



adaro

No : AE/072/VI-16/MP/aps
Attachment : --

Jakarta, June 8, 2016

To:
**Chief Executive of the Capital Market Supervisory
Financial Services Authority**
Gedung Sumitro Djojohadikusumo
Jl. Lapangan Banteng Timur No. 2-4
Jakarta 10710

**President Director
PT Bursa Efek Indonesia**
Gedung Bursa Efek Indonesia, Tower I
Jl. Jend. Sudirman Kav. 52-53
Jakarta 12190

Subject : **Report on Facts or Material Information**

Dear Madam/Sir,

We, for and on behalf of the company, hereby submit Report of Facts or Material Information as follows:

Name of Public Company: PT Adaro Energy Tbk
Sector: Mining and energy
Phone: +62 21 2553 3000
Fax: +62 21 5794 4709
e-mail address: corporate.secretary@adaro.com

1.	Date	June 6, 2016
2.	Facts or Material Information	The acquisition of important contract related to financing of PT Bhimasena Power Indonesia ("BPI") for 2x1.000 MW coal fired power plant in Batang, Central Java ("the Project").
3	Explanation of Facts or Material Information	BPI, a company formed by a consortium of PT Adaro Power ("AP"), a wholly owned subsidiary of PT Adaro Energy Tbk ("the Company"), (34%), Electric Power Development Co., Ltd. (34%) and Itochu Corporation (32%), has reached a financial close for the Project with a total investment of US\$ 4.2 billion.

		<p>BPI will receive financing for the Project valued approximately US\$ 3.4 billion from the Japan Bank for International Cooperation (JBIC) and a syndicate of nine commercial banks.</p> <p>Previously, as one of the outstanding transactions of project financing in Indonesia and particularly in the Adaro Group, the Company together with AP, as one of the sponsors in forming BPI, has signed an equity support agreement with the lenders on June 3, 2016, where AP agreed to support (related to its capital investments in BPI) the Project through, among other things, loan or equity investment in accordance with AP's ownership in BPI valued US\$298 million. The Company guaranteed the support provided by AP. In addition, to support its main business activity, the Company also provided guarantee, as much as its indirect ownership in BPI, for subordinated term loan agreement and subordinated term loan hedging agreement, both for the same project. The Guarantee Agreement was signed on June 3, 2016 between the Company and Mizuho, as the agent of the lenders with total contingent liabilities amounted approximately US\$ 278 million.</p>
4.	The impact of the event, fact, or material information to the operational activity, legal, financial condition, or the business sustainability of the Issuer or Public Company	<p>No material adverse impact to the operational activity, legal, financial condition, or the business sustainability. By reaching financial close, the construction process should immediately begin, where this power plant will be one of the largest Independent Power Producer in Asia and is the first coal-fired power plant project to use the more efficient and environmentally friendly technology, called Ultra-Supercritical, in Indonesia.</p> <p>The electricity generated from the Project will be sold to PT Perusahaan Listrik Negara (Persero) under a Power Purchase Agreement for 25 years from the completion of construction.</p>

Thank you for your kind attention.

Kind regards,

PT ADARO ENERGY TBK



Mahardika Putranto 
Corporate Secretary

Cc:

- PT Adaro Energy Tbk Board of Directors.