

PT. Puradelta Lestari Tbk.

HOLD

Investment Consideration

1H2019: Strong Results

- In the first semester of 2019, DMAS posted revenue of IDR 985.18 billion up by 299.2% compared to 1H2018's IDR 246.76 billion. Commercial contributed the most with revenues of IDR 598 billion or 60.6% of total revenue, industrial contributed revenue of IDR 374 billion 38% of total, while the remaining 1.4% was contributed by residential, rental and hotels.
- Gross profit grew 391.6% YoY to IDR 656 billion with the gross profit margin at 66.6%, higher compared to 1H2018's 54.1%. Operating profit grew +896.6% YoY to IDR 572 billion compared to IDR 57.4 billion in 1H2018 with a strong operating profit margin of 58.1%, more than 2 times higher compared to 1H2018's 23.3%.
- Net profit grew 567.2% to IDR 626 billion with a net profit margin of 63.5%, higher compared to 1H2018's 38%.
- The strong 1H2019 result is mostly due to DMAS's marketing sales achievements in 1H2019.

One off Marketing Sales

- As of June 2019, DMAS achieved marketing sales of IDR 1.22 trillion, or 97.6% of their marketing sales target for 2019 of IDR 1.25 trillion.
- Commercial contributed 60.1% of 1H2019 marketing sales or IDR 732 billion. Industrial and residences contributed 39.4% and 0.4% respectively.
- The commercial segment achievement was due to one off sales from Pilar Sinergi BUMN Indonesia (Jakarta-Bandung High-speed rail) with total sales of 10.5 ha.
- We are expecting the projects of AEON Mall in Kota Deltamas and Transit Oriented Development project in High-speed Rail Karawang station area will boost development of DMAS's commercial area 3-4 years ahead.

Valuation: TP 350, 15.9% upside

- Our DMAS target price from May 2019 of 295 has been achieved, and we upgrade to IDR 350 per share.
- The target represents 22x 2020F PE, and gives 15.9% potential upside. We recommend to HOLD.

Financial Highlights	2014A	2015A	2016A	2017A	2018A	2019F	2020F
Revenue (IDR Bn)	1,538	2,286	1,594	1,336	1,036	1,639	1,479
EBITDA (IDR Bn)	999	1,404	795	713	554	950	878
Net Income (IDR Bn)	964	1,368	757	657	496	858	774
GPM (%)	69.96%	63.39%	56.21%	60.97%	56.05%	63.00%	63.00%
OPM (%)	60.25%	51.82%	45.43%	46.70%	40.09%	44.00%	44.00%
NPM (%)	62.68%	59.84%	47.51%	49.14%	47.89%	52.35%	52.35%
ROA (%)	12.68%	17.08%	9.70%	8.79%	6.62%	10.66%	9.36%
Current Ratio (X)	15.08%	19.11%	10.25%	9.38%	6.91%	11.42%	9.92%

31 July 2019
Property And Real Estate

Price IDR 302

Target Price IDR 350

JKSE Index 6,376.996



Stock Information

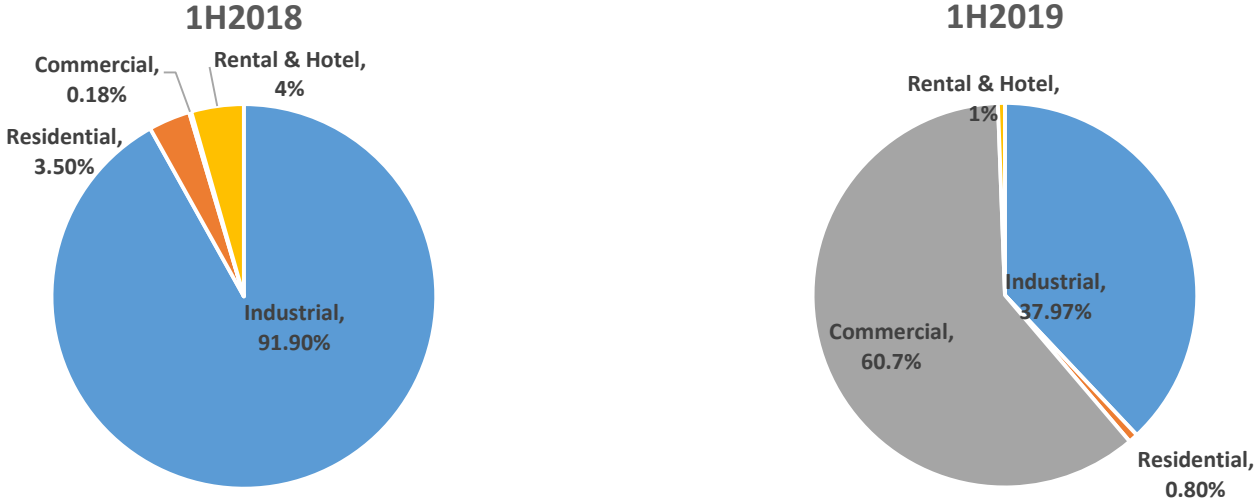
Bloomberg Code	DMAS IJ
Market Cap (IDR bn)	14,266.6
52-week high (IDR)	328
52-week low (IDR)	117
Shares issued (mn)	48,198.1
6-m avg. daily Val (IDR)	198
Free float	17.72%

Major share holders	(%)
PT Sumber Arusmulia	57.28%
Sojitz Corporation	25.00%
Public	17.72%

USD/ IDR – YE (IDR)	
2018	14,390
2019F (6m-avg)	14,168

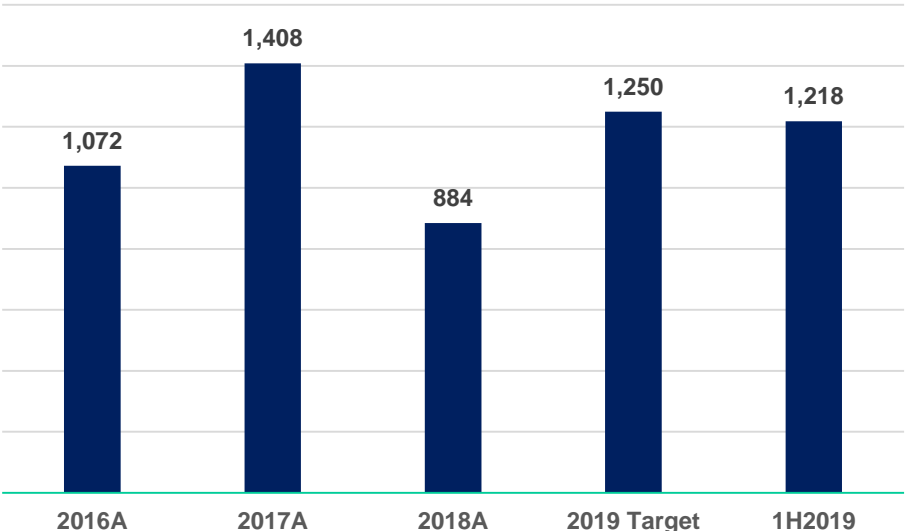
Analyst: eka.rahmah@binaartha.com

Chart: Revenue By Segment QoQ



Source: Company

Chart: Marketing Sales YoY (in IDR Billion)



Source: Company

Income Statement YoY in IDR Billion

Income Statement (In IDR bn)	2014A	2015A	2016A	2017A	2018A	2019F	2020F
Revenues	1,538.3	2,285.9	1,593.8	1,336.4	1,036.2	1,638.9	1,478.9
Cost of Revenues	(462.0)	(836.8)	(697.9)	(521.5)	(455.4)	(606.4)	(547.2)
Gross Profit	1,076.2	1,449.0	895.9	814.9	580.8	1,032.5	931.7
Operating Expenses	(149.5)	(264.6)	(171.7)	(190.8)	(165.4)	(311.4)	(281.0)
Operating Income	926.7	1,184.5	724.1	624.1	415.4	721.1	650.7
Other Income	44.1	196.2	51.2	46.2	98.9	180.3	162.7
Profit Before Tax	970.8	1,380.7	775.4	670.2	514.4	901.4	813.4
Tax Expense	(6.2)	(12.5)	(17.8)	(13.1)	(18.0)	(43.3)	(39.0)
NIAT	964.6	1,368.2	757.5	657.1	496.4	858.1	774.4
Minority Interest	(0.5)	(0.3)	(0.3)	(0.4)	(0.1)	(0.2)	(0.1)
Net Income	964.1	1,367.9	757.2	656.7	496.3	858.0	774.2
EPS (IDR)	22.2	28.4	15.7	13.6	10.3	17.8	16.1
EBITDA	999.1	1,403.7	794.8	713.1	553.6	950.2	878.0

Source: Company and Binaartha

Cash Flow YoY in IDR Billion

Cash Flow (in IDR.bn)	2014A	2015A	2016A	2017A	2018A	2019F	2020F
+ Net Income	964	1,368	757	657	496	858	774
+Depreciation	2.64	3.63	9.64	19.15	19.94	19.78	21.12
- Change in WC	(760)	(1,115)	392	(213)	(231)	90	100
Cash From Operating Activities	207	257	1,159	463	286	967	895
capex	558	420	(588)	136	(17)	95	(19)
cash from investing activities	558	420	-588	136	-17	95	-19
Long term liabilities	1	5	-17	0	0	0	0
Other Long term liabilities	(671)	(286)	20	7	5	3	1
Equity	0.45	(603)	(529)	(1,039)	(314)	(530)	(478)
cash from financing activities	(669)	(884)	(527)	(1,032)	(309)	(527)	(477)
Net Changes in Cash	96	(206)	44	(434)	(40)	535	399
Beginning Balance	1,285	1,381	1,175	1,219	785	745	1,280
Ending balance	1,381	1,175	1,219	785	745	1,280	1,679

Source: Company and Binaartha

Statement of Financial Position YoY in IDR Billion

Statement of Financial Position (IDR.in bn)	2014A	2015A	2016A	2017A	2018A	2019F	2020F
Current Asset							
Cash and cash equivalent	1,381	1,175	1,219	785	745	1,280	1,679
Advances	32	770	0	50	83	64	77
Inventory	2,236	2,428	2,380	2,602	2,679	2,800	2,621
Other current asset	18	124	115	99	61	89	83
Current Asset	3,667	4,495	3,714	3,536	3,568	4,232	4,460
Non Current Asset							
Net Fixed Asset	3,792	3,310	3,755	3,517	3,411	3,252	3,252
Investment Properties	10	19	16	113	208	234	211
Total non current Asset	3,936	3,512	4,090	3,935	3,932	3,818	3,816
Total Asset	7,603	8,007	7,804	7,471	7,500	8,050	8,276
Current Liabilities							
Trade accounts payable	5	54	39	18	2	22	14
Sales advances	521	636	163	272	165	297	251
Other Current liabilities	384	140	193	148	113	180	162
Total current liabilities	909	829	395	438	279	499	427
Non Current Liabilities							
Long-term non current liabilities	12	17	0	0	0	0	0
Other Long-term non current liabilities	286	0	20	27	32	35	36
Total long term/ non current liabilities	298	17	20	27	32	35	36
Total Liabilities	1,207	847	415	465	312	534	463
Non controlling Interest	3	3	3	4	4	4	4
Total Equities	6,393	7,158	7,385	7,002	7,185	7,513	7,809
Total Liabilities and equity	7,603	8,007	7,804	7,471	7,500	8,050	8,276

Source: Company and Binaartha

Ratio Highlights YoY

Growth (% YoY)	2014A	2015A	2016A	2017A	2018A	2019F	2020F
Sales	-15.78%	48.60%	-30.28%	-16.15%	-22.46%	58.16%	-9.76%
OP	0.45%	27.81%	-38.86%	-13.82%	-33.43%	73.58%	-9.76%
EBITDA	-6.99%	40.49%	-43.38%	-10.28%	-22.36%	71.62%	-7.59%
NP	2.42%	41.88%	-44.64%	-13.27%	-24.43%	72.89%	-9.76%
EPS	2.42%	27.70%	-44.64%	-13.27%	-24.43%	72.89%	-9.76%

Profitability (%)							
Operating Margin	60.25%	51.82%	45.43%	46.70%	40.09%	44.00%	44.00%
EBITDA margin	64.95%	61.41%	49.87%	53.36%	53.43%	57.98%	59.37%
NET Profit margin	62.68%	59.84%	47.51%	49.14%	47.89%	52.35%	52.35%
ROA	12.68%	17.08%	9.70%	8.79%	6.62%	10.66%	9.36%
ROE	15.08%	19.11%	10.25%	9.38%	6.91%	11.42%	9.92%

Stability							
Current Ratio (X)	2.49	4.03	5.42	9.39	8.08	12.77	8.49
Total debt/ Total equity (x)	0.41	0.19	0.12	0.06	0.07	0.04	0.07
int. & ST debt coverage (x)	0.003	0.002	0.000	0.000	0.000	0.000	0.000

Per Share data (Rp)							
EPS	22.23	28.38	15.71	13.63	10.30	17.80	16.06
BVPS	147.37	148.50	153.22	145.28	149.07	155.87	162.01
SPS	35.46	47.43	33.07	27.73	21.50	34.00	30.68
Ebitda/share	23.03	29.12	16.49	14.80	11.49	19.71	18.22

Source: Company and Binaartha

Stock Ratings:

Buy : a recommendation to purchase the security with upside potential of **20% or greater**

Hold : a recommendation to neither buy nor sell a security with upside potential of **0-19%**.

Sel : a recommendation to close out a long position in a security with upside potential **below 0% or negative**.

RESEARCH TEAM
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