PEFINDO
CREDIT RATING AGENCY

Press Release
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PT Intan Baruprana Finance Tbk

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CREDIT PROFILE

Corporate Rating
idBBB-/Credit Watch with Negative Implications

Rated Issues

MTN I/2014	*idBBB-*

Rating Period
August 31, 2016 – November 30, 2016

Rating History

SEP 2015	*idBBB+/Stable*
OCT 2014	*idBBB+/Stable*
NOV 2013	*idBBB+/Stable*
APR 2013	*idBBB+/Stable*
NOV 2012	*idBBB+/Stable*

FINANCIAL HIGHLIGHTS

As of/for the year ended	Jun-2016	Dec-2015	Dec-2014	Dec-2013
	Unaudited	*Audited*	*Audited*	*Audited*
Total Assets [IDR Bn]	2,814.1	3,160.8	3,040.6	2,355.3
Net Receivables [IDR Bn]	2,261.3	2,658.9	2,887.7	2,275.6
Net Service Assets [IDR Bn]	2,316.7	2,725.2	2,931.0	2,299.6
Total Equity [IDR Bn]	569.3	568.9	564.5	393.7
Net Interest Revenue [IDR Bn]	12.8	47.7	103.4	79.6
Net Income [IDR Bn]	0.5	0.9	60.8	31.3
Cost to Income [%]	42.0	34.6	20.1	34.6
Operating Profit Margin [%]	0.3	0.2	24.7	16.3
ROAA (including off-balance) [%]	*0.0	0.0	2.3	1.5
NPR-Balance/Net Service Assets [%]	10.4	24.4	4.3	3.1
Reserves/Net Service Assets [%]	2.4	2.4	1.5	1.0
Equity/Net Service Assets [%]	24.6	20.9	19.3	17.1
Total Debt (on balance) /Equity [x]	3.7	4.4	4.2	4.9
Short-Term Liquidity Ratio [%]	52.8	45.0	104.6	95.3
USD Exchange Rate [IDR/USD]	13,213	13,795	12,440	12,189

**Annualized*
ROAA=return on average assets. NPR=non-performing receivables > 30 days. NSA = net service assets
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 lowered IBFN's rating to "idBBB-", "Credit Watch with Negative Implications"

PEFINDO has lowered the ratings of PT Intan Baruprana Finance Tbk (IBFN or the Company) and its outstanding MTN I Year 2014 to **idBBB-** from **idBBB+**, and put the ratings on **"Credit Watch with Negative Implications"**. The rating downgrade reflects the deterioration of the Company's asset quality and profitability performances. The **"Credit Watch with Negative Implications"** indicates the Company's increasing refinancing risk on its MTN I Year 2014 of IDR300 billion that will mature on January 27, 2017. The ratings could be lowered further if the Company fails to mitigate its refinancing risk. PEFINDO will closely monitor the development of the situation.

An obligor rated idBBB has an adequate capacity to meet its long-term financial commitments relative to that of other Indonesian obligors. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitments.

The Minus (-) sign in a particular rating indicates that the rating is relatively weak within the respective rating category.

IBFN is a heavy equipment leasing company, particularly for brands distributed by its parent company, PT Intraco Penta Tbk (INTA). In addition, it has some exposures to construction, infrastructure, agribusiness, healthcare, transportation, and oil and gas. INTA has been an agent in Indonesia for Volvo heavy equipments since 1982, and several other brands, such as Ingersoll Rand, Bobcat, SDLG, Mahindra, and Sinotruck. It operates through its headquarters in Jakarta, with 58 employees as of June 30, 2016. It uses three INTA branch offices in Samarinda, Balikpapan, and Makassar to serve as its virtual regional marketing offices. Currently, it is 62.30% owned by INTA, 9.24% by PT Inta Trading, a direct subsidiary of INTA, 6.49% by SBI Holdings Inc, 5.46% by PT Pakuwon Dharma, and 16.50% by the public.