



**PT Delta Dunia Makmur Tbk.
First Quarter 2016 Results
May 2016**



High-Low Coal Price (USD)

Year	High	Low
2007	90.90	51.60
2008	192.50	75.25
2009	86.25	60.20
2010	126.10	88.00
2011	138.50	108.95
2012	118.95	78.05
2013	94.05	76.10
2014	84.25	61.80
2015	71.10	48.50
2016	54.75	46.60*

* Coal price hit the lowest since 2007

Price as of
June 6, 2016 :
USD 53.90

The Company

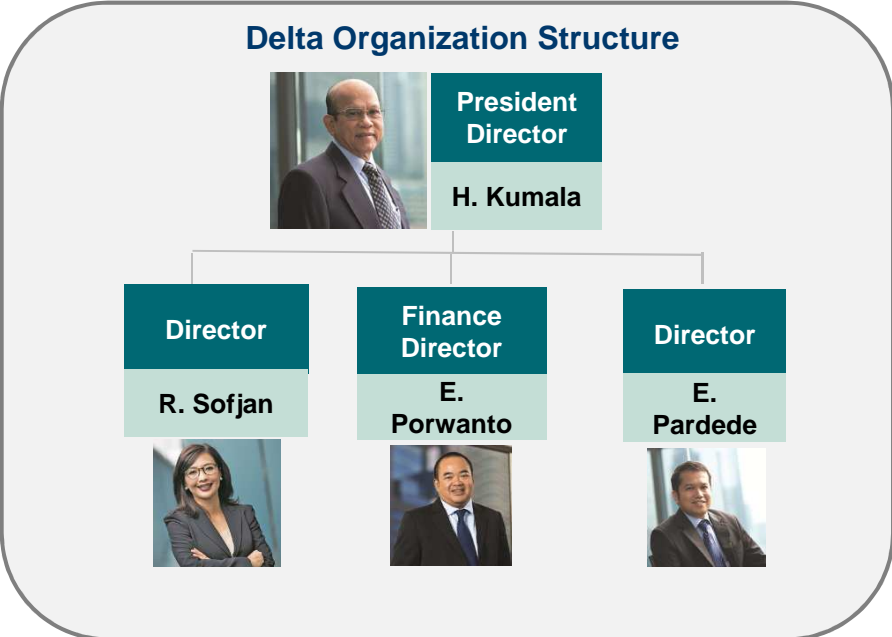
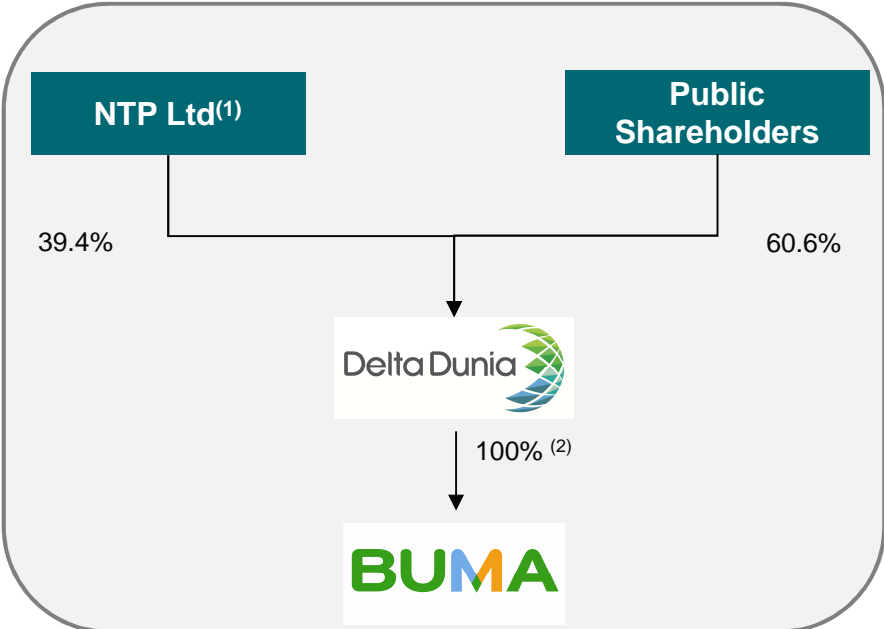


- ◆ PT Delta Dunia Makmur Tbk. -- **Delta Dunia**
- ◆ Listed on IDX as **DOID**
- ◆ Holdco of **BUMA**, second largest coal mining services contractor in Indonesia
- ◆ Acquired entire shares of BUMA less one share in 2009
- ◆ DOID then divested its real estate business and focused on coal mining services



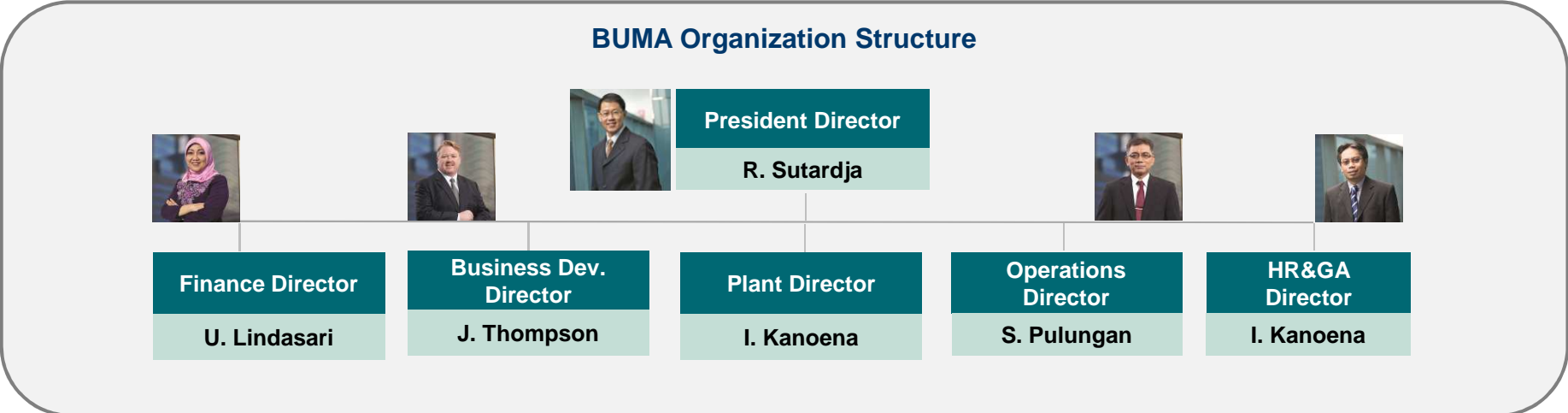
- ◆ PT Bukit Makmur Mandiri Utama – **BUMA**
- ◆ Providing coal mining services – second largest mining contractor in Indonesia
- ◆ Customers include largest coal producers
- ◆ Main equipment consists of approximately 1700 top-quality equipment from Komatsu, Caterpillar, Hitachi, and Volvo
- ◆ Driven by around 8,000 employees
- ◆ Since Q3 2012, implemented various strategic initiatives to improve performance

Shareholder and Management Structure

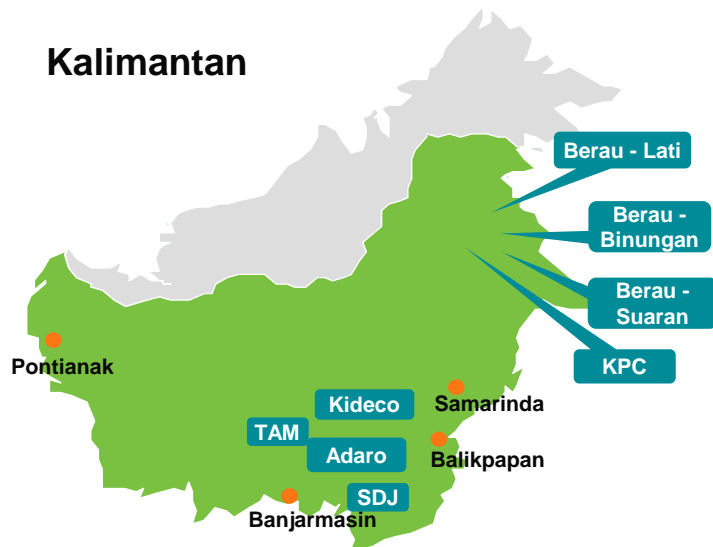


(1) Northstar Tambang Persada Ltd., a company owned by a consortium of investors consisting of affiliates/nominated investment vehicles of TPG Capital, Government of Singapore Investment Corporation, China Investment Corporation and Northstar Equity Partners

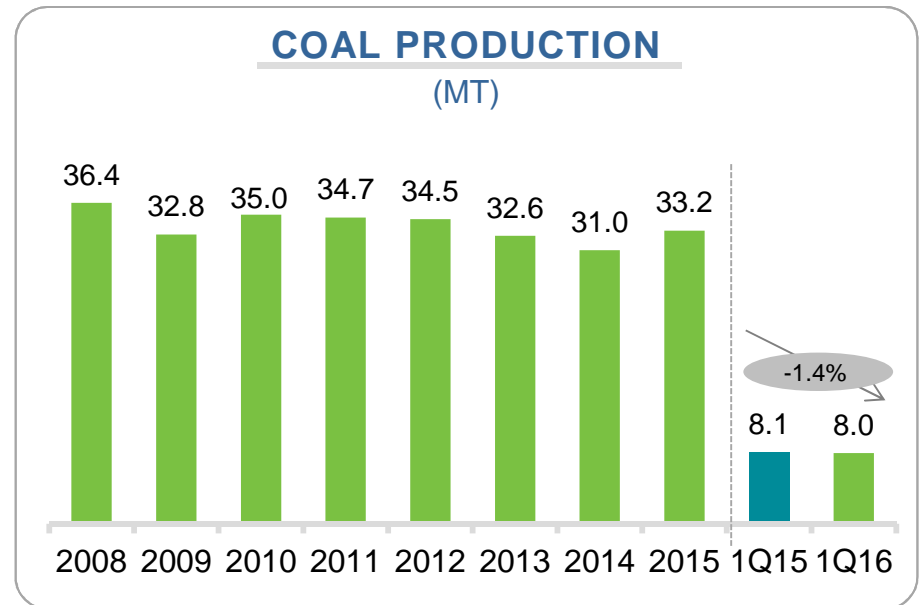
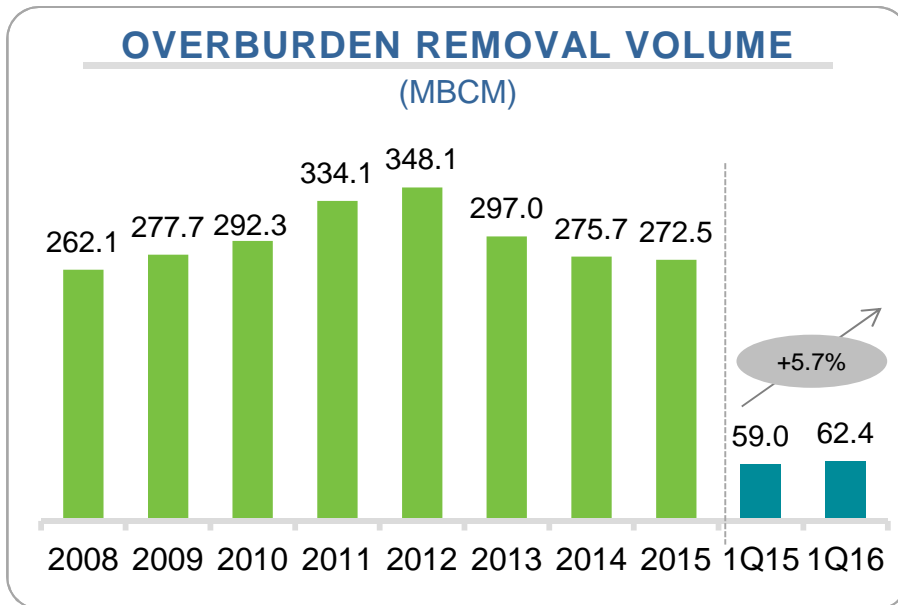
(2) Full ownership less one share



Existing Contracts

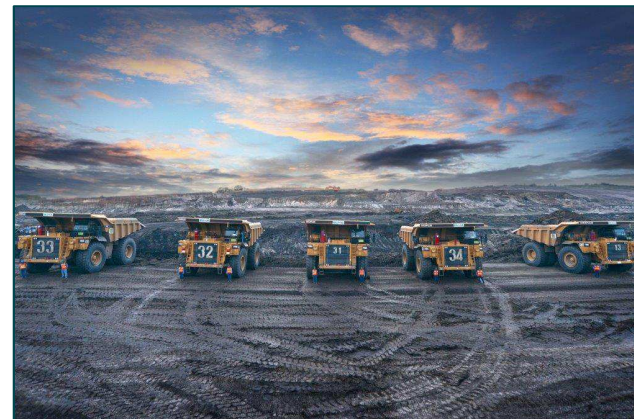


No	Customers	Period
1	Adaro (Paringin)	2009-2019
2	Kideco	2004-2019
3	Berau Coal (Lati)	2012-2017
4	Berau Coal – Hauling (Suaran)	2003-2018
5	Berau Coal (Binungan)	2003-2019
7	KPC (Bengalon)	2011-2016
8	Darma Henwa (KPC)	2014-2016
9	Sungai Danau Jaya (SDJ)	2015- Life of mine
10	Tadjahan Antang Mineral (TAM)	2015-2018



Main Equipment

Fleet Type	Description	Total
OB Loader	120 T - UP Excavator	134
OB Hauler	50T Up Off Highway Dumptruck	710
Coal Loader	50T-120T Excavator, 40T Excavator and Wheel Loader	119
Coal Hauler	Hauling Dump Truck, Prime Mover	403
Drill	All of Drilling Unit	30
Mine Up	All of Mine Pump	114
Support	Bulldozer, Grader, Articulated Dumptruck	398
Total		1,908



Latest Performance Highlights

1Q 2016 Key Consolidated Results

HIGHLIGHTS OF CONSOLIDATED RESULTS

(in US\$ mn unless otherwise stated)

Volume	1Q16	1Q15	YoY
OB Removal (mbcm)	62.4	59.0	6%
Coal (mt)	8.0	8.1	-1%
Profitability	1Q16	1Q15 ⁴⁾	YoY
Revenues	127	122	4%
EBITDA	39	33	18%
EBITDA Margin ⁴⁾	31.6%	27.5%	4.1%
Operating Profit	15	8	91%
Operating Margin ⁴⁾	11.9%	6.4%	5.5%
Net Profit (Loss)	3	(10)	129%
EPS (in Rp)	Rp 5	Rp (16)	131%
Cash Flows	1Q16	1Q15	YoY
Capital Expenditure ⁵⁾	3	6	-51%
Free Cash Flow	76	59	30%
Balance Sheet	Mar-16	Dec-15	YTD
Cash Position ¹⁾	149	99	51
Net Debt ²⁾	502	568	(65)

HIGHLIGHTS OF QUARTERLY RESULTS

(in US\$ mn unless otherwise stated)

Volume	1Q15	2Q15	3Q15	4Q15	1Q16
OB Removal (mbcm)	59.0	70.1	72.3	71.1	62.4
Coal (mt)	8.1	7.9	8.9	8.3	8.0
Financials	1Q15	2Q15	3Q15	4Q15	1Q16
Revenues	122	145	152	147	127
EBITDA	33	49	58	46	39
EBITDA Margin ⁴⁾	27.5%	34.4%	38.4%	33.7%	31.6%
Operating Profit	8	24	33	23	15
Operating Margin ⁴⁾	6.4%	16.8%	21.9%	16.5%	11.9%
Net Profit (Loss)	(10)	0	5	(3)	3

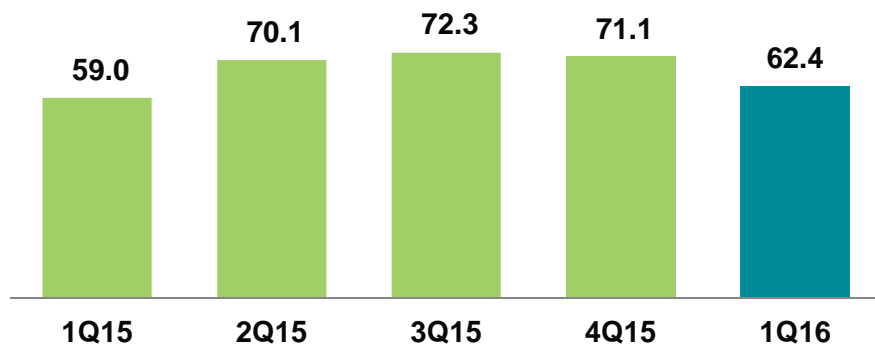
Notes:

- 1) Includes restricted cash in bank.
- 2) Debt includes only the outstanding contractual liabilities..
- 3) Restated due to retroactive implementation of PSAK 24 (Employee Benefits), effective January 2015.
- 4) Margins are based on net revenues excluding fuel.
- 5) Capital expenditures as recognized per accounting standards.

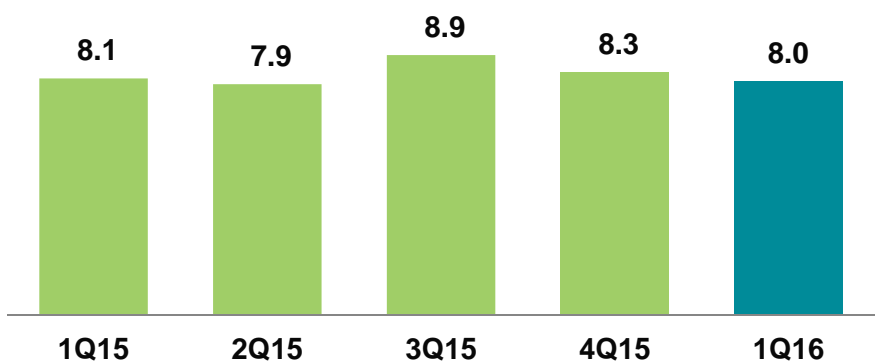
Focus on free cash flow generation

Quarterly Trends

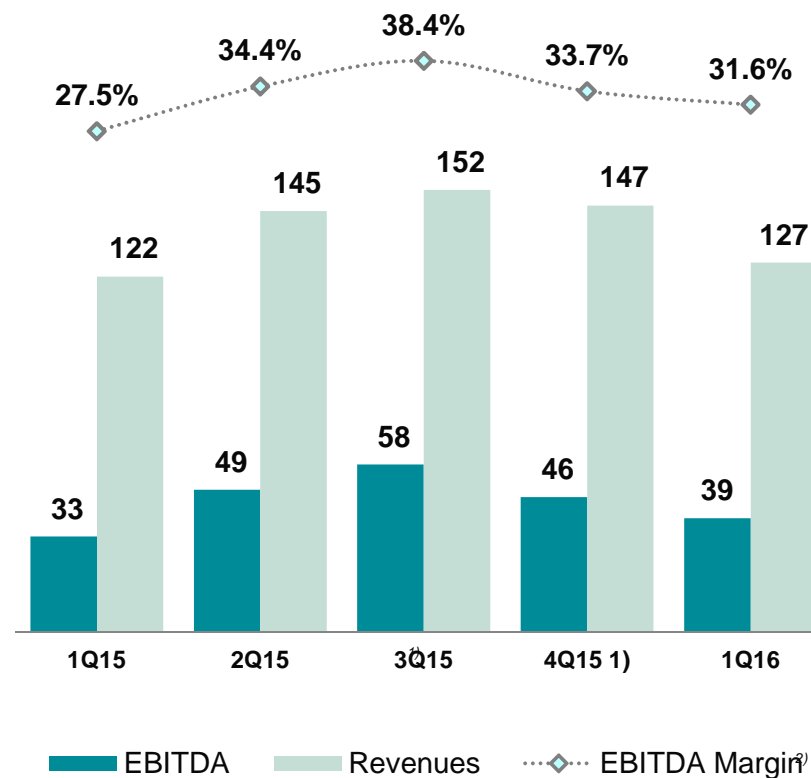
OVERBURDEN REMOVAL
(MBCM)



COAL PRODUCTION
(MT)



QUARTERLY PROFITABILITY TREND
(US\$M)

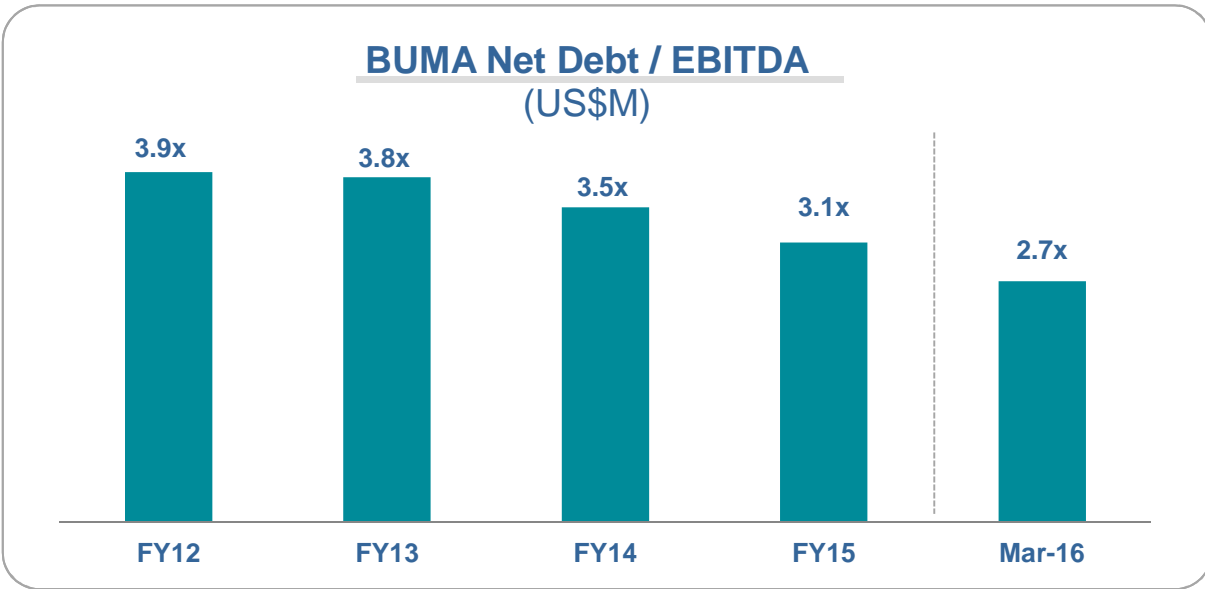
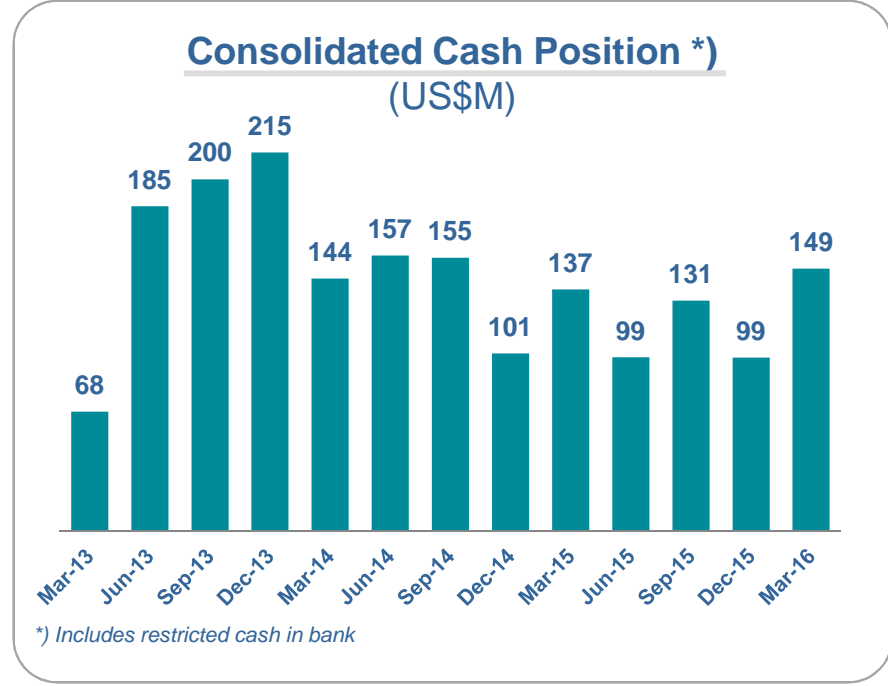
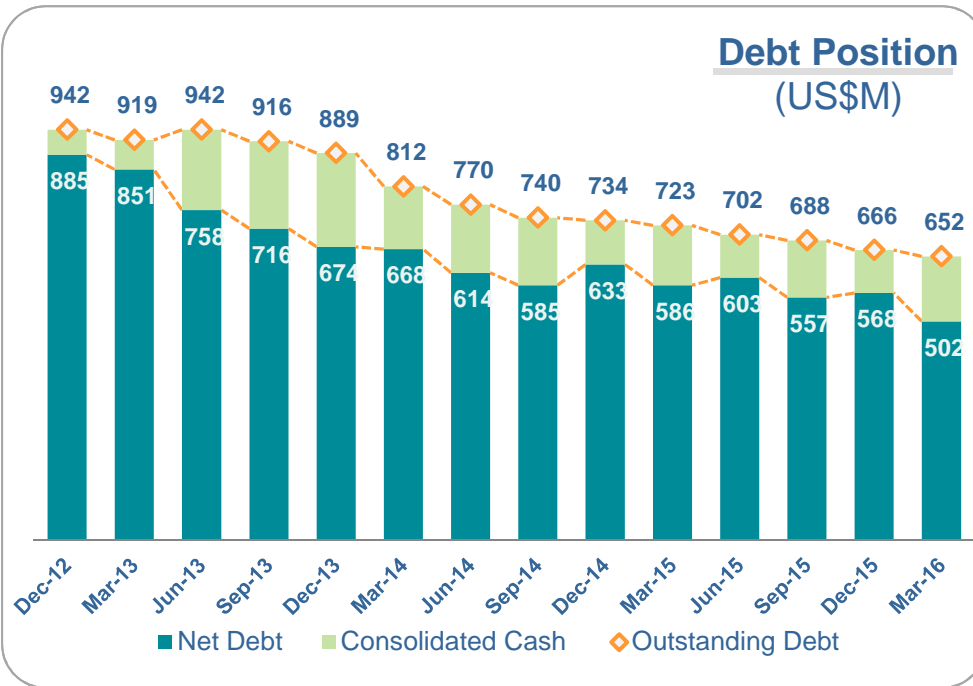


Notes:

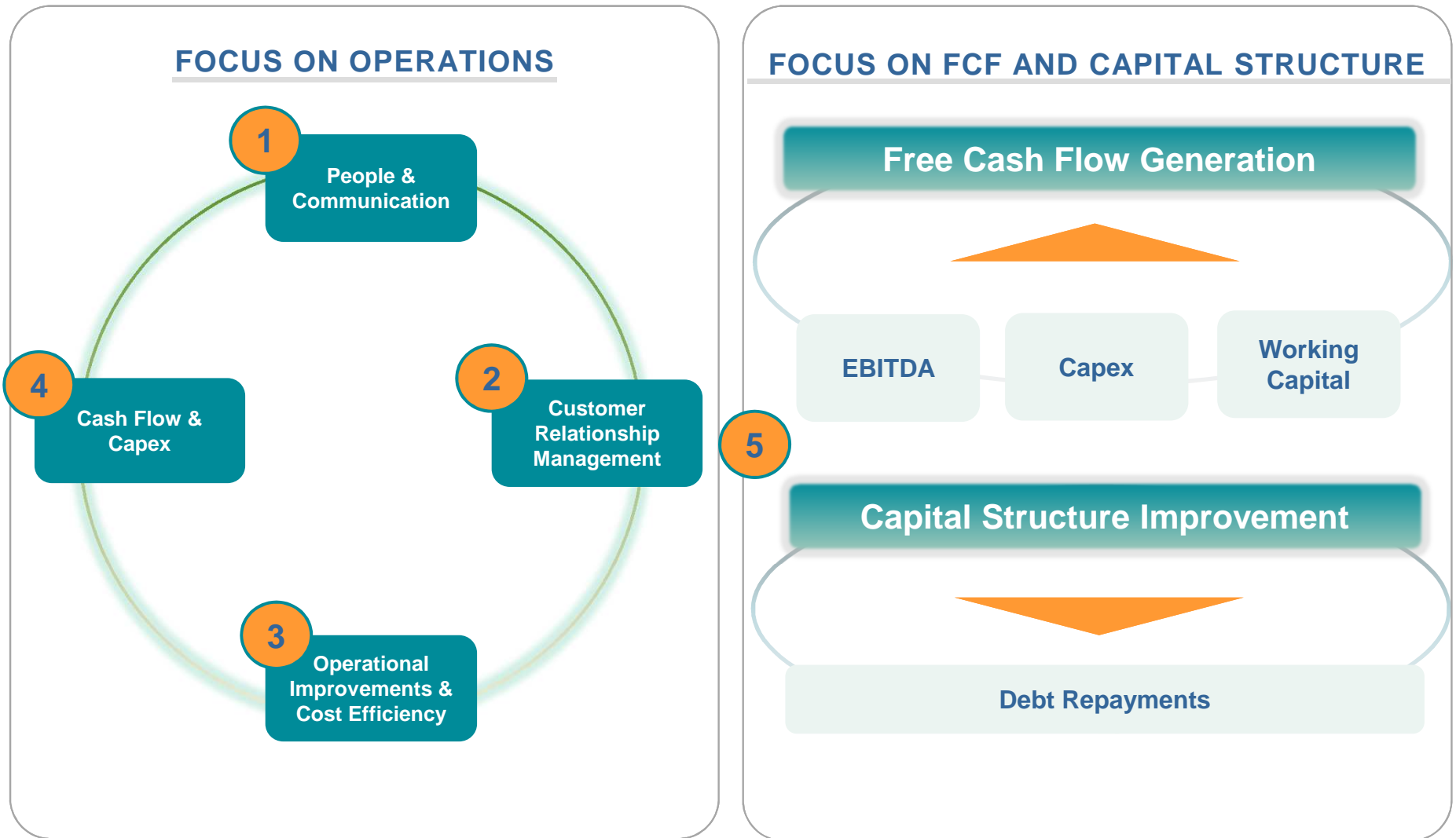
1) Restated due to retroactive implementation of PSAK 24 (Employee Benefits), effective January 2015.

2) Margins are based on net revenues excluding fuel.

Capital Structure: FCF for Debt Reduction

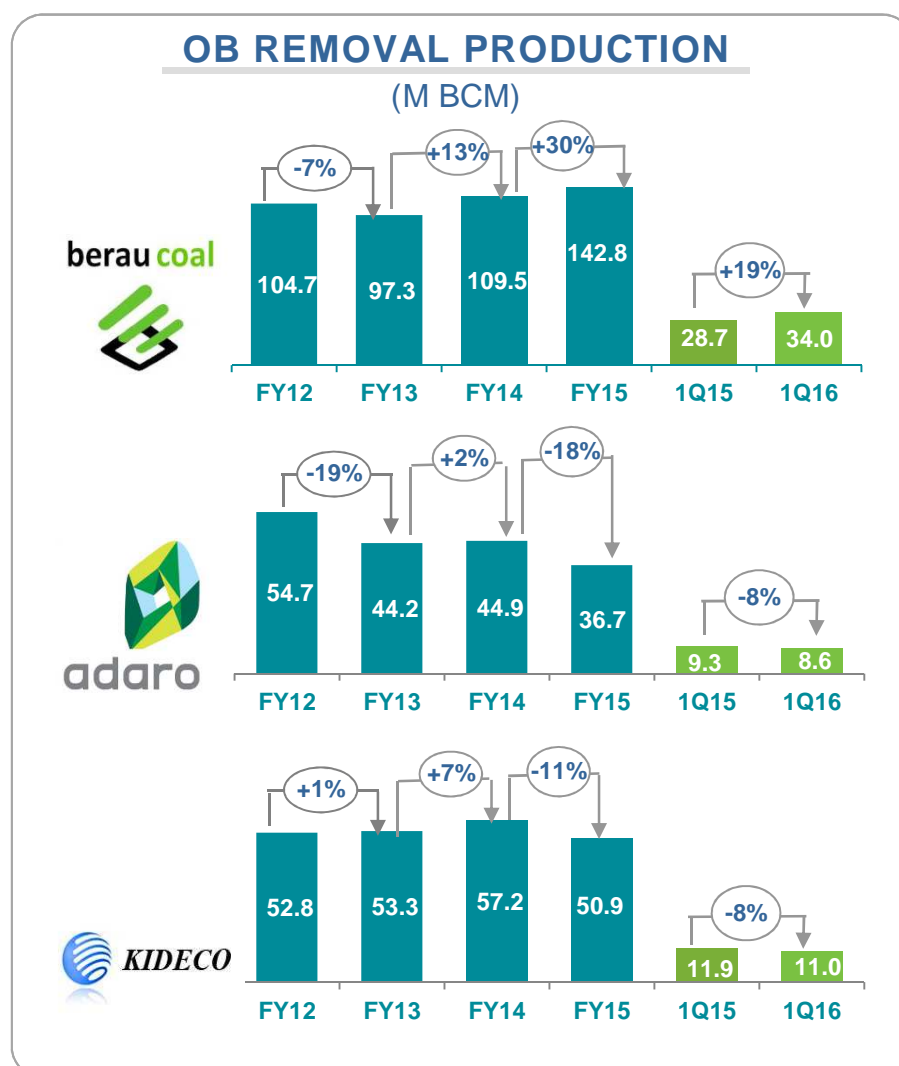
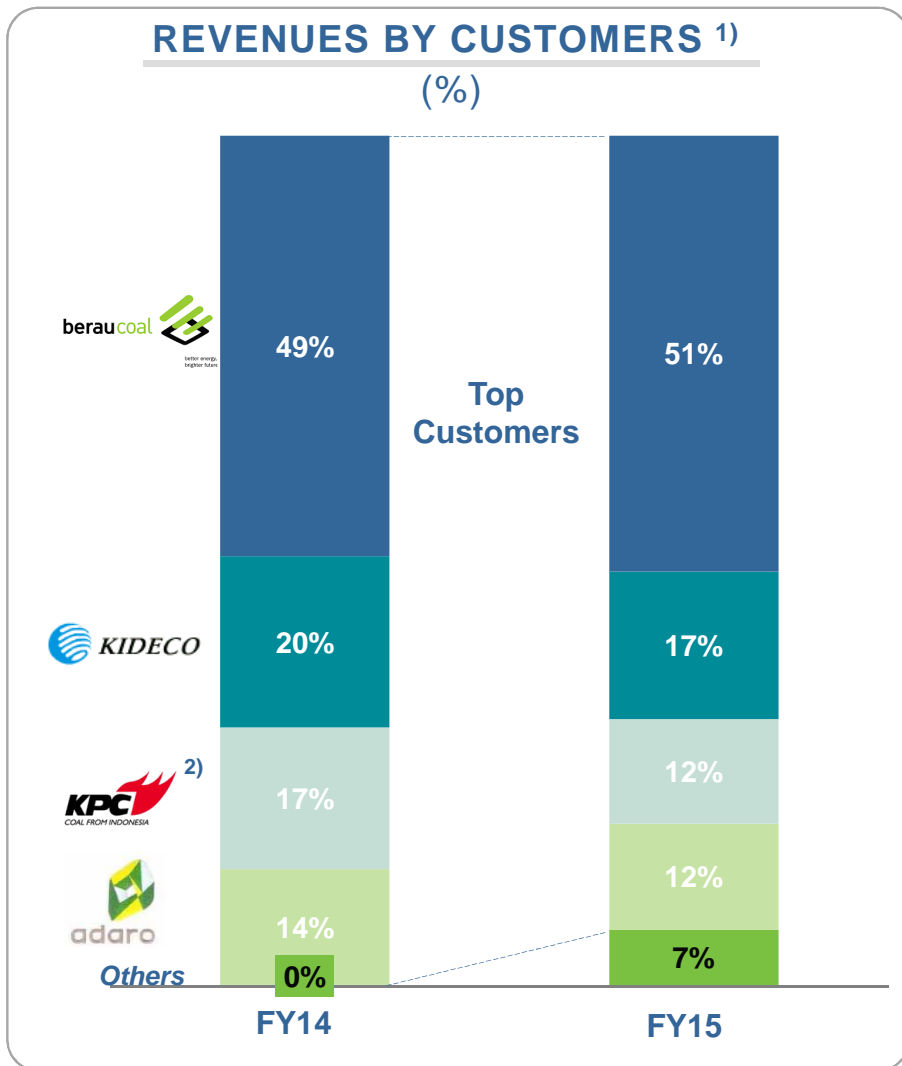


BUMA – The Strategy



Improvement plan requires lots of hard work and discipline

Customers: Sticking with the High Quality Ones

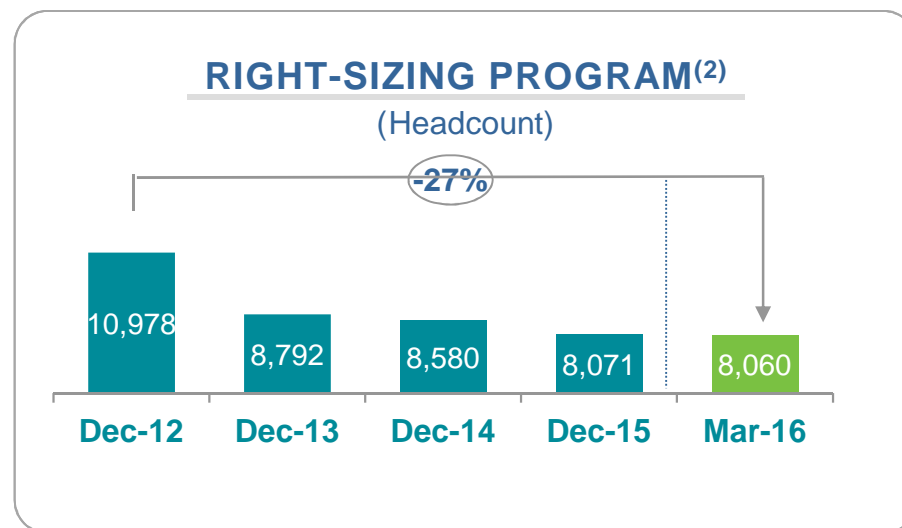
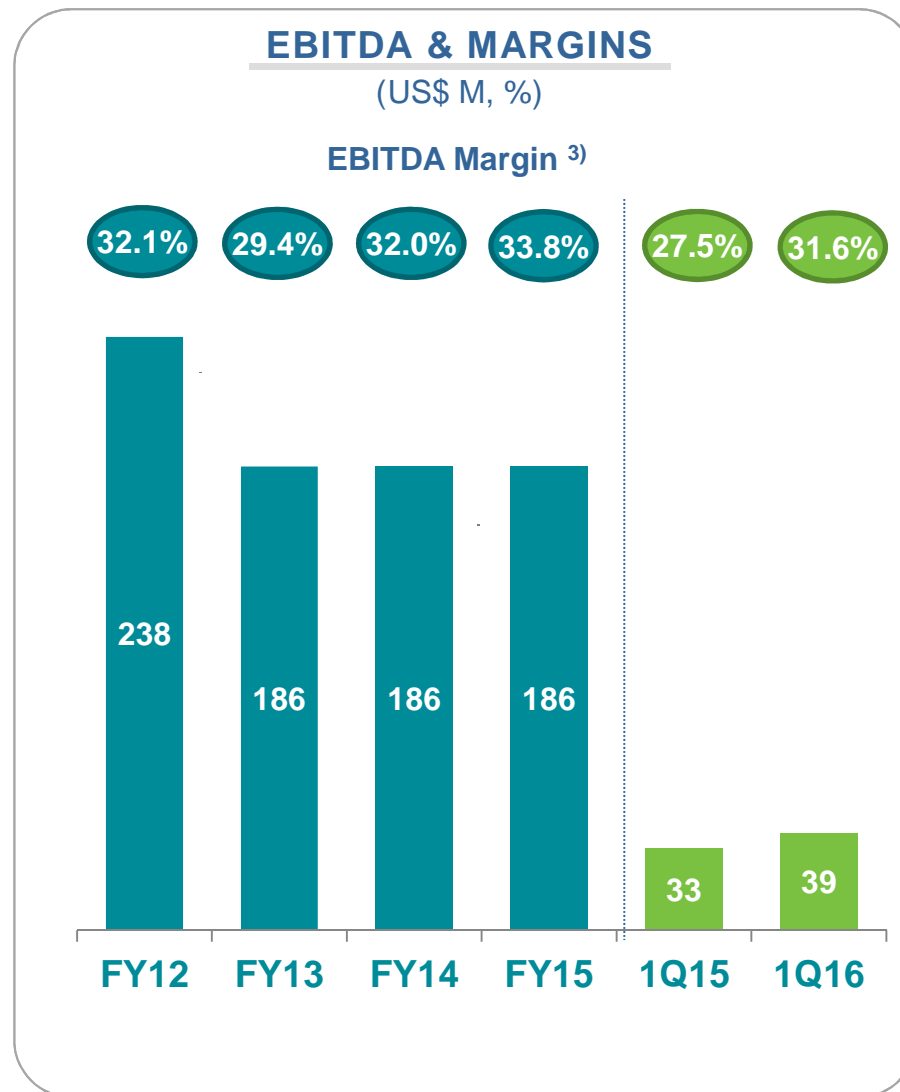
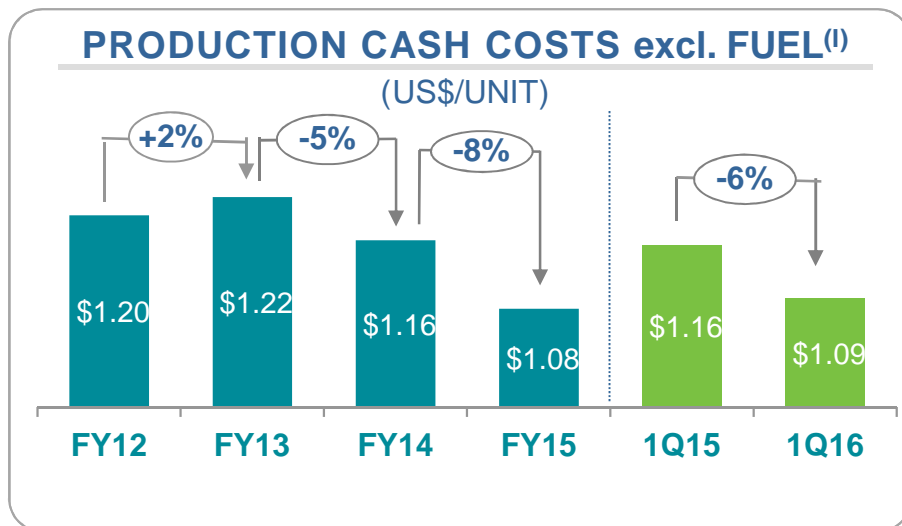


Notes:
 1) % of BUMA's Gross Revenue in USD
 2) Include DEWA



Focusing efforts on major customers for sustainability

Operations: Cost Efficiencies

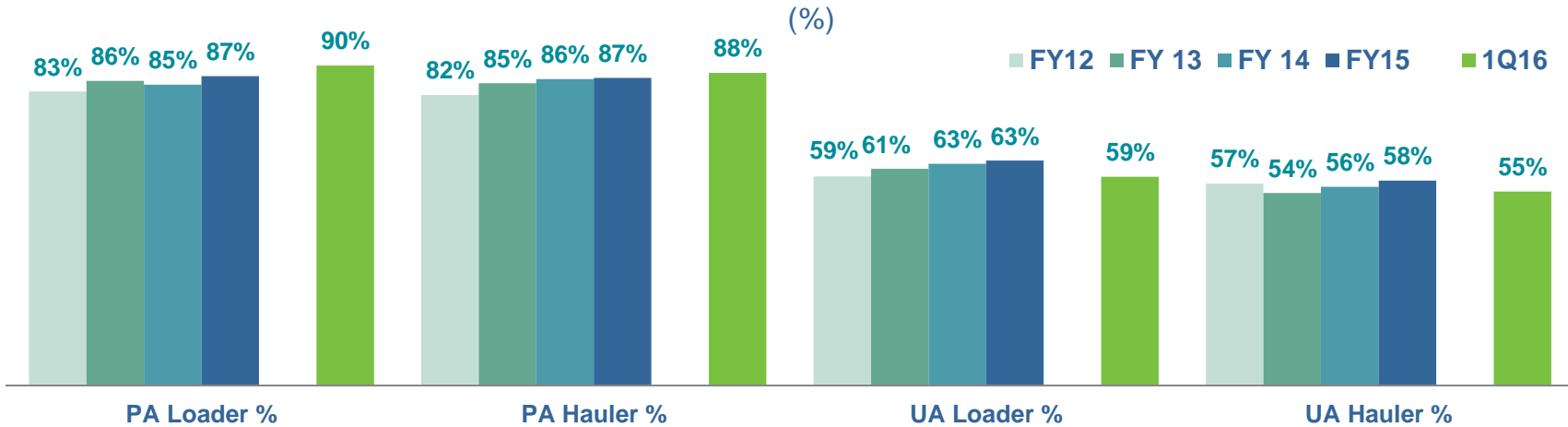


Note: ⁽¹⁾excludes fuel and opex; ⁽²⁾include only permanent workforce; ⁽³⁾ margin is based on revenues excl. fuel; ⁽⁴⁾ restated due to retroactive implementation of PSAK 24 (Employee Benefits), effective January 2015.

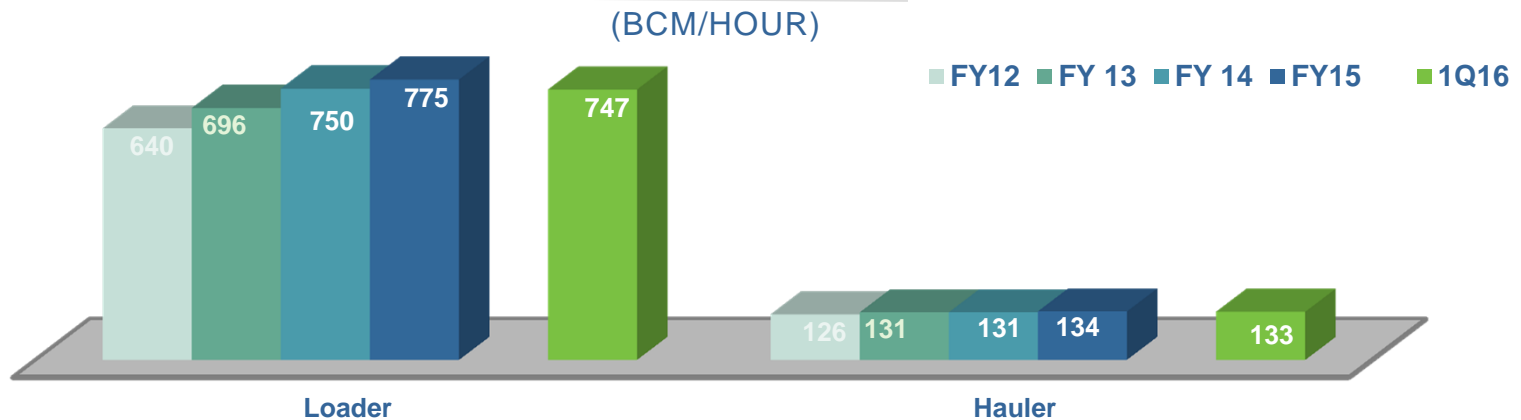
Strict monitoring on costs

Operations: Operational Improvements

AVAILABILITY AND UTILIZATION (%)

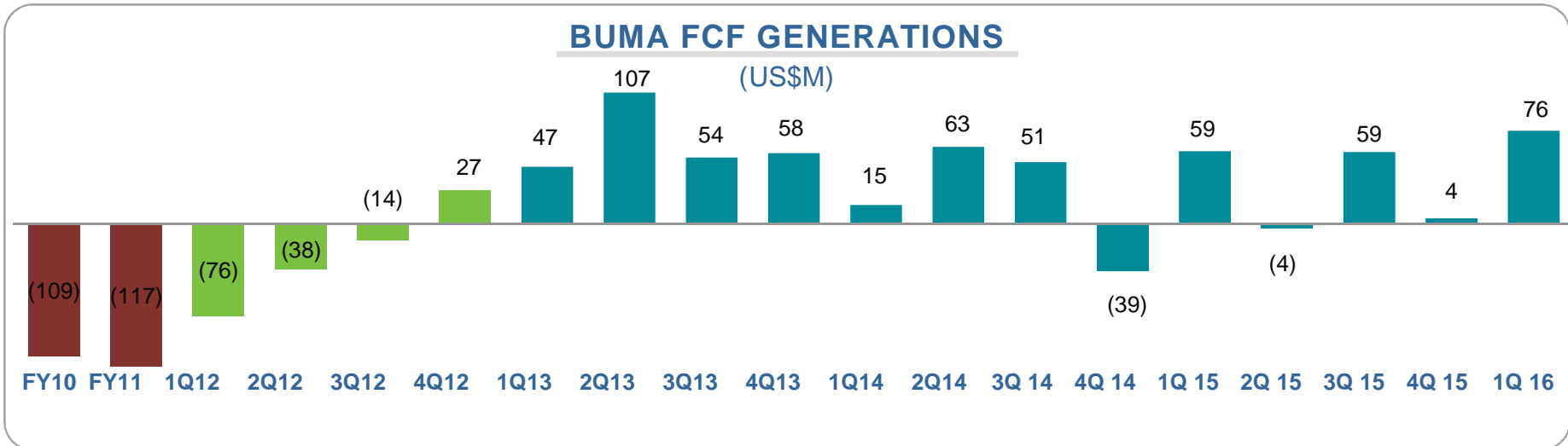
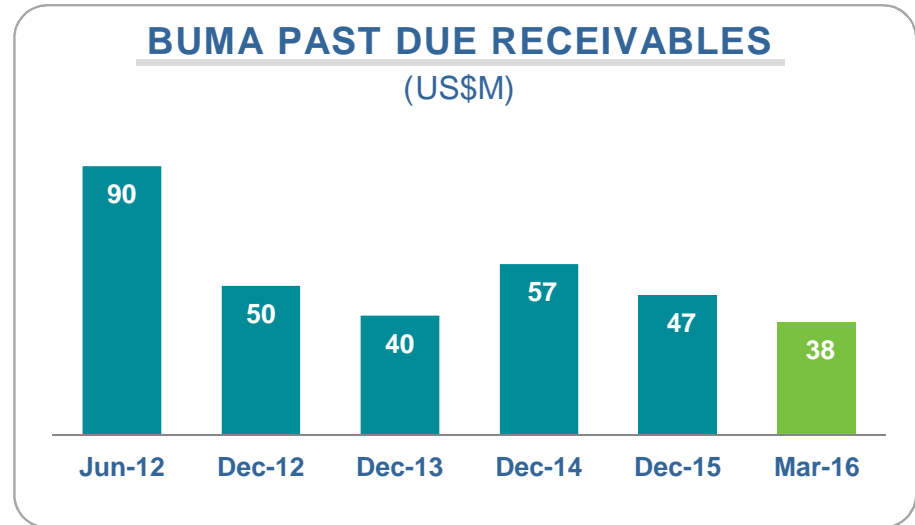
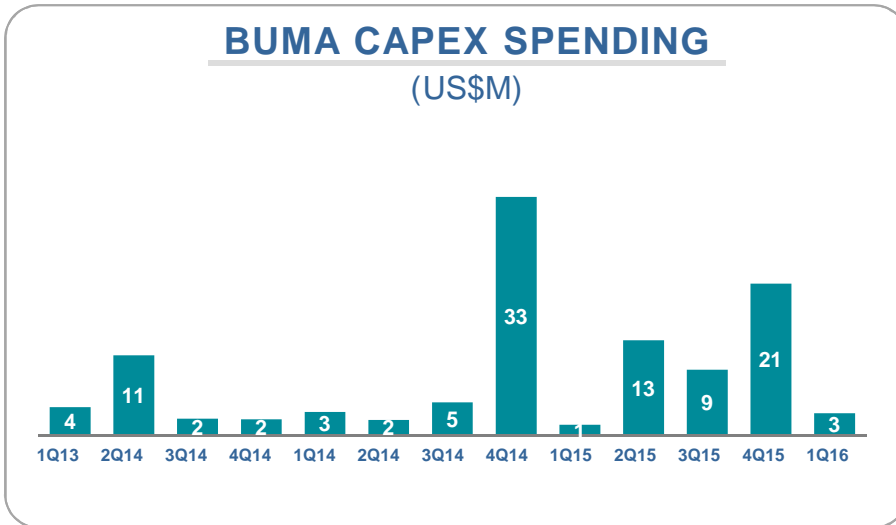


PRODUCTIVITY (BCM/HOUR)



Operating metrics improvements

Cash Flow and Capex: Focus on Generating FCF



Note: All figures presented above are based on the financial performance of BUMA standalone.



Maintained strong free cash flows through capex discipline and strict AR monitoring

Key Takeaways

Challenge

- ◆ Coal may stay below US\$ 60/ton for some time
- ◆ Lower cost producers are the first to reap benefits from coal price recovery

Progress

- ◆ Improved relationship with existing major customers
- ◆ Maintained EBITDA margin
- ◆ Free cash flow generation
- ◆ Significant deleveraging

Focus

- ◆ Aggressively secure new contracts from profitable customers with various partnership approach
- ◆ Continue to pursue Operational Excellence and Technological Enhancements to drive Cash-Cost Improvement
- ◆ Strengthen Community and Employee Engagement to assure all performance above
- ◆ Debt Repayments

- 
- ◆ **Operational and financial turnaround**
 - ◆ **Improved capital structure**

End of Presentation - Thank You

Appendix

1Q 2016 Performance Highlights

First Quarter Highlights

- Overburden removal volume was at 62.4 million bcm (+5.7% YoY), whereas coal production slightly decreased by 1.4% YoY to 8.0 million tonnes.
- Net profit was US\$3 million for Q1 2016 vs. a loss of US\$10 million for Q1 2015, primarily attributed to the 18% increase in EBITDA to US\$39 million for Q1 2016, and the US\$4 million foreign exchange gain recorded in Q1 2016 vs. a loss of US\$6 million for Q1 2015.
- EBITDA margin expanded YoY from 27.5% for Q1 2015 to 31.6% for Q1 2016, as production cash costs declined by 6% from US\$1.16 per bcm-ton in Q1 2015 to US\$1.09 per bcm-ton in Q1 2016, despite overall volume increase of 5% YoY with revenue increase of 4% YoY to US\$127 million.
- The Company remained focused on its cash flows management, recording positive free cash flow at US\$76 million for Q1 2016, as compared to US\$59 million for the same period in 2015. The positive cash flow allowed BUMA, the Company's subsidiary, to further decrease its outstanding debt by US\$15 million in Q1 2016 to US\$652 million by the end of the period, providing a Net Debt to EBITDA of 2.7x compared to the 3.1x recorded at December 2015.
- The Company recorded a capital expenditure of US\$3 million in Q1 2016, vs. US\$6 million in Q1 2015, primarily for replacement needs of supporting equipment and infrastructure, in order to maintain operational excellence.
- Strict cost and cash flow management, continuous improvements, and debt reduction remains key focus going forward to attain sustainability in the currently weak coal industry.

Despite challenging market condition, the Company delivered solid performance

Delta Consolidated – Key Financial Highlights



Consolidated Statements of Financial Position

<i>In US\$ mn (unless otherwise stated)</i>	Mar-16	Dec-15	YTD
Cash and cash equivalents	122	71	73%
Trade receivables - current	119	138	-13%
Other current assets	93	100	-6%
Trade receivables - non-current	0	1	-59%
Restricted cash in bank	27	28	-49%
Fixed assets - net	358	379	-6%
Other non-current assets	113	116	-3%
TOTAL ASSETS	833	832	0%
Trade payables	39	26	47%
LT liabilities - current	46	47	-4%
Derivative liabilities-current	-	2	-100%
Other current liabilities	23	26	-13%
LT liabilities - non current	604	614	-2%
Other non-current liabilities	32	30	5%
TOTAL LIABILITIES	743	747	0%
TOTAL EQUITY	90	85	6%

Consolidated Statements of Cash Flows

<i>In US\$ mn (unless otherwise stated)</i>	1Q16	1Q15
Net CF from Operating Activities ⁵⁾	67	53
Net CF from Investing Activities	(1)	(4)
Net CF from Financing Activities	(14)	(11)
Net change in cash & cash equivalents	51	38
Beginning balance cash & cash equivalents	71	75
Effect of foreign exchange rate changes ⁵⁾	0	(1)
Ending balance cash & cash equivalents ²⁾	122	112

Consolidated Statements of Profit or Loss and Other Comprehensive Income

<i>In US\$ mn (unless otherwise stated)</i>	1Q16	1Q15	YoY
Net revenues	127	122	4%
<i>Revenue excl. fuel</i>	122	119	3%
Cost of revenues	105	105	0%
Gross profit	22	17	31%
Operating expenses	(7)	(9)	-19%
Finance cost	(12)	(11)	0%
Others - net	3	(9)	131%
Pretax profit (loss)	6	(13)	146%
Tax expense (benefit)	3	(2)	226%
Profit (loss) for the year	3	(10)	129%
Other comprehensive income – net ⁴⁾	2	1	28%
Comprehensive income (loss)	5	(9)	152%
EBITDA	39	33	18%
EPS (in Rp) ³⁾	Rp 5	Rp (16)	131%

Consolidated Financial Ratios ³⁾

	1Q16	1Q15
Gross margin	17.9%	14.0%
Operating margin	11.9%	6.4%
EBITDA margin	31.6%	27.5%
Pretax margin	4.7%	-10.6%
Net margin	2.5%	-8.8%

1. Reported EPS translated into Rp using average exchange rate of Rp 13,527 and Rp 12,804 for 1Q16 and 1Q15, respectively.

2. Excluding restricted cash in bank.

3. Margins are based on net revenues excluding fuel.

4. Restated due to retroactive implementation of PSAK 24 (Employee Benefits, effective January 2015).

5. Reclassification to the presentation for comparative purposes

Capital Structure: Debt Restructuring Completion



<i>Terms Comparison</i>	2014 Amended Facility	2011 Original Facility
Amended Facility Amount/ Original Facility	US\$602.69mn	US\$ 800.00mn
Final Maturity	31 Dec 2019	31 March 2018
Remaining Average Life	c.4.75 years	c.2.05 years
Interest Margin	3M Libor + 400bps to 500bps	3M Libor + 375bps
Repayment Schedule	Back Ended Payment	Spread Proportionally



Extended maturity

**Amortization
schedule re-profiling**

Longer average life

**More flexible
covenants**



**Debt arrangement
sustainability**

Operational funding

**Capturing growth
opportunities**

Volatility absorption

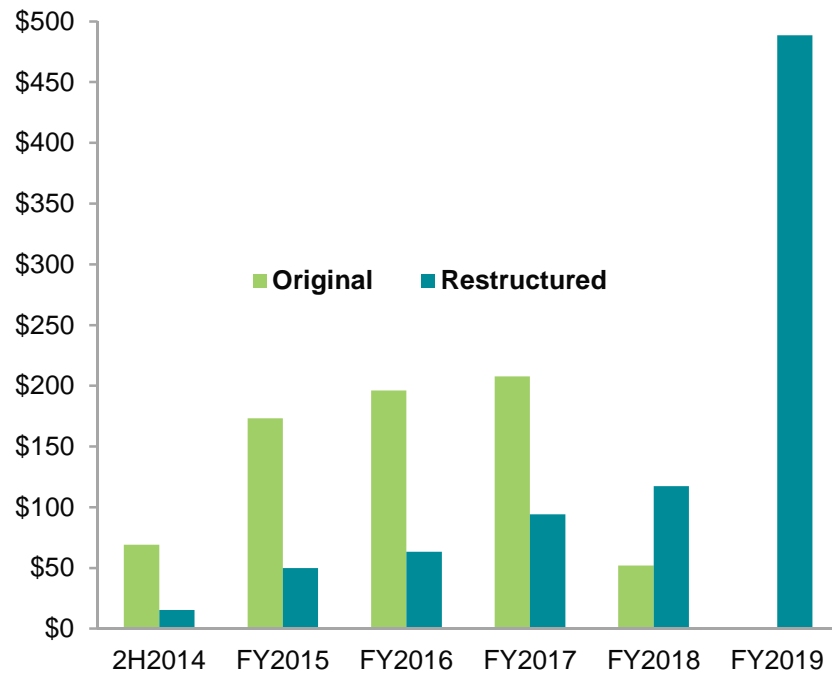
Capital Structure: Debt Restructuring Completion



DEBT SERVICE PROFILE

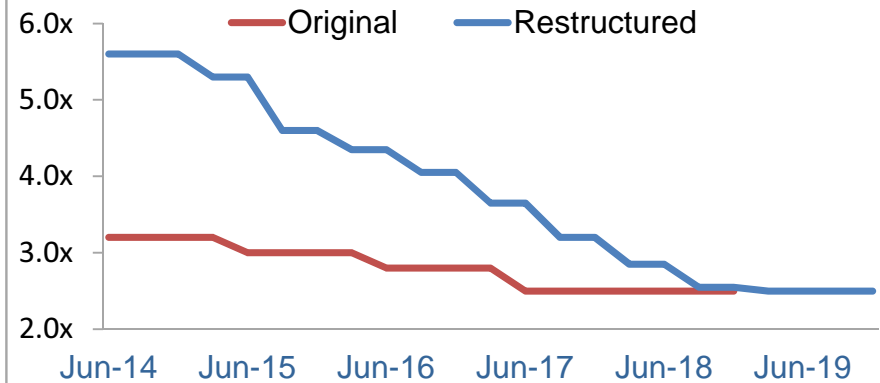
(US\$M)

ORIGINAL VS RESTRUCTURED



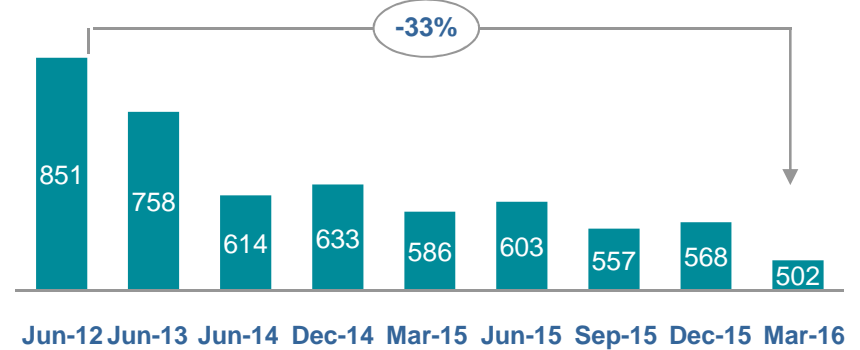
DEBT COVENANTS

(Debt / EBITDA)



NET DEBT

(US\$M)



Deferred repayment & reset covenant level

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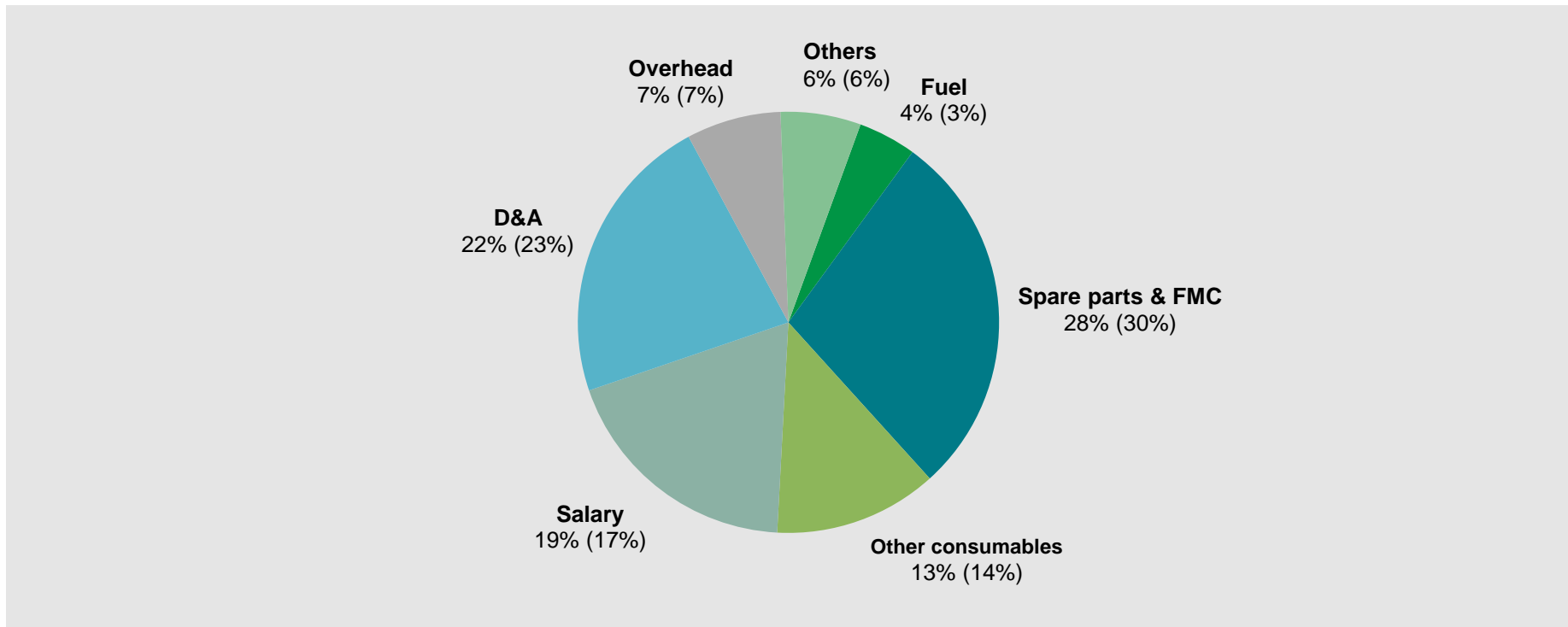
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BUMA's Cost Structure

BUMA's Cost Structure for FY 2015 (FY 2014)



Note:

- *Other consumables: tires, blasting, drilling and oil*
- *Others: mobilization, rental, subcontractor and travelling expenses*

Source: BUMA Company Data