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AKRA Reports 102% increase in 9M 2011 Core Net Profit of Rp 456 Billion on record breaking Petroleum sales. Net Profit 9M 2011 including extraordinary item Rp 2,139 billion;

JAKARTA, October 24, 2011 - PT AKR Corporindo, Tbk. (AKRA IJ), Indonesia's leading Energy logistics company reported increase of 102% in net profit prior to extraordinary items of Rp 456 billion for the 9 months ended September 30, 2011 compared to Rp 225 billion during the same period during the previous year. The Company in its filings reported a Net Profit after tax of Rp 2,139 billion attributable to the Owners of Parent Entity including extraordinary profit of Rp 1,683 billion arising from sale of its investments in PT Sorini Agro Asia Corporindo Tbk., which was completed in January 2011.

AKRA which is the leading distributor of Refined Petroleum products (High Speed Diesel, Fuel Oil and Gasoline) to mining, power sector, industrial and commercial establishments announced record breaking sales revenue in Petroleum distribution during the 9M 2011 of Rp 11,501 billion, 124% higher than Rp 5,138 billion during the same period last year. Increasing demand for High Speed diesel from mining companies and also from increased market penetration in Eastern Indonesia enabled AKR to increase sales volumes in Indonesia. Overall Consolidated Total revenue during the nine months ended Sep 30, 2011 rose 69% to Rp 14,383 billion compared to Rp 8,538 billion in the same period last year.

**Table 1. Highlights of Financial Results for the Period Ended September 30, 2011
In IDR billion**

Consolidated Income Statement (IDR billion)	Including Sorini			PROFORMA Excluding Sorini		
	9M11	9M10	% increase	9M11	9M10	% increase
Sales	14,383	8,538	68.5%	14,383	7,198	99.8%
Cost Of Goods Sold	13,626	7,858		13,626	6,775	
Gross profit	757	680	11.3%	757	424	78.5%
Operating expense	291	360		291	222	
Operating profit	466	320	45.4%	466	202	130.6%
Interest expense	-28	-83		-28	-52	
Forex gain (loss)	80	57		80	55	
Other income (expense)	38	22		38	0	
Earning Before Tax	556	317	75.6%	556	205	170.9%
Tax	-112	-58		-112	-33	
Earning before minority interest	444	258	71.8%	444	173	156.9%
Minority interest	13	-33		13	6	
Net income	456	225	102.4%	456	179	154.7%
Extraordinary items	1,683	0		1,683	0	
Net income including extraordinary items	2,139	225	849.4%	2,139	179	1094.3%
Gross margin	5.3%	8.0%		5.3%	5.9%	
Operating margin	3.2%	3.8%		3.2%	2.8%	
Net margin	3.2%	2.6%		3.2%	2.5%	

Proforma numbers excluding the financials of PT Sorini Agro Asia Corporindo which was divested wef 28th January 2011 provided for the purposes of like to like comparison purposes only.

Strong Revenue growth in all business divisions; 124% YOY growth in Petroleum, 34% YOY growth in Basic chemicals

Petroleum distribution revenue increased 124% yoy to Rp 11,501 billion during the 9M'2011 driven by increased demand in Coal and other mineral mining sectors in Eastern Indonesia. Sales volume registered a 67% 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 34% to Rp 1,894 billion during 9M'2011 from Rp 1,414 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 48% increase in sales revenue during 9M'2011 compared to 9M'2010 though the volume of coal handled in Guigang registered lower volumes.

Table 2. Sales Revenue breakdown 9M'2011 compared to 9M'2010

BREAKDOWN OF SALES - PER PRODUCT					
(in IDR million)					
	9M11	6M11	12M10	9M10	6M10
TRADING AND DISTRIBUTION					
Petroleum	11,500,671	7,208,442	7,474,027	5,138,457	3,033,317
Basic Chemicals	1,893,875	1,229,029	1,934,146	1,413,648	933,894
Sorbitol, starch, etc.	22,521	3,371	3,694	9,768	5,423
Others	-	-	-	-	-
	13,417,068	8,440,842	9,411,867	6,561,873	3,972,634
MANUFACTURING					
Sorbitol, starch, etc.	318,100	213,939	2,162,038	1,530,364	978,631
Others	245,831	157,590	235,257	173,350	121,477
	563,931	371,530	2,397,294	1,703,714	1,100,108
LOGISTIC					
Port Operation and transport	261,329	157,117	314,195	214,049	120,405
Tank	56,922	38,611	36,840	31,072	20,305
Others	83,703	53,233	34,801	27,236	7,827
	401,955	248,962	385,836	272,357	148,537
TOTAL	14,382,953	9,061,333	12,194,997	8,537,944	5,221,279

Record Quarterly Performance in 3rd Quarter of 2011

During the third Quarter of 2011 AKR recorded Sales revenue of Rp 5,322 billion (61% higher than Q3' 2010) driven by volume growth in Petroleum distribution (20.8% growth quarter on quarter)

The Company recorded the highest quarterly Net Profit after tax of Rp 182 billion during Q 3 '2011 which is 115% higher than the Net profit reported in the same quarter in the previous year.

Chart1. Quarterly Sales Performance

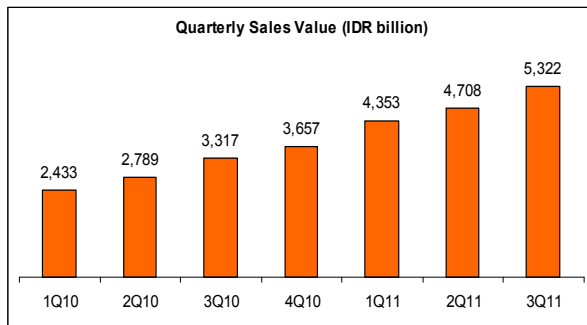
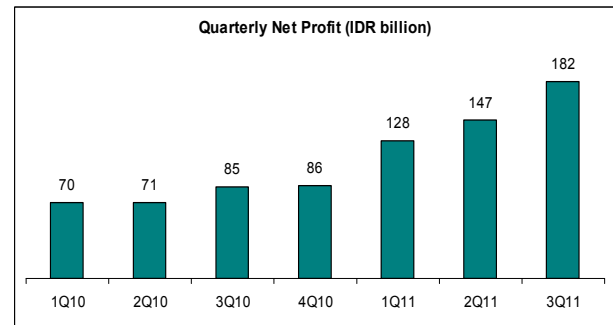


Chart 2. Quarterly Core Net Profit Performance



Strong Financial Position – Cash balance of Rp 1,334 billion post Interim Dividend 2

As at September 30, 2011 AKR reported a strong balance sheet with total assets of Rp 8,109 billion which includes Rp 1,334 billion of Cash and cash equivalents. Cash balance as on 30th September 2011 exceeds the short term debts and long term debts owed by the company as the balance sheet date. The Parent company has no outstanding debts due to banking and financial institutions and the working capital requirements of the petroleum and chemical distribution business is well covered by Supplier credits.

Return on Equity for the 9 months 2011 reached **19.1%** higher than 12.6% reported during the 9 months 2010 while the Return on Assets has increased **to 7.5%** during 9M 2011 compared to 4.2% during 9M 2010.

Net cash provided by operating activities during the 9M 2011 of Rp 566 billion enabled the company to cover the investment of Rp 181.5 billion spent on acquisition of property, plant and equipment. The Company paid out interim cash dividends of Rp 1,234 billion from the proceeds of the sale of investment in Sorini of Rp 2,062 billion (net of fees and expenses) while repaying a major portion of the short term and long term bank loans.

Working capital ratios as at 30th September 2011 were DSO (Receivables).. 42 days, Inventory days 24 days which were covered by Accounts payable of 66 days.

Table 4. Balance Sheet as at Sept 30, 2011 compared to Jun 30, 2011 and Dec 31, 2010

Consolidated Balance Sheet (IDR billion)	30-Sep-11	30-Jun-11	31-Dec-10
Current asset			
Cash	1,334	1,591	716
Trade receivable	2,198	2,192	1,607
Other receivable	92	79	79
Inventory	1,181	947	1,425
Prepaid expense	309	358	78
Other current asset	54	138	125
Noncurrent asset			
Fixed asset	2,370	2,314	3,038
Investment	0	0	0
Other noncurrent asset	571	496	600
Total asset	8,109	8,115	7,666

Current liabilities			
Trade payable	3,269	2,688	1,967
Other payable	150	133	188
Advance received	24	92	11
Accrued expense	124	133	141
Short-term loan	155	123	1,441
Other short-term liabilities	129	137	95
Long-term liabilities			
Long-term loan	826	836	880
Other long-term liabilities	62	57	82
Minority interest	188	188	472
Equity			
Capital	1,114	1,076	1,173
Retained earning	2,069	2,652	1,213
Total liabilities and equity	8,109	8,115	7,666

Table 5. Key Financials and Ratio

Ratios	Unit	9M11	6M11	9M10	2Q11
profitability					
gross margin	%	5.3%	5.0%	8.0%	5.0%
operating margin	%	3.2%	2.8%	3.8%	2.9%
net margin	%	3.2%	3.0%	2.6%	3.1%
Return On Asset *	%	7.5%	6.8%	4.2%	7.2%
Return On Equity *	%	19.1%	14.7%	12.6%	15.7%

asset management *					
total asset turnover	x	2.4	2.2	1.6	2.3
receivable period	days	42	44	54	42
inventory period	days	24	20	38	19
payable period	days	66	57	54	55
cash conversion cycle	days	0	7	37	7

leverage					
current ratio	x	1.3	1.6	1.1	1.6
asset / equity	x	2.5	2.2	3.0	2.2
net gearing	x	-0.1	-0.2	0.7	-0.2
times interest earned	x	81.9	101.8	4.8	22.7

Update on Coal Mining and Coal logistics infrastructure

Coal mining activities in the company's coal mines situated in Central Kalimantan have commenced wef July 2011 and as on Sept 30, 2011 the Coal mined has been moved to the coal terminal in Muara Tewe for crushing and preparation for sales to customers. Meanwhile marketing of the coal in Indonesia and China is underway and the Company's subsidiary PT Anugerah Karya Raya (94.7% held by AKRA) expects to increase the production of sales of coal during the coming quarters.

Meanwhile the upgrading of the hauling roads by the 50:50 Joint Venture with the forest concession holder in Central Kalimantan is underway and this would not only facilitate movement of larger volumes of coal but also assist in developing third party logistics business.

Guigang Coal Ports :

Volume of coal handled in the Guigang ports declined 19% year on year during the 9 months ended 30th September 2011 compared to the same period last year as

- the Province of Guizhou one of the large producers of Coal closed small and unsafe mining facilities in order to improve operating and safety conditions;
- the Province also reduced export of coal to other provinces to meet the increasing demand for coal for power generation in Guizhou province;
- Also the Chinese Government and the Guizhou Government have imposed resource tax on coal which is intended to help conserve resources in the long run.

This resulted in lower coal received in Guigang ports for transshipment to Guangdong and other provinces.

While in the interim, the profitability of the Guigang coal ports is likely to be affected due to lower volumes, this offers **a good opportunity for export of Coal** mined in the AKR mines in Indonesia to China for blending and sale to coal consumers in China. The Company has already invested in stock pile facilities in AKR Guigang Transshipment Port and increased the coal handling capacity in Guigang Ports to develop Guigang Ports into a **major coal trading center of South West China.**

Out look and Strategies:

Demand for Petroleum products in Eastern Indonesia, especially in Coal mining and power sectors continues to be strong with the growth in the mining activities in Kalimantan, Sulawesi and Papua. The Company is increasing its marketing activities and also expanding its network by building tank storage in various locations in Jawa, Sumatra, Kalimantan and Sulawesi and investing in petroleum tanker ships to cater to the growing demand in all these areas. The Company expects to continue to grow volumes at a healthy pace.

Indonesian economic growth and demand for consumer goods will drive growth of volumes of basic chemicals in Indonesia which are the raw materials from production of consumer goods, construction and chemicals.

Coal mining and infrastructure improvements in AKR hauling roads, terminals are underway which will enable increasing the output from the mining concessions. Coal produced from the coal mines will be marketed not only to domestic customers but also for exports to China through the Guigang port facilities.

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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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