



PRESS RELEASE

April 21, 2015

SMF's ratings affirmed at "idAA+"

PEFINDO has affirmed its "idAA+" ratings for PT Sarana Multigriya Finansial (Persero) (SMF) and its outstanding Shelf-Registration Bond II/2012 Phase I, Phase II (2013), Phase III (2014), Phase IV (2014), and Phase V (2014), as well as Medium Term Notes (MTN) VII/2014, with a combined amount of IDR4.5 trillion, as of the end of December 2014 (FY2014). Outlook for the corporate rating is "Stable". The ratings reflect SMF's strong support from the Government of Indonesia, very strong capitalization profile, and favorable asset quality. However, the ratings are constrained by the slow growth of mortgage loan securitization industry.

SMF is a state-owned entity that carries a special mission to increase home ownership in Indonesia. It does this through the development of a secondary mortgage market by providing financing to mortgage lenders, such as banks and finance companies, with the mortgage loans as underlying collateral. In a span of over nine years (2005 – 2014), it disbursed loans totaling about IDR11 trillion to more than 200,000 debtors through banks and finance companies, and facilitates mortgage securitization amounting to IDR5.4 trillion. SMF is wholly owned by the government.

Rating Period: April 17, 2015 – April 1, 2016
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