

PT Mitra Adiperkasa Tbk

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CREDIT PROFILE		FINANCIAL HIGHLIGHTS				
		As of/for the year ended				
		Jun-2017	Dec-2016	Dec-2015	Dec-2014	
		(Unaudited)	(Audited)	(Audited)	(Audited)	
Corporate Rating	<i>idAA-/Stable</i>					
Rated Issues						
Shelf Registered Bond I/2012-2014	<i>idAA-</i>	Total Adjusted Assets [IDR Bn]	11,315.2	10,579.5	9,353.8	8,586.8
		Total Adjusted Debt [IDR Bn]	3,739.3	4,500.5	3,656.8	3,425.7
		Total Adjusted Equity [IDR Bn]	3,994.4	3,099.6	2,845.8	2,418.9
		Total Sales [IDR Bn]	7,713.4	14,149.6	12,832.8	11,822.1
Rating Period		EBITDA [IDR Bn]	883.5	1,531.8	1,119.9	1,094.1
September 11, 2017 – September 1, 2018		Net Income after MI [IDR Bn]	175.0	208.5	37.3	79.1
		EBITDA Margin [%]	11.5	10.8	8.7	9.3
Rating History		Adjusted Debt/EBITDA [X]	*2.1	2.9	3.3	3.1
SEP 2016	<i>idAA-/Stable</i>	Adjusted Debt/Adjusted Equity [X]	0.9	1.5	1.3	1.4
SEP 2015	<i>idAA-/Negative</i>	FFO/Adjusted Debt [%]	*27.4	18.4	15.0	17.3
MAY 2015	<i>idAA-/Negative</i>	EBITDA/IFCCI [X]	4.0	3.6	2.8	2.9
SEP 2014	<i>idAA-/Stable</i>	USD Exchange Rate [IDR/USD]	13,319	13,436	13,795	12,440
SEP 2013	<i>idAA-/Stable</i>	<i>FFO = EBITDA – IFCCI + Interest Income – Current Tax Expense</i>				
SEP 2012	<i>idAA-/Stable</i>	<i>EBITDA = Operating Profit + Depreciation Expense + Amortization Expense</i>				
SEP 2011	<i>idA+/Stable</i>	<i>IFCCI = Gross Interest Expense + Other Financial Charges + Capitalized Interest; (FX Loss not included)</i>				
SEP 2010	<i>idA+/Stable</i>	<i>MI = Minority Interest *Annualized</i>				
<i>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.</i>						

PEFINDO affirms its “*idAA-*” ratings for PT Mitra Adiperkasa Tbk and its bond, outlook “stable”

PEFINDO has affirmed its “*idAA-*” ratings for PT Mitra Adiperkasa Tbk (MAPI) and its Shelf Registered Bond I/2012-2014. The outlook for the corporate rating is “**stable**”. PEFINDO has also affirmed the “*idAA-*” ratings for the Company's maturing Shelf Registered Bond I Phase I Year 2012 Seri B of IDR447 billion and Phase III Year 2014 Seri A of IDR150 billion that will mature on December 12, 2017 and September 19, 2017, respectively. The Company plans to use internal funds to repay the maturing bonds. As of June 30, 2017, MAPI had cash and cash equivalents of around IDR1.5 trillion and unused credit facilities of around IDR1.5 trillion.

An obligor rated *idAA* differs from the highest rated obligors only to a small degree, and has a very strong capacity to meet its long-term financial commitments relative to that of other Indonesian obligors.

The Minus (-) sign in a particular rating indicates that the rating is relatively weak within the respective rating category.

The ratings reflect MAPI's strong market position in the modern retail industry with diverse and strong retail concepts, its relatively diversified store locations, and above average cash flow protection measures. However, the ratings are constrained by its moderate capital structure and intense competition amid limited retail space in first tier cities.

The rating may be raised if MAPI improves its profitability margin and financial leverage on a sustained basis, while strengthening its business position through higher than projected revenue and/or EBITDA growth supported by its well-diversified existing stores and successful expansion. However, the rating may be lowered if MAPI experiences further pressure in its profitability margins, and if it incurs significantly larger-than-projected debt without being compensated by better business performance, as indicated by a debt to EBITDA ratio exceeding 3.5x on a sustainable basis.

MAPI is a leading retailer in Indonesia serving the middle and upper consumer segments. As of June 30, 2017, its shareholders were PT Satya Mulia Gema Gemilang (56.0%).

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