



PT LAUTAN LUAS Tbk

DISTRIBUTOR AND MANUFACTURER – SPECIALTY AND BASIC CHEMICALS



PUSAT
LOGISTIK
BERIKAT



INVESTOR NEWSLETTER 1Q 2019





FINANCIAL HIGHLIGHTS

PT LAUTAN LUAS Tbk (LTLS) is pleased to announce its 1Q2019 results as follows:

LTLS' gain in net income during 1Q2019 was IDR48 billion, or 5.9% below 1Q2018, primarily attributable to a combination of lower contribution from investments in associates, which offset by higher revenue and gross profit, as well as favourable lower operating expenses.

Revenue in 1Q2019 was IDR1,803 billion or 4.4% above 1Q2018, which comprise of 50.8% from Distribution segment, 41.5% from Manufacturing segment, and the remaining 7.7% from our Support & Services segment. Revenue from Distribution segment increased by 15.0% in 1Q2019, 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 4.1% and 7.2%, respectively.

Gross profit was IDR324 billion in 1Q2019 versus IDR320 billion in 1Q2018, with gross margin decreased to 17.9% in 1Q2019 from 18.6% in 1Q2018. Lower gross margin was mainly from Distribution segment due to change in product mix, while higher margin was derived from the Manufacturing and Support & Services segment.

Operating income increased from IDR94 billion in 1Q2018 to IDR108 billion in 1Q2019, in line with the increase in gross profit (+3 bn) and lower operating expenses (+12 bn). While EBITDA in 2018 has reached IDR159 billion, or slightly lower by 0.6% compared to the same period last year of IDR160 billion.

From financial position view, net interest bearing debt to equity improved from 1.14x to 1.07x yoy, current ratio slightly improved from 0.95x to 0.98x yoy, while working capital was stable at 67 days.

In summary, our current performance has translated to an earning per-share of IDR31/share in 1Q2019, with book value per-share at IDR1,315/share as end of March 2019.

For a more comprehensive analysis of the 1Q2019 performance, our quarterly report is available on company website (www.lautan-luas.com).

As an additional information, our Annual general shareholders meeting will be held on 16 May 2019, where we will announce our performance including dividend distribution as in accordance to our internal policy. Analyst meeting event to further discuss 1Q2019 performance will be held also on 16 May 2019.



FINANCIAL HIGHLIGHTS

CONSOLIDATED INCOME STATEMENT

in Billion IDR	1Q19	1Q18	2018	2017	2016
Revenue	1,803	1,727	7,076	6,597	6,438
Gross Profit	324	320	1,289	1,207	1,153
<i>Gross Margin</i>	<i>17.97%</i>	<i>18.56%</i>	<i>18.22%</i>	<i>18.29%</i>	<i>17.90%</i>
Operating Expenses	212	224	839	860	788
Other Operating Income/(Expenses)	(4)	(2)	(12)	20	(23)
Income from Operation	108	94	438	366	342
Finance Costs	(42)	(48)	(194)	(150)	(150)
Income/(Loss) from Affiliates	8	22	64	38	(47)
Net Income	48	51	200	150	60
Comprehensive Income	138	150	281	210	18
EBITDA	159	160	694	553	465

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

** Average Rate is defined as the average closing rate at the end of each day for the relevant period



FINANCIAL HIGHLIGHTS

CONSOLIDATED BALANCE SHEET

in Billion IDR	1Q19	1Q18	2018	2017	2016
Cash & Cash Equivalent	120	162	144	125	69
Trade Receivables	1,340	1,416	1,210	1,333	1,488
Inventories	1,129	1,070	1,287	885	778
Others	271	289	202	235	298
Current Assets	2,860	2,937	2,843	2,578	2,633
Fixed Assets	1,870	1,953	1,902	1,953	1,844
Others	1,651	1,358	1,574	1,238	1,181
Non Current Assets	3,521	3,311	3,476	3,191	3,025
Total Assets	6,381	6,248	6,318	5,769	5,658

in Billion IDR	1Q19	1Q18	2018	2017	2016
Trade Payables	1,119	1,232	1,247	1,001	1,249
Short-term Bank Loans	1,528	706	1,544	716	1,114
Current Maturities of Long-terms Debts	36	773	36	778	159
Others	222	259	160	143	155
Current Liabilities	2,905	2,970	2,987	2,638	2,677
Long-term Debts	987	1,023	997	1,038	1,117
Others	216	229	209	222	186
Non-Current Liabilities	1,203	1,252	1,206	1,260	1,303
Total Liabilities	4,109	4,222	4,193	3,898	3,979
Equity	2,272	2,026	2,125	1,871	1,679
Total Liabilities & Equity	6,381	6,248	6,318	5,769	5,658



FINANCIAL HIGHLIGHTS

WORKING CAPITAL CYCLE

in Billion IDR	1Q19	1Q18	2018	2017	2016
Trade Receivables (T/R)	1,340	1,416	1,210	1,333	1,488
T/R Days	67	74	62	73	83
Inventories	1,129	1,070	1,287	885	778
Inventory Days	69	68	80	59	53
Trade Payables (T/P)	1,119	1,232	1,247	1,001	1,249
T/P Days	68	79	78	67	85
Working Capital – Trade (T/R + Inv – T/P) days	67	63	64	65	51

KEY PERFORMANCE RATIO

	1Q19	1Q18	2018	2017	2016
Asset Growth (%)	0.99	8.30	9.52	1.96	4.91
Revenue Growth (%)	4.44	0.95	7.27	2.47	(0.43)
Gross Margin (%)	17.95	18.56	18.22	18.29	17.90
Operating Margin (%)	5.98	5.44	6.19	5.55	5.31
EBITDA */Net Int. Exp. ** (X)	3.82	3.31	3.59	3.68	3.10
Net Debt ***/Equity (X)	1.07	1.16	1.14	1.29	1.38
Net Debt ***/EBITDA* (X)	3.83	3.65	3.50	4.36	4.99
Current Ratio (X)	0.98	0.99	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, March 29 (Rp)	635
Price / Earning (x)**	5.12
Deviden Yield (%)	4.72
ROE (%) **	8.49
52wk High (Rp)	745
52wk Low (Rp)	482
EPS (Rp)	31

* Include 23,338,000 treasury stocks

** Annualized



PT LAUTAN LUAS Tbk

ABOUT LTLS

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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