

**PT Sarana Multigriya Finansial (Persero)**

**Analysts:** Kreshna Dwinanta Armand / Danan Dito

**Phone/Fax/E-mail:** (62-21) 7278 2380 / 7278 2371 / [kreshna.armand@pefindo.co.id](mailto:kreshna.armand@pefindo.co.id) / [danan.dito@pefindo.co.id](mailto:danan.dito@pefindo.co.id)

<b>CREDIT PROFILE</b>		<b>FINANCIAL HIGHLIGHTS</b>				
		<b>As of/for the year ended</b>	<b>Dec-2016</b>	<b>Dec-2015</b>	<b>Dec-2014</b>	<b>Dec-2013</b>
			<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>
<b>Corporate Rating</b>	<i>idAAA/Stable</i>	Total assets [IDR Bn]	13,122.3	10,061.2	9,533.3	7,477.4
<b>Rated Issues</b>		Total outstanding loans [IDR Bn]	8,320.7	7,842.5	6,501.2	6,230.5
<i>Sukuk Mudharabah I/2017 (new)</i>	<i>idAAA<sub>(sy)</sub></i>	Total equity [IDR bn]	6,524.3	5,212.3	3,964.2	2,790.9
<i>Shelf Reg. Bond IV/ 2017</i>	<i>idAAA</i>	Net interest revenue [IDR bn]	469.5	374.5	264.5	238.7
<i>Shelf Reg. Bond III/ 2015</i>	<i>idAAA</i>	Net income [IDR bn]	317.3	247.8	173.3	144.7
<i>Shelf Reg. Bond II/ 2012</i>	<i>idAAA</i>	Cost to income [%]	16.1	16.0	17.7	19.0
<b>Rating Period</b>		Operating profit margin [%]	41.2	38.1	32.9	35.2
<i>May 29, 2017 – May 1, 2018</i>		ROAA [%]	2.7	2.5	2.0	2.1
<b>Rating History</b>		NPL/outstanding loans [%]	0.0	0.0	0.0	0.0
<i>APR 2017</i>	<i>idAAA/Stable</i>	Equity/total assets [%]	78.4	66.5	61.0	44.8
<i>FEB 2017</i>	<i>idAAA/Stable</i>	Total debt/equity [x]	1.0	0.9	1.4	1.7
<i>SEP 2016</i>	<i>idAA+/Stable</i>	Short-term liquidity ratio [%]	327.5	575.2	241.4	201.6
<i>SEP 2015</i>	<i>idAA+/Stable</i>	USD exchange rate [USD/IDR]	13,436	13,795	12,440	12,189
<i>APR 2015</i>	<i>idAA+/Stable</i>					
<i>AUG 2014</i>	<i>idAA+/Stable</i>					

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.

**PEFINDO assigns a “*idAAA<sub>(sy)</sub>*” rating to PT Sarana Multigriya Finansial (Persero)’s Sukuk**

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, and Shelf-Registration Bond IV/2017. At the same time, PEFINDO has assigned a “*idAAA<sub>(sy)</sub>*” rating to SMF’s proposed Sukuk Mudharabah I/2017 of up to IDR700 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 commitment, relative to that of other Indonesian obligors, is superior.

The ratings reflect SMF’s very strong support from the Government of Indonesia, very strong capitalization profile, and favorable asset quality. However, the ratings are still constrained by the slow growth of mortgage loan securitization industry.

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. 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 around eleven years (FY2005-FY2016), it has disbursed loans totaling IDR20.2 trillion to more than 336,000 debtors through banks and finance companies, and facilitated mortgage securitization amounting to IDR7.155 trillion. SMF is wholly owned by the government.

**DISCLAIMER**

PT Pemeringkat Efek Indonesia (PEFINDO) does not guarantee the accuracy, completeness, timeliness or availability of the contents of this report or publication. PEFINDO cannot be held liable for its use, its partial use, or its lack of use, in combination with other products or used solely, nor can it be held responsible for the result of its use or lack of its use in any investment or other kind of financial decision making on which this report or publication is based. In no event shall PEFINDO be held liable for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses including but not limited to lost profits and opportunity costs in connection with any use of the contents of this report or publication. Credit analyses, including ratings, and statements in this report or publication are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold or sell any securities or to make any investment decision. The contents cannot be a substitute for the skill, judgment and experience of its users, its management employees and/or clients in making investment or other business decisions. PEFINDO also assumes no obligation to update the content following publication in any form. PEFINDO does not act as fiduciary or an investment advisor. While PEFINDO has obtained information from sources it believes to be reliable, PEFINDO does not perform an audit and does not undertake due diligence or independent verification of any information used as the basis of and presented in this report or publication. PEFINDO keeps the activities of its analytical units separate from its business units to preserve independence and objectivity of its analytical processes and products. As a result, certain units of PEFINDO may have information that is not available to other units. PEFINDO has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process. PEFINDO may receive compensation for its ratings and other analytical work, normally from issuers of securities. PEFINDO reserves the right to disseminate its opinions and analyses. PEFINDO’s public ratings and analyses are made available on its website, <http://www.pefindo.com> (free of charge) and through other subscription-based services, and may be distributed through other means, including via PEFINDO publications and third party redistributors. Information in PEFINDO’s website and its use fall under the restrictions and disclaimer stated above. Reproduction of the content of this report, in full or in part, is subject to written approval from PEFINDO.