

**PT Timah Tbk.**

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| <b>CREDIT PROFILE</b>               |                    | <b>FINANCIAL HIGHLIGHTS</b>       |                 |                 |                 |                 |
|-------------------------------------|--------------------|-----------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                     |                    | <b>As of/for the year ended</b>   | <b>Mar-2019</b> | <b>Dec-2018</b> | <b>Dec-2017</b> | <b>Dec-2016</b> |
|                                     |                    |                                   | (Unaudited)     | (Audited)       | (Audited)       | (Audited)       |
| <b>Corporate Rating</b>             | <i>idA+/Stable</i> | Total Adjusted Assets [IDR Bn]    | 17,930.0        | 15,117.9        | 11,876.3        | 9,548.6         |
| <b>Rated Issues</b>                 |                    | Total Adjusted Debt [IDR Bn]      | 8,110.5         | 6,144.0         | 3,691.8         | 1,733.3         |
| <i>Shelf-Registered</i>             |                    | Total Adjusted Equity [IDR Bn]    | 6,910.3         | 6,521.9         | 6,061.5         | 5,653.7         |
| <i>Bond I/2017</i>                  | <i>idA+</i>        | Total Sales [IDR Bn]              | 4,236.9         | 11,049.9        | 9,217.2         | 6,968.3         |
| <i>Shelf-Registered</i>             |                    | EBITDA [IDR Bn]                   | 643.8           | 1,318.7         | 1,246.7         | 1,021.4         |
| <i>Sukuk Ijarah I/2017</i>          | <i>idA+(sy)</i>    | Net Income after MI [IDR Bn]      | 301.3           | 531.4           | 502.4           | 251.8           |
| <b>Rating Period</b>                |                    | EBITDA Margin [%]                 | 15.2            | 11.9            | 13.5            | 14.7            |
| <i>June 13, 2019 – June 1, 2020</i> |                    | Adjusted Debt/EBITDA [X]          | *3.1            | 4.7             | 3.0             | 1.7             |
| <b>Rating History</b>               |                    | Adjusted Debt/Adjusted Equity [X] | 1.2             | 0.9             | 0.6             | 0.3             |
| <i>JUN 2018</i>                     | <i>idA+/Stable</i> | FFO/Adjusted Debt [%]             | *18.3           | 14.1            | 23.4            | 41.8            |
| <i>JUN 2017</i>                     | <i>idA+/Stable</i> | EBITDA/IFCCI [X]                  | 4.3             | 4.3             | 6.2             | 8.6             |
| <i>FEB 2013</i>                     | <i>idAA/Stable</i> | USD Exchange Rate [IDR/USD]       | 14,244          | 14,481          | 13,548          | 13,436          |

*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 “idA+” ratings for PT Timah Tbk and its Shelf-Registered Bond I/2017, and its “idA+(sy)” rating for its Shelf-Registered Sukuk Ijarah I/2017**

PEFINDO has affirmed “idA+” ratings for PT Timah Tbk (TINS) and TINS’ Shelf-Registered Bond I/2017, and “idA+(sy)” rating for TINS’ Shelf-Registered Sukuk Ijarah I/2017. The outlook for the corporate rating is “stable”.

An obligor rated idA has a strong capacity to meet its long-term financial commitments relative to 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 plus (+) sign indicates that the rating is relatively strong within the respective rating category.

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

The corporate rating reflects TINS as the largest tin mining permit (IUP) holder in Indonesia with an integrated operation, decreasing illegal mining practices in Indonesia, and strong cash flow protection measures. These strengths are partly offset by the threat of its exposure to the volatility of tin prices and exposure to the government regulations.

The rating may be raised if TINS significantly improves its capital structure and strengthens its cash flow protection measures, followed by the improvement in its cost position and business profile by successfully overcoming the Energy and Mineral Resources Ministry Regulation No. 11 Year 2018 regarding the tin export permit, to decrease the illegal mining practices in Indonesia. The rating may be lowered if it incurs significantly higher debt than projected without being compensated by better business performance and if the fluctuation of the global tin price significantly impairs its revenue and/or profitability.

Founded in August 1976, TINS is a vertically integrated mining company in Indonesia focusing on producing tin ingots (91.6% of revenue in the first quarter of 2019). Its main mining operations are in Pangkal Pinang, Bangka Belitung. As of March 31, 2019, its A class shares were owned by the Indonesian government, and its B class shares by PT Indonesia Asahan Aluminium (Persero) (65.0%) and the public (35.0%).

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