



## **PT Sri Rejeki Isman Tbk booked a strong 17,16% growth in Q3 2019**

JAKARTA, 31 October 2019 - PT Sri Rejeki Isman Tbk, a vertically integrated textile company scored a strong performance amid the continuous trade tension between United States and China. The Company achieved a revenue of USD 895.07 million or an increase of 17.16% in the third quarter of 2019 compared to the same period last year.

This achievement shows the company's ability to perform above the industrial average growth, despite a continuous uncertainty caused by the trade tension. Yarn sales remains to be the dominant contributor making up to 40% of total revenue, whilst the Finishing and Garment division shows promising growth of 29% and 32% to total earnings.

The stellar performance can also be seen from the nett income of the Company, amounting to USD 72.2 million. This success is supported by focusing on value added products which is made possible by pushing technology driven innovations to the market.

Sales to the United States and Latin America shows strong performance, contributing USD 72.67 million to the first 9 months of this year. This shows a growth of 2.9X compared to the third quarter of 2018.

President Director of PT. Sri Rejeki Isman, Iwan Setiawan Lukminto, explained that "The company's focus this year is to increase the utilization of all production divisions, especially those with higher value addition namely the Finishing and Garment. We will then consider the expansion plan at the end of this year."

Sritex's production capacity for 2019 is: Spinning 1.15 million bales / year, Weaving (180,000 meters / year), Finishing of 240 million yard / year and Convection (Garment) 32-35 million pieces / year. The company also targets the overall utilization rate will reach more than 90% this year.

As the largest vertically integrated textile and garment company in Southeast Asia, Sritex was awarded the "50 Best of the Best Companies" by Forbes Indonesia 2019, Top 2019 Issuer with Capitalization under 10 Trillion by Investor Daily, Indonesia Business Magazine and Award 2019 Various Industry Sector Award. Sritex remains to maintain a position in 45 most liquid shares or LQ45.

### **Company's Policy and External Factors**

In line with the government's plan to continue to boost exports, PT Sri Rejeki Isman Tbk is committed to continuously expand export volumes. To keep expanding global market share, export targets are increased to 62-65% vs last year's 60%. With that, the Company's slogan that reads "Made in Indonesia to The World" will continue to be our motivation and contribution to the nation's economy.

We appreciate the government's attention on the importance of human resources and technology absorption, by issuing tax incentives for technology-based investments and research, as well as vocational schools to hone the skills within the textile industry. These two is key to keeping a competitive industrial sector.

We also actively collaborate with the Indonesian Textile Association to continue pushing Free Trade Agreements and Bilateral Agreements in order to provide more competitiveness, making Indonesia a strategic trading partner for targeted export destinations.

### **Sustainable-Efficiency Program**

PT Sri Rejeki Isman Tbk financial performance is a solid with positive outlook. This year's capital expenditure is USD 40 million and will be used for machinery maintenance. We are increasing our commitment in sustainable practices by prioritizing materials that are key to our growth. Working towards Sustainable

Development Goals 2030, we aim to focus on social health and safety compliance in the workforce as well as environmental preservation.

**About PT Sri Rejeki Isman Tbk:**

PT Sri Rejeki Isman Tbk (SRIL) is a national vertically integrated textile and garment company with 4 main production processes: Spinning, Weaving, Finishing, and Garment. PT Sri Rejeki Isman Tbk was established by HM Lukminto in 1966, with facilities located in Semarang and Sukoharjo, Central Java. SRIL customers are currently diversified throughout the world, namely in Asia, Europe, America, Australia and Africa.

SRIL was listed on Indonesia Stock Exchange in 2013 and is the only textile company listed in LQ45. The company is awarded as one of IDX Top 10 Blue 2016 and The Best Blue 2017. This prestigious award is based on SRIL's liquidity performance, growth, and shareholders depth. <http://www.sritex.co.id>

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