

## PEFINDO affirmed “**idAA-**” ratings for PT Nippon Indosari Corpindo Tbk and its Shelf Registered Bond I/2013

PEFINDO has affirmed its “**idAA-**” ratings for PT Nippon Indosari Corpindo Tbk. (ROTI or the Company) and its Shelf Registered Bond I/2013 up to IDR1.0 trillion. The outlook of the corporate rating is “**stable**”. The ratings reflect ROTI’s strong market position as a mass producer of bread, strong cash flow protection measures, and operational support from shareholding partners. However, the ratings are constrained by the Company’s exposure to the fluctuation of raw material and packaging material costs and tight competition in the bakery industry.

Established in 1995, the Company is the producer of many varieties of breads and cakes under “Sari Roti” brand. ROTI has ten plants with 31 production lines in total: 13 for white breads, 16 for sweet breads, one for cupcakes, and one for dorayaki, including its new plants in Purwakarta, West Java and Cikande, Banten. The Company’s revenue stream in the first nine months of 2014 (9M2014) was generated from the sales of white bread (53.5% of gross sales), sweet bread (46%), and cakes and others (0.5%). As of September 30, 2014, ROTI’s shareholders consisted of PT Indoritel Makmur Internasional Tbk or DNET (31.5%), Bonlight Investments Limited, British Virgin Islands (26.5%), Pasco Shikishima Corporation, Japan (8.5%), Sojitz Corporation, Japan (4.25%), and others including the public (29.25%).

Rating Period: March 2, 2015 – March 1, 2016

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