



Jardine Strategic

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

Press Release

www.jardines.com

To: Business Editor

25th February 2021

For immediate release

PT Astra International Tbk 2020 Full Year 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

PRESS RELEASE

25th February 2021

**PT ASTRA INTERNATIONAL TBK (the Company or Astra)
2020 FULL YEAR FINANCIAL STATEMENTS**

Highlights

- Net earnings per share down 53% (before the gain on sale of investment in Permata Bank)
- Car sales down 50% with a slight decline in market share, while motorcycle sales down 41% with increased market share
- Increased loan loss provisions in the financial services business
- Lower coal prices impacted heavy equipment sales and mining contracting volumes
- Agribusiness benefited from higher crude palm oil prices
- Strong balance sheet and funding position

“The revenue and net income of Astra group (Group) for the year declined due to the impact of the COVID-19 pandemic and efforts to contain it. The Group continues to operate in challenging conditions and uncertainty remains over the duration of the pandemic. We expect these conditions to continue for some time and it is too early to predict the impact of the pandemic on the Group’s performance in 2021.

During these challenging and uncertain times, I would like to thank all our employees for their continued hard work, dedication and professionalism.”

Djony Bunarto Tjondro
President Director

Group Results

	For the years ended 31st December		
	2020 Rp bn	2019 Rp bn	Change %
Net revenue	175,046	237,166	(26)
Net income (before the gain on sale of investment in Permata Bank)	10,283	21,707	(53)
Net income	16,164	21,707	(26)
	Rp	Rp	
Net earnings per share (before the gain on sale of investment in Permata Bank)	255	536	(53)
Net earnings per share	399	536	(26)
	As at 31st December 2020 Rp bn	As at 31st December 2019 Rp bn	Change %
Shareholders' funds	155,662	147,847	5
	Rp	Rp	
Net asset value per share	3,845	3,652	5

The financial results for the year ended 31st December 2020 and 2019 and the financial position as at 31st December 2020 and 2019 have 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**

The Group's consolidated net revenue for 2020 was Rp175.0 trillion, a decrease of 26% compared with the previous year. Net income, including the gain from the sale of the Group's investment in Permata Bank was Rp16.2 trillion, 26% lower than 2019. Excluding this one-off gain, the Group's net income would have decreased by 53% to Rp10.3 trillion, primarily due to the impact of the COVID-19 pandemic and related containment measures which drove weaker performances by the Group's automotive, heavy equipment and mining, and financial services divisions.

Net asset value per share at 31st December 2020 was Rp3,845, 5% higher than that at 31st December 2019.

Net cash, excluding the Group's financial services subsidiaries, was Rp7.3 trillion at 31st December 2020, compared with net debt of Rp22.2 trillion at the end of 2019, following the receipt of proceeds from the sale of the Group's investment in Permata Bank in May 2020. Net debt of the Group's financial services subsidiaries decreased from Rp45.8 trillion at the end of 2019 to Rp39.2 trillion at 31st December 2020.

A final dividend of Rp87 per share (2019: Rp157 per share) will be proposed at the Annual General Meeting of Shareholders of the Company to be held in April 2021. The proposed final dividend, together with the interim dividend of Rp27 per share (2019: Rp57 per share) distributed in October 2020, will bring the total dividend for the year to Rp114 per share (2019: Rp214 per share).

Business Activities

The Group's net income was lower in 2020 compared to that of the previous year. Net income attributable to shareholders of Astra by business division was as follows:

	Net Income Attributable to Astra International		
	For the years ended 31st December		
	2020 Rp bn	2019 Rp bn	Change %
Automotive	2,705	8,396	(68)
Financial Services	3,310	5,864	(44)
Heavy Equipment, Mining, Construction and Energy	3,430	6,711	(49)
Agribusiness	664	168	295
Infrastructure and Logistics	45	292	(85)
Information Technology	36	193	(81)
Property	93	83	12
Attributable net income (before the gain on sale of investment in Permata Bank)	10,283	21,707	(53)
Gain on sale of investment in Permata Bank	5,881	-	N/A
Attributable Net Income	16,164	21,707	(26)

Automotive

Net income from the Group's automotive division decreased by 68% to Rp2.7 trillion, reflecting a significant drop in sales volume. After suffering a net loss in the second quarter, the automotive division saw a return to profitability in the second half of the year following a partial easing of the pandemic containment measures. Key points were as follows:

- The wholesale market for cars declined by 48% to 532,000 units in 2020 (*source: Gaikindo*). Astra's car sales for 2020 were 50% lower at 270,000 units, reflecting a slight decline in market share. 16 new models and 18 revamped models were launched during the year.
- The wholesale market for motorcycles declined by 44% to 3,663,000 units in 2020 (*source: Ministry of Industry*). Astra Honda Motor's sales decreased by 41% to 2,892,000 units, reflecting an increased market share. Five new models and 11 revamped models were launched during the year.

- The Group's 80%-owned components business, Astra Otoparts, saw a decrease in net income from Rp740 billion to Rp2 billion in 2020, mainly due to lower revenues from the original equipment manufacturer, replacement market and export segments.

Financial Services

Net income from the Group's financial services division decreased by 44% to Rp3.3 trillion in 2020, primarily due to increased provisions to cover higher non-performing loans in the consumer and heavy equipment-focused finance businesses. Key points were as follows:

- The Group's consumer finance businesses saw a 23% decrease in the new amount financed to Rp67 trillion. The net income contribution from the Group's car-focused finance companies decreased by 46% to Rp803 billion. The net income contribution from its motorcycle-focused business, Federal International Finance, decreased by 42% to Rp1.5 trillion.
- The Group's heavy equipment-focused finance operations saw a 17% decrease in the new amount financed to Rp3.6 trillion. The net income contribution from this segment decreased by 59% to Rp40 billion.
- General insurance company Asuransi Astra Buana reported a 16% decrease in net income to Rp912 billion, mainly due to lower underwriting income. The Group's life insurance company, Astra Life, recorded gross written premium of Rp3.8 trillion in 2020, an 11% increase from the previous year.
- In November, the Group acquired a further 49.99% of PT Astra Aviva Life (subsequently renamed PT Asuransi Jiwa Astra) from Aviva International Holdings Limited, which brought the Group's ownership to 99.99%.

Heavy Equipment, Mining, Construction and Energy

Net income from the Group's heavy equipment, mining, construction and energy division decreased by 49% to Rp3.4 trillion, mainly due to lower heavy equipment sales and mining contracting volume caused by weaker coal prices for most of the year. Key points were as follows:

- 59.5%-owned United Tractors reported a 47% decrease in net income to Rp6.0 trillion.
- Komatsu heavy equipment sales fell by 47% to 1,564 units, while parts and service revenues were also lower.
- Mining contractor Pamapersada Nusantara recorded 17% lower overburden removal volume at 825 million bank cubic metres and 13% lower coal production at 115 million tonnes.
- United Tractors' coal mining subsidiaries achieved 9% higher coal sales at 9.3 million tonnes, including 1.9 million tonnes of coking coal, but their performance was affected by lower coal prices.
- Agincourt Resources, 95%-owned by United Tractors, reported 22% lower gold sales at 320,000 oz.
- General contractor Acset Indonusa, 64.8%-owned by United Tractors, reported a net loss of Rp1.3 trillion, mainly due to the slowdown of several ongoing projects and reduced project opportunities during the COVID-19 pandemic.
- Bhumi Jati Power, 25%-owned by United Tractors, is in the process of constructing two 1,000MW power plants in Central Java. The construction progress reached 97% as of December 2020.

Agribusiness

Net income from the Group's agribusiness division was Rp664 billion, significantly higher than 2019, mainly due to higher crude palm oil prices. Key points were as follows:

- The net income of 79.7%-owned Astra Agro Lestari increased from Rp211 billion to Rp833 billion, mainly due to higher crude palm oil prices, which rose by 28% to Rp8,545/kg.
- Crude palm oil and derivatives sales fell by 14% to 2 million tonnes.

Infrastructure and Logistics

The Group's infrastructure and logistics division reported a fall in net income from Rp292 billion to Rp45 billion in 2020, as a result of reduced toll road revenues and lower operating margin in Serasi Autoraya. Key points were as follows:

- Astra has interests in almost 358km of operational toll roads along the Trans-Java network and in the Jakarta Outer Ring Road.
- The Group's toll road concessions experienced a 12% fall in traffic volume.
- Serasi Autoraya's net income decreased by 55% to Rp113 billion, mainly due to lower operating margin in its car rental business and lower used car sales, despite a 2% increase in the number of vehicles under contract to 23,000 units.
- In November, the Group acquired a 100% stake in Jakarta Marga Jaya, which owns 35% of Marga Lingkar Jakarta, the operator of the 7.7km Kebon Jeruk-Ulujami toll road, part of the Jakarta Outer Ring Road I.

Information Technology

Net income from the Group's information technology division was 81% lower at Rp36 billion, primarily due to lower revenues in the document solution and office service businesses of 76.9%-owned Astra Graphia.

Property

Net income from the Group's property division increased from Rp83 billion to Rp93 billion, mainly due to higher occupancy at Menara Astra and earnings recognised from its Asya Residences development project.

Prospects

The revenue and net income of the Group for the year declined due to the impact of the COVID-19 pandemic and efforts to contain it. The Group continues to operate in challenging conditions and uncertainty remains over the duration of the pandemic. We expect these conditions to continue for some time and it is too early to predict the impact of the pandemic on the Group's performance in 2021.

Djony Bunarto Tjondro
President Director
25th February 2021

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

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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 divisions: 1) Automotive, 2) Financial Services, 3) Heavy Equipment, Mining, Construction & Energy, 4) Agribusiness, 5) Infrastructure and Logistics, 6) Information Technology and 7) Property.

Astra Group conducts business operations in all parts of Indonesia under the management of more than 238 companies, including subsidiaries, joint ventures and associates, and was supported by more than 187,000 employees, as of December 2020.

As one of the largest national business groups in Indonesia today, Astra has built a strong reputation through offering a range of quality products and services, taking into account the implementation of good corporate 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.

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, namely *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 its eleventh year, and has given recognition awards to 397 young Indonesians, consisting of 70 national level recipients and 327 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 116 Kampung Berseri Astra and 755 Desa Sejahtera Astra initiatives 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).