Ratings of PT Pembangunan Perumahan (Persero) Tbk and its Bond are affirmed at “idA”

PEFINDO has affirmed the ratings for PT Pembangunan Perumahan (Persero) Tbk (PTPP or the Company) and its Shelf Registered Bond I PP 2013, at “idA”. The outlook for the corporate rating is “stable”. The ratings reflect the Company’s strong presence in the national construction business, stable business opportunities from government-related projects, and an above average cash flow protection. However, the ratings are constrained by PTPP’s moderate refinancing risk, a relatively volatile business environment, and risks from expansion into the property business.

Established in 1953, PTPP is one of the largest construction companies in Indonesia, and is currently expanding into property, realty and the precast business, heavy equipment rental, as well as infrastructure investment. As of September 30, 2014, its shareholders were the Indonesian government (51.0%), the Employees Cooperative (Kopkar) with 6.2%, and the public (42.8%).

Rating Period: December 3, 2014 – December 1, 2015
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