

MATAHARI DEPARTMENT STORE REPORTS 16.3% GROWTH IN NET INCOME

YTD September 2016 Highlights:

- **9.2% growth in total gross sales to Rp 13,215 billion**
- **6.0% same store sales growth (SSSG)**
- **16.3% growth in net income to Rp 1,610 billion**
- **Opened 5 new stores plus 1 in October, bringing the total store count to 148**

PT Matahari Department Store Tbk (“Matahari” or “the Company”; stock code: “LPPF”) recorded strong results in the 9 months through September 2016, with a 16.3% growth in net income to Rp 1,610 billion, as compared to the Rp 1,384 billion in the same period last year.

Gross sales were Rp 13,215 billion, 9.2% higher than last year’s Rp 12,105 billion. Net revenue was Rp 7,522 billion, 10.4% higher than last year’s Rp 6,813 billion.

Matahari currently operates 148 stores in 68 cities across Indonesia, having opened 5 new stores up to September 2016, in Cileungsi (West Java), Jambi (Central Sumatera), Tanjung Pinang (Riau Islands - Sumatera), Mojokerto (East Java) and Kemang (South Jakarta), plus 1 in Semanggi (South Jakarta) in October 2016. We anticipate opening a further 2 stores by yearend.

Richard Gibson, CEO of the Company said, “Despite the weak economic environment, our core strategies remain unchanged. We continue to remain focused on providing fashionable products with great value to our customers and implementing strong internal expense controls across the organization. These efforts have enabled us to continue to deliver both sales and earnings growth.”

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 approximately 850 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 148 stores in operation located in 68 cities across Indonesia.

For further information, please contact:

Corporate Communications / Investor Relations
PT Matahari Department Store Tbk
Tel: (62 21) 547 5333
E-mail: corp.comm@matahari.co.id, ir@matahari.co.id
Website: www.matahari.co.id

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