

PRESS RELEASE

For Immediate Release



AGII's 1H 2018 Net Income Up 11% Y-O-Y totaling over Rp 40 billion

JAKARTA, July 31, 2018 – PT Aneka Gas Industri, Tbk. (Stock Code: AGII.JK) released its unaudited financial statements for the first half of 2018 (1H 2018) with Profit for the Period Attributable to Owner and Parent Entity exceeding to reach over Rp 42 billion and is reflective of the Management's right strategic direction. Some of the key highlights of Aneka Gas' 1H 2018 financial performance are as follows:

Key Highlights

- 1H 2018 sales grew 9.6% due to volume growth sales.
- Overall margins improved due to favorable contribution from the retail and medical sectors.
- AGII has added 3 (three) filling stations during the first six months of this year.
- 1H 2018 net profit after tax attributable to shareholders amounted to Rp42.10 billion compared to Rp 37.92 billion for the same period during 2017.
- 1H 2018 Gross Margin amounted to 47.24%.
- 1H 2018 Net Margin amounted to around 5.16% compared to 5.13% in the same period last year.
- Total assets as of June 30th, 2018 amounted to Rp 6.5 trillion which was slightly higher than in Full Year 2017.
- DER up slightly at 0.69x for 1H 2018 compared 0.66x to the same period in 2017.

Summary of Consolidated Statement of Income

In Rp Million	1H 2018	1H 2017	Variance (%)
SALES REVENUES	950,487	867,390	9.6%
GROSS PROFIT	448,984	399,891	12.3%
<i>Gross Margin</i>	<i>47.24%</i>	<i>46.10%</i>	
OPERATING PROFIT	183,276	174,098	5.3%
<i>Operating Margin %</i>	<i>19.28%</i>	<i>20.07%</i>	
EBITDA	311,039	285,920	8.8%
<i>EBITDA Margin %</i>	<i>32.72%</i>	<i>32.96%</i>	
NET PROFIT AFTER TAX	49,005	44,501	10.1%
<i>Net Profit Margin %</i>	<i>5.16%</i>	<i>5.13%</i>	

10% Sales Growth

AGII's 11% increase in net income (Profit for the Period Attributable to Owner and Parent Entity) and was preceded by over 9.6% sales growth for 1H 2018 of Rp 950.49 billion compared to Rp 867.39 billion in the same period in 2017. Rachmat Harsono, Aneka Gas Industri's CEO, stated that, "We are looking to be on track to achieve our full year target of 11-15% sales growth. Our achievements to

date are in line with our overall plan for this year and serves as our commitment to maintain our position as the market leader in Indonesia.”

Table 1. Highlights of Consolidated Statement of Income

In Rp Million

	1H 2018	1H 2017	%
Sales	950,487	867,390	9.6%
COGS	(501,503)	(467,499)	7.3%
Gross Profit	448,984	399,891	12.3%
Gross Margin	47.24%	46.10%	
Other Income	4,999	3,693	35.4%
Selling Expenses	(143,238)	(117,407)	22.0%
General & Admin Expenses	(120,270)	(108,169)	11.2%
Other Expenses	(7,199)	(3,910)	84.1%
Operating Profit	183,276	174,098	5.3%
Operating Margin	19.28%	20.07%	
Interest Income	25,001	17,832	40.2%
Finance Expenses	(144,078)	(130,825)	10.1%
Profit Before Tax	64,199	61,105	5.1%
Tax	(15,194)	(16,604)	-8.5%
Profit For the Period	49,005	44,501	10.1%
Net Margin	5.16%	5.13%	
Other Comprehensive Income	-	-	
Non Controlling Interest	(6,900)	(6,581)	4.8%
Profit for the Period Attributable to Owner and Parent Entity	42,105	37,919	11.0%
EBITDA	311,039	285,920	8.8%
EBITDA Margin	32.72%	32.96%	

Solid Financial Position

Total assets of the Company in 1H 2018 is Rp 6.56 trillion while total liabilities were approximately Rp 3.15 trillion. Total equity amounted to Rp 3.41 trillion in 1H 2018. AGII continues to place specific emphasis on maintaining the right balance between its assets and liabilities while maintaining the equity needed to ensure sustainable growth.

Table 2. Balance Sheet as of 1H 2018 and 2017A

In Rp Million

	1H 2018	2017 (A)
Current Assets		
Cash and cash equivalents	323,204	344,351
Short-term investments	80,025	80,025
Trade Receivable	373,288	412,279
Inventories	422,205	384,607
Other current assets	438,570	305,702
Total Current Assets	1,637,292	1,526,964
Non Current Assets		
Property, plant and equipment	4,695,448	4,671,372
Investment in associated company	55,051	55,051
Other non current assets	171,352	150,156
Total Non-Current Assets	4,921,851	4,876,579
TOTAL ASSETS	6,559,143	6,403,543
Liabilities		
Trade Payables	109,266	118,588
Short-term Bank Loan	403,899	384,028
Current Maturities of Long Term Bank Loans and Others	308,821	334,195
Current Maturities of Bonds Payable	-	-
Other Current Liabilities	165,873	177,934
Total Current Liabilities	987,859	1,014,745
Long Term Bank Loans and Other	1,345,371	1,156,514
Bonds Payables	701,270	699,888
Other long term liabilities	117,628	100,458
Total non-current liabilities	2,164,269	1,956,860
TOTAL LIABILITIES	3,152,128	2,971,605
Temporary Syirkah Fund	-	73,928
Equity		
Total equity attributable to owners of the Parent Entity	3,106,820	3,064,715
Non-controlling interests	300,195	293,295
Total Equity	3,407,015	3,358,010
TOTAL LIABILITIES AND EQUITY	6,559,143	6,403,543

Sustainable Profit Margins

AGII's gross profit margins was higher at 47.24% in 1H 2018 while Operating Profit (EBIT) margin amounted to above 19%. The Company's EBITDA margin stood at 32% level in 1H 2018 while Net Margin remained at around 5% compared to the same period in the previous year.

Table 3. Financial Ratio

	UOM	1H 2018	1H 2017
<u>Profitability ratios</u>			
Gross Profit Margin		47.24%	46.10%
Operating Profit (EBIT) Margin		19.28%	20.07%
Operating Profit Before D&A (EBITDA) Margin		32.72%	32.96%
Net Income Margin		5.16%	5.13%
<u>Leverage</u>			
Current Ratio	x	1.66	1.26
Asset/equity	x	1.93	2.15
Interest Bearing Debts/Equities	x	0.81	0.99
Net Debts/Equities	x	0.69	0.81
Interest Bearing Debts/EBITDA*	x	4.44	4.85
Net Interest Bearing Debts/EBITDA*	x	3.79	3.99

* EBITDA annualized

Rachmat Harsono stressed that, "I am fully confident that AGII will continue to perform positively evidenced by our increasing sales volumes & margins. Our business outlook remains robust, and our balance sheet is solid. AGII's revenue grew by nearly 10% y/y, supported by increase in average selling price of our products. We expect improved demand from retail, medical and consumer goods' sector to contribute further to our profitability. Our cash position as of June 2018 remained solid at Rp 323 bio in 1H 2018".

In closing, Rachmat Harsono stated, "We are confident that through the opportunities currently provided by the retail and medical sector growth, Aneka Gas will be able to obtain a significant bigger market share. This is in line with our vision to be the most desirable company that continuously grows and expands by utilizing natural resources for the benefit of life. We will continue to embark on efforts and initiatives aimed at improving productivity by employing the right strategy."

About PT Aneka Gas Industri Tbk:

PT Aneka Gas Industri Tbk (“AGII”), is the largest industrial gas company in Indonesia and is engaged in four business lines, namely: 1) industrial gas production, 2) industrial gas trading, 3) industrial gas equipment trading and 4) industrial gas equipment installation.

AGII is publicly listed on the Indonesian Stock Exchange (IDX) and is majority owned by the Samator Group.

As of June 30, 2017, AGII had 44 industrial gas plants and 94 filling stations in 23 provinces across Indonesia.

For more information, please contact:

Corporate Secretary

Imelda Harsono – PT Aneka Gas Industri Tbk

Tel: (62-21) 8370 9111

Email: corsec@anekagas.com

Investor Relations

Edison Bako

Tel: (62-21) 8370 9111 ext. 117

Email: edison.bako@anekagas.com

This press release has been prepared by PT Aneka Gas Industri Tbk. (“AGII”) and is circulated for the purpose of general information only. It is not intended for any specific person or purpose and does not constitute a recommendation regarding the securities of AGII. No warranty (expressed or implied) is made to the accuracy or completeness of the information. All opinions and estimations included in this release constitute our judgment as of this date and are subject to change without prior notice. AGII disclaims any responsibility or liability whatsoever arising which may be brought against or suffered by any person as a result of reliance upon the whole or any part of the contents of this press release and neither AGII nor any of its affiliated companies and their respective employees and agents accepts liability for any errors, omissions, negligent or otherwise, in this press release and any inaccuracy herein or omission here from which might otherwise arise.

Forward-Looking Statements

Certain statements in this release are or may be forward-looking statements. These statements typically contain words such as “will”, “expects” and “anticipates” and words of similar import. By their nature, forward-looking statements involve a number of risks and uncertainties that could cause actual events or results to differ materially from those described in this release. Factors that could cause actual results to differ include, but are not limited to, economic, social and political conditions in Indonesia; the state of the property industry in Indonesia; prevailing market conditions; increases in regulatory burdens in Indonesia, including environmental regulations and compliance costs; fluctuations in foreign currency exchange rates; interest rate trends, cost of capital and capital availability; the anticipated demand and selling prices for our developments and related capital expenditures and investments; the cost of construction; availability of real estate property; competition from other companies and venues; shifts in customer demands; changes in operation expenses, including employee wages, benefits and training, governmental and public policy changes; our ability to be and remain competitive; our financial condition, business strategy as well as the plans and remediation. Should one or more of these uncertainties or risks, among others, materialize, actual results may vary materially from those estimated, anticipated or projected. Specifically, but without limitation, capital costs could increase, projects could be delayed and anticipated improvements in production, capacity or performance might not be fully realized. Although we believe that the expectations of our management as reflected by such forward-looking statements are reasonable based on information currently available to us, no assurances can be given that such expectations will prove to have been correct. You should not unduly rely on such statements. In any event, these statements speak only as of the date hereof, and we undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise.