

## PT Pegadaian (Persero)

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<b>CREDIT PROFILE</b>		<b>FINANCIAL HIGHLIGHTS</b>				
Corporate Rating	<i>idAAA/Stable</i>	As of/for the year ended	Sep-2017	Dec-2016	Dec-2015	Dec-2014
			(Unaudited)	(Audited)	(Audited)	(Audited)
<b>Rated Issues</b>		Total assets [IDR bn]	47,830.9	46,873.9	39,158.0	35,443.4
<i>Shelf Reg. Bond III/2017</i>	<i>idAAA</i>	Total loans disbursed [IDR bn]	94,014.0	120,901.0	112,750.0	102,593.0
<i>Shelf Reg. Bond II/2013</i>	<i>idAAA</i>	Total outstanding loans [IDR bn]	36,556.7	35,659.9	31,144.7	27,977.0
<i>Shelf Reg. Bond I/2011</i>	<i>idAAA</i>	Total equity [IDR bn]	17,677.6	16,476.9	12,532.9	10,809.1
<i>Bonds X, XIII</i>	<i>idAAA</i>	Net interest revenue [IDR bn]	5,111.8	6,313.4	5,719.2	4,931.6
		Net income [IDR bn]	1,860.9	2,210.3	1,938.4	1,761.8
<b>Rating Period</b>		Cost to income [%]	56.9	57.2	59.8	58.1
<i>January 24, 2018 – January 1, 2019</i>		Operating profit margin [%]	32.2	30.9	29.2	30.5
		ROAA (including off-balance) [%]	*5.2	5.1	5.2	5.1
<b>Rating History</b>		NPL/outstanding loans [%]	2.2	2.4	1.7	0.9
<i>JUN 2017</i>	<i>idAAA/Stable</i>	Equity/total assets [%]	37.0	35.2	32.0	30.5
<i>APR 2017</i>	<i>idAAA/Stable</i>	Total debt/equity [x]	1.6	1.7	1.9	2.1
<i>APR 2016</i>	<i>idAA+/Stable</i>	Short-term liquidity ratio [%]	140.8	146.5	172.1	158.3
<i>APR 2015</i>	<i>idAA+/Stable</i>	USD exchange rate [USD/IDR]	13,492	13,436	13,795	12,440
<i>MAY 2014</i>	<i>idAA+/Stable</i>					
<i>MAY 2013</i>	<i>idAA+/Stable</i>					

\*Annualized

ROAA=return on average assets. NPL = non-performing loans.

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 "idAAA" rating to PT Pegadaian (Persero)

PEFINDO has affirmed its "idAAA" ratings for PT Pegadaian (Persero) (PPGD), its outstanding Bonds X/2003, and XIII/2009; Shelf Registration Bond I Phase I/2011 and Phase II/2012; Shelf Registration Bond II Phase I/2013, Phase II/2014, and Phase III/2015; and Shelf Registration Bond III Phase I/2017. The outlook for the corporate rating is "stable".

An obligor rated idAAA has the highest rating assigned by PEFINDO. Its capacity to meet its long-term financial commitment, relative to that of other Indonesian obligors, is superior.

The ratings reflect PPGD's status as an important government-related entity (GRE), its superior position in the pawn service business, as well as its very strong capitalization and favorable liquidity and financial flexibility position. However, the ratings are constrained by its exposure to gold price volatility.

The rating may be lowered if there is a downward shift in support from the government, and could also be under pressure if the Company's asset quality and profitability figures deteriorate significantly.

PPGD provides pawning and micro-lending services through a network of 12 regional offices and 4,393 units located throughout Indonesia. It is fully owned by the Indonesian government.

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