

## PT Bank Pembangunan Daerah Daerah Istimewa Yogyakarta

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<b>CREDIT PROFILE</b>		<b>FINANCIAL HIGHLIGHTS</b>			
		<b>As of/for the year ended</b>			
		<b>Sep-2019</b>	<b>Dec-2018</b>	<b>Dec-2017</b>	<b>Dec-2016</b>
		(Unaudited)	(Audited)	(Audited)	(Audited)
<b>Corporate Rating</b>	<i>id</i> A/Stable	12,785.2	11,993.6	10,695.4	9,739.5
<b>Rated Issues</b>		2,171.5	1,907.8	1,646.9	1,568.9
-		8,254.1	7,478.0	6,576.5	5,989.6
<b>Rating Period</b>		9,730.9	8,863.3	8,085.3	7,380.2
January 31, 2020 – January 1, 2021		638.4	760.2	699.7	659.9
<b>Rating History</b>		211.2	223.1	220.0	210.9
MAR 2013	<i>id</i> A-/Stable	*7.2	7.1	7.3	7.6
		66.7	73.0	70.0	69.9
		*2.3	2.0	2.2	2.3
		4.0	4.2	3.3	3.4
		69.7	67.2	35.0	32.2
		24.1	19.4	20.0	21.6
		84.8	84.4	81.3	81.2
		14,174.0	14,380.0	13,567.5	13,472.5

*\*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.*

### BPD DIY rated "*id*A" with stable outlook

PEFINDO has rated PT Bank Pembangunan Daerah Daerah Istimewa Yogyakarta (BPD DIY) at "*id*A". The outlook for the corporate rating is "**stable**".

An obligor rated *id*A 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 rating reflects BPD DIY's strong support from the shareholders, captive market in the region, and very strong capitalization. The rating is constrained by its below average asset quality and tightening competition in the productive loan segment.

The rating may be raised if BPD DIY significantly strengthens its business position and makes significant and sustainable improvements to its asset quality profile and profitability. The rating may be lowered if its asset quality and profitability continue to deteriorate, or its business profile weakens substantially.

BPD DIY was established in December 1961 as a regional development bank (BPD) focused on Daerah Istimewa Yogyakarta (DIY) province. As of September 30, 2019, it was 50.9% owned by the DIY provincial government, and the remaining 49.1% was owned by several regencies in DIY. Its business activities are supported by 1,019 employees and a network of 6 branches, 38 sub-branches, and 113 cash offices and payment points.

#### DISCLAIMER

*The rating contained in this report or publication is the opinion of PT Pemeringkat Efek Indonesia (PEFINDO) given based on the rating result on the date the rating was made. The rating is a forward-looking opinion regarding the rated party's capability to meet its financial obligations fully and on time, based on assumptions made at the time of rating. The rating is not a recommendation for investors to make investment decisions (whether the decision is to buy, sell, or hold any debt securities based on or related to the rating or other investment decisions) and/or an opinion on the fairness value of debt securities and/or the value of the entity assigned a rating by PEFINDO. All the data and information needed in the rating process are obtained from the party requesting the rating, which are considered reliable in conveying the accuracy and correctness of the data and information, as well as from other sources deemed reliable. PEFINDO does not conduct audits, due diligence, or independent verifications of every information and data received and used as basis in the rating process. PEFINDO does not take any responsibility for the truth, completeness, timeliness, and accuracy of the information and data referred to. The accuracy and correctness of the information and data are fully the responsibility of the parties providing them. PEFINDO and every of its member of the Board of Directors, Commissioners, Shareholders and Employees are not responsible to any party for losses, costs and expenses suffered or that arise as a result of the use of the contents and/or information in this rating report or publication, either directly or indirectly. PEFINDO generally receives fees for its rating services from parties who request the ratings, and PEFINDO discloses its rating fees prior to the rating assignment. PEFINDO has a commitment in the form of policies and procedures to maintain objectivity, integrity, and independence in the rating process. PEFINDO also has a "Code of Conduct" to avoid conflicts of interest in the rating process. Ratings may change in the future due to events that were not anticipated at the time they were first assigned. PEFINDO has the right to withdraw ratings if the data and information received are determined to be inadequate and/or the rated company does not fulfill its obligations to PEFINDO. For ratings that received approval for publication from the rated party, PEFINDO has the right to publish the ratings and analysis in its reports or publication, and publish the results of the review of the published ratings, both periodically and specifically in case there are material facts or important events that could affect the previous ratings. Reproduction of the contents of this publication, in full or in part, requires written approval from PEFINDO. PEFINDO is not responsible for publications by other parties of contents related to the ratings given by PEFINDO.*