



Press Release

11 May 2010

## Banpu Reports THB 2.72 Billion Net Profit in 1Q/2010

Banpu Public Company Limited (BANPU) reported its financial performance for the first quarter of 2010 (1 January 2010 – 31 March 2010) with a net profit of THB 2,717 million, an increase of 66 percent from the fourth quarter last year, resulted by a sound performance of both coal and power businesses. However, when compared with the same period last year, a decrease of 43 percent in net profit was reported due to a lower average selling price, a higher fuel cost and an appreciation of Thai Baht.

Mr. Chanin Vongkusolkit, Chief Executive Officer of Banpu Public Company Limited, said a THB 2,080 million or 43 percent decline in a net profit in the 2010 first quarter compared with the same period last year was a result of lower average selling price. In the first quarter this year, the net profit of coal business decreased 60 percent from THB 3,654 million of the same period last year to THB 1,452 million.

“The decline in the first quarter net profit was a result of a lower average selling price at USD 66.27 per tonne, decreasing 21 percent from the same period of a previous year, affected by market environment during the middle of 2009 when the Company’s coal contracts of this quarter were priced. In addition, a higher fuel cost, a recent appreciation of Thai Baht and a loss on coal swap of THB 117 million (compared to THB 794 million gain in 1Q/2009) had partially lowered the net profit of this quarter,” Mr. Chanin explained.

The net profit from the power business, however, rose to THB 1,265 million in the first quarter this year, THB 121 million or 11 percent higher than the same period last year. This was from a significant improvement of the Company’s power operations led by BLCP which resumed its operation following an annual shut-down for maintenance during late last year. BLCP



contributed an equity income of THB 998 million in the first quarter (including FX gain of THB 172 million).

The Company also realized a net profit of THB 173 million from Banpu Power Investment (China) Ltd. or BPIC, a subsidiary company operating power business in China, and THB 250 million dividend income from its investment in another power company.

Sales revenue in the first quarter 2010 was THB 15,251 million, an increase of THB 1,627 million or 12 percent higher than the same period last year, consisting of THB 1,638 million sales of power and steam from the three combined heat and power plants in China, accountable for 11 percent of total sales revenue. Coal sales revenue, accountable for 89 percent of total sales revenue, was THB 13,613 million, an increase of THB 1,269 million or 10 percent from the same period last year, supported by higher coal sale volume of 6.156 million tonnes. The first quarter higher coal sales volume was a result of the improvement and expansion of Indonesian coal mines put in place since middle 2009, which helped increase sales volume from the same period last year. However, the seasonal rainfall in Kalimantan of Indonesia had weakened coal sale volume by 14 percent from the fourth quarter last year.

“The Chinese coal business of which Banpu recognized an income on equity basis, however, recorded a solid performance in the first quarter 2010. China coal contributed an equity income of THB 1,044 million or 100 percent higher than the fourth quarter 2009, but declined 8 percent from the same quarter last year,” Mr. Chanin added.

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 March 31, 2010, Banpu's assets totaled THB 103,242 million, an increase of THB 1,825



million when compared to those of December 31, 2009. Its total liabilities were at THB 45,596 million, an increase of THB 131 million from December 31, 2009. The Net Debt to Equity ratio as of 31 March 2010 was 0.13 times compared to 0.16 times as of 31 December 2009. Its EPS was THB 10 a share, a decrease of 43 percent compared to THB 17.65 a share of the same quarter last year.

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