

PT Pegadaian (Persero)

Analysts: Danan Dito / Putri Amanda

Phone/Fax/E-mail: (62-21) 72782380 / 72782370 / danan.dito@pefindo.co.id / putri.amanda@pefindo.co.id

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

PEFINDO has affirmed its "idAAA" ratings for PT Pegadaian (Persero) (PPGD) and 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; Shelf Registration Bond III Phase I/2017 and Phase II/2018. PEFINDO has also assigned its "idAAA(sy)" rating to the Company's Sharia Medium Term Notes Year 2018 with amount of IDR500 billion. 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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