

Bumi Serpong Damai Tbk (BSDE IJ)

Marjin Meningkatkan, Kinerja Mulai Pulih

Company Update | Jan 7, 2021

Buy

Target Price (IDR)	1,575
Consensus Price (IDR)	1,253
TP to Consensus Price	+25.7%
vs. Last Price	+23.0%

Shares data

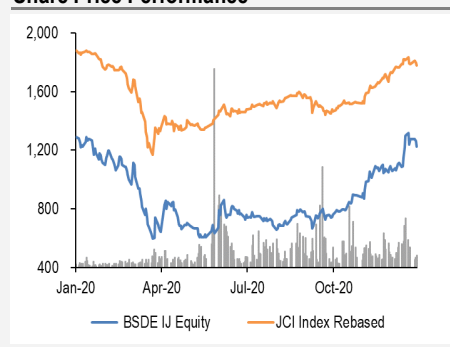
Last Price (IDR)	1,280
Price Date as of	Jan 05, 2021
52 wk Range (Hi/Lo)	1,340/585
Free Float (%)	38.6
Outstanding sh. (mn)	21,171
Market Cap. (IDR bn)	27,523
Market Cap. (USD mn)	1,974
Avg. Trd Vol - 3M (mn)	52.62
Avg. Trd Val - 3M (bn)	53.80
Foreign Ownership	51.9%

Property

Real Estate Owner & Developer

Bloomberg	BSDE IJ
Reuters	BSDE.IK

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	-3.5%	16.7%	65.5%	-2.4%
Rel. Ret.	1.3%	10.1%	42.8%	2.7%

Ajeng Kartika Hapsari

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BSDE mencatatkan perbaikan kinerja pada 3Q20. Pendapatan dibukukan sebesar Rp1,94 triliun (+19,2% YoY, +131% QoQ) yang didukung oleh kenaikan segmen *development income* sebesar 37% YoY. Efisiensi yang dilakukan BSDE menaikkan marjin dan mengantarkan laba sebesar Rp559 miliar (+156,8% YoY). *Marketing sales* diraih sebesar Rp4,7 triliun atau tercapai 65% dari target tahun 2020. Kami percaya kinerja BSDE masih dapat tumbuh ditopang oleh modal yang kuat.

Kinerja 3Q20 Berangsur Pulih

Pendapatan 3Q20 sebesar Rp1,94 triliun (+19,2% YoY vs Rp1,63 triliun 3Q19). Pendapatan dari segmen *real estate* dan *recurring income* masing-masingnya tercatat sebesar Rp1,69 triliun (+37% YoY, +181% QoQ), dan Rp237 miliar (-38% YoY, +2% QoQ). BSDE berhasil mencatatkan kinerja 3Q20 yang lebih baik dari 3Q19, bahkan pada saat pandemi. Hal tersebut didorong oleh penjualan tanah dan bangunan yang meningkat 37% YoY. BSDE mencatatkan laba 3Q20 sebesar Rp559 miliar (156,8% YoY vs Rp218 miliar 3Q19). Laba berangsur pulih setelah pada 2Q20 mencatatkan kerugian Rp349 miliar. Meskipun begitu, posisi laba 9M20 sebesar Rp470 miliar atau turun 79,7% (vs Rp2,31 triliun 9M19).

Tekan Biaya, Marjin Kompak Naik

BSDE berhasil menekan *cost of sales* pada 3Q20, sehingga GPM berhasil naik menjadi 72,9% (vs 67,3% 3Q19). Di sisi lain, OPM pun naik menjadi 43,1% (vs 22,3% 3Q19) didukung oleh rendahnya beban operasi, terutama pada biaya penjualan dan GA yang turun 26% YoY. Hal tersebut membuat EBIT tercatat sebesar Rp837 miliar, membaik dari 2Q20 yang mengalami rugi Rp18 miliar. NPM pun naik menjadi 28,8% (vs 13,4% 3Q19).

Proyek BSD City Topang Raihan *Marketing Sales*

Marketing sales hingga September 2020 sebesar Rp4,7 triliun atau tercapai 65% dari target 2020 senilai Rp7,2 triliun. BSD City memberikan kontribusi sebesar 63% dari total *marketing sales*, disusul Grand Wisata 12%, The Zora BSD 8% dan Kota Wisata sebesar 4%. Kami estimasi, hingga akhir tahun BSDE akan mampu meraih *marketing sales* hingga 90% dari target 2020. Hal tersebut didukung oleh akan diluncurkannya empat proyek baru pada akhir tahun di BSD City, Grand Wisata, dan Tangerang dan program MIQ (*Move-in-Quick*) yang menawarkan diskon langsung untuk rumah jadi dan kavling. Sementara untuk tahun 2021, BSDE akan mulai melakukan pengembangan pada BSD City *Phase 3*.

Rekomendasi BUY dengan TP Rp1,575

Kami melihat kinerja BSDE masih memiliki ruang untuk tumbuh. BSDE masih memiliki *landbank* sebesar 3.817 ha yang tersebar di berbagai proyek di Indonesia. Di mana proyek unggulannya yaitu BSD City, masih memiliki *landbank* sebesar 2.121 ha. BSDE pun memiliki posisi modal yang kuat dengan *net gearing ratio* yang rendah pada 7,3% dibandingkan industry pada 20,1%. Untuk itu, kami merekomendasikan BUY dengan TP Rp1.575 menggunakan estimasi *discount to NAV* 60% (1,2 SD di atas rata-rata 3 tahun terakhir). Saat ini, BSDE diperdagangkan pada *discount to NAV* 74%. Pergerakan harga akan bergantung pada risiko: 1) kenaikan kasus covid, yang menyebabkan PSBB kembali diperketat, 2) penurunan suku bunga KPR yang belum maksimal, 3) fluktuasi nilai rupiah.

Bumi Serpong Damai Tbk | Summary

	2019A	2020F	2021F	2022F
Revenue	7,085	6,686	7,346	7,891
Growth (%)	6.9%	-5.6%	9.9%	7.4%
EBITDA	2,889	2,704	2,818	3,084
Net Profit	2,791	1,169	1,398	1,497
EPS (IDR)	145	61	73	78
Growth (%)	115.7%	-58.1%	19.6%	7.1%
P/E	8.7x	20.2x	20.6x	19.2x
P/BV	0.7x	0.7x	0.8x	0.8x
EV/EBITDA	9.6x	10.8x	12.6x	11.3x
ROE (%)	8.7%	3.4%	4.0%	4.1%
ROA (%)	6.8%	3.6%	4.0%	4.0%
DER (x)	0.4x	0.5x	0.6x	0.6x

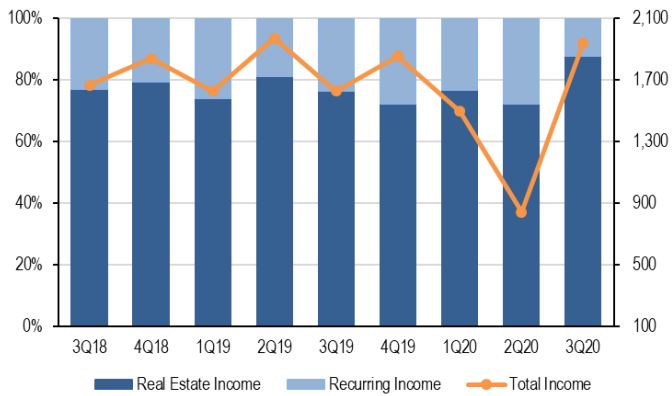
Unit: IDR bn, %, x

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

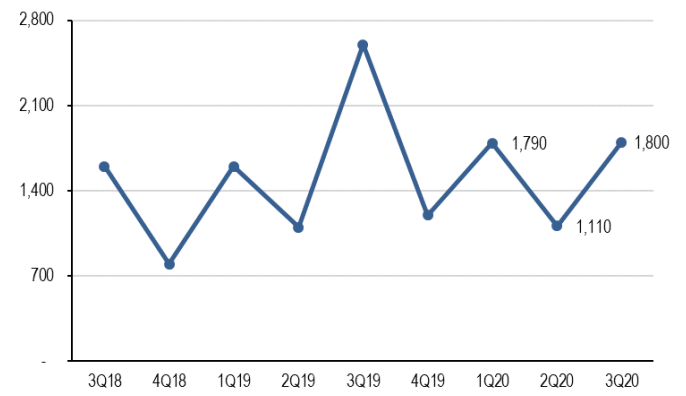
Performance Highlights in Charts

BSDE Quarterly Income (IDR bn) | 3Q18 - 3Q20



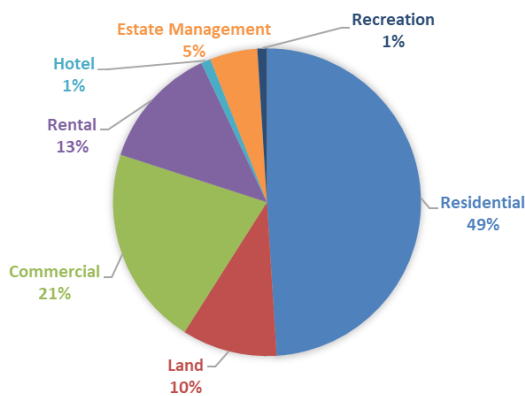
Source: Company Data, NHKSI Research

BSDE Quarterly Marketing Sales | 3Q18 - 3Q20



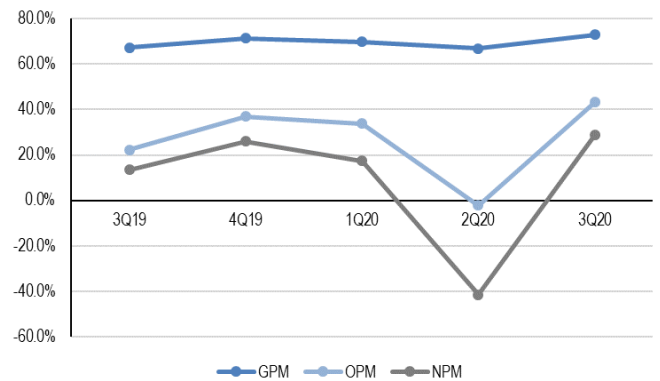
Source: Company Data, NHKSI Research

9M20's Revenue Breakdown



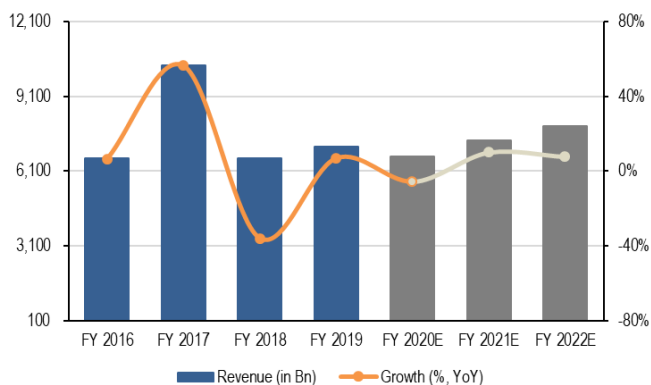
Source: Company Data, NHKSI Research

Margin Ratio



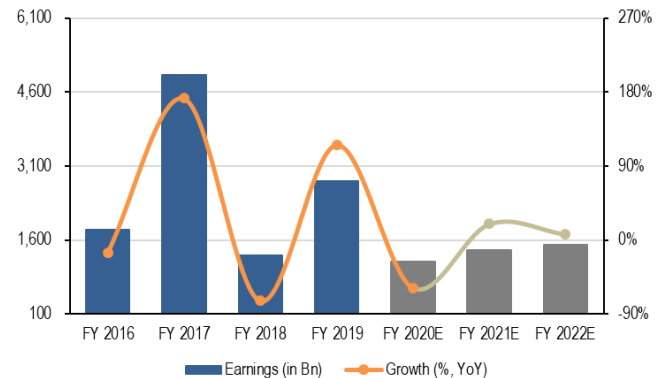
Source: Company Data, NHKSI Research

Revenue and Growth Movement



Source: Company Data, NHKSI Research

Earnings and Growth Movement



Source: Company Data, NHKSI Research

Quarterly Review

	3Q19	4Q19	1Q20	2Q20	3Q20			4Q20E	
					Actual	Estimate	Y-Y		Q-Q
Income statement									
Revenue	1,629	1,854	1,496	842	1,942		19.2%	130.6%	2,406
Gross Profit	1,096	1,324	1,043	562	1,415		29.2%	152.0%	1,747
EBIT	363	686	507	- 18	837		130.6%	-4759.8%	996
EBITDA	450	779	599	73	939		108.6%	1180.6%	1,093
Net Profit	218	481	260	- 349	559		156.8%	-260.2%	700
Margin (%)									
Gross Margin	67.3%	71.4%	69.7%	66.7%	72.9%		5.6%	6.2%	72.6%
EBIT Margin	22.3%	37.0%	33.9%	-2.1%	43.1%		20.8%	45.2%	41.4%
EBITDA Margin	27.6%	42.0%	40.1%	8.7%	48.3%		20.7%	39.6%	45.4%
Net Profit Margin	13.4%	25.9%	17.4%	-41.4%	28.8%		15.4%	70.2%	29.1%

Unit: IDR bn, %

Source: Company Data, NHKSI Research

Revisions to Earnings

		2020F	2021F	2022F
Income Statement				
Revenue	-Revised	6,686	7,346	7,891
	-Previous			
	-Change			
Gross Profit	-Revised	4,767	5,329	5,625
	-Previous			
	-Change			
EBIT	-Revised	2,322	2,600	2,852
	-Previous			
	-Change			
EBITDA	-Revised	2,704	2,818	3,084
	-Previous			
	-Change			
Net Profit	-Revised	1,169	1,398	1,497
	-Previous			
	-Change			
Margin				
Gross Margin	-Revised	71.3%	72.5%	71.3%
	-Previous			
EBIT Margin	-Revised	34.7%	35.4%	36.1%
	-Previous			
EBITDA Margin	-Revised	40.4%	38.4%	39.1%
	-Previous			
Net Profit Margin	-Revised	17.5%	19.0%	19.0%
	-Previous			

Unit: IDR bn, %

Source: Company Data, NHKSI Research

Company Overview

- PT Bumi Serpong Damai Tbk (BSDE) didirikan pada tahun 1984 oleh konsorsium pemegang saham untuk mengembangkan BSD City sebagai kota satelit di barat daya Jakarta.
- BSDE mulai beroperasi sejak tahun 1989 dan telah berkembang menjadi pusat ekonomi baru di pinggiran selatan Jakarta.
- BSDE merupakan pengembang BSD City, kota mandiri twebesar di Indonesia dan flagship project Sinar Mas Land seluas 5.950 ha terdiri atas Kawasan perumahan dan Kawasan niaga terpadu.
- BSDE telah melakukan pengembangan di Jabodetabek dan Kalimantan, berkembang ke Semarang, Surabaya, Manado, Palembang dan Makassar.
- Pada tahun 2011, BSDE telah merampungkan proses akuisisi perusahaan terafiliasi yakni PT Duta Pertiwi Tbk, PT Sinar Mas Teladan dan PT Sinar Mas Wisesa.

Analysis of Asia-Pacific Peers

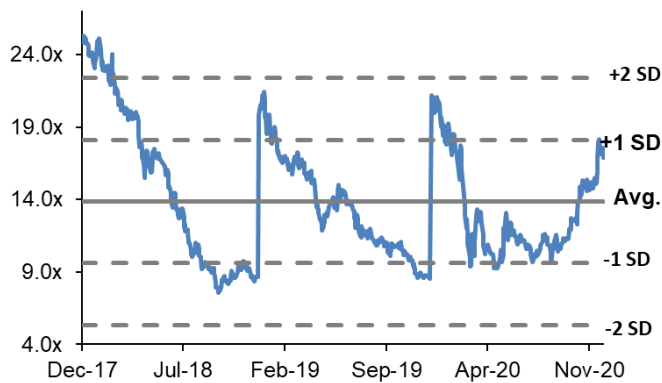
	Market Cap (USD mn)	Asset (USD mn)	Sales Growth	Net Profit LTM (USD mn)	Net Profit Growth LTM	Net Profit Margin	ROE (LTM)	P/E LTM	P/BV
Indonesia									
PT Bumi Serpong Damai Tbk	1,974	3,932	424	66	-68.36%	15.5%	3.3%	27.5x	0.9x
PT Ciputra Development Tbk	1,398	2,614	497	68	-4.05%	13.6%	6.7%	19.7x	1.3x
PT Pakuwon Jati Tbk	1,831	1,885	346	81	-59.83%	23.4%	8.1%	21.8x	1.8x
PT Summarecon Agung Tbk	869	1,765	331	13	-66.40%	3.9%	2.6%	64.4x	1.7x
Singapore									
Capitaland Ltd	12,787	61,242	4,433	981	-20.79%	22.1%	5.86%	12.1x	0.7x
Malaysia									
SP Setia Bhd	961	7,345	691	(73)	#VALUE!	-10.5%	-3.13%	#N/A N/A	0.3x
IOI Properties Group Bhd	2,129	7,679	530	121	-25.48%	22.9%	2.72%	16.7x	0.5x
Thailand									
Land & Houses PUB Co Ltd	3,238	3,802	933	286	9.60%	30.7%	18.50%	10.8x	2.0x
WHA Corp PCL	1,520	2,765	214	73	-34.91%	34.0%	7.79%	19.9x	1.6x
Philippines									
Megaworld Corp	2,717	6,896	950	250	-25.14%	26.3%	7.03%	10.6x	0.7x

Unit: USD mn, %, X

Source: Bloomberg, NHKSI Research

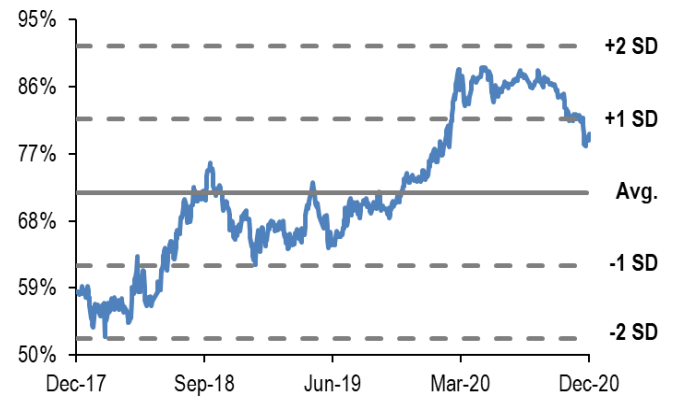
Valuation Highlights in Charts

3-Year Forward P/E Band



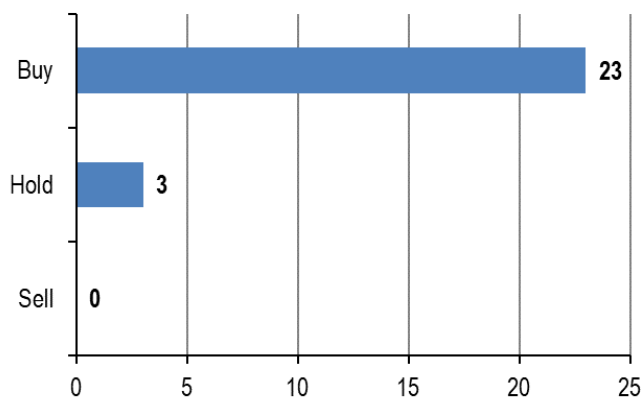
Source: Bloomberg, NHKSI Research

3-Year Discount to NAV Band



Source: Bloomberg, NHKSI Research

Analysts' Recommendation



Source: Bloomberg, NHKSI Research

Closing and Target Price Update



Source: Bloomberg, NHKSI Research

Rating and Target Price Update

Date	Rating	Target Price	Consensus
20/03/2018	Hold	1,850	2,193
07/01/2021	Buy	1,575	1,253

Source: NHKSI Research

NH Korindo Sekuritas Indonesia (NHKSI) Stock Ratings

- Based on a stock's forecasted absolute return over a period of 12 months from the date of publication.
- Rating system based on a stock's potential upside from the date of publication
 - Buy : Greater than +15%
 - Overweight : +5% to 15%
 - Hold : -5% to +5%
 - Underweight : -5% to -15%
 - Sell : Less than -15%

Summary of Financials

INCOME STATEMENT

(IDR bn)	2019/12A	2020/12E	2021/12E	2022/12E
Revenue	7,085	6,686	7,346	7,891
<i>Growth</i>	6.9%	-5.6%	9.9%	7.4%
Cost of Revenues	(2,019)	(1,919)	(2,017)	(2,266)
Gross Profit	5,066	4,767	5,329	5,625
<i>Gross Margin</i>	71.5%	71.3%	72.5%	71.3%
Operating Expenses	(2,537)	(2,445)	(2,729)	(2,773)
EBIT	2,529	2,322	2,600	2,852
<i>EBIT Margin</i>	35.7%	34.7%	35.4%	36.1%
Depreciation	359	383	218	232
EBITDA	2,889	2,704	2,818	3,084
<i>EBITDA Margin</i>	40.8%	40.4%	38.4%	39.1%
Interest Expenses	(1,043)	(1,288)	(1,332)	(1,496)
EBT	3,165	1,489	1,800	1,927
Income Tax	(35)	(18)	(41)	(44)
Minority Interest	(339)	(302)	(361)	(386)
Net Profit	2,791	1,169	1,398	1,497
<i>Growth</i>	115.7%	-58.1%	19.6%	7.1%
<i>Net Profit Margin</i>	39.4%	17.5%	19.0%	19.0%

PROFITABILITY & STABILITY

	2019/12A	2020/12E	2021/12E	2022/12E
ROE	8.7%	3.4%	4.0%	4.1%
ROA	6.8%	3.6%	4.0%	4.0%
ROIC	5.3%	4.3%	4.6%	4.8%
Cash Dividend (IDR bn)	-	-	-	-
Dividend Yield	0.0%	0.0%	0.0%	0.0%
Payout Ratio	0.0%	0.0%	0.0%	0.0%
DER	40.0%	51.0%	56.0%	57.0%
Net Gearing	160.8%	213.7%	239.9%	254.6%
LT Debt to Equity	38.1%	34.2%	53.0%	54.0%
Capitalization Ratio	28.6%	33.8%	35.9%	36.3%
Equity Ratio	111.1%	102.7%	97.9%	96.7%
Debt Ratio	44.4%	52.3%	54.8%	55.1%
Financial Leverage	128.9%	93.8%	99.8%	102.8%
Current Ratio	393.8%	224.6%	377.3%	367.6%
Par Value (IDR)	100	100	100	100
Total Shares (mn)	19,247	19,247	19,247	19,247
Share Price (IDR)	1,255	1,225	1,575	1,575
Market Cap (IDR tn)	24.2	23.6	30.3	30.3

BALANCE SHEET

(IDR bn)	2019/12A	2020/12E	2021/12E	2022/12E
Cash	9,778	12,196	13,371	15,206
Receivables	181	182	263	190
Inventories	10,177	11,460	11,282	12,287
Total Current Assets	24,257	28,304	29,210	32,062
Net Fixed Assets	20,952	21,690	22,888	24,396
Other Non Current Asset	9,236	12,355	13,597	14,113
Total Assets	30,188	34,045	36,485	38,508
Payables	695	758	934	968
ST Debt	641	5,862	1,066	1,131
LT Debt	12,766	11,956	18,935	20,093
Total Liabilities	20,897	27,381	29,979	33,336
Capital Stock + APIC	8,336	8,336	8,336	8,336
Retained Earnings	21,290	21,816	23,214	24,711
Shareholders' Equity	33,548	34,968	35,716	37,234

VALUATION INDEX

	2019/12A	2020/12E	2021/12E	2022/12E
Price /Earnings	8.7x	20.2x	21.7x	20.2x
Price /Book Value	0.7x	0.7x	0.8x	0.8x
Price/Revenue	3.4x	3.5x	4.1x	3.8x
PE/EPS Growth	7.5x	-34.7x	110.9x	284.9x
EV/EBITDA	9.6x	10.8x	13.1x	11.8x
EV/EBIT	11.0x	12.6x	14.2x	12.7x
EV (IDR bn)	27,784	29,199	36,944	36,331
Revenue CAGR (3-Yr)	2.4%	-13.5%	3.5%	3.7%
EPS CAGR (3-Yr)	15.4%	-38.2%	2.6%	-18.7%
Basic EPS (IDR)	145	61	73	78
Diluted EPS (IDR)	145	61	73	78
BVPS (IDR)	1,743	1,817	1,856	1,935
Revenue PS (IDR)	368	347	382	410
DPS (IDR)	-	-	-	-

CASH FLOW STATEMENT

(IDR bn)	2019/12A	2020/12E	2021/12E	2022/12E
Operating Cash Flow	2,558	1,073	2,012	1,820
Investing Cash Flow	(3,421)	(3,658)	(2,370)	(1,229)
Financing Cash Flow	(369)	4,457	1,533	1,244
Net Changes in Cash	(1,233)	1,872	1,175	1,835

OWNERSHIP

By Geography	% Shareholders	%
Indonesia	47.9	PT Paraga Artamida 31.4
United States	46.9	PT Ekacentra Usaham 25.6
Norway	2.1	PT Sereasi Niaga Sakt 2.8
United Kingdom	0.6	PT Simas Tunggal Cer 1.8

Source: Company Data, NHKSI Research

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