

Mitra Adiperkasa Tbk (MAPI IJ)

Bukti Ketangguhan Kinerja 3Q19

MAPI berhasil mencatatkan pertumbuhan top line pada 3Q19 tanpa ditopang oleh seasonality. Hampir semua segmen mencatatkan pertumbuhan signifikan kecuali segmen department stores. Namun, kami berharap pada 4Q19, MAPI tetap berhasil mempertahankan penjualan tertinggi seperti pada tahun-tahun sebelumnya. Selain itu, kami juga tetap memberikan outlook positif bagi kinerja MAPI pada 2020.

Top Line Stabil

Setelah lebaran 2Q19, MAPI berhasil mencatatkan pendapatan 3Q19 sebesar Rp5,3 triliun (+14,2% y-y, +1,1% q-q). Pendapatan ini masih ditopang oleh segmen specialty stores (Active and Fashion) yang berkontribusi sekitar 70% bagi total pendapatan. Segmen ini membukukan pendapatan mencapai Rp3,8 triliun (+12% y-y, -1% q-q). Segmen F&B membukukan pendapatan sebesar Rp794 miliar (+17,7% y-y, +7,31%). Kinerja yang memuaskan ini juga menopang pertumbuhan pendapatan 3Q19. Kami juga melihat adanya gerai kopi yang marak saat ini belum dapat menggeser popularitas Starbucks karena sebagian besar gerai kopi tersebut memiliki target pasar yang berbeda dengan Starbucks. Segmen minuman secara kumulatif mencatatkan penjualan mencapai Rp1,4 triliun (18,8% y-y) sedangkan segmen makanan mencatatkan penjualan mencapai Rp616 miliar (+15,4% y-y). Segmen department stores mencatatkan penjualan sebesar Rp630 miliar (-1,1% y-y, -6,35% q-q). Penurunan tersebut tidak mengkhawatirkan kami karena pertumbuhan 2Q19 didukung oleh momentum Lebaran.

Peningkatan OpEx Menekan Bottom Line

MAPI mencatatkan pertumbuhan EBIT pada 3Q19 sebesar Rp372 miliar (+6,9% y-y, -45% q-q). Kami mencermati secara kumulatif peningkatan OpEx disebabkan oleh peningkatan salaries & allowances yang mencapai Rp1,4 triliun (+15,3% y-y) dan peningkatan tax rate sebesar 32,6% pada 3Q19 dari 23,4% pada 2Q19. Keuntungan bersih MAPI tercatat mencapai Rp144 miliar (+115% y-y, -60,2% q-q). Pertumbuhan pendapatan MAPI secara kumulatif meningkat 11,4% y-y dengan SSSG sebesar 3%. Pertumbuhan SSSG ini lebih rendah dibandingkan dengan tahun sebelumnya yang mencapai 8%. Kami mengestimasi sampai dengan FY20, MAPI mencatatkan pertumbuhan SSSG sebesar 5%-6%. Kami mengestimasi pertumbuhan SSSG MAPI pada 4Q19 dapat mencapai 4% ditopang promo year-end sales pada momentum musim liburan sehingga jumlah pengunjung mall terutama di area Jakarta akan meningkat dan berkontribusi 57% terhadap total penjualan. Sebagai catatan, MAPI selalu mencatatkan penjualan tertinggi pada 4Q19 dibandingkan dengan kuartal lainnya.

Peringkat BUY dengan Target Harga Rp1.300

Kami tetap mempertahankan rekomendasi BUY dengan target harga Rp1.300 berdasarkan estimasi valuasi P/E forward sebesar 20,9x dengan potensi upside imbal hasil dari harga saham saat ini. Momentum holiday season (natal dan tahun baru), sejarah kinerja 4Q19 yang selalu menjuarai, nilai tukar rupiah terhadap dolar AS yang stabil menjadi dasar target harga kami. Kami meyakini MAPI tidak terlalu terpengaruh dengan rencana kenaikan sejumlah tarif karena produk-produk premium yang dijual MAPI menasar target pasar kelas menengah ke atas. Risiko target harga kami meliputi menurunnya kepercayaan konsumen *discretionary spending* konsumen, penurunan di pertumbuhan segmental atau pertumbuhan aktivitas promosi segmental.

Mitra Adiperkasa Tbk | Summary (IDR bn)

	2018	2019E	2020F	2021F
Revenue	18,921	21,092	23,726	26,098
Revenue growth	16.0%	11.5%	12.5%	10.0%
EBITDA	2,270	2,600	2,845	3,248
Net Profit	736	875	1,033	1,298
EPS (IDR)	44	53	62	78
EPS growth	119.9%	18.9%	18.1%	25.6%
BVPS (IDR)	365	439	489	556
EBITDA margin	12.0%	12.3%	12.0%	12.4%
NPM	3.9%	4.1%	4.4%	5.0%
ROE	14.3%	13.1%	13.4%	15.0%
ROA	6.1%	6.7%	7.4%	8.6%
ROIC	13.3%	13.9%	14.1%	14.9%
P/E	18.2x	18.8x	15.9x	12.7x
P/BV	2.2x	2.3x	2.0x	1.8x
EV/EBITDA	4.5x	5.0x	4.5x	3.8x
DPS (IDR)	16	24	22	25
Dividend yield	2.0%	2.4%	2.2%	2.5%

Source: Company Data, Bloomberg, NHKS Research

Please consider the rating criteria & important disclaimer

NH Korindo Sekuritas Indonesia



Company Report | Dec 16, 2019

Buy

Dec 2020 TP (IDR)	1,300
Consensus Price (IDR)	1,289
TP to Consensus Price	+0.9%
vs. Last Price	+16.6%

Shares data

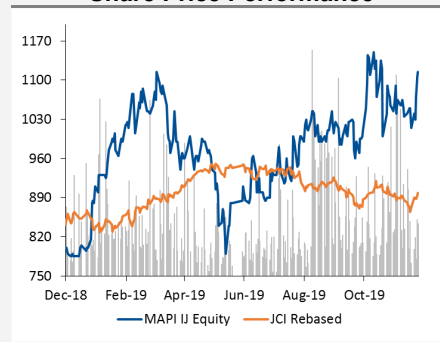
Last Price (IDR)	1,115
Price date as of	Dec 06, 2019
52 wk range (Hi/Lo)	1,150 / 785
Free float (%)	49.0
Outstanding sh.(mn)	16,600
Market Cap (IDR bn)	17,762
Market Cap (USD mn)	1,266
Avg. Trd Vol - 3M (mn)	9.41
Avg. Trd Val - 3M (bn)	12.6
Foreign Ownership	22.4%

Trade, Services & Investment

Retail

Bloomberg	MAPI IJ
Reuters	MAPI.JK

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	40.3%	3.7%	10.4%	35.2%
Rel. Ret.	35.9%	4.2%	12.3%	26.3%

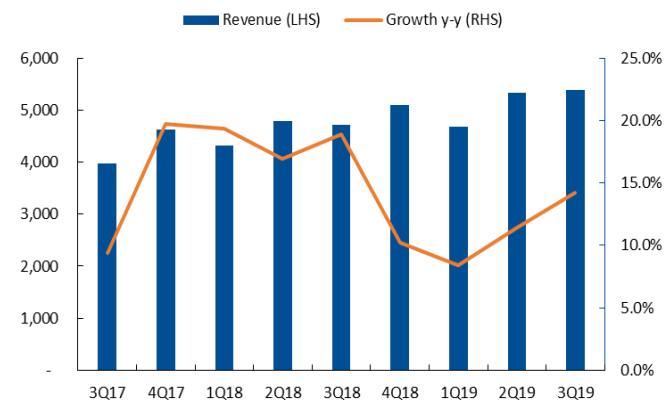
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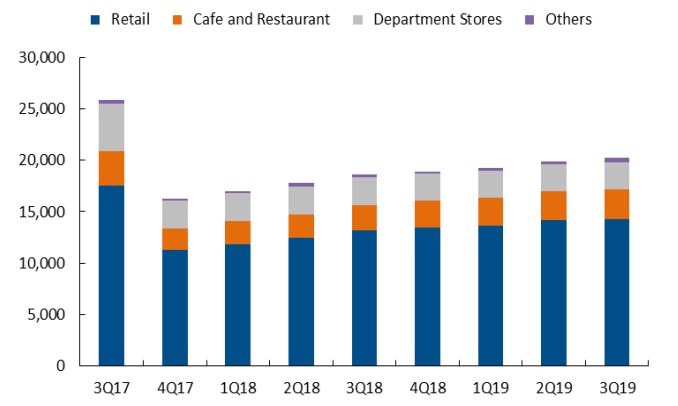
Performance Highlights

MAPI Quarterly Net Revenues | 3Q17 - 3Q19



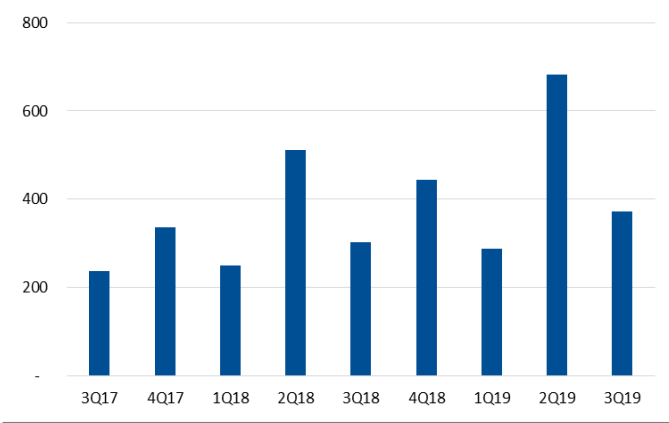
Source: Company, NHKS Research

MAPI Revenue Contribution | 3Q17—3Q19



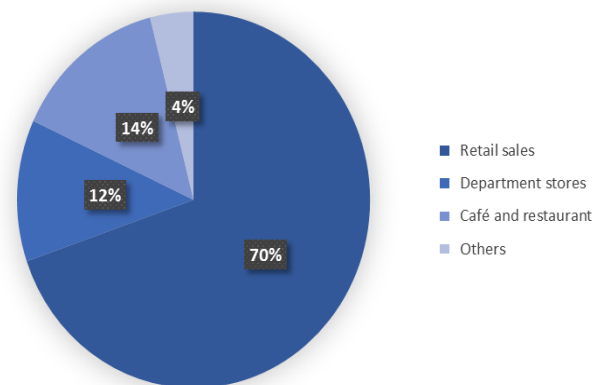
Source: Company, NHKS Research

EBIT | 3Q17 - 3Q19



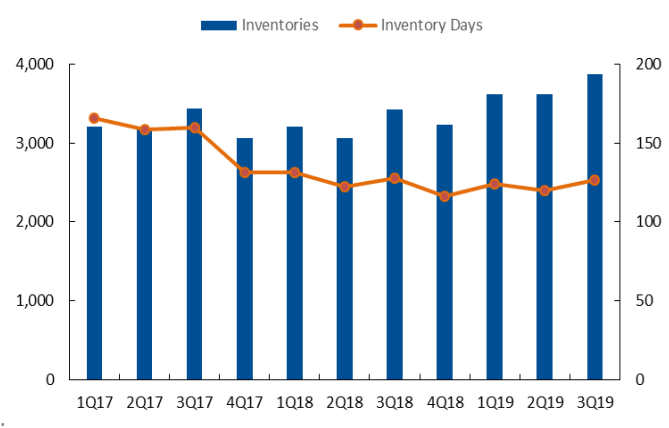
Source: Company, NHKS Research

Revenue Breakdown | 3Q19



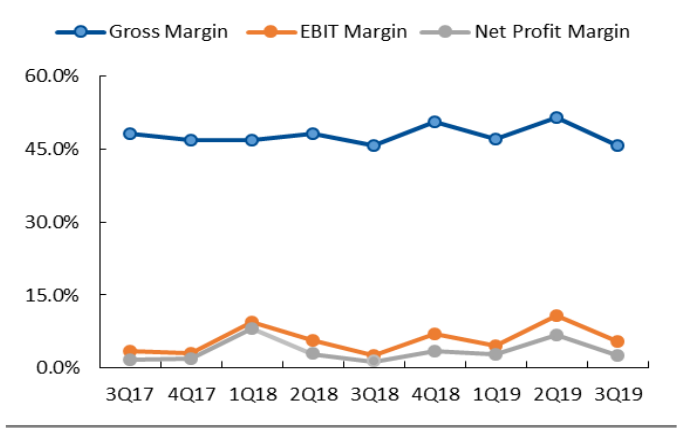
Source: Company, NHKS Research

MAPI Inventory Days | 1Q17—3Q19



Source: Company, NHKS Research

Margin Ratios | 3Q17 - 3Q19



Source: Company, NHKS Research

3Q19 review (IDR bn)

	3Q18	4Q18	1Q19	2Q19	3Q19					4Q19E
					Actual	Estimate	y-y	q-q	surprise	
Revenue	4,722	5,093	4,680	5,336	5,393	5,253	14.2%	1.1%	2.7%	5,682
Gross Profit	2,154	2,579	2,197	2,741	2,471	1,354	14.7%	-9.9%	82.5%	2,725
<i>Gross Margin</i>	45.6%	50.6%	46.9%	51.4%	45.8%	25.8%	0.2%	-5.6%	20.0%	48.0%
EBIT	302	444	287	683	372	478	23.2%	-45.4%	-22.1%	387
<i>EBIT Margin</i>	6.4%	8.7%	6.1%	12.8%	6.9%	9.1%	0.5%	-5.9%	-2.2%	6.8%
EBITDA	496	637	488	886	584	756	17.9%	-34.0%	-22.7%	642
<i>EBITDA Margin</i>	10.5%	12.5%	10.4%	16.6%	10.8%	14.4%	0.3%	-5.8%	-3.6%	11.3%
Net Profit	67	178	138	361	144	420	115.0%	-60.2%	-65.8%	232
<i>Net Margin</i>	1.4%	3.5%	3.0%	6.8%	2.7%	8.0%	1.2%	-4.1%	-5.3%	4.1%

Source: Bloomberg, NHKS research

Earnings revision (IDR bn)

		2018A	2019E	2020F
Revenue	-Revised	18,921	21,092	23,726
	-Previous	18,974	21,303	22,155
	-Change	-0.3%	-1.0%	+7.1%
Gross Profit	-Revised	9,052	10,135	11,451
	-Previous	8,879	10,116	10,674
	-Change	1.9%	+0.2%	+7.3%
Gross Margin	-Revised	47.8%	48.1%	48.3%
	-Previous	46.8%	47.5%	48.2%
EBIT	-Revised	1,506	1,729	1,982
	-Previous	1,633	1,981	2,108
	-Change	-7.8%	-12.7%	-6.0%
EBIT Margin	-Revised	8.0%	8.2%	8.4%
	-Previous	8.6%	9.3%	9.5%
EBITDA	-Revised	2,270	2,600	2,845
	-Previous	2,412	2,832	3,052
	-Change	-5.9%	-8.2%	-6.8%
EBITDA Margin	-Revised	12.0%	12.3%	12.0%
	-Previous	12.7%	13.3%	13.8%
Net Profit	-Revised	736	875	1,033
	-Previous	863	958	1,234
	-Change	-14.7%	-8.7%	-16.3%
Net Margin	-Revised	3.9%	4.1%	4.4%
	-Previous	4.5%	4.5%	5.6%

Source: NHKS research

Sekilas tentang MAPI

MAPI merupakan salah satu perusahaan ritel di Indonesia dengan portfolio brand terbanyak, lebih dari 154 merek global. MAPI didirikan pada tahun 1995 dengan berfokus pada produk alat olahraga. Kini, MAPI telah berkembang pesat dengan lini usaha di produk olahraga, fashion, department stores, makanan & minuman, produk anak-anak dan gaya hidup, dengan target konsumen menengah-atas.

Selain di Indonesia, MAPI juga beroperasi di berbagai negara tetangga, seperti Singapura, Malaysia, Thailand, Australia dan lainnya. Pada 2016, MAPI juga melebarkan sayapnya ke Vietnam melalui pembukaan gerai Zara pertama. Di Indonesia sendiri, terdapat lebih dari 2.300 gerai ritel MAPI yang tersebar di 71 kota besar.

Industri Ritel Indonesia di ASEAN

Indonesia merupakan negara dengan jumlah penduduk terbesar di ASEAN. Hal ini menjadikan Indonesia sebagai tempat yang menguntungkan bagi bisnis ritel. Pasar ritel Indonesia dikuasai oleh LPPF, RALS, MAPI dengan gerai yang tersebar di seluruh Indonesia. Pada 2019, Aprindo menargetkan pertumbuhan bisnis ritel mencapai 10%. Kebijakan pemerintah yang mengunci tarif listrik dan harga BBM bisa menjadi katalis positif yang memacu pulihnya daya beli masyarakat hingga 2020.

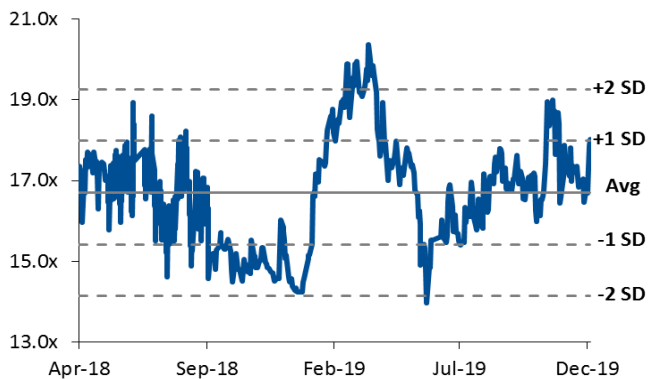
ASEAN Retailers

Company	Market Cap (USD mn)	Asset (USD mn)	Sales Growth	Gross Margin	Operating-Margin	ROE LTM	P/E LTM	P/BV LTM	Dividend Yield
Indonesia									
LPPF	730	349	2.21%	62.3%	15.3%	37.8%	13.1x	5.7x	9.1%
RALS	524	363	2.08%	44%	10.4%	17.1%	10.4x	1.7x	4.8%
MAPI	1,266	876	16.04%	48%	8.0%	14.8%	21.7x	3.0x	0.9%
Singapore									
Metro Holdings	571	1,405	26.14%	6%	7.0%	5.7%	9.3x	0.5x	4.8%
Malaysia									
Parkson Holdings Bhd	56	2,063	1.28%	N/A	2%	-6.5%	N/A	0.1x	N/A
Thailand									
Robinson PCL	2,345	878	17.54%	34%	10%	15.1%	26.6x	3.9x	2.1%
Philippines									
SM Investments Corp	25.145	20,251	13.47%	39%	16%	12.2%	29.1x	3.4x	0.9x

Source: Bloomberg, NHKS research

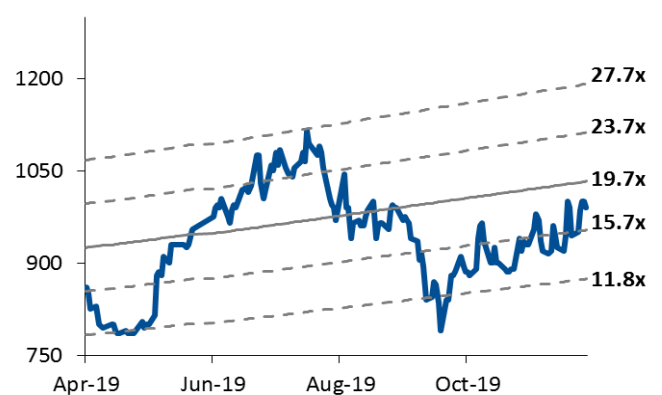
Multiple Valuation

Forward P/E band | Last 2 years



Source: NHKS Research

Dynamic Forward P/E band | Last 2 years



Source: NHKS Research

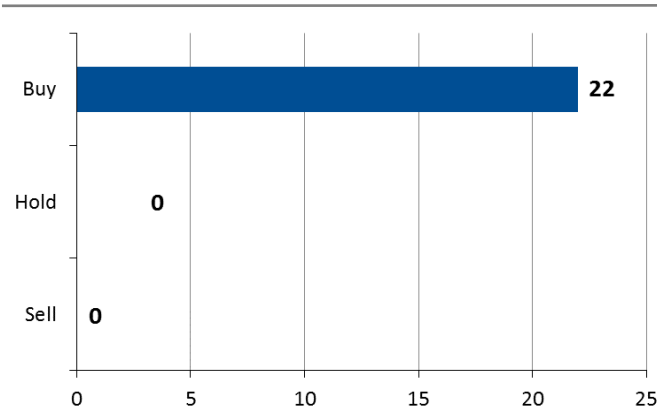
Rating and Target Price Update

Target Price Revision

Date	Rating	Target Price	Last Price	Consensus	vs Last Price	vs Consensus
12/12/2019	Buy	1,300	1,115	1,289	16.6%	0.9%
8/19/2019	Buy	1,200	990	1,118	21.2%	7.4%
4/9/2018	Buy	945	790	866	19.6%	9.1%
7/19/2018	Buy	945	800	818	18.1%	15.5%
9/4/2018	Buy	945	815	1,011	16.0%	-6.5%
8/12/2010	Buy	1,200	1,685	1,118	21.2%	7.3%

Source: NHKS research, Bloomberg

Analyst Coverage Rating



Source: Bloomberg

Closing and Target Price



Source: NHKS research

NH Korindo Sekuritas Indonesia (NHKS) stock ratings

- Period: End of year target price
- Rating system based on a stock's absolute return from the date of publication
 - Buy : Greater than +15%
 - Hold : -15% to +15%
 - Sell : Less than -15%

Summary of Financials

INCOME STATEMENT				
(IDR bn)	2018/12A	2019/12E	2020/12E	2021/12E
Sales	18,921	21,092	23,726	26,098
<i>Growth</i>	16.0%	11.5%	12.5%	10.0%
Cost of Good Sold	(9,869)	(10,957)	(12,274)	(13,446)
Gross Profit	9,052	10,135	11,451	12,652
<i>Gross Margin</i>	47.8%	48.1%	48.3%	48.5%
Operating Expenses	(7,546)	(8,406)	(9,469)	(10,349)
EBIT	1,506	1,729	1,982	2,303
<i>EBIT Margin</i>	8.0%	8.2%	8.4%	8.8%
Depreciation	764	871	862	945
EBITDA	2,270	2,600	2,845	3,248
<i>EBITDA Margin</i>	12.0%	12.3%	12.0%	12.4%
Interest Expenses	(536)	(222)	(263)	(275)
EBT	1,174	1,417	1,713	2,082
Income Tax	(360)	(366)	(483)	(562)
Minority Interest	(78)	(176)	(197)	(222)
Net Profit	736	875	1,033	1,298
<i>Growth</i>	119.8%	18.9%	18.1%	25.6%
<i>Net Profit Margin</i>	3.9%	4.1%	4.4%	5.0%

PROFITABILITY & STABILITY				
	2018/12A	2019/12E	2020/12E	2021/12E
ROE	14.3%	13.1%	13.4%	15.0%
ROA	6.1%	6.7%	7.4%	8.6%
ROIC	13.3%	13.9%	14.1%	14.9%
Cash Dividend (IDR bn)	269	399	366	417
Dividend Yield	2.0%	2.4%	2.2%	2.5%
Payout Ratio	36.5%	45.6%	35.4%	32.2%
DER	29.1%	26.5%	24.0%	22.0%
Net Gearing	50.6%	47.2%	47.6%	36.9%
LT Debt to Equity	6.9%	5.3%	4.8%	3.3%
Capitalization Ratio	22.5%	21.0%	19.4%	18.0%
Equity Ratio	48.0%	54.7%	55.6%	59.3%
Debt Ratio	14.0%	14.5%	13.3%	13.0%
Financial Leverage	233.5%	194.4%	181.3%	174.0%
Current Ratio	135.0%	164.7%	169.5%	172.8%
Par Value (IDR)	500	500	500	500
Total Shares (mn)	16,600	16,600	16,600	16,600
Share Price (IDR)	805	990	990	990
Market Cap (IDR tn)	13.4	16.4	16.4	16.4

BALANCE SHEET				
(IDR bn)	2018/12A	2019/12E	2020/12E	2021/12E
Cash	1,412	1,556	1,736	1,998
Receivables	389	273	413	289
Inventories	3,231	3,677	4,108	4,106
Total Current Assets	7,313	7,860	8,647	8,821
Net Fixed Assets	3,471	3,739	4,256	4,844
Other Non Current Asset	856	668	549	538
Total Assets	12,633	13,318	14,619	15,577
Payables	1,341	1,641	1,969	2,025
ST Bank Loan	1,348	1,543	1,556	1,727
LT Debt	417	389	393	305
Total Liabilities	6,570	6,031	6,498	6,345
Capital Stock	830	830	830	830
Retained Earnings	2,869	3,578	4,439	5,534
Shareholders' Equity	6,062	7,286	8,122	9,233

VALUATION INDEX				
	2018/12A	2019/12E	2020/12E	2021/12E
Price /Earnings	18.2x	18.8x	15.9x	12.7x
Price /Book Value	2.2x	2.3x	2.0x	1.8x
Price/Revenue	0.7x	0.8x	0.7x	0.6x
PE/EPS Growth	0.2x	1.0x	0.9x	0.5x
EV/EBITDA	4.5x	5.0x	4.5x	3.8x
EV/EBIT	6.8x	7.5x	6.4x	5.4x
EV (IDR bn)	10,186	12,946	12,749	12,405
Revenue CAGR (3-Yr)	13.8%	14.2%	13.3%	11.3%
EPS CAGR (3-Yr)	170.1%	61.3%	45.6%	20.8%
Basic EPS (IDR)	44	53	62	78
Diluted EPS (IDR)	44	53	62	78
BVPS (IDR)	365.19	439	489	556
Revenue PS (IDR)	1,140	1,271	1,429	1,572
DPS (IDR)	16.2	24.1	22.1	25.1

CASH FLOW STATEMENT				
(IDR bn)	2018/12A	2019/12E	2020/12E	2021/12E
Operating Cash Flow	1,584	1,727	1,603	2,163
Investing Cash Flow	(1,051)	(476)	(1,243)	(1,796)
Financing Cash Flow	(397)	(1,108)	(181)	(105)
Net Changes in Cash	136	144	180	262

OWNERSHIP		
By Geography	% Shareholders	%
Indonesia	79.5 Satya Mulia Gema	51.0
United States	10.0 Schroder Investment	4.7
Norway	4.0 Norges Bank	3.0
Luxembourg	3.8 FIL Ltd	1.8

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