



21 March 2019

Share Price Data (as of March 20, 2019)

Ticker @IDX	DOID
Last Price (Rp)	580
Outstanding Shares (mn)	8,612
Market Capitalization (Rp bn)	4,995
Market Capitalization (USD mn) ¹	351

¹ based on 14,231/USD exchange rate

Shareholder Structure

Northstar Tambang Persada Ltd	38.1%
Public	61.9%

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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**”).

The Company recorded an US\$76 million net profit for FY 2018, 62% higher compared to FY 2017. The Company’s performance and profitability in 2H 2018 normalized, after a recovery in 3Q 2018.

HIGHLIGHTS OF CONSOLIDATED RESULTS				QUARTERLY RESULTS								
<i>(in US\$M unless otherwise stated)</i>				<i>(in US\$M unless otherwise stated)</i>								
Profitability	FY18	FY17	YoY	Volume	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
EBITDA	298	281	6%	OB Removal (mbcm)	83.2	83.1	91.3	82.6	79.8	89.6	114.6	108.5
EBITDA Margin ³⁾	36.2%	38.6%	-2.4%	Coal (mt)	10.2	9.9	10.5	9.6	9.7	10.2	10.4	12.0
Operating Profit	164	172	-5%	Financials	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
Operating Margin ³⁾	19.9%	23.6%	-3.7%	Revenue	181	180	198	206	182	202	254	254
Net Profit	76	47	62%	EBITDA	70	61	76	74	57	64	98	79
EPS (in Rp)	Rp 126	Rp 74	70%	EBITDA Margin ³⁾	40.3%	35.7%	40.2%	38.2%	34.0%	33.7%	41.3%	34.6%
Cash Flows	FY18	FY17	YoY	Operating Profit	44	35	47	45	26	31	63	44
Capex	305	186	64%	Operating Margin ³⁾	25.8%	20.4%	25.2%	23.0%	15.6%	16.2%	26.8%	19.0%
Operating Cash Flow	241	262	-8%	Net Profit (Loss)	24	(15)	23	15	10	8	32	26
Free Cash Flow ⁴⁾	(63)	77	-181%	Balance Sheet	Dec-18	Dec-17	Δ					
				Cash Position ¹⁾	103	94	9					
				Net Debt ²⁾	602	488	114					

- Overburden removal volume for 4Q 2018 was 108.5 million bcm, improved by 31% from 82.6 million bcm in 4Q 2017. Coal production was 12 million tonnes in 4Q 2018, higher by 24% compared to 9.6 million tonnes in 4Q 2017. Given increased capacity by over 30% since beginning of the year, and improved asset utilization in 2H 2018, the Company recorded its highest-ever full year production volume to 392.5 million bcm of overburden removal or 15% higher compared to 340.2 million bcm recorded for FY 2017.
- Net revenues for 4Q 2018 was US\$254 million, 24% higher than US\$206 million recorded in 4Q 2017. EBITDA was US\$79 million for 4Q 2018, a 7% increase compared to US\$74 million in 4Q 2017. The Company had normalized its performance in 2H 2018 after a challenging ramp-up in 1H 2018, though facing a heavier rainfall in 4Q 2018. With improved asset utilization and people productivity, the Company recorded an EBITDA of US\$298 million for FY 2018 with an EBITDA margin of 36.2%.
- Net profit was US\$26 million for 4Q 2018, 72% higher compared to US\$15 million in 4Q 2017. With improved utilization of its expanded capacity, the Company recorded net profit for FY 2018 of US\$76 million, 62% higher YoY vs. US\$47 million for FY 2017.
- Total capital expenditure spent was US\$305 million for FY 2018, mostly to support the Company’s growth and accommodate the asset replacement cycle, resulting in a US\$63 million negative free cash flow for FY 2018. Operating cash flows remained relatively healthy at US\$241 million for FY 2018.
- With net debt of US\$602 million as of December 31, 2018, the Company is healthily leveraged at consolidated net debt to EBITDA of 2.02x.
- The Company shall remain focused on further improving its operational excellence to boost higher performance, and therefore, delivering improved profitability.

Notes:

- 1) Cash position includes restricted cash in bank and current investments.
- 2) Debt includes only the outstanding contractual liabilities.
- 3) Margins are based on net revenues excluding fuel.
- 4) Free cash flow is cash flow before debt service, and excludes financing proceeds.

OTHER UPDATES

A. DEBT FINANCING

- On December 28, 2018, BUMA issued First Supplemental Indenture to its Senior Notes, after receiving consent from majority of the Holders to amend certain terms which allows added flexibility to incur secured debt. The additional headroom was to be utilized for a standby facility, given uncertainties in coal market that surfaced in 4Q 2018.
- As of December 31, 2018, consolidated outstanding debt was US\$705 million, whereas net debt was US\$602 million, with net debt to EBITDA ratio of 2.02x. Debt to EBITDA was 2.37x, which remains within the covenant limitation of 3.50x.
- On February 18, 2019, BUMA entered into a new facility agreement with MUFG Bank Ltd. (“MUFG”), consisting of (i) US\$100 million term loan facility, and (ii) US\$50 million revolving facility (“MUFG Second Facilities”). The MUFG Second Facilities will mature in 2021 and bear an interest rate of LIBOR + 200 bps, giving BUMA the lowest cost of funding amongst all its existing facilities. The new facilities are meant to be standby facilities in the case of a working capital gap on the back of uncertainties in the coal market.

Concurrently, BUMA also signed an amendment agreement to the MUFG Facilities that originated in February 2017 (“MUFG First Facilities”), reflecting changes in certain terms in order to mirror the amendments made to the Senior Notes in December 2018.

- On February 28, 2019, BUMA executed the first drawdown of MUFG Second Facilities, whereby a majority portion of the drawn amount were used to fully repay a revolving facility tranche under MUFG First Facilities. Subsequent to the full repayment, the said tranche was terminated.

Exhibit 1: Quarterly Production

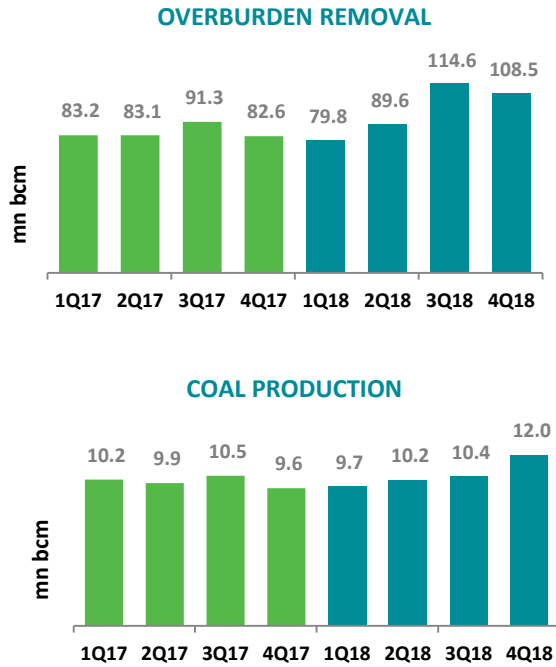


Exhibit 2: Debt Status

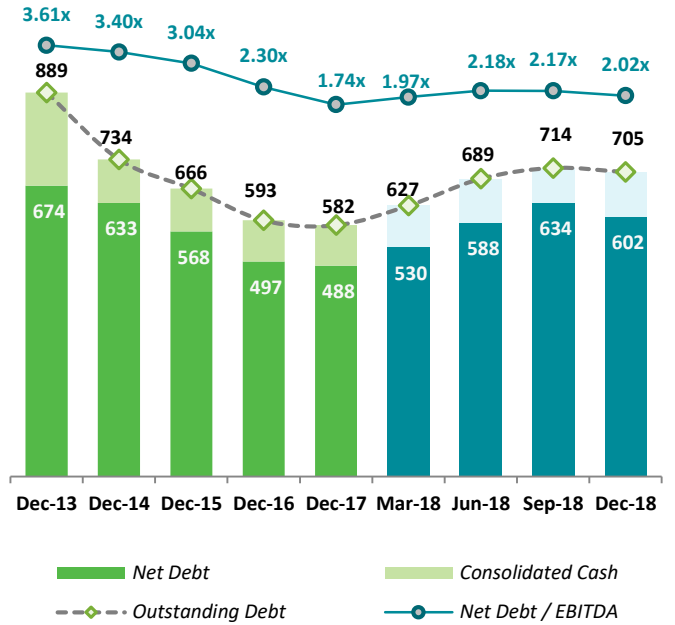


Exhibit 3: Consolidated Cash Flows²⁾

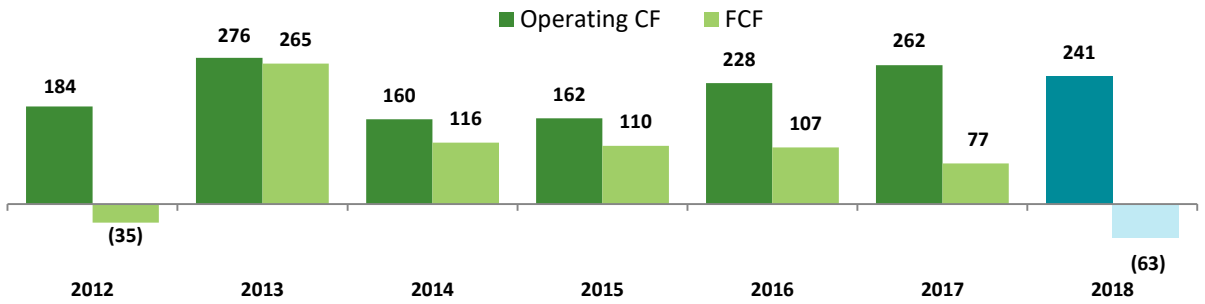
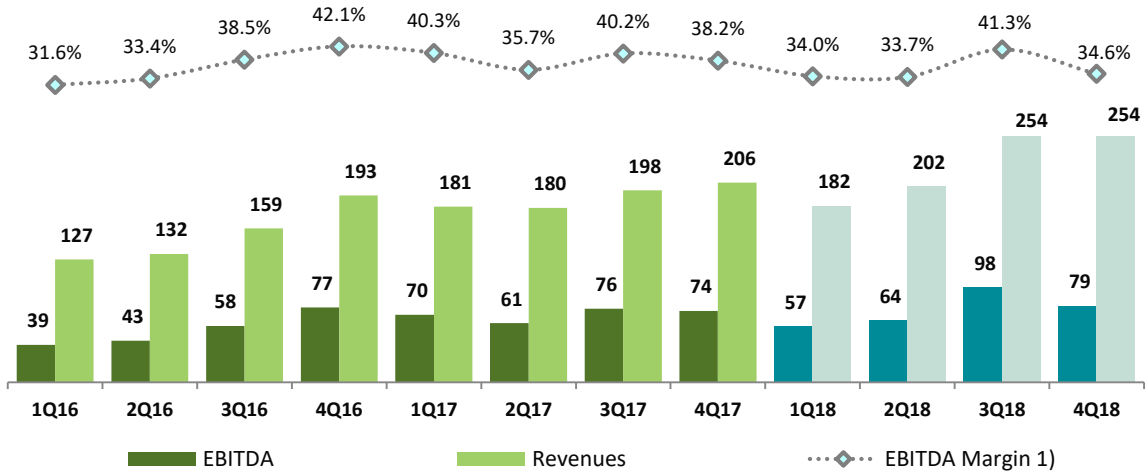


Exhibit 4: Quarterly Profitability Trend



Notes:
 1) Margins are based on net revenues excluding fuel.
 2) Free cash flows is defined before debt service, and excludes financing proceeds. Operational cash flows is free cash flows, before capital expenditures.

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

<i>In US\$ mn (unless otherwise stated)</i>	FY18	FY17	YoY
Net revenues	892	765	17%
<i>Revenue excl. fuel</i>	822	727	13%
Cost of revenues	677	539	25%
Gross profit	216	225	-4%
Operating expenses	(52)	(53)	-3%
Finance cost	(55)	(52)	6%
Others - net	(1)	(33)	-97%
Pretax profit	108	87	24%
Tax expense	32	40	-19%
Profit for the period	76	47	62%
Other comprehensive income - net	5	(4)	<i>n.m.</i>
Comprehensive income	81	43	89%
EBITDA	298	281	6%
Basic EPS (in Rp) ²⁾	126	74	70%

**DOID'S CONSOLIDATED STATEMENTS
OF FINANCIAL POSITION**

<i>In US\$ mn (unless otherwise stated)</i>	Dec-18	Dec-17 ³⁾	YTD
Cash and cash equivalents	67	68	-1%
Other financial assets - current	36	26	37%
Trade receivables - current	222	175	27%
Other current assets	117	78	49%
Trade receivables - non-current	-	4	<i>n.m.</i>
Fixed assets - net	658	484	36%
Other non-current assets	85	110	-23%
TOTAL ASSETS	1,184	945	25%
Trade payables	129	102	27%
LT liabilities - current	97	67	44%
Other current liabilities	54	49	7%
LT liabilities - non current	598	502	19%
Other non-current liabilities	45	48	-5%
TOTAL LIABILITIES	923	768	20%
TOTAL EQUITY	261	177	48%

DOID'S FINANCIAL RATIOS ¹⁾

	FY18	FY17
Gross margin	26.2%	31.0%
Operating margin	19.9%	23.6%
EBITDA margin	36.2%	38.6%
Pretax margin	13.1%	11.9%
Net margin	9.1%	6.4%

Notes:

1) Margins are based on net revenues excluding fuel.

2) Reported EPS are translated into Rp using average exchange rate of Rp14,246 and Rp13,384 for FY18 and FY17, respectively.

3) Certain accounts were reclassified to conform to presentation as of 31 December 2018

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

<i>In US\$ mn (unless otherwise stated)</i>	FY18	FY17	YoY
Net revenues	892	765	17%
<i>Revenue excl. fuel</i>	822	727	13%
Cost of revenues	677	539	25%
Gross profit	216	225	-4%
Operating expenses	(49)	(50)	-2%
Finance cost	(55)	(52)	6%
Others - net	(1)	(33)	-97%
Pretax profit	111	90	23%
Tax expense	33	40	-19%
Profit for the period	78	50	57%
Other comprehensive income - net	5	(4)	<i>n.m.</i>
Comprehensive income	84	46	82%
EBITDA	300	284	6%

**BUMA'S STATEMENTS
OF FINANCIAL POSITION**

<i>In US\$ mn (unless otherwise stated)</i>	Dec-18	Dec-17 ¹⁾	YTD
Cash	54	40	33%
Restricted cash in bank - current	11	11	0%
Trade receivables - current	222	175	27%
Due from related party - current	95	150	-37%
Other current assets	118	78	51%
Trade receivables - non-current	-	4	<i>n.m.</i>
Fixed assets - net	657	484	36%
Other non-current assets	83	110	-25%
TOTAL ASSETS	1,240	1,052	18%
Trade payables	129	102	27%
LT liabilities - current	97	67	44%
Other current liabilities	54	50	6%
LT liabilities - non-current	598	502	19%
Other non-current liabilities	45	48	-6%
TOTAL LIABILITIES	923	769	20%
TOTAL EQUITY	317	283	12%

Notes:

1) Certain accounts were reclassified to conform to presentation as of 31 December 2018