

Press Release

**Net Profit Maybank Indonesia Surges 61% for FY2015  
Amidst Challenging Market Conditions**

Audited Consolidated Financial Highlights as of 31 December 2015

**Y-o-Y growth**

- Net Profit After Tax & Minority Interest increased 60.9% to Rp1.14 trillion from Rp708 billion
- Net Interest Income (NII) increased 9.4% to Rp6.49 trillion
- Net Interest Margin (NIM) improved to 4.84% from 4.76%
- Fee Based Income up 40.8%
- Total assets rose 9.9% to Rp157.6 trillion
- Total loans increased 5.9% to Rp112.5 trillion
- Total deposits increased 12.7% to Rp115.5 trillion
- Loan-to-Funding Ratio (Bank only, excluding subsidiaries) remained healthy at 85.13%
- Cost to Income Ratio (CIR) improved to 58.2% from 63.4%
- Strong capital position with Capital Adequacy Ratio (CAR) at 15.17%
- Sharia Banking's net profit increased by 193% from Rp98 billion in December 2014 to Rp288 billion in December 2015.
- Sharia Banking's total assets increased 123% to Rp16 trillion
- Sharia Banking's total assets and net profit represent 10.1% and 25.3% of Maybank Indonesia's total assets and net profit, respectively.

USD1 = Rp 13,785

Jakarta, 23 February 2016.

PT Bank Maybank Indonesia Tbk ("Maybank Indonesia or the Bank") today reported that its net profit after tax and minority interest (PATAMI) reached Rp1.14 trillion for the financial year ended 31 December 2015, a sharp increase of 60.9% from the previous corresponding year. The Bank's profit before tax also surged 59% from Rp973 billion in December 2014 to Rp1.54 trillion in December 2015. The solid performance was achieved on the back of better Net Interest Margin, strong growth of the Bank's fee based income, outstanding achievement in Sharia Banking, and disciplined cost management efforts.

Net Interest Income rose 9.4% to Rp6.49 trillion as of 31 December 2015 from Rp5.93 trillion in the previous corresponding year as the Bank's Net Interest Margin (NIM) improved to 4.84% from 4.76%. Increase in Net Interest Income (NII) was achieved through the Bank's discipline in loan pricing and active funding management.

The Bank reported 40.8% increase in fee based income to Rp2.73 trillion in December 2015 from Rp1.94 trillion in December 2014. The significant increase in fee based income was mainly driven by the Bank's bancassurance fees, services as arranger and advisory to its corporate clients, foreign exchange transactions, loan administration, insurance, and other services provided by the Bank.

The Bank's General and Administrative expenses increased by only 6.4%. 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 as an effort to improve efficiency and productivity. The Bank's rigorous cost management efforts during the year has resulted improvement in cost-to-income ratio (CIR) which decreased to 58.2% from 63.4% for the full year 2015.

Sharia Banking continued to demonstrate its strong performance throughout 2015 with total financing grew 52.8% from Rp5.68 trillion in December 2014 to Rp8.67 trillion in December 2015 and total deposits grew 53.6% from Rp4.16 trillion to Rp6.39 trillion. Sharia Banking's total assets increased 122.7% to Rp16 trillion, contributing 10.1% of the Bank's total assets while its net profit impressively increased 192.7% to Rp287.92 billion in December 2015 from Rp98.36 billion in December 2014.

The Bank saw loans growth of 5.9% to Rp112.5 trillion as of 31 December 2015 from Rp106.3 trillion as of 31 December 2014. Business Banking and Retail Banking continued to book strong loans growth, while Global Banking remained focused on re-profiling and re-aligning corporate portfolio to the overall strategy of providing services for State Owned Enterprises and top tier corporate. Business Banking loans recorded a 12.5% growth from Rp40.8 trillion to Rp45.9 trillion, Retail Banking loans increased by 9.0% from Rp41.5 trillion to Rp45.2 trillion and Global Banking loans decreased 10.7% from Rp24.0 trillion to Rp21.5 trillion. Loans from Business Banking accounted for 41% of the Bank's total loans, while loans from Retail Banking and Global Banking each contributed 40% and 19% respectively.

Throughout the year the Bank prioritized focus on further strengthening its liquidity positions and customer deposits. Total customer deposits grew 12.7% from Rp102.49 trillion to Rp115.49 trillion with Loan to Funding Ratio (LFR - bank only) at a healthy 85.13% and the Bank's consolidated modified Loan to Deposits Ratio (Modified LDR - consolidated) at 80.95%. 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.

The Bank continued to manage down exposures from corporate accounts that had led to increase in Non-Performing Loan (NPL) level. The Bank has actively carried out restructuring of those accounts and expects to see further improvements in 2016. The Bank's consolidated NPL level was at 3.67% (gross) and 2.42% (net) as of December 2015 compared to 2.23% (NPL gross) and 1.48% (NPL net) in the previous year. The Bank remains cautious over loan quality as businesses are still impacted by the current economic slow-down and the impact of a weak Rupiah currency.

The Bank maintained its strong capital position with Tier-1 capital reaching Rp13.6 trillion and Capital Adequacy Ratio (CAR) at 15.17% as of 31 December 2015.

## **Subsidiaries**

Maybank Finance (formerly known as “BII Finance”) recorded 18.5% consumer financing (stand alone) to Rp4.62 trillion in December 2015 from Rp3.90 trillion in December 2014. Asset quality remained solid with gross NPL only at 0.35 % and net NPL at 0.29%. Maybank Finance’s profit before tax reached Rp332 billion in December 2015. With its outstanding performance, Maybank 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. To further strengthen its long term funding, Maybank Finance had successfully issued senior bonds of Rp500 billion in 2015.

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 15.3% from Rp4.40 trillion in December 2014 to Rp3.73 trillion in December 2015. This, coupled with intense competition reduced its profit before tax from Rp51 billion in December 2014 to Rp19 billion in December 2015. WOM remains focused on the implementation of prudent risk management practice to ensure sound asset quality. WOM’s net NPL declined from 1.07% in December 2014 to 0.99% in December 2015 while gross NPL slightly increased from 2.75% to 2.97%. WOM intends to intensify cost management and productivity improvement efforts in order to improve its results.

## **Rebranding Exercise**

The Bank had officially launched its new corporate identity on 22 January 2016 following the formal announcement of the change of name from PT Bank Internasional Indonesia Tbk (BII) to PT Bank Maybank Indonesia Tbk (Maybank Indonesia) in October 2015. The new brand strengthens the Bank’s position as a member of Maybank Group, the fourth largest financial services group in ASEAN. The rebranding exercise also means that the bank’s customers will now feel a greater sense of affiliation to the Maybank brand, which was again recognized for the second year in succession as the Brand of the Year at the World Branding Forum.

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

“We have concluded the year with commendable results given the challenging economic conditions. The strong performance for 2015 is a testimony to the tremendous efforts made by our entire team to pursue profitable growth and deliver values to all of our stakeholders.”

“Whilst Business Banking and Retail Banking remains our backbone in generating revenues, our efforts in re-profiling and re-aligning corporate accounts continued to be intensified in 2016 to ensure asset quality. We maintain the view of continued challenging market conditions for the coming year, at the same time cautiously optimistic to seek out opportunities for sustained growth”

“I am also pleased that our efforts to diversify our focus from purely lending to increased transaction and services had contributed to the increase in fees and our overall results despite softer growth in our loans. This helps us manage our balance sheet more efficiently”

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

“I am pleased that the Bank continues to show improvement at the operating level and create value for our stakeholders. We remain optimistic that it can successfully steer itself in the current environment amid the economic challenges. With rigorous risk and cost management measures in place as well as a disciplined approach towards growth, the Bank is in good foundation to chart a path for sustainable progress. We believe the Bank is poised to excel further as we remain focused in growing our core business segments, leveraging on Maybank Group’s strengths and expertise.”

“The recent re-branding of the Bank to Maybank (from BII) reaffirms the Bank's credentials as part of the Maybank Group, ASEAN's fourth biggest financial services provider. Together with the Group's other subsidiaries in Indonesia, PT Maybank Kim Eng and PT Maybank Asset Management, the Bank pursues coordinated opportunities with all stakeholders to further play its role in Indonesia's progress in national development.”

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**Note for editor**

Maybank Indonesia is one of the largest banks in Indonesia with 456 branches including Syariah branches, micro functional offices, and overseas branches, 1,600 ATMs including CDMs (Cash Deposit Machines) 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 31 December 2015, total customer deposit of Rp115.5 trillion and Rp157.6 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.