

## PT BNI Life Insurance

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<b>CREDIT PROFILE</b>		<b>FINANCIAL HIGHLIGHTS</b>			
		<b>As of/for the year ended</b>			
		<b>Jun-2021</b>	<b>Dec-2020</b>	<b>Dec-2019</b>	<b>Dec-2018</b>
		(Unaudited)	(Audited)	(Audited)	(Audited)
<b>Corporate Rating</b>	<i>idAA+/Stable</i>	21,653.5	20,572.1	18,289.4	17,287.8
<b>Rated Issues</b>	-	5,817.6	5,871.9	5,612.2	5,210.3
<b>Rating Period</b>	<i>October 12, 2021 – October 1, 2022</i>	19,333.1	19,044.5	16,671.5	14,998.4
<b>Rating History</b>	<i>MAY 2020 idAA+/Stable</i>	2,184.2	4,510.7	4,701.9	5,521.3
	<i>DEC 2018 idAA+/Stable</i>	1,892.8	3,981.6	4,420.9	4,236.8
		(13.6)	(58.1)	(409.2)	418.5
		10.5	157.6	302.1	185.0
		(54.3)	350.3	457.3	(29.1)
		*0.1	0.8	1.7	1.1
		86.7	88.3	94.0	76.7
		*0.8	0.8	0.8	1.1
		96.9	98.0	98.9	99.2
		26.9	28.5	30.7	30.1
		706.3	794.9	721.6	737.7
		14,500	14,105	13,901	14,481

*\*Annualized*

*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.*

### BNI Life rated "idAA+" with stable outlook

PEFINDO has assigned its "idAA+" financial strength rating to PT BNI Life Insurance (BNI Life or the Company). The outlook for the rating is "stable".

An insurer rated idAA has very strong financial security characteristics relative to those of other companies in Indonesia, differing only slightly from those rated higher. The Plus (+) sign indicates that the rating is relatively strong within the respective rating category.

The rating reflects the Company's status as a strategic subsidiary of its shareholders, PT Bank Negara Indonesia Tbk (BNI, rated idAAA/stable) and Sumitomo Life Insurance Company (Sumitomo Life, rated A+/stable by Standard & Poor's), as well as its strong business synergy with BNI, very strong capitalization and liquidity. However, the rating is constrained by its modest operating performance and exposure to capital market volatility.

The rating may be raised if the Company manages to sustain a significant increase in its share of both captive and non-captive markets, followed by a continued improvement in financial profiles. More apparent evidence of support from the shareholders may also improve the rating. However, the rating may be lowered if the Parent's support weakens, which may be indicated by a material decline in ownership, or if any of its business or financial profiles weakens substantially.

We expect the pandemic to have a manageable impact on BNI Life, given its competitive edge leveraging shareholding links with BNI and Sumitomo Life. We view BNI Life as pivotal to its two shareholders, as it complements BNI's universal financial services, particularly in the health and life insurance segments, while also matching Sumitomo Life's overseas investment strategy. As a strategically important subsidiary of BNI and Sumitomo Life, we expect the most likelihood of extraordinary support from the Parents, particularly during financial distress. BNI Life also has a strong liquidity position, with a sizable portfolio of liquid investment assets relative to its potential claim liabilities. We view these factors may compensate for the concerns over a potential business downturn and capital market volatility, which may disrupt its investment return.

BNI Life provides a wide variety of life and health insurance products. It has four major business lines: bancassurance, agency, employee benefit (targeting corporates), and sharia. As of June 30, 2021, it was 60.0% owned by BNI and 40.0% by Sumitomo Life Insurance Company.

**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.*