

PRESS RELEASE – FOR IMMEDIATE RELEASE

SINARMAS LAND POSTS PATMI OF S\$17.4 MILLION IN 3Q 2016

Singapore – 14 November 2016 – Singapore Exchange (SGX) Mainboard listed **Sinarmas Land Limited** (“SML” and together with its subsidiaries, the “Group”), today announced Profit After Tax and Minority Interests (“PATMI”) for the third quarter ended 30 September 2016 decreased 62.6% to S\$17.4 million due to lower foreign exchange gain and the absence of the one-off exceptional gain. Excluding the exceptional gain, PATMI would have decreased 16.4% instead.

FINANCIAL HIGHLIGHTS

	3Q 2016 (S\$'000)	3Q 2015 (S\$'000)	Variance (%)	9M 2016 (S\$'000)	9M 2015 (S\$'000)	Variance (%)
Revenue	145,930	191,123	(23.6)	548,601	709,502	(22.7)
Gross Profit	105,842	138,275	(23.5)	378,831	496,535	(23.7)
EBITDA ¹	65,004	93,955	(30.8)	275,929	388,182	(28.9)
Net Profit for the period ²	35,222	95,773	(63.2)	147,318	326,725	(54.9)
PATMI ²	17,448	46,709	(62.6)	68,436	150,909	(54.7)

Revenue for 3Q and 9M 2016 decreased 23.6% and 22.7% respectively to S\$145.9 million and S\$548.6 million mainly attributable to lower sales of land for commercial and industrial purposes in Indonesia as well as slower sales recognition pattern after the extension of a longer instalment payment scheme. Despite the drop in 9M 2016 revenue, recurring rental income grew 28.6% to S\$110.3 million, derived mainly from the UK property division that jumped 411.9% to S\$21.5 million (9M 2015: S\$4.2 million) following contribution from Alphabeta building acquired in October 2015, as well as higher rental income from our

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.

² Net Profit for the period and PATMI for 3Q & 9M 2015 includes one-off exceptional gain of S\$30,626,000

Indonesia investment properties due to new leases being signed at improved average rental rates.

Mirroring the dipped in revenue, 3Q & 9M 2016 gross profit declined by 23.5% and 23.7% respectively to S\$105.8 million and S\$378.8 million. Gross profit margin edged up 0.1 percentage points to 72.5% in 3Q 2016 (3Q 2015: 72.4%) on the back of lower industrial land cost but slipped 0.9 percent points to 69.1% in 9M 2016 (9M 2015: 70.0%) due to higher service cost incurred from the UK property division and lower margins from the China property division. The Group's 9M 2016 EBITDA decreased 28.9% to S\$275.9 million due by lower gross profit, offset partial by our UK property division EBITDA which increased 353.8% to S\$17.7 million.

The Group recorded a net foreign exchange loss of S\$16.7 million in 9M 2016 as opposed to S\$13.0 million gain in the previous corresponding period due to unrealised translation loss arising from the weakening of U.S. Dollar against the Indonesia Rupiah and Singapore Dollar. Coupling lower profit recognized from Indonesia division, higher foreign exchange loss, higher finance costs and absence of the one-off exceptional gain, PATMI decreased 54.7% to S\$68.4 million in 9M 2016. Excluding the one-off exceptional gain, 9M 2016 PATMI would decreased 45.3% instead.

The Group continue to preserve a healthy financial position as at 30 September 2016 with net debt to equity ratio of 15.8%, total assets of S\$5,483.9 million, as well as having cash and cash equivalents of S\$742.1 million. Total borrowings reduced by S\$120.2 million to S\$1,287.6 million as at 30 September 2016 due to repayment of loans on maturity and the weakening of British Sterling Pound on UK property loans.

Ms. Margaretha Widjaja, SML's Executive Director and Vice-Chairman of SML Indonesia Division, said: *"Indonesia economic growth remains hampered by the slowdown of its major trading partners and global uncertainties. In light of this, the Indonesian government has continued to stimulate the domestic economy through economic stimulus packages, tax amnesty program, loosening of monetary stance from Bank Indonesia to boost household consumption, tax cuts and accelerating public infrastructure developments."*

Ms. Widjaja added, *"The Group has delivered a set of commendable results amidst challenging operating environment through financial discipline and adaptation of defensive business strategies, such as strategic collaboration. Recently, the Group has successfully entered into a joint venture with Mitsubishi Corporation to jointly develop a 19-hectares mixed-used project in BSD City, Jakarta. This collaboration serves as a testament to the Group's brand equity as a leading Indonesia real estate developer known for its quality and trustworthiness. In addition,*

the Group seeks to mitigate property development income volatility through acceleration of its diversification strategy into investment properties, both in Indonesia and internationally, to generate new stable recurring income.”

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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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