



PT Bank Maybank Indonesia Tbk  
(formerly PT Bank Internasional Indonesia Tbk)

## **PRESS RELEASE**

### **Maybank Indonesia (formerly Bank Internasional Indonesia) Nine Months Net Profit Surges Over 70% Amidst Challenging Market Conditions**

Consolidated Financial Highlights as of 30 September 2015

#### **Y-o-Y growth**

- Net Profit increased 70.7% to Rp592 billion from Rp347 billion
- NII increased 10.5% to Rp4.8 trillion
- Net Interest Margin (NIM) improved to 4.82% from 4.63%
- Fee Based Income increased 12.4% to Rp1.6 trillion
- Assets rose 6.5% to Rp153.9 trillion
- Total loans increased 6.6% to Rp111.5trillion
- Total deposits increased 6.8% to Rp110.6 trillion with 15.5% growth in current account
- Loan-to-Funding Ratio (Bank only, excluding subsidiaries) remained healthy at 88.69% as of 30 September 2015.
- Strong capital position with Capital Adequacy Ratio (CAR) at 14.89%
- Sharia Banking's total asset increased 110% from Rp6.4trillion to Rp13.3 trillion with net profit increasing by almost six times to Rp239 billion from Rp41 billion

Jakarta, 29 October 2015.

PT Bank Maybank Indonesia Tbk ("Maybank Indonesia" or the "Bank") formerly known as PT Bank Internasional Indonesia Tbk ("BII") today announced that its net profit for the nine months period ended 30 September 2015 increased by 70.7% to Rp592 billion from Rp347 billion in the previous corresponding period ended 30 September 2014.

The strong performance for the nine months 2015 was achieved on the back of improved Net Interest Income (NII), better Net Interest Margin (NIM), higher fee based income, solid growth on liquidity especially in current accounts, and outstanding achievement in Syariah Banking.

The Bank's Net Interest Income increased 10.5% from Rp4.3 trillion in September 2014 to Rp4.8 trillion in September 2015 as the Bank's Net Interest Margin (NIM) improved to 4.82% from 4.63%. Increase in Net Interest Income (NII) was achieved through the Bank's discipline in loan pricing and active funding management.

Other operating revenue (fee based income) recorded an increase of 12.4% to Rp1.6 trillion in September 2015 compared with Rp1.4 trillion in the corresponding period of the previous year. The rise in fee based income was driven mainly by fees from advisory activities, insurance, and foreign exchange transaction.

The Bank's General and Administrative expenses were managed at 6.6% within YoY inflation rate of about 7% in the same period. This was mainly attributed to the continued implementation of the Bank's Strategic Cost Management Program (SCMP) that had been adopted and intensified across the Bank in its daily business operations as effort to improve efficiency and productivity

The Bank managed to increase its current accounts by 15.5% as a result of exercising rigorous control and discipline over growth of liquidity volume and pricing, while intensively executing CASA initiatives across its business lines. The Bank's customer deposits showed a growth of 6.8% from Rp103.6 trillion as of 30 September 2014 to Rp110.6 trillion as of 30 September 2015. The Bank's continuous upgrade on its cash management system, strong financial supply chain solutions, and its (internet based) mobile banking facility Maybank M2U have also greatly contributed to the improved liquidity position.

Sharia Banking has also demonstrated a significant contribution to the overall improved performance of the Bank. Sharia Banking business continued to show impressive results in the nine month period 2015. Total Sharia financing grew 56.0% from Rp5.2 trillion in September 2014 to Rp8.1 trillion in September 2015, contributing 7.3% of the Bank's total loan portfolio. Sharia Banking's net profit increased strongly from Rp41 billion in September 2014 to Rp239 billion in September 2015.

The Bank posted loans growth of 6.6% to Rp111.5 trillion in September 2015 from Rp104.6 trillion in September 2014 despite challenging business environment and weakened domestic economy. While Business Banking and Retail Banking continued to be the Bank's growth drivers, Global Banking marked a turnaround to resume a positive growth momentum in the third quarter 2015.

Retail Banking loans grew 12.3% from Rp39.8 trillion to Rp44.7 trillion while Business Banking loans increased by 12.2% from Rp38.9 trillion to Rp43.6 trillion. Although Global Banking loans showed a 10.4% decline (YoY), on quarterly basis, its loans grew 8.4% in the third quarter reaching Rp23.2 trillion as of September 2015. Retail Banking contributed 40% of the Bank's total loans while Business Banking contributed 39% and Global Banking 21%.

Under Retail Banking portfolio, Mortgage loans surged 15.7% to Rp17.8 trillion whilst maintaining sound asset quality. Unsecured loans increased by 12.5% with Personal loans up by 26.3% and Credit Card receivables up by 6.3%. Electronic Banking has also experienced a robust development with its recently launched (internet based) mobile banking facility Maybank M2U, the same successful mobile banking platform used by Maybank Group. This helped propel the growth in the Bank's e-channel's volume approximately by 20%.

The Bank continued to see positive development in its Business Banking as reflected by the 11.2% growth in Commercial loans from Rp22.6 trillion in September 2014 to Rp25.1 trillion in September 2015 and 11.2% growth in SME loan portfolio growth from Rp15.6 trillion in September 2014 to Rp17.4 trillion in September this year. At the same time, asset quality metrics remained robust. The Bank's distinctive micro financing product "PIJAR" (*Pilihan Bijak Mitra Usaha*) continued to show encouraging results with 62.7% increase in micro loans compared with the previous year, to reach Rp1.2 trillion.

The Bank continued managing down exposures from certain corporate accounts that had led to increase in Non-Performing Loan (NPL) level. The bank has actively carried out restructuring of those accounts and expect to see improvements in the coming months. The Bank's NPL level was at 4.34% (gross) and 2.79% (net). The Bank remains cautious over loan quality as businesses are still impacted by the current economic slow-down, and weakening of the Rupiah. The Bank has strengthened its focus on re-profiling its corporate portfolio and on realigning business with redefined risk appetite toward higher credit quality corporate to improve asset quality.

## **Subsidiaries**

BII Finance recorded strong consumer financing (stand alone) growth of 27.2% to Rp4.0 trillion in September 2015 from Rp3.2 trillion in September 2014. Asset quality remained solid with gross NPL only at 0.24 % and net NPL at 0.20%. With its outstanding performance, BII Finance has received award from Indonesia Multifinance Award (IMA) as the Best Multifinance Non-Listed Company for category total asset size Rp1-5 trillion and from Infobank as the best multifinance. BII Finance is in the process of finalizing senior bonds issuance of Rp500 billion to further strengthen its long term funding.

PT Wahana Ottomitra Multiartha Tbk (WOM), in line with the industry, experienced a decline in its total financing. WOM's total consumer financing (stand alone) decreased 10.1% from Rp4.4 trillion in September 2014 to Rp4.0 trillion in September 2015. WOM remains focused on the implementation of prudent risk management practice to ensure sound asset quality. WOM's gross NPL declined from 3.03% in September 2014 to 2.95% in September 2015 while net NPL remained at 1.4%. The Bank intends to intensify cost management and productivity improvement efforts in order to improve its results.

## **Comments by Maybank Indonesia President Director, Taswin Zakaria:**

“Despite the continued market uncertainties, we managed to record strong results for the first nine months 2015. We maintain our view of continued challenging market condition for the remaining year and will remain selective in growing our portfolio whilst exercising pricing discipline for both loan and liquidity to support our business growth responsibly.”

“While our Business Banking continues to be the backbone of the Bank in generating revenues, I am heartened that our efforts in re-profiling our corporate portfolio and realigning business have started to show positive results as our corporate portfolio showed an increase of 8.4% in the third quarter 2015. We are poised to see further growth in Global Banking going forward.”

“I am also pleased to note that our Sharia Banking continued to show outstanding performance following the implementation of a Sharia First strategy across the Bank’s line of business and branches since 2014. Sharia Banking’s net profit of Rp239 billion has contributed approximately 40% of the Bank’s net profit in September 2015.”

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

“Given the current operating environment, we remain cautiously optimistic as we continue to seek out opportunities for sustained growth. As part of the Maybank Group, we have the advantage of harnessing group synergies across the region and tap on the potentials arising from economic activities in our region of focus, i.e. China and especially ASEAN, which we expect to remain robust in comparison to elsewhere in the world. Our recent brand realignment with Maybank Group will enable the Bank to further leverage the Group’s differentiated strengths which we hope will lead to commendable results and deliver better values to all our stakeholders”

### **Note for editor**

Maybank Indonesia is one of the largest banks in Indonesia with 460 branches including Syariah branches, micro functional offices, and overseas branches, 1,600 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. Maybank Indonesia has a banking presence in Mauritius and Mumbai. As of 30 September 2015, total customer deposit of Rp110.6 trillion and Rp153.9 trillion in assets. Maybank Indonesia provides full range of financial services through its branch and ATM network, phone banking, mobile banking and internet banking channels. Maybank Indonesia is listed on the Indonesia Stock Exchange (BNII) and is active in Business, Retail and Global Banking.