

PT Batavia Prosperindo Finance 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>idBBB/Stable</i>	Total assets [IDR bn]	1,571.3	1,037.6	981.9	1,067.4
Rated Issues		Net receivables [IDR bn]	1,267.8	832.4	812.9	769.7
<i>Shelf Reg. Bond I/2016</i>	<i>idBBB</i>	Net service assets [IDR bn]	1,472.5	1,180.5	1,018.8	1,097.7
<i>Shelf Reg. Bond II/2018 (new)</i>	<i>idBBB</i>	Total equity [IDR Bn]	621.7	503.8	499.4	435.1
Rating Period		Net interest revenue [IDR bn]	141.5	105.4	113.9	92.9
<i>March 28, 2018 – March 1, 2019</i>		Net income [IDR bn]	48.9	33.9	41.4	40.7
Rating History		Cost to income [%]	64.8	61.2	54.9	58.3
<i>MAR 2017</i>	<i>idBBB/Stable</i>	Operating profit margin [%]	16.8	17.4	22.4	24.4
<i>MAR 2016</i>	<i>idBBB/Stable</i>	ROAA [%]	3.1	2.6	3.2	3.2
<i>APR 2015</i>	<i>idBBB/Stable</i>	NPR-balance/NSA [%]	5.7	5.7	5.3	8.0
<i>APR 2014</i>	<i>idBBB/Stable</i>	Reserves/NSA [%]	1.2	0.7	0.5	0.8
<i>APR 2013</i>	<i>idBBB/Stable</i>	Equity/NSA [%]	42.2	42.7	49.0	39.6
		Total debt/equity [x]	1.5	1.0	0.9	1.4
		Short-term liquidity ratio [%]	208.9	308.6	157.4	320.5
		USD exchange rate [IDR/USD]	13,548	13,436	13,795	12,440

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 assigns "idBBB" rating for PT Batavia Prosperindo Finance Tbk's Bond

PEFINDO has affirmed its "idBBB" ratings for PT Batavia Prosperindo Finance Tbk (BPFI) and its outstanding Shelf Registration Bond I/2016. PEFINDO has also assigned its "idBBB" rating to BPFI's Shelf Registration Bond II/2018 with a maximum amount of IDR650 billion. 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 weaken its capacity to meet its financial commitments.

The ratings reflect BPFI's established presence in the used car segment and its strong capitalization. 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 its asset quality and profitability deteriorates significantly. In addition, the rating may 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, 2017, it operated through one head office and 71 branches, supported by 1,277 employees. It is 71.8% owned by Malacca Trust Limited directly and indirectly through subsidiaries, 6.3% by UOB Kay Hian Pte Ltd, while the remaining 21.8% 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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