

PT Sarana Multigriya Finansial (Persero)

Analysts: Kreshna Dwinanta Armand / Hendro Utomo

Phone/Fax/E-mail: (62-21) 7278 2380 / 7278 2371 / kreshna.armand@pefindo.co.id / hendro.utomo@pefindo.co.id

CREDIT PROFILE

Corporate Rating *idAAA/Stable*

Rated Issues

Commercial Paper 2019 (NEW) *idA1+*
SR Bond V/2019 *idAAA*
SR Sukuk Mudharabah I/2019 *idAAA(sy)*
Sukuk Mudharabah I/2017 *idAAA(sy)*
SR Bond IV/2017 *idAAA*
SR Bond III/2015 *idAAA*
SR Bond II/2012 *idAAA*

Rating Period

September 18, 2019 – September 1, 2020

Rating History

APR 2019 *idAAA/Stable*
MAY 2018 *idAAA/Stable*
APR 2018 *idAAA/Stable*
APR 2017 *idAAA/Stable*
FEB 2017 *idAAA/Stable*
SEP 2016 *idAA+/Stable*

FINANCIAL HIGHLIGHTS

As of/for the year ended

	Jun-2019 (Unaudited)	Dec-2018 (Audited)	Dec-2017 (Audited)	Dec-2016 (Audited)
Total assets [IDR bn]	21,008.6	19,491.6	15,662.6	13,122.3
Total outstanding loans [IDR bn]	17,073.6	15,374.9	11,102.6	8,320.7
Total equity [IDR bn]	8,304.4	8,185.9	7,873.4	6,524.2
Net interest revenue [IDR bn]	362.5	644.3	590.0	469.5
Net income [IDR bn]	241.0	436.5	397.4	317.3
Cost to income [%]	17.2	13.8	14.8	16.1
Operating profit margin [%]	35.1	41.6	43.1	41.3
ROAA [%]	*2.4	2.5	2.8	2.7
NPL/outstanding loans [%]	0.0	0.0	0.0	0.0
Equity/net serviced assets [%]	48.6	53.2	70.9	78.4
Total debt/equity [x]	1.5	1.4	1.0	1.0
Short-term liquidity ratio [%]	142.0	232.3	336.2	241.6
USD exchange rate [USD/IDR]	14,141	14,481	13,548	13,436

**Annualized*

ROAA = Return on Average Assets. NPR = Non-Performing Loan.

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 Sarana Multigriya Finansial (Persero)'s Commercial Paper assigned at "idA1+"

PEFINDO has affirmed the "idAAA" ratings of PT Sarana Multigriya Finansial (Persero) (SMF) and its outstanding Shelf-Registration Bond II/2012, Shelf-Registration Bond III/2015, Shelf-Registration Bond IV/2017, and Shelf-Registration Bond V/2019. PEFINDO has also affirmed the "idAAA(sy)" ratings of the Company's Sukuk Mudharabah I/2017 and Shelf Registered Sukuk Mudharabah I/2019. At the same time, PEFINDO has assigned an "idA1+" rating to SMF's proposed Commercial Paper Year 2019 of up to IDR200 billion. The outlook for the corporate rating is "stable".

An obligor rated idAAA has the highest rating assigned by PEFINDO. The obligors' capacity to meet its long-term financial commitments, relative to that of other Indonesian obligors, is superior. The suffix (sy) indicates that the rating mandates compliance with Islamic principles.

A short-term debt security rated idA1+ has the highest rating category assigned by PEFINDO. The obligor's capacity to meet its short-term commitments on the debt security, relative to other Indonesian obligors, is superior.

The corporate rating reflects SMF's very strong support from the Indonesian government, favorable asset quality, and very strong capitalization and liquidity profiles. However, the rating is still constrained by the slow growth of mortgage loan securitization products.

The rating could be lowered if PEFINDO witnesses any sign of material decrease in government support.

SMF is a state-owned entity that carries a special mission to increase home ownership in Indonesia, through the development of a secondary mortgage market to provide financing to mortgage lenders, such as banks and finance companies, with the mortgage loans as underlying collateral. SMF is wholly owned by the government.

DISCLAIMER

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.