

INFO MEMO 9M10 RESULTS

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PT BUKIT ASAM (PERSERO), Tbk. CONSOLIDATED FINANCIAL STATEMENTS as at 30 September 2010

Sales volume increased by 12% for the year ended 30 September 2010

Jakarta, Oktober 2010 – PT Bukit Asam (Persero), Tbk. announced its consolidated financial statements as at 30 September 2010 (unaudited).

Sales Volume

The Company's sales volume increased by 12% to 9.78 million tons in the period of January – September 2010 from 8.73 million tons in the same period last year. Domestic sales volume contributed 64% of the total sales volume, and export sales volume contributed 36%.

Sales Revenue

During the period of January – September 2010, the Company's sales revenue amounted to Rp5,901.73 billion, or decreased by 10% compared to the figure in the same period last year (9M-2009 : Rp 6,554.89 billion), mainly due to decrease in selling price.

Weighted average domestic selling price in the period January – September 2010 decreased by 18% from Rp 751,428 per ton to Rp 613,214 per ton, or approximately USD 68.72 per ton.

Weighted average export selling price in the period of January – September 2010 was USD65.44 per ton, or decreased by 6% compared to the figure in the same period last year, which was USD 69.98 per ton.

However, weighted average export selling price in the period of January – September 2010 increased by 7% compared to weighted average export selling price in the period of January – June 2010.

Railway Capacity

In the period of January - September 2010, total coal transported by railway lines (from Tanjung Enim Mine to both, Tarahan Port and Kertapati Pier) increased by 2% compared to the total of coal transported in the period of January –

September 2009, or increase to 8.05 million tons.

Coal Production and Purchasing

Coal production in the period of January – September 2010 increased to 8.88 million tons, or increased by 3% compared to coal production in the same period in 2009. This included coal production from IPC mine in Kalimantan.

Stripping ratio increase to 3.74 in the period of January – September 2010 from 3.71 in the same period in 2009.

Total coal purchasing in the period of January – September 2010 increased by 28% to 0.51 million tons from 0.40 million tons in the same period last year.

Thus, total coal production and purchasing in the period of January – September 2010 increased to 9.39 million tons, or increased by 4.4% compared to total coal production and purchasing in the same period in 2009.

Operating Income

The Company's Operating Income in the period of January – September 2010 decreased by 45% to Rp 1,633.44 billion from Rp 2,962.21 billion in the same period in 2009.

Drop in Operating Income was due to drop in Sales Revenue and rise in COGS. The difference between coal inventories as at 30 September 2010 and coal inventories as at 30 September 2009 was the main factor of rise in COGS, which increased by 20% to Rp 3,257.17 billion as at 30 September 2010. If we deduct coal inventories from COGS, COGS in the period of January – September 2010 only increased by 12% compared to COGS in the period of January – September 2009.

Rise in COGS was also due to increase in railway tariff.

Net Income

The Company's net income in the period of January – September 2010 decreased by 38% to Rp 1,389.89 billion from Rp 2,228.21 billion in the same period last year.

The Company's Gross Profit Margin (GPM), Operating Profit Margin (OPM), and Net Profit Margin (NPM) in the period of January – September 2010 were 45%, 28%, and 24% respectively. ROI and ROA in the period of January – September 2010 were 23% , and 17% respectively.

Net income per share in the period January - September 2010 dropped to Rp 603,- from Rp967,- in the same period in 2009. Number of ordinary shares outstanding was 2,304,131,850 shares.

Assets

The consolidated total assets as at 30 September 2010 of Rp 8,277.63 billion, or increased by 10% compared to total assets as at 30 September 2009.

Cash and cash equivalents for the year ended 30 September 2010 of Rp 4,844.31 billion, or increased by 84% compared to cash and cash equivalents as at 30 September 2009.

Target for year 2010

Sales volume target for FY10 of 14 million tons, or increased by 12% compared to sales volume in FY09 due to the expectation of the increase in coal transported by railway.

Business Development Projects

➤ To increase the existing railway capacity.

The Company and PT Kereta Api (Persero), or PTKA, have signed a Long term Coal Transportation Agreement (CTA) for 20 years from 1st January 2010 until 31th December 2029.

Based on this CTA, PTKA will increase coal transportation capacity gradually, as follows :

Year	Total Capacity (million ton)
2010	11.0
2011	14.0
2012	15.6
2013	18.5
2014	22.7
2015 - 2029	22.7

In order to achieve year 2011 target, which is 14 million tons, PTKA will add 6 new locomotives and a number of wagons in 2011.

➤ A New Railway Line (Tanjung Enim mine – A New Port in Lampung)

PT Bukit Asam Transpacific Railway or PT BATR, which is the joint venture company between PTBA (10%), PT Transpacific Railway Infrastructure (80%) and China Railway Engineering Corporation (10%), has signed Engineering, Procurement and Construction (EPC) and Operator & Maintenance (O&M) contracts with China Railway Group Limited for the development of a new Railway & Port with

railway track of 307 KM and capacity of 25 million tons per annum.

China Railway Engineering Corporation own 100% stake of China Railway Group Limited.

EPC contract of USD 1.3 billion with the contract period of 4 years.

This railway line will transport PTBA's coal from Banko Tengah Mine in Tanjung Enim, South Sumatera Province to a new port in Srengsem, Lampung Province.

The project is currently in the design stage (Engineering). The railway line will operate commercially in 2014 and will increase PTBA's production significantly.

➤ Banjarsari Mine Mouth Power Plant (2 x 100 MW)

The Company has 59.75% stake in the power plant, and will supply 1.1 million ton coal to power plant.

CNEEC (China National Electric Equipment Corporation) has been appointed as EPC (Engineering, Procurement and Construction) contractor with the construction period of 30 months.

Re-negotiation PPA (Power Purchase Agreement) is under process with PLN as offtaker , due to the increase in the required investment of project. The Company will supply 1.1 million ton of coal to this power plant.

➤ Mine Mouth Power Plant (3 x 10 MW) for internal use at Tanjung Enim Mine

As at 30 September 2010, the progress of mine mouth power plant 3x10 MW at Tanjung Enim Mine achieved 76%. This is a

power plant for internal use with total investment of USD 41.4 million. The Company expects to start the operation of this power plant in 2Q11.

➤ **Power Plant (2 x 8 MW) for internal use at Tarahan Port**

The Company will build a power plant (3 x 8 MW) for internal use with total investment of USD 32.7 million, in order to support operation at Tarahan Port.

Consortium between Shandong Machinery and Pusaka Jaya International has been chose as Engineering, Procurement and Construction (EPC) contractor for this project, and the current stage is in EPC contract negotiation with the contractor. The Company expects to start the EPC in 1Q11, and to start operation in 1Q13.

Jakarta, 27 October 2010



Achmad Sudarto
Corporate Secretary

PT BUKIT ASAM (PERSERO) Tbk AND SUBSIDIARY
Summary of Company Performance (unaudited)
For the periode Ended September 30, 2010
With Comparative Figures for 2010

	2010 <i>(Mill Rp)</i>	2009 <i>(Mill Rp)</i>	2010:2009 <i>(%)</i>
SALES			
Coal			
Domestic	6,306,970	6,090,829	104%
Export	3,476,360	2,635,795	132%
Total coal (ton)	9,783,330	8,726,624	112%
Bricuette (ton)	14,108	17,691	80%
SALES			
Coal (Rp)			
Domestic	3,867,522	4,576,817	85%
Export	2,017,743	1,956,603	103%
Total coal (ton)	16,463	21,474	77%
Bricuette (ton)	5,901,728	6,554,895	90%
Profit (loss)			
Gross profit	2,644,552	3,833,181	69%
Operating Profit	1,633,444	2,962,205	55%
Net Profit	1,389,892	2,228,207	62%
Earnings Per Share	603	967	62%
Assets, Liabilities & Equity			
Total assets	8,277,626	7,492,156	110%
Cash and cash equivalents	4,844,305	2,629,357	184%
Current Assets	6,533,788	6,274,550	104%
Current Liabilities	1,094,212	1,275,044	86%
Non Current liabilities	1,118,626	777,005	144%
Total Liabilities	2,212,838	2,052,049	108%
Minority	156,505	85,407	183%
Amortitation and Depreciation	45,376	47,415	96%
Interest Income	1,364	50	2752%
Tax	439,127	911,456	48%
Equity			
- Capital Stock	1,152,066	1,152,066	100%
- Additional paid in capital	30,485	30,485	100%
- General Reserve	3,335,840	1,943,942	172%
- Net Income	1,389,892	2,228,207	62%
Total Equity	5,908,283	5,354,700	110%
FINANCIAL RATIO			
Current assets to current liabilities (%)	597%	492%	121%
Total liabilities to total assets (%)	27%	27%	98%
ROI (%)	23%	43%	54%
ROA (%)	17%	30%	56%

PT BUKIT ASAM (PERSERO) Tbk AND SUBSIDIARY
CONSOLIDATED BALANCE SHEET (Unaudited)
As at September 30, 2010 With Comparative Figures for 2009

	2010 (Mill Rp)	2009 (Mill Rp)	2010:2009 %
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4,844,305	2,629,357	184%
Trade receivables	1,120,297	2,723,830	41%
Other receivables	28,201	29,809	95%
Inventories - net	376,861	580,705	65%
Other current assets	164,124	310,849	53%
TOTAL CURRENT ASSETS	6,533,788	6,274,550	104%
NON-CURRENT ASSETS			
Estimated claims for tax refund	-	-	0%
Mining property - IPC	192,208	199,063	97%
Property, plant and equipment (net of accumulated depreciation)	415,061	372,473	111%
Investment in associated company	5,423	125,972	4%
Deferred exploration and development costs - net	701,961	309,871	227%
Placement of Fund - Bond	71,316	-	0%
Deposits and guarantees	4,209	4,514	93%
Deferred tax assets - net	296,672	195,168	152%
Other non-current assets - net	56,988	10,545	540%
TOTAL NON-CURRENT ASSETS	1,743,838	1,217,606	143%
TOTAL ASSETS	8,277,626	7,492,156	110%
LIABILITIES AND STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES			
Trade payables	176,546	133,621	132%
Accrued expenses	690,090	683,469	101%
Taxes payable	119,535	394,456	30%
Current portion of provision for Ombilin open pit mine closure	5,410	5,410	100%
Current portion of provision for environmental protection and reclamation	17,799	19,520	91%
Provision for employee restructuring program	57,025	30,474	187%
Current maturities of long term debt-bank loan	24,070	-	0%
Other current liabilities	3,737	8,094	46%
Total current liabilities	1,094,212	1,275,044	86%
NON-CURRENT LIABILITIES			
Provision for retirement and employee benefits	942,710	640,135	147%
Provision for environmental protection and reclamation net of current portion	175,423	136,031	129%
Long term debt - net Other	493	839	59%
Total non-current liabilities	1,118,626	777,005	144%
TOTAL LIABILITIES	2,212,838	2,052,049	108%
MINORITY INTERESTS IN NET ASSETS OF CONSOLIDATED SUBSIDIARY	156,505	85,407	183%
STOCKHOLDERS' EQUITY			
Capital Stock	1,152,066	1,152,066	100%
Additional paid-in capital - net	30,485	30,485	100%
Retained earnings			
Appropriated	3,335,840	1,943,942	172%
Unappropriated - last year	-	-	0%
Unappropriated - this year	1,389,892	2,228,207	62%
TOTAL STOCKHOLDERS' EQUITY	5,908,283	5,354,700	110%
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	8,277,626	7,492,156	110%

PT BUKIT ASAM (PERSERO) Tbk AND SUBSIDIARY
CONSOLIDATED STATEMENT OF INCOME (unaudit)
Ended September 30, 2010
With Comparative Figures for 2009

	<u>2010</u> <i>(Mill Rp)</i>	<u>2009</u> <i>(Mill Rp)</i>	<u>2010:2009</u> <i>(%)</i>
Sales	5,901,728	6,554,894	90%
Cost of GOODS SOLD	<u>3,257,176</u>	<u>2,721,713</u>	120%
Gross profit	<u>2,644,552</u>	<u>3,833,181</u>	69%
Operating expenses			
General and administrative	464,364	466,071	100%
Selling and marketing	529,192	390,273	136%
Exploration	17,552	14,632	120%
Total Operating Expenses	<u>1,011,108</u>	<u>870,976</u>	116%
Income from operations	<u>1,633,444</u>	<u>2,962,205</u>	55%
OTHER INCOME (CHARGES)			
Foreign exchange gain (loss) - net	(36,166)	(15,762)	229%
Interest income	183,065	163,907	112%
Employee restructuring expense	11,725	9,374	0%
Others - net	27,135	21,719	125%
Other Income - Net	<u>185,759</u>	<u>179,238</u>	104%
INCOME BEFORE INCOME TAX	<u>1,819,203</u>	<u>3,141,443</u>	58%
INCOME TAX EXPENSE (BENEFIT)			
Current	489,395	934,796	52%
Deferred	(50,268)	(23,340)	215%
INCOME TAX EXPENSE - NET	<u>439,127</u>	<u>911,456</u>	48%
INCOME BEFORE MINORITY INTEREST IN NET INCOME OF CONSOLIDATED SUBSIDIARY	<u>1,380,076</u>	<u>2,229,987</u>	62%
MINORITY INTEREST IN NET INCOME OF CONSOLIDATED SUBSIDIARY	<u>9,816</u>	<u>(1,780)</u>	-551%
NET INCOME	<u>1,389,892</u>	<u>2,228,207</u>	62%
EARNINGS PER SHARE	<u>603</u>	<u>967</u>	62%