

FajarPaper sustains sales growth

All figures in Rp billions unless otherwise stated	Nine months to September 30th 2015 (unaudited)	Nine months to September 30th 2016 (unaudited)	Change (%)
Net Sales	3,644	4,549	25%
Gross profit	312	947	204%
Gross margin %	8.6%	20.8%	
EBITDA	325	950	134%
EBITDA margin	8.9%	20.8%	
Net Income (loss)	(429)	687	260%
Earnings (loss) per share in Rupiah	(173.1)	277.1	260%

Jakarta, 1 November, 2016: Capitalising on the success from its new line of lightweight packaging papers, FajarPaper today announced a 25% increase in net sales to Rp 4,549 billion and net income of Rp 687 billion for the first nine months of 2016. FajarPaper's latest unaudited financial statements for the nine months periods ended 30 September, 2016 and 2015, can be found by following this link: <http://www.fajarpaper.com/investor-relations/financial-reports>

Result highlights

Achieving an EBITDA of Rp 950 billion and a net income of Rp 687 billion in the first nine months of 2016 is a significant turnaround from 2015, and also marks the continued success of the company in diversifying and improving its product range to support end user customers in Indonesia's fast moving consumer goods (FMCG) sector, alongside packaging fabricators.

Improved prices have driven the sales growth with new lighter grammage papers now contributing about 30% of total revenues while existing lines also performed well. The nine-month results indicate a sustained improvement in profitability.

Paper Machine (PM8) project progress

The company is on track to commence the commercial production from its new PM8 paper machine, adding 350,000 tons to boost total manufacturing capacity to 1,550,000 tons per annum. PM8 will be dedicated to lighter paper production in order to meet rising demand.

Consumer goods driven growth

More than 90% of the company's products are being sold to top multinational FMCG companies, such as Indofood, Unilever, Aqua-Danone, Wings, Mayora to name a few. Increases in demand growth in the FMCG sector are typically followed by a demand growth for packaging papers. Currently, some of the company's products are being sold directly to leading local and multinational companies, including Indofood, Unilever, Aqua-Danone, and Wings.

President Director Yustinus Kusumah noted, "This result validates the optimistic outlook we maintained at the beginning of the year, and it endorses our decisions last year to continue to invest in new products and additional capacity."

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To learn more about this press release, please contact FajarPaper's Investor Relations Department, by sending your inquiries to ir@fajarpaper.com, or +62 21 344 1316.

More information can also be found from our website www.fajarpaper.com.

FajarPaper is one of the largest packaging paper manufacturer in Indonesia with a current capacity of 1.2 million tonnes per year, expected to be 1.55 million tonnes per year by 2017, currently running with existing 5 paper machines, and uses 100% recycled paper as raw material.

FajarPaper is a Forest Stewardship Council-Chain of Custody (FSC-CoC), ISO 9001, ISO 14001, and OHSAS 18001 certified, as well as a Clean Development Mechanism (CDM) registered company, catering in high capacity and continuous delivery of packaging paper supply, and providing up-to-date innovation and quality packaging paper products.