

PT Danareksa (Persero)

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CREDIT PROFILE		FINANCIAL HIGHLIGHTS			
		As of/for the year ended			
		Aug-2021	Dec-2020	Dec-2019	Dec-2018
		(Unaudited)	(Audited)	(Audited)	(Audited)
Corporate Rating	<i>idA/Positive</i>	2,763.8	2,625.6	2,455.1	2,976.2
Rated Issues		653.1	764.9	757.2	1,219.7
MTN II/2019	<i>idA</i>	47.0	45.7	46.0	38.2
Rating Period		336.5	614.5	532.2	382.3
November 10, 2021 – November 1, 2022		(114.7)	100.1	17.6	(674.5)
Rating History		(95.2)	125.1	48.7	(659.0)
SEP 2021	<i>idA/Positive</i>	106.3	55.2	58.4	144.6
NOV 2020	<i>idA/Stable</i>	ROAA [%]	3.9	0.6	(19.7)
NOV 2019	<i>idA/Stable</i>	65.4	67.8	76.0	103.3
OCT 2019	<i>idA/Stable</i>	50.0	48.0	52.5	60.9
OCT 2018	<i>idA/Stable</i>	N/A	N/A	N/A	244.4
MAY 2018	<i>idA/Stable</i>	14.1	14.9	15.9	8.4
OCT 2017	<i>idA/Positive</i>	14,268	14,050	13,883	14,380
OCT 2016	<i>idA/Positive</i>	<i>*Annualized</i>			
OCT 2015	<i>idA/Stable</i>	<i>Adjusted Asset = Total Asset – Resale Agreement [Reverse Repo]</i>			
OCT 2014	<i>idA/Stable</i>	<i>Adjusted Revenue = Non Margin Revenue + Net Margin Income</i>			
		<i>Cost to Income Ratio = Ordinary Expense / Adjusted Revenue</i>			
		<i>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.</i>			

Danareksa rated “idA” with positive outlook

PEFINDO has affirmed its “idA” ratings to PT Danareksa (Persero) (Danareksa) and its outstanding MTN II/2019. The outlook for the corporate rating is also affirmed at “positive”, which reflects our view on Danareksa’s stronger overall credit profile after the establishment of Danareksa-PPA holding, as the process is still ongoing and is expected to be realized in the near term. With the new holding status, Danareksa will be assigned as a turnaround specialist company for managing, transforming, and scaling up the business and financial performance of several state-owned enterprises (SOEs). Danareksa will also become the parent company of PT Pengelola Aset (Persero) (PPA, idA/positive) which will be positioned as a national asset management company. These strategic new roles are expected to support national economic recovery after severely weakened by the pandemic, leading to our view that Danareksa should receive a higher degree of extraordinary support from the government when needed.

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

The corporate rating reflects Danareksa’s strong support from the Indonesian government, moderate capitalization, and adequate liquidity and financial flexibility. The rating is partly offset by its below average profitability.

The rating may be raised if the plan to establish Danareksa as a holding company materializes through the issuance of a government regulation. The outlook may be revised back to stable if the holding process is cancelled or delayed without a clear timetable.

Danareksa is an investment holding company for non-bank financial institutions, including PT Danareksa Finance (financing services), PT Danareksa Investment Management (investment management services), PT Danareksa Capital (investment services), and PT Jalin Pembayaran Nusantara or Jalin (switching and ATM/EDC management services). In addition, it also maintains a 33% share in PT BRI Danareksa Sekuritas that provides brokerage and underwriting services. Danareksa is wholly owned by the Indonesian government.

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.