

MATAHARI DEPARTMENT STORE APPROVES Rp 1.4 TRILLION or 70% PAYOUT FOR CASH DIVIDEND

The Annual General Meeting of Shareholders ("AGM") of PT Matahari Department Store Tbk (IDX: LPPF) (The Company) on 26 April 2017 concurred and approved the Directors' Report on the Company's business achievements and financial results for the fiscal year 2016. The Directors reported that the Company recorded a total 2016 gross sales of Rp 17.3 trillion, up 8.3% over 2015 with same store sales growth (SSSG) of 5.5%. 2016 net income increased by 13.4% to Rp 2,020 billion.

The AGM approved the use of its 2016 net income of Rp 2,020 billion as follows: Rp 1,414 billion or 70% of 2016 net profit for a cash dividend, to be distributed to its 2,917,918,080 shares, equivalent to Rp 484.60 per share, to be paid on 26 May 2017. The balance of Rp 606 billion will be recorded as retained earnings.

The AGM also confirmed shareholders' approval of the composition of the Board of Directors and Board of Commissioners below.

Board of Directors:

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|-------------------------|------------------------|
| President Director | : Bunjamin J. Mailool |
| Vice President Director | : Richard T. Gibson |
| Director (Independent) | : Andre Rumantir |
| Director | : Eddy Harsono Handoko |
| Director | : Christian Kurnia |

Board of Commissioners:

| | |
|--------------------------------------|-------------------------|
| President Commissioner (Independent) | : John Bellis |
| Independent Commissioner | : Jonathan L. Parapak |
| Independent Commissioner | : Herbert Stepic |
| Commissioner | : Sigit Prasetya |
| Commissioner | : Henry Jany Liando |
| Commissioner | : William Travis Saucer |
| Commissioner | : John Riady |
| Commissioner | : Niel Byron Nielson |
| Commissioner | : Johanes Jany |

"The cash dividend amounting Rp 1,414 billion or 70% of net income shows our commitment to increasing our stakeholders' returns", said Richard Gibson, Vice President Director and CEO of the Company.

He also stated that the Board of Management of PT Matahari Department Store Tbk successfully executed on its growth strategies by opening 9 new stores in 2016. With these openings, Matahari, building on its history as the first domestic department store chain in Indonesia, now has 151 stores operating across Indonesia, and also offers its merchandise on-line at MatahariStore.com.

About PT Matahari Department Store Tbk

Matahari Department Store is Indonesia's largest department store retailer of fashion apparel, beauty and home products. With a network of over 1,200 local suppliers, as well as international suppliers, developed over its 58 year history, Matahari provides the growing Indonesian middle class with the latest in fashion trends showcased in its modern and well-appointed stores. Matahari has 151 stores in operation located in 70 cities across Indonesia, and also offers its merchandise on-line at MatahariStore.com.

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