



Jardine Strategic

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

Press Release

www.jardines.com

To: Business Editor

27th April 2020

For immediate release

PT Astra International Tbk 2020 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.

For further information, please contact:

Jardine Matheson Limited
Jonathan Lloyd

(852) 2843 8223

Brunswick Group Limited
Ben Fry

(65) 9017 9886

Issued by: Jardine Matheson Limited
48th Floor Jardine House, Central, Hong Kong

Incorporated in Bermuda with limited liability

PRESS RELEASE

27th April 2020

PT ASTRA INTERNATIONAL TBK (the Company or Astra) 2020 FIRST QUARTER FINANCIAL STATEMENTS

Highlights

- Net earnings per share down 8%
- Car sales down 3% and motorcycle sales down 5% but market shares increase
- Lower coal prices impact heavy equipment sales and mining contracting volumes
- Agribusiness benefits from higher crude palm oil prices

“Despite solid performances in Astra Group’s automotive and financial services businesses, its overall performance declined in the first quarter of the year, largely due to lower coal prices and weakening consumer confidence. Further, as the impact of COVID-19 pandemic has grown more severe and anti-pandemic restriction measures have taken effect, Astra Group has faced increasingly difficult conditions and its April performance has been adversely impacted. These conditions are likely to persist for some time. However, Astra Group has a strong financial position, which enables it to mitigate the risks it faces in this increasingly challenging environment.

These are difficult times. We would like to express our gratitude to employees across Astra Group for their continuing hard work and dedication as we manage through the current challenging environment while remaining focused on Astra Group’s long-term prospects.”

Prijono Sugiarto
President Director

Astra Group Results

	For the period ended 31st March		
	2020 Rp bn	2019 Rp bn	Change %
Net revenue	54,002	59,607	(9)
Net income*	4,810	5,215	(8)
	Rp	Rp	
Net earnings per share	119	129	(8)
	As at 31st March 2020 Rp bn	As at 31st December 2019 Rp bn	Change %
Shareholders' funds**	154,581	147,847	5
	Rp	Rp	
Net asset value per share**	3,818	3,652	5

* 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 2020 and 2019 as well as the financial position as at 31st March 2020 have been prepared in accordance with Indonesian Financial Accounting Standards and are unaudited. The financial position as at 31st December 2019 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

Performance

Astra Group's consolidated net revenue for the first quarter of 2020 was Rp54.0 trillion, a decrease of 9% from the comparable period last year. Astra Group's net income was Rp4.8 trillion, 8% lower than the first quarter of 2019, largely as a result of a lower contribution from its heavy equipment, mining, construction and energy division, which more than offset improved contributions from its agribusiness and infrastructure and logistics divisions.

The net asset value per share at 31st March 2020 was Rp3,818, 5% higher than at 31st December 2019.

Net debt, excluding Astra Group's financial services subsidiaries, reduced from Rp22.2 trillion at the end of 2019 to Rp21.8 trillion at 31st March 2020. The net debt of Astra Group's financial services subsidiaries totalled Rp50.6 trillion at 31st March 2020, compared with Rp45.8 trillion at the end of 2019.

In each of Astra Group's businesses, debt levels and liquidity positions are being carefully monitored and steps are being taken to mitigate both operational and financial risks. A range of actions are also being taken to manage costs and preserve cash, including reducing capital expenditure and managing working capital.

Business Activities

Net income attributable to shareholders by business segment was as follows:

	Net Income Attributable to Astra International		
	For the period ended 31st March		
	2020 Rp bn	2019 Rp bn	Change %
Automotive	1,930	1,905	1
Financial Services	1,417	1,401	1
Heavy Equipment, Mining, Construction and Energy	1,052	1,828	(42)
Agribusiness	296	30	887
Infrastructure and Logistics	73	16	356
Information Technology	2	20	(90)
Property	40	15	167
Attributable Net Income	4,810	5,215	(8)

Automotive

Net income from Astra Group's automotive division increased by 1% to Rp1.9 trillion, mainly due to increased operating profit margin and foreign exchange translation gains, partly offset by lower automotive sales. Highlights were as follows:

- The wholesale market for cars declined by 7% to 237,000 units in the first quarter of 2020 (*source: Gaikindo*). Astra's car sales were 3% lower at 130,000 units, with an increase in market share from 53% to 55%. 3 new models and 7 revamped models were launched during the period.
- The wholesale market for motorcycles declined by 7% to 1.6 million units in the first quarter of 2020 (*source: Ministry of Industry*). Astra Honda Motor's sales decreased by 5% to 1.2 million units, with an increase in market share from 76% to 77%. 3 new models and 4 revamped models were launched during the period.
- Astra Group's 80%-owned components business, Astra Otoparts, reported a 28% decrease in net income to Rp115 billion, mainly due to lower revenues from the OEM (original equipment manufacturer) and replacement market segments.

Financial Services

Net income from Astra Group's financial services division increased by 1% to Rp1.4 trillion, primarily due to an increase in the loan portfolios of its consumer finance businesses, partly offset by increased loan loss provisions at Permata Bank. Highlights were as follows:

- Astra Group's consumer finance businesses saw a 14% increase in amounts financed to Rp23.6 trillion. The net income contribution from Astra Group's car-focused finance companies increased by 11% to Rp377 billion, while the net income contribution from Astra Group's motorcycle-focused business, Federal International Finance, increased by 11% to Rp673 billion, both reflecting larger loan portfolios.
- Astra Group's heavy equipment-focused finance operations saw a 41% increase in amounts financed to Rp1.4 trillion. The net income contribution from this segment decreased by Rp30 billion, mainly due to a lower loan portfolio.
- 44.6%-owned Permata Bank reported a 51% decrease in net income to Rp185 billion, as a result of higher loan impairment levels. The bank's gross non-performing loan ratio increased from 2.8% at the end of 2019 to 3.2%, while its net non-performing loan ratio fell from 1.3% to 1.2%.
- General insurance company Asuransi Astra Buana reported a 2% decrease in net income to Rp263 billion, caused by lower underwriting income. Astra Group's life insurance joint venture, Astra Aviva Life, acquired more than 460,000 new individual life customers and 49,100 new participants for its corporate employee benefits program.

Heavy Equipment, Mining, Construction and Energy

Net income from Astra Group's heavy equipment, mining, construction and energy division decreased by 42% to Rp1.1 trillion, mainly due to lower heavy equipment sales and mining contracting volume, caused by weaker coal prices and a higher loss incurred in the general contracting business. Highlights were as follows:

- 59.5%-owned United Tractors reported a 40% decrease in net income to Rp1.8 trillion.
- Komatsu heavy equipment sales fell by 48% to 617 units, while parts and service revenues were also lower.
- Mining contractor Pamapersada Nusantara recorded a 9% lower overburden removal volume at 212 million bank cubic metres and a 9% lower coal production at 27.9 million tonnes.

- United Tractors' coal mining subsidiaries achieved 25% higher coal sales at 3.2 million tonnes, including 426,000 tonnes of coking coal, but their performance was affected by lower coal prices.
- Agincourt Resources, 95%-owned by United Tractors, reported 9% lower gold sales at 95,000 oz.
- General contractor Acset Indonusa, 50.1%-owned by United Tractors, reported a 36% higher net loss of Rp124 billion, mainly due to increased project and funding costs for several ongoing contracts.

Agribusiness

Net income from Astra Group's agribusiness division was Rp296 billion, significantly higher compared to the first quarter of 2019, due to higher crude palm oil prices. Highlights were as follows:

- The net income of 79.7%-owned Astra Agro Lestari increased from Rp37 billion to Rp371 billion, primarily due to higher crude palm oil prices.
- Average crude palm oil prices rose by 45% to Rp9,037/kg versus the comparable period last year.
- Crude palm oil and derivatives sales fell by 19% to 487,000 tonnes.

Infrastructure and Logistics

Net income from Astra Group's infrastructure and logistics division increased materially from Rp16 billion to Rp73 billion, mainly due to improved revenue from its toll roads and port businesses. Highlights were as follows:

- Astra Group has interests in 350km of operational toll roads along the Trans-Java network and in the Jakarta Outer Ring Road.
- Revenues increased due to 11% higher traffic volume in Astra Group's toll road concessions and higher cargo handling volume in its port business.
- Serasi Autoraya's net income decreased by 28% to Rp34 billion, mainly due to lower operating profit margin in its logistics, used car and car leasing services, despite a 2% increase in vehicles under contract to 22,500 units and 7% higher used car sales at 8,500 units.

Information Technology

Net income from Astra Group's information technology division was 90% lower at Rp2 billion, as a result of lower revenues and higher operating costs in Astra Graphia's document solution and office service businesses.

Property

Net income from Astra Group's property division increased from Rp15 billion to Rp40 billion, mainly due to higher occupancy at Menara Astra and earnings recognised from Asya Residences.

Prospects

Despite solid performances in Astra Group's automotive and financial services businesses, its overall performance declined in the first quarter of the year, largely due to lower coal prices and weakening consumer confidence. Further, as the impact of COVID-19 pandemic has grown more severe and anti-pandemic restriction measures have taken effect, Astra Group has faced increasingly difficult conditions and its April performance has been adversely impacted. These conditions are likely to persist for some time. However, Astra Group has a strong financial position, which enables it to mitigate the risks it faces in this increasingly challenging environment.

Prijono Sugiarto
President Director
27th April 2020

For further information, please contact:
PT Astra International Tbk
Riza Deliansyah, Chief of Corporate Affairs
Tel: +62 - 21 - 5084 3888

-end-

About Astra

PT Astra International Tbk was established in 1957 in Jakarta as a general trading company under the name Astra International Inc. In 1990, for the purpose of the company's initial public offering (IPO), the name of the company changed to PT Astra International Tbk, followed by listing its shares on the Indonesia Stock Exchange under the ticker code ASII.

Astra has developed its business by implementing a business model based on synergies and diversification within seven business segments, consisting of: 1) Automotive, 2) Financial Services, 3) Heavy Equipment, Mining, Construction & Energy, 4) Agribusiness, 5) Infrastructure and Logistics, 6) Information Technology and 7) Property.

Astra conducts business operations in all parts of Indonesia under the management of more than 235 subsidiaries, joint ventures and associates companies, and was supported by more than 216,000 employees, as of March 2020.

As one of the largest national business groups today, Astra has built a strong reputation through offering a range of quality products and services, taking into account the implementation of good corporate governance and environmental governance. Astra always aspires to be the pride of the nation that participates in efforts to improve the welfare of the Indonesian people.

Therefore, Astra's business activities strive to apply a balanced mix in the commercial aspects of business and non-business contributions through 9 foundations and a variety of sustainable social responsibility programmes Astra Untuk Indonesia Sehat, Astra Untuk Indonesia Cerdas, Astra Untuk Indonesia Hijau and Astra Untuk Indonesia Kreatif.

Astra initiated the Semangat Astra Terpadu Untuk (SATU) Indonesia Awards programme, which has entered a decade this year, and has given recognition awards to 305 young Indonesians, consisting of 59 national level recipients and 246 provincial level recipients in the fields of Health, Education, the Environment, Entrepreneurship and Technology, which are integrated with Astra's wide range of community activities through 87 Kampung Berseri Astra and 645 Desa Sejahtera Astra initiated in 34 provinces throughout Indonesia.

For further information, please visit www.astra.co.id & www.satu-indonesia.com, and follow Astra through Instagram (@SATU_Indonesia), Youtube (SATU Indonesia), Facebook (Semangat Astra Terpadu) and Twitter (@SATU_Indonesia).