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Press Release

SSIA POSTED Rp2,658.5 BILLION of REVENUE and Rp177.8 BILLION OF OPERATING PROFIT

PT Surya Semesta Internusa Tbk (“SSIA”) 9M18 Financial Highlights

Consolidated Financial Statements			
Nine Month 2018			
(in billion Rp)			
	9M18	9M17	YoY
Revenues	2,658.5	2,355.7	12.9%
Property	216.0	310.8	-30.5%
Construction	1,848.8	1,504.1	22.9%
Hospitality	593.0	540.3	9.8%
Others	0.6	0.5	
Gross Profit	625.6	652.6	-4.1%
EBITDA	214.4	286.7	-25.2%
Net Income	-65.6	1,229.3	-105.3%
Comprehensive Income	-59.0	1,223.5	-104.8%
EBITDA Margin	8.1%	12.2%	-4.1%
Net Income Margin	-2.5%	52.2%	-54.7%
	9M18	1H18	QoQ
Cash and Cash Equivalents	1,397.5	1,760.9	-20.6%
Total Assets	7,449.0	7,491.4	-0.6%
Total Liabilities	3,162.4	3,209.8	-1.5%
Non Controlling Interest	430.8	418.8	2.9%
Equity	3,855.8	3,862.8	-0.2%

Business Segment Analysis

9M18 in billion Rp	Business Segments			Total
	Property	Construction	Hospitality	
Revenues	216.0	1,848.8	593.0	2,658.5
<i>Segment percentage</i>	8%	70%	22%	100%
Gross Profit	76.2	169.0	379.7	625.6
<i>Segment percentage</i>	12%	27%	61%	100%
EBITDA	39.2	115.2*	138.9	214.4
<i>Segment percentage</i>	18%	54%	65%	100%
Gross Profit Margin	35.3%	9.1%	64.0%	23.5%
EBITDA Margin	18.1%	6.2%	23.4%	8.1%

*Includes income from JO Rp6.8 billion

9M17 in billion Rp	Business Segments			Total
	Property	Construction	Hospitality	
Revenues	310.8	1,504.1	540.3	2,355.7
<i>Segment percentage</i>	13%	64%	23%	100%
Gross Profit	153.6	150.0	348.5	652.6
<i>Segment percentage</i>	24%	23%	53%	100%
EBITDA	111.5	96.5*	128.2	286.7
<i>Segment percentage</i>	39%	34%	45%	100%
Gross Profit Margin	49.4%	10.0%	64.5%	27.7%
EBITDA Margin	35.9%	6.4%	23.7%	12.2%

*Includes loss from JO Rp0.2 billion

- SSIA for the nine months of 2018 posted a consolidated revenue of Rp2,658.5 billion. The revenue increased by about 12.9% from Rp2,355.7 billion in 9M17. This increase was mainly due to revenue in construction and hospitality were up by 22.9% and 9.8% respectively. Meanwhile, SSIA's property business segment revenue decreased by about 30.5% due to the absence of land sales book in 3Q18 .
- SSIA gross margin declined to 23.5% in 9M18, 4.2% lower compared to 9M17 gross margin at about 27.7%.
- The Company 9M18 EBITDA stood at Rp214.4 billion, 25.2% lower from 9M17 EBITDA at Rp286.7 billion.
- SSIA's consolidated net income in 9M18 at –Rp65.6 billion, 105.3% lower compared to Rp1,229.3 billion booked in 9M17. The decrease was mainly due to lower income from property business segment.
- The Company cash position per 9M18 stood at Rp1,397.5 billion, a 20.6% lower compared to 1H18 cash position at about Rp1,760.9 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 Rp216.0 billion in 9M18 or 30.5% YoY decreased from Rp310.8 billion in 9M17.
- The industrial estate business unit, PT Suryacipta Swadaya, which is the Company main business, posted revenue of Rp164.3 billion, decreased by about 39.6% from 9M17 revenue of Rp272.0 billion, mainly due to the lower land sales booked in 9M18 (9ha in 9M17 versus 0.3ha in 9M18). The Company managed to book marketing sales of 8.3 hectares at the average selling price of US\$120.0 per m² in 3Q18.
- SLP Karawang, under PT SLP SURYA TICON INTERNUSA. As of 30 September 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 is now fully occupied. SLP Karawang's fourth phase, currently under construction, has total NLA of 9,648 sqm, targeted to be in operations in November 2018.
- 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 nine months of 2018 recorded a revenue of Rp1,858.5 billion (includes projects within SSIA group). Its revenue compared to the same period in 9M17 increased by 23.5% from Rp1,505.4 billion. It also managed to book Rp80.0 billion of net profit from January – September 2018, decreased by 29.2% from 9M17 net profit of Rp113.0 billion.
- NRCA, for the nine months of 2018 period managed to book new contracts of Rp1,429.3 billion, a 32.8% lower than new contracts achieved in 9M17 of Rp2,127.0 billion. Main projects obtained in 9M18 were RS Budi Medika Lampung, Sika Factory Cikarang, Atria Ballroom Extension Tangerang, ACS Works Kerry Cikarang Phase-3, Jembatan Sungai Ali Kendal, Power Blok Indah Kiat Karawang, RS Pricilla Medical Centre Cilacap, PLTD Halmahera, The Park Mall Sawangan, Pusat Pembelajaran Arntz-Geise UnPar Bandung, RS Bethsaida BPJS Gading Serpong, Sudamala Komodo Labuan Bajo.

Hospitality

- SSIA's hospitality business unit booked a revenue of Rp593.0 billion in 9M18 compared to Rp540.3 billion in 9M17. About 70.4% 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 9M18 was at 48.7% from 43.2% in 9M17. While the average room rate (ARR) for the nine months of 2018 was around US\$96.2 from US\$103.5 in 9M17. Meanwhile MBH occupancy rate in 9M18 at 80.3% decreased from 84.2% in 9M17, mainly due to unstable situation of Mount Agung, followed by the airport closure on 29 June 2018. The ARR was US\$108.0 in 9M18 from US\$99.0 in 9M17.

- The BTUR occupancy rate in 9M18 was at 55.3% from 9M17's occupancy rate of 65.2%. The 9M18 ARR was at US\$470.5, from US\$467.3 in 9M17.
- SSIA has launched BATIQA Hotels in seven locations by September 2018. 9M18 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 61.7%, while its ARR was at Rp331,873. BATIQA managed to improve its performance from 57.0% occupancy rate and ARR of Rp296,373 in 9M17. On 8 August 2018, BATIQA successfully had its grand opening of BATIQA Hotel Darmo – Surabaya. BATIQA Hotel Darmo - Surabaya is located in the heart of the city on Jalan Darmokali No. 60, Surabaya. The hotel has a total of 87 rooms including modernly designed 84 Superior Rooms and 3 Suites Room.

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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