

PT Mandiri Tunas Finance

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CREDIT PROFILE		FINANCIAL HIGHLIGHTS				
		As of/for the year ended	Jun-2018	Dec-2017	Dec-2016	Dec-2015
			(Audited)	(Audited)	(Audited)	(Audited)
Corporate Rating	idAA+/Stable	Total assets [in IDR bn]	16,171.6	14,739.5	11,404.1	9,203.0
Rated Issues		Net receivables [in IDR bn]	14,856.0	13,538.2	10,498.8	8,481.8
Shelf Reg. Bond IV/2018 (NEW)	idAA+	Net service assets [in IDR bn]	40,439.2	36,849.3	31,272.4	26,758.5
Shelf Reg. Bond III Phase II/2017	idAA+	Total equity [in IDR bn]	1,949.0	1,768.3	1,474.1	1,172.6
Shelf Reg. Bond III Phase I/2016	idAA+	Net interest revenue [in IDR bn]	544.1	983.0	953.4	827.4
Shelf Reg. Bond II Phase II/2016	idAA+	Net income (loss) [in IDR bn]	200.5	350.2	335.4	306.8
Shelf Reg. Bond II Phase I/2015	idAA+	Cost to income [%]	49.7	46.5	42.7	45.5
Rating Period		Operating profit margin [%]	17.6	17.1	18.3	20.7
October 4, 2018 – October 1, 2019		ROAA [%]	*1.0	1.0	1.1	1.3
Rating History		NPR-balance/net service assets [%]	2.6	2.3	3.2	2.9
JUL 2018	idAA+/Stable	Reserves/net service assets [%]	0.8	0.8	1.0	1.0
JUL 2017	idAA+/Stable	Equity/net service assets [%]	4.8	4.8	4.7	4.4
JUL 2016	idAA+/Stable	Total debt/total equity [x]	6.7	6.7	6.1	6.3
SEP 2015	idAA+/Stable	Short-term liquidity ratio [%]	92.5	105.4	100.6	85.7
MAR 2015	idAA+/Stable	USD exchange rate [IDR/USD]	14,404	13,548	13,436	13,795
MAR 2014	idAA+/Stable					
MAR 2013	idAA+/Stable					

**Annualized*
 ROAA=return on average assets - calculated using profit after tax or net profit, including joint financing
 NPR-balance=non-performing receivables (overdue > 30 days);
 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 "idAA+" rating to PT Mandiri Tunas Finance's Bond

PEFINDO has affirmed the ratings of PT Mandiri Tunas Finance (MTF) and its outstanding bonds at "idAA+". PEFINDO has also assigned its "idAA+" rating to MTF's proposed Shelf Registration Bond IV Year 2018 with a maximum amount of IDR3 trillion. The outlook for the corporate rating is "stable".

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

The rating reflects MTF's status as a core subsidiary of PT Bank Mandiri (Persero), Tbk (BMRI, rated idAAA/stable), strong business position, strong financial flexibility, and strong asset quality. However, the rating is constrained by its moderate profitability.

The rating may be raised if MTF expands its business position substantially, while maintaining its strong financial profiles on a consistent basis. This must also be accompanied by a significantly greater contribution to BMRI and steady improvement in its profitability measures. On the other hand, we may lower the rating if we no longer view MTF as a core subsidiary of BMRI. Such downside pressure may arise if BMRI revises its strategy and reduces its support and commitment to MTF, or if MTF fails to deliver in line with the Parent's expectations. The rating may also be under pressure if the Company suffers a significant deterioration in its asset quality profile.

MTF is a car financing company that is 51% owned by BMRI. The remaining 49% belongs to PT Tunas Ridean, Tbk, one of the leading automotive dealers in Indonesia. As of June 30, 2018, MTF had 102 branches across Java, Sumatra, Kalimantan, Bali, and Sulawesi.

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