



14 November 2016

Share Price Data (as of 14 Nov 2016)

Ticker @IDX	DOID
Last Price (Rp)	470
Outstanding Shares (mn)	8,311
Market Capitalization (Rp bn)	3,906
Market Capitalization (USD mn)*	292

*based on exchange rate of Rp13,358

Shareholder Structure

Northstar Tambang Persada Ltd	39.3%
Public	60.7%

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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 posted US\$25 million net income in 9M 2016 vs. a net loss of US\$4 million in 9M 2015, underpinned by EBITDA margin expansion and lower other expenses.

HIGHLIGHTS OF CONSOLIDATED RESULTS (in US\$M unless otherwise stated)			
Profitability	9M16	9M15 ³⁾	YoY
EBITDA	140	139	0%
EBITDA Margin ⁴⁾	34.8%	33.9%	
Operating Profit	69	64	7%
Operating Margin ⁴⁾	17.2%	15.7%	
Net Profit (Loss)	25	(4)	n.m
EPS (in Rp)	Rp 41	Rp (6)	n.m
Cash Flows			
	9M16	9M15	YoY
Capex	34	31	8%
Free Cash Flow ⁵⁾	151	116	30%
Financial Position			
	Sep-16	Dec-15	Δ
Cash Position ¹⁾	151	99	52
Net Debt ²⁾	445	568	(123)

QUARTERLY RESULTS (in US\$M unless otherwise stated)							
Volume	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16
OB Removal (mbcm)	59.0	70.1	72.3	71.1	62.4	71.4	79.4
Coal (mt)	8.1	7.9	8.9	8.3	8.0	7.7	9.2
Financials							
	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16
Revenue	122	145	152	147	127	132	159
EBITDA	33	49	58	46	39	43	58
EBITDA Margin ⁴⁾	27.5%	34.4%	38.4%	33.7%	31.6%	33.4%	38.5%
Operating Profit	8	24	33	23	15	19	35
Operating Margin ⁴⁾	6.4%	16.8%	21.9%	16.5%	11.9%	14.9%	23.3%
Net Profit (Loss)	(10)	0	5	(5)	3	5	17

9M 2016 HIGHLIGHTS

- The Company’s overburden removal grew 10% YoY and coal production increased by 14% YoY in 3Q 2016. Cumulatively, overburden removal increased to 213.2 million bcm (+6% YoY) in 9M 2016 while coal production was stable at 24.9 million tons.
- Flat net revenue growth in 9M 2016 was due to adjustment in mining rates for several customers. Notwithstanding this, operating profit grew by 7% YoY to US\$69 million in 9M 2016, primarily due to lower unit production cash cost (-8% YoY) on the back of various initiatives on maintenance and other costs efficiency.
- EBITDA margin expanded to 34.8% in 9M16 vs. 33.9% in 9M 2015.
- Disciplined capex spending and working capital management resulted in US\$151 million (+30% YoY) free cash flow generation during 9M 2016.
- The Company further deleveraged its balance sheet with an additional US\$40 million voluntary prepayment of its bank loans, on top of the scheduled amortization. Net debt was reduced to US\$445 million (-20% YoY), translating into a net debt to LTM EBITDA of 2.4x as of September 2016 vs. 3.0x in September 2015.

Notes:

- 1) Cash position includes restricted cash in bank.
- 2) Debt includes only the outstanding contractual liabilities.
- 3) Restated due to retroactive implementation of PSAK 24 (Employee Benefits).
- 4) Margins are based on net revenues excluding fuel.
- 5) Free cash flow is cash flow before debt service.

Exhibit 1: Quarterly Production

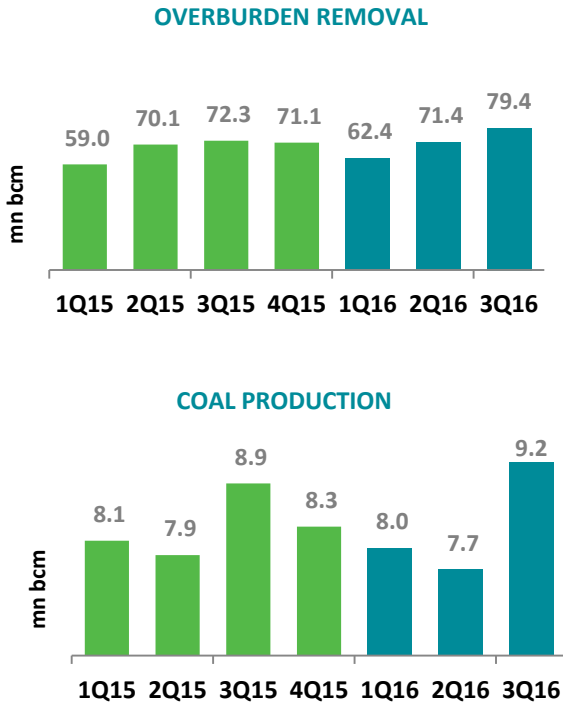


Exhibit 2: Net Debt

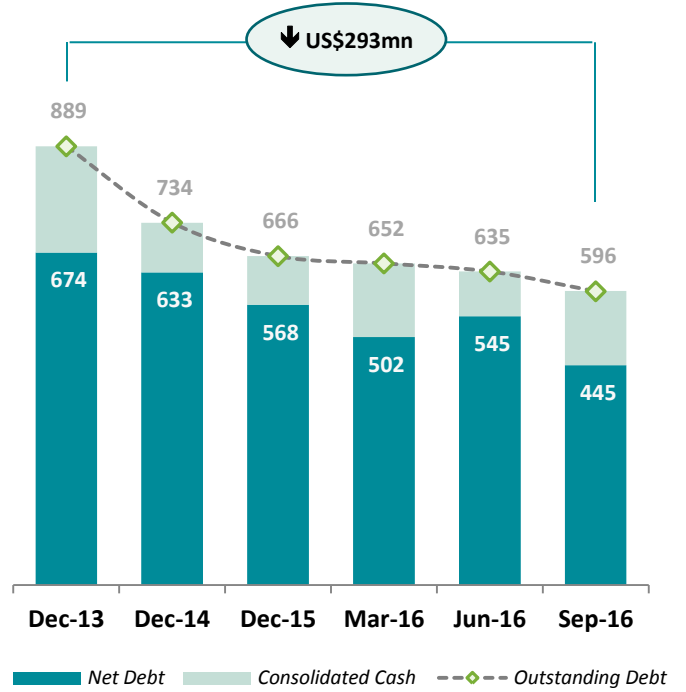


Exhibit 3: Consolidated Free Cash Flows

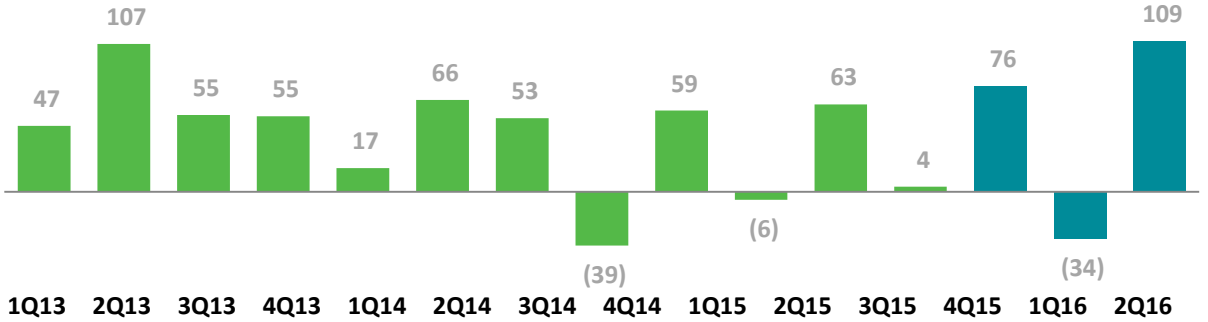
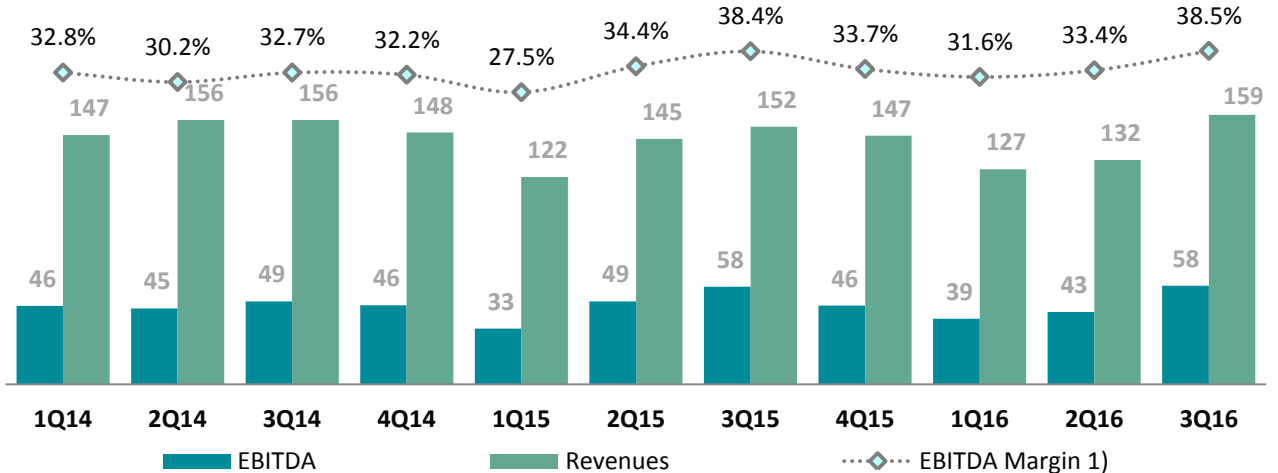


Exhibit 4: Quarterly Profitability Trend



Notes:
1) Margins are based on net revenues excluding fuel.

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

<i>In US\$ mn (unless otherwise stated)</i>	9M16	9M15 ⁴⁾	YoY
Net revenues	418	419	0%
Revenue excl. fuel	401	411	-2%
Cost of revenues	319	325	-2%
Gross profit	99	94	6%
Operating expenses	(30)	(29)	3%
Finance cost	(34)	(35)	-1%
Others - net	4	(30)	n.m.
Pretax profit (loss)	39	(0)	n.m.
Tax expense	13	3	303%
Profit (loss) for the period	25	(4)	774%
Other comprehensive income - net	2	5	-66%
Comprehensive income	27	1	n.m.
EBITDA	140	139	0%
Basic EPS (in Rp) ³⁾	<i>Rp</i> 41	<i>Rp</i> (6)	774%

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

<i>In US\$ mn (unless otherwise stated)</i>	Sep-16	Dec-15	YTD
Cash and cash equivalents	134	71	90%
Trade receivables - current	128	138	-7%
Other current assets	86	100	-13%
Trade receivables - non-current	-	1	n.m.
Restricted cash in bank	17	28	-49%
Fixed assets - net	339	379	-11%
Other non-current assets	135	116	17%
TOTAL ASSETS	839	832	1%
Trade payables	58	26	120%
LT liabilities - current	64	47	35%
Derivative liabilities-current	-	2	n.m.
Other current liabilities	33	26	24%
LT liabilities - non current	536	614	-13%
Other non-current liabilities	34	30	14%
TOTAL LIABILITIES	725	747	-3%
TOTAL EQUITY	115	85	35%

DOID'S FINANCIAL RATIOS ¹⁾

	9M16	9M15
Gross margin	24.7%	22.8%
Operating margin	17.2%	15.7%
EBITDA margin	34.8%	33.9%
Pretax margin	9.7%	-0.1%
Net margin	6.3%	-0.9%

DOID'S CONSOLIDATED STATEMENTS OF CASH FLOWS

<i>In US\$ mn (unless otherwise stated)</i>	9M16	9M15
Net CF from Operating Activities ⁵⁾	152	108
Net CF from Investing Activities	(5)	(9)
Net CF from Financing Activities	(84)	(52)
Net change in cash & cash equivalents	62	47
Beginning balance cash & cash equivalents	71	75
Effect of foreign exchange rate changes ⁵⁾	1	(4)
Ending balance cash & cash equivalents²⁾	134	118

Notes:

1) Margins are based on net revenues excluding fuel.

2) Excludes restricted cash in bank.

3) Reported Basic EPS translated into Rp using average exchange rate of Rp13,328 and Rp13,263 for 9M16 and 9M15, respectively.

4) Restated due to retroactive implementation of PSAK 24 (Employee Benefits).

5) Reclassification to the presentation for comparative purposes.

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

<i>In US\$ mn (unless otherwise stated)</i>	9M16	9M15²⁾	YoY
Net revenues	418	419	0%
<i>Revenue excl. fuel</i>	401	411	-2%
Cost of revenues	319	325	-2%
Gross profit	99	94	6%
Operating expenses	(28)	(27)	2%
Finance cost	(34)	(35)	-1%
Others - net	11	(20)	155%
Pretax profit	48	12	294%
Tax expense	13	3	288%
Profit for the period	35	9	296%
Other comprehensive income - net	2	5	-66%
Comprehensive income	36	13	169%
EBITDA	142	141	0%

**BUMA'S STATEMENTS
OF FINANCIAL POSITION**

<i>In US\$ mn (unless otherwise stated)</i>	Sep-16	Dec-15	YTD
Cash	116	50	133%
Trade receivables - current	128	138	-7%
Other current assets	86	100	-13%
Trade receivables - non-current	-	1	n.m.
Restricted cash in bank	17	28	-38%
Due from related party	182	234	-22%
Fixed assets - net	338	378	-11%
Other non-current assets	134	114	17%
TOTAL ASSETS	1,001	1,043	-4%
Trade payables	58	26	120%
LT liabilities - current	64	47	35%
Derivative liabilities-current	-	2	n.m.
Other current liabilities	34	25	33%
LT liabilities - non-current	536	614	-13%
Other non-current liabilities	34	30	14%
TOTAL LIABILITIES	726	746	-3%
TOTAL EQUITY	275	297	-7%

BUMA'S STATEMENTS OF CASH FLOWS

<i>In US\$ mn (unless otherwise stated)</i>	9M16	9M15
Net CF from Operating Activities	156	107
Net CF from Investing Activities	(5)	(10)
Net CF from Financing Activities	(84)	(52)
Net change in cash	66	45
Beginning balance cash	50	52
Ending balance cash ¹⁾	116	97

Notes:

1) Excludes restricted cash in bank

2) Restated due to retroactive implementation of PSAK 24 (Employee Benefits).

OTHER UPDATES

A. NEW CONTRACTS

- ◆ BUMA signed several contracts in November 2016 with an aggregate value of over Rp42 trillion (~US\$3.3 billion), which will contribute positively to the Company's future growth:
 - A life of mine contract with PT Tadjahan Antang Mineral ("TAM") with a contract value of approximately IDR 3.8 trillion (~US\$288 million). This contract is an extension of a previous contract signed in August 2015. The mining services contract has a total production target of approximately 147 million bcm of overburden and 28 million tons of coal. The project is located in Gunung Mas District, Central Kalimantan.
 - Two contract amendments for Lati and Binungan projects with PT Berau Coal at an aggregate contract value of approximately Rp39 trillion (~US\$ 3 billion). Please note that these contracts were initially signed in 2014. A breakdown of the production targets and contract period of both contracts are set out below:

Location	Overburden Volume	Coal Volume	Contract Period
Lati	1,360 mn bcm	112 mn tons	For Life of Mine (expected until 2025)
Binungan	300 mn bcm	33 mn tons	Until 2020
Total	1,660 mn bcm	145 mn tons	

- An Infrastructure Contract with PT UPC Sidrap Bayu Energy. The contract value is approximately Rp57 billion (~US\$4 million). This is the first Power Plant Infrastructure project for BUMA with most of the work related to infrastructure within earthmoving operations.

B. DEBT REPAYMENTS

- ◆ As of September 30, 2015, BUMA made a **total voluntary prepayment of US\$40 million** toward its US\$603 million Syndicated Loan Facility and US\$25 million PT CIMB Niaga Tbk. Credit Facility. Throughout 2016, including the scheduled amortization and finance leases, BUMA has reduced its debt level by US\$70 million.
- ◆ Since the beginning of 2014, BUMA reduced its outstanding debt by US\$293 million, bringing the total outstanding debt down to US\$596 million as of September 30, 2016 from US\$889 million as of December 31, 2013.

C. BOND ISSUANCE

- ◆ BUMA is currently exploring to issue a high-yield global bond with a maximum size of US\$500 million. The Company intend to use the proceed from the bond issuance to repay in pro-rata its two bank facilities. The bond issuance will not increase the total debt of the Company.