

PT Mega Auto Finance

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CREDIT PROFILE		FINANCIAL HIGHLIGHTS				
		As of/for the year ended				
		Jun-2019	Dec-2018	Dec-2017	Dec-2016	
		(Unaudited)	(Audited)	(Audited)	(Audited)	
Corporate Rating	<i>idA-/Stable</i>					
Rated Issues						
-						
Rating Period						
August 19, 2019 – August 1, 2020						
Rating History						
AUG 2017	<i>idA-/Stable</i>					
JUL 2016	<i>idA-/Stable</i>					
		Total assets [IDR bn]	1,095.7	1,092.6	1,270.4	1,276.3
		Net receivables [IDR bn]	876.3	960.5	1,155.9	1,150.2
		Net service assets [IDR bn]	2,869.1	2,671.7	2,740.3	2,744.0
		Total equity [IDR bn]	254.3	225.3	184.6	173.3
		Net interest revenue [IDR bn]	135.5	307.9	261.0	345.0
		Net income [IDR bn]	15.0	38.1	11.7	19.3
		Cost to income [%]	72.1	72.0	90.1	83.1
		Operating profit margin [%]	9.5	12.8	3.9	7.0
		ROAA (including off-balance) [%]	*1.0	1.4	0.4	0.7
		NPR-balance/NSA [%]	3.5	4.1	4.5	4.4
		Reserves/NSA [%]	0.7	0.3	0.4	0.3
		Equity/NSA [%]	8.9	8.4	6.7	6.3
		Total debt/equity [x]	2.4	3.4	5.5	5.8
		Short-term liquidity ratio [%]	378.6	217.3	111.1	218.4
		USD exchange rate [USD/IDR]	14,141	14,481	13,548	13,436

* Annualized
ROAA=return on average assets (including off balance sheet). NPR=non-performing receivables. 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.

Mega Auto Finance rated "*idA-*" with stable outlook

PEFINDO has assigned its "*idA-*" rating to PT Mega Auto Finance (Mega Auto Finance). The outlook for the corporate rating is "**stable**".

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 in a particular rating indicates that it is relatively weak within the respective rating category.

The rating reflects Mega Auto Finance's strong synergy with the Group, strong distribution channel and infrastructure, and sound capitalization. The rating is constrained by its weak profitability performance, moderate asset quality, and tight competition amid weakening Yamaha motorcycle sales.

The rating may be raised if Mega Auto Finance consistently strengthens its market presence in the industry, while maintaining its capitalization indicators. The rating may be lowered if its business profile weakens, or if its asset quality and profitability figures deteriorate considerably.

Mega Auto Finance is a financing company for new and used motorcycles, particularly the Yamaha brand, while its sister company PT Mega Central Finance (Mega Central Finance) focuses on non-Yamaha brands. Mega Auto Finance also offers financing services for new and used cars. As of June 30, 2019, its shareholders were PT Mega Corpora (50%), Marubeni Corporation (27%), Wiwi Kurnia (10%), Jimmy Panaroma (10%), and PT Marubeni Indonesia (3%). PT Mega Corpora is a holding company for financial services, and is 99.99% owned by CT Corpora.

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