



TICKERS		MARKET CAPITALIZATION	ISSUED SHARES	SHARE PRICE			SHAREHOLDERS	
IDX	KRAS	(IDR million, as of 9/30/2016)	(million shares, as of 9/30/2016)	(closing, IDR/share)			Government	80%
Bloomberg	KRAS.IJ	13,172,125	15,775	1 January 2016	285	9 month high	Public	20%
Reuters	KRAS.JK			30 September 2016	835	9 month low		280

**Krakatau Steel Reports Nine Months Results**

Jakarta, October 2016

**Year-to-Date KRAS Share Price Chart**



- **Krakatau Steel through its subsidiary has made first delivery of section steel for PLN's 46 thousand kilometers circuit power transmission project on 26 October 2016. The company will also support Jakarta – Cikampek (Japek II) 36 km elevated toll road project.**
- **Krakatau Steel has finished piling of coil yard area and in process of excavation for HSM #2 project. The company has also started basic engineering for the project.**
- **The company has started heating up for coke oven plant of Blast Furnace complex project.**
- **The company's total steel sales volume increased 22.25% YoY on stronger demand, mainly for HRC.**
- **The company posted positive operating profit and operating cash flow during the period, which reflected improvement at operating level.**
- **EBITDA turned to positive US\$96.92 million as a result of improved gross and operating profit.**

**Latest Updates:**

- PT Krakatau Steel (Persero) Tbk through its subsidiary, PT Krakatau Wajatama, has made first delivery of section steel to PT PLN for a 46,000 kilometer circuit electricity transmission tower project on October 26, 2016. The construction of the transmission towers, which is part of PLN's 35,000 MW power generation project, will require 100,000 tons of section steel for period November 2016 – November 2017.
- The company will also support Jakarta – Cikampek (Japek II) 36 km elevated toll road project using hybrid steel and concrete construction. The project is expected to be completed within 21 months in which 250 thousand tons of steel should be delivered within 10 months starting early of 2017.
- Following HSM #2 project groundbreaking on 22 August 2016, the company has finished the piling for coil yard area and in process of excavation for the preparation of main-bay foundation. Also, the company has started basic engineering which is targeted to be finished in early 2017.
- Krakatau Steel also has started heating up for coke oven plant of the Blast Furnace complex project to temperature of 950° C until 10 November 2016 for first pushing of cokes as preparation for its first blow-in by the end of this year.

**Investor Relations**

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**DISCLAIMER**

This document contains financial conditions and result of operation, and may also contain certain projections, plans, strategies, and objectives of the Company, which would be treated as forward looking statements within the meaning of applicable law. Forward looking statements, by their nature, involve risk and uncertainty that could cause actual results and development to differ materially from those expressed or implied in these statements. PT Krakatau Steel (Persero) Tbk does not guarantee that any action, which should have been taken in reliance on this document will bring specific results as expected.

## Financial Results

Description (USD mn)	M9 2016	M9 2015	Change (%)	Ratio	M9 2016	M9 2015
Revenue	982.29	993.38	-1.12	Gross Margin	14.05%	-2.10%
Cost of Revenues	(844.30)	(1,014.27)	16.76	Operating Margin	2.93%	-11.91%
Gross Profit	137.99	(20.89)	-	Profit (loss) Attributable to Owners of Parent Entity Margin	-11.68%	-16.13%
Operating Profit (loss)	28.80	(118.34)	-	Total Comprehensive Income Attributable to Owners of Parent Entity Margin	1.99%	91.69%
EBITDA <sup>1</sup>	96.92	(69.19)	-	EBITDA Margin <sup>1</sup>	9.87%	-6.97%
Profit (loss) Attributable to Owners of Parent Entity	(114.70)	(160.24)	28.42	Debt to Equity <sup>2</sup>	0.98x	0.90x
Total Comprehensive Income Attributable to Owners of Parent Entity	19.55	910.85	-	Debt to Assets <sup>2</sup>	0.46x	0.44x
Cash and Cash Equivalents <sup>2</sup>	101.79	132.59	-23.23			
Net cash provided by (used in) operating activities	21.20	(0.11)	-			
Total Assets <sup>2</sup>	3,832.28	3,702.14	3.52			

<sup>1</sup> : EBITDA figures exclude share of loss in associates

<sup>2</sup> : Balance sheet items for M9 2015 are based on FY 2015 figures

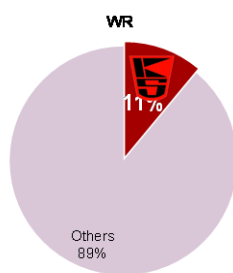
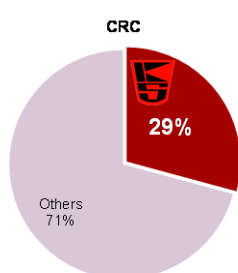
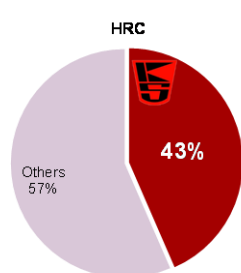
## Company Performance Update:

- The company booked a 22.25% Year-on-Year (YoY) increase in total steel sales volume to 1,681,666 tons in M9 2016 from 1,375,645 tons in the same period last year. The increase was mainly due to higher sales volume of HRC (40.76% YoY to 890,817 tons), CRC (6.49% YoY to 408,761 tons), and steel pipes (61.38% YoY to 60,346 tons).
- Cost of revenues decreased 16.76% YoY to US\$844.30 million due to a 4.21% YoY decline in cost of production, as raw materials were 4.21% YoY lower. The decrease in cost of revenues was deeper than a 1.12% YoY decline in net revenues to US\$982.29 million in M9 2016. As a result, the company had positive gross profit of US\$137.99 million in M9 2016 compared to gross loss of US\$20.89 million in M9 2015.
- The company was able to book positive operating profit and operating cash flow of US\$28.80 million and US\$21.20 million in M9 2016, respectively, in line with the improvement at the topline, from a deficit of US\$118.34 million and US\$108.00 thousand in M9 2015.
- Improvement in the company's operating performance was also reflected in a positive EBITDA of US\$96.92 million in M9 2016 compared to negative US\$69.19 million in M9 2015. A significant increase of US\$166.12 million EBITDA, YoY.
- SGA expenses rose 18.96% YoY due to increases in selling and general and administrative expenses. General and administrative expenses were 21.99% YoY higher due to increases in salaries, wages and employees benefit (19.85% YoY to US\$56.26 million) due to the strengthening IDR currency up to September 2016 by 797 bips. Also, higher depreciation and amortization expenses by 51.52% YoY to US\$21.10 million.
- The company's loss attributable to owners of parent entity stood at US\$114.70 million in M9 2016 including share of loss in associates of US\$36.08 million and foreign currency loss. However, loss in associates was significantly reduced compared to the same period last year of US\$.87.17 million. Foreign currency loss of US\$44.56 million was recognized due to the strengthening IDR currency. However, the loss at the bottom line was 28.42% YoY lower than US\$160.24 million in M9 2015.

## Marketing Results

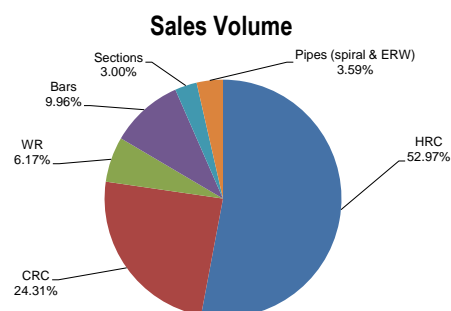
Steel Sales (tons)	M9 2016	M9 2015	Change (%)	Average Selling Price USD/ton	M9 2016	M9 2015	Change (%)
HRC	890,817	632,878	40.76	HRC	437	511	-14.33
CRC	408,761	383,845	6.49	CRC	545	622	-12.37
WR	103,801	105,283	-1.41	WR	398	489	-18.67
Bars	167,428	165,767	1.00	Bars	431	504	-14.57
Sections	50,512	50,478	0.07	Sections	527	573	-8.02
Pipes (spiral & ERW)	60,346	37,394	61.38	Pipes (spiral & ERW)	697	777	-10.34
<b>Total</b>	<b>1,681,666</b>	<b>1,375,645</b>	<b>22.25</b>				

Source: Company data



Market Share H1 2016

Source: Company data



## Market Analysis

- HRC price in East Asia increased from US\$268.5/ton in January 2016 to US\$385/ton in September 2016. Chinese domestic HRC price average was US\$415/ton, and maintained this price level until September. The fact that HRC prices seem relatively stable because demand in most markets now is fairly soft. (Steel Business Briefing)
- This year's nine-month China steel production of 536.3 million tons is only 0.1% less than the same period last year, despite the government's plan to cut steel capacity by 100-150 million tons. As a result, hot rolled steel prices rose 7.6% in August, but have fallen in September. (Bloomberg Intelligence, 14 September 2016)
- Domestic demand for HRC and WR grew 13.22% YoY and 16.07% YoY to 2.22 million tons and 720,232 tons, respectively, while demand for CRC slightly declined 1.32% YoY to 921,141.

**PT KRAKATAU STEEL (PERSERO) Tbk  
DAN ENTITAS ANAKNYA  
LAPORAN POSISI KEUANGAN  
KONSOLIDASIAN INTERIM  
Tanggal 30 September 2016  
(Disajikan dalam ribuan Dolar AS,  
kecuali dinyatakan lain)**

**PT KRAKATAU STEEL (PERSERO) Tbk  
AND ITS SUBSIDIARIES  
INTERIM CONSOLIDATED STATEMENT OF  
FINANCIAL POSITION  
As of September 30, 2016  
(Expressed in thousands of US Dollar,  
unless otherwise stated)**

	Catatan/ Notes	30 Sept. 2016/ Sept, 30, 2016	31 Des. 2015/ Dec. 31, 2015	
<b>ASET LANCAR</b>				<b>CURRENT ASSETS</b>
Kas dan setara kas	2c,2e,2f,2g 4,9,34,38	101.794	132.589	Cash and cash equivalents
Investasi jangka pendek	2e,2g,5,34,38	1.039	-	Short term investment
Kas dan deposito berjangka yang dibatasi penggunaannya	2c,2e,2f,2g 6,9,16,34	19	40.099	Restricted cash and time deposits
Piutang usaha	2e,2g,3,7,			Trade receivables
Pihak ketiga	16,23,34,38	109.540	115.574	Third parties
Pihak berelasi	2c,9	71.395	95.677	Related parties
Piutang lain-lain	2e,2g,8,			Other receivables
Pihak ketiga	19,34,38	2.829	5.497	Third parties
Pihak berelasi	2c,9	17.079	15.313	Related parties
Persediaan	2h,3,10,16,23	454.042	408.620	Inventories
Uang muka dan biaya dibayar di muka	2i,11	38.378	55.263	Advances and prepaid expenses
Pajak dibayar di muka	2t,20	36.198	23.658	Prepaid taxes
<b>Total Aset Lancar</b>		<b>832.313</b>	<b>892.290</b>	<b>Total Current Assets</b>
<b>ASET TIDAK LANCAR</b>				<b>NON-CURRENT ASSETS</b>
Estimasi tagihan pajak	2t,20	31.046	42.341	Estimated claims for tax refund
Penyertaan saham	2e,2g,2j,12,34	176.159	197.268	Investments in shares of stock
Aset pajak tangguhan	2t,3,20	123.252	97.983	Deferred tax assets
Aset tetap	2k,3,13,16,23	2.586.016	2.356.409	Fixed assets
Properti Investasi	2l,3,14	2.974	2.918	Investment Properties
Aset lain-lain				Other assets
Piutang jangka panjang	2c,2g,15,34	3.740	9.969	Long-term receivables
Aset real estat	2m	16.211	13.944	Real estate assets
Aset yang tidak digunakan dalam operasi	2k,13	840	1.246	Assets not used in operations
Kas dan Deposito berjangka yang dibatasi penggunaannya	2c,2e,2f,2g 23,34,38 2g,2k	38.632	34.447	Restricted cash and time deposits
Lain-lain	34,36,38	21.101	53.329	Others
<b>Total Aset Tidak Lancar</b>		<b>2.999.971</b>	<b>2.809.854</b>	<b>Total Non-Current Assets</b>
<b>TOTAL ASET</b>		<b>3.832.284</b>	<b>3.702.144</b>	<b>TOTAL ASSETS</b>

Catatan atas laporan keuangan konsolidasian interim terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian interim secara keseluruhan.

The accompanying notes to the interim consolidated financial statements form an integral part of these interim consolidated financial statements taken as a whole.

**PT KRAKATAU STEEL (PERSERO) Tbk  
DAN ENTITAS ANAKNYA  
LAPORAN POSISI KEUANGAN  
KONSOLIDASIAN INTERIM(lanjutan)  
Tanggal 30 September 2016  
(Disajikan dalam ribuan Dolar AS,  
kecuali dinyatakan lain)**

**PT KRAKATAU STEEL (PERSERO) Tbk  
AND ITS SUBSIDIARIES  
INTERIM CONSOLIDATED STATEMENT OF  
FINANCIAL POSITION (continued)  
As of September 30, 2016  
(Expressed in thousands of US Dollar,  
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	Catatan/ Notes	30 Sept. 2016/ Sept, 30, 2016	31 Des. 2015/ Dec. 31, 2015	
<b>LIABILITAS DAN EKUITAS</b>				<b>LIABILITIES AND SHAREHOLDER'S EQUITY</b>
<b>LIABILITAS JANGKA PENDEK</b>	2c,2e,2g, 6,7,9,10,13			<b>CURRENT LIABILITIES</b>
Pinjaman jangka pendek	16,34,38	911.901	1.143.888	Short-term loans
Utang usaha	2e,2g			Trade payables
Pihak ketiga	17,34,38	80.653	98.861	Third parties
Pihak berelasi	2c,9	38.088	53.196	Related parties
Utang lain-lain	2e,2g			Other payables
Pihak ketiga	18,34,38	7.682	19.734	Third parties
Pihak berelasi	2c,9	3.391	2.690	Related parties
Utang pajak	2t,3,20	19.916	10.013	Taxes payables
Beban akrual	2e,2g,2,34,38	30.355	29.887	Accrued expenses
Liabilitas imbalan kerja jangka pendek	2g,2s,3,25	3.450	7.947	Short-term employee benefits liabilities
Uang muka penjualan dan lainnya	2c,2e,9,22,38	22.308	25.592	Sales and other advances
Bagian pinjaman jangka panjang yang jatuh tempo dalam waktu satu tahun	2c,2e,2g,7, 9,10,13,23 34,38	41.576	65.372	Current maturities of long-term loans
Bagian liabilitas keuangan jangka panjang yang jatuh tempo dalam waktu satu tahun	2e,2g,24, 34,38	8	7	Current maturities of long-term financial liabilities
<b>Total Liabilitas Jangka Pendek</b>		<b>1.159.327</b>	<b>1.457.187</b>	<b>Total Current Liabilities</b>
<b>LIABILITAS JANGKA PANJANG</b>				<b>NON-CURRENT LIABILITIES</b>
Liabilitas pajak tangguhan	2t,3,20	4.149	14	Deferred tax liabilities
Uang muka konstruksi, bagian jangka panjang	2f,22,38	1.106	2.038	Advances for construction, long-term portion
Pinjaman jangka panjang, setelah dikurangi bagian yang jatuh tempo dalam waktu satu tahun	2c,2e,2g, 7,9,10,13 23,34,38	808.915	405.489	Long-term Loans, net of current maturities
Liabilitas keuangan jangka panjang, setelah dikurangi bagian yang jatuh tempo dalam waktu satu tahun	2e,2g,24, 34,38	14.516	13.158	Long-term financial liabilities, net of current maturities
Liabilitas Imbalan kerja jangka panjang	2s,3,25	44.409	36.154	Long-term employee benefits liabilities
<b>Total Liabilitas Jangka Panjang</b>		<b>873.095</b>	<b>456.853</b>	<b>Total Non-Current Liabilities</b>
<b>TOTAL LIABILITAS</b>		<b>2.032.422</b>	<b>1.914.040</b>	<b>TOTAL LIABILITIES</b>

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DAN ENTITAS ANAKNYA  
LAPORAN POSISI KEUANGAN  
KONSOLIDASIAN INTERIM(lanjutan)  
Tanggal 30 September 2016  
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**PT KRAKATAU STEEL (PERSERO) Tbk  
AND ITS SUBSIDIARIES  
INTERIM CONSOLIDATED STATEMENT OF  
FINANCIAL POSITION (continued)  
As of September 30, 2016  
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	Catatan/ Notes	30 Sept. 2016/ Sept, 30, 2016	31 Des. 2015/ Dec. 31, 2015	
<b>EKUITAS</b>				<b>EQUITY</b>
<b>EKUITAS YANG DAPAT DIATRIBUSIKAN KEPADA PEMILIK ENTITAS INDUK</b>				<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT ENTITY</b>
Modal saham				<i>Share capital</i>
Nilai nominal Rp500 (angka penuh) per saham				<i>par value Rp500 (full amount) per share..</i>
Modal Dasar - 40.000.000.000 saham yang terdiri dari 1 saham Seri A Dwiwarna dan 39.999.999.999 saham Seri B				<i>Authorized capital - 40,000,000,000 shares which consist of 1 Series A Dwiwarna share and 39.999.999.999 Series B shares</i>
Modal ditempatkan dan disetor penuh - 15.775.000.000 saham yang terdiri dari 1 Seri A Dwiwarna dan 15.774.999.999 saham Seri B		855.968	855.968	<i>Issued and fully paid - 15,775,000,000 shares which consist of 1 Series A Dwiwarna share and 15.774.999.999 Series B shares</i>
	27			
Tambahan modal disetor, neto	1b,2p,28	116.263	116.263	<i>Additional paid-in capital, net</i>
Pendapatan komprehensif lain	2k,2s,13,15,25	1.285.108	1.166.639	<i>Other comprehensive income</i>
Saldo laba (akumulasi kerugian)				<i>Retained earnings (accumulated losses)</i>
Dicadangkan		146.834	146.834	<i>Appropriated</i>
Tidak dicadangkan		(603.628)	(504.705)	<i>Unappropriated</i>
<b>Total Ekuitas Yang Dapat Diatribusikan Kepada Pemilik Entitas Induk</b>		<b>1.800.545</b>	<b>1.780.999</b>	<b>Total Equity Attributable to Owners of the Parent Entity</b>
Kepentingan Nonpengendali		<b>(682)</b>	<b>7.104</b>	<i>Non-controlling Interests</i>
<b>EKUITAS, NETO</b>		<b>1.799.862</b>	<b>1.788.104</b>	<b>EQUITY, NET</b>
<b>TOTAL LIABILITAS DAN EKUITAS</b>		<b>3.832.284</b>	<b>3.702.144</b>	<b>TOTAL LIABILITIES AND EQUITY</b>

Catatan atas laporan keuangan konsolidasian interim terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian interim secara keseluruhan.

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**PT KRAKATAU STEEL (PERSERO) Tbk  
DAN ENTITAS ANAKNYA  
LAPORAN LABA RUGI DAN  
PENGHASILAN KOMPREHENSIF LAIN  
KONSOLIDASIAN INTERIM**  
Untuk Periode SembilanBulanyang Berakhir pada  
Tanggal 30 September 2016  
(Disajikan dalam ribuan Dolar AS,  
kecuali dinyatakan lain)

**PT KRAKATAU STEEL (PERSERO) Tbk  
AND ITS SUBSIDIARIES  
INTERIM CONSOLIDATED STATEMENT OF  
PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME**  
For the Nine-Month Period Ended  
September 30, 2016  
(Expressed in thousands of US Dollar,  
unless otherwise stated)

	<b>30 Sept. 2016/ Sept, 30, 2016</b>	<b>Catatan/ Notes</b>	<b>30 Sept. 2015/ Sept, 30, 2015</b>	
<b>PENDAPATAN NETO</b>	982.288	2c,2q,9, 30,40	993.383	<b>NET REVENUES</b>
<b>BEBAN POKOK PENDAPATAN</b>	(844.301)	2c,2k,2q,9, 31,40	(1.014.273)	<b>COST OF REVENUES</b>
<b>LABA (RUGI) BRUTO</b>	<b>137.987</b>		<b>(20.890)</b>	<b>GROSS PROFIT (LOSS)</b>
Beban Penjualan	(23.555)	2c,2i,2k 2q,2s,9,32	(22.049)	Selling expense
Beban umum dan administrasi	(107.621)	2c,2i,2k, 2q,2s,9,32	(88.218)	General and Administrative expenses
Laba pengalihan aset tetap	4.793	2k,13	-	Gain on transfer of fixed assets
Pendapatan lain-lain	23.658	2g,2q,12	13.304	Other income
Beban lain-lain	(6.465)	13,20	(486)	Other expenses
<b>LABA (RUGI) OPERASI</b>	<b>28.797</b>		<b>(118.339)</b>	<b>OPERATING PROFIT (LOSS)</b>
Bagian rugi dari entitas asosiasi	(36.079)	12	(87.173)	Share in loss of associates
Pendapatan keuangan	5.013		2.394	Finance income
Pajak terkait pendapatan keuangan	(1.003)		(479)	Tax relating to finance income
Laba (rugi) selisih kurs, neto	(44.556)	2e,2g,18	82.982	Gain (loss) on foreign exchange, net
Beban keuangan	(90.376)	16,23	(59.818)	Finance expense
<b>RUGI SEBELUM PAJAK FINAL DAN BEBAN (MANFAAT) PAJAK PENGHASILAN</b>	<b>(138.204)</b>		<b>(180.433)</b>	<b>LOSS BEFORE FINAL TAX AND INCOME TAX EXPENSE (BENEFIT)</b>
Pajak final	(2.276)	2t,20	(4.883)	Final tax
<b>RUGI SEBELUM BEBAN (MANFAAT) PAJAK PENGHASILAN</b>	<b>(140.481)</b>		<b>(185.316)</b>	<b>LOSS BEFORE INCOME TAX EXPENSE (BENEFIT)</b>
<b>BEBAN (MANFAAT) PAJAK PENGHASILAN</b>				<b>INCOME TAX EXPENSE (BENEFIT)</b>
Pajak kini	5.715		6.041	Current tax
Pajak tangguhan, neto	(23.673)	20	(29.376)	Deferred tax, net
<b>Manfaat Pajak, Neto</b>	<b>(17.958)</b>		<b>(23.335)</b>	<b>Tax Benefit, net</b>
<b>RUGI PERIODE BERJALAN</b>	<b>(122.522)</b>		<b>(161.981)</b>	<b>LOSS FOR THE PERIOD</b>
<b>PENGHASILAN KOMPREHENSIF LAIN</b>				<b>OTHER COMPREHENSIVE INCOME</b>
<b>Pos-pos yang tidak akan direklasifikasi ke laba rugi</b>				<b>Items that will not be reclassified to profit or loss</b>
Surplus revaluasi aset tetap	131.424	2k,12,13	1.096.985	Revaluation surplus of fixed assets
Pengukuran kembali program imbangan pasti	(4.074)	2s	(3.930)	Remeasurement of defined benefits program
Pajak penghasilan terkait pos-pos yang tidak akan direklasifikasi ke laba rugi	931		953	Income tax relating to items that will not be reclassified to profit or loss

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LAPORAN LABA RUGI DAN  
PENGHASILAN KOMPREHENSIF LAIN  
KONSOLIDASIAN INTERIM (lanjutan)  
Untuk Periode SembilanBulanyang Berakhir pada  
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**PT KRAKATAU STEEL (PERSERO) Tbk  
AND ITS SUBSIDIARIES  
INTERIM CONSOLIDATED STATEMENT OF PROFIT  
OR LOSS AND OTHER  
COMPREHENSIVE INCOME (continued)  
For the Nine-Month Period Ended  
September 30, 2016  
(Expressed in thousands of US Dollar,  
unless otherwise stated)**

	<u>30 Sept. 2016/ Sept, 30, 2016</u>	<u>Catatan/ Notes</u>	<u>30 Sept. 2015/ Sept, 30, 2015</u>	
<b>Pos yang akan direklasifikasi ke laba rugi</b>				<b>Item that may be reclassified to profit or loss</b>
Selisih kurs karena penjabaran laporan keuangan Entitas Anak dan Asosiasi-neto	6.002	2b,2j	(23.099)	<i>Difference in foreign currency translation of the financial statements of Subsidiaries and Associates, net</i>
<b>TOTAL PENGHASILAN LABA KOMPREHENSIF PERIODE BERJALAN</b>	<b><u>11.760</u></b>		<b><u>908.927</u></b>	<b>TOTAL COMPREHENSIVE INCOME PROFIT FOR THE PERIOD</b>
<b>RUGI PERIODE BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:</b>				<b>LOSS FOR THE PERIOD ATTRIBUTABLE TO:</b>
Pemilik entitas induk	(114.696)	33	(160.239)	<i>Owners of the parent entity</i>
Kepentingan nonpengendali	(7.826)	2b,26	(1.742)	<i>Non-controlling interests</i>
<b>TOTAL</b>	<b><u>(122.522)</u></b>		<b><u>(161.981)</u></b>	<b>TOTAL</b>
<b>TOTAL PENGHASILAN LABA KOMPREHENSIF PERIODE BERJALAN YANG DAPAT DIATRIBUSIKAN KEPADA:</b>				<b>TOTAL COMPREHENSIVE INCOME PROFIT FOR THE PERIOD ATTRIBUTABLE TO:</b>
Pemilik entitas induk	19.547		910.850	<i>Owners of the parent entity</i>
Kepentingan nonpengendali	(7.787)	2b,26	(1.923)	<i>Non-controlling interests</i>
<b>TOTAL</b>	<b><u>11.760</u></b>		<b><u>908.927</u></b>	<b>TOTAL</b>
<b>RUGI PER SAHAM DASAR YANG DAPAT DIATRIBUSIKAN KEPADA PEMILIK ENTITAS INDUK (dalam Dolar AS penuh)</b>	<b><u>(0,0073)</u></b>	2u,33	<b><u>(0,0102)</u></b>	<b>BASIC LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT ENTITY (in full US Dollar amount)</b>

Catatan atas laporan keuangan konsolidasian interim terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian interim secara keseluruhan.

The accompanying notes to the interim consolidated financial statements form an integral part of these interim consolidated financial statements taken as a whole.



**PT KRAKATAU STEEL (PERSERO) Tbk  
DAN ENTITAS ANAKNYA  
LAPORAN ARUS KAS KONSOLIDASIAN INTERIM  
Untuk Periode Sembilan bulan yang Berakhir pada  
Tanggal  
30 September 2016  
(Disajikan dalam ribuan Dolar AS,  
kecuali dinyatakan lain)**

**PT KRAKATAU STEEL (PERSERO) Tbk  
AND ITS SUBSIDIARIES  
INTERIM CONSOLIDATED STATEMENT OF  
CASH FLOWS  
For the Nine-month Period Ended  
September 30, 2016  
(Expressed in thousands of US Dollar,  
unless otherwise stated)**

	30 Sept. 2016/ Sept, 30, 2016	Catatan/ Note	30 Sept. 2015/ Sept, 30, 2015	
<b>ARUS KAS DARI AKTIVITAS OPERASI</b>				<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>
Penerimaan dari pelanggan	1.114.350		1.033.132	<i>Receipts from customers</i>
Penerimaan dari tagihan pajak	21.941		15.970	<i>Receipts from claims for tax refund</i>
Penerimaan dari pendapatan bunga	5.124		4.033	<i>Receipts from interest income</i>
Pembayaran kepada pemasok	(947.349)		(848.560)	<i>Payments to suppliers</i>
Pembayaran beban usaha dan lainnya	(28.267)		(9.912)	<i>Payments for operating expenses and others</i>
Pembayaran kepada karyawan	(115.474)		(67.139)	<i>Payments to employees</i>
Pembayaran untuk pajak	(16.627)		(108.204)	<i>Payments for taxes</i>
Pembayaran untuk beban bunga dan beban bank	(12.499)		(19.429)	<i>Payments for interest and bank charges</i>
<b>Kas neto yang diperoleh dari (digunakan untuk) aktivitas operasi</b>	<b>21.199</b>		<b>(108)</b>	<b>Net cash provided by (used in) operating activities</b>
<b>ARUS KAS DARI AKTIVITAS INVESTASI</b>				<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>
Penempatan investasi jangka pendek	(1.039)		(39.720)	<i>Placement of short-term investments</i>
Hasil dari penjualan aset tetap dan aset tidak digunakan dalam operasi	433		-	<i>Proceeds from sale of fixed assets and assets not used in operation</i>
Penerimaan dividen kas	218		360	<i>Receipts of cash dividends</i>
Penarikan kas dan deposito berjangka yang dibatasi penggunaannya	35.894		16.666	<i>Withdrawal of restricted cash and time deposits</i>
Penambahan penyertaan pada saham	(13.956)	11	(14.313)	<i>Additional investments in shares of stock</i>
Penambahan aset tetap	(137.696)		(185.339)	<i>Purchase of fixed assets</i>
<b>Kas neto yang digunakan untuk aktivitas investasi</b>	<b>(116.145)</b>		<b>(222.346)</b>	<b>Net cash used in investing activities</b>
<b>ARUS KAS DARI AKTIVITAS PENDANAAN</b>				<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>
Penerimaan (pembayaran) pinjaman bank jangka pendek, neto	(231.987)	14	110.818	<i>Proceed (repayment) from Short-term bank loans, net</i>
Penerimaan Pinjaman Jangka Panjang	386.833		63.539	<i>Proceeds from Long-term loans</i>
Pembayaran Pinjaman Jangka Panjang	(8.125)		(25.655)	<i>Repayments of Long-term loans</i>
Pembayaran untuk beban bunga	(78.140)		(43.267)	<i>Payments for interest</i>
<b>Kas neto yang diperoleh dari aktivitas pendanaan</b>	<b>68.582</b>		<b>105.435</b>	<b>Net cash provided by financing activities</b>
<b>(PENURUNAN) NETO KAS DAN SETARA KAS</b>	<b>(26.364)</b>		<b>(117.019)</b>	<b>(DECREASE) IN CASH AND CASH EQUIVALENTS</b>
<b>KAS DAN SETARA KAS AWAL TAHUN</b>	<b>132.589</b>	<b>4</b>	<b>236.689</b>	<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>
Dampak perubahan selisih kurs	(4.431)		(5.037)	<i>Effect on foreign changes rate changes</i>
<b>KAS DAN SETARA KAS AKHIR PERIODE</b>	<b>101.794</b>	<b>4</b>	<b>114.633</b>	<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>

Catatan atas laporan keuangan konsolidasian interim terlampir merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasian interim secara keseluruhan.

The accompanying notes to the interim consolidated financial statements form an integral part of these interim consolidated financial statements taken as a whole.