

## PT Angkasa Pura II (Persero)

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CREDIT PROFILE		FINANCIAL HIGHLIGHTS			
Corporate Rating		As of/for the year ended			
	<i>idAA+/Negative</i>	Mar-2021	Dec-2020	Dec-2019	Dec-2018
		(Unaudited)	(Audited)	(Audited)	(Audited)
<b>Rated Issues</b>		46,059.1	44,436.0	43,998.0	39,318.4
Shelf-Registered Bond I Year 2018		17,244.1	16,760.1	13,625.5	9,850.5
Bond I Year 2016		20,208.7	21,317.6	24,442.8	23,966.4
	<i>idAA+</i>	1,327.3	5,843.7	11,084.2	11,193.3
	<i>idAA+</i>	EBITDA [IDR Bn]	(0.7)	510.2	3,894.6
<b>Rating Period</b>		Net Income after MI [IDR Bn]	(881.3)	1,018.3	1,911.6
June 17, 2021 – September 1, 2021		EBITDA Margin [%]	-0.1%	8.7%	35.1%
<b>Rating History</b>		Adjusted Debt/EBITDA [X]	*(6,426.3)	32.9	3.5
SEP 2020	<i>idAAA/Negative</i>	Adjusted Debt/Adjusted Equity [X]	0.9	0.8	0.6
MAY 2020	<i>idAAA/Negative</i>	FFO/Adjusted Debt [%]	*-8.9%	-4.7%	18.6%
SEP 2019	<i>idAAA/Stable</i>	EBITDA/IFCCI [X]	(0.0)	0.4	3.9
SEP 2018	<i>idAAA/Stable</i>	USD Exchange Rate [IDR/USD]	14,572	14,105	13,901
MAR 2018	<i>idAAA/Stable</i>				14,481
MAR 2017	<i>idAAA/Stable</i>				
MAR 2016	<i>idAAA/Stable</i>				
JUL 2013	<i>idAA/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.

### PT Angkasa Pura II (Persero)'s rating lowered to "idAA+", outlook maintained negative

PEFINDO has lowered the ratings of PT Angkasa Pura II (Persero) (APIA), its Bond I Year 2016, Shelf-Registered Bond I Phase I Year 2018, and Shelf-Registered Bond I Phase II Year 2020 to "idAA+" from "idAAA". The outlook for the corporate rating was maintained at "negative". The downgrades reflects our view that the prolonged pandemic has adversely impact the Company's overall credit profile. We are of the view that the pandemic will weaken APIA's operating cash flows in the medium term due to the lower revenue and the unavoidable fixed operating expenses. In addition, the likelihood of extraordinary support from the government to APIA may be lower given the constraint of state budget particularly during this pandemic, prompting the government to be more selective in providing extraordinary support to state-owned enterprises. In our view, as a profit-seeking entity, APIA will be encouraged to access external funds to fulfill its own financial obligations, given its strong financial flexibility.

An obligor rated idAA differs from the highest-rated obligors only to a small degree, and has a very strong capacity to meet its long-term financial commitments relative to those of other Indonesian obligors. The plus (+) sign indicates that the rating is relatively strong within its category.

The corporate rating reflects the strong government support to APIA due to the important role of airports, the Company's strong competitive position as the nation's largest airport operator, and its well-diversified revenue. However, the rating is constrained by its high financial leverage.

The rating may be lowered if the business recovery rate is slower than expected or if APIA becomes more aggressive in financing its capital expenditures. Reduced financial flexibility in obtaining financing sources may also trigger a rating downgrade. The rating may also be lowered if we view that the government's commitment to provide support to APIA weakens which may be indicated by a significant reduction in control over APIA. The outlook may be revised to stable if the Company starts to operate and gain revenue normally on sustained basis which also depends on the expected economic recovery and success of the success of the vaccination program to contain the outbreak.

As a state-owned enterprise (SOE) engaged in airport and airport-related services, APIA operates 20 airports, including the Soekarno-Hatta International Airport in Tangerang (Banten), the country's largest airport and main gateway, Kualanamu International Airport in North Sumatra, and recently, it also operates Jenderal Besar Soedirman Airport in Purbalingga. As of March 31, 2021, APIA was 100% owned by the Government of Indonesia.

**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.