



Press Release

ANTAM UNDERTAKES CONSISTENT AND CONTINUOUS EFFICIENCY PROGRAMS

For Immediate Release

Jakarta, October 31, 2014 – PT ANTAM (Persero) Tbk (ASX - ATM; IDX – ANTM; ANTAM) announces that improvements in efficiency have become the core theme behind maintaining financial endurance of the company. Strict cost control measures were introduced since the beginning of 2014, resulting in a high level of savings of Rp25.2 billion as of the end of the first nine months of 2014 (9M14). Results of the efficiency efforts in 9M14 were higher than the internal annual target of Rp20.8 billion.

ANTAM's strict cost control measures are in place to mitigate the impact from the non-conductive external conditions that were beyond the firm's control. The decline in commodity prices and the Government's regulations that ban the exports of raw materials affected ANTAM's 9M14 results. As a result, in 9M14 ANTAM posted a loss of Rp563.9 billion. The results were also negatively affected from non-operating components such as adjustments in the investment value at PT Nusa Halmahera Minerals and loss from PT Indonesia Chemical Alumina. In 9M14, ANTAM's net sales amounted to Rp5.8 trillion or 34% lower compared to the 9M13. Gold was the largest contributor of total revenue of 9M14 with a 48% contribution or Rp2.79 trillion.

In general, in 2014, ANTAM implemented a cost-saving program involving the efficient use and conservation of fuel oil, reducing operational costs, negotiating with third parties, the efficient use and conservation of electricity and using local components to replace imported spare parts. The cost saving initiatives were reflected in a ferronickel cash cost of US\$5.64 per pound and a gold cash cost of US\$785.06 per oz in 9M14. Furthermore, ANTAM also remains prudent in terms of capital spending for the development projects.

In terms of development projects, the commissioning of ANTAM's Tayan Chemical Grade Alumina plant remained on track. On October 2, 2014, ANTAM commenced the commissioning of the jetty, belt conveyor and refining facilities which are part of the Pomalaa Ferronickel Plant Expansion

FOR FURTHER INFORMATION PLEASE CONTACT:

Tri Hartono

(Corporate Secretary)

Tel : (6221) 789 1234

Fax : (6221) 789 1224

Email :

corsec@antam.com

Website: www.antam.com





Press Release

Project (P3FP). As of the end of September 2014, the overall Engineering, Procurement and Construction (EPC) progress of the P3FP reached 70%.

In 9M14, ANTAM's capital expenditure reached Rp1.41 trillion in which the largest spending went for development projects.

###