

PT Suzuki Finance Indonesia

Credit Rating(s)

General Obligation (GO) idA-/Stable

Rated Issues

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Rating Period

November 17, 2022 – November 1, 2023

Published Rating History

NOV 2021	idA-/Stable
NOV 2020	idA-/Stable
SEP 2019	idA-/Stable
AUG 2018	idA-/Stable
AUG 2017	idA-/Stable
JAN 2016	idA-/Stable

PEFINDO has assigned its "idA-" rating for PT Suzuki Finance Indonesia (SUFI). The outlook for the corporate rating is "stable"

The rating reflects SUFI's status as a strategically important subsidiary of Suzuki Motor Corporation (SMC or the Parent), its strong capitalization, and strong liquidity and financial flexibility. However, the rating is constrained by its weak asset quality and modest profitability performance.

The rating may be raised if SUFI significantly and consistently strengthens its market position in the financing industry, which may stem from stronger business synergy with its Parent, while simultaneously continuing to improve its financial performance, particularly its asset quality and profitability. Conversely, the rating may be downgraded if its asset quality or profitability exhibit further deterioration. The rating may also be subject to a downgrade if its capitalization significantly deteriorates.

Established in January 2005, SUFI was initially engaged in Suzuki new motorcycle financing services. In 2009, it began financing cars and non-Suzuki used motorcycles. As of September 30, 2022, it operated 78 branches covering major cities in Java, Bali, Sumatra, Kalimantan, and Sulawesi, supported by 1,683 employees. It is owned by the Suzuki Motor Corporation (84%), PT Tritunggal Inti Permata (15%), and PT Indomobil Multi Jasa (1%).

Rating Definition

An obligor rated idA has a strong capacity to meet its long-term financial commitments relative to that of other Indonesian obligors. However, it is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than higher-rated obligors.

The minus (-) sign indicates that the rating is relatively weak within its category.

Financial Highlights

As of/for the year ended	Sep-2022 (Unaudited)	Dec-2021 (Audited)	Dec-2020 (Audited)	Dec-2019 (Audited)
Total assets [IDR bn]	5,055.5	5,326.8	6,036.2	6,023.8
Net receivables [IDR bn]	4,515.3	4,852.9	5,466.2	5,452.5
Net service assets [IDR bn]	4,783.2	5,136.3	5,731.3	5,617.9
Total equity [IDR Bn]	794.9	824.3	737.2	965.5
Net interest revenue [IDR bn]	335.4	472.1	340.2	437.9
Net income [IDR bn]	28.7	10.8	(167.9)	(173.4)
Cost to income [%]	61.5	60.6	94.7	93.7
Operating profit margin [%]	4.3	1.8	(24.7)	(22.3)
ROAA [%]	0.7	0.2	(2.8)	(2.9)
NPR-balance/NSA [%]	7.9	7.4	6.5	6.2
Reserves/NSA [%]	5.6	5.5	4.6	2.9
Equity/NSA [%]	16.6	16.0	12.9	17.2
Total debt/equity [x]	5.1	5.2	6.7	4.8
USD exchange rate [IDR/USD]	15,247	14,269	14,105	13,901

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.

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