

## Outlook of APLN is revised to negative

PEFINDO has revised the outlook for the corporate rating of PT Agung Podomoro Land Tbk (APLN) to **“negative”** from **“stable”**. The negative outlook was assigned to anticipate lower-than-projected cash flow protection measures and capital structure resulting from low development revenue. The Company's lower-than-expected revenue recognition from its development properties was due to late issuance of permits from its new projects such as the Podomoro City Extension, SOHO@Pancoran, Parahyangan Residences and Metro Park Residences. As of 9M2014, APLN has managed to book marketing sales of IDR3.5 trillion with Harco Glodok contributing 25.7%, followed by Orchard Park Batam (24.8%), Podomoro City Extension (13.1%), Plaza Kenari Mas (6.5%), Grand Taruma (6.2%), Metro Park Residences (4.7%), Vimala Hills (4.6%), Soho@Pancoran (4.6%), Borneo Bay Residences (4.5%), Podomoro City Deli Medan (4.1%) and other (1.2%). The Company's sales backlog amounted to IDR9.5 trillion. The ratings for APLN and its Bond I/2011, Bond II/2012, and Shelf-Registration Bond I/2013 are maintained at **“idA”**. The ratings could be lowered if the Company's revenue is significantly lower-than-projected as a result of slower development progress and weak marketing sales. The ratings could also be under pressure if its additional debt exceeds projections. The outlook could be revised to stable if the Company could improve its capital structure and cash flow protection measures on a sustainable basis supported by faster construction progress.

APLN, a part of Agung Podomoro Group, is the leading developer of mixed-use and/or high-rise developments with projects mostly situated in Jakarta areas. APLN also has mixed-use development projects outside Jakarta such as in Karawang, Bogor and Bandung as well as outside Java in Bali, Batam, Balikpapan, Medan, and Makassar. APLN's current projects include Podomoro City Extension, Green Bay Pluit, and Grand Taruma. As of September 30, 2014, its shareholders were PT Indofica (61.97%), PT Simfoni Gema Lestari (5.07%), Trihatma Kusuma Haliman (3.03%), the Board of Directors and Commissioners, exclude Trihatma Kusuma Haliman (0.06%) and the public (29.87%).

Rating Period: November 4, 2014 – April 1, 2015  
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