



PT Hanjaya Mandala Sampoerna Tbk.

PEFINDO affirmed its ratings of “**idAA+**” for PT Hanjaya Mandala Sampoerna Tbk. (HMSP or the Company) and the Company’s Bond II/2000 and Bond III/2004 totaling IDR1.6 trillion. The ratings reflect HMSP’s strong market position in the cigarette industry as well as favorable and stable financial performances, which are slightly mitigated by less supportive regulatory environment. HMSP is one of the largest cigarette producers in Indonesia, which produces hand-rolled clove cigarette, machine-made clove cigarette and white cigarette. Apart from cigarette business, which contributes around 85% of total consolidated sales in 2004, HMSP and its subsidiaries engage in various businesses such as printing and packaging, property and construction, as well as distribution, trading and retail. In March 2005, DuBuis Holdings Limited—HMSP’s major shareholder as well as the Company’s founder family—sold its ownership to PT Phillip Morris Indonesia (PMI), which is fully owned by Philip Morris International Inc. (Altria Group Inc.). Following the settlement of the tender offer in June 2005, PMI finally managed to own 97.95% HMSP’s shares as of September 30, 2005.

Rating Period: November 28, 2005 – October 1, 2006

Contact Analyst: Vonny Widjaja & Niken Indriarsih
vonny.widjaja@pefindo.co.id & niken.indriarsih@pefindo.co.id