



For Immediate Release

Dec 19, 2017

## PT. Berlian Manyar Sejahtera obtained a 76 years Concession

**Surabaya, 19 Des 2017** - PT AKR Corporindo Tbk (IDX ticker code: AKRA.IJ) reported that PT Berlian Manyar Sejahtera (BMS) has obtained the concession to operate port service of Terminal Manyar, in Port Gresik, East Java for 76 years from the Ministry of Transportation. The signing of Concession Agreement between the Office of Harbour Master and Port Authority of Gresik Class II with the Port of PT Berlian Manyar Sejahtera was carried out on December 15<sup>th</sup>, 2017, witnessed by Port Director at the Directorate General of Sea Transportation of the Ministry of Transportation. It is part of government's support in infrastructure development especially in the port sector through Public Private Partnership mechanism, in line with the enactment of Law No. 17 Year 2008 about Shipping. The Shipping Law contains four main elements: sea transport, port, safety and security of shipping, and protection of maritime environment. In terms of port, this Law includes provision on the abolition of monopoly in port management, and to allow the role of local government and private sector in port management.

Mr. Hendiek Eko Setiantoro as President Director of BMS explained in press release on Sunday, December 17, 2017, "We would like to thank to the Indonesian Government specially the Ministry of Transportation and its staff, for the support in accelerating the completion of concession agreement. We hope BMS port which located in JIPE industrial estate will contribute in reducing logistics cost by providing direct access to domestic and international market."



*The Signing of Concession Agreement in Marketing Office of JIPE which attended by (Right – Left) Mr. Chandra Irawan (Director of Port & Dredging), Mr. Hendiek Eko Setiantoro (President Director of PT. BMS), and Mr. Agustinus Maun (The Harbour Master and Port Authority of Gresik Class II)*

PT Berlian Manyar Sejahtera is a Joint Venture Company of PT AKR Corporindo Tbk. (through its subsidiary, PT Usaha Era Pratama Nusantara) and PT Pelabuhan Indonesia III (through its subsidiary PT Berlian Jasa Terminal Indonesia) which is a port estate of 400 Ha connected directly to Industrial estate with deep sea port which has access to domestic and international market. By using this port, industrial companies have solution in minimizing their logistic costs that usually occur when the port location far from their factory. Terminal Manyar is designed to be a multipurpose port that able to facilitate loading and unloading activities of dry bulk, bulk liquid, general cargo, and containers, with a depth of -16m LWS, so that to accommodate large ships up to 150,000 DWT. The first jetty with length of 500m and depth of -14m has got an operating license since December 2015. Since its first operation in February 2016, BSM has received interests from industry players. The cargo volume during 2017 has reached 1.3 million Tonnes. In addition, a Joint Venture company engaged in an industrial

estate was also established under name PT Berkah Kawasan Manyar Sejahtera (BKMS). Both companies are located in Gresik - East Java with total area 3,000 ha, under name Java Integrated Industrial and Ports Estate (JIPE). The area includes industrial estate, multipurpose port, bonded logistics center, utilities, and residential estate.

### **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 BJTl.

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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