

## MORNING HIGHLIGHT

### FROM EQUITY RESEARCH

#### ITMG: 3Q15-better quarter on lower total cash cost

(ITMG IJ. Rp8,050. HOLD. TP Rp10,600)

Indo Tambangraya Megah (ITMG) reported a net profit of US\$83mn in 9M15 (- 51% yoy, but +23% qoq). While the net profit was below our expectation we noted quarterly improvement in its net profit which increased by 23% qoq. The latter was mainly attributable to total cash cost of production by 5% qoq following lower opex by 3% qoq. While looking at the valuation, the stock now offers an attractive dividend yield of about following the sharp correction in the share price. Nonetheless, given the depressed coal prices coupled with concerns over limited reserves, we maintain our HOLD recommendation with Target Price of Rp10,600 (based on DCF valuation with a WACC of 12.9%).

#### SILO: Licensing Dilemma

(SILO IJ. Rp9,625. HOLD. TP Rp10,500)

Siloam's (SILO) slow expansion progress thus far creates concern on its promise to deliver strong growth. This reflected in the relatively lower than expected 9M15 result figures. The costly delay in its ready to launch Yogyakarta hospital will weigh the short term financial performance. Looking at the difficulty in securing the licenses, we expect the delay will also occur to the upcoming new hospitals. Taking into account the 9M15 result, we revise down our revenues and EBITDA estimates by 4.2%/8.9% and 16.2%/14.9%. We lower our TP to Rp10,500 derived from DCF valuation (WACC of 14.5% and 5% terminal growth), implying 18.2x FY16F EV/EBITDA.

#### Previous Reports:

- Infrastructure: Indonesia Infrastructure Week - A Brighter yet Challenging Period Ahead, Bank: 9M15 wrap-up: short term tailwinds ahead, INCO: Benefitting from low energy costs-[Snapshot20151106](#)
- Enhancement in KEK incentive-[Snapshot20151105](#)

### MARKET NEWS

#### \*Analysts' comment inside

- ASRI to sell 13ha of landplots, expects high income from GWK park (BI, TJP)
- Manufacturer boost production (BI)
- October sales down 4.7% mom (BI)
- SMBR reviewing Rp 1.5tn loan (BI)
- SSIA reviewing Rp 500 bn loan (BI)
- Wika Beton establishes new subsidiary to back expansion (TJP, BI)

### IDX ANNOUNCEMENT

#### Buyback schedule

Code	Buyback period	Max buyback (Rp bn)	Max price/share (Rp)
MPMX	24-Aug 23-Nov	50	1,000
RALS	25-Aug 24-Nov	400	---
ARNA	25-Aug 25-Nov	18	---

Source: KSEI

#### Key Index

	Close	Chg (%)	Ytd (%)	Vol (US\$ m)
<b>Asean - 5</b>				
Indonesia	4,451	(1.1)	(14.8)	446
Thailand	1,398	(0.3)	(6.6)	920
Philippines	7,000	(1.0)	(3.2)	118
Malaysia	1,686	0.0	(4.3)	461
Singapore	2,998	(0.4)	(10.9)	705
<b>Regional</b>				
China	3,640	(0.2)	12.5	115,192
Hong Kong	22,402	(1.4)	(5.1)	10,666
Japan	19,671	0.1	12.7	11,125
Korea	1,997	(1.4)	4.2	5,237
Taiwan	8,537	(1.2)	(8.3)	2,626
India	25,743	(1.4)	(6.4)	431
NASDAQ	5,083	(0.2)	7.3	75,548
Dow Jones	17,758	0.2	(0.4)	8,380

#### Currency and Interest Rate

	Rate	w-w (%)	m-m (%)	ytd (%)
Rupiah Rp/1US\$	13,619	(0.4)	(1.6)	(9.9)
SBI rate %	6.75	0.1	0.1	(0.5)
10y Gov Indo bond	8.69	(0.1)	0.1	0.9

#### Hard Commodities

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Coal	US\$/ton	52	(0.4)	(2.7)	(16.3)
Gold	US\$/toz	1,090	0.0	(5.8)	(8.0)
Nickel	US\$/mt.ton	9,548	(0.5)	(8.7)	(36.7)
Tin	US\$/mt.ton	14,594	(0.5)	(10.4)	(24.9)

#### Soft Commodities

	Unit	Price	d-d (%)	m-m (%)	ytd (%)
Cocoa	US\$/mt.ton	3,257	(1.0)	4.5	9.6
Corn	US\$/mt.ton	134	(2.6)	(3.9)	(6.1)
Crude Oil	US\$/barrel	47	0.5	(9.9)	(17.3)
Palm oil	MYR/mt.ton	2,148	(1.4)	(6.5)	(6.5)
Rubber	US\$/kg	117	(0.4)	(7.7)	(23.1)
Pulp	US\$/tonne	822	n/a	(1.0)	(11.8)
Coffee	US\$/60kgbag	97	0.2	5.0	38.6
Sugar	US\$/MT	385	2.4	(1.8)	(1.6)
Wheat	US\$/ton	134	(2.2)	(3.6)	(20.2)

Source: Bloomberg

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COAL/COMPANY UPDATE

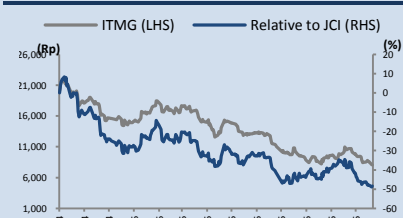
# HOLD

Target Price, Rp	10,600
Upside	31.7%
ITMG IJ/ITMG.JK	
Last Price, Rp	8,050
No. of shares (bn)	1,130
<b>Market Cap, Rpbn</b>	<b>9,096</b>
(US\$ mn)	668
3M T/O, US\$mn	0.98

### Last Recommendation

14-Aug-15	HOLD	Rp10,600
15-May-15	HOLD	Rp16,000
25-Feb-15	HOLD	Rp18,500

### Company relative to JCI Index



### Market Recommendation

Buy	12
Hold	13
Sell	3

### Consensus

	Our	Cons	% Diff
Target Price, IDR	10,600	11,331	(6.3)
EPS 2014F, IDR	2,192	1,430	53.3
PE 2014F, x	3.7	5.6	(34.8)



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# Indo Tambangraya Megah

## 3Q15: better quarter on lower total cash cost

Indo Tambangraya Megah (ITMG) reported a net profit of US\$83mn in 9M15 (- 51% yoy, but +23% qoq). While the net profit was below our expectation we noted quarterly improvement in its net profit which increased by 23% qoq. The latter was mainly attributable to total cash cost of production by 5% qoq following lower opex by 3% qoq. Meanwhile the lower net profit was mainly due to a) lower coal sales volume and b) higher tax rate of 37% in 9M15 vs. our expectation of 30%, despite lower ASP by 2% qoq to US\$55.9/ton in 3Q15. While looking at the valuation, the stock now offers an attractive dividend yield of about following the sharp correction in the share price. Nonetheless, given the depressed coal prices coupled with concerns over limited reserves, we maintain our HOLD recommendation with Target Price of Rp10,600 (based on DCF valuation with a WACC of 12.9%).

### 3Q15 result: quarterly improvement on lower total cash cost

ITMG reported lower revenue by 4% qoq to US\$382mn in 3Q15 due to lower ASP by 2% qoq, a slight decline in sales volume and the higher stripping ratio to 9.5x (from 8.6x in 2Q15). The latter resulted in higher cash cost of production by 7% qoq to US\$35.8/ton. However, ITMG managed to report better net profit by 23% qoq to US\$25mn. This was mainly attributable to lower total COGS by 8% qoq as well as lower total operating expenses by 3% qoq. As a result, the total cash cost of went down by 5% qoq to US\$46.7/ton in 3Q15. As such, gross and operating margin improved to 22.4% and 12.9% respectively in 3Q15 (from 19.0% and 9.5% in 2Q15).

### Lower ASP and sales volume weaken cumulative net profit

On cumulative basis, ITMG reported a 51% yoy decline in the net profit to US\$83mn in 9M15. This was mainly due to firstly, the continuation on global oversupply of coal resulted on ITMG's coal ASP to decline by 16% yoy to US\$57.9/ton in 9M15 as well as lower coal sales volume by 4% yoy to 20.9mn tons. Hence, its revenue went down by 19% yoy to US\$1,207mn. Secondly, the loss on derivate transaction of US\$14mn in 9M15 mainly on fuel swap contracts vs. gain on derivate transaction of US\$30mn in 9M14 and finally, higher tax rate of 37% in 9M15 (9M14: 24%).

### Lower stripping ratio to provide cushion on further decline in the net profit

With lower cash cost of production by 24% yoy to US\$34.1/ton in 9M15, due to lower fuel price as well as lower stripping ratio to 8.9x (from 10.1x in 9M14), this provided a cushion on further decline in the net profit. As such, its gross margin improved slightly to 21.5% in 9M15 from 21.2% in 9M13. But coupled with a loss in derivate transaction and higher tax rate resulted on net profit margin to decline to 6.9% in 9M15 from 11.4% in 9M14.

	2013	2014	2015F	2016F	2017F
Revenue, USD mn	2,179	1,943	1,657	1,704	1,781
EBITDA, USD mn	375	299	256	261	267
EBITDA Growth, %	-41.0	-20.1	-14.5	1.8	2.4
Net profit, USD mn	205	200	123	136	142
EPS, USD	0.181	0.177	0.109	0.121	0.125
EPS growth, %	-52.6	-2.3	-38.4	10.6	3.9
BVPS, USD	0.795	0.795	0.800	0.839	0.877
DPS, USD	0.238	0.177	0.104	0.082	0.087
Net Gearing, %	-32	-23	-27	-30	-36
PER, x	4.3	4.3	5.6	5.1	4.9
PBV, x	1.0	1.0	0.8	0.7	0.7
EV/EBITDA, x	1.6	2.1	1.7	1.5	1.2
Yield, %	30.3	23.1	17.0	13.5	14.0

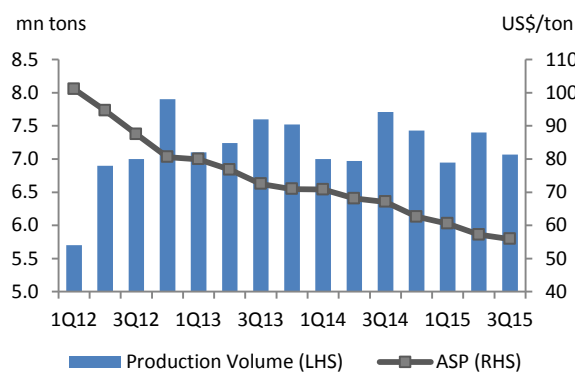
**Expecting better coal production in 4Q15 to achieve the full year target**

With 9M15 coal production to reach only 73% of the full year target, we expect ITMG to increase its coal production in 4Q15 in order to achieve full year target of 29.5mn tons. Looking further, the management aims to deliver consistent annual production of up to 31 – 32mn tons over the next two years following completion of Bunyut port expansion in 4Q15, which will increase coal production at Trubaindo – Bharinto from 10mn tons in 2015 to 13mn tons in 2017.

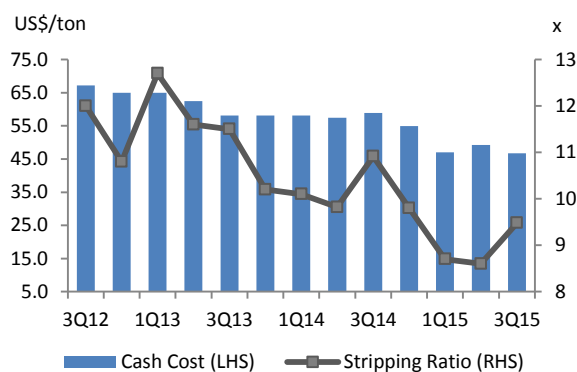
**Exhibit 1. Quarterly margin improvement in 3Q15**

Operational performance	2Q15	3Q15	QoQ,%	9M14	9M15	YoY,%	2015F	A/F,%
Sales volume, mn tons	6.9	6.8	(1)	21.7	20.9	(4)	29.5	71
Production volume, mn tons	7.4	7.1	(4)	21.7	21.5	(1)	29.5	73
ASP, USD/ton	57.2	55.9	(2)	68.7	57.9	(16)	56.2	103
Strip ratio, bcm/ton	8.6	9.5	10	10.1	8.9	(12)	9.6	93
Cash production cost, USD/ton	33.6	35.8	7	44.7	34.1	(24)	35.8	95
Total cost, USD/ton	49.2	46.7	(5)	57.4	48.9	(15)	48.0	102
Financial performance	2Q15	3Q15	QoQ,%	9M14	9M15	YoY,%	2015F	A/F,%
Net sales, USD mn	397	382	(4)	1,488	1,207	(19)	1,657	73
COGS, USD mn	(322)	(296)	(8)	(1,172)	(947)	(19)	(1,316)	72
Gross profit, USD mn	75	86	14	316	260	(18)	340	76
Opex, USD mn	(37)	(36)	(3)	(122)	(113)	(7)	(156)	72
Operating profit, USD mn	38	49	31	193	146	(24)	184	80
Net profit, USD mn	20	25	23	169	83	(51)	123	67
Gross margin, %	19.0	22.4	3.4	21.2	21.5	0.3	20.5	
Operating margin, %	9.5	12.9	3.4	13.0	12.1	(0.9)	11.1	
Net margin, %	5.1	6.5	1.4	11.4	6.9	(4.5)	7.4	

Source: ITMG, Danareksa Sekuritas

**Exhibit 2. Unfavorable coal prices weaken ASP**

Source: ITMG

**Exhibit 3. Lower total cash cost amid higher ratio**

Source: ITMG

HEALTHCARE/COMPANY UPDATE

# Siloam International Hospitals

## Licensing Dilemma

Siloam's (SILO) slow expansion progress thus far creates concern on its promise to deliver strong growth. This reflected in the relatively lower than expected 9M15 result figures. The costly delay in its ready to launch Yogyakarta hospital will weigh the short term financial performance. Looking at the difficulty in securing the licenses, we expect the delay will also occur to the upcoming new hospitals. Taking into account the 9M15 result, we revise down our revenues and EBITDA estimates by 4.2%/8.9% and 16.2%/14.9%. We lower our TP to Rp10,500 derived from DCF valuation (WACC of 14.5% and 5% terminal growth), implying 18.2x FY16F EV/EBITDA. Siloam is currently trading at 16.7x FY16F EV/EBITDA, a 7.3% discount to regional hospitals. Maintain HOLD.

### Costly delay hit profitability

SILO's slow expansion progress thus far creates concern on its promise to deliver strong growth. This is reflected in the relatively lower than expected 9M15 result figures. As it fails to deliver rapid expansion, the financial performance will be negatively affected. Siloam hospital has yet to launch new hospital in 2015, the most ready to launch hospital in Yogyakarta has been delayed for operational for about 6 month. The delay costs SILO to incur higher opex as it has to pay the medical personal that currently unoccupied. In 3Q15 alone, the EBITDA margin was on the lowest level since 3Q13 at 10.8%. The recent development indicates that Siloam still will not able to launch this hospital in November. Hence, SILO should bear a couple more months costly delay due to uncertainty in acquiring operating license.

### License problem creates uncertainty on future expansion plan

On total, there are around 36 licenses (sequentially) that have to be secured to operate new hospital. Siloam hospital expansion delay is not a new problem. We note that several SILO's hospitals had faced the same problem in the past before finally launched. The average delay in launching of its new hospitals took around 4-14 months caused by different issues depending on the location. Each of its hospital faced different issues, either with regional government, public community, ministry of health, and technical expertise problem. Therefore, it is pretty difficult, even for management to estimate the exact timeline for the hospital to get the licenses. This creates uncertainty for future expansion, we believe.

### TP lowered to Rp10,500; maintain HOLD

Uncertainty in securing new hospital licenses would be major downturn on SILO going forward. Yet, we still believe SILO will still able to execute the plan but at slower pace. We believe the long term performance will remain positive, taking into account that by 2017 SILO will have 16 mature hospitals that will generate higher profitability. However, incorporating the 9M15 result, we revise down our OPD visits and IPD admissions estimates by 5.3%/10.8% and 7.5%/13.5% in FY15F/16F respectively. We also revise down our revenues and EBITDA estimates by 4.2%/8.9% and 16.2%/14.9%, respectively in FY15F/16F. As such, we lower our TP to Rp10,500, derived from DCF valuation (WACC of 14.5% and 5% terminal growth), implying 23.6x-18.2x FY15F-16F EV/EBITDA. SILO is currently trading at 21.7x-16.7x FY15F-16F EV/EBITDA, a 7.3% discount to regional hospitals. Maintain HOLD.

Year end Dec (Rp bn)	2013	2014	2015F	2016F	2017F
Revenue (Rp bn)	2,504	3,341	4,164	5,303	6,920
EBITDA (Rp bn)	298	435	527	700	954
EBITDA growth (%)	34.8	46.1	21.1	32.8	36.4
Net profit (Rp bn)	50	63	93	134	204
Core profit (Rp bn)	48	84	97	147	221
EPS (Rp)	43	54	80	116	177
EPS growth (%)	(1.2)	25.5	48.6	43.8	52.8
Net Gearing (%)	(4.2)	11.0	16.1	28.4	31.5
PER (x)	220.2	177.8	119.7	83.2	54.5
PBV (x)	6.7	6.7	6.4	5.9	5.3
EV/EBITDA (x)	36.6	26.0	21.7	16.7	12.3

## HOLD

Target Price, IDR 10,500

Upside 9.1%

SILO IJ/SILO.JK

Last Price, IDR 9,625

No. of shares (bn) 1.2

Market Cap, IDR bn 11,127

(USDmn) 1,399

3M T/O, USDmn 3.1

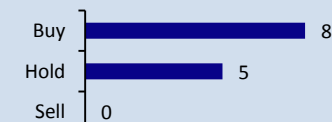
### Last Recommendation

05-Aug-15	HOLD	Rp16,900
03-Aug-15	HOLD	Rp15,750
23-Apr-15	BUY	Rp15,750

### SILO relative to JCI Index



### Market Recommendation



### Consensus

	Our	Cons	% Diff
Target Price, IDR	10,500	14,300	(26.6)
EPS 2015F, IDR	80.4	87.3	(7.9)
PE 2015F, x	119.7	110.3	8.6



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Siloam's slow expansion progress thus far creates concern on its promise to deliver strong growth going forward. This reflected in the relatively lower than expected 9M15 result figures. As it fails to deliver rapid expansion, the financial performance will be negatively affected upon lower than expected topline and EBITDA growth and lower profitability due to costly delays. The 3Q15 performance also got hit from lower purchasing power which pushes the non-emergency patient to postpone the medical procedures treatment. Moreover, the management however has cut this year expansion target to launch only one main hospital and two Siloam Medika (vs. 5 main hospitals and 5 Siloam Medika previously)

Nonetheless, Siloam management remains optimistic on its future rapid expansion plans. They are ready to operate one hospital pending the license. The construction progress of its 12 main hospitals and 12 Siloam Medika (small size hospital) are also encouraging.

### Non-emergency procedures postponement hit patient volume in 3Q15

Patient volume were down on quarterly basis in 3Q15 due to: 1) holiday season in July and 2) postponement of procedures taken by non-emergency patient. The management mentioned that in 3Q15, the July numbers was the lowest due to holiday season. Then, the patient volume in August and September has started to normalize but remained weak compared to 2Q15. This is mainly due to patient decision to postpone non-emergency procedures. Several procedures being delayed among others are general surgery, neurosurgery, and orthopedics. The management expects the slowing down trend will continue into the remaining months of this year.

### Exhibit 1. 9M2015 Result

	9M14	9M15	% chg	2Q15	3Q15	% chg	3Q14	% chg	2015F	%A/F
	(Rp bn)	(Rp bn)	y-y	(Rp bn)	(Rp bn)	q-q	(Rp bn)	y-y	(Rp bn)	
Gross Operating Revenue	2,415	3,013	24.8	1,011	1,026	1.5	847	21.1	4,345	69
Costs	1,748	2,157	23.4	751	736	(2.1)	612	20.3	3,099	70
Gross profit	667	856	28.4	259	290	12.1	236	23.3	1,246	69
Opex	554	695	25.5	198	265	33.7	202	31.0	980	71
Operating profit	114	162	42.5	61	26	(58.0)	34	(23.3)	266	61
EBITDA	309	412	33.4	146	111	(24.1)	101	9.5	629	65
Others	(49)	(59)	19.4	(18)	(18)	(2.9)	(22)	(19.2)	(95)	62
Pretax profit	64	103	60.2	43	8	(82.6)	12	(35.4)	171	60
Net profit	54	70	29.6	28	8	(69.7)	8	2.1	111	64
<b>Margin (%)</b>										
Gross margin	27.6	28.4		25.6	28.3		27.8		28.7	
Operating margin	4.7	5.4		6.1	2.5		4.0		6.1	
EBITDA margin	12.8	13.7		14.4	10.8		11.9		14.5	
Net margin	2.2	2.3		2.7	0.8		1.0		2.6	
Opex to revenues	22.9	23.1		19.6	25.8		23.8		22.6	

Source: Company

### Exhibit 2. Postpone procedures lowering quarterly patient volume

IPD	9M14	9M15	% chg	3Q14	2Q15	3Q15	% chg	% chg
			yoy				qoq	yoy
4 Mature	33,471	32,860	(1.8)	10,625	11,276	10,267	(8.9)	(3.4)
2 Developing	9,356	11,415	22.0	3,144	3,742	3,817	2.0	21.4
MRCCC	4,192	4,948	18.0	1,392	1,733	1,589	(8.3)	14.2
RSUS	9,206	10,895	18.3	3,224	3,710	3,583	(3.4)	11.1
4 new development 2012	11,608	21,282	83.3	1,575	6,643	6,820	2.7	333.0
4 new development 2013	7,500	8,942	19.2	2,408	3,056	2,746	(10.1)	14.0
4 new 2014	4,922	16,680	238.9	3,549	5,530	5,596	1.2	57.7
<b>Total</b>	<b>80,255</b>	<b>107,022</b>	<b>33.4</b>	<b>25,917</b>	<b>35,690</b>	<b>34,418</b>	<b>(3.6)</b>	<b>32.8</b>



OPD + ED	9M14	9M15	% chg yoy	3Q14	2Q15	3Q15	% chg qoq	% chg yoy
4 Mature	555,529	557,062	0.3	177,536	186,689	175,517	(6.0)	(1.1)
2 Developing	126,519	140,207	10.8	41,691	46,425	44,796	(3.5)	7.4
MRCCC	46,382	72,026	55.3	15,605	27,466	23,601	(14.1)	51.2
RSUS	61,579	111,251	80.7	25,611	38,746	37,639	(2.9)	47.0
4 new development 2012	125,695	170,930	36.0	41,675	55,428	58,271	5.1	39.8
4 new development 2013	87,275	123,547	41.6	36,830	40,419	43,927	8.7	19.3
4 new 2014	29,426	130,854	344.7	22,511	44,893	45,846	2.1	103.7
<b>Total</b>	<b>1,032,405</b>	<b>1,305,877</b>	<b>26.5</b>	<b>361,459</b>	<b>440,066</b>	<b>429,597</b>	<b>(2.4)</b>	<b>18.9</b>

Source: Company

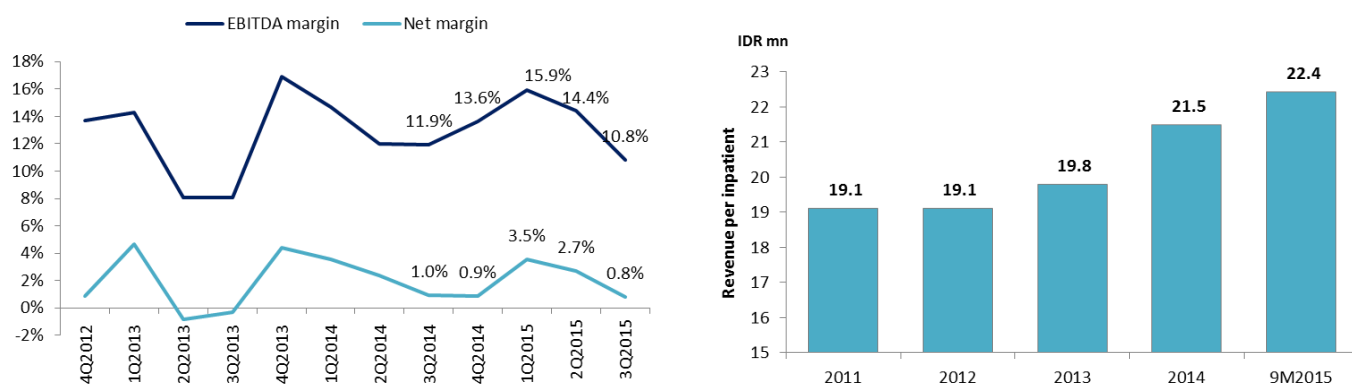
### BPJS' fund deficiency raises scrutiny on document checking and longer reimbursement

SILO's management stated that its participation in the BPJS program is still going very well so far given the high patient volume from BPJS patients. However, due to deficit on the BPJS fund, the agencies are subjected to strict scrutiny on documents and bills submitted. Any inappropriate procedures taken and misclassified diseases are not reimbursed. Moreover, the reimbursement period takes longer now, around 70 days in average compared to 2-3 weeks previously. According to the management, this lower BPJS's per patient revenue.

### Costly delays hit profitability

Siloam hospital has yet to launch new hospital in 2015, the operation of the most ready to launch hospital in Yogyakarta has been delayed for about 6 month. The delay costs SILO to incur higher opex as it has to pay the medical personnel that currently unoccupied. In 3Q15 alone, the EBITDA margin was on the lowest level since 3Q13 at 10.8%. The recent development indicates that SILO will not be able to launch this hospital in November. Hence, SILO should bear a couple more months costly delay due to uncertainty in acquiring operating license.

### Exhibit 3. Profitability down despite higher revenue intensity in the mature hospital



Source: Company

### License problem creates uncertainty on future expansion plan

In total, there are around 36 licenses (sequentially) that have to be secured to operate new hospital. Siloam hospital expansion delay is not a new problem. We note that in the past several of SILO's hospitals had faced the same problem before finally launched. The average delay in launching of its new hospitals took around 4-14 months caused by different issues depend on the location, either with regional government, public community, ministry of health, and technical expertise problem. With regard to Siloam Yogyakarta, there is an indication that license delay was partly due to the objection made by local hospitals. Therefore, it is pretty difficult, even for management to estimate the exact timeline for the hospital in acquiring license. To this end, we also lower our expectation on new hospital launching going forward to only 4 main hospital p.a. in 2016-2017F (vs 6-7 main hospitals previously).

#### Exhibit 4. Completed Hospital in Yogyakarta

##### MAIN LOBBY



##### OUT PATIENT DEPARTMENT



Source: Company

#### Expansion at its existing hospitals to cushion new hospital delay effect

To counter the expansion delay in its new hospital and to boost patient volume in its mature hospitals, SILO is currently undergoing capacity expansion in its existing hospitals. The construction will take around 12-18 months and should be completed by end of this year to next year. Among others are: 1) Siloam Hospital Lippo Cikarang, currently undergoing phase two expansion to achieve higher economies of scale with over 250 beds, 2) Siloam Hospital Lippo Village, to add around 24 beds (40% class 1 and 60% VIP), 3) MRCCC Semanggi, to add 120 new beds, 4) Siloam Kebon Jeruk, to add BPJS beds, 5) RSUS, to add 50 new beds, and 6) Siloam Balikpapan, to add cardiac center facilities. These should compensate the flat patient growth problem on its mature hospitals.

#### TP lowered to Rp10,500; Maintain HOLD

With the recent development, we are currently cautious on SILO's rapid expansion plan. We acknowledge that the problem in securing new hospital licenses would create uncertainty in future hospital development. Yet, we still believe SILO will still able to execute the plan but at a slower pace. Hence, the short term growth might not as high as previously expected. However, we believe the long term performance will remain positive, taking into account that by 2017 SILO will have 16 mature hospitals. Those mature hospitals will generate higher profitability going forward.

All in all we are still positive on SILO's long term performance as we expect volume to remain solid, with higher number of operational beds, and better EBITDA margin as its hospital are maturing. Nonetheless, we adjusted our numbers on slow expansion progress. We also reduce our expectation on new hospital launching to four p.a. in 2016-2017 from previously 6-7 hospitals. Incorporating the 9M15 result, we revise down our OPD visits and IPD admissions estimates by 5.3%/10.8% and 7.5%/13.5% respectively in FY15F/16F. We also revise down our revenues and EBITDA estimates by 4.2%/8.9% and 16.2%/14.9%, respectively in FY15F/16F. As such, we lower our TP to Rp10,500, derived from DCF valuation (WACC of 14.5% and 5% terminal growth), implying 23.6x-18.2x FY15F-16F EV/EBITDA. SILO is currently trading at 21.7x-16.7x FY15F-16F EV/EBITDA, a 7.3% discount to regional hospitals. Maintain HOLD.



## Exhibit 4. Change in our forecast

	2014	Current			Previous			Changes, %		
		2015F	2016F	2017F	2015F	2016F	2017F	2015F	2016F	2017F
OPD Visits, '000	1,426	1,642	1,996	2,496	1,734	2,237	2,994	(5.3)	(10.8)	(16.6)
IPD Admissions, '000	115	143	186	240	155	215	305	(7.5)	(13.5)	(21.4)
Revenues, Rp bn	3,341	4,164	5,303	6,920	4,345	5,823	8,133	(4.2)	(8.9)	(14.9)
Gross profit, Rp bn	952	1,207	1,562	2,085	1,246	1,679	2,458	(3.1)	(7.0)	(15.2)
Operating profit, Rp bn	168	199	289	456	266	345	587	(25.2)	(16.3)	(22.4)
EBITDA, Rp bn	435	527	700	954	629	822	1,197	(16.2)	(14.9)	(20.3)
Pre-tax profit, Rp bn	94	144	207	316	171	236	379	(15.9)	(12.4)	(16.7)
Net profit, Rp bn	63	93	134	204	111	153	245	(16.2)	(12.6)	(16.6)
Gross margin, %	28.5	29.0	29.4	30.1	28.7	28.8	30.2	0.3	0.6	(0.1)
Operating margin, %	5.0	4.8	5.4	6.6	6.1	5.9	7.2	(1.3)	(0.5)	(0.6)
EBITDA Margin	13.0	12.7	13.2	13.8	14.5	14.1	14.7	(1.8)	(0.9)	(0.9)
Net margin, %	1.9	2.2	2.5	3.0	2.6	2.6	3.0	(0.3)	(0.1)	(0.1)

Source: Danareksa Sekuritas

## Exhibit 5. Hospital peers valuation

Company	Ticker	Country	Mkt Cap USD mn	P/E		EV/EBITDA		P/B		ROE		3-yr EBITDA	3-yr EPS CAGR
				2015F	2016F	2015F	2016F	2015F	2016F	2015F	2016F		
<b>Indonesia Hospitals</b>													
Siloam Hospital	SILO IJ	Indonesia	818	119.7	83.2	21.7	16.7	6.4	5.9	5.3	7.1	34.6	48.2
Omni Hospitals	SAME IJ	Indonesia	210	50.5	55.2	20.0	16.3	11.8	10.4	25.8	19.2	27.2	14.5
Mitra Keluarga	MIKA IJ	Indonesia	2,883	66.4	58.0	45.7	38.5	11.8	10.6	17.7	18.2	17.8	18.6
<b>Average</b>				<b>78.9</b>	<b>65.5</b>	<b>29.1</b>	<b>23.8</b>	<b>10.0</b>	<b>9.0</b>	<b>16.3</b>	<b>14.8</b>	<b>26.5</b>	<b>27.1</b>
<b>Regional Hospitals</b>													
IHH Healthcare	IHH MK	Malaysia	12,411	57.3	46.7	26.4	22.6	2.7	2.6	4.7	5.6	15.2	21.9
KPJ Healthcare	KPJ MK	Malaysia	1,013	30.2	27.7	15.4	13.6	3.2	3.0	11.1	11.3	11.7	10.1
Apollo Hospitals	APHS IN	India	2,674	43.3	34.0	21.6	17.8	5.1	4.5	12.1	14.7	19.9	26.5
Fortis Healthcare	FORH IN	India	1,144	67.6	33.0	31.5	20.1	1.7	1.6	2.5	5.2	45.9	68.8
Bangkok Dusit	BDMS TB	Thailand	8,379	38.3	33.2	24.5	21.7	5.8	5.2	15.9	15.8	13.4	18.0
Bumrungrad Hospital	BH TB	Thailand	4,053	42.6	36.7	26.1	22.8	11.5	9.9	29.6	29.8	14.6	16.4
Bangkok Chain	BCH TB	Thailand	466	35.1	29.8	16.0	14.0	3.7	3.5	10.6	12.1	12.1	15.1
Raffles Medical	RFMD SP	Singapore	1,747	35.1	31.1	25.8	22.0	4.2	3.8	12.3	13.0	17.0	14.1
<b>Average</b>				<b>43.7</b>	<b>34.0</b>	<b>23.4</b>	<b>19.3</b>	<b>4.7</b>	<b>4.3</b>	<b>12.3</b>	<b>13.4</b>	<b>18.7</b>	<b>23.9</b>

Source: Bloomberg, Danareksa Sekuritas

**Exhibit 6. Profit and Loss, IDR bn**

YE Dec (Rp bn)	2013	2014	2015F	2016F	2017F
Revenues	2,504	3,341	4,164	5,303	6,920
Gross profit	659	952	1,207	1,562	2,085
Operating Profit	76	168	199	289	456
<b>EBITDA</b>	<b>298</b>	<b>435</b>	<b>527</b>	<b>700</b>	<b>954</b>
Net interest	(7)	(40)	(49)	(62)	(114)
Net other	3	(34)	(6)	(20)	(26)
Pretax income	72	94	144	207	316
Income tax	(22)	(34)	(50)	(72)	(110)
Minority Interest	(0)	3	(1)	(1)	(1)
<b>Net profit</b>	<b>50</b>	<b>63</b>	<b>93</b>	<b>134</b>	<b>204</b>
<b>Core profit</b>	<b>48</b>	<b>84</b>	<b>97</b>	<b>147</b>	<b>221</b>

Source: Company, Danareksa Sekuritas

**Exhibit 7. Balance Sheet, IDR bn**

YE Dec (Rp bn)	2013	2014	2015F	2016F	2017F
Current assets	907	841	861	1,174	1,789
Cash	515	280	218	356	724
Account Receivables	271	393	450	574	748
Inventories	95	106	137	174	227
Others	26	62	56	70	89
Fixed Asset - net	1,402	1,589	1,683	1,984	2,198
Goodwill and Intangible	188	292	292	292	292
Others	103	122	182	226	287
<b>Total assets</b>	<b>2,601</b>	<b>2,844</b>	<b>3,019</b>	<b>3,676</b>	<b>4,567</b>
Current liabilities	296	478	527	665	865
Accounts payable	164	193	323	408	528
ST borrowings	17	16	12	12	12
Others	115	269	192	244	325
Long-term liabilities	666	712	745	1,129	1,615
Long-term debts	430	446	486	877	1,368
Others	236	266	259	252	247
<b>Total liabilities</b>	<b>962</b>	<b>1,190</b>	<b>1,272</b>	<b>1,794</b>	<b>2,480</b>
<b>Minority interest</b>	<b>28</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
Share capital	116	116	116	116	116
Excess paid in	1,290	1,290	1,290	1,290	1,290
Retained earnings and others	206	243	336	470	674
<b>Total equity</b>	<b>1,611</b>	<b>1,648</b>	<b>1,741</b>	<b>1,875</b>	<b>2,079</b>
<b>Total liabilities and equity</b>	<b>2,601</b>	<b>2,844</b>	<b>3,019</b>	<b>3,676</b>	<b>4,567</b>

Source: Company, Danareksa Sekuritas

**Exhibit 8. Cash flow, IDR bn**

YE Dec (Rp bn)	2013	2014	2015F	2016F	2017F
<b>Operating cash flow</b>	<b>228</b>	<b>354</b>	<b>334</b>	<b>465</b>	<b>602</b>
Net Profit	50	63	93	134	204
Depreciation & amortisation	232	267	322	391	472
Change in working capital	(76)	5	(37)	(51)	(76)
Others	22	19	(45)	(8)	1
<b>Investment cash flow</b>					
Net capex	(677)	(478)	(432)	(719)	(725)
Change in other assets	(127)	(105)	-	-	-
<b>Cash flow after invt.</b>	<b>(575)</b>	<b>(229)</b>	<b>(99)</b>	<b>(254)</b>	<b>(124)</b>
<b>Financing cash flow</b>	<b>922</b>	<b>(7)</b>	<b>37</b>	<b>392</b>	<b>492</b>
Change in share capital	1,328	-	-	-	-
Net change in debt	(423)	16	36	391	491
Change in other LT liab.	16	(22)	1	1	1
<b>Net cash flow</b>	<b>347</b>	<b>(235)</b>	<b>(62)</b>	<b>138</b>	<b>368</b>
<b>Beginning balance</b>	<b>169</b>	<b>515</b>	<b>280</b>	<b>218</b>	<b>356</b>
<b>Ending balance</b>	<b>515</b>	<b>280</b>	<b>218</b>	<b>356</b>	<b>724</b>

Source: Company, Danareksa Sekuritas

**Exhibit 9. Ratios**

Ratio	2013	2014	2015F	2016F	2017F
<b>Growth (% YoY)</b>					
Sales	40.0	33.4	24.6	27.4	30.5
Operating profit	(1.3)	121.4	18.4	45.2	57.7
EBITDA	34.8	46.1	21.1	32.8	36.4
Net profit	(1.2)	25.5	48.6	43.8	52.8
Core profit	17.9	76.1	14.5	51.8	50.8
<b>Profitability (%)</b>					
Gross margin	26.3	28.5	29.0	29.4	30.1
Operating margin	3.0	5.0	4.8	5.4	6.6
EBITDA margin	11.9	13.0	12.7	13.2	13.8
Net profit margin	2.0	1.9	2.2	2.5	3.0
ROE	3.1	3.8	5.3	7.1	9.8
ROA	1.9	2.2	3.1	3.6	4.5
<b>Leverage</b>					
Net debt/equity (%)	net cash	11.03	16.06	28.37	31.47
<b>Per share data (Rp)</b>					
EPS	43	54	80	116	177
CFPS	198	306	289	402	520
BVPS	1,418	1,430	1,511	1,627	1,805

Source: Company, Danareksa Sekuritas

## MARKET NEWS

### ASRI to sell 13ha of landplots, expects high income from GWK park (BI, TJP)

Alam Sutera Realty (ASRI) to sell 13ha landplots located in Alam Sutera Serpong residential, expected a total proceeds of Rp 2.9tn, and also sell a 54,000m<sup>2</sup> commercial area with total proceed expected at Rp 2.5tn. ASRI also hopes on the expansion of Garuda Wisnu Kencana (GWK) Park, Bali, which will be completed in late 2017, to give significant boost for company's future recurring income. The park will contribute around Rp 400-500bn in following years and once the statue is completed, ASRI will be able to increase the number of park's visitor to 3mn a year and raise the fee to \$10 per entry from the current \$4.

### Manufacturer boost production (BI)

Indonesian Cement Association (ASI) declared a national cement consumption in October 2015 reached 6.37 million tons, an increase of 10.7% yoy. Jump in consumption during this period makes the 10M15 period sales growth reached 49.5 million tons, up 1.5% yoy. This increase was underpinned by increased sales in all regions, except Kalimantan. Increase in cement sales is in line with the realization of the government budget for infrastructure, housing construction, local government budget disbursement, construction of a smelter and power plant.

### October sales down 4.7% mom (BI)

Wholesale car sales in October reached 88,581 units, down 4.7% mom or 15.8% yoy. Retail sales to the consumer in October amounted to 86,917 units also weakening by 1% mom. According to the chairman of Gaikindo despite downturn, brand holders still keen to launch new products. If sales could reach 80,000 units per month by the end of this year, car sales target of 1 million units might be achieved.

### SMBR reviewing Rp 1.5tn loan (BI)

Semen Baturaja (SMBR) currently reviewing Rp 1.5tn loans from an SOE bank, for the construction of a Semen Baturaja II plant in 2016. This plant's investment value is estimated at Rp 3.24tn and the loan will complement the funding sources apart from its IPO proceed worth Rp 1.2tn and from company's internal cash. This plant is expected to be completed in 1H17 with a capacity of 1.85mn tonnes. 2016, SMBR allocates capex worth Rp 2.4tn with sales volume target of 1.75mn tonnes.

### SSIA reviewing Rp 500 bn loan (BI)

Surya Semesta Internusa (SSIA) currently reviewing Rp 500bn's bank loan with a tenor of 5 years, to meet its 2016's capex allocation of Rp 1.7tn and will be obtained before the end of this year. 70% of capex allocated (Rp 1.19tn) will come from external funding while the rest from SSIA's internal cash. SSIA also plans to issue MTNs denominated in Singapore dollars worth S\$ 300mn and considering a shelf registry bonds worth Rp 3tn.

### Wika Beton establishes new subsidiary to back expansion (TJP, BI)

Wika Beton (WTON) currently reviewing plans to establish a new subsidiary in 2016 to support WTON's supporting business in material component, and will be based in East Java. WTON will use part of 2016's allocated capex which worth about Rp 528bn as the capital for the new subsidiary.



# Equity Valuation

	Rating	Price (Rp)	Price Target	Mkt Cap Rp Bn	Net profit, Rp bn		EPS (Rp)		Core EPS (Rp)		EPS Growth		PER (x)		EV / EBITDA (x)		PBV (x)		Net Gearing 2015	ROE 2015
					2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016		
<b>Danareksa Universe</b>				<b>2,589,853</b>	<b>189,582</b>	<b>210,732</b>	<b>291.3</b>	<b>323.8</b>			<b>5%</b>	<b>11%</b>	<b>13.7</b>	<b>12.3</b>	<b>11.4</b>	<b>10.4</b>	<b>2.3</b>	<b>2.0</b>		<b>18.0</b>
<b>Auto</b>				<b>274,682</b>	<b>24,706</b>	<b>29,222</b>	<b>452.6</b>	<b>535.3</b>			<b>15%</b>	<b>18%</b>	<b>11.1</b>	<b>9.4</b>	<b>9.1</b>	<b>7.9</b>	<b>1.9</b>	<b>1.7</b>		<b>18.6</b>
Astra International	HOLD	6,500	8,300	263,143	23,976	28,096	592	694	497	567	16%	17%	11.0	9.4	9.3	8.0	2.0	1.7	33.5	19.1
Gajah Tunggal	BUY	585	1,500	2,039	266	633	76	182	140	127	-1%	138%	7.7	3.2	4.3	4.2	0.3	0.3	95.0	4.4
Selamat Sempurna	BUY	5,100	5,300	7,342	465	493	323	342	332	352	19%	6%	15.8	14.9	9.6	8.9	5.1	4.2	net cash	36.0
<b>Banks</b>				<b>890,182</b>	<b>75,582</b>	<b>81,994</b>	<b>701.6</b>	<b>761.1</b>			<b>2%</b>	<b>8%</b>	<b>11.8</b>	<b>10.9</b>			<b>2.1</b>	<b>1.9</b>		<b>19.5</b>
BCA	HOLD	12,925	13,500	318,666	19,966	21,921	725	800	725	800	8%	10%	17.8	16.1	NA	NA	3.5	3.0	NA	23.8
BNI	BUY	4,830	5,850	90,073	7,506	8,596	402	461	402	461	-30%	15%	12.0	10.5	NA	NA	1.4	1.3	NA	12.1
BRI	BUY	10,450	13,400	257,793	24,352	25,863	987	1,048	987	1,048	0%	6%	10.6	10.0	NA	NA	2.2	1.9	NA	23.0
Bank Tabungan Negara	BUY	1,120	1,450	11,852	1,588	1,964	151	187	151	187	42%	24%	7.4	6.0	NA	NA	0.9	0.8	NA	12.4
Bank Mandiri	BUY	8,400	11,450	196,000	20,144	21,413	863	918	863	918	1%	6%	9.7	9.2	NA	NA	1.7	1.4	NA	18.2
Bank Tabungan Pensiunan	BUY	2,705	4,500	15,798	2,026	2,237	347	383	347	383	8%	10%	7.8	7.1	NA	NA	1.1	1.0	NA	15.8
<b>Cement</b>				<b>133,580</b>	<b>12,525</b>	<b>15,375</b>	<b>725</b>	<b>890</b>			<b>7%</b>	<b>23%</b>	<b>10.7</b>	<b>8.7</b>	<b>6.4</b>	<b>5.8</b>	<b>2.0</b>	<b>1.8</b>		<b>20.0</b>
Holcim	HOLD	1,035	2,300	7,931	923	1,213	120	158	118	152	12%	31%	8.6	6.5	5.0	3.8	0.8	0.7	30.0	9.1
Indocement	BUY	18,100	28,300	66,630	5,741	6,595	1,559	1,792	1,555	1,788	8%	15%	11.6	10.1	6.5	5.4	2.3	2.1	net cash	21.2
Semen Indonesia	BUY	9,950	14,500	59,019	5,861	7,567	98	127	98	127	5%	29%	10.1	7.8	6.5	6.2	2.2	1.9	12.3	23.2
<b>Construction</b>				<b>106,964</b>	<b>4,317</b>	<b>5,350</b>	<b>99</b>	<b>123</b>			<b>17%</b>	<b>24%</b>	<b>24.8</b>	<b>20.0</b>	<b>11.7</b>	<b>10.0</b>	<b>3.1</b>	<b>2.8</b>		<b>14.4</b>
Jasa Marga	BUY	4,915	8,000	33,422	1,531	1,779	480	614	513	657	19%	28%	10.2	8.0	11.8	10.5	2.7	2.4	95.8	12.8
Wijaya Karya	HOLD	2,755	2,500	16,941	1,573	638	93	104	98	109	-7%	11%	29.5	26.6	12.1	10.1	3.1	2.8	29.0	10.9
Pembangunan Perumahan	BUY	3,675	4,600	17,796	694	856	143	177	150	185	30%	23%	25.7	20.8	10.4	8.7	6.0	4.8	39.2	25.8
Adhi Karya	BUY	2,225	UR	7,923	399	531	112	149	123	163	23%	33%	19.9	14.9	9.5	7.9	3.8	3.1	3%	66.6
Waskita Karya	BUY	1,685	2,000	22,863	725	1,054	53	78	53	78	4%	46%	31.6	21.7	15.1	12.6	2.6	2.4	net cash	12.5
Wika Beton	HOLD	920	1,350	8,018	396	491	45	56	46	57	32%	24%	20.3	16.3	10.5	8.4	3.2	2.7	net cash	17.1
<b>Consumer</b>				<b>400,206</b>	<b>13,419</b>	<b>14,186</b>	<b>488</b>	<b>516</b>			<b>7%</b>	<b>6%</b>	<b>29.8</b>	<b>28.2</b>	<b>17.6</b>	<b>16.7</b>	<b>7.0</b>	<b>5.9</b>		<b>25.9</b>
Indofood CBP	BUY	12,525	13,800	73,033	3,033	3,308	520	567	520	567	16%	9%	24.1	22.1	16.6	15.6	4.6	4.1	net cash	20.3
Indofood	BUY	5,375	7,100	47,195	3,704	4,059	422	462	563	610	-5%	10%	12.7	11.6	5.9	5.7	1.7	1.6	19.5	13.8
Unilever	SELL	35,400	30,475	270,102	5,889	6,234	772	817	772	817	3%	6%	45.9	43.3	31.5	29.9	26.4	16.5	net cash	80.4
Nippon Indosari Corpindo	BUY	1,260	1,680	6,378	266	309	53	61	53	61	41%	16%	23.9	20.6	13.6	11.0	5.3	4.4	59.5	24.7
Mandom	BUY	17,400	21,170	3,499	526	276	2,618	1,375	279	1,373	202%	-47%	6.6	12.7	7.4	6.5	2.1	2.0	net cash	35.7
<b>Healthcare</b>				<b>120,004</b>	<b>3,220</b>	<b>3,599</b>	<b>231</b>	<b>284</b>			<b>31%</b>	<b>23%</b>	<b>37.3</b>	<b>33.3</b>	<b>23.6</b>	<b>20.3</b>	<b>6.8</b>	<b>6.1</b>		<b>20.0</b>
Kalbe Farma	BUY	1,370	1,925	64,219	2,219	2,375	47	51	47	52	7%	28%	28.9	27.0	18.8	16.5	6.1	5.4	net cash	22.2
Kimia Farma	BUY	980	1,200	5,443	259	303	47	55	42	47	12%	17%	20.9	17.8	13.9	12.1	2.8	2.5	0.7	13.9
Silosun Hospital	HOLD	9,625	16,900	11,127	153	245	96	132	99	137	77%	38%	100.4	72.8	18.7	15.1	6.3	5.8	35.5	8.9
Mitra Keluarga	BUY	2,695	2,995	38,214	689	676	40	46	40	45	14%	15%	68.6	58.0	51.2	11.8	10.6	10.6	net cash	23.9
<b>Heavy Equipment</b>				<b>67,120</b>	<b>5,973</b>	<b>6,297</b>	<b>1,307</b>	<b>1,378</b>			<b>7%</b>	<b>5%</b>	<b>11.2</b>	<b>10.7</b>	<b>5.0</b>	<b>4.2</b>	<b>1.6</b>	<b>1.4</b>		<b>14.6</b>
Hexindo Adiperkasa	HOLD	1,750	3,650	1,470	220	260	262	309	238	273	13%	18%	6.7	5.7	3.0	2.1	0.5	0.5	net cash	8.0
United Tractors	HOLD	17,600	19,800	65,650	5,753	6,037	1,542	1,619	1,542	1,619	7%	5%	11.4	10.9	5.1	4.3	1.7	1.5	net cash	15.1
<b>Mining</b>				<b>81,339</b>	<b>7,288</b>	<b>8,157</b>	<b>92</b>	<b>103</b>			<b>-17%</b>	<b>11%</b>	<b>11.2</b>	<b>10.0</b>	<b>4.5</b>	<b>4.1</b>	<b>0.8</b>	<b>0.8</b>		<b>7.4</b>
Adaro Energy	BUY	610	900	19,511	2,249	2,054	70	64	70	64	9%	-9%	8.7	9.5	3.5	3.2	0.5	0.5	32.0	6.4
Timah	BUY	570	850	4,245	157	237	21	32	21	32	-75%	51%	27.0	17.9	6.5	6.1	0.8	0.8	24.9	2.9
Vale Indonesia	BUY	2,135	3,700	21,214	1,386	1,790	140	180	140	180	-36%	29%	15.3	11.8	5.1	4.3	0.9	0.9	net cash	6.2
Aneka Tambang	HOLD	342	1,100	8,219	194	400	20	42	20	42	-148%	106%	16.8	8.2	15.0	11.2	0.7	0.6	62.8	1.6
Bukit Asam	BUY	7,325	8,400	16,878	1,560	1,674	718	770	718	770	-23%	7%	10.2	9.5	7.4	6.7	1.8	1.6	net cash	17.4
Indo Tambangraya Megah	HOLD	8,050	10,600	9,096	1,622	1,800	1,435	1,593	1,435	1,593	-23%	11%	5.6	5.1	1.7	1.5	0.8	0.7	net cash	15.2
Harum Energy	HOLD	805	1,750	2,176	119	202	44	75	44	75	-53%	69%	18.3	10.8	0.9	0.8	0.6	0.6	net cash	3.1
<b>Plantation</b>				<b>47,652</b>	<b>5,510</b>	<b>5,938</b>	<b>211</b>	<b>227</b>			<b>11%</b>	<b>8%</b>	<b>8.6</b>	<b>8.0</b>	<b>4.8</b>	<b>4.2</b>	<b>1.2</b>	<b>1.1</b>		<b>14.9</b>
Astra Agro Lestari	BUY	18,700	27,100	29,448	2,770	2,832	1,759	1,798	1,759	1,798	4%	2%	10.6	10.4	6.3	5.9	2.5	2.3	net cash	24.5
Sampoerna Agro	BUY	1,290	2,600	2,438	464	550	245	291	253	299	18%	18%	5.3	4.4	3.8	3.2	0.6	0.6	31.8	14.5
PP London Sumatra	HOLD	1,365	2,090	9,313	1,055	1,133	155	166	155	166	8%	7%	8.8	8.2	4.3	3.6	1.2	1.1	net cash	13.9
Salm Ivomas Pratama	BUY	408	850	6,453	1,221	1,423	77	90	87	98	33%	17%	5.3	4.5	3.3	2.9	0.4	0.4	37.6	8.2
<b>Property</b>				<b>92,545</b>	<b>8,896</b>	<b>10,205</b>	<b>87</b>	<b>99</b>			<b>-10%</b>	<b>15%</b>	<b>10.4</b>	<b>9.1</b>	<b>8.1</b>	<b>7.4</b>	<b>1.8</b>	<b>1.6</b>		<b>18.8</b>
Alam Sutera	BUY	359	700	7,054	1,254	1,516	64	77	73	85	15%	21%	5.6	4.7	6.4	5.4	1.0	0.8	75.3	18.9
Bumi Serpong Damai	BUY	1,640	2,100	31,565	2,369	2,617	135	150	140	156	-36%	10%	12.1	11.0	10.6	9.3	2.1	1.8	net cash	16.6
Metropolitan Land	BUY	205	620	1,569	290	322	38	43	38	43	14%	11%	5.3	4.8	4.3	4.0	0.7	0.6	27.7	14.2
Surya Semesta Internusa	HOLD	665	1,040	3,129	464	415	99	88	103	93	32%	-11%	6.7	7.5	2.7	2.7	1.1	1.0	net cash	16.9
Lippo Karawaci	BUY	1,155	1,200	26,655	1,565	1,763	72	82	58	64	-38%	13%	16.0	14.2	12.0	10.4	1.7	1.5	27.3	10.1
PP Properti	BUY	200	242	2,809	1,626	1,963	21	26	22	28	172%	27%	9.7	7.7	6.7	6.2	1.3	1.1	8.8	100.



## COVERAGE PERFORMANCE

### LEADERS

	Code	Price as on		Chg, %	w-w, %	m-m, %	YTD, %	Rating
		10-Nov-2015	9-Nov-2015					
PP Properti	PPRO	200	155	29.0	22.7	26.6	8.1	BUY
Ace Hardware	ACES	760	675	12.6	4.8	10.1	(3.2)	BUY
Surya Semesta Internusa	SSIA	665	595	11.8	3.1	(20.4)	(37.9)	HOLD
Indosat	ISAT	4,795	4,550	5.4	15.5	17.0	18.4	BUY
XL Axiata	EXCL	3,145	3,035	3.6	(4.7)	(2.5)	(35.4)	BUY
Blue Bird	BIRD	6,700	6,500	3.1	11.7	9.4	(28.9)	BUY
Adhi Karya	ADHI	2,225	2,165	2.8	(3.7)	4.0	(24.6)	BUY
Mitra Keluarga	MIKA	2,695	2,625	2.7	(2.4)	(1.8)	58.5	BUY
Nippon Indosari Corpindo	ROTI	1,260	1,240	1.6	2.0	6.8	(9.0)	BUY
Kimia Farma	KAEF	980	965	1.6	13.3	26.5	(33.1)	BUY

Sources: Bloomberg

### LAGGARDS

	Code	Price as on		Chg, %	w-w, %	m-m, %	YTD, %	Rating
		10-Nov-2015	9-Nov-2015					
Sarana Menara Nusantara	TOWR	4,050	4,350	(6.9)	(3.6)	1.5	(2.4)	BUY
Timah	TINS	570	600	(5.0)	(10.2)	(19.7)	(53.7)	BUY
Kalbe Farma	KLBF	1,370	1,440	(4.9)	(2.8)	(11.3)	(25.1)	BUY
Perusahaan Gas Negara	PGAS	2,700	2,810	(3.9)	(7.8)	(10.0)	(55.0)	BUY
Ramayana	RALS	675	700	(3.6)	6.3	4.7	(14.6)	SELL
Unilever	UNVR	35,400	36,700	(3.5)	(3.8)	(9.3)	9.6	SELL
Siloam Hospital	SILO	9,625	9,975	(3.5)	(1.3)	(21.7)	(29.7)	HOLD
Bank Mandiri	BMRI	8,400	8,700	(3.4)	(5.1)	(7.7)	(22.0)	BUY
Bank Tabungan Pensiunan Nasional	BTPN	2,705	2,800	(3.4)	(3.2)	(8.3)	(31.5)	BUY
Tower Bersama	TBIG	6,550	6,775	(3.3)	(12.4)	(3.7)	(32.5)	HOLD

Sources: Bloomberg

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