

## PT Finansia Multi Finance

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### CREDIT PROFILE

**Corporate Rating** *idBBB+/Stable*

**Rated Issues**

*MTN IV/2017 Phase I* *idBBB+*

*MTN IV/2017 (new)* *idBBB+*

**Rating Period**

*December 6, 2017 – September 1, 2018*

**Rating History**

*SEP 2017* *idBBB+/Stable*

*NOV 2016* *idBBB+/Stable*

*NOV 2015* *idBBB+/Stable*

*NOV 2014* *idBBB+/Stable*

### FINANCIAL HIGHLIGHTS

**As of/for the year ended**

	Sep-2017 (Unaudited)	Dec-2016 (Audited)	Dec-2015 (Audited)	Dec-2014 (Audited)
Total assets [IDR bn]	2,477.6	2,218.9	2,096.7	2,275.0
Net receivables [IDR bn]	1,967.0	1,820.7	1,733.2	1,823.4
Net service assets [IDR bn]	2,917.6	2,494.2	2,201.5	2,529.7
Total equity [IDR bn]	512.1	423.9	376.4	558.9
Net interest revenue [IDR bn]	632.8	610.7	656.6	634.8
Net income [IDR bn]	88.2	41.2	63.9	78.1
Cost to income [%]	63.2	76.1	71.5	78.4
Operating profit margin [%]	12.8	5.9	8.9	11.9
ROAA [%]	*3.7	1.5	2.3	2.9
NPR-balance/NSA [%]	8.5	6.5	7.7	4.2
Reserves/NSA [%]	0.8	0.8	1.5	0.9
Equity/NSA [%]	17.6	17.0	17.1	22.4
Total debt/equity [x]	3.6	3.9	4.4	2.6
Short-term liquidity ratio [%]	139.1	135.8	201.9	187.9
USD exchange rate [USD/IDR]	13,492	13,436	13,795	12,440

*\* annualized*

*ROAA=return on average assets (including JF) NPR=non-performing receivables*

*NPR-balance=overdue > 30 days, outstanding receivables*

*Short-term liquidity ratio=gross receivables, <12 months / ST funding*

*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 "idBBB+" rating to PT Finansia Multi Finance's MTN

PEFINDO has affirmed its "idBBB+" rating for PT Finansia Multi Finance (FMFN). At the same time, PEFINDO has also assigned its "idBBB+" rating to FMFN's MTN IV/2017 with a maximum amount of IDR800 billion (including MTN IV/2017 Phase I of IDR397 billion issued in October 2017). 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 Plus (+) sign in a particular rating indicates that the rating is relatively strong within the respective rating category.

The ratings reflect FMFN's strong capitalization, its focus on a high-yield segment, as well as adequate liquidity and financial flexibility. However, the ratings are constrained by its below average asset quality profile, high operating expenses, and pressure on growth due to tight competition and weakened economic conditions.

The rating may be raised if FMFN consistently improves its business position in the financing industry and at the same time improves its operating efficiency and asset quality performance. The rating could be lowered if there is a significant deterioration in its market position or asset quality and profitability indicators.

Established in 1994, FMFN is a finance company covering used cars and motorcycles, and white goods (electronics, furniture, home appliances). As of September 30, 2017, its shares consisted of two classes: A series and B series, with B shares having no voting rights. The A shares were 55% owned by PT Finansia Pacifica Raya, 31.45% by ND Investments Pte Ltd, and 13.55% by Growmoto Kendall Pte Ltd. The B shares were 54.55% owned by ND Investments Pte Ltd, and 45.45% by Growmoto Kendall Pte Ltd.

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