



PEFINDO CREDIT RATING INDONESIA

PRESS RELEASE

December 4, 2013

The ratings of PT Intan Baruprana Finance affirmed at “idBBB+**”**

PEFINDO has affirmed the corporate rating of PT Intan Baruprana Finance (IBFN or the Company) at “**idBBB+**”. At the same time, PEFINDO also has assigned its “**idBBB+**” rating to the Company’s proposed Medium Term Notes (MTN) I/2013 with a maximum amount of IDR300 billion. Outlook for the corporate rating is “**stable**”. Although the Company is affected by the sharp decline of coal prices, the impact, in our view, is still manageable. The current ratings reflect the Company’s strong business position in its captive market and moderate capitalization profile. The ratings, however, are constrained by its moderate profitability and exposure to coal price volatility.

IBFN is a finance company focused on heavy equipment leasing, particularly for brands distributed by its parent company, PT Intraco Penta Tbk. (INTA). IBFN not only finances new heavy equipment units but also used heavy ones, spare parts, and customer's operational supporting facilities. INTA has been an agent in Indonesia of Volvo heavy equipment since 1982 and several other brands, such as Ingersoll Rand, Bobcat, SDLG, Mahindra, and Sinotruck. At present, IBFN runs its operation through one office in Jakarta and had 67 employees as of September 30, 2013. It uses eight INTA’s branch offices to serve as virtual regional marketing offices in several major cities across the country. The Company was 79.72% owned by INTA as of September 30, 2013; 10.57% by PT Inta Trading, a direct subsidiary of INTA; and 9.70% by Philip Capital, through Phillip Asia Pacific Opportunity Fund Ltd. The remaining 0.01% shares were owned by the Employees Cooperative of INTA.

Rating Period: November 15, 2013 – October 1, 2014
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