

PT Bank Central Asia Tbk

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CREDIT PROFILE

Corporate Rating: *idAAA/Stable*

Rated Issues:
Shelf Registered Subordinated Bond I (NEW)

Rating Period:
March 13, 2018 – March 1, 2019

Rating History:

FINANCIAL HIGHLIGHTS

As of/for the years ended

	Dec-2017 (audited)	Dec-2016 (audited)	Dec-2015 (audited)	Dec-2014 (audited)
Total Asset [in IDR Bn]	750,319.7	676,738.8	594,372.8	553,155.5
Total Equity [in IDR Bn]	131,303.6	112,433.1	89,369.4	75,488.2
Total Gross Loan [in IDR Bn]	480,767.8	428,029.5	398,489.8	356,038.7
Total Cust. Deposits [in IDR Bn]	581,594.1	530,498.4	474,017.9	448,202.6
Net Interest Revenue [in IDR Bn]	41,826.5	40,079.1	35,868.8	32,026.7
Net Income (Loss) [in IDR Bn]	23,310.0	20,605.7	18,018.7	16,485.9
NIR/Average Earning Asset [%]	6.3	6.8	6.7	6.5
Operating expense/Operating income [%]	56.7	58.7	60.9	60.6
ROAA [%]	3.3	3.2	3.1	3.1
NPL (3-5)/Gross Loans [%]	1.5	1.3	0.7	0.6
Loan Loss Reserves/NPL (3-5) [%]	191.6	230.2	323.6	325.1
Risk-Weighted CAR [%]	23.6	22.2	19.0	17.2
Gross Loans/Total Deposits [%]	82.7	80.7	84.1	79.4
USD Exchange Rate [IDR/USD]	13,568	13,473	13,785	12,385

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.

Bank Central Asia's corporate rating assigned at *idAAA*, with proposed subordinated bond at *idAA*

PEFINDO has assigned its "*idAAA*" corporate rating to PT Bank Central Asia Tbk (BBCA) and its "*idAA*" rating to the Bank's proposed Shelf Registered Subordinated Bond I/2018 of a maximum of IDR1 trillion. The outlook for the corporate rating is "**stable**". The proposed subordinated bond is rated two notches below BBCA's corporate rating to incorporate the risk of the debt instrument being written down in the event of non-viability, as stated under central bank regulation 15/12/PBI/2013.

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 corporate rating reflects the Bank's superior market position with very strong franchise in transactional banking, very strong profitability profile with favorable funding mix, very strong asset quality indicators, and very strong capitalization profile. On the other hand, the rating also incorporates the risk emanating from tight competition amid challenging macroeconomic condition.

The rating could be lowered if the Bank's market position, asset quality, or profitability deteriorate substantially and consistently.

BBCA is one of the largest commercial banks in Indonesia. It offers a complete range of banking services, including corporate, commercial, consumer, international, and treasury. It also provides consumer finance, insurance, and sharia services through its subsidiaries. As of 31 December 2017, BBCA was 54.94% owned by PT Dwimuria Investama Andalan (ultimately owned by Mr. Robert Budi Hartono and Mr. Bambang Hartono), Anthony Salim (1.76%), its commissioners and directors (0.19%), and the public (43.11%). The Bank has a comprehensive network throughout Indonesia supported by 1,235 offices, 2 overseas branches, 17,658 self-owned ATMs and 26,692 employees as of December 2017.

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