

PT Summarecon Agung Tbk

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CREDIT PROFILE		FINANCIAL HIGHLIGHTS				
		As of/for the year ended	Jun-2019	Dec-2018	Dec-2017	Dec-2016
			(Unaudited)	(Audited)	(Audited)	(Audited)
Corporate Rating	<i>idA/Stable</i>	Total Adjusted Assets [IDR Bn]	23,947.3	23,299.2	21,663.0	20,810.3
Rated Issues		Total Adjusted Debt [IDR Bn]	8,482.0	8,606.6	7,983.7	7,426.6
Shelf Reg. Bond I Phase II Year 2014	<i>idA</i>	Total Adjusted Equity [IDR Bn]	9,200.6	9,060.7	8,353.7	8,165.6
Shelf Reg. Sukuk Ijarah I Phase II Year 2014	<i>idA(sy)</i>	Total Sales [IDR Bn]	2,677.8	5,661.4	5,640.8	5,397.9
Rating Period		EBITDA [IDR Bn]	795.5	1,842.4	1,673.9	1,677.8
August 9, 2019 – October 10, 2019		Net Income after MI [IDR Bn]	149.0	448.7	362.1	311.7
Rating History		EBITDA Margin [%]	29.7	32.5	29.7	31.1
SEP 2018	<i>idA/Stable</i>	Adjusted Debt/EBITDA [X]	*5.3	4.7	4.8	4.4
SEP 2017	<i>idA+ /Negative</i>	Adjusted Debt/Adjusted Equity [X]	0.9	0.9	1.0	0.9
SEP 2016	<i>idA+ /Negative</i>	FFO/Adjusted Debt [%]	*8.4	9.1	8.6	10.4
SEP 2015	<i>idA+ /Stable</i>	EBITDA/IFCCI [X]	2.1	2.1	2.1	2.3
AUG 2014	<i>idA+ /Stable</i>	USD Exchange Rate [IDR/USD]	14,141	14,481	13,548	13,436
AUG 2013	<i>idA+ /Stable</i>					
MAY 2012	<i>idA+ /Stable</i>					
APR 2011	<i>idA/Stable</i>					

FFO = EBITDA – IFCCI + Interest Income – Current Tax Expense
EBITDA = Operating Profit + Depreciation Expense + Amortization Expense
IFCCI = Gross Interest Expense + Other Financial Charges + Capitalized Interest; (FX Loss not included)
*MI = Minority Interest *annualized*
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*” and “*idA(sy)*” ratings for PT Summarecon Agung Tbk’s maturing Bond and Sukuk

PEFINDO has affirmed its “*idA*” rating for PT Summarecon Agung Tbk (SMRA) maturing Shelf-Registered Bond I Phase II Year 2014 of IDR800 billion and its “*idA(sy)*” rating for SMRA maturing Shelf-Registered Sukuk Ijarah I Phase II Year 2014 of IDR300 billion that will mature on October 10, 2019. The Company plans to repay the maturing Bond and Sukuk Ijarah using a combination of internal cash, bank loans and the proceed from the Company’s corporate action. As of June 30, 2019, it had cash and cash equivalent amounting to IDR1.5 trillion. In addition, it had unused credit facility revolving loan from several banks amounting to IDR784 billion and room to issue Shelf-Registered Bond III phase II up to IDR3.08 trillion as of June 30, 2019.

Debt security rated *idA* indicates that the obligor’s capacity to meet its long-term financial commitments on the debt security, relative to other Indonesian obligors, is strong, however, the debt security is somewhat more susceptible to adverse effects of changes in circumstances and economic conditions than higher-rated debt.

The suffix (sy) means the rating mandates compliance with Islamic principles.

The rating reflects SMRA’s strong business position in the property industry, good asset quality, and adequate recurring income. However, the rating is constrained by its aggressive capital structure and modest cash flow protection measures, the risk of new projects in new areas, and the characteristics of the property industry, which is sensitive to changes in macroeconomic conditions.

SMRA is engaged in the property business and is divided into three divisions: property development, investment property, and leisure and hospitality. Its main property projects are in Kelapa Gading, Serpong, Bekasi, Bandung, Karawang and Makassar. As of June 30, 2019, its shareholders were PT Semarop Agung (33.52%), PT Sinarmegah Jayasentosa (6.60%), BNYMSANV RE AMS RE Stichting D APG ST RE E ES Pool-2039846201 (5.61%), Liliawati Rahardjo (0.85%), Harto Djojo Nagaria (0.14%), and other including public (53.28%).

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