

PRESS RELEASE – FOR IMMEDIATE RELEASE

SINARMAS LAND REVERSED LOSS IN 4Q 2016 TO ACHIEVE PATMI OF S\$46.5 MILLION ON THE BACK OF 33.4% INCREASE IN REVENUE TO S\$329.8 MILLION

Singapore – 24 February 2017 – 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 4th Quarter ended 31 December 2016 (“4Q 2016”) recorded a positive S\$46.5 million, reversing a loss of S\$7.8 million in 4Q 2015, driven by higher revenue, higher share of results from associated companies and absence of a one-off exceptional loss. However, PATMI for the Financial Year 2016 (“FY 2016”) decreased 19.7% to S\$114.9 million due to lower revenue in the previous quarters and higher finance costs.

FINANCIAL HIGHLIGHTS

	FY 2016 (S\$'000)	FY 2015 (S\$'000)	Variance (%)	4Q 2016 (S\$'000)	4Q 2015 (S\$'000)	Variance (%)
Revenue	878,388	956,721	(8.2)	329,787	247,219	33.4
Gross Profit	584,060	656,894	(11.1)	205,229	160,359	28.0
EBITDA ¹	417,155	497,584	(16.2)	141,226	109,402	29.1
Profit for the year/period	263,699	329,630	(20.0)	116,381	2,905	n.m.
PATMI	114,908	143,117	(19.7)	46,472	(7,792)	n.m.

Total revenue for FY 2016 decreased 8.2% to S\$878.4 million due to lower sales of land for commercial and industrial purposes from the Indonesia property division amid subdued economic conditions. The decrease was partially offset by an increase in completed residential units being handed over to homebuyers in Indonesia, as well as leasing income from the Alphabeta building in London. The Group’s 4Q 2016 revenue rose 33.4% to S\$329.8 million

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.

due to higher handover of completed residential units in Indonesia's BSD City and industrial land sales from Kota Deltamas.

Despite the dip in FY 2016 revenue, recurring rental income jumped 14.8% from S\$130.2 million to S\$149.4 million, deriving mainly from the UK property division following contribution from Alphabeta building acquired in October 2015, as well as higher rental income from our Indonesia investment properties due to new leases being signed at improved rental rates.

In tandem with the lower revenue, FY 2016 gross profit declined 11.1% to S\$584.1 million. Gross profit margin decreased slightly from 68.7% to 66.5% due to lower sales of land parcels which deliver better margins. On the other hand, 4Q 2016 gross profit rose 28.0% to S\$205.2 million on higher revenue in the last quarter of the year.

The Group's FY 2016 EBITDA decreased 16.2% to S\$417.2 million mainly due to lower land sales from Indonesia division, offset by better EBITDA for the UK and China division. On the contrary, 4Q 2016 EBITDA increased 29.1% to S\$141.2 million due to higher revenue from Indonesia division and lower selling expenses. A lower net foreign exchange loss of S\$5.0 million was recorded in FY 2016, as compared to the higher foreign exchange loss in the previous year due to realised loss arising from settlement of certain Japanese Yen denominated receivables in FY 2015.

The Group's financial position as at 31 December 2016 remains healthy with net debt to equity ratio of 12.8%, total assets growing to S\$6,079.8 million, as well as having cash and cash equivalents amounting to S\$867.3 million. Total borrowings reduced by \$48.9 million to \$1,358.9 million mainly due to repayment and redemption of certain borrowings, and translation effect from the weakening of British Sterling Pound, partially offset by new issuance of interest bearing bonds and notes during FY 2016.

Commenting on the Group's financial performance, Ms. Margaretha Widjaja, SML's Executive Director and Vice-Chairman of SML Indonesia Division, said: *"Like many other emerging markets economies, Indonesia's commodity export driven economy continues to be reliant on the growth of its major trading partners and remains sensitive towards global uncertainties. Also, both local and global political headwinds have continued to cloud the economy progress despite Bank Indonesia's interest rates cuts, Indonesia's government economic stimulus packages, public infrastructure developments spending and a stable Rupiah currency."*

Ms. Widjaja added, *“Nonetheless, the Group has achieved a credible set of financial results against the backdrop of challenging operational and economic conditions. Leveraging on Indonesia government tax amnesty program, the Indonesia property division has launched its very own ‘Price Amnesty program’ in October 2016, offering our customers an once-in-a-lifetime discount. The program was a huge success as the Group sold more than 1,305 units of existing residential units, shop houses and land parcel lots. The success of the program illustrates the Group’s creativity and resilience in confronting adversity. Going forward, the Group shall continue to focus on the middle-income consumers and emerging white-collar workers with better purchasing power, as well as enhancing the pace of property development through joint ventures and land sales. In addition, the Group continues to seek opportunities to invest into investment properties, both in Indonesia and internationally, as part of its earnings and geographical diversification strategy.”*

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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, Singapore and United Kingdom.

In Indonesia, SML is the largest property developer in terms of strategic land bank and market capitalization. SML operates chiefly through three public listed Indonesian subsidiaries, namely PT Bumi Serpong Damai Tbk (BSDE), PT Duta Pertiwi Tbk (DUTI) and PT Puradelta Lestari Tbk (DMAS) – with a combined market capitalization in excess of S\$5.0 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. SML has long-term investments in commercial buildings, hotels and resorts, is involved in property development and has a presence in Singapore, Malaysia, China and United Kingdom.

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