

PT Bank Resona Perdania

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CREDIT PROFILE		FINANCIAL HIGHLIGHTS				
		As of/for the year ended				
		Sep-2018	Dec-2017	Dec-2016	Dec-2015	
		(Unaudited)	(Audited)	(Audited)	(Audited)	
Corporate Rating	idAA-/Stable	Total Assets [IDR Billion]	16,823.7	14,552.9	15,439.3	16,981.4
Rated Issues		Total Equity [IDR Billion]	2,258.9	2,304.0	2,675.8	2,579.0
MTN VI/2016	idAA-	Total Gross Loans [IDR Billion]	11,728.2	10,011.6	9,934.1	10,721.2
Rating Period		Total Cust. Deposits [IDR Billion]	9,504.2	8,176.1	7,392.0	7,711.1
November 8, 2018 – November 1, 2019		Net Interest Revenue [IDR Billion]	344.2	458.9	528.4	538.7
Rating History		Net Income [IDR Billion]	(13.4)	(328.7)	148.7	171.9
NOV 2017	idAA-/Stable	NIR/Avg. Earning Assets [%]	*3.0	3.1	3.3	3.4
NOV 2016	idAA-/Stable	Operating expense/operating income [%]	104.8	129.1	79.4	77.0
FEB 2015	idAA-/Stable	ROAA [%]	*(0.1)	(2.2)	0.9	1.1
NOV 2015	idAA-/Stable	NPL (3-5)/Gross Loans [%]	3.4	2.0	2.1	1.2
NOV 2014	idAA-/Stable	Loan Loss Reserve/NPL (3-5) [%]	48.6	74.0	69.0	29.8
AUG 2013	idAA-/Stable	Risk Weighted CAR [%]	19.6	23.5	26.5	23.9
AUG 2012	idAA-/Stable	Gross Loans/Total Deposits [%]	123.4	122.4	134.4	139.0
OCT 2011	idAA-/Stable	USD Exchange Rate [IDR/USD]	14,903	13,568	13,473	13,785

* Annualized

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 affirms "idAA-" rating for PT Bank Resona Perdania

PEFINDO has affirmed its "idAA-" ratings for PT Bank Resona Perdania (BRP) and its outstanding Medium Term Note (MTN) VI/2016. 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 Minus (-) sign indicates that the rating is relatively weak within the respective rating category.

The rating reflects BRP's strong likelihood of support from its controlling shareholders, strong capitalization, and strong liquidity. The rating is constrained by below asset quality due to exposure to concentration risk and below average profitability profile.

The rating could be raised if PEFINDO sees strong evidence of an even higher level of Parent support, which accompanied by a substantial and sustainable strengthened market position in the overall banking industry. This should also be followed by significant improvement in asset quality and profitability indicators on a consistent basis. The rating could be lowered if shareholder support declines or its market position falls considerably, or if there is a significant deterioration in any of its financial indicators.

BRP, the first Japanese joint venture bank in Indonesia, is focused on the corporate banking sector, mainly for Japanese-Indonesian joint venture companies and Indonesian companies with business relationships with Japanese companies. At the end of September 2018, its shareholders were Resona Bank Ltd. (the Parent), the ninth-largest bank in Japan (43.42%); East Asia Indonesian Holdings Ltd. (30.00%); Vision Well Ltd. (19.92%); Jafco Co. Ltd. (5.08%); and others (1.58%). BRP delivers its banking services through its head office in Jakarta, two branches in Bandung and Surabaya and five sub-branches in Cikarang, Karawang, MM2100, Deltamas, and Suryajipta.

The upcoming share transfers which scheduled at end of March 2019 – still subject to regulatory approval – will drive changes in shareholder composition. Resona Bank Ltd will remain as the controlling shareholder with a 48.44% stake, while Bank of Yokohama Ltd, and Daido Life Insurance Company will enter as shareholders each with 30.00% and 14.90% stake, respectively, and East Asia Indonesian Holdings Ltd and Vision Well Ltd will transfer their shares and dissolve their ownership in BRP. We have incorporated the shareholder changes in our assessment, and expect the share transfers to be completed in the near term, tentative to regulatory-related matters and bilateral settlement between the shareholders.

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