

PT Federal International Finance

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CREDIT PROFILE		FINANCIAL HIGHLIGHTS				
		As of/for the year ended				
		Sep-2017	Dec-2016	Dec-2015	Dec-2014	
		(Unaudited)	(Audited)	(Audited)	(Audited)	
Corporate Rating	idAAA/Stable					
Rated Issues		Total assets [IDR bn]	30,513.6	29,410.9	28,734.4	25,377.6
Shelf Reg. Bond III/2017	idAAA	Net receivables [IDR bn]	29,012.4	28,000.6	25,962.1	23,266.7
Shelf Reg. Bond II/2015	idAAA	Net service assets [IDR bn]	37,813.0	36,043.9	32,974.7	29,926.8
Rating Period		Total equity [IDR bn]	5,390.1	4,955.5	5,722.9	4,586.1
February 7, 2018 – February 1, 2019		Net interest revenue [IDR bn]	4,685.1	5,974.7	5,258.8	4,603.0
		Net income [IDR bn]	1,459.8	1,805.7	1,506.7	1,307.2
		Cost to income [%]	37.3	42.1	40.4	39.8
		Operating profit margin [%]	30.1	31.4	27.4	27.4
Shelf Reg. Bond II Phase I/2015 Series B		ROAA (including off-balance) [%]	*5.3	5.1	4.7	4.6
February 7, 2018 – April 24, 2018		NPR-balance/NSA [%]	3.0	2.7	2.5	2.6
		Reserves/NSA [%]	3.8	3.6	4.7	5.0
Shelf Reg. Bond III Phase I/2017 Series A		Equity/NSA [%]	14.3	13.7	17.4	15.3
February 7, 2018 – May 6, 2018		Total debt (on-balance)/equity [x]	4.2	4.6	3.7	4.1
		Short-term liquidity ratio [%]	194.3	182.5	181.5	231.3
Rating History		USD exchange rate [USD/IDR]	13,492	13,436	13,795	12,440
FEB 2017	idAAA/Stable					
FEB 2016	idAAA/Stable					
FEB 2015	idAAA/Stable					
OCT 2014	idAAA/Stable					
FEB 2014	idAA+Stable					

*Annualized

ROAA=return on average assets (including off balance sheet).

NPR=non-performing receivables (overdue >30days).

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 for PT Federal International Finance (FIF)

PEFINDO has affirmed its "idAAA" ratings for PT Federal International Finance (FIF), its outstanding Shelf-Registration Bond II/2015 and Shelf-Registration Bond III/2017. The outlook for the corporate rating is "stable".

The ratings include FIF's maturing Shelf-Registration Bond II Phase I/2015 Series B of IDR2,061 billion due on April 24, 2018 and Shelf-Registration Bond III Phase I/2017 Series A of IDR1,424 billion due on May 6, 2018. Company's readiness to pay its maturing bonds is supported by its monthly receivables collection of around IDR3.5 trillion.

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 ratings reflect FIF's strategic importance to PT Astra International Tbk (ASII or Astra Group, rated "BBB/stable" by Standard & Poor's), its very strong market position in the motorcycle financing business, very strong profitability, and its strong asset quality. However, these strengths are partly offset by the tight competition in the industry.

The rating may be lowered if PEFINDO views a considerable deterioration in the Parent's level of support.

FIF is a financing arm of the Astra Group focused primarily on Honda motorcycles. It also provides white goods financing through its SPEKTRA brand and small portion of car financing. ASII holds more than 99.99% of its shares. As of December 31, 2017, FIF has 196 branches and 401 point of sales across Java, Sumatra, Kalimantan, Bali, Sulawesi, and Papua.

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