



For Immediate Release

AKR Reported Better Operational Performance for The First Half of 2014

JAKARTA – PT AKR Corporindo Tbk (Bloomberg: AKRA IJ) reported significant improvement in Profit from Operations during the 6 months ended 30th June 2014; the company in its filing today with the stock exchange reported Profits from operations increased to Rp 493.1 billion during the first half of the year 2014 compared to Rp 406 billion during the same period last year.

Net profits attributable to the equity holders of the parent company during the 6 months of 2014 is Rp 376 billion compared to Rp 350.9 billion during the 6 months of 2013.

Table 1. Highlights of Consolidated Statements of Income (Rp billion)

Statements of Income	H1 2014	H1 2013	increase
Sales and Revenues	11,258.2	10,616.6	6.0%
Gross Profit	800.7	638.8	25.3%
Gross Profit Margin	7.1%	6.0%	
Operating expenses	-307.6	-232.8	
Profit from Operations	493.1	406.0	21.5%
Operating Profit Margin	4.4%	3.8%	
Finance income (costs)	-33.6	-2.6	
Other income (expenses)	4.4	1.5	
Profit before tax	464.0	404.9	14.6%
Tax	-99.9	-68.7	
Profit before minority interest	364.1	336.2	8.3%
Minority interest	11.9	14.8	
Profit for the period attributable to equity holders of the parent entity	376.0	350.9	7.1%
Net Profit Margin	3.3%	3.3%	

The Company reported consolidated sales and revenues at Rp 11,258.2 billion, increasing by 6.0% from Rp 10,616.6 billion during the same period last year. Gross profit jumped 25.3% to Rp 800.7 billion for the first half of 2014, compared to Rp 638.8 billion during the first half of 2013.

AKRA reported improvement of Gross margin to 7.1% during 6M 2014 from 6.0% last year. Gross margins improved with better control on costs and improvements in Operational while operating margin increased to 4.4% during 6M 2014 from 3.8% during 6 M 2013.

July 24, 2014

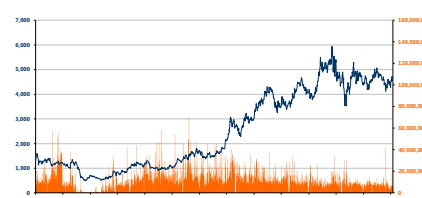
AKRA IJ / AKRA JK

Market Cap (Rp tn)	17.31
Outstanding shares (mn)	3,903.4
Major Shareholders:	
* PT Arthakencana Rayatama	58.89%
* Public	41.11%

FINANCIAL HIGHLIGHTS

	6M14	2013	2012
Sales (Rp bn)	11,258	22,338	21,674
Net income (Rp bn)	376	648	649
EPS (Rp)	96.45	167.35	168.91
ROE core	14.8%	13.6%	16.1%

SHARE PRICE PERFORMANCE



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SALES AND REVENUES

The composition of sales and revenues was relatively the same with previous periods, with around 79% of the Company's consolidated sales and revenues contributed by petroleum distribution business, 14% by basic chemicals trading and distribution and the remaining 7% by other business segments.

Table 2. Sales and Revenues Breakdown by Segment (Rp billion)

Sales and Revenues by Segment	H1 2014	H1 2013	Increase
Petroleum	8,894.0	8,317.4	6.9%
Basic Chemicals	1,595.1	1,519.1	5.0%
Others	769.0	780.1	-1.4%
Total	11,258.2	10,616.6	6.0%

Petroleum sales rose by 6.9% during the first half of 2014 at Rp 8,894.0 billion. Subsidized petroleum distribution business recorded steady growth during the 6M 2014. As of June 2014, the Company has built and commenced operations at 132 petrol stations for motorists (SPBKB) and for fisheries (SPBN), as per the allocation received from BPH Migas.

Sales from basic chemicals segment recorded stable growth of 5.0% during 6M 2014. Sales value of basic chemicals during 6 M 2014 is Rp 1,595.1 billion compared to Rp 1,519.1 billion during 6M 2013 , supported by stable growth in sales volume and selling price.

Commenting on the result, Mr Haryanto Adikoesoemo President Director said, "The Company's during the first half of the year focussed on improvement in Profits and margins with better cost controls and improvement in operational efficiencies. The operating environment in mining sectors continued to be tough, but the focus on maximisation of profits enabled the company to report improvement in the overall performance for the first half of 2014 with higher margins and revenue."

" During the year 2014, the company recorded significant growth in subsidized petroleum business. The Company has completed the construction and started operating the retail outlets across Indonesia as per BPH Migas allocations and we are confident of distributing the allocation for the year. We also look forward to actively participating in distribution of the subsidised petroleum and supporting the Government efforts in efficiently distributing the fuel, controlling and reporting the usage of the Petroleum products ."

Table 3. Number of Retail Petrol Stations

Region	Number of Petrol Stations per June 2014
Java	55
Sumatera	41
Kalimantan	33
Bali	2
Sulawesi	1
Total	132

Pictures of some of the Petrol stations set up during Semester 1 2014



SPBKB Melak



SPBKB Gringsing Batang



SPBKB Cempaka



SPBKB Sekadau



SPBN Bajomulyo – Pati



SPBN Jambean – Pekalongan



SPBN Moro Demak – Demak



SPBN Sendang Sikucing – Kendal



SPBN Tambaklorok – Semarang



SPBN Tegal Sari – Tegal



SPBN Losari – Brebes



SPBN Mlonggo – Jepara

STRONG BALANCE SHEET

The Company reported strong Balance sheet with adequate working capital and healthy ratios. The Company also has adequate financial capacity to finance ongoing projects while managing its working capital requirements.

Table 4. Highlights of Financial Position (Rp billion)

Balance Sheet	30-Jun-14	31-Mar-14	31-Dec-13
Current assets	7,401.1	6,752.9	7,723.3
Cash	918.4	612.6	820.1
Trade receivables	4,324.6	4,027.3	4,265.3
Inventories	1,755.6	1,339.6	1,823.2
Other current assets	402.4	773.4	814.7
Non-current assets	7,420.0	6,944.3	6,909.8
Property, plant and equipment	4,233.2	4,179.8	4,226.7
Industrial estate land inventory under development	1,674.1	1,498.1	1,434.9
Other non-current assets	1,512.6	1,266.5	1,248.2
TOTAL ASSETS	14,821.0	13,697.2	14,633.1
Liabilities	9,171.0	8,329.3	9,270.0
Trade payables	4,141.8	3,265.6	3,631.1
Loans	2,883.7	3,066.0	3,657.2
Bond payables	1,491.6	1,491.2	1,488.7
Other liabilities	653.9	506.5	493.0
Equity	5,075.3	4,796.7	4,773.1
Minority interest	574.7	571.3	590.1
TOTAL LIABILITIES AND EQUITY	14,821.0	13,697.2	14,633.1

Table 5. Financial Ratios

Ratios	Unit	H1 2014	H1 2013	2013
Profitability				
Gross margin	%	7.1	6.0	6.1
Operating margin	%	4.4	3.8	3.4
Net margin	%	3.3	3.3	2.9
Balance Sheet Ratios *				
Return On Asset	%	5.1	5.8	4.4
Return On Equity	%	14.8	15.9	13.6
Total asset turnover	x	1.5	1.8	1.5
Receivable period	days	70	57	70
Inventory period	days	31	19	32
Payable period	days	72	62	63
Leverage				
Current ratio	x	1.1	1.4	1.2
Asset / equity	x	2.6	2.4	2.7
Net gearing	x	0.7	0.4	0.9

* annualized

Java Integrated Industrial & Port Estate (JIPE) PROJECT UPDATE:

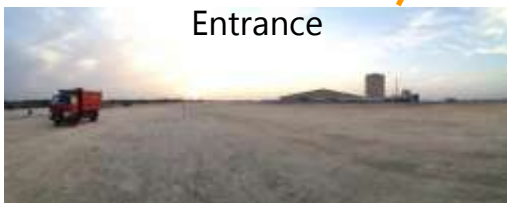
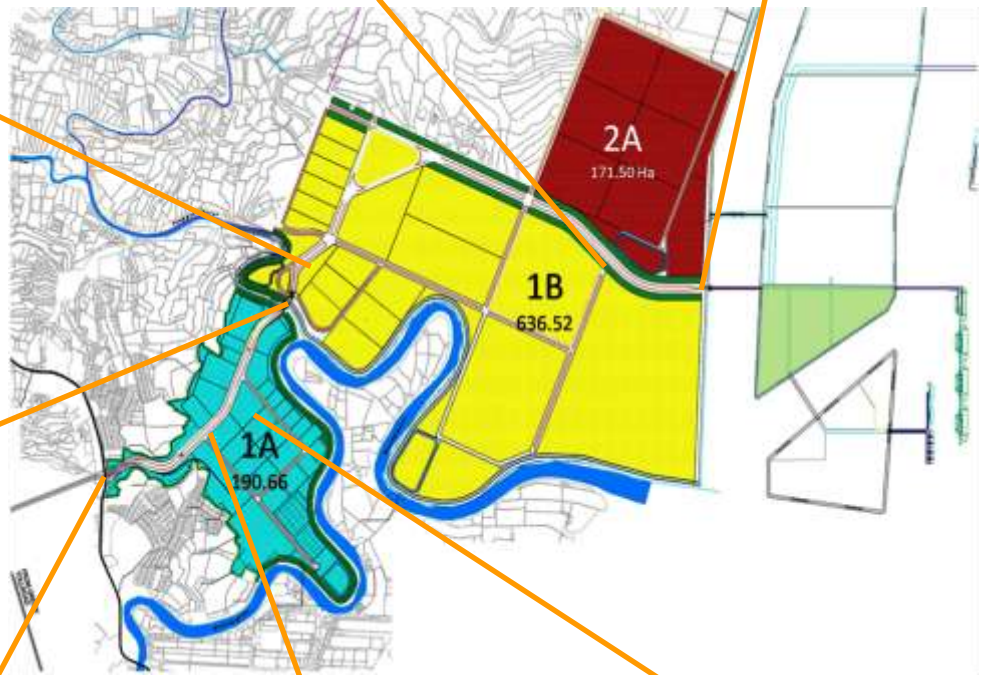
1. Industrial Estate Development

Construction work in the Java Integrated Industrial Ports and Estate has been proceeding at a good pace and as per schedule. Till date, more than 6 kilo meters of project road has been constructed in the industrial estate, the bridge across the river has been completed, land improvement work on the industrial estate is proceeding at a fast pace.

Road access to the port from the entrance is nearly complete with just less than a kilo meter to be constructed to link from Dandels road to the port construction which will enabling access to the port under construction.



Access Road
From the entrance connecting from Daendels road to port construction area will be completed in August 2014



2. Sea Port Stage 1 Development

On the port side, the reclamation of the land from the sea is proceeding at a fast pace with over 40 hectares of land already reclaimed for construction of the first phase of the Port (Ph 1 .. 70 hectares) . Construction of the bridge linking the industrial estate to the new port construction and the trestle connecting the port to the jetty is being constructed. It is estimated that the construction of Phase 1 of the new port will be completed and be operational before 1st Quarter of 2015



Bridge and Trestle



Trestle connecting the port and jetty is under construction.



Sea reclamation is proceeding. Currently, the newly formed island for 1st stage of port is around 40 ha.

Jetty



The piling work for jetty is ongoing.

The full financial statements can be downloaded from the Company's website www.akr.co.id

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About PT AKR Corporindo Tbk

PT AKR Corporindo Tbk (the Company) was formally established in Surabaya in 1977 and was listed on the Indonesian Stock Exchange in 1994. The Company is Indonesia's leading integrated supply chain solutions provider and largest private sector distributor of petroleum and basic chemicals. The Company is also the first national private company assigned by the Government of Indonesia to distribute subsidized petroleum in Indonesia. The Company is a renowned provider of logistics and infrastructure in Indonesia with areas of operations encompassing Indonesia and China. Through a number of subsidiaries it governs, the Company also operates in logistic services, manufacturing and coal mining and trading.

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