

## PT Mandala Multifinance Tbk

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### CREDIT PROFILE

Corporate Rating *idA/Stable*

#### Rated Issues

Shelf Reg. Bond III/2018 (NEW) *idA*

#### Rating Period

April 3, 2018 – April 1, 2019

#### Rating History

FEB 2018 *idA/Stable*  
 FEB 2017 *idA/Negative*  
 FEB 2016 *idA/Stable*  
 FEB 2015 *idA/Stable*  
 APR 2014 *idA/Stable*  
 APR 2013 *idA/Stable*  
 APR 2012 *idA/Stable*  
 DEC 2011 *idA/Stable*

### FINANCIAL HIGHLIGHTS

#### As of/for the year ended

	Dec-2017 (Audited)	Dec-2016 (Audited)	Dec-2015 (Audited)	Dec-2014 (Audited)
Total assets [IDR bn]	3,215.2	3,562.2	4,595.1	4,799.1
Net receivables [IDR bn]	2,910.1	3,263.9	4,228.0	4,431.4
Net service assets [IDR bn]	2,946.7	3,311.9	4,522.0	4,804.6
Total equity [IDR bn]	1,934.0	1,813.4	1,594.4	1,386.6
Net interest revenue [IDR bn]	1,248.3	1,183.2	1,287.7	1,212.9
Net income [IDR bn]	332.9	255.3	246.6	306.8
Cost to income [%]	57.7	64.7	64.3	58.1
Operating profit margin [%]	31.8	23.8	21.3	28.2
ROAA [%]	9.8	6.1	4.9	6.4
NPR-balance/NSA [%]	2.7	3.4	3.6	3.6
Reserves/NSA [%]	0.8	1.0	0.8	0.7
Equity/NSA [%]	65.6	54.8	35.3	28.9
Total debt/equity [x]	0.6	0.9	1.8	2.3
Short-term liquidity ratio [%]	352.3	271.7	274.6	218.5
USD exchange rate [USD/IDR]	13,548	13,436	13,795	12,440

ROAA=return on average assets (including off balance sheet). NPR=non-performing receivables. 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.

### "idA" rating for PT Mandala Multifinance Tbk's proposed Shelf Registration Bond III Year 2018

PEFINDO has affirmed its "idA" rating for PT Mandala Multifinance Tbk (Mandala Finance). PEFINDO has also assigned its "idA" rating to the Company's proposed Shelf Registration Bond III Year 2018 with a maximum amount of IDR1.2 trillion. The outlook for the corporate rating is "stable".

An obligor rated *idA* has a strong capacity to meet its long-term financial commitments relative to that of other Indonesian obligors. However, the obligor is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than higher-rated obligors.

The corporate rating reflects the Company's very strong capitalization, strong profitability performance, and established presence in the used motorcycle financing business outside Java. However, the rating is constrained by challenges to grow new financing and tight competition in the industry.

The rating may be raised if the Company is able to consistently strengthen its business position, while maintaining its capitalization, asset quality, and profitability indicators. On the other hand, the rating may be lowered if its business profile weakens, or the Company's asset quality and profitability figures deteriorate considerably.

Mandala Finance focuses on new and used motorcycle financing. Its ultimate major shareholders, PT Jayamandiri Gemasejati and its affiliate, PT Lautan Teduh Interniaga, hold the Yamaha dealerships in West Java and Lampung, respectively. However, the Company's business is not solely focused on Yamaha motorcycles, as it also provides financing for other brands, such as Honda and Suzuki. As of December 31, 2017, its shareholders were PT Jayamandiri Gemasejati (70.42%), Alex Hendrawan (5.06%), and the public (24.52%).

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