



Jardine Strategic

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Press Release

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To: Business Editor

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For immediate release

PT Astra International Tbk 2016 First Quarter Financial Statements

The following announcement was issued today by the Company's 75%-owned subsidiary, Jardine Cycle & Carriage Limited, which holds 50.1% of PT Astra International Tbk.

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PRESS RELEASE

26th April 2016
PT ASTRA INTERNATIONAL TBK
2016 FIRST QUARTER FINANCIAL STATEMENTS

Highlights

- Net earnings per share down 22% to Rp 77
- Automotive markets moderately weaker
- Higher loan loss provisions at Permata Bank
- Komatsu heavy equipment sales fell 35%

“The Group continued to experience soft automotive demand and weak commodity prices, with a further deterioration in corporate credit quality at Permata Bank. Trading conditions are expected to remain challenging.”

Prijono Sugiarto
 President Director

Group Results

	Period ended 31st March		
	2016 Rp bn	2015 Rp bn	Change %
Net revenue	41,887	45,187	(7)
Net income*	3,112	3,992	(22)
Net earnings per share	77	99	(22)
	As at 31st March 2016 Rp bn	As at 31st December 2015 Rp bn	Change %
Shareholders' funds**	104,775	102,043	3
	Rp	Rp	
Net asset value per share**	2,588	2,521	3

* Net income is profit attributable to owners of the parent i.e. Astra International shareholders.

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

The financial results for the three months ended 31st March 2016 and 2015 as well as the financial position as at 31st March 2016 have been prepared in accordance with Indonesian Financial Accounting Standards and are unaudited. The financial position as at 31st December 2015 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 experienced lower revenue within heavy equipment and mining, and agribusiness, together with a reduced net revenue contribution from Astra's Toyota sales operations following the implementation of the restructuring to a two-tiered distribution model. Profitability declined primarily due to a reduced contribution from heavy equipment and mining, financial services, information technology, and automotive.

Performance

The Group's consolidated net revenue was down 7% at Rp 41.9 trillion, while net income was 22% lower at Rp 3.1 trillion.

The Group's net asset value per share of Rp 2,588 at 31st March 2016 was 3% higher than at the end of 2015.

Net cash, excluding the Group's financial services subsidiaries, was Rp 3.1 trillion, compared to net cash of Rp 1.0 trillion at the end of 2015. The Group's financial services subsidiaries had net debt of Rp 42.0 trillion, compared to Rp 44.6 trillion at the end of 2015.

Business Activities

Net income attributable to Astra International's shareholders by business segment for the period is as follows:

	Net Income Attributable to Astra International		
	Period ended 31st March		
	2016 Rp bn	2015 Rp bn	Change %
Automotive	1,580	1,621	(3)
Financial Services	641	1,191	(46)
Heavy Equipment and Mining	442	983	(55)
Agribusiness	333	124	168
Infrastructure, Logistics and Others	82	36	128
Information Technology	34	37	(8)
Attributable Net Income	3,112	3,992	(22)

Automotive

Net income from the Group's automotive businesses decreased by 3% to Rp 1.6 trillion.

Overall automotive demand softened slightly during the period, although a general reduction in discounts has seen some margin improvement.

The wholesale market for cars fell by 5% to 267,000 units. Astra's car sales were 7% lower at 127,000 units, with its market share decreasing from 49% to 48%. The Group launched two new models and five revamped models during the period.

The wholesale market for motorcycles decreased by 6% to 1.5 million units. Astra Honda Motor's domestic sales were slightly reduced to 1.1 million units, resulting in its market share increasing from 68% to 72%. Astra Honda Motor launched two new models and seven revamped models during the period.

Astra Otoparts, the Group's component business, saw net income fall by 8% to Rp 81 billion, due to a lower contribution from its OEM manufacturing business on higher operating costs.

Financial Services

Net income from the Group's financial services businesses decreased 46% to Rp 641 billion. Increased earnings at Federal International Finance and Toyota Astra Financial Services were more than offset by a decline in the contributions from its other financial services interests, in particular Permata Bank.

The consumer finance businesses saw an increase in the aggregate amount financed by 4% to Rp 16 trillion, including balances financed through joint bank financing without recourse. The car-focused Astra Sedaya Finance reported net income 27% lower at Rp 213 billion, whereas Toyota Astra Financial Services recorded net income 10% higher at Rp 80 billion. Motorcycle-focused Federal International Finance's net income was up 23% at Rp 393 billion, benefiting from improved market share and product diversification.

The aggregate amount financed through the Group's heavy equipment-focused finance operations increased by 16% to Rp 1 trillion. Surya Artha Nusantara Finance, a company focused on small-medium heavy equipment financing, reported net income 47% lower at Rp 20 billion.

Astra's 44.6%-held joint venture, Permata Bank, reported a net loss of Rp 376 billion (2015: net income Rp 567 billion), due to an increase in loan loss provisions as non-performing loans rose to 3.5% from 2.7% at prior year end, despite a 3% increase in net interest income.

The Group's general insurance company, Asuransi Astra Buana, recorded net income 31% lower at Rp 207 billion, primarily due to lower investment earnings.

The Group's life insurance joint venture with Aviva plc, which markets its products and services as "Astra Life powered by Aviva", acquired more than 19,000 individual life customers (full year 2015: 28,500) and more than 64,000 participants of its corporate employee benefits programs in the first quarter 2016 (full year 2015: 186,000).

Heavy Equipment and Mining

The Group's net income from its heavy equipment and mining businesses decreased by 55% to Rp 442 billion.

United Tractors, which is 59.5%-owned, reported net income of Rp 731 billion, a 55% decrease due to lower net revenue on lower business volumes. In the construction machinery business, net revenue declined 13% as Komatsu heavy equipment sales fell by 35% to 499 units. The contract mining operations of subsidiary, Pamapersada Nusantara, reported a 20% decrease in net revenue as contract coal production declined 4% to 24 million tonnes, with contract overburden removal down 7% at 163 million bank cubic metres. United Tractors' mining subsidiaries reported 2% higher coal sales at 2 million tonnes, with net revenue decreasing by 11%.

General contractor Acset Indonusa, 50.1%-held by United Tractors, reported an increase in net income of 59% to Rp 19 billion, with new contracts of Rp 2.4 trillion for the quarter, compared to Rp 3.1 trillion for the 2015 full year.

Agribusiness

Net income from the Group's agribusiness division was Rp 333 billion, an increase of 168%.

Astra Agro Lestari, which is 79.7%-owned, reported net income of Rp 418 billion, up 168%. Although crude palm oil sales were 5% higher at 271,000 tonnes and olein sales increased by 78% to 106,000 tonnes, average crude palm oil prices achieved were 16% lower at Rp 6,593/kg. During the first quarter the benefit of a stronger Rupiah on translation of its US dollar monetary liabilities more than offset the impact on its US dollar denominated and linked income.

Infrastructure, Logistics and Others

Net income from infrastructure, logistics and others increased by 128% to Rp 82 billion, mainly due to higher toll road and property development earnings.

The 72.5 km Tangerang-Merak toll road, operated by 79.3%-owned Marga Mandalasakti, reported a 6% increase in traffic volumes to 11 million vehicles. Construction continues at the wholly-owned 40.5 km Kertosono-Mojokerto toll road near Surabaya. Section 1, which is 14.7 km long, began operation in October 2014 and further stages are expected to be operational during 2016 and 2017, subject to the timely completion of land acquisitions. In July 2015, Astratel acquired a 25% interest in the 72.6 km Semarang-Solo toll road, of which sections 1 and 2, being 22.8 km, are operational. Taken together with Astratel's 40% interest in the greenfield 11.2 km Kunciran-Serpong toll road on Jakarta's outer ring road, the Group has an interest in 196.8 km of toll road.

PAM Lyonnaise Jaya, which operates the western Jakarta water utility system, experienced higher sales volume by 3% to 38 million cubic metres.

Serasi Autoraya's revenue increased by 1% and net income increased by 29% to Rp 22 billion, with an 11% decline in the number of vehicles under contract at its car leasing and rental business to 24,000 units more than offset by higher gains on used vehicle sales and logistics volumes.

Anandamaya Residences, the Group's 60%-owned luxury residential development project located in Jakarta's Central Business District is 91% sold. Completion of Anandamaya Residences, and the Group's adjacent grade A office tower Menara Astra, is expected in 2018, as planned.

Information Technology

Net income from information technology decreased by 8% to Rp 34 billion.

Astra Graphia, 76.9%-owned, which is active in the area of document information and communication technology solutions and is the sole distributor of Fuji Xerox office equipment in Indonesia, reported net income of Rp 44 billion, down 8%.

Prospects

The Group continued to experience soft automotive demand and weak commodity prices, with a further deterioration in corporate credit quality at Permata Bank. Trading conditions are expected to remain challenging.

Prijono Sugiarto
President Director
26th April 2016

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