



Jardine Strategic

Jardine Strategic Holdings Limited
Jardine House, Reid Street
Hamilton, Bermuda

Press Release

www.jardines.com

To: Business Editor

31st October 2013

For immediate release

PT Astra International Tbk 2013 Third Quarter Financial Statements

The following announcement was issued today by the Company's 73%-owned subsidiary, Jardine Cycle & Carriage Limited, which holds 50.1% of PT Astra International Tbk.

For further information, please contact:

Jardine Matheson Limited
Neil M McNamara

(852) 2843 8227

GolinHarris
Kennes Young

(852) 2501 7987

PRESS RELEASE

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PT ASTRA INTERNATIONAL TBK 2013 THIRD QUARTER FINANCIAL STATEMENTS Highlights

- Net earnings per share down 8% to Rp 333
- Unit sales of cars up by 7% and motorcycles up by 13%
- Komatsu unit sales down by 39%

“Despite strong automotive volumes, the Group’s earnings continued to be affected by increased competition in the car market, higher labour costs across the Group and lower commodity prices. We expect trading conditions to be unchanged for the remainder of the year.”

Prijono Sugiarto
President Director
31st October 2013

Group Results

	Period ended 30th September		
	2013 Rp bn	2012 Rp bn	Change %
Net revenue	141,840	143,138	(1)
Net income *	13,464	14,671	(8)
	Rp	Rp	
Net earnings per share	333	362	(8)
	As at 30th September 2013 Rp bn	As at 31st December 2012 Rp bn	Change %
Shareholders' funds**	77,452	71,201	9
	Rp	Rp	
Net asset value per share**	1,913	1,759	9

* Net income is profit attributable to owners of the parent.

** Shareholders' funds and Net asset value per share are based on equity attributable to owners of the parent.

The financial results for the nine months ended 30th September 2013 and 2012 as well as the financial position as at 30th September have been prepared in accordance with Indonesian Financial Accounting Standards. These results are unaudited. The financial position as at 31st December 2012 has been prepared in accordance with Indonesian Financial Accounting Standards and audited in accordance with the auditing standards established by the Indonesian Institute of Certified Public Accountants.

PRESIDENT DIRECTOR'S STATEMENT

Overview

The Group's net income declined by 8% during the first nine months. Improved contributions from its financial services, mining contracting and motorcycle activities were more than offset by lower contributions from its heavy equipment, palm oil, component and car businesses. Higher labour costs, increased competition in the car market and lower commodity prices continued to impact the Group's earnings.

Performance

The Group recorded net revenue of Rp 141.8 trillion for the first nine months of 2013, 1% lower than in the same period in 2012. Net income was Rp 13.5 trillion, a decrease of 8%, while net earnings per share were also 8% lower at Rp 333.

The Group's net asset value per share of Rp 1,913 at 30th September 2013 was 9% higher than at the end of 2012.

Overall net debt at 30th September 2013, excluding the Group's financial services subsidiaries, was Rp 3.2 trillion, compared to net debt of Rp 8.9 trillion at the end of 2012. The reduction was due largely to proceeds arising from the sale of a 16% interest in Astra Otoparts, good operating cashflows and lower capital expenditure. The Group's financial services subsidiaries had net debt at 30th September 2013 of Rp 40.9 trillion, compared to Rp 36.8 trillion at the end of 2012 reflecting an increase in automotive volumes financed.

Business Activities

The Group's activities are focused on six business segments – automotive, financial services, heavy equipment and mining, agribusiness, infrastructure and logistics, and information technology.

Automotive

Net income from the Group's automotive businesses declined by 5% to Rp 6.9 trillion, comprising Rp 3.2 trillion from the Company and subsidiaries, and Rp 3.7 trillion from associates and jointly controlled entities.

Automotive demand remained strong during the period but increased competition in the car market following the introduction of additional domestic capacity, coupled with higher labour costs led to a decline in the earnings contribution from the segment.

The wholesale market for cars grew by 11% to 908,000 units. Astra's car sales rose by 7% to 479,000 units, leading to its market share declining from 55% to 53%. Astra launched 22 new models and 12 facelift models during the period including the two Low Cost Green Car models, the Astra-Toyota Agya and the Astra-Daihatsu Ayla, which it began selling in September.

The wholesale market for motorcycles increased by 9% to 5.8 million units. Astra Honda Motor's sales increased by 13% to 3.5 million units, with its market share increasing from 58% to 60%. Astra Honda Motor launched two new models and seven facelift models during the period.

Astra Otoparts, the Group's 80%-owned automotive components business, reported net income of Rp 646 billion, a decrease of 16%, of which 61% was from associates and jointly controlled entities. The decline in earnings, despite higher revenue achieved was largely due to higher labour and material costs.

Financial Services

Net income from the Group's financial services businesses grew by 17% to Rp 3.3 trillion.

The amount financed through Astra's automotive-focused consumer finance operations, Federal International Finance, Astra Credit Companies and Toyota Astra Financial Services, grew by 11% to Rp 43 trillion, including balances financed through joint bank financing without recourse. The amount financed through Astra's heavy equipment-focused finance operations, Surya Artha Nusantara Finance and Komatsu Astra Finance, declined by 37% to Rp 3.7 trillion following a reduction in heavy equipment sales.

Astra's 44.6%-held joint venture, Bank Permata, reported net income up 21% at Rp 1.3 trillion. Higher net interest income arising from a 30% increase in the loan book was partly offset by increased operating costs.

Group insurance company, Asuransi Astra Buana, recorded higher earnings with growth in gross written premiums more than compensating for higher claims and commission expenses.

Heavy Equipment and Mining

The Group's net income from its heavy equipment and mining businesses declined by 23% to Rp 2.1 trillion. United Tractors, which is 59.5%-owned, reported net revenue down 15% and net income 24% lower at Rp 3.4 trillion.

In its construction machinery business, net revenue was 35% lower as sales of Komatsu heavy equipment fell 39% to 3,303 units, following sharply reduced demand from the mining sector, particularly for larger units. The coal mining contracting operations of subsidiary, Pamapersada Nusantara, benefited from increased mine site capacity. It reported an 11% improvement in revenue as contract coal production increased 14% to 78 million tonnes and contract overburden removal rose 1% to 639 million bank cubic metres. United Tractors' mining subsidiaries saw a decrease in revenue of 50% as coal sales fell 36% to 2.9 million tonnes. The decline in coal prices and increased fuel costs also negatively impacted earnings.

Agribusiness

The Group's net income from agribusiness declined by 45% to Rp 726 billion as Astra Agro Lestari, which is 79.7%-held, reported net income of Rp 911 billion. Revenue decreased by 3% to Rp 8.3 trillion with a 5% increase in palm oil production more than offset by a 12% decline in average crude palm oil prices to Rp 6,835 per kg. The lower revenue, alongside higher production costs and increased operating expenses, led to a decline in net income.

Infrastructure and Logistics

Net income from infrastructure and logistics declined by 28% to Rp 339 billion.

The 72.5 km Tangerang-Merak toll road operated by 79.3%-owned Marga Mandalasakti reported traffic volumes up 10% at 30 million vehicles.

PAM Lyonnaise Jaya, which operates the western Jakarta water utility system, reported a modest decrease in sales volume at 117 million cubic metres.

Serasi Autoraya's revenue improved, notwithstanding the number of vehicles under contract with its TRAC car rental business reducing by 2% to 31,000 units, but the benefit was offset by higher depreciation and operating costs.

Information Technology

Net income from information technology was Rp 101 billion, a 23% increase. The 76.9%-owned Astra Graphia, the information technology solutions provider and sole distributor of Fuji Xerox equipment in Indonesia, reported net income 22% higher at Rp 131 billion.

Prospects

Despite strong automotive volumes, the Group's earnings continued to be affected by increased competition in the car market, higher labour costs across the Group and lower commodity prices. We expect trading conditions to be unchanged for the remainder of the year.

Prijono Sugiarto
President Director
31st October 2013

*For further information, please contact:
PT Astra International Tbk
Arief Istanto, Chief of Corporate Communication
Tel: + 62 – 21 – 6530 4956*

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