

PT Sumberdaya Sewatama

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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>idBB+/Stable</i>	Total Adjusted Assets [IDR Bn]	3,263.1	3,299.9	4,132.5	3,880.5
Rated Issues		Total Adjusted Debt [IDR Bn]	1,756.4	1,805.7	2,107.3	2,225.7
<i>Bond I/2012</i>	<i>idBB+</i>	Total Adjusted Equity [IDR Bn]	53.9	120.0	727.5	710.3
<i>Sukuk Ijarah I/2012</i>	<i>idBB+(sy)</i>	Total Sales [IDR Bn]	511.0	1,265.3	1,517.7	1,625.1
Rating Period		EBITDA [IDR Bn]	191.3	452.4	486.4	825.2
<i>September 8, 2017 – September 1, 2018</i>		Net Income after MI [IDR Bn]	(57.2)	(315.2)	(277.3)	17.3
Rating History		EBITDA Margin [%]	37.4	35.8	32.0	50.8
<i>MAY 2017</i>	<i>idBB+/Stable</i>	Adjusted Debt/EBITDA [X]	*4.6	4.0	4.3	2.7
<i>APR 2017</i>	<i>idBB+/CW Neg</i>	Adjusted Debt/Adjusted Equity [X]	32.6	15.0	2.9	3.1
<i>FEB 2017</i>	<i>idBBB-/CW Neg</i>	FFO/Adjusted Debt [%]	*12.5	14.7	12.4	27.3
<i>SEP 2016</i>	<i>idA/Negative</i>	EBITDA/IFCCI [X]	2.3	2.2	2.1	3.7
<i>JUNE 2016</i>	<i>idA/Negative</i>	USD Exchange Rate [IDR/USD]	13,319	13,436	13,795	12,440
<i>SEP 2015</i>	<i>idA/Stable</i>					
<i>SEP 2014</i>	<i>idA/Stable</i>					
<i>SEP 2013</i>	<i>idA/Stable</i>					
<i>SEP 2012</i>	<i>idA/Stable</i>					

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 affirms "idBB+" rating to PT Sumberdaya Sewatama with "Stable" outlook

PEFINDO has affirmed its "idBB+" ratings to PT Sumberdaya Sewatama (SSMM) and its Bond I/2012, and its "idBB+(sy)" rating to the Company's Sukuk Ijarah I/2012. The outlook for the corporate rating is "stable". SSMM had restructured its outstanding debt on May 23, 2017, including its outstanding bond and sukuk, which now extended to March 31, 2024. Interest rate is agreed to be 7% per annum until March 31, 2020 and rise to 8% afterwards. The restructured loan and interest will be paid on a quarterly basis since June 30, 2017.

An obligor rated idBB has a somewhat weak capacity to meet its long-term financial commitments relative to that of other Indonesian obligors. The obligor faces ongoing uncertainties or exposure to adverse business, financial or economic conditions which could result in an inadequate capacity on the part of the obligor to meet its financial commitments.

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

Suffix (sy) means the rating mandates Islamic principles compliant.

The ratings reflect SSMM's high dependence on a single buyer, the uncertain growth potential of temporary power rental, and its weak financial leverage. However, the ratings are offset by SSMM's strong market position with a relatively stable revenue stream and its business synergy with its controlling group.

Any possibility of a rating upgrade in the next 12-18 months is limited. The ratings could be lowered if the Company fails to achieve its targeted revenue and EBITDA, and to improve profitability margins from current level, which could further weaken its cash flow protection measures and capital structure. The ratings could also be under pressure if there is further deterioration of its temporary power business, which would worsen its financial profile.

SSMM's business is classified into: temporary power rental, operations and maintenance, energy efficiency (pillar) services, and Independent Power Producer (IPP). It is 99.9% owned by PT ABM Investama Tbk, a non-operating holding company with business interests in coal mining, contract mining and engineering services, integrated logistics, and power. It is also part of the Tiara Marga Trakindo Group, which owns PT Trakindo Utama, Indonesia's biggest distributor of Caterpillar heavy equipment.

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