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Press Release

## SSIA POSTED Rp1,180 BILLION of REVENUE and Rp132 BILLION OF NET INCOME FOR THE FIRST QUARTER OF 2016

### PT Surya Semesta Internusa Tbk (SSIA) 1Q16 Financial Highlights

Consolidated Financial Statements First Quarter 2016 (in billion Rp)			
	1Q16	1Q15	YoY
Revenues	1,179.5	1,317.4	-10.5%
Property	335.0	296.5	13.0%
Construction	681.7	879.0	-22.4%
Hospitality	156.5	141.9	10.3%
Others	6.2	-	-
Gross Profit	377.3	378.2	-0.2%
EBITDA	275.9	299.7	-7.9%
Net Income	132.3	203.8	-35.1%
Comprehensive Income	127.8	201.0	-36.4%
EBITDA Margin	23.4%	22.8%	0.6%
Net Income Margin	11.2%	15.5%	-4.3%
	1Q16	FY15	QoQ
Cash and cash equivalents	818.1	923.6	-11.4%
Total Asset	6,377.3	6,463.9	-1.3%
Total Liabilities	2,906.1	3,125.9	-7.0%
Non Controlling Interest	434.9	429.6	1.2%
Total Equity	3,036.3	2,908.4	4.4%

### Business Segment Analysis

1Q16 in billion Rp	Business Segments			Total
	Property	Construction	Hospitality	
Revenues	335.0	681.7	156.5	1,179.5
<i>Segment percentage</i>	28%	58%	13%	100%
Gross Profit	211.0	69.1	97.4	377.3
<i>Segment percentage</i>	56%	18%	26%	100%
EBITDA	201.9	57.7*	34.2	275.9
<i>Segment percentage</i>	73%	21%	12%	100%
Gross Profit Margin	63.0%	10.1%	62.2%	32.0%
EBITDA Margin	60.3%	8.5%	21.8%	23.4%

*\*Includes income from JO Rp4.3 billion*

1Q15 in billion Rp	Business Segments			Total
	Property	Construction	Hospitality	
Revenues	296.5	879.0	141.9	1,317.4
<i>Segment percentage</i>	23%	67%	11%	100%
Gross Profit	218.8	70.0	89.4	378.2
<i>Segment percentage</i>	58%	18%	24%	100%
EBITDA	209.8	76.5*	27.5	299.7
<i>Segment percentage</i>	70%	26%	9%	100%
Gross Profit Margin	73.8%	8.0%	63.0%	28.7%
EBITDA Margin	70.8%	8.7%	19.4%	22.8%

*\*Includes income from JO Rp20.9 billion*

- SSIA for the first quarter of 2016 posted a consolidated revenue of Rp1,179.5 billion. The revenue decreased by about 10.5% from Rp1,317.4 billion in 1Q15. This decline was mainly due to the lower revenue in SSIA's construction business unit by about 22.4%.
- SSIA's managed to improve its gross margin to 32.0% in 1Q16, a 3.3% higher compared to 1Q15 gross margin at about 28.7%. Meanwhile, the Company 1Q16 EBITDA stood at Rp275.9 billion, a 7.9% lower from 1Q15 EBITDA at Rp299.7 billion.
- SSIA's consolidated net income in 1Q16 reached Rp132.3 billion, a 35.1% lower compared to Rp203.8 billion booked in 1Q15. The decline was due to lower SSIA's construction and hospitality net income compared to 1Q15. In addition, there was a Rp18.0 billion loss from Equity in Net Earning of Associates (PT Lintas Marga Sedaya - Cipali toll road operator).

### Property

- Industrial estates in Greater Jakarta area reported 1Q16 sales volume had ebbed compared with previous periods. Total land sales this quarter achieved 19.39 hectares, only 6% of the total sales 2015. In general, 62% of the total sales in 1Q16 were concluded by logistics and automotive sector. Prices of industrial land only increased by 17% in the two main industrial estates in Serang. (source : Colliers 1Q16)

- SSIA's property unit which consists of industrial estate sales, maintenance fees, commercials, has booked a revenue of Rp335.0 billion in 1Q16 or a 13.0% YoY increased from Rp296.5 billion in 1Q15.
- The industrial estate unit, which is the Company main business, posted an accounting sales of 27.0 hectares industrial land in 1Q16 with an average selling price of US\$110.0 per m2 or a total of Rp287.2 billion compared to the industrial land sales in 1Q15 which stood at Rp248.9 billion. One thing to note that the 1Q16 accounting sales was generated from a marketing sales in 2012. Hence, the average selling price in 1Q16 decreased by 23.0% from US\$142.9 per m2 in 1Q15. Meanwhile, the land sales backlog by end of 1Q16 stood at 6.3 hectares with average selling price of US\$155.3 per m2.
- PT SLP SURYA TICON INTERNUSA ("SLP") 1Q16 occupancy rate was at 75% with an Average Rental Rate at Rp78,173 per m2. SLP which has launched second phase of modern warehousing facilities in January 2016. It plans to have 12 warehousing units with a total area of 27,648 per m2, each unit size is about 2,304 per m2. The second phase is expected to be commercially operating in 3Q16.
- Notes on the land bank progress in Subang, West Java, as of 31 March 2016, SSIA has managed to free up and acquired about 399 hectares.

## Construction

- The Jakarta high rise building market has yet to change from the last quarter of 2015 and is still characterized by a slow take-up rate as a result of softening demand, particularly from investment buyers. Despite the developers have offered attractive marketing gimmicks and flexible payment methods, demand has yet to grow noticeably.
- In an attempt to boost property sector, the government has undertaken several measures, such as easing individual foreign ownership, giving tax incentives to Indonesian REITs, increasing Loan to Value ratio and increasing the threshold for the tax on luxury property. Since early this year, Bank Indonesia has gradually cut the benchmark rate by 75 basis points (bps) to 6.75%, which will help spur growth in the property industry. Along with the announcement, the Financial Services Authority (OJK) and Bank Indonesia also targeted the lending rate at below 10%. Those measures are a positive catalyst for the property sector, in the long run. *(source : Colliers 1Q16)*
- PT Nusa Raya Cipta Tbk (NRCA), SSIA's construction unit, for the first quarter of 2016 recorded a revenue of Rp685.7 billion (includes projects within SSIA group), 22.9% from its full year target of Rp3.0 trillion. Its revenue compared to the same period in 2015 decreased by 24.1% from Rp903.6 billion. It also managed to book Rp30.0 billion of net profit from January – March 2016.
- NRCA, for the first three months of 2016 booked new contracts of Rp346.7 billion, 79.3% lower than new contracts in 2015 of Rp1,677.5 billion. The new contracts achievement represents 10.5% of total NRCA new contracts target for 2016 of Rp3.3 trillion (including projects from SSIA group). Main projects obtained in 1Q16 are The Rimba Extension, Gedung Pasca Sarjana FK UGM Yogyakarta, Tempo Yogyakarta, and MRT SP-01 Jakarta. Meanwhile, the Company sees a pickup in 2Q16 new contracts achievement.
- The Company's flagship infrastructure project, Cikopo - Palimanan (Cipali) toll road, completed construction works within 30 months with a total investment cost of Rp13.7 trillion. Starting its commercial operation since 26 June 2015. Cipali's average end to end sectional traffic volume from January to March 2016 reached 23,453 vehicles per day, with the average revenue per day of Rp 2.47 billion. Meanwhile, in April 2016,

Cipali offered discounts up to 30 % for class II to class V vehicles for one month period. Cipali would consequently see its traffic volume increased in the upcoming months, specifically in those discounted vehicles tariffs.

### **Hospitality**

- SSIA's hotel unit booked a revenue of Rp156.5 billion in 1Q16 compared to Rp141.9 billion in 1Q15. About 69.1% 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 Gran Melia Jakarta (GMJ) occupancy rate for 1Q16 was at 50.8% from 50.2% in 1Q15. While the ARR for the three months period of 2016 was around US\$102.7 from US\$ 122.5 in 1Q15. Meanwhile Melia Bali Hotel's (MBH) occupancy rate in 1Q16 at 73.3% increased from 60.6% in 1Q15. The ARR was US\$89.9 in 1Q16 from US\$95.0 in 1Q15.
- The Banyan Tree Ungasan Resort (BTUR) occupancy rate in 1Q16 was at 57.2% from 1Q15's occupancy rate of 64.2%. The 1Q16 ARR was US\$472.9, slightly lower than US\$485.9 in 1Q15.
- SSIA launched BATIQA Hotel Palembang on 18 February 2016, and the Company plans to add 2 more hotels, specifically in Pekanbaru (soft opening on 4 May 2016) and Lampung (soft opening on 2 June 2016) this year. BATIQA Hotel & Apartments Karawang, BATIQA Hotel Cirebon, BATIQA Hotel Jababeka, and BATIQA Hotel Palembang recorded 48.5% average occupancy rate. Its 1Q16 ARR was at Rp333,998.

### **About PT Surya Semesta Internusa Tbk (SSIA)**

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

SSIA's diversified investment portfolio primarily includes Suryacipta City of Industry, 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 milestones 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](http://www.suryainternusa.com).

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