



QUATERLY REPORT PT ANTAM (PERSERO) TBK

For the Three Month Period Ended June 30, 2012

ARBN - 087 423 998

Securities Ticker: ASX: ATM; IDX: ANTM



Ferronickel Plant III, Pomalaa



Gold Plant, Pongkor



Gold Plant, Cibaliung

HIGHLIGHTS

As Antam conducted the optimisation of the FeNi II smelter, ferronickel production volume of 8,009 tonnes of nickel contained in ferronickel (TNi) in 1H12 was 19% lower over 1H11. Ferronickel production in 2Q12 reached 4,379 TNi.

Ferronickel shipment in 1H12 reached 9,991 TNi or 51% of 2012 target of 19,500 TNi.

Inline with the sustained strong nickel demand, nickel ore sales volume in 1H12 amounted to 3,190,858 wmt or an 11% increase over the same period in 2011. Nickel ore sales volume in 2Q12 reached 1,421,209 wmt.

1H12 gold production was 2% higher at 1,261 kg as gold grades at the Cibaliung mine improved. Gold production in 2Q12 reached 691 kg.

Antam targets operational efficiency level of Rp28 billion in 2012.

Antam's key projects are on track.

FOR FURTHER INFORMATION PLEASE CONTACT:

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CORPORATE INFORMATION

Board of Commissioners

R. Sukhyar	President Commissioner
Bambang Permadi Soemantri Brodjonegoro	Commissioner
Buyung Zaelani	Commissioner
Burhan Muhammad	Commissioner
Hikmahanto Juwana	Independent Commissioner
Laode Masihu Kamaluddin	Independent Commissioner

Board of Directors

Alwinskyah Lubis	President Director
Djaja M. Tambunan	Finance Director
Winardi	Operations Director
Tato Miraza	Development Director
Achmad Ardianto	Human Resources Director
Denny Maulasa	General Affairs and CSR Director

Share Information

- As at June 30, 2012, Antam's market capitalisation stood at Rp12.8 trillion.
- Antam's share price hovered within the Rp1,140 per share to Rp1,860 per share range during the period from April 2012 until June 2012.
- Antam's average share price at the Indonesia Stock Exchange (IDX) during the period from April 2012 until June 2012 was Rp1,517.74 per share.
- On the Australia Stock Exchange (ASX), the average price of Antam's shares during the period from April 2012 to June 2012 was AU\$1.25 per CDI.

PRODUCTION VOLUME

Commodity	Unit	1Q11 (April-June) 2011	1H11	1Q12 (April-June) 2012	1H12	2Q12/2Q11 (%)	1H12/1H11 (%)
Ferronickel	TNi	5,002	9,838	4,379	8,009	(12)	(19)
High Grade Nickel Ore	Wmt	816,544	1,725,986	1,333,802	2,752,791	63	59
Low Grade Nickel Ore	Wmt	1,084,787	2,183,493	608,069	1,288,328	(44)	(41)
Total Nickel Ore	Wmt	1,901,331	3,909,479	1,941,871	4,041,119	2	3
Gold	Kg	653	1,241	691	1,261	6	2
Silver	Kg	4,975	9,365	5,515	9,929	11	6
Bauxite	Wmt	-	-	-	62,301	-	N/A
Coal	Ton	151,863	215,150	282,828	407,138	86	89

PRODUCTION AND SALES

During the first half of 2012 (1H12), Antam's unaudited sales declined by 7% to Rp4.5 trillion inline with lower sales of ferronickel. The decrease was also due to lower nickel prices. Gold was the largest contributor with 41% contribution or Rp1.8 trillion of value, followed with nickel ore with Rp1.3 trillion of contribution or 27% of Antam's 1H12 total sales. Ferronickel contributed Rp1.2 trillion of sales during 1H12 or equal to 26% of Antam's total 1H12 sales. During the second quarter of 2012 (April-June 2012), Antam's sales amounted to Rp2.1 trillion, or a 28% decrease compared with the same period of 2011 as sales of ferronickel were lower.

In 2012, Antam targets operational efficiency level of Rp28 billion with 1H12 savings amounted to Rp7.1 billion.

Pursuant to ASX listing rules, Antam's financial statements for the first semester of 2012 is currently being reviewed by Public Accountant Firm Purwantono, Suherman and Surja, member firm of Ernst & Young Global and will be available on 31 August 2012 at the latest.

FERRONICKEL

As Antam conducted the optimisation program of the FeNi II smelter from January until April 2012, ferronickel production volume of 8,009 tonnes of nickel contained in

ferronickel (TNi) in 1H12 was lower by 19% compared with the same period of 2011 (1H11). On April 12, 2012, Antam had switched back on its FeNi II smelter. Antam's 2012 ferronickel production target remained unchanged at 18,000 TNi. Ferronickel production volume during the second quarter of 2012 (April-June 2012 or 2Q12) reached 4,379 TNi, or a 12% decrease compared with the same period last year (2Q11).

As ferronickel production was lowered, ferronickel sales volume in 1H12 amounted to 6,744 TNi or 26% lower over 1H11. In June 2012, there were 3,247 TNi of Antam's ferronickel on transit, totaling 9,991 TNi of ferronickel shipment in 1H12. Antam's ferronickel sales target of 19,500

TNi in 2012 remained unchanged. In 2Q12, ferronickel sales reached 2,341 TNi.

As concerns on global economic conditions escalated in 1H12, the average ferronickel price in 1H12 decreased by 24% to US\$8.53 per lb. In line with lower selling price and sales volume, Antam's revenue from ferronickel sales decreased by 41% to Rp1.2 trillion. Revenue from ferronickel during 2Q12 decreased by 72% to Rp392 billion due to lower sales volume and a 25% drop of average selling price to US\$8.17 per lb.

NICKEL ORE

In 1H12, Antam's nickel ore production increased by 3% compared with the same period of 2011 to 4,041,119

wet metric tonnes (wmt), comprising of 2,752,791 wmt of high grade nickel ore and 1,288,328 wmt of low grade nickel ore. Total nickel ore production in 2Q12 rose by 2% to 1,941,871 wmt. Antam's 2012 nickel ore production target of 9.4 million wmt remained unchanged.

In line with the sustained strong nickel demand, nickel ore sales volume in 1H12 amounted to 3,190,858 wmt or an 11% increase over the same period in 2011. Sales of nickel ore was suspended temporarily in May 2012 as Antam prepared the necessary documentation to comply with the government's requirements for ore export. Antam has secured the approval at the end of May 2012 and ore export has resumed. Antam's 2012 nickel

ore sales target of 7.8 million wmt remained unchanged. Sales of nickel ore in 2Q12 was 14% higher over 2Q11 at 1,421,209 wmt.

Despite lower sales price of nickel ore, due to higher sales volume, Antam's revenue from the sales of nickel ore in 1H12 grew by 5% compared with 1H11 to Rp1.2 trillion. Revenue from nickel ore in 2Q12 rose by 9% to Rp584 billion due to higher sales volume.

GOLD

Gold production volume during 1H12 amounted to 1,261 kg, comprising of 790 kg of gold mined from Pongkor and 471 kg of gold from the Cibaliung mine. 1H12 gold production was 2% higher than 1H11 as gold

SALES VOLUME

Commodity	Unit	1Q11 (April-June) 2011	1H11	1Q12 (April-June) 2012	1H12	2Q12/2Q11 (%)	1H12/1H11 (%)
Ferronickel	TNi	6,863	9,072	2,341	6,744	(66)	(26)
High Grade Nickel Ore	Wmt	550,687	1,306,068	942,013	2,127,940	71	63
Low Grade Nickel Ore	Wmt	691,816	1,563,241	479,196	1,062,918	(31)	(32)
Total Nickel Ore	Wmt	1,242,503	2,869,309	1,421,209	3,190,858	14	11
Gold	Kg	1,881	3,611	1,850	3,632	(2)	1
Silver	Kg	7,292	13,973	6,127	9,999	(16)	(28)
Bauxite	Wmt	-	130,218	31,402	31,402	-	(76)
Coal	Ton	194,263	194,263	209,733	365,682	8	88

grades at the Cibaliung mine improved. In 1H12 the average grade of the gold ore at Cibaliung reached 9 gram per ton (gpt) compared with 5 gpt in 1H11. Antam's gold production in 2Q12 was 6% higher to 691 kg.

Gold sales volume reached 3,632 kg during 1H11 or a 1% increase compared with 1H11. Meanwhile, sales volume of gold during the second quarter of 2012 amounted to 1,850 kg or a 2% decrease compared with 2Q11.

Inline with higher sales volume and average selling price of gold by 16% compared with 1H11 to US\$1,707.86 per toz, Antam's revenue from gold reached Rp1.8 trillion or a 65% increase over 1H11.

BAUXITE

In the first half of 2012, bauxite production at Tayan reached 62,301 wmt with bauxite sales of 31,402 wmt, generating Rp8 billion of revenue.

COAL

Antam's Sarolangun coal mine in Jambi produced 407,138 tonnes of coal and sold 365,682 tonnes of the

commodity domestically in 1H12, generating Rp115 billion.

EXPLORATION ACTIVITIES

Antam's exploration activities in 1H12 were focused on nickel, gold, bauxite, coal, and limestone. Antam's total preliminary cost of exploration activities in 1H12 had reached Rp114.6 billion.

NICKEL

Nickel exploration activities were conducted in Buli, North Maluku; Lasolo, Lalin-du, Mandiodo, and Tapunopaka, Southeast Sulawesi; and Pulau Gag, West Papua. In 1H12, Antam spent Rp36.5 billion on nickel exploration activities.

Nickel exploration activities in Buli, which covers the Tanjung Buli and Sangaji areas, aim to improve the classification of mineral resources in both regions. Detailed measurements with 25 x 25 m spacing were conducted to upgrade the indicated resources into measured resources. Meanwhile, measurements with 50 x 50 m and 100 x 100 m were performed to upgrade the regions' inferred resources to indicated resources. In addition, drill re-examination was also performed in Pakal Island to as-

certain the depth of the region's bedrock.

Nickel exploration activities in Lalindu and Mandiodo, Southeast Sulawesi were performed to improve the classification of nickel ore resources in the region (from inferred resources to indicated resources), to accelerate the mining process in Tapunopaka and Mandiodo, as well as to prepare for mining activities and ore feed of the FeNi Smelters in Pomalaa by upgrading the region's classification (from inferred resources into indicated resources).

Nickel exploration activities in Gag Island, Papua aim to improve the classification of the region's mineral resource potentials, as well as to conduct ore modelling for purposes of mine planning. Among the activities performed in Gag Island is drilling with 50 m spacing.

GOLD

Antam conducted gold exploration activities at West Java, Banten, Jambi, West Sulawesi, and Papua. In 1H12, Antam had spent Rp69.8 billion for gold exploration.

Exploration activities at Pongkor included, among

others, detailed geological mapping (DGM), core logging, hand-auger survey, sampling of rock, core, and soil, drilling, drill track measurement, geophysical survey with magnetic, gravity, and Controlled Source Audio Frequency Magneto-Telluric (CSMAT) methods, as well as geological modeling.

In Papandayan, West Java, Antam performed DGM, core logging, test pitting, core sampling and drilling, geotechnical drilling, drill track measurement, and geophysical survey using magnetic, gravity, and CSMAT methods.

At Cibaliung, Antam conducted DGM, trenching, sampling, core drillings, drill track measurement, as well as geophysics survey.

Meanwhile, at Batang Asai, Jambi, Antam performed DGM, trenching, hand-auger survey, Fi and core sampling, petrographic and mineragraphic testing, core logging, magnetic geophysical survey, as well as trench and drill hole measurement.

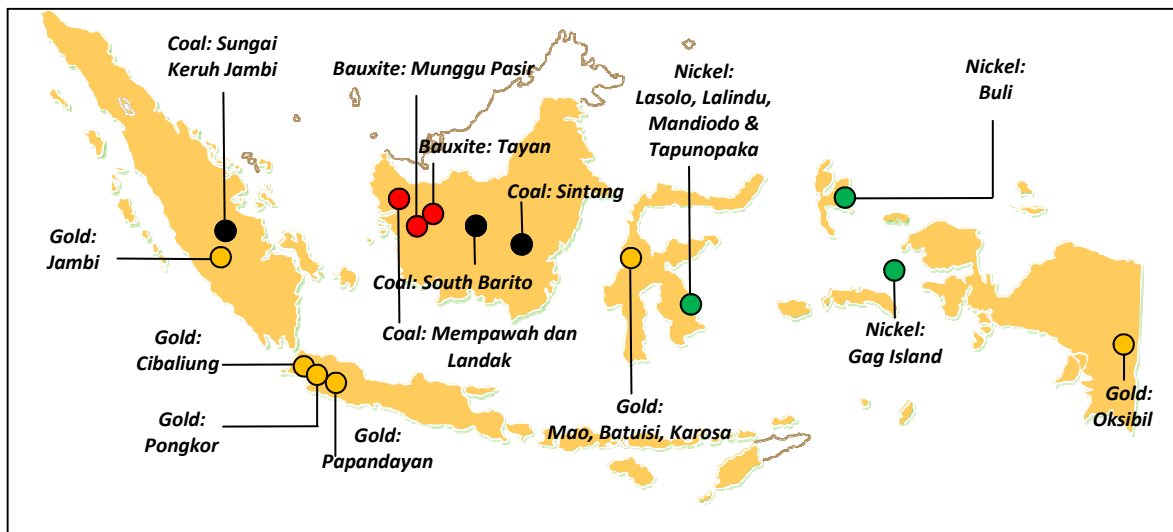
At Mao, Batuisi and Karosa, West Sulawesi, Antam conducted DGM, rock sampling, drill track measurement using geodetic GPS.

Antam conducted DGM, semi detailed geological mapping, trenching and rock sampling at Oksibil, Papua.

BAUXITE

Antam conducted bauxite exploration activities at Mempawah, Landak, Tayan, and Munggu Pasir, West Kalimantan. Total explo-

ANTAM'S EXPLORATION AREAS DURING 1H12



ration activities for bauxite in 1H12 amounted to Rp7.1 billion. Antam performed grid measurement, test pitting, sample, and sample preparation as part of its bauxite exploration activities.

COAL AND LIMESTONE

In 1H12, Antam performed field surveys at coal and limestone prospects. The initial surveys for coal exploration were conducted in Sintang, West Kalimantan; South Barito, Central Kalimantan; and Bangko, Jambi. Early survey works with limestone target were carried out in Sangaji, North Maluku. The total cost of these activities as of June 30, 2012 had reached Rp1.2 billion.

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The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Lukman Effendi, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr. Lukman Effendi is a full-time employee of the company. Mr. Lukman Effendi has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Lukman Effendi consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

CORPORATE NEWS

ANTAM'S KEY PROJECTS ARE ON TRACK AND ON SCHEDULE

Antam is pleased to announce that as of June 30, 2012, construction of its key projects, the Tayan Chemical Grade Alumina (CGA), the East Halmahera Ferronickel, and the Modernisation -Optimisation of Pomalaa Ferronickel Smelters, which includes the development of Coal Fired Power Plant, were on track and on schedule. Construction on these projects have started and operations are expected in 2014.

As at the end of June 2012, construction of Tayan CGA project reached 81%, with construction of the East Halmahera Ferronickel project, and the MOP-PP project reached 25% and 21%, respectively.

Antam currently also develops two other main projects: the Mempawah Smelter Grade Alumina (SGA) project and the Mandiodo Nickel Pig Iron project. The Mempawah SGA project is currently under feasibility study stage whilst the Mandiodo Nickel project prepares the Bankable Feasibility Study (BFS) following completion of an independent feasibility study.

In May 29, 2012, Antam also announced to the market it received the government approval to continue nickel and bauxite ore export. Antam expects the approval will help to maintain revenue contribution from the ore business. Antam maintains its 2012 nickel and bauxite ore sales target. Antam receives the government approval to export 2.275 million wmt of nickel ore and 50,000 wmt of bauxite ore from the end of May 2012 until the end of August 2012. Subsequent ore export permits will be given every three months.

Following the approval, Antam is allowed to ship 2.275 million wmt of nickel ore to customers in Japan, Europe and China. Antam has also received approval to export bauxite ore to customers in Japan and China.

Inline with the implementation of the 20% ore export tax, a number of Antam's nickel ore customers have agreed to bear the ore export tax burden. Antam also continues to negotiate with several other ore customers in terms of applying the new tax obligation.

The recommence of Antam's ore export and the development of growth projects reflect the management's commitment to maintain the company's strong cash flows to deliver maximum returns to its shareholders.

ANTAM TO DISTRIBUTE CASH DIVIDEND OF THE NET PROFIT OF 2011 OF RP867.55 BILLION OR 45% PAYOUT RATIO

Antam is pleased to announce it has held its Annual General Meeting of Shareholders (AGM) on May 31, 2012 at the JW Marriott Hotel, Jakarta. Antam's shareholders approved the Annual Report of the Board of Directors, including the Audited Financial Statements and the Over-

sight Report of the Board of Commissioners for the year ended December 31st, 2011. Antam's shareholders also approved the Annual Report of the Partnership and Community Development Program for the year ended December 31st, 2011.

Among the resolutions of the AGM, it was resolved to pay a cash dividend in the amount of Rp867.55 billion, or 45% of Antam's income for the year attributable for owners of the parent of the year ended December 31st, 2011. The dividend is equivalent to Rp90.99 per share.

Antam's shareholders agreed to the transfer the authority on the 2011 bonuses and the salaries, honorarium, benefits, facilities and other allowances of the Boards members for year 2012 to the Board of Commissioners after consultation with the A-series Dwiwarna shareholder .

Antam's shareholders agreed with the recommendation to appoint the Public Accountant Firm Purwantono, Suherman and Surja, member firm of Ernst & Young Global to audit Antam's annual financial statements for the fiscal year ended December 31st, 2012. Antam's shareholders also agreed to appoint the Public Accountant Firm Asep Rahmansyah & Rekan, member firm of IECnet, to audit the financial statements of the Partnership and Community Development Program for the year ended December 31st, 2012.

Shareholders also approved the enforcement of implementation of the Ministry of State-owned Enterprises Regulation No. PER-03/MBU/2012 on the Guidelines of the Appointment of Members of the Board of Directors and Board of Commissioners of Subsidiary of State-owned Enterprise.

Antam's shareholders also ratified the changes of Antam's Articles of Association to update the contents as well as to comply with the stock exchange regulations.

Antam's shareholders ratified the appointment of Mr. R. Sukhyar as the President Commissioner, Mr. Zaelani, Mr. Burhan Muhammad and Mr. Laode M. Kamaluddin as members of Antam's Board of Commissioners. Antam's shareholders ratified the honourable discharge of Ir. Wisnu Askari Marantika as the President Commissioner, Dr. Ir. Irwan Bahar, Drs. Sri Mulyanto, M.Sc. and Prof. Ir. H. Mahmud Hamundu, M.Sc. as members of Antam's Board of Commissioners.

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