

PT Equity Finance Indonesia

Analysts: Adrian Noer / Hendro Utomo

Phone/Fax/E-mail: (62-21) 72782380/72782371/adrian.noer@pefindo.co.id/hendro.utomo@pefindo.co.id

CREDIT PROFILE		FINANCIAL HIGHLIGHTS				
		As of/for the year ended				
		Jun-2017	Dec-2016	Dec-2015	Dec-2014	
		(Unaudited)	(Audited)	(Audited)	(Audited)	
Corporate Rating	<i>idBBB/Negative</i>					
Rated Issues						
MTN V/2016 (001 A)	<i>idBBB</i>					
Rating Period						
August 15, 2017 – September 17, 2017						
Rating History						
DEC 2016	<i>idBBB/Negative</i>					
DEC 2015	<i>idBBB/Stable</i>					
		Total assets [IDR bn]	822.9	876.8	1,006.0	1,057.7
		Net receivables [IDR bn]	702.8	762.9	939.2	1,005.1
		Net service assets [IDR bn]	720.6	780.9	957.3	1,023.5
		Total equity [IDR bn]	332.5	328.8	309.9	294.6
		Net interest revenue [IDR bn]	26.6	65.2	73.7	76.6
		Net income [IDR bn]	8.5	19.6	18.7	23.9
		Cost to income [%]	64.7	65.9	66.8	55.9
		Operating profit margin [%]	17.7	14.0	14.2	19.1
		ROAA [%]	*2.0	2.1	1.8	2.5
		NPR-balance/NSA [%]	15.3	6.3	6.8	4.1
		Reserves/NSA [%]	2.5	2.3	1.9	1.8
		Equity/NSA [%]	46.1	42.1	32.4	28.8
		Total debt/equity [x]	1.4	1.6	2.2	2.5
		Short-term liquidity ratio [%]	337.4	212.6	233.0	154.1
		USD exchange rate [USD/IDR]	13,319	13,436	13,795	12,385

*) 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.

Rating on PT Equity Finance Indonesia maturing MTN affirmed at "idBBB"

PEFINDO has affirmed its "idBBB" ratings of PT Equity Finance Indonesia (EQFI)'s MTN EFI V 2016/001 Series A that will fall due on September 17, 2017 amounting of IDR5.5 billion. The Company's readiness to repay its MTNs is supported by its cash and cash equivalent balance, which at end of June 2017 amounted to IDR12.5 billion, its unused bank loan facilities at IDR244.6 billion, and the collection from its financing receivables of around IDR47 billion per month.

Debt security rated *idBBB* denotes adequate protection parameters relative to other Indonesian debt securities. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity on the part of the obligor to its long-term financial commitments on the debt security.

EQFI was established in December 1982 as PT Pamor Cipta Inti, and changed its name to PT Equity Finance Indonesia on May 24, 2006. It is primarily classified as a multifinance company, providing financing for new and used commercial vehicles, leasing for heavy equipment and machinery, land and building financing, as well as factoring. It has 149 employees operating through its head office and 12 branches managing 1,175 accounts. As of June 30, 2017, 59.1% of its shares were owned by PT Equity Development Investment Tbk (Parent), a holding company for all Equity Group Companies (a total of eight companies); and 40.9% were held by its Parent's subsidiaries, consisting of PT Ventura Investasi Utama (13.9%), PT Equity Life Indonesia (6.9%), and PT Datindo Entrycom (20.1%).

DISCLAIMER

PT Pemeringkat Efek Indonesia (PEFINDO) does not guarantee the accuracy, completeness, timeliness or availability of the contents of this report or publication. PEFINDO cannot be held liable for its use, its partial use, or its lack of use, in combination with other products or used solely, nor can it be held responsible for the result of its use or lack of its use in any investment or other kind of financial decision making on which this report or publication is based. In no event shall PEFINDO be held liable for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses including but not limited to lost profits and opportunity costs in connection with any use of the contents of this report or publication. Credit analyses, including ratings, and statements in this report or publication are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold or sell any securities or to make any investment decision. The contents cannot be a substitute for the skill, judgment and experience of its users, its management employees and/or clients in making investment or other business decisions. PEFINDO also assumes no obligation to update the content following publication in any form. PEFINDO does not act as fiduciary or an investment advisor. While PEFINDO has obtained information from sources it believes to be reliable, PEFINDO does not perform an audit and does not undertake due diligence or independent verification of any information used as the basis of and presented in this report or publication. PEFINDO keeps the activities of its analytical units separate from its business units to preserve independence and objectivity of its analytical processes and products. As a result, certain units of PEFINDO may have information that is not available to other units. PEFINDO has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process. PEFINDO may receive compensation for its ratings and other analytical work, normally from issuers of securities. PEFINDO reserves the right to disseminate its opinions and analyses. PEFINDO's public ratings and analyses are made available on its website, <http://www.pefindo.com> (free of charge) and through other subscription-based services, and may be distributed through other means, including via PEFINDO publications and third party redistributors. Information in PEFINDO's website and its use fall under the restrictions and disclaimer stated above. Reproduction of the content of this report, in full or in part, is subject to written approval from PEFINDO.