

PT Siantar Top Tbk

Analysts: Agung Iskandar / Martin Pandiangan

Phone/Fax/E-mail: (62-21) 72782380/72782370/ agung.iskandar@pefindo.co.id/martin.pandiangan@pefindo.co.id

CREDIT PROFILE		FINANCIAL HIGHLIGHTS				
		As of/for the year ended	Sep-2017	Dec-2016	Dec-2015	Dec-2014
			(Unaudited)	(Audited)	(Audited)	(Audited)
Corporate Rating	<i>idA/Stable</i>	Total Adjusted Assets [IDR Bn]	2,321.5	2,336.4	1,919.6	1,700.2
Rated Issues		Total Adjusted Debt [IDR Bn]	583.3	809.2	616.0	578.7
<i>Shelf Reg. Bond I/2016</i>	<i>idA</i>	Total Adjusted Equity [IDR Bn]	1,340.0	1,168.5	1,008.8	815.5
Rating Period		Total Adjusted Sales [IDR Bn]	2,097.9	2,629.1	2,544.3	2,170.5
<i>January 8, 2018 – January 1, 2019</i>		EBITDA [IDR Bn]	281.7	334.7	353.9	278.4
Rating History		Net Income after MI [IDR Bn]	166.7	174.5	185.7	123.7
<i>JAN 2017</i>	<i>idA/Stable</i>	EBITDA Margin [%]	13.4	12.7	13.9	12.8
<i>JAN 2016</i>	<i>idA/Stable</i>	Adjusted Debt/EBITDA [X]	*1.6	2.4	1.7	2.1
<i>JAN 2015</i>	<i>idA/Stable</i>	Adjusted Debt/Adjusted Equity [X]	0.4	0.7	0.6	0.7
<i>JAN 2014</i>	<i>idA/Stable</i>	FFO/Adjusted Debt [%]	*44.4	26.4	38.4	29.9
		EBITDA/IFCCI [X]	5.0	3.9	5.1	4.7
		USD exchange rate [IDR/USD]	13,319	13,436	13,795	12,440

FFO = EBITDA – IFCCI + interest income – current tax expense
EBITDA = (operating profit + depreciation exp. + amortization exp.)
IFCCI = (gross interest expense + other financial charges + capitalized interest); foreign exchange loss not included
** annualized MI = minority interest*
The above ratios have been computed based on information from the company and published accounts. Where applicable, some items have been reclassified according to PEFINDO's definitions.

PEFINDO affirms “idA” ratings for PT Siantar Top Tbk and its Shelf-Registered Bond I/2016

PEFINDO has affirmed its “idA” ratings for PT Siantar Top Tbk (STTP) and its Shelf-Registered Bond I/2016. The outlook for the corporate rating is “stable”.

An obligor rated *idA* has a strong capacity to meet its long-term financial commitments relative to other Indonesian obligors. However, the obligor is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than higher-rated obligors.

The ratings reflect STTP's strong position in the domestic snack market, well-diversified sales, and above average cash flow protection measures. However, the ratings are constrained by the highly competitive nature of the packaged foods market, risks related to debt-funded business expansion, and its exposure to raw material cost fluctuations.

The rating may be raised if STTP significantly strengthens its market position through successful business expansion while improving its financial profile. In contrast, the rating will be lowered if it aggressively finances its business expansion with substantially larger debt than projected without being compensated by a stronger business performance. The rating could also be lowered if its theme park, which is mostly financed by debt, does not perform as expected because of project delay, cost overruns, or lower-than-expected market acceptance.

Established in 1987, PT Siantar Top Tbk (STTP) is a manufacturer of packaged food products. It has production facilities in Sidoarjo (East Java), Bekasi (West Java), Medan (North Sumatra), and Makassar (South Sulawesi). As of September 30, 2017, its shares were 56.8% owned by PT Shindo Tiara Tunggal and 43.2% by others, including the public (40.1%).

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