

PT Batavia Prosperindo Finance Tbk's rating affirmed at "idBBB"

PEFINDO has affirmed its "idBBB" ratings to PT Batavia Prosperindo Finance Tbk (BPMF or the Company) and to the Company's outstanding Bond I/2013. At the same time, PEFINDO has also assigned its "idBBB" rating to BPMF's proposed Shelf Registration Bond I/2016 with a maximum amount of IDR500 billion. The outlook for the corporate rating is "stable". The ratings reflect the Company's established presence in the used car segment and its conservative leverage. However, the ratings are constrained by the Company's below average asset quality, low operating efficiency, and pressure on growth due to tight competition and more difficult business environment. BPMF's Bond I/2013 Series C of IDR230 billion will mature on July 3, 2016. The Company's readiness to repay its maturing bond is supported by unused facilities from several banks amounting to IDR382 billion.

BPMF is a multi-finance company, mainly focusing on used car financing. At December 31, 2015, the Company operated through its head office and 53 branches which were supported by 801 employees. BPMF is 76.8% owned by Malacca Trust Limited directly and indirectly through subsidiaries, 7.4% by UOB Kay Hian Pte Ltd, while the remaining 15.8% is publicly traded. Malacca Trust Limited is a financial services group that operates in consumer financing, asset management, securities brokerage and insurance.

Rating Period: March 18, 2016 – March 1, 2017
Rating Period Bond I/2013 Series C: March 18, 2016 – July 3, 2016
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