

# Investor Update

20 September 2019



## Highlights

- 1H19 revenues decreased 25.5% yoy to Rp 1,345.9 billion
- Profit for the year declined 43.0% yoy to Rp 75.8 billion

## Intiland Announces 1H19 Earnings

Due to the postpone of the plan of sukuk issuance, PT Intiland Development Tbk (“DILD” or “the Company”) just announced its unaudited financial performance for the first six months of 2019.

### **1H19 revenues decreased 25.5% yoy to Rp 1,345.9 billion**

The Company booked revenues of Rp 1,345.9 billion in 1H19, a 25.5% decreased from Rp 1,806.6 billion in the same period last year, primarily due to lower revenue recognition from the house and land segment. In 1H18, the Company recorded the sale of land in Cengkareng amounting Rp 675.1 billion, which transaction was cancelled in 4Q18. Meanwhile, the recurring income in 1H19 increased 10.7% yoy to Rp 305.8 billion from Rp 276.1 billion in the comparable period.

### **Profit for the year declined 43.0% yoy to Rp 75.8 billion**

The Company booked 1H19 profit for the year at Rp 74.8 billion, or declined 43.0% yoy from Rp 132.9 billion in 1H18. This figure was driven mainly by lower gross profit margin due to cash discount and lower margin from industrial estate segment as well as higher interest expense.

Profit for the year in 1H19 was recorded at Rp 75.8 billion, where Rp 9.4 billion was attributed to owners of the company. The remaining Rp 66.4 billion that was attributed to non-controlling interests derived predominantly from the revenue recognition of 57 Promenade.

**Table 1: Financial Highlights (in Rp billion)**

<b>Profit &amp; Loss Statement</b>	<b>1H19</b>	<b>1H18</b>	<b>% Change</b>
Revenues	1.345,9	1.806,6	-25,5%
Gross Profit	483,3	519,9	-7,0%
Operating Profit	199,7	229,0	-12,8%
Profit for the Year	75,8	132,9	-43,0%
Net Income	9,4	142,5	-93,4%
EPS	0,9	13,7	-93,4%
Gross Profit Margin	35,9%	28,8%	
Operating Profit Margin	14,8%	12,7%	
Net Income Margin	0,7%	7,9%	
<b>Balance Sheet</b>	<b>1H19</b>	<b>FY18</b>	<b>% Change</b>
Total Assets	14.577,0	14.215,5	2,5%
Total Liabilities	7.548,4	7.699,9	-2,0%
Total Equity	7.028,6	6.515,7	7,9%
Sales Advance	1.422,1	1.684,5	-15,6%
Cash & Cash Equivalent	1.290,1	1.124,2	14,8%
Total Debt	5.133,5	5.011,9	2,4%
Net Debt to Equity	54,7%	59,7%	

**Revenues Breakdown**

The development revenues contributed Rp 1,040.1 billion in 1H19, or decreased 32.0% yoy from Rp 1,530.5 billion in 1H18. Meanwhile, the recurring revenues generated Rp 305.8 billion in 1H19, or increased 10.7% yoy from Rp 276.1 billion in 1H18.

The revenues composition from development revenues and recurring revenues in 1H19 were 77.3% and 22.7% respectively. On the other hand, the revenues composition from development revenues and recurring revenues in 1H18 were 84.7% and 15.3% respectively.

The highest contribution from 1H19 total revenue was derived from the mixed-use & high-rise segment Rp 712.9 billion (53.0%), the recurring revenues segment Rp 305.8 billion (22.7%), followed by the landed residential revenues segment Rp 264.8 billion (19.7%) and the industrial estate segment Rp 62.4 billion (4.6%).

The revenues derived from landed residential segment primarily came from the delivery of housing units in Graha Natura, Serenia Hills, Graha Family Estate, Magnolia Residence and Talaga Bestari.

The revenues booked from the mixed-use & high-rise projects was primarily generated from the recognition based on construction progress throughout the year from Graha Golf, 57 Promenade, Rosebay, 1Park Avenue, Praxis, Regatta, Aeropolis and Spazio Tower.

The revenues from the industrial estate segment was mainly came from the sales of industrial land lots in Ngoro Industrial Park and the delivery of warehouses in Aeropolis.

The recurring revenues came from the sport clubs and facilities, rental of office spaces and retail, as well as standard factory buildings from the industrial estate.

In 2Q19 the Company sold 75,000 shares of PT Putra Sinar Permaja, a subsidiary that operates South Quarter project, owned by PT Taman Harapan Indah to Reco Kris Private Ltd, a subsidiary of GIC. The total proceed from divestment of 9% stake was Rp 243.8 billion, with gain from sale amounting Rp 105.8 billion was recorded in the equity of the Company.

**Table 2: Revenues Breakdown (in Rp billion)**

Revenues	1H19	1H18	YoY %	% 1H19 to Total	% 1H18 to Total
<b>Development Revenues</b>	<b>1,040.1</b>	<b>1,530.5</b>	<b>-32.0%</b>	<b>77.3%</b>	<b>84.7%</b>
Mixed-use & high-rise	712.9	422.2	68.8%	53.0%	23.4%
Landed residential	264.8	1,108.2	-76.1%	19.7%	61.3%
Industrial estate	62.4	-	0.0%	4.6%	0.0%
<b>Recurring Revenues</b>	<b>305.8</b>	<b>276.1</b>	<b>10.7%</b>	<b>22.7%</b>	<b>15.3%</b>
Offices	111.5	105.8	5.4%	8.3%	5.9%
Facilities	157.6	139.2	13.2%	11.7%	7.7%
Industrial Estate	36.7	31.1	18.0%	2.7%	1.7%
<b>Total Revenues</b>	<b>1,345.9</b>	<b>1,806.6</b>	<b>-25.5%</b>	<b>100.0%</b>	<b>100.0%</b>

**Gross Profit Margin**

The gross profit margin in 1H19 was posted at 35.9%, or an increased compared to 28.8% in 1H18. The gross profit margin was increased because of a higher margin of landed residential compared to previous period.

The gross profit margin for mixed-use & high-rise segment in 1H19 increased to 31.0% from 29.6% in 1H18. The gross profit margin for landed residential segment in 1H19 increased to 54.1% from 27.5% in 1H18. The gross profit for industrial estate segment in 1H19 increased to 54.5% and lastly, the gross profit margin for the investment property segment in 1H19 and 1H18 were 27.9% and 32.6% respectively.

**Table 3: Gross Profit Margin**

Segment	1H19	1H18
Mixed-use & high-rise	31.0%	29.6%
Landed residential	54.1%	27.5%
Industrial estate	54.5%	0.0%
Investment properties	27.9%	32.6%
<b>Gross Profit Margin</b>	<b>35.9%</b>	<b>28.8%</b>

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