



Press Release

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**Banpu plans to inject around USD 208 million into its coal business
in 2009**

Banpu plans to focus on its existing assets during the economic downturn, preparing around USD 208 million of capital for the year 2009 to improve its coal mines in Indonesia and China.

Mr. Chanin Vongkusolkit, Chief Executive Officer of Banpu Public Company Limited said during the press conference that the Company has set around USD 208 million for the organic capital expenditure plans in the year 2009 focusing on improvement of existing coal business assets of its two foreign business bases including Indonesia and China. The total 2009 capital expenditure consists of USD 126 million for Indonesia and USD 82 million for China. Indonesia's USD 126 million will be used for Bontang port expansion, infrastructure development at Bharinto Mine, mine equipment at Indominco East Block, final phase construction of Bontang coal-fired power plant, and improvement initiatives which include Indominco underground operation and electrification, installation of Trubaindo mobile crusher and wash plant, and Tandung Mayang fleet expansion. Meanwhile, the USD 82 million of China will be used for the construction of Gaohe Mine in Shanxi Province.

"Due to the global economic turmoil, we are now reviewing our five year strategic plan as well as our long-term CAPEX which need some time for adjustment based on the day-to-day economic circumstance. Our strategy at the moment is to emphasize on our existing assets. The 2009 capital expenditure is therefore mainly for our organic assets especially on coal business," said Mr. Chanin.

Mr. Chanin added that one of Banpu measures to cope with this economic downturn is to maintain its cash flow in a high level and mitigate any financial risks that may occur. In order to minimize financial risks, Banpu plans to sell around THB 6 -7 billion of bonds in the domestic market in second quarter this year. The fund generated by this bond issuance will be used for refinancing the Company's existing debt.

"The bonds issued this time will be sold to the public as well. The maturity date and coupon rate have not yet been finalized," Mr. Chanin illiterate.

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 31 December 2008, Banpu total assets stood at THB 89,362 million while total liability was at THB 43,828 million. The Company's Net Debt to Equity ratio was 0.36 times compared to 0.14 times in 2007 and earning per share (EPS) was at THB 33.96 per share, an increase of 39 percent from THB 24.49 per share in 2007. Currently, the Company's and its existing bonds' rating by TRIS are AA-.

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