



Press release

11 November 2009



## Banpu Reports 3Q/2009 Result

### Net profit soaring from higher coal sales volumes

Banpu Public Company Limited (BANPU) has announced its financial performance for the third quarter 2009 (1 July – 30 September 2009), posting a net profit of THB 3,809 million, an increase of THB 698 million or 22 percent from the same period last year. This higher earning was boosted by higher coal sale volume from Indonesian coal mines and gain from financial derivatives, mostly from coal swap.

“Coal sales volumes in the third quarter were 5.31 million tonnes, an increase of 15 percent from the same period last year and 18 percent from the previous quarter, favorable by higher coal sales volumes from Indonesian coal mines. Apart from seasonally dry weather condition in Kalimantan, the smooth operation at the recently opened Indominco East Block area lifted the production at Indominco to the record-high of 3.18 million tonnes. Moreover, Kitadin – Embalut mine has recommenced its operation in this quarter after the feasibility study showed its operation has become economically viable again (Due to commercial and geological constraints, Kitadin – Embalut was suspended in late 2006). In addition to higher quantity of coal sales, financial derivatives especially from the coal swap has helped lift the net profit of the third quarter as well,” said Mr. Chanin Vongkusolkit, Chief Executive Officer of Banpu.

Compared to the second quarter this year, the third quarter’s net profit was relatively 4 percent lower following a declining average selling price of USD 69.49 per tonne or 6 percent and 17 percent lower than that of the previous quarter and the same period last year, respectively due to lower selling price made for this quarter’s sales contracts in late last year in which the market coal price was dropping. Meanwhile, the Chinese coal business generated a lower income. AACI – Daning and Hebi coal mines reported a combined equity income of THB 681 million, a decline of THB 1,144 million or 65 percent from the second quarter this year due to lower coal production from AACI – Daning, which stopped its operation for three weeks in order to complete the planned relocation of longwall equipment.



The power business, Mr. Chanin said, contributed steady flows of income. BLCPP operated with strong electricity dispatch, generating an equity income of THB 1,058 million (including foreign exchange gain of THB 90 million) to Banpu. Meanwhile the CHP plants of Banpu Power Investment (China) Ltd or BPIC, a subsidiary company operating combined heat and power plants in China, booked a net profit of THB 105 million. Lastly, the Company also recorded a dividend income of THB 239 million from holding 15 percent stakes in Ratchaburi Electricity Generating Holding PCL (RATCH).

Sales revenue in the third quarter 2009 was THB 13,881 million, a decrease of THB 471 million or 3 percent compared to the same period last year. Coal sales revenue, accountable for 93 percent of total sales revenue, was THB 12,882 million, a decline of THB 527 million or 4 percent from the same period last year. Sales of power and steam from the three combined heat and power plants in China, accounted for 7 percent of total sales revenue, was THB 999 million, increasing THB 57 million or 6 percent from the same period last year.

Banpu Public Company Limited is an energetic Asian energy company managing two core businesses - coal mining and power generation - in three countries namely Thailand, Indonesia and China. As of 30 September 2009, Banpu's assets totaled THB 96,613 million, an increase of THB 7,026 million or 8 percent compared to those of 31 December 2008. The Company recorded total liabilities of THB 42,805 million, a 3 percent decrease of THB 1,248 million. Its Net Debt to Equity ratio as of 30 September 2009 was 0.24 times compared to 0.36 times as of 31 December 2008. The third quarter's earning per share (EPS) was THB 14.02 a share, an increase of 22 percent when compared to THB 11.45 a share of the same quarter last year.