



Interim Results

Half year ended 31 December 2011

John Palmer, Chairman
Dr Don Elder, Chief Executive Officer
Anthony Burg, Chief Financial Officer



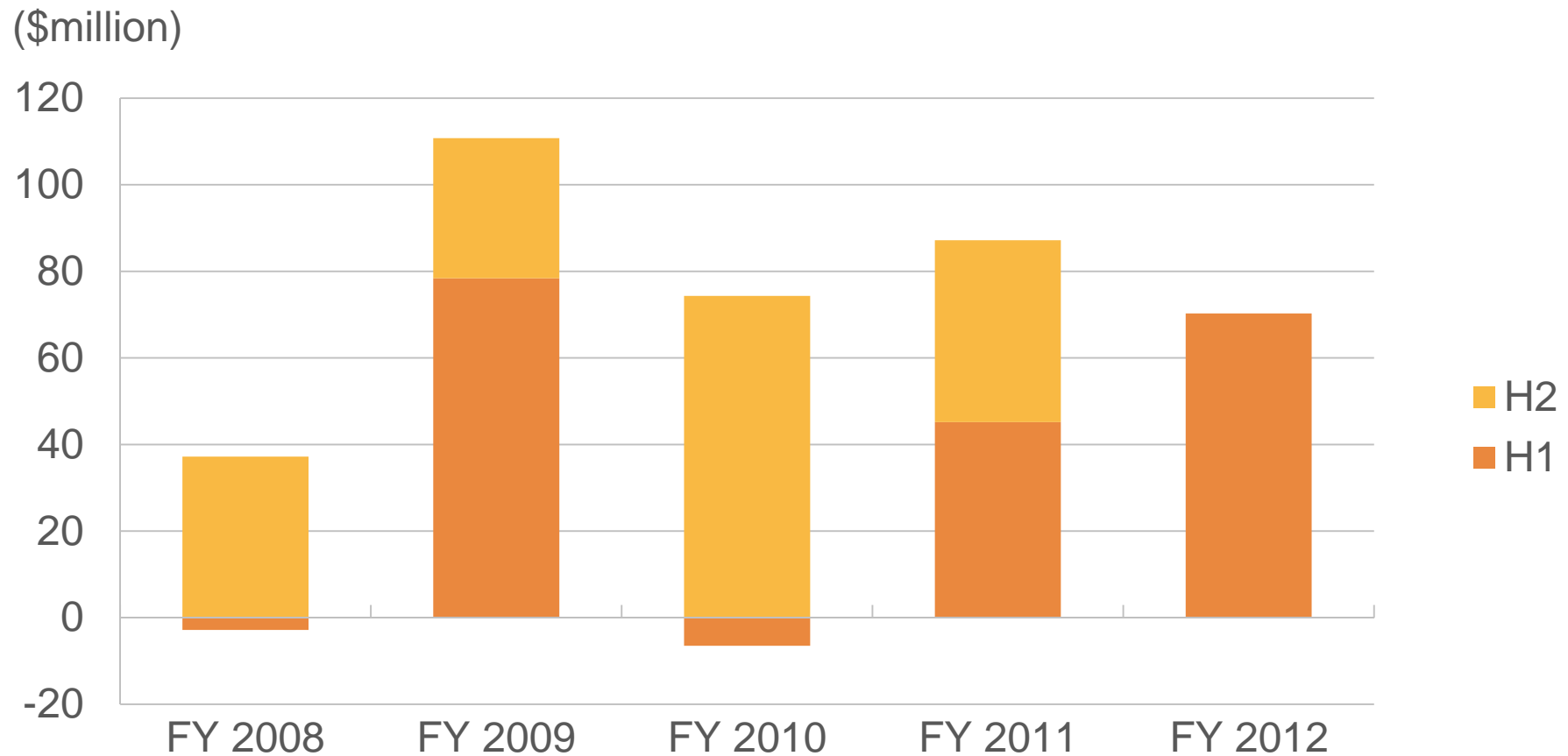
Good financial result in toughening market

Revenue	\$537.6 million	↑ 25%
EBIT	\$104.0 million	↑ 50%
Net profit after tax	\$70.3 million	↑ 56%
Underlying earnings	\$75.6 million	↑ 72%
Operating cash flow	\$91.0 million	↑ 2%

Variance is the relative performance of Solid Energy during the December 2011 half year compared with the December 2010 half year .

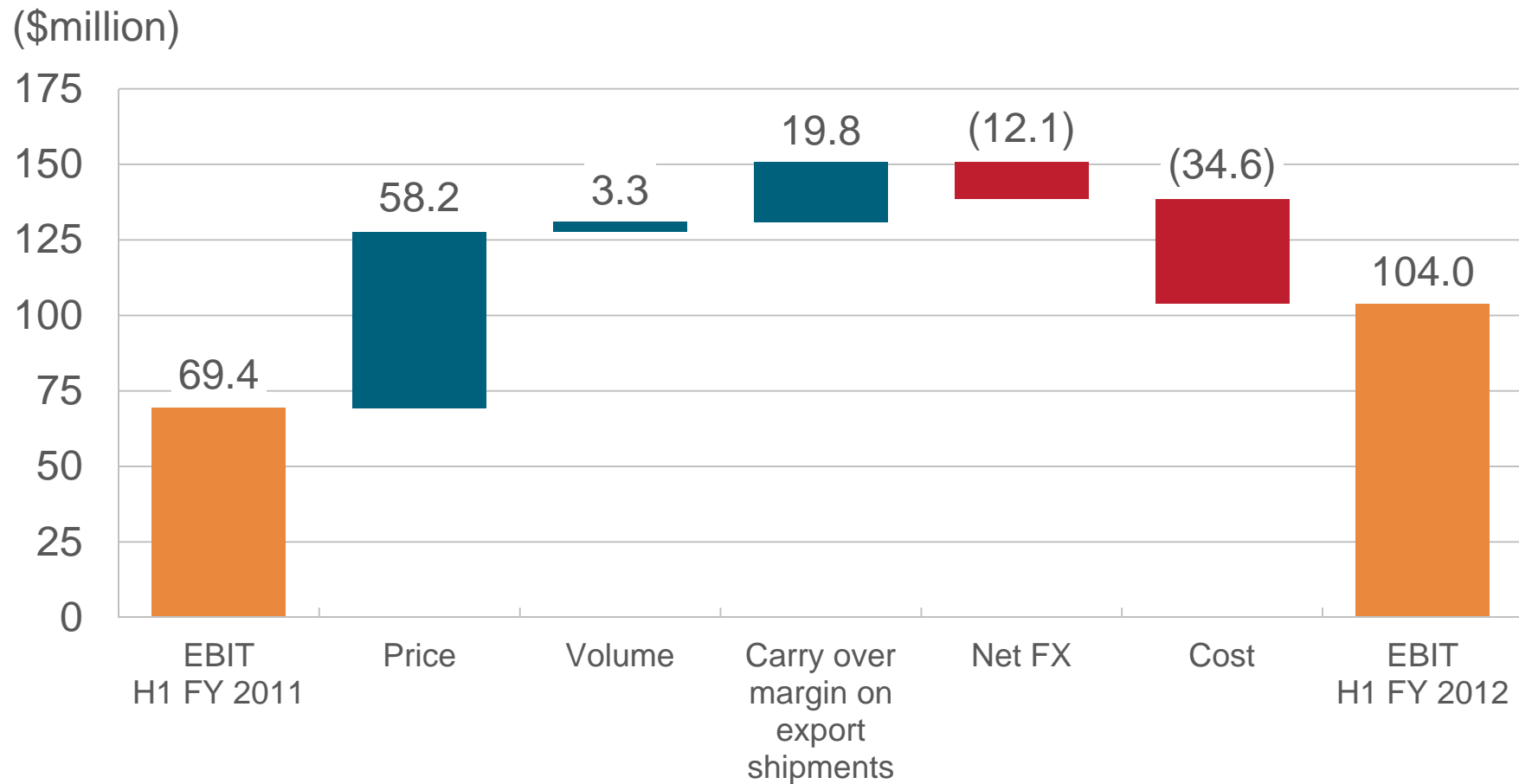
\$70.3 million profit on \$538 million revenue

Global pressure on volumes and prices will affect full year result



EBIT analysis

Half year ended December 2011 versus December 2010



Segment results

	Revenue		EBIT	
	2011	Change	2011	Change
Coal	520.6	+25%	136.3	+29%
Renewable Energy	16.7	+31%	(7.5)	+5%
Corporate & Other	0.3	-	(24.8)	+12%
Total	537.6	+25%	104.0	+50%

Mining industry costs escalate at $> 13\%$ ¹ pa

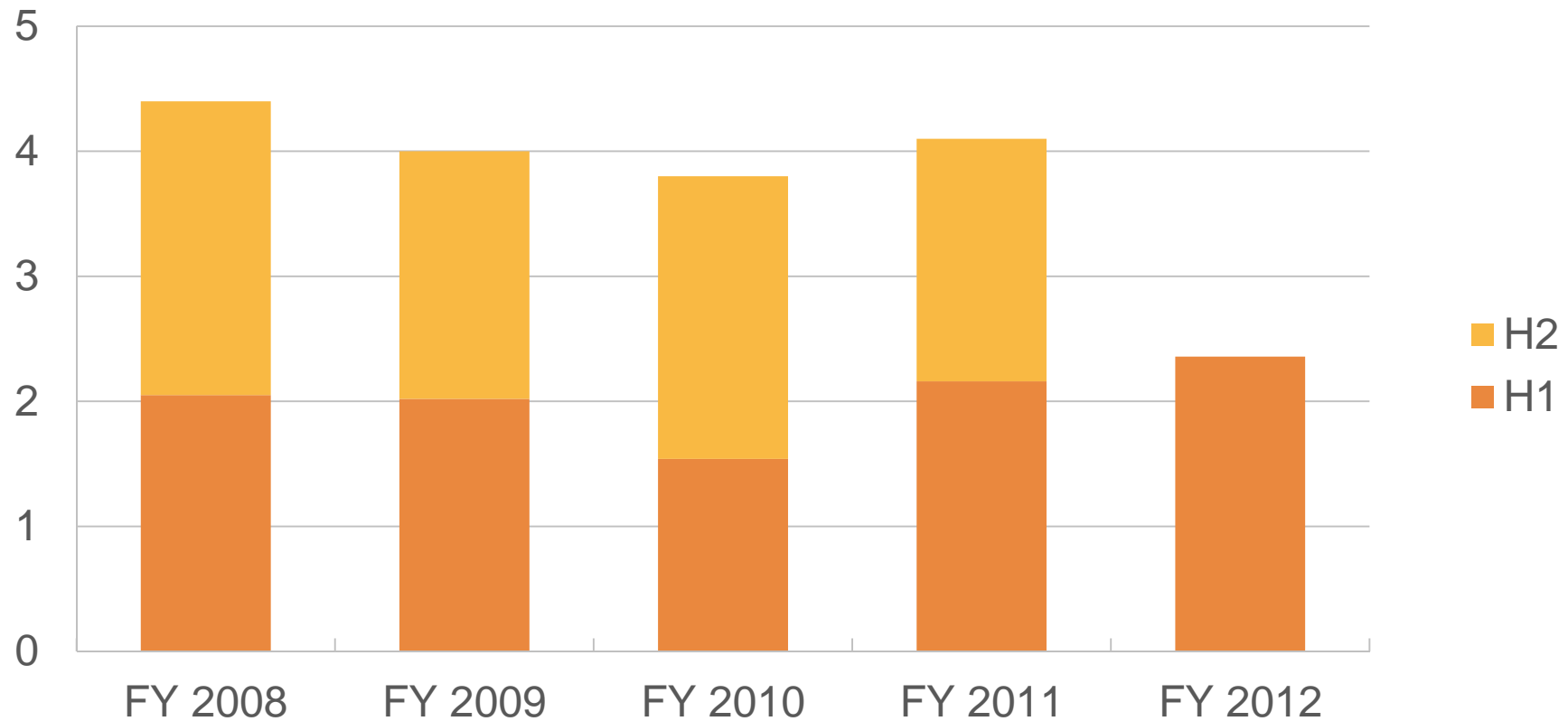
\$34.6M year-on-year increase in cost of sales, exploration and other costs including:

- \$16.1M increase in the cost base from inflationary pressures and increased personnel costs
- \$4.9M increase in exploration
- \$8.5M provision for legal claim

Record first half coal sales

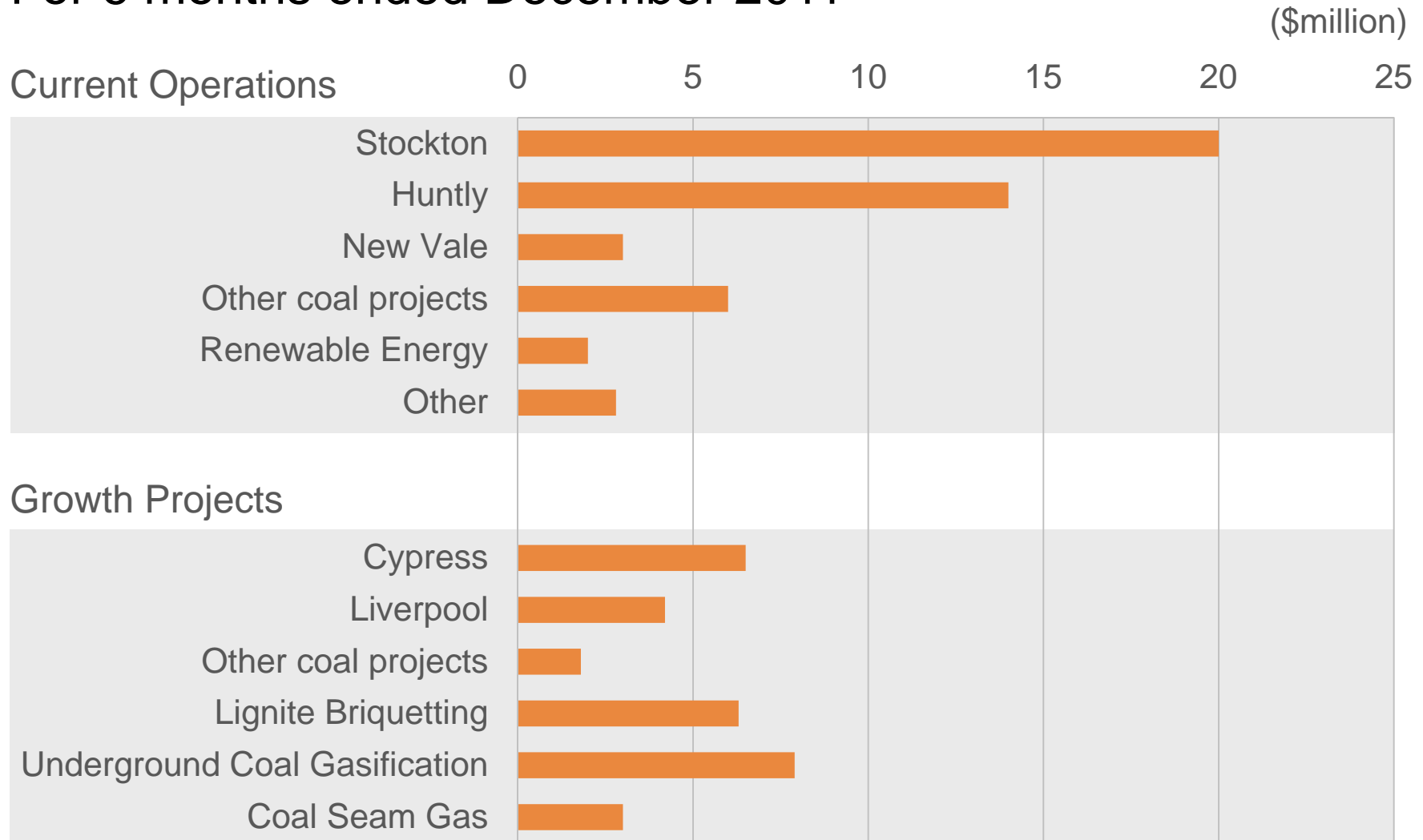
2.36 million tonnes, up 9% on H1 FY 2011

(million tonnes)



Capital investment

For 6 months ended December 2011



Key projects for long-term growth on target



Underground coal gasification, Waikato (\$22M)



Lignite briquetting, Matura, (expected \$29M)



Coal seam gas, Huntly (\$27M)



Huntly East Mine ventilation shaft (\$30M)

Outlook

- International coal prices will weaken in the short term
- Second half profitability will be down substantially
- The current slowdown could extend through 2012 and into 2013

But...

- Long term demand remains strong and unchanged