



enterprise at your service

PRESS RELEASE

29 July 2005

PT ASTRA INTERNATIONAL TBK FIRST HALF 2005 FINANCIAL STATEMENTS

Highlights

- Underlying earnings per share up 27% to Rp 748
- Strong demand for both motor vehicles and motorcycles
- Good growth in financial services and heavy equipment
- Shareholding in United Tractors, Astra Otoparts and Astra Agro Lestari increased

“Astra performed well in the first half of 2005 and satisfactory trading performance is expected for the rest of the year, albeit at a lower rate of growth than in the first half.”

Michael D. Ruslim, President Director
 29 July 2005

Group Results

	Six months ended 30 June		
	2005 Rp bn	2004 Rp bn	<i>Change %</i>
Revenue	29,614	19,734	50
Operating income	3,361	2,183	54
Underlying profit	3,029	2,377	27
Net income	3,029	2,602	16
	Rp	Rp	
Underlying earnings per share*	748	587	27
Earnings per share*	748	643	16
	At 30.6.05 Rp bn	At 31.12.04 Rp bn	<i>Change %</i>
Shareholders' funds	18,438	16,485	12
	Rp	Rp	
Net asset value per share	4,555	4,072	12

The financial results for the six months ended 30 June 2005 and 30 June 2004 have been prepared in accordance with accounting principles generally accepted in Indonesia. These results have not been audited or reviewed by the auditors.

The financial results for the year ended 31 December 2004 have been audited in accordance with the auditing standards established by the Indonesian Institute of Accountants.

PT United Tractors Tbk has been consolidated from June 2004.

**The basis for calculating underlying profit and earnings per share is set out in the Note.*

PRESIDENT DIRECTOR'S STATEMENT

Overview

Astra performed well in the first half of 2005 with underlying profit increasing by 27% to Rp 3.0 trillion and underlying earnings per share increasing by the same percentage to Rp 748 per share. This was attributable to the growth in most sectors with the exception of agribusiness which was impacted by lower crude palm oil ("CPO") prices and lower contribution from the infrastructure sector following the Group's exit from the telecoms business.

Net income increased by 16% to Rp 3.0 trillion due to the absence of exceptional items in the first half compared to a gain of Rp 225 billion in the previous year arising mainly from the disposal of PT Pramindo Ikat Nusantara.

Performance

Underlying profit from the automotive business rose by 27% to Rp 1.8 trillion, benefiting from strong consumer demand for both vehicles and motorcycles and relatively low interest rates. The market for motor vehicles grew by 31% to 295,774 units while the market for motorcycles increased by 31% to 2.6 million units. Astra's motor vehicle sales grew by 28% to 136,165 units mainly due to sales of the Toyota Avanza, Daihatsu Xenia and Toyota Kijang Innova, although its market share declined marginally to 46%. The radically-designed fifth generation Toyota Kijang, the Kijang Innova, continued to perform strongly with an average sales backlog order of three months. In July 2005, Astra Daihatsu Motor produced its one-millionth vehicle, another milestone for the Group.

Astra's sales of Honda motorcycles grew by 31% to 1,284,212 units, maintaining its 49% market share. Astra Honda Motor will complete the construction of its third plant in Cibitung ahead of schedule and below estimated cost. The plant has a capacity to produce one million motorcycles per annum and has already commenced engine production with full production expected in September 2005. Astra Otopart's ("AOP") component sales also rose.

Underlying profit from the non-automotive businesses, which comprises mainly financial services, heavy equipment and agribusiness, grew by 28% to Rp 1.2 trillion. Profit from the financial services sector grew as motor vehicle and motorcycle financing also benefited from the improved motor vehicle and motorcycle markets. The amount financed by Federal International Finance and Astra Credit Companies increased by 44% to Rp 11.7 trillion. The financial services results include Rp 68 billion in respect of the equity-accounted profit from 31.6%-owned Bank Permata, which was acquired in November 2004.

The heavy equipment sector also contributed to the growth, enhanced by the increased shareholding in PT United Tractors Tbk ("UT"), which had been consolidated since June 2004. A total of 1,460 units of Komatsu heavy equipment were sold, an increase of 125% on the previous year due to an improved economy and strong growth in the mining sector. Mining contractor, PT Pamapersada Nusantara, also contributed to the results with higher coal and overburden production. Pamapersada's Kaltim Prima Coal project, which is a US\$1 billion, 12-year mining contract, saw the first coal extracted during this period. Profit from agribusiness was lower however, as the 10% increase in CPO production was more than offset by the 19% decline in CPO price.

The Group's net asset value grew by 12% from 31 December 2004 to Rp 18.4 trillion as at 30 June 2005 and the net asset value per share also rose by 12% to Rp 4,555.

Developments

Astra continued to increase its ownership in its businesses during the first half. A total of Rp 160 billion was invested to increase its shareholding in UT by 1.6% to 58.04%, in AOP by 1.0% to 86.05% and in its palm oil subsidiary, PT Astra Agro Lestari Tbk, with the purchase of an additional 0.1% to reach 79.68%.

Prospects

Astra performed well in the first half of 2005 and satisfactory trading performance is expected for the rest of the year, albeit at a lower expected rate of growth than in the first half.

Michael D. Ruslim
President Director
29 July 2005

NOTE**Earnings per share**

	Group	
Three months ended 30 June	2005	2004
	Rp bn	Rp bn
Basic earnings per share		
Profit attributable to shareholders	3,029	2,602
Weighted average number of ordinary shares in issue (millions)	4,048	4,047
Basic earnings per share	<u>Rp 748</u>	<u>Rp 643</u>
Underlying earnings per share		
Underlying profit attributable to shareholders	3,029	2,377
Basic underlying earnings per share	<u>Rp 748</u>	<u>Rp 587</u>

A reconciliation of the net income and underlying profit is as follows:

	Group		
Six months ended 30 June	2005	2004	<i>Change</i>
	Rp bn	Rp bn	<i>%</i>
Underlying profit	3,029	2,377	27
Add:			
Exceptional item			
Gain on sale of investments	-	225	-100
Net Income	<u>3,029</u>	<u>2,602</u>	16

- end -

For further information, please contact:
PT Astra International Tbk
Aminuddin, Corporate Secretary
Tel: 62 - 21 – 652 2555 / 6530 4956