

MATAHARI DEPARTMENT STORE REPORTS STRONG RESULTS THROUGH SEPTEMBER 2014, WITH A 27.7% INCREASE IN COMPARABLE NET INCOME

YTD September 2014 Highlights:

- **Total gross sales of Rp10,980 billion, up 14.0% over last year**
- **Strong same store sales growth (SSSG) of 11.3%**
- **Comparable net income increased 27.7% over last year**

PT Matahari Department Store Tbk (“Matahari” or “the Company”; stock code: “LPPF”) recorded strong results in the 9 months through September 2014, with net income of Rp1,060 billion. Comparable net income in the 9 months through September 2014 increased 27.7% over the same period last year.

Gross sales were Rp10,980 billion, a 14.0% increase over last year. Net revenue was Rp6,039 billion, 18.2% higher than last year. The same store sales growth of 11.3% in the 9 months period was driven by continued strong demand from the Company’s target middle income segment.

As of 30th September 2014, Matahari operated 126 stores in 62 cities across Indonesia. Up to Q3 2014 Matahari has opened 2 new stores (Jakarta and Sampit) and anticipates opening a further 7 stores by year end.

The Company continues to repay its debt on an accelerated basis, with its balance decreasing to Rp1,280 billion as of 30th September 2014, compared to Rp1,969 billion as of 30th September 2013.

Michael Remsen, CEO and Vice President Director of the Company said, “We continue to see strength and resilience in consumer demand in our target middle income segment. Customers are reacting positively to our continued efforts to provide fashionable products with great value, in an enjoyable customer-focused environment.”

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 55 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 126 stores in operation located in 62 cities across Indonesia.

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