



PEFINDO CREDIT RATING INDONESIA

PRESS RELEASE

June 18, 2013

The ratings of proposed Shelf-Registered Bond and Sukuk Perusahaan Perseroan (Persero) PT Perusahaan Listrik Negara are “**idAAA**” and “**idAAA_(sy)**”

PEFINDO assigned its “**idAAA**” and “**idAAA_(sy)**” ratings for PPLN’s proposed shelf-registered Bond and Sukuk with maximum value of IDR12.0 trillion to be issued in 2013-2014. The proceeds of the proposed issuance will be used to finance the capital expenditure (capex) on transmission and distribution. At the same time, PEFINDO affirmed the ratings of Perusahaan Perseroan (Persero) PT Perusahaan Listrik Negara (PPLN or the Company), its Bonds (VII/2004, VIII/2006, IX/2007, X/2009, XI/2010 and XII/2010) and MTN (Serie I-J) at “**idAAA**”. PEFINDO also affirmed its “**idAAA_(sy)**” ratings for PPLN’s Sukuk Ijarah (I/2006, II/2007, III/2009, IV/2010 and V/2010). The outlook of the PPLN’s corporate rating is “**stable**”. The ratings reflect strong and proven support from the Government of Indonesia (GOI), PPLN’s strong financial flexibility and superior market position, and growing demand of electricity in the domestic market. The ratings are constrained by the sizeable amount of capex plan that might lead to higher financial leverage level and thin cash flow protection. PPLN is a wholly-owned state company, engaging in generation, transmission and distribution of electricity throughout the country. PPLN is the only integrated electricity producer in Indonesia with the installed capacity of 36,612 Mega Watt (MW) at the end of 2012.

Rating Period: May 1, 2013 – May 1, 2014

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