

MATAHARI DEPARTMENT STORE REPORTS GROSS SALES OF Rp 13.2 TRILLION

Highlights:

- **Gross sales maintained at the same level as last year at Rp 13.2 trillion**
- **Net income of Rp 1.5 trillion, equivalent to 11.4% of sales**
- **Opened 5 new stores, bringing the total store count to 154**

PT Matahari Department Store Tbk (“Matahari” or “the Company”; stock code: “LPPF”) recorded gross sales of Rp 13.2 trillion, maintained at the same level as last year. Net revenue was also stable at Rp 7.5 trillion. Nevertheless, same store sales growth declined 2.7%, predominantly as a result of the weaker consumer environment. Net income for the nine months of 2017 was Rp 1.5 trillion, equivalent to 11.4% of sales.

Matahari currently operates 154 stores in 71 cities across Indonesia, having opened 5 new stores up to September 2017, in Tegal (Central Java), Madiun, Jember (both in East Java), Medan (North Sumatera), and Cirebon (West Java). We anticipate opening a further 1-3 stores by year end.

Richard Gibson, CEO and Vice President Director of the Company said, “Our strategic initiatives are focused on how we can better serve our existing customers, as well as attract new ones. We are at an important stage in our evolution where we will be introducing innovative ways to further enhance the customer experience, both in-store and with our merchandise assortments. One example of this is our new strategic partnership with Disney, which allows us to bring exciting and exclusive product into our stores and showcase them in a way that makes it fun to shop.”

About PT Matahari Department Store Tbk

Matahari Department Store is the first and largest department store in Indonesia, which currently operates 154 stores with retail space of more than one million square-meters in 71 cities across Indonesia, and also offers its merchandise on-line at MatahariStore.com. Developed over its 59 years history, Matahari provides the growing Indonesian middle class with the latest in fashion trends for apparel, as well as beauty products and home products, showcased in its modern and well-appointed stores. Matahari is very proud for its support to Indonesian economic by employing more than 40,000 employees and partner with approximately 850 local vendors, as well as international suppliers.



The Company received many recognitions from the industry – nationally and internationally – including Top 500 Retail Asia Pacific – 3rd Retailer in Indonesia from Retail Asia, Euromonitor, KPMG & NYCU; Brand Asia 2017 – Top 3 Most Powerful Retail Brand in Indonesia from Nikkei BP Consulting, Inc and WoW Brand Award 2017 – Gold Champion from MarkPlus Inc, both for department store category. The Company also received Netizen Brand Choice Award 2017 from Warta Ekonomi. All of these awards support and strengthen the good reputation of the Company as one of the leading, dynamic, and trusted companies.

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

Halo Matahari: (021) 500838
Facebook: www.facebook.com/mataharidepartmentstore
Youtube: Matahari Department Store
Twitter: @GayaMatahari
Instagram: MatahariDeptStore
Website: www.matahari.co.id

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