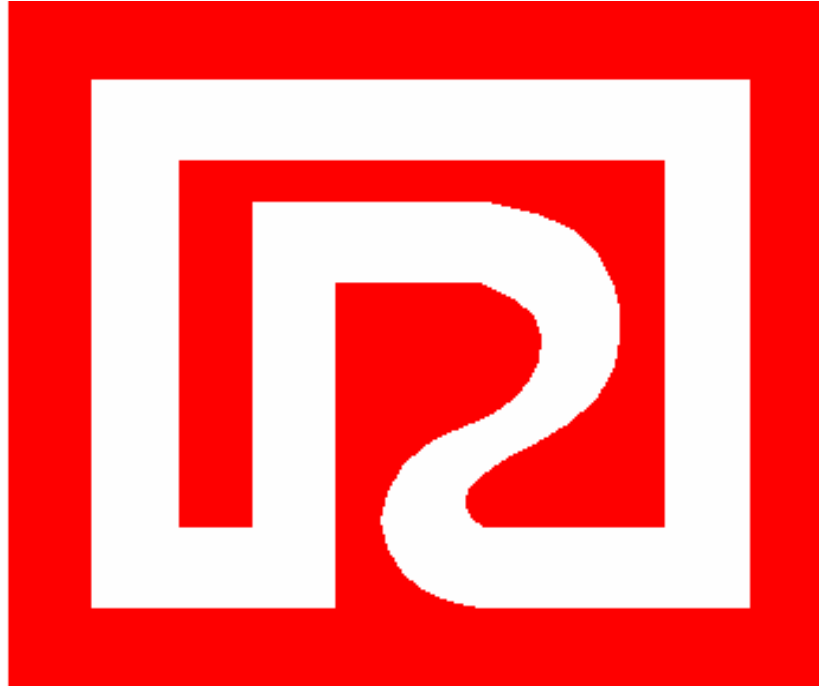


# **PT. RAMAYANA LESTARI SENTOSA Tbk.**

## **MARCH 2017**



*This presentation materials include the latest updates, projections and strategies of the Company. The information contained herein reflects the Company's reasonable judgments on its forward-looking views and is subject to changes caused by unforeseeable risks and other uncertainties that could affect the Company's business such as economic conditions and government regulations that may cause the results to differ significantly.*

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# Economic Outlook

	2013	2014	2015	2016	2017 (P)
<b>GDP (USD bn)</b>	<b>878</b>	<b>868</b>	<b>873</b>	<b>877</b>	<b>1.015</b>
<b>GDP (IDR tr)</b>	<b>10.756</b>	<b>10.850</b>	<b>12.026</b>	<b>12.190</b>	<b>12.421</b>
<b>Year end USD / IDR</b>	<b>12.250</b>	<b>12.500</b>	<b>13.776</b>	<b>13.503</b>	<b>13.300</b>
<b>GDP yoy growth (%)</b>	<b>5,62</b>	<b>5,01</b>	<b>4,70</b>	<b>5,02</b>	<b>5,20</b>
<b>Inflation (%)</b>	<b>8,36</b>	<b>8,36</b>	<b>3,35</b>	<b>3,02</b>	<b>4,0</b>
<b>Unemployment (%)</b>	<b>6,25</b>	<b>5,94</b>	<b>6,18</b>	<b>5,61</b>	<b>5,60</b>
<b>Minimum Wage (IDR th)</b>	<b>1.288</b>	<b>1.505</b>	<b>1.782</b>	<b>1.916</b>	<b>2.073</b>
<b>Minimum Wage growth (%)</b>	<b>12,40</b>	<b>16,84</b>	<b>18,40</b>	<b>7,52</b>	<b>8,3</b>
<b>Interest rate - eoy (%)</b>	<b>7,50</b>	<b>7,75</b>	<b>7,50</b>	<b>6,00</b>	<b>4,75</b>



# Ramayana in Brief

- Middle-lower and lower markets
- Offers full range of fashion goods, toys, household items, stationery and food
- 40.5% free float or 2.871 bn shares

		31-Mar-17	IPO
.	<b>PT Ramayana Makmur Sentosa</b>	<b>55.8%</b>	<b>61.1%</b>
.	<b>Paulus Tumewu</b>	<b>3.7%</b>	<b>16.0%</b>
.	<b>Public</b>	<b>40.5%</b>	<b>22.9%</b>

- Listed in July 1996, current market capitalization of approximately USD 591,0 mn\*

*\*stock price at IDR 1.115 and USD at IDR 13.388 (31 March 2016)*



# Financial Outlook

<i>(in IDR bn)</i>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017 (P)</b>
<b>Sales</b>	<b>7.968</b>	<b>7.942</b>	<b>7.786</b>	<b>8.235</b>	<b>8.903</b>
<b>Net profit</b>	<b>390,5</b>	<b>355,1</b>	<b>336,1</b>	<b>408,5</b>	<b>502,7</b>
<i>(as % of sales)</i>					
<b>Gross margin</b>	<b>26,9</b>	<b>25,8</b>	<b>25,6</b>	<b>26,7</b>	<b>27,5</b>
<b>EBIT margin</b>	<b>5,1</b>	<b>3,8</b>	<b>3,2</b>	<b>4,5</b>	<b>5,6</b>
<b>Net margin</b>	<b>4,9</b>	<b>4,5</b>	<b>4,3</b>	<b>5,0</b>	<b>5,9</b>
<b>ROE</b>	<b>12,1</b>	<b>10,6</b>	<b>10,1</b>	<b>12,2</b>	<b>15,0</b>
<b>ROA</b>	<b>8,9</b>	<b>7,8</b>	<b>7,3</b>	<b>8,8</b>	<b>10,8</b>
<b>Oper. Expenses</b>	<b>21,9</b>	<b>22,1</b>	<b>22,6</b>	<b>22,4</b>	<b>24,0</b>
<b>Salaries</b>	<b>7,8</b>	<b>7,6</b>	<b>7,7</b>	<b>7,4</b>	<b>7,6</b>
<b>Utilities</b>	<b>3,2</b>	<b>3,6</b>	<b>3,7</b>	<b>3,5</b>	<b>4,0</b>
<b>Rental (net)</b>	<b>2,9</b>	<b>2,7</b>	<b>2,5</b>	<b>2,4</b>	<b>2,4</b>
<b>Net interest income</b>	<b>0,7</b>	<b>1,1</b>	<b>1,5</b>	<b>1,2</b>	<b>1,1</b>



# Capital Expenditures

*(in IDR mn)*

Year	Expenditures				
	Fixed Assets		Long term Rent		Total
2013	426.721	63.1%	249.331	36.9%	676.052
2014	126.809	42,9%	168.463	57,1%	295.272
2015	145.442	76,7%	44.079	23,3%	189.521
2016	134.985	37,5%	224.821	62,5%	359.806
1Q17	39.907	65,5%	21.048	34,5%	60.955



# Where We Put Our Money

- Cash & Bank :
  - IDR 1,26 tr
  - USD 11,97 mn
- Short Term Investment : IDR 80,5 bn



# Seasonality

*(in percentage)*

<b>Year</b>	<b>1Q</b>	<b>2Q</b>	<b>3Q</b>	<b>4Q</b>
<b>2013</b>	<b>17,8</b>	<b>23,0</b>	<b>37,8</b>	<b>21,4</b>
<b>2014</b>	<b>19,5</b>	<b>24,3</b>	<b>35,3</b>	<b>20,9</b>
<b>2015</b>	<b>19,2</b>	<b>25,0</b>	<b>33,7</b>	<b>22,1</b>
<b>2016</b>	<b>18,0</b>	<b>35,0</b>	<b>25,2</b>	<b>21,8</b>
<b>2017</b>	<b>16,6</b>	<b>-</b>	<b>-</b>	<b>-</b>





# Sales Breakdown

*(% of sales)*

<b>Major class</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>1Q17</b>
<b>Women</b>	<b>13,7</b>	<b>13,6</b>	<b>9,9</b>	<b>10,0</b>	<b>9,7</b>
<b>Men</b>	<b>22,7</b>	<b>24,0</b>	<b>28,4</b>	<b>29,2</b>	<b>27,0</b>
<b>Children</b>	<b>7,0</b>	<b>6,7</b>	<b>8,4</b>	<b>8,7</b>	<b>6,3</b>
<b>S, B, A,</b>	<b>20,6</b>	<b>21,5</b>	<b>23,4</b>	<b>23,6</b>	<b>24,3</b>
<b>Special Buy</b>	<b>3,2</b>	<b>2,3</b>	<b>1,4</b>	<b>1,3</b>	<b>1,4</b>
<b>Toys &amp; Sta.</b>	<b>2,2</b>	<b>1,8</b>	<b>1,4</b>	<b>1,4</b>	<b>1,5</b>
<b>Housewares</b>	<b>4,9</b>	<b>4,3</b>	<b>3,0</b>	<b>3,1</b>	<b>3,4</b>
<b>Supermarket</b>	<b>25,8</b>	<b>25,8</b>	<b>24,1</b>	<b>22,7</b>	<b>26,4</b>
<b>Total</b>	<b>100,0</b>	<b>100,0</b>	<b>100,0</b>	<b>100,0</b>	<b>100,0</b>



# Sales Breakdown (cont'd)

Year	Fashion		Toy, Sta, Hw*		Supermarket		Total	
	Out^	Con^^	Out	Con	Out	Con	Out	Con
2011	33,9	29,9	9,0	0,4	39,2	2,0	67,9	32,1
2012	33,9	30,5	7,5	0,3	25,7	2,0	67,1	32,8
2013	35,0	32,1	6,8	0,3	23,9	1,9	65,7	34,3
2014	34,1	34,0	5,8	0,3	24,8	1,0	64,7	35,3
2015	34,0	37,4	4,1	0,3	23,4	0,8	61,5	38,5
2016	35,6	37,1	4,3	0,3	21,9	0,8	61,8	38,2
1Q17	32,9	35,8	4,4	0,4	25,7	0,8	63,0	37,0

Toy, Sta, Hw = Toys, Stationery & House Hold; Out^ = Outright Merchandise; Con^^ = Consignment Merchandise



# Sales by Region

REGION	2013		2014		2015		2016		1Q17	
Java	4.514.915	56,7%	4.543.537	57,2%	4.582.674	58,9%	4.958.022	60,2%	894.388	60,3%
Bali-NTT	440.817	5,5%	449.462	5,7%	423.457	5,4%	435.080	5,3%	83.263	5,6%
Sumatra	1.686.931	21,2%	1.637.001	20,6%	1.528.595	19,6%	1.495.484	18,1%	269.245	18,2%
Kalimantan	735.494	9,2%	709.565	8,9%	646.451	8,3%	656.678	8,0%	117.575	7,9%
Sulawesi	405.571	5,1%	410.112	5,2%	411.163	5,3%	440.968	5,4%	73.662	5,0%
Maluku	24.033	0,3%	34.701	0,4%	39.852	0,5%	46.521	0,6%	8.065	0,5%
Papua	160.673	2,0%	157.337	2,0%	154.003	2,0%	195.695	2,4%	36.345	2,5%
<b>Total</b>	<b>7.968.434</b>	<b>100,0%</b>	<b>7.941.715</b>	<b>100,0%</b>	<b>7.786.194</b>	<b>100,0%</b>	<b>8.228.448</b>	<b>100,0%</b>	<b>1.482.543</b>	<b>100,0%</b>

REGION	2013		2014		2015		2016		1Q17	
Greater Jkt	2.465.248	30,9%	2.503.668	31,5%	2.545.747	32,7%	2.756.978	33,5%	512.032	34,5%
Outside G. Jkt	5.503.186	69,1%	5.438.047	68,5%	5.240.447	67,3%	5.471.470	66,5%	970.511	65,5%
<b>Total</b>	<b>7.968.434</b>	<b>100,0%</b>	<b>7.941.715</b>	<b>100,0%</b>	<b>7.786.194</b>	<b>100,0%</b>	<b>8.228.448</b>	<b>100,0%</b>	<b>1.482.543</b>	<b>100,0%</b>



# Gross Margin

Major Class	2013	2014	2015	2016	1Q17
Women	36,8	36,7	32,4	32,9	31,8
Men	31,8	31,4	29,8	30,2	30,5
Children	37,2	37,3	35,2	37,1	34,6
S, B, A *	30,4	30,4	27,8	28,3	27,0
Special buy	32,7	31,1	28,5	32,8	32,9
Toys & Sta.**	26,6	24,0	25,3	22,4	20,4
Housewares	24,4	24,6	22,9	20,6	21,0
Supermarket	11,3	7,8	7,0	7,1	6,5
Total	26,9	25,8	24,3	25,0	23,2

*\*front margin*



# Same Store Growth

<b>Year</b>	<b>3M</b>	<b>1H</b>	<b>9M</b>	<b>FY</b>
<b>2012</b>	<b>9,5</b>	<b>12,1</b>	<b>9,2</b>	<b>8,8</b>
<b>2013</b>	<b>-3,5</b>	<b>1,3</b>	<b>0,6</b>	<b>2,2</b>
<b>2014</b>	<b>7,5</b>	<b>6,8</b>	<b>1,3</b>	<b>0,6</b>
<b>2015</b>	<b>-3,3</b>	<b>-1,2</b>	<b>-4,1</b>	<b>-2,7</b>
<b>2016</b>	<b>-0,1</b>	<b>27,5</b>	<b>7,1</b>	<b>6,3</b>
<b>2017</b>	<b>1,0</b>	<b>-</b>	<b>-</b>	<b>-</b>



# Productivity

Year	per sqm / year	per sqm / day
	(IDR mn)	(IDR)
2012	8,0	21.990
2013	8,0	22.003
2014	8,0	21.992
2015	8,0	21.850
2016	8,5	23.325
1Q17	1,5	17.142

\*net sales/time weighted average gross operating space



# Productivity by Region

<b>REGION</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>1Q17</b>
Java	8,0	8,1	8,2	8,7	1,6
Bali & NTT	11,4	11,7	11,0	11,3	2,2
Sumatera	7,1	7,0	7,0	7,3	1,3
Kalimantan	7,8	7,7	7,0	7,8	1,4
Sulawesi	10,9	10,4	10,4	11,2	1,9
Maluku	4,9	6,9	8,0	9,3	1,6
Papua	6,9	6,7	6,6	8,4	1,6
<b>Total</b>	<b>8,0</b>	<b>8,0</b>	<b>8,0</b>	<b>8,5</b>	<b>1,5</b>
<b>Region</b>					
Greater Jkt	8,1	8,0	8,4	9,0	1,7
Outside G. Jkt	8,0	8,0	7,8	8,3	1,5
<b>Total</b>	<b>8,0</b>	<b>8,0</b>	<b>8,0</b>	<b>8,5</b>	<b>1,5</b>



# Number of Stores

	Owned		Affiliate		Gov't		Private		Total
<b>Beginning 2016</b>	<b>24</b>		<b>39</b>		<b>12</b>		<b>39</b>		<b>114</b>
<b>New stores</b>	<b>2</b>		<b>-</b>		<b>-</b>		<b>-</b>		<b>2</b>
<b>Closed stores</b>	<b>-</b>		<b>1</b>		<b>-</b>		<b>2</b>		<b>3</b>
<b>Ending 2016</b>	<b>26</b>		<b>38</b>		<b>12</b>		<b>37</b>		<b>113</b>

<b>Beginning 2017</b>	<b>26</b>		<b>38</b>		<b>12</b>		<b>37</b>		<b>113</b>
<b>New stores</b>	<b>-</b>		<b>-</b>		<b>-</b>		<b>-</b>		<b>-</b>
<b>Closed stores</b>	<b>-</b>		<b>-</b>		<b>-</b>		<b>1</b>		<b>1</b>
<b>Ending Mar 2017</b>	<b>26</b>		<b>38</b>		<b>12</b>		<b>36</b>		<b>112</b>





# Space Growth

	2012	2013	2014	2015	2016	1Q17
<b>Existing stores</b>						
Gross space	893,084	962,567	1.006.781	988.787	975.843	966.506
Net space	625,192	691,592	732.012	720.226	713.545	703.533
<b>New stores</b>						
Gross space	66,071	56.724	4.985	9.715	13.979	-
Net space	55,961	47.421	4.637	9.208	8.786	-
<b>Expanded stores</b>						
Gross space	10,764	1.165	-	-	-	-
Net space	12,352	1.255	-	-	-	-
<b>Downsized/closed stores</b>						
Gross space	(7352)	(13.675)	(22.979)	(22.659)	(23.316)	(6.065)
Net space	(1913)	(8.256)	(16.423)	(15.889)	(18.798)	(4.699)
<b>Total gross</b>	<b>962,567</b>	<b>1.006.781</b>	<b>988.787</b>	<b>975.843</b>	<b>966.506</b>	<b>960.441</b>
<b>Total net</b>	<b>691,592</b>	<b>732.012</b>	<b>720.226</b>	<b>713.545</b>	<b>703.533</b>	<b>698.834</b>



# Space by Region

Region	# of stores	Gross space			Net space		
				%			%
G. Jkt	40	301.061	7.527	31,3%	220.141	5.504	31,4%
West Java	13	117.506	9.039	12,2%	89.922	6.917	12,9%
Central Java	7	49.938	7.134	5,2%	36.026	5.147	5,2%
East Java	11	97.769	8.888	10,2%	64.184	5.835	9,2%
Bali	3	30.819	10.273	3,2%	19.494	6.498	2,8%
Sumatra	21	204.472	9.737	21,4%	146.797	6.990	21,0%
Kalimantan	8	83.806	10.476	8,7%	59.982	7.498	8,6%
Sulawesi	5	39.320	7.864	4,1%	33.758	6.752	4,8%
N.T.T.	1	7.583	7.583	0,8%	5.530	5.530	0,8%
Maluku	1	4.979	4.979	0,5%	3.041	3.041	0,4%
Papua	2	23.188	11.594	2,4%	19.959	9.980	2,9%
<b>Total</b>	<b>112</b>	<b>960.441</b>	<b>8.575</b>	<b>100%</b>	<b>698.834</b>	<b>6.240</b>	<b>100%</b>
G. Jkt	40	301.061	7.527	31,3%	220.141	5.504	32,0%
Outside G. Jkt	72	659.380	9.158	68,7%	478.693	6.648	68,0%
<b>Grand Total</b>	<b>112</b>	<b>960.441</b>	<b>8.575</b>	<b>100%</b>	<b>698.834</b>	<b>6.240</b>	<b>100%</b>



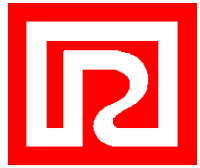
# Insurance

- Coverage including riot, strike, malicious damage
- Value insured in IDR 2,4 tn with ASOKA MAS



# Competition

- Small organized regional retailers, such as:
  - Borobudur (Jabodetabek)
  - Yogya (West Java)
  - Hardy's (Bali)
  - Sri Ratu (Central Java)
  - Suzuya (Sumatra)
- Trade Centers / wholesales markets for fashion, mostly in Greater Jakarta
- Mini markets for supermarket



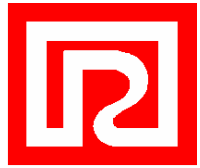
# Number of Employees

<b>Job function</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>1Q17</b>
<b>Commissioners</b>	4	4	4	4	4
<b>Directors</b>	5	5	5	5	5
<b>Division &amp; Sub</b>	535	535	535	535	535
<b>Section Heads</b>	489	489	489	489	489
<b>Cashiers</b>	2.142	1.854	1.636	1.360	1.297
<b>Sales Staffs</b>	10.954	9.455	8.610	7.073	6.948
<b>Adm &amp; others</b>	1.503	1.503	1.503	1.503	1.503
<b>Total</b>	<b>15.632</b>	<b>13.845</b>	<b>12.782</b>	<b>10.969</b>	<b>10.781</b>
<b>Sales/emply (IDR mn)</b>	509,7	573,6	608,9	750,1	137,4
<b>G. space/emply (sqm)</b>	64,4	71,4	76,3	88,1	89,1
<b>N. space/emply (sqm)</b>	46,8	52,0	55,8	64,1	64,8



# Merchandise

- Market leader in soft lines with strong house brands / private labels, strong relationship with suppliers with contract manufacturing resulting in 'value for money' price points.
- Up to date fashion trend and fast fashion strategy to ensure and attract strong customer following.
- Central buying for all soft lines and non food items. All food items are purchased and controlled regionally.
- Uniform one price policy for all products with the exception of variable pricing in locations with higher distribution cost and near monopoly trading conditions.



## Highlights / Problems

- A mild sign of recovery of export sector in commodities has not yet translated into strong sales performance.
- Pressure from underperforming Supermarket business with low yield, low margin, and high cost.
- Continuous expected cost pressure as the result of minimum wage and energy cost increases.



## 2017 Plans

- Increase consignment sales by providing more space and more brands, in order to achieve lower operating expenses, negative working capital and higher operating margin.
- Reinventing supermarket with SPAR for better efficiency, productivity and profitability.
- Continue store expansion policy by opening new one stop shopping stores and converting current supermarkets to SPAR format inline with current economic conditions.