PRESS RELEASE

For Immediate Release

AGII Reports Q-O-Q sales growth of over 11% and Y-O-Y net profit growth of over 9% to Rp 84 billion

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JAKARTA, October 31, 2018 – PT Aneka Gas Industri, Tbk. (Stock Code: AGII.JK), the largest and first industrial gas company in Indonesia, released its unaudited financial statements for the nine months of 2018 (9M 2018) reporting a robust revenue of growth of 11.3% on a quarter-on-quarter (Q-O-Q) basis and 9.9% Y-O-Y from Rp 1,332 bn in 9M 2017 to Rp 1,463 bn in 9M 2018, with growth mainly originating from retail and medical sectors. In terms of Profit for the Period Attributable to Owner and Parent Entity, it has reached Rp 73 bn during 9M 2018, a 9.5% increase compared to net profit of Rp 67 bn during 9M 2017.

Some of the key highlights of Aneka Gas' 9M 2018 financial performance are as follows:

Key Highlights

- 9M 2018 sales grew close to 10% while Q-O-Q sales growth was in line at around 11% due to volume growth sales.
- Overall margins improved due to favorable contribution from the retail and medical sectors
- AGII has added 6 (six) filling stations during the first nine months of this year bringing the total to 97 filling stations.
- 9M 2018 net profit after tax attributable to shareholders amounted to Rp 84 billion compared to Rp 77 billion for the same period during 2017.
- 9M 2018 Gross Margin amounted to around 46.75%.
- 9M 2018 Net Margin amounted to around 5.78% compared to 5.81% in the same period last year.
- Total assets as of September 30, 2018 amounted to Rp 6.8 trillion, which was slightly higher than in Full Year 2017.
- DER improved to 0.76x for 9M 2018 compared to 0.80x for the same period in 2017.

Summary of Consolidated Statement of Income

In Rp Million	9M 2018	9M 2017	Variance (%)
SALES REVENUES	1,463,458	1,331,903	9.9%
GROSS PROFIT	684,179	617,421	10.8%
Gross Margin	*46.75%*	*46.36%*	
OPERATING PROFIT	292,297	278,888	4.8%
Operating Margin %	*19.97%*	*20.94%*	
EBITDA	485,258	449,328	8.0%
EBITDA Margin %	*33.16%*	*33.74%*	
NET PROFIT AFTER TAX	84,543	77,339	9.3%
Net Profit Margin %	*5.78%*	*5.81%*	

President Director of PT Aneka Gas Industri Tbk, Mr Rachmat Harsono, stated that, “We are happy to report positive performance for our company during 9M 2018, which reflects our ability to continue to grow our profits as well as keep our commitment to build further filling stations. In terms of profitability, AGII registered Quarter on Quarter (Q-on-Q) operating profit growth of as much as 31.8% in Q3 2018 as compared to Q2 2018 and Q-on-Q net income growth of 98.6% in Q3 2018 compared to the previous quarter. We believe through our consistent efforts, we are on track to achieve our plan for this year and this serves our commitment to maintain our position as the leading industrial gas player in Indonesia”.

9.9% Sales Growth

AGII’s 9.3% increase in net income (Profit for the Period Attributable to Owner and Parent Entity) was preceded by over 9.9% sales growth for 9M 2018 of Rp 1,463 billion compared to Rp 1,332 billion in the same period in 2017. Q-on-Q sales growth was in line with our quidance at 11.3% compared to Q2 2018.

Table 1. Highlights of Consolidated Statement of Income

In Rp Million

	9M 2018	9M 2017	%
Sales	1,463,458	1,331,903	*9.9%*
COGS	(779,279)	(714,482)	*9.1%*
Gross Profit	684,179	617,421	*10.8%*
Gross Margin	46.75%	46.36%	
Other Income	9,195	5,154	*78.4%*
Selling Expenses	(214,165)	(176,314)	*21.5%*
General & Admin Expenses	(178,603)	(157,149)	*13.7%*
Other Expenses	(8,309)	(10,224)	*-18.7%*
Operating Profit	292,297	278,888	*4.8%*
Operating Margin	19.97%	20.94%	
Interest Income	39,660	29,745	*33.3%*
Finance Expenses	(222,500)	(204,342)	*8.9%*
Profit Before Tax	109,457	104,291	*5.0%*
Tax	(24,914)	(26,952)	*-7.6%*
Profit For the Period	84,543	77,339	*9.3%*
Net Margin	5.78%	5.81%	
Other Comprehensive Income	-	-	
Non Controlling Interest	(11,331)	(10,451)	*8.4%*
Profit for the Period Attributable to Owner and Parent Entity	73,212	66,888	*9.5%*
EBITDA	485,258	449,328	*8.0%*
EBITDA Margin	33.16%	33.74%	

Solid Financial Position

Management continues to improve the performance. AGII's total equity stood at Rp 3,442 bn as of September 2018 vs. Rp 3,358 bn at December 2017. The net gearing as of September 2018 remained low at 0.45. This shows AGII is continuing to place strong emphasis to use its capital efficiently and the company will continue to maintain the right balance between its assets and liabilities needed to ensure sustainable growth.

Table 2. Balance Sheet as of 30th September 2018 and 2017A

In Rp Million

	30-Sep-18	2017 (A)
Current Assets		
Cash and cash equivalents	307,118	344,351
Short-term investments	80,025	80,025
Trade Receivable	386,888	412,279
Inventories	456,609	384,607
Other current assets	682,200	305,702
Total Current Assets	**1,912,840**	**1,526,964**
Non Current Assets		
Property, plant and equipment	4,717,974	4,671,372
Investment in associated company	55,051	55,051
Other non current assets	174,957	150,156
Total Non-Current Assets	**4,947,982**	**4,876,579**
TOTAL ASSETS	**6,860,822**	**6,403,543**
Liabilities		
Trade Payables	109,824	118,588
Short-term Bank Loan	601,741	384,028
Current Maturities of Long Term Bank Loans and Others	310,798	334,195
Current Maturities of Bonds Payable	-	-
Other Current Liabilities	174,538	177,934
Total Current Liabilities	**1,196,901**	**1,014,745**
Long Term Bank Loans and Other	1,397,152	1,156,514
Bonds Payables	701,987	699,888
Other long term liabilities	122,229	100,458
Total non-current liabilities	**2,221,368**	**1,956,860**
TOTAL LIABILITIES	**3,418,269**	**2,971,605**
Temporary Syirkah Fund	-	73,928
Equity		
Total equity attributable to owners of the Parent Entity	3,137,927	3,064,715
Non-controlling interests	304,626	293,295
Total Equity	**3,442,553**	**3,358,010**
TOTAL LIABILITIES AND EQUITY	**6,860,822**	**6,403,543**

Sustainable Profit Margins

AGII's gross profit margin was higher at 46.75% in 9M 2018 while operating profit (EBIT) margin amounted to 19.97%. The Company's EBITDA margin stood at 33.16% level in 9M 2018 while Net Margin remained at around 5.78% compared to the same period in the previous year.

Table 3. Financial Ratio

	UOM	9M 2018	9M 2017
Profitability ratios			
Gross Profit Margin		46.75%	46.36%
Operating Profit (EBIT) Margin		19.97%	20.94%
Operating Profit Before D&A (EBITDA) Margin		33.16%	33.74%
Net Income Margin		5.78%	5.81%
Leverage			
Current Ratio	x	1.60	1.23
Asset/equity	x	1.99	2.12
Interest Bearing Debts/Equities	x	0.87	0.95
Net Debts/Equities	x	0.76	0.80
Interest Bearing Debts/EBITDA*	x	4.65	4.53
Net Interest Bearing Debts/EBITDA*	x	4.06	3.81

* EBITDA annualized

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 30th September, 2018, AGII had 44 industrial gas plants and 97 filling stations in 23 provinces across Indonesia.

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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.