



**PEFINDO CREDIT RATING INDONESIA**

**PRESS RELEASE**  
**December 3, 2012**

## **"idA-" rating assigned to MDLN's proposed bond II amounting to IDR500 billion**

PEFINDO assigned its "idA-" rating to PT Modernland Realty Tbk (MDLN or the Company) and its proposed bond II Modernland Realty year 2012 amounting to IDR500 billion, which will be used for MDLN's expansion plans. The outlook for MDLN's corporate rating is "stable". The rating reflects MDLN's relatively sizable land bank, relatively strong cash flows protection and above average liquidity position, and moderate financial leverage. However, the ratings are constrained by its lack of recurring income and risk of developing new projects. MDLN's operation includes property development, industrial estate, and hospitality businesses.

Established on August 1983, MDLN is the developer of Kota Modern, a property project that includes residential and commercial areas in Tangerang. The Company's other property projects are situated in Cakung, Pondok Cabe and Serang. The Company is also engaged in a joint venture (JV) project with Singapore's Keppel Land in developing Jakarta Garden City (JGC) in Cakung. As of June 30, 2012, the Company's major shareholder was AA Land Pte Ltd, Singapore, with 29.8% ownership.

Rating Period: October 3, 2012 – October 1, 2013

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