

WEHA's ratings affirmed at *id*BBB+, outlook revised to negative

PEFINDO has affirmed its "*id*BBB+" ratings for PT Panorama Transportasi Tbk (WEHA) and its Bond I/2012. The outlook for the corporate rating however, is revised to "**negative**" from "**stable**". The negative outlook was assigned to anticipate weaker-than-projected capital structure and cash flow protection measures as a result of lower-than-projected revenue. This was owed to a 13.5% year-on-year (YoY) decline in its bus charter segment during the first nine months of 2014 (9M2014) due to the prolonged rainy season which led to several charter cancellation from customers. The lower-than-projected revenue was also attributable to expansion delay in the taxi segment. In addition, we also view that there is a moderate refinancing risk related to its bond which will mature in May 2015. The ratings reflect the Company's favorable fleet profile, the group's integration which provides added assurance of continuity in operations, and the Company's stable EBITDA margin. However, the ratings are constrained by its aggressive financial leverage and moderate cash flow protection measures, risk of fleet unemployment, and the lack of fleet additions that could limit future growth.

Established in 2001, WEHA is an integrated transportation service company that provides chartered buses and taxi services under the White Horse brand, as well as car rental and limousine services under the Europcar brand. Through its subsidiaries, WEHA is also engaged in intercity shuttle services (under the Joglosemar and Day Trans brands). WEHA is a subsidiary of PT Panorama Sentrawisata Tbk (PANR), one of the country's largest travel and leisure companies. As of September 30, 2014, its shareholders were PANR (53%), PT WEHA Investama (14%), and the public (33%).

Rating Period: January 9, 2015 – January 1, 2016
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