

MATAHARI DEPARTMENT STORE REPORTS GROSS SALES OF RP 3,368 BILLION

Highlights 1st Half 2018:

- **Total gross sales of Rp 10,370 billion, grew 3.5% over 1st Half 2017**
- **Same store sales growth (SSSG) of 4.6%**
- **Net income of Rp 1,345 billion, 0.5% above 1st Half 2017**

PT Matahari Department Store Tbk (“Matahari” or “the Company”; stock code: “LPPF”) reported 1st Half 2018 gross sales of Rp 10,370 billion, increasing 3.5% from Rp 10,017 billion in 1st Half 2017, whilst net revenue increased by 3.1% to Rp 5,915 billion and net income was Rp 1,345 billion, 0.5% above 1st Half 2017. Same store sales growth (SSSG) of 4.6% was driven predominantly by a solid lebaran sales following a more targeted promotional campaign and enhanced merchandise offerings.

Matahari currently operates 155 stores in 74 cities across Indonesia, having opened 2 new stores in the 1st Half 2018, in Mamuju (Sulawesi) and Cilegon (West Java), and also offers its merchandise on-line at Matahari.com. The Company anticipates opening 1 to 2 new stores in the second half of 2018.

On 30 May 2018, Matahari paid its final dividend for 2017 of Rp 1.3 trillion or Rp 457.5 per share, equivalent to 70% of Matahari’s 2017 Net Income.

Richard Gibson, CEO and Vice President Director of the Company said, “Our first half results show the importance of putting customer satisfaction as an integral part of our strategy. Going forward, an ongoing focus to improve the value and relevancy of our merchandise offerings, promotions and overall shopping experience should help spur the growth of our business.

About PT Matahari Department Store Tbk

Matahari Department Store is the first and largest department store in Indonesia, which currently operates 155 stores with retail space of almost one million square-meters in 74 cities across Indonesia, and also offers its merchandise on-line at Matahari.com. Developed over its 60 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 the Indonesian economy by employing more than 40,000 employees and partnering 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: (021) 547 5333
E-mail: corp.comm@matahari.co.id, ir@matahari.co.id
Halo Matahari: (021) 500 838



www.matahari.co.id



[mataharideptstore](https://www.instagram.com/mataharideptstore)



[@gayamatahari](https://twitter.com/gayamatahari)



[Matahari Department Store](https://www.facebook.com/matahari.department.store)



[Matahari Department Store](https://www.youtube.com/matahari.department.store)



[Matahari Dept Store](https://line.me/tv/matahari.dept.store)

This press release has been prepared by PT Matahari Department Store Tbk (“LPPF”) and is circulated for the purpose of general information only. It is not intended for any specific person or purpose and does not constitute a recommendation regarding the securities of LPPF. No warranty (expressed or implied) is made to the accuracy or completeness of the information. All opinions and estimations included in this release constitute our judgment as of this date and are subject to change without prior notice. LPPF disclaims any responsibility or liability whatsoever arising which may be brought against or suffered by any person as a result of reliance upon the whole or any part of the contents of this press release and neither LPPF nor any of its affiliated companies and their respective employees and agents accepts liability for any errors, omissions, negligent or otherwise, in this press release and any inaccuracy herein or omission here from which might otherwise arise.

Forward-Looking Statements

Certain statements in this release are or may be forward- looking statements. These statements typically contain words such as "will", "expects" and "anticipates" and words of similar import. By their nature, forward looking statements involve a number of risks and uncertainties that could cause actual events or results to differ materially from those described in this release. Factors that could cause actual results to differ include, but are not limited to, economic, social and political conditions in Indonesia; the state of the property industry in Indonesia; prevailing market conditions; increases in regulatory burdens in Indonesia, including environmental regulations and compliance costs; fluctuations in foreign currency exchange rates; interest rate trends, cost of capital and capital availability; the anticipated demand and selling prices for our developments and related capital expenditures and investments; the cost of construction; availability of real estate property; competition from other companies and venues; shifts in customer demands; changes in operation expenses, including employee wages, benefits and training, governmental and public policy changes; our ability to be and remain competitive; our financial condition, business strategy as well as the plans and objectives of our management for future operations; generation of future receivables; and environmental compliance and remediation. Should one or more of these uncertainties or risks, among others, materialize, actual results may vary materially from those estimated, anticipated or projected. Specifically, but without limitation, capital costs could increase, projects could be delayed and anticipated improvements in production, capacity or performance might not be fully realized. Although we believe that the expectations of our management as reflected by such forward-looking statements are reasonable based on information currently available to us, no assurances can be given that such expectations will prove to have been correct. You should not unduly rely on such statements. In any event, these statements speak only as of the date hereof, and we undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise.