



October 2014

3Q 2014 Results Update



- ◆ Syariah Bank
 - Completed conversion and spin-off process for BTPN Syariah which houses BTPN productive poor business in Jul 2014

- ◆ Strategic Partnership with Allianz
 - Bancassurance for Retail Banking: signed agreement in Aug 2014 in which BTPN received IDR 200 bio upfront fee and profit sharing scheme
 - Mass market life insurance: signed agreement in Aug 2014 to set up Life Insurance Company with focus on mass market (subject to regulatory approval)

- ◆ Structured Funding
 - Received standby facility USD 200 mio from IFC/SMBC in Aug 2014
 - In process for additional ~USD 300 mio

Moderating Growth due to Challenging Macro Condition:

- Loans growth: 13% (YoY) and 11% (YTD) vs Industry: 14% (YoY) and 6% (YTD Aug '14)
- Deposits growth: 7%(YoY) and 1% (YTD) vs Industry: 12% (YoY) and 5% (YTD Aug '14)

Continue to Maintain Ample Liquidity:

- LFR: 87%; LFR (incl. Equity): 73%
- LDR: 97%
- Liquid Asset Ratio: 33%

Healthy Key Ratios:

- NIM: 11.4%
- NPL: 0.81%
- ROE: 17.6%
- CAR: 23.6%

Strong Fee Income Growth:

- Fee Income: IDR 555 bio (101% YoY)

Net Income:

- 9M NPAT: IDR 1,417 bio (-15% YoY)
 - 3Q NPAT: IDR 421 bio
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Balance Sheet Highlights (Consolidated)



IDR billion	Sep '13	Dec '13	Mar '14	Jun '14	Sep '14	ΔYoY
Cash & BI	5,257	5,414	5,513	5,820	5,920	13%
SBI & Placement	12,920	15,352	11,722	12,410	11,351	-12%
Loans (gross)	45,304	46,105	47,037	50,013	51,135	12.9%
- Pension	30,869	31,614	31,738	33,157	34,260	11%
- Micro	10,051	10,427	10,641	11,204	11,669	16%
- Productive Poor (Syariah)	1,015	1,354	1,620	2,054	2,189	116%
- Others	3,370	2,710	3,038	3,598	3,017	-10%
Allowance for losses	(437)	(486)	(494)	(542)	(534)	22%
Customer Deposits	49,034	52,196	49,263	52,696	52,550	7.2%
Borrowings	6,740	6,361	6,441	6,275	6,316	-6%
Total Funding	55,775	58,557	55,704	58,971	58,866	6%
Equity	9,434	9,908	10,418	10,934	11,368	21%
Total Assets	66,201	69,665	67,349	71,411	71,700	8%

Note: Other loans include Joint Financing, Money Market loan, Employee loan and ex-Bank Sahabat loan

Profit & Loss Highlights (Consolidated)

IDR billion	9M '13	FY '13	1Q '14	2Q '14	3Q '14	9M '14	ΔYoY
Interest income	8,049	10,943	2,993	3,100	3,086	9,179	14%
Interest expense	2,773	3,895	1,259	1,300	1,388	3,948	42%
Net interest income	5,276	7,048	1,734	1,799	1,698	5,231	-1%
Fee income	276	400	142	186	227	555	101%
Operating income	5,551	7,449	1,875	1,985	1,925	5,785	4%
Operating expense	2,883	3,980	1,033	1,098	1,124	3,255	13%
- BAU	2,536	3,449	824	873	947	2,645	4%
- TUR (Productive Poor)	319	488	194	209	162	566	77%
- MSOP	28	43	15	15	15	44	60%
Net operating income	2,668	3,469	842	888	800	2,530	-5%
Loan loss provision	415	591	171	202	220	593	43%
NPBT	2,246	2,869	668	681	576	1,925	-14%
NPAT	1,672	2,131	493	502	421	1,417	-15%

Key Ratios

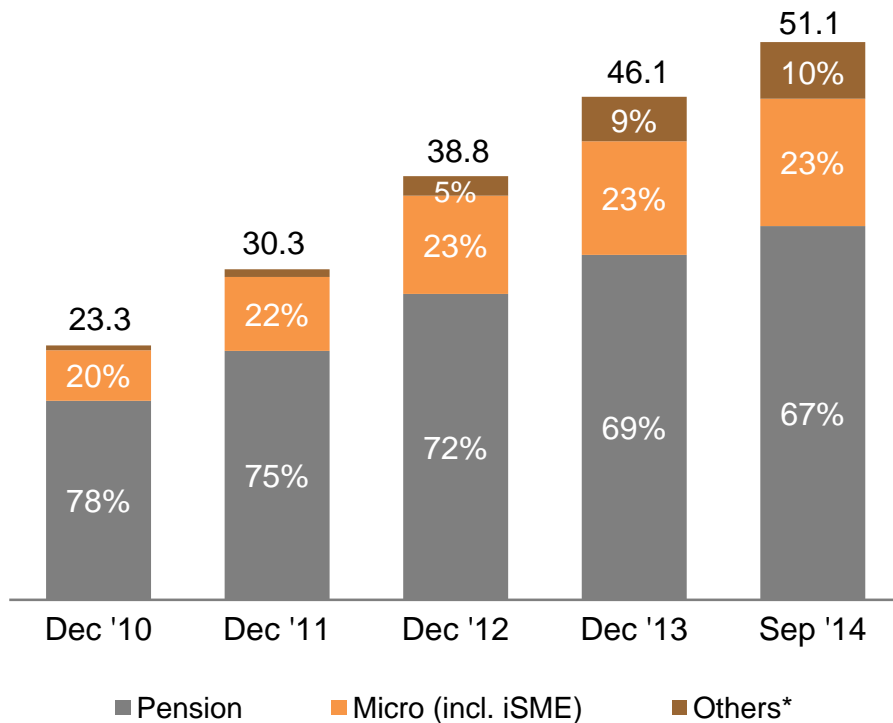
%	9M '13	FY '13	1Q '14	2Q '14	3Q '14	9M '14
NIM	12.9	12.7	11.7	11.8	10.8*	11.4*
Cost to Income	52	53	55	55	58	56
LDR (end of period)	92	88	95	95	97	97
Loan to Funding	81	79	84	85	87	87
Loan to Funding (incl. Equity)	69	67	71	72	73	73
Liquid Asset Ratio	37	40	35	35	33	33
NPL	0.6	0.7	0.7	0.9	0.8	0.8
Cost of Credit/Avg. Loan	1.3	1.4	1.5	1.7	1.7	1.6
LLP/NPL	155	158	141	125	129	129
ROA (before tax)	4.8	4.5	3.9	3.9	3.2	3.7
ROE (after tax)	25.8	23.8	19.3	18.7	15.0	17.6
CAR (credit & ops risk)	22.8	23.1	24.0	23.4	23.6	23.6
Equity / Assets	14.3	14.2	15.5	15.3	15.9	15.9

Note: * Due to impact of (i) Bank Sahabat conversion to BTPN-S and (ii) IFRS implementation in BTPN-S. Normalized NIMs would have been **11.3% for 3Q '14** and **11.6% for 9M '14**.

Loans Composition & Portfolio Quality

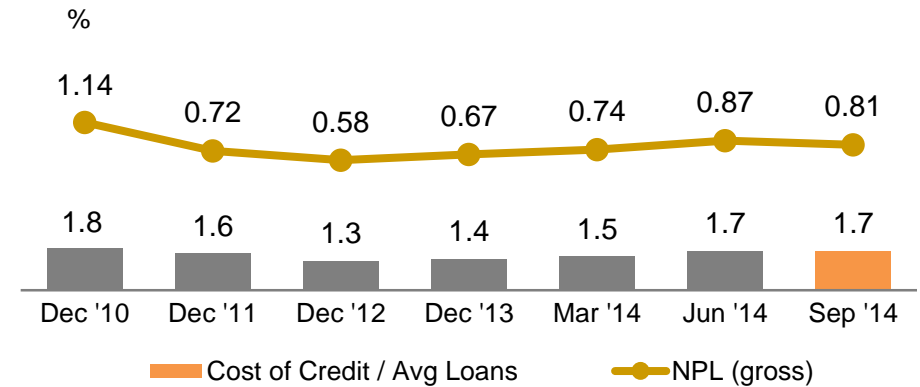
LOANS COMPOSITION

IDR tio

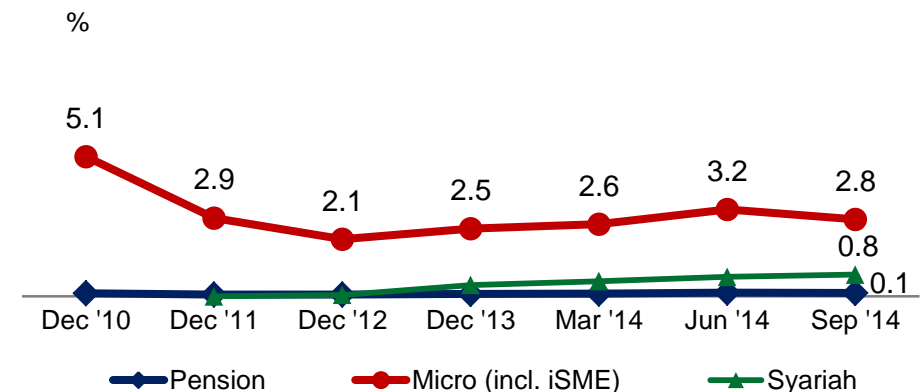


Note: * including Syariah Financing, Joint Financing, Money Market loan, Employee loan and ex-Bank Sahabat loan

NPL & COST OF CREDIT

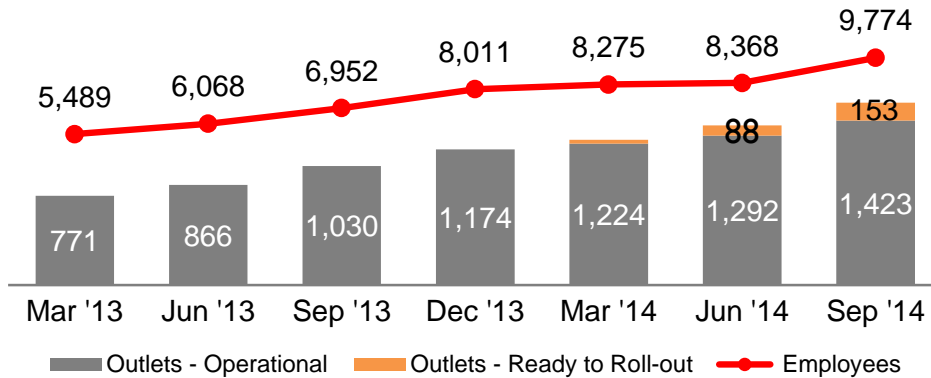


NPL BY BUSINESS

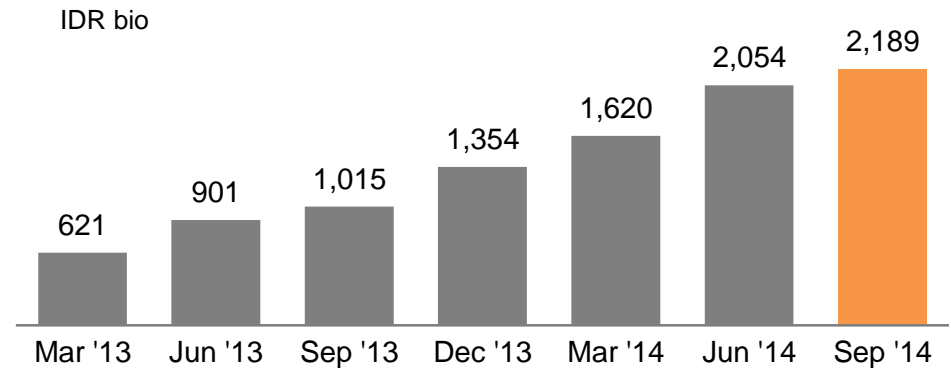


Productive Poor (BTPN Syariah)

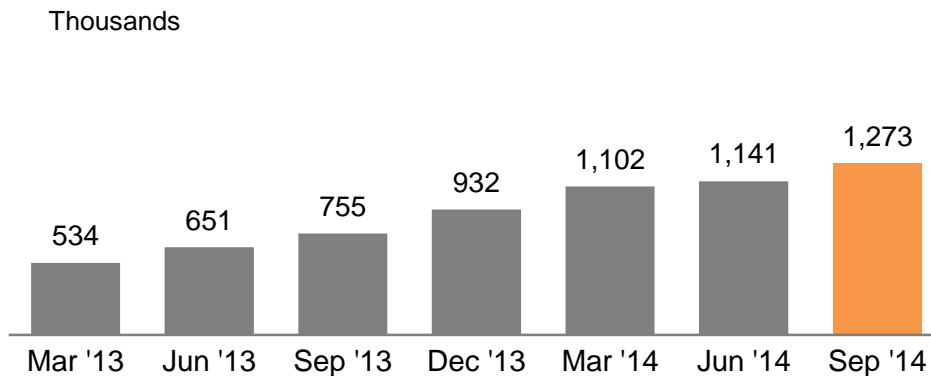
OUTLETS & EMPLOYEES



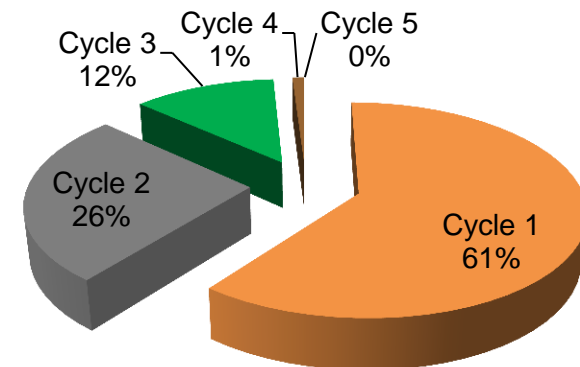
FINANCING



TOTAL CUSTOMERS

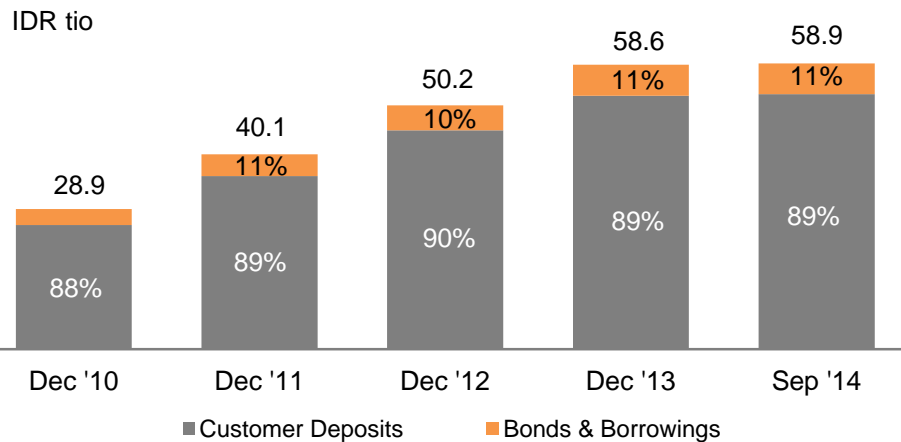


FINANCING CUSTOMERS BY CYCLE

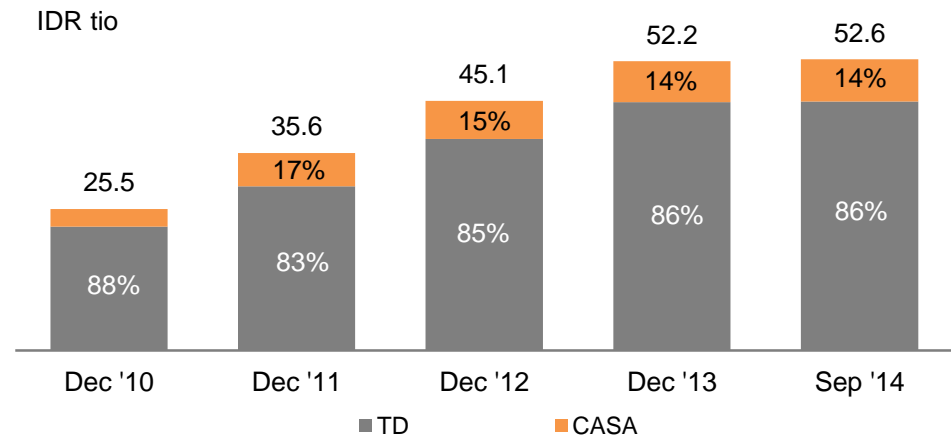


Funding Composition & Liquidity Reserves

FUNDING COMPOSITION

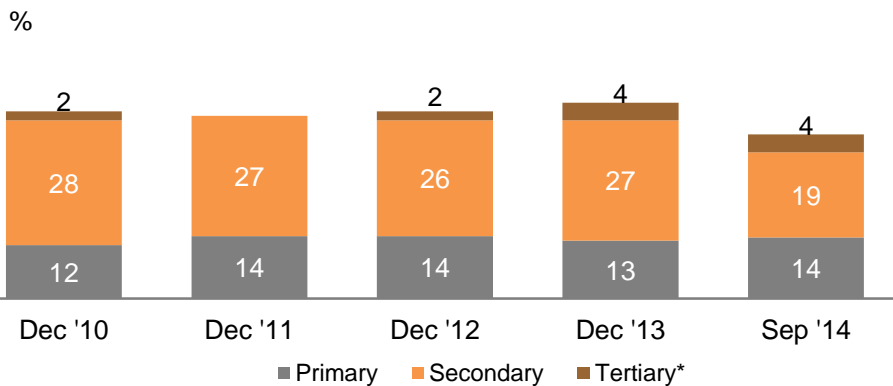


CUSTOMER DEPOSIT COMPOSITION



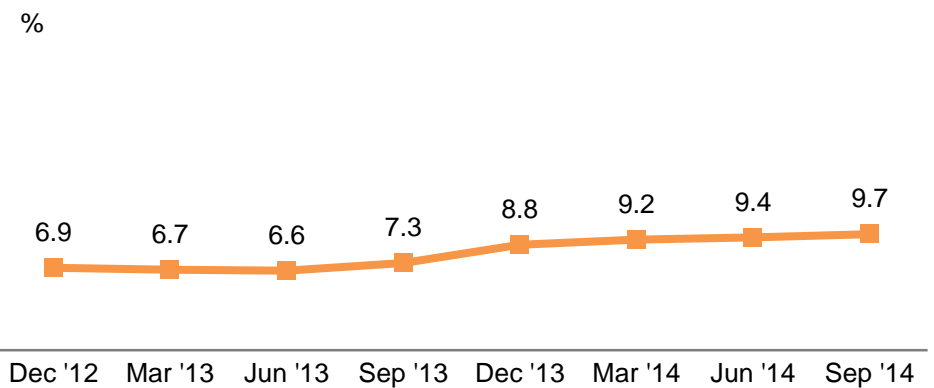
LIQUID ASSETS RATIO

(Against Total Customer Deposits)



* Revolving Standby Loan IFC/SMBC

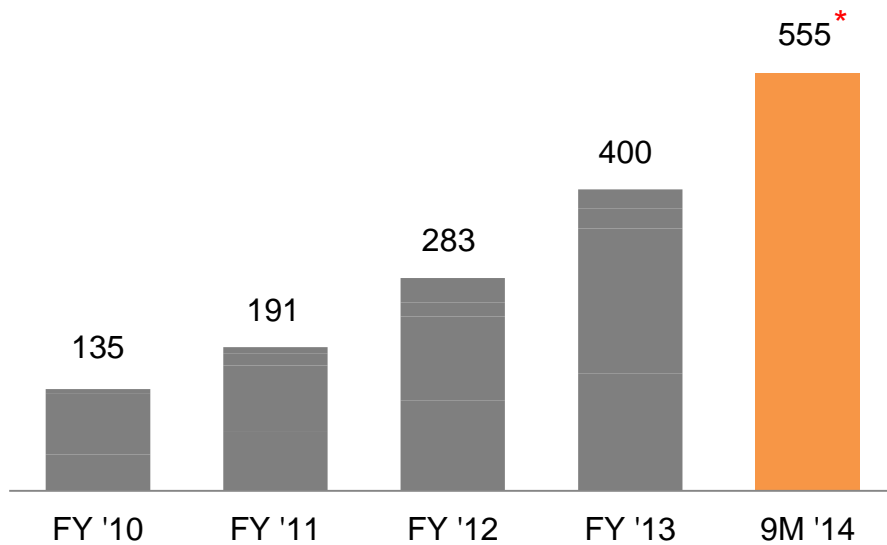
COST OF FUND*



* Customer deposits only

FEE-BASED INCOME

IDR bio

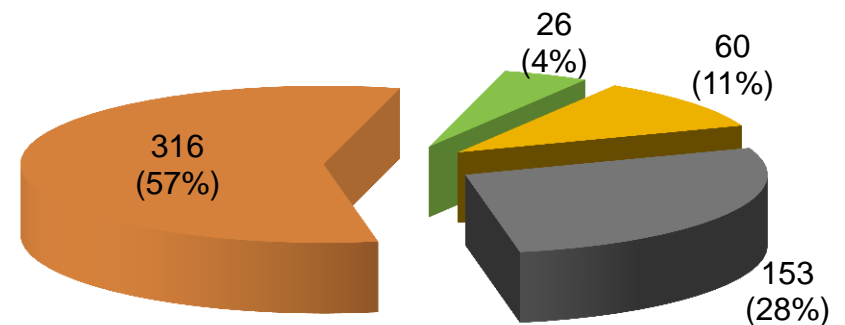


Insurance commission related fee income :



FEE-BASED INCOME COMPOSITION

IDR bio

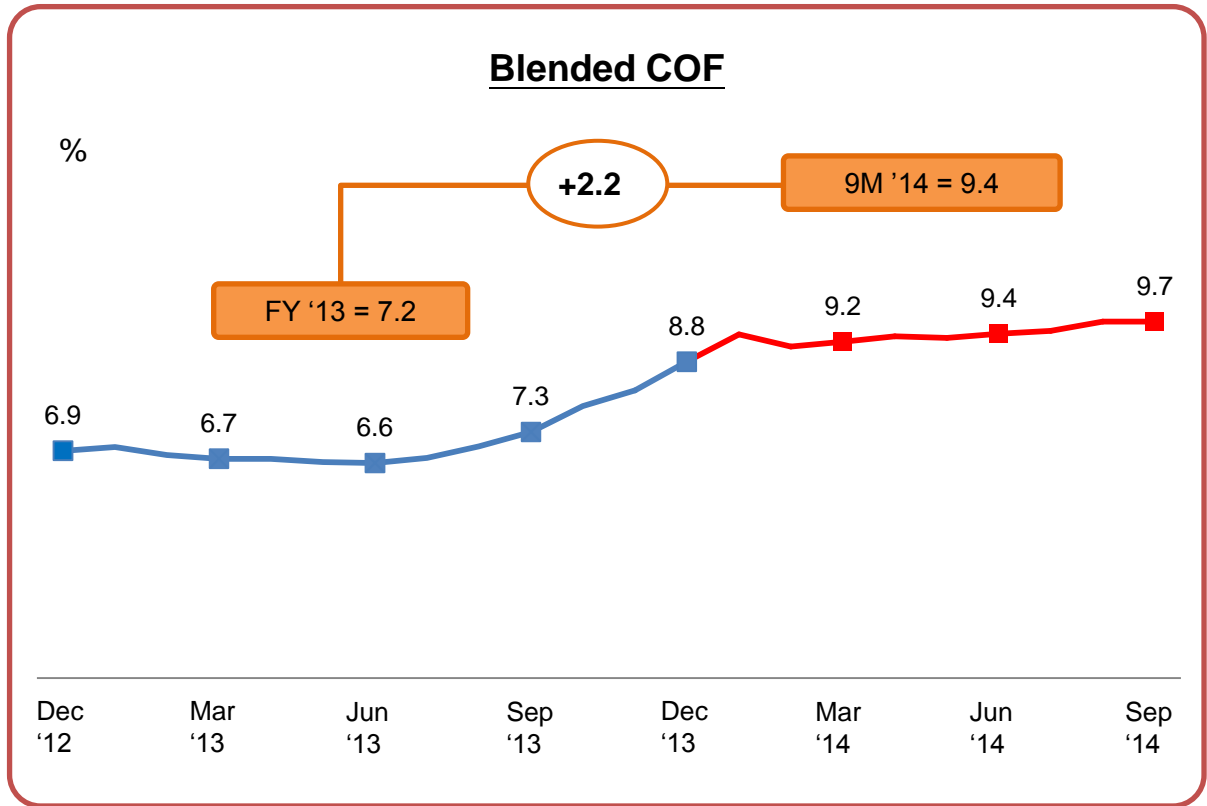


■ Loans ■ Insurance ■ Funding ■ Others

* Including IDR 5 bio non recurring Other Operating Income due to Bank Sahabat conversion to BTPN-S

THANK YOU

Average COF Increased 220 bps in 9M 2014



IMPACT

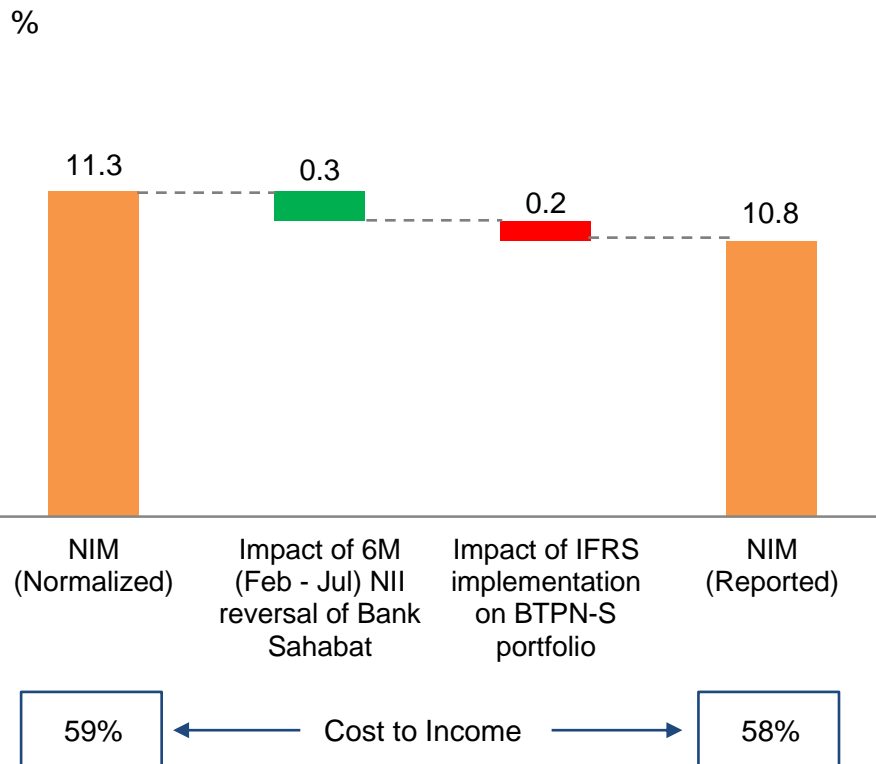
	Interest Expense	NPAT
9M '14	+805	(603)

Note:
9M'14 Avg Customer Deposits: IDR 49 tio



Reported NIM vs Normalized NIM

NIM – 3Q '14



NIM – 9M '14

