

Banpu Report 2002 First Half Year Performance Revenue Doubled from Consolidation of Indocoal Centralized Marketing and Logistics Structure Announced

Banpu Public Company Limited reported today a net profit of Baht 1,157 million for the 2002 six month period (January 1 – June 30,2002), increased by Baht 591 million or 105% from last year due to the full recognition of Indocoal performance in Banpu's accounting consolidation beginning on March 1,2002. In order to increase marketing management efficiency, the Company initiated a new marketing system called "centralisation of marketing and logistics" with an ultimate goal to integrate the coal marketing and transportation activities of Thailand and Indonesia operations.

According to Mr.Chanin Vongkusolkit, Chief Executive Officer (CEO) of Banpu Public Company Limited, for 2002 first half year, the company gained a total profit of Baht 1,157 million, or Baht 5.47 per share, compared to a net profit of Baht 2.7 per share the same period last year. The company's consolidated gross profit of Baht 1,386 million or 28% of total sales revenue, was much better than last year of 16%. This is due mainly to improving margin of Jorong mine. The consolidated net debt to equity ratio increased slightly to 1.03 times compared to 1.15 times as of March 31,2002.

The CEO further revealed that Banpu's total sale revenues for 2002 six-month period, ended June 30, 2002, was Baht 4,874 million, increased by Baht 2,122 million or 77% compared to the same period last year. The total coal sale revenues were Baht 4,667 million accounted for 96% of total sales, increased significantly 151% from Baht 2,808 million compared to the same period last year. Sales of coal in Thailand was Baht 732 million for locally produced coal and Baht 551 million for imported coal. Indonesian coal sale to international markets was valued Baht 3,384 million.

Nonetheless, revenues from Minerals business and other services were at Baht 207 million, accounted for 4% of total sales. The company also consolidated other income of Baht 402 million, an increase of Baht 278 million compared to the same period last year.

The company's profit sharing from operation of associated companies on equity basis was accounted by Baht 359 million. It was a result of realized gain from Tri Energy Company Limited at Baht 414 million, Baht 163 million of which from operation and Baht 251 million from foreign exchange gain, while loss from other associated companies was reported at Baht 55 million.

The company registered gain on foreign exchange of Baht 499 million compared to Baht 151 million gain in the same period last year. This was resulted from an appreciation of Baht and Indonesian Rupiah currency against US dollar.

Since its acquisition of Indocoal in March 2001, Banpu, with cooperation of Indocoal, has put hard efforts in business and operation integration. Due to a well established operational structure of Indocoal, the integration has been smoothly progressive. The company recently initiated a new marketing system called centralisation of marketing and logistics with an ultimate goal to integrate the coal marketing and transportation activities as well as pooling of management information system of the Thailand and Indonesia operations. The new marketing system will allow Banpu to rapidly forecast and response to the market situation and be able to provide services to customer efficiently.

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