PEFINDO
CREDIT RATING AGENCY

Press Release
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PT Pembangunan Jaya Ancol Tbk

Analysts: *Aryo Perbongso / Agung Iskandar*

Phone/Fax/E-mail: *(62-21) 72782380 / 72782370 / aryo.perbongso@pefindo.co.id / agung.iskandar@pefindo.co.id*

CREDIT PROFILE

Rating *$_{id}$A+/Stable*

Rated Issues

Shelf Reg. Bond I/2016	*$_{id}$A+*
Shelf Reg. Bond II/2018	*$_{id}$A+*

Rating Period

April 11, 2019 – April 1, 2020

Rating History

JUN 2018	*$_{id}$AA-/Negative*
JUN 2017	*$_{id}$AA-/Stable*
JUN 2016	*$_{id}$AA-/Stable*
OCT 2015	*$_{id}$AA-/Stable*
OCT 2014	*$_{id}$AA-/Stable*
OCT 2013	*$_{id}$AA-/Stable*
OCT 2012	*$_{id}$A+/Stable*

FINANCIAL HIGHLIGHTS

As of / for the year ended	**Dec-2018** (Audited)	**Dec-2017** (Audited)	**Dec-2016** (Audited)	**Dec-2015** (Audited)
Total Adjusted Assets [IDR Bn]	4,347.3	3,734.7	3,760.0	3,118.6
Total Adjusted Debt [IDR Bn]	1,296.4	795.4	935.4	428.6
Total Adjusted Equity [IDR Bn]	2,111.6	1,976.9	1,819.5	1,777.0
Total Sales [IDR Bn]	1,283.9	1,240.0	1,283.5	1,131.5
EBITDA [IDR Bn]	471.6	484.5	440.1	440.5
Net Income after MI [IDR Bn]	223.4	220.2	130.8	290.9
EBITDA Margin [%]	36.7	39.1	34.3	38.9
Adjusted Debt/EBITDA [X]	2.7	1.6	2.1	1.0
Adjusted Debt/Adjusted Equity [X]	0.6	0.4	0.5	0.2
FFO/Adjusted Debt [%]	23.3	42.2	31.8	70.7
EBITDA/IFCCI [X]	6.3	6.8	9.7	10.8
USD exchange rate [IDR/USD]	14,481	13,548	13,436	13,795

FFO = EBITDA – IFCCI + Interest Income – Current Tax Expense
EBITDA = Operating Profit + Depreciation Expense + Amortization Expense
IFCCI = Gross Interest Expense + Other Financial Charges + Capitalized Interest; (FX Loss not included)
MI = Minority Interest
The above ratios have been computed based on information from the company and published accounts. Where applicable, some items have been reclassified according to PEFINDO's definitions.

PEFINDO lowers the ratings of PT Pembangunan Jaya Ancol Tbk and its bonds to "$_{id}$A+" from "$_{id}$AA-", outlook revised to stable

PEFINDO has lowered its ratings for PT Pembangunan Jaya Ancol Tbk (PJAA), its Shelf-Registered Bond I/2016, and Shelf-Registered Bond II/2018 to **"$_{id}$A+"** from **"$_{id}$AA-"**. The downgrades reflects our view that the lower-than-expected EBITDA and higher debt has weakened its capital structure measures to a level we consider insufficient for the AA rating category. We also anticipate low revenue growth as it faces challenges to achieve the revenue target due to soft property sales and low growth in recreation revenue. The outlook of the corporate rating has been revised to "**stable**" from "**negative**".

An obligor rated $_{id}$A indicates that the obligor has a strong capacity to meet its long-term financial commitments relative to that of other Indonesian obligors. However, the obligor is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than higher-rated obligors.

The Plus (+) sign indicates that the rating is relatively strong within the respective rating category.

The corporate rating reflects PJAA's strong presence in the recreation segment, its stable revenue stream, and strong financial profile. The rating is constrained by its continual investment needs for product development and limited landbank for further business expansion.

The possibility of a rating upgrade in the next 12-18 months is limited. However, the rating could be raised if PJAA consistently achieves its projected revenue and/or EBITDA and improves its financial profile on a sustained basis. The rating could be further lowered if its debt-funded business expansion does not achieve the expected results, and if it incurs higher debt than projected.

PJAA is the leader in the local recreation industry, with world-class facilities such as Dunia Fantasi (Dufan), Ocean Dream Samudra, Atlantis, Sea World, and Allianz Ecopark. It is also engaged in real estate, selling land lots, houses, and apartments in the Ancol area. As of December 31, 2018, its shareholders were the Municipal Government of DKI Jakarta (72%), PT Pembangunan Jaya (18%), and the public (10%).