

PT Sarana Multi Infrastruktur

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CREDIT PROFILE		FINANCIAL HIGHLIGHTS				
		As of/for the year ended	Jun-2020	Dec-2019	Dec-2018	Dec-2017
			(Unaudited)	(Audited)	(Audited)	(Audited)
Corporate Rating	<i>idAAA/Stable</i>	Total assets [in IDR Bn]	77,932.7	75,818.6	62,493.2	55,385.9
Rated Issues		Gross receivables [in IDR Bn]	61,354.6	58,429.0	46,455.7	33,939.4
Shelf Registered Bond II/2019 Phase III Series A	<i>idAAA</i>	Total earning assets [in IDR Bn]	76,634.4	74,689.0	61,225.4	54,361.4
Shelf Registered Bond I/2017 Phase II Series B	<i>idAAA</i>	Total equity [in IDR Bn]	36,959.5	36,854.2	35,575.9	34,321.2
		Net interest revenue [in IDR Bn]	1,405.4	2,918.8	2,410.2	2,250.9
		Net income [in IDR Bn]	987.6	1,703.6	1,531.1	1,262.0
		Cost to income [%]	14.5	15.3	16.1	15.3
Rating Period		Operating profit margin [%]	44.9	43.0	50.6	53.3
<i>September 7, 2020 – November 10, 2020 for PUB Bond II/2019 Phase III Series A</i>		ROAA (including off-balance) [%]	*2.6	2.5	2.6	2.5
<i>September 7, 2020 – November 15, 2020 for PUB Bond I/2017 Phase II Series B</i>		NPR-Balance / gross receivables [%]	1.2	1.2	1.5	1.5
		Reserves / gross receivables [%]	2.7	2.1	1.8	1.8
		Equity / gross receivables [%]	60.2	63.1	76.6	101.1
		Total debt / equity [x]	1.1	1.0	0.7	0.6
		Exchange rate [USD/IDR]	14,302	13,901	14,481	13,548
Rating History		<i>* annualized</i>				
<i>APR 2020</i>	<i>idAAA/Stable</i>	<i>ROAA=return on average assets - calculated using profit after tax or net profit;</i>				
<i>APR 2019</i>	<i>idAAA/Stable</i>	<i>NPR-balance=non-performing receivables (overdue> 30 days);</i>				
<i>APR 2018</i>	<i>idAAA/Stable</i>	<i>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.</i>				
<i>SEP 2017</i>	<i>idAAA/Stable</i>					

SMI maturing Bonds rated at "idAAA"

PEFINDO has affirmed its "idAAA" ratings for PT Sarana Multi Infrastruktur (Persero) (SMI)'s maturing Shelf Registered Bond II/2019 Phase III Series A amounting to IDR4.5 trillion due on November 10, 2020 and SMI's Shelf Registered Bond I/2017 Phase II Series B amounting to IDR654.5 billion due on November 15, 2020. SMI's readiness to repay its maturing debt instruments is supported by the availability of cash and cash equivalent as well as marketable securities of IDR13.2 trillion as of June 30, 2020.

A debt security rated idAAA has the highest rating assigned by PEFINDO. The issuer's capacity to meet its long-term financial commitments on the debt security, relative to other Indonesian issuers, is superior.

PEFINDO views the COVID-19 outbreak will have a moderate impact in the infrastructure financing activities. Although some of the infrastructure projects may be delayed or postponed due to the tightening funding or limited mobility from the large-scale local restrictions, we view that the condition as temporary and in the long run the growth will be back to normal. In addition, we view that infrastructure development will remain critical to support economic activities in Indonesia. This is also has been supported by the direction of the government to put infrastructure as one of the top priority sectors.

We expect this outbreak to have a moderate impact on SMI's credit profile, considering its financing portfolio is mostly derived from lower-risk SOEs and municipalities. PEFINDO is of the view that these segments have a strong ability to maintain creditworthiness in the face of an economic downturn. In addition, we also consider SMI's strong underwriting policy and tight monitoring activities will reduce a potential significant shock in its business or financial profile. Some of its financing portfolio is also secured by guarantee scheme from the government which reduces the uncertainty of collection performance. PEFINDO will continue to closely monitor these conditions to assess how the impact of COVID-19 is developing, and should there be material alterations we will conduct the necessary adjustments, including revision on the industry risk profile and SMI's rating.

SMI is a state-owned entity established to serve as a catalyst in the acceleration of infrastructure development in Indonesia, by providing an alternative source of funds for project financing and promoting public-private partnerships (PPP). SMI is wholly owned by the Indonesian 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.