

# NEWS RELEASE

Jakarta, October 31, 2016



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## **Adaro Delivers US\$281 Million of Core Earnings and Maintains its Low Cost Structure on Consistent Operational Efficiency**

**Jakarta, October 31, 2016** – PT Adaro Energy Tbk (IDX: ADRO) today lodged its consolidated financial statements for the first nine months of 2016, demonstrating a strong cost efficiency and a solid balance sheet.

### 9M16 Financial and Operational Highlights:

- Operational EBITDA, which excludes non-operational accounting items increased 10% to US\$625 million year-on-year.
- Core earnings increased 23% to US\$281 million, demonstrating solid core business results.
- Cost of revenue declined 22% to US\$1,313 million driven by our efficiency measures.
- We maintained a strong liquidity of US\$1,044 million providing flexibility and support against the volatile business environment.
- Our balance sheet remains strong as we improved cash generation and gearing ratio. At the end of 9M16, net debt to last 12 months operational EBITDA was 0.65x and net debt to equity was 0.14x.
- Free cash flow positive maintained at US\$352 million on the back of solid operational EBITDA.
- We delivered sound operational results and total coal production in 9M16 reached 39.33 million tonnes (Mt), on track to achieve our 2016 production guidance of 52 – 54 Mt.
- Despite an above average number of rain days and rainfall volume in July and September, we improved overburden removal activities and blended strip ratio for 9M16 was 4.44x.
- We recorded an exemplary safety performance in 3Q16. We had zero lost time injuries in the quarter, resulting in a lost time injury frequency rate (LTIFR) of 0.00
- We have begun construction activities of our 2x1000 MW Central Java Power Plant project.

## Financial Performance

<i>(US\$ million, except otherwise stated)</i>	9M16	9M15	% Change
Net Revenue	1,778	2,112	-16%
Cost of Revenue	(1,313)	(1,675)	-22%
Gross Profit	466	437	7%
Operating Income	382	320	19%
Profit for the Period	211	181	17%
Core Earnings <sup>1</sup>	281	228	23%
Operational EBITDA <sup>2</sup>	625	568	10%
Total Assets	6,134	6,215	-1%
Total Liabilities	2,606	2,816	-7%
Stockholders' Equity	3,528	3,399	4%
Interest-Bearing Debt	1,475	1,676	-12%
Cash	964	785	23%
Net Debt	511	891	-43%
Capital Expenditure <sup>3</sup>	41	58	-29%
Free Cash Flow <sup>4</sup>	352	354	-1%
Basic Earnings Per Share (EPS) in US\$	0.00654	0.00563	16%

## Financial Ratios

	9M16	9M15	% Change
Gross Profit Margin (%)	26.2%	20.7%	27%
Operating Margin (%)	21.5%	15.2%	42%
Operational EBITDA Margin (%)	35.2%	26.9%	31%
Net Debt to Equity (x)	0.14	0.26	-
Net Debt to last 12 months Op.EBITDA (x)	0.65	1.18	-
Cash from Operations to Capex (x)	6.81	7.57	-

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

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

<sup>3</sup> Regular capital expenditure consists of regular capital spending excluding non-recurring capital spending. Total capital expenditure is defined as: purchase of fixed assets – proceed from disposal of fixed assets + payment for addition of mining properties.

<sup>4</sup> Operational EBITDA – taxes – change in net working capital – capital expenditure (including non-recurring capital expenditure, excluding non-cash).

### Operating Segment

<i>(US\$ million)</i>	Revenue			Profit (loss) for the Period		
	9M16	9M15	% Change	9M16	9M15	% Change
Coal mining & trading	1,653	1,961	-16%	200	150	33%
Mining services	78	99	-21%	19	20	-5%
Others	47	52	-10%	54	46	17%
Elimination	-	-	-	(62)	(35)	77%
<b>Adaro Energy Group</b>	<b>1,778</b>	<b>2,112</b>	<b>-16%</b>	<b>211</b>	<b>181</b>	<b>17%</b>

### FINANCIAL PERFORMANCE ANALYSIS FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30<sup>th</sup> 2016

Adaro Energy's President Director and Chief Executive Officer, Mr. Garibaldi Thohir, said: **"We are pleased with the recovery in the coal market as supply response continues and demand catches up with supply to support market movement towards rebalancing. We believe that Adaro is at the right time and at the right place to seize the momentum as we have grown our resources base and product portfolio. We are positive on the long term outlook for coal, especially in Indonesia and Southeast Asia region. Our solid results reflect the resiliency of our business model and sustained drive for efficiency and operational excellence."**

#### **Net Revenue, Average Selling Price and Production**

Revenue reached US\$1,778 million, a 16% decline from the same period last year, due to a 14% lower average selling price and a slightly lower sales volume of 40 Mt. We produced 39.3 Mt of coal in 9M16, on track to achieve our 2016 production guidance of 52-54 Mt.

#### **Cost of Revenue**

We continued our cost discipline and cost efficiency initiatives at our operations, which resulted in 22% lower cost of revenue for the period compared to the previous year. We have hedged approximately 30% of our fuel requirements for the rest of the year at prices below our 2016 budget.

#### **Royalties to Government**

Royalties to the Government of Indonesia fell 17% to US\$181 million, in-line with lower revenue. Royalties accounted for 14% of the total cost of revenue in the first nine months of 2016.

#### **Operational EBITDA**

Operational EBITDA remained solid at US\$625 million, up by 10% compared to last year, demonstrating resilient earnings generation from our operations. We booked a 35.2% operational EBITDA margin which remains as one of the highest among Indonesian coal

producers. We are on track to achieve the higher end of our operational EBITDA guidance of US\$450 million to US\$700 million.

### **Core Earnings**

Core earnings rose 23% to US\$281 million, reflecting robust after-tax earnings from our solid core business and excluding non-operational accounting items net of tax.

### **Total Assets**

Total assets decreased by 1% to US\$6,134 million. Current assets increased by 14% to US\$1,422 million, mainly due to higher cash balance. Non-current assets declined by 5% to US\$4,712 million. Our strategy is to continue cash preservation and maintain solid cash flow generation

### **Total Liabilities**

Total liabilities fell 7% to US\$2,606 million. Current liabilities decreased by 2% to US\$580 million. Total bank loans were 12% lower to US\$1,388 million due to regular installment payment. Non-current liabilities declined by 9% to US\$2,026 million mainly due to lower long-term bank loans as we continue with our strategy to deleverage in order to strengthen our balance sheet and provide flexibility.

Our gearing ratios continued to improve with net debt to last 12 months operational EBITDA of 0.65x and net debt to equity of 0.14x.

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

The current portion of long-term borrowings decreased 3% to US\$149 million.

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

The non-current portion of long-term borrowings, mainly consisting of long-term bank loans, declined by 13% to US\$1,326 million as we continue to pay down our debt.

### **Debt Management and Liquidity**

We repaid US\$109 million of bank loans during the period and reduced our net debt by 43% year-on-year to US\$511 million. We have access to US\$1,044 million of liquidity, consisting of US\$964 million in cash and US\$80 million in undrawn loan facilities. Our average debt repayment schedule from 2016 to 2021 is at a manageable level of around US\$270 million per year.

### **Cash Flows from Operating Activities**

Cash flows from operating activities increased 23% to US\$540 million on the back of our efficient operations.

### **Cash Flows from Investing Activities**

We booked US\$80 million in net cash flows used in investing activities, mainly for the purchases of fixed assets of US\$72 million.

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

Our regular capital expenditure for routine maintenance during 9M16 decreased 29% to US\$41 million. Total capital expenditure including non-recurring capital spending and non-cash transactions was US\$107 million, of which US\$66 million was spent for heavy equipment purchases in the second quarter of 2016. We will continue with disciplined capital allocation to maintain safe and stable operations.

We generated positive free cash flow of US\$352 million on the back of solid operational EBITDA and continued capital discipline.

**Cash Flows from Financing Activities**

Net cash flow used in financing activities was US\$202 million in 9M16. We made total bank loan principal repayments of US\$109 million and drew down US\$15 million of bank loans. We also distributed US\$75 million in cash dividend to shareholders.

## ADARO ENERGY QUARTERLY ACTIVITIES REPORT FOR 3Q16

### REVIEW OF COAL MARKET

China retained its major influence on the seaborne thermal coal market. Supply rationalization in China, which came more restrictive than market expectation, combined with strong demand due to the hot summer in the country, have created supply tightness in the Chinese domestic market and pushed higher demand for imported coal. Aside from China, demand for coal in the Asian region also remained strong during the quarter.

Up until end of September 2016, China's coal import (including coking coal) was estimated at 180 Mt. China continued to import Indonesian thermal coal as Indian buyers shy away from the seaborne market due to, among others, weak power demand growth and strong monsoon season.

Following year of cost cutting and production cuts, coal producers have been unable to respond quickly to the increase in demand. On top of that, supply disruption due to prolonged rainy season in Indonesia and infrastructure maintenance in Australia further intensify supply tightness in the market leading to a firming of coal prices in the period, particularly of coking coal. In the third quarter of 2016 only, the Global Coal Newcastle Index rose by approximately 40%, while Hard Coking Coal price rose by approximately 125%. The average price for Global Coal Newcastle in 3Q16 of \$67.10 per tonne was 30% higher than the 2Q16 average of \$51.54 per tonne.

Adaro's planned production for the fourth quarter is fully committed. Of note is the scheduled increase of supply to the domestic market.

### REVIEW OF ADARO ENERGY (ADARO) OPERATIONS

The third quarter of 2016 was characterized by an above average number of rain days and higher rainfall volume in July and September. Despite that, we maintained strong operations performance and produced 13.47 Mt of coal from PT Adaro Indonesia, PT Semesta Centramas and PT Laskar Semesta Alam, 4% lower compared to the same period last year. Overburden removal decreased by 17% to 63.55 million bank cubic meter (Mbcm), resulting in a blended strip ratio of 4.72x for 3Q16, consistent with our strip ratio guidance for 2016.

Up until 9M16, Adaro produced 39.33 Mt and sold 40.45 Mt of coal. Overburden removal in 9M16 was 174.78 Mbcm, resulting in blended strip ratio of 4.44x for 9M16 period. We are on track to achieve our 2016 production guidance of 52 – 54 Mt.

	Units	3Q16	2Q16	3Q16 vs. 2Q16	3Q15	3Q16 vs. 3Q15	9M16	9M15	9M16 vs. 9M15
<b>Coal Production</b>	Mt	13.47	13.23	2%	13.96	-4%	39.33	39.83	-1%
<b>Sales Volume</b>	Mt	13.32	13.66	-2%	14.61	-9%	40.45	41.21	-2%
<b>Overburden Removal</b>	Mbcm	63.55	57.65	10%	76.72	-17%	174.78	213.07	-18%

## MINING ASSETS

### PT Adaro Indonesia (AI)

In 3Q16, AI produced 12.98 Mt and sold 13.32 Mt of coal, including the Wara Balangan product. AI's total coal production in 9M16 was 38.18 Mt, 2% lower compared to 9M15. Total overburden removal from AI's three pits was 62.55 Mbcm in the quarter and 171.64 Mbcm in 9M16, 18% lower than 9M15. This is in line with our plan to lower strip ratio in 2016.

We continued to be a leading supplier to the domestic market and are committed to meeting Indonesia's growing coal demand. The following table shows the geographical breakdown of customers by tonnage.

#### Geographical breakdown of Customers 9M16

Indonesia	24%
India	15%
China	14%
Malaysia	8%
Hong Kong	8%
Korea	8%
Japan	8%
Spain	5%
Philippines	4%
Taiwan	3%
Others*	3%

\*Others include Thailand, Italy, Cambodia and Vietnam

### PT Semesta Centramas (SCM) and PT Laskar Semesta Alam (LSA)

During 3Q16, we produced 0.49 Mt of coal from SCM and LSA. Total coal production from SCM and LSA in 9M16 was 1.15 Mt, 34% higher than 9M15. Total overburden removal from SCM and LSA in 3Q16 was 1 Mbcm, resulting in total overburden removal of 3.14 Mbcm for 9M16, 36% lower compared to 9M15.

## Indomet Coal Project (IMC)

On October 14<sup>th</sup>, 2016, Adaro completed the acquisition of 75% interest in IMC from BHP Billiton for US\$120 million. IMC comprises of seven CCOWs located in Central and East Kalimantan. The CCOWs are reported to have metallurgical coal resources of 1.27 billion tonnes. The purchase included the operating Haju mine of the project, which has a design production capacity of one million tonnes a year. The acquisition of IMC deepens our product portfolio and gives Adaro entry in the coking coal market.

## MINING SERVICES & LOGISTICS

### PT Saptaindra Sejati (SIS)

During the quarter, SIS booked total coal production volume of 9.52 Mt and overburden removal volume of 46.40 Mbcm. Total coal production in 9M16 was 25.67 Mt, 13% higher compared to 9M15, while total overburden removal for 9M16 was 119.52 Mbcm, 2% lower compared to 9M15.

SIS continued to focus on serving Adaro Energy Group. Overburden removal and coal production volume from Adaro were 62% and 75% of SIS's total volume in the quarter, respectively.

	Unit	3Q16	2Q16	3Q16 vs. 2Q16	3Q15	3Q16 vs. 3Q15	9M16	9M15	9M16 vs. 9M15
<b>Overburden Removal</b>	Mbcm	46.40	41.01	13%	44.02	5%	119.52	122.05	-2%
<b>Coal Production</b>	Mt	9.52	9.04	5%	8.12	17%	25.67	22.79	13%

### PT Maritim Barito Perkasa (MBP)

In 3Q16, MBP's total coal barging volume was 10.56 Mt and total coal loading volume was 8.66 Mt. Total coal barging volume for 9M16 was 27.32 Mt, 12% higher than 9M15 and total coal loading volume for 9M16 was 24.91 Mt, 11% lower compared to 9M15. MBP continues to prioritize volume from the Adaro Energy group, and Adaro's coal volume accounted for 96% of MBP's total coal barging and all of MBP's coal loading volume in 9M16.

	Unit	3Q16	2Q16	3Q16 vs. 2Q16	3Q15	3Q16 vs. 3Q15	9M16	9M15	9M16 vs. 9M15	
<b>Total barging</b>	coal	Mt	10.56	9.29	14%	9.07	16%	27.32	24.29	12%
<b>Total loading</b>	coal	Mt	8.66	8.43	3%	10.02	-14%	24.91	27.96	-11%

## POWER

We continue with earth works and foundation works at the 2 x 1000 MW Central Java Power Plant Project of PT Bhimasena Power Indonesia in Central Java. Design and ordering of long term lead items for the power plant is also progressing.

We expect to complete financial close of PT Tanjung Power Indonesia 2x100 MW power plant project near Tanjung, South Kalimantan in the next quarter. We have started the earth works and foundation piling for this power plant.

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

We recorded a strong safety performance in the third quarter. Adaro had zero lost time injuries (LTI) resulting in a lost time injury frequency rate (LTIFR) of 0.00 and severity rate (SR) was of 0.00 in 3Q16. Total man-hours worked during the quarter were 22,974,773 hours.

PT ADARO ENERGY Tbk DAN ENTITAS ANAK/AND SUBSIDIARIES

Lampiran 1/1 Schedule

**LAPORAN POSISI KEUANGAN  
KONSOLIDASIAN INTERIM  
30 SEPTEMBER 2016 DAN 31 DESEMBER 2015**  
(Dinyatakan dalam ribuan Dolar AS,  
kecuali nilai nominal dan data saham)

**INTERIM CONSOLIDATED STATEMENTS OF  
FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2016 AND 31 DECEMBER 2015**  
(Expressed in thousands of US Dollars,  
except for par value and share data)

	<u>Catatan/ Notes</u>	<u>30 September/ September 2016</u>	<u>31 Desember/ December 2015</u>	
<b>ASET</b>				<b>ASSETS</b>
<b>ASET LANCAR</b>				<b>CURRENT ASSETS</b>
Kas dan setara kas	4	964,211	702,452	Cash and cash equivalents
Deposito berjangka yang dibatasi penggunaannya - bagian lancar	5	36	370	Restricted time deposits - current portion
Piutang usaha	6	260,205	195,694	Trade receivables
Persediaan	8	73,614	72,791	Inventories
Pajak dibayar dimuka - bagian lancar	32a	71,238	83,067	Prepaid taxes - current portion
Pajak yang bisa dipulihkan kembali	32b	23,101	23,547	Recoverable taxes
Piutang lain-lain - pihak ketiga		2,819	2,384	Other receivables - third parties
Instrumen keuangan derivatif	18	4,144	-	Derivative financial instruments
Uang muka dan biaya dibayar dimuka - bagian lancar	7	21,925	11,089	Advances and prepayments - current portion
Aset lancar lain-lain		<u>631</u>	<u>1,125</u>	Other current assets
<b>Total aset lancar</b>		<b><u>1,421,924</u></b>	<b><u>1,092,519</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	3,082	1,956	Restricted time deposits - non-current portion
Investasi pada entitas asosiasi dan ventura bersama	10	326,299	327,460	Investment in associates and joint ventures
Uang muka dan biaya dibayar dimuka - bagian tidak lancar	7	52,747	49,345	Advances and prepayments - non-current portion
Pinjaman ke pihak ketiga	13	20,000	20,000	Loan to a third party
Pajak dibayar dimuka - bagian tidak lancar	32a	20,276	38,901	Prepaid taxes - non-current portion
Properti pertambangan	11	1,943,326	2,026,965	Mining properties
Aset tetap	9	1,412,562	1,467,111	Fixed assets
Goodwill	12	903,553	903,553	Goodwill
Aset pajak tangguhan	32e	3,984	4,746	Deferred tax assets
Aset tidak lancar lain-lain		<u>25,900</u>	<u>26,073</u>	Other non-current assets
<b>Total aset tidak lancar</b>		<b><u>4,711,729</u></b>	<b><u>4,866,110</u></b>	<b>Total non-current assets</b>
<b>TOTAL ASET</b>		<b><u>6,133,653</u></b>	<b><u>5,958,629</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 ANAK/AND SUBSIDIARIES

Lampiran 1/2 Schedule

**LAPORAN POSISI KEUANGAN  
KONSOLIDASIAN INTERIM  
30 SEPTEMBER 2016 DAN 31 DESEMBER 2015**  
(Dinyatakan dalam ribuan Dolar AS,  
kecuali nilai nominal dan data saham)

**INTERIM CONSOLIDATED STATEMENTS OF  
FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2016 AND 31 DECEMBER 2015**  
(Expressed in thousands of US Dollars,  
except for par value and share data)

	<u>Catatan/ Notes</u>	<u>30 September/ September 2016</u>	<u>31 Desember/ December 2015</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	209,346	196,419	Trade payables
Utang dividen	26	-	35,185	Dividends payable
Beban yang masih harus dibayar	16	27,317	28,380	Accrued expenses
Liabilitas imbalan kerja jangka pendek		3,143	1,577	Short-term employee benefit liabilities
Utang pajak	32c	140,083	13,069	Taxes payable
Utang royalti	15	44,899	43,372	Royalties payable
Bagian lancar atas pinjaman jangka panjang:				Current maturity of long-term borrowings:
- Utang sewa pembiayaan	19	32,003	29,307	Finance lease payables -
- Utang bank	20	117,363	93,574	Bank loans -
Instrumen keuangan derivatif	18	-	8,147	Derivative financial instruments
Utang lain-lain		5,415	5,443	Other liabilities
<b>Total liabilitas jangka pendek</b>		<b>579,569</b>	<b>454,473</b>	<b>Total current liabilities</b>
<b>LIABILITAS JANGKA PANJANG</b>				<b>NON-CURRENT LIABILITIES</b>
Pinjaman dari pihak ketiga	17	15,541	15,541	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	39,920	45,443	Finance lease payables -
- Utang bank	20	1,270,307	1,383,481	Bank loans -
Liabilitas pajak tangguhan	32e	552,388	582,305	Deferred tax liabilities
Liabilitas imbalan pasca kerja	21	63,275	51,344	Post-employment benefits liabilities
Provisi reklamasi dan penutupan tambang	22	84,709	72,999	Provision for mine reclamation and closure
<b>Total liabilitas jangka panjang</b>		<b>2,026,140</b>	<b>2,151,113</b>	<b>Total non-current liabilities</b>
<b>TOTAL LIABILITAS</b>		<b>2,605,709</b>	<b>2,605,586</b>	<b>TOTAL LIABILITIES</b>
<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
Saldo laba	25	1,555,815	1,387,009	Retained earnings
Rugi komprehensif lain	2i	(13,652)	(18,555)	Other comprehensive loss
<b>Total ekuitas yang diatribusikan kepada pemilik entitas induk</b>		<b>3,039,597</b>	<b>2,865,888</b>	<b>Total equity attributable to owners of the parent entity</b>
<b>Kepentingan non-pengendali</b>	27	488,347	487,155	<b>Non-controlling interests</b>
<b>TOTAL EKUITAS</b>		<b>3,527,944</b>	<b>3,353,043</b>	<b>TOTAL EQUITY</b>
<b>TOTAL LIABILITAS DAN EKUITAS</b>		<b>6,133,653</b>	<b>5,958,629</b>	<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.

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 ANAK/AND SUBSIDIARIES

Lampiran 2/1 Schedule

LAPORAN LABA RUGI DAN PENGHASILAN  
KOMPRESIF LAIN KONSOLIDASIAN INTERIM  
UNTUK PERIODE SEMBILAN BULAN YANG BERAKHIR  
PADA TANGGAL 30 SEPTEMBER 2016 DAN 2015  
(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 NINE-MONTH PERIODS ENDED  
30 SEPTEMBER 2016 AND 2015  
(Expressed in thousands of US Dollars,  
except for basic and diluted earnings per share)

	Catatan/ Notes	30 September/September		
		2016	2015	
Pendapatan usaha	28	1,778,271	2,112,157	Revenue
Beban pokok pendapatan	29	(1,312,696)	(1,675,406)	Cost of revenue
Laba bruto		465,575	436,751	Gross profit
Beban usaha	30	(108,103)	(106,282)	Operating expenses
Pendapatan/(beban) lain-lain, neto	31	24,752	(10,059)	Other income/(expenses), net
Laba usaha		382,224	320,410	Operating income
Biaya keuangan		(38,093)	(43,182)	Finance costs
Pendapatan keuangan		6,337	9,827	Finance income
Bagian atas rugi neto entitas asosiasi dan ventura bersama		(1,162)	(3,769)	Share in net loss of associates and joint ventures
		(32,918)	(37,124)	
Laba sebelum pajak penghasilan		349,306	283,286	Profit before income tax
Beban pajak penghasilan	32d	(138,425)	(102,615)	Income tax expenses
Laba periode berjalan		210,881	180,671	Profit for the period
Penghasilan komprehensif lain periode berjalan:				Other comprehensive income for the period:
Pos-pos yang akan direklasifikasi ke laba rugi:				Items that may be subsequently reclassified to profit or loss:
Selisih kurs karena penjabaran laporan keuangan		3,490	(10,004)	Exchange difference due to financial statements translation
Bagian efektif dari pergerakan instrumen lindung nilai dalam rangka lindung nilai arus kas	18	3,401	30,698	Effective portion of movement on hedging instruments designated as cash flows hedges
Pajak penghasilan terkait pos-pos yang akan direklasifikasi ke laba rugi	32d	(1,531)	(13,814)	Income tax relating to items that may be reclassified to profit or loss
Total penghasilan komprehensif lain periode berjalan, setelah pajak		5,360	6,880	Total other comprehensive income for the period, net of tax
Total penghasilan komprehensif periode berjalan		216,241	187,551	Total comprehensive income for the period

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 ANAK/AND SUBSIDIARIES

Lampiran 2/2 Schedule

LAPORAN LABA RUGI DAN PENGHASILAN  
KOMPREHENSIF LAIN KONSOLIDASIAN INTERIM  
UNTUK PERIODE SEMBILAN BULAN YANG BERAKHIR  
PADA TANGGAL 30 SEPTEMBER 2016 DAN 2015

(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 NINE-MONTH PERIODS ENDED  
30 SEPTEMBER 2016 AND 2015

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

	Catatan/ Notes	30 September/September		
		2016	2015	
<b>Laba periode berjalan yang dapat diatribusikan kepada:</b>				<b>Profit for the period attributable to:</b>
Pemilik entitas induk		209,108	180,017	Owners of the parent entity
Kepentingan non-pengendali	27	<u>1,773</u>	<u>654</u>	Non-controlling interests
<b>Laba periode berjalan</b>		<b><u>210,881</u></b>	<b><u>180,671</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		214,011	188,336	Owners of the parent entity
Kepentingan non-pengendali	27	<u>2,230</u>	<u>(785)</u>	Non-controlling interests
<b>Total penghasilan komprehensif periode berjalan</b>		<b><u>216,241</u></b>	<b><u>187,551</u></b>	<b>Total comprehensive income for the period</b>
<b>Laba bersih per saham</b>	34			<b>Earnings per share</b>
- Dasar		0.00654	0.00563	Basic -
- Dilusian		0.00608	0.00524	Diluted -

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 ANAK/AND SUBSIDIARIES

Lampiran 3 Schedule

LAPORAN PERUBAHAN EKUITAS KONSOLIDASIAN INTERIM  
UNTUK PERIODE SEMBILAN BULAN YANG BERAKHIR PADA TANGGAL  
30 SEPTEMBER 2016 DAN 2015

(Dinyatakan dalam ribuan Dolar AS)

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE NINE-MONTH PERIODS ENDED  
30 SEPTEMBER 2016 AND 2015

(Expressed in thousands of US Dollars)

	Diatribusikan kepada pemilik entitas induk/ <i>Attributable to owners of the parent entity</i>		Pembayaran/(penerimaan) komprehensif lain/ <i>Other comprehensive income/(loss)</i>		Kepentingan non-pengendali/ <i>Non-controlling interests</i>	Total ekuitas/ <i>Total equity</i>				
	Modal saham/ <i>Share capital</i>	Tambahan modal disetor, neto/ <i>Additional paid-in-capital, net</i>	Saldo laba/ <i>Retained earnings</i> Dicadangkan/ <i>Appropriated</i>	Belum dicadangkan/ <i>Unappropriated</i>				Translasi mata uang asing/ <i>Foreign currency translation</i>	Lindung nilai arus kas/ <i>Cash flow hedges</i>	Total
Saldo pada 1 Januari 2015	342,940	1,154,494	49,400	1,261,483	(12,789)	(27,918)	2,767,610	491,862	3,259,472	<i>Balance as at 1 January 2015</i>
Total penghasilan komprehensif periode berjalan	-	-	-	180,017	(8,565)	16,884	188,336	(785)	187,551	<i>Total comprehensive income for the period</i>
Pencadangan saldo laba	-	-	1,782	(1,782)	-	-	-	-	-	<i>Appropriation of retained earnings</i>
Dividen	-	-	-	(45,420)	-	-	(45,420)	(2,221)	(47,641)	<i>Dividends</i>
Saldo pada 30 September 2015	<u>342,940</u>	<u>1,154,494</u>	<u>51,182</u>	<u>1,394,298</u>	<u>(21,354)</u>	<u>(11,034)</u>	<u>2,910,526</u>	<u>488,856</u>	<u>3,399,382</u>	<i>Balance as at 30 September 2015</i>
Saldo pada 1 Januari 2016	342,940	1,154,494	51,182	1,335,827	(18,555)	-	2,865,888	487,155	3,353,043	<i>Balance as at 1 January 2016</i>
Total penghasilan komprehensif periode berjalan	-	-	-	209,108	3,032	1,871	214,011	2,230	216,241	<i>Total comprehensive income for the period</i>
Pencadangan saldo laba	-	-	1,525	(1,525)	-	-	-	-	-	<i>Appropriation of retained earnings</i>
Dividen	-	-	-	(40,302)	-	-	(40,302)	(1,038)	(41,340)	<i>Dividends</i>
Saldo pada 30 September 2016	<u>342,940</u>	<u>1,154,494</u>	<u>52,707</u>	<u>1,503,108</u>	<u>(15,523)</u>	<u>1,871</u>	<u>3,039,597</u>	<u>488,347</u>	<u>3,527,944</u>	<i>Balance as at 30 September 2016</i>

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 ANAK/AND SUBSIDIARIES

Lampiran 4 Schedule

LAPORAN ARUS KAS KONSOLIDASIAN INTERIM  
UNTUK PERIODE SEMBILAN BULAN YANG BERAKHIR  
30 SEPTEMBER 2016 DAN 2015  
(Dinyatakan dalam ribuan Dolar AS)

INTERIM CONSOLIDATED STATEMENTS OF  
CASH FLOWS  
FOR NINE-MONTH PERIODS ENDED  
30 SEMBILAN 2016 AND 2015  
(Expressed in thousands of US Dollars)

	<u>30 September/September</u>		
	<u>2016</u>	<u>2015</u>	
<b>Arus kas dari aktivitas operasi</b>			<b>Cash flows from operating activities</b>
Penerimaan dari pelanggan	1,713,310	2,131,762	Receipts from customers
Pembayaran kepada pemasok	(872,211)	(1,330,830)	Payments to suppliers
Pembayaran kepada karyawan	(100,206)	(105,972)	Payments to employees
Penerimaan pendapatan bunga	6,337	9,827	Receipts of finance income
Pembayaran royalti	(164,748)	(176,316)	Payments of royalties
Pembayaran pajak penghasilan badan dan pajak penghasilan final	(45,556)	(98,671)	Payments of corporate income taxes and final income tax
Penerimaan restitusi pajak penghasilan	16,512	41,525	Receipts of income tax refunds
Pembayaran beban bunga dan keuangan	(33,512)	(36,980)	Payments of interest and finance costs
Penerimaan lain-lain, neto	19,761	3,204	Other receipts, net
<b>Arus kas bersih yang diperoleh dari aktivitas operasi</b>	<u>539,687</u>	<u>437,549</u>	<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	(71,896)	(36,606)	Purchase of fixed assets
Hasil penjualan aset tetap	251	2,522	Proceeds from disposal of fixed assets
Pembayaran atas penambahan properti pertambangan	(7,620)	(23,746)	Payment for addition of mining properties
Pemberian pinjaman ke pihak ketiga	-	(20,000)	Loan given to a third party
Pembayaran atas penambahan aset eksplorasi dan evaluasi	-	(8)	Payment for addition of exploration and evaluation assets
<b>Arus kas bersih yang digunakan untuk aktivitas investasi</b>	<u>(79,265)</u>	<u>(77,838)</u>	<b>Net cash flows used in investing activities</b>
<b>Arus kas dari aktivitas pendanaan</b>			<b>Cash flows from financing activities</b>
Penerimaan utang bank	15,000	60,000	Proceeds from bank loans
Pembayaran utang bank	(109,000)	(262,250)	Repayments of bank loans
Pembayaran dividen kepada pemegang saham Perusahaan	(75,487)	(75,487)	Payments of dividends to the Company's shareholders
Pembayaran dividen kepada kepentingan non-pengendali	(1,038)	(2,221)	Payments of dividends to non-controlling interest
Pembayaran utang sewa pembiayaan	(30,913)	(24,519)	Payments of finance lease payables
Transfer ke deposito berjangka yang dibatasi penggunaannya	(792)	(1,105)	Transfer to restricted cash in bank and time deposits
<b>Arus kas bersih yang digunakan untuk aktivitas pendanaan</b>	<u>(202,230)</u>	<u>(305,582)</u>	<b>Net cash flows used in financing activities</b>
<b>Kenaikan bersih kas dan setara kas</b>	<u>258,192</u>	<u>54,129</u>	<b>Net increase in cash and cash equivalents</b>
<b>Kas dan setara kas pada awal periode</b>	702,452	745,248	<b>Cash and cash equivalents at the beginning of the period</b>
<b>Efek perubahan nilai kurs pada kas dan setara kas</b>	<u>3,567</u>	<u>(14,210)</u>	<b>Effect of exchange rate changes on cash and cash equivalents</b>
<b>Kas dan setara kas pada akhir periode (Catatan 4)</b>	<u><u>964,211</u></u>	<u><u>785,167</u></u>	<b>Cash and cash equivalents at the end of the period (Note 4)</b>

Lihat Catatan 36 untuk penyajian transaksi non-kas Grup.

Refer to Note 36 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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