PEFINDO
CREDIT RATING AGENCY

Press Release
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PT Pembangunan Jaya Ancol Tbk

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CREDIT PROFILE

Corporate Rating *idA/Negative*

Rated Issues

Shelf Reg. Bond I/2016	*idA*
Shelf Reg. Bond I/2018	*idA*
Shelf Reg. Bond II/2019	*idA*

Rating Period

April 8, 2020 – April 1, 2021

Rating History

APR 2019	*idA+/Stable*
JUN 2018	*idAA-/Negative*
JUN 2017	*idAA-/Stable*
JUN 2016	*idAA-/Stable*
OCT 2015	*idAA-/Stable*
OCT 2014	*idAA-/Stable*
OCT 2013	*idAA-/Stable*
OCT 2012	*idA+/Stable*

FINANCIAL HIGHLIGHTS

As of/for the year ended	Sep-2019 (Unaudited)	Dec-2018 (Audited)	Dec-2017 (Audited)	Dec-2016 (Audited)
Total Adjusted Assets [IDR Bn]	3,862.4	4,347.3	3,734.7	3,760.0
Total Adjusted Debt [IDR Bn]	876.1	1,296.4	795.4	935.4
Total Adjusted Equity [IDR Bn]	2,071.6	2,111.6	1,976.9	1,819.5
Total Sales [IDR Bn]	975.7	1,283.9	1,240.0	1,283.5
EBITDA [IDR Bn]	331.6	471.6	484.5	440.1
Net Income after MI [IDR Bn]	154.0	223.4	220.2	130.8
EBITDA Margin [%]	34.0	36.7	39.1	34.3
Adjusted Debt/EBITDA [X]	*2.0	2.7	1.6	2.1
Adjusted Debt/Adjusted Equity [X]	0.4	0.6	0.4	0.5
FFO/Adjusted Debt [%]	*32.2	23.3	42.2	31.8
EBITDA/IFCCI [X]	5.7	6.3	6.8	9.7
USD exchange rate [IDR/USD]	14,174	14,481	13,548	13,436

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 **=Annualized*
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", outlook revised to negative

PEFINDO has lowered its ratings for PT Pembangunan Jaya Ancol Tbk (PJAA), its Shelf-Registered Bond I/2016, Shelf-Registered Bond I/2018, and Shelf-Registered Bond II/2019 to **"$_{id}$A"** from **"$_{id}$A+"**. The downgrades reflects our view that the PJAA's revenue will decline in the near term as the Company decide to temporarily closed its recreation centers from March 14, 2020 until further notice, related to the impact of Coronavirus Disease (COVID-19). Despite the management's plan to do costs efficiency, we view that significantly lower revenue could adversely impact the Company's credit quality in serving its financial obligations. We also revised the outlook for the corporate rating to **"negative"** from **"stable"**, specifically to anticipate the prolonging effect of the pandemic which could further weaken the Company's business and financial performances. At the same time, we has also lowered our rating for its maturing Shelf-Registered Bond II Year 2019 Phase I of IDR269.0 billion to **"$_{id}$A"** from **"$_{id}$A+"**, which will mature on July 12, 2020. The Company plans to refinance the maturing bond using unused credit facilities from banks.

An obligor rated $_{id}$A 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 corporate rating reflects PJAA's strong presence in the recreation segment, high portion of recurring income, and strong cash flow protection measures. The rating is constrained by its exposure to event-driven travel disruptions, continual investment needs for product development, and limited landbank for further business expansion.

The rating will be lowered if the unfavorable condition in the industry remains in the near term and we view there is no significant mitigation strategy from the Company to anticipate the longer effect of COVID-19. The rating could also be further lowered if it incurs higher debt than projected. The outlook could be revised to stable if the Company starts to operate and gain revenue normally.

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 September 30, 2019, its shareholders were the Municipal Government of DKI Jakarta (72%), PT Pembangunan Jaya (18%), and the public (10%).