



PEFINDO CREDIT RATING INDONESIA

PRESS RELEASE
September 5, 2012

PT Pupuk Kalimantan Timur Affirmed at idAA

PEFINDO affirmed its "idAA" ratings on PT Pupuk Kalimantan Timur (PPKT or the Company) and its Bond II/2009 and "idAA(sy)" rating of its Sukuk Ijarah I/2009. The outlook of the ratings is "Stable". The ratings reflect the strategic importance of fertilizer industry for the country resulting in strong support from the government, PPKT's strong position in the fertilizer industry, and stable natural gas supply leading to high utilization rate. However, the ratings are constrained by PPKT's higher leverage in the near term in relation with its expansion to increase the production capacity.

The Company is the largest integrated urea fertilizer producer in Indonesia with production facilities located in Bontang, East Kalimantan. The annual production capacities are 2.98 million tons of urea and 1.85 million tons of ammonia. At the end of June 2012, PT Pupuk Indonesia (Persero), formerly PT Pupuk Sriwidjaja (Persero), the state-owned holding company for fertilizer sector, owned 99.999% of the Company's shares.

Rating Period: September 3, 2012 – September 1, 2013

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