

PEFINDO affirmed “**idA**” ratings for PT Sumberdaya Sewatama and its Bond and “**idA_(sy)**” for its Sukuk Ijarah

PEFINDO has affirmed its “**idA**” ratings for PT Sumberdaya Sewatama (SSMM) and its Bond I/2012 serie B and for its maturing Bond I/2012 serie A totaling IDR219.0 billion due on 30 November 2015. The Company plans to repay the maturing bond using part of the proceeds of a syndicated loan from a group of sharia banks. PEFINDO has also affirmed its “**idA_(sy)**” rating for SSMM’s Sukuk Ijarah I/2012. The outlook for the Company rating is “**stable**”. The ratings reflect SSMM’s strong market position with relatively stable revenue stream, its business synergy with the Group, and strong operating profit margins. The ratings are constrained by its high dependence on a single buyer, uncertain growth potential of temporary power rental, and more aggressive financial leverage to support IPP (Independent Power Producer) expansion.

SSMM’s businesses are classified into temporary power rental, operation and maintenance, energy efficiency (pillar) services, and IPP. SSMM is 99.9% owned by PT ABM Investama Tbk., a non-operating holding company with business interests in coal mining, contract mining, and engineering services, integrated logistics, and power. SSMM is also part of the Tiara Marga Trakindo Group, which owns PT Trakindo Utama, Indonesia’s biggest distributor of Caterpillar heavy equipment.

Rating Period: September 9, 2015 – September 1, 2016
September 9, 2015 – November 30, 2015 (Bond I/2012 serie A)
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