

## KIK EBA Danareksa Indonesia Power PLN 1

*Analysts: Hendro Utomo / Martin Pandiangan*

*Phone/Fax/E-mail: (62-21) 7278 2380 / 7278 2370 / [hendro.utomo@pefindo.co.id](mailto:hendro.utomo@pefindo.co.id) / [martin.pandiangan@pefindo.co.id](mailto:martin.pandiangan@pefindo.co.id)*

### **CREDIT PROFILE**

<b>Corporate Rating</b>	-	Originator	: PT Indonesia Power
		Servicer	: PT Indonesia Power
		Investment Manager	: PT Danareksa Investment Management
<b>Rated Issues</b>		Custodian bank/trustee	: PT Bank Rakyat Indonesia (Persero) Tbk
<i>Class A EBA</i>	<i>idAAA(sf)</i>	Counterparty	: PT Perusahaan Listrik Negara (Persero)
		Underlying assets	: 5-year future cash flow from Component A receivables
		Total cash flow amount	: Up to IDR4,932,106,529,201
<b>Rating Period</b>		Tenor	: 5 years
<i>September 10, 2018 – September 1, 2019</i>		Principal payment	: Equal annual amortization
		Yield payment	: Quarterly
<b>Rating History</b>		Credit enhancement	: Subordination of Class B EBA
<i>SEP 2017</i>	<i>idAAA(sf)</i>	Total EBA amount (Class A & B) at origination	: IDR4,000,000,000,000
		Class B requirement	: 7.8% of total securitized assets
		Class A outstanding	: IDR3,223,710,467,901
		Class B outstanding	: IDR312,000,000,000

### **"idAAA(sf)" rating for Class A EBA DIPP1**

PEFINDO has affirmed its "idAAA(sf)" rating to the Class A KIK EBA Danareksa Indonesia Power PLN 1 – Piutang Usaha (EBA DIPP1) of IDR3.224 trillion, originated from a maximum class A portion of 92.2% of the total issuance of up to IDR4.0 trillion. The underlying asset for the transaction is be a 5-year future cash flow from component-A receivables from PT Perusahaan Listrik Negara (Persero) (PLN, rated idAAA/stable) to PT Indonesia Power (Indonesia Power, rated idAAA/stable) initially at around IDR4.932 trillion.

A debt security rated idAAA has the highest rating assigned by PEFINDO. The obligors' capacity to meet its long-term financial commitment on the debt security, relative to other Indonesian obligors, is superior. The rating suffix (sf) means the rating is for a structured-finance transaction.

The rating reflects the very strong profile of the Suralaya Power Plant, the very strong profile of Indonesia Power as the originator and servicer, and very strong counterparty profile. The rating is somewhat constrained by the moderate cash flow protection measures.

The rating may be lowered if the portion of class B is no longer deemed sufficient, which may be driven by the rating downgrades of PLN or Indonesia Power. The rating could also be under pressure if the cash flow required to fulfill its EBA obligations becomes inadequate due to increasing transaction expenses or proceeds from receivables payment are below the projected amount.

In September 2017, Indonesia Power as the originator sold up to IDR4.932 trillion of the right of future cash flow from component-A receivables from PLN to a collective investment contract (KIK) established by PT Danareksa Investment Management as the investment manager and PT Bank Rakyat Indonesia (Persero) Tbk (idAAA/stable) as the custodian bank. KIK then issued asset backed securities (ABS or EBA) of up to IDR4.0 trillion with the right of future cash flow as the source of repayment for principal, yield, and all expenses related to the transaction.

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