

23 Juli 2019

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BUY

LP 406/Share
TP 500/Share
(+ 23.15% Upside)

General Information

Ticker	WSBP
52-week range	306 - 452
YTD Return (%)	6.84%
VS JCI (%)	4.08%
Last Price (IDR per share)	406
Target Price	500
Share Outstanding (Mn shares)	26,361
Market Cap (Rp tn)	4.74
Sector	Basic Industry

Source: Company & Profindo estimates

Shareholder

	%
PT Waskita Karya (Persero) Tbk	60.00
PT Waskita Beton Precast Tbk	7.00
Public (<5%)	33.00

Source: Company

Year

	Dividend
2019	22.5
2018	-
2017	12.04
2016	-

Source: IDX

Stock Price



Source: Proclick

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Kinerja Q1 2019 Tertahan Kondisi Politik Nasional

PT Waskita Beton Precast Tbk (WSBP) mencatatkan pendapatan usaha Rp 2.2 triliun sepanjang Q1 2019. Jumlah ini menurun 25.9% jika dibandingkan Q1 2018 yang mencapai Rp2.3 triliun. Penurunan pendapatan diikuti dengan penurunan laba bersih Q1 2019 sebesar 43.0% menjadi Rp291.1 miliar. Penurunan kinerja di awal tahun merupakan efek dari ketidakpastian politik menjelang Pemilu 2019 serta arah kebijakan pembangunan infrastruktur pasca tahun politik ini.

Katalis WSBP

WSBP berhasil mencetak kontrak baru senilai Rp3.1 triliun pada Januari 2019-Juni 2019, mencerminkan 31% dari total target kontrak baru tahun ini sebesar Rp10 triliun. Pencapaian tersebut naik 4.4% dibandingkan dengan periode yang sama tahun lalu, yang sebesar Rp2.97 triliun. Melalui pengerjaan rangkaian kontrak tersebut, pendapatan WSBP 2019E diproyeksikan mencapai Rp10.6 triliun

Prospek kinerja WSBP kedepan akan terdorong kebijakan pemerintah Perpres 56 tahun 2018. Perpres ini berisi perubahan kedua mengenai percepatan pelaksanaan proyek strategis nasional sehingga eksekusi proyek akan semakin cepat. Hal ini menjadi katalis positif bagi WSBP mengingat pembangunan infrastruktur masih menjadi prioritas pemerintah.

Valuasi

Berdasarkan metode FCFF, dengan asumsi WACC 9.43% dan terminal growth 2.0%, kami memproyeksikan target harga WSBP 2019 sebesar Rp500 dengan tingkat PBV 2019F sebesar 1.61x, lebih rendah dibandingkan dengan PBV industri 3.26x. Kami merekomendasikan **BUY** dengan potensial upside 23.15%.

Exhibit 1. Financial Highlights

	2017	2018	2019 E	2020 F
Revenue (Mn Rp)	7,104,158	8,000,149	10,687,710	13,451,250
Gross Profit (Mn Rp)	1,948,191	1,846,282	2,351,296	2,824,762
EPS (Rp)	37.95	41.86	43.59	56.13
Current Ratio	1.5	1.4	1.2	1.1
Debt Ratio	51%	48%	57%	60%
NPM	14%	14%	11%	11%
ROE	13.7%	14.0%	14.0%	16.8%
PER	10.75	8.98	11.47	8.91
PBV	1.47	1.26	1.61	1.49

Source: Company and Profindo estimates

Exhibit 2. Simplified Balance Sheet (in Millions of Rupiah)

	2017	2018	2019 E	2020 F
Cash and cash equivalents	1,028,346	1,299,204	3,408,672	2,427,634
Accounts receivable	6,627,124	4,254,476	6,156,149	7,747,955
Inventories	858,693	2,228,092	1,284,593	1,637,481
Other current asset	3,060,781	2,454,360	2,449,873	2,454,201
Total current asset	11,574,945	10,236,132	13,299,288	14,267,271
Fixed asset	3,148,701	4,726,298	5,525,523	7,450,472
Other non current asset	195,903	259,959	259,959	259,959
Total non current asset	3,344,604	4,986,256	5,785,481	7,710,431
Total asset	14,919,549	15,222,389	19,084,770	21,977,702
Account payables	2,318,210	1,404,921	2,825,693	3,601,931
Other payable	94,725	214,749	290,913	370,829
Bank loans	3,539,084	5,463,099	7,400,656	8,720,473
Other current liabilities	1,641,412	244,493	354,633	446,331
Total current liabilities	7,593,431	7,327,263	10,871,894	13,139,564
Total non current liabilities	9,461	12,813	12,813	12,813
Total Liabilities	7,602,893	7,340,075	10,884,707	13,152,377
Equity	7,316,656	7,882,313	8,203,799	8,821,647
Total liabilities and equity	14,919,549	15,222,389	19,088,506	21,974,024

Source: Company and Profindo estimates

Exhibit 3. Simplified Income Statement (in Millions of Rupiah)

	2017	2018	2019 E	2020 F
Revenues	7,104,158	8,000,149	10,687,710	13,451,250
Cost of Revenues	(5,155,967)	(6,153,868)	(8,336,414)	(10,626,487)
Gross profit	1,948,191	1,846,282	2,351,296	2,824,762
G&A Expenses	(407,524)	(188,491)	(323,066)	(439,894)
Selling expense	(6,991)	(7,988)	(10,296)	(13,208)
Income from operation	1,533,677	1,649,802	2,017,934	2,371,660
Interests Income	87,894	11,186	14,944	18,808
Others Income	371	65,976	88,140	110,930
Other expenses	(3,500)	(39,693)	(1,477)	(1,859)
Financial charges	(462,208)	(331,723)	(707,953)	(681,861)
Profit/loss before tax	1,156,234	1,355,548	1,411,587	1,817,679
Income tax	(155,904)	(252,076)	(262,496)	(338,013)
Profit/loss for the year	1,000,330	1,103,473	1,149,091	1,479,666

Source: Company and Profindo estimates

Exhibit 4. Simplified Cash Flow (in Millions of Rupiah)

	2017	2018	2019 F	2020 F
Cash Flow from Operating	(4,740,527)	(224,474)	974,873	(383,320)
Cash Flow from Investing	2,257,043	(1,641,652)	(799,225)	(1,924,950)
Cash Flow from Financing	(693,991)	2,136,985	1,937,556	1,319,817

Source: Company and Profindo estimates

Exhibit 5. WSBP's Financial Ratios

	2017	2018	2019 F	2020 F
Profitability Ratio				
Return on assets (ROA)	6.7%	7.2%	6.0%	6.7%
Return on equity (ROE)	13.7%	14.0%	14.0%	16.8%
Gross profit margin	27.4%	23.1%	22.0%	21.0%
Net operating margin	22.8%	21.1%	19.8%	18.6%
Net profit margin	14.1%	13.8%	10.8%	11.0%
Liquidity Ratio				
Current Ratio	1.5	1.4	1.2	1.1
Quick Ratio	1.4	1.1	1.1	1.0
Working Capital (Million)	3,981,513	2,908,870	2,427,394	1,127,707
Solvability Ratio				
Debt to equity	104%	93%	133%	149%
Debt ratio	51%	48%	57%	60%
Time interest earning ratio (TIER)	3.51	5.09	2.99	3.67
Activity Ratio				
Inventory Days	61	132	56	56
Trade Receivables (Debtor) Days	340	194	210	210
Creditors Days	164	83	124	124
Fixed Asset Turnover	2.26	1.69	2.0	1.8
Asset Turnover	0.5	0.5	0.6	0.6

Source: Profindo estimates

Exhibit 6. New Contract Achievement (in Billion of Rupiah)

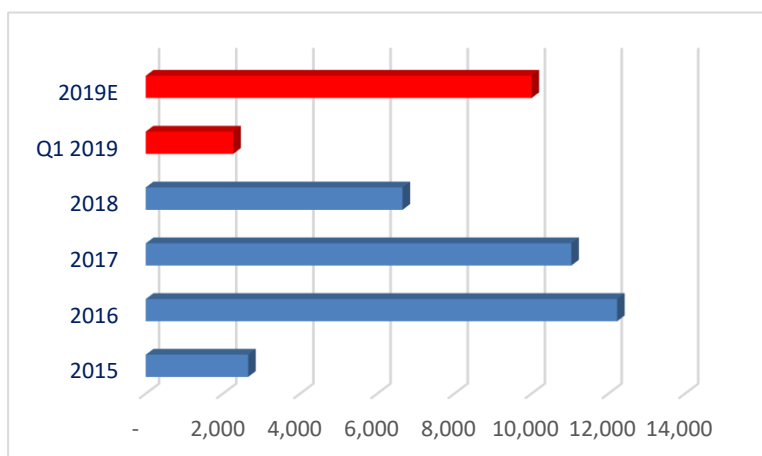
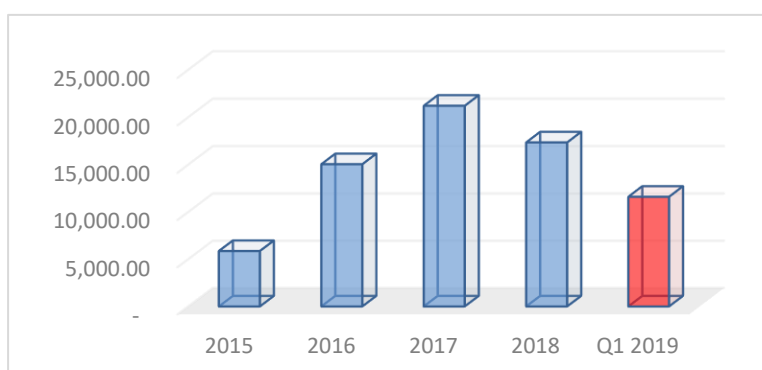


Exhibit 7. WSBP's Order Book (in Billion of Rupiah)



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PERWAKILAN SERANG

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Profindo Stock Rating

BUY : The share price is expected to increase by 20% or more
ACCUMULATE: The share price is expected to increase at least by 10%
HOLD : The share price is expected to move within range of +/- 10%
REDUCE: The Share price is expected to decline within range of 10% - 20%
SELL : The share price is expected to decline by more than 20%

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