

PT Mega Central Finance

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CREDIT PROFILE		FINANCIAL HIGHLIGHTS				
		As of/for the year ended				
		Jun-2017	Dec-2016	Dec-2015	Dec-2014	
		(Unaudited)	(Audited)	(Audited)	(Audited)	
Corporate Rating	<i>idA-/Stable</i>	Total assets [IDR bn]	1,936.7	1,444.5	1,154.0	1,277.2
Rated Issues		Net receivables [IDR bn]	1,685.0	1,306.2	1,021.3	1,163.2
-		Net service assets [IDR bn]	4,251.5	3,613.8	2,925.2	2,739.3
Rating Period		Total equity [IDR bn]	305.5	275.5	250.9	234.0
<i>August 10, 2017 – August 1, 2018</i>		Net interest revenue [IDR bn]	159.1	408.9	406.4	394.6
Rating History		Net income [IDR bn]	29.1	35.9	27.7	50.7
<i>JUL 2016</i>	<i>idA-/Stable</i>	Cost to income [%]	68.9	67.0	71.9	61.6
		Operating profit margin [%]	13.9	9.9	7.3	12.6
		ROAA (including off-balance) [%]	*1.4	1.1	0.9	1.9
		NPR-balance/NSA [%]	4.5	4.0	4.8	4.7
		Reserves/NSA [%]	0.3	0.2	0.5	1.6
		Equity/NSA [%]	7.2	7.6	8.6	8.5
		Total debt/equity [x]	4.7	3.7	3.2	4.1
		Short-term liquidity ratio [%]	256.5	238.0	216.4	200.9
		USD exchange rate [USD/IDR]	13,319	13,436	13,795	12,440

** Annualized
ROAA=return on average assets (including off balance sheet). NPR=non-performing receivables. NSA=net service assets.*

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.

Mega Central Finance rated "idA-" with stable outlook

PEFINDO has assigned its "idA-" rating to PT Mega Central Finance (MCFN). The outlook for the corporate rating is "stable".

An obligor rated idA has a strong capacity to meet its long-term financial commitments relative to that of other Indonesian obligors. However, the obligor is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than higher-rated obligors.

The minus (-) sign indicates that the rating is relatively weak within the respective rating category.

The rating reflects MCFN's strong synergy with the Group, its strong distribution channel and infrastructure, and sound capitalization. The rating is constrained by its below average profitability performance, moderate asset quality, and tight competition due to weakening motorcycle sales.

The rating may be raised if MCFN substantially improves its business position in the financing industry, and at the same time improves its asset quality and profitability performances on a sustainable basis. The rating may be lowered if its asset quality and profitability performances suffer significant setbacks.

MCFN is a finance company for new and used motorcycle financing, focusing on non-Yamaha brands (mostly Honda), while its sister company PT Mega Auto Finance (MAFN) focuses on Yamaha. It also provides financing for new and used cars. As of June 30, 2017, its shareholders were PT Mega Corpora (57.5%), Marubeni Corporation (27%), PT Grez International (12.5%), and PT Marubeni Indonesia (3%). PT Mega Corpora is a holding company for financial services, and it is 99.99% owned by CT Corpora.

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