

PT Bank Pan Indonesia Tbk

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CREDIT PROFILE		FINANCIAL HIGHLIGHTS				
		As of/for the year ended	Dec-2017	Dec-2016	Dec-2015	Dec-2014
			(Audited)	(Audited)	(Audited)	(Audited)
Corporate Rating	<i>idAA/Stable</i>	Total assets [IDR bn]	213,541.8	199,175.1	183,120.5	172,638.7
Rated Issues		Total equity [IDR bn]	33,981.9	31,614.9	28,351.2	20,802.2
<i>Shelf Reg. Sub-Debt I/2012</i>	<i>idAA-</i>	Total gross loans [IDR bn]	131,954.4	128,109.5	120,403.1	113,937.0
<i>Shelf Reg. Bond II/2016</i>	<i>idAA</i>	Total cust. deposits [IDR bn]	145,670.6	142,654.2	128,316.4	126,105.3
<i>Shelf Reg. Sub-Debt II/2016</i>	<i>idA+</i>	Net interest revenue [IDR bn]	8,651.0	8,443.0	7,201.3	6,206.9
Rating Period		Net income [IDR bn]	2,412.5	2,405.3	1,372.8	2,366.8
<i>March 23, 2018 – March 1, 2019</i>		NIR/average earning assets [%]	4.5	4.8	4.3	3.8
Rating History		Operating expense/income [%]	84.2	82.2	85.8	78.0
<i>APR 2017</i>	<i>idAA/Stable</i>	ROAA [%]	1.2	1.3	0.8	1.4
<i>APR 2016</i>	<i>idAA/Stable</i>	NPL (3-5)/gross loans [%]	2.8	2.8	2.4	2.0
<i>OCT 2015</i>	<i>idAA/Stable</i>	Loan loss reserve/NPL (3-5) [%]	88.7	84.4	90.7	87.9
		Risk weighted CAR [%]	22.0	20.5	20.1	17.3
		Gross loans/total deposits [%]	90.6	89.8	93.8	90.4
		USD exchange rate [USD/IDR]	13,568	13,473	13,785	12,385

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 "idAA" rating for Panin Bank

PEFINDO has affirmed its "idAA" ratings for PT Bank Pan Indonesia Tbk (Panin Bank) and its Shelf Registered Bond II/2016 of up to IDR10.0 trillion. PEFINDO has also affirmed the "idAA-" rating for Panin Bank's Shelf Registered Subordinated Bond I/2012. The rating of its Shelf Registered Subordinated Bond II/2016, which is subject to potential write-down in the event of non-viability, has been affirmed at "idA+". The outlook for the corporate 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.

A debt security rated idAA differs from the highest rated debt only to a small degree. The obligor's capacity to meet its long-term financial commitments on the debt security, relative to other Indonesian obligors, is very strong. The Minus (-) sign indicates that the rating is relatively weak within the respective rating category.

Debt security rated idA indicates that the obligor's capacity to meet its long-term financial commitments on the debt security, relative to other Indonesian obligors, is strong, however, the debt security is somewhat more susceptible to adverse effects of changes in circumstances and economic conditions than higher-rated debt. The Plus (+) sign indicates that the rating is relatively strong within the respective rating category.

The ratings reflect the Bank's very strong business position in the commercial and retail loan segments, its very strong capitalization, and its strong likelihood of support from ANZ Banking Group (ANZ, AA-/negative by S&P) as a major shareholder. However, these strengths are partly offset by moderate profitability performance.

Panin Bank's rating may be raised if it is able to strengthen its market position significantly as well as consistently improve its profitability indicators. On the other hand, the rating can be lowered if it experiences a sharp deterioration in its profitability and asset quality indicators. It will also be under pressure if PEFINDO perceives any decline in the level of support from ANZ.

Panin Bank provides commercial banking services through 562 offices in 30 provinces in Indonesia. At present, it has around 10,914 employees and 967 self-owned ATMs, which are linked to the ALTO and ATM Bersama networks. Currently, it owns 44.68% of PT Bank Panin Dubai Syariah Tbk, 51.49% of PT Clipan Finance Tbk, and 57.54% of PT Verena Multi Finance Tbk. As of December 31, 2017, Panin Bank's shareholder structure consisted of PT Panin Financial Tbk (46.04%), Votraint No. 1103 PTY Ltd owned by ANZ (38.82%), and the public (15.14%).

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