

Lembaga Penjamin Simpanan

Credit Rating(s)

Financial Strength

idAAA/Stable

Rating Period

September 2, 2024 – September 1, 2025

Published Rating History

SEP 2023	idAAA/Stable
SEP 2022	idAAA/Stable
SEP 2021	idAAA/Stable
SEP 2020	idAAA/Stable
SEP 2019	idAAA/Stable

PEFINDO has assigned its idAAA financial strength rating with stable outlook to Lembaga Penjamin Simpanan (LPS). The rating reflects LPS' sovereign status, key public policy role in maintaining banking stability, strong regulatory framework, as well as superior liquidity position and financial flexibility. The rating is constrained by its moderate capitalization profile.

The rating may be lowered if LPS loses its sovereign status through the revocation of its establishment law, or if its key role of insuring bank deposits to maintain Indonesian banking system stability is significantly reduced. We consider both instances are highly unlikely in the foreseeable future.

LPS is an independent government institution established by Law No. 24/2004. Its role is to maintain the financial system stability together with Bank Indonesia (BI), the Financial Services Authority (OJK) and the Ministry of Finance (MoF). Specifically, LPS provides deposit insurance coverage of up to IDR2 billion per customer, per bank. As stipulated in Law No.4/2023, LPS' role will be enlarged to cover insurance policy by 2028. It reports directly to the Indonesian president.

Rating Definition

A guarantee provider rated idAAA has superior financial security characteristics relative to those of other companies in Indonesia. idAAA is the highest guarantee provider financial strength rating assigned by PEFINDO.

Financial Highlights

As of/for the year ended	Jun-2024 (Unaudited)	Dec-2023 (Audited)	Dec-2022 (Audited)	Dec-2021 (Audited)
Total assets [IDR bn]	227,087.2	213,690.0	187,086.0	162,010.8
Total equity [IDR bn]	225,847.5	211,972.3	186,024.4	161,146.1
Total investment [IDR bn]	221,043.1	206,704.9	180,470.5	152,390.9
Premium revenues [IDR bn]	8,426.0	16,688.6	15,707.8	14,383.7
Insurance claims expense [IDR bn]	394.0	334.1	25.5	71.5
Claim recovery revenue [IDR bn]	37.9	32.1	54.3	127.0
Net income after tax [IDR bn]	13,875.2	25,963.8	24,867.4	21,964.8
ROAA [%]	*12.6	13.0	14.2	14.5
Retention ratio [%]	100.0	100.0	100.0	100.0
Equity/total assets [%]	99.5	99.2	99.4	99.5
USD exchange rate [USD/IDR]	16,421	15,416	15,731	14,269

*annualized

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.

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