

AKR NEWS RELEASE



For Immediate Release

AKRA Q1'2016 Net Income Rp 255 billion

JAKARTA – 26th April 2016

PT AKR Corporindo Tbk (AKRA.IJ) today announced its unaudited financial results for the quarterly ended 31st March 2016 with profit for the period attributable to equity holders of the parent entity of Rp 255 billion. The gross sales revenues of the company of the 3 months ended March 31, 2016, is Rp 3,572 billion.

Table 1. Highlights of Consolidated Statement of Income - Unaudited (Rp billion)

In Rp.billion	3M16	3M15
Sales and Revenues	3,572	4,801
Cost of Sales and Revenues	(3,130)	(4,218)
Gross Profit	443	584
Gross margin	12.4%	12.2%
Operating profit before forex & provisions	272	403
Operating Profit	328	388
Operating margin	9.2%	8.1%
Profit before tax expense	314	382
Tax expense, net	(55)	(67)
Profit for the period	259	315
Non-controlling interests	4	20
Profit for the period attributable to equity holders of the parent entity	255	295
Net margin	7.1%	6.1%

The Company reported better margins during the Q1'2016 as follows:

	Q1'2016	Q1'2015
Gross Margin	12.4%	12.2%
Operating Margin	9.2%	8.1%
Net Margin	7.1%	6.1%

Commenting on the first quarter financial results, President Director Mr Haryanto Adikoesoemo said "AKR continued to increase its sales volume of industrial fuel during the 1st quarter of 2016 to customers in various industrial segment. Revenues were lower due to a decline in petroleum prices however we continue to manage the risk effectively and maintained overall margins".

"Our retail petroleum division has launched an unsubsidized gasoline product 'AKRA92' through our retail petrol outlets in Sumatra, Java and Kalimantan and we see opportunities to expand this market segment by leveraging upon our infrastructure network" said Haryanto.

SALES AND REVENUES

Sales revenues declined to Rp 3,572 billion from Rp 4,801 billion mainly attributed to the steep decline in petroleum selling prices despite recording an increase in volume of petroleum products sold. Sales of basic chemicals during Q1'2016 were Rp 856 billion during the first quarter of 2016. Similarly, logistics and manufacturing segments have both recorded revenues of Rp 183 billion and Rp 150 billion during the first quarter of 2016 respectively.

During Q1'2016 the Company has not recorded land sales in JIPE whereas in Q1'2015 the company reported its maiden industrial sales.

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

Revenue	3M16	3M15
Petroleum	2,382	3,348
Chemicals	856	936
Logistics	183	194
Manufacturing & Others	150	230
Industrial Estate	–	94
Total	3,572	4,801

Financial Position

Total assets of the Company as at 31st March 2016 is Rp 14,556 billion while the total liabilities is Rp 7,059 billion. Net equity attributable to the equity holders of the parent company is Rp 7,497 billion.

Net gearing of the company remains low at 0.43x as at 31st March 2016 while it's Return on Asset improved to 7.0% during Q1 2016 compared to 6.8% during the same quarter last year.

**Table 3. Balance Sheet as at 31st March 2016 and 31st December 2015
(Rp billion)**

In b IDR	3M16	12M15
<i>Current Assets</i>		
Cash and cash equivalents	751	1,289
Trade receivables	2,643	3,049
Inventories	769	977
Industrial estate land inventory under development	1,745	1,622
Other current assets	425	348
Total Current Assets	6,334	7,286
<i>Non-Current Assets</i>		
Investments	427	424
Net Fixed Assets	4,372	4,469
Industrial estate land inventory under development	1,491	1,396
Other non-current assets	1,931	1,628
Total Non-current Assets	8,222	7,917
TOTAL ASSETS	14,556	15,203
<i>Liabilities</i>		
Short term bank loan	842	635
Trade Payables	2,354	3,434
Current maturities of long-term bank loans	289	310
Other current liabilities	597	492
Total current liabilities	4,082	4,871
Long-term bank loan	1,327	1,418
Bonds	1,493	1,493
Other Non current liabilities	157	135
Total non current Liabilities	2,977	3,046
Total liabilities	7,059	7,917
<i>Equity</i>		
Equity	6,304	6,090
Minority Interest	1,193	1,196
Total Equity	7,497	7,286
TOTAL LIABILITIES AND EQUITY	14,556	15,203

Financial Ratios

Table 4. Financial Ratios

	UOM	3M16	2015
Profitability			
Gross margin	%	12.39%	11.21%
Operating margin	%	9.19%	6.83%
Net margin	%	7.14%	5.23%
Balance Sheet Ratios *			
Return On Asset	%	7.01%	6.80%
Return On Equity	%	16.47%	18.00%
Total asset turnover	x	1.0	1.3
Receivable period	days	68	64
Inventory period	days	22	20
Payable period	days	69	72
Leverage			
Current ratio	x	1.55	1.58
Asset / equity	x	1.94	2.09
Net gearing	x	0.43	0.35

The full financial statements can be downloaded from the Company's website <http://www.akr.co.id/>

Haryanto Adikoesoemo
President Director

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 private company appointed by the Government of Indonesia to distribute subsidized petroleum. The Company is a renowned provider of logistics and infrastructure with areas of operations encompassing Indonesia and China. Through a number of subsidiaries it governs, the Company also operates in the areas of logistic services, manufacturing and coal mining and trading.

Java Integrated Industrial Port Estate

Java Integrated Industrial Port Estate ("JIPE") is a project that is designed to be one of the largest integrated industrial, residential and deep sea port estates with development area totaling 2,933.3 ha. This project through PT Berkah Kawasan Manyar Sejahtera ("BKMS") will develop the industrial estate, while its sister company PT Berlian Manyar Sejahtera ("BMS") will handle the sea port operations and PT AKR Land Development (an affiliate of AKR) will develop the residential estate. AKR indirectly owns 60% of the company through UEPN, while Pelindo III indirectly owns 40% through BJT.

JIPE aims to become a strategically-located industrial estate, complete with supporting facilities and infrastructure. In addition to a deep water port in the complex, the location has direct access to the major toll road network that connects most cities in East Java, arterial road, railway system and air transport access (Juanda International Airport). The estate is also located 30 kilometers from the city of Surabaya, the second largest city in Indonesia. According to the master plan, the total area of the industrial estate is 1,761 ha.

PT Usaha Era Pratama Nusantara

PT Usaha Era Pratama Nusantara was established in Jakarta in 1999 and is a subsidiary of PT AKR Corporindo Tbk that works together with PT Berlian Jasa Terminal Indonesia, a subsidiary of Pelindo 3, in providing forwarding services such as loading and unloading of containers, dry bulk cargo, liquid bulk cargo as well as tank rental, and other activities related to cargo management in Terminal Berlian in the Port of Tanjung Perak Surabaya. The company has also invested in JIPE project.

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