



enterprise at your service

PRESS RELEASE

28 July 2006

PT ASTRA INTERNATIONAL TBK 2006 HALF YEAR FINANCIAL STATEMENTS

Highlights

- Underlying earnings per share down 39% to Rp 453
- Markets for motor vehicles and motorcycles decline by 49% and 26%, respectively
- Good progress in mining contracting business
- 14% growth in palm oil production and firmer prices

"While we will continue to face challenging markets in the short term, we are confident that the prospects for the Group in the medium term remain attractive."

Michael D. Ruslim
 President Director
 28 July 2006

Group Results

	Six months ended 30 June		
	2006 Rp bn	2005 Rp bn	Change %
Revenue	25,906	29,844	-13
Operating profit	2,449	3,405	-28
Underlying profit	1,834	3,029	-39
Net income	1,863	3,029	-39
	Rp	Rp	
Underlying earnings per share*	453	748	-39
Earnings per share*	460	748	-39
	As at 30.6.06 Rp bn	As at 31.12.05 Rp bn	Change %
Shareholders' funds	20,975	20,424	3
	Rp	Rp	
Net asset value per share	5,181	5,045	3

The financial results for the six months ended 30 June 2006 and 30 June 2005 have been prepared in accordance with accounting principles generally accepted in Indonesia. These results are unaudited.

The financial results for the year ended 31 December 2005 have been audited in accordance with the Indonesian Institute of Accountants' Auditing Standards.

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

PRESIDENT DIRECTOR'S STATEMENT

Overview

The Group faced difficult trading conditions in the first half of 2006, as consumer purchasing power continued to be impacted by the reduction of fuel subsidies towards the end of 2005 and the higher interest rate environment.

The Group's businesses took measures to respond to the new trading environment, and the first-half results were satisfactory in the circumstances.

Performance

The Group's underlying profit for the first half decreased by 39% to Rp 1.8 trillion and the underlying profit per share decreased to Rp 453. Net income decreased by 39% to Rp 1.9 trillion in the first half of 2006.

Automotive

Underlying profit from the automotive businesses fell by 55% to Rp 0.8 trillion.

The overall market for motor vehicles fell by 49% to 149,634 units in the first half of the year due to weakened consumer demand. Astra's motor vehicle sales, however, declined by a smaller 39% to 83,302 units, increasing its market share from 46% to 56%. Astra launched three new models during the period, the Toyota Yaris in February, Toyota New Corolla Altis in May, Daihatsu Zebra Master in June and all received an encouraging response.

The overall motorcycle market decreased by 26% to 1,810,979 units. Honda motorcycle sales declined by 29% to 913,547 units and Astra's market share decreased slightly from 52% to 50%. During the first six months, Honda launched two new models, Honda Supra Fit R (April) and Honda New Mega Pro (June).

PT Astra Otoparts Tbk's component sales at Rp 1.5 trillion were 20% down on the previous year.

Non-Automotive

The non-automotive businesses, which comprise mainly financial services, heavy equipment and agribusiness, produced an underlying profit of Rp 1.0 trillion, a 17% reduction over the first half of 2005. Lower profit from financial services and heavy equipment distribution were partially compensated for by better performances from agribusiness and mining contracting.

The amount financed by Federal International Finance ("FIF") and Astra Credit Companies ("ACC") in the first half decreased by 33% to Rp 7.9 trillion, in line with the decline in the automotive market. To support their financing activities, FIF and Astra Sedaya Finance (one of the motor vehicle financing companies under the umbrella of ACC) issued bonds in the amounts of Rp 600 billion and Rp 575 billion in April and June, respectively.

PT United Tractors Tbk's heavy equipment business recorded improved sales due to strong results in PT Pamapersada Nusantara where there was an increase in overburden removal of 32% and in coal extraction of 23%. Sales of Komatsu heavy equipment were 25% below the corresponding period in 2005 at 1,101 units, although Komatsu was able to increase its market share from 46% to 50%. Overall the net income decreased from Rp 557.7 billion to Rp 538.4 billion.

PT Astra Agro Lestari Tbk achieved higher sales due to a 23% increase in crude palm oil sales volume and firmer prices. Net income from agribusiness rose by 8% to Rp 414.7 billion. Efforts continue to source land for new palm oil and rubber plantations. The viability of producing bio-diesel is also being evaluated.

Astra's small infrastructure investment in a toll road is performing well.

Page 3

Group

The Group's net asset value grew by 3% during the six months to Rp 21.0 trillion and the net asset value per share rose to Rp 5,181.

The Group's net debt as at 30 June 2006 was Rp 7.4 trillion, compared to Rp 8.4 trillion at the end of 2005. The Group's net debt, excluding borrowings within the Group's financial services businesses, was Rp 2.3 trillion at the end of June as compared with Rp 2.7 trillion at the prior year-end. The net debt to equity ratio (excluding financial services) at 30 June was 11% down from 13% at 31 December 2005.

Prospects

While we will continue to face challenging markets in the short term, we are confident that the prospects for the Group in the medium term remain attractive.

Michael D. Ruslim
President Director
28 July 2006

NOTE

Earnings per share

Six months ended 30 June	Group	
	2006	2005
Basic earnings per share		
Profit attributable to shareholders (Rp bn)	1,863	3,029
Weighted average number of ordinary shares in issue (millions)	4,048	4,048
Basic earnings per share (Rp)	<u>460</u>	<u>748</u>
Underlying earnings per share		
Underlying profit attributable to shareholders (Rp bn)	1,834	3,029
Basic underlying earnings per share (Rp)	<u>453</u>	<u>748</u>

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

Six months ended 30 June	Group		Change %
	2006 Rp bn	2005 Rp bn	
Underlying profit	1,834	3,029	-39
Gain on sale of investments	29	-	<i>n.a</i>
Net income	<u>1,863</u>	<u>3,029</u>	-39

- end -

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