

PT Astra International Tbk

9M 2013 Results Presentation

HSBC 5th Annual Asia Investor Forum

New York Palace Hotel & The Boston Harbor, USA, 18-20 November 2013



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Highlights

✓ Overview

The Group's net income declined by 8% during the first nine months. Improved contributions from the financial services, mining contracting, and motorcycle activities were more than offset by lower contributions from 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.

✓ Group results

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

Business structure

Automotive

Financial Services

Heavy Equipment & Mining

Agribusiness

Infrastructure & Logistics

Information Technology

Automobile

- Toyota
- Daihatsu
- Isuzu
- BMW
- Peugeot
- UD Trucks

Motorcycle

Honda

Component

Astra Otoparts

Others

Astraworld

Automobile

- Astra Credit Companies
- Toyota Astra Finance

Motorcycle

Federal Intl. Finance

Heavy Equipment

- SAN Finance
- Komatsu Astra Finance

Banking

Bank Permata

Insurance

Asuransi Astra Buana

Construction Machinery

- United Tractors
- Traktor Nusantara

Mining Contractor

PAMA Persada Nusantara

Coal Mining

- PMM
- TTA
- ABP
- BEE
- ABB / ABJ
- DS / DN
- PJU

Palm Oil

Astra Agro Lestari

Toll Road

- MMS : 72km
- MTN : 11km
- MHI : 41km

Logistics

- SERA / TRAC
- Mobil 88 (used)
- SELOG
- TFLI

Water Utility

Palyja

Fuel Logistic

Gresik Terminal

Sea Port

Eastkal

Document Solution

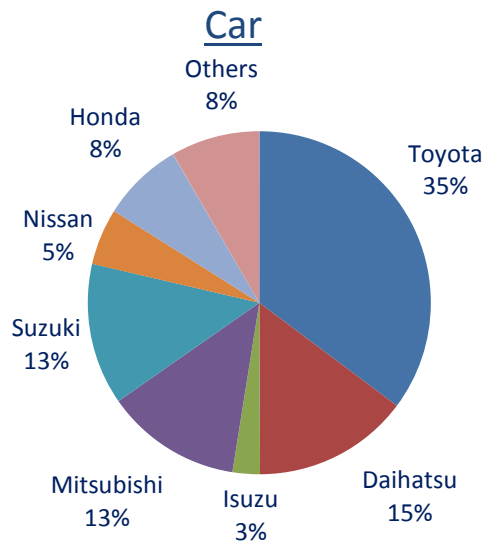
Astra Graphia

IT Solution

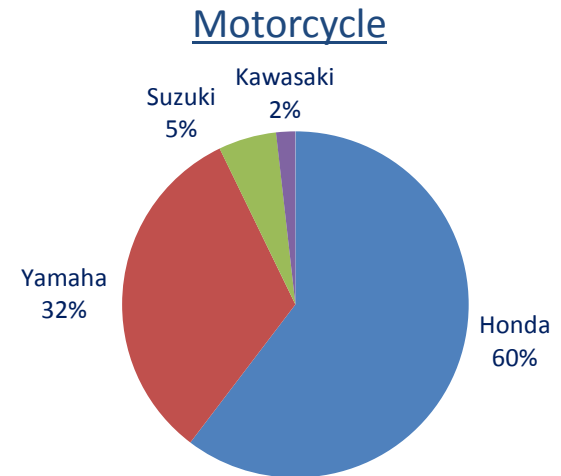
Astra Graphia Information Technology

Market position at 30 September 2013

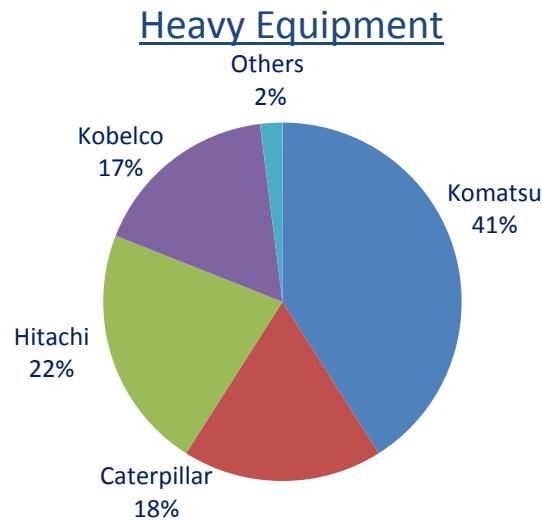
- Astra's car market share declined from 55% to 53%, while Astra's motorcycle market share increased from 58% to 60%
- Komatsu maintained its leading market position, despite tight competition and weaker demand for heavy equipment due to lower commodity prices



Source : Gaikindo



Source : AISI



Source: United Tractors – Internal Market Research

3Q13 corporate actions

July

- AOP participated Rp 88 bio capital injection in PT Evoluzione Tyres (40% ownership)

August

- AAL established a joint venture Astra – KLK Pte. Ltd in Singapore, to market its palm oil product. AAL holds a 49% stake and Malaysian partner KL-Kepong Plantation Holdings owns the rest

September

- Astra commercially launched the Astra-Toyota Agya and the Astra-Daihatsu Ayla with price range from Rp 76 million to Rp 121 million

Financial Performance

9M13 environment

- ✓ Despite recent slow down in the economy, domestic consumer demand remains strong. However, the Group's operations are facing increased competition in the car market, higher labour costs, and lower commodity prices
- ✓ Automotive demand remained strong, benefiting from rising income, but increased competition in the car market coupled with higher labour costs have led to a decline in the earnings contribution from the segment
- ✓ Amidst challenge from new DP regulation and fuel price increase, financial services business continue to perform well, supported mainly by strong amount financed in automotive financing and loan book growth in Bank Permata
- ✓ Reduced demand in the heavy equipment business due to soft commodity prices. Improved coal mining contracting performance driven by increased mine site capacity
- ✓ Increased palm oil production and sales, amidst lower average CPO prices

Consolidated income statement

“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

In Billion Rupiah	9M 2013	9M 2012	Change
USD / IDR, average	10,150	9,348	9%
Revenue	141,840	143,138	(1%)
Gross Profit	25,373	27,286	(7%)
Operating Expenses	(12,914)	(12,042)	7%
Other Income	1,698	1,564	9%
Equity Income	4,604	4,290	7%
Income Tax Expense	(3,375)	(3,900)	(13%)
Non-controlling interest	(1,922)	(2,527)	(24%)
Net Income	13,464	14,671	(8%)

Astra portfolio for the period 9 months to Sep'2013

	Ownership %	Share of NI %			
		9M 2013		9M 2012	
		Auto	Non-Auto	Auto	Non-Auto
4W Automotive					
SO – Toyota, Daihatsu, Isuzu	100				
Toyota Astra Motor	51	30		30	
Astra Daihatsu Motor	32				
Isuzu Astra Motor Indonesia	45				
2W Automotive					
Astra Honda Motor	50	17		14	
Honda SO	100				
Component					
Astra Otoparts	80	4		5	
Financial Services					
Astra Sedaya Finance	100				
Federal International Finance	100				
Toyota Astra Financial Services	50	19	6	15	4
Komatsu Astra Finance	50				
SAN Finance	60				
Asuransi Astra Buana	96				
Permata Bank	45				
Heavy Equipment & Mining					
United Tractors	60		16		19
Pamapersada Nusantara	60				
Agribusiness					
Astra Agro Lestari	80		5		9
Infrastructure, Logistics, IT					
SERA	100				
Palyja	49		3		4
Marga Mandalasakti	79				
Astra Graphia	77				

Net income contribution Auto vs. Non-Auto segments:

	2001	2012	9M 12	9M13
Auto (Incl. auto related Financial Services)	89%	64%	64%	70%
Non-Auto	11%	36%	36%	30%

Consolidated balance sheet

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

In Billion Rupiah	30-Sep-13	31-Dec-12	Change
Cash and Cash Equivalents	17,375	11,055	57%
Trade Receivables	19,747	16,443	20%
Inventories	15,313	15,285	0%
Financing Receivables	52,932	48,631	9%
Investments in Associates and Jointly Controlled Entities	23,017	19,801	16%
Fixed Assets	36,467	34,326	6%
Other Assets	43,668	36,733	19%
Total Assets	208,519	182,274	14%
Short-term Borrowings	10,625	7,202	48%
Trade Payables	18,043	12,685	42%
Long-term Debt	50,894	49,555	3%
Other Liabilities	30,407	23,018	32%
Total Liabilities	109,969	92,460	19%
Equity Attributable to The Owners of The Parent	77,452	71,201	9%
Non – controlling Interest	21,098	18,613	13%
Total Equity	98,550	89,814	10%
Net Debt	44,144	45,702	-3%
Net Debt (Excl. Financial Services)	3,240	8,918	-64%

Consolidated cash flow

The cash inflow from operating activities for the first nine months of 2013 was Rp 16.9 trillion, an increase of Rp 10.1 trillion due to working capital improvement

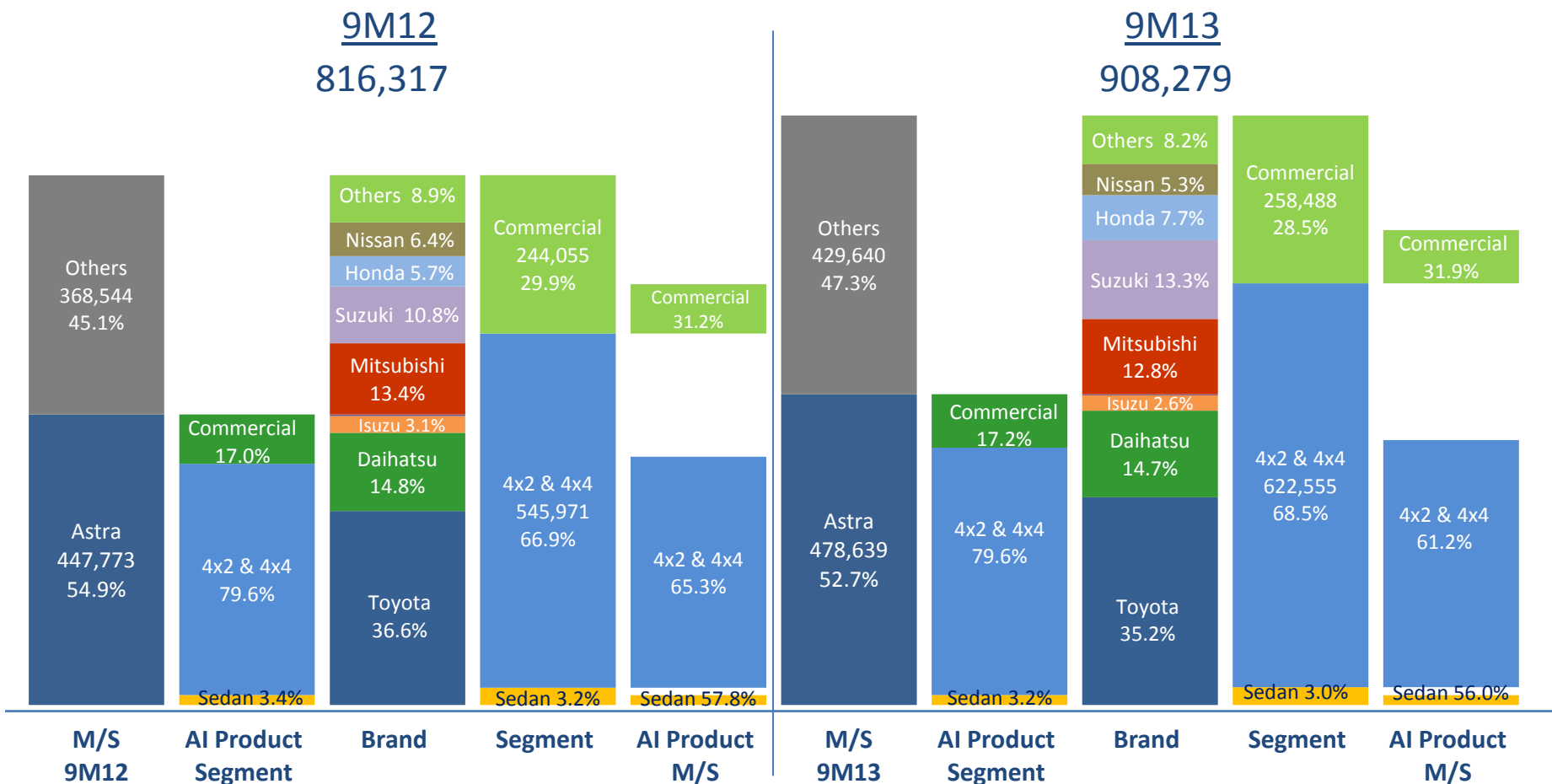
In Billion Rupiah	9M 2013	9M 2012	Change
Cash from operations	21,349	10,682	10,667
Tax Payments	(5,051)	(4,383)	(668)
Interest received	632	529	103
Dividends Received	2,192	3,021	(829)
Cash flow from Operating Activities + Dividends Received	19,122	9,849	9,273
Net Capex	(6,496)	(8,652)	2,156
Net Investment	(1,320)	(1,238)	(82)
Other Investing	(286)	(503)	217
Cash flow for Investing Activities	(8,102)	(10,393)	2,291
Net proceed of Debt	(80)	7,277	(7,357)
Interest Payment	(848)	(733)	(115)
Dividend Payment	(7,057)	(6,674)	(383)
Other Financing	2,392	(94)	2,486
Cash flow from Financing Activities	(5,593)	(224)	(5,369)
Increase in Cash	5,427	(768)	6,195
Opening Cash Balance	10,815	13,071	(2,256)
Exchange Rate Adjustment	856	155	701
Closing Cash Balance	17,098	12,458	4,640

Business Updates



Automotive – car & wholesale market

The wholesale market grew by 11%. Astra's car sales rose by 7%, leading to its market share declining from 55% to 53%



Source: Gaikindo

Automotive – car product launches

For the first 9M 2013, Astra launched 22 new car models and 12 facelift models



Toyota New Kijang Innova
August 2013



Astra Daihatsu Ayla
September 2013



Astra Toyota Agya
September 2013



Isuzu Giga FVM High Power
September 2013



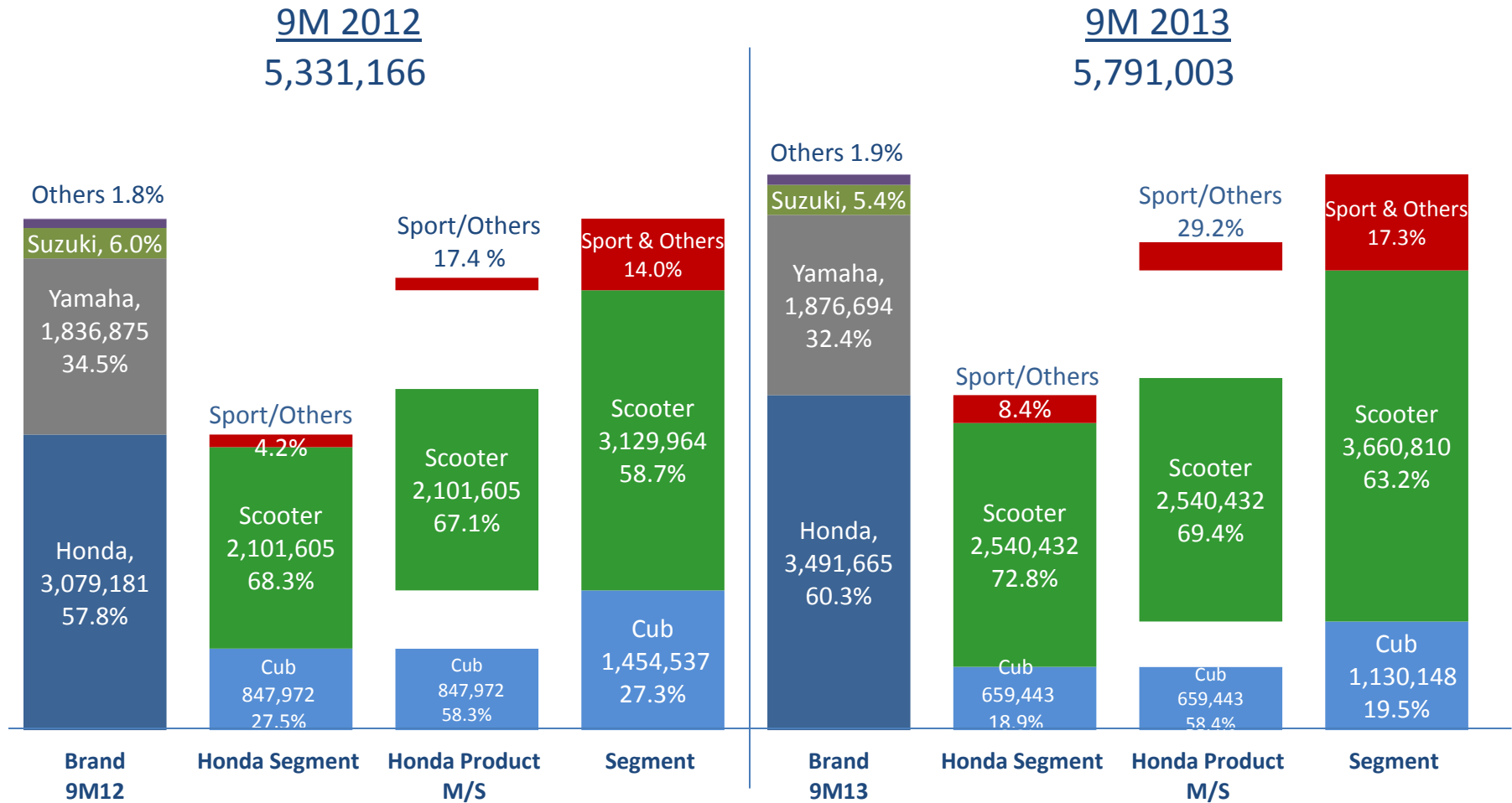
Peugeot 208 GTi
September 2013



BMW Z4 sDrive
September 2013

Automotive – motorcycle & wholesale market

Motorcycle sales grew by 9%, while Honda sales increased by 13%, with it's market share increasing from 58% to 60%



Source: AISI

Automotive – motorcycle product launches

During 9M 2013, Astra Honda Motor launched 2 new models and 7 revamped models



Supra X 125 Helm-In FI
July 2013

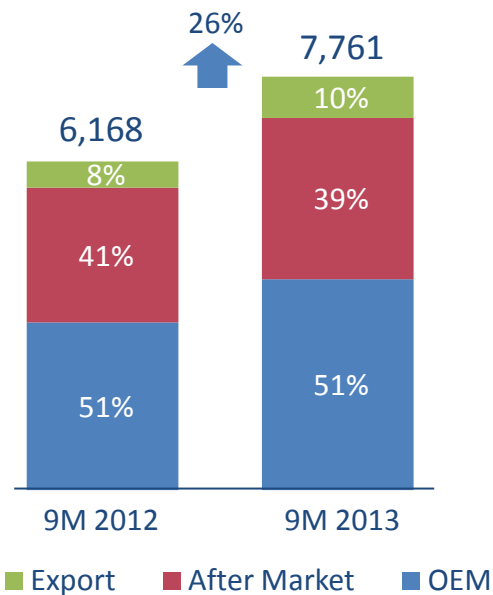


Honda Scoopy FI
September 2013

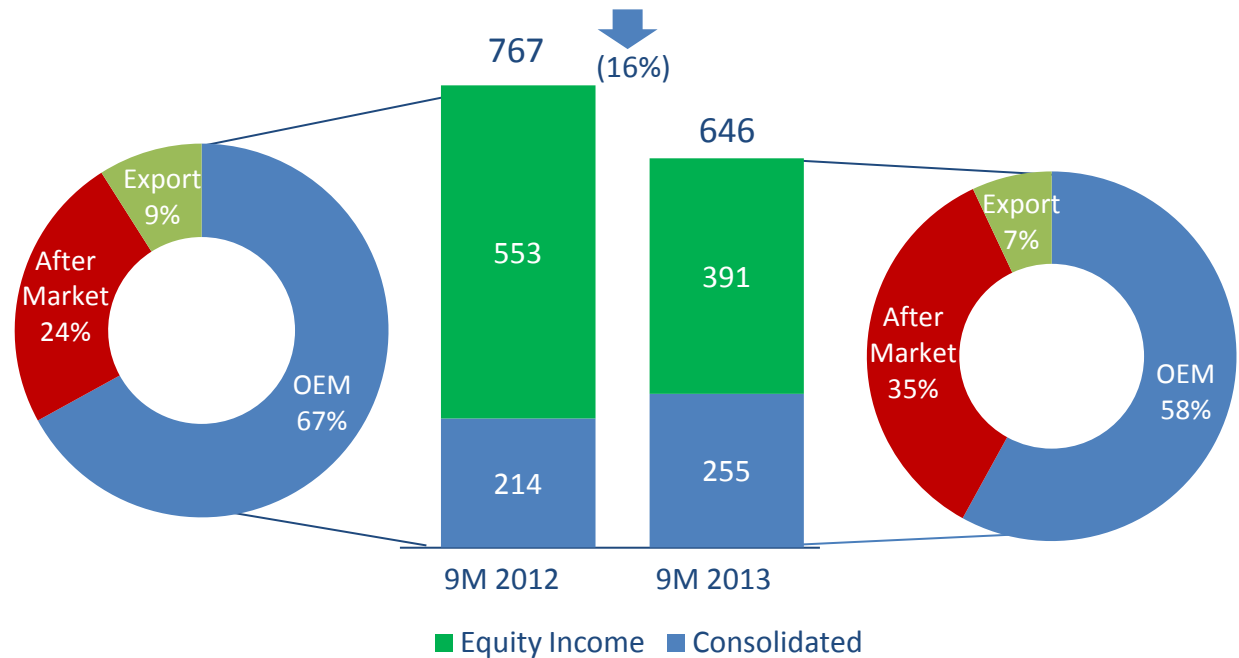
Automotive - components

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

Revenue (IDR billion)



Net Income (IDR billion)



Financial services

Net income from the financial services businesses grew by 17% to Rp 3.3 tn, driven by loan book growth

Unit Financed		9M 2013	9M 2012	%
Auto	ACC	143,724	126,331	14
	TAFS	47,246	41,149	15
	Total 4W	190,970	167,480	14
	FIF	1,374,532	1,214,964	13
HE	SANF	2,020	2,936	(31)
	KAF	267	296	(10)
	Total HE	2,287	3,232	(29)

Amount Financed (Rp bio)		9M 2013	9M 2012	%
Auto	ACC	19,814	18,091	10
	TAFS	7,247	6,207	17
	Total 4W	27,062	24,298	11
	FIF	15,927	14,304	11
	Total Auto	42,989	38,602	11
HE	SANF	2,429	3,752	(35)
	KAF	1,253	2,075	(40)
	Total HE	3,682	5,827	(37)

* Incl. Joint Financing

Asuransi Astra Buana

- 9M 2013 Gross Written Premium up by 13% year on year to Rp 2.8 trillion
- RBC : 198%, requirement 120%

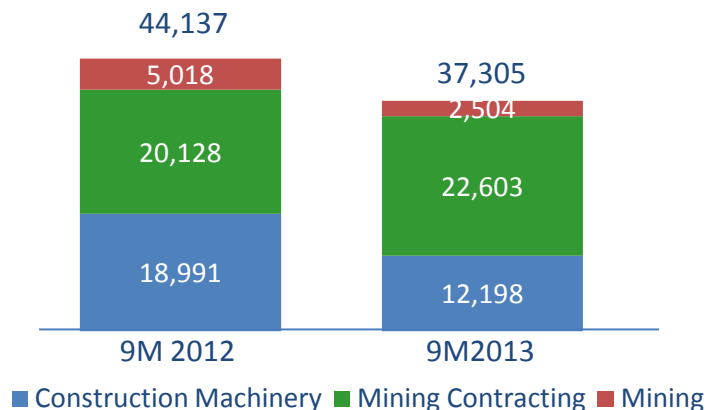
Bank Permata

- 9M 2013 consolidated net income increased by 21% to Rp 1,322 billion
- Loan book grew by 30% to Rp 117 trillion
- LDR 95% & CAR 14%
- Net-NPL ratio were down from 0.4% to 0.3%

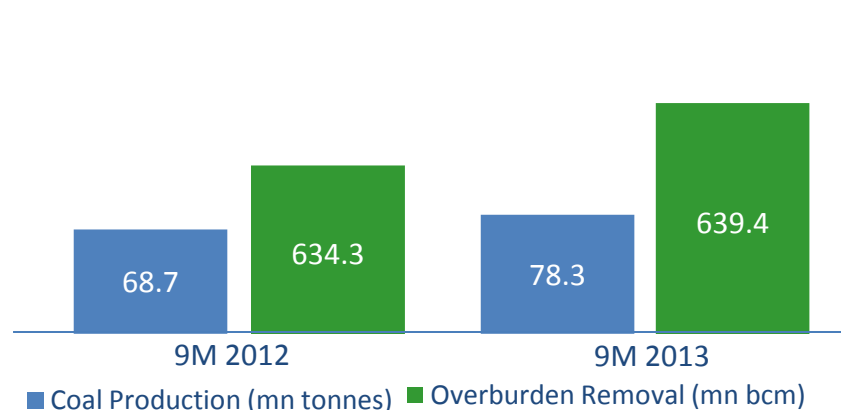
Heavy equipment & mining

United Tractors, 59.5%-owned, reported net income down 24% to Rp 3.4 trillion, mainly due to lower heavy equipment sales

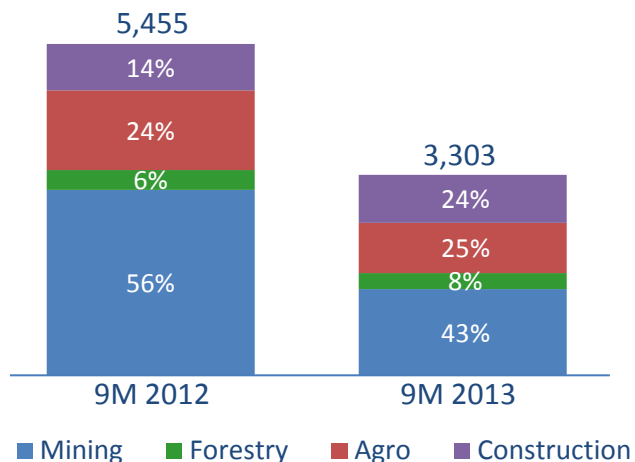
Revenue (Rp bio)



Mining Contracting



Komatsu Unit Sales



Coal Mines: Reserves and Sales

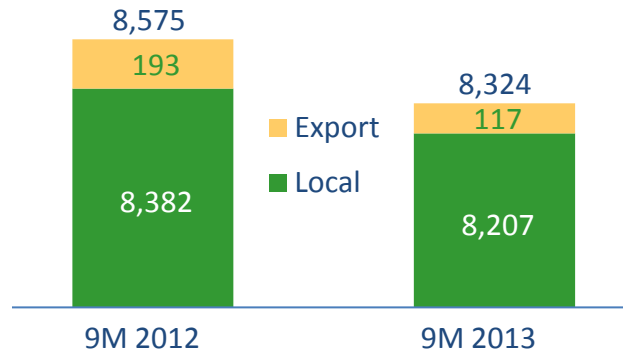
Est. Combined Coal Reserves (Mio Tons)	
TTA	33
PMM	8
ABP	9
ABB/ABJ	84
DS/DN	45
BEE	200
PJU	45
Total	424



Agribusiness

- Astra Agro Lestari, 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

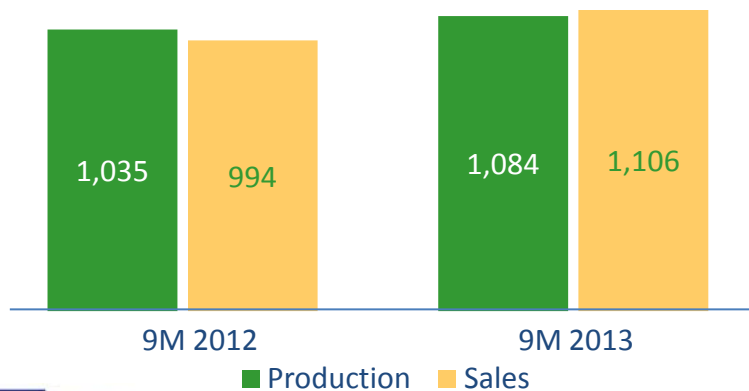
Revenue (Rp bio)



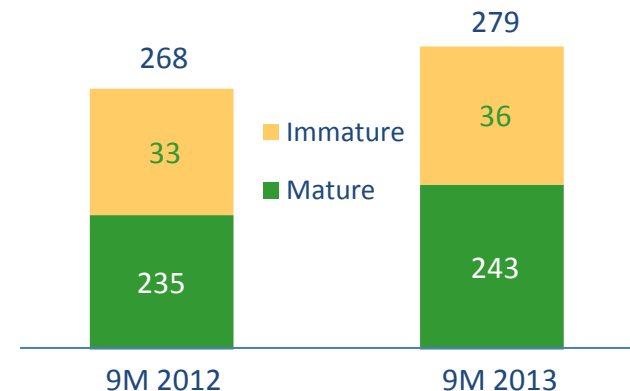
CPO Yield (tonne/Ha)



CPO Production & Sales ('K tonnes)



Area Maturity ('K Ha) *

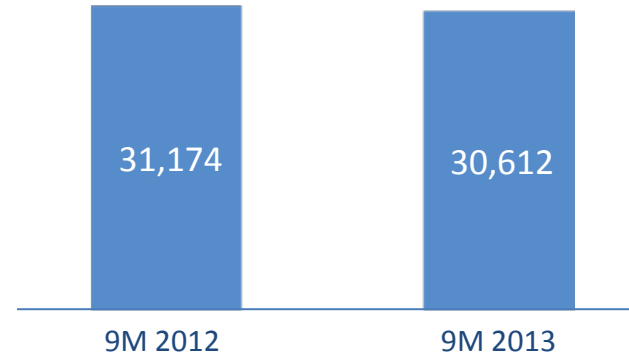


* Incl. plasma plantation

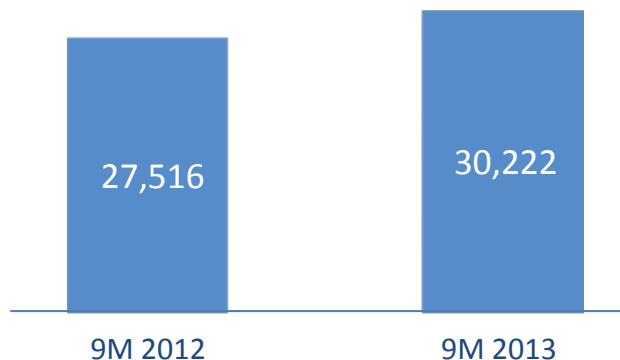
Infrastructure and logistics

- Marga Mandalasakti, the Tangerang – Merak 72.5km toll road operator, reported a 10% increase in traffic volumes to 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 at its TRAC car rental business reducing by 2% to 31,000 units, but the benefit was offset by higher depreciation and operating costs

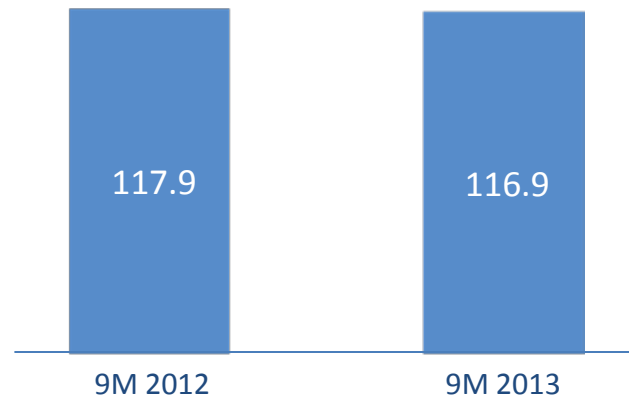
TRAC Rental Car (unit)



MMS Vehicle Traffic Volume ('K unit)



Palyja Water Sales Volume (Mn m3)



Appendices

Divisional revenue and net income

Divisional Revenue

In Billion Rupiah	9M 2013	9M 2012	% Chg
Automotive	79,934	74,969	7%
4W	59,344	57,902	2%
2W	12,872	10,934	18%
Components	7,718	6,133	26%
Financial Services	10,192	9,611	6%
Heavy Equipment	37,246	44,010	(15%)
Agribusiness	8,324	8,575	(3%)
Infrastructure & Logistics	4,805	4,800	0%
Information Technology	1,339	1,173	14%
Total	141,840	143,138	(1%)

Divisional Net Income

In Billion Rupiah	9M 2013	9M 2012	Δ
Automotive	51.2%	49.3%	1.9%
4W	30.0%	30.0%	0.0%
2W	16.8%	14.3%	2.5%
Components	4.4%	5.0%	(0.6%)
Financial Services	24.7%	19.4%	5.4%
Heavy Equipment	15.4%	18.4%	(3.0%)
Agribusiness	5.4%	9.1%	(3.7%)
Infrastructure & Logistics	2.5%	3.2%	(0.7%)
Information Technology	0.8%	0.6%	0.2%

Car products launched in 9M13

Models Launched	Launching Time	Engine Capacity	Prices (IDR mn)
Car			
Lexus LS 460 L	Jan-13	4,600cc	2,300
Lexus LS 600 HL	Jan-13	5,000cc	2,900
BMW X1 sDrive18i Business	Jan-13	2,000cc	499*
BMW X1 sDrive18i xLine	Jan-13	2,000cc	559*
BMW X1 sDrive20d Sport	Jan-13	2,000cc	649*
Isuzu NQR 71	Feb-13	125ps	287.5
BMW M 135i	Feb-13	3,000cc	888*
Toyota Etios Valco	Mar-13	1,200cc	139.5-169.5
Toyota New Avanza Airbag	May-13	1,300cc-1,500cc	155.5-193
Toyota All New Vios	May-13	1,500cc	242.5-272.5
Daihatsu New Xenia Airbag	May-13	1,000cc-1,300cc	133.1-185.8
Peugeot New RCZ	May-13	1,600cc	689.1*
Isuzu Giga FVZ	Jun-13	7,800cc	788.5
BMW 320d	Jun-13	2,000cc	659*
BMW M6 Gran Coupe	Jul-13	4,400cc	2,598*
Lexus IS Series	Jul-13	2,500cc	850-950
*Off the road			

Car products launched in 9M13

Models Launched	Launching Time	Engine Capacity	Prices (IDR mn)
Car			
Toyota New Innova	Aug-13	2,000cc-2,500cc	197.3-316.5
Toyota New Rush	Aug-13	1,500cc	205.5-232.7
Daihatsu New Terios	Aug-13	1,500cc	169.5-220.3
Toyota New Fortuner	Sep-13	2,500cc-2,700cc	396-506.5
BMW 435i Coupe M Sport	Sep-13	3,000cc	998*
BMW Z4 sDrive20i	Sep-13	2,000cc	929*
BMW Z4 sDrive35i	Sep-13	3,000cc	1,409*
Peugeot 208 Gti	Sep-13	1,600cc	565.2*
Astra Toyota Agya	Sep-13	1,000cc	99.9-120.75
Astra Daihatsu Ayla	Sep-13	1,000cc	76.5-107
Isuzu D-Max	Sep-13	2,500cc	266
Isuzu D-Max	Sep-13	3,000cc	399
Isuzu Giga FVM High Power	Sep-13	285ps	n/a
Isuzu Giga FTR Tractor Head	Sep-13	210ps	487
Isuzu GIGA FVZ MX 34 P Mixer	Sep-13	285ps	802
Isuzu GIGA FVZ 34T Long wheel base	Sep-13	285ps	n/a
Isuzu Elf NKR 55 Long Wheel Base	Sep-13	101ps	221
Isuzu Elf NKR 71 Econo	Sep-13	125ps	274
*Off the road			

Motorcycle products launched in 9M13

Models Launched	Launching Time	Engine Capacity	Prices (IDR mn)*
Motorcycle			
Honda Verza	Jan-13	150cc	16.1 – 16.9
Honda Revo Series	Jan-13	110cc	13
Honda Vario	Feb-13	110cc	14.6
Honda Scoopy FI	Feb-13	110cc	13.9
Honda Spacy FI	Mar-13	110cc	13.2
Honda Vario 125 CBS Idling Stop	Mar-13	125cc	16.4
Honda Supra X 125 R	Apr-13	125cc	14.9-15.9
Honda Supra X 125 Helm-In FI	Jul-13	125cc	16.5
Honda Scoopy FI	Sep-13	110cc	14.3

National market data (summary)

		9M 2013		9M 2012		Major Brands
		Wholesale	Astra	Wholesale	Astra	
Car	Sedan	27,236	56.0%	26,291	57.8%	Toyota - Vios/Limo, Camry, Altis ; Honda - City, Civic, Accord; Mercedes - E Series, C Series
	4X2 & 4X4	622,555	61.2%	545,971	65.3%	Toyota - Avanza, Innova, Rush, Fortuner Daihatsu - Xenia, Terios, Gran Max; Nissan - Grand Livina, March, Evalia; Suzuki - Ertiga, APV, Swift; Honda - Jazz, CR-V, Freed; Mitsubishi – Pajero Sport, Mirage, Outlander Sport
	Pick Up/ Trucks/ Bus	247,414	31.6%	229,891	30.7%	Mitsubishi – Canter, L-300, Strada; Daihatsu – Gran Max; Suzuki – Carry; Isuzu – Elf, Panther, Giga; Toyota – Dyna „Hi-Lux, Hi-Ace
	Double Cabin	11,074	36.8%	14,164	39.6%	Toyota – Hilux; Mitsubishi – Strada; Ford – Ranger; Isuzu – D-Max
	Total	908,279		816,317		
Motorcycle	Cub	1,130,148	58.3%	1,454,537	58.4%	Honda - Supra X 125, Revo Series, Blade; Yamaha - Jupiter MX, Vega RR, Jupiter Z; Suzuki – Smash Titan, Shooter, Shogun Axello 125
	Scooter	3,660,810	29.2%	3,129,964	17.4%	Honda - BeAT, Vario, Scoopy; Yamaha - Mio, Xeon, X-Ride; Suzuki – Nex, Hayate, Let's
	Sport & Others	1,000,045	69.4%	746,665	67.1%	Yamaha - V-ixion, Byson, Scorpio Z; Honda - CB 150 R, Verza, New Mega Pro; Suzuki - Satria F 150, Thunder 125
	Total	5,791,003	60.3%	5,331,166	57.8%	

Source: Gaikindo & AISI

For further information please contact:

Investor Relations of PT Astra International Tbk - Attn:

Iwan Hadianoro / Tira Ardianti / Inneke Soendoro / Christian

P: (+62 21) 652 2555

F: (+62 21) 6530 4953

E: iwan.hadianoro@ai.astra.co.id / tira.ardianti@ai.astra.co.id /

laurentia.innekesoendoro@ai.astra.co.id / christian@ai.astra.co.id