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BUILDING A BETTER INDONESIA

Press Release

SSIA POSTED Rp1,520.1 BILLION of REVENUE and Rp102.8 BILLION OF OPERATING PROFIT

PT Surya Semesta Internusa Tbk (“SSIA”) 1H18 Financial Highlights

Consolidated Financial Statements			
First Half 2018			
(in billion Rp)			
	1H18	1H17	YoY
Revenues	1,520.1	1,555.5	-2.3%
Property	142.4	204.8	-30.5%
Construction	1,032.9	1,024.2	0.8%
Hospitality	344.4	326.2	5.6%
Others	0.4	0.3	
Gross Profit	361.3	414.4	-12.8%
EBITDA	120.2	174.3	-31.1%
Net Income	-56.0	1,234.8	-104.5%
Comprehensive Income	-52.0	1,231.3	-104.2%
EBITDA Margin	7.9%	11.2%	-3.3%
Net Income Margin	-3.7%	79.4%	-83.1%
	1H18	1Q18	QoQ
Cash and Cash Equivalents	1,760.9	2,125.5	-17.2%
Total Assets	7,491.4	7,808.3	-4.1%
Total Liabilities	3,209.8	3,361.9	-4.5%
Non Controlling Interest	418.8	447.8	-6.5%
Equity	3,862.8	3,998.6	-3.4%

Business Segment Analysis

1H18 in billion Rp	Business Segments			Total
	Property	Construction	Hospitality	
Revenues	142.4	1,032.9	344.4	1,520.1
<i>Segment percentage</i>	9%	68%	23%	100%
Gross Profit	47.8	104.7	208.4	361.3
<i>Segment percentage</i>	13%	29%	58%	100%
EBITDA	23.4	70.9*	58.7	120.2
<i>Segment percentage</i>	19%	59%	49%	100%
Gross Profit Margin	33.6%	10.1%	60.5%	23.8%
EBITDA Margin	16.4%	6.9%	17.0%	7.9%

*Includes income from JO Rp4.5 billion

1H17 in billion Rp	Business Segments			Total
	Property	Construction	Hospitality	
Revenues	204.8	1,024.2	326.2	1,555.5
<i>Segment percentage</i>	13%	66%	21%	100%
Gross Profit	100.9	109.2	204.0	414.4
<i>Segment percentage</i>	24%	26%	49%	100%
EBITDA	71.5	74.3*	59.8	174.3
<i>Segment percentage</i>	41%	43%	34%	100%
Gross Profit Margin	49.3%	10.7%	62.5%	26.6%
EBITDA Margin	34.9%	7.3%	18.3%	11.2%

*Includes loss from JO Rp1.4 billion

- SSIA for the first half of 2018 posted a consolidated revenue of Rp1,520.1 billion. The revenue decreased by about 2.3% from Rp1,555.5 billion in 1H17. This decrease was mainly due to revenue in property were down by about 30.5%. Meanwhile, SSIA's construction and hospitality business segment increased by about 0.8% and 5.6% respectively.
- SSIA gross margin declined to 23.8% in 1H18, 2.9% lower compared to 1H17 gross margin at about 26.6%.
- The Company 1H18 EBITDA stood at Rp120.2 billion, 31.1% lower from 1H17 EBITDA at Rp174.3 billion.
- SSIA's consolidated net income in 1H18 at -Rp56.0 billion, 104.5% lower compared to Rp1,234.8 billion booked in 1H17. The decrease was mainly due to lower income from property business segment.
- The Company cash position per 1H18 stood at Rp1,760.9 billion, a 17.2% lower compared to 1Q18 cash position at about Rp2,125.5 billion. On 15 January 2018, SSIA had received 85% remaining payment from sale of long term investment (Cikopo Palimanan Toll Road 20.5% of KSS stakes and 2.2% of NRCA stakes).

Property

- SSIA's property unit which consists of industrial estate revenue, maintenance fees, commercial rental, booked a revenue of Rp142.4 billion in 1H18 or 30.5% YoY decreased from Rp204.8 billion in 1H17.
- The industrial estate business unit, PT Suryacipta Swadaya, which is the Company main business, posted revenue of Rp108.2 billion, decreased by about 39.5% from 1H17 revenue of Rp178.9 billion, mainly due to the lower land sales booked in 1H18 (6ha in 1H17 versus 0.3ha in 1H18).
- SLP Karawang, under PT SLP SURYA TICON INTERNUSA. As of 30 June 2018, its first phase (34,864 sqm Net Leasable Area/NLA) and second phase (27,648 sqm NLA) occupancy rate were successfully maintained at 100%. Meanwhile, SLP Karawang's third phase, which consists of 5,076 sqm NLA, has started its operations on 1 May 2018 and currently are fully occupied. SLP Karawang's fourth phase, currently under construction, has total NLA of 9,648 sqm, targeted to be in operations in 4Q18.
- In 2017, SSIA has expanded its warehousing to Makassar, Sulawesi and Banjarmasin, Kalimantan with both total NLA of 20,000 sqm.

Construction

- PT Nusa Raya Cipta Tbk ("NRCA"), SSIA's construction unit, for the first half of 2018 recorded a revenue of Rp1,155.9 billion (includes projects within SSIA group). Its revenue compared to the same period in 1H17 increased by 12.8% from Rp1,024.5 billion. It also managed to book Rp53.6 billion of net profit from January – June 2018, decreased by 49.8% from 1H17 net profit of Rp106.8 billion.
- NRCA, for the first half of 2018 period managed to book new contracts of Rp1,177.3 billion, a 7.9% lower than new contracts achieved in 1H17 of Rp1,278.8 billion. Main projects obtained in 1H18 were Atria Ballroom Extension Tangerang, Sika Factory Cikarang, RS Budi Medika Lampung, Power Blok Indah Kiat Karawang, The Park Mall Sawangan, Pusat Pembelajaran Arntz-Geise UnPar Bandung.

Hospitality

- SSIA's hospitality business unit booked a revenue of Rp344.4 billion in 1H18 compared to Rp326.2 billion in 1H17. About 69.8% of total hospitality revenue generated by Gran Melia Jakarta ("GMJ") and Melia Bali hotel ("MBH"). While the remaining were contributed from Banyan Tree Ungasan Resort ("BTUR") and BATIQA Hotels.
- The GMJ occupancy rate for 1H18 was at 43.2% from 42.9% in 1H17. While the average room rate (ARR) for the first half of 2018 was around US\$97.0 from US\$103.7 in 1H17. Meanwhile MBH occupancy rate in 1H18 at 75.5% decreased from 80.6% in 1H17, mainly due to unstable situation of Mount Agung, the alert level is remained in the level three, followed by the airport closure on 29 June 2018. The ARR was US\$97.1 in 1H18 from US\$88.6 in 1H17.

- The BTUR occupancy rate in 1H18 was at 51.6% from 1H17's occupancy rate of 57.8%. The 1H18 ARR was at US\$452.9, from US\$479.9 in 1H17.
- SSIA has launched BATIQA Hotels in six locations by 2016. 1H18 occupancy rate of BATIQA Hotels which consists of BATIQA Hotel & Apartments Karawang, BATIQA Hotel Cirebon, BATIQA Hotel Jababeka, BATIQA Hotel Palembang, BATIQA Hotel Pekanbaru, and BATIQA Hotel Lampung recorded at 59.3%, while its ARR was at Rp303,990. BATIQA managed to improve its performance from 51.6% occupancy rate and ARR of Rp293,491 in 1H17. BATIQA plans to have its grand opening of BATIQA Hotel Darmo – Surabaya on 8 August 2018.

About PT Surya Semesta Internusa Tbk (SSIA)

SSIA, formerly known as PT Multi Investments Limited, was established on 15 June 1971, the Company then transformed into PT Surya Semesta Internusa ("SSIA") in 1995. SSIA's main businesses are industrial estate & real estate development, construction and hospitality.

SSIA's diversified investment portfolio primarily includes Suryacipta City of Industry, SLP Karawang, Graha Surya Internusa (not in operation, to be redeveloped into SSI tower), Gran Melia Jakarta Hotel, Melia Bali Hotel, Banyan Tree Ungasan Resort Bali, and BATIQA Hotels.

For more than 40 years in the property business, SSIA has strengthened its brand recognition and placed it as one of the strongest developer companies in Indonesia. Completing its milestone as a leading company, SSIA recorded its shares at Indonesia Stock Exchange and became a listed company on 27 March 1997. For more information, visit www.suryainternusa.com.

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