

PT Impack Pratama Industri Tbk.

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| CREDIT PROFILE | | FINANCIAL HIGHLIGHTS | | | | |
|--|--------------------|-----------------------------------|-----------------|-----------------|-----------------|-----------------|
| | | As of/for the year ended | Jun-2016 | Dec-2015 | Dec-2014 | Dec-2013 |
| | | | (Audited) | (Audited) | (Audited) | (Audited) |
| Corporate Rating | <i>idA-/Stable</i> | Total Adjusted Assets [IDR Bn] | 1,705.5 | 1,557.8 | 1,652.6 | 1,626.5 |
| Rated Issues | | Total Adjusted Debt [IDR Bn] | 411.3 | 354.6 | 461.9 | 459.4 |
| <i>Proposed Bond I Year 2016</i> | <i>idA-</i> | Total Adjusted Equity [IDR Bn] | 1,046.1 | 979.4 | 885.4 | 728.5 |
| Rating Period | | Total Sales [IDR Bn] | 563.1 | 1,147.8 | 1,413.3 | 1,241.6 |
| <i>September 1, 2016 – September 1, 2017</i> | | EBITDA [IDR Bn] | 138.5 | 259.1 | 419.5 | 324.3 |
| Rating History | | Net Income after MI [IDR Bn] | 58.6 | 76.8 | 176.7 | 142.2 |
| <i>n/a</i> | | EBITDA Margin [%] | 24.6 | 22.6 | 29.7 | 26.1 |
| | | Adjusted Debt/EBITDA [X] | *1.5 | 1.4 | 1.1 | 1.4 |
| | | Adjusted Debt/Adjusted Equity [X] | 0.4 | 0.4 | 0.5 | 0.6 |
| | | FFO/Adjusted Debt [%] | *46.8 | 54.4 | 71.7 | 51.7 |
| | | EBITDA/IFCCI [X] | 7.0 | 6.1 | 10.1 | 10.0 |
| | | USD Exchange Rate [IDR/USD] | 13,180 | 13,795 | 12,440 | 12,189 |

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 assigns "idA-" rating to PT Impack Pratama Industri Tbk

PEFINDO has assigned its "idA-" rating to PT Impack Pratama Industri Tbk (IMPC or the Company). We have also assigned our "idA-" rating to IMPC's proposed Bond I Year 2016 of a maximum amount of IDR500.0 billion. The bond proceeds will be used to refinance its financial obligations and to finance its working capital and capital expenditure (capex). The outlook for the corporate rating is "stable".

An obligor rated idA 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 Minus (-) sign in a particular rating indicates that the rating is relatively weak within the respective rating category.

The ratings reflect IMPC's strong market position in the polycarbonate roofing products industry, extensive distribution network, and moderate financial leverage. However, the ratings are constrained by the dependence of Company's core business on the property sector, its high real estate inventory, and its exposure to the fluctuations of commodity prices and the rupiah depreciation.

The rating could be raised if the Company significantly strengthens its market position as a result of successful business expansion, while improving its financial leverage on a sustainable basis. However, the rating could be lowered if its revenue and EBITDA are significantly lower than projected and/or if it incurs substantially more debt than projected.

Starting commercial operations in 1982, IMPC manufactures and distributes plastic building materials in Indonesia and abroad. It provides various roofing products: polycarbonate, vinyl, and fiber reinforced polyester products; aluminum composite panels; sealants; packaging products comprising corrugated plastic boards; and polymer resins. It also distributes roofing sheets of plastic and adhesives, and is involved in the development of properties. IMPC performed an initial public offering in December 2014. As of June 30, 2016, its shareholders were PT Harimas Tunggal Perkasa (33.69%), PT Tunggal Jaya Investama (33.69%), and others including public (32.62%).

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