

## FOR IMMEDIATE RELEASE

## AKRA Reports 95% YOY Increase in 6 months Core Net Profit to Rp 274 Billion; Announces Second Interim Dividend of Rp 200 per Share

**JAKARTA, July 25, 2011** - PT AKR Corporindo, Tbk. (AKRA IJ), Indonesia's leading energy logistics company reported increase of 95% in net profit prior to extraordinary items of Rp 274 billion for the 6 months ended 30<sup>th</sup> June 2011 compared to Rp 141 billion during the same period during the previous year. The Company in its filings reported a Net Profit after tax of Rp 1,958 billion including the extraordinary profit of Rp 1,684 billion arising from sale of its investments in PT Sorini Agro Asia Corporindo Tbk., which was completed in January 2011.

AKRA which is a leading distributor of Petroleum products ( High Speed Diesel, Fuel Oil and Gasoline) to mining, power sector, industrial and commercial establishments and also the only Indonesian private company allowed to distribute subsidised fuels, announced impressive growth in Petroleum products sales during the H1'2011. Petroleum sales revenue rose 138% yoy to Rp 7,208 billion during H1'2011 compared to Rp 3,033 billion during H1'2010 on increased demand for High Speed diesel from mining companies and also from increased market penetration in Eastern Indonesia.

Consolidated Total revenue during the six months ended Jun 30, 2011 rose 74% to Rp 9,061 billion compared to Rp 5,221 billion in the same period last year.

**Table 1. Highlights of Financial Results for the Period Ended June 30, 2011**

In IDR Billion	6M 2011	6M 2010	% Inc (Dec) YoY
<b>Sales</b>	<b>9,061</b>	<b>5,221</b>	<b>74%</b>
COGS	8,607	4,778	80%
<b>Gross Profit</b>	<b>455</b>	<b>443</b>	<b>3%</b>
Operating Expenses	197	238	-17%
<b>Operating Profit</b>	<b>258</b>	<b>206</b>	<b>26%</b>
Net Interest Income / ( Expense)	17	(45)	
Forex Gain (Loss)	80	38	110%
Gain from Sale of Investment	1,684	-	
Other Income (Expenses)	(18)	10	
<b>Profit Before Tax</b>	<b>2,020</b>	<b>209</b>	<b>869%</b>
Income Taxes	(72)	(47)	53%
<b>Profit Before Minority Interest</b>	<b>1,949</b>	<b>162</b>	<b>1104%</b>
Minority Interest	9	(21)	
<b>Net Profit</b>	<b>1,958</b>	<b>141</b>	<b>1291%</b>
<b>Net Profit – Core</b>	<b>274</b>	<b>141</b>	<b>95%</b>
Basic EPS (Rp)	515.32	38.30	1246%
Basic EPS - Core (Rp)	72.22	38.30	89%
Weighted Average No of Share (Mio)	3,800	3,676	3%

Gross Margin	5.02%	8.49%
Operating Margin	2.85%	3.94%
Net Margin – Core	3.03%	2.70%

**Note: H1'2010 figures include the Financial Performance of Sorini and its subsidiaries which have been divested in January 2011; H1'2011 does not include Sorini performance numbers**

## **Strong Revenue growth in all business divisions; 138% YOY growth in Petroleum, 32% YOY growth in Basic chemicals**

Petroleum distribution revenue raised 138% yoy to Rp 7,208 billion during the H1'2011 driven by increased demand in Coal and other mineral mining sectors in Eastern Indonesia. Sales volume registered a 81% growth yoy with the company supplying High Speed Diesel and fuel oil from its extensive network of logistics infrastructure. The company also registered higher petroleum selling price in line with higher world oil prices.

Basic chemicals distribution business also booked impressive growth of 32% to Rp 1,232 billion during H1'2011 from Rp 934 billion in the same period last year, driven by increasing demand for basic chemicals which is the raw material for production of various industrial and consumer goods.

Demand for logistics services including stevedoring, port handling in Indonesia and China also registered 62% increase in sales revenue during H1' 2011 compared to H1'2010.

**Table 2. Sales Revenue breakdown H1'2011 compared to H1'2010**

Revenue (IDR billion)	H1'2011	H1'2010	% Inc (Dec) YoY
Petroleum	7,208	3,033	138%
Basic Chemicals	1,232	934	32%
Logistics	249	154	62%
Manufacturing – (ex Sorini)*	372	243	54%
Manufacturing – Sorini	-	857	-

\* Note: Sorini divested in January 2011

## **Parent Company Performance**

An analysis the performance of AKR's Petroleum, Chemicals and logistics business shows the strong performance driven by the volume growth and savings in interest costs due to the cash balance held by the Company post divestment of the investment in Sorini.

Sales revenue of the Parent company rose 111% yoy to Rp 8,559 billion while operating profit grew 112% to Rp 225 billion during the H1'2011. Net Profit after tax increased 182% to Rp 266 billion from Rp 94 billion during the same period in the Previous year.

We provide below the Highlights of the Parent Company profit and loss account – to provide a clearer picture of the performance. Consolidated Profit and Loss account for the 6 Months ended 30<sup>th</sup> June 2010 presented above includes the performance of the divested subsidiary.

**Table 3. Financial Performance of PT AKR Corporindo Tbk., ( Parent only)**

(In IDR Billion)	6 M 2011 vs 6 M 2010			
	H1'2011	H1'2010	Inc / Dec	Inc / Dec %
Sales	8,559	4,053	4,506	<b>111.2%</b>
GM	349	190	159	<b>83.4%</b>
GM %	4.07%	4.69%		
Opex	124	84	40	<b>47.1%</b>
Op Inc	225	106	119	<b>112.3%</b>
Op Margin	2.62%	2.61%		<b>0.0%</b>
Int Inc	37	4	33	<b>867.6%</b>
Int Exp	(4)	(29)	26	<b>(86.7%)</b>
<b>Net Int Exp</b>	<b>33</b>	<b>(26)</b>	59	
<b>Forex Gain</b>	<b>80</b>	<b>36</b>	<b>43</b>	<b>118.5%</b>
<b>Inc before Tax</b>	<b>329</b>	<b>112</b>	<b>217</b>	<b>193.3%</b>
Taxes	(64)	(18)	(45)	<b>251.2%</b>
Profit after tax	<b>266</b>	<b>94</b>	<b>172</b>	<b>182.1%</b>

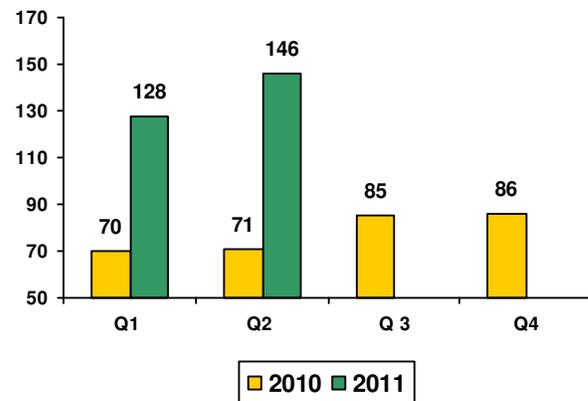
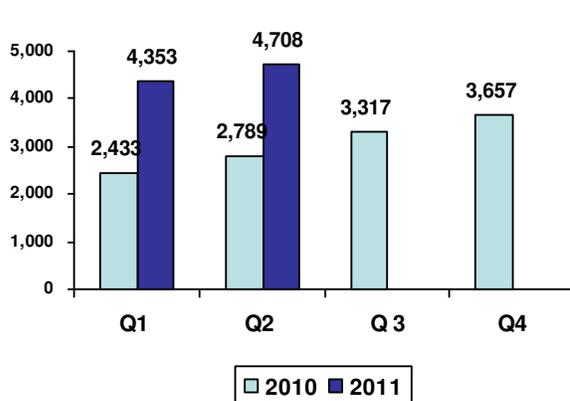
### Record Quarterly Performance in 2<sup>nd</sup> Quarter of 2011

During the Second Quarter of 2011 AKR recorded the highest Sales revenue of Rp 4,708 billion (69% higher than Q 2' 2010) and Rp 146 billion in Net Profit (106% higher than Q 2' 2010)

**Chart1. Quarterly Sales Performance**

**Chart 2. Quarterly Core Net Profit Performance**

(in IDR Billion)



## Strong Financial Position

As at 30<sup>th</sup> June 2011, Total Assets of Rp 8,115 billion includes Rp 1,574 billion of Cash and cash equivalents. The Company has reduced its short term debts significantly post the divestment of Sorini and is now in a Net Cash Position.

Long term debts of the company of Rp 818 billion includes the Long term debt for financing the construction of the Joint venture Independent terminal in Jakarta which is guaranteed by the Corporate Guarantee of our JV partner.

Working capital turnover ratios have improved during the H1'2011 with a major part of the inventories and receivables funded by the Accounts payable.

The Strong balance as at 30<sup>th</sup> June 2011 provides a strong platform for the company future growth and expansion in the Energy related infrastructure which is now the company's main focus area.

**Table 4. Balance Sheet as at June 30, 2011 compared to March 31, 2011**

In IDR Billion	30 June 2011	31 March 2011
<b>Current Assets</b>	<b>5,305</b>	<b>5,152</b>
Cash & Cash Equivalent	1,574	1,681
Receivables	2,192	1,789
Inventories	947	1,135
Other Current Assets	591	547
<b>Non Current Assets</b>	<b>2,810</b>	<b>2,717</b>
Fixed Assets – Net	2,314	2,291
Other Non Current Assets	496	427
<b>Total Assets</b>	<b>8,115</b>	<b>7,869</b>
<b>Current Liabilities</b>	<b>3,306</b>	<b>3,221</b>
Short-Term Debt	123	164
Payables	2,688	2,505
Other Current Liabilities	495	553
<b>Non Current Liabilities</b>	<b>893</b>	<b>889</b>
Long-term Debt	818	812
Other Non Current Liabilities	75	77
<b>Total Liabilities</b>	<b>4,199</b>	<b>4,110</b>
<b>Minority Interest</b>	<b>188</b>	<b>192</b>
<b>Equities</b>	<b>3,728</b>	<b>3,568</b>
<b>Total Liabilities &amp; Equities</b>	<b>8,115</b>	<b>7,869</b>

**Table 5. Key Financials and Ratio**

	Unit	H1'2011	H1'2010
<b>Profitability</b>			
Gross Margin	%	5.02%	8.49%
Operating Margin	%	2.85%	3.94%
Net Margin	%	3.03%	2.70%
ROA*	%	6.76%	4.13%
ROE *	%	14.72%	12.24%
<b>Efficiency *</b>			
Receivable Turnover	Days	44	52
Inventory Turnover	Days	20	35
Payable Turnover	Days	57	44
Sales / Total Assets	x	2.2	1.3
<b>Leverage</b>			
Current Ratio	x	1.60	1.12
Assets / Equity	x	2.18	2.96
Net Gearing	x	(0.17)	0.76
Interest Coverage	x	17.8	6.2

\* annualized

## AKRA Announces Second Interim Dividend of Rp 200 per Share

The Board of Directors are happy to announce after consideration of the strong cash position and significant improvement of the overall performance, payment of a second interim cash dividend for financial year 2011 of Rp 200 per share or in aggregate approximately Rp 764 billion. The Second interim cash dividend is payable September 8, 2011 to shareholders of record on August 25, 2011

The Company has paid an interim dividend of Rp 512 billion or Rp 135 per share on 29<sup>th</sup> March 2011.

Mr Haryanto Adikoeseomo, President Director said "We are very pleased to report the impressive performance of AKRA during the six months ended 30<sup>th</sup> June 2011, with doubling of revenues in Petroleum distribution and strong growth in the chemical distribution and logistics sectors. Our focus in the fast growing energy related sectors will drive the future growth of the Company in a sustained manner"

"After careful consideration of the company's balance sheet, working capital position and the requirements for future growth, the Board of Directors have decided to pay the second interim dividend, which will serve our commitment to improve overall returns on the Shareholder's equity but also reward shareholders by improving overall yield"

**Table 6. Interim Dividend schedule**

No	Activity	Date
1	Stock Exchange Trading Dates quoting Cash Dividend (Cum Dividend) in the Regular Market and Negotiated Market	22 August 2011
2	Stock Exchange Trading Dates not quoting Cash Dividend (Ex Dividend) in the Regular Market and Negotiated Market	23 August 2011
3	Stock Exchange Trading Dates quoting Cash Dividend (Cum Dividend) in the Cash Market	25 August 2011
4	Stock Exchange Trading Dates not quoting Cash Dividend (Ex Dividend) in the Cash Market	26 August 2011
5	Determining Date of the Shareholders entitled to receive Cash Dividend in their Securities Accounts (Recording Date)	25 August 2011
6	Cash Dividend Payment Date	8 September 2011

## Out look and Strategies:

### Petroleum and Chemical Distribution:

Demand for Petroleum products in Eastern Indonesia, especially in Coal mining and power sectors continues to be strong with the growth in the coal mining from major customers

AKR is currently expanding its network by building tank storage in various locations in Jawa, Sumatra, Kalimantan and Sulawesi to cater to the growing demand and expects to increase its efforts to market its products in all these areas.

Demand for basic chemicals continues to rise with economic growth in Indonesia and demand for raw materials from major manufacturers of consumer goods, construction and chemical industries

In order to cater to the growth in bulk commodity handling and traffic of containers in Surabaya AKRA is investing in additional port handling facilities

### Coal Mining and Coal logistics infrastructure

Coal mining activities in the company's coal mines situated in Central Kalimantan have commenced with the obtaining of necessary approvals and we expect to start the initial shipments from the third quarter of 2011. The overburden removal by the Coal contractor appointed, getting of coal and initial hauling of the coal has already commenced and the company is gearing up to market the coal.

PT Anugerah Karya Raya ( 94.7% held by AKRA) the Coal subsidiary, has signed a Joint Venture 50:50 with the largest forest concession holder in Central Kalimantan to develop hauling roads in the coal mining area. In the meanwhile the coal terminal in Buntok Baru is also ready for operation.

**Haryanto Adikoeseomo**  
**President Director**



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About PT AKR Corporindo Tbk

PT AKR Corporindo Tbk (AKRA) was formally established in Surabaya, East Java, in 1977 and was listed on the Indonesian Stock Exchange in 1994. AKR is Indonesia's leading bulk infrastructure and logistics provider with extensive facilities spread across the large archipelago and the largest private distributor of petroleum products and basic chemicals in Indonesia. The Company distributes its products to customers in mining, power plant, industrial, and bunker sectors. AKR is also the first private company in Indonesia allowed by the Government of Indonesia to distribute subsidised fuels and now operates 31 petrol stations. AKR also provides logistics services to its customers at its tank terminals, port handling facilities, truck fleets and river ports handling bulk commodities and containers. AKR, via its subsidiary PT Arjuna Utama Kimia (Aruki) in Indonesia is a producer of Wood Adhesive and Khalista Liuzhou Chemical Industries Ltd., in China is a producer of Sorbitol. The Company is also currently focusing in energy, logistics and infrastructure related sectors and is exploiting its coal concessions in Central Kalimantan and is developing coal related logistics infrastructure. For more information, visit <http://www.akr.co.id/>

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