

PT SRI REJEKI ISMAN Tbk

QUARTERLY UPDATE

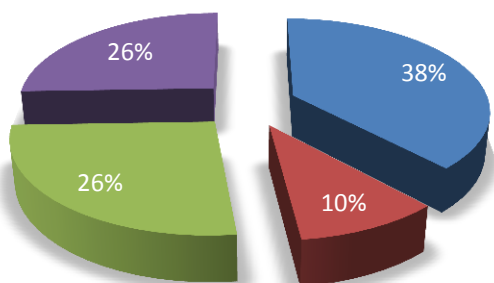
For nine months ended 30 September 2017 and 2016

Income Statements

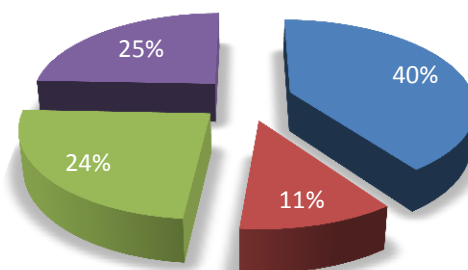
In Million USD	Sep 2017	Sep 2016	% Change
Gross Sales :			
Spinning	218.3	200.3	9
Weaving	57.2	56.6	1
Finishing	150.9	120.1	26
Garment	146.2	121.6	20
Total Gross Sales	572.6	498.6	15
Gross Profit	123.0	104.2	18
Operating Profit	99.1	79.6	25
Net Income	47.2	41.3	14
EBITDA	117	94	24

Revenue Contributions

Revenue Sep 2017



Revenue Sep 2016



■ Spinning ■ Weaving ■ Dyeing/Printing ■ Garment

Financial Highlights

Ratio	Sep 2017	Sep 2016
Gross Profit Margin	21.4%	20.9%
Operating Profit Margin	17.3%	16%
Net Profit Margin	8.2%	8.3%
EBITDA Margin	20.4%	18.9%
Operating Cash Flow (mio USD)	53	15



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Financial Ratios

Ratio	Sep 2017	Sep 2016
A/R turnover	5.2x	5.5x
Inventory turnover (days)	106	95
Net Debt to LTM EBITDA	3.1x	3.2x
Interest Bearing Debt to Total Asset	58%	58%

Balance Sheets

In Million USD	30/09/17	31/12/16	In Million USD	30/09/17	31/12/16
Cash and cash equivalent	114	60	Short term loan	58	53
A/R	144	150	Medium term notes	30	30
Inventories	207	148	A/P	13	5
Fixed Asset	553	519	Taxes payable	11	6
Advances	3	23	Accrued expenses and other liabilities	46	40
Other Assets	16	47	Long term loan	15	47
Total Assets	1.037	947	Notes payable	491	435
			Total Liabilities	664	616
			Equity	373	331
			Total Liabilities and Equity	1037	947



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Summary Sep 2017

- Total sales increase by 15%, contributed from the increase in yarn, fabric, and garment sales which increase by 9%, 26%, and 20% each from previous year. The Company focus to sell high value product while weaving product mostly transfer to internal use to support order of fabric and garment. Fabric and garment contribute 52% from total sales vs 49% in previous period.
- Gross profit margin & EBITDA margin expand as a result of production efficiency increase in contribution of higher margin product.
- Net profit margin stable at level 8.2%.
- Capex spending up to 3Q 2017 amounting to USD 22.8 million which in line with full year target around USD 25 million
- Cash and cash equivalent amounting to USD 114 million shown a strong cash position compare with 2016 figure.
- SRIL included in Kompas 100, Margin Trading, LQ45, and IDX 30.
- Company paid dividends for FY 2016 amounting to USD 4.127.621 represent 7% from FY Net Income 2016. The dividend was paid in June 21, 2017.
- Company rated by 2 international rating agency with rating BB-/Stable from Fitch, and B1/Positive Outlook from Moody's. Local rating A+/Stable Outlook from Fitch Indonesia.

AWARDS

- ❖ Best Listed Companies 2017 from Investor Magazine for Textile and Garment Sector
- ❖ Best Emiten by Analyst Selection in "Yuk Nabung Saham" programme 2017
- ❖ Best Liability Management – Asset Asian Award 2016 by Triple A
- ❖ The Top 50 Company For 2016 – Best of the Best Awards, Forbes Indonesia
- ❖ Rank-1 For Textile and Garment Group – Economic Review
- ❖ Rank A For Best GCG 2016 – Economic Review
- ❖ Top Ten Blue as one of the best IDX Listed Company – 2016
- ❖ 40 Best Listed Company by Analyst Selection - 2016
- ❖ PT Sri Rejeki Isman Tbk received Best Emiten for Multi Industri Sector from Bisnis Indonesia Award 2016
- ❖ PT Sri Rejeki Isman Tbk received " Top Performing Best Listed Companies 2016" from Investor Magazine for Textile and Garment sector
- ❖ Obsession Awards 2016 from Obsession Media Group (OMG) for nominator Category Best Regional Achievers sub category Local Giants

AWARDS (Cont'd)

- ❖ Mr Iwan Setiawan Lukminto (CEO) as Finalist EY World Entrepreneur of The Year 2015 from Ernst & Young
- ❖ Mr Iwan Setiawan Lukminto achieved “Best CEO” from Bisnis Indonesia Award 2015
- ❖ Received 2015 National Award of Intellectual Property in the category of IP Enterprise Trophy by Sritex from the WIPO (World Intellectual Property Organization)



Disclaimer: This newsletter may contain forward-looking statements that involve risk and uncertainties. Actual future actions may differ materially from those expressed in forward-looking statements as a result of a number of risk, uncertainties and assumptions. You are cautioned not to place undue reliance on those forward-looking statements, which are based on current view of management on future events.

For further inquiry, please contact:

Welly Salam

Corporate Secretary PT Sri Rejeki Isman Tbk.

welly.salam@sritex.co.id

Phone : +62 21 2995 1619 / 1650

Mobile : +62818135475 / +628151804488

Fax : +62 21 2995 1621