

PT Indomobil Finance Indonesia

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CREDIT PROFILE		FINANCIAL HIGHLIGHTS			
		As of/for the year ended			
		Dec-2020	Dec-2019	Dec-2018	Dec-2017
		<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>
Corporate Rating	<i>idA/Stable</i>	13,572.8	15,298.5	13,562.9	10,447.0
Rated Issues		12,257.4	14,880.5	13,039.2	10,186.1
<i>PUB Bond III/2017</i>	<i>idA</i>	12,466.8	15,077.9	13,215.4	10,340.0
<i>PUB Bond II/2015</i>	<i>idA</i>	1,858.6	1,813.8	1,566.6	1,428.3
Rating Period		952.0	1,093.3	963.3	815.4
<i>February 9, 2021 – February 1, 2022</i>		67.3	131.4	114.7	101.1
<i>February 9, 2021 – May 18, 2021 (PUB Bond III Phase III Serie B)</i>		39.2	38.1	37.7	39.4
Rating History		3.8	7.3	7.3	7.8
<i>FEB 2020</i>	<i>idA/Stable</i>	0.5	0.9	1.0	1.0
<i>MAR 2019</i>	<i>idA/Stable</i>	5.2	3.9	3.5	4.6
<i>MAR 2018</i>	<i>idA/Stable</i>	1.7	1.1	0.8	1.5
<i>FEB 2017</i>	<i>idA/Stable</i>	14.9	12.0	11.9	13.8
<i>FEB 2016</i>	<i>idA/Stable</i>	5.8	7.0	7.2	6.2
<i>FEB 2015</i>	<i>idA/Stable</i>	120.7	120.1	99.3	136.4
<i>FEB 2014</i>	<i>idA/Stable</i>	14,105	13,901	14,481	13,548
<i>FEB 2013</i>	<i>idA/Negative</i>				
<i>FEB 2012</i>	<i>idA/Stable</i>				
<i>MAY 2011</i>	<i>idA/Stable</i>				

ROAA = return on average assets (including off-balance); 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.

PT Indomobil Finance Indonesia's rating affirmed at "idA" with stable outlook

PEFINDO has affirmed its "idA" ratings for PT Indomobil Finance Indonesia (Indomobil Finance) and the Company's Shelf Registration Bond III/2017 and Shelf Registration Bond II/2015. The outlook for the corporate rating is "stable". The Company's readiness to pay its maturing Shelf Registration Bond III Phase III 2018 Serie B of IDR430 billion due on May 18, 2021 is supported by cash and cash equivalent of IDR891.3 billion, monthly collection of IDR528 billion and unused credit facility of IDR2.9 trillion as of December 2020.

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

The corporate rating reflects Indomobil Finance's strong business synergy with PT Indomobil Sukses Internasional Tbk (Indomobil Group), strong asset-liability management profile, and well-diversified business portfolio. The rating is constrained by its moderate asset quality indicators and moderate profitability measures.

The rating may be raised if Indomobil Finance strengthens its business position substantially and consistently, and at the same time improves its asset quality and profitability figures. The rating may be lowered if its presence in the financing industry declines, or its asset quality and capitalization indicators deteriorate considerably.

PEFINDO is of the view that the COVID-19 pandemic has significantly impacted the financing industry in terms of growth, asset quality, and profitability, particularly from economic sectors that are directly impacted such as hotels, tourism, restaurants, and transportation. Manufacturing and commodity-based trading sectors are also affected at a lesser degree, as people's access to work sites is limited. Borrowers from these sectors are significantly affected, resulting in a lower ability to repay their financial obligations, thus affecting the financial profiles of finance companies. Although the POJK 58/POJK.05/2020 allows finance companies to restructure accounts impacted by COVID-19 to maintain manageable asset quality ratios, implementation also carries a moral hazard risk as a non-affected borrower may be tempted to stop paying their installments.

We expect COVID-19 to have a manageable impact on Indomobil Finance's credit profile, given the strong business synergy with Indomobil Group, mainly supported by its strong competitive edge with its shareholding links to Indomobil Group. Indomobil Finance is also applying stronger underwriting criteria and intensifying collection efforts, supported by strong IT infrastructure. This should offset concerns of a potential business downturn given the subdued growth in the automotive sales nationwide in the next 18-24 months which should affect demand for automotive purchase financing services. PEFINDO will continue to closely monitor the impact of the pandemic on its performance and overall credit profile.

Indomobil Finance is the financing arm of the Indomobil Group, a leading automotive group in Indonesia that holds distribution licenses for a number of global car manufacturers. The Group is also involved in other automotive-related businesses, including after sales service, vehicle assembly, component manufacturing, and spare parts distribution. As of December 31, 2020 (FY2020),

it was fully owned by the Indomobil Group through PT Indomobil Multi Jasa Tbk (99.909%) and PT IMG Sejahtera Langgeng (0.091%).

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The rating contained in this report or publication is the opinion of PT Pemeringkat Efek Indonesia (PEFINDO) given based on the rating result on the date the rating was made. The rating is a forward-looking opinion regarding the rated party's capability to meet its financial obligations fully and on time, based on assumptions made at the time of rating. The rating is not a recommendation for investors to make investment decisions (whether the decision is to buy, sell, or hold any debt securities based on or related to the rating or other investment decisions) and/or an opinion on the fairness value of debt securities and/or the value of the entity assigned a rating by PEFINDO. All the data and information needed in the rating process are obtained from the party requesting the rating, which are considered reliable in conveying the accuracy and correctness of the data and information, as well as from other sources deemed reliable. PEFINDO does not conduct audits, due diligence, or independent verifications of every information and data received and used as basis in the rating process. PEFINDO does not take any responsibility for the truth, completeness, timeliness, and accuracy of the information and data referred to. The accuracy and correctness of the information and data are fully the responsibility of the parties providing them. PEFINDO and every of its member of the Board of Directors, Commissioners, Shareholders and Employees are not responsible to any party for losses, costs and expenses suffered or that arise as a result of the use of the contents and/or information in this rating report or publication, either directly or indirectly. PEFINDO generally receives fees for its rating services from parties who request the ratings, and PEFINDO discloses its rating fees prior to the rating assignment. PEFINDO has a commitment in the form of policies and procedures to maintain objectivity, integrity, and independence in the rating process. PEFINDO also has a "Code of Conduct" to avoid conflicts of interest in the rating process. Ratings may change in the future due to events that were not anticipated at the time they were first assigned. PEFINDO has the right to withdraw ratings if the data and information received are determined to be inadequate and/or the rated company does not fulfill its obligations to PEFINDO. For ratings that received approval for publication from the rated party, PEFINDO has the right to publish the ratings and analysis in its reports or publication, and publish the results of the review of the published ratings, both periodically and specifically in case there are material facts or important events that could affect the previous ratings. Reproduction of the contents of this publication, in full or in part, requires written approval from PEFINDO. PEFINDO is not responsible for publications by other parties of contents related to the ratings given by PEFINDO.