

Banpu Reveals First Half of 2018 Operating Results with Steady Growth and Launches New Brand Promise ‘Our Way in Energy’

- EBITDA of USD 517 million achieved in the first half of 2018. Moving confidently towards the second half of 2018 with strong coal price and an acquisition of 77 million tonnes of coal reserve in central Kalimantan, Indonesia.
- Extending reach to wind power business in Vietnam according to Greener & Smarter strategy
- Committed to becoming a leading integrated energy solutions company in Asia-Pacific with new brand promise ‘Our Way in Energy’

Banpu Public Company Limited (BANPU), a leading integrated energy solutions company in Asia-Pacific, has announced its first half of 2018 operating results with total sales revenue of USD 1.513 billion (approximately THB 48.005 billion), an increase of USD 247 million (approximately THB 7.837 billion) or 19.5 percent from the same period last year. Compared to the same period last year, EBITDA (Earnings before interest, tax, depreciation and amortization) increased to USD 517 million (approximately THB 16.403 billion) or 19.7 percent increase due to the growing demand for coal in the market and the tight supply of coal in Q2/2018 resulting in a significant increase of the average coal selling price, while net profit is reported at USD 84 million (approximately THB 2.665 billion). Banpu is also moving forward with the new brand promise ‘Our Way in Energy’ which, in short, means we are on our way to build sustainable values for all stakeholders.

Ms. Somruedee Chaimongkol, Chief Executive Officer of Banpu Public Company Limited said: “Banpu has reported a strong first half of 2018 operating results because of a higher average coal selling price in the global market. We expect an increasing demand for coal throughout the rest of 2018 especially in Southeast Asia where the economy is growing continuously. Our subsidiary PT Indo Tambangraya Megah Tbk (ITM) has recently acquired a new reserve in the central Kalimantan Island, Indonesia, to meet the rising demand of coal. And we expect to have an additional of 77 million tonnes of the coal reserve.

In addition, Banpu Power, our subsidiary, is expanding its renewable energy business with wind power project in Soc Trang, Vietnam following Banpu Greener & Smarter strategy. The company aims to have its first phase in commercial operation in 2020.”

For the second quarter of 2018, Banpu reported a total sales revenue of USD 813 million (approximately THB 26.964 billion), an increase of USD 180 million (approximately THB 5,711 million) or 28 percent compared to the same period last year due to higher coal sales volume and higher average coal selling price.

EBITDA (Earnings before interest, tax, depreciation and amortization) in quarter 2/2018 is reported at USD 290 million (approximately THB 9.618 billion), a 27.8-percent increase from last quarter. The company reported net profit at USD 124 million (approximately THB 4.112 billion) which almost doubled the net profit of USD 66 million for the same period last year.

Q2/2018 Business Performance of Banpu Group can be categorized as follows:

Banpu’s Coal Business reported sales revenue of USD 706 million (approximately THB 23.416 billion) a 19-percent increase from last quarter and a 21-percent increase from the same period last year due to tight supply of coal leading to higher coal price. The company’s average selling price of coal in this quarter was USD 76.93 per tonne, representing a 15-percent increase compared to the same period last year. The coal sales volume of Indonesia and Australia are 5.34 million tonnes and 3.78 million tonnes respectively.

Banpu Power’s business reported total sales revenue from power, steam and other businesses of USD 72 million (approximately THB 2.388 billion). This together with a good level of equity income from effective and reliable operation of BLCP and Hongsa Power Plants generated EBITDA of USD 67 million (approximately THB 2.222 billion) a 13.6-percent increase compared to the same period last year.

Banpu's Gas Business in America reported sales revenues of USD 35 million (approximately THB 1.160 billion) a 34.6-percent or USD 9 million (approximately THB 298 million) increase from last quarter due to higher sales volume.

“Today, we are truly becoming an integrated energy solutions company covering business from Upstream (coal and natural gas) to Midstream (supply chain management and coal trading) and Downstream (power, renewable energy and energy technology system). We are now ready to rapidly move forward with the Greener and Smarter strategy with a higher focus on environmentally-friendly business operations, smart business management and our strong corporate culture of Banpu Heart. All of these aim to create a sustainable value for all stakeholders and to meet the needs of customers, community and society for energy which is in line with our new brand promise: Our Way in Energy,” Ms. Somruedee concluded.

Remark: Calculation based on exchange rate USD 1: THB 31.7289 for 6-month result and USD 1: 33.1672 for quarterly result.

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About BANPU

Banpu Public Company Limited is a leading integrated energy solutions company with coal, power and renewable energy business in 10 countries: Thailand, Indonesia, China, Australia, Lao PDR, Mongolia, Singapore, Japan, the United States of America and Vietnam. As of 30 June 2018, Banpu's assets totaled USD 8.321 billion, an increase of USD 98 million compared to 31 December 2017.

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