

PRESS RELEASE – FOR IMMEDIATE RELEASE

**SINARMAS LAND PATMI JUMPED 72.1%
TO S\$117.8 MILLION FOR 9M 2017**

Singapore – 13 November 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 nine months ended 30 September 2017 (“9M 2017”) jumped 72.1% to S\$117.8 million on the back of higher revenue and stronger operating performance from its Indonesia division and increased profit contribution from its UK division.

FINANCIAL HIGHLIGHTS

	3Q 2017 (S\$'000)	3Q 2016 (S\$'000)	Variance (%)	9M 2017 (S\$'000)	9M 2016 (S\$'000)	Variance (%)
Revenue	199,581	145,930	36.8	736,023	548,601	34.2
Gross Profit	142,024	105,842	34.2	546,619	378,831	44.3
EBITDA ¹	77,763	65,004	19.6	417,577	275,929	51.3
Net Profit for the period	33,627	35,222	(4.5)	247,064	147,318	67.7
PATMI	17,573	17,448	0.7	117,807	68,436	72.1

Total revenue for the third quarter ended 30 September 2017 (“3Q 2017”) rose 36.8% to S\$199.6 million contributed mainly by higher sales of land parcels in both BSD City and Kota Deltamas, a larger number of residential units handed over to homebuyers as well as increased revenue recognition from apartments in BSD City.

In 9M 2017, the Group recognised S\$145.8 million of revenue from sales of land parcel to its joint venture with Mitsubishi Corporation (PT BSD Diamond Development) for further joint development. The gain arising from this transaction that is attributable to the interests of the

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.

Group has not been recognised in the Group's income statement in accordance with the requirement of Singapore Financial Reporting Standards, and the reversal of unrealised gain of S\$53.0 million that represents the Group's portion for gain on sales of land parcel to the joint venture have been reversed from the share of results of joint ventures, resulting in a loss of S\$42.8 million for 9M 2017. Without this reversal adjustment, the Group would have recorded a share of profit in joint ventures of S\$10.2 million in 9M 2017 as compared to share of loss of S\$1.9 million in 9M 2016 which was mainly due to better operating performance from higher sales of residential units in the other joint ventures.

The Group's recurring income increased 5.3% to S\$116.2 million in 9M 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 increase in revenue, 3Q 2017 and 9M 2017 gross profit increased 34.2% and 44.3% respectively to S\$142.0 million and S\$546.6 million. Due to higher profit margin deriving from sales of land parcels in Indonesia, the Group recorded an increase of 5.2 percentage points in gross profit margin for 9M 2017 to 74.3% (9M 2016: 69.1%). However, 3Q 2017 gross profit margin declined marginally of 1.3 percentage points to 71.2% (3Q 2016: 72.5%) on the back of lower selling price for a larger land parcel. Despite higher selling and general administrative expenses, the Group's EBITDA increased 19.6% to S\$77.8 million in 3Q 2017 and jumped 51.3% to S\$417.6 million in 9M 2017. While EBITDA margin climbed 6.4 percentage points in 9M 2017 to 56.7% (9M 2016: 50.3%), it dipped by 5.5 percentage points to 39.0% in 3Q 2017 (3Q 2016: 44.5%) due to higher operating expenses.

In tandem with higher revenue contribution and stronger operating performance from its Indonesia division, the Group's PATMI increased 0.7% to S\$17.6 million in 3Q 2017 and jumped 72.1% in 9M 2017 to S\$117.8 million.

The Group's balance sheet continues to remain healthy as at 30 September 2017. The Group's total assets increased by S\$236.9 million to S\$6,316.7 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\$720.7 million with a net debt to equity ratio of 22.4%. Total borrowings increased by S\$202.6 million to S\$1,561.5 million mainly due to debt incurred on the acquisition of investment properties and borrowings on capital expenditures.

Ms. Margaretha Widjaja, SML's Executive Director and Vice-Chairman of SML Indonesia Division, said: *"Despite the growth of Indonesia economy stagnating around 5 percent as private consumption continues to remain lethargic, stronger global growth coupled with*

improved commodity prices and continuous commitment by the Indonesian government to boost spending on infrastructure developments is expected to spur structural economic and social growth hereby serving as catalysts to lift consumer sentiments. In addition, the Indonesian government's affirmation to increase foreign investments through the continuation of economic stimulus packages that seeks to curtail red tapes and simplify regulations is beginning to bear fruits with foreign direct investment increasing 12.0% year-on-year."

"Aggressive monetary easing by Bank Indonesia to further cut its benchmark interest rate twice in August and September will support a low mortgage rate environment which will be beneficial to the real estate market and many homebuyers. In view of the favourable low credit environment, the Group will continue to focus on ensuring timely handing over of completed units and achieving its marketing sales target through land sales and strategic alliances, while embarking on its earnings diversification strategy through the development and acquisition of commercial properties to increase its recurring income base. Since the beginning of this year, the Group has successfully expanded its foothold in the United Kingdom with the acquisition of 33 Horseferry Road and acquired Grade A office spaces in Sinarmas MSIG Tower located in Central Jakarta."

"In addition, the Group has announced the divestment of its wholly-owned subsidiary, Golden Bay Realty (Private) Limited, on 3 November 2017, which is expected to further bolster the Group's earnings for FY2017 upon its successful completion by year end. This divestment is in line with our Group's strategy to unlock 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. In view of a strong and much improved results to-date, the Group has proposed an interim dividend of 0.8 Singapore cents to our shareholders." 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, Singapore 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 Singapore, Malaysia, China and the United Kingdom.

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