



Press Release

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Banpu Reports 2012 Results

Banpu Public Company Limited (BANPU) reports its 2012 financial results, posting a 4 percent increase in sales revenue compared to last year, thanks to higher coal sales from Indonesian coal operations. The power business also recorded a sound performance, providing a solid earnings base for the group.

Mr. Chanin Vongkusolkit, BANPU Chief Executive Officer disclosed that in 2012 BANPU recorded a total sales revenue of THB 117,337 million, an increase of THB 4,933 million or 4 percent from the previous year. Coal sales accounted for 95 percent of the total revenue at THB 110,807 million with the remaining 5 percent, or THB 5,679 million, coming from sales of power and steam from the three combined heat and power plants in China. Of total coal sales, the Indonesian operations contributed THB 77,234 million while the Australian mines generated a further THB 33,538 million. The 2012 sales revenue was in line with the target set, resulted by an increase in coal sales volume from Indonesian operations. Sales of power and steam increased 8 percent from the previous year.

In 2012, Banpu recorded a total coal sales volume of 41.57 million tonnes, 5 percent higher year on year. Indonesian coal operations delivered strong sales volume of 27.20 million tonnes. This was 10 percent or 2.56 million tonnes higher than 2011, and above plan. The increase in Indonesian coal sales volume was supported by adjustments to the mine plan made in mid 2012, an efficient management of overburden handling cost as well as favorable weather conditions. This allowed for higher production than planned, especially for the Trubaindo and Jorong mines. Meanwhile, sales from the Australian coal operations were 14.3 million tonnes, slightly lower than 2011, as Mandalong mine faced two major Longwall stoppages for planned equipment changeover.

The 2012 average selling price (ASP) was at USD 85.72 per tonne, 3 percent lower than that of 2011. The decline was in line with weakening world coal prices through the year due to an

unfavorable coal market. The ASP of Indonesian operations was USD 90.98 per tonne, 6 percent lower than the previous year, while the Australian operations' ASP was at AUD 72.86 per tonne.

Mr. Vongkusolkit added that the softening selling price and no divestment gain (a one-off divestment gain of THB 8,246 million was recorded in 2011) lowered net profit to THB 9,293 million in 2012 or 54 percent lower than 2011. Contributions from the power business, however, continued to provide a solid earnings base for the group.

“The decline in ASP for 2012 followed weakening coal prices in the global market since the beginning of the year. This was due to higher production levels leading to supply exceeding demand, despite demand increasing. It is expected that coal demand will continue to grow in 2013 especially from China, India and Japan. The growing coal demand will reduce the level of excess supply towards a balance by the middle of this year. This will help improve the prices in the market,” Mr. Vongkusolkit explained.

In 2012, Banpu recorded an equity income of THB 2,873 million, 48 percent higher than the previous year. A strong contribution was mainly from BLCP and coal business in China. Banpu realized earnings of THB 2,361 million from BLCP, 21 percent higher than the previous year. The coal business in China delivered equity income of THB 884 million, 47 times that of 2011. Hebi mine and Gaohe mine, which officially commenced its commercial production in the third quarter of 2012 operated smoothly. Coal demand in the local market remained relatively firm throughout the year.

Banpu Public Company Limited is an Asian energy company, managing coal and related businesses in six countries, namely Thailand, Laos, Indonesia, China, Australia and Mongolia. As of 31 December 2012, Banpu assets totaled THB 222,047 million, 1 percent lower than 31 December 2011. Total liabilities were THB 133,442 million, a decrease of 2 percent compared to those of 31 December 2011. Net Debt to Equity ratio as of 31 December 2012 was 0.84 times compared to 0.74 times as of 31 December 2011. The 2012 Earnings per Share (EPS) was at 34.19 THB, compared with 73.82 per share in 2011.

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