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 MATAHARI

October

2018



3Q 2018/ 9M 2018 COMPANY AND FINANCIAL UPDATES

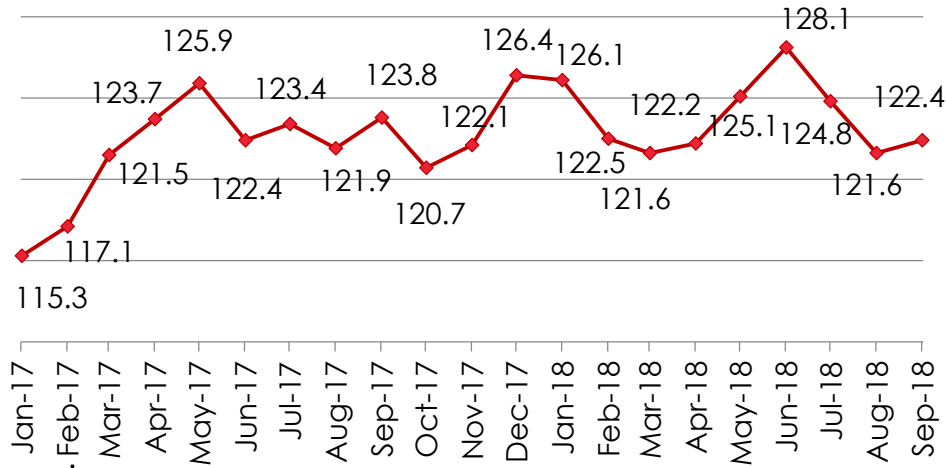
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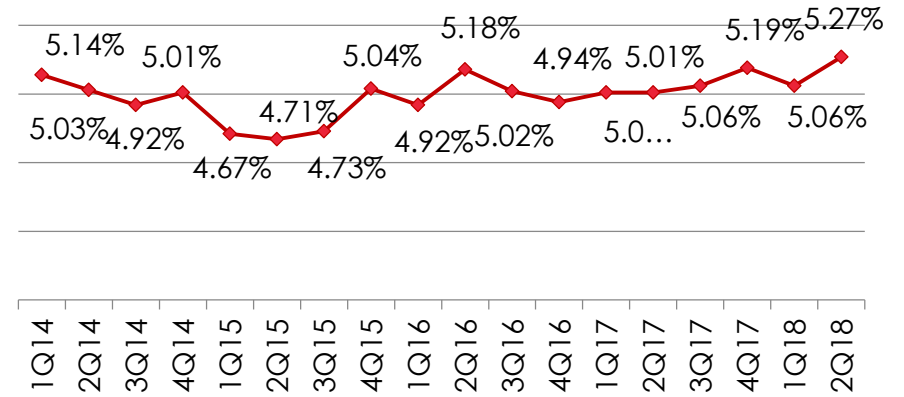
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MACRO-ECONOMIC UPDATES

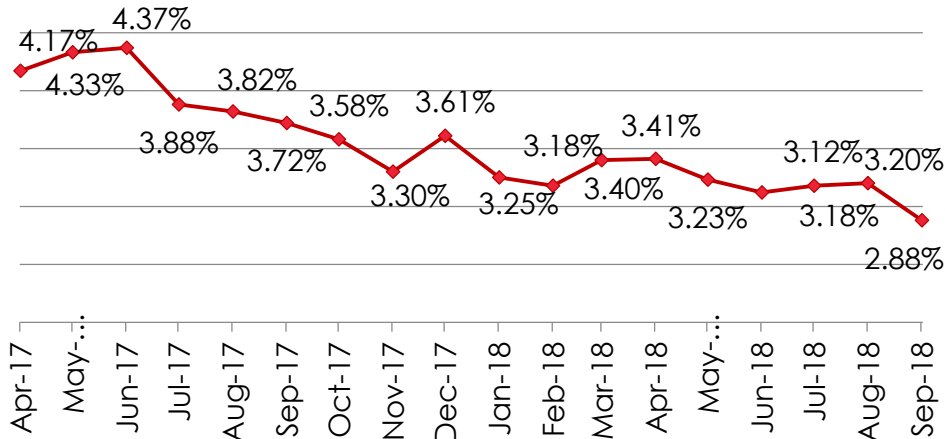
Consumer Confidence Index



GDP Growth



Inflation



source: World Bank, Trading Economics



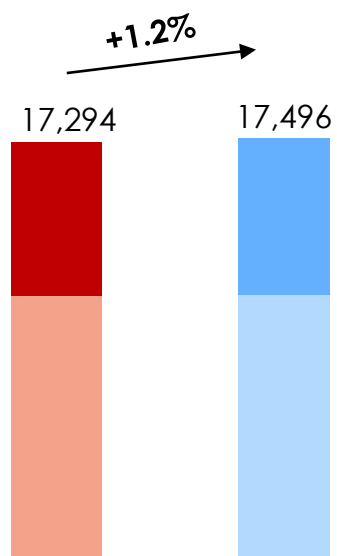
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Q3 2018/ 9M 2018 FINANCIAL UPDATES

KEY FINANCIAL HIGHLIGHTS

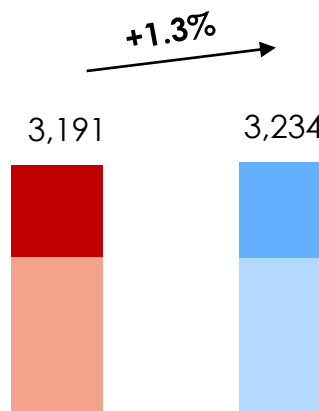
QUARTER				YTD			
(in Rp Bn)	3Q17	3Q18	YoY	(in Rp Bn)	9M17	9M18	YoY
Gross Sales	3,191	3,234	+1.3% ▲	Gross Sales	13,208	13,604	+3.0% ▲
SSSG	-26.0%	3.6%		SSSG	-2.7%	4.4%	
Gross Profit	1,109	1,123	+1.3% ▲	Gross Profit	4,724	4,867	+3.0% ▲
EBITDA	305	289	-5.3% ▼	EBITDA	2,164	2,173	+0.4% ▲
Net Income	167	151	-9.5% ▼	Net Income	1,505	1,496	-0.6% ▼
Gross Margin	34.7%	34.7%	0 bps	Gross Margin	35.8%	35.8%	0 bps
EBITDA Margin	9.6%	8.9%	-70 bps ▼	EBITDA Margin	16.4%	16.0%	-40 bps ▼
Net Margin	5.2%	4.7%	-50 bps ▼	Net Margin	11.4%	11.0%	-40 bps ▼

Sales and DP/CV Mix



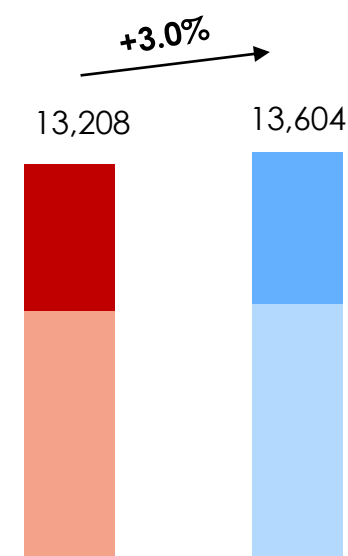
	FY '16	FY '17
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DP	37.0%	37.2%
CV	63.0%	62.8%



	Q3 '17	Q3 '18
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DP	36.6%	37.9%
CV	63.4%	62.1%

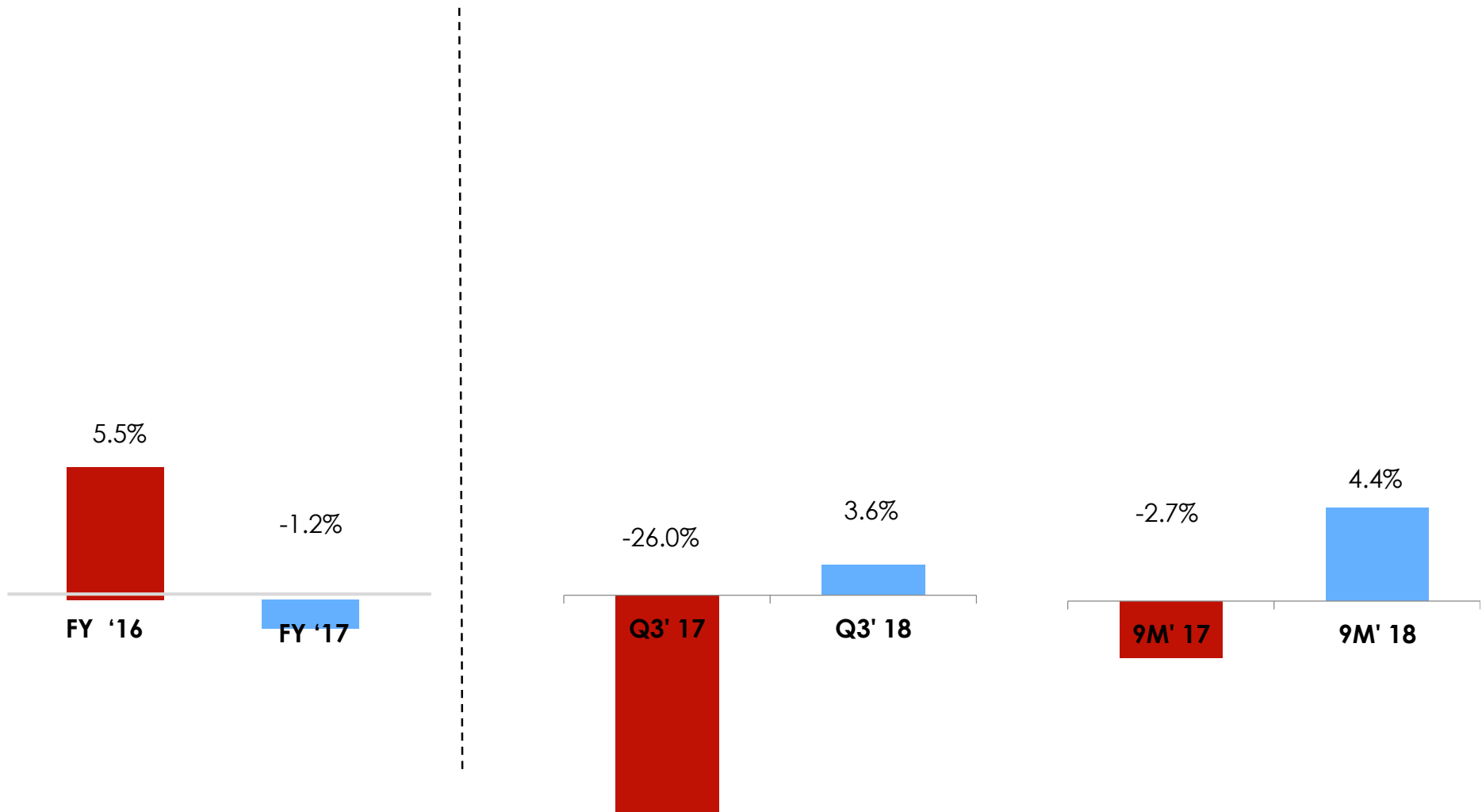


	9M '17	9M '18
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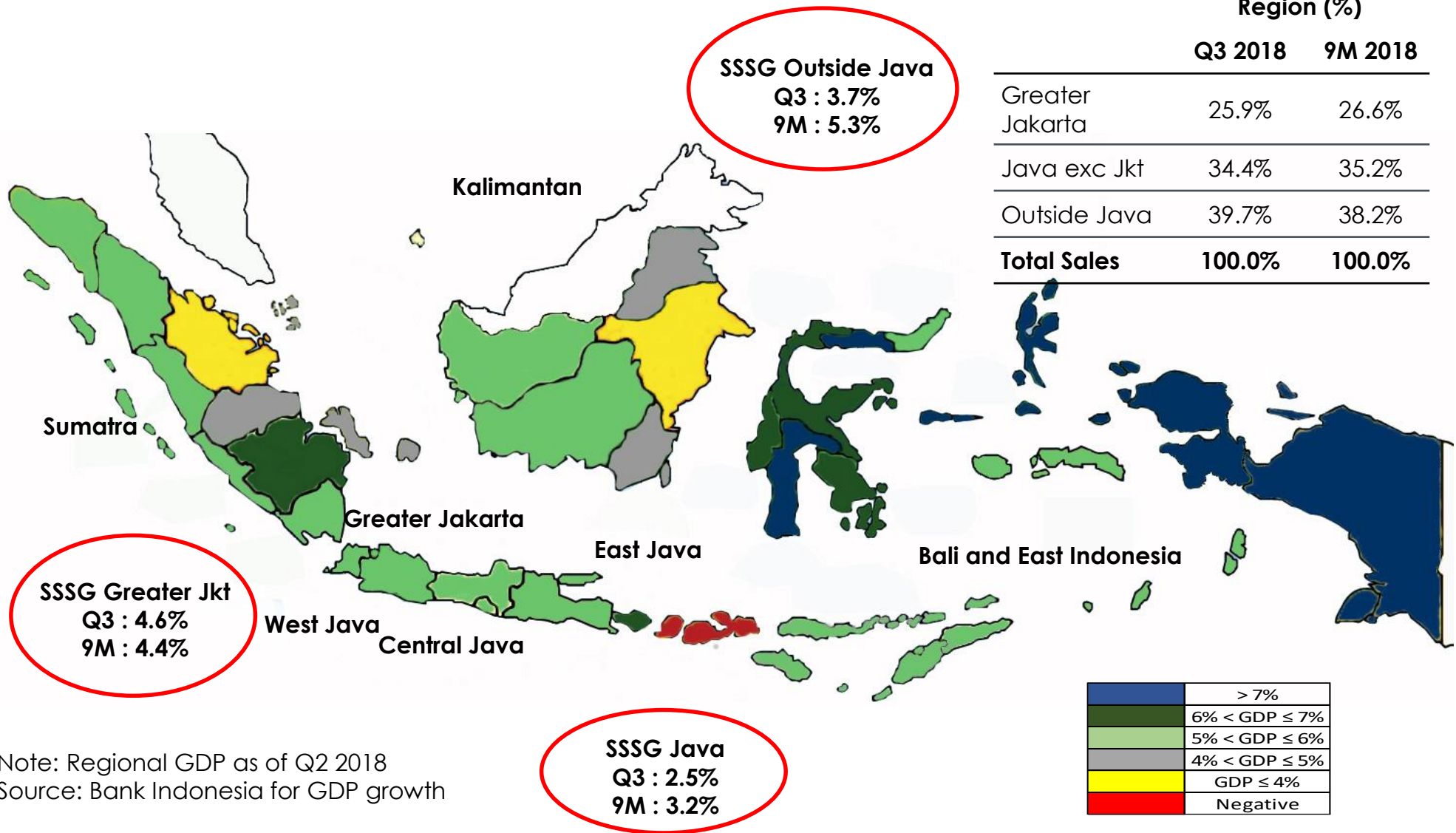
DP	37.0%	37.3%
CV	63.0%	62.7%

SAME STORES SALES GROWTH

SSSG (%)



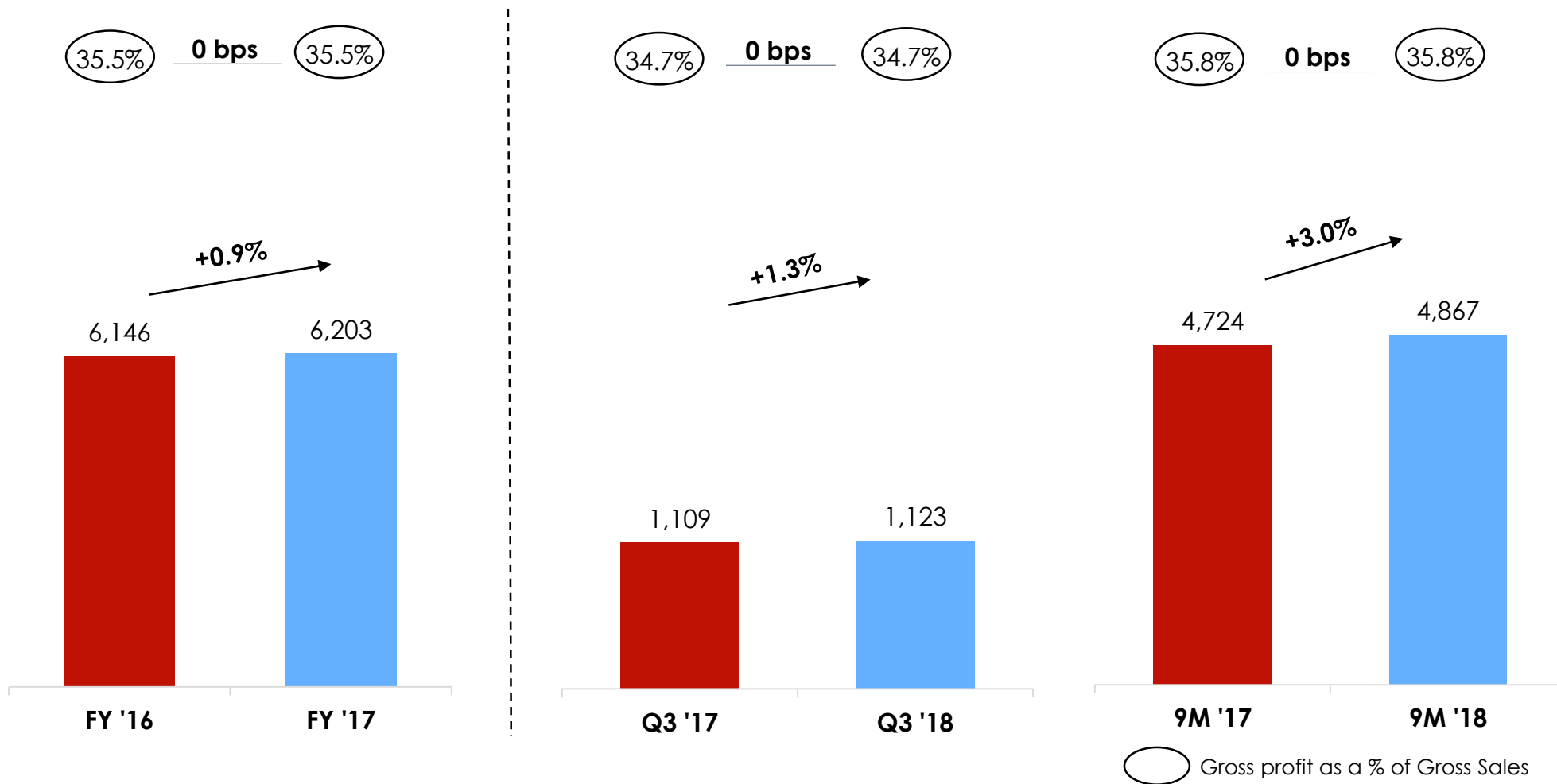
ALL REGIONS SHOWED POSITIVE GROWTH



Note: Regional GDP as of Q2 2018
Source: Bank Indonesia for GDP growth

Gross profit and margins

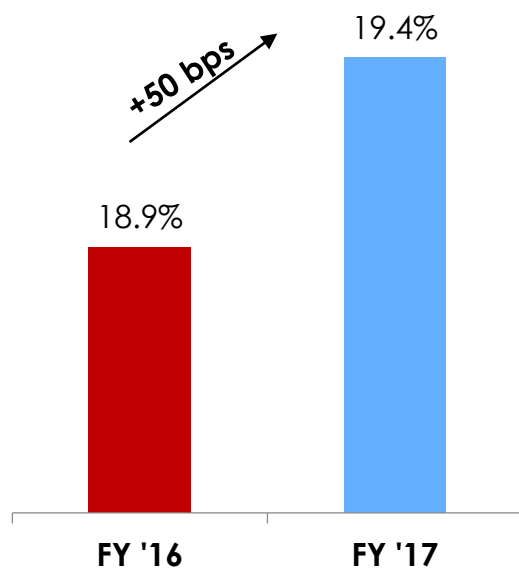
IDR Bn



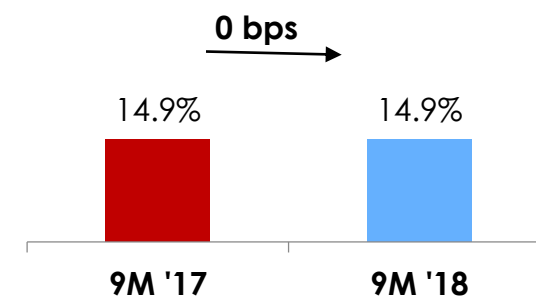
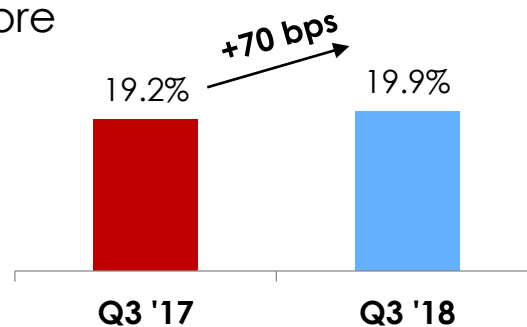
OPERATING EXPENSES

Opex as a % of Gross Sales

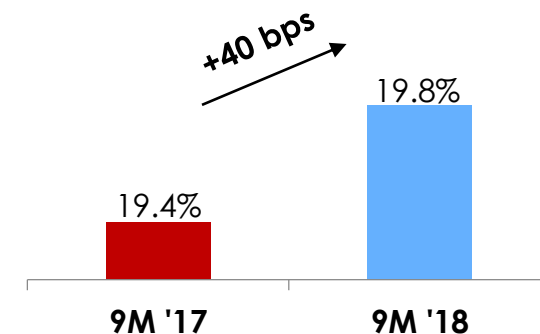
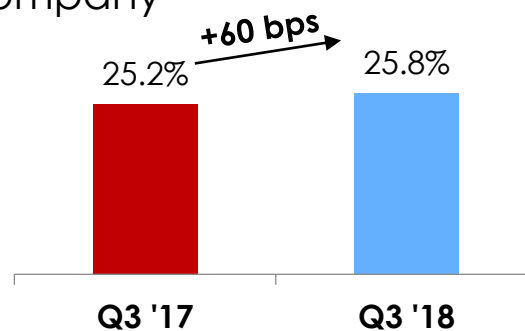
Total Company



Comp store



Total Company



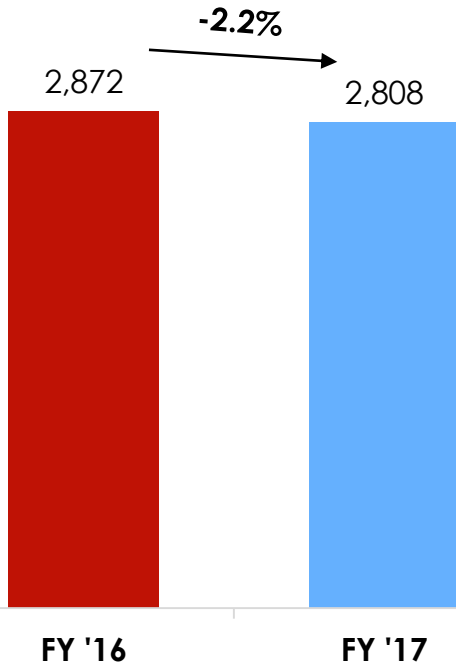
Note
1. Opex calculated as Adjusted Gross Profit less Adjusted EBITDA

EBITDA UP 0.4% IN 9M18, 40 BPS LOWER THAN LY

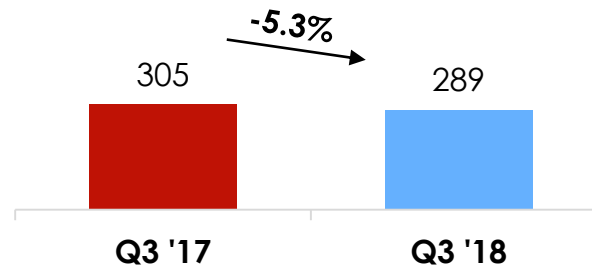
EBITDA and EBITDA Margins

IDR Bn

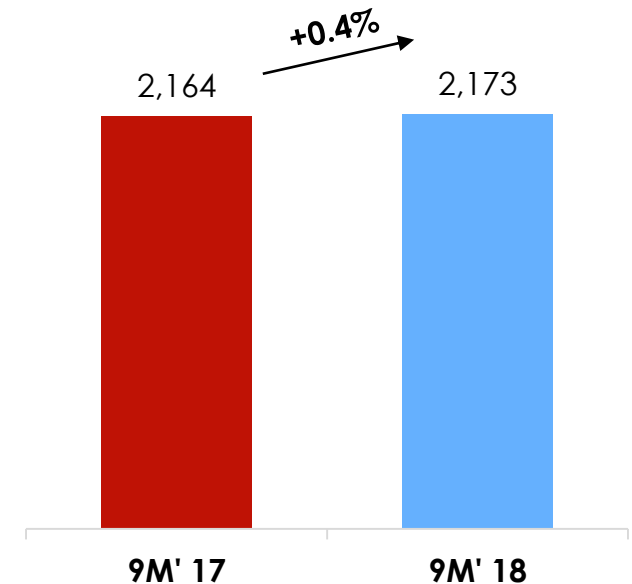
16.6% -60 bps 16.0%



9.6% -70 bps 8.9%



16.4% -40 bps 16.0%



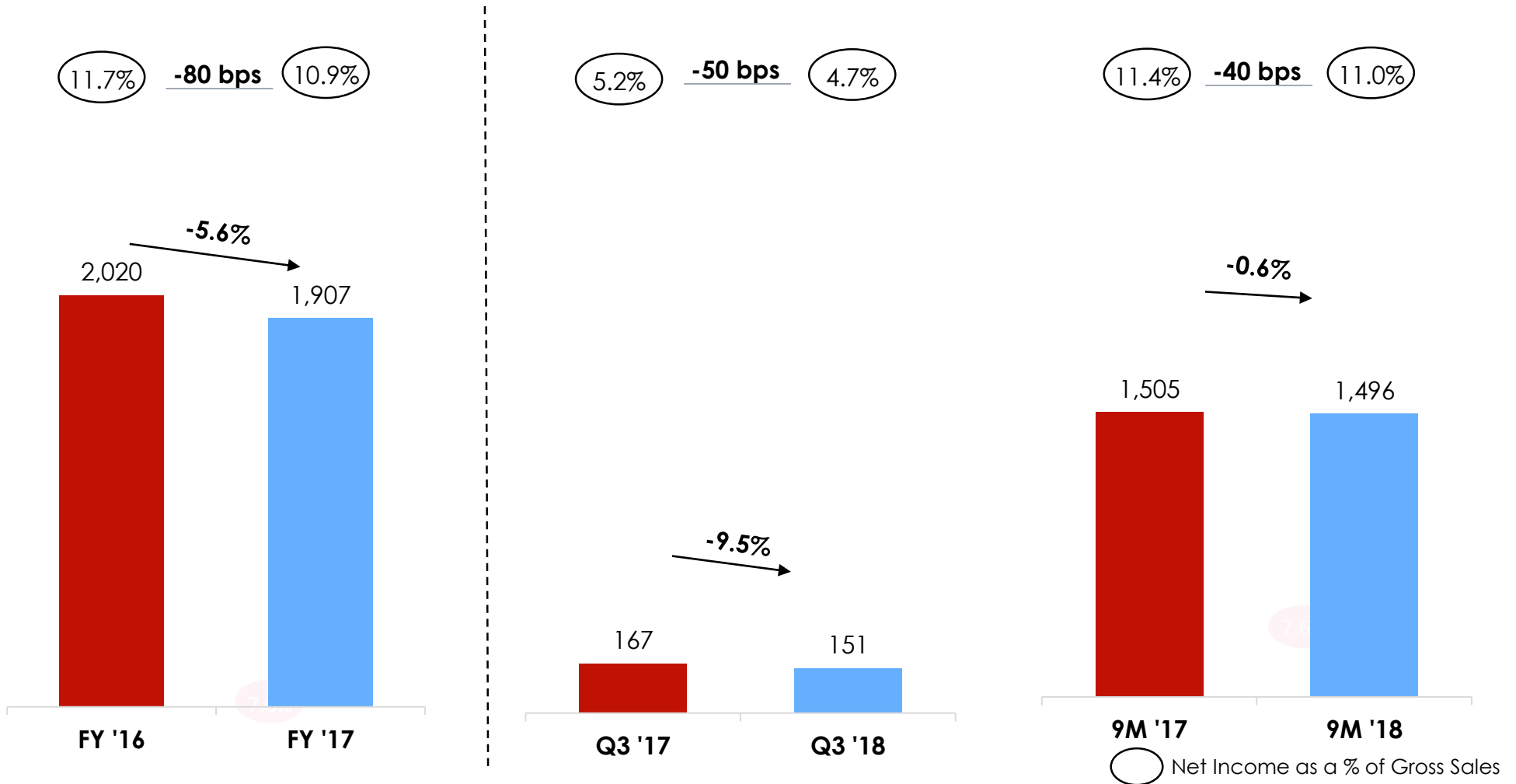
Notes
EBITDA adjusted for severance pay

○ EBITDA as a % of Gross Sales

NET INCOME DOWN 9.5% IN 3Q18 AND 0.6% IN 9M18

Net income and Margins

IDR Bn



○ Net Income as a % of Gross Sales

INVENTORY DAYS, CASH POSITION AND OUTSTANDING BANK LOAN BALANCE

(in IDR Bn)	End June 2018	End Sep 2018
LTM Ave. Inventory Days	123 days	124 days
Cash on Hand	Rp 2,502 bn	Rp 799 bn
Outstanding Bank Loan Balance	Rp 0	Rp 0

CAPEX AND REFURBISHMENTS

(in IDR Bn)	FY 2017	FY 2018E
Capex	Rp 323 Bn	Rp 350-450 Bn
Refurbishments	16	10-20

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OPERATIONAL AND STRATEGIC UPDATES

STORE PIPELINE

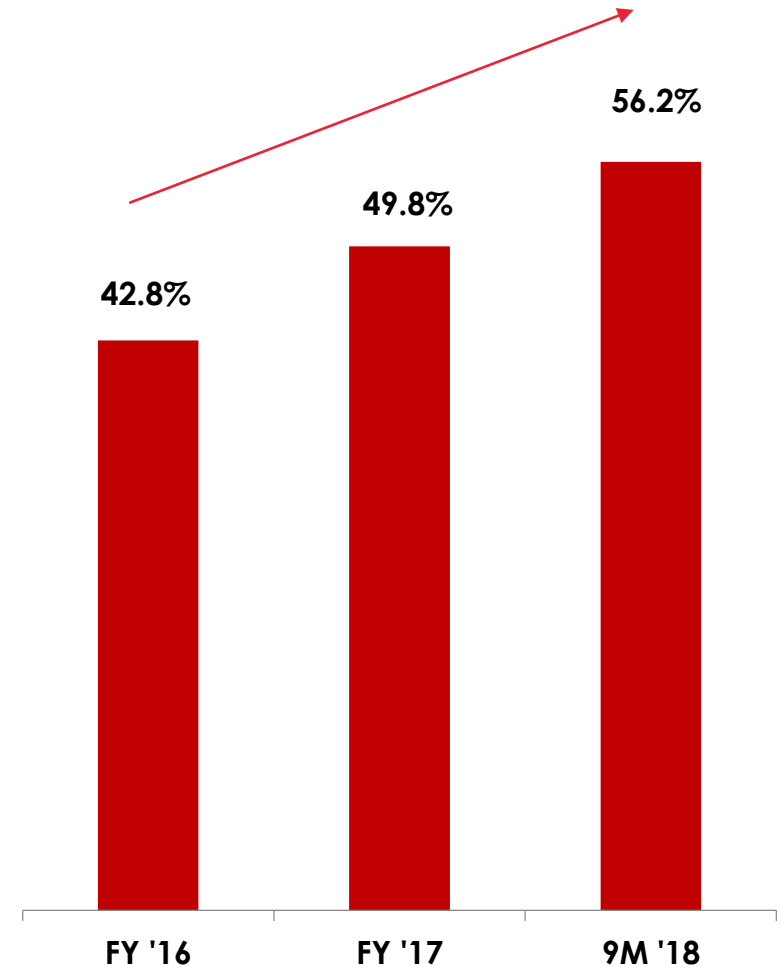
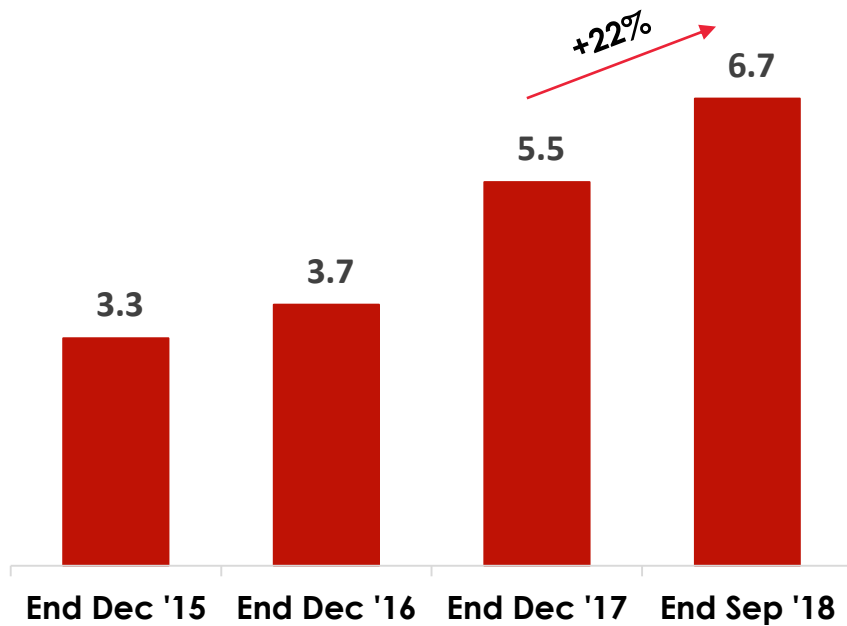
- Forecasting 1 additional new store opening in December 2018
- No store closures planned for Q4
 - Postponed to 2019
- Forecasting 4-6 new stores in 2019

	No. of stores	Retail Area (Sqm)
As of Dec 2017	155	980,031
Closures	(2)	(9,468)
Net expansions		3,412
New stores	2	10,579
Temp. closure (Jambi)		(4,462)
As of Sep 2018	155	980,092
Q4 opening	1	6,319
Temp. closure (Palu)		(5,905)
As of Dec 2018	156	980,506
2019 opening	5	26,000
2019 closures	(3)	(12,843)
As of Dec 2019	158	993,663

No	Geographic area	Actual		FY2018	Forecast	
		FY2017	9M 2018	Balance	Future Pipeline 2019 and onwards	
		# of stores	# of stores	# of stores	# of stores	% mix
1	Jabodetabek (Greater Jakarta)	40	40	0	8	18.2%
2	Java (Exc Greater Jakarta)	52	52	1	16	36.3%
3	Outside Java	63	63	0	20	45.5%
	Total	155	155	1	44	100.0%

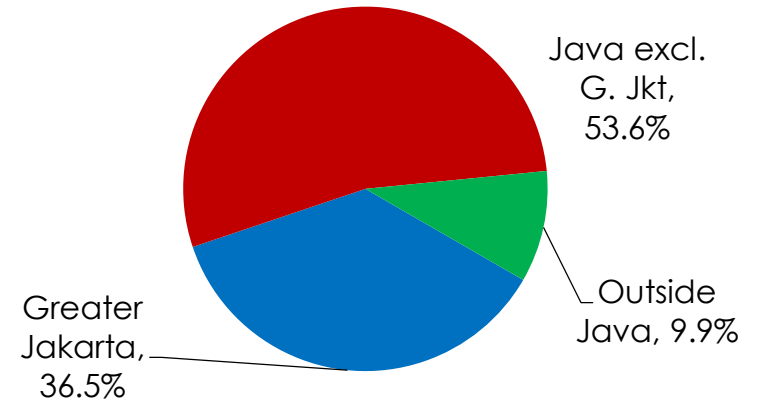
- Active members grew 22% to 6.7m
- Members' sales contribution rose to 56.2%

Growing member sales contribution

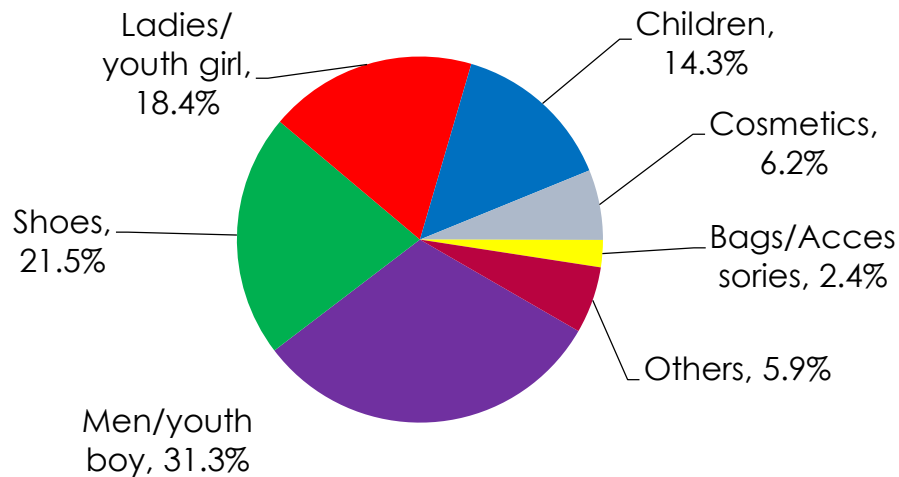


MATAHARI.COM	
Q3 '18	
Sales growth (YoY)	24.2%

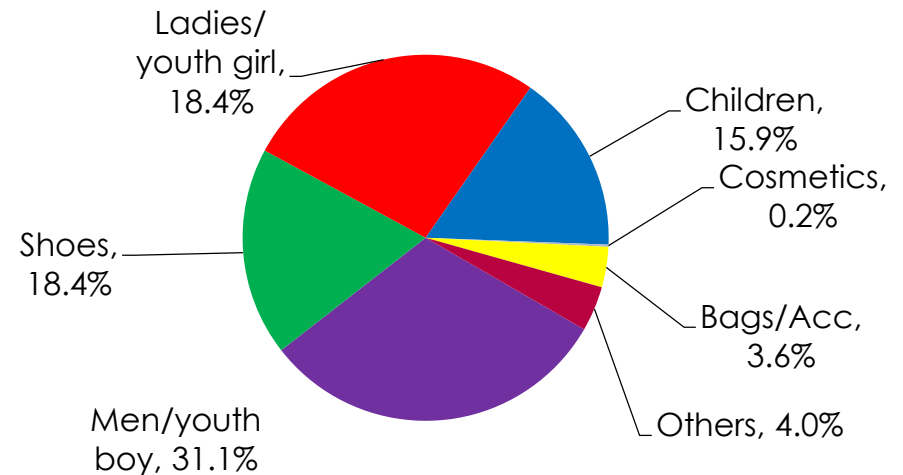
Sales by region (Q3 '18)



Sales by category 9M18 (Offline)



Sales by category 9M18 (Online)



- Same store sales growth in Q3 was 3.6%
- Total same store sales growth for the 9 months was 4.4%
- Gross Margins are stable
- Direct Purchase business continues to grow, reflecting growing strength in our merchandise initiatives
- Net Income was Rp1.496T, 0.6% below LY
- Matahari.com continues to gain traction with the app scheduled to launch by year end; appointed a dedicated Head of Omni-Channel operations
- Forecasting 1 additional store opening in Q4, with 4-6 forecast for 2019

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Thank you!
Ir@matahari.co.id



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APPENDIX

