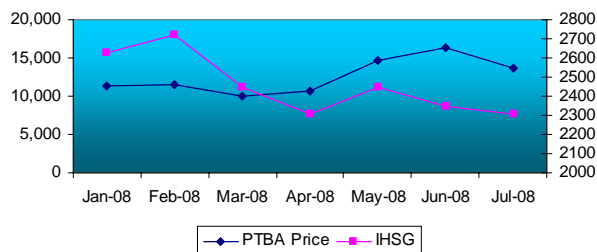


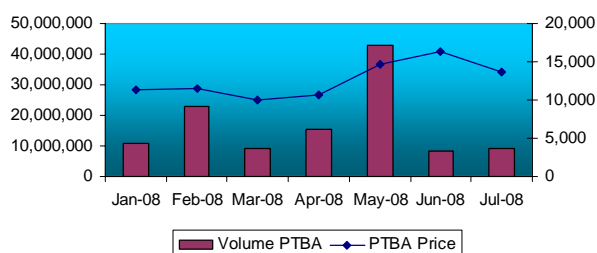
Tambang Batubara Bukit Asam (Persero) Tbk (PTBA)

Mining Sector

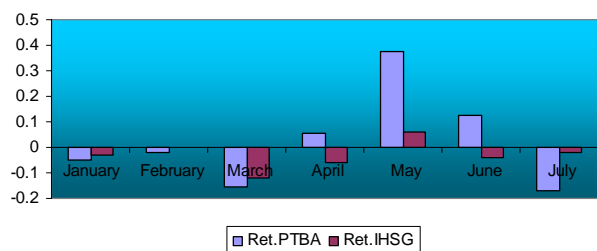
PTBA Share Price Vs IHSG



PTBA Share Price & Volume



Return PTBA Vs IHSG



Stock Overview :

Current Price (20/08/08) Rp.13.000,-
 Price Target Rp.12.625,-
 Issued Share (Million) 2,304
 Market Cap (Billion) 33,640
 52wk Range Rp. 4.750,-
 Rp. 17.250

Major Stockholder

- Government 65%
 - Public 34.7%
 - Employee 0.3%

Analyst:

**Parningotan Julio N.H
 Adler Haymans Manurung**

- Since the skyrocketing trend of oil price has stop, alternative energy prices such as coal are starting to decline. This trend also causing alternative energy stock prices sector to fall.
- Tambang Batubara Bukit Asam (PTBA) has two main business segments, that is: coal as the main business and briquette. Throughout 2007, PTBA has successfully increase its sale of coal and coal briquettes as much as 17% from last year and achieved profit from operation as much as 44% from last year or from Rp.656.8 billion in 2006 to Rp.945.5 billion in 2007.
- PTBA recently announced that it has completed acquisitioning 51% of PT International Prima Coal (IPC) shares, worth of USD 17.85 million. This acquisition is a strategic measure of PTBA to increase PTBA coal production. IPC mining source estimated to be able to produce 1 million ton of coal in the 1st year, and then 2 million ton per year after.
- We are using the Discounted Cash Flow Model (DCF) for valuating PTBA. A couple of assumption were taken to be able to valuate PTBA, these assumptions are:

- coal price: \$163.96/Ton
- 1 USD = Rp.9,185
- Terminal growth PTBA = 6%
- WACC = 13.66%

After using the DCF model we estimated that PTBA price in the end of 2008 would be Rp.12.625,-/share. It seems that its current price are already to expensive, or overestimated by the investor.

FORECASTS AND VALUATION

BALANCE SHEET						
(Million Rupiah's)	2005	2006	2007	2008 F	2009 F	2010 F
AKTIVA						
Current Assets	2,088,957	2,347,761	3,080,350	2,716,575	2,689,095	2,662,787
Non Current Assets	750,733	759,973	847,721	1,045,743	1,095,908	1,162,343
Total Assets	2,839,690	3,107,734	3,928,071	3,762,317	3,785,003	3,825,130
LIABILITY AND STOCKHOLDERS EQUITY						
Total Current Liabilities	463,035	431,533	695,010	529,859	552,134	592,334
Total Non-Current Liabilities	313,678	368,560	421,789	421,789	421,789	421,789
Total Liabilities	776,713	800,093	1,116,799	951,648	973,923	1,014,123
Minority interest in net asset of Consolidated Subsidiary	10,317	12,181	12,154	11,551	11,962	11,889
Total Sctockholder Equity	2,052,660	2,295,460	2,799,118	2,799,118	2,799,118	2,799,118
Total Liabilities and Stockholder Equity	2,839,690	3,107,734	3,928,071	3,762,317	3,785,003	3,825,130

Source: calculated by PT.FBI

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Source: calculated by PT.FBI

INCOME STATEMENT

(Million Rupiah's)	2005	2006	2007	2008 F	2009 F	2010 F
Sales	2,998,686	3,533,480	4,123,855	4,779,758	6,285,730	7,791,703
Cost of Good Sold	1,840,195	2,198,407	2,474,529	2,924,377	3,845,769	4,767,161
Gross Profit	1,158,491	1,335,073	1,649,326	1,855,381	2,439,961	3,024,542
Operating Expenses	597,493	678,297	703,778	890,480	1,171,046	1,451,612
Income From Operations	560,998	656,776	945,548	964,901	1,268,915	1,572,930
Other Income-Net	92,247	12,174	112,580	142,057	179,251	226,184
Income Before Income Tax	653,245	668,950	1,058,128	1,106,958	1,448,166	1,799,113
Income Tax Expense-(Net)	184,186	180,771	297,320	309,948	405,487	503,752
Minority Interest in net income of Consolidated Subsidiary	(1,999)	(2,509)	(601)	(601)	(601)	(601)
Net Income	467,060	485,670	760,207	796,409	1,042,079	1,294,761

Source: calculated by PT.FBI

Net Income (Million Rupiah's)

