



PEFINDO CREDIT RATING INDONESIA

PRESS RELEASE
April 7, 2014

Bank Muamalat's rating upgraded to "idAA-" from "idA+"

PEFINDO has upgraded the rating of PT Bank Muamalat Indonesia Tbk (BBMI) to "idAA-" from "idA+". At the same time, PEFINDO also upgraded the rating of the Bank's outstanding Shelf Registration Sukuk Subordinated Bond I Phase I/2012 and Phase II/2013 to "idA+(sv)" from "idA(sv)". The rating upgrades primarily reflect sustainable improvement of the Bank's business position, strengthening of asset-quality profiles, and improvement in capitalization level. The outlook of the corporate rating is "stable". The ratings reflect strong support from its major shareholders, strong market position in sharia banking, and strong asset quality profiles. However, the ratings are constrained by the Bank's below average profitability.

BBMI is the second largest sharia bank in Indonesia. The Bank has retained approximately 3 million customers of its funding and financing products. BBMI is owned by Islamic Development Bank or IDB (32.74%, rated AAA/stable by S&P), Boubyan Bank, Kuwait (22.00%), Atwill Holding Limited (17.9%), National Bank of Kuwait (8.45%, rated A+/stable by S&P), and several other entities and individuals. Boubyan Bank was owned by National Bank of Kuwait.

Rating Period: April 3, 2014 – April 1, 2015
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