

PT Bank QNB Indonesia Tbk

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CREDIT PROFILE		FINANCIAL HIGHLIGHTS				
		As of/for the year ended				
		Jun-2018	Dec-2017	Dec-2016	Dec-2015	
		(Unaudited)	(Audited)	(Audited)	(Audited)	
Corporate Rating	<i>idAA/Stable</i>	Total assets [IDR bn]	20,573.7	24,635.2	24,372.7	25,757.6
Rated Issues	-	Total equity [IDR bn]	3,894.6	3,990.3	3,477.9	2,424.2
Rating Period	October 11, 2018 – October 1, 2019	Total gross loans [IDR bn]	12,471.8	14,021.8	18,287.9	20,830.0
Rating History		Total cust. deposits [IDR bn]	16,021.0	19,926.2	19,345.0	18,509.0
JUN 2017	<i>idAA/Stable</i>	Net interest revenue [IDR bn]	159.6	249.3	516.4	689.3
APR 2016	<i>idAA/Stable</i>	Net income [IDR bn]	(95.6)	(789.8)	(650.3)	156.0
APR 2015	<i>idAA/Stable</i>	NIR/average earning assets [%]	*1.6	1.1	2.2	3.0
		Operating expense/income [%]	111.7	144.0	138.5	90.9
		ROAA [%]	*(0.8)	(3.2)	(2.6)	0.7
		NPL (3-5)/gross loans [%]	2.7	1.8	6.9	2.6
		Loan loss reserve/NPL (3-5) [%]	136.3	184.7	58.8	7.7
		Risk weighted CAR [%]	21.6	20.3	16.5	16.2
		Gross loans/total deposits [%]	77.8	70.4	94.5	112.5
		USD exchange rate [USD/IDR]	14,330	13,568	13,473	13,785

**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.

PEFINDO assigns "idAA" rating to Bank QNB Indonesia

PEFINDO has assigned its "idAA" corporate credit rating to PT Bank QNB Indonesia Tbk (BKSU). The outlook for the rating is "stable".

An obligor rated idAA differs from the highest rated obligors only to a small degree, and has a very strong capacity to meet its long-term financial commitments relative to that of other Indonesian obligors.

The rating reflects the Bank's very strong support from Qatar National Bank Q.P.S.C. (QNB, rated "A/negative" by Standard & Poor's), strong financial flexibility, and strong capitalization. However, the rating is constrained by its weak asset quality, exposure to concentration risk, and below average profitability performance. The rating may be raised if there is material evidence of greater synergy with the Parent, which must be accompanied by stronger business profile and improving financial performance, especially asset quality and profitability. The rating may be lowered if there is material decline in QNB's support and its ownership of Bank QNB Indonesia.

Established in 1913, BKSU was known as Bank Kesawan prior to QNB's purchase of a controlling stake in 2011. The Bank is primarily engaged in corporate and commercial banking. As of June 30, 2018, QNB held 92.48% of the Bank's shares, with the remainder held by the public (7.52%). To support its operations, the Bank has 41 branches, 819 employees, and 63 self-owned ATMs.

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