

PT Bussan Auto Finance

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CREDIT PROFILE		FINANCIAL HIGHLIGHTS				
		As of/for the year ended				
		Dec-2021	Dec-2020	Dec-2019	Dec-2018	
		<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>	
Corporate Rating	<i>idAAA/Stable</i>	Total assets [IDR bn]	11,984.5	11,560.2	12,642.2	11,116.8
Rated Issues		Net receivables [IDR bn]	11,003.5	10,082.0	11,620.8	9,993.6
<i>Bond III/2019</i>	<i>idAAA</i>	Net service assets [IDR bn]	12,070.1	10,899.5	12,393.3	10,274.0
Rating Period		Total equity [IDR bn]	2,064.8	1,527.7	1,886.7	2,000.6
<i>April 12, 2022 – April 1, 2023</i>		Net interest revenue [IDR bn]	3,258.1	2,575.6	2,764.7	2,144.4
Rating History		Net income [IDR bn]	473.7	(282.6)	294.3	224.1
<i>APR 2021</i>	<i>idAA/Stable</i>	Cost to income [%]	39.7	48.2	45.7	52.9
<i>APR 2020</i>	<i>idAA/Stable</i>	Operating profit margin [%]	15.9	(10.1)	11.4	12.0
<i>AUG 2019</i>	<i>idAA/Stable</i>	ROAA (including off-balance) [%]	4.0	(2.3)	2.5	2.3
<i>FEB 2019</i>	<i>idAA/Stable</i>	NPR-balance/NSA [%]	9.6	7.6	3.3	4.9
<i>FEB 2018</i>	<i>idAA/Stable</i>	Reserves/NSA [%]	8.8	7.5	5.2	2.7
<i>MAY 2017</i>	<i>idAA/Stable</i>	Equity/NSA [%]	17.1	14.0	15.4	19.5
<i>SEP 2009</i>	<i>idAA-/Stable</i>	Total debt/equity [x]	4.4	6.0	5.2	4.1
		Short-term liquidity ratio [%]	182.7	139.6	195.6	134.6
		USD exchange rate [USD/IDR]	14,269	14,105	13,901	13,548

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.

PT Bussan Auto Finance's rating raised to "idAAA"

PEFINDO has raised the ratings of PT Bussan Auto Finance (BAF) and its and its outstanding Bond III/2019, to "idAAA" from "idAA". The outlook for the corporate credit rating is "stable". The upgrade reflects our reassessment on the very strong support likelihood from Mitsui & Co., Ltd (Mitsui or the Parent) as the controlling shareholder. BAF is the only consolidated subsidiary in Indonesia, one of ten largest countries for Mitsui operation. BAF as a part of Mitsui's Machinery and Infrastructure segment, which is one of the top 3 segments for Mitsui. There is a strong business integration between BAF and Mitsui considering that Yamaha is also one of the companies under this segment and BAF as Mitsui's financing arm for Yamaha motorcycle products in Indonesia. Proof of support is also reflected in Mitsui guaranteeing 65.2% of BAF's loan facilities as of December 2021 (FY2021). On a standalone basis, BAF demonstrated a sustained business growth while maintained its financial performance amid the pandemic, recorded a positive net income of IDR473.73 billion in FY2021, mostly from Yamaha motorcycles financing services.

An obligor rated *idAAA* has the highest rating assigned by PEFINDO. The obligors' capacity to meet its long-term financial commitment, relative to those of other Indonesian obligors, is superior.

The rating reflects BAF's very strong likelihood of support from the parent company, strong market position, and strong capitalization profile. The rating is constrained by its below-average asset quality and tight competition outside its captive business.

The rating may be lowered if there is a significant downward shift in support from the Parent, which can be reflected by the Parent's weakening control to BAF, or sharp deterioration in BAF's business and financial profiles which may indicate BAF's lesser degree of importance to the Parent.

BAF was established in 1995 as PT Pembiayaan Getraco Indonesia. It was renamed PT Danamon Mits Otomotif Finance in 1997 and changed to its present name in 1998. As of FY2021, its shareholders consisted of Mitsui (65.0%), Yamaha Motor Co., Ltd (Yamaha, 17.7%), PT Sinergi Autoindo Abadi (15.0%), and PT Yamaha Indonesia Motor Manufacturing (2.3%).

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