

PRESS RELEASE

**BII Records 16% Increase in Net Profit for First Quarter 2013
Improved asset quality; foundation strengthened for sustained growth**

31 March 2013 Financial Highlights

YoY growth

- Net interest Income increased by 18%
- Net Interest Margin (NIM) maintained at 5.32%
- Profit Before Tax (“PBT”) increased by 15% to Rp438 billion
- Profit After Tax and Minority Interest (“PATAMI”) increased by 16% to reach Rp309 billion
- Assets grew by 23% to Rp118.3 trillion
- Loans portfolio grew by 14% to Rp79.7 trillion
- Customer Deposits increased 24% to Rp89.3 trillion
- Asset quality continued to improve with gross NPL standing at 1.47% from 2.00% in March 2012 and net NPL at 0.62% from 1.04% in March 2012
- Return on equity recorded at 14.35%
- Capital adequacy ratio (CAR) with credit, operational and market risks remained healthy at 13.29%
- Loan to Deposit Ratio (LDR) improved to 88.00%, from 96.30% in first quarter 2012
- Earnings per share increased by 16% to Rp5.49

Jakarta, 25 April 2013

Maybank’s Indonesian banking unit PT Bank Internasional Indonesia Tbk (“BII” or the “Bank”) today announced a profit after tax and minority interest (PATAMI) of Rp309 billion for the first quarter ended 31 March 2013, an increase of 16% from the same period a year earlier. The Bank’s profit before tax increased by 15% to Rp438 billion compared to Rp379 billion in the corresponding period.

Strong deposit growth, continued growth in SME, mortgage and 4-wheel auto loan portfolio, profitability at WOM and improvement in the overall asset quality were the main drivers for the achievements of the first quarter 2013 performance.

Customer Deposit saw strong increase of 24% during the first quarter 2013 to Rp89.3 trillion from Rp72.0 trillion in the first quarter last year. Our strategy in leveraging our existing clientele base in retail, SME and Global Wholesale by optimizing cross sell and encourage referrals has provided support in growing our customer deposits after seeing positive traction in our initiative to enhance the productivity of branches to generate deposits. Current accounts grew by 13% to Rp14.0 trillion, Saving accounts grew by 20% to Rp19.3 trillion, and time deposits increased by 28% to Rp56.0 trillion.

Loans grew 14% during the first quarter 2013, from Rp69.8 trillion as at March 2012 to Rp79.7 trillion as at March 2013. SME loans grew the fastest from Rp17.1 trillion to Rp23.7 trillion or 39%. Retail loans increase 13% from Rp25.9 trillion to Rp29.3 trillion. Excluding the WOM two-wheel portfolio which was affected by the new LTV rule, retail loans grew 30%. Global Wholesale Banking loans (including Commercial loans) remained stable at Rp26.7 trillion as the Bank re-adjusted its corporate portfolio consistent with its proactive credit risk management activities

The growth of loan in Retail banking during the first quarter 2013 was mainly supported by the growth in mortgage loans and a significant increase of in its four wheeler portfolio. The Bank continues to re-balance between its four-wheel and two-wheel business. The four wheel financing grew 38% from Rp5.1 trillion in March 2012 to Rp 7.0 trillion in March 2013. Mortgage loans significantly grew by 32% to Rp10.5 trillion in March 2013 from Rp 7.9 trillion in March 2012.

The consolidated loan to deposit ratio (LDR) improved from 96.30% in March 2012 to 88.00% as of end of March 2013. LDR at the Bank (excluding subsidiaries) remained at a healthy level of 82.55%, while the Bank's modified consolidated LDR which includes senior bond, long term borrowings and customer deposits stood at 76.17% as of 31 March 2013.

Other key drivers which supported the Bank's improved performance during the year were as follows:

- A 18% YoY improvement in the Bank's net interest income (NII) from Rp1.2 trillion in March 2012 to Rp1.4 trillion in March 2013 arising from loan growth which was accompanied by improvement in asset quality. The strong competition among banks which put pressure on the Net Interest Margin (NIM) across the industry, has resulted a marginal decline on the Bank's NIM to 5.32% in March 2013 against 5.51% in the previous year.
- Strong improvement in asset quality with BII's gross non-performing loans (gross NPL) level improving to 1.47% as of 31 March 2013 from 2.00% as of 31 March 2012. Net NPL improved to 0.62% from 1.04%. Gross impaired loans improved to 1.99% from 2.09% previously while net impaired loans were managed at 1.10%. The improvement in asset quality was achieved mainly through the Bank's prudent and disciplined banking practices, reflected by continuous effort in strengthening risk management and credit processing as well as closer monitoring of existing borrowers. Asset quality of the two-wheel portfolio at WOM showed further improvement, with net NPL improving to 1.34% from 1.58%.
- A 11% decline in provision expenses to Rp195 billion as of 31 March 2013 compared to Rp220 billion a year earlier, despite a 14% growth in loans. The improved asset quality was achieved mainly through the Bank's prudent and disciplined banking practices, continuous effort in strengthening risk management and credit processing as well as closer monitoring of existing borrowers.
- Marginal increase in fee based income from Rp 628 billion to Rp 638 billion was mainly due to reduction in the sale volume of the two wheels financing as seen across the industry.

- Return to profitability for WOM, which recorded a profit after tax of Rp 7 billion compared to a loss of Rp 22 billion in the same period last year.
- Increase in overhead costs at 17% as the Bank's has been aggressively expanding branch and electronic network as well as investment in both IT infrastructure and human capital. Overhead costs stood at Rp1.5 trillion in March 2013 compared with Rp1.2 trillion in March 2012. The cost to income ratio (bank only) increased from 65.67% as of 31 March 2012 to 71.83% as of 31 March 2013. With additional 11 new branches, the Bank's total branches have now reached 415. These new branches are expected to generate positive economic value to the Bank in the near term.

Comments by BII's President Director, Dato' Khairussaleh Ramli:

"We started the new financial year with continued growth in our topline and bottomline. We remain optimistic for the financial year 2013, as we put greater focus in growing our financing."

"The Intense competition in the market combined with the cap on deposit interest rate has necessitated us to come up with differentiated strategy in growing the customer deposits. Our strategy in leveraging our existing clientele base in retail, SME and Global Wholesale by optimizing cross sell and encourage referrals coupled with Our community concept have resulted a 24% growth in customer deposits in the first quarter 2013. Our strategic priority is now to improve funding composition to provide lower cost of funding for the growth."

"To support our continuous business growth, the Bank plans to raise its core capital through rights issuance in the first half of 2013. This plan is in line with the Bank's Capital Management Strategy and has been submitted to the Financial Services Authority (OJK) on 26 March 2013. We are currently waiting for the Effective Statement from OJK approving this rights issue. The total core capital to be raised from this rights issue is Rp1.5 trillion."

"We are also pleased to see positive results from our IMPACT transformation program, such as our branch front line sales transformation initiative which doubled up branch productivity, transforming Syariah as a product manufacturer for the entire BII Group and Strategic Cost Management Program (SCMP)."

Comments from President Commissioner BII and Chairman of Maybank Group, Tan Sri Dato' Megat Zaharuddin bin Megat Mohd Nor:

"I am pleased that the business growth has been accompanied by improved asset quality. This demonstrates that our good governance, strong risk management and strong monitoring have been well in place in managing the Bank's portfolio. It is satisfying to see that the intensive efforts by management to strengthen operations and build on capabilities have paid off and we now have a franchise that is indeed on a growth trajectory in terms of profitability and business expansion."

About BII

BII is one of the largest banks in Indonesia with 415 branches including Syariah branches and overseas branches 1,388 ATMs including CDMs (Cash Deposit Machines) BII across Indonesia, and also connected with more than 20,000 ATMs under ATM PRIMA, ATM BERSAMA, ALTO, CIRRUS, and Malaysia's MEPS network, and to more than 3,500 Maybank ATMs in Malaysia and Singapore. BII has a banking presence in Mauritius and Mumbai which is in the process of reactivation of its operations. As of 31 March 2013, total customer deposit of Rp89.3 trillion and Rp118.3 trillion in assets. BII provides full range of financial services through its branch and ATM network, phone banking, mobile banking and internet banking channels. BII is listed on the Indonesia Stock Exchange (BNII) and is active in SME, Retail and Global Wholesale Banking.

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