



Public Expose PT Matahari Department Store Tbk

11 April 2014

Agenda

- 1. Results of Annual General Meeting**
- 2. 2013 Business Review**
- 3. 2014 Key Business Objectives**

RESULTS OF ANNUAL GENERAL MEETING



Results of Annual General Meeting

1. A. Received and approved Directors' report regarding the Company's operational and financial activities for the year ended 31 December 2013, along with the supervision report by the Board of Commissioners.

Results of Annual General Meeting (continued)

- B. Approved and ratified the Company's Financial Statement for book year 2013 as audited by KAP Tanudiredja, Wibisana and Co (PricewaterhouseCoopers global network member) in their report dated 14 February 2014 with an Unqualified opinion, and provided full release and discharge (*acquit et de charge*) to all members of the Board of Commissioners and Board of Directors of the Company during the book year 2013 in the broadest sense, including the private placement, of the responsibility for the management and supervisory activities they have run, for any and all policies, decisions, agreements, consent, contracts, cooperation, relationship, partnership, investments and divestments, purchase and sales and trading, procurement, trading, leasing, renovation, construction, opening and closing of facilities and outlets, system policies and accounting transactions and reports, placement and use of funds, financial and administrative transaction and financial statements, relationships and lending or borrowing transactions, and the management of the Company in any forms, directly or indirectly, during the book year 2013 and until the closing date of today's meeting as reflected in the Board of Director's report and in the Company's Financial Statement.

Results of Annual General Meeting (continued)

2. Approved to distribute dividends with the use of 2013 Net Income of Rp 1,150,159,931,690 are as follows :
 - A. Distribute dividends of Rp 460,155,681,216, equivalent to 40% of 2013 Net Income, to 2,917,918,080 shares or Rp 157.70 per shares.
 - B. The balance of Rp 690,004,250,474 will be booked as retained earnings.
 - C. Authorized the Board of Directors with the substitution rights to perform any necessary action and conduct the dividends distribution.

Results of Annual General Meeting (continued)

3. Granted the authority to Board of Commissioners and/or Board of Directors of the Company to choose and appoint a Public Accountant Firm to audit the financial statements of the Company for book year 2014 and gave the authority to Board of Directors to determine the fees and other terms and conditions in relation to the appointment.

Results of Annual General Meeting (continued)

4. A. (i) Approved the changes of Article 13 Paragraph 3 of the Company's Article of Association regarding the Board of Directors' term of office to be as follow :

Board of Directors' members are appointed by AGMS, respectively from the specified date in AGMS which appointed them until the closing date of the third AGMS after their appointed date, and may be reappointed for the next term without reducing the rights of AGMS to do a dismissal at any time.

- (ii) Approved the changes of Article 14 Paragraph 13 of the Company's Article of Association regarding the Board of Directors' authority to represent the Company to be as follow :

President Director and Vice President Director or one of the Board of Directors' members jointly entitled to act for and on behalf of the Board of Directors to represent the Company. If the President Director was unable to attend for any reason without the need to prove to any party, the Vice President Director and 2 (two) members of the Board of Directors are jointly entitled to act for and on behalf of the Board of Directors to represent the Company. If the President Director and Vice President Director was unable to attend for any reason without the need to prove to any party, the 3 (three) members of the Board of Directors are jointly entitled to act for and on behalf of the Board of Directors to represent the Company.

Results of Annual General Meeting (continued)

- (iii) Approved the changes of Article 16 Paragraph 7 of the Company's Article of Association regarding the Board of Commissioners' term of office to be as follow :

Board of Commissioners' members are appointed by AGMS, respectively from the specified date in AGMS which appointed them until the closing date of the third AGMS after their appointed date, and may be reappointed for the next term without reducing the rights of AGMS to do a dismissal at any time.

- B. Authorized and empowering the Board of Directors of the Company with the substitution rights to perform any action regarding the changes of Article 13 Paragraph 3, Article 14 Paragraph 13 and Article 16 Paragraph 7 of the Company's Article of Association, including but not limited to face the Notary or the authorized institute or any other parties, to provide necessary informations, report the changes of the Article of Association to the Ministry of Justice and Human Rights and/or other relevant institute as well as to submit and sign all applications and other necessary documents.

Results of Annual General Meeting (continued)

5. A. Approved and appointed the Board of Commissioners and the Board of Directors members of the Company for the next period, starting from the closing of today's meeting until the closing of Annual General Meeting of Shareholders for book year 2016 which will be held in 2017, with the following composition :

Results of Annual General Meeting (continued)

Board of Commissioners

Independent President Commissioner	: John Bellis
Independent Commissioners	: Jonathan L. Parapak
Commissioner	: Sigit Prasetya
Commissioner	: Rene Mang Wing Ming
Commissioner	: Henry Jani Liando
Commissioner	: William Travis Saucer

Results of Annual General Meeting (continued)

Board of Directors

President Director	: Benjamin J. Mailool
Vice President Director	: L. Michael Remsen
Director	: Wai Hoong Fock
Director	: Andy N. Purwohardono*
Director	: Joo Suk Kim
Director (Non Affiliated Director/Independent)	: Andre Rumantir

**New Member*

Board of Management

CEO : L. Michael Remsen**

Directors : Richard Gibson**
Keith Jones
Sunny Setiawan
Christian Kurnia
Martin Laihad
Irwin Abuthan
Andre Rumantir
Miranti Hadisusilo
Bob E Baublits

***Directors are executives who are experts in their respective fields, with duties and authorities similar to the member of the Board of the Directors*

Andy Nugroho Purwohardono



Indonesian Citizen. Worked as a Director in PT Link Net Tbk and as a Managing Director in CVC Asia Pacific (Singapore) Ltd since 2013. Before joining these companies, He has a professional career for 22 years in several leading companies such as PT Morgan Stanley Asia Indonesia, PT Danareksa Sekuritas, ABN Amro Bank, PT SG Securities, PT Peregrine Securities, PT OCBC Sikap Securities and Intel Corp in Oregon, USA. He holds a Bachelor of Science in Industrial Engineering from Oregon State University and Master of Business Administration from The University of Texas, San Antonio. He is 45 years old.

Results of Annual General Meeting (continued)

- B. Approved the proposed remuneration including salary and/or honorarium and allowances or other remuneration for the members of Board of Commissioners based on performance-oriented formula, market competitiveness, and alignment of the Company's financial capacity, and other things necessary with maximum collective amount of 0.2% (zero point two percent) of the Company's net sales.
- C. Gave the authorities to the Board of Commissioners to design, establish and enforce the remuneration system, including honorarium, allowances, salaries, bonuses and other remuneration to the members of the Board of Directors of the Company based on a performance-oriented formula, market competitiveness, and alignment of the Company's financial capacity to meet them, as well as the other necessary things.
- D. Authorized and empowering the Board of Directors of the Company with the substitution rights to perform any action regarding to the appointment of Board of Commissioners and Board of Directors above, including but not limited to register the Board of Commissioners and Board of Directors members in the Company Register as well as to submit and sign all applications and other necessary documents.

Results of Annual General Meeting (continued)

6. Approved and/or ratified the affirmation of the Company's current shareholding are as follows :

- | | | |
|----|----------------------------|----------|
| 1. | Asia Color Company Limited | : 25.66% |
| 2. | PT Multipolar Tbk | : 20.48% |
| 3. | Public | : 53.86% |

2013 Results

(in billion Rupiah)

	Audited Financials		Growth (%)
	2013	2012	2013 v 2012
Gross sales (including consignment)	12,735	10,867	17.2%
Profit before income tax	1,524	1,159	31.5%
Net income	1,150	771	49.2%

- **Gross sales increased by 17.2%**
- **Strong same-store-sales-growth (SSSG) of 12.1%**
- **Profit before income tax increased by 31.5%**
- **2013 net income increased by 49.2% to Rp 1,150 bn**

2013 BUSINESS REVIEW

New Stores in 2013

1. Matahari Department Store Kaza City – Surabaya (10 April 2013)
2. Matahari Department Store Mega Town Square - Palangkaraya (24 April 2013)
3. Matahari Department Store Lippo Plaza Jakabaring – Palembang (30 May 2013)
4. Matahari Department Store Palopo City Market - Palopo (13 June 2013)
5. Matahari Department Store Mal Ciputra Cibubur - Bekasi (27 June 2013)
6. Matahari Department Store Cibinong City Mall – Cibinong (17 Oct 2013)
7. Matahari Department Store Mal Mandau City - Duri (28 Nov 2013)
8. Matahari Department Store Palu Grand Mall - Palu (5 Dec 2013)
9. Matahari Department Store Yogya City Mall - Yogyakarta (19 Dec 2013)

MATAHARI STRONG POSITIONING



Strategic Positioning

- ▶ Matahari is Indonesia's largest and most trusted department store brand ⁽¹⁾
- ▶ Focus and leadership in the middle income segment
- ▶ Extensive offering of fashionable apparel, accessories, beauty products and other merchandise
- ▶ 68% consignment and 32% direct purchase & exclusive brands ⁽²⁾
- ▶ 100% leased store base
- ▶ Modern department store with typical store size of 5,000 to 9,000 sqm and total GFA of 807,663 sqm

“Indonesia's Most Preferred Department Store”

Notes :

1. Based on MarkPlus Independent Consumer Survey in December 2012
2. Full Year 2013



2013 Awards and Certificates

- ▶ Excellent Service Experience Award (ESE Award) 2013, Bisnis Indonesia – Carre CCSL
- ▶ Prasasti Jagaddhita 2013, Dompot Dhuafa, as one of the fundraising partner in “Rumah Sehat”
- ▶ Top Brand Awards For Kids 2013, Frontier Consulting Group and Marketing Magazine, ‘Top Brand’ Category : Kids T-Shirt (Nevada)
- ▶ Top Brand Awards For Kids 2013, Frontier Consulting Group and Marketing Magazine, ‘Top Brand’ Category : Kids T-Shirt (Little-M)
- ▶ Top Brand Awards For Teens 2013, Frontier Consulting Group and Marketing Magazine, ‘Top Brand’ Category : T-Shirt (Nevada)
- ▶ Service Quality Award 2013, Center for Customer Satisfaction and Loyalty, For Achieving Excellent Total Service Quality Satisfaction Based on Customer Perception Survey ISSI 2013. Category: Department Store

2013 Awards and Certificates (continued)

- ▶ Indonesia's Most Admired Companies (IMAC) Award for Department Store Category. Bloomberg Businessweek Magazine and Frontier Consulting Group. The best in Building and Managing Corporate Image Award 2013
- ▶ Satria Brand Award 2013 by Suara Merdeka. Category: Department Store
- ▶ 100 Largest Companies in Indonesia. Fortune Magazine. 92nd in the list of 100 Largest Companies in Indonesia based on net revenue (47th based on gross sales). 23rd in retail and service sector based on net revenue (9th based on gross sales)
- ▶ 2nd Grand Champion for Corporate Level Across Categories. The 9th National Customer Service Championship 2013 by Carre-CCSL
- ▶ Top Brand Award 2013. Marketing Magazine & Frontier Consulting Group. Category: Department Store
- ▶ Reader's Choice Award 2013. Mother & Baby Indonesia. Favourite 2 Category I: Products for Mom, Maternity Fashion (St.Yves)

2013 Awards and Certificates (continued)

- ▶ Social Media Award 2013. Marketing Magazine & Frontier Consulting Group. Great Performing Brand in Social Media. Category: Department Store
- ▶ Shoppers-Insight Service Quality Award 2013. Markplus Insight and Marketeers. Gold Champion of Shoppers-Insight Service Quality Award 2013. Category: Department Store
- ▶ Digital Marketing Award 2013. Survey One & Marketing Magazine. Great Performing Website. Category: Department Store
- ▶ Indonesia Customer Satisfaction Award (ICSA) 2013. Frontier Consulting Group and SWA Magazine. The Best in Achieving Total Customer Satisfaction. Category: Women's Underwear (Nevada)
- ▶ The Best Company in Developing Female Labors 2013 for Provincial Level for MDS Brylian Kendari. Ministry of Women Empowerment and Child Protection of Republic Indonesia, Ministry of Manpower and Transmigration of Republic Indonesia and Governor of Southeast Sulawesi

2013 Awards and Certificates (continued)



2014 Awards and Certificates

- ▶ Excellent Service Experience Award 2014, Carre CCSL and Bisnis Indonesia Daily Newspaper. Good Performance in Delivering Positive Customer Experience based on Mystery Shopping Research ESEI 2014
- ▶ Top Brand Award 2014. Marketing Magazine and Frontier Consulting Group. Category: Women's Underwear (Nevada)



2014 KEY BUSINESS OBJECTIVES



Key Goals in 2014

- ▶ Continue to deliver quality fashionable merchandise at affordable prices
- ▶ Improve Company profitability and increase shareholder's return
- ▶ Expand new store locations
- ▶ Continue to provide superior customer service
- ▶ Further develop our successful modern store concept
- ▶ Continue to invest in our people through training, education and development
- ▶ Continue to further build and develop strategic partnerships with our loyal suppliers



Thank You