PT Bank Tabungan Negara (Persero) Tbk

Analysts: Imelda Rusli / Hendro Utomo

Phone/ Fax/ E-mail: (62-21) 72782380 / 72782371 / imelda.rusli@pefindo.co.id / hendro.utomo@pefindo.co.id

Press Release
July 17, 2017

CREDIT PROFILE

Corporate Rating: AA/Stable

RATED ISSUES

SHELFCREGISTERED BOND I AA+

Total assets [IDR bn] 214,168.5

Total equity [IDR bn] 19,130.5

Total gross loans [IDR bn] 164,446.4

Total current deposits [IDR bn] 159,987.7

Net interest revenue [IDR bn] 7,878.2

Net income (loss) [IDR bn] 2,618.9

Operating expense/operating income [%] 81.3

ROAA [%] 1.4

NPL (3-5)/gross loans [%] 2.8

Loan loss reserves/NPL (3-5) [%] 45.3

Risk weighted CAR [%] 20.3

Gross loans/total deposits [%] 102.8

USD exchange rate [IDR/USD] 13,436

FINANCIAL HIGHLIGHTS

As of/for the year ended


Total assets [IDR bn] 214,168.5 171,807.6 144,582.4 131,169.7

Total equity [IDR bn] 19,130.5 13,860.1 12,252.9 11,593.4

Total gross loans [IDR bn] 164,446.4 138,955.8 115,922.2 100,467.4

Total current deposits [IDR bn] 159,987.7 127,708.7 106,470.7 96,207.6

Net interest revenue [IDR bn] 7,878.2 6,581.5 5,261.1 5,477.9

Net income (loss) [IDR bn] 2,618.9 1,850.9 1,145.6 1,562.2

NIR/avg. earning assets [%] 4.3 4.3 3.9 4.7

Operating expense/operating income [%] 81.3 84.1 88.4 81.0

ROAA [%] 1.4 1.2 0.8 1.3

NPL (3-5)/gross loans [%] 2.8 3.4 4.0 4.0

Loan loss reserves/NPL (3-5) [%] 45.3 43.1 33.9 32.0

Risk weighted CAR [%] 20.3 17.0 14.6 15.6

Gross loans/total deposits [%] 102.8 108.8 108.9 104.4

USD exchange rate [IDR/USD] 13,436 13,785 12,385 12,170

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 assigns “AA+” rating to PT Bank Tabungan Negara (Persero) Tbk's Shelf-Registration Bonds III

PEFINDO has affirmed its “AA+” ratings for PT Bank Tabungan Negara (Persero) Tbk (BBTN), its outstanding Bonds XIV and XV, Shelf-Registration Bonds I and its Shelf-Registration Bonds II. PEFINDO has also assigned its “AA+” rating to the proposed Shelf-Registration Bonds III for a maximum amount of IDR10.0 trillion. The outlook for the corporate rating is “stable”.

An obligor rated AA 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 that of other Indonesian obligors. The plus (+) sign indicates that the rating is relatively strong within its respective rating category.

The ratings reflect the strong likelihood of support from the Indonesian Government as BBTN’s controlling shareholder, the Bank’s very strong business position in the mortgage loan segment, and its strong capitalization. However, the ratings are constrained by its moderate profitability and modest asset quality.

The rating could be raised if the Bank consistently and substantially improves its asset quality and profitability profile. This should also be accompanied by further improvements in its low-cost funding contribution. The rating could be lowered if PEFINDO views there is a significant change in its critical role and a downward shift in the government support. The rating will also be under pressure if its capitalization and liquidity indicators deteriorate significantly.

BBTN is a state-owned bank focused on mortgage lending. It also provides subsidized mortgage loans to support the government’s housing program for low to medium income debtors. As of December 31, 2016, the government held 60.04% of its shares, while the remaining 39.96% was owned by the public.

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