



PEFINDO CREDIT RATING INDONESIA

PRESS RELEASE
January 20, 2014

Credit Watch with Negative Implication Placed on ANTM's Ratings

PEFINDO has placed “**idAA-**” ratings for Perusahaan Perseroan (Persero) PT Aneka Tambang Tbk. (ANTM or the Company) and its Bond I/2011 amounting to IDR3 trillion on “**Credit Watch with Negative Implication**”. It is triggered by the implementation of the mineral ore export ban as stated in the Government Regulation No. 1/2014 effective on January 12, 2014. The regulation is believed to have a negative impact to ANTM considering that nickel and bauxite ores sales accounted for more than 33% of the Company's total revenue for the nine months ended September 30, 2013 (9M2013). This could significantly reduce ANTM's profitability and also cash flows amid rising leverage position to finance its expansion project of Ferronickel (FeNi) processing plants. We will continue to monitor the Company's performance for the next three months. The ratings will be lowered if the ban continues within those periods which could significantly lower its profitability and cash flows. The ratings could also be under pressure if the commodity prices continue to decline and if the Company's debt-funded expansion projects are significantly higher than projected.

Founded in July 1968, ANTM is a state-owned mining company in Indonesia, producing nickel ores and FeNi, gold, bauxite, and coal. As of September 30, 2013, ANTM's shareholders were the GOI with 65% of ownership and the public (35%).

Rating Period: January 17, 2014 – April 17, 2014
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