

**PT Sarana Multigriya Finansial (Persero)**

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<b>CREDIT PROFILE</b>		<b>FINANCIAL HIGHLIGHTS</b>				
		<b>As of/for the year ended</b>	<b>Mar-2018</b>	<b>Dec-2017</b>	<b>Dec-2016</b>	<b>Dec-2015</b>
			(Unaudited)	(Audited)	(Audited)	(Audited)
<b>Corporate Rating</b>	<i>idAAA/Stable</i>	Total assets [IDR Bn]	16,335.48	15,662.6	13,122.3	10,061.2
<b>Rated Issues</b>		Total outstanding loans [IDR Bn]	11,340.00	11,102.6	8,320.7	7,842.5
<i>Sukuk Mudharabah I/2017</i>	<i>idAAA(sy)</i>	Total equity [IDR bn]	7,970.34	7,873.4	6,524.2	5,212.3
<i>Shelf Reg. Bond IV/2017</i>	<i>idAAA</i>	Net interest revenue [IDR bn]	151.52	590.0	469.5	374.5
<i>Shelf Reg. Bond III/2015</i>	<i>idAAA</i>	Net income [IDR bn]	104.89	397.4	317.3	247.8
<i>Shelf Reg. Bond II/2012</i>	<i>idAAA</i>	Cost to income [%]	12.5	14.8	16.1	16.0
<b>Rating Period</b>		Operating profit margin [%]	43.6	43.1	41.3	38.2
<i>May 9, 2018 – May 1, 2019</i>		ROAA [%]	*2.6	2.8	2.7	2.5
<i>SRB IV/2017 Phase I Series A:</i>		NPL/outstanding loans [%]	0.0	0.0	0.0	0.0
<i>May 9, 2018 – June 30, 2018</i>		Equity/total assets [%]	70.3	70.9	78.4	66.5
<i>SRB III/2015 Phase I Series B:</i>		Total debt/equity [x]	1.0	1.0	1.0	0.9
<i>May 9, 2018 – July 7, 2018</i>		Short-term liquidity ratio [%]	317.6	281.2	255.9	569.1
		USD exchange rate [USD/IDR]	13,756	13,548	13,436	13,795
<b>Rating History</b>		<i>*Annualized</i>				
<i>APR 2017</i>	<i>idAAA/Stable</i>	<i>ROAA = Return on Average Assets. NPR = Non-Performing Loan.</i>				
<i>FEB 2017</i>	<i>idAAA/Stable</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>				
<i>SEP 2016</i>	<i>idAA+ /Stable</i>					

**PEFINDO affirms its “idAAA” rating to PT Sarana Multigriya Finansial (Persero)**

PEFINDO has affirmed the “idAAA” ratings of PT Sarana Multigriya Finansial (Persero) (SMF) and its outstanding Shelf-Registration Bond II/2012, Shelf-Registration Bond III/2015, Shelf-Registration Bond IV/2017. PEFINDO has also affirmed “idAAA(sy)” rating for the Company’s Sukuk Mudharabah I/2017. The outlook for the corporate rating is “stable”.

At the same time, PEFINDO has affirmed its “idAAA” rating for PT Sarana Multigriya Finansial (Persero)’s (SMF) Shelf-Registration Bond IV/2017 Phase I Series A with a principal amount of IDR696.5 billion and Shelf-Registration Bond III/2015 Phase I Series B with a principal amount of IDR85 billion which will mature on June 30, 2018 and July 7, 2018, respectively. The Company will pay its maturing bonds utilizing its cash and placement with banks, which was reported at IDR2.2 trillion at the end of March 2018.

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

The corporate rating reflects SMF’s very strong support from the Indonesian government, very strong capitalization profile, and favorable asset quality. However, the ratings are still constrained by the slow growth of the mortgage loan securitization industry.

The rating could be lowered if PEFINDO witnesses any sign of material decrease in government support.

SMF is a state-owned entity that carries a special mission to increase home ownership in Indonesia. It does this through the development of a secondary mortgage market to provide financing to mortgage lenders, such as banks and finance companies, with the mortgage loans as underlying collateral. In a span of around twelve years (FY2005-FY2017), it has disbursed loans totaling IDR27.5 trillion to more than 846,000 debtors through banks and finance companies, and facilitated mortgage securitization amounting to IDR8.155 trillion. SMF is wholly owned by the government.

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