



PEFINDO CREDIT RATING INDONESIA

PRESS RELEASE

July 26, 2011

PT Sarana Multigriya Finansial (Persero)

PEFINDO assigned its “**idAA**” rating to PT Sarana Multigriya Finansial (Persero)/SMF or the Company) with a “stable” outlook. The rating reflects the strong support from the Government of Indonesia (GoI), very strong capitalization, and favorable asset quality. Nevertheless, the rating is constrained by low demand for mortgage loan securitization and relatively high cost of fund.

SMF is a state-owned entity, which specializes in providing secondary mortgage financing facility to banks and other financial institutions that offer home-ownership credits. It is allowed to raise funds from public via issuing long-term and short-term debt instruments. The Company carries a special mission to increase home ownerships in Indonesia by developing the secondary market of mortgage loans, which in essence, will turn mortgage loans into liquid assets. SMF is a wholly owned by GoI, under the Ministry of Finance. At the end of 2010, SMF employed 27 permanent employees.

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