



News Release

**ANTAM TO ISSUE
RP3 TRILLION
RUPIAH-DENOMINATED
BONDS TO FINANCE
INVESTMENTS AND
BUSINESS DEVELOPMENT**

For Immediate Release

Jakarta, 5 December 2011 – PT ANTAM (Persero) Tbk (Antam; ASX – ATM; IDX – ANTM) is pleased to announce the company has received Effective Statement from the Indonesian Capital Market and Financial Institutions Supervisory Agency (BAPEPAM-LK) in relation to its intention to issue Rp3 trillion Rupiah-denominated bonds to fund the company's investments and business development.

Antam's Rupiah-denominated bonds, called Antam's Sustainable Bonds I with Fixed Rate-Stage I 2011, amounting to Rp3 trillion and will be issued in two series: A - series and B - series. Antam's A-series bonds will have a duration of 7 year with B-series bonds having 10-year duration. Antam will issue Rp900 billion A-series bonds with the remaining Rp2.1 trillion of B-series bonds. The A-series bonds bear 8.375% coupon rate whilst the B-series bonds bear 9.05% coupon rate. Antam will pay the coupon every quarter and the bonds will be listed at the Indonesia Stock Exchange.

Antam's President Director, Alwinskyah Lubis said:

"The current strong investor appetite for our corporate bonds reflects the investor's belief of Antam's position as a leading Indonesia mining and metals processing company with diversified products. Funding from the corporate bonds will strengthen our efforts to solidify our core business and plan to move downstream."

The strong investor appetite for Antam's bonds was reflected during the book building period which was closed on 24 November 2011. Antam doubled the bonds issuance to Rp3 trillion from the original target of Rp1.5 trillion due to strong investor demand.

From the total issue of Rp3 trillion, Antam plans to use up to Rp674 billion or 22.46% of the bonds proceeds to finance routine investments at its business units to support operational performance and maintain production stability through investments in infrastructure and production machineries and tools, in which 5.40% will be spent at the

**FOR MORE INFORMATION
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Southeast Sulawesi Nickel Mining Business Unit, 8.73% will be spent at the North Maluku Nickel Mining Business Unit and 8.33% will be spent at the Gold Mining Business Unit.

For the remaining Rp2.326 trillion or up to 77.54% of the proceeds, Antam will use up to Rp2.030 trillion or 68% for the renovation, upgrades, modernization and optimisation of Pomalaa ferro-nickel smelters, with the remaining being spent toward opening of new nickel mines in North Maluku and/or Southeast Sulawesi and/or bauxite mines in West Kalimantan to support the company's existing operations and growth projects.

PT Deutsche Securities Indonesia, PT Mandiri Sekuritas and PT Standard Chartered Securities Indonesia are the underwriters for the bonds issue.

Antam's corporate bonds received "^{id}AA" rating from Pefindo with a "Stable" outlook. Supporting factors for the ratings are sizable amounts and good quality of resources of major products, vertically integrated operations and good product diversification. Constraining factors include fluctuation of nickel price and aggressive capital structure in the medium term to finance its downstream projects.

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