



FOR IMMEDIATE RELEASE

For more information, please contact:

Agung Nugroho, Corporate Secretary

telephone : +62 (21) 2352 8000
facsimile : +62 (21) 344 4012
e-mail : corporatesecretary@pttimah.co.id
website : www.timah.com

PT TIMAH (Persero) Tbk Posted Rp 1.237,4 Billion Revenues in the First Quarter of 2014

Jakarta, 30 June 2014. PT TIMAH (Persero) Tbk reported today its Interim Consolidated Financial Statements for the three-month periods ended March 31, 2014. Company recorded net income per the 1st quarter of this year amounted to Rp95.08 billion or Rp19 per share.

One strategy the company is still oriented on profit rather than on quantity. During the period of January to mid-February 2014 the price of tin on the London Metal Exchange price below the company's expectations, only around U.S. \$.21,500 - 22,930 tons or not reaching the target price set by the company so that the company withhold the amount of sales. Expected selling price of tin in the market will be boosted due to the low supply of tin producers in Indonesia. The Company strongly supports the establishment of Indonesian tin revival in 2014

Enforcement of the Regulation number 32/2013 which requires verification of tin ore and tin ingot to be exported and traded in ICDX direct exports from Indonesia have prompted increased production of tin and tin ore owned by the company during the first quarter of 2014 due to the increasing number of corporate partners and mining communities that they will understand and accept the rules and felt it would be better in the future

Improvement of product quality tin and consistency of effort through the platform "Good Mining Practice", so the tin commodity acceptable in many countries that require environmental-friendly products as raw materials industry, the implementation of strategic measures to enhance the value and the company's performance.

Financial Review

The company's gross profit in the 1st quarter of this year amounted to Rp325.40 billion or 3.72% lower than the same quarter of 2013 amounted to Rp337.98 billion. The company's cost of goods sold fell by 17.16% to Rp911.97 billion in the first quarter of this year compared to the same quarter of the previous year amounted to Rp1.100 billion. Profit before tax is lower by 12.35% compared to the 1st quarter of 2013 amounted to Rp193.85 billion to Rp169.92 billion in the same quarter of 2014. Total assets of the company decreased by 8.01% from Rp7.88 trillion in 2013 to Rp7.25 trillion in 2014.

It should be presented that the income statement and statement of financial position by March 31, 2013 have been adjusted (restatement). Adjustments made on the method of depreciation, starting on January 1, 2013, fixed assets are depreciated using the straight-line method so treated prospectively. In addition, re-done presentation of Income Statement of PT Tanjung Alam Jaya (TAJ) which is one of the subsidiaries for the period ended March 31, 2013 as a loss from discontinued operations

Overview of Production

Tin ore production increased significantly by 44.09% from 1st quarter of 2013 only 4,312 tons to 6,213 tons in the 1st quarter of this year. Of these mentioned amount, offshore accounts for 4,181 tons or 67.29% as well as onshore accounts for 2,033 tons or 32.71%.

Tin production also rose 7.84% to 5,148 metric ton in the 1st quarter of this year compared to the 1st quarter of 2013 with only 4,774 metric ton and sales volume in March 2014 reached 4,319 metric ton.

Current Situation and Future Prospects

Brand Image and Brand Engagement on company's tin commodities is the primary strength in facing the increasingly intense competition, especially in welcoming the ASEAN Economic Community (AEC) in the year of 2015. PT TIMAH (Persero) Tbk continues to seek efficiency, good governance of tin, and non-tin business development in order to have a positive impact on business continuity, as well as growth of tin business scale in the future.

**** the end of press release ****

*) Consolidated Financial Statements of PT TIMAH (Persero) Tbk and Subsidiaries for the 1st quarter 2014 and 1st quarter 2013 also available on Capital Market Electronic Library (ICaMEL), Indonesia Stock Exchange Building.

PT TIMAH (Persero) Tbk and Subsidiaries

Summary of Performance Result

 Period of 1st Quarter 2014 and 1st Quarter of 2013

| | Quarterly | |
|--|--------------|--------------|
| | 2014 | 2013 |
| Tin in-concentrate | | |
| ‣ on shore | 2,033 | 631 |
| ‣ offshore | 4,181 | 3,681 |
| Total - mton | 6,213 | 4,312 |
| | | |
| Refined tin production - mton | 5,148 | 4,774 |
| | | |
| Sales | | |
| ‣ Refined tin sales - mton | 4,319 | 5,820 |
| | | |
| Inventory | | |
| ‣ Tin ore - ton | 1,807 | 754 |
| ‣ Slag - ton | 7,377 | 5,236 |
| ‣ Refined - mton | 4,371 | 1,192 |
| ‣ Tin Solder - mton | 41 | 95 |
| | | |
| Parameter | | |
| ‣ Exchange rate end of periode - Rp/US\$ | 11,404 | 9,719 |
| ‣ Exchange rate end AV Rp/US\$ | 11,891 | 9,699 |
| | | |
| Average selling price - US\$/mton | 23,302 | 23,910 |

PT TIMAH (Persero) Tbk and Subsidiaries

Interim Consolidated Statement of Comprehensive Income

 Period of 1st Quarter 2014 and 1st Quarter of 2013

(In Billion Rupiah, Unless Otherwise per Share Data Stated in Full Rupiah)

| | YEAR | |
|---|---------------|---------------|
| | 2014 | 2013 |
| Revenue | 1,237.37 | 1,438.81 |
| Cost of Sales and Direct Costs | 911.97 | 1,100.83 |
| Gross Profit | 325.40 | 337.98 |
| Selling Expenses | 22.42 | 11.66 |
| General and Administration Expense | 125.48 | 133.93 |
| Interest Income | 6.44 | 4.24 |
| Interest and Finance Charge | (20.32) | (2.75) |
| Gain (Loss) of Foreign Exchange, net | (31.08) | 11.66 |
| Others | 35.08 | (9.76) |
| Exploration Expenses | - | - |
| Gain/(Loss) of Associates | 2.30 | (1.94) |
| Profit before Income Tax | 169.92 | 193.85 |
| Tax Expenses | (59.53) | (46.11) |
| Income for The Year from Continuing Operations | 110.39 | 147.74 |
| Discontinued Operations | | |
| (Loss)/Profit for The Year from Discontinued Operations | (15.30) | (21.03) |
| Profit for The Year | 95.08 | 126.71 |
| Other Comprehensive Income after Tax | | |
| Exchange Difference due to Financial Statements Translation | (21.76) | 0.14 |
| Unrealised Gain (Loss) from Available-for-Sale Securities | 0.65 | (0.05) |
| Total Comprehensive Income for The Period | 73.97 | 126.79 |
| Net Income Attributable to: | | |
| Owners of The Entities | 95.02 | 126.70 |
| Non-Controlling Interest | 0.06 | 0.00 |
| | 95.08 | 126.71 |
| Comprehensive Income Attributable to: | | |
| Owners of The Entities | 73.91 | 126.79 |
| Non-Controlling Interest | 0.06 | 0.00 |
| | 73.97 | 126.79 |
| Basics Earnings per Share for: | | |
| Continuing Operations | 0.02 | 0.03 |
| Discontinued Operations | (0.00) | (0.00) |
| | 0.02 | 0.03 |
| Total Comprehensive Income Attributable to Equity Shareholders | | |
| Arises from: | | |
| Continuing Operations | 89.27 | 147.82 |
| Discontinued Operations | (15.30) | (21.02) |
| | 73.97 | 126.79 |



PT TIMAH (Persero) Tbk and Subsidiaries

Interim Consolidated Statements of Financial Position

Period of 1st Quarter 2014 and Year Ended 2013

(In Billion Rupiah)

| | YEAR | |
|---|-----------------|-----------------|
| | 31 Maret 2014 | 31 Des 2013 |
| Current Assets | | |
| Cash & Cash Equivalent | 434.29 | 613.70 |
| Other Financial Assets | 1.61 | 1.40 |
| Trade Account Receivables | 333.96 | 1,055.18 |
| Other Account Receivables | 2.87 | 21.67 |
| Inventories - Net | 2,612.16 | 2,344.51 |
| Prepaid Taxes | 815.07 | 820.60 |
| Other Current Assets | 165.41 | 121.70 |
| Total Current Assets | 4,365.36 | 4,978.77 |
| Assets Classified as Held for Sale | 250.12 | 265.16 |
| | 4,615.48 | 5,243.92 |
| Non-Current Assets | | |
| Receivables Related Parties | 92.43 | 71.65 |
| Receivables Third Parties | 11.59 | 18.88 |
| Investment in Associates | 134.73 | 131.98 |
| Deferred Tax Assets | 81.95 | 118.91 |
| Fixed Assets Cost | 4,977.72 | 4,898.06 |
| Accumulated Depreciation | (2,956.28) | (2,890.14) |
| Deferred Cost - Depreciation | (2.58) | (2.58) |
| Fixed Assets | 2,018.87 | 2,005.35 |
| Prepaid Taxes Non-Current | 35.17 | 32.56 |
| Investment Properties | 71.68 | 71.68 |
| Mining Properties | 181.45 | 167.39 |
| Other Non-Current Assets | 8.55 | 21.00 |
| Total Non-Current Assets | 2,636.41 | 2,639.37 |
| Total Assets | 7,251.88 | 7,883.29 |
| Short Term Liabilities | | |
| Short Term Bank Loans | 841.28 | 1,354.76 |
| Trade Payables: | | |
| - Related Parties | - | 1.08 |
| - Third Parties | 310.71 | 404.45 |
| Dividend Payables | 284.26 | 1.03 |
| Tax Payables | 96.36 | 157.74 |
| Royalties Payables | 1.63 | 3.19 |
| Accrual Expenses | 341.13 | 417.91 |
| Provision for Environmental Rehabilitation - Current | 11.71 | 38.00 |
| Other Payables | 22.58 | 17.01 |
| Subtotal | 1,909.65 | 2,395.18 |
| Liabilities Directly Associated with Assets Held for Sale | 61.14 | 44.41 |
| Total Current Liabilities | 1,970.79 | 2,439.59 |
| Non-Current Liabilities | | |
| Deferred Tax Liabilities | 0.44 | 0.40 |
| Liabilities Reward | | |
| Post Employment | 262.48 | 325.09 |
| Provision for Environmental Rehabilitation - Non Current | 335.39 | 226.11 |
| Total Non Current Liabilities | 598.30 | 551.59 |
| Equity Attributable to Owners of The Company | 4,682.62 | 4,892.00 |
| Non Controlling Interest | 0.18 | 0.11 |
| Total Equities | 4,682.79 | 4,892.11 |
| Total Liabilities & Equities | 7,251.88 | 7,883.29 |

PT TIMAH (Persero) Tbk & Subsidiaries

Interim Consolidated Statements of Cashflows

 Period of 1st Quarter 2014 and 1st Quarter of 2013

(In Billion Rupiah)

| | Quarterly | |
|---|----------------|---------------|
| | 2014 | 2013 |
| Cash Flows From Operating Activities | | |
| Receipts From Customers | 1,955.1 | 1,367.2 |
| Cash Payments To: | | |
| ▸ Suppliers - | (1,161.7) | (1,029.4) |
| ▸ Employees - | (177.2) | (213.3) |
| | 616.2 | 124.6 |
| Tax Restitution | 125.0 | 325.7 |
| Receipts From Finance Income | 6.4 | 4.1 |
| Payment Of Pension Contribution | (13.0) | (16.4) |
| Payments Of Taxes And Royalties | (281.3) | (191.5) |
| Net Cash Flows Provided By Operating Activities | 453.4 | 246.5 |
| Cash Flows From Investing Activities | | |
| Acquisition Of Fixed Assets | (100.4) | (75.3) |
| Proceeds From Disposal Of Other Assets | 9.4 | - |
| Acquisition Of Mining Properties | (20.2) | - |
| Increase In Restricted Cash | - | (0.4) |
| Net Cash Flows Used In Investing Activities | (111.3) | (75.7) |
| Cash Flows From Financing Activities | | |
| Payment Of Bank Loans | (584.3) | (615.4) |
| Proceeds From Bank Loans | 97.5 | 613.8 |
| Interest Paid | (20.3) | (1.7) |
| Dividen Paid | (0.1) | - |
| Net Cash Flows Used In Financing Activities | (507.2) | (3.3) |
| Net (Decrease)/ Increase In Cash And Cash Equivalents | (165.1) | 167.5 |
| Cash And Cash Equivalents At Beginning Of The Period | 613.7 | 670.4 |
| Effect Of Foreign Exchange Rate Fluctuation On Cash And Cash Equivalent | (14.3) | 0.8 |
| Cash And Cash Equivalents At The End Of The Period | 434.3 | 838.6 |