

PT Batavia Prosperindo Finance Tbk

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CREDIT PROFILE		FINANCIAL HIGHLIGHTS				
		As of/for the year ended	Dec-2016	Dec-2015	Dec-2014	Dec-2013
			(Audited)	(Audited)	(Audited)	(Audited)
Corporate Rating	<i>idBBB/Stable</i>	Total assets [IDR bn]	1,037.6	981.9	1,067.4	799.0
Rated Issues		Net receivables [IDR bn]	832.4	812.9	769.7	704.7
<i>Shelf Reg. Bond I/2016</i>	<i>idBBB</i>	Net service assets [IDR bn]	1,180.5	1,018.8	1,097.7	1,083.4
Rating Period		Total equity [IDR Bn]	503.8	499.4	435.1	220.7
<i>March 9, 2017 – March 1, 2018</i>		Net interest revenue [IDR bn]	105.4	113.9	92.9	82.6
Rating History		Net income [IDR bn]	33.9	41.4	40.7	36.3
<i>MAR 2016</i>	<i>idBBB/Stable</i>	Cost to income [%]	61.2	54.9	58.3	60.8
<i>APR 2015</i>	<i>idBBB/Stable</i>	Operating profit margin [%]	17.4	22.4	24.4	22.3
<i>APR 2014</i>	<i>idBBB/Stable</i>	ROAA [%]	2.6	3.2	3.2	3.4
<i>APR 2013</i>	<i>idBBB/Stable</i>	NPR-balance/NSA [%]	5.7	5.3	8.0	5.3
		Reserves/NSA [%]	0.7	0.5	0.8	0.9
		Equity/NSA [%]	42.7	49.0	39.6	20.4
		Total debt/equity [x]	1.0	0.9	1.4	2.6
		Short-term liquidity ratio [%]	308.6	148.3	320.5	246.2
		USD exchange rate [IDR/USD]	13,436	13,795	12,440	12,189

ROAA=return on average assets. NPR=non-performing receivables >30 days. NSA=net service assets.

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 "idBBB" rating for PT Batavia Prosperindo Finance

PEFINDO has affirmed its "idBBB" rating for PT Batavia Prosperindo Finance (BPFI) and its Shelf Registration Bond I/2016. The outlook for the corporate rating is "stable".

An obligor rated idBBB has an adequate capacity to meet its long-term financial commitments relative to that of other Indonesian obligors. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitments.

The ratings reflect BPFI's established presence in the used car segment and its conservative leverage. However, the ratings are constrained by its below average asset quality, low operating efficiency, and tight competition within the industry.

The rating may be raised if BPFI significantly improves its market position, asset quality, and profitability indicators on a consistent basis. The rating could be lowered if the Company's capitalization deteriorates significantly. In addition, the rating will be under pressure if its liquidity profile weakens considerably.

BPFI is a multi-finance company focusing mainly on used car financing. As of December 31, 2016, it operated through one head office and 53 branches, staffed by 843 employees. BPFI is 83.0% owned by Malacca Trust Limited directly and indirectly through subsidiaries, 7.4% by UOB Kay Hian Pte Ltd, while the remaining 9.6% is publicly traded. Malacca Trust Limited is a financial services group operating in consumer financing, asset management, securities brokerage, and insurance.

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