Company Profile
PT Bank Central Asia Tbk is an Indonesian based banking service provider operating as a Sharia bank. The bank provides various financial solutions to its customers through its inter-branch links, ATM network, and electronic banking services. It offers loans, accepts deposits, mutual fund investments fixed income products and credit facilities. Its customer base mainly includes individuals, small and medium businesses and corporations.

Quantitative Scores

<table>
<thead>
<tr>
<th>Scores</th>
<th>All Retail Sector</th>
<th>Retail Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quantitative Moat</td>
<td>Narrow</td>
<td>99</td>
</tr>
<tr>
<td>Valuation</td>
<td>Overvalued</td>
<td>7</td>
</tr>
<tr>
<td>Quantitative Uncertainty</td>
<td>Very High</td>
<td>67</td>
</tr>
<tr>
<td>Financial Health</td>
<td>Strong</td>
<td>90</td>
</tr>
</tbody>
</table>

Source: Morningstar Equity Research

Valuation

- **Price/Quant Fair Value**: 1.08 (2016), 1.00 (2017), 0.87 (2018), 0.85 (2019)
- **Price/Earnings**: 23.7 (2016), 20.6 (2017), 17.3 (2018), 14.7 (2019)
- **Trailing Dividend Yield %**: 1.16 (2016), 1.04 (2017), 0.93 (2018), 0.87 (2019)

Profitability


Financial Health

- **Distance to Default**: 0.7 (2016), 0.7 (2017), 0.8 (2018), 0.8 (2019)
- **Solvency Score**: 503.7 (2016), 509.1 (2017), 514.0 (2018), 522.2 (2019)
- **Long-Term Debt/Equity**: 0.3 (2016), 0.3 (2017), 0.3 (2018), 0.3 (2019)

Growth Per Share


Quarterly Revenue & EPS

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Revenue (Bil)</th>
<th>Mar</th>
<th>Jun</th>
<th>Sep</th>
<th>Dec</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>17,030.8</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>2018</td>
<td>14,966.1</td>
<td>14,691.3</td>
<td>16,440.0</td>
<td>18,338.7</td>
<td>64,466.1</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>13,328.2</td>
<td>13,938.4</td>
<td>14,352.1</td>
<td>16,379.6</td>
<td>57,918.3</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>12,899.1</td>
<td>13,293.8</td>
<td>15,535.8</td>
<td>15,089.3</td>
<td>54,738.1</td>
<td></td>
</tr>
</tbody>
</table>

Revenue Growth Year on Year

<table>
<thead>
<tr>
<th>Year</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>3.8</td>
</tr>
<tr>
<td>2018</td>
<td>4.8</td>
</tr>
<tr>
<td>2017</td>
<td>5.7</td>
</tr>
</tbody>
</table>

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ii. Quantitative Economic Moat: Intended to describe the strength of a firm’s competitive position. It is calculated using an algorithm designed to predict the Economic Moat rating a Morningstar analyst would assign to the stock. The rating is expressed as Narrow, Wide, or None.

- Narrow – assigned when the probability of a stock receiving a “Wide Moat” rating by an analyst is greater than 70% but less than 99%.
- Wide – assigned when the probability of a stock receiving a “Wide Moat” rating by an analyst is greater than 99%.
- None – assigned when the probability of an analyst receiving a “Wide Moat” rating by an analyst is less than 70%.

iii. Quantitative Star Rating: Intended to be the summary rating based on the combination of our Quantitative Fair Value Estimate, current market price, and the Quantitative Uncertainty Rating. The rating is expressed as One-Star, Two-Star, Three-Star, Four-Star, and Five-Star.

- One-Star – the stock is overvalued with a reasonable margin of safety.
  \[
  \log (\text{Quant FVE}/\text{Price}) < -1 \times \text{Quantitative Uncertainty}
  \]
- Two-Star – the stock is somewhat overvalued.
  \[
  \log (\text{Quant FVE}/\text{Price}) \text{between} (-1 \times \text{Quantitative Uncertainty}, -0.5 \times \text{Quantitative Uncertainty})
  \]
- Three-Star – the stock is approximately fairly valued.
  \[
  \log (\text{Quant FVE}/\text{Price}) \text{between} (-0.5 \times \text{Quantitative Uncertainty}, 0.5 \times \text{Quantitative Uncertainty})
  \]
- Four-Star – the stock is somewhat undervalued.
  \[
  \log (\text{Quant FVE}/\text{Price}) \text{between} (0.5 \times \text{Quantitative Uncertainty}, 1 \times \text{Quantitative Uncertainty})
  \]

iv. Quantitative Uncertainty: Intended to represent Morningstar’s level of uncertainty about the accuracy of the Quantitative Fair Value Estimate. Generally, the lower the Quantitative Uncertainty, the narrower the potential range of outcomes for that particular company. The rating is expressed as Low, Medium, High, Very High, and Extreme.

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- Medium – the interquartile range for possible fair values is less than 15% but greater than 10%
- High – the interquartile range for possible fair values is less than 35% but greater than 15%
- Very High – the interquartile range for possible fair values is less than 80% but greater than 35%
- Extreme – the interquartile range for possible fair values is greater than 80%

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- Moderate – assigned when Quantitative Financial Health is between 0.2 and 0.7
- Strong – assigned when Quantitative Financial Health > 0.7

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