Press Release
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PT Pos Indonesia (Persero)

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CREDIT PROFILE

Corporate Rating	*idBBB+/Stable*
Rated Issues	
MTN Syariah Ijarah I/2018	*idBBB+(sy)*
MTN POSINDO-01	*idBBB+*
MTN POSINDO-02	*idBBB+*
Rating Period	
July 2, 2021 – July 1, 2022	
Rating History	
SEP 2020	*idBBB+/Negative*
APR 2020	*idBBB+/Negative*
SEP 2019	*idA-/Stable*
SEP 2018	*idA-/Stable*

FINANCIAL HIGHLIGHTS

As of/for the year ended	**Mar-2021**	**Dec-2020**	**Dec-2019**	**Dec-2018**
	(Unaudited)	(Audited)	(Audited)	(Audited)
Total adjusted assets [IDR bn]	11,363.9	9,078.5	9,386.4	8,758.7
Total adjusted debt [IDR bn]	1,413.8	1,441.2	2,643.3	1,808.3
Total adjusted equity [IDR bn]	5,080.1	4,599.2	4,005.5	3,951.6
Total sales [IDR bn]^	1,399.8	5,795.3	5,341.6	5,222.3
EBITDA [IDR bn]	243.7	652.8	74.3	238.5
Net income after MI [IDR bn]	139.5	345.7	120.2	120.7
EBITDA Margin [%]	17.4	11.3	1.4	4.6
Adjusted debt to EBITDA [X]	*1.5	2.2	35.6	7.6
Adjusted debt to adjusted equity [X]	0.3	0.3	0.7	0.5
FFO to adjusted debt [%]	*60.4	34.5	0.1	11.3
EBITDA to IFCCI [X]	5.9	3.1	0.5	2.5
USD exchange rate [IDR/USD]	14,572	14,105	13,901	14,481

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 ^ = include compensation from the government related to USO operations * = 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.

PT Pos Indonesia (Persero) rated "idBBB+" with stable outlook

PEFINDO has affirmed the ratings for PT Pos Indonesia (Persero) (POST) and its Medium-Term Notes (MTN) POSINDO-01 and POSINDO-02 at **"idBBB+"**. We have also affirmed its MTN Syariah Ijarah I/2018 at **"idBBB+(sy)"**. We have revised the outlook for the corporate rating to **"stable"** from "negative". The outlook revision reflects better than expected financial profile through 2020 amid Covid-19 and our expectation that POST will maintain its financial parameters at a level commensurate with the current rating over the next 12-18 months.

An obligor rated idBBB has an adequate capacity to meet its long-term financial commitments relative to those of other Indonesian obligors. However, adverse economic conditions or changing circumstances would be likely to weaken its capacity to meet its financial commitments. The plus (+) sign indicates that the rating is relatively strong within the respective rating category.

The suffix (sy) means the rating mandates compliance with Islamic principles.

The corporate rating reflects our view on the government's strong support to POST, its extensive network area, and the increasing of e-commerce activities with their good growth prospects. The rating is constrained by the structural decline in traditional mail sector, our expectation that its debt leverage will continue to remain high, and intense competition and cyclical demand in the parcel and express courier business.

The rating may be raised if POST's transformation initiatives to anticipate the structural decline in legacy business translate into stronger revenue generation and improved profitability, and result in a stronger financial profile on a sustained basis. We may lower the rating if there is a significant deterioration in government support, such as through a material divestment of ownership and/or if the compensation from the government is revoke and/or if there is a decreasing public service role for the government. We may also lower the rating if there is a material erosion in POST's competitive position, indicated by a substantial loss in market share and weaker profitability, or if it incurs debt greater than projected in the absence of higher profitability which results in its leverage being more aggressive on a prolonged basis.

POST is the national postal service operator that was incorporated in 1906. It traces its roots back to the Dutch system established in 1746 for delivery of mail especially for trading activities, making it the oldest state-owned entity in Indonesia. It collects, processes, and distributes letters and parcel products, and provides various other services, including money transfer and payment services, logistic, retail, and property. As of March 31, 2021, it was wholly owned by the Government of Indonesia.