

**Company Update**
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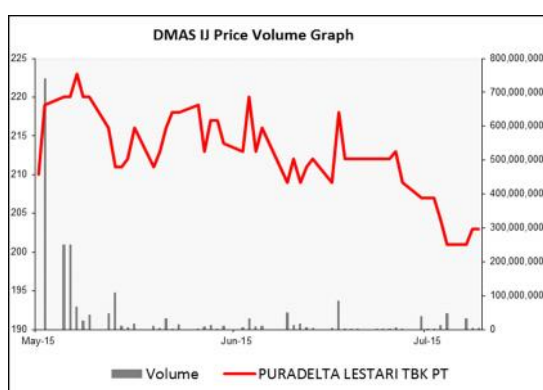
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**PT Puradelta Lestari Tbk is an industrial property developer. The company sells industrial estate, residential, and commercial land.**

**DMAS IJ**

Current Price: IDR 203

**52-Week Target Price: IDR 245**


Source: Bloomberg, Sinarmas Investment Research

**Share Price Performance**

Price (IDR)	205
52-Week High (29/05/15)	233
52-Week Low (31/07/15)	192
52-Week Beta	N.A.
YTD Change/%	N.A./N.A.

**Stock Information**

Market Cap. (IDR bn)	9,880.6
Shares Out./Float. (mn)	48,198.1/4,819.8
IPO Date	28/05/15

Source: Bloomberg, Sinarmas Investment Research

**PT Puradelta Lestari Tbk**
**1H15 Results**
**BUY**
**Net Profit Above Our Expectation**

Amid the challenging in economy, including in property and industrial sectors, the company has successfully booked its 1H15 net profit of IDR 772.20bn (71.8% of our FY15E), slightly decline by 3.2% YoY from IDR 797.97bn in 1H14. We highlight cost of industrial land sales and sales commission were significantly increased by 131.8% YoY and 552.2% YoY in respectively due to industrial land sold to Maxxis and Mitsubishi Motors. Even though net profit margin were decreased by 5% YoY to 60%, the company has successfully maintained its net profit margin above 50% as planned.

**Solid Sales Revenue**

DMAS' sales revenue was increased by 4.6% YoY to IDR 1.279tn (66.3% of our FY15E) on the back of its solid marketing sales revenue in previous year. In 1H15, company booked its industrial land sales to two major investors, Maxxis and Mitsubishi Motors, valued up to a total transaction of IDR 1.104tn (86% of 1H15 sales revenue). For bigger picture, the proportion of industrial, residential, and commercial contributed to 1H15 sales revenue are 97.5%, 2.1% and 0.4% in respectively.

**Huge Room to Grow for Future Business Expansion**

The company's balance sheet is very strong and healthy on the back of plenty cash and cash equivalents ready to be used for DMAS' future business expansion. Its cash position was increased by 33.2% YoY to IDR 1.840tn in 1H15. Moreover, the company's debt to equity ratio was only 2% in 1H15 vs. 9% in FY14. of which the company still have huge room to grow in the future.

<i>in million of IDR</i>	<b>FY13</b>	<b>FY14</b>	<b>FY15E</b>	<b>FY16F</b>	<b>FY17F</b>
<b>Sales</b>	1,826,492	1,538,254	1,929,788	2,635,061	3,539,327
<b>Growth (%)</b>	35%	-16%	25%	37%	34%
<b>Cost of Sales</b>	828,973	462,047	693,832	905,623	1,184,581
<b>Gross Profit</b>	997,519	1,076,207	1,235,956	1,729,438	2,354,746
<b>Margin (%)</b>	55%	70%	64%	66%	67%
<b>Net Income</b>	941,451	964,567	1,076,080	1,527,759	2,082,243
<b>Margin (%)</b>	52%	63%	56%	58%	59%
<b>Total Assets</b>	7,672,793	7,602,827	8,436,818	9,621,458	11,357,589
<b>Total Liabilities</b>	2,241,984	1,207,451	1,262,175	1,092,538	1,055,348
<b>Return on Assets (%)</b>	12%	13%	13%	16%	18%
<b>Return on Equity (%)</b>	17%	15%	15%	19%	21%
<b>Debt to Assets (%)</b>	17%	8%	2%	-	-
<b>Debt to Equity (%)</b>	24%	9%	2%	-	-

Source: Company, Sinarmas Investment Research

<i>in million of IDR</i>	Sales		Cost of Sales		Gross Profit	
	1H15	1H14	1H15	1H14	1H15	1H14
Industrial	1,246,845	540,980	454,871	196,243	791,974	344,737
% total	97.5%	44.2%	96.7%	57.8%	97.9%	39.0%
Residential	27,008	18,415	14,432	10,154	12,576	8,261
% total	2.1%	1.5%	3.1%	3.0%	1.6%	0.9%
Commercial	5,083	663,860	979	132,975	4,104	530,885
% total	0.4%	54.3%	0.2%	39.2%	0.5%	60.1%
<b>Total</b>	<b>1,278,936</b>	<b>1,223,256</b>	<b>470,283</b>	<b>339,374</b>	<b>808,653</b>	<b>883,882</b>

<i>I/S (in million of IDR)</i>	1H15	1H14	Change (%)
Sales	1,278,936	1,223,256	4.6%
Cost of Sales	470,283	339,374	38.6%
Gross Profit	808,653	883,882	-8.5%
Operating Expenses	73,967	38,282	93.2%
Operating Profit	734,685	845,600	-13.1%
Other Income (Expenses)	106,482	17,254	517.1%
Profit Before Tax	841,168	862,854	-2.5%
Current Tax Expense	68,972	64,887	6.3%
Net Income	772,195	797,966	-3.2%
Other Comprehensive Income	10	-	-
Total Comprehensive Income	772,206	797,966	-3.2%

<i>B/S (in million of IDR)</i>	1H15	FY14
Cash and Cash Equivalents	1,839,651	1,381,001
Inventories	5,802,474	6,028,671
Advances	248,370	31,651
Investment Properties	19,049	9,984
PPE	133,908	133,650
Others	56,045	17,869
<b>Total Assets</b>	<b>8,099,497</b>	<b>7,602,826</b>
Sales Advances	457,014	520,998
Due to Related Parties	321,047	593,381
Others	173,364	93,071
<b>Total Liabilities</b>	<b>951,425</b>	<b>1,207,450</b>
<b>Total Equity</b>	<b>7,148,071</b>	<b>6,395,376</b>

Source: Company, Sinarmas Investment Research

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