

MATAHARI DEPARTMENT STORE REPORTS 15.6% GROWTH IN NET INCOME

Highlights:

- **10.9% growth in total gross sales to Rp 10,017 billion**
- **8.0% same store sales growth (SSSG)**
- **15.6% increase in net income to Rp 1,338 billion**
- **Opened 4 new stores, plus 1 in July, bringing the total store count to 156**
- **Increases dividend by 13.4%**

PT Matahari Department Store Tbk (“Matahari” or “Company”; stock code: “LPPF”) reported its 1st Half 2017 results, with a 15.6% growth in net income. Net income was Rp 1,338 billion, as compared to Rp 1,157 billion in the 1st Half 2016.

Gross sales for 1st Half 2017 were Rp 10,017 billion, 10.9% over 1st Half 2016 gross sales of Rp 9,034 billion. Net Revenue was reported at Rp 5,737 billion, 10.8% higher than the Rp 5,180 billion reported in the 1st Half 2016. Despite weaker consumption trends, the Company achieved an SSSG of 8.0% in the 1st Half 2017.

Matahari currently operates 156 stores in 71 cities across Indonesia, having opened 4 new stores in the 1st Half 2017, in Tegal (Central Java), Madiun, Jember (both in East Java) and Medan (North Sumatera), plus 1 in July 2017 in Cirebon (West Java).

On 26 May 2017, Matahari paid its final dividend for 2016 of Rp 1.4 trillion or Rp 484.6 per share, equivalent to 70% of Matahari’s 2016 Net Income, a 13.4% increase from last year.

Richard Gibson, CEO and Vice President Director of the Company said, “The recent weakness seen in domestic consumption in Indonesia remains a concern, however we remain confident that this is a cyclical as opposed to a structural challenge, and that the consumer will rebound in the medium term. We also believe that our initiatives focusing on serving our customer needs, by providing continued improvements in our merchandise offerings, will enable us to not only withstand near-term macro headwinds, but also to achieve long-term sustainable 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 156 stores in operation located in 71 cities across Indonesia, and also offers its merchandise on-line at MatahariStore.com.

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