

Investor Update

31 October 2018



57 Promenade, Jakarta

Intiland Announces 9M18 Earnings & Marketing Sales

Highlights

- **9M18 revenues increased 40.1% yoy to Rp 2.4 trillion**
- **Net profit attributable to owners of the Company declined 47.2% yoy to Rp 122.9 billion**
- **9M18 marketing sales reached Rp 1.6 trillion (46% of FY18 target)**
- **57 Promenade contributed marketing sales Rp 781 billion**

PT Intiland Development Tbk (“DILD” or “the Company”) announces its financial and marketing sales performance for the first nine months of 2018.

9M18 revenues increased 40.1% yoy to Rp 2.4 trillion

The Company’s revenues increased to Rp 2.4 trillion in 9M18, a 40.1% increase from Rp 1.7 trillion in the same period last year, primarily as a consequence of higher revenue recognition from mixed-use & high-rise segment and sale of non core assets. On the other hand, 17.8% of the revenues came from the investment properties segments which give positive contributions amounting to Rp 430.6 billion into the total 9M18 revenue.

Net profit attributable to owners of the company declined 47.2% yoy to Rp 122.9 billion

The Company booked 9M18 net profit attributable to the Company at Rp 122.9 billion, or declined 47.2% yoy from Rp 232.9 billion in 9M17. This achievement was driven mainly by higher revenues recognition compensated with increased of operating expenses and interest expense.

Total 9M18 debt increased to Rp 4.9 trillion

The increase of debt was resulted from additional loan drawdown for completing the construction of mixed-use & high-rise projects and working capital. The Company's total debt was Rp 4.9 trillion in 9M18, increased from Rp 4.4 trillion in December 2017.

The Company has paid the 2013 local bonds serie B due on July 9, 2018 amounting Rp 154.0 billion.

Table 1: Financial Highlights

in Rp billion	9M18	9M17	Δ %
Revenues	2,419	1,727	40.1%
Gross Profit	719	706	1.7%
Operating Profit	202.1	255	-20.6%
Net Income	123	233	-47.2%
EPS	12	22	-47.2%
Gross Profit Margin	29.7%	40.9%	
Operating Profit Margin	8.4%	14.7%	
Net Income Margin	5.1%	13.5%	
in Rp billion	9M18	FY17	Δ %
Total Assets	13,868	13,097	5.9%
Total Liabilities	7,435	6,787	9.5%
Total Equity	6,433	6,311	1.9%
Sales Advance	1,434	1,374	4.3%
Cash & cash equivalent	1,016	750	35.6%
Total Debt	4,908	4,431	10.8%
Net Debt to Equity	60.5%	58.3%	

Revenues Breakdown

The development revenues contributed Rp 2.0 trillion in 9M18, or increased 44.0% YoY from Rp 1.4 trillion in 9M17. Meanwhile, the recurring revenues generated Rp 430.6 billion in 9M18, or increased 24.5% yoy from Rp 345.9 billion in 9M17.

The revenues composition from development revenues and recurring revenues in 9M18 were 82.2% and 17.8% respectively. On the other hand, the revenues composition from development revenues and recurring revenues in 9M17 were 80.0% and 20.0% respectively.

The highest contribution from 9M18 total revenue was derived from the landed residential segment Rp 1.2 trillion (49.8%), followed by the mixed-use & high-rise segment Rp 729.1 billion (30.1%), the recurring revenues segment Rp 430.6 billion (17.8%) and the industrial estate segment Rp 54.7 billion (2.3%).

The revenues derived from landed residential segment primarily came from the sales of 246.8 ha land in Cengkareng amounting Rp 675.1 billion in the second quarter 2018, and delivery of housing units in Graha Natura, Serenia Hills, Magnolia Residence, Talaga Bestari, Taman Semanan Indah, Graha Famili and Griya Semanan.

The revenues booked from the mixed-use & high-rise projects was primarily generated from the recognition based on construction progress throughout the year from 1Park Avenue, Graha Golf,

Praxis, Rosebay, Regatta, Spazio Tower, Aeropolis, Sumatra36 and Spazio. Lastly, the recurring revenues came from the sport clubs and facilities, rental of office spaces and retail, as well as standard factory buildings from the industrial estate.

Table 2: Revenues Breakdown

in Rp billion	9M18	9M17	YoY %	% 9M18 to Total	% 9M17 to Total
Development revenues	1,988.8	1,381.2	44.0%	82.2%	80.0%
Mixed-use & high-rise	729.1	490.8	48.6%	30.1%	28.4%
Landed residential	1,204.9	339.3	255.2%	49.8%	19.6%
Industrial estate	54.7	551.1	-90.1%	2.3%	31.9%
Recurring revenues	430.6	345.9	24.5%	17.8%	20.0%
Offices	160.9	162.6	-1.0%	6.6%	9.4%
Facilities	222.3	142.4	56.2%	9.2%	8.2%
Industrial Estate	47.4	41.0	15.6%	2.0%	2.4%
Total Revenues	2,419.3	1,727.1	40.1%	100.0%	100.0%

Gross Profit Margin

The gross profit margin in 9M18 was posted at 29.7%, or decreased compared to 40.9% in 9M17. The gross profit margin was decreased because of lower sales of industrial estate in 9M18 compared to 9M17, which usually provides higher margin compared to other segments. In addition, the gross profit margin was also affected by the low margin of non core land sales in Cengkareng.

The gross profit margin for mixed-use & high-rise segment in 9M18 decreased to 27.6% from 27.7% in 9M17. The gross profit margin for landed residential segment in 9M18 decreased to 27.6% in 9M17 from 42.6% in 9M17. The gross profit for industrial estate segment in 9M18 increased to 69.1% from 55.4% in 9M17. Lastly, the gross profit margin for the investment property segment in 9M18 and 9M17 were 34% and 34.9% respectively.

Table 3: Gross Profit Margin

in Rp billion	9M18	9M17
Mixed-use & high-rise	27.6%	27.7%
Landed residential	27.6%	42.6%
Industrial estate	69.1%	55.4%
Investment properties	34.0%	34.9%
Gross Profit Margin	29.7%	40.9%

9M18 marketing sales reached Rp 1.6 trillion

The Company booked Rp 1.6 trillion of marketing sales in 9M18, or 46% from FY18 target of Rp 3,382 billion. This amount does not include the recurring income.

The significant achievement came from 57 Promenade's marketing sales, the project launched in the third quarter of 2017 which provided a total contribution of Rp 781 billion throughout 9M18, or 610% of its FY18 target of Rp 128 billion.

The 9M18 achievement is lower 43% YoY compared to 9M17 because there was no new project launching in 9M18. Meanwhile, the Company booked Rp 2,724 billion of marketing sales in 9M17, which primarily came from the launching of 57 Promenade.

Additional contribution from recurring income in 9M18 amounted to Rp 430 billion.

9M18 Marketing Sales Breakdown

The breakdown of 9M18 marketing sales achievement is as follows:

In Rp billion

No	Segment	FY18 Target	9M18 Results	% Results
1	Mixed-use & high-rise	2,302	1,112	48%
2	House and land	880	405	46%
3	Industrial Estate	200	45	23%
	Total	3,382	1,562	46%

The contribution based on location is as follows:

In Rp billion

No	Location	FY18 Target	9M18 Results	% Results
1	Jakarta	1,808	1,243	69%
2	Surabaya	1,574	319	20%
	Total	3,382	1,562	46%

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