

KIK EBA Danareksa Indonesia Power PLN 1

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CREDIT PROFILE

Corporate Rating	-	Originator	: PT Indonesia Power
		Servicer	: PT Indonesia Power
		Investment Manager	: PT Danareksa Investment Management
Rated Issues		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
Rating Period		Total cash flow amount	: Up to IDR4,932,106,529,201
<i>September 1, 2020 – September 1, 2021</i>		Tenor	: 5 years
		Principal payment	: Equal annual amortization
Rating History		Yield payment	: Quarterly
<i>SEP 2019</i>	<i>idAAA(sf)</i>	Credit enhancement	: Subordination of Class B EBA
<i>SEP 2018</i>	<i>idAAA(sf)</i>	Total EBA amount (Class A & B) at origination	: IDR4,000,000,000,000
<i>SEP 2017</i>	<i>idAAA(sf)</i>	Class B requirement	: 7.8% of total securitized assets
		Class A outstanding	: IDR1,841,469,221,710
		Class B outstanding	: IDR155,785,899,450

"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 IDR1.84 trillion. The underlying asset for the transaction is future cash flow from component-A receivables from PT Perusahaan Listrik Negara (Persero) (PPLN, rated idAAA/stable) to PT Indonesia Power (Indonesia Power, rated idAAA/stable).

A debt security rated idAAA has the highest rating assigned by PEFINDO. The obligor's capacity to meet its long-term financial commitments 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, driven by the rating downgrade of PPLN as the obligor of component-A receivables, or the rating downgrade of Indonesia Power as the servicer. 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 rights of future cash flow from component-A receivables from PPLN related to the power purchase agreement 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.

DISCLAIMER

The rating contained in this report or publication is the opinion of PT Pemeringkat Efek Indonesia (PEFINDO) given based on the rating result on the date the rating was made. The rating is a forward-looking opinion regarding the rated party's capability to meet its financial obligations fully and on time, based on assumptions made at the time of rating. The rating is not a recommendation for investors to make investment decisions (whether the decision is to buy, sell, or hold any debt securities based on or related to the rating or other investment decisions) and/or an opinion on the fairness value of debt securities and/or the value of the entity assigned a rating by PEFINDO. All the data and information needed in the rating process are obtained from the party requesting the rating, which are considered reliable in conveying the accuracy and correctness of the data and information, as well as from other sources deemed reliable. PEFINDO does not conduct audits, due diligence, or independent verifications of every information and data received and used as basis in the rating process. PEFINDO does not take any responsibility for the truth, completeness, timeliness, and accuracy of the information and data referred to. The accuracy and correctness of the information and data are fully the responsibility of the parties providing them. PEFINDO and every of its member of the Board of Directors, Commissioners, Shareholders and Employees are not responsible to any party for losses, costs and expenses suffered or that arise as a result of the use of the contents and/or information in this rating report or publication, either directly or indirectly. PEFINDO generally receives fees for its rating services from parties who request the ratings, and PEFINDO discloses its rating fees prior to the rating assignment. PEFINDO has a commitment in the form of policies and procedures to maintain objectivity, integrity, and independence in the rating process. PEFINDO also has a "Code of Conduct" to avoid conflicts of interest in the rating process. Ratings may change in the future due to events that were not anticipated at the time they were first assigned. PEFINDO has the right to withdraw ratings if the data and information received are determined to be inadequate and/or the rated company does not fulfill its obligations to PEFINDO. For ratings that received approval for publication from the rated party, PEFINDO has the right to publish the ratings and analysis in its reports or publication, and publish the results of the review of the published ratings, both periodically and specifically in case there are material facts or important events that could affect the previous ratings. Reproduction of the contents of this publication, in full or in part, requires written approval from PEFINDO. PEFINDO is not responsible for publications by other parties of contents related to the ratings given by PEFINDO