

## Perum Perumnas

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<b>CREDIT PROFILE</b>		<b>FINANCIAL HIGHLIGHTS</b>			
		<b>As of/for the year ended</b>			
		<b>Jun-2020</b>	<b>Dec-2019</b>	<b>Dec-2018</b>	<b>Dec-2017</b>
<b>Corporate Rating</b>	<i>idBBB-/Negative</i>	(Unaudited)	(Audited)	(Audited)	(Audited)
<b>Rated Issues</b>		8,530.6	10,381.4	10,012.0	7,998.4
MTN II/2016	<i>idBBB-</i>	4,448.5	4,823.4	3,654.5	2,673.2
MTN III/2016	<i>idBBB-</i>	1,469.9	2,915.9	3,386.2	3,059.3
MTN IV/2016	<i>idBBB-</i>	278.3	855.0	2,667.1	2,337.4
MTN I/2017 Serie B	<i>idBBB-</i>	(31.3)	(11.2)	603.4	520.0
MTN III/2018	<i>idBBB-</i>	(217.0)	(408.0)	305.8	233.4
MTN I/2019	<i>idBBB-</i>	(11.2)	(1.3)	22.6	22.2
MTN III/2019	<i>idBBB-</i>	*(71.1)	(430.7)	6.1	5.1
MTN IV/2019	<i>idBBB-</i>	3.0	1.7	1.1	0.9
MTN V/2019	<i>idBBB-</i>	*(10.5)	(8.3)	6.9	11.3
MTN VI/2019	<i>idBBB-</i>	(0.2)	(0.0)	1.9	2.3
MTN VIII/2019	<i>idBBB-</i>	14,302	13,901	14,481	13,548
MTN IX/2019	<i>idBBB-</i>				
Proposed Long-Term Notes Year 2020	<i>idBBB-</i>				
<b>Rating Period</b>					
<b>Rating History</b>					
OCT 2020	<i>idBBB-/Negative</i>				
MAY 2020	<i>idBBB-/Negative</i>				
MAY 2020	<i>idCCC/C.W.Negative</i>				
APR 2020	<i>idSD</i>				
JUN 2015 - OCT 2019	<i>idBBB+/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 \*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 “*idBBB-*” rating to Perumnas’s proposed Long-Term Notes

PEFINDO has assigned its “*idBBB-*” rating to Perusahaan Umum Perumahan Nasional’s (Perumnas) proposed Long-Term Notes Year 2020 of IDR650 billion which is part of the Government’s national economic recovery program. The proceed will be used to refinance maturing Medium-Term Notes (MTN) in November 2020 and as additional working capital. PEFINDO has also affirmed its “*idBBB-*” ratings for Perumnas, MTN II/2016, MTN III/2016, MTN IV/2016, MTN I/2017 Serie B, MTN III/2018, MTN I/2019, MTN III/2019, MTN IV/2019, MTN V/2019, MTN VI/2019, MTN VIII/2019, and MTN IX/2019. We maintained a “**negative**” outlook for the corporate rating in anticipation for its weaker than expected business performance amid high debt level and extremely long operating cash cycle.

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 Minus (-) sign indicates that the rating is relatively weak within the respective rating category.

The corporate rating reflects PRNS’ strategic importance to the government in providing low-end houses and geographically well-diversified projects. The rating is constrained by its very aggressive capital structure and very tight liquidity, its small portion of recurring income, and the sensitive nature of the property business to changes in macroeconomic conditions.

The rating could be lowered if PRNS’ fails to significantly reduce its high operating cash cycle as well as improve its business profile which indicated by lower than expected sales performance and revenue generation in the near to medium term. The rating outlook will be revised to “stable” if it significantly improves its business and financial performance on a sustained basis and/or it obtains significant stronger support from the Government.

Established in 1974, PRNS is a wholly owned state company engaged in property development for the middle-low income segment, including landed and high-rise residential, rented high-rise residential, and commercial properties.

**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.*