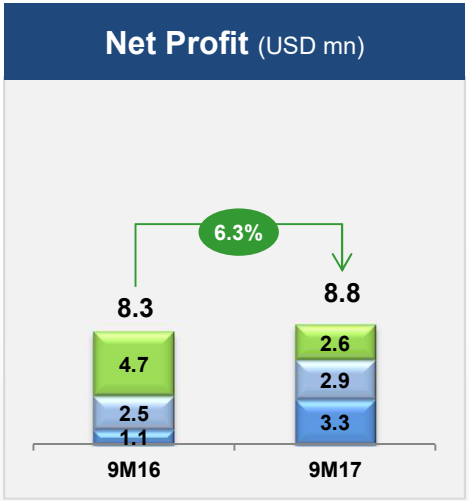
Margin	21.0%	21.8%

Operating Profit (USD mn)



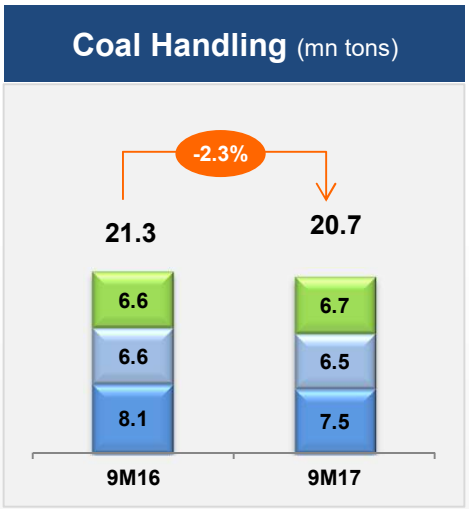
Margin	19.6%	20.1%

Net Profit (USD mn)



Margin	18.4%	19.5%

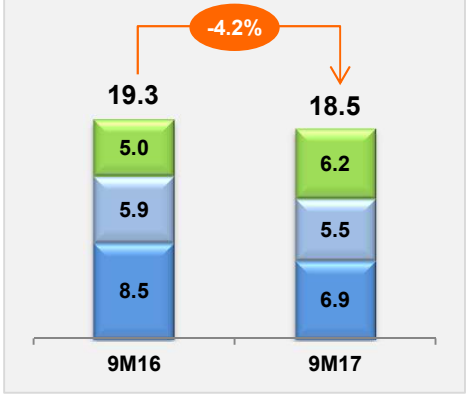
Coal Handling (mn tons)



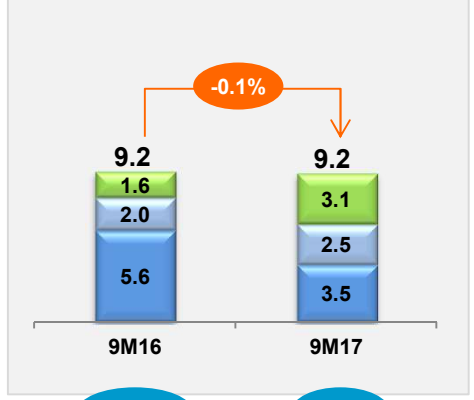
Tripatra's Financial Highlights (2)

Sea Bridge Shipping's Operation

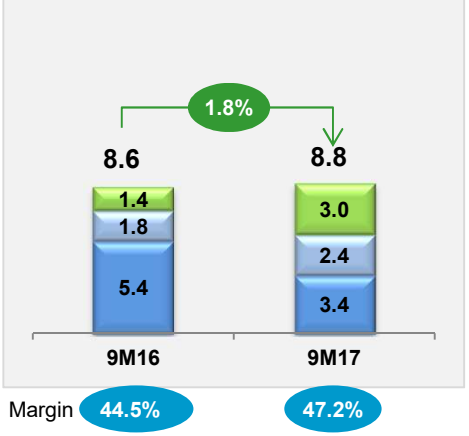
Revenues (USD mn)



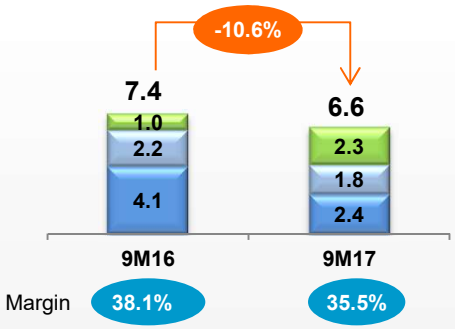
Gross Profit (USD mn)



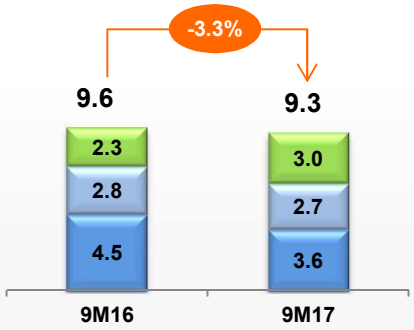
Operating Profit (USD mn)



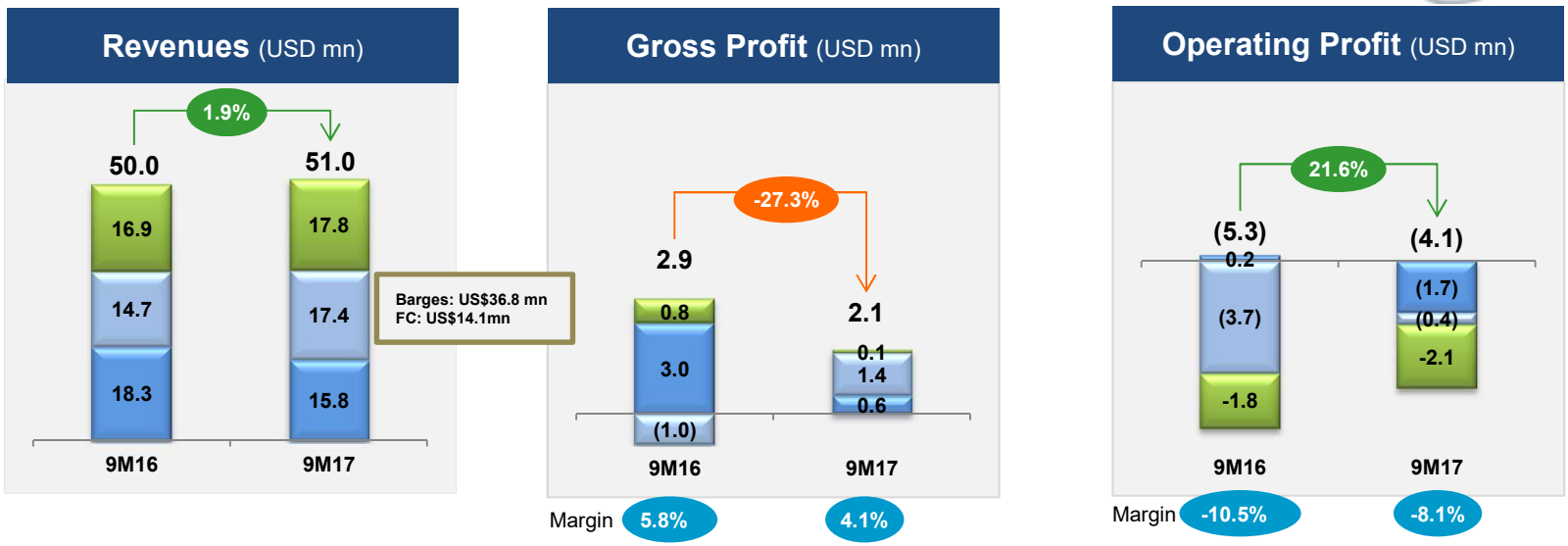
Net Profit (USD mn)

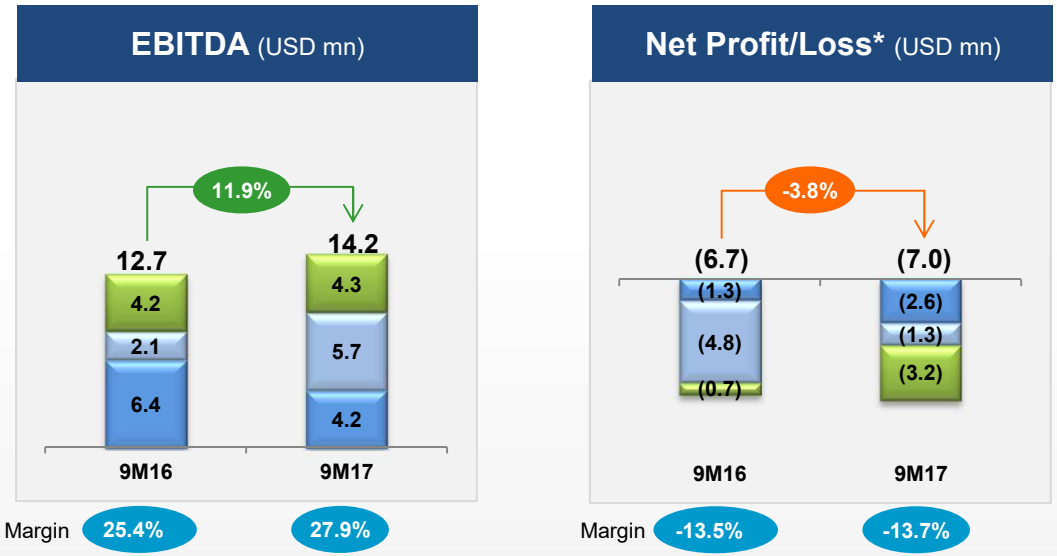


Coal Handling (mn tons)



MBSS' Financial Highlights (1)

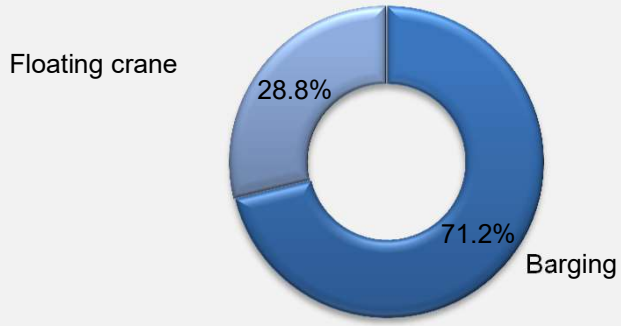




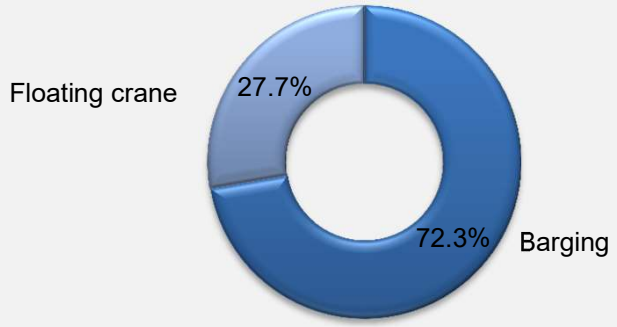
** Net income/Loss attributable to owners of the company*

MBSS' Financial Highlights (2)

Revenues Breakdown

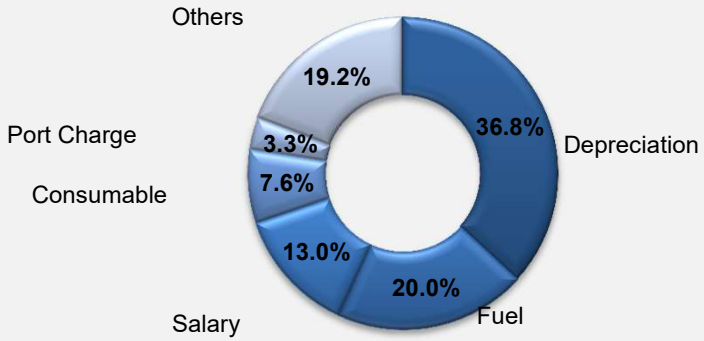


9M16: USD50.0 mn

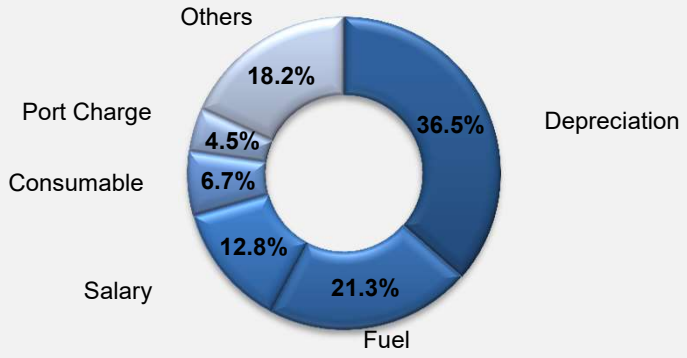


9M17: USD51.0 mn

Cost Structure



9M16: USD47.1 mn



9M17: USD48.9 mn

MBSS' Financial Highlights (3)

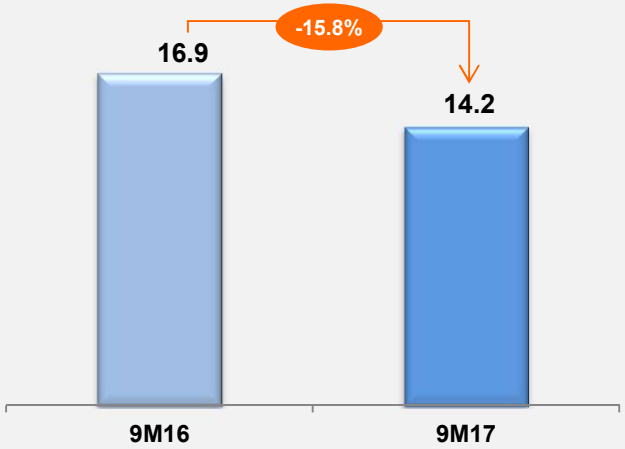
Cash Balance & Debt (USD mn)

As of Sept. 30, 2017



MBSS' Operating Highlights

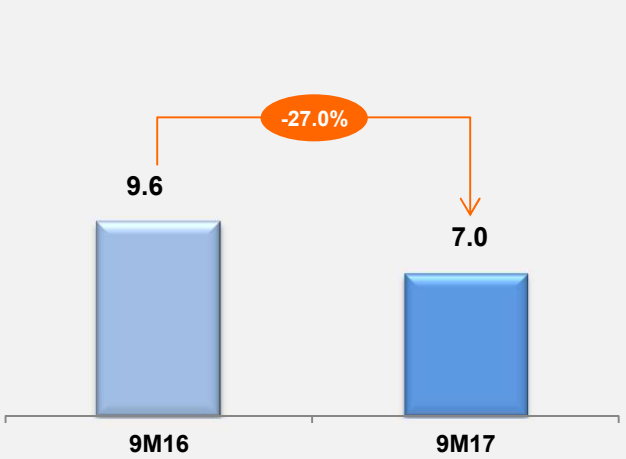
Barging (mn ton)



Clients	9M16	9M17
ADRO	3.7	2.4
Contrans	7.5	7.0
BCS	1.5	0.3
MMS	0.9	1.2
KPC	0.1	-
Baramulti	0.1	-
MUTU	-	0.2
BPB	-	0.1
Atlas	-	0.1
Others	3.0	2.9
Total Volume*	**16.8**	**14.2**
Revenue (USD mn)	**35.6**	**36.8**
Revenue/ton	**2.1**	**2.6**

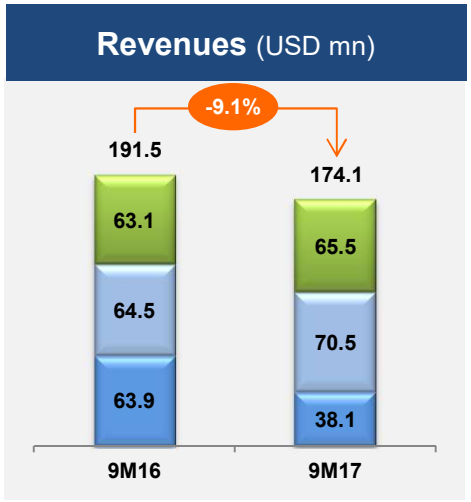
** Includes time charter*

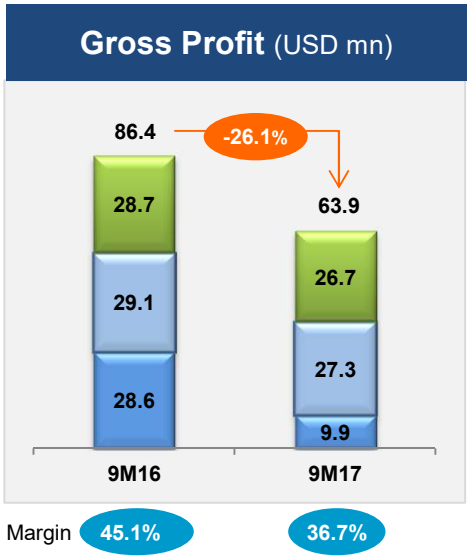
Floating Crane (mn ton)

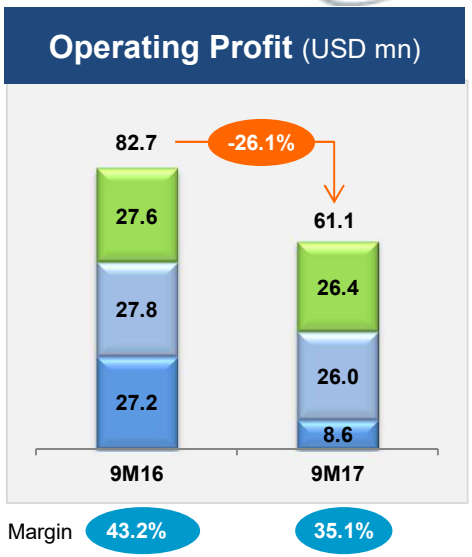


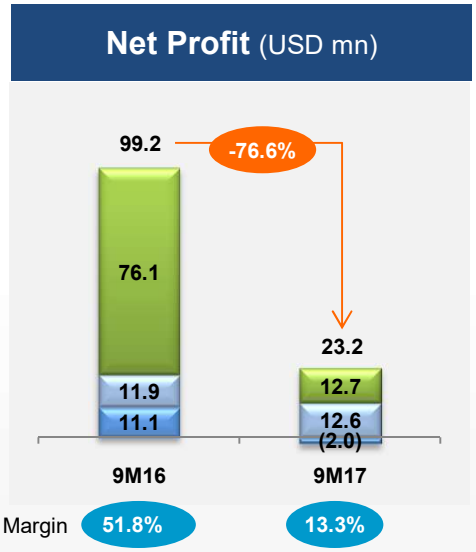
Clients	9M16	9M17
KJA	3.5	3.1
BRAU	4.0	0.5
BCS	1.6	2.0
Others	0.5	1.4
Total Volume	**9.6**	**7.0**
Revenue (USD mn)	**14.4**	**14.1**
Revenue/ton	**1.5**	**2.1**

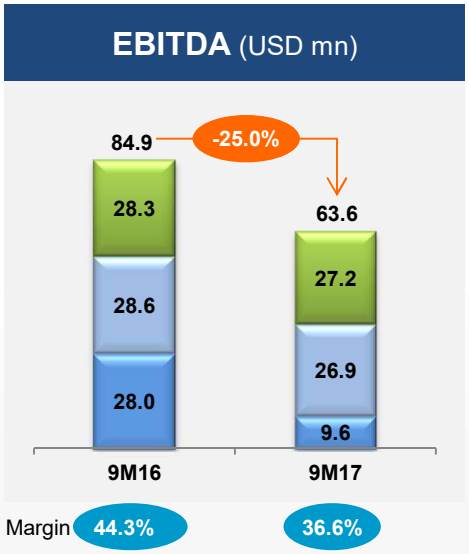
Cirebon Electric Power's Financial Highlights (1)







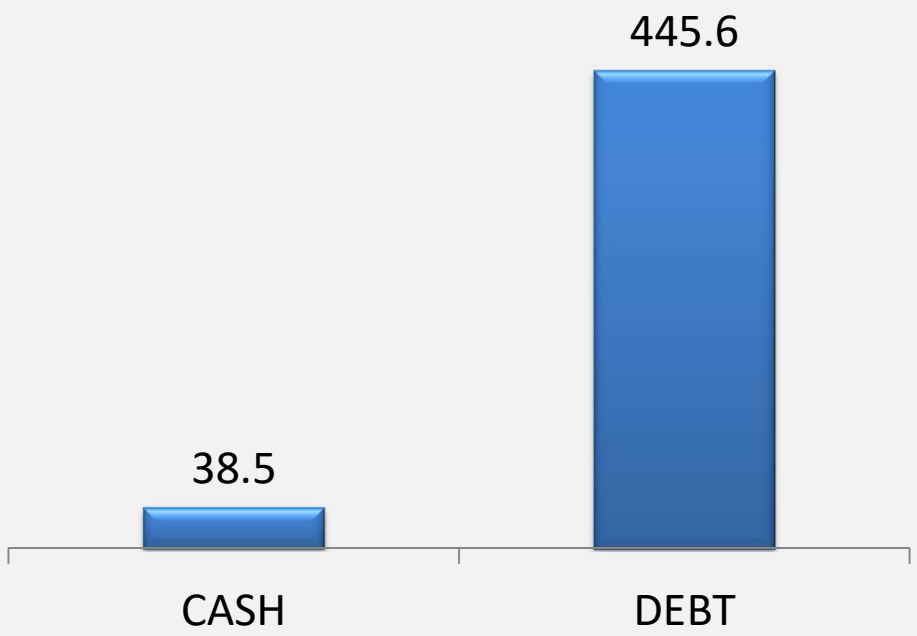




Cirebon Electric Power's Financial Highlights (2)

Cash Balance & Debt (USD mn)

As of Sept. 30, 2017



THANK YOU

PT Indika Energy Tbk.
Graha Mitra
Jl. Jend. Gatot Subroto Kav. 21
Jakarta 12930, Indonesia
+ 62 21 2557 9888
www.indikaenergy.co.id
Investor.relations@indikaenergy.co.id