

## **PRESS RELEASE**

# **Freeport Indonesia Provides US\$ 952 Million in Direct Benefits to Government of Indonesia In First Semester of 2007**

**Jakarta, September 5, 2007** - PT Freeport Indonesia (Freeport Indonesia) is pleased to announce that from January to June 2007, Freeport Indonesia paid its financial obligations to the Government of Indonesia, in the sum of US\$ 952 million, or approximately more than Rp 8,5 trillion according to the current exchange rate, comprising US\$ 696 million in Corporate Income Tax, Employee Income Tax, Regional Taxes and other taxes, US\$ 92 million in royalties, and US\$ 164 million in dividends.

Under its financial obligations as set out in the 1991 Contract of Work, from 1992 to June 2007, Freeport Indonesia has paid a total of US\$ 6 billion to the Government of Indonesia. This sum is made up of payments for Corporate Income Tax, Employee Income Tax, Regional Taxes, and other taxes totaling US\$ 4.8 billion, US\$ 659 million in royalties, and US\$ 601 million in dividends.

In addition to the above direct benefits, Freeport Indonesia has also made contributions to the Indonesian economy, in the form of:

- Investments totaling nearly US\$ 5 billion for developing company infrastructure.
- Investments of over US\$ 500 million in social facilities.
- Direct employment opportunities for 9,000 people in 2006, in which 2,400 or nearly 27 percent are indigenous Papuans.
- Provision of 10,700 jobs for contract, privatized company and other partner company employees in 2006.
- And purchase of domestic goods and services totaling over US\$ 4.3 billion.

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*For more information please contact Mindo Pangaribuan ph. (021) 259.1956/Fax. (021) 259.1957  
e-mail : [Mindo\\_Pangaribuan@fmi.com](mailto:Mindo_Pangaribuan@fmi.com)*