



PT MNC Investama Tbk ("BHIT") Financial Release  
Jakarta, Indonesia – April 1, 2019

BHIT 2018 released its audited financial results for the year ended on December 31, 2018.

- BHIT's consolidated net revenues rose 8% YoY to Rp14,726 billion for FY-2018, supported by higher revenues across all businesses. The increase was driven primarily from the media sector, which contributed Rp10,321 billion revenues or 70% of the Company's total consolidated revenues. The net revenues from the financial services sector was up 10% YoY, amounting to Rp2,612 billion for FY2018. This represents an 18% revenue share, while the remaining 12% revenue contribution came from other investments.
- In the media sector, advertising revenues were still the driving force of the company's consolidated income, generating Rp5,575 billion for FY-2018, an increase of 11% from FY-2017. Digital ads have gained momentum, recording Rp261 billion in revenues for FY-2018, a significant growth of 192% from the previous year. The Pay-TV and Broadband business continued to deliver strong revenues with a 3% increase YoY of Rp3,228 billion in FY2018. Meanwhile, revenue from Content was Rp1,518 billion in FY-2018, which increased 4% compared to last year, as the Company also benefited from the rapid growth of non-traditional revenue streams such as built-in advertising and virtual advertising.
- The Company's four FTA TV Stations dominated prime time audience share of 34.7% throughout 2018 and continued its strong trend by achieving 38.4% audience share by the end of February 2019, driven primarily from its in-house content production programs that topped the charts year-round. The Company's Pay-TV business continued to prevail as the market leader among direct-to-home Pay-TV operators in Indonesia as it consistently offers premium quality services oriented to its customers and focused on expanding its extensive sales network. Our fiber optic-based network services provided through MNC Play have expanded quickly, as at the end of 2018, it has rolled out 1.5 million homepasses in 6 (six) major cities in Indonesia.
- This year, as an OTT extension of the FTA service, the Company will launch a connected TV (CTV) called FTA+, a live streaming content apps with various features such as: catch up TV, library, and creative content (web series, bloopers, behind the scene, audition, quiz, etc.). FTA+ will become an important source to strengthen the growth in the Company's digital revenue. In order to grow the Pay-TV and broadband business, the Company also plans to launch an initial public offering for the shareholding of MNC Vision Network ("MVN"), targeted in June 2019.
- In the financial services sector, the Company booked revenues of Rp2,612 billion for FY-2018, up 10% compared to the previous year. The results were primarily from MNC Bank which generated approximately 46% of its total consolidated revenues, followed by MNC Finance 22%, MNC Life 12%, MNC Insurance 8%, MNC Leasing 6%, MNC Sekuritas 5%, and MNC Asset Management 1% accordingly.
- All of the Company's financial services subsidiaries have developed digital platforms to enable online marketing and processes, in order to enhance customer reach and operational efficiencies. The Company's digital technological development unit, MNC Teknologi Nusantara ("MTN"), is currently also developing its Fin-Tech infrastructure to bring together the digital capabilities from



all of its subsidiaries into a single digital financial service platform, benefiting from a variety of business synergies within MNC Group, including its large customer database, to offer a unique service experience to its customers. MTN is developing Smart Payment Indonesia (“SPIN”), a centralised application which features e-wallet, e-money, digital payment, P2P lending and access to MNC Group’s diverse range of products. SPIN is scheduled to be launched in 2019.

- The Company’s investment in the property sector has grown bigger as all its ongoing mega projects are running on schedule. It has started the construction of the first phase of its 700 hectare project for MNC World Lido Theme Park & Resort, apartments, villas and country club, as part of the total masterplan area of the 3,000 hectare integrated new city called MNC Lido City in Bogor, 65 km south of Jakarta. Similar development progress is also on the way for the 110 hectare construction of MNC Bali Resort. During 2018, the Company gained higher revenues from Hotel, Resort and Golf, contributed primarily by The Westin Resort and Bali International Convention Center in Nusa Dua, Bali, that hosted a notable event ‘the Annual Meeting of IMF and World Bank Group’ in October 2018. Additional revenue contributors were also reported as the Company launched the opening of 2 (two) hotels, including the newly renovated Lido Lake Resort in Bogor and Oakwood Hotel & Residence in Surabaya.
- Several strategic actions will commence in 2H-2019. The Company is planning to launch the pre-selling of its residential projects and golf club memberships in MNC Lido City and MNC Bali Resort. The Company will also launch co-working space areas in Park Tower in Jakarta and Gedung BEI in Surabaya. In addition, the Company expects to hold the grand opening of Park Hyatt Jakarta. All of these will generate revenues for this year.
- BHIT’s FY-2018 EBITDA grew by 42% YoY amounting to Rp5,329 billion from Rp3,747 billion in the previous year, generating a higher EBITDA margin of 36% compared to 28% in FY-2017 due primarily to improved direct cost management across all businesses.
- The Company’s assets were essentially unchanged from last year. However, the Company managed to reduce its leverage level upon the successful refinancing of its USD365 million Senior Secured Notes with new notes of USD231 million in May 2018. The remaining USD134 million was paid in cash through new capital injection into the Company. The Company is also planning to conduct right issues in the first half of 2019 with targeted amount of Rp1.7 trillion to further strengthen its capital structure.

**Commenting on the results, Darma Putra, President Director of BHIT said:**

I am proud of what our management have achieved across our business subsidiaries. MNC Group, through its solid performance in the media business, continue to deliver the best services and consistently provide the best quality programs to millions of its customers. With the integrated business models that have been applied in each businesses, intense focus on digital infrastructure and products, together with its newly property projects coming on stream, we are confident that MNC Group will grow stronger in the coming years. In addition, the infrastructure development and stronger economic growth in Indonesia in the last couple of years will strengthen the growth of investment and business opportunities in the country. In summary, the Company will continue to take benefits and strategic measures to develop the media, property, financial services sectors, and to invest in lucrative projects with high growth prospects.



**Table 1. Summary of Key Financial Performances FY-2018**

Income Statements in IDR mio	Actual		Variance
	FY-2018	FY-2017	YoY
<b>Revenues</b>	<b>14,713,658</b>	<b>13,580,269</b>	<b>8%</b>
Advertising - Non Digital	5,313,502	4,944,077	7%
Advertising - Digital	261,101	89,452	192%
Content based media	1,518,392	1,466,277	4%
Pay TV dan Broadband	3,228,257	3,140,779	3%
Financing, securities, insurance, and bank financial institutions	2,611,797	2,380,754	10%
Others	1,792,802	1,558,930	15%
Operating cost	(10,962,420)	(11,339,149)	-3%
<b>Income from operations</b>	<b>3,763,431</b>	<b>2,241,120</b>	<b>68%</b>
<b>EBITDA</b>	<b>5,329,364</b>	<b>3,747,386</b>	<b>42%</b>
<i>EBITDA Margin</i>	<i>36%</i>	<i>28%</i>	
<b>Net income</b>	<b>945,195</b>	<b>524,708</b>	<b>80%</b>

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