

PRESS RELEASE

**BII Records 27% loan growth despite challenging market
Results, however, impacted by NIM Compression & Provisions**

31 March 2014 Consolidated Financial Highlights

YoY growth

- Loans portfolio grew by 27% to Rp101.3 trillion
- Assets increased by 18% to Rp140.1 trillion
- Customer Deposits increased 16.5% to Rp104.0 trillion contributed by a significant increase in Savings Deposits of 24.7%
- Loan to Deposit Ratio (LDR) (Bank Only) remains healthy at 88.91% in the first quarter 2014
- Profit After Tax and Minority Interest (“PATAMI”) decreased by 39% to Rp189 billion due to squeeze in NIMs and provisions for selected corporate debtors
- Total capital increased to Rp 15.0 trillion in March 2014 from Rp 12.4 trillion in the previous year; CAR with credit, operational and market risk reached 13.29%

Jakarta, 29 April 2014

PT Bank Internasional Indonesia Tbk (“BII” or the “Bank”) today announced it continued to record strong loan and deposit growth in the first quarter of 2014.

The Bank saw loans growing 27% to Rp 101.3 trillion for the period ended 31 March 2014, in spite of the challenging market conditions and adverse trend in overall industry growth. Business Banking continued to lead the way with its loans growing fastest from Rp27.6 trillion to Rp36.1 trillion, an increase of 30.9%. Loans from Retail Banking rose 25.6% from Rp29.3 trillion to Rp36.7 trillion, and Loans from Global Banking increased 24.3% from Rp22.9 trillion to Rp 28.5 trillion.

The Bank continued to manage liquidity prudently by prioritizing the maintenance of a healthy liquidity reserve. Customer Deposits increased 16.5% during the first quarter 2014 to Rp104 trillion from Rp89 trillion in same period last year. Strongest growth was recorded in savings deposits which grew 24.7% from Rp19.3 trillion in March 2013 to Rp 24.0 trillion in March 2014. Current account deposits grew 10.6% while time deposits increased 15.2%. These resulted in CASA ratio improving to just under 40%; an increase from 37% in the previous year.

The regulatory Loan-to-Deposit ratio (Bank only, excluding subsidiaries) remained healthy at 88.91% as of 31 March 2014, while the Bank’s modified consolidated LDR which includes senior bonds, long term borrowings and customer deposits stood at 81.71%.

During the first quarter of 2014, the Bank experienced some asset quality deterioration in a number of Global Banking Debtors related to commodities and structured trade financing. As a result, provisions increased by 72%. The Bank continues to manage its commodity exposure through tighter control over its remaining exposure in Structured Trade and Commodity Finance. Global and domestic economic conditions which led to a decline in export activities coupled with the rise in interest rates also impacted the Bank's NPL level. Gross NPL stood at 2.05% while net NPL was 1.43% from 1.47% and 0.62% previously. In addition, the increasing cost of funds and challenging market conditions impacted the Bank's Net Interest Margin (NIM) which declined from 4.58% to 4.03%. These factors affected the Bank's bottom-line for the quarter with PATAMI coming in 39% lower at Rp 189 billion.

The Bank saw positive performance in most other areas of its operations. Its net interest income (NII) improved from Rp1.4 trillion in March 2013 to Rp 1.5 trillion in March 2014. Fee based income of the Bank was relatively stable compared to last year reflecting the positive impact from Global Market, cash management services despite the lower fee income from the subsidiaries. Total fee based income reached Rp504 billion in March 2014 compared to Rp520 billion in March 2013.

Overhead costs were also well managed despite inflation hovering at approximately 8% to 9% this first quarter. The Bank's overhead costs reached Rp 1.4 trillion in March 2014 from Rp 1.3 trillion in March 2013.

Improved performances were also recorded at BII subsidiaries namely PT BII Finance and PT Wahana Ottomitra Multiartha Tbk (WOM) for the first quarter 2014.

BII Finance recorded strong growth of 16% in profit before tax (stand alone) to Rp73.6 billion in March 2014 from Rp63.5 billion in March 2013. Its total four wheel financing (consolidated) rose 40% to Rp 9.8 trillion in March 2014 from Rp 7.0 trillion in March 2013. Asset quality remained excellent with gross NPL only at 0.12% and net NPL at 0.10%.

Positive traction was also recorded by WOM. Significant improvement in managing asset quality and implementation of prudent risk management practice resulted in an increase in its profit before tax (stand alone) to Rp11.2 billion in March 2014 from Rp10.4 billion in March 2013, with total two wheel financing stable at Rp 8.5 trillion as a result of continued efforts to rebalance its four wheel and two wheel portfolio. Net NPL of WOM's loan portfolio has declined to 1.16% in March 2014 from 1.34% in March 2013.

BII Sharia Banking continued to show encouraging results following the implementation of its revamped business model last year. Total Sharia financing grew to Rp 3.4 trillion from Rp2.8 trillion contributing 3% of the Bank's total loan portfolio in March 2014 while total deposits tripled from Rp 1.0 billion to Rp 3.2 billion.

Comments by BII President Director, Taswin Zakaria:

"We started the new financial year with respectable performance in line with the industry expectation. We continued to book solid growth in our loan portfolio and customer deposits despite the challenging market conditions. However the higher than expected provisioning expenses impacted our bottom line for this period. To address this, we have taken further proactive measures to step up the monitoring of customer accounts and credit quality to ensure that sound asset quality is maintained.

“Liquidity will be another main focus area as we seek to balance our costs. We remain optimistic for financial year 2014 as we believe we are managing our costs more effectively while being responsible in growing our books. We have recently revamped our Global Banking business model to include greater focus on the top tier clients to build stronger portfolios and achieve solid annuity and fee business.”

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

“BII continues to show sustained growth at the operating level and we remain optimistic that it can steer itself in the current environment to manage the challenges that have emerged. With its rigorous risk and cost management measures in place as well as a disciplined approach in growing the business, the foundation has now been strengthened for Bank to chart a path of steady growth. Our emphasis on strengthening synergy with Maybank Group will also enable it to benefit from regional business opportunities while it continues to strengthen its position as a key player in the Indonesian banking industry.

About BII

BII is one of the largest banks in Indonesia with 422 branches including Syariah branches and overseas branches 1,524 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. As of 30 March 2014, total customer deposit of Rp104.0 trillion and Rp140.1 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 Business, Retail and Global Banking. BII is listed on the Indonesia Stock Exchange (BNII) and is active in Business, Retail and Global Banking.