

PT Buana Finance Tbk's rating affirmed at "idA-"

PEFINDO has affirmed its "idA-" rating for PT Buana Finance Tbk (BBLD) and its Medium Term Notes (MTN) I/2013 amounting to IDR150 billion. The outlook for the corporate credit rating is "stable". The ratings reflect the Company's long-standing presence in the leasing business, very strong capitalization, and sound profitability. However, the ratings are constrained by its exposure to cyclical business sectors and below average non-performing receivables.

BBLD's Medium Term Notes I/2013 of IDR150 billion is maturing on November 19, 2014. The Company's readiness to pay for the maturing MTN is supported by its cash and cash equivalent position of IDR164.4 billion at the end of June 2014, and monthly collection of receivables with an average of IDR250 billion per month.

BBLD was established on June 7, 1982, under the name of PT BBL Dharmala Leasing. BBLD is a finance company, which focuses on leasing business. It also provides financing for new and used cars. As of June 30, 2014 (1H2014), the Company's shares were 67.6% owned by PT Sari Dasa Karsa, 8.1% by PT Asuransi Bina Dana Arta Tbk., and the remaining 24.3% shares were owned by public.

Rating Period: October 7, 2014 – October 1, 2015
Rating Period MTN I/2013: October 7, 2014 – November 19, 2014
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