

# FY 2012 Result - Company Presentation



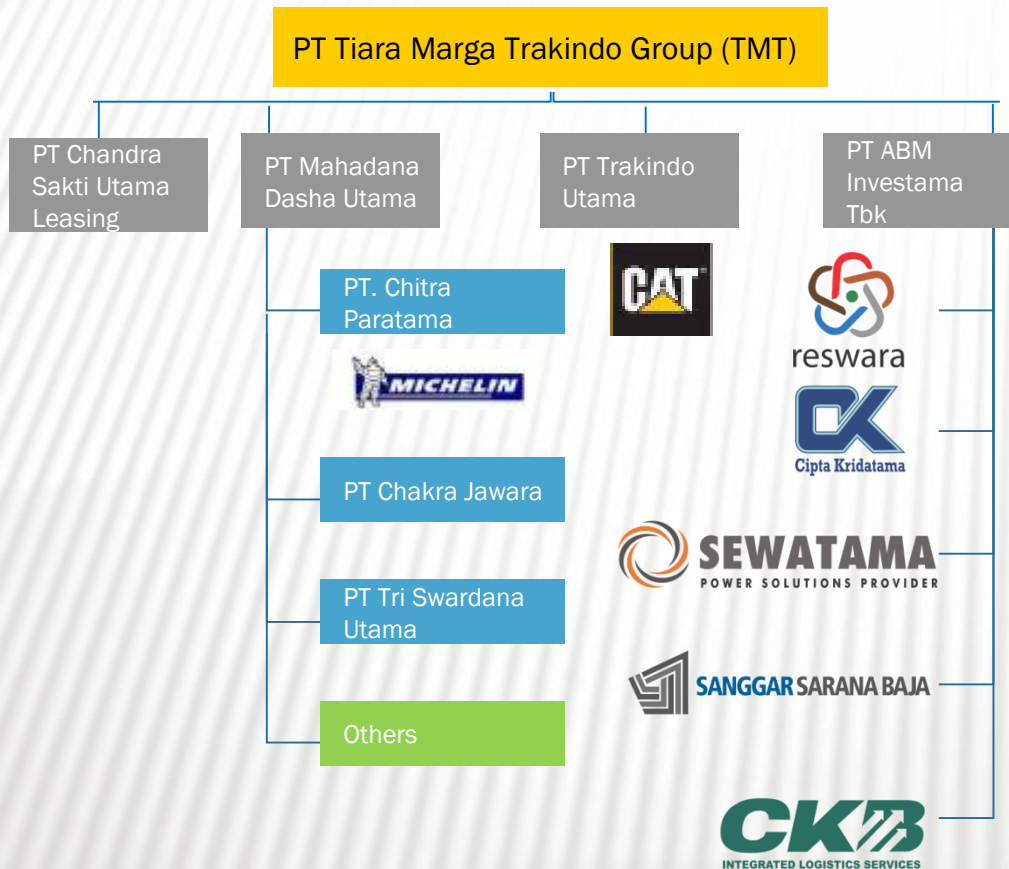
**PT ABM Investama Tbk.**  
A member of Tiara Marga Trakindo Group  
[www.abm-investama.com](http://www.abm-investama.com)



## PT. ABM INVESTAMA TBK

# ABM Investama A Member of Tiara Marga Trakindo Group

## Tiara Marga Trakindo Group Structure



## Overview of Tiara Marga Trakindo Group

- Established in 1970, Trakindo was founded by AHK Hamami
- Trakindo became the sole authorized dealer for Caterpillar in 1971 and now has more than 70 branches
- Over a 40 year period, Trakindo has developed into one of the largest national groups in Indonesia

## Shareholder Value Addition

- Access to financial resources to support growth plans
- Timely market intelligence and access
- TMT refers customers and is itself and important customer to ABM

# ABM's Five Strategic Business Units



## Contract Mining Services

- Established 1997
- Fleet of 624 heavy equipment serving 9 customers as of Dec 31, 2012
- Backlog Overburden 697 million bcm and 38 million tons, as of Dec, 2012
- Employees: 3,555

## Power Solutions

- Established 1992
- Approximately 833 gensets (1010 MW capacity) by Dec 31, 2012
- Manages more than 70 diesel power generation projects in Indonesia
- Employees: 1,597

## Coal Production

- Established 2010
- 7,703 hectares concession area under 4 IUPs
- Estimated coal reserves and resources of 221 and 561 million tons, respectively
- Employees: 348

## Engineering Services

- Established 1977
- 10 engineering services workshops providing fabrication, remanufacturing, transport equipment and site services
- Customers mainly in mining, oil and gas, petrochemical and power sectors
- Employees: 2,792

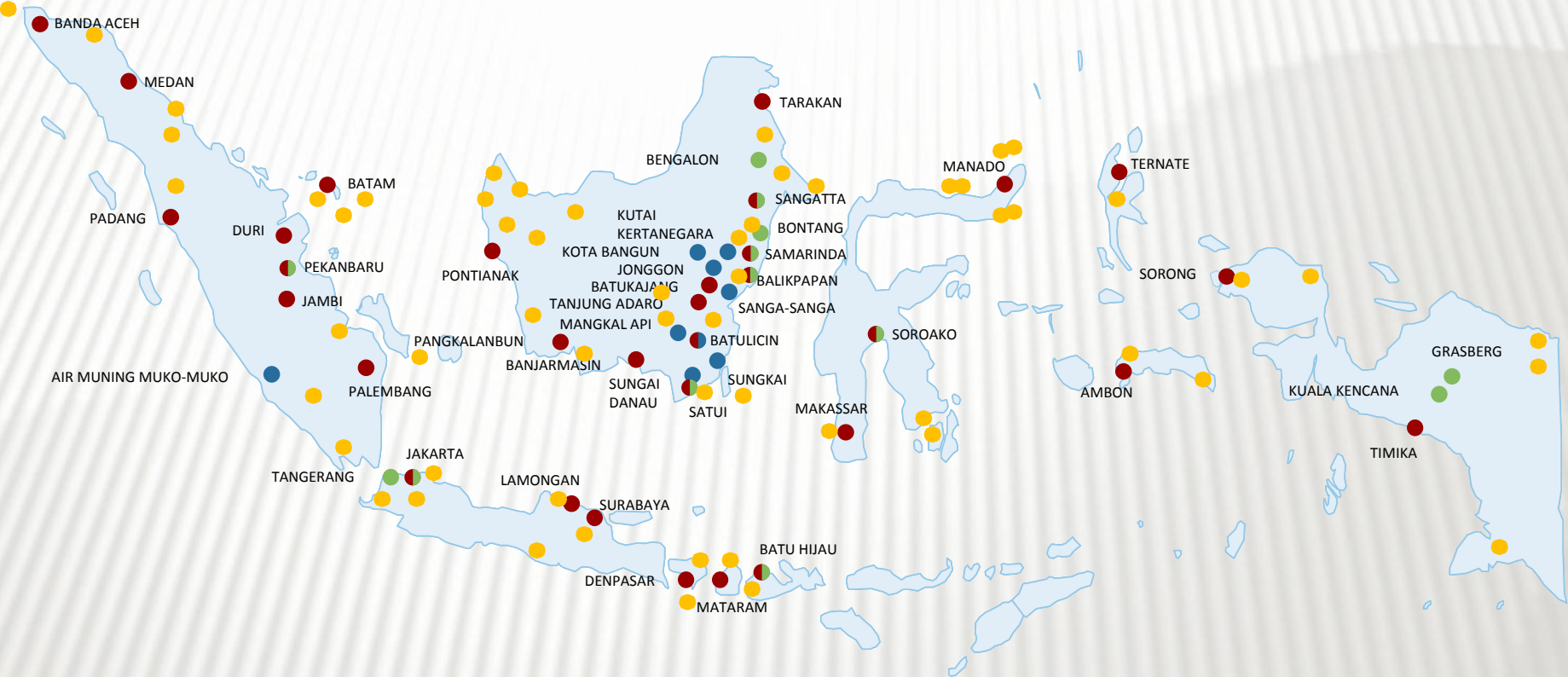
## Integrated Logistics

- Established 1997
- Operates fleet of vessels, trucks, loaders and dry containers
- Provides coal logistics, freight forwarding and project logistics
- 35 branches and offices located throughout Indonesia
- Employees: 686



# Comprehensive Footprint and Market Coverage in Indonesia

- Able to operate throughout the country; competitive advantage over competitors
- Difficult to replicate coverage strength and poses barriers to entry for new entrants



- CKB: Integrated Logistics Offices
- CK: Contract Mining Project Sites
- SSB: Engineering Services Main Operating Sites
- SS: Power Solutions Services

# Coal Industry View

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- "We believe the demand-supply balance for coal is becoming moderately more favorable across the region," said Standard & Poor's credit analyst Xavier Jean. "China's growing electricity consumption after several months of decline, and higher demand from India and Indonesia should support demand for thermal coal this year."
- Coal, reliable, inexpensive and dirty, remains the most important fuel for producing electricity around the world. In the United States, coal is taking a drubbing from natural gas, whose price has dropped sharply. But coal remains a critical component of the world energy supply despite its bad image. In China, demand for coal in 2010 resulted in a traffic jam 75 miles long caused by more than 10,000 trucks carrying supplies from Inner Mongolia.
- "Global demand for coal is expected to grow to 8.9 billion tons by 2016 from 7.9 billion tons in 2012, with the bulk of new demand" about 700 million tons coming from China, according to a Peabody Energy study. China is expected to add 240 gigawatts, the equivalent of adding about 160 new coal-fired plants to the 620 operating now, within four years. During that period, India will add an additional 70 gigawatts through more than 46 plants. Coal in Decline in the U.S. In the United States, 2012 has been a bad year for the coal industry."

# ABMM Business Update and Overview

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- August 29, 2012 Sewatama announced 70% acquisition of independent power plant company PT Energi Alamraya Semesta (EAS). PT Pradipa Aryasatya, a Sewatama subsidiary served as a vehicle for the acquisition worth of US\$7 million.
- November 22, 2012 – PT Tunas Inti Abadi (TIA) secured an additional 3 million metric tons under its coal sales contract with AVRA Commodities for the next five years; effectively upping the total deal to 18 million metric.
- December 18, 2012 – PT Cipta Kridatama (Cipta Kridatama) secured a US\$ 396 million contract for mining services with PT Tunas Muda Jaya (TMJ) for the next five years
- January 28, 2013 PT Media Djaya Bersama (MDB), has secured coal sales with PT Lafarge Cement Indonesia (Lafarge), amounting maximum of 255,000 metric tons in year 2013
- March 14, 2013 – PT Reswara Minergi Hartama receives loan as much as US\$150 million from Qatar National Bank (QNB), PT Bank QNB Kesawan Tbk (QNBK) and Indonesian Export Financing Institution (Indonesia Eximbank).
- Mar 18, 2013, PT Cipta Kridatama (CK), sign a five-year contract worth of US\$ 225 million with PT Realita Jaya Mandiri (RJM). The coal mining contract in Musi Banyuasin, South Sumatera

# FY 2012 ABM's Five SBU





# Coal Production at TIA, South Kalimantan

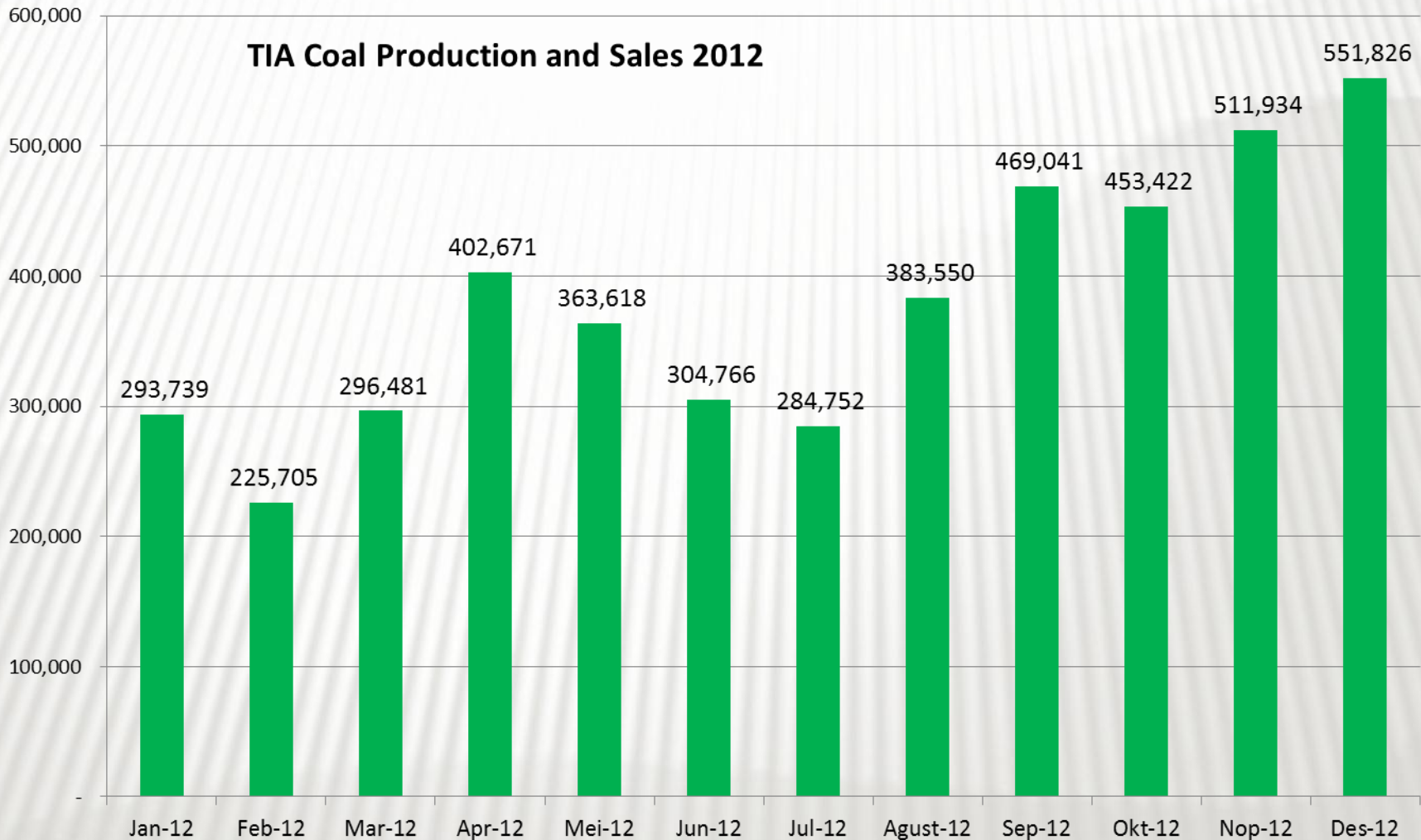




# Barge Conveyer at TIA



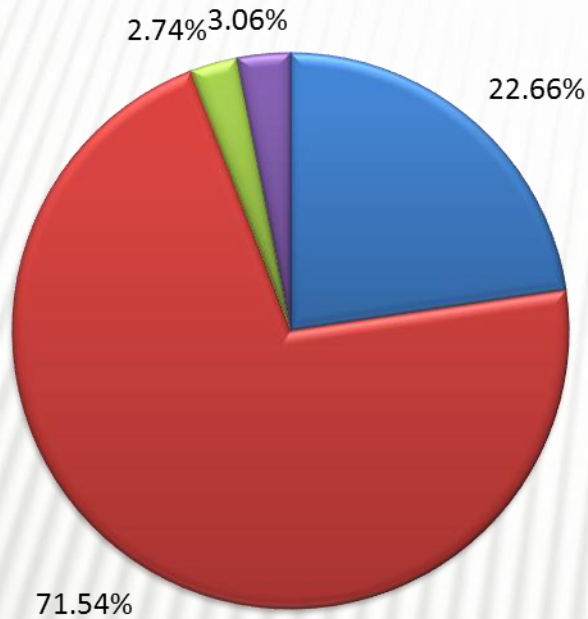
# TIA: Coal Production & Sales FY 2012 : 4.56 mn from 2.1 mn in 2011



**TIA FY2012: 4.56 mn**

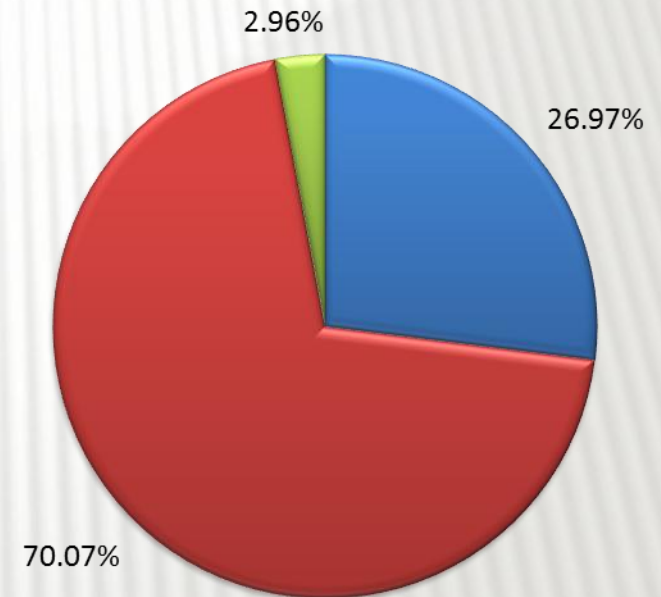
# TIA Sales Distribution Dominate by China Market in 2012-2013

## TIA 2012 Coal Sales Destination



■ INDIA ■ CHINA ■ DOMESTIC ■ PHILIPPINE

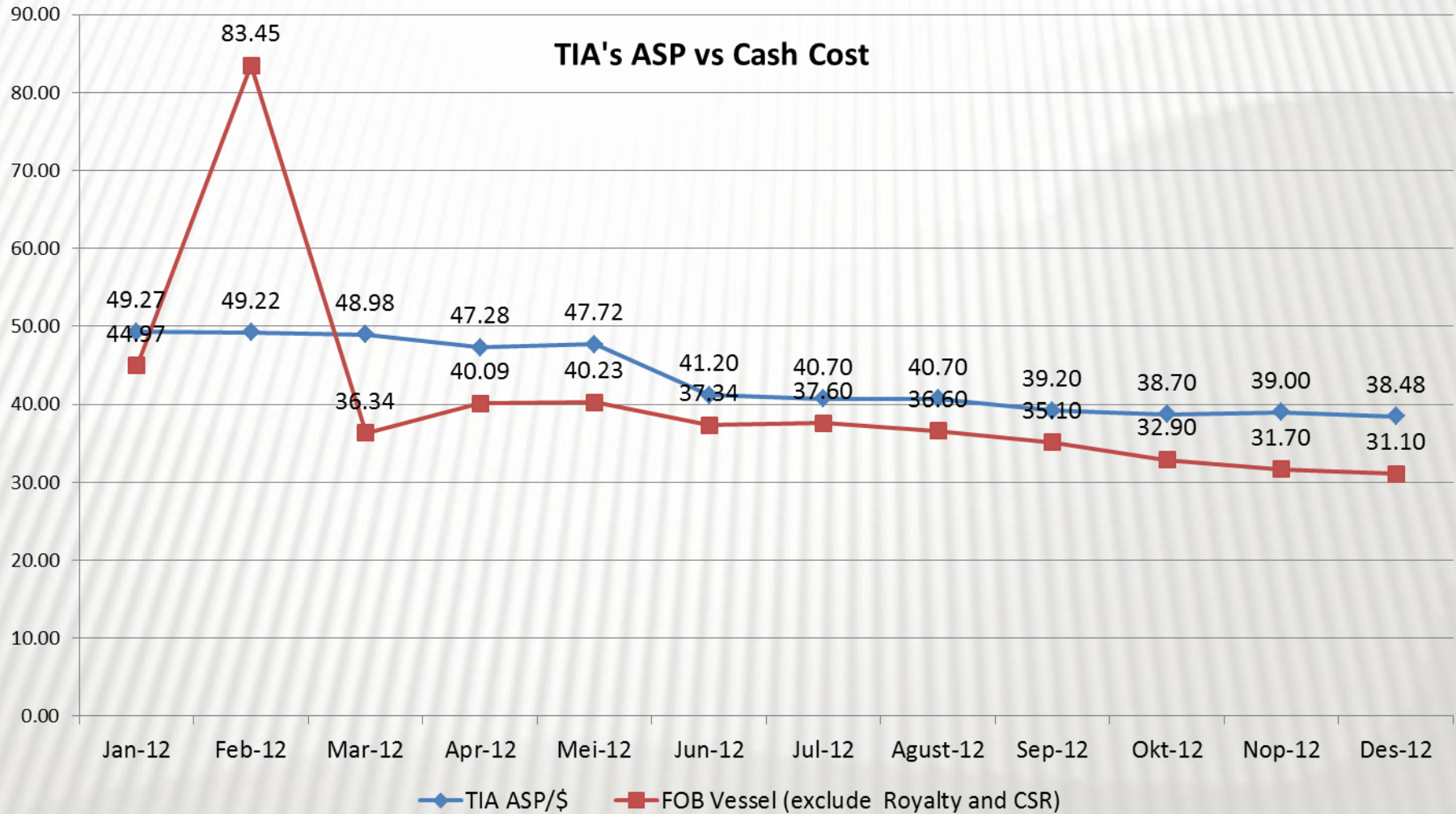
## TIA 2013 Plan Sales Destination



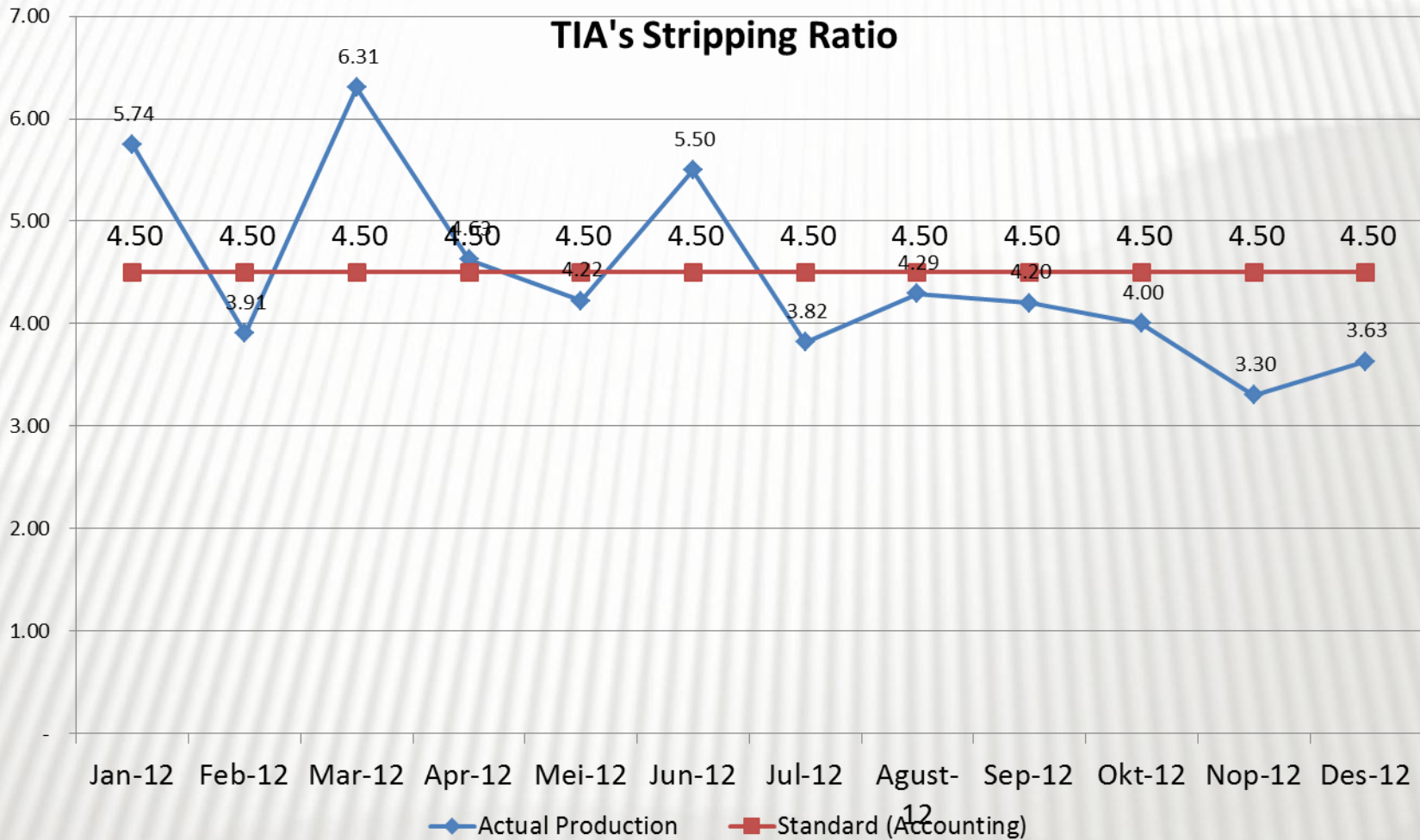
■ INDIA ■ CHINA ■ DOMESTIC



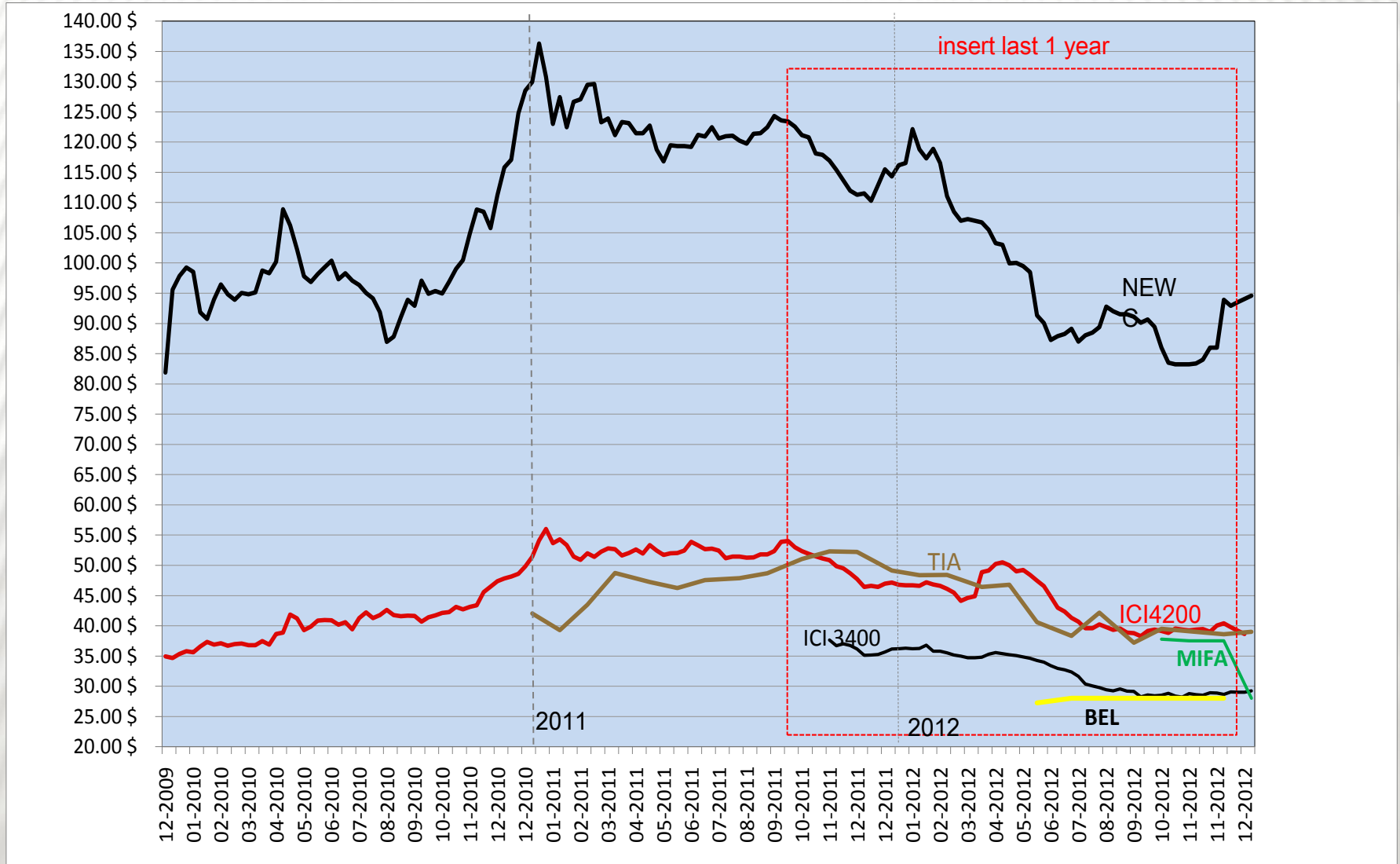
# TIA : FY 2012 ASP Avg USD 42.3/ton and Avg Cash Cost USD 36.31/ton



# TIA Avg Stripping Ratio 4.51



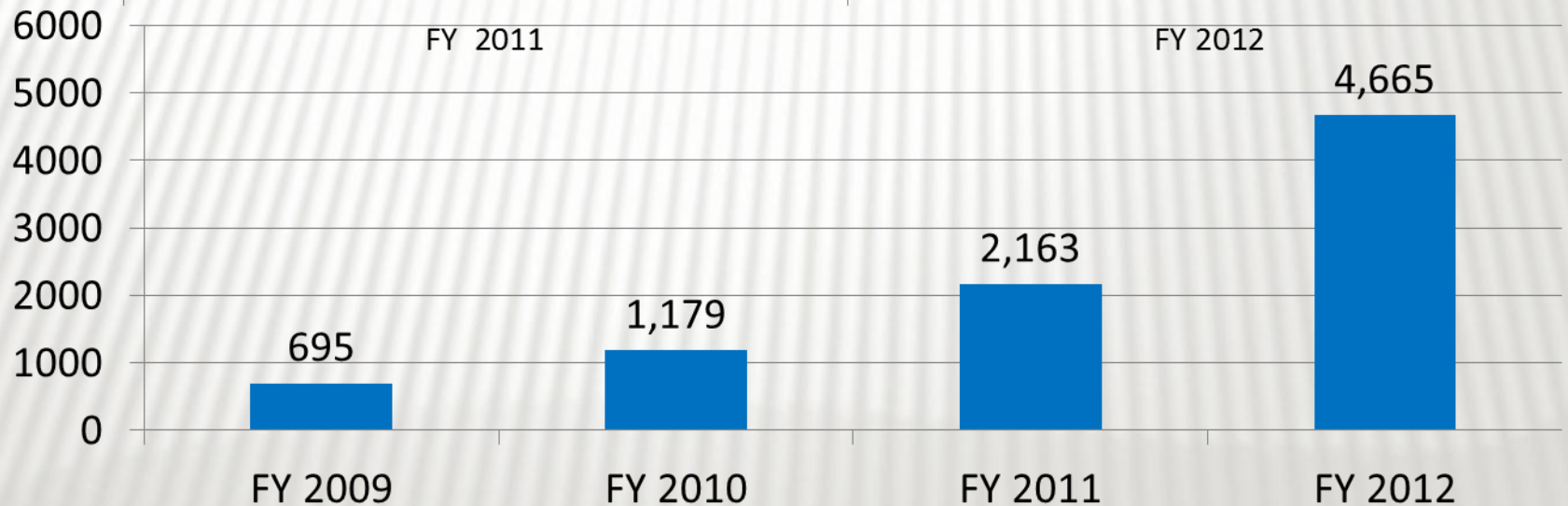
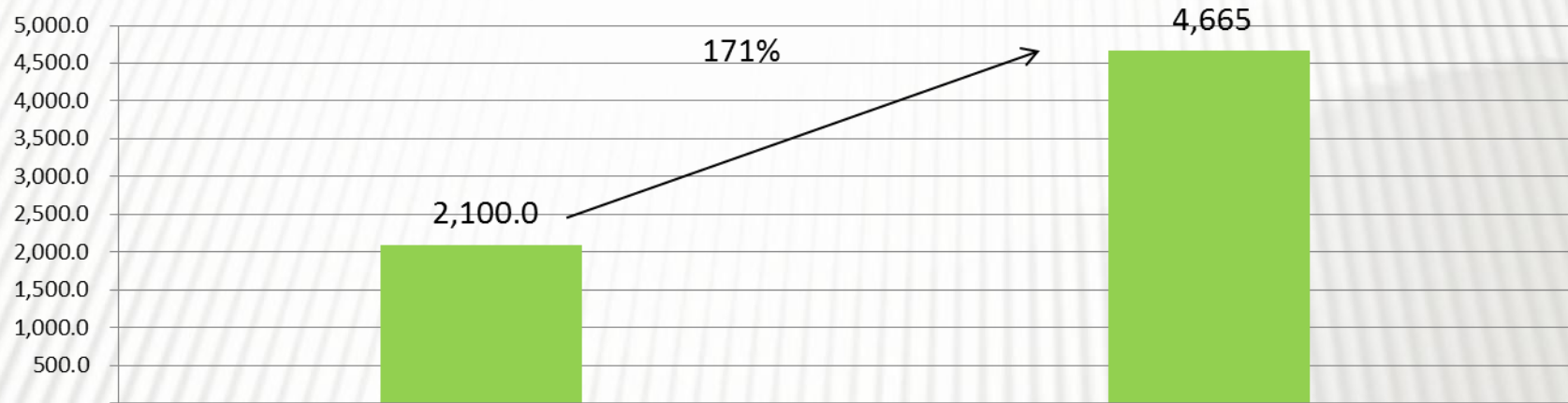
# Coal Price vs Reswara's ASP





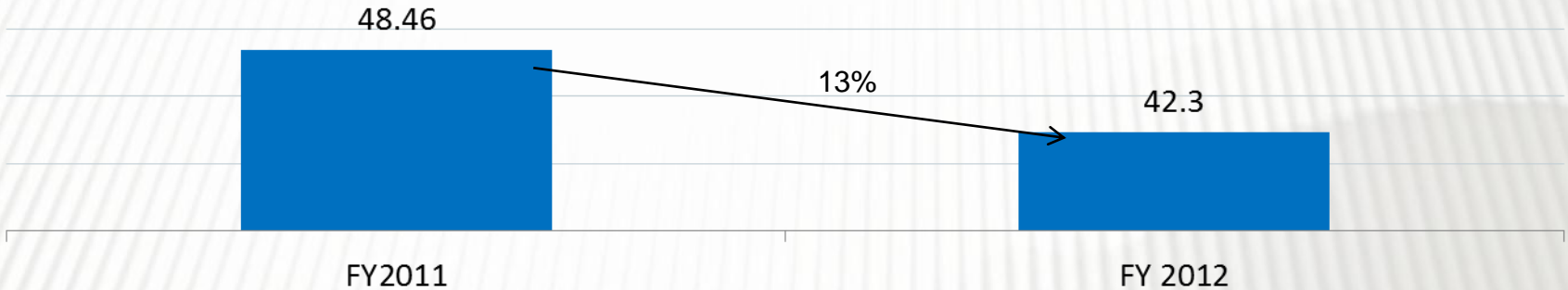
# Reswara Sales and Production FY 2012

### Reswara Sales & Production (in thousand tons)

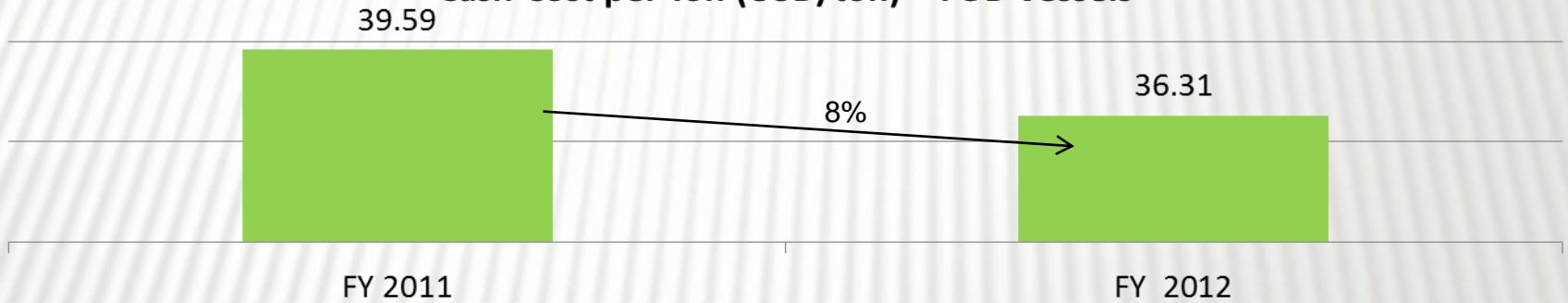


# TIA :ASP, Cash Cost and Stripping Ratio

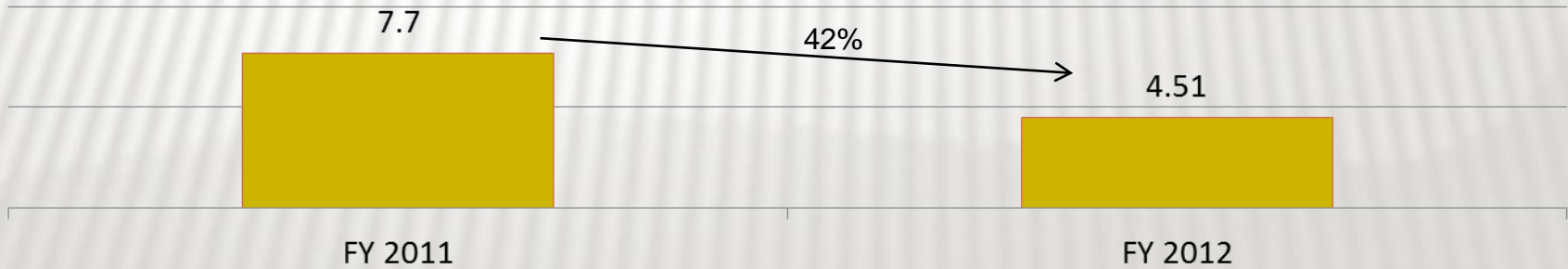
**Average Selling Price (ASP) USD/ton**



**Cash Cost per Ton (USD/ton) – FOB Vessels**

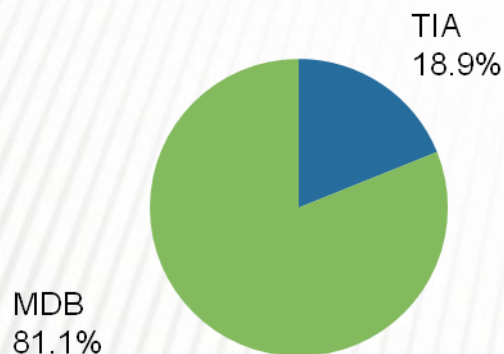


**Stripping Ratio**

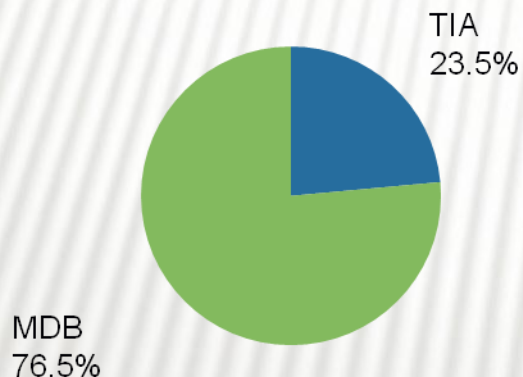


# Coal Resources, Reserves and Concession

Total Resources: 561 Million Tons



Total Reserves: 221 Million Tons



	TIA	MDB	Total
<b>Coal Reserves (MT)</b>			
Proved Reserves	13	7	20
Probable Reserves	39	162	201
<b>Total Reserves</b>	<b>52</b>	<b>169</b>	<b>221</b>
<b>Coal Resources</b>			
Measured	32	18	50
Indicated	39	289	328
Inferred	35	148	183
<b>Total</b>	<b>106</b>	<b>455</b>	<b>561</b>
<b>Concession (Ha)</b>	<b>3,074</b>	<b>4,629</b>	<b>7,703</b>

\* Based on Joint Ore Report  
Committee JORC Report

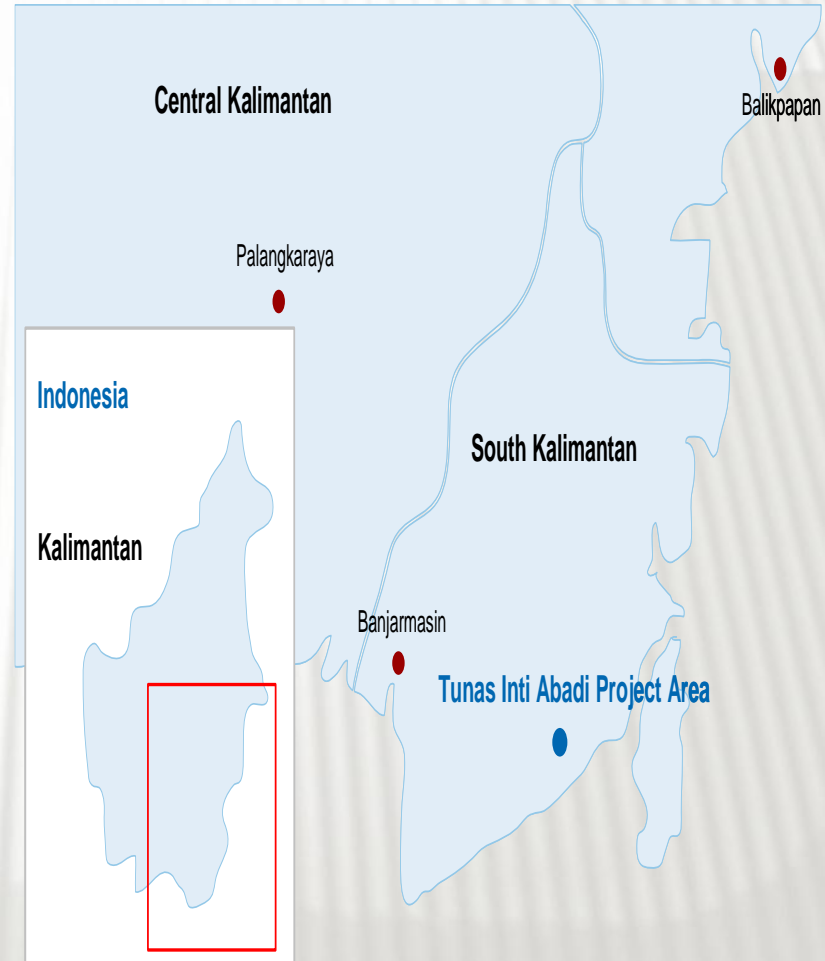


## TIA Site Layout – Concession Area

### PT Tunas Inti Abadi

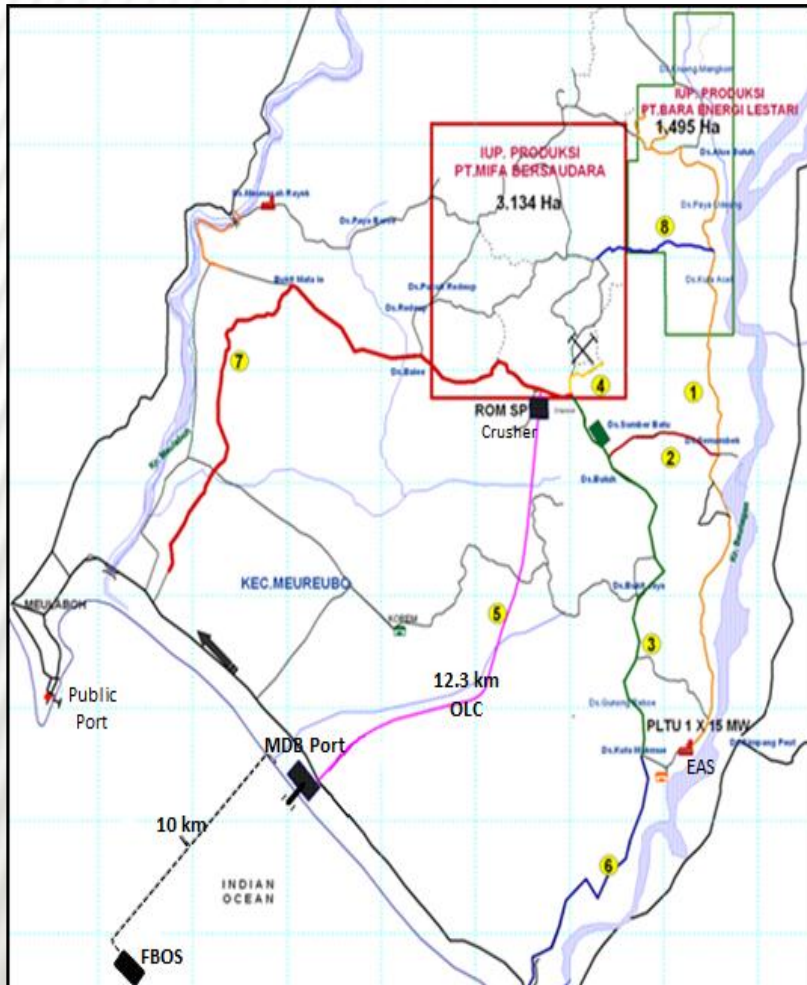
- TIA was acquired in Dec 2007, commenced commercial production in Aug 2009 and coal sales in Oct 2009
- Coal mining is contracted to ABM subsidiary, CK
  - 25 km from pit to port at Bunati
  - 9-12 km from port to anchorage point at Bunati
  - 8,000 ton barge loading capacity at jetty
  - 120,000 tons temporary pile facility at the mining pit
  - Logistic advantages: Close to the Ocean

### TIA Site (South Kalimantan Province )



# MDB Site Layout – Concession Area

## MDB Site (Aceh Province)



## PT Media Djaya Bersama

- 70% ownership in MDB
- To begin coal production in 2012 by using existing infrastructure and begin construction of own infrastructure in 2012
- Intends to sell coal to Indian power plants for blending
- Logistic advantages: Close to the Ocean – 12.3 km pit to port
- Plan to build land conveyer belt for logistic

**MBD Project, Capex USD 125 mn.  
Capacity of 15 mn ton annually in 2016**

**MDB Project by Dec 2012:**

1. Land Acquisition 62%
2. Port Construction 35%
3. Mining site 46%



Completion  
Target  
Oct 2013






# MIFA location at MDB area in Aceh



# Concession Breakdown and Coal Characteristic

## Coal Characteristics

		TIA	MDB
Calorific Value (Adb)		55-53k kcal/kg	53-51k kcal/kg
Caloric Value (GAR)		3,960 kcal/kg	3,440 kcal/kg
Total Moisture (AR)		37.4%	43.8%
Ash Content (Adb)		5.7%	4.6%
Sulfur (Adb)		0.15%	0.16%

## Concession Breakdown

Entity	Concession Holding Company	Type of Concession	Location	Current Concession Area (ha)	Expiry Date of Current Phase
TIA	TIA	IUP <sup>(1)</sup>	South Kalimantan	2,355	Mar 16, 2021
TIA	TIA	IUP <sup>(1)</sup>	South Kalimantan	719	Mar 5, 2021
BEL	BEL	IUP <sup>(1)</sup>	Aceh	1,495	Sep 26, 2017
Mifa	Mifa	IUP <sup>(1)</sup>	Aceh	3,134	Apr 13, 2025







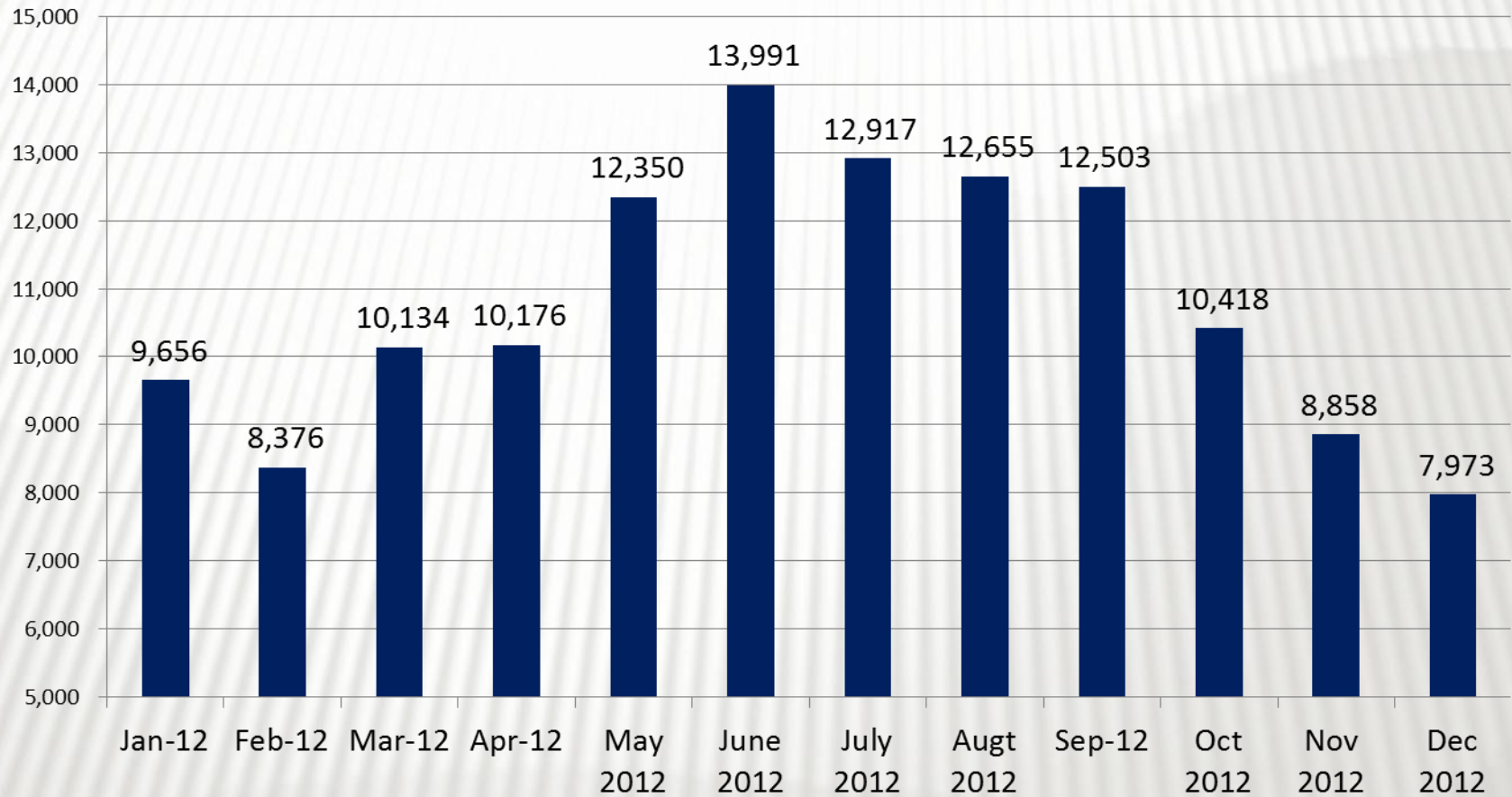
# Removing Top Soil



# CK: Overburden Increase 10% from 118mn bcm to 130 mn bcm 2012



### CK's Overburden in 2012 ( in mn bcm)



**Total Overburden FY 2012 : 130 mn bcm**

## CK: OB Removal Breakdown based on Client

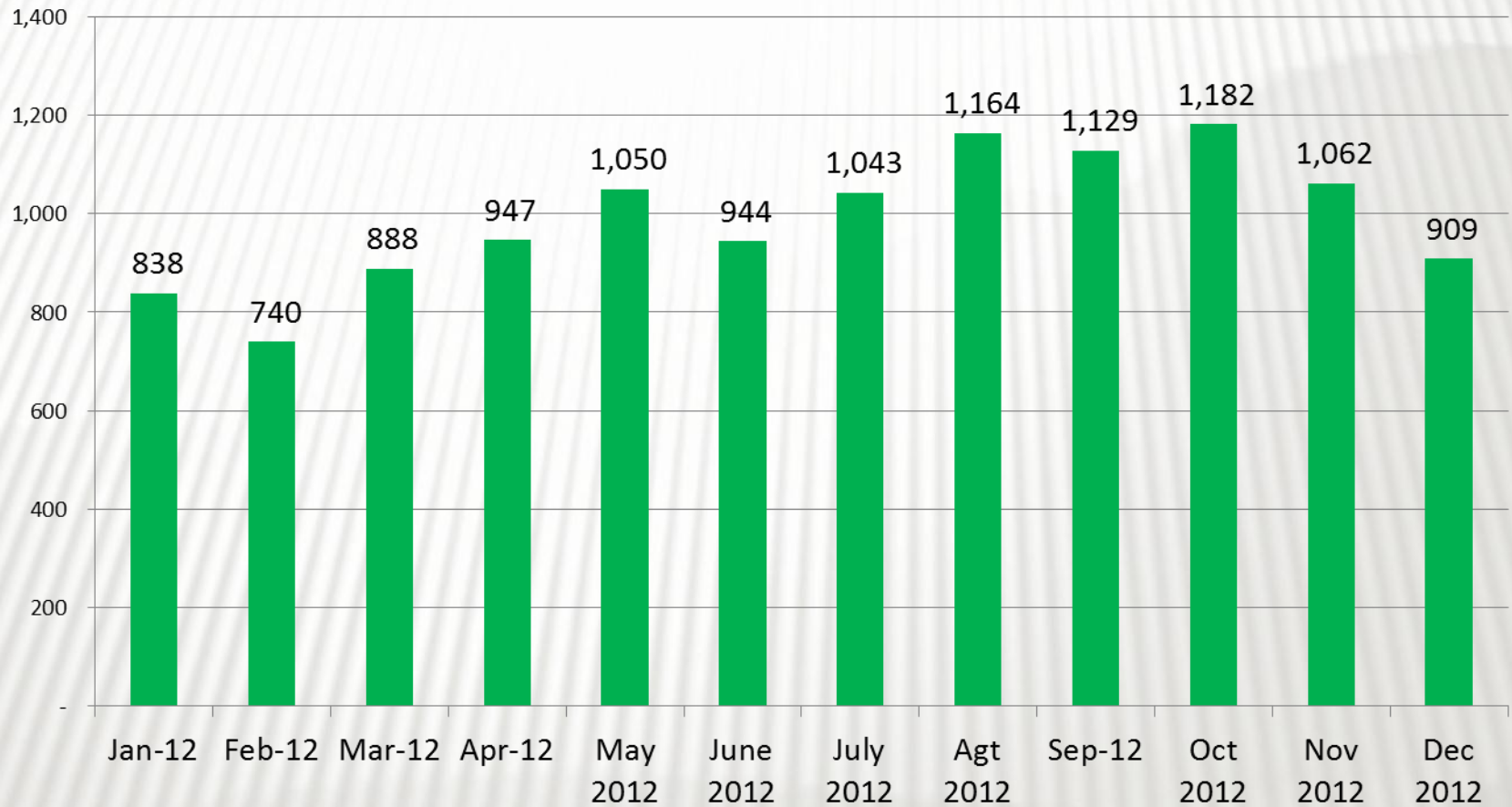
Client	FY 2012	FY 2011	Δ
<b>Old Client</b>			
A	29.7	25.5	
B	1.6	13.6	
C	7.3	14.8	
D	10.6	23.66	
E	27.3	25.3	
F	17.3	14.2	
G	11.4	1	
	105.2	118.06	<b>-12.86</b>
<b>New Client</b>			
H	16.8	0	
I	7.7	0	
J	1.3	0	
	25.8	0	
<b>Total (mn bcm)</b>	<b>131</b>	<b>118.06</b>	<b>25.8</b>



# CK: Rental Service increased 12.2% from 10.6 mn to 11.9 mn



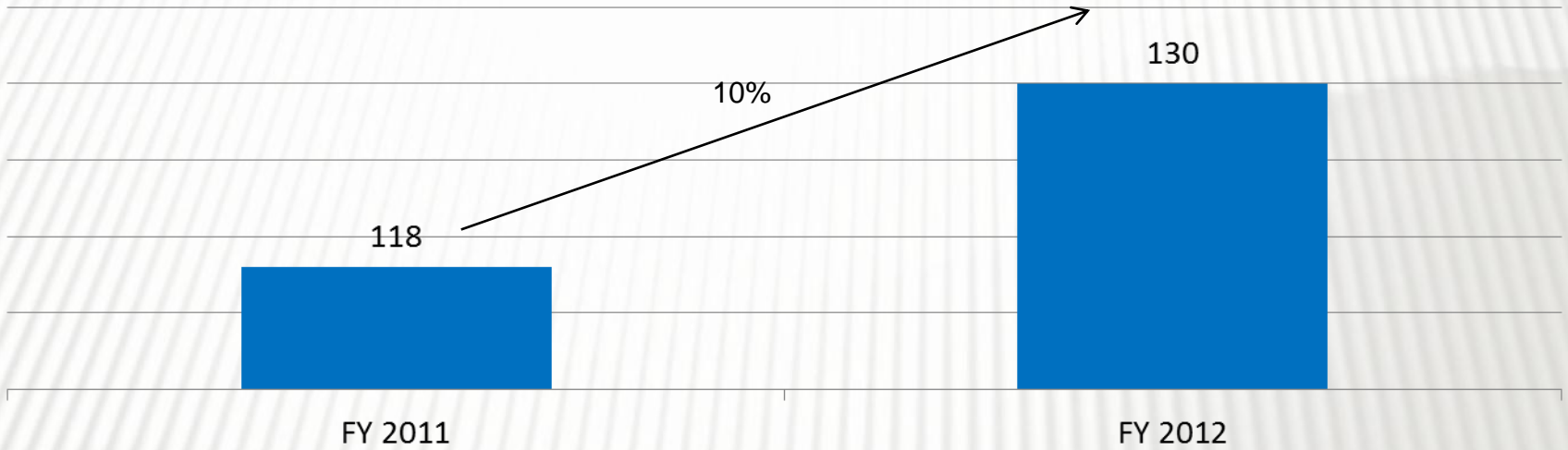
### CK's Rental Service in 2012 ( in mn tons coal)



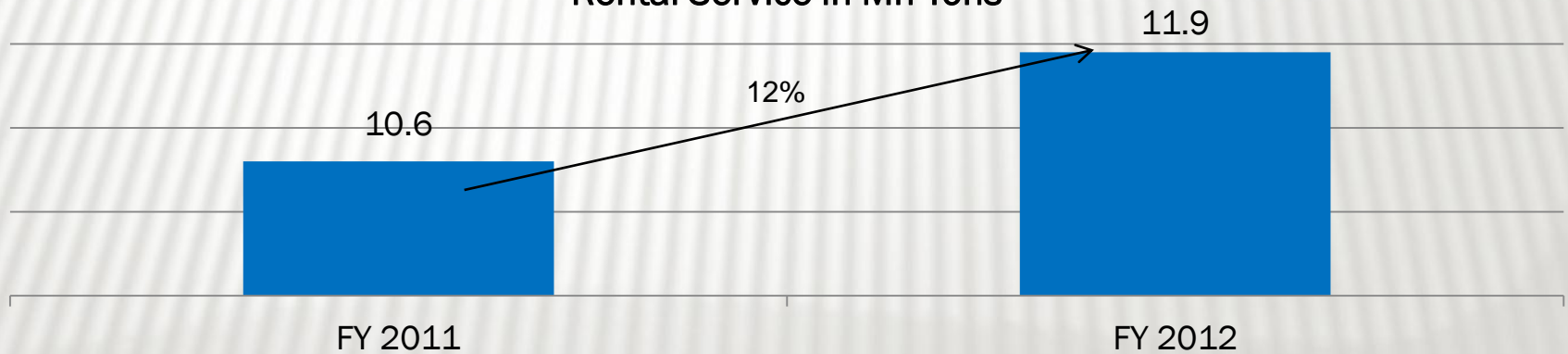
**Total Rental services FY 2012 11.9 mn tons coal**

# Overburden and Rental Services FY 2012

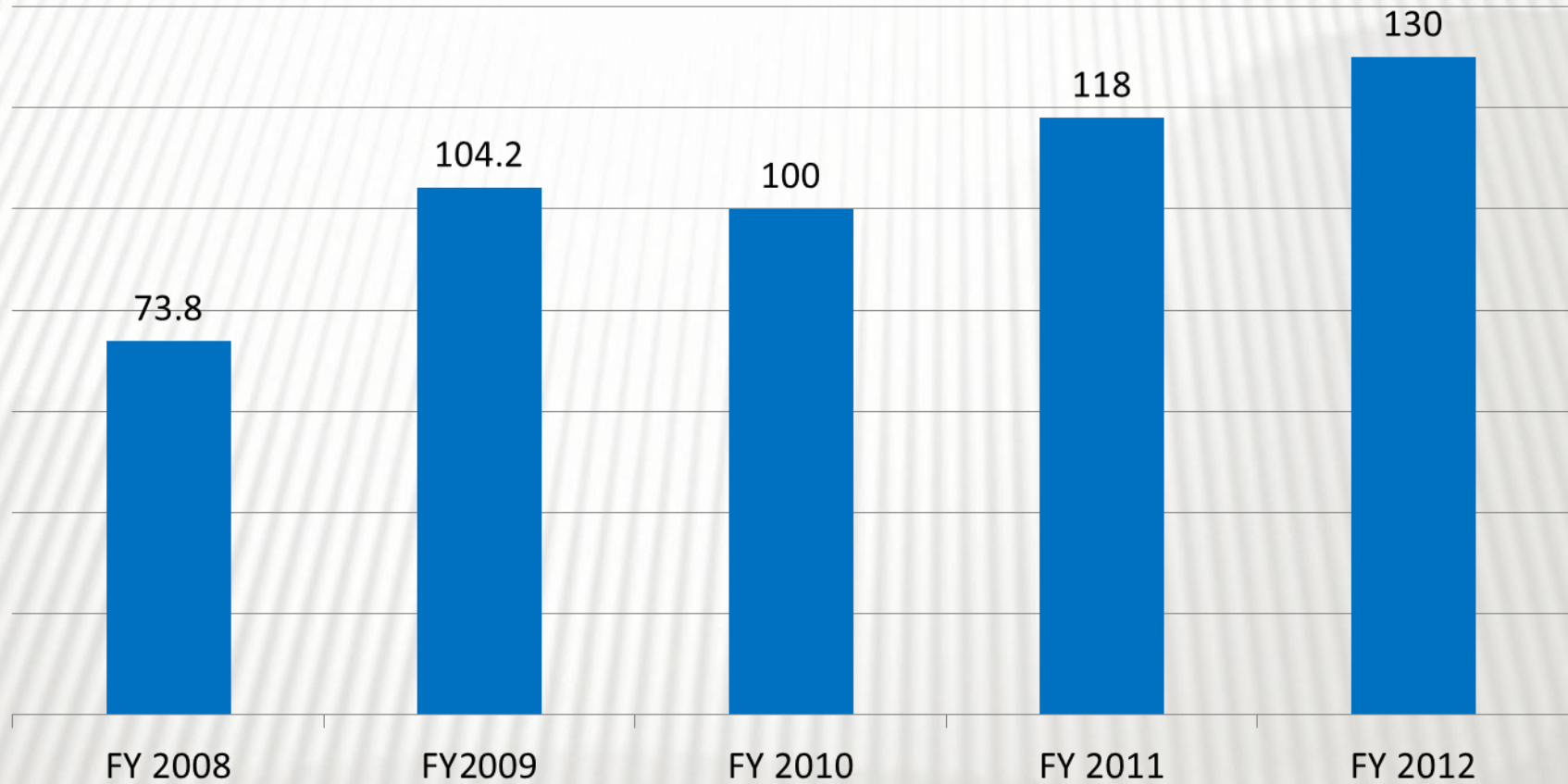
### Overburden Removal Mn Bcm



### Rental Service in Mn Tons

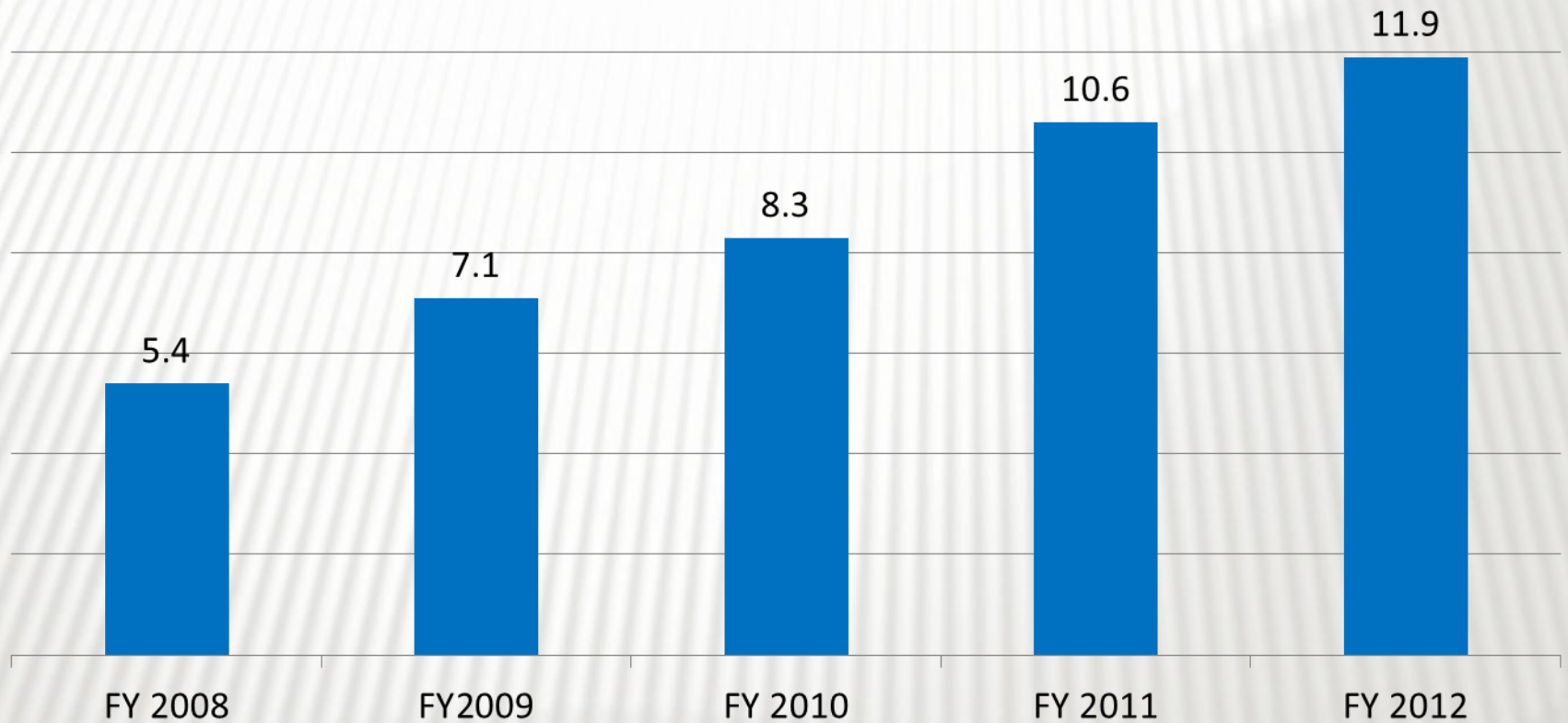


## CK Historical's Overburden Removal in mn tons





## CK Historical's Rental Business



# Current Customers & Backlog

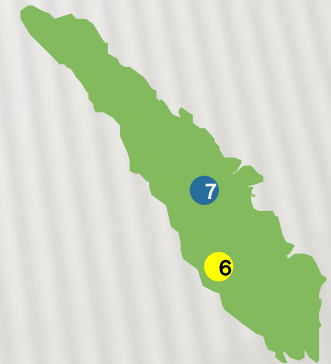
## Operating Agreements as of Dec 31, 2012

Client	Mining Project Sites	Expected Contract Duration	Backlog (bcm/ton)
1	Separi, East Kalimantan	Jun 2004 – Sep 2015	80 / 8
2	Sanga-sanga East Kalimantan	Mar 2005 – Project Completed	- / -
3	Jonggong, East Kalimantan	Nov, 2007 – Oct 2015	76 / 5
4	Sebambam, Tanah Bumbu, South Kalimantan	April, 2009 – Jul 2020	129 / 22
5	Batulicin, South Kalimantan	2003- life mine.	14 / 2
6	Ketaun Village, Bengkulu	Mar 11- Mar 2017ti	90 / -
7	Siambul, Riau	Feb 2012-Feb 2012	98 / -
8	Loan Janan, East Kalimantan	Jun 2012-Jun 2017	70/-
9	Batu Sopag East Kalimantan	Nov 2012-Nov 2017	139
<b>Total</b>			<b>697 / 38</b>

### Kalimantan



### Sumatra



## CK's Type of Heavy Equipment & Average Age

Type of equipment Dec 31, 2012	Capacity	Number of units	Average age (in years)
Excavator	250 - 350 tons	16	6
	20 - 100 tons	109	1.9
Truck	30 - 100 tons	339	3.7
Dozer		90	2.2
Grader	14 - 16 feet	48	2.5
Wheel loader		8	2.6
Compactor		13	6.5
Drill machine		1	7
<b>Total</b>		<b>624</b>	



## PT Sumber Daya Sewatama (SS) – Power Solutions

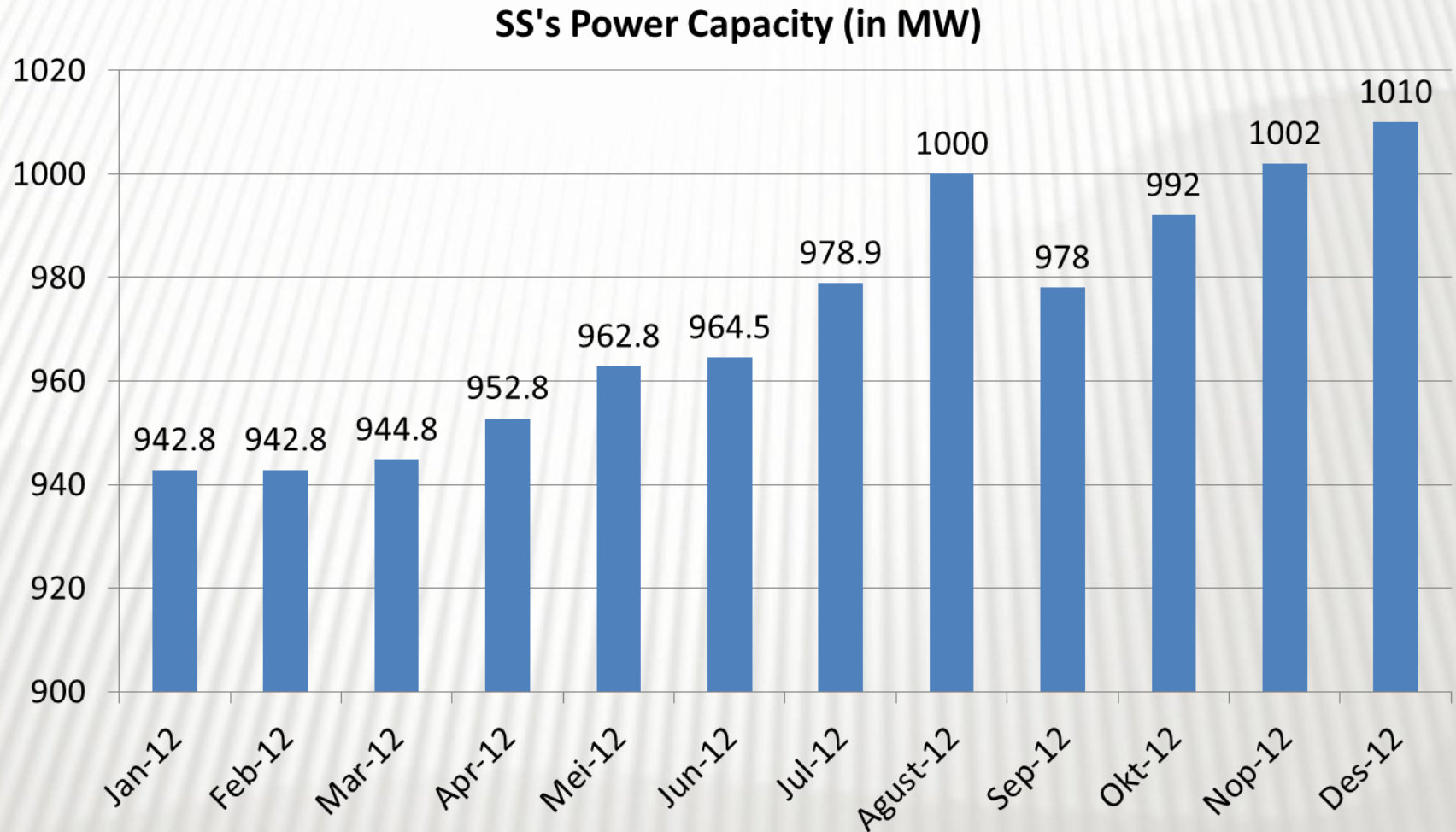




## Containerized Gen-set of Sewatama



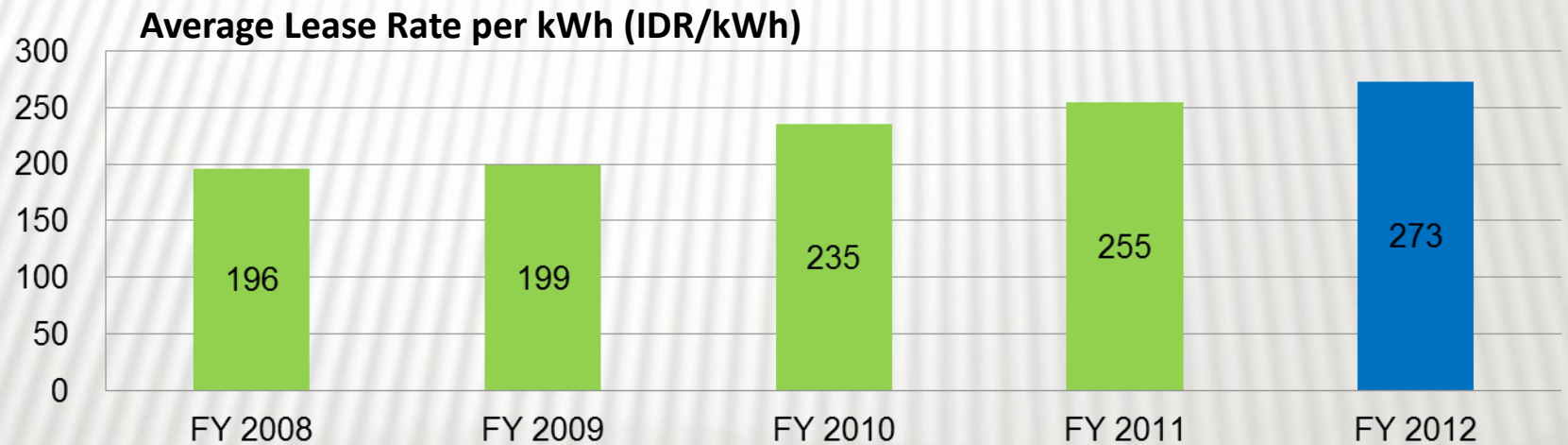
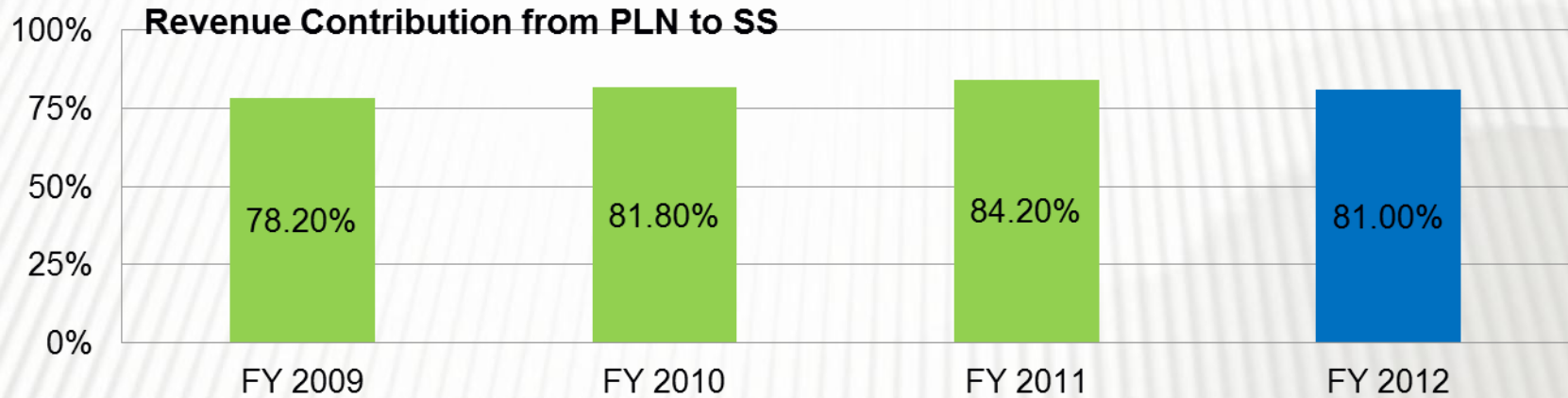
## SS: Capacity increased 7% from 945 MW in 2011 to 1,010 MW in 2012



**Total SS Power Capacity FY 2012 : 1,010 MW**



# Revenue By Division and Key Customers

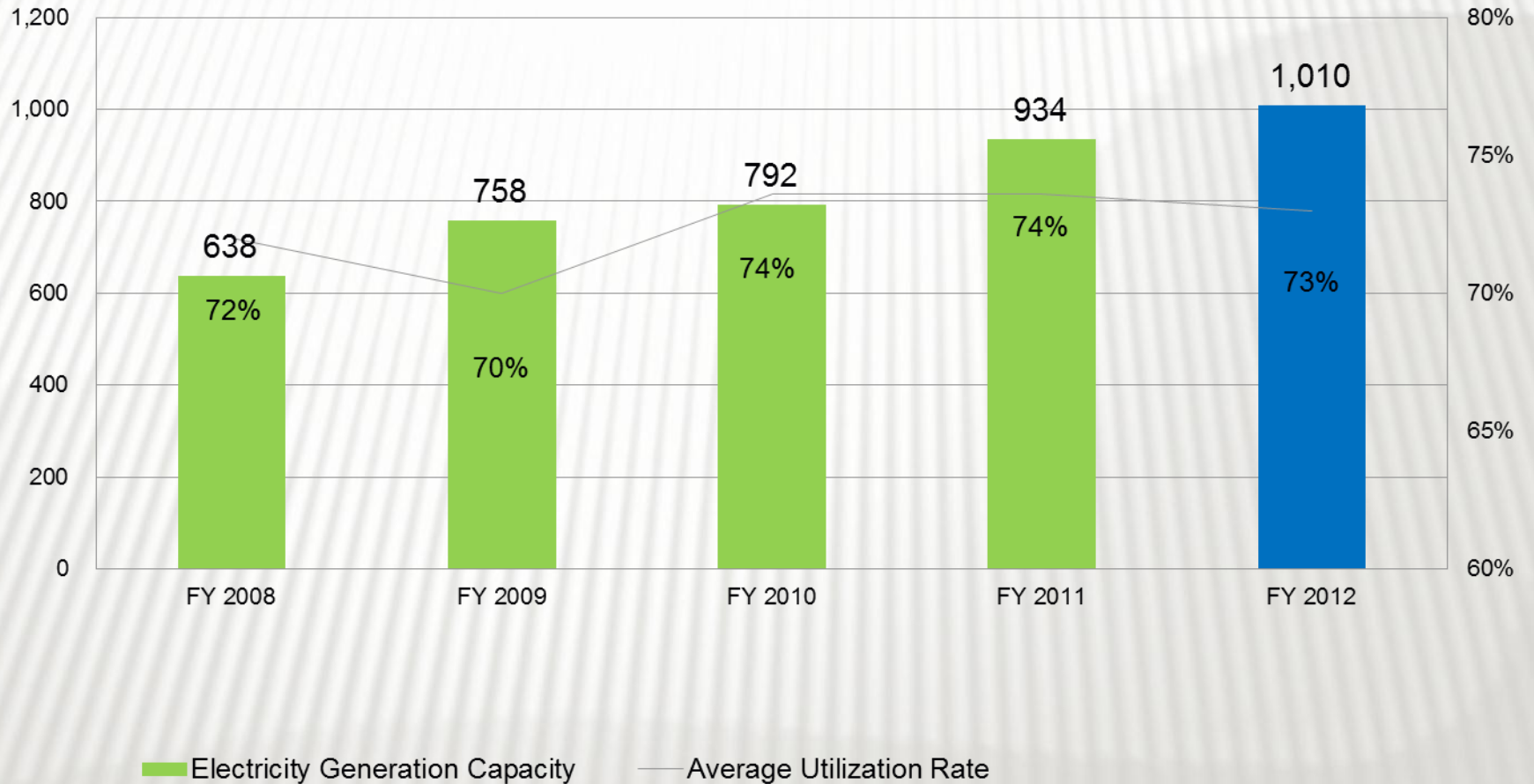


## Diesel Genset is the majority of Generators

Model	Number of Units as of Dec 31, 2012	Capacity (kW)	Average Useful Life (Yrs) <sup>(2)</sup>	Average Age as of Dec 31, 2012 (Yrs)
Diesel Generator Sets	828	1,001,054	10	6
Gas Generator Sets	5	9,000	15	2
<b>Total</b>	<b>833</b>	<b>1,010,054</b>		

# Electricity Generations Capacity & Lease Rate

Electricity Generator Capacity and Average – Utilization Rate in MW





# PT. Sanggar Sarana Baja (SSB) – Engineering Services

## Business Overview

Transport  
Equipment  
Division

Designing, manufacturing and distributing products for transportation and material handling business

Site Services  
Division

On-site repair, process plant maintenance and construction services

Fabrication  
Division

Design and manufacture of process equipment, general fabrication, site construction and installation solutions

Re-Manufacturing  
Division

Salvaging, remanufacturing and manufacturing of heavy equipment core components

## Fabrication Division





## Site Service work at SSB Client





## PT. Cipta Krida Bahari (CKB) – Integrated Logistic

### Business Overview

- Integrated logistics provider offering freight forwarding, project logistics, industrial / offshore and coal logistics shipping, warehouse and shorebase management services
- **Freight forwarding services:** Integrated logistics services via owner and third party operated freight services
- **Project logistics:** Transportation of over weight and over size cargo (heavy equipment, machines and engines)
- **Energy related logistics:** Industrial, offshore and coal logistics shipping and warehouse and shorebase management services
- PT Baruna Dirga Dharma (BDD) is our coal logistic.
- Provides through CKB and a third-party sub-contractor, barging services to TIA as a part of its coal logistics chain

—ISO 9001: 2008 and OHSAS 18001: 2007

## Project Logistic of Overweight and over Size Cargo





## Logistic Shipping and Warehouse





To anticipate the uncertainty Energy and Coal industry, our strategy is to maintain our growth and profitability, at the same time be cautious. We will focus on improving efficiency to reduce costs to keep its balance sheet healthy.

Capex plan is mainly to complete MDB Project, Aceh, couple with SS in increasing temporary power capacity to 1,250MW. At CK will be very minimum capex, we will utilize the available heavy equipment for 3 new projects in 2013 (1 signed end 2012)

## Coal Production

- TIA producing at maximum capacity 5mn ton annually till life of mine.
- MDB is expected to complete in Oct 2013 MDB with target in 2014 and 2015 to produce 7 mn and 10 mn ton coal respectively.
- In total Reswara production in 2014 and 2015 is 12 mn tons and 15 mn .

At SS will expand its portfolio to IPP (Independent Power Plant) to maintain sustainable revenue stream in 10 years ahead. This year Temporary power is expecting still growth at the level of 10%.

**FY 2012**

# Financial Highlights and Review

## 2012 Revenue Increased 17.7% YoY

ABM Console ( in thousand)	FY 2012	FY 2011	Δ
<b>Sales</b>	<b>886,971</b>	<b>753,834</b>	<b>17.7%</b>
COGS	(714,703)	(594,994)	20.1%
<b>Gross Profit</b>	<b>172,268</b>	<b>158,840</b>	<b>8.5%</b>
Gross Profit Margin	19.4%	21.1%	
Operating Expenses	(113,909)	(81,901)	39.1%
Other operating	(2,399)	5,802	-141.4%
<b>Income from Operation</b>	<b>55,958</b>	<b>82,741</b>	<b>-32.4%</b>
Finance expenses - net	(32,979)	(21,140)	56.0%
EBT	23,073	61,640	-62.6%
EBITDA	178,214	144,263	23.5%
Tax	(10,645)	(6,376)	66.9%
EAT	12,427	55,263	-77.5%
EAT Margin	1.4%	7.3%	
<b>Income Attributable to parent</b>	<b>13,637</b>	<b>55,534</b>	<b>-75.4%</b>



## ABM Total Assets Increased 13.7%

ABM Console (in thousand)	31 Dec 2012	31 Dec 2011	Δ
Current Asset	461,743	470,784	-1.9%
Non Current Assets	801,653	640,144	25.2%
<b>Total Assets</b>	<b>1,263,397</b>	<b>1,110,929</b>	<b>13.7%</b>
Current Liabilities	376,625	345,701	8.9%
Non Current Liabilities	540,712	428,119	26.3%
Equity	346,060	337,109	2.7%
<b>Total Liabilities and Equity</b>	<b>1,263,397</b>	<b>1,110,929</b>	<b>13.7%</b>

## ABM Operational Result and FY 2013 Guideline

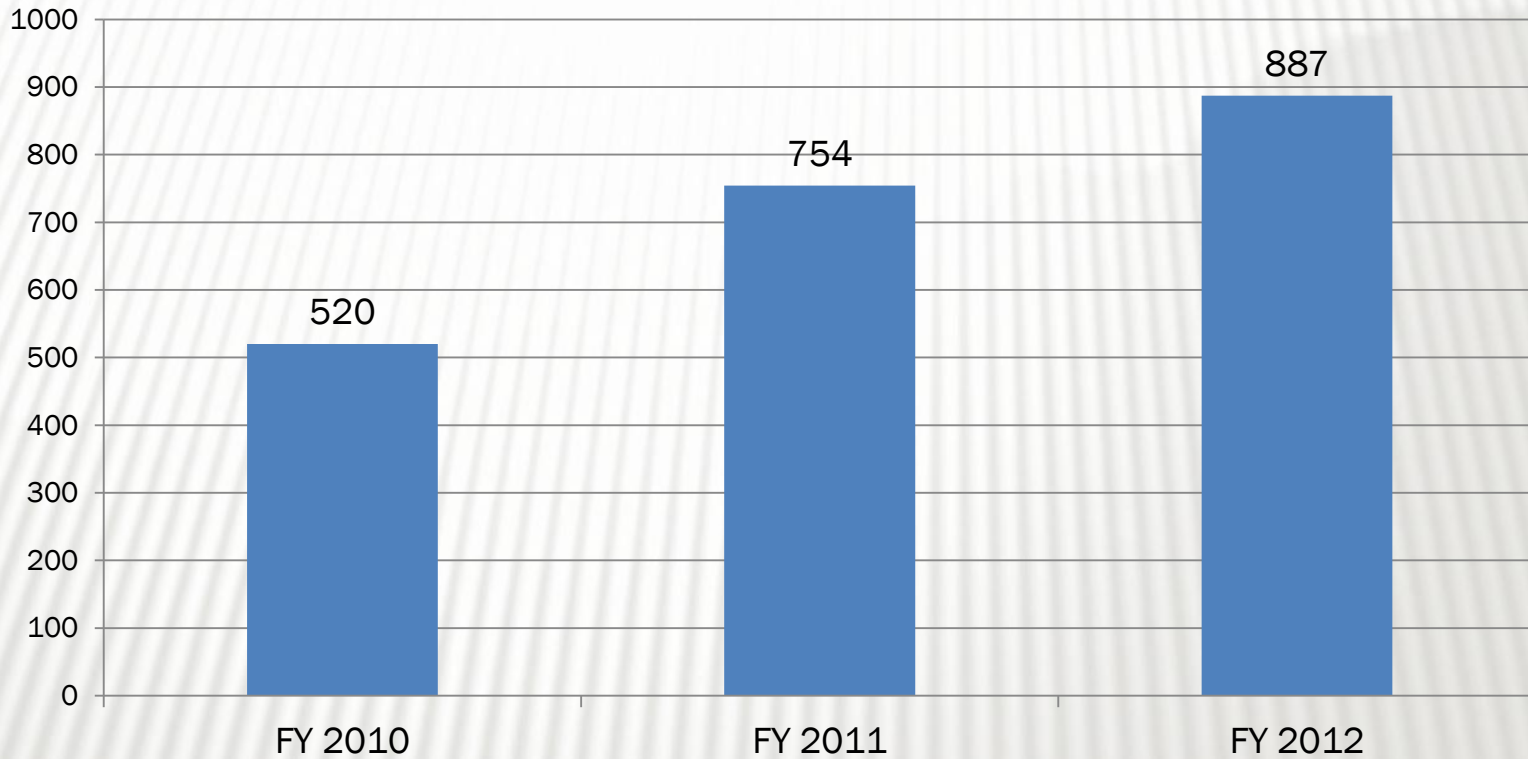


Subsidiaries Operation 's Indicator	FY 2011	FY 2012	Growth YoY	Budget 2013	F Growth YoY
CK Overburden Removal (mn bcm)	118	130	10.1%	140	7.7 %
CK Rental Business Services (mn ton coal)	10.6	11.9	12.3%	16	34%
Reswara – Coal sales & Production(mn ton coal)	2.1	4.6	119%	6	30%
SS – Installed Electricity (MW))	945	1010	7%	1250	19%
Capex Spending USD Mn	278	282	1.4%	275	-2.4%

# Historical ABM Revenue

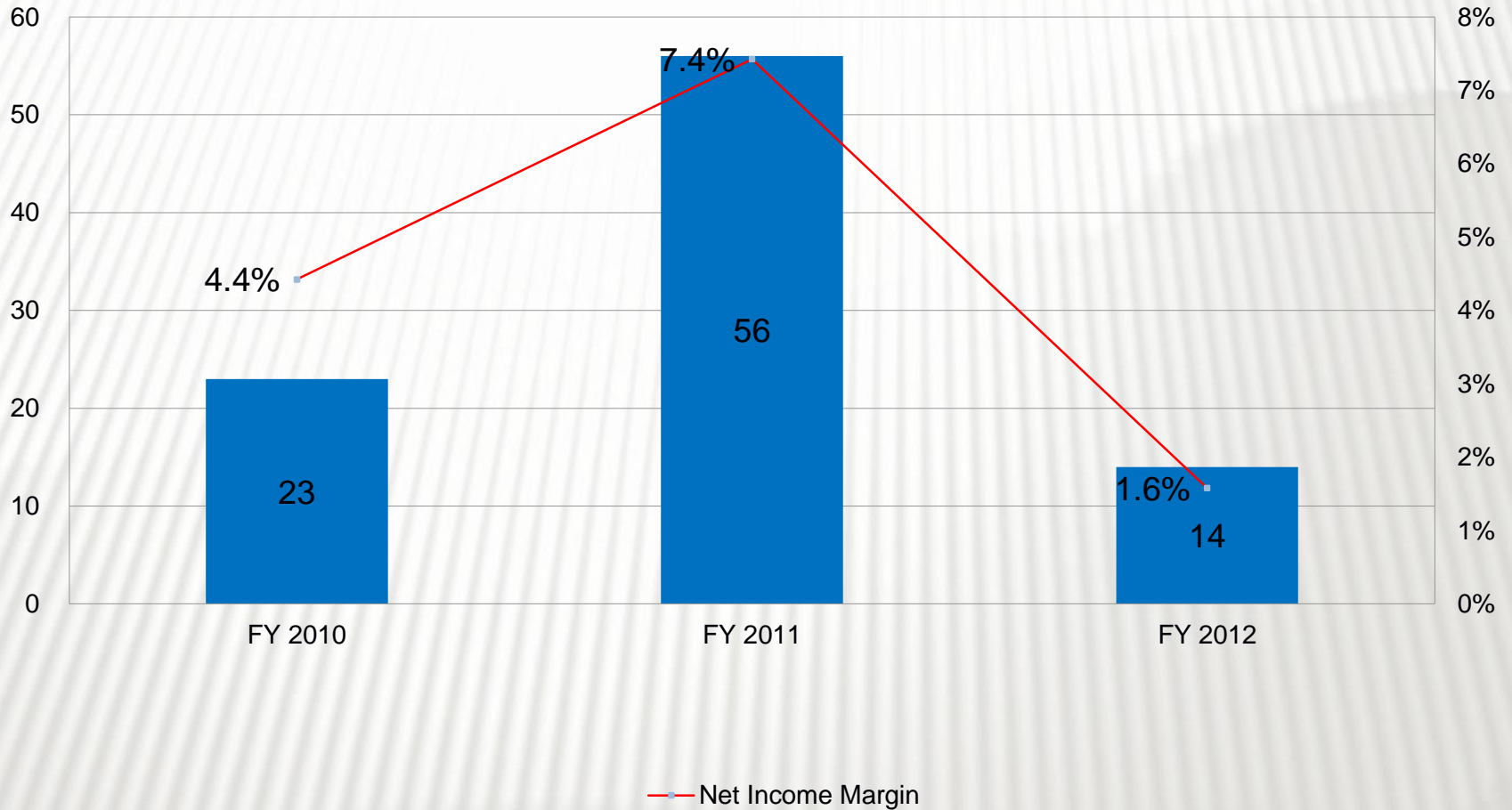


Revenue (in million USD)

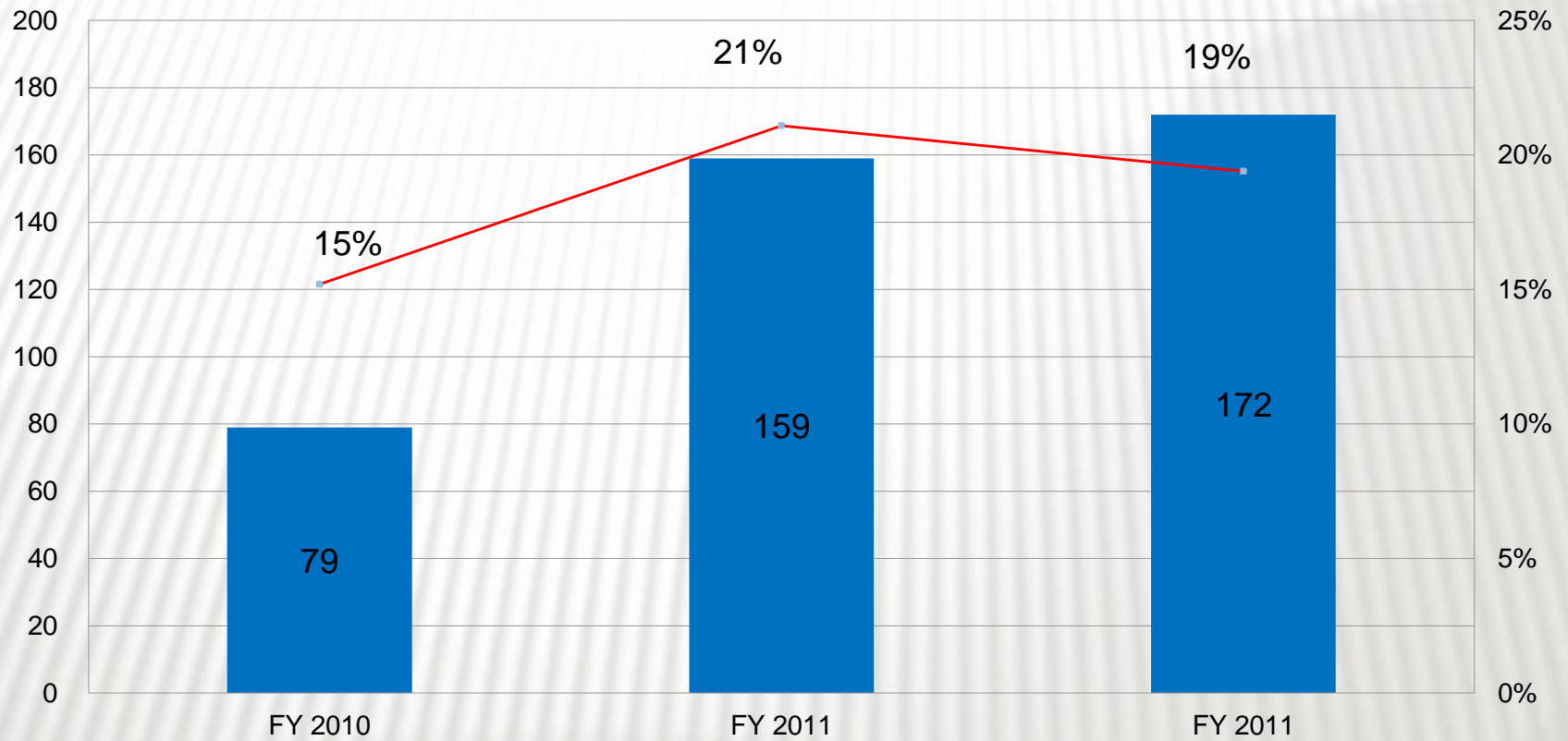




# Net Income decreased to 1.6% in FY 2012



# Gross Profit decreased to 19%



## Capex FY 2012

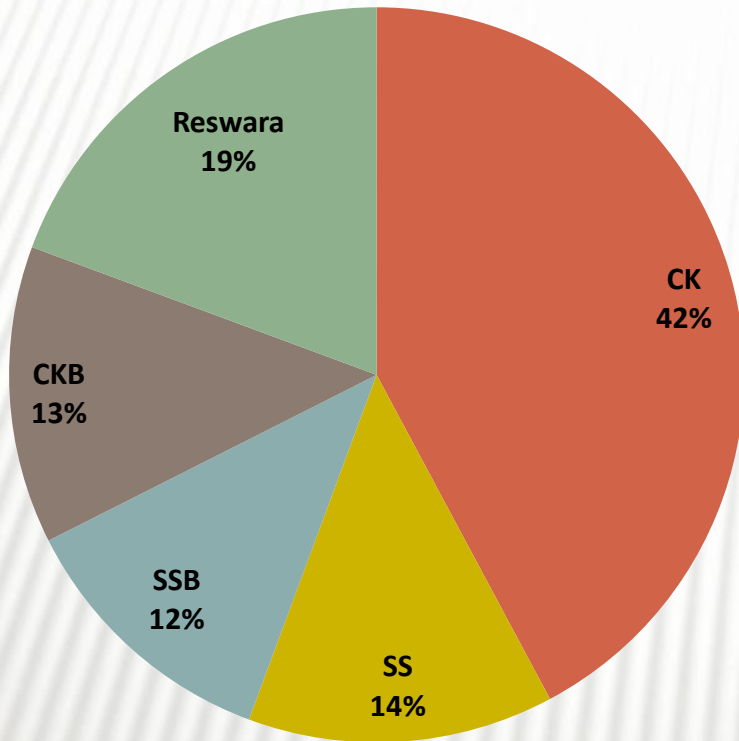
Capex	USD	Allocation in %
SSB	8,793	3.1%
SS	80,381	28.5%
CK	112,575	39.9%
CKB	47,515	16.9%
Reswara	32,026	11.4%
Total	281,902	100.0%



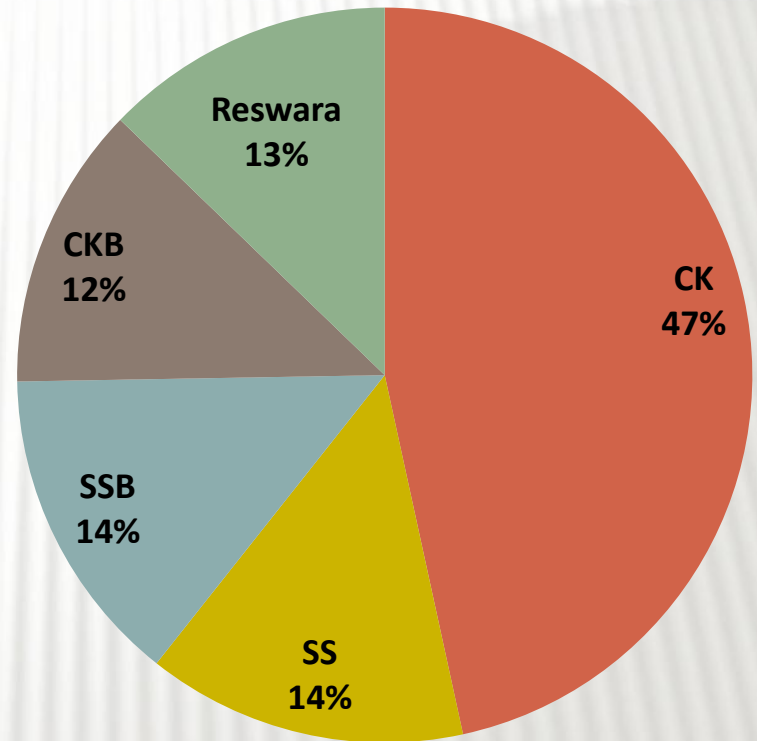
# Contribution from Subsidiaries

## Revenue

2012



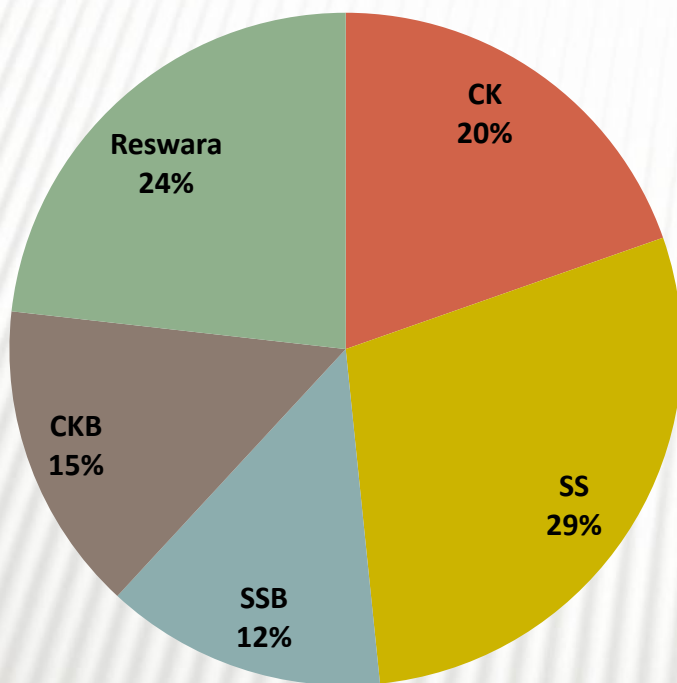
2011



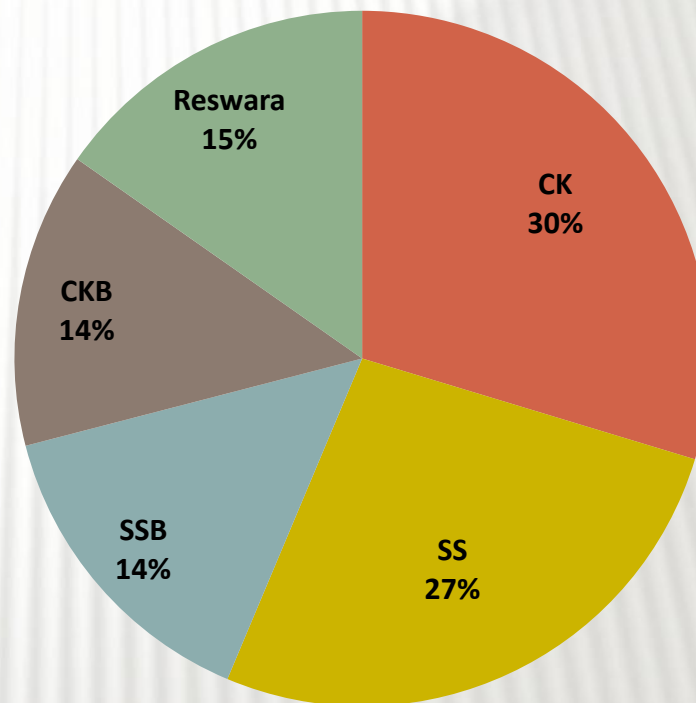
# Contribution from Subsidiaries

## Gross Profit

2012



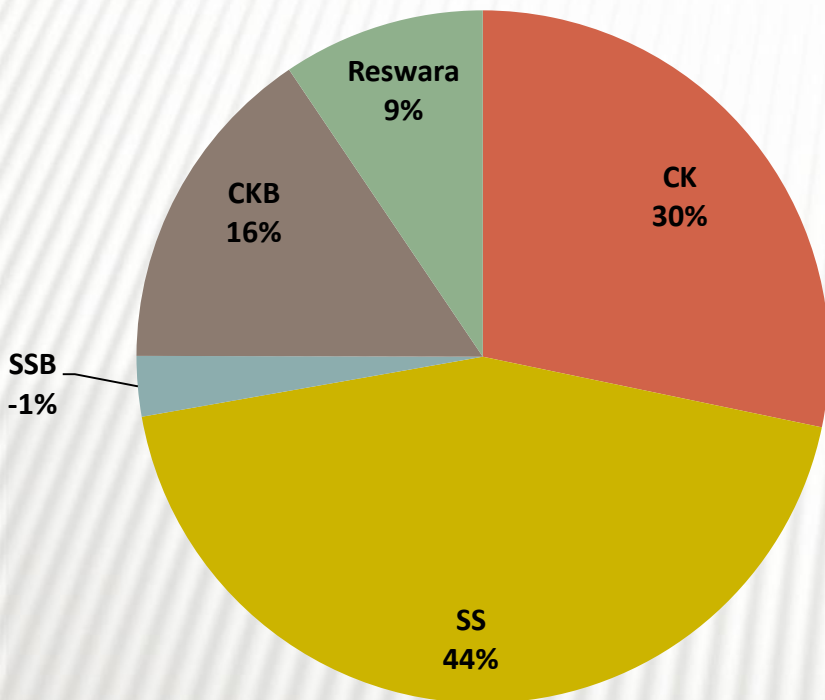
2011



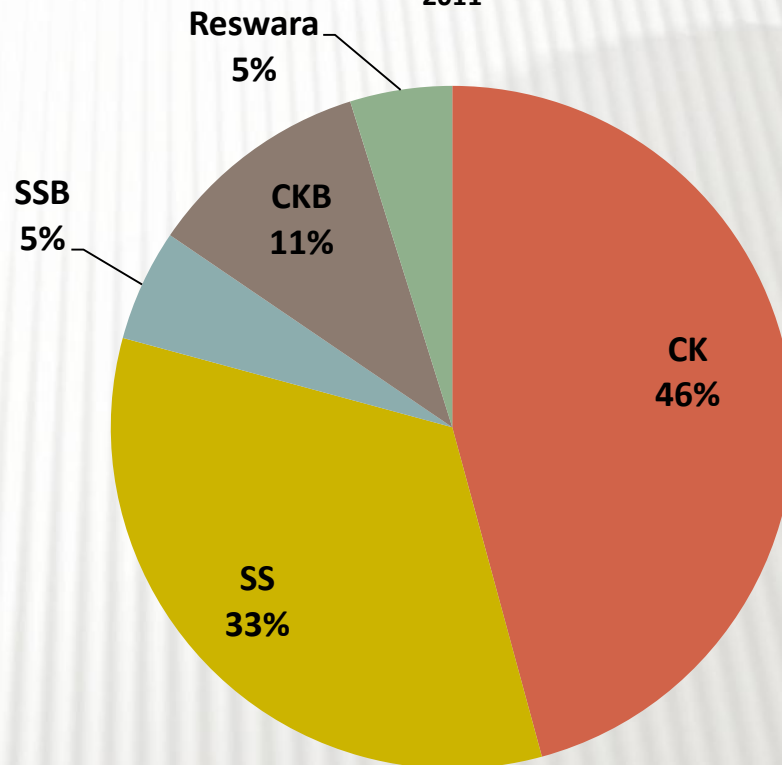
# Contribution from Subsidiaries

## Income From Operations

2012



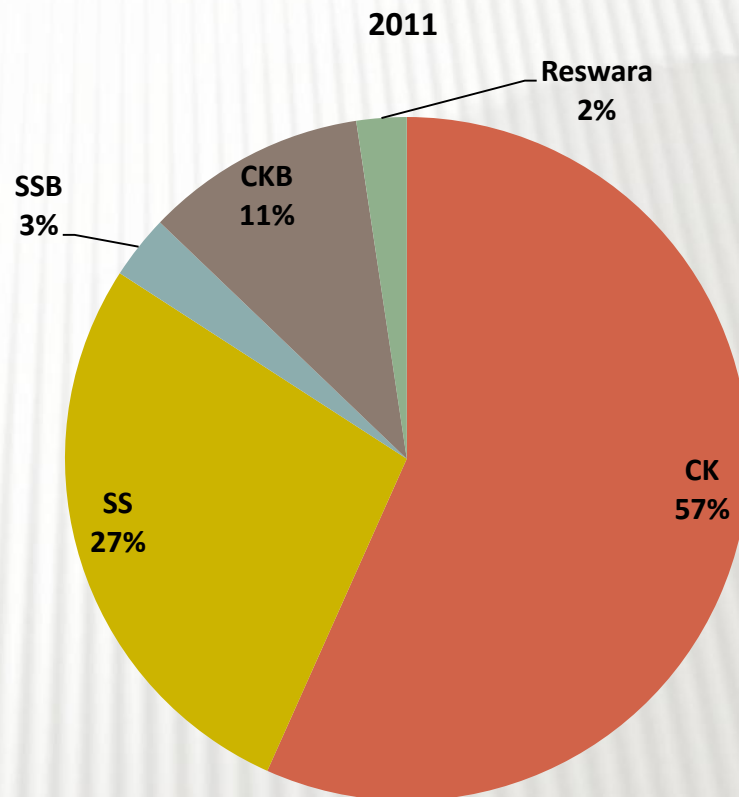
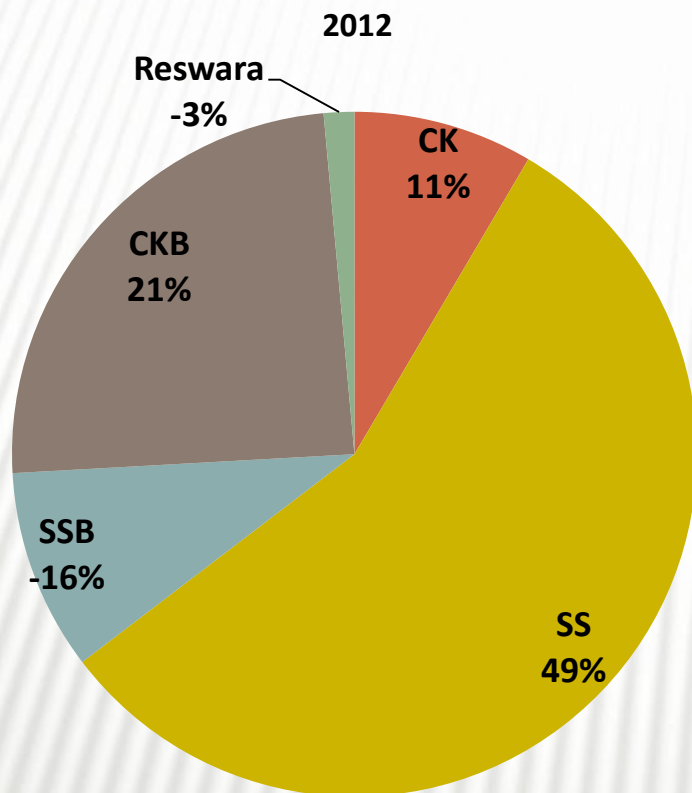
2011





# Contribution from Subsidiaries

## Net Income



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