

PT Mega Auto Finance

Analysts: Putri Amanda / Danan Dito

Phone/Fax/E-mail: (62-21) 72782380/72782370/ putri.amanda@pefindo.co.id / danan.dito@pefindo.co.id

CREDIT PROFILE		FINANCIAL HIGHLIGHTS				
		As of/for the year ended				
		Jun-2017	Dec-2016	Dec-2015	Dec-2014	
		(Unaudited)	(Audited)	(Audited)	(Audited)	
Corporate Rating	<i>idA-/Stable</i>					
Rated Issues		Total assets [IDR bn]	1,358.0	1,276.3	895.5	951.4
-		Net receivables [IDR bn]	1,174.0	1,150.2	782.2	847.1
		Net service assets [IDR bn]	2,623.6	2,744.0	2,571.1	2,705.3
		Total equity [IDR bn]	177.8	173.3	156.4	233.0
Rating Period		Net interest revenue [IDR bn]	103.8	345.5	338.2	381.2
<i>August 10, 2017 – August 1, 2018</i>		Net income [IDR bn]	5.5	19.3	24.8	35.3
		Cost to income [%]	76.4	68.7	69.3	63.4
Rating History		Operating profit margin [%]	4.5	6.0	6.8	9.6
<i>JUL 2016</i>	<i>idA-/Stable</i>	ROAA (including off-balance) [%]	*0.4	0.7	0.9	1.2
		NPR-balance/NSA [%]	6.3	4.8	4.8	4.8
		Reserves/NSA [%]	0.3	0.3	0.4	1.7
		Equity/NSA [%]	6.8	6.3	6.1	8.6
		Total debt/equity [x]	6.1	5.8	4.0	2.7
		Short-term liquidity ratio [%]	209.8	218.4	312.5	733.4
		USD exchange rate [USD/IDR]	13,319	13,436	13,795	12,440

* Annualized

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

Mega Auto Finance is rated "idA-" with stable outlook

PEFINDO has assigned its "idA-" rating to PT Mega Auto Finance (MAFN). The outlook for the corporate rating is "stable".

An obligor rated idA indicates that the obligor 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 Minus (-) sign indicates that the rating is relatively weak within the respective rating category.

The rating reflects the Company's strong synergy with the Group, strong distribution channel and infrastructure, and moderate capitalization. However, the rating is constrained by its weak profitability performance, modest asset quality, and the tight competition due to weakening Yamaha sales.

The rating may be raised if the Company is able to improve its business position in the financing industry, and at the same time improve its asset quality and profitability performances on a sustainable basis. On the other hand, the rating may be lowered if the asset quality and profitability performances suffer significant setbacks, including from the Company's declining Yamaha motorcycle financing portfolio.

MAFN is a finance company that provides new and used motorcycle financing, particularly for the Yamaha brand, while its sister company PT Mega Central Finance (MCFN) focuses on non-Yamaha brands. MAFN also offers financing services for new and used cars. As of June 30, 2017, its shareholders were PT Mega Corpora (50%), Marubeni Corporation (27%), Wiwi Kurnia (10%), Jimmy Panaroma (10%), and PT Marubeni Indonesia (3%). PT Mega Corpora is a holding company for financial services, and it is 99.99% owned by CT Corpora.

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