

## Story-i Limited

### Half-Year Results 31 December 2016

#### Commentary

Story-i Ltd (“Story-i” or “Company”) presents its results for the half-year ended 31 December 2016.

As reported in the Appendix 4D the following were the results for the half year ended 31 December 2016.

#### EARNINGS SUMMARY

In A\$	Half-year ended 31 December 2015	Half-year ended 31 December 2016	% change
Revenue from ordinary activities	12,287,221	12,262,156	-0.002%
EBITDA	1,537,739	1,367,132	-11.09%
Net profit attributable to members	844,356	687,325	-18.59%

#### TRADING PERFORMANCE

- Revenue was marginally lower at \$12.26 million. The revenue was maintained despite the delay in the introduction of the iPhone 6S, new iPhone 7s and cellular iPads in Indonesia. The delay in the launching of these new products was due to the Indonesian government’s requirement for 4G local components for all imported mobile phones and cellular products. Apple was able to meet this requirement in November 2016 when its proposed USD45 million investment in a R&D centre in Indonesia was deemed to meet the government’s requirement for local content.
- As this issue has been resolved Apple intends to have a massive launch of new cellular products including the iPhone 7s towards the end of March 2017. This should see an improvement in revenue in 4QFY17.
- To a lesser extent sales were also affected by a move to a temporary location in the Paragon Mall in Semarang while the main store is to be relocated and upgraded to an Apple Premium Reseller store. The re-launch in 4QFY17 to a bigger 278 sqm store and on the main ground level will provide better visibility in line with Apple’s new strategy. In support Apple will subsidize 70% of the fitout cost. This new location will become the flagship store for Apple and for Story-i in the Central Java region.

## EARNINGS

- The net income for the half year to 31 December 2016 was negatively impacted by a one-off item in the same period in 2015. This item amounting to \$517,485 was mostly non-sale items including VAT refunds and tax rebates for FY2015.
- Net of the abovementioned one-off item, the trading results for 31 December 2016 would have been as follows;

In A\$	31 Dec 2015	31 Dec 2016	+ /-
Sales revenue	12,287,221	12,262,156	-0.002%
CGS	9,870,894	9,916,347	+0.005%
Gross profit	2,416,327	2,345,809	-0.03%
Operating expenses	1,665,595	1,386,227	-16.77%
Income before tax	750,732	959,582	+21.76%