



News release

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## Banpu's Net Profit in 1<sup>st</sup> Half 2007 Up 90 Percent

Banpu Public Company Limited announces its first half 2007 performance, posting the net profit of THB. 2,953 million or 90 percent higher than the same period last year. The increase was mainly driven by equity income from BLCP Power Plant in Thailand which has started its full commercial production in February 2007 and the coal business in Indonesia due to good price environment.

Mr. Chanin Vongkusolkit, Chief Executive Officer of Banpu Public Company Limited said that in the first half of 2007 (1 January -31 June 2007), the Company had a net profit of THB. 2,953 million, an increase of THB. 1,402 million or 90 percent from the same period last year. This was due to the equity income from BLCP Power Plant in Thailand where its two operational units commenced the full commercial operations in February this year, the income from power business in China, and the coal business in Indonesia. In the first half of this year, Banpu recorded the equity income of THB. 2,580 million from BLCP.

For the first half of 2007, Banpu's sales revenue was at THB. 14,616 million, decreasing THB. 159 million or 1 percent from the same period last year. The decrease in sales revenue was from a decline in coal sales from the Thai coal mines resulted by the reduced coal reserves that will be depleted by this year and next year. Banpu's sales revenue in the first half year was from coal sales of THB. 12,793 million, accountable for 88 percent of total



revenue, of which THB. 12,441 million contributed by coal sales revenue from Indonesian coal mines. Compared to the same period last year, sales revenue from Indonesian coal mines decreased by THB. 100 million or 4 percent lower, affected by a temporary suspension of Bontang Coal Terminal in February 2007. Coal sales revenue from Thai coal mines in first half 2007 was THB. 352 million, falling by THB. 723 million from the same period last year. Sales from power and steam from China, accountable for 12 percent of total revenue, were recorded at THB. 1,753 million.

“Despite declining coal sales volumes in the first half 2007, there was little effect on the Company’s total revenue since premium grade coal sales from coal mines in Indonesia have risen in the first half this year. Additionally the coal prices remain strong resulted in a higher average selling price of USD. 39. 93 per tonne in the second quarter. Banpu has adjusted its 2007 average selling price from USD. 38 per tonne to USD. 39 per tonne,” Mr. Chainin explained.

Coal sales tonnages in the first half 2007 totaled 9.2 million tonnes, 7 percent dropping from 9.84 million tonnes from the same period last year. Coal production from Indonesia was 8.3 million tonnes, accountable for 90 percent of total coal volumes. Recently, Banpu has reduced its 2007 targeted coal production and sales of 21 million tonnes to 20 million tonnes. The reduction of the coal production and sales, however, will have some effects on Banpu’s 2007 total sales revenue, which was previously forecasted to be 10 percent higher than THB. 33 billion. The lower sales were partly affected by the Thai Baht appreciation.



“Due to the fact that a decrease of the Company’s coal production volumes was mainly from the Thai coal mines where its coal quality was relatively low while the production volumes of high quality grade coal from Indonesian coal mines remain the same as targeted 19 million tonnes for this year, it is likely that, when taking into account an increase of USD. 1 per tonne of our average selling price, total sales revenue for the year 2007 earlier forecasted to be over THB 33 billion will be little affected,” Mr. Chanin elaborated.

Banpu Public Company Limited is one of leading energy companies in Asia which has 3 operational bases in Thailand, Indonesia and China. As of 30 June 2007, Banpu’s total assets were THB. 53,589 million, an increase of THB. 4, 203 million from 31 December 2006. Total liabilities were THB 28,651 million, rising by 6 percent from 31 December 2006. Banpu’s net debt to equity ratio as of 30 June 2007 was 0.68 times, compared to 0.66 times on 31 December 2006.