

# AKR NEWS RELEASE



For Immediate Release

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## JIIPE is one of five Strategic Industrial Estates in Indonesia

**Bisnis Indonesia on 26<sup>th</sup> Sep 2016** reported that there are Five Industrial Estates which have potential to be prioritized under the Government's Industrial Estate development policy.

Mr. Imam Haryono (Director General of Industrial Estate) from Ministry of Industry mentioned there are five Industrial Estates which are considered most potential for growth through Government support.

The five Industrial Estates are Dumai in Riau , Sei Mangkei in North Sumatra, Berau in East Kalimantan, Kendal in Central Java, and JIIPE in East Java .

Mr. Imam said "These Industrial Estates are ready and most prospective. For the next three years my focus will be on these Industrial Estates ".

Mr.Imam mentioned that prioritizing the new industrial areas was because of impact from budgetary policies. An efficient Budget requires Government to develop policies which are more focused on the development of Industrial Estates.

Those Industrial Estates which are really ready and most prospective will be supported by the Government through infrastructure development and improving the quality of human resources. The basic readiness of the Industrial Estate development is the presence of an anchor industry in the region and the Government's commitment in providing the supporting infrastructure.

"The Industrial Estates which were previously prioritized will still continue. Some of them have developed and some have shown no progress. It's just that the smaller budget requires that we evaluate again which is most prospective, "said Imam.

JIIPE Industrial Estate located in Gresik is an industrial area that is integrated with the port being developed by PT AKR Corporindo Tbk (AKRA).

Imam said the Government would prioritize the budget for infrastructure development in the Industrial Estates which are set as priority.

## Wärtsilä announces supply of 23 MW power plant to JIPE

As a part of providing complete energy solution to its industrial customers, JIPE has also commenced phase 1 of power plant which is 23 MW ordered from Wärtsilä.



**Wartsila in its press release on 28<sup>th</sup> July 2016** reported that it will supply a 23 MW Smart Power Generation power plant to PT. Berkah Kawasan Manyar Sejahtera (BKMS), the developer of an integrated industrial and port estate project in Java, Indonesia. The turn-key order includes three Wärtsilä 34DF multi-fuel engines running primarily on natural gas, with heavy fuel oil as the backup fuel. The plant is expected to be operational in summer 2017.

The power station will feed baseload energy to both industrial and residential consumers in one of the largest industrial parks in Gresik, located in East Java, Indonesia. The Java Integrated Industrial and Port Estate (JIPE), currently under construction, is expected to become attractive to foreign investors due to its enticing strategic location, deep sea port, infrastructure, and reliable energy supply.

The complete press release from Wärtsilä can be viewed at

<http://www.wartsila.com/media/news/28-07-2016-wartsila-supplies-a-23-mw-multi-fuel-power-plant-to-indonesia>

## **About PT AKR Corporindo Tbk.**

### **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.

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