

PRESS RELEASE – FOR IMMEDIATE RELEASE

**SINARMAS LAND PATMI SURGED 412.5% TO
S\$238.2 MILLION FOR 4Q 2017;
ACHIEVED RECORD REVENUE OF S\$1,296.4 MILLION
AND PATMI OF S\$356.0 MILLION FOR FY 2017**

Singapore – 26 February 2018 – Singapore Exchange (SGX) Mainboard listed **Sinarmas Land Limited** (“SML” and together with its subsidiaries, the “Group”), announced today that Profit After Tax and Minority Interests (“PATMI”) for the fourth quarter ended 31 December 2017 (“4Q 2017”) surged 412.5% to S\$238.2 million mainly on the back of sales of land parcels and stronger operating performance from its Indonesia division, further boosted by exceptional gain of S\$109.4 million from the divestment of Orchard Towers by its International division.

FINANCIAL HIGHLIGHTS

	4Q 2017 (S\$'000)	4Q 2016 (S\$'000)	Variance (%)	FY 2017 (S\$'000)	FY 2016 (S\$'000)	Variance (%)
Revenue	560,419	328,086	70.8	1,296,442	879,098	47.5
Gross Profit	387,662	203,571	90.4	934,281	585,073	59.7
EBITDA ¹	333,357	141,226	136.0	750,934	417,155	80.0
Net Profit for the period	390,634	116,381	235.7	637,698	263,699	141.8
PATMI	238,164	46,472	412.5	355,971	114,908	209.8

Total revenue rose 47.5% to a record high of S\$1,296.4 million for full year ended 31 December 2017 (“FY 2017”) contributed mainly by higher sales of land parcels to Japanese and Chinese property developers and higher revenue recognized from handover of apartments in BSD City. The Group’s recurring income increased 4.8% to S\$156.6 million in FY

¹ EBITDA is earnings before income tax, non-controlling interests, interest on borrowings, depreciation and amortization, foreign exchange loss, exceptional item and share of results of associated companies and joint ventures.

2017 with higher rental income deriving from Indonesia division and increased rental contribution from UK division following the acquisition of 33 Horseferry Road in June 2017.

In line with the strong revenue performance, 4Q 2017 and FY 2017 gross profit increased 90.4% and 59.7% respectively to S\$387.7 million and S\$934.3 million. With higher profit margin deriving from sales of land parcels in Indonesia, the Group recorded an increase of 5.5 percentage points in gross profit margin for FY 2017 to 72.1% (FY 2016: 66.6%). Despite higher selling and general administrative expenses, the Group's EBITDA jumped 136.0% to S\$333.4 million in 4Q 2017 and increased 80.0% to S\$750.9 million in FY 2017. Mirroring the increase in EBITDA, EBITDA margin climbed 16.5 percentage points in 4Q 2017 to 59.5% (4Q 2016: 43.0%) and 10.4 percentage points in FY 2017 to 57.9% (FY 2016: 47.5%). Net finance expenses decreased from S\$66.9 million in FY2016 to S\$38.2 million in FY2017 mainly due to higher interest income earned and lower interest expenses in Indonesia due to lower average bank borrowings during FY2017.

In tandem with higher revenue contribution and stronger operating performance from its Indonesia division and an exceptional gain from the divestment of Orchard Towers, the Group's PATMI surged 412.5% to S\$238.2 million in 4Q 2017 and jumped 209.8% to S\$356.0 million in FY 2017.

The Group's balance sheet continues to remain strong as at 31 December 2017. The Group's total assets increased by S\$482.9 million to S\$6,562.8 million due to the acquisition investment properties, namely 33 Horseferry Road in Central London and Sinarmas MSIG Tower in CBD Jakarta, while cash and cash equivalents stands at S\$930.3 million with a net debt to equity ratio of 14.6%. Total borrowings increased by S\$166.0 million to S\$1,525.0 million mainly due to debt incurred on the acquisition of investment properties and borrowings for capital expenditures. Only approximately 13.6% of the total borrowings or S\$208.1 million are repayable within one year.

As a result of the stellar performance for FY2017, SML is proposing a special final dividend of 0.7 Singapore cents per share, in addition to the interim dividend of 0.8 Singapore cents per share which was paid in December 2017.

Ms. Margaretha Widjaja, SML's Executive Director and Vice-Chairman of SML Indonesia Division, said: *"The Indonesian economy continue to display resilience amidst global headwinds and geopolitical turbulences with GDP growing 5.07% in 2017, the fastest pace since 2013. Despite missing the growth target of 5.2% due to sluggish household consumption, rising commodity prices and global demand, coupled with continuous commitment by the Indonesian government to boost spending on infrastructure developments as well as*

continuous introduction of economic stimulus packages that seeks to curtail red tapes and simplify regulations is expected to support economic growth in 2018. However, the Group remains cautious on the outlook for property sales as domestic consumption may be hampered by June 2018 regional elections and 2019 general elections, where consumers usually adopt a wait-and-see approach.”

“Nonetheless, we are pleased to conclude a record-breaking year attributed to the strong support from stakeholders and our commitment to achieve sales target through land sales and strategic alliances. 2017 was also a testament of our active portfolio reconstitution strategy as the Group enhanced the quality of its investment properties through the acquisition of 33 Horseferry Road in Central London and Sinarmas MSIG Tower in CBD Jakarta, followed by recording exceptional gains on the divestment of Orchard Towers in Singapore. Going forward, we will continue to adhere to our earnings diversification strategy through the development and acquisition of commercial properties to increase its recurring income base, as well as unlocking values of long-term investment properties with the proceeds intended to be used as general working capital and/or for future acquisitions in other markets as and when such opportunities arise, thereby enhancing the Group's property investment yields.” added Ms. Widjaja.

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About Sinarmas Land Limited (www.sinarmasland.com)

Sinarmas Land Limited (“SML” and together with its subsidiaries, the “Group”) is, listed on the Singapore Exchange and headquartered in Singapore, is engaged in the property business through its operations in Indonesia, China, Malaysia and United Kingdom.

In Indonesia, SML is the largest property developer in terms of strategic land bank and market capitalisation. SML operates mainly through three public listed Indonesia subsidiaries, namely PT Bumi Serpong Damai Tbk (BSDE), PT Duta Pertiwi Tbk (DUTI) and PT Puradelta Lestari Tbk (DMAS) – with a combined market capitalisation in excess of S\$6.0 billion. Its Indonesia property division is engaged in many sub-sectors of the property business, including township development, residential, commercial, industrial and hospitality-related properties. Outside Indonesia, SML has development projects and long term investments in commercial and hospitality assets, across markets including Malaysia, China and the United Kingdom.

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