



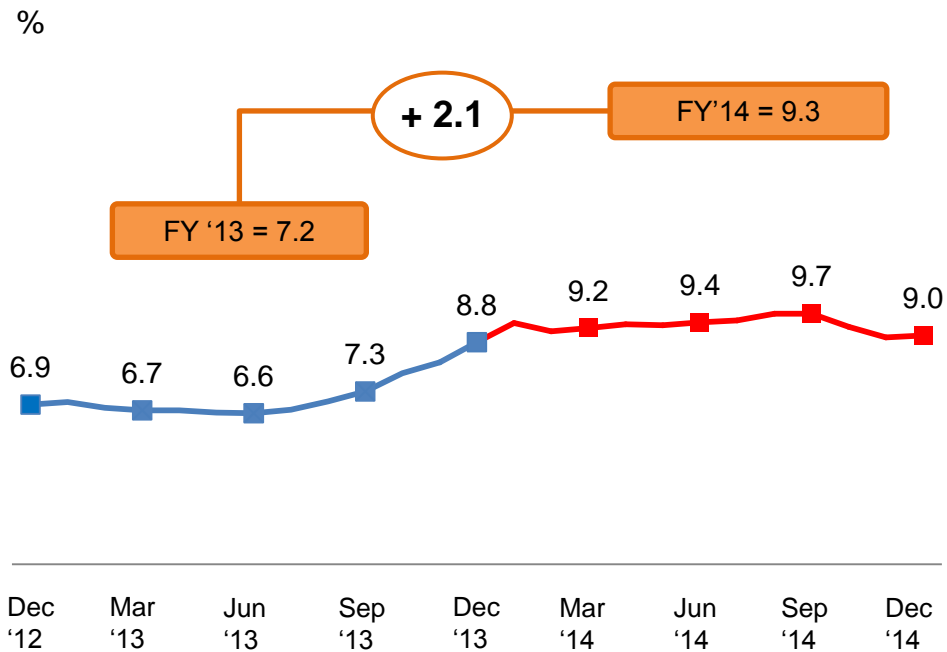
March 2015

2014 Results Update

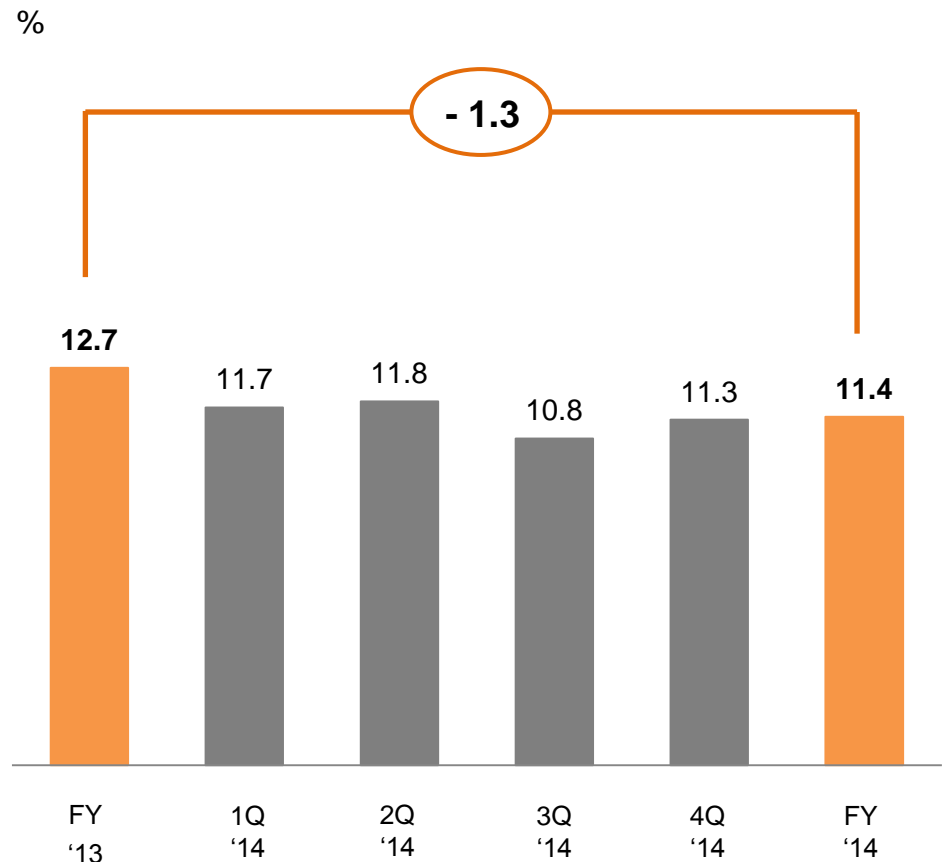


Cost of Fund Trends and Its Impact

Blended COF



NIM



IDR bio

**Interest
Expense**

NPAT

FY '14

+1,035

(766)

Note:

FY'14 Avg Customer Deposits: IDR 49 tr

Despite the Headwind in 2014, Sound Financial Results Attained

Slower Growth in line with Industry:

- Loans growth: 13% (YoY) vs Industry: 12% (YoY)
- Deposits growth: 2% (YoY) vs Industry: 12% (YoY)

Maintain Ample Liquidity buffer:

- LFR: 84%; LFR (incl. Equity): 71%
- LDR: 97%
- Liquid Asset Ratio: 37%

Key Ratios remains to be Healthy:

- NIM: 11.4%
- NPL: 0.7%
- ROE: 16.9%
- CAR: 23.3%

Strong Fee Income Growth:

- Fee Income: IDR 740 bio (85% YoY)

Net Income:

- FY 2014 NPAT: IDR 1,853 bio (-13% YoY)

Balance Sheet Highlights (Consolidated)



IDR billion	Dec '13	Mar '14	Jun '14	Sep '14	Dec '14	ΔYoY
Cash & BI	5,414	5,513	5,820	5,920	5,758	6%
SBI & Placement	15,352	11,722	12,410	11,351	13,928	-9%
Loans (gross)	46,105	47,037	50,013	51,135	51,994	13%
- Pension	31,614	31,738	33,157	34,260	34,739	10%
- Micro	10,427	10,641	11,204	11,669	12,731	22%
- Productive Poor (Syariah)	1,354	1,620	2,054	2,189	2,499	85%
- Others	2,710	3,038	3,598	3,017	2,025	-25%
Allowance for losses	(486)	(494)	(542)	(534)	(507)	4%
Customer Deposits	52,196	49,263	52,696	52,550	53,335	2%
Borrowings	6,358	6,441	6,275	6,316	8,214	29%
Total Funding	58,553	55,704	58,971	58,867	61,549	5%
Equity	9,908	10,418	10,934	11,368	11,811	19%
Total Assets	69,661	67,349	71,411	71,698	75,015	8%

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

Profit & Loss Highlights (Consolidated)



IDR billion	FY '13	1Q '14	2Q '14	3Q '14	4Q '14	FY '14	ΔYoY
Interest income	10,943	2,993	3,100	3,086	3,114	12,293	12%
Interest expense	3,895	1,259	1,300	1,388	1,304	5,252	35%
Net interest income	7,048	1,734	1,799	1,698	1,810	7,041	0%
Fee income	400	142	186	227	185	740	85%
Operating income	7,449	1,875	1,985	1,925	1,995	7,780	4%
Operating expense	3,980	1,033	1,098	1,124	1,246	4,501	13%
- BAU	3,449	824	873	947	1,024	3,668	6%
- TUR (Productive Poor)	488	194	209	162	218	784	61%
- MSOP	43	15	15	15	5	49	15%
Net operating income	3,469	842	888	800	749	3,279	-5%
Loan loss provision	591	171	202	220	151	744	26%
NPBT	2,869	668	681	576	597	2,523	-12%
NPAT	2,131	493	502	421	436	1,853	-13%

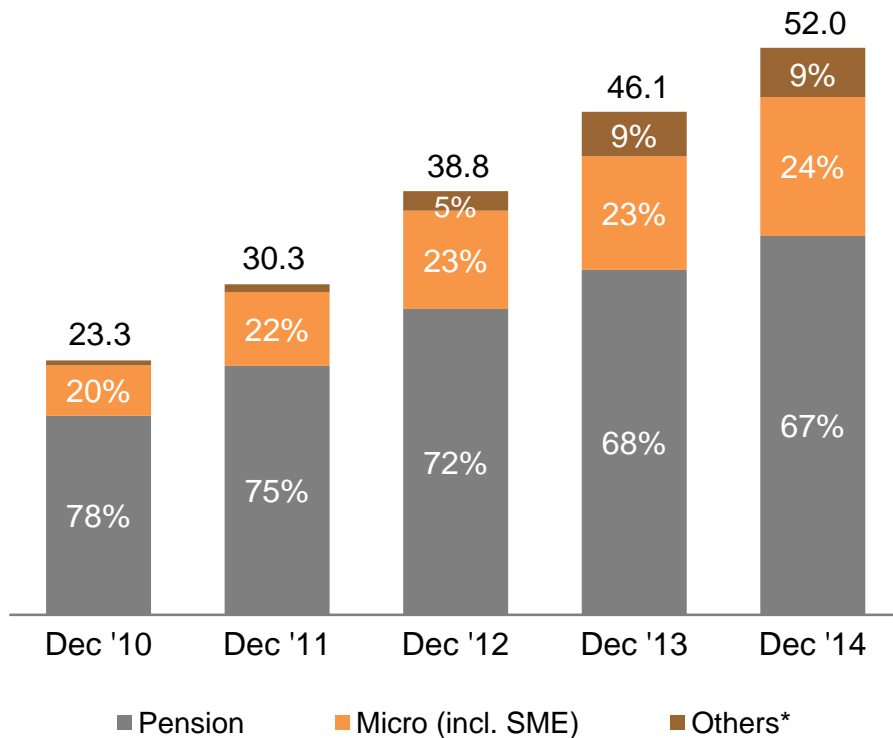
Key Ratios

%	FY '13	1Q '14	2Q '14	3Q '14	4Q '14	FY '14
NIM	12.7	11.7	11.8	10.8	11.3	11.4
Cost to Income	53	55	55	58	62	58
Cost to Income (bank only)	53	55	55	57	59	56
LDR (end of period)	88	95	95	97	97	97
Loan to Funding	79	84	85	87	84	84
Loan to Funding (incl. Equity)	67	71	72	73	71	71
Liquid Asset Ratio	40	35	35	33	37	37
NPL	0.7	0.7	0.9	0.8	0.7	0.7
Cost of Credit/Avg. Loan	1.4	1.5	1.7	1.7	1.2	1.5
LLP/NPL	158	141	125	129	139	139
ROA (before tax)	4.5	3.9	3.9	3.2	3.3	3.6
ROE (after tax)	23.8	19.3	18.7	15.0	15.0	16.9
CAR (credit & ops risk)	23.1	24.0	23.4	23.6	23.3	23.3
Equity / Assets	14.2	15.5	15.3	15.9	15.7	15.7

Loans Composition & Portfolio Quality

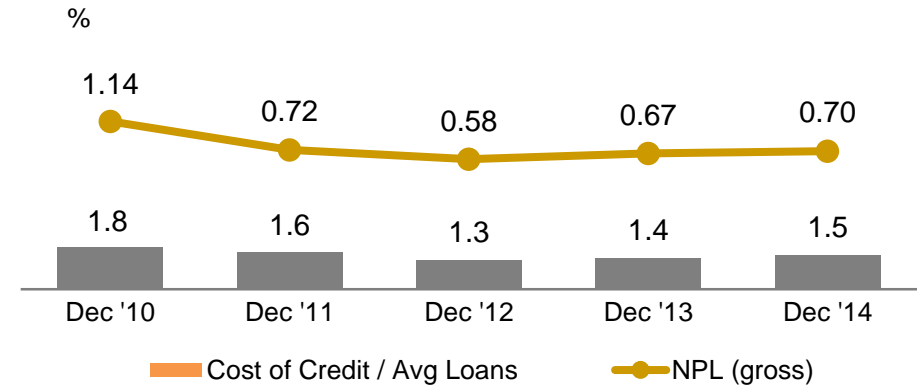
LOANS COMPOSITION

IDR tio

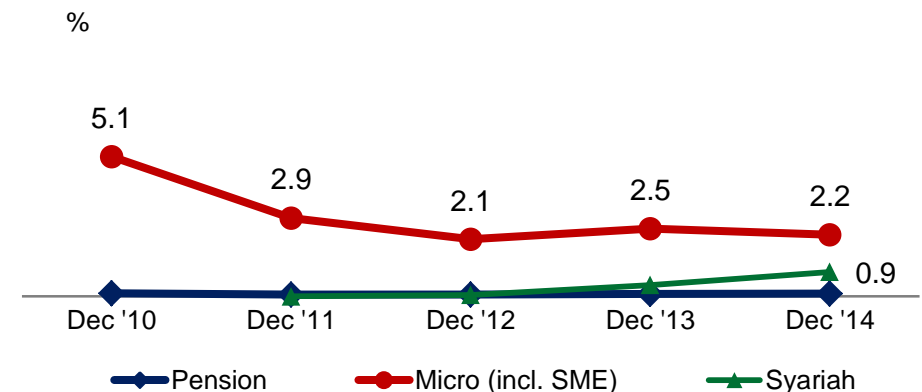


Note: * including Syariah Financing, Joint Financing, Money Market loan, Employee loan and ex-Bank Sahabat loan

NPL & COST OF CREDIT

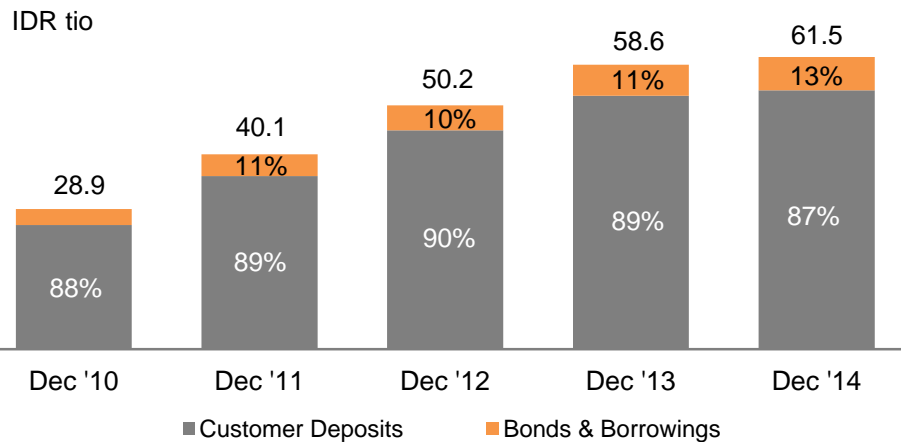


NPL BY BUSINESS

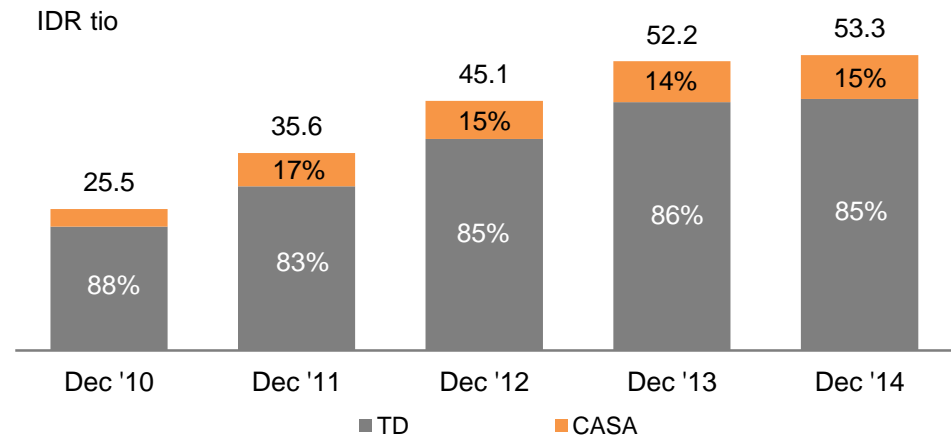


Funding Composition & Liquidity Reserves

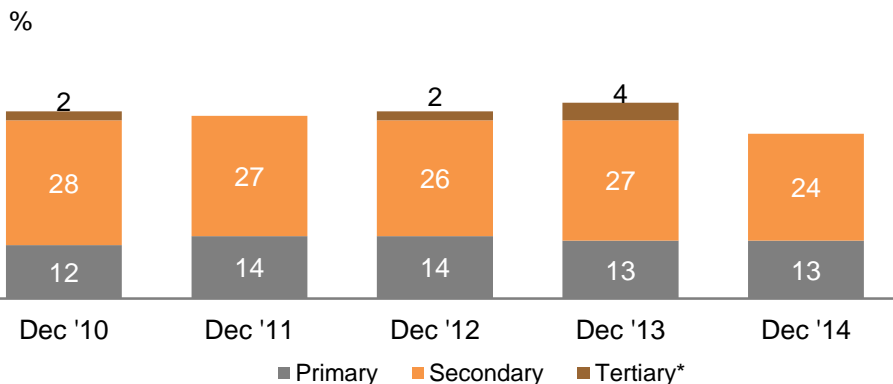
FUNDING COMPOSITION



CUSTOMER DEPOSIT COMPOSITION

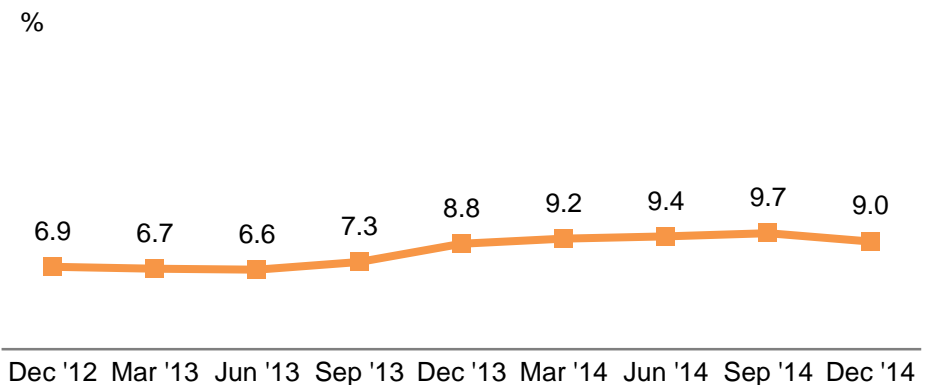


LIQUID ASSETS RATIO (Against Total Customer Deposits)



* Revolving Standby Loan IFC/SMBC

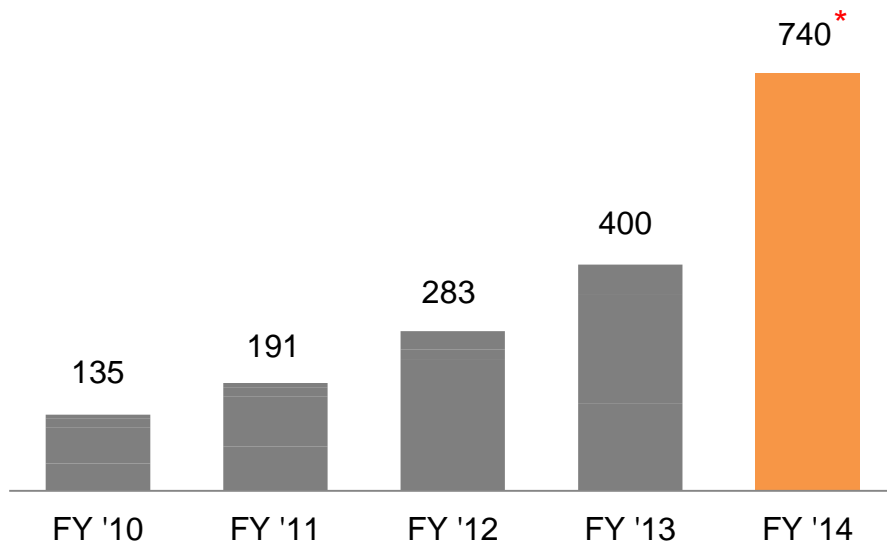
COST OF FUND*



* Customer deposits only

FEE-BASED INCOME

IDR bio

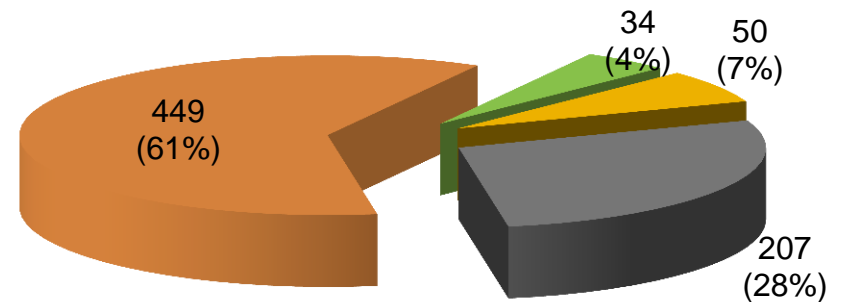


Insurance commission related fee income:



FEE-BASED INCOME COMPOSITION

IDR bio

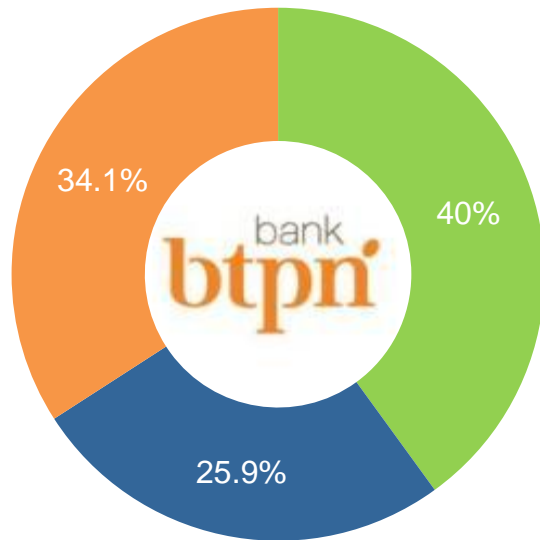


■ Loans ■ Insurance ■ Funding ■ Others

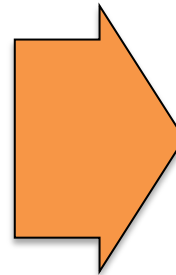
* Including IDR 5 bio non recurring Other Operating Income due to Bank Sahabat conversion to BTPN-S

Ownership Structure

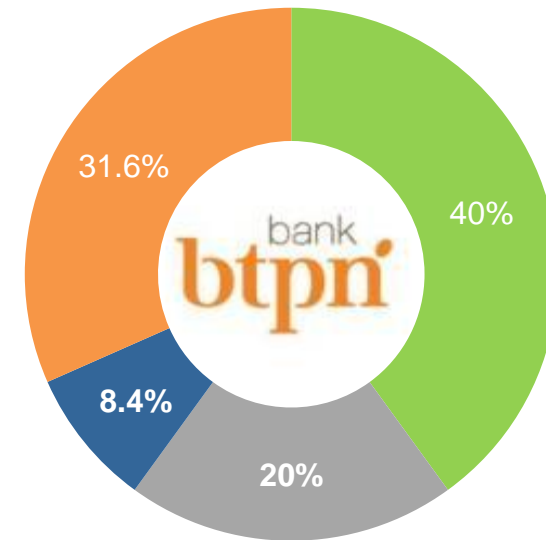
March 2014



- Sumitomo Mitsui Banking Corporation
- TPG Nusantara S.a.r.l.
- Public (each <5%)



February 2015



- Sumitomo Mitsui Banking Corporation
- Summit Global Capital Management B.V.
- TPG Nusantara S.a.r.l.
- Public (each <5%)

- ◆ Secured a total of US\$ 500 million loan from IFC/SMBC:
 - Portion: IFC - US\$ 175 mio; SMBC - US\$ 325 mio
 - Standby Revolving Loan Facility
 - Availability period: up to 3 years
 - Tenor for each withdrawal: 6 months to 3 years
 - Total facility tenor: 5 years

btpn
WOW!

Financial Inclusion is an IDR 200 trillion Deposit Opportunity

Financial inclusion is an IDR 200 trillion+ deposit opportunity

20%

of adult population has account with formal financial sector¹; financial exclusion particularly concentrated in the mass market

200+ Tn

deposit opportunity in the next 5 years²

90%

hand phone penetration³

However, some critical challenges exist in bringing financial access to the mass market



Although most of mass market saves, not all are servable by regular branches due to infeasible branch economics



Although hand phone penetration is high, smart phone penetration³ is low (<30%) and >60% of villages do not receive a strong signal⁴

Recent OJK regulations released in Nov 2014 allow for inclusive, branchless banking



Branchless banking for financial inclusion (Laku Pandai) permitted



Regulations permit an agent based banking model with exclusive relationship between the agent and the bank

Allows for a Basic Savings Account (BSA), with simplified KYC requirements

- Full name
- Address
- Place and date of birth
- Occupation
- Signature



+ identification document to support the above

btpn product features



USSD-based product that works with even 1 bar signal



Savings led product

Other features



Airtime top up



Bill payment



Payments



Transfers



Micro-loans



Micro-Insurance

An Agent-based Branchless Banking Solution targeted at the Mass Market



Customer

Customer acquisition



Customers are acquired by both agents and WOW! area representatives

Customer Servicing



Customers can access a range of financial services (savings, bill payments, transfers and airtime top ups) through USSD based access (*247#) on their phone

Agent acquisition and management



Agents are selected both from among BTPN's existing customers (e.g. MUR micro-traders) and also non-customers selected based on a strict agent selection criteria

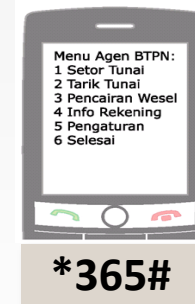
Agent



Agent collects and submits to operations customer details including name, address, place and date of birth, occupation and signature, through an e-form process



Customers cash-in and cash out at agent locations, authorized by their mobile phone and PIN



Agents have access to a separate USSD code (*365#) for accessing their account

btpn WOW!



Operations activates the account after checking for PEP/black-list exclusion and if customer is an existing customer



Customers and agents have access to a BTPN WOW! call center and an agent service desk



WOW! area representatives are responsible for agent acquisition, training, liquidity and fraud management

BTPN WOW! won the First Award for Financial Access in the financial inclusion competition run by OJK in 2014 (KOINKU)

Well Aligned with BTPN's Strategy of Serving the Mass Market

Support financial inclusion



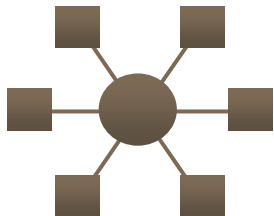
- btpn WOW! enables btpn to contribute to Indonesia's financial inclusion
- enables btpn to build the first banking relationships with an emerging class of Indonesians

Create funding and lending opportunities



- btpn WOW! to serve as a funding engine for btpn, providing access to mass market deposits (lowering the cost of funds for btpn)
- opportunity to provide micro-loans to mass market customers

Create a mass market ecosystem



- btpn WOW! to eventually be a complete mass market financial and informational ecosystem
- fits with btpn's corporate vision to be the best mass-market bank, making a difference in the lives of the millions

Grow fee income



- btpn WOW! will generate fee income on cash-outs and other transactions such as utility payments, merchant transactions and micro-insurance

A Natural Extension of BTPN's Existing Mass Market Presence



btpn is well entrenched in the mass market

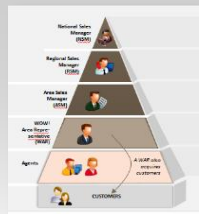
	MUR			TUR			PUR		
btpn mass-market footprint		Enables micro-business owners			Enables productive poor families by empowering women			Enables pensioners to have a more meaningful life	
	595 Branches	6k Employees	232k Customers	105k Sentras	11k Employees	1.5Mn Customers	405 Branches	8k Employees	600k Customers

This provides many synergies for btpn WOW!

Distribution synergies	<i>btpn WOW! will recruit MUR customers (who are micro-business owners) as potential branchless banking agents</i>	<i>btpn WOW! will recruit TUR customers (women) and employees as potential agents, TUR sentras will serve as agent training locations</i>	<i>btpn WOW! will leverage PUR's footprint and infrastructure for conducting branchless banking services</i>
Operational synergies	Leverage common call center, and account opening operations center		
Credit & Risk synergies	Leverage common credit and risk management process		

Has Designed and Tested its Business Model and is ready to Launch by March 2015

Business model designed



Agent acquisition and management model



Customer acquisition and servicing model



Airtime top-up and bill-payment tie ups

Business model tested



Business model tested in 2013 pilot conducted in Bali and Bogor



Launch readiness verified



Tested for readiness across telco integration, IT, operations and e-form based customer acquisition processes



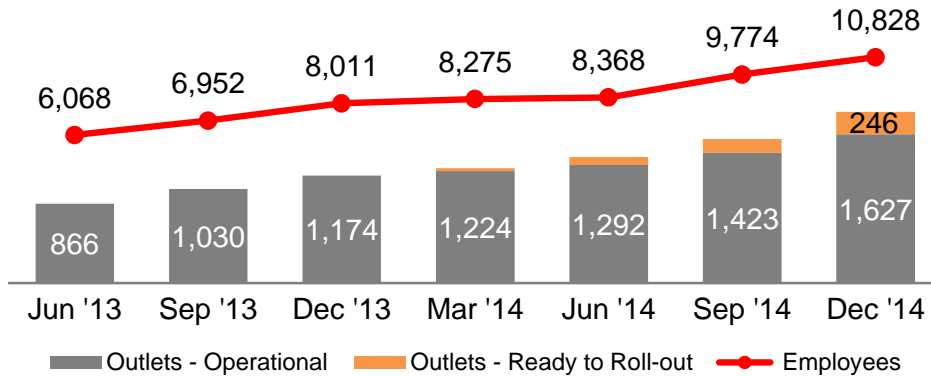
Marketing and distribution channels activated

btpn WOW! is one of 4 banks given the branchless banking license by OJK based on business model quality and readiness

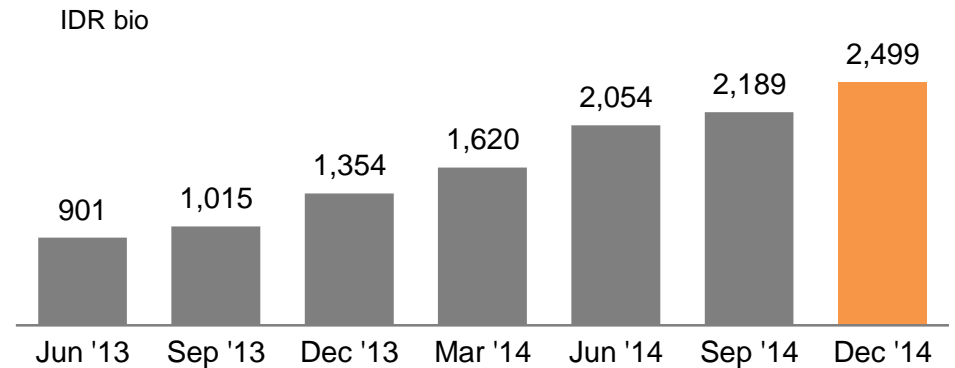
btpn WOW! is expecting to launch in Sumatera by March 31, 2015

syariah
btpn

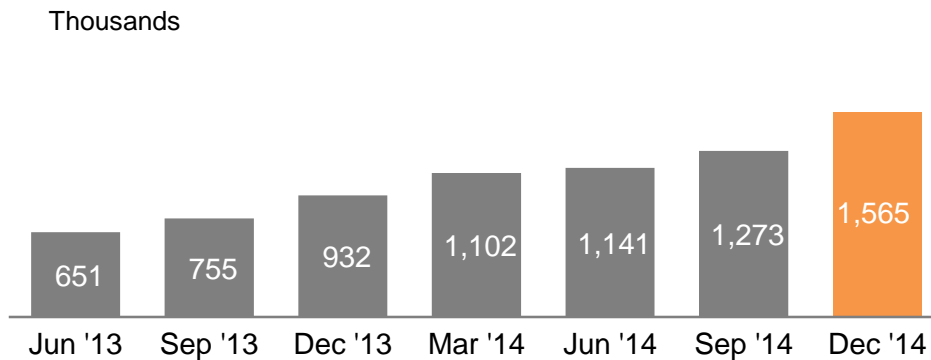
OUTLETS & EMPLOYEES



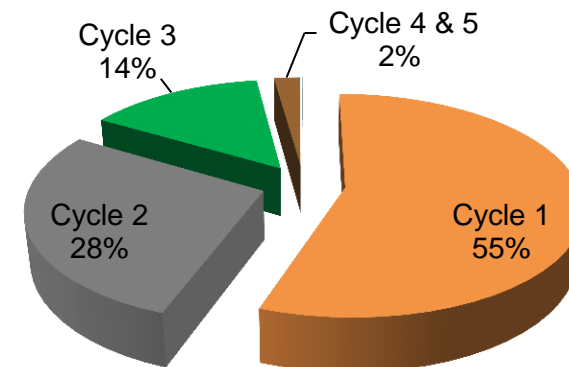
FINANCING



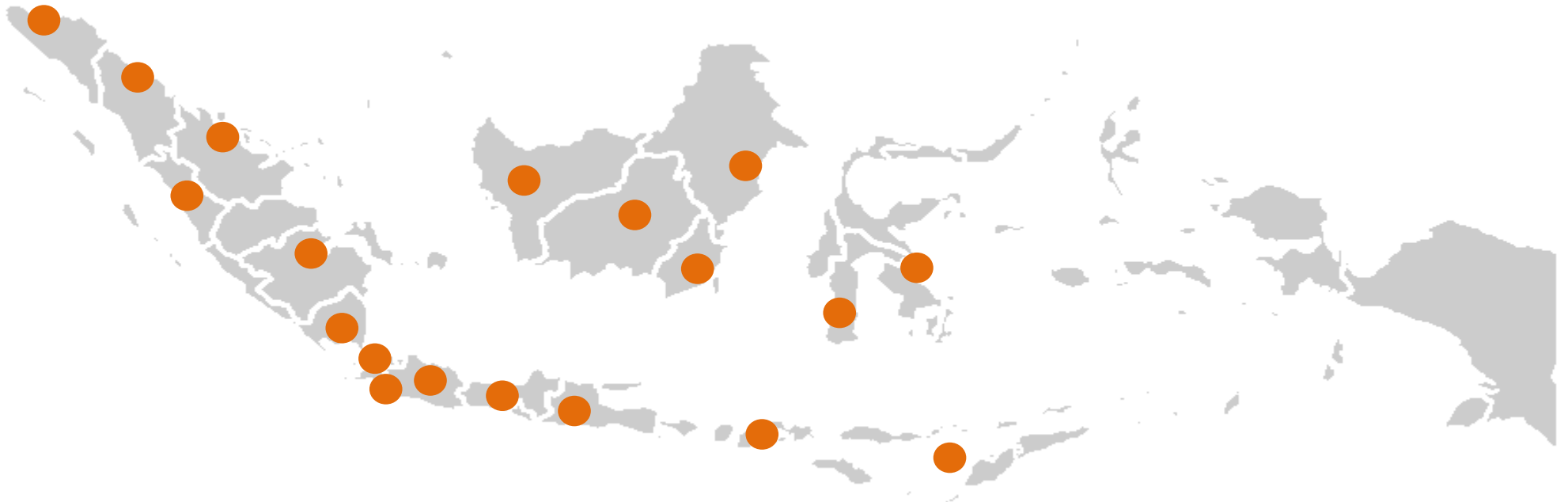
TOTAL CUSTOMERS



FINANCING CUSTOMERS BY CYCLE



Productive Poor Ecosystem



**1,627 MMS &
10,828 Employees**

118K Centers

1.6 mn Customers

Balance Sheet

IDR billion	Dec '14
Cash & BI	200
SBIS & Placement	704
Financing & Loans (gross)	2,550
- <i>Productive Poor (Syariah)</i>	2,499
- <i>Others*</i>	51
Allowance for losses	(39)
Deposits & Temporary Syirkah Funds	2,714
Equity	831
Total Assets	3,708

Note: * ex-Bank Sahabat loans

Profit & Loss

IDR billion	FY '14
- Bank's share in profit sharing	461
- Income from conventional business	10
- Other operating income	8
Operating income	479
Operating expense	400
Loan loss provision	6
NPAT	53

- ◆ ROA (before tax): 4.1%
- ◆ ROE (after tax): 13.5%
- ◆ Cost to Income: 83%
- ◆ NPF: 1.3%
- ◆ FDR: 94%
- ◆ CAR: 32.8%

THANK YOU