

Rating affirmed at “_{id}A”

PEFINDO has affirmed its “_{id}A” ratings to PT Express Transindo Utama Tbk (TAXI) and its Bond I/2014. The outlook for the corporate rating is “**stable**”. The ratings reflect TAXI’s steady revenue stream through a partnership-based business model that allows it to enjoy relatively high and stable profitability margins, strong market position in the taxi industry, and favorable fleet profile. However, the ratings are constrained by its financial leverage which will remain aggressive in the near to medium term, the potential for tighter competition, and fleet unemployment risk by entering new business segment in bus rentals.

Established in 1989, TAXI is one of the leading taxi operators in Indonesia, operating primarily in Greater Jakarta. With fleet size of more than 10,000 units in 9M2014, its services include regular taxis as core business, premium taxis (Tiara Express), and value-added transportation businesses (VATB). As of September 30, 2014, it was owned by PT Rajawali Corpora (51%) and the public (49%).

Rating Period: March 6, 2015 – March 1, 2016
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