Ratings of PT Pembangunan Perumahan (Persero) Tbk and its MTNs and Bond are raised to “idA”

PEFINDO raised the ratings for PT Pembangunan Perumahan (Persero) Tbk (PTPP or the Company) and the Company’s MTN XVII/2012, MTN XVIII/2012 and Shelf Registered Bond XV/2012 of PTPP to “idA” from “idA-”. The outlook for the corporate rating is “stable”. The upgrade is driven by our expectation that PTPP will maintain its strong revenue growth in the medium term and strong market position in the construction business. The ratings reflect the Company’s strong presence in the national construction business, stable business opportunities from government-related projects and above average cash flow protection. However, the ratings are constrained by PTPP’s moderate refinancing risk, risks from expansion into property business and relatively volatile business environment.

Established in 1953, PTPP is one of the largest construction companies in Indonesia. Currently, it expands its business into property, realty and precast businesses as well as in infrastructure and investment. As of September 30, 2013, the Company’s shareholders were Government of Indonesia with 51.0% of ownership, followed by the Employees Cooperatives (Kopkar) with 6.2%, and the public 42.8%.

Rating Period: December 9, 2013 – December 1, 2014
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