

**PT Sarana Multigriya Finansial (Persero)**

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<b>CREDIT PROFILE</b>		<b>FINANCIAL HIGHLIGHTS</b>				
		<b>As of/for the year ended</b>	<b>Dec-2018</b>	<b>Dec-2017</b>	<b>Dec-2016</b>	<b>Dec-2015</b>
			(Audited)	(Audited)	(Audited)	(Audited)
<b>Corporate Rating</b>	<i>idAAA/Stable</i>	Total assets [IDR bn]	19,491.6	15,662.6	13,122.3	10,061.2
<b>Rated Issues</b>		Total outstanding loans [IDR bn]	15,374.9	11,102.6	8,320.7	7,842.5
<i>Sukuk Mudharabah I/2017</i>	<i>idAAA(sy)</i>	Total equity [IDR bn]	8,185.9	7,873.4	6,524.2	5,212.3
<i>SR Bond IV/2017</i>	<i>idAAA</i>	Net interest revenue [IDR bn]	644.3	590.0	469.5	374.5
<i>SR Bond III/2015</i>	<i>idAAA</i>	Net income [IDR bn]	436.5	397.4	317.3	247.8
<i>SR Bond II/2012</i>	<i>idAAA</i>	Cost to income [%]	13.8	14.8	16.1	16.0
<b>Rating Period</b>		Operating profit margin [%]	41.6	43.1	41.3	38.1
<i>April 8, 2019 – April 1, 2020</i>		ROAA [%]	2.5	2.8	2.7	2.5
<b>Rating History</b>		NPL/outstanding loans [%]	0.0	0.0	0.0	0.0
<i>MAY 2018</i>	<i>idAAA/Stable</i>	Equity/net serviced assets [%]	53.2	70.9	78.4	66.5
<i>APR 2018</i>	<i>idAAA/Stable</i>	Total debt/equity [x]	1.4	1.0	1.0	0.9
<i>APR 2017</i>	<i>idAAA/Stable</i>	Short-term liquidity ratio [%]	232.3	336.2	241.6	569.1
<i>FEB 2017</i>	<i>idAAA/Stable</i>	USD exchange rate [USD/IDR]	14,481	13,548	13,436	13,795
<i>SEP 2016</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 affirms its "idAAA" rating to PT Sarana Multigriya Finansial (Persero)**

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. PEFINDO has also affirmed "idAAA(sy)" rating for the Company's Sukuk Mudharabah I/2017. 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. Suffix (sy) indicates that the rating mandates Islamic principles compliant.

The corporate rating reflects SMF's very strong support from the Indonesian government, very strong capitalization profile, and favorable asset quality. However, the rating is still constrained by the slow growth of the 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 to provide financing to mortgage lenders, such as banks and finance companies, with the mortgage loans as underlying collateral. In a span of around thirteen years (FY2005-FY2018), it has disbursed loans totaling IDR37.4 trillion to more than 760,000 debtors through banks and finance companies, and facilitated mortgage securitization amounting to IDR10.2 trillion. SMF is wholly owned by the government.

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