

PT Intiland Development Tbk

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CREDIT PROFILE		FINANCIAL HIGHLIGHTS				
		As of/for the year ended	Dec-2019	Dec-2018	Dec-2017	Dec-2016
			(Audited)	(Audited)	(Audited)	(Audited)
Corporate Rating	<i>idBBB/Stable</i>	Total adjusted assets [IDR bn]	14,771.3	14,209.4	13,091.0	11,833.9
Rated Issues		Total adjusted debt [IDR bn]	4,959.5	5,011.9	4,530.1	4,554.5
<i>Bond II/2016</i>	<i>idBBB</i>	Total adjusted equity [IDR bn]	7,228.7	6,509.5	6,304.4	5,051.3
		Total sales [IDR bn]	2,736.4	2,552.5	2,202.8	2,276.5
Rating Period		EBITDA [IDR bn]	718.4	531.7	540.1	581.5
<i>April 8, 2020 – April 1, 2021</i>		Net income after MI [IDR bn]	251.4	203.7	297.5	298.9
		EBITDA Margin [%]	26.3	20.8	24.5	25.5
Rating History		Adjusted debt to EBITDA [X]	6.9	9.4	8.4	7.8
<i>APR 2019</i>	<i>idBBB/Stable</i>	Adjusted debt to adjusted equity [X]	0.7	0.8	0.7	0.9
<i>APR 2018</i>	<i>idBBB+/Stable</i>	FFO to adjusted debt [%]	0.1	(1.8)	0.6	0.5
<i>APR 2017</i>	<i>idA-/Negative</i>	EBITDA to IFCCI [X]	1.3	1.0	1.2	1.2
<i>APR 2016</i>	<i>idA-/Negative</i>	USD exchange rate [IDR/USD]	13,901	14,481	13,548	13,436
<i>DEC 2015</i>	<i>idA/Negative</i>					
<i>APR 2015</i>	<i>idA/Stable</i>					
<i>APR 2014</i>	<i>idA/Stable</i>					
<i>APR 2013</i>	<i>idA/Stable</i>					

FFO = EBITDA – IFCCI + gross 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 affirms “idBBB” ratings for PT Intiland Development Tbk and its bond

PEFINDO has affirmed its “idBBB” ratings to PT Intiland Development Tbk (DILD) and its Bond II 2016 Series B. A “stable” outlook is assigned to its corporate rating.

An obligor rated *idBBB* has an adequate capacity to meet its long-term financial commitments relative to that of other Indonesian obligors. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitments.

The corporate rating reflects DILD’s relatively strong position in the property market, its good asset quality, and its sizeable land bank. The rating, however, is constrained by its high financial leverage and weak cash flow protection ratios, lower margins compared to peers, and the sensitive nature of the property sector to changes in macroeconomic conditions.

We could upgrade the rating if DILD lowers its financial leverage and meaningfully improves cash flow protection ratios on a sustained basis backed by strong presales performance as well as lower inventory level. The rating could be lowered if DILD’s revenue and EBITDA are significantly lower than projected due to delays in the completion of key projects and DILD add significantly larger debt than projected, resulting in its credit profile to deteriorate further. We also could lower the rating if prolonged Coronavirus Disease (COVID-19) pandemic and higher-than-anticipated depreciation of Rupiah against US dollar significantly affect DILD’s business performance as property segment is highly correlated with economic conditions.

DILD is engaged in property development and investment activities. Its portfolio includes superblock developments, residential (landed and high-rise), industrial estates, and investment properties. Most of its projects are strategically located in the Jakarta and Surabaya areas, while its industrial estate is located in Mojokerto, East Java. As of December 31, 2019, its shareholders were Company founder Hendro Gondokusumo (19.27%), PT Bina Yatra Sentosa (12.35%), CIMB Securities (Singapore) Pte. Ltd. (10.31%), Bali Private Villa Pte. Ltd. (8.66%), Company directors Sinarto Dharmawan and Suhendro Prabowo (2.54% each), board of commissioners members Jahja Asikin and Ping Handayani Hanli (2.54% each), board of commissioner member Lennard Ho Kian Guan (0.03%), and the public (39.22%).

DISCLAIMER

The rating contained in this report or publication is the opinion of PT Pemeringkat Efek Indonesia (PEFINDO) given based on the rating result on the date the rating was made. The rating is a forward-looking opinion regarding the rated party's capability to meet its financial obligations fully and on time, based on assumptions made at the time of rating. The rating is not a recommendation for investors to make investment decisions (whether the decision is to buy, sell, or hold any debt securities based on or related to the rating or other investment decisions) and/or an opinion on the fairness value of debt securities and/or the value of the entity assigned a rating by PEFINDO. All the data and information needed in the rating process are obtained from the party requesting the rating, which are considered reliable in conveying the accuracy and correctness of the data and information, as well as from other sources deemed reliable. PEFINDO does not conduct audits, due diligence, or independent verifications of every information and data received and used as basis in the rating process. PEFINDO does not take any responsibility for the truth, completeness, timeliness, and accuracy of the information and data referred to. The accuracy and correctness of the information and data are fully the responsibility of the parties providing them. PEFINDO and every of its member of the Board of Directors, Commissioners, Shareholders and Employees are not responsible to any party for losses, costs and expenses suffered or that arise as a result of the use of the contents and/or information in this rating report or publication, either directly or indirectly. PEFINDO generally receives fees for its rating services from parties who request the ratings, and PEFINDO discloses its rating fees prior to the rating assignment. PEFINDO has a commitment in the form of policies and procedures to maintain objectivity, integrity, and independence in the rating process. PEFINDO also has a "Code of Conduct" to avoid conflicts of interest in the rating process. Ratings may change in the future due to events that were not anticipated at the time they were first assigned. PEFINDO has the right to withdraw ratings if the data and information received are determined to be inadequate and/or the rated company does not fulfill its obligations to PEFINDO. For ratings that received approval for publication from the rated party, PEFINDO has the right to publish the ratings and analysis in its reports or publication, and publish the results of the review of the published ratings, both periodically and specifically in case there are material facts or important events that could affect the previous ratings. Reproduction of the contents of this publication, in full or in part, requires written approval from PEFINDO. PEFINDO is not responsible for publications by other parties of contents related to the ratings given by PEFINDO.