Company Update
Full Year 2016

20 March 2017

Share Price Data (as of 20 March 2017)	
Ticker @IDX	DOID
Last Price (Rp)	755
Outstanding Shares (mn)	8,325
Market Capitalization (Rp bn)	6,285
Market Capitalization (USD mn)*	470

based on exchange rate of Rp13,329

Shareholder Structure	
Northstar Tambang Persada Ltd	39.2%
Public	60.8%

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Jakarta – PT Delta Dunia Makmur Tbk. ("**DOID**" or the "**Company**") presents its newsletter with consolidated financial and operating results that include its primary and wholly-owned subsidiary, PT Bukit Makmur Mandiri Utama ("**BUMA**").

Despite challenging market situation throughout most of 2016, the Company managed to turnaround its operations and posted a US$37 million net income in FY 2016 vs. a net loss of US$8 million in FY 2015.

HIGHLIGHTS OF CONSOLIDATED RESULTS *(in US$M unless otherwise stated)*

Profitability	FY16	FY15	YoY
EBITDA	217	186	16%
EBITDA Margin 4)	**37.1%**	**33.8%**	**3.2%**
Operating Profit	122	88	40%
Operating Margin 4)	20.9%	15.9%	5.0%
Net Profit (Loss)	37	(8)	547%
EPS (in Rp)	*Rp 59*	*Rp (13)*	541%
Cash Flows	**FY16**	**FY15**	**YoY**
Capex	126	56	127%
Free Cash Flow 5)	107	110	-3%
Balance Sheet	**Dec-16**	**Dec-15**	**Δ**
Cash Position 1)	96	99	(3)
Net Debt 2)	497	568	(70)

QUARTERLY RESULTS *(in US$M unless otherwise stated)*

Volume 3)	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16
OB Removal (mbcm)	59.0	70.1	72.3	71.1	61.2	71.9	81.8	84.9
Coal (mt)	8.1	7.9	8.9	8.3	7.8	7.7	9.3	10.3
Financials	**1Q15**	**2Q15**	**3Q15**	**4Q15**	**1Q16**	**2Q16**	**3Q16**	**4Q16**
Revenue	122	145	152	147	127	132	159	193
EBITDA	33	49	58	46	39	43	58	77
EBITDA Margin 4)	27.5%	34.4%	38.4%	33.7%	31.6%	33.4%	38.5%	42.1%
Operating Profit	8	24	33	23	15	19	35	53
Operating Margin 4)	6.4%	16.8%	21.9%	16.5%	11.9%	14.9%	23.3%	29.1%
Net Profit (Loss) 6)	(10)	0	6	(5)	3	5	17	12

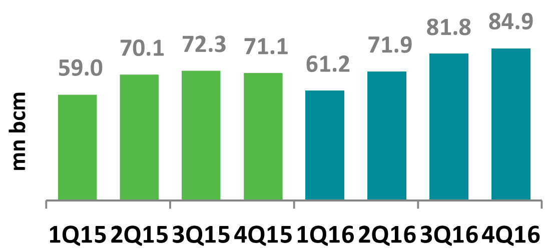
FY 2016 HIGHLIGHTS

- Overburden removal volume increased by 10% YoY in FY 2016 to 299.8 million bcm while coal production increased by 6% to 35.1 million tons primarily due to significant volume increase from contracts signed in 2016.
- Net revenue increased by 8% in FY 2016 to US$611 million vs. US$566 million for FY 2015, primarily a result of mining rates adjustments in the last few months of 2016 from coal-index linked contracts and volume increase.
- EBITDA was US$217 million for 2016 vs. US$186 million for 2015, resulting from improvement in volume and rate adjustments, coupled with 7% YoY decline in operational cash cost per unit to US$0.99 for 2016, from improved productivity and various cost efficiency measures. EBITDA Margin was 37.1% for full year 2016 and 42.1% for the 4th quarter of 2016, which were highest we have seen in the past few years.
- Cash flows generation remained strong at US$107 million after US$126 million of capital expenditure, exhibiting continuous disciplined approach.
- The Company was further deleveraged after reducing its debt by a net of US$73 million throughout 2016, resulting in net debt position of US$497 million and net debt to EBITDA ratio of 2.3x. In addition, on February 2017, BUMA, a subsidiary, completed the refinancing of its bank loans with the issuance of Senior Notes and a bank loan facility with terms and condition that would support BUMA's future growth (see Other Updates).

Notes:
1) *Cash position includes restricted cash in bank.*
2) *Debt includes only the outstanding contractual liabilities.*
3) *2016 volume is restated to include adjustment related to additional work.*
4) *Margins are based on net revenues excluding fuel.*
5) *Free cash flow is cash flow before debt service, excluding financing proceeds.*
6) *Certain figures were restated due to the implementation of PSAK 24 (Employee Benefits), effective 2015.*

Exhibit 1: Quarterly Production

OVERBURDEN REMOVAL



COAL PRODUCTION

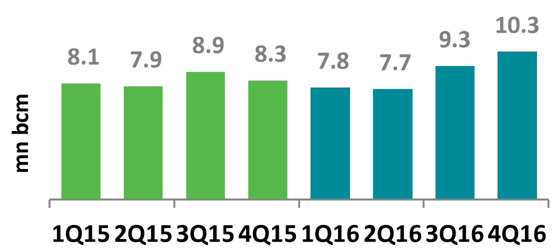


Exhibit 2: Net Debt

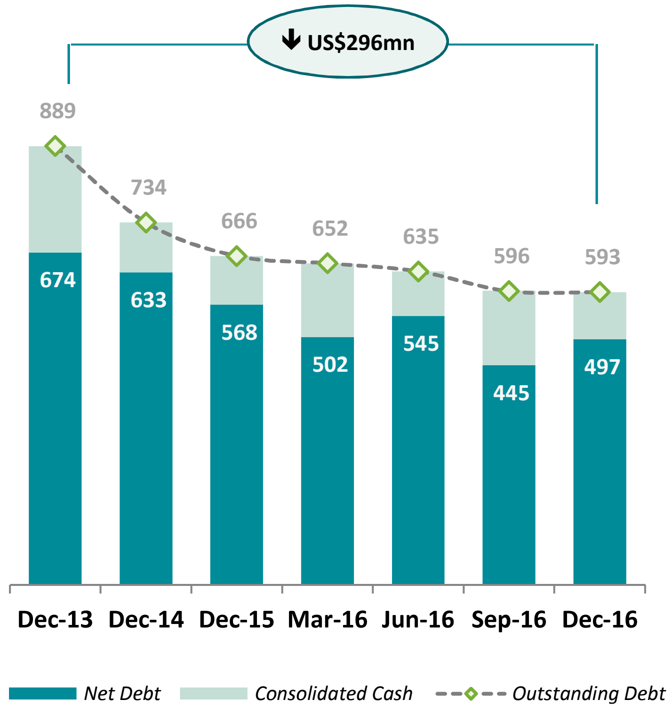


Exhibit 3: Consolidated Free Cash Flows[2)]

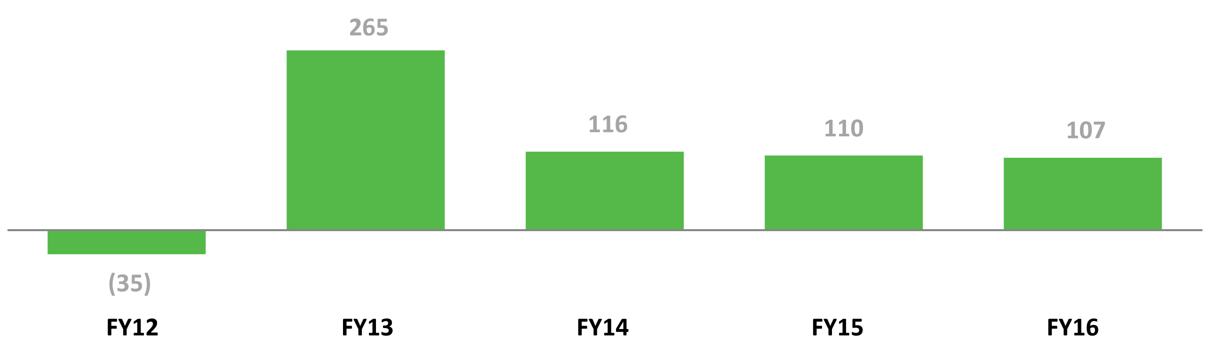
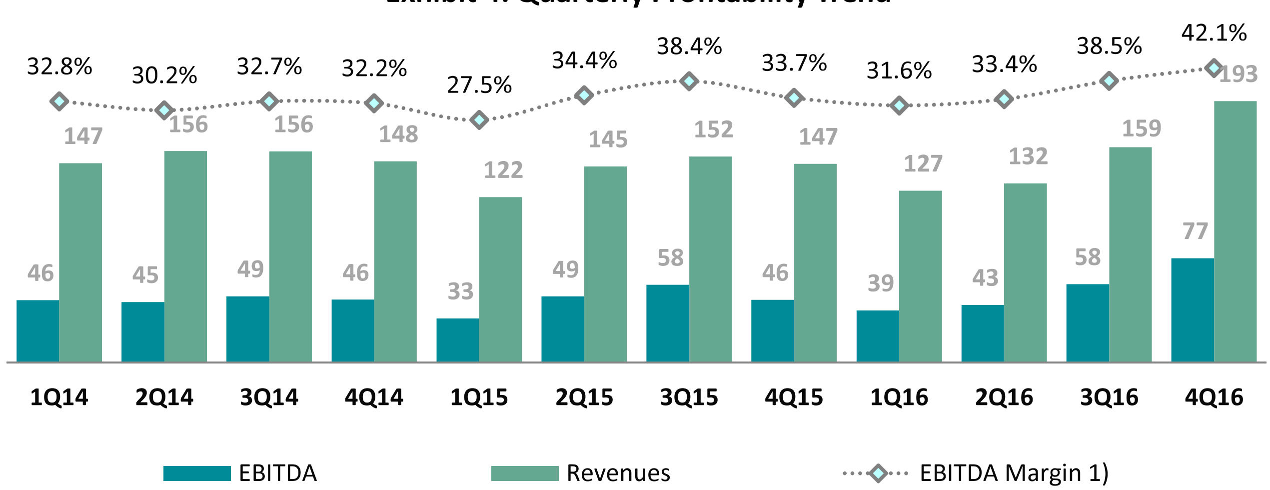


Exhibit 4: Quarterly Profitability Trend



Notes:

1) Margins are based on net revenues excluding fuel.

2) Defined as free cash flows before debt service, and excludes financing proceeds.

DOID'S CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In US$ mn (unless otherwise stated)	FY16	FY15	YoY
Net revenues	611	566	*8%*
Revenue excl. fuel	*584*	*551*	*6%*
Cost of revenues	447	440	*2%*
Gross profit	**164**	**126**	***30%***
Operating expenses	(42)	(38)	*9%*
Finance cost	(53)	(46)	***16%***
Others - net	*(8)*	*(47)*	*-83%*
Pretax profit (loss)	**61**	**(6)**	***1149%***
Tax expense	24	3	***838%***
Profit (loss) for the year	**37**	**(8)**	***547%***
Other comprehensive income - net	1	8	*-82%*
Comprehensive income	**39**	**(0)**	***12223%***
EBITDA	**217**	**186**	***16%***
Basic EPS (in Rp) [3)]	*Rp 59*	*Rp (13)*	***541%***

DOID'S CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

In US$ mn (unless otherwise stated)	Dec-16	Dec-15	YTD
Cash and cash equivalents	67	71	*-5%*
Trade receivables - current	144	138	*5%*
Other current assets	88	100	*-12%*
Trade receivables - non-current	-	1	*-100%*
Restricted cash in bank	29	28	*2%*
Fixed assets - net	406	379	*7%*
Other non-current assets	148	116	*28%*
TOTAL ASSETS	**882**	**832**	***6%***
Trade payables	80	26	*201%*
LT liabilities - current	106	47	*123%*
Derivative liabilities-current	-	2	*-100%*
Other current liabilities	34	26	*29%*
LT liabilities - non current	501	614	*-18%*
Other non-current liabilities	35	30	*17%*
TOTAL LIABILITIES	**756**	**747**	***1%***
TOTAL EQUITY	**126**	**85**	***49%***

DOID'S FINANCIAL RATIOS [1)]

	FY16	FY15
Gross margin	28.0%	22.8%
Operating margin	20.9%	15.9%
EBITDA margin	37.1%	33.8%
Pretax margin	10.4%	-1.1%
Net margin	6.3%	-1.5%

DOID'S CONSOLIDATED STATEMENTS OF CASH FLOWS

In US$ mn (unless otherwise stated)	FY16	FY15
Net CF from Operating Activities	190	119
Net CF from Investing Activities	(36)	(44)
Net CF from Financing Activities	(159)	(77)
Net change in cash & cash equivalents	(5)	(2)
Beginning balance cash & cash equivalents	71	75
Effect of foreign exchange rate changes	1	(3)
Ending balance cash & cash equivalents [2)]	**67**	**71**

Notes:
1) *Margins are based on net revenues excluding fuel.*
2) *Excludes restricted cash in bank.*
3) *Reported EPS translated into Rp using average exchange rate of Rp13,307 and Rp13,392 for FY16 and FY15, respectively.*

BUMA'S STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In US$ mn (unless otherwise stated)	**FY16**	**FY15**	***YoY***
Net revenues	611	566	*8%*
Revenue excl. fuel	*584*	*551*	***6%***
Cost of revenues	447	440	***2%***
Gross profit	**164**	**126**	***30%***
Operating expenses	(39)	(35)	*11%*
Finance cost	*(53)*	*(46)*	***16%***
Others - net	*(1)*	*(14)*	***-91%***
Pretax profit	**71**	**31**	***127%***
Tax expense	22	6	***253%***
Profit for the year	**48**	**25**	***95%***
Other comprehensive income - net	1	8	*-82%*
Comprehensive income	**50**	**33**	***52%***

EBITDA	**220**	**190**	***16%***

BUMA'S STATEMENTS OF FINANCIAL POSITION

In US$ mn (unless otherwise stated)	**Dec-16**	**Dec-15**	***YTD***
Cash	49	50	*-1%*
Trade receivables - current	144	138	*5%*
Due from related party - current	182	-	*100%*
Other current assets	88	100	*-12%*
Trade receivables - non-current	-	1	*-100%*
Restricted cash in bank	29	28	*2%*
Due from related party	-	234	*-100%*
Fixed assets - net	405	378	*7%*
Other non-current assets	148	114	*30%*
TOTAL ASSETS	**1,046**	**1,043**	***0%***
Trade payables	80	26	*201%*
LT liabilities - current	106	47	*123%*
Derivative liabilities-current	-	2	*-100%*
Other current liabilities	35	25	*39%*
LT liabilities - non-current	501	614	*-18%*
Other non-current liabilities	35	30	*17%*
TOTAL LIABILITIES	**757**	**746**	***2%***
TOTAL EQUITY	**288**	**297**	***-3%***

BUMA'S STATEMENTS OF CASH FLOWS

In US$ mn (unless otherwise stated)	**FY16**	**FY15**
Net CF from Operating Activities	194	120
Net CF from Investing Activities	(36)	(45)
Net CF from Financing Activities	(159)	(77)
Net change in cash	(1)	(2)
Beginning balance cash	50	52
Ending balance cash[1)]	**49**	**50**

Notes:
1) Excludes restricted cash in bank.

OTHER UPDATES

A. CONTRACTS

In December 2016, BUMA, the primary operating subsidiary, signed two mining contracts:

- A contract amendment with PT Adaro Indonesia ("Adaro") to extend the currently existing contracts on Paringin Pit in Tanjung Tabalong, South Kalimantan to 2022 (life of mine), which is valued at approximately Rp5.7 trillion (~US$428 million).

- A contract with a new customer, PT Angsana Jaya Energy ("AJE"), a subsidiary of Geo Energy, an SGX-listed company, for operations in Tanah Bumbu, South Kalimantan, which is valued at approximately Rp862 billion (~US$66 million).

- The breakdown of production targets and contract period is as follows:

Contract	Overburden Volume	Coal Volume	Contract Period
Adaro	223 mn bcm	31.8 mn tons	For Life of Mine (expected until 2022)
AJE	19 mn bcm	6.3 mn tons	Until 2018
Total	242 mn bcm	38.1 mn tons	

B. DEBT FINANCING

- In 2016, the Company further deleveraged its balance sheet after US$159 million of debt repayment, with US$103 million being a voluntary prepayment toward its bank loan facilities. Despite incurring new finance leases of US$86 million to support capital expenditure needs, outstanding debt was reduced by a net of US$73 million, resulting in net debt position of US$497 million and net debt to EBITDA ratio of 2.3x.

- On February 14, 2017, BUMA, the primary operating subsidiary, completed the refinancing of its bank loan facilities, consisting of USD603 million syndicated loan facilities, with SMBC as the Facility Agent ("SMBC Facility"), and USD15 million loan facility with PT CIMB Niaga Tbk ("CIMB Facility") with (i) the proceeds from BUMA's 5-year 7.75% USD350 million Senior Notes issuance ("Senior Notes"), (ii) USD100 million LIBOR+3% loan facility from The Bank of Tokyo Mitsubishi UFJ, Ltd. ("BTMU Facility"), and (iii) BUMA's internal cash. The refinancing allows for operational and financial flexibility to support BUMA's future growth.