



PT LAUTAN LUAS Tbk

NEWSLETTER 1H19



PUSAT LOGISTIK BERKAT





FINANCIAL HIGHLIGHTS

PT LAUTAN LUAS Tbk (LTLS) is pleased to announce its 1H2019 results as follows:

LTLS's gain in net income during 1H2019 was IDR108 billion, or 68.8% above 1H2018, primarily attributable to higher operating income driven by improvement in gross margin, as well as a decrease in other operating expenses mainly from reducing foreign exchange loss as supported by less volatility of Rupiah against foreign currency in current period.

Revenue in 1H2019 was IDR3,379 billion or 0.6% above 1H2018, which comprise of 49% from Distribution segment, 43% from Manufacturing segment, and the remaining 8% from our Support & Services segment. Revenue from Distribution segment increased by 4.4% in 1H2019, and has been the major contributor to the total revenue growth in current period. While revenue from Manufacturing and Support & Services segment were down by 2.5% and 3.4%, respectively. Gross profit was IDR635 billion in 1H2019 versus IDR607 billion in 1H2018, with gross margin increased to 18.8% in 1H2019 from 18.1% in 1H2018, mainly derived from the Manufacturing and Support & Services segment.

Operating income increased from IDR168 billion in 1H2018 to IDR218 billion in 1H2019, in line with the increase in gross profit (+28 bn) and lower other operating expenses (+33 bn). EBITDA in 1H2019 has reached IDR330 billion, or higher by 8.6% compared to the same period last year of IDR304 billion.

Financial position was relatively stable as of June 2019, with net interest bearing debt to equity at 1.18x, current ratio at 0.94x, and working capital at 72 days.

In summary, our current performance has translated to an earning per-share of IDR70/share in 1H2019 or IDR140/share (annualized), with book value per-share at IDR1,228/share as end of June 2019.

For a more comprehensive analysis of the 1H2019 performance, our quarterly report is available on company website (www.lautan-luas.com).

FINANCIAL HIGHLIGHTS



CONSOLIDATED INCOME STATEMENT

| in Billion IDR | 1H19 | 1H18 | 2018 | 2017 | 2016 |
|-----------------------------------|---------------|---------------|---------------|---------------|---------------|
| Revenue | 3,379 | 3,358 | 7,076 | 6,597 | 6,438 |
| Gross Profit | 635 | 607 | 1,289 | 1,207 | 1,153 |
| <i>Gross Margin</i> | <i>18.79%</i> | <i>18.08%</i> | <i>18.22%</i> | <i>18.29%</i> | <i>17.90%</i> |
| Operating Expenses | 426 | 411 | 839 | 860 | 788 |
| Other Operating Income/(Expenses) | 8 | (28) | (12) | 20 | (23) |
| Income from Operation | 218 | 168 | 438 | 366 | 342 |
| Finance Costs | (87) | (94) | (194) | (150) | (150) |
| Income/(Loss) from Affiliates | 34 | 26 | 64 | 38 | (47) |
| Net Income | 108 | 64 | 200 | 150 | 60 |
| Comprehensive Income | 80 | 166 | 281 | 210 | 18 |
| EBITDA | 330 | 304 | 694 | 553 | 465 |



FINANCIAL HIGHLIGHTS

CONSOLIDATED BALANCE SHEET

| in Billion IDR | 1H19 | 1H18 | 2018 | 2017 | 2016 |
|---------------------------|--------------|--------------|--------------|--------------|--------------|
| Cash & Cash Equivalent | 190 | 96 | 144 | 125 | 69 |
| Trade Receivables | 1,126 | 1,598 | 1,210 | 1,333 | 1,488 |
| Inventories | 1,043 | 1,099 | 1,287 | 885 | 778 |
| Others | 328 | 340 | 202 | 235 | 298 |
| Current Assets | 2,687 | 3,133 | 2,843 | 2,578 | 2,633 |
| Fixed Assets | 1,885 | 1,985 | 1,902 | 1,953 | 1,844 |
| Others | 1,621 | 1,285 | 1,574 | 1,238 | 1,181 |
| Non Current Assets | 3,506 | 3,270 | 3,476 | 3,191 | 3,025 |
| Total Assets | 6,193 | 6,403 | 6,318 | 5,769 | 5,658 |

| in Billion IDR | 1H19 | 1H18 | 2018 | 2017 | 2016 |
|--|--------------|--------------|--------------|--------------|--------------|
| Trade Payables | 857 | 1,303 | 1,247 | 1,001 | 1,249 |
| Short-term Bank Loans | 1,675 | 1,521 | 1,544 | 716 | 1,114 |
| Current Maturities of Long-terms Debts | 38 | 53 | 36 | 778 | 159 |
| Others | 302 | 243 | 160 | 143 | 155 |
| Current Liabilities | 2,872 | 3,120 | 2,987 | 2,638 | 2,677 |
| Long-term Debts | 977 | 1,028 | 997 | 1,038 | 1,117 |
| Others | 225 | 234 | 209 | 222 | 186 |
| Non-Current Liabilities | 1,202 | 1,262 | 1,206 | 1,260 | 1,303 |
| Total Liabilities | 4,074 | 4,382 | 4,193 | 3,898 | 3,979 |
| Equity | 2,119 | 2,021 | 2,125 | 1,871 | 1,679 |
| Total Liabilities & Equity | 6,193 | 6,403 | 6,318 | 5,769 | 5,658 |

FINANCIAL HIGHLIGHTS



WORKING CAPITAL CYCLE

| in Billion IDR | 1H19 | 1H18 | 2018 | 2017 | 2016 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Trade Receivables (T/R) | 1,126 | 1,598 | 1,210 | 1,333 | 1,488 |
| T/R Days | 60 | 86 | 62 | 73 | 83 |
| Inventories | 1,043 | 1,099 | 1,287 | 885 | 778 |
| Inventory Days | 68 | 72 | 80 | 59 | 53 |
| Trade Payables (T/P) | 857 | 1,303 | 1,247 | 1,001 | 1,249 |
| T/P Days | 56 | 85 | 78 | 67 | 85 |
| Working Capital – Trade (T/R + Inv – T/P) days | 1,312 72 | 1,394 72 | 1,250 64 | 1,217 65 | 1,017 51 |

KEY PERFORMANCE RATIO

| | 1H19 | 1H18 | 2018 | 2017 | 2016 |
|-------------------------------|--------|--------|-------|-------|--------|
| Asset Growth (%) | (1.99) | 10.98 | 9.52 | 1.96 | 4.91 |
| Revenue Growth (%) | 0.63 | (2.84) | 7.27 | 2.47 | (0.43) |
| Gross Margin (%) | 18.79 | 18.08 | 18.22 | 18.29 | 17.90 |
| Operating Margin (%) | 6.44 | 5.01 | 6.19 | 5.55 | 5.31 |
| EBITDA */Net Int. Exp. ** (X) | 3.79 | 3.25 | 3.59 | 3.68 | 3.10 |
| Net Debt ***/Equity (X) | 1.18 | 1.24 | 1.14 | 1.29 | 1.38 |
| Net Debt ***/EBITDA* (X) | 3.78 | 4.12 | 3.50 | 4.36 | 4.99 |
| Current Ratio (X) | 0.94 | 1.00 | 0.95 | 0.98 | 0.98 |

* EBITDA does not include foreign exchange gains or losses for the relevant period

** Net Interest Expense is defined as Interest Expense less Interest Income

*** Net Debt is defined as Total Interest Bearing Loans less Cash & Cash Equivalents



SHARE PRICE HISTORY



| | |
|-----------------------------|-------|
| Share (millions)* | 1,560 |
| Price in 2019, June 28 (Rp) | 605 |
| Price / Earning (x)** | 4.32 |
| Deviden Yield (%) | 6.61 |
| ROE (%) ** | 10.20 |
| 52wk High (Rp) | 735 |
| 52wk Low (Rp) | 482 |
| EPS (Rp) | 70 |
| EPS Annualized** (Rp) | 140 |

* Include 23,338,000 treasury stocks
 ** Annualized



PT LAUTAN LUAS Tbk

Established in 1951, **PT LAUTAN LUAS Tbk** is a distributor and manufacturer of basic and specialty chemicals. The Company represents over 100 international principals, distributing over 1,000 basic and specialty chemical products to more than 2,000 industrial customers throughout Indonesia and the Asia Pacific region.

In addition to the Jakarta headquarters, the Company operates four branches and seven representative offices located in various major cities throughout the archipelago, including a regional office in Singapore that oversees company operations in China, Thailand, and Vietnam.

In manufacturing, the Company currently has stakes in thirteen production facilities in Indonesia, two facilities in China, and one in Vietnam.

Its Support & Services business comprise of three subsidiaries that were previously the Company's internal departments, offering supply chain, IT, and laboratory services.

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