OFFICIAL PRESTIGE PARTNER

PRESS RELEASE

24th April 2018
PT ASTRA INTERNATIONAL TBK
2018 FIRST QUARTER FINANCIAL STATEMENTS

Highlights

- Net earnings per share down 2% at Rp123
- Lower market share for cars and motorcycles
- Higher coal prices benefited heavy equipment, mining contracting and mining volumes
- Agribusiness net income down due to lower prices

"The Group is expected to continue benefiting from stable coal prices, but in the car market, competitive pressures are likely to intensify."

Prijono Sugiarto
President Director

Group Results

	For the period ended 31st March		
	2018 Rp bn	**2017* Rp bn**	**Change %**
Net revenue	55,822	48,780	14
Net income**	4,980	5,078	(2)
	Rp	**Rp**	
Net earnings per share	123	125	(2)
	As at 31st March 2018 Rp bn	**As at 31st December 2017* Rp bn**	**Change %**
Shareholders' funds***	128,973	123,780	4
	Rp	**Rp**	
Net asset value per share***	3,186	3,058	4

** Restated due to implementation of PSAK No. 69: Agriculture*

*** 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 2018 and 2017 as well as the financial position as at 31st March 2018 have been prepared in accordance with Indonesian Financial Accounting Standards and are unaudited. The financial position as at 31st December 2017 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 results in some of its business segments, particularly in automotive and agribusiness, which more than offset the increased performance from heavy equipment, mining, construction and energy.

Performance

The Group’s consolidated net revenue for the period increased by 14% to Rp55.8 trillion, with higher revenues achieved mainly in its heavy equipment and mining and automotive businesses.

The Group’s net income was Rp5.0 trillion, 2% lower compared with the same period last year.

The net asset value per share was Rp3,186 at 31st March 2018, 4% higher than at the prior year end.

Net debt, excluding the Group’s financial services subsidiaries, was Rp2.4 trillion compared with net cash of Rp2.7 trillion at 31st December 2017, due mainly to the Group’s toll road and GO-JEK investments and capital expenditure in its mining contracting business. The Group’s financial services subsidiaries had net debt of Rp44.8 trillion, compared with Rp46.1 trillion at the end of 2017.

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		
	2018 Rp bn	**2017* Rp bn**	**Change %**
Automotive	2,109	2,288	(8)
Financial Services	1,060	1,124	(6)
Heavy Equipment, Mining, Construction and Energy	1,518	902	68
Agribusiness	283	629	(55)
Infrastructure and Logistics	(23)	67	(134)
Information Technology	27	26	4
Property	6	42	(86)
Attributable Net Income	**4,980**	**5,078**	**(2)**

** Restated due to implementation of PSAK No. 69: Agriculture*

Automotive

Net income from the Group's automotive division was down by 8% at Rp2.1 trillion, mainly due to increased competition in the car segment.

The wholesale market for cars grew by 3% at 292,000 units. Astra's car sales, however, were 12% lower at 142,000 units due to the impact of intense competition which resulted in a decline in market share from 57% to 49%. The Group launched seven new models and two revamped models during the period.

The wholesale market for motorcycles increased by 4% to 1.5 million units. Astra Honda Motor's domestic sales were flat at 1.1 million units, mainly due to inventory management ahead of several key model launches, which resulted in its market share decreasing from 77% to 73%. The Group launched one new model and five revamped models during the period.

Astra Otoparts, the Group's components business, reported net income which was 1% lower at Rp146 billion, despite an 11% increase in revenue. The decline in net income was mainly due to reduced contributions from its joint venture and associate companies, which were impacted by forex translation losses.

Financial Services

Net income from the Group's financial services division decreased by 6% to Rp1.1 trillion, due to a lower contribution from Permata Bank.

The Group's consumer finance businesses saw a 5% decrease in the amount financed to Rp19.7 trillion. The contribution from the Group's car-focused finance companies decreased by 17% to Rp225 billion mainly due to increased loan loss provisions in the low cost car segment. Motorcycle-focused Federal International Finance's net income was up 22% at Rp542 billion primarily due to a larger loan portfolio.

The amount financed through the Group's heavy equipment-focused finance operations decreased by 35% to Rp846 billion, mainly due to reduced lending to small and medium-sized borrowers.

Permata Bank, in which Astra holds a 44.6% interest, reported net income of Rp164 billion compared to Rp453 billion recorded in the first quarter last year. The results of the first quarter last year benefited from a one-off gain on the sale of non-performing loans. Excluding this one-off gain, the bank's net income would have increased mainly driven by lower loan impairment costs which fell from Rp670 billion in the first quarter last year to Rp465 billion in this first quarter. The bank's gross and net non-performing loan ratios at the end of March 2018 were relatively stable at 4.6% and 1.7%, respectively.

Asuransi Astra Buana, the Group's general insurance company, reported net income 15% higher at Rp247 billion, due to increased investment income. During the period, the Group's life insurance joint venture, Astra Aviva Life, acquired more than 78,000 new individual life customers and 411,000 new participants for its corporate employee benefits programmes.

- more -

Heavy Equipment, Mining, Construction and Energy

Net income from the Group's heavy equipment, mining, construction and energy division increased by 68% to Rp1.5 trillion.

United Tractors, which is 59.5%-owned, reported net income 69% higher at Rp2.5 trillion. The increase was mainly due to improved performances in its construction machinery and mining contracting businesses, as well as its mining operations, as a result of increased coal prices.

In its construction machinery business, Komatsu heavy equipment sales were up 38% at 1,171 units, while parts and service revenues were also higher. The mining contracting operations of Pamapersada Nusantara recorded a 6% higher coal production at 26.5 million tonnes and 22% higher overburden removal at 207 million bank cubic metres. United Tractors' mining subsidiaries reported 36% higher coal sales at 2.6 million tonnes.

In the first quarter of 2018, Suprabari Mapanindo Mineral, United Tractors' 80.1%-owned coking coal company which became operational in late 2017, achieved coal sales of 111,000 tonnes.

General contractor Acset Indonusa, a 50.1% subsidiary of United Tractors, reported net income up 27% at Rp39 billion due to higher revenue, mainly from its infrastructure construction projects.

Agribusiness

Net income from the Group's agribusiness division was down 55% at Rp283 billion.

Astra Agro Lestari, which is 79.7%-owned, reported net income 55% lower at Rp355 billion, primarily due to lower crude palm oil prices. Achieved average crude palm oil prices were 12% lower at Rp7,855/kg, while sales of crude palm oil and its derivatives were 17% higher at 480,000 tonnes.

Infrastructure and Logistics

The Group's infrastructure and logistics division reported a net loss of Rp23 billion, compared with a net profit Rp67 billion in the first quarter of 2017, as results were affected by initial losses on the Cikopo-Palimanan toll road acquired in the first half of 2017.

The Group's portfolio of toll road interests totals 353km, of which 269km is operational. At the mature 72.5km Tangerang-Merak toll road, operated by 79.3%-owned Marga Mandalasakti, toll revenue increased by 14% to Rp253 billion. At the wholly-owned 40.5km Jombang-Mojokerto toll road, 39.6km became fully operational in September 2017 and recorded Rp39 billion of toll revenue during the first quarter of 2018. Toll revenue at the 45%-owned 116.8km Cikopo-Palimanan toll road increased by 4% to Rp296 billion. At the 40%-owned 72.6km Semarang-Solo toll road, of which 40.1km is now in operation, toll revenue was Rp50 billion or 36% higher than the comparable period last year.

The Group also has a 40% stake in the 11.2km Kunciran-Serpong toll road and a 25% stake in the 39.8km Serpong-Balaraja toll road, both of which are under development.

- more -

Serasi Autoraya's net income increased by 45% to Rp58 billion, due to higher net margins in its car leasing and rental businesses, despite a 4% decline in vehicles under contract.

Information Technology

Net income from the Group's information technology division was 4% higher at Rp27 billion.

Astra Graphia, which is 76.9%-owned, reported net income higher at Rp35 billion due to higher revenues across all its business segments.

Property

The Group's property division reported a net income of Rp6 billion compared to net income of Rp42 billion in the prior year. This was primarily due to lower development earnings recognised from its Anandamaya Residences project, reflecting lower percentage completion in the final stages of the project.

Arumaya, the Group's 60%-held residential development project located in South Jakarta, commenced marketing in March 2018 and is scheduled for completion in 2022.

50%-owned Astra Land Indonesia, which owns 67% of Astra Modern Land, is in the process of developing a 67-hectare site in East Jakarta and started marketing activities for the first two clusters of landed houses during the first quarter of 2018.

Corporate Action

In February 2018, the Group invested US$150 million for a minority stake in GO-JEK, Indonesia's leading multi-platform technology group, which provides access to a wide range of services from transportation and payments to food delivery, logistics and other on-demand services.

Prospects

The Group is expected to continue benefiting from stable coal prices, but in the car market, competitive pressures are likely to intensify.

Prijono Sugiarto
President Director
24th April 2018

For further information, please contact:
PT Astra International Tbk
Pongki Pamungkas, Chief of Corporate Communication, Social Responsibility & Security
Tel: + 62 – 21 – 6530 4956

-end-