

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

## **DECEMBER 2017**



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# Economy Outlook

	2014	2015	2016	2017	2018
<b>Year end USD / IDR</b>	<b>12.500</b>	<b>13.776</b>	<b>13.503</b>	<b>13.616</b>	<b>13.400</b>
<b>GDP yoy growth (%)</b>	<b>5,01</b>	<b>4,90</b>	<b>5,02</b>	<b>5,10</b>	<b>5,40</b>
<b>Inflation (%)</b>	<b>8,36</b>	<b>3,35</b>	<b>3,02</b>	<b>4,00</b>	<b>3,50</b>
<b>Unemployment (%)</b>	<b>5,94</b>	<b>6,18</b>	<b>5,61</b>	<b>5,70</b>	<b>5,30</b>
<b>Minimum Wage (IDR th)</b>	<b>1.505</b>	<b>1.782</b>	<b>1.916</b>	<b>2.077</b>	<b>2.265</b>
<b>Minimum Wage growth (%)</b>	<b>16,84</b>	<b>18,40</b>	<b>7,52</b>	<b>8,40</b>	<b>8,70</b>
<b>Interest rate - eoy (%)</b>	<b>7,75</b>	<b>7,50</b>	<b>6,00</b>	<b>5,00</b>	<b>5,10</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-Dec-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 625,4 mn\*

\* *stock price at IDR 1.200 and USD at IDR 13.616 (29 December 2017)*



# Financial Outlook

	2013	2014	2015	2016	2017
<b>Sales</b>	7.968	7.942	7.786	8.235	8.146
<b>Net profit</b>	390,5	355,1	336,1	408,5	406,6

*\* in IDR billion*

	2013	2014	2015	2016	2017
<b>Gross margin</b>	26,9	25,8	25,6	26,7	27,2
<b>EBIT margin</b>	5,1	3,8	3,2	4,5	4,6
<b>Net margin</b>	4,9	4,5	4,3	5,0	5,0
<b>ROE</b>	12,1	10,6	10,1	12,2	11,6
<b>ROA</b>	8,9	7,8	7,3	8,8	8,3
<b>Opex</b>	21,9	22,1	22,6	22,4	22,8
<b>Salaries</b>	7,8	7,6	7,7	7,4	8,2
<b>Utilities</b>	3,2	3,6	3,7	3,5	3,2
<b>Rental (net)</b>	2,9	2,7	2,5	2,4	2,2
<b>Net interest income</b>	0,7	1,1	1,5	1,2	1,1

*\* % of sales*



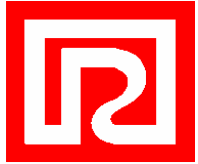
# Capital Expenditure

YEAR	EXPENDITUREX (IN MILLION)				
	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
<b>2017</b>	<b>140.144</b>	<b>60,8%</b>	<b>90.194</b>	<b>39,2%</b>	<b>230.338</b>



# Where We Put Our Money

- Cash & Bank :
  - IDR 1,87 tr
  - USD 12,08 mn
- Short Term Investment : IDR 127,5 bn



# Seasonality

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	18,2	43,0	17,3	21,5

\* in percentage





# Sales Breakdown

DEPT	2013	2014	2015	2016	2017
Women	13,7	13,6	9,9	10,0	10,2
Men	22,7	24,0	28,4	29,2	30,4
Children	7,0	6,7	8,4	8,7	8,8
S, B, A	20,6	21,5	23,4	23,6	25,4
Special Buy	3,2	2,3	1,4	1,3	1,5
Toys & Sta.	2,2	1,8	1,4	1,4	1,2
Housewares	4,9	4,3	3,0	3,1	2,6
Supermarket	25,7	25,8	24,1	22,7	19,9
<b>TOTAL</b>	<b>100,0</b>	<b>100,0</b>	<b>100,0</b>	<b>100,0</b>	<b>100,0</b>

\* % of sales



# Sales Breakdown (cont'd)

Year	Fashion		Toys, Stationery, &Household		Supermarket		Total	
	DP	CONS	DP	CONS	DP	CONS	DP	CONS
2012	33,9	30,6	7,5	0,3	25,7	2,0	67,1	32,9
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
2017	36,3	40,1	3,5	0,3	19,0	0,8	58,8	41,2



# Sales by Region

REGION	2013		2014		2015		2016		2017	
Java	4.514.915	56,7%	4.543.537	57,2%	4.582.674	58,9%	4.958.022	60,2%	4.970.305	61,0%
Bali-NTT	440.817	5,5%	449.462	5,7%	423.457	5,4%	435.080	5,3%	419.647	5,2%
Sumatera	1.686.931	21,2%	1.637.001	20,6%	1.528.595	19,6%	1.495.484	18,1%	1.429.761	17,5%
Kalimantan	735.494	9,2%	709.565	8,9%	646.451	8,3%	656.678	8,0%	643.394	7,9%
Sulawesi	405.571	5,1%	410.112	5,2%	411.163	5,3%	440.968	5,4%	429.400	5,3%
Maluku	24.033	0,3%	34.701	0,4%	39.852	0,5%	46.521	0,6%	48.526	0,6%
Papua	160.673	2,0%	157.337	2,0%	154.003	2,0%	195.695	2,4%	200.530	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>8.141.563</b>	<b>100,0%</b>

REGION	2013		2014		2015		2016		2017	
G. Jakarta	2.465.248	30,9%	2.503.668	31,5%	2.545.747	32,7%	2.756.978	33,5%	2.778.318	34,1%
Outside G. Jakarta	5.503.186	69,1%	5.438.047	68,5%	5.240.447	67,3%	5.471.470	66,5%	5.363.245	65,9%
<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>8.141.563</b>	<b>100,0%</b>



# Gross Margin

DEPT	2013	2014	2015	2016	2017
Women	36,8	36,7	32,4	33,0	33,1
Men	31,8	31,4	29,8	30,0	30,5
Children	37,2	37,3	35,2	37,1	37,2
S, B, A	30,4	30,4	27,8	28,1	28,1
Special buy	32,7	31,1	28,5	32,8	32,8
Toys & Sta.	26,6	24,0	25,3	22,4	23,1
Housewares	24,4	24,6	22,9	20,6	21,7
Supermarket	11,3	7,8	7,0	7,1	6,3
<b>TOTAL</b>	<b>26,9</b>	<b>25,8</b>	<b>24,3</b>	<b>24,9</b>	<b>25,7</b>

\* front margin



# Same Store Sales 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>14,4</b>	<b>-0,7</b>	<b>-1,2</b>

\* in percentage



# Productivity

YEAR	PRODUCTIVITY	
	per sqm per year (million)	per sqm per day (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
2017	8,3	22.674

\* net sales/time weighted average gross operating space



# Productivity by Region

REGION	2013	2014	2015	2016	2017
Java	8,0	8,1	8,2	8,7	8,4
Bali-NTT	11,4	11,7	11,0	11,3	10,9
Sumatera	7,1	7,0	7,0	7,3	7,0
Kalimantan	7,8	7,7	7,0	7,8	7,7
Sulawesi	10,9	10,4	10,4	11,2	12,3
Maluku	4,9	6,9	8,0	9,3	9,7
Papua	6,9	6,7	6,6	8,4	8,6
<b>TOTAL</b>	<b>8,0</b>	<b>8,0</b>	<b>8,0</b>	<b>8,5</b>	<b>8,3</b>

REGION	2013	2014	2015	2016	2017
G. Jakarta	8,1	8,0	8,4	9,0	8,5
Outside G. Jakarta	8,0	8,0	7,8	8,3	8,2
<b>TOTAL</b>	<b>8,0</b>	<b>8,0</b>	<b>8,0</b>	<b>8,5</b>	<b>8,3</b>

\* in IDR million



# Number of Stores

	OWNED	AFFILIATE	GOVT	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>End of 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>1</b>	<b>2</b>	<b>-</b>	<b>3</b>	<b>6</b>
<b>Closed Stores</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>2</b>	<b>3</b>
<b>End of 2017</b>	<b>27</b>	<b>39</b>	<b>12</b>	<b>38</b>	<b>116</b>





# Space Growth

	2012	2013	2014	2015	2016	2017
<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	30.993
Net Space	55.961	47.421	4.637	9.208	8.786	27.034
<b>Expanded Stores</b>						
Gross Space	10.764	1.165	-	-	-	-
Net Space	12.352	1.255	-	-	-	-
<b>Downsized / Closed Stores</b>						
Gross Space	(7.352)	(13.675)	(22.979)	(22.659)	(23.316)	(13.744)
Net Space	(1.913)	(8.256)	(16.423)	(15.889)	(18.798)	(12.378)
<b>Total Space</b>						
Gross Space	962.567	1.006.781	988.787	975.843	966.506	983.755
Net Space	691.592	732.012	720.226	713.545	703.533	718.189



# Space by Region

REGION	%	# of Stores	SPACE (sqm)		SPACE (%)		AVG SPACE (sqm)	
			GROSS	NET	GROSS	NET	GROSS	NET
Greater Jakarta	38,8%	45	328.675	243.796	33,4%	33,9%	7.304	5.418
West Java	11,2%	13	117.506	89.922	11,9%	12,5%	9.039	6.917
Central Java	6,0%	7	49.938	36.026	5,1%	5,0%	7.134	5.147
East Java	9,5%	11	97.769	64.184	9,9%	8,9%	8.888	5.835
Bali	2,6%	3	30.819	19.494	3,1%	2,7%	10.273	6.498
Sumatera	18,1%	21	204.472	146.797	20,8%	20,4%	9.737	6.990
Kalimantan	6,9%	8	83.806	59.982	8,5%	8,4%	10.476	7.498
Sulawesi	3,4%	4	35.020	29.458	3,6%	4,1%	8.755	7.365
Maluku	0,9%	1	4.979	3.041	0,5%	0,4%	4.979	3.041
Nusa Tenggara	0,9%	1	7.583	5.530	0,8%	0,8%	7.583	5.530
Papua	1,7%	2	23.188	19.959	2,4%	2,8%	11.594	9.980
<b>Total</b>	<b>100,0%</b>	<b>116</b>	<b>983.755</b>	<b>718.189</b>	<b>100,0%</b>	<b>100,0%</b>	<b>8.481</b>	<b>6.191</b>



# Insurance

- Coverage including riot, strike, malicious damage
- Value insured in IDR 3,14 tn with PT. Asuransi FPG Indonesia



# Competition

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



# Number of Employee

JOB FUNCTION	2013	2014	2015	2016	2017
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	1.233
Sales Staffs	10.954	9.455	8.610	7.073	6.402
Adm & others	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>10.171</b>
Sales/emply (IDR mn)	509,7	573,6	608,9	750,1	800,5
G. space/emply (sqm)	64,4	71,4	76,3	88,1	96,7
N. space/emply (sqm)	46,8	52,0	55,8	64,1	70,6



# 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.
- Down sizing supermarket store size to optimize productivity level.
- Reorganize tenant mix of a bigger outlet to promote concept of life style mall with more F&B tenants, cinema, and specialty shop within shop, in order to increase traffic into store and to attract a slightly higher customer segment.



## 2018 Plan

- Increase consignment sales by providing more space and more brands, in order to achieve lower operating expenses, negative working capital and higher operating margin.
- Better and higher tenant mix.
- Store transformation program continues with better and bigger portion of tenant mix in order to transform older outlets into new life style neighborhood mall with sizeable content of F&B outlets, cinema, and specialty shop within shop.