



## PRESS RELEASE

# FULL YEAR 2015 NET REVENUE UP 4.6% TO IDR 17.9 TRILLION, GROSS PROFIT MARGIN UP 50 BPS AMID WEAK DOMESTIC ECONOMY

(31 March 2016) PT Multipolar Tbk ("Multipolar", IDX: MLPL) today reports consolidated full year 2015 net revenue of IDR 17.9 trillion, up 4.6% from IDR 17.1 trillion in 2014, and a 50 basis points gross profit margin improvement to 18.3% compared to 17.8% in 2014.

2015 was a challenging year for Multipolar as the pace of domestic economic growth slowed and the Rupiah continued to depreciate, resulting in weakened purchasing power of a majority of Indonesians. While some subsidiaries and associate companies thrived well amid this condition, several others performed under expectation. This, coupled with foreign exchange loss and a one-time expense associated with the conversion and phasing out of Hipermart business in China, resulted in a net loss of IDR 1.2 trillion.

### RETAIL SEGMENT

**MPPA**, one of the country's largest and fastest growing FMCG retailers, continues to drive the business through its strong and established brand line-up: Hypermart, Foodmart, and Boston Health & Beauty. In 2015, MPPA introduced its new retail formats such as Foodmart Primo (upscale supermarket), FMX (convenience store) and SmartClub (wholesale format). Despite the weak economy, MPPA manages to open 33 new outlets and by the end of 2015 MPPA operates 293 multiformat stores in 68 cities across the country. MPPA generates revenue of IDR 13.9 trillion in 2015, up 2.5% from 2014, while its net profit of IDR 183 billion is below its initial expectation, as it prudently took actions on inventory build up as a result of weakened demand.

**Matahari Department Store** (IDX: LPPF) reports strong results in 2015. Its total gross sales grew 10.8% to close to IDR 16 trillion in 2015 and its net income rose 25.5% to IDR 1.8 trillion. As of the end of 2015, Matahari Department Store operates 142 stores in 66 cities in Indonesia, having opened 11 new stores in 2015. MDS attributes this great performance to its focus on the quality and value of its merchandise assortment, aided by the resiliency of its middle income target segment.

In China, the management focuses on developing **Robbinz** department store which has shown promising results in revenue and profitability growth, including the conversion and phasing out **Hipermart** business to support the growth of Robbinz.

### TECHNOLOGY, MULTIMEDIA & TELECOMMUNICATIONS SEGMENT

**Multipolar Technology** (IDX: MLPT) and its subsidiaries contributed IDR 2.1 trillion in consolidated net revenues, an 8.9% growth from the previous year. Its gross profit margin improved 78 basis points as a result of the management's increased focus in solutions and services including cloud computing, big data, analytics, security, mobility and business process managed services, producing a consolidated net profit of 97.2 billion in 2015, up 44.9% year-on-year. MLPT subsidiary **Graha Teknologi Nusantara** is set to launch its data center business in the middle of 2016 in Lippo Cikarang, offering Rate 3 and Rate 4-ready data center in partnership with Mitsui & Co, Japan.

**BigTV**, leading the satellite TV industry with the largest number of channel offerings including the most number of high definition (HD) channels, reports a 36% year-on-year increase in revenue to IDR 249 billion in 2015, with a gross profit of IDR 103 billion in 2015. BigTV continues to improve its product offering and pricing strategy to ramp up its subscriber base.

**First Media** (IDX: KBLV) reports a revenue of IDR 1.1 trillion in 2015, 47.5% lower than the previous year, due to the deconsolidation of Link Net in 2014. It reports a net loss of IDR 1.5 trillion compared to a net profit of 7.9 trillion in 2014 due to the deconsolidation of Link Net and increased customer acquisition cost, communications equipment expenses and base transceiver station leasing fees. KBLV's 2014 net profit included an extraordinary gain of IDR 7.8 trillion.

*Multipolar, a Lippo Group company, is a diversified holding company focused on the Retail and TMT (Technology, Multimedia and Telecommunications) segments. In retail, it owns 50.2% of Matahari Putra Prima (MPPA) and 20.5% of Matahari Department Store, the largest hypermarket network and the largest department store in Indonesia, respectively, as well as other retail ventures. In TMT, Multipolar owns 80% of Multipolar Technology, a premier IT systems integrator, outsourcing and services provider, 33.7% of First Media, the country's largest fiber-optic internet broadband and cable TV network and operator, 65% of IMTV, one of the fastest growing satellite pay TV service in Indonesia with BigTV, as well as other interests in the TMT sector.*

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