



PEFINDO CREDIT RATING INDONESIA

PRESS RELEASE July 11, 2005

Perum Pegadaian

PEFINDO affirmed the ratings of “**idAA**” for Perum Pegadaian (PUPG or the Company) and its Bonds VI-X totaling IDR1,249.18 billion. The rating action is supported by the Company’s superior market position as the only pawn brokerage company in Indonesia and manageable financial indicators. However, the Company’s high reliance on debts for funding sources, to some extent, has limited the Company’s ability to meet the increasing demand for pawn services. The Company’s total loan disbursed have reached IDR10.4 tn during 2004, consistently growing from IDR8.8 tn in FY03 and IDR7.8 tn in FY02, while total loan outstanding has increased to IDR3.0 tn from IDR2.2 tn and IDR2.0 tn during the period. During the first quarter 2005, PUPG had disbursed IDR3.1 tn of loans and booked total outstanding loans of IDR3.5 tn. As of March 2005, the Company’s network has further increased to 806 outlets located in 13 regional areas in Indonesia to support its loans services to more than 15 million customers from low to middle income segment. Currently, the Company employs 7,359 staffs, which mostly consist of appraisers. As to date, PUPG is still 100% owned by the Government of Indonesia (GOI).

Rating Period for Bond VIII : June 28, 2005 – June 12, 2006

Rating Period for Bond VI,VII,IX,X : June 28, 2005 – June 1, 2006

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