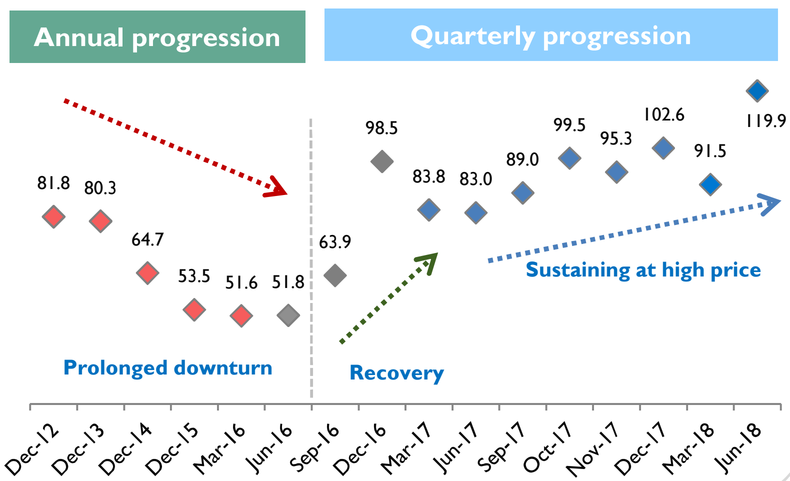
PT Delta Dunia Makmur Tbk.
First Half 2018 Results

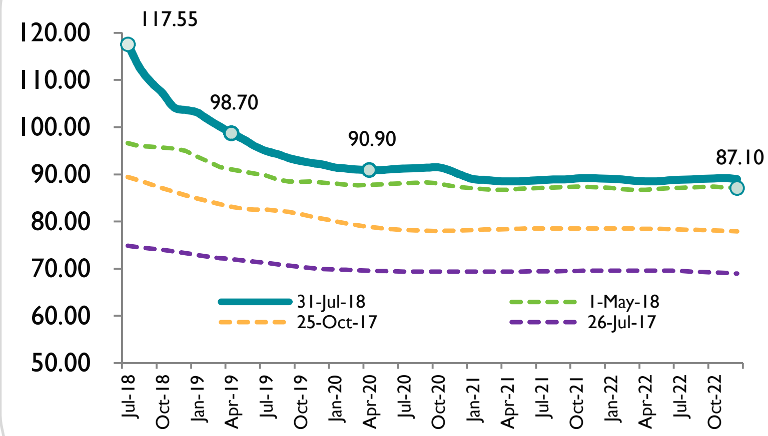
August 2018

Industry update

Newcastle coal price (US$)

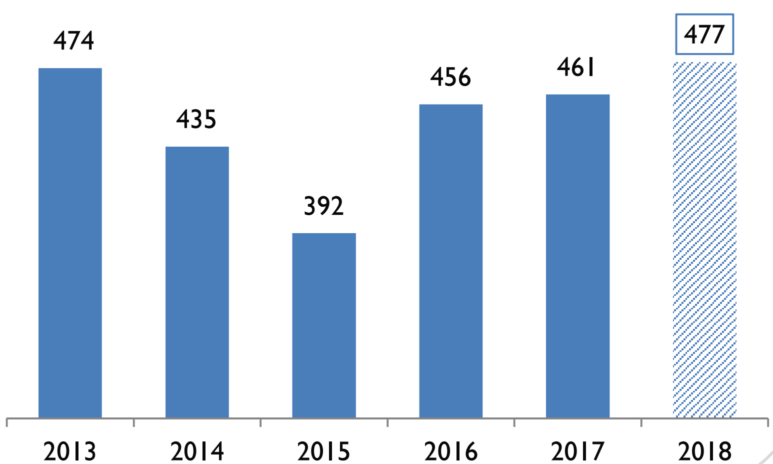


Coal futures

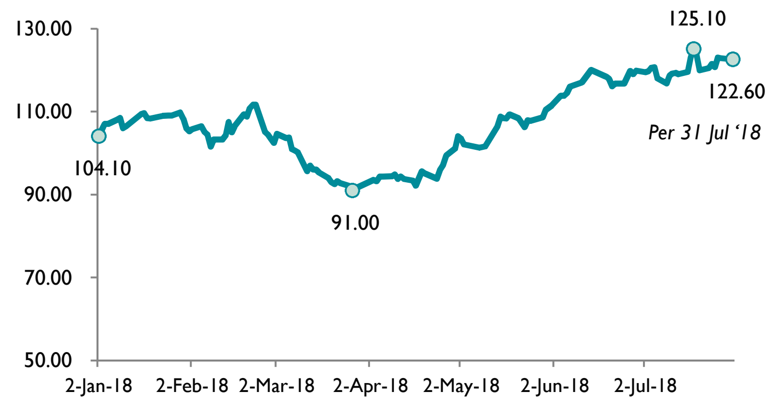


Source: www.barchart.com ICE Newcastle futures

Indonesia Coal Production (MT)



Coal price trend in last six months



Source: Platts' FOB Newcastle 6,300 GAR

Coal price

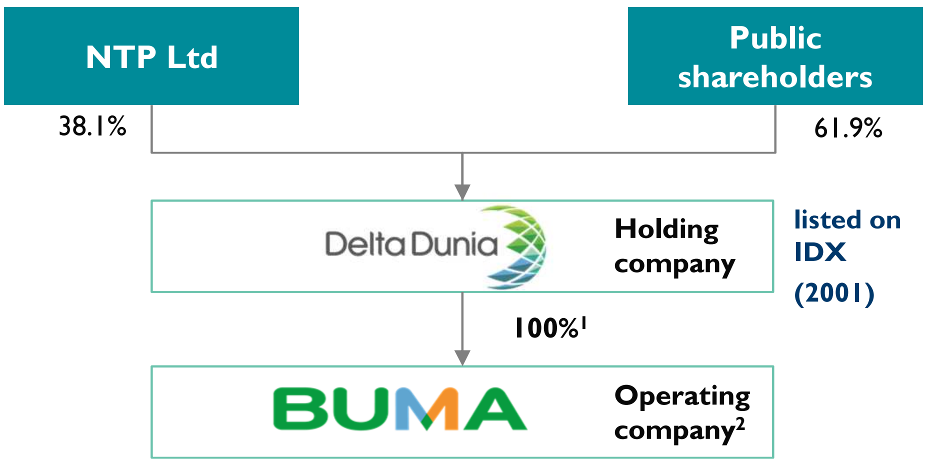
- Market maintains confidence over sustainability of coal price at above US$80 for next few years
- China and India demand, and therefore imports are on rising trend
- China's supply control remains key factor to sustain global coal price

DMO Price Cap

- DMO selling price intended for domestic power plant of US$70 or HBA whichever is lower
- Compliance over DMO rules puts miners eligible for 10% additional production volume
- DMO applies to only 20-25% of BUMA's customers production
- Price cap will not impact BUMA while global coal price continue to sustain at current level

General overview

Ownership structure



Financial metrics (US$M)

Financial year	2012	2013	2014	2015	2016	2017	1H 17	1H 18
Revenue	843	695	607	566	611	765	361	384
Revenue ex. fuel	*740*	*635*	*583*	*551*	*584*	*727*	*346*	*356*
EBITDA	238	188	186	186	217	281	131	121
% margin[3]	*32.1%*	*29.7%*	*32.0%*	*33.8%*	*37.1%*	*38.6%*	*38.0%*	*33.8%*
Net debt	885	674	633	568	497	488	488	588

Notes:

1. *Full ownership less one share*
2. *All current debt is at BUMA level*
3. *Calculated as EBITDA divided by revenue ex. fuel*

PT Delta Dunia Makmur Tbk.

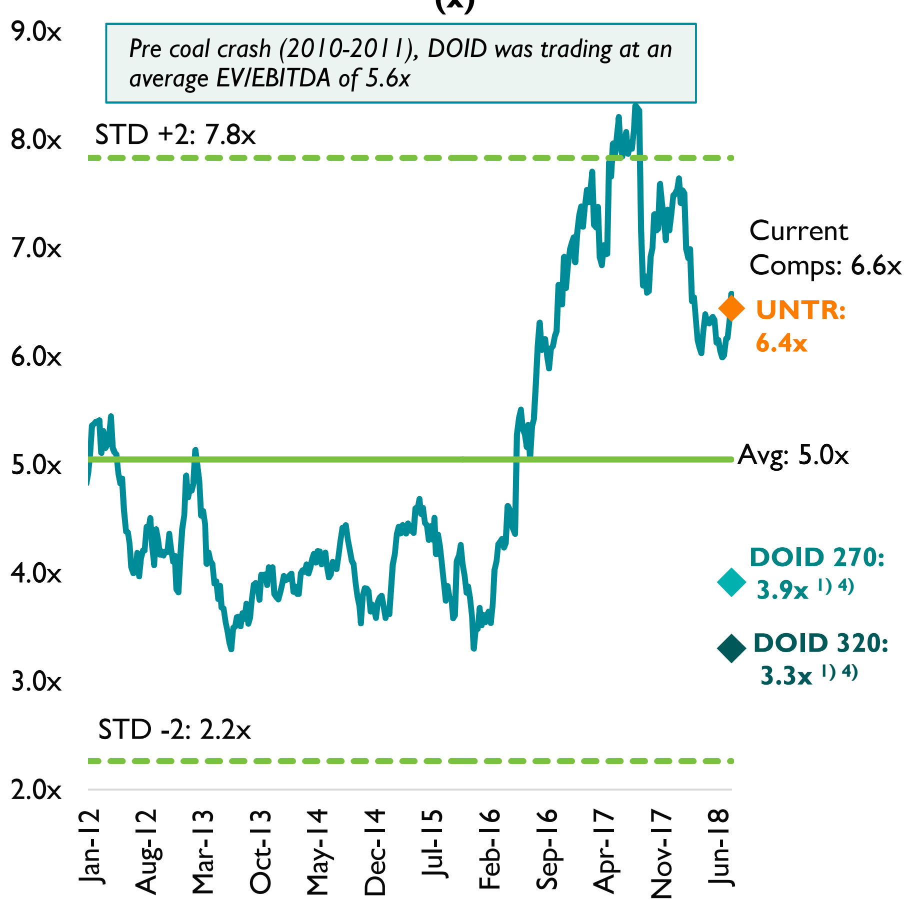
- Established in 1990, listed in IDX as DOID in 2001.
- TPG, GIC, CIC and Northstar, together as Northstar Tambang Persada Ltd. own 38.1% with remainder owned by public shareholders
- Holding company of PT Bukit Makmur Mandiri Utama ("BUMA"), one of the leading coal mining services contractor in Indonesia
- BUMA, acquired in 2009, is the primary operating of DOID

PT Bukit Makmur Mandiri Utama

- Established in 1998, and wholly owned by PT Delta Dunia Makmur (DOID) since 2009
- Strong #2 mining contractor in Indonesia with c.20% market share
- Customers include largest and lowest cost coal producers in Indonesia and new players with high potential for future growth
- Secured long-term, life of mine contracted volume, with total order book of around US$7.0 billion
- Over 2,600 high quality equipment from Komatsu, Caterpillar, Hitachi, Volvo, Scania and Mercedes
- Around 12,700 employees

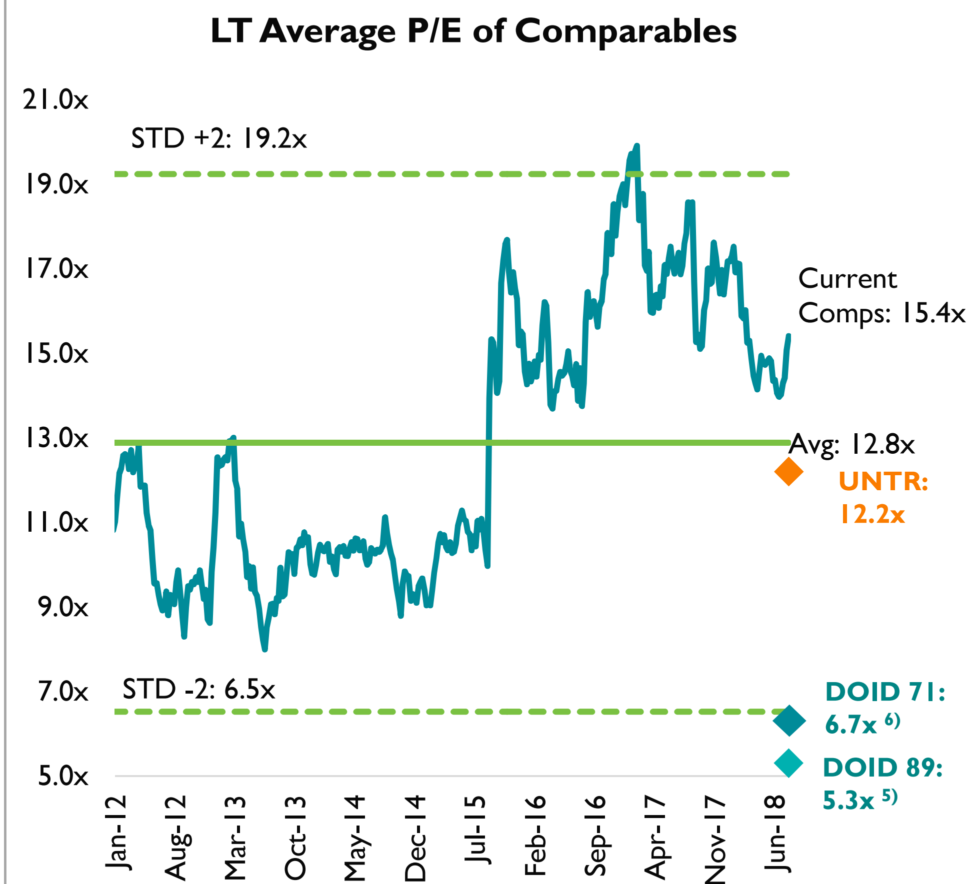
Valuation gap

EV/EBITDA OF COMPARABLE COMPANIES (x)



Source: Capital IQ

P/E OF COMPARABLE COMPANIES (x)



Source: Capital IQ

1) *Based on LTM 2Q18 profit*
2) *Based on the higher end of FY2018 EBITDA guidance*
3) *Comps include United Tractors, CIMIC, Downer EDI and Macmahon*
4) *Company's stock price at Rp 795*
5) *Based on FY18 consensus profit*
6) *Based on LTM 2Q18 recurring profit*

Key consolidated results – 1H 2018

HIGHLIGHTS OF CONSOLIDATED RESULTS *(in US$ mn unless otherwise stated)*			
Volume	**1H 18**	**1H 17**	**YoY**
OB Removal (mbcm)	169.4	166.3	2%
Coal (mt)	19.9	20.1	-1%
Profitability	**1H 18**	**1H 17**	**YoY**
Revenues	384	361	7%
EBITDA	**121**	**131**	**-8%**
EBITDA Margin [4]	**33.8%**	**38.0%**	**-4.2%**
Operating Profit	57	80	-29%
Operating Margin [4]	16.0%	23.1%	-7.1%
Net Profit	18	9	110%
Recurring profit	**23**	**39**	**-41%**
EPS (in Rp)	*Rp* 29	*Rp* 14	112%
Cash Flows	**1H 18**	**1H 17**	**YoY**
Capital Expenditure [5]	155	91	70%
Operating Cash Flow	79	127	-38%
Free Cash Flow [3]	(76)	36	-309%
Balance Sheet	**Jun-18**	**Dec-17**	**Δ**
Cash Position [1]	102	94	8
Net Debt [2]	588	488	100

HIGHLIGHTS OF QUARTERLY RESULTS *(in US$ mn unless otherwise stated)*						
Volume	**1Q 17**	**2Q 17**	**3Q 17**	**4Q 17**	**1Q 18**	**2Q 18**
OB Removal (mbcm)	83.2	83.1	91.3	82.6	79.8	89.6
Coal (mt)	10.2	9.9	10.5	9.6	9.7	10.2
Financials	**1Q 17**	**2Q 17**	**3Q 17**	**4Q 17**	**1Q 18**	**2Q 18**
Revenues	181	180	198	206	182	202
EBITDA	70	61	76	74	57	64
EBITDA Margin [4]	40.3%	35.7%	40.2%	38.2%	34.0%	33.7%
Operating Profit	44	35	47	45	26	31
Operating Margin [4]	25.8%	20.4%	25.2%	23.0%	15.6%	16.2%
Net Profit (Loss)	24	(15)	23	15	10	8
Cash	**1Q 17**	**2Q 17**	**3Q 17**	**4Q 17**	**1Q 18**	**2Q 18**
Operating cash flows	41	86	40	95	51	28
Free cash flows	21	15	15	26	(22)	(54)

Notes:
1) *Includes restricted cash in bank and current investments.*
2) *Debt includes only the outstanding contractual liabilities.*
3) *Free cash flow is cash flow before debt service, excluding financing proceeds.*
4) *Margins are based on net revenues excluding fuel.*
5) *Capital expenditures as recognized per accounting standards.*

Focused on operating performance and cash flow generation

Quarterly progression

QUARTERLY PROGRESSION (in US$ mn unless otherwise stated)							
Volume	**Units**	**1Q 17**	**2Q 17**	**3Q 17**	**4Q 17**	**1Q 18**	**2Q 18**
OB Removal (mbcm)	mbcm	83.2	83.1	91.3	82.6	79.8	89.6
Coal (mt)	mt	10.2	9.9	10.5	9.6	9.7	10.2
Financials	**Units**	**1Q 17**	**2Q 17**	**3Q 17**	**4Q 17**	**1Q 18**	**2Q 18**
Revenues	US$m	181	180	198	206	182	202
EBITDA	**US$m**	70	61	76	74	57	64
EBITDA Margin	%	40.3%	35.7%	40.2%	38.2%	34.0%	33.7%
Net Profit (Loss)	US$m	24	(15)	23	15	10	8
Recurring Profit (Loss)	US$m	21	18	25	23	11	12
Units Financials	**Units**	**1Q 17**	**2Q 17**	**3Q 17**	**4Q 17**	**1Q 18**	**2Q 18**
Cash costs ex fuel per bcm	US$	1.02	1.08	0.98	1.14	1.15	1.15
Cash costs ex fuel per bcm/km	US$	0.40	0.40	0.40	0.45	0.43	0.44
Operational Metrics	**Units**	**1Q 17**	**2Q 17**	**3Q 17**	**4Q 17**	**1Q 18**	**2Q 18**
PA – Loader	%	91.4	91.1	91.3	91.1	91.7	91.8
PA – Hauler	%	89.6	90.2	89.6	88.5	88.1	88.9
UA – Loader	%	59.6	56.7	54.3	51.8	52.8	53.2
UA – Hauler	%	60.1	56.9	56.4	54.7	54.3	54.3
Productivity – Loader	bcm/hour	777	803	780	744	730	738
Productivity – Hauler	bcm/hour	124	119	118	114	108	109
Average rain hours *)	hour	79	69	53	73	82	60

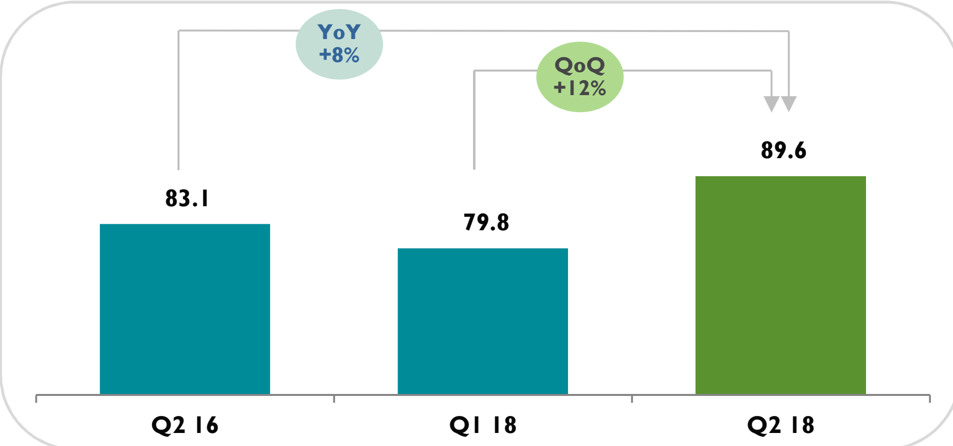
- Weather and progressing ramp-up impacted performance in first half 2018
- Ramp-up challenges were being sorted and resolved in 1H 2018 as operational capacity increased by 20% since beginning of year
- Improved performance is expected in 2H 2018 as ramp-up process stabilizes and the utilization of increased capacity is optimized

Notes:
**) Average rain hours per site per month*

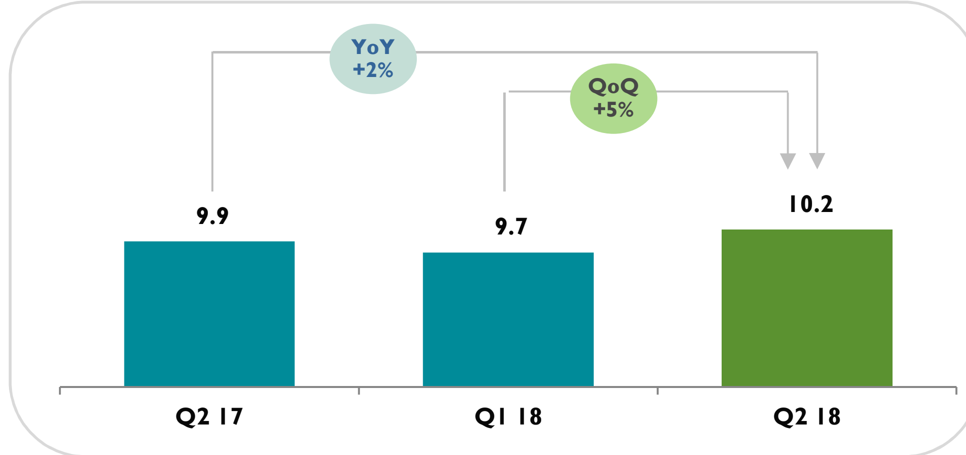
Quarterly comparatives

DeltaDunia

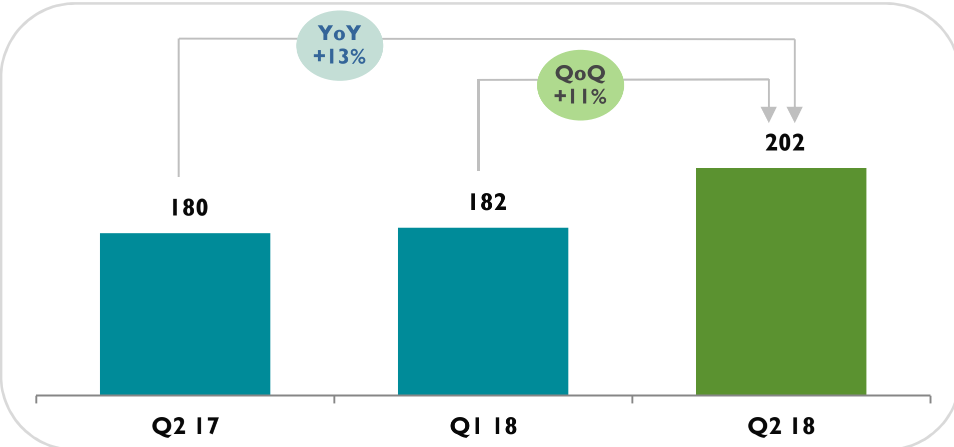
Overburden removal (MBCM)



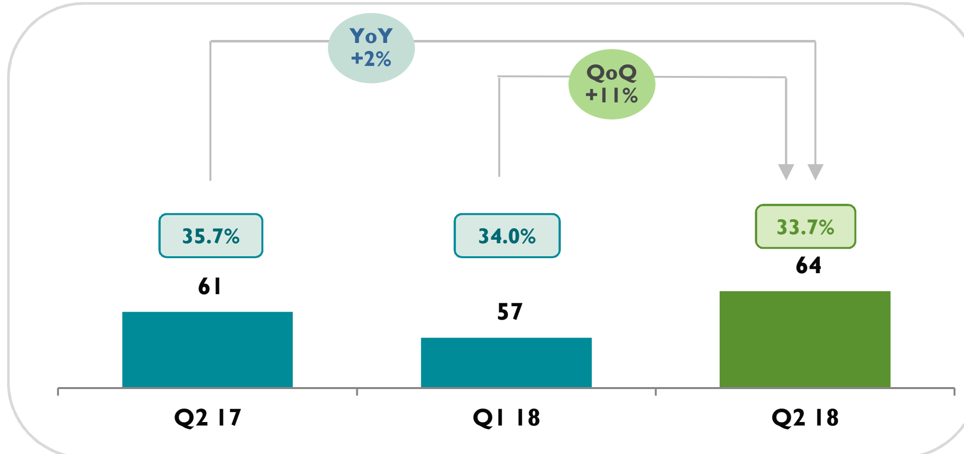
Coal (MT)



Revenues (US$M)

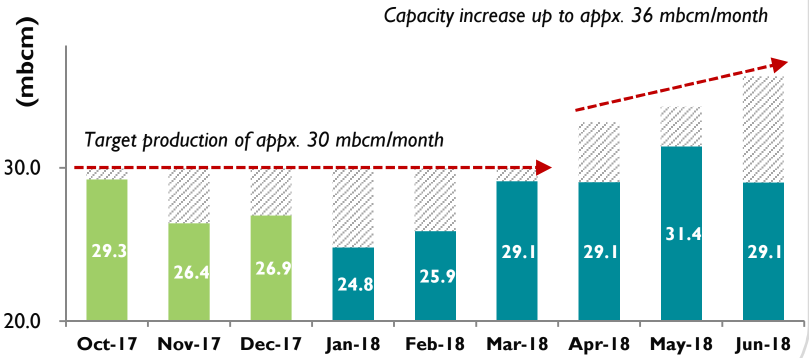


EBITDA & EBITDA Margin (US$M, %)

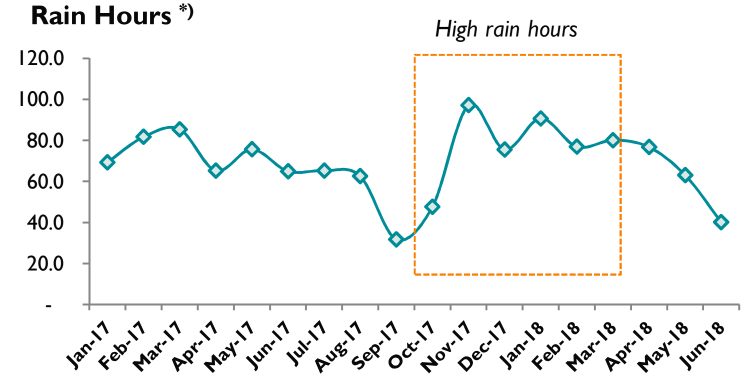


Key metrics

Volume vs. Capacity

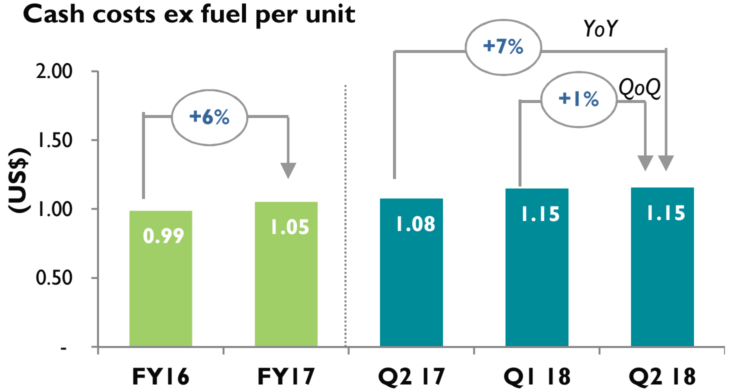


Rain Hours *)

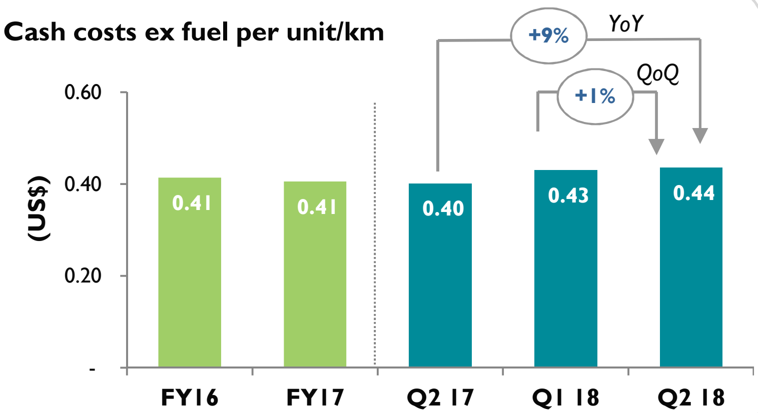


*) Average monthly rain hours per site

Cash costs ex fuel per unit



Cash costs ex fuel per unit/km



Weather disruptions

Lower volume than expected

Lower revenue

Ramp-up challenges

Increased capacity to support growth

Standard operational excellence measures not yet optimized

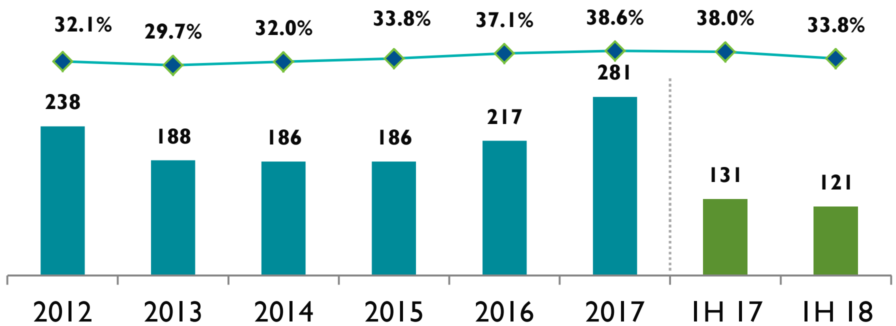
Higher costs

Delays on profitability

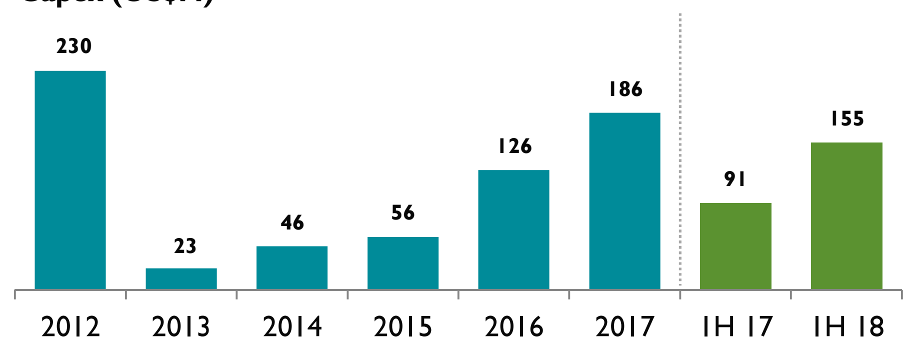
Liquidity and capital structure

Liquidity management – EBITDA improvement and strict capex monitoring

EBITDA (US$M) and EBITDA margin (%)

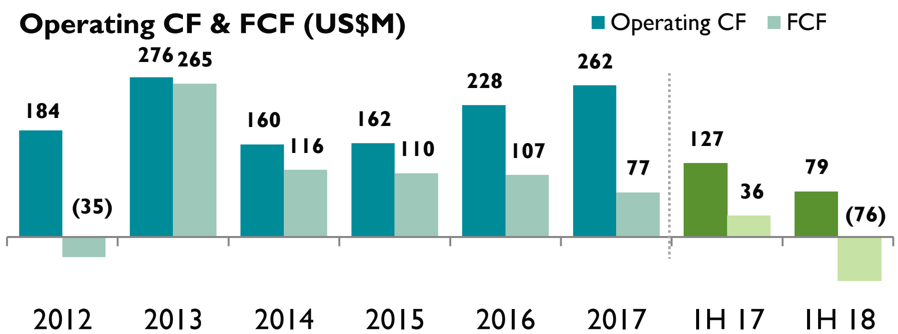


Capex (US$M)

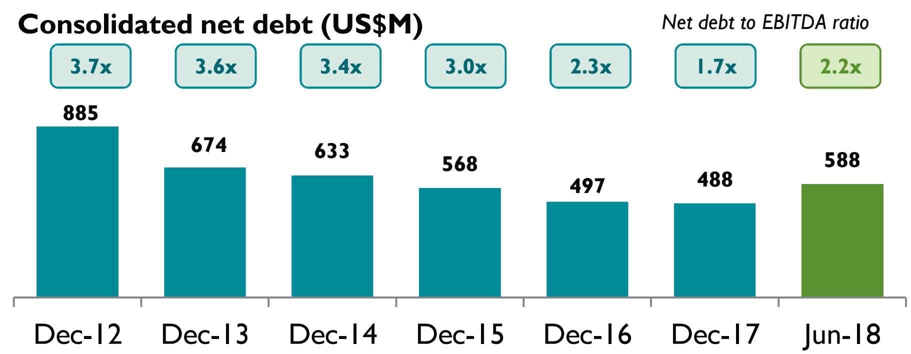


Generating cash flows and deleverage

Operating CF & FCF (US$M)



Consolidated net debt (US$M)

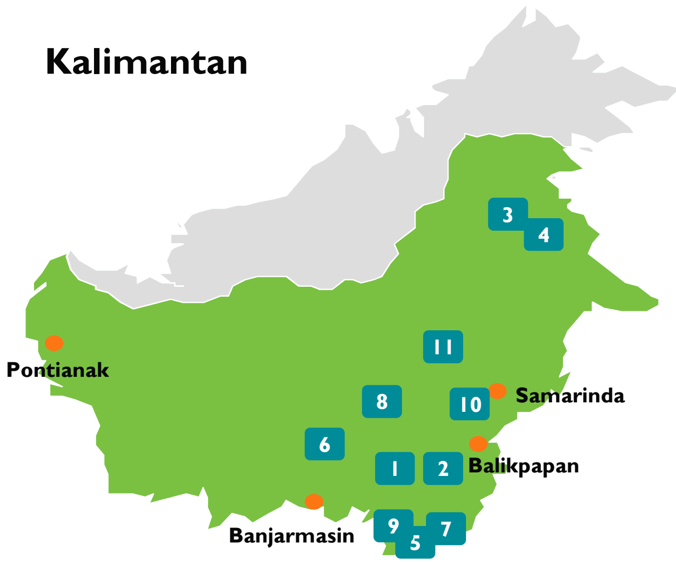


Stable EBITDA margins | **Liquidity management** | **Positive FCF generation**

Significant deleveraging and investing for profitable growth

Existing contracts

Delta Dunia



No	Customers	Period
1	Adaro (Paringin) 1)	2009-2022 1)
2	Kideco	2004-2019
3	Berau Coal (Lati) 1)	2012-2025 1)
4	Berau Coal (Binungan)	2003-2020
5	Sungai Danau Jaya (SDJ) 1)	2015-2023 1)
6	Tadjahan Antang Mineral (TAM) 1)	2015-2024 1)
7	Angsana Jaya Energi (AJE)	2016-2020
8	Pada Idi (PDI)	2017-2027 1)
9	Tanah Bumbu Resources (TBR) 1)	2018-2024 1)
10	Insani Baraperkasa (IBP)	2018-2025
11	Indonesia Pratama (IPR)	2018-2025

BUMA is deeply entrenched with its customers

	berau coal	adaro	KIDECO	Geo Energy Group – SDJ	Geo Energy Group – AJE	TAM Coal Mine
Contribution to BUMA revenue (%) 2)	57%	11%	12%	12%	6%	On Hold
Years of relationship	19 years	15 years	13 years	3 years	2 years	3 years

NEW CUSTOMERS

- petro energy – PDI
- Geo Energy Group (Coal Industries) – TBR
- Rain Group – PT. Insani Baraperkasa Coal Mining
- PT. Bayan Resources, Tbk – PT Indonesia Pratama

The contracts

- Long-term contracts
- Secured volume
- Market-linked pricing

1) *Life of mine contract*
2) *Based on FY2017 Revenues*

2018 new contracts

Tanah Bumbu Resources

- A subsidiary of Geo Energy, located next to SDJ and AJE, allowing for efficient operations amongst the three concessions.
- Life of mine contract, estimated to run until 2024.
- Estimate total volume 169 million bcm of overburden and 47 million tonnes of coal, with annual volume of 25-30 million bcm of overburden removal and 7-9 million tonnes of coal.
- Estimated value of over US$500 million.
- Production started in Q2 2018.

Angsana Jaya Energi

- An extension contract from originally expiring in 2018 to 2020.
- Estimated total volume of 37 million bcm of overburden removal and 12 million tonnes of coal, with expected annual volume 11-13 million bcm of overburden removal and 3-5 million tonnes of coal.
- Estimated value of over US$143 million.

Insani Baraperkasa

- An 8-year contract until 2025, with potential extensions.
- Estimated total volume of 130 million bcm of overburden removal and 20 million tonnes of coal, with expected annual volume 17-19 million bcm of overburden removal and 2-3 million tonnes of coal.
- Estimated value of over US$340 million.
- Production started immediately after signing.

Indonesia Pratama

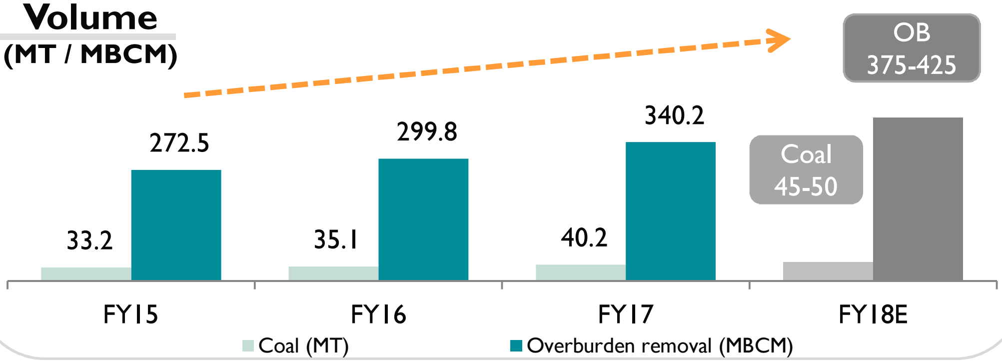
- An 8-year contract until 2025 of mining services, including coal hauling.
- Estimated total volume of 287 million bcm of overburden removal and 96 million tonnes of coal, with 95 million tonnes on the coal hauling, with expected annual volume of 38-42 million bcm of overburden removal, and 12-14 million tonnes of coal.
- Estimated value of over US$1 billion.
- Preparation work has commenced. Production is expected to start in Q3 2018.

- Company brought **contract on hand** from US$5.0 billion **to US$7.0 billion** in the first few months of 2018
  - More extension contracts are under discussions
  - There are still potential new contracts under discussions

2018 Guidance – Continued growth

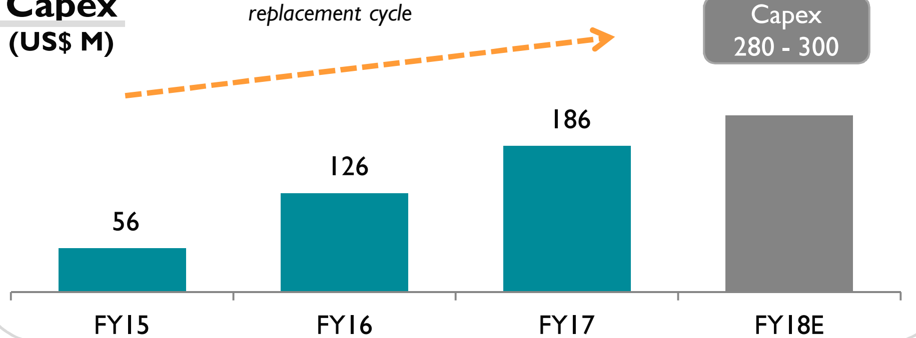
DeltaDunia

Volume
(MT / MBCM)

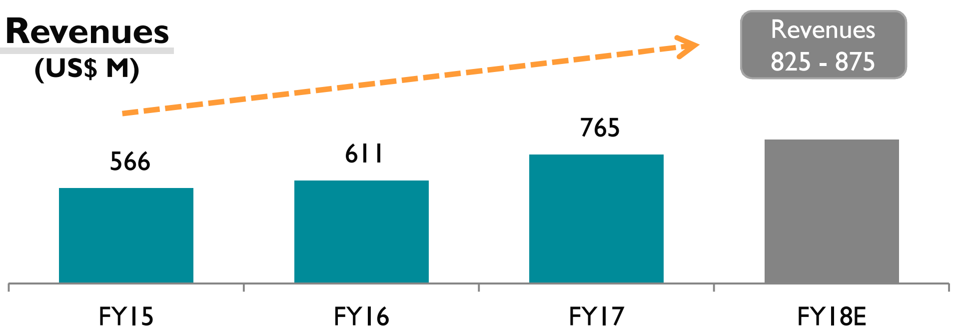


Capex
(US$ M)

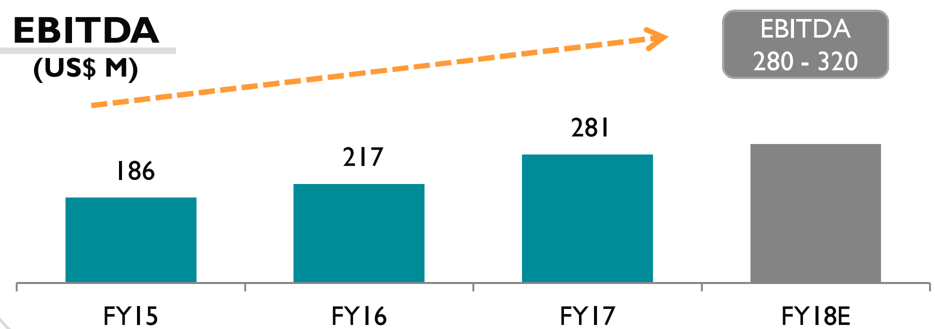
In line with volume growth and replacement cycle



Revenues
(US$ M)

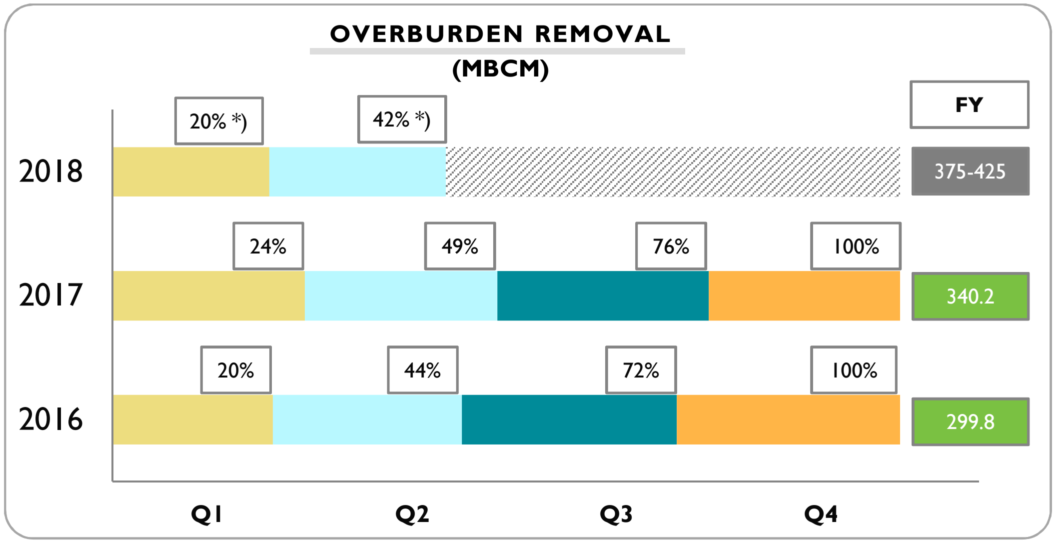


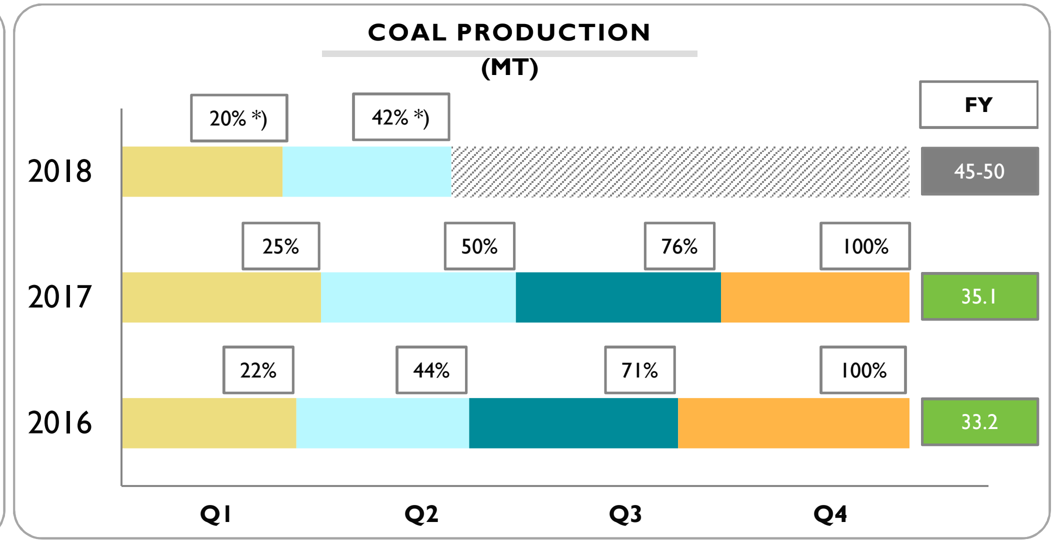
EBITDA
(US$ M)

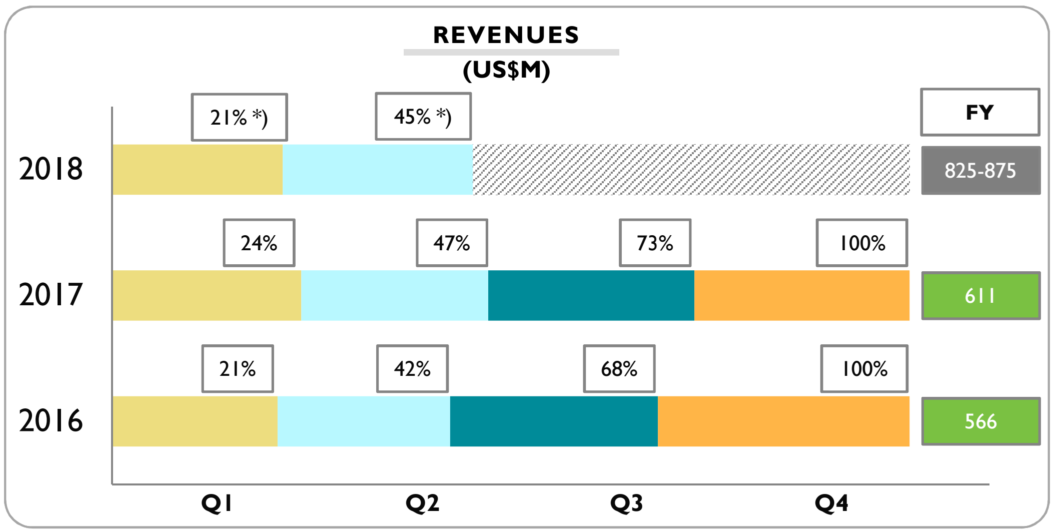


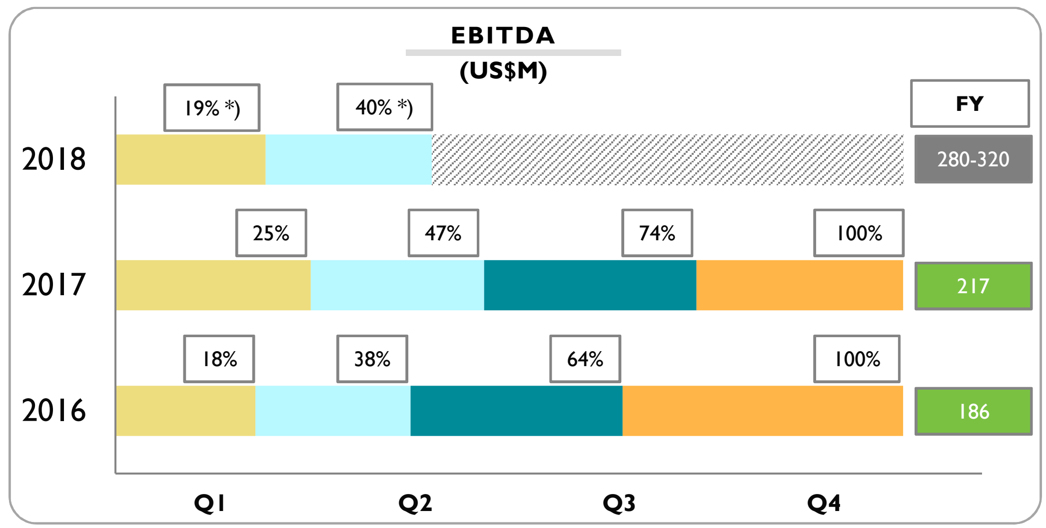
- Continuing trend of growth
- Maintaining healthy ratio of debt level in the midst of higher capex needs from growth and replacement cycle
- Despite soft first half, major improvement is expected in the second half with improved weather so far and as ramp-up progress stabilizes

Progress of 2018









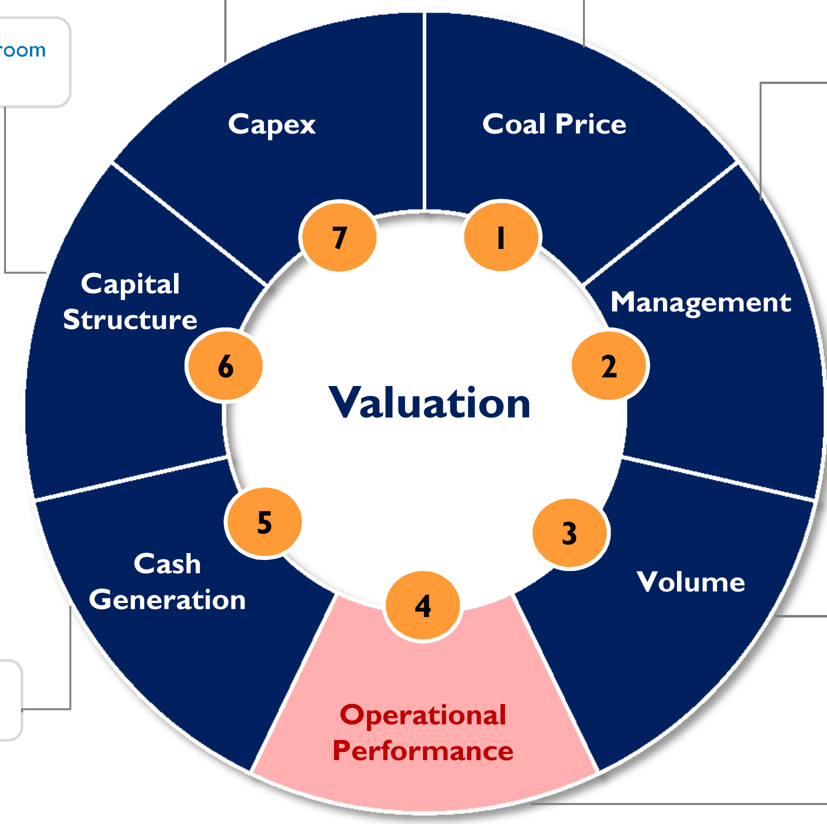
*) *% calculated from median of the guidance*

- Weather disruption and ramp-up challenges have undermined the achievement of expected growth in 1H 2018
- Resources have been deployed to achieve the expected growth, and the Company is working to optimize the use of resources to achieve growth target

Investment highlights

Most key factors in place for stakeholders' value creation

- Investment for growth, supported by strategic partnerships with key vendors
- Healthy debt level with sustainable structure, allowing room in the balance sheet to support further growth
- Expected strong cash flow generation from growing EBITDA



- Coal price expected to sustain and stable at above US$80/ton
- Solid, experienced management team from various relevant background, with long-term tenure at the Company
- US$7 billion contracts, securing volume for the long-term
- Growing volume with operational excellence being key to profitability
- Optimization of operational metrics is expected as ramp-up process stabilizes
  - *Improve people productivity*
  - *Improve equipment utilization & productivity*

End of Presentation

Appendix

Consolidated performance – 1H 2018

Delta Dunia

Consolidated Statements of Financial Position

In US$ mn (unless otherwise stated)	**Jun-18**	**Dec-17**	**YTD**
Cash and cash equivalents	66	68	*-3%*
Other financial assets - current	36	26	*36%*
Trade receivables - current	189	175	*8%*
Other current assets	93	84	*10%*
Trade receivables - non-current	-	4	*-100%*
Fixed assets - net	577	484	*19%*
Other non-current assets	113	104	*9%*
TOTAL ASSETS	**1,074**	**945**	***14%***
Trade payables	107	102	*5%*
LT liabilities - current	128	67	*90%*
Other current liabilities	44	49	*-12%*
LT liabilities - non current	551	502	*10%*
Other non-current liabilities	49	48	*3%*
TOTAL LIABILITIES	**879**	**768**	***14%***
TOTAL EQUITY	**195**	**177**	***10%***

Financial Ratios [1]

	1H18	**1H17**
Gross margin	22.4%	29.5%
Operating margin	16.0%	23.1%
EBITDA margin	33.8%	38.0%
Pretax margin	7.8%	7.9%
Net margin	5.1%	2.5%

Consolidated Statements of Profit or Loss and OCI

In US$ mn (unless otherwise stated)	**1H18**	**1H17**	**YoY**
Net revenues	384	361	*7%*
Revenue excl. fuel	356	346	*3%*
Cost of revenues	304	258	*18%*
Gross profit	**80**	**102**	***-22%***
Operating expenses	(23)	(22)	*2%*
Finance cost	(25)	(28)	*-8%*
Others - net	*(4)*	*(25)*	*-86%*
Pretax profit	**28**	**28**	***2%***
Tax expense	10	19	***-48%***
Profit for the year	**18**	**9**	***110%***
Other comprehensive income - net	(0)	(0)	*n.a.*
Comprehensive income	**18**	**9**	***110%***
EBITDA	**121**	**131**	***-8%***
Basic EPS (in Rp) [3]	*29*	*14*	***112%***

Notes:
1) Margins are based on net revenues excluding fuel.
2) Excludes other financial assets which consists of restricted cash in bank and current investments.
3) Reported EPS are translated into Rp using average exchange rate of Rp13,753 and Rp13,331 for 1H18 and 1H17, respectively.

BUMA performance – 1H 2018

Consolidated Statements of Financial Position

In US$ mn (unless otherwise stated)	**Jun-18**	**Dec-17**	***YTD***
Cash	48	40	*18%*
Restricted cash in bank - current	12	11	*2%*
Trade receivables - current	189	175	*8%*
Due from related party - current	100	150	*-33%*
Other current assets	93	84	*10%*
Trade receivables - non-current	0	4	*-100%*
Fixed assets - net	576	484	*19%*
Other non-current assets	113	104	*8%*
TOTAL ASSETS	**1,131**	**1,052**	***8%***
Trade payables	107	102	*5%*
LT liabilities - current	128	67	*90%*
Other current liabilities	44	50	*-15%*
LT liabilities - non-current	551	502	*10%*
Other non-current liabilities	49	48	*3%*
TOTAL LIABILITIES	**879**	**769**	***14%***
TOTAL EQUITY	**252**	**283**	***-11%***

Consolidated Statements of Profit or Loss and OCI

In US$ mn (unless otherwise stated)	**1H18**	**1H17**	***YoY***
Net revenues	384	361	*7%*
Revenue excl. fuel	*356*	*346*	***3%***
Cost of revenues	304	258	***18%***
Gross profit	**80**	**102**	***-22%***
Operating expenses	(22)	(21)	*3%*
Finance cost	*(25)*	*(28)*	***-8%***
Others - net	*(3)*	*(25)*	***-88%***
Pretax profit	**30**	**29**	***4%***
Tax expense	10	19	***-47%***
Profit for the year	**20**	**10**	***100%***
Other comprehensive income - net	0	(0)	*n.a.*
Comprehensive income	**20**	**10**	***104%***
EBITDA	**122**	**133**	***-8%***

Financial Ratios [1)]

	1H18	**1H17**
Gross margin	22.4%	29.6%
Operating margin	16.3%	23.5%
EBITDA margin	34.2%	38.4%
Pretax margin	8.3%	8.2%
Net margin	5.6%	2.9%

Notes:

1) Margins are based on net revenues excluding fuel.

2) Excludes restricted cash in bank.

Strategic partnership

Fleet type	Strategic partner	Strategy
Large fleet[1]	N/A	▪ Fully deploy existing fleet to match LATI Life of Mine ▪ Full utilization without incremental capex
Medium fleet[2]	CAT	▪ Continue to invest to service contracts on hand ▪ Most flexible fleet easily redeployed if required ▪ Sign strategic partners to lock in long term benefits
Support equipment[3]	KOMATSU	
Coal hauler	SCANIA	

Investment strategy with supply partners

- Lock in partnership in down cycle to gain maximum benefits
- Ensure back-to-back investment and customer contracts esp. volume
- No annual "must" spend and flexibility to delay spending, if necessary

Partnership benefits with supply partners

- Guaranteed or cost cap for equipment lifecycle cost
- No price escalation or rise & fall scheme linked with certain coal index
- Longer & robust warranty scheme and promise to improve performance annually
- Guaranteed second life at lower price
- Provide more value add, such as training, improve technology & equipment buyback schemes
- Secured leasing facility for new equipment

[1] Large: Loader > 300 ton; Hauler > 150 ton; [2] Medium: Loader > 100 ton; Hauler > 60ton; [3] Support equipment = Excavator > 20 ton

Strategic and flexible capex support plan to support contracted production volumes

Capital structure

Delta Dunia

BUMA Refinanced of its tightly-restricted syndicated bank facilities in February 2017

Current Debt Structure

US$350 million
Senior Notes

- Coupon of 7.75% p.a.
- Tenor of 5NC3 – ending 2022
- Settlement at maturity (no amortization)
- Secured by DSRA

US$150 million
MUFG Loan Facility

- US$50m term loan + US$100m revolver
- Interest of LIBOR+3% p.a.
- Tenor of 4 years
- Straight-line amortization
- Same security package as previous loan

Various Finance Leases

- Average cost of LIBOR + 3.5%
- Tenor 4 – 5 years, some extendable to 7 years
- Straight-line installments
- Outstanding at Jun 2018 appx. US$236m

Cash flow and operational flexibility to support future growth

Lower cost of funding to accommodate ongoing growth

Currently healthy debt ratio at net debt to EBITDA 2.2x

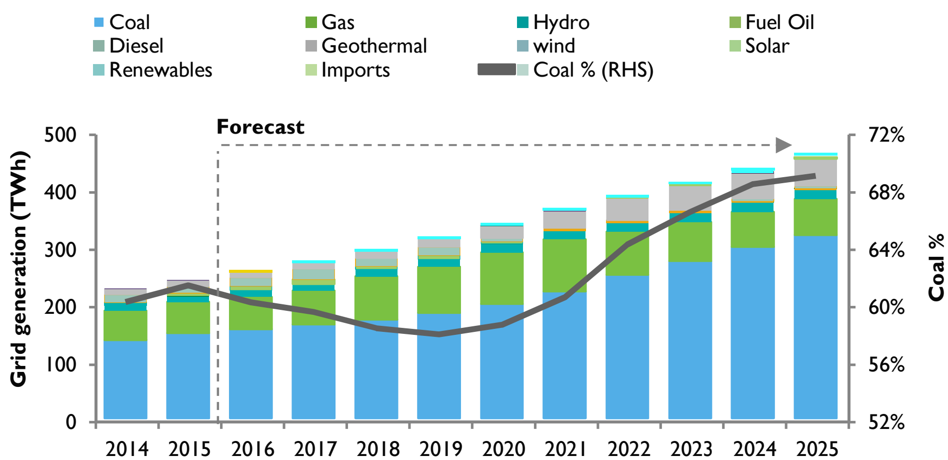
Ample headroom in balance sheet to grow

Wide access to capital funding needed for the growth

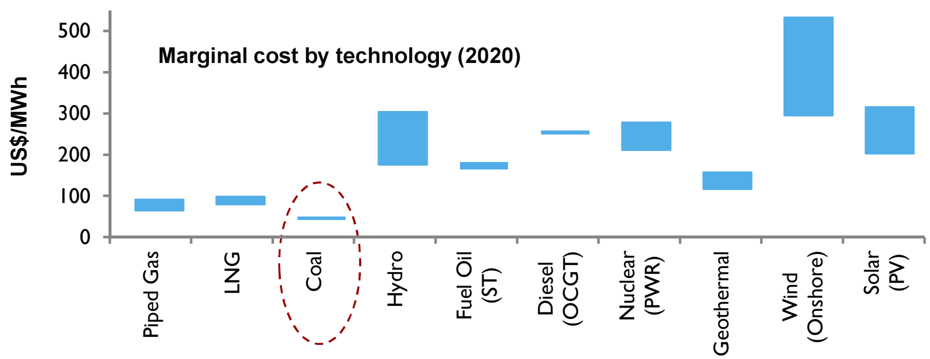
Indonesian coal market

Domestic

Coal will continue to dominate Indonesia's fuel mix demand

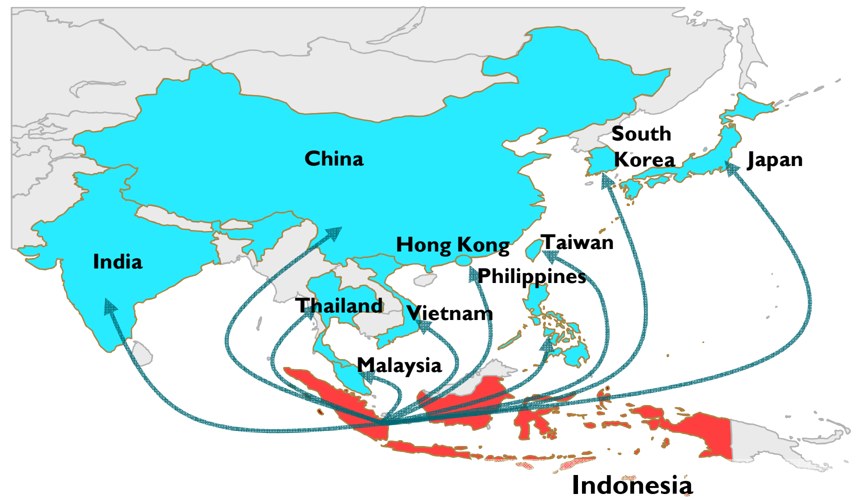


Coal continues to be the preferred fuel for power generation in Indonesia

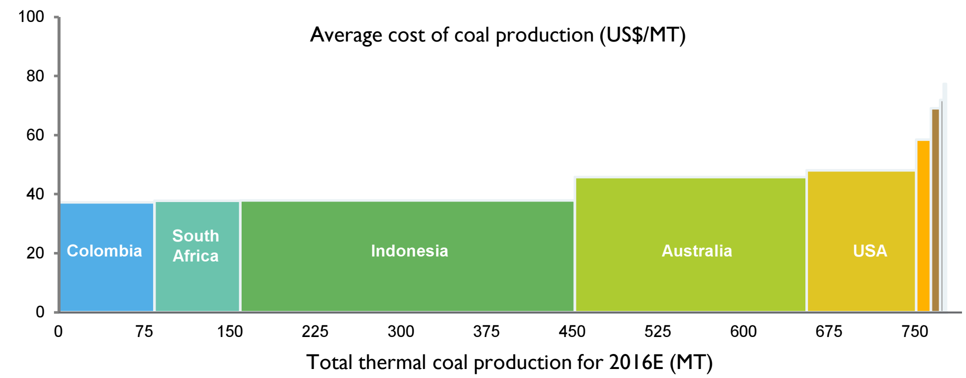


Foreign

Indonesia has proximity to key export markets



Indonesia is one of the lowest relative cost producing markets globally (US$/MT)



☑ **Strong foreign market demand due to proximity to key markets and the low cost**

☑ **Strong domestic market demand due to policy initiatives, electrification agenda**

Strong management team

Delta Dunia senior management

Hagianto Kumala, *President Director* — *31+ years*
- Has served as President Director of Delta Dunia since 2009
- Previously held various senior roles in Astra Group, including UNTR

Rani Sofjan, *Director* — *23+ years*
- Has served as Director of Delta Dunia since 2009
- Also serves as an Executive Director of PT Northstar Pacific Capital

Eddy Porwanto, *Finance Director* — *24+ years*
- Serves as Delta Dunia as Director and BUMA Commissioner since 2014
- Previously a Director at Archipelago Resources and Garuda Indonesia

BUMA senior management

Ronald Sutardja, *President Director* — *24+ years*
- Appointed VP Director in June 2012, President Director in March 2014
- Previously a Director at PT Trikomsel Oke Tbk.

Una Lindasari, *Finance Director* — *31+ years*
- Appointed as Director in August 2014
- Previously CFO of Noble Group from 2008

Jason Thompson, *Business Development Director* — *26+ years*
- Appointed as Director in August 2014
- Previously held various positions in surface mining operations

Indra Kanoena, *Plant Director / HR &GA* — *19+ years*
- Appointed as Director in January 2013
- Previously held various senior positions in Human Resources areas

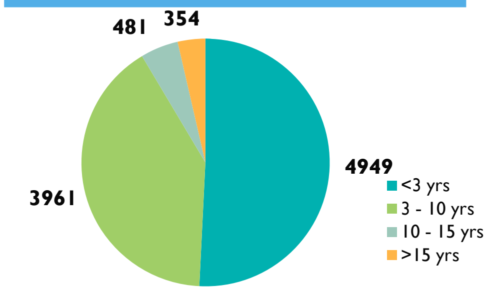
Sorimuda Pulungan, *Operations Director* — *18+ years*
- Appointed as Director in January 2012
- Experienced in mining industry (gold/nickel/coal)

Experienced BUMA operational team [1]

General manager overview

- **18 people**
- **18 years average industry experience**
- **6 years average tenure with BUMA**

Years of service

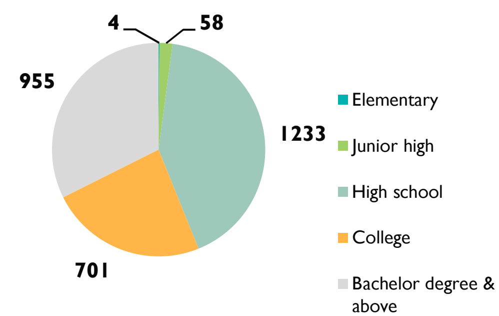


Skilled workers: 9,745 employees

Manager overview

- **65 people**
- **17 years average industry experience**
- **7 years average tenure with BUMA**

Employees education



Leadership positions: 2,951 employees

1) Data as per June 30, 2018

Management's vision and experienced BUMA operational team is key to the resilient performance of the Company

Thank You