

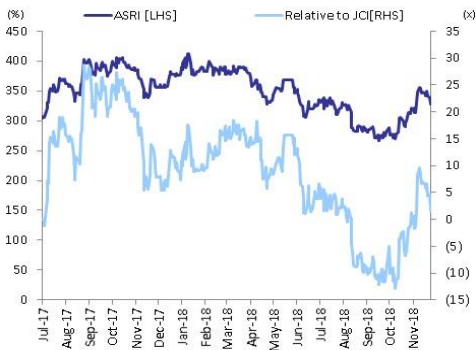
Thursday, 20 December 2018

OVERWEIGHT

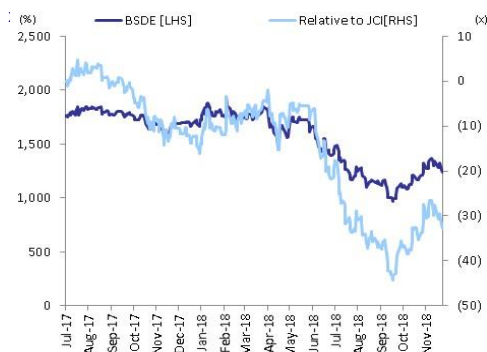
Property

Positive Sentiment Play

ASRI relative to JCI Index



BSDE relative to JCI Index



Source : Bloomberg

We believe that the share prices of property companies are likely to rally ahead of their fundamentals, given the more dovish outlook. We foresee a pick-up in demand only in 2H19, after the presidential elections are completed. Upgrade to OVERWEIGHT (from NEUTRAL) with BSDE as our top pick.

Positive sentiment to drive property share prices up. We think property share prices are likely to move ahead of their fundamentals, following changes in sentiment from the outlook for interest rates and the USD/IDR exchange rate as well as government policies towards the sector. With the FED becoming more dovish, stating that benchmark interest rates are nearing a “neutral” level, we believe that BI rate hikes may be fewer than expected in the future. This will trigger fund flows into emerging markets such as Indonesia, easing pressure on currencies and interest rates. Our analysis suggests that property share prices tend to rise when the IDR strengthens and vice-versa, with a moderate correlation of -0.34.

Attractive valuations. Despite the recent run-up in property share prices, we think the valuation on the sector is still attractive, trading at a 72% discount to NAV, vs. the mean level of a 64% discount to NAV. Undemanding valuations coupled with IDR strengthening and the expectation of fewer rate hikes to come could present more upside for property share prices.

Ending FY18 with more marketing sales misses. Despite the decent 9M18 marketing sales, we estimate overall FY18 marketing sales for the companies under our coverage to fall slightly short of the initial targets. Among the companies, ASRI is likely to exceed its target helped by strong take-up from Lloyd low-rise apartments. We expect BSDE’s marketing sales to remain in-line, with the company focusing on selling existing products and relying more on commercial land plot sales. However, we now see risks on the numbers from CTRA, SMRA and PWON. We expect aggregate marketing sales to reach Rp24.1tn (+3.9% YoY), reaching 95% of our FY18 target, almost in-line.

Stronger demand expected in 2H19. We believe property demand is likely to remain soft in 1H19 as buyers are likely to hold off purchases until the presidential elections are completed. We envisage the prospect for a turnaround in property demand in 2H19 once the elections overhang has been removed. Based on discussions with listed developers, we learnt that they expect further weakness in property demand in 4Q18 due to both political and macro-related uncertainty and, hence, would prefer to remain selective in their product launchings until after the elections. Collectively, we expect aggregate marketing sales to grow to Rp25.1tn (+4.2% YoY) in FY19.

Upgrade to OVERWEIGHT. We upgrade the property sector to OVERWEIGHT (from NEUTRAL) as we believe that share prices are likely to rally ahead of their fundamentals, given the more dovish outlook on US interest rates, which should in turn support the IDR and ease pressure on BI to hike interest rates. We should see demand improve in 2H19 post the presidential elections. BSDE is our top pick mostly due to valuation reason and being the most laggard, followed by SMRA, CTRA, PWON and ASRI. Although PWON has the strongest fundamental, we think its valuation is rather stretch.



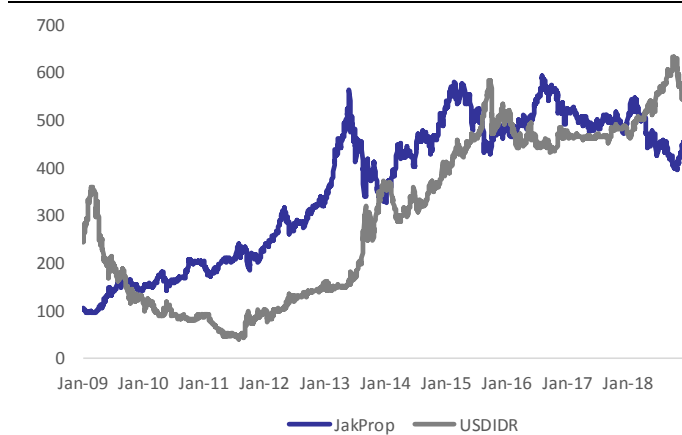
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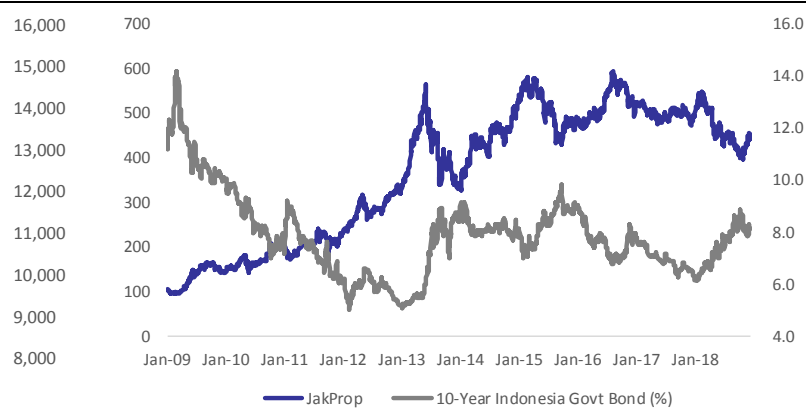
Company	Ticker	Rec	Target	Market	P/E (x)		P/BV (x)		ROE (%)
			Price (Rp)	Cap. (RpBn)	2018F	2019F	2018F	2019F	2019F
Alam Sutra	ASRI IJ	HOLD	330	7,427.5	5.5	5.1	0.8	0.7	14.3
Bumi Serpong Damai	BSDE IJ	BUY	1,580	31,275.9	16.5	16.2	1.2	1.1	6.9
Ciputra Development	CTRA IJ	BUY	1,180	22,550.8	21.1	20.0	1.6	1.5	7.5
Pakuwon Jati	PWON IJ	BUY	680	29,618.2	12.7	12.0	2.4	2.0	18.3
Summarecon Agung	SMRA IJ	BUY	980	12,912.0	37.5	39.8	1.9	1.8	4.6

Exhibit 1. JakProp vs USDIDR



Source: Bloomberg

Exhibit 2. JakProp vs Interest Rate



Source: Bloomberg

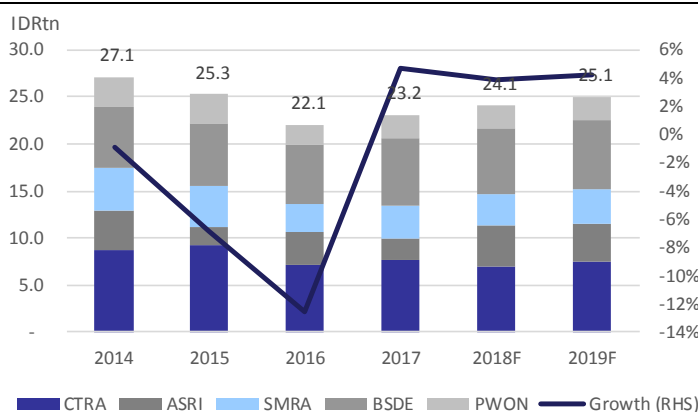
Exhibit 3. FY18 Presales Forecast

FY18F Marketing Sales Performance Summary (IDRtn)							
	12M18F	FY18 Company Target	% Achievement	Comment	12M17	% YoY	
CTRA	6.91	7.72	90%	BELOW	7.64	-9.5%	
ASRI	4.48	4.00	112%	ABOVE	2.21	102.4%	
SMRA	3.34	4.00	84%	BELOW	3.56	-6.1%	
BSDE	7.02	7.20	97%	IN-LINE	7.23	-3.0%	
PWON	2.31	2.50	92%	BELOW	2.51	-7.9%	
Total	24.06	25.42	95%	IN-LINE	23.15	3.9%	

Note that we give +/- 5% in evaluating the marketing sales achievement

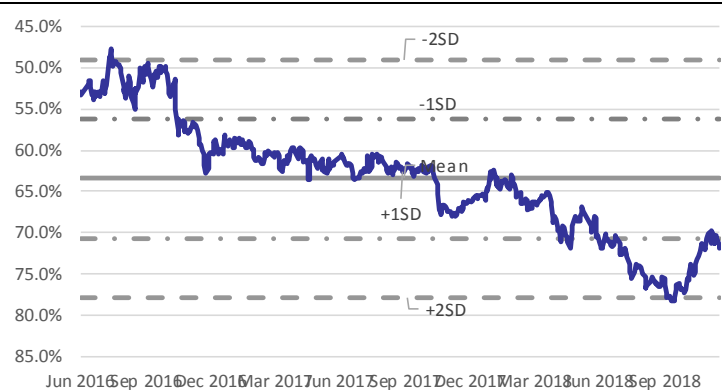
Source: Danareksa Sekuritas Estimate, Company

Exhibit 4. FY19 Presales Outlook



Source: Danareksa Sekuritas Estimate, Company

Exhibit 5. Property Sector NAV Band



Source: Bloomberg, Danareksa Sekuritas Estimate

Thursday, 20 December 2018

HOLD
Maintain

Last price (IDR)	338
Target Price (IDR)	330
Upside/Downside	-2.4%
Previous Target Price (IDR)	260

Stock Statistics

Sector	Property
Bloomberg Ticker	ASRI IJ
No of Shrs (mn)	19,649
Mkt. Cap (IDRbn/USDmn)	6,642/460
Avg. daily T/O (IDRbn/USDmn)	2.4/0.2

Major shareholders (%)

Tangerang Fajar Industrial Estate	25.2
Manunggal Prime Development	18.7
Estimated free float	56.1

EPS Consensus (IDR)

	2018F	2019F	2020F
Danareksa	69.0	74.8	81.7
Consensus	57.0	65.9	76.3
Danareksa/Cons	21.2	13.5	7.1

ASRI relative to JCI Index



Source : Bloomberg



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Alam Sutra Realty(ASRI IJ)

Still Reliant on Land Sales

We maintain our HOLD call on ASRI with a higher TP of Rp330 (from Rp260) on sector re-rating given a more dovish outlook for interest rates. We expect ASRI's FY18 presales to exceed the target due to the strong take-up rate for Lloyd low-rise launchings and land sales to CFLD, but forecast lower FY19 presales as we do not expect a repeat of strong high-rise sales in FY19. Considering its weak fundamentals and poor stock liquidity, we think ASRI's shares are currently fairly priced.

FY18 marketing sales to exceed expectations. We expect ASRI's FY18 presales to reach Rp4.5tn (+102.4% YoY), exceeding the company's target of Rp4.0tn, thanks to the strong take-up rate of Lloyd low-rise apartment launchings and land sales to CFLD. Our channel check suggests that during its grand launching in mid-July, a total of 292 units were sold out of 525 units for sale (take-up rate of 59%), reaping marketing sales of ~Rp650bn from the launching. In 4Q18, we expect presales of ~Rp800bn from the remaining 40ha of land sales to CFLD and some contribution from the launch of Cluster Eldora and Victoria Lane shophouses.

Lower presales, but higher revenues in FY19. We forecast ASRI to post lower presales in FY19 of Rp4.0tn (-10.0% YoY), as we believe that strong apartment presales in FY18 (for the Lloyd project in particular) will not be repeated in FY19. However, ASRI's marketing sales will continue to be supported by 100Ha of land sales to CFLD amounting to Rp2.1tn in FY19 and beyond. We predict ASRI's FY19 revenues to reach Rp4.6tn (+7.5% YoY), boosted by development revenues (+7.8% YoY). As of 9M18, ASRI had a backlog of around 1-2 years (around Rp6.0-7.0tn in our estimate).

Maintain HOLD. At this juncture, we maintain our HOLD call on ASRI, but revise up our TP to Rp330 based on a 77% discount to NAV (from 82%). We assign a lower discount to NAV to reflect some re-rating in the sector, given a more dovish outlook for US interest rates, which should support the IDR and ease pressure on BI to hike rates. We think ASRI's shares are currently fairly priced. We also believe that the company has the weakest fundamentals among the companies under our coverage due to its low recurring income portion, high leverage & forex exposure as well as poor stock liquidity. The counter currently trades at a 78% discount to NAV.

Key Financials

Year to 31 Dec	2016A	2017A	2018F	2019F	2020F
Revenue (IDRbn)	2,716	3,917	4,310	4,633	4,380
EBITDA (IDRbn)	1,177	2,070	2,353	2,485	2,349
EBITDA Growth (%)	(31.0)	75.8	13.7	5.6	(5.5)
Net profit (IDRbn)	509	1,380	1,356	1,470	1,606
EPS (IDR)	25.9	70.2	69.0	74.8	81.7
EPS growth (%)	(14.7)	171.1	(1.7)	8.4	9.3
BVPS (IDR)	360.5	430.8	489.3	553.8	624.3
DPS (IDR)	0.0	(1.5)	(10.5)	(10.4)	(11.2)
PER (x)	14.6	5.4	5.5	5.1	4.6
PBV (x)	1.0	0.9	0.8	0.7	0.6
Dividend yield (%)	0.0	(0.4)	(2.8)	(2.7)	(3.0)
EV/EBITDA (x)	12.0	6.9	6.0	5.5	5.8

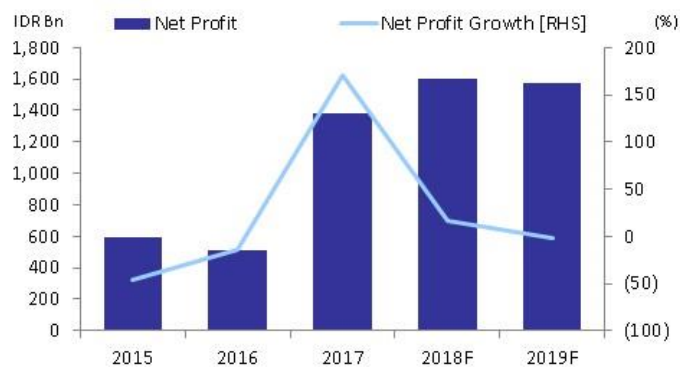
Source : ASRI, Danareksa Estimates

Exhibit 1. Revenues and Growth



Source: Company, Danareksa Sekuritas estimates

Exhibit 2. Net Profits and Growth



Source: Company, Danareksa Sekuritas estimates

Exhibit 3. Margins



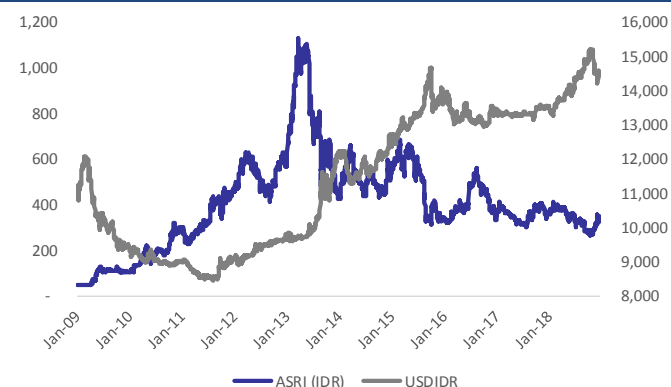
Source: Company, Danareksa Sekuritas estimates

Exhibit 4. Gearing Level



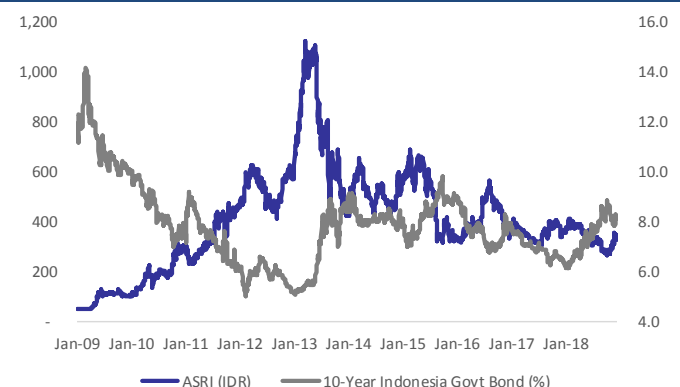
Source: Company, Danareksa Sekuritas estimates

Exhibit 5. ASRI vs USDIDR

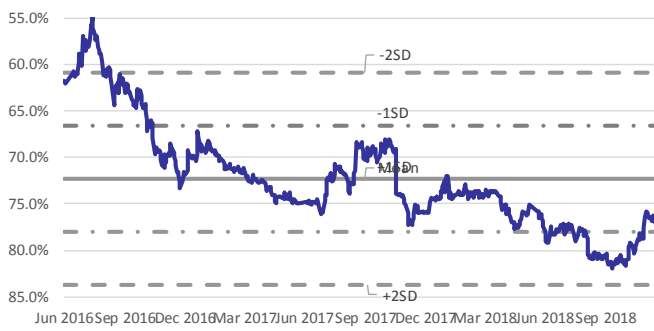


Source: Bloomberg

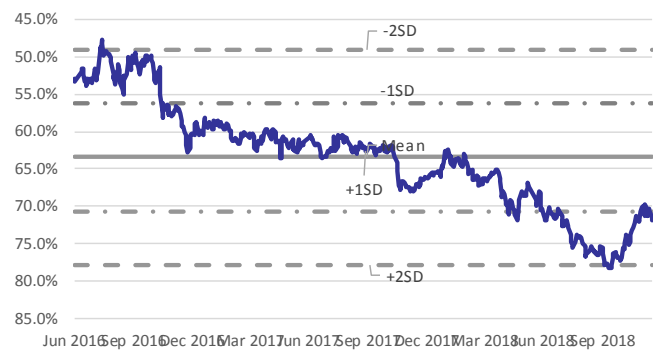
Exhibit 6. ASRI vs Interest Rate



Source: Bloomberg

Exhibit 7. ASRI Discount to NAV Band


Source: Company, Danareksa Sekuritas estimates

Exhibit 8. Property Sector Discount to NAV Band


Source: Company, Danareksa Sekuritas estimates

Exhibit 9. Forecast Change Summary

<i>in IDR bn</i>	2017	Previous		New		Changes	
		2018F	2019F	2018F	2019F	2018F	2019F
Marketing sales	2,213	3,559	3,712	4,478	4,031	25.8%	8.6%
Revenue	3,917	4,310	4,138	4,310	4,633	0.0%	12.0%
Gross profit	2,376	2,609	2,587	2,696	2,867	3.4%	10.8%
Operating Profit	1,986	2,183	2,131	2,270	2,400	4.0%	12.6%
Net profit	1,380	1,605	1,576	1,356	1,470	-15.5%	-6.7%

Source: Danareksa Sekuritas Estimate, Company

Exhibit 10. Income Statement

Year to 31 Dec (IDRbn)	2016A	2017A	2018F	2019F	2020F
Revenue	2,716	3,917	4,310	4,633	4,380
COGS	(1,251)	(1,541)	(1,614)	(1,766)	(1,617)
Gross profit	1,465	2,376	2,696	2,867	2,762
EBITDA	1,177	2,070	2,353	2,485	2,349
Oper. profit	1,096	1,986	2,270	2,400	2,263
Interest income	53	43	36	58	120
Interest expense	(226)	(314)	(444)	(474)	(502)
Forex Gain/(Loss)	157	(32)	(221)	(200)	0
Income From Assoc. Co's	0	0	0	0	0
Other Income (Expenses)	(358)	(107)	(118)	(136)	(102)
Pre-tax profit	723	1,575	1,523	1,648	1,779
Income tax	(213)	(190)	(161)	(172)	(167)
Minority interest	(1)	(5)	(5)	(6)	(6)
Net profit	509	1,380	1,356	1,470	1,606
Core Net Profit	351	1,411	1,578	1,671	1,606

Exhibit 11. Balance Sheet

Year to 31 Dec (IDRbn)	2016A	2017A	2018F	2019F	2020F
Cash & cash equivalent	1,189	718	1,157	2,394	2,121
Receivables	197	232	255	275	260
Inventory	1,208	961	812	723	670
Other Curr. Asset	241	172	129	132	130
Fixed assets - Net	1,149	1,225	1,300	1,346	1,390
Other non-curr.asset	15,955	17,185	18,116	19,164	20,449
Total asset	20,186	20,728	22,004	24,268	25,253
ST Debt	323	435	160	514	229
Payables	631	564	702	767	703
Other Curr. Liabilities	2,480	2,145	1,913	2,053	1,944
Long Term Debt	7,511	7,194	7,638	8,032	8,124
Other LT. Liabilities	2,053	1,818	1,870	1,912	1,879
Total Liabilities	12,998	12,156	12,282	13,279	12,878
Shareholder's Funds	7,083	8,465	9,615	10,881	12,267
Minority interests	105	107	107	107	107
Total Equity & Liabilities	20,186	20,728	22,004	24,268	25,253

Exhibit 12. Cash Flow

Year to 31 Dec (IDRbn)	2016A	2017A	2018F	2019F	2020F
Net income	509	1,380	1,356	1,470	1,606
Depreciation and Amort.	81	84	82	84	86
Change in Working Capital	(411)	(23)	75	273	(103)
Other Oper. Cash Flow	827	298	616	572	430
Operating Cash Flow	1,006	1,739	2,130	2,399	2,019
Capex	(787)	(1,436)	(1,245)	(1,291)	(1,496)
Others Inv. Cash Flow	53	(161)	36	58	120
Investing Cash Flow	(733)	(1,598)	(1,209)	(1,234)	(1,376)
Net change in debt	466	(205)	169	749	(194)
New Capital	109	39	0	0	0
Dividend payment	10	(36)	(207)	(203)	(221)
Other Fin. Cash Flow	(307)	(411)	(444)	(474)	(502)
Financing Cash Flow	278	(613)	(483)	72	(916)
Net Change in Cash	551	(471)	439	1,237	(273)
Cash - begin of the year	638	1,189	718	1,157	2,394
Cash - end of the year	1,189	718	1,157	2,394	2,121

Exhibit 13. Key Ratios

Year to 31 Dec	2016A	2017A	2018F	2019F	2020F
Growth (%)					
Sales	(2.4)	44.2	10.0	7.5	(5.5)
EBITDA	(31.0)	75.8	13.7	5.6	(5.5)
Operating profit	(32.6)	81.1	14.3	5.7	(5.7)
Net profit	(14.7)	171.1	(1.7)	8.4	9.3
Profitability (%)					
Gross margin	53.9	60.7	62.5	61.9	63.1
EBITDA margin	43.4	52.8	54.6	53.6	53.6
Operating margin	40.4	50.7	52.7	51.8	51.7
Net margin	18.7	35.2	31.5	31.7	36.7
ROAA	2.6	6.7	6.3	6.4	6.5
ROAE	7.5	17.7	15.0	14.3	13.9
Leverage					
Net Gearing (x)	0.9	0.8	0.7	0.6	0.5
Interest Coverage (x)	4.9	6.3	5.1	5.1	4.5

Source : ASRI, Danareksa Estimates

Thursday, 20 December 2018

BUY
Maintain

Last price (IDR) 1,260
Target Price (IDR) 1,580
Upside/Downside +25.4%
Previous Target Price (IDR) 1,450

Stock Statistics

Sector Property
Bloomberg Ticker BSDE JJ
No of Shrs (mn) 19,247
Mkt. Cap (IDRbn/USDmn) 24,251/1,680
Avg. daily T/O (IDRbn/USDmn) 23.7/1.6

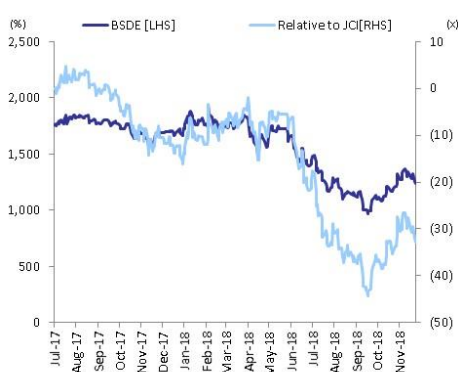
Major shareholders (%)

Paraga Artamida 26.6
Ekacentra Usahamaja 25.0
Estimated free float 39.0

EPS Consensus (IDR)

	2018F	2019F	2020F
Danareksa	98.6	100.4	150.4
Consensus	105.8	125.5	132.0
Danareksa/Cons	(6.8)	(20.0)	13.9

BSDE relative to JCI Index



Source : Bloomberg



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Bumi Serpong Damai (BSDE JJ)

Ranked High on Flexibility

We maintain our BUY call on BSDE with a higher TP of Rp1,580 (from Rp1,450) on sector re-rating given a more dovish outlook for interest rates. We estimate BSDE's FY18 presales to be in-line supported by commercial land plot sales, despite weaker residential sales in 4Q18. We expect better presales in FY19 on stronger demand in 2H19 and from the reduction in super luxury tax rates (PPH22). We like BSDE for its large landbank which gives the company plenty of operational flexibility and sustainability.

Expect in-line FY18 presales; boosted by commercial land plot sales. We estimate BSDE's FY18 presales to reach Rp7.0tn (-3.0% YoY), still in-line with the company's target of Rp7.2tn. Due to tougher conditions in 4Q18, we see weaker presales coming from residential sales due to a lack of new launchings, but countered by the company's attempt to boost more commercial land plot sales to achieve its target. The notable presales contribution in 4Q18 includes ~Rp200bn block sale of Southgate Tower 2 (80 units) to Itochu and Kei Kyu and the launching of Marigold Tower 5, for which we estimate marketing sales of ~Rp100bn. As for residential property, the 4Q18 presales will mostly come from existing products such as Cluster Caelus and Visana in BSD City.

More growth in FY19 presales and revenues. We expect BSDE to post FY19 presales of Rp7.3tn (+4.6% YoY), boosted by residential and commercial land plot sales. We should see signs of property demand recovery towards 2H19. BSDE is also one of the beneficiaries of the government's recent move to reduce the super luxury tax (PPH22) from 5% to 1% for property valued above Rp5.0bn. Approximately 15% of BSDE's presales came from property priced > Rp5.0bn. In addition, BSDE also has a huge landbank of 4,740 Ha, particularly in BSD City (2,414 Ha), which gives the company plenty of flexibility to launch products in that particular segment. Meanwhile, we estimate FY19 revenues at Rp7.5tn (+4.8% YoY), supported by growth of its recurring revenues (+6.1% YoY) and development revenues (+4.5% YoY). As of 9M18, BSDE has a backlog of ~Rp10tn.

Maintain BUY; TP raised to Rp1,580. We maintain our BUY call on BSDE with a higher TP of Rp1,580 based on a 74% discount to NAV (from 76%). We assign a lower discount to NAV to reflect some re-rating in the sector, given a more dovish outlook for US interest rates, which should support the IDR and ease pressure on BI to hike rates. We like BSDE for its huge landbank which gives the company operational flexibility and sustainability going forward, despite concerns on its rising debt level and forex exposure. The counter currently trades at an 80% discount to NAV.

Key Financials

Year to 31 Dec	2016A	2017A	2018F	2019F	2020F
Revenue (IDRbn)	6,603	10,347	7,201	7,550	8,975
EBITDA (IDRbn)	3,035	5,783	3,543	3,737	4,842
EBITDA Growth (%)	(2.2)	90.5	(38.7)	5.5	29.6
Net profit (IDRbn)	1,796	4,920	1,898	1,932	2,895
EPS (IDR)	93.3	255.6	98.6	100.4	150.4
EPS growth (%)	(16.0)	173.9	(61.4)	1.8	49.9
BVPS (IDR)	1,072.4	1,316.7	1,401.6	1,496.6	1,641.7
DPS (IDR)	5.0	5.0	13.7	5.3	5.4
PER (x)	17.4	6.4	16.5	16.2	10.8
PBV (x)	1.5	1.2	1.2	1.1	1.0
Dividend yield (%)	0.3	0.3	0.8	0.3	0.3
EV/EBITDA (x)	11.6	6.0	9.8	9.0	6.7

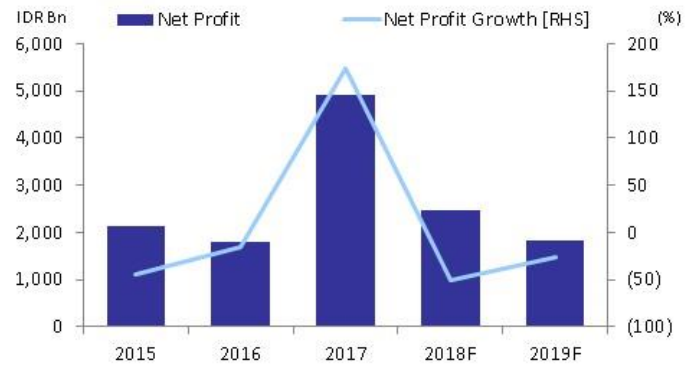
Source : BSDE, Danareksa Estimates

Exhibit 1. Revenues and Growth



Source: Company, Danareksa Sekuritas estimates

Exhibit 2. Net Profits and Growth



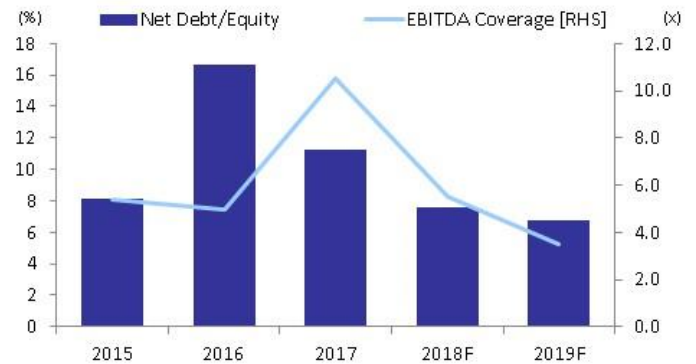
Source: Company, Danareksa Sekuritas estimates

Exhibit 3. Margins



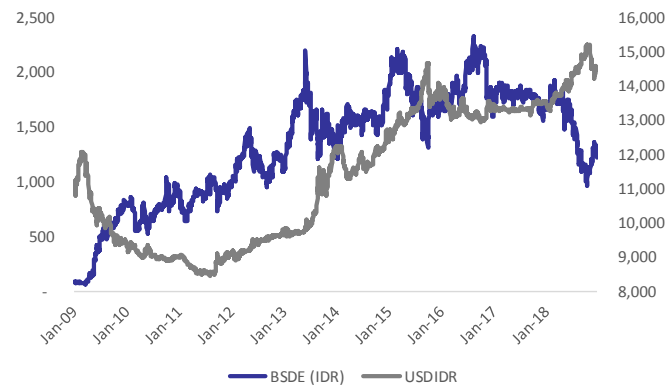
Source: Company, Danareksa Sekuritas estimates

Exhibit 4. Gearing Level



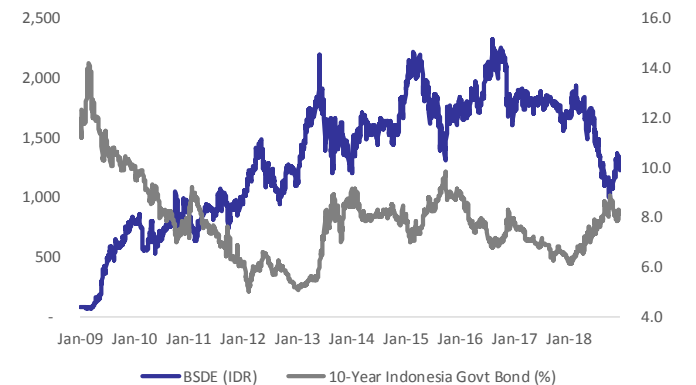
Source: Company, Danareksa Sekuritas estimates

Exhibit 5. BSDE vs USDIDR



Source: Company, Danareksa Sekuritas estimates

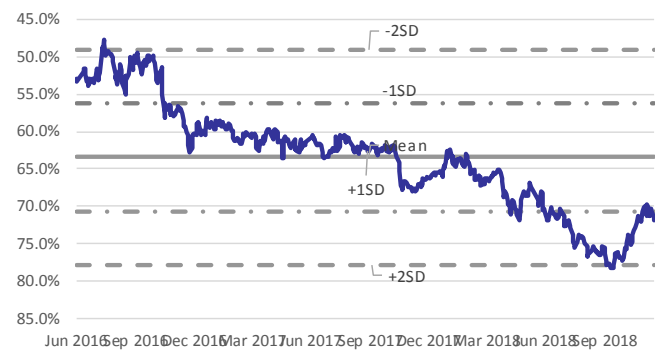
Exhibit 6. BSDE vs Interest Rate



Source: Company, Danareksa Sekuritas estimates

Exhibit 7. BSDE Discount to NAV Band


Source: Company, Danareksa Sekuritas estimates

Exhibit 8. Property Sector Discount to NAV Band


Source: Company, Danareksa Sekuritas estimates

Exhibit 9. Forecast Change Summary

<i>in IDR bn</i>	2017	Previous		New		Changes	
		2018	2019	2018	2019	2018	2019
Marketing sales	7,233	7,200	6,578	7,017	7,342	-2.5%	11.6%
Revenue	10,347	7,904	6,965	7,201	7,550	-8.9%	8.4%
Gross profit	7,590	5,666	5,002	5,268	5,518	-7.0%	10.3%
Operating profit	5,475	3,512	2,762	3,143	3,251	-10.5%	17.7%
Net profit	4,920	2,457	1,820	1,898	1,932	-22.8%	6.2%

Source: Danareksa Sekuritas Estimate, Company

Exhibit 10. Income Statement

Year to 31 Dec (IDRbn)	2016A	2017A	2018F	2019F	2020F
Revenue	6,603	10,347	7,201	7,550	8,975
COGS	(1,882)	(2,757)	(1,933)	(2,032)	(2,267)
Gross profit	4,721	7,590	5,268	5,518	6,708
EBITDA	3,035	5,783	3,543	3,737	4,842
Oper. profit	2,810	5,475	3,143	3,251	4,326
Interest income	224	266	232	389	462
Interest expense	(613)	(549)	(781)	(1,042)	(1,100)
Forex Gain/(Loss)	(116)	(48)	(138)	(86)	0
Income From Assoc. Co's	241	495	74	74	74
Other Income (Expenses)	(98)	2	0	0	0
Pre-tax profit	2,448	5,641	2,530	2,586	3,762
Income tax	(391)	(452)	(298)	(314)	(356)
Minority interest	(261)	(269)	(335)	(341)	(511)
Net profit	1,796	4,920	1,898	1,932	2,895
Core Net Profit	1,913	4,968	2,036	2,018	2,895

Exhibit 11. Balance Sheet

Year to 31 Dec (IDRbn)	2016A	2017A	2018F	2019F	2020F
Cash & cash equivalent	3,578	5,793	9,725	11,556	12,872
Receivables	420	530	369	387	460
Inventory	7,634	7,910	8,173	8,422	8,659
Other Curr. Asset	4,310	2,968	2,491	4,262	5,048
Fixed assets - Net	824	772	685	596	625
Other non-curr.asset	21,149	27,215	29,612	32,807	35,478
Total asset	38,537	45,951	51,817	58,794	63,904
ST Debt	1,121	2,051	2,190	2,483	2,456
Payables	299	1,768	1,372	1,888	2,105
Other Curr. Liabilities	4,271	3,751	4,529	7,224	8,546
Long Term Debt	6,537	7,027	10,949	11,455	11,749
Other LT. Liabilities	1,846	2,158	1,947	3,083	3,595
Total Liabilities	14,074	16,754	20,986	26,133	28,452
Shareholder's Funds	20,641	25,341	26,976	28,805	31,597
Minority interests	3,822	3,855	3,855	3,855	3,855
Total Equity & Liabilities	38,537	45,951	51,817	58,794	63,904

Exhibit 12. Cash Flow

Year to 31 Dec (IDRbn)	2016A	2017A	2018F	2019F	2020F
Net income	1,796	4,920	1,898	1,932	2,895
Depreciation and Amort.	225	304	399	486	516
Change in Working Capital	(1,673)	1,886	759	1,172	444
Other Oper. Cash Flow	413	201	531	1,083	785
Operating Cash Flow	761	7,312	3,587	4,673	4,639
Capex	(969)	(3,625)	(2,201)	(2,201)	(2,261)
Others Inv. Cash Flow	(1,740)	(2,240)	(496)	(331)	(167)
Investing Cash Flow	(2,710)	(5,865)	(2,697)	(2,532)	(2,428)
Net change in debt	(370)	1,651	4,104	803	267
New Capital	0	0	0	0	0
Dividend payment	(96)	(96)	(264)	(102)	(103)
Other Fin. Cash Flow	39	(790)	(795)	(1,010)	(1,060)
Financing Cash Flow	(427)	765	3,045	(309)	(896)
Net Change in Cash	(2,376)	2,212	3,935	1,832	1,315
Cash - begin of the year	6,137	3,578	5,793	9,725	11,556
Cash - end of the year	3,578	5,793	9,725	11,556	12,872

Exhibit 13. Key Ratios

Year to 31 Dec	2016A	2017A	2018F	2019F	2020F
Growth (%)					
Sales	6.3	56.7	(30.4)	4.8	18.9
EBITDA	(2.2)	90.5	(38.7)	5.5	29.6
Operating profit	(3.1)	94.9	(42.6)	3.4	33.1
Net profit	(16.0)	173.9	(61.4)	1.8	49.9
Profitability (%)					
Gross margin	71.5	73.4	73.2	73.1	74.7
EBITDA margin	46.0	55.9	49.2	49.5	53.9
Operating margin	42.6	52.9	43.7	43.1	48.2
Net margin	27.2	47.6	26.4	25.6	32.3
ROAA	4.8	11.6	3.9	3.5	4.7
ROAE	9.1	21.4	7.3	6.9	9.6
Leverage					
Net Gearing (x)	0.2	0.1	0.1	0.1	0.0
Interest Coverage (x)	4.6	10.0	4.0	3.1	3.9

Source : BSDE, Danareksa Estimates

Thursday, 20 December 2018

BUY
Maintain

Last price (IDR)	1,010
Target Price (IDR)	1,180
Upside/Downside	+16.8%
Previous Target Price (IDR)	990

Stock Statistics

Sector	Property
Bloomberg Ticker	CTRA IJ
No of Shrs (mn)	15,425
Mkt. Cap (IDRbn/USDmn)	15,580/1,079
Avg. daily T/O (IDRbn/USDmn)	13.7/0.9

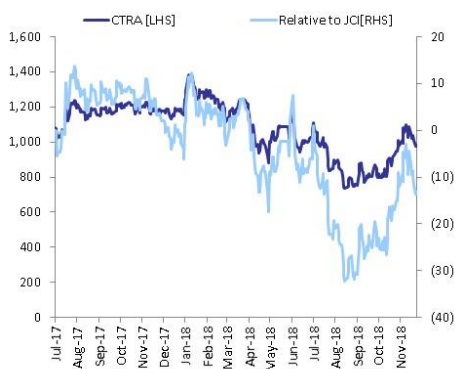
Major shareholders (%)

Founder	30.6
Credit Suisse AG, Singapore	7.9
Estimated free float	49.0

EPS Consensus (IDR)

	2018F	2019F	2020F
Danareksa	57.5	60.7	67.0
Consensus	55.8	59.8	68.4
Danareksa/Cons	3.1	1.5	(2.0)

CTRA relative to JCI Index



Source : Bloomberg



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Ciputra Development(CTRA IJ)

Staying Prudent

We maintain our BUY call on CTRA with a higher TP of Rp1,180 (from Rp990) on an expected sector re-rating given a more dovish outlook for interest rates. We expect CTRA's FY18 presales to fall short due to weak demand and project delays, but an improvement in FY19 presales on stronger demand in 2H19 and the reduction in super luxury tax rates. We also like CTRA for its prudence and sizeable recurring income.

FY18 presales likely to miss the target. We estimate CTRA's FY18 presales to reach Rp6.9tn (-9.5% YoY), falling short of the initial target of Rp7.7tn due to a combination of weaker-than-expected take-up and project launch delays. We suspect FY18 lost presales of at least Rp400bn, mostly due to Sentul project delays with an initial target of Rp200bn and weaker-than-expected demand at its Gama City Medan project launching, for which we estimate presales of Rp200bn from an initial target of Rp400bn. However, we expect CTRA to book presales of ~Rp900bn in 4Q18 from the launch of Newtown 2 apartment, Cluster Sanur and Jimbaran in Maja as well as residential clusters in CitraRaya Tangerang.

Better presales and revenues growth in FY19. We expect CTRA to post better presales in FY19 of Rp7.5tn (+8.6% YoY), particularly in 2H19 after the elections overhang has been lifted. We think CTRA will benefit from the government's recent move to reduce the super luxury tax (PPH 22) from 5% to 1% for property valued at above Rp5.0bn. Our check with the company indicates that it has ~Rp2.2tn of unsold houses and high-rise property valued at above Rp5.0bn/unit. Meanwhile, we estimate FY19 revenues of Rp7.5tn (+3.0% YoY), mostly supported by growth in recurring income (+12.1% YoY), with development revenues expected to be flat. As of 9M18, CTRA's backlog stood at ~Rp15tn.

Maintain BUY; TP raised to Rp1,180. We maintain our BUY call on CTRA with a higher TP of Rp1,180 based on a 68% discount to NAV (from 73%). We assign a lower discount to NAV to reflect an expected re-rating of the sector, given a more dovish outlook for US interest rates, which should support the IDR and ease pressure on BI to hike rates. We like CTRA for its prudence as its net gearing remains under control at 34.4% as of Sep 18 and for its sizeable recurring income portion at 27% of total revenues. The counter is currently trading at a 73% discount to NAV.

Key Financials

Year to 31 Dec	2016A	2017A	2018F	2019F	2020F
Revenue (IDRbn)	6,739	6,443	7,303	7,523	8,269
EBITDA (IDRbn)	2,048	1,822	2,126	2,255	2,384
EBITDA Growth (%)	(20.5)	(11.1)	16.7	6.1	5.7
Net profit (IDRbn)	1,021	894	1,068	1,126	1,244
EPS (IDR)	66.2	48.2	57.5	60.7	67.0
EPS growth (%)	(38.3)	(27.2)	19.4	5.5	10.4
BVPS (IDR)	831.4	724.0	777.4	833.1	894.9
DPS (IDR)	(7.9)	(4.7)	(4.2)	(5.0)	(5.2)
PER (x)	18.4	25.2	21.1	20.0	18.1
PBV (x)	1.5	1.7	1.6	1.5	1.4
Dividend yield (%)	(0.7)	(0.4)	(0.3)	(0.4)	(0.4)
EV/EBITDA (x)	10.7	14.8	13.0	12.2	11.6

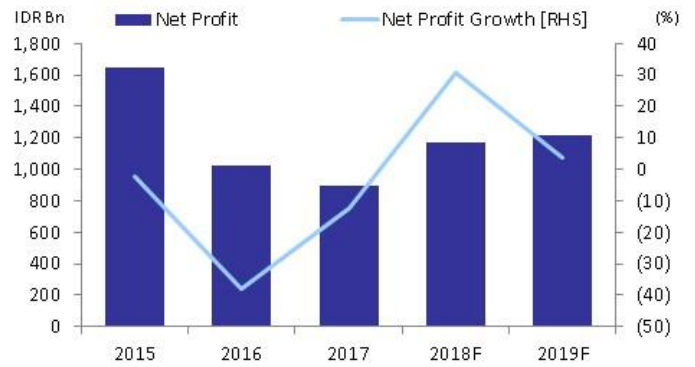
Source : CTRA, Danareksa Estimates

Exhibit 1. Revenues and Growth



Source: Company, Danareksa Sekuritas estimates

Exhibit 2. Net Profits and Growth



Source: Company, Danareksa Sekuritas estimates

Exhibit 3. Margins



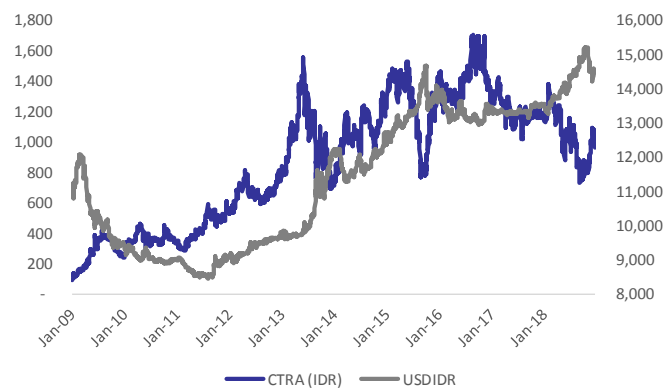
Source: Company, Danareksa Sekuritas estimates

Exhibit 4. Gearing Level



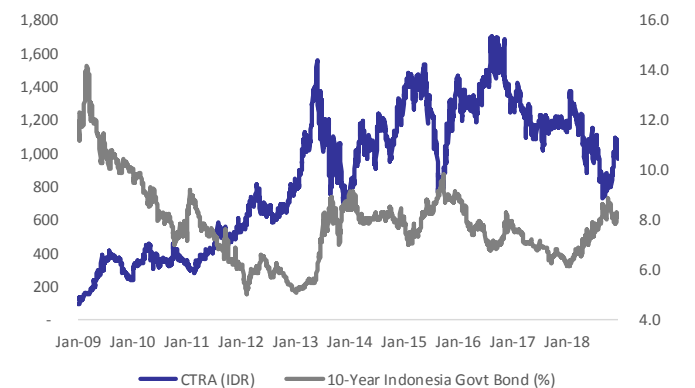
Source: Company, Danareksa Sekuritas estimates

Exhibit 5. CTRA vs USDIDR

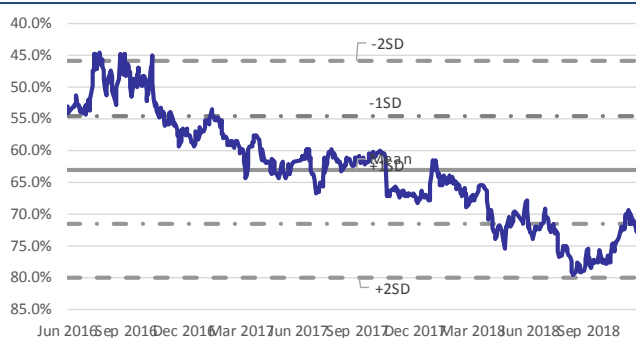


Source: Bloomberg

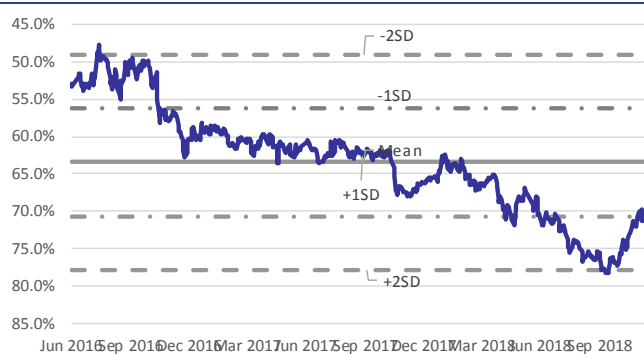
Exhibit 6. CTRA vs Interest Rate



Source: Bloomberg

Exhibit 7. CTRA Discount to NAV Band


Source: Company, Danareksa Sekuritas estimates

Exhibit 8. Property Sector Discount to NAV Band


Source: Company, Danareksa Sekuritas estimates

Exhibit 9. Forecast Change Summary

<i>in IDR bn</i>	2017	Previous		New		Changes	
		2018	2019	2018	2019	2018	2019
Marketing sales	7,640	7,637	8,685	6,913	7,507	-9.5%	-13.6%
Revenue	6,443	7,363	7,678	7,303	7,523	-0.8%	-2.0%
Gross profit	3,019	3,519	3,741	3,490	3,665	-0.8%	-2.0%
Operating profit	1,559	1,864	2,011	1,848	1,967	-0.9%	-2.1%
Net profit	894	1,172	1,227	1,068	1,126	-8.9%	-8.2%

Source: Danareksa Sekuritas Estimate, Company

Exhibit 10. Income Statement

Year to 31 Dec (IDRbn)	2016A	2017A	2018F	2019F	2020F
Revenue	6,739	6,443	7,303	7,523	8,269
COGS	(3,450)	(3,423)	(3,813)	(3,858)	(4,280)
Gross profit	3,290	3,019	3,490	3,665	3,989
EBITDA	2,048	1,822	2,126	2,255	2,384
Oper. profit	1,806	1,559	1,848	1,967	2,130
Interest income	217	224	271	199	202
Interest expense	(566)	(551)	(680)	(638)	(642)
Forex Gain/(Loss)	0	0	0	0	0
Income From Assoc. Co's	(2)	(19)	(19)	(19)	(19)
Other Income (Expenses)	46	130	130	130	130
Pre-tax profit	1,501	1,343	1,549	1,639	1,801
Income tax	(330)	(324)	(334)	(357)	(384)
Minority interest	(149)	(124)	(148)	(156)	(173)
Net profit	1,021	894	1,068	1,126	1,244
Core Net Profit	1,021	894	1,068	1,126	1,244

Exhibit 11. Balance Sheet

Year to 31 Dec (IDRbn)	2016A	2017A	2018F	2019F	2020F
Cash & cash equivalent	3,468	3,239	2,512	2,545	2,541
Receivables	1,702	1,797	1,651	2,031	2,232
Inventory	7,945	9,327	10,570	11,689	12,696
Other Curr. Asset	595	665	733	848	918
Fixed assets - Net	3,034	3,144	3,171	3,196	3,257
Other non-curr.asset	12,328	13,700	14,656	15,758	16,803
Total asset	29,072	31,872	33,293	36,067	38,448
ST Debt	1,686	1,231	2,462	2,432	4,384
Payables	1,372	1,343	1,214	1,567	1,738
Other Curr. Liabilities	4,253	5,274	5,045	5,828	6,404
Long Term Debt	4,976	6,388	5,180	5,148	3,192
Other LT. Liabilities	2,487	2,086	2,726	3,245	3,578
Total Liabilities	14,774	16,322	16,628	18,220	19,297
Shareholder's Funds	12,824	13,438	14,428	15,462	16,609
Minority interests	1,474	2,113	2,237	2,385	2,542
Total Equity & Liabilities	29,072	31,872	33,293	36,067	38,448

Exhibit 12. Cash Flow

Year to 31 Dec (IDRbn)	2016A	2017A	2018F	2019F	2020F
Net income	1,021	894	1,068	1,126	1,244
Depreciation and Amort.	243	263	279	288	254
Change in Working Capital	(1,291)	(914)	(880)	(108)	(295)
Other Oper. Cash Flow	348	327	409	439	440
Operating Cash Flow	321	570	875	1,745	1,642
Capex	(701)	(390)	(311)	(311)	(311)
Others Inv. Cash Flow	(287)	(1,141)	(715)	(787)	(785)
Investing Cash Flow	(988)	(1,531)	(1,026)	(1,098)	(1,096)
Net change in debt	1,403	254	(31)	158	(32)
New Capital	0	0	0	0	0
Dividend payment	(123)	(88)	(77)	(92)	(97)
Other Fin. Cash Flow	(181)	573	(475)	(679)	(421)
Financing Cash Flow	1,100	739	(583)	(614)	(550)
Net Change in Cash	433	(222)	(734)	33	(4)
Cash - begin of the year	3,034	3,468	3,239	2,512	2,545
Cash - end of the year	3,468	3,239	2,512	2,545	2,541

Exhibit 13. Key Ratios

Year to 31 Dec	2016A	2017A	2018F	2019F	2020F
Growth (%)					
Sales	(10.3)	(4.4)	13.3	3.0	9.9
EBITDA	(20.5)	(11.1)	16.7	6.1	5.7
Operating profit	(23.3)	(13.7)	18.5	6.5	8.3
Net profit	(37.9)	(12.4)	19.4	5.5	10.4
Profitability (%)					
Gross margin	48.8	46.9	47.8	48.7	48.2
EBITDA margin	30.4	28.3	29.1	30.0	28.8
Operating margin	26.8	24.2	25.3	26.2	25.8
Net margin	15.2	13.9	14.6	15.0	15.0
ROAA	3.7	2.9	3.3	3.2	3.3
ROAE	8.4	6.8	7.7	7.5	7.8
Leverage					
Net Gearing (x)	0.2	0.3	0.3	0.3	0.3
Interest Coverage (x)	3.2	2.8	2.7	3.1	3.3

Source : CTRA, Danareksa Estimates

Thursday, 20 December 2018

BUY
Maintain

Last price (IDR) 610
Target Price (IDR) 680
Upside/Downside +11.5%
Previous Target Price (IDR) 640

Stock Statistics

Sector Property
Bloomberg Ticker PWON IJ
No of Shrs (mn) 48,160
Mkt. Cap (IDRbn/USDmn) 29,377/2,035
Avg. daily T/O (IDRbn/USDmn) 18.2/1.3

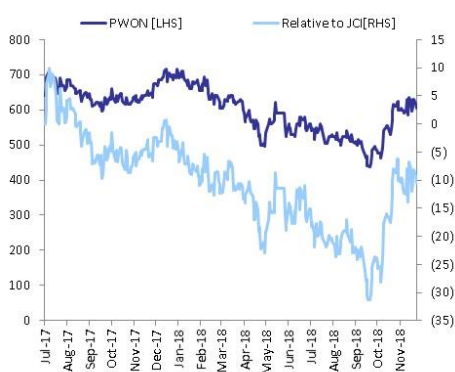
Major shareholders (%)

Pakuwon Arthaniaga 69.7
Alexander Tedja 0.0
Estimated free float 30.2

EPS Consensus (IDR)

	2018F	2019F	2020F
Danareksa	48.3	51.3	56.8
Consensus	46.0	51.8	55.1
Danareksa/Cons	4.9	(1.0)	3.1

PWON relative to JCI Index



Source : Bloomberg



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Pakuwon Jati(PWON IJ)

Recurring Income Play

We maintain our BUY call on PWON with a higher TP of Rp680 (from Rp640) on an expected sector re-rating given a more dovish outlook for interest rates. We expect PWON's FY18 presales to fall slightly short, but with more robust presales in FY19 on better demand and new product launches as well as the reduction in super luxury tax rates (PPh22). We like the company for its large recurring income streams and low net gearing.

FY18 marketing sales - slightly below. We estimate PWON's FY18 presales at Rp2.3tn (-7.9% YoY), slightly below the company's full year target of Rp2.5tn. We think this is mostly a reflection of the soft property market, in particular the high-rise market. Throughout FY18, PWON relied mostly on existing launches in order to achieve its presales target. Based on previous presales numbers, we estimate that PWON will book presales at a rate of ~Rp200bn/month. As such, we expect PWON to record presales of ~Rp200bn in Dec 18. As of 11M18, PWON's marketing sales stood at close to Rp2.1tn.

FY19 presales supported by better demand and new launchings. We expect PWON to book some growth in its presales at Rp2.5tn (+10.0% YoY), boosted by higher high-rise and office presales as well as new launchings planned for a mixed use project in Bekasi. PWON is one of the beneficiaries of the government's recent move to reduce the super luxury tax (PPh22) from 5% to 1% for property valued above Rp5.0bn. PWON has ~Rp2.3tn worth of inventory valued above Rp5.0bn. Meanwhile, we estimate FY19 revenues at Rp7.0tn (+7.1% YoY), boosted by recurring income (+9.8% YoY) and development income (+4.0% YoY). Recurring income will mostly come from increases in rental and service charges while development income will be from revenues recognition of Anderson, Benson and La Viz apartments in Pakuwon Mall and Amor apartment in East Coast Mansion. As of 9M18, PWON's backlog stood at ~Rp4.0tn.

Maintain BUY; TP raised to Rp680. We maintain our BUY call on PWON with a higher TP of Rp680 based on a 45% discount to NAV (from 48%). We assign a lower discount to NAV to reflect an expected re-rating of the sector, given a more dovish outlook for US interest rates, which should support the IDR and ease pressure on BI to hike rates. We think PWON has the strongest fundamentals among the companies under our coverage due to its large recurring income streams (~49% of total revenues) and the lowest net gearing. Despite the recent run-up in the share price, we think there is still some upside left. The counter currently trades at a 50% discount to NAV.

Key Financials

Year to 31 Dec	2016A	2017A	2018F	2019F	2020F
Revenue (IDRbn)	4,841	5,718	6,536	7,000	7,309
EBITDA (IDRbn)	2,593	3,175	3,621	3,746	3,905
EBITDA Growth (%)	1.4	22.4	14.1	3.5	4.2
Net profit (IDRbn)	1,671	1,873	2,325	2,471	2,735
EPS (IDR)	34.7	38.9	48.3	51.3	56.8
EPS growth (%)	32.4	12.1	24.2	6.3	10.7
BVPS (IDR)	180.3	214.3	257.5	302.6	352.7
DPS (IDR)	4.5	4.5	5.0	6.3	6.6
PER (x)	17.7	15.8	12.7	12.0	10.8
PBV (x)	3.4	2.9	2.4	2.0	1.7
Dividend yield (%)	0.7	0.7	0.8	1.0	1.1
EV/EBITDA (x)	12.5	10.0	8.4	7.8	7.1

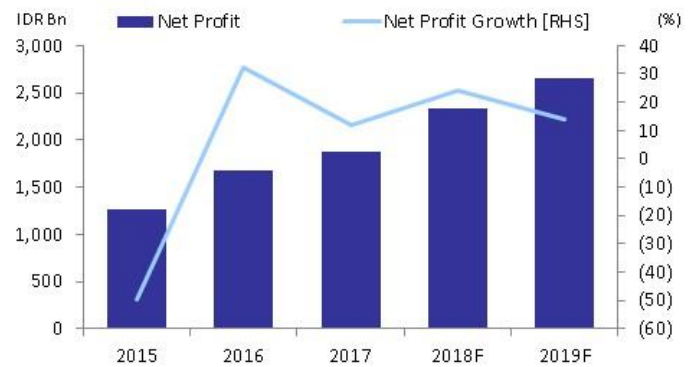
Source : PWON, Danareksa Estimates

Exhibit 1. Revenues and Growth



Source: Company, Danareksa Sekuritas estimates

Exhibit 2. Net Profits and Growth



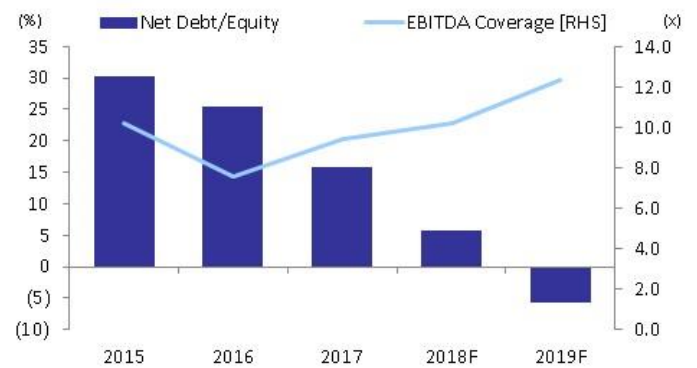
Source: Company, Danareksa Sekuritas estimates

Exhibit 3. Margins



Source: Company, Danareksa Sekuritas estimates

Exhibit 4. Gearing Level



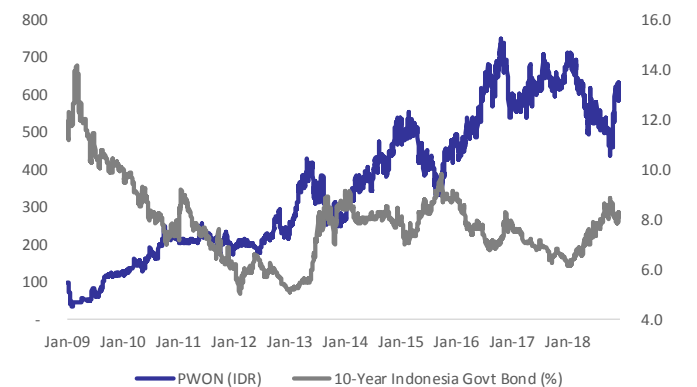
Source: Company, Danareksa Sekuritas estimates

Exhibit 5. PWON vs USDIDR

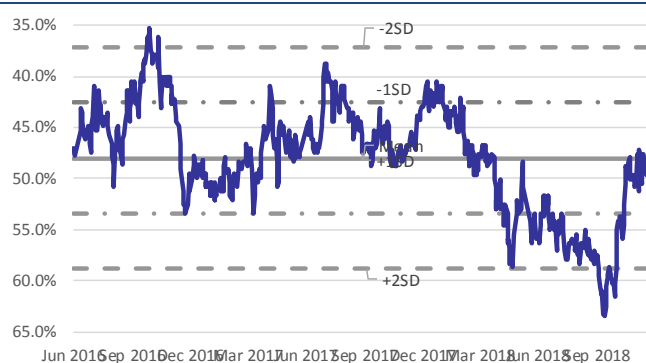


Source: Bloomberg

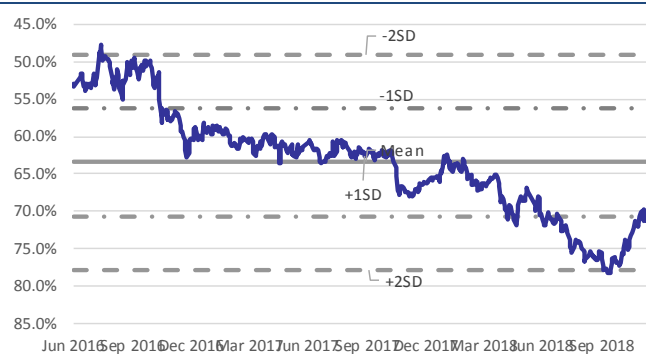
Exhibit 6. PWON vs Interest Rate



Source: Bloomberg

Exhibit 7. PWON Discount to NAV Band


Source: Company, Danareksa Sekuritas estimates

Exhibit 8. Property Sector Discount to NAV


Source: Company, Danareksa Sekuritas estimates

Exhibit 9. Forecast Change Summary

in IDR bn	2017	Previous		New		Changes	
		2018F	2019F	2018F	2019F	2018F	2019F
Marketing sales	2,506	2,600	2,770	2,308	2,538	-11.2%	-8.4%
Revenue	5,718	6,556	7,406	6,536	7,000	-0.3%	-5.5%
Gross profit	3,364	3,743	4,084	3,834	3,979	2.5%	-2.6%
Operating profit	2,795	3,129	3,429	3,221	3,326	2.9%	-3.0%
Net profit	1,873	2,327	2,652	2,325	2,471	0.0%	-6.8%

Source: Danareksa Sekuritas Estimate, Company

Exhibit 10. Income Statement

Year to 31 Dec (IDRbn)	2016A	2017A	2018F	2019F	2020F
Revenue	4,841	5,718	6,536	7,000	7,309
COGS	(2,088)	(2,353)	(2,702)	(3,020)	(3,151)
Gross profit	2,754	3,364	3,834	3,979	4,158
EBITDA	2,593	3,175	3,621	3,746	3,905
Oper. profit	2,260	2,795	3,221	3,326	3,464
Interest income	112	139	170	228	281
Interest expense	(342)	(336)	(351)	(323)	(282)
Forex Gain/(Loss)	58	(25)	(98)	(91)	0
Income From Assoc. Co's	(9)	(12)	0	0	0
Other Income (Expenses)	(23)	(154)	(3)	(5)	(7)
Pre-tax profit	2,057	2,406	2,940	3,135	3,456
Income tax	(276)	(381)	(426)	(463)	(499)
Minority interest	(109)	(152)	(189)	(200)	(222)
Net profit	1,671	1,873	2,325	2,471	2,735
Core Net Profit	1,613	1,898	2,423	2,563	2,735

Exhibit 11. Balance Sheet

Year to 31 Dec (IDRbn)	2016A	2017A	2018F	2019F	2020F
Cash & cash equivalent	2,432	3,406	4,561	5,617	7,059
Receivables	237	523	598	640	669
Inventory	2,860	3,741	4,579	5,374	6,130
Other Curr. Asset	395	408	466	499	521
Fixed assets - Net	1,700	1,682	1,879	2,063	2,230
Other non-curr.asset	12,848	13,249	13,483	13,705	13,914
Total asset	20,674	23,359	25,985	28,401	31,126
ST Debt	769	402	755	1,126	320
Payables	312	505	579	648	676
Other Curr. Liabilities	1,034	1,197	1,333	1,486	1,554
Long Term Debt	4,479	5,029	4,738	4,016	4,703
Other LT. Liabilities	3,059	3,435	3,705	4,081	4,414
Total Liabilities	9,654	10,567	11,111	11,357	11,667
Shareholder's Funds	8,684	10,320	12,402	14,573	16,987
Minority interests	2,336	2,472	2,472	2,472	2,472
Total Equity & Liabilities	20,674	23,359	25,985	28,401	31,126

Exhibit 12. Cash Flow

Year to 31 Dec (IDRbn)	2016A	2017A	2018F	2019F	2020F
Net income	1,671	1,873	2,325	2,471	2,735
Depreciation and Amort.	333	365	400	420	441
Change in Working Capital	(294)	(817)	(760)	(650)	(710)
Other Oper. Cash Flow	182	534	390	391	231
Operating Cash Flow	1,893	1,956	2,356	2,633	2,697
Capex	(2,154)	(662)	(740)	(732)	(720)
Others Inv. Cash Flow	745	(112)	10	50	83
Investing Cash Flow	(1,409)	(774)	(730)	(681)	(637)
Net change in debt	332	188	62	(350)	(119)
New Capital	0	0	0	0	0
Dividend payment	(216)	(216)	(243)	(301)	(320)
Other Fin. Cash Flow	(238)	(179)	(290)	(244)	(178)
Financing Cash Flow	(122)	(208)	(471)	(895)	(618)
Net Change in Cash	361	974	1,155	1,056	1,442
Cash - begin of the year	2,071	2,432	3,406	4,561	5,617
Cash - end of the year	2,432	3,406	4,561	5,617	7,059

Exhibit 13. Key Ratios

Year to 31 Dec	2016A	2017A	2018F	2019F	2020F
Growth (%)					
Sales	4.7	18.1	14.3	7.1	4.4
EBITDA	1.4	22.4	14.1	3.5	4.2
Operating profit	(0.2)	23.7	15.3	3.3	4.1
Net profit	32.4	12.1	24.2	6.3	10.7
Profitability (%)					
Gross margin	56.9	58.8	58.7	56.8	56.9
EBITDA margin	53.6	55.5	55.4	53.5	53.4
Operating margin	46.7	48.9	49.3	47.5	47.4
Net margin	34.5	32.8	35.6	35.3	37.4
ROAA	8.5	8.5	9.4	9.1	9.2
ROAE	21.0	19.7	20.5	18.3	17.3
Leverage					
Net Gearing (x)	0.3	0.2	0.1	0.0	(0.1)
Interest Coverage (x)	6.6	8.3	9.2	10.3	12.3

Source : PWON, Danareksa Estimates

Thursday, 20 December 2018

BUY Upgrade

Last price (IDR)	830
Target Price (IDR)	980
Upside/Downside	+18.1%
Previous Target Price (IDR)	660

Stock Statistics

Sector	Property
Bloomberg Ticker	SMRA IJ
No of Shrs (mn)	14,427
Mkt. Cap (IDRbn/USDmn)	11,974/829
Avg. daily T/O (IDRbn/USDmn)	12.4/0.9

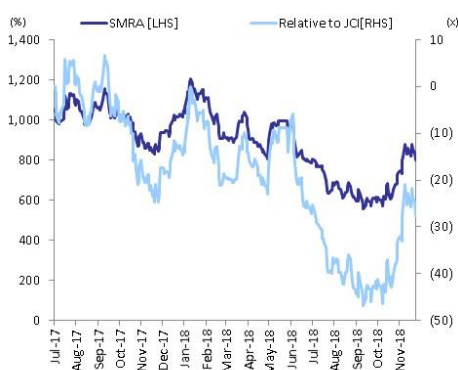
Major shareholders (%)

Semarop Agung	25.4
Sinarmegah Jayasentosa	6.6
Estimated free float	67.8

EPS Consensus (IDR)

	2018F	2019F	2020F
Danareksa	23.9	22.5	22.7
Consensus	25.4	29.2	30.5
Danareksa/Cons	(5.9)	(23.1)	(25.6)

SMRA relative to JCI Index



Source : Bloomberg

Summarecon Agung (SMRA IJ)

Benefitting The Most

We upgrade our call on SMRA to BUY (from HOLD) with a higher TP of Rp980 (from Rp660) on sector re-rating given the more dovish outlook for US interest rates. We expect SMRA to miss its FY18 presales, but expect an improvement in its FY19 presales on stronger property demand in 2H19. SMRA's balance sheet is likely to benefit the most from a more dovish outlook for interest rates and the recent relaxation in the mortgages disbursement scheme, given its high net gearing. In addition, the company has strong recurring income and minimal forex exposure.

Falling short of its FY18 marketing sales target. We estimate SMRA's FY18 presales at Rp3.3tn (-6.1% YoY), missing the initial target of Rp4.0tn, due to weaker-than-expected sales for residential and shophot launchings. Given 11M18 presales of Rp2.88tn, we expect an additional ~Rp400bn of presales to be booked in Dec'18, mostly coming from its Makassar launching (Rp200bn) and launchings of Cluster Olive Residence in Bekasi, North Goldfinch shophouses in Serpong and existing products (Rp200bn).

Presales recovery in FY19. After posting a likely decline in its FY18 presales, we expect to see recovery in FY19 presales, particularly on expectations of better property demand in 2H19. We estimate SMRA's FY19 presales at Rp3.7tn (+9.4% YoY), mostly on growth in residential and high-rise presales. Meanwhile, we estimate FY19 revenues at Rp5.7tn (-4.6% YoY), reined in by expectations of lower development revenues (-9.4% YoY), but bolstered by higher recurring revenues (+4.0% YoY). As of 9M18, SMRA had a backlog of ~Rp5.5tn.

Upgrade to BUY; TP raised to Rp980. We upgrade SMRA to BUY (from HOLD) with a higher TP of Rp980 based on 70% discount to NAV (from 79%). We assign a lower discount to NAV to reflect some re-rating in the sector, given a more dovish outlook on US interest rates, which should support the IDR and ease pressure on BI to hike rates. Due to its high net gearing, we think SMRA's balance sheet is likely to benefit the most from a more dovish outlook for interest rates and the recent relaxation in the mortgage disbursement scheme. In addition, we also like the company for its strong recurring income (~40% of revenues) and minimal forex exposure, which should enable the company to stay afloat, as well as its relatively good stock liquidity. The counter is currently trading at a 75% discount to NAV.

Key Financials

Year to 31 Dec	2016A	2017A	2018F	2019F	2020F
Revenue (IDRbn)	5,398	5,641	5,965	5,692	5,847
EBITDA (IDRbn)	1,678	1,674	1,840	1,766	1,789
EBITDA Growth (%)	(16.5)	(0.2)	9.9	(4.0)	1.3
Net profit (IDRbn)	312	362	344	324	328
EPS (IDR)	21.6	25.1	23.9	22.5	22.7
EPS growth (%)	(63.6)	16.2	(4.9)	(5.8)	1.0
BVPS (IDR)	432.7	451.2	475.1	497.6	520.3
DPS (IDR)	5.0	0.0	0.0	0.0	0.0
PER (x)	41.4	35.7	37.5	39.8	39.4
PBV (x)	2.1	2.0	1.9	1.8	1.7
Dividend yield (%)	0.6	0.0	0.0	0.0	0.0
EV/EBITDA (x)	10.9	11.6	10.5	11.3	11.0

Source : SMRA, Danareksa Estimates



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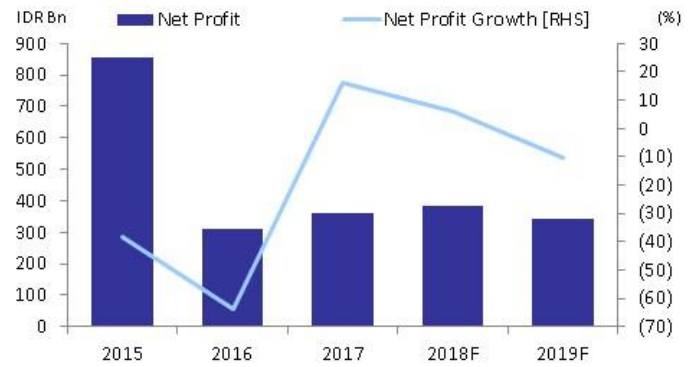
yudha.gautama@danareksa.com

Exhibit 1. Revenues and Growth



Source: Company, Danareksa Sekuritas estimates

Exhibit 2. Net Profits and Growth



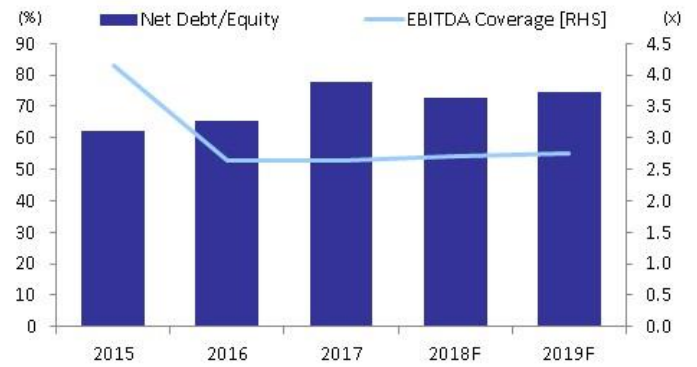
Source: Company, Danareksa Sekuritas estimates

Exhibit 3. Margins



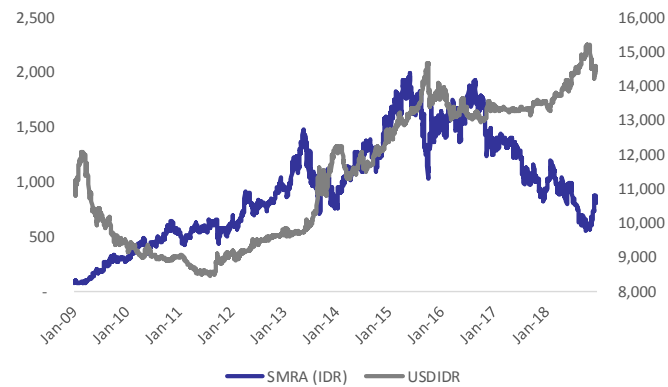
Source: Company, Danareksa Sekuritas estimates

Exhibit 4. Gearing Level



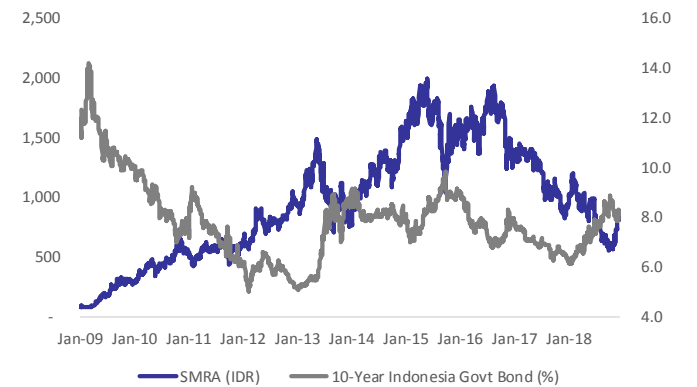
Source: Company, Danareksa Sekuritas estimates

Exhibit 5. SMRA vs USDIDR

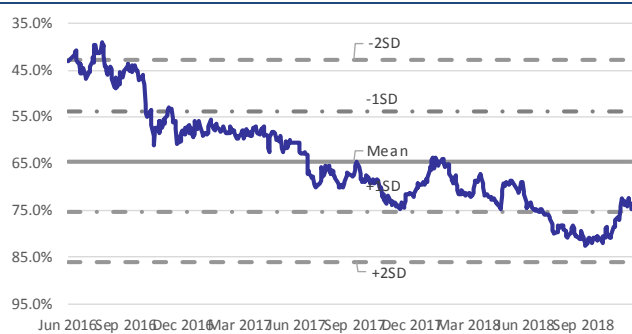


Source: Bloomberg

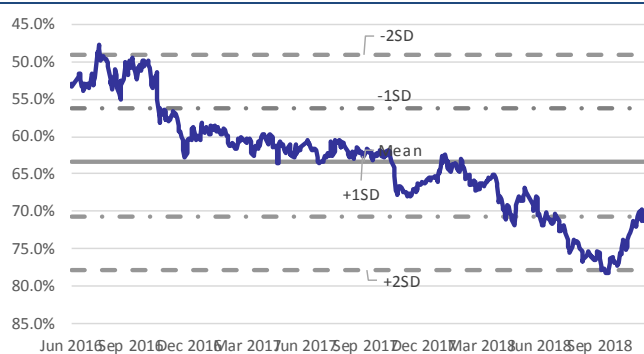
Exhibit 6. SMRA vs Interest Rate



Source: Bloomberg

Exhibit 7. SMRA Discount to NAV Band


Source: Company, Danareksa Sekuritas estimates

Exhibit 8. Property Sector Discount to NAV Band


Source: Company, Danareksa Sekuritas estimates

Exhibit 9. Forecast Change Summary

in IDR bn	2017	Previous		New		Changes	
		2018	2019	2018	2019	2018	2019
Marketing sales	3,561	3,828	4,332	3,342	3,658	-12.7%	-15.6%
Revenue	5,641	5,996	5,788	5,965	5,692	-0.5%	-1.7%
Gross profit	2,567	2,754	2,766	2,821	2,732	2.4%	-1.2%
Operating profit	1,339	1,420	1,407	1,489	1,379	4.9%	-2.0%
Net profit	362	383	343	344	324	-10.1%	-5.3%

Source: Danareksa Sekuritas Estimate, Company

Exhibit 10. Income Statement

Year to 31 Dec (IDRbn)	2016A	2017A	2018F	2019F	2020F
Revenue	5,398	5,641	5,965	5,692	5,847
COGS	(2,800)	(3,074)	(3,144)	(2,960)	(3,058)
Gross profit	2,598	2,567	2,821	2,732	2,789
EBITDA	1,678	1,674	1,840	1,766	1,789
Oper. profit	1,409	1,339	1,489	1,379	1,389
Interest income	101	91	74	70	63
Interest expense	(634)	(632)	(694)	(650)	(639)
Forex Gain/(Loss)	0	0	0	0	0
Income From Assoc. Co's	0	0	0	0	0
Other Income (Expenses)	1	2	4	4	4
Pre-tax profit	878	799	873	804	818
Income tax	(272)	(267)	(280)	(276)	(285)
Minority interest	(293)	(170)	(249)	(203)	(205)
Net profit	312	362	344	324	328
Core Net Profit	312	362	344	324	328

Exhibit 11. Balance Sheet

Year to 31 Dec (IDRbn)	2016A	2017A	2018F	2019F	2020F
Cash & cash equivalent	2,076	1,482	1,408	1,259	871
Receivables	548	661	699	667	685
Inventory	5,531	6,498	6,886	7,197	7,445
Other Curr. Asset	546	517	545	527	542
Fixed assets - Net	451	422	370	375	404
Other non-curr.asset	11,658	12,083	12,301	12,644	12,758
Total asset	20,810	21,663	22,210	22,669	22,705
ST Debt	1,402	2,395	2,784	3,604	2,356
Payables	289	297	304	286	296
Other Curr. Liabilities	2,526	3,584	3,730	3,561	3,670
Long Term Debt	6,024	5,589	5,109	4,615	5,359
Other LT. Liabilities	2,403	1,444	1,522	1,466	1,510
Total Liabilities	12,645	13,309	13,449	13,533	13,190
Shareholder's Funds	6,243	6,510	6,854	7,179	7,506
Minority interests	1,923	1,844	1,906	1,957	2,008
Total Equity & Liabilities	20,810	21,663	22,210	22,669	22,705

Exhibit 12. Cash Flow

Year to 31 Dec (IDRbn)	2016A	2017A	2018F	2019F	2020F
Net income	312	362	344	324	328
Depreciation and Amort.	266	323	351	387	400
Change in Working Capital	(1,542)	(41)	(301)	(447)	(164)
Other Oper. Cash Flow	1,454	(575)	654	548	594
Operating Cash Flow	489	69	1,048	812	1,158
Capex	(471)	(268)	(210)	(465)	(525)
Others Inv. Cash Flow	(440)	(250)	(197)	(230)	63
Investing Cash Flow	(911)	(518)	(407)	(695)	(462)
Net change in debt	1,229	557	(91)	327	(504)
New Capital	0	0	0	0	0
Dividend payment	(81)	(95)	0	0	0
Other Fin. Cash Flow	(634)	(632)	(694)	(650)	(639)
Financing Cash Flow	514	(170)	(785)	(323)	(1,143)
Net Change in Cash	91	(620)	(143)	(207)	(447)
Cash - begin of the year	1,504	2,076	1,482	1,408	1,259
Cash - end of the year	2,076	1,482	1,408	1,259	871

Exhibit 13. Key Ratios

Year to 31 Dec	2016A	2017A	2018F	2019F	2020F
Growth (%)					
Sales	(4.0)	4.5	5.8	(4.6)	2.7
EBITDA	(16.5)	(0.2)	9.9	(4.0)	1.3
Operating profit	(20.3)	(5.0)	11.2	(7.4)	0.7
Net profit	(63.6)	16.2	(4.9)	(5.8)	1.0
Profitability (%)					
Gross margin	48.1	45.5	47.3	48.0	47.7
EBITDA margin	31.1	29.7	30.8	31.0	30.6
Operating margin	26.1	23.7	25.0	24.2	23.8
Net margin	5.8	6.4	5.8	5.7	5.6
ROAA	1.6	1.7	1.6	1.4	1.4
ROAE	5.1	5.7	5.2	4.6	4.5
Leverage					
Net Gearing (x)	0.7	0.8	0.7	0.8	0.7
Interest Coverage (x)	2.2	2.1	2.1	2.1	2.2

Source : SMRA, Danareksa Estimates

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