

PT. RAMAYANA LESTARI SENTOSA Tbk.

JULY 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.

DIRECTORY

• Economic Outlook	3
• Ramayana In Brief	4
• Financial Outlooks	5
• Capital Expenditure	6
• Where We Put Our Money	7
• Seasonality	8
• Sales Breakdown	9-10
• Sales By Region	11
• Gross Margin	12
• Same Store Growth	13
• Productivity	14
• Productivity By Region	15
• Number Of Stores	16
• Space Growth	17
• Space By Region	18
• Insurance	19
• Competition	20
• Number Of Employees	21
• Merchandise	22
• Highlights / Problems	23
• 2016 Plan	24



Economic Outlook

	2012	2013	2014	2015	2016
GDP (USD bn)	852	878	868	873	877
GDP (IDR tr)	7.464	10.756	10.850	12.026	12.190
Year end USD / IDR	8.800	12.250	12.500	13.776	13.503
GDP yoy growth (%)	6,70	5,62	5,01	4,70	5,02
Inflation (%)	5,30	8,36	8,36	3,35	3,02
Unemployment (%)	7,50	6,25	5,94	6,18	5,61
Minimum Wage (IDR th)	1.146	1.288	1.505	1.782	1.916
Minimum Wage growth (%)	12,20	12,40	16,84	18,40	7,52
Interest rate - eoy (%)	6,50	7,50	7,75	7,50	6,00



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

		30-Jun-17	IPO
.	PT Ramayana Makmur Sentosa	55.8%	61.1%
.	Paulus Tumewu	3.7%	16.0%
.	Public	40.5%	22.9%

- Listed in July 1996, current market capitalization of approximately USD 649,4 mn*

**stock price at IDR 1.225 and USD at IDR 13.385 (30 June 2017)*



Financial Outlook

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



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
1H17	82.835	64,6%	45.297	35,4%	128.132



Where We Put Our Money

- Cash & Bank :
 - IDR 2,64 tr
 - USD 12,00 mn
- Short Term Investment : IDR 118,7 bn



Seasonality

(in percentage)

Year	1Q	2Q	3Q	4Q
2013	17,8	23,0	37,8	21,4
2014	19,5	24,3	35,3	20,9
2015	19,2	25,0	33,7	22,1
2016	18,0	35,0	25,2	21,8
2017	16,7	39,3	-	-



Sales Breakdown

(% of sales)

Major class	2013	2014	2015	2016	1H17
Women	13,7	13,6	9,9	10,0	10,2
Men	22,7	24,0	28,4	29,2	31,6
Children	7,0	6,7	8,4	8,7	10,7
S, B, A,	20,6	21,5	23,4	23,6	23,3
Special Buy	3,2	2,3	1,4	1,3	1,6
Toys & Sta.	2,2	1,8	1,4	1,4	1,1
Housewares	4,9	4,3	3,0	3,1	2,4
Supermarket	25,8	25,8	24,1	22,7	19,1
Total	100,0	100,0	100,0	100,0	100,0



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
1H17	38,0	39,3	3,2	0,3	18,4	0,8	59,6	40,4

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



Sales by Region

REGION	2013		2014		2015		2016		1H17	
Java	4.514.915	56,7%	4.543.537	57,2%	4.582.674	58,9%	4.958.022	60,2%	3.132.516	62,8%
Bali-NTT	440.817	5,5%	449.462	5,7%	423.457	5,4%	435.080	5,3%	214.610	4,3%
Sumatra	1.686.931	21,2%	1.637.001	20,6%	1.528.595	19,6%	1.495.484	18,1%	871.013	17,5%
Kalimantan	735.494	9,2%	709.565	8,9%	646.451	8,3%	656.678	8,0%	383.261	7,7%
Sulawesi	405.571	5,1%	410.112	5,2%	411.163	5,3%	440.968	5,4%	260.727	5,2%
Maluku	24.033	0,3%	34.701	0,4%	39.852	0,5%	46.521	0,6%	24.670	0,5%
Papua	160.673	2,0%	157.337	2,0%	154.003	2,0%	195.695	2,4%	99.072	2,0%
Total	7.968.434	100,0%	7.941.715	100,0%	7.786.194	100,0%	8.228.448	100,0%	4.985.869	100,0%

REGION	2013		2014		2015		2016		1H17	
Greater Jkt	2.465.248	30,9%	2.503.668	31,5%	2.545.747	32,7%	2.756.978	33,5%	1.743.238	35,0%
Outside G. Jkt	5.503.186	69,1%	5.438.047	68,5%	5.240.447	67,3%	5.471.470	66,5%	3.242.631	65,0%
Total	7.968.434	100,0%	7.941.715	100,0%	7.786.194	100,0%	8.228.448	100,0%	4.985.869	100,0%



Gross Margin

Major Class	2013	2014	2015	2016	1H17
Women	36,8	36,7	32,4	32,9	33,4
Men	31,8	31,4	29,8	30,2	30,4
Children	37,2	37,3	35,2	37,1	38,2
S, B, A	30,4	30,4	27,8	28,3	28,6
Special buy	32,7	31,1	28,5	32,8	29,6
Toys & Sta.	26,6	24,0	25,3	22,4	22,8
Housewares	24,4	24,6	22,9	20,6	21,2
Supermarket	11,3	7,8	7,0	7,1	6,0
Total	26,9	25,8	24,3	25,0	26,1

**front margin*



Same Store Growth

Year	3M	1H	9M	FY
2012	9,5	12,1	9,2	8,8
2013	-3,5	1,3	0,6	2,2
2014	7,5	6,8	1,3	0,6
2015	-3,3	-1,2	-4,1	-2,7
2016	-0,1	27,5	7,1	6,3
2017	1,0	14,4	-	-



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
1H17	5,1	28.244

*net sales/time weighted average gross operating space



Productivity by Region

REGION	2013	2014	2015	2016	1H17
Java	8,0	8,1	8,2	8,7	5,4
Bali & NTT	11,4	11,7	11,0	11,3	5,6
Sumatera	7,1	7,0	7,0	7,3	4,3
Kalimantan	7,8	7,7	7,0	7,8	4,6
Sulawesi	10,9	10,4	10,4	11,2	6,6
Maluku	4,9	6,9	8,0	9,3	5,0
Papua	6,9	6,7	6,6	8,4	4,3
Total	8,0	8,0	8,0	8,5	5,1
Region					
Greater Jkt	8,1	8,0	8,4	9,0	5,5
Outside G. Jkt	8,0	8,0	7,8	8,3	4,9
Total	8,0	8,0	8,0	8,5	5,1

** net sales / time weighted average gross operating space*



Number of Stores

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

Beginning 2017	26	38	12	37	113
New stores	1	1	-	1	3
Closed stores	-	-	-	1	1
Ending June 2017	27	39	12	37	115



Space Growth

	2012	2013	2014	2015	2016	1H17
Existing stores						
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
New stores						
Gross space	66,071	56.724	4.985	9.715	13.979	14.860
Net space	55,961	47.421	4.637	9.208	8.786	11.781
Expanded stores						
Gross space	10,764	1.165	-	-	-	-
Net space	12,352	1.255	-	-	-	-
Downsized/closed stores						
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)
Total gross	962,567	1,006.781	988.787	975.843	966.506	975.301
Total net	691,592	732.012	720.226	713.545	703.533	710.615



Space by Region

Region	# of Stores	Gross Space (m2)	Net Space (m2)	Gross Space (%)	Net Space (%)	Avg. Gross Space (m2)	Avg. Net Space (m2)
Greater Jakarta	43	315.921	231.922	32,4%	32,6%	7.347	5.394
West Java	13	117.506	89.922	12,0%	12,7%	9.039	6.917
Central Java	7	49.938	36.026	5,1%	5,1%	7.134	5.147
East Java	11	97.769	64.184	10,0%	9,0%	8.888	5.835
Bali	3	30.819	19.494	3,2%	2,7%	10.273	6.498
Sumatera	21	204.472	146.797	21,0%	20,7%	9.737	6.990
Kalimantan	8	83.806	59.982	8,6%	8,4%	10.476	7.498
Sulawesi	5	39.320	33.758	4,0%	4,8%	7.864	6.752
Maluku	1	4.979	3.041	0,5%	0,4%	4.979	3.041
Nusa Tenggara	1	7.583	5.530	0,8%	0,8%	7.583	5.530
Papua	2	23.188	19.959	2,4%	2,8%	11.594	9.980
Total	115	975.301	710.615	100,0%	100,0%	8.481	6.179



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

Job function	2013	2014	2015	2016	1H17
Commissioners	4	4	4	4	4
Directors	5	5	5	5	5
Division & Sub	535	535	535	535	535
Section Heads	489	489	489	489	489
Cashiers	2.142	1.854	1.636	1.360	1.290
Sales Staffs	10.954	9.455	8.610	7.073	8.012
Adm & others	1.503	1.503	1.503	1.503	1.503
Total	15.632	13.845	12.782	10.969	11.838
Sales/emply (IDR mn)	509,7	573,6	608,9	750,1	421,2
G. space/emply (sqm)	64,4	71,4	76,3	88,1	82,4
N. space/emply (sqm)	46,8	52,0	55,8	64,1	60,0



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.