



Press Release

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Banpu Reports Higher Profit for First-Half 2011

Banpu Public Company Limited (BANPU) has announced its 2011 first half performance with an increase in net profit compared to the same period last year. This was mainly due to higher sales volume from consolidation of Australia coal business after the acquisition of Centennial Coal as well as a higher average selling price. The performance for the second half of this year is expected to remain strong.

Mr. Chanin Vongkusolkrit, Chief Executive Officer of Banpu, said that in the first half 2011, the company recorded a net profit of THB 12,324 million or 90 per cent higher than the same period last year. The coal business generated THB 11,546 million of net profit (accountable for 94 per cent of the total net profit) while the power business contribution was THB 778 million (or 6 per cent of the total net profit). The rising net profit was partly driven by a divestment of Daning Mine in China (amounted THB 6,307 million) during the first quarter this year and an increasing profit from coal business due to higher coal sales volume and average selling price. This first half recorded a total coal sales volume of 18 million tonnes (of which 10.62 million tonnes and 7.36 million tonnes were from Indonesia and Australia respectively). The first half sales volume witnessed an increase of 6.5 million tonnes or 56.5 per cent compared to the same period last year while the average selling price was also favorable.

“The average selling price of Indonesian coal mines in the first half of this year went up from USD 72.02 per tonne during 2010 first half to USD 91.94 as a result of an increasing coal price in the regional coal market. Moreover, with higher sales volume for the latter half of this year, it is expected that the operating net profit will be better than the previous year”, said Mr. Chanin.

In the first half of 2011, Banpu recorded a total sales revenue of THB 49,066 million, an increase of THB 18,975 million or 63 per cent from the same period last year (of which coal

sales accounted for THB 46,303 million or 94 per cent of total sales revenue). The coal sales revenue is comprised of THB 30,223.5 million from Indonesian coal mines, THB 16,063 million from Australian coal mines, and THB 16.2 million from a Thai coal mine. Sales of power and steam from the three combined heat and power plants (CHP plants) in China and other revenue was THB 2,763 million, accountable for 6 per cent of total sales revenue.

“The power business posted lower profit during the first half 2011. Equity income from BLCPP power plant was THB 1,165 million, decreasing 35 per cent compared to the same period last year due to the lower contracted tariff and a loss from foreign exchange of THB 81 million. The three combined heat and power plants in China reported a net profit of THB 186 million,” Mr. Chanin added.

The Company sees a stronger operating performance in the second half this year with promising amount of coal output from Indonesian operations during the dry season ahead. In addition, the average selling price is expected to increase to over USD 95 per tonne. The total sales revenue this year is projected at over THB 90,000 million.

Banpu Public Company Limited is an energetic Asian energy company managing coal and related businesses in four countries including Thailand, Indonesia, China and Australia. As of 31 June 2011, Banpu assets totaled THB 205,806 million, an increase of 6 per cent compared to 31 December 2010. Total liabilities were THB 125,162 million, an increase of THB 1,099 million compared to that of 31 December 2010. Net Debt to Equity ratio as of 30 June 2011 was 0.73 times compared to 1.06 times as of 31 December 2010. The Earnings Per Share (EPS) for the first half of 2011 was reported at THB 45.35 a share, compared to THB 23.82 per share the same period a year earlier. Total coal reserves was recorded at 902.07 million tonnes, an increase of 310.25 million tonnes from the same period in 2010.

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