

KIJA 1Q19 Financial Highlights

PT Jababeka Tbk (“KIJA”) recorded a total revenue of Rp 584.8 billion for the first quarter of 2019, an increase of 19% compared to the first quarter of 2018.

The Company’s Land Development & Property pillar saw revenue decrease 18% to become Rp 169.4 billion in 1Q19, from Rp 207.7 billion in 1Q18. This decrease was mainly caused by lack of sales from Kendal and Morotai in 1Q19, whereas a combined Rp 48.9 billion in revenue was recorded from these 2 locations in 1Q18.

The Infrastructure Pillar revenue increased 53% to become Rp 395.1 billion for the first three months of 2019, compared to Rp 258.7 billion over the same period of 2018. The main reason for this was an increase in revenue from Bekasi Power by as much as 80% as the power plant was in Reserve Shutdown for most of 1Q18 as requested by PLN, while the power plant operated significantly more in 1Q19. Recurring revenue from the Infrastructure pillar contributed 68% to total revenue in the first quarter of 2019, compared with 52% in 1Q18.

KIJA’s Leisure & Hospitality pillar posted a 25% decrease in revenue to become Rp 20.3 billion in the first quarter of 2019. This decrease was mainly caused by a reduction in contribution from Tanjung Lesung, which saw tourist numbers reduce drastically following the devastating tsunami that hit Java’s west coast in late 2018.

The Company’s gross profit decreased by 23% to become Rp 222.0 billion in 1Q19, versus Rp 287.0 billion a year earlier. At the same time, KIJA’s consolidated gross profit margin for the first quarter of 2019 was recorded at 38%, compared to 58% in the same period of 2018. The lower gross profit margin was mostly caused by lower margins from the Infrastructure and Leisure & Hospitality pillars. The Infrastructure gross profit margin was unusually high in 1Q18 as a result of the reserve shutdown at the time, whereas the Leisure and Hospitality gross profit margin was low in 1Q19 because of the impact of the tsunami. On the contrary, the gross profit margin from the Real Estate & Property pillar improved on the back of product mix, however, not enough to off-set the reduction in margin from the other pillars.

KIJA’s net income in the first quarter of 2019 amounted to Rp 74.3 billion, more than fourfold compared to 1Q18 at Rp 15.8 billion. The main reason for this increase is caused by the impact of foreign exchange (forex) movements. In terms of EBITDA, 1Q19 amounts to Rp 187.6, compared to Rp 227.8 in 1Q18, largely in line with the reduction in gross profit in absolute amount.

Please reach out if you have questions and/or comments.

Thank you for your attention,
Tim Beekelaar