

PT Bank Internasional Indonesia Tbk

FULL YEAR 2013 Results

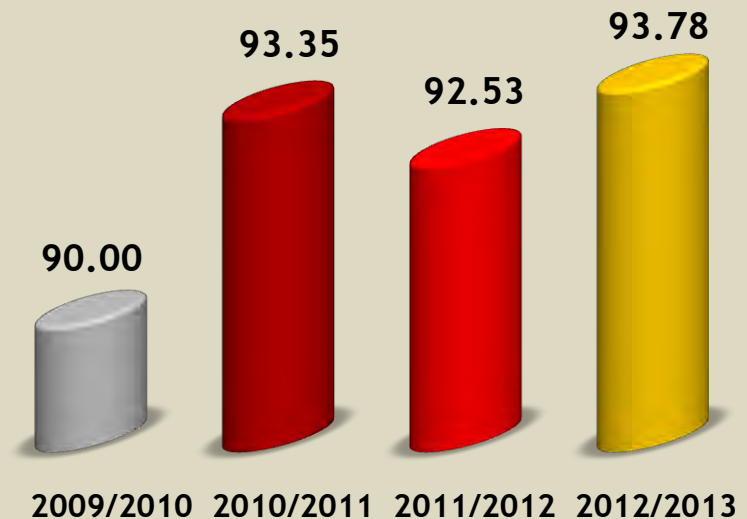
ANALYST MEETING

Jakarta, 19 February 2014



Top 1 in Service Quality

The Best Bank in Service Quality for 4 (four) consecutive years from Institute of Service Management Studies (ISMS) Trisakti



Committed in Delighting Customer's Heart

Summary of FY2013 Results

BII in Brief

Financial Performance

Strategy and Key Focus Areas

Awards, Corporate Social Responsibility (CSR) & Event Highlights

Summary of FY13 Results

(All numbers are consolidated and according to Bank Indonesia classification unless otherwise stated)

Highlight for FY 2013 (1/2)

Strong delivery continues

Strengthening the Balance Sheet

- Assets grew with new milestone being reached of Rp. 140.7 trillion
- Strong growth in Customer Deposits and increase in low cost funding
- Loans grew significantly despite the challenging market conditions
- Ample liquidity to support business growth

Reshaping our business portfolio

- Successfully rebalanced the auto portfolio between 4Wheels & 2Wheels
- Syariah as product provider and offer Syariah solutions across all Business Segments resulting in 82% growth in financing and 402% customer deposits
- Launched Micro Business in July 2013

Electronic Banking

- BII Mobile Banking applicable at all types of device with our new IT platform
- Mobile banking user grew significantly of 75% and transaction grew by 71%
- Internet banking users and transaction grew significantly (69% & 44% respectively)

Strengthen Subsidiaries Performance

- BII Finance delivered a strong 4Wheel financing growth and solid performance.
- Turn around WOM has resulted a positive impact to overall Bank's performance.

Highlight for FY 2013 (2/2)

- Profit After Tax and Minority Interest (PATAMI) surged 28% to a record of Rp1.55 trillion.
- Strong Loan and Deposit Growth amidst the Challenging Environment

Profit

- Profit Before Tax (PBT) strongly increased by 29% to Rp2.2 trillion
- ROE (Tier 1) increased to 16.18% (with higher capital base) and ROA increased to 1.71%
- Earning per Share (EPS) increased by 23% to Rp26.32

Loans

- Loans portfolio grew by 26% to Rp102.0 trillion
- Growth in all business segments as Business Banking grew the highest of 30%, Retail Banking loans grew 27% and Global Banking loans grew 21% yoy
- Gross NPL increased to 2.11% & Gross Impairment ratio increased to 2.85%

Customer Deposits

- Customer Deposits increased 25% to Rp107.2 trillion from all business segments
- Savings continue to book strong growth of 31% to reach Rp24.7 trillion
- Strong liquidity with LDR (Bank Only) maintained at 87.04% while modified LDR (Bank Only) at 81.95%

Capital

- CAR (with credit, operational and market risks) recorded stable at 12.72%
- Completed Right Issues of Rp.1.5 Trillion in July 2013 and total capital of Rp.14.4 Trillion as at Dec '13
- Our major shareholder, Maybank, has completed the share-selldown transaction of its BII share equivalent to 9% in 19 June 2013 and equivalent to 9.3% in 22 November 2013. Maybank ownership is 78.98% as of December 2013

Update on BOD-BOC

Change of BOD-BOC at the EGM, November 11, 2013:

- Resignation of Dato' Sri Abdul Wahid Omar as Commissioner, Dato' Khairussaleh Ramli as CEO and Ibu Rita Mirasari as Compliance Director & Corporate Secretary.
- Appointment of Datuk Abdul Farid Alias* as Commissioner and Bapak Taswin Zakaria as CEO*.

*consolidated numbers

*) subject to regulatory approval

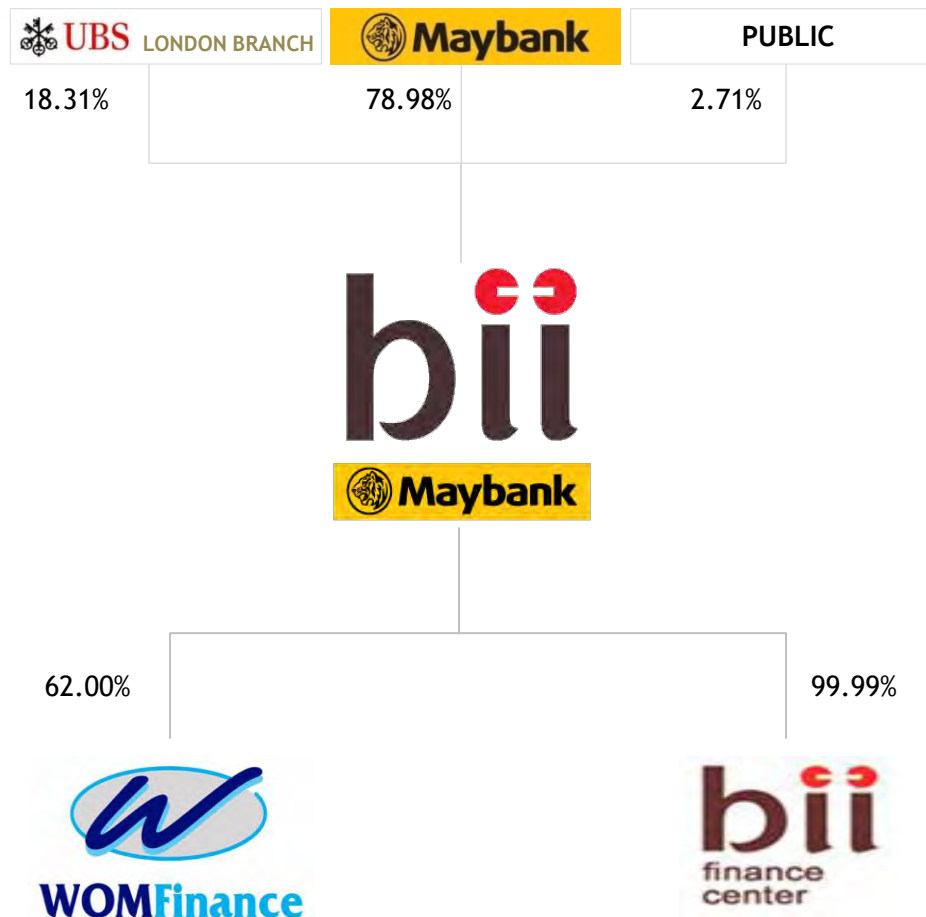
BII in Brief

Profile and Corporate Structure

Profile

Established	: 15 May 1959
Total Assets	: Rp140.7 Trillion
Total Equity	: Rp12.2 Trillion
Market Capitalisation	: Rp18.7 Trillion
Position in Indonesia (as of September 2013)	: Rank #9 in terms of assets Rank #9 in terms of Deposits Rank #10 in terms of Loans
# of Branches	: 659 422 (BII) 198 (WOM) 39 (BII Finance)
# of ATM & CDM	: 1,524 includes 65 CDM that connected to more than 20,000 ATM via ALTO, ATM Bersama, PRIMA, MEPS, Cirrus and Plus
# of Employees	: 12,043 7,645 (BII) 4,105 (WOM) 293 (BII Finance)
# of Customers	: 4.7 million

Corporate Structure





Tan Sri Megat Zaharuddin
President Commissioner
and Chairman of Maybank



Datuk Abdul Farid bin Alias*
Commissioner and PCEO of Maybank



Spencer Lee Tien Chye
Commissioner



Umar Juoro
Independent
Commissioner



Budhi Dyah Sitawati
Independent
Commissioner



Achjar Iljas **
Independent
Commissioner

*appointed as Commissioner of BII on EGMS dated 11 November 2013 and will be effective after obtaining approval from OJK

**Waiting on approval from OJK

Board of Directors



Taswin Zakaria*
President Director



Lani Darmawan
Director



Rahardja Alimhamzah
Director



Jenny Wiriyanto
Director



Thilagavathy Nadason**
Director



Hedi Maria Helena Lopian
Director



Ghazali M. Rasad
Director



Ani Pangestu***
Director

* appointed as President Director of BII on EGMS dated 11 November 2013 and will be effective after obtaining approval from OJK

** appointed as acting CEO until Bp. Taswin get regulatory approval

***appointed as acting Compliance Director and Corporate Secretary

Building a strong network footprint and present in all Indonesian Provinces



Integrating multi customer touch points to serve all segments

Key alternate Channel



PAC



Sharia



Micro



MKK

Present at the heart of community

Sales person



Branch and Front Liners



ATMs CDMs



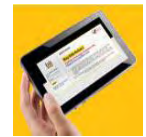
Virtual Channel



Tele Sales



Mobile Banking

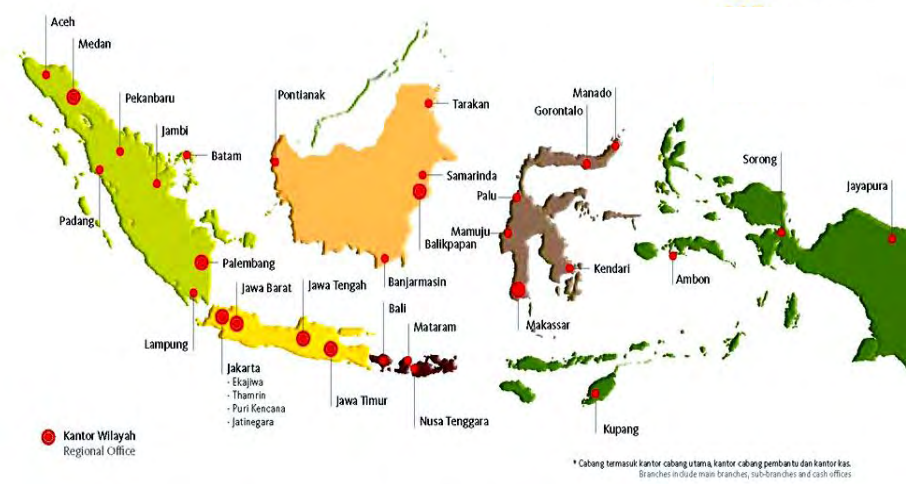


Internet Banking

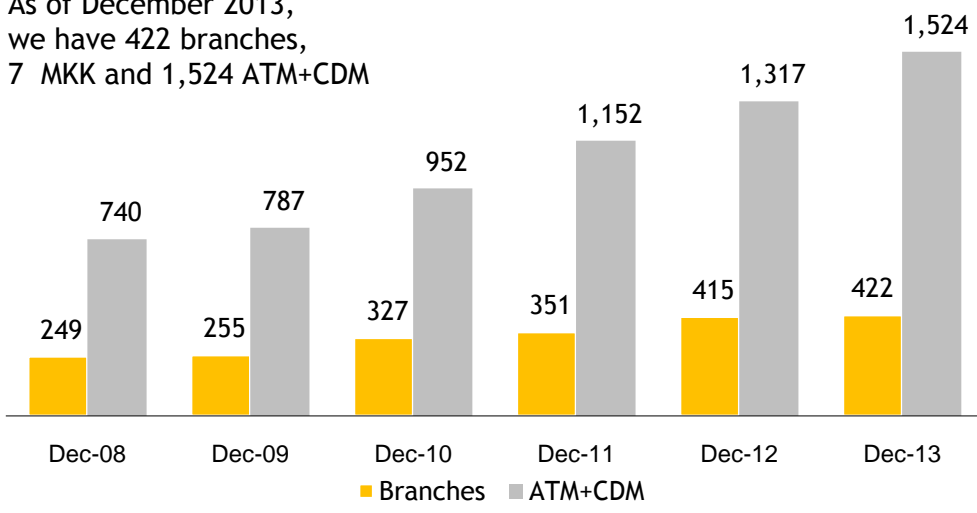


Cust Care Centre

Branch Network



As of December 2013, we have 422 branches, 7 MKK and 1,524 ATM+CDM



Innovative Products and Comprehensive Financial Solutions

For Individual Customers



For Corporate Customers & Entrepreneurs



We work closely with our customers to achieve their potential

Cash Management Solution

COOLPay & COOLBanking

Enhanced e-banking capacity and features have increased both users and number of transactions dramatically

Mobile Banking

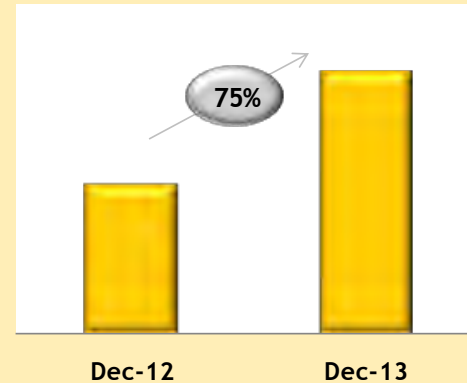
bii mobile banking

The most connected Mobile Banking

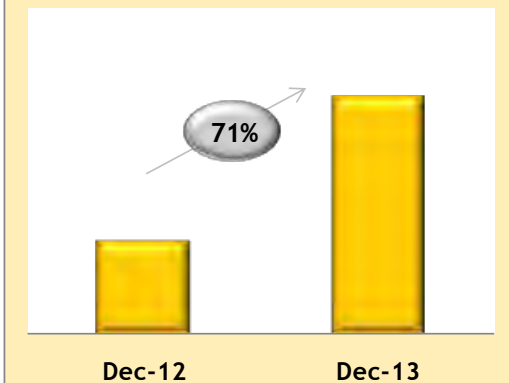


Mobile banking with new IT platform and applicable at all type of mobile devices

Number of Users

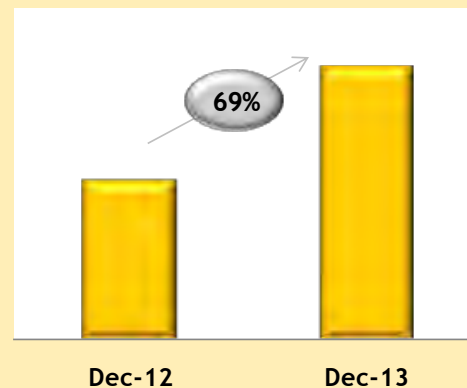


Number of Transaction

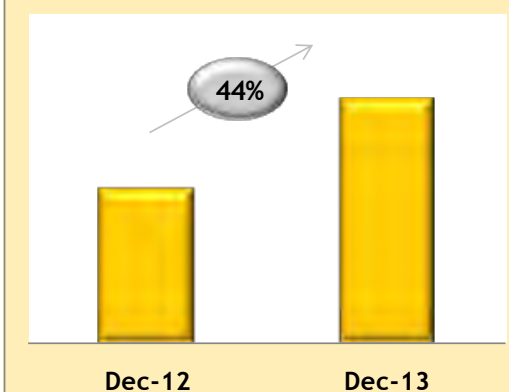


Internet Banking

Number of Users



Number of Transaction



Financial Performance

Record a PATAMI of Rp1.55 trillion

Quarterly Income Statement					Annual Income Statement			
1Q13	2Q13	3Q13	4Q13	△	Rp. Billion	Dec-12	Dec-13	△
A	B	C	D	D/C		E	F	F/E
1,380	1,430	1,530	1,461	(4%)	Net Interest Income	5,310	5,801	9%
638	528	544	583	7%	Non Interest Income	1,930	2,293	19%
2,018	1,958	2,075	2,044	(2%)	Gross Operating Income	7,240	8,094	12%
(1,462)	(1,363)	(1,308)	(1,065)	(19%)	Operating Expenses (excl. Provision)	(4,640)	(5,198)	12%
556	596	766	979	28%	Operating Income before Provision	2,601	2,896	11%
(195)	(129)	(258)	(209)	(19%)	Provisions	(1,147)	(791)	(31%)
361	466	508	770	52%	Operating Income After Provision	1,454	2,105	45%
76	63	88	(148)	(268%)	Non Operating Income (expense)	242	79	(67%)
438	529	596	623	4%	Profit Before Minority Interest & Tax	1,696	2,184	29%
309	372	418	447	7%	PATAMI	1,208	1,545	28%

Data source: Published report per Bank Indonesia classification

Sustainable business growth & Balance Sheet further strengthened with total assets exceeding Rp140 trillion

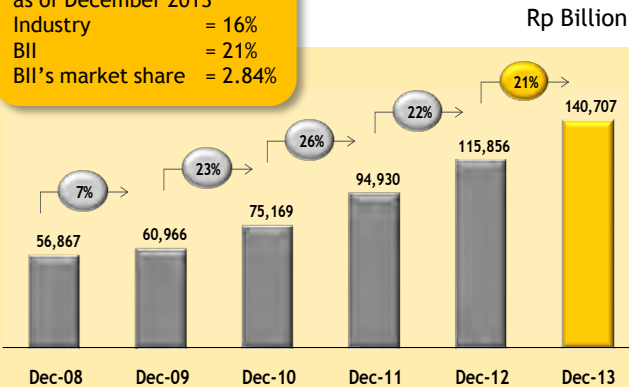
Mar-13	Jun-13	Sep-13	Dec-13	△	Rp. Billion	Dec-12	Dec-13	△
A	B	C	D	D/C		E	F	F/E
79,747	85,105	91,680	102,030	11%	Loans	80,949	102,030	26%
3,709	3,670	3,691	3,639	(1%)	Government Recap. Bonds	3,707	3,639	(2%)
19,804	18,070	17,479	17,167	(2%)	Other Earning Assets	17,257	17,167	(1%)
118,334	121,439	129,814	140,707	8%	Total Assets	115,856	140,707	22%
89,273	91,126	96,515	107,240	11%	Deposits from Customer	85,947	107,240	25%
13,952	15,106	15,673	17,692	13%	- Current Account	14,694	17,692	20%
19,280	20,282	22,684	24,689	9%	- Saving Account	18,798	24,689	31%
56,041	55,738	58,158	64,859	12%	- Time Deposit	52,455	64,859	24%
2,437	2,502	2,583	2,588	0%	Borrowing	2,420	2,588	7%
6,094	6,844	6,842	6,844	0%	Securities Issued	6,012	6,844	14%
2,988	2,989	2,989	2,989	0%	Subordinated Loans	2,988	2,989	0%
7,676	7,937	8,930	8,638	(3%)	Other Liabilities	8,822	8,638	(2%)
108,468	111,398	117,859	128,299	9%	Total Liabilities	106,188	128,299	21%
172	178	186	194	4%	Minority Interest	169	194	15%
9,694	9,863	11,769	12,214	4%	Equity	9,499	12,214	29%

Data source: Published report

Continued improvement across various indicators

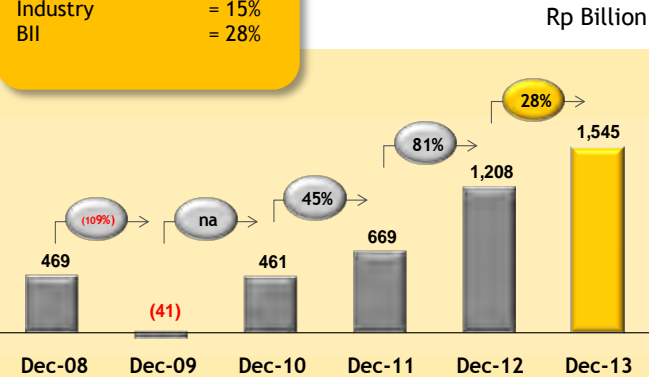
Total Assets

y-o-y growth
as of December 2013
Industry = 16%
BII = 21%
BII's market share = 2.84%



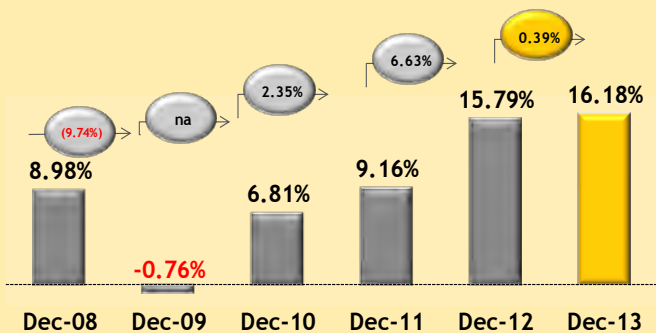
PATAMI

y-o-y growth
as of December 2013
Industry = 15%
BII = 28%
BII's market share = 2.8%



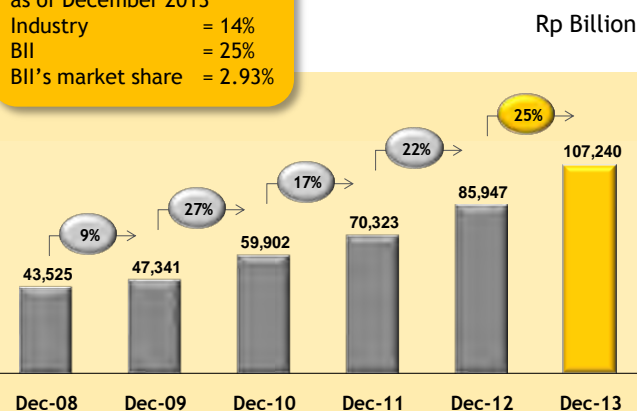
ROE

ROE increased with higher FY13 equity base



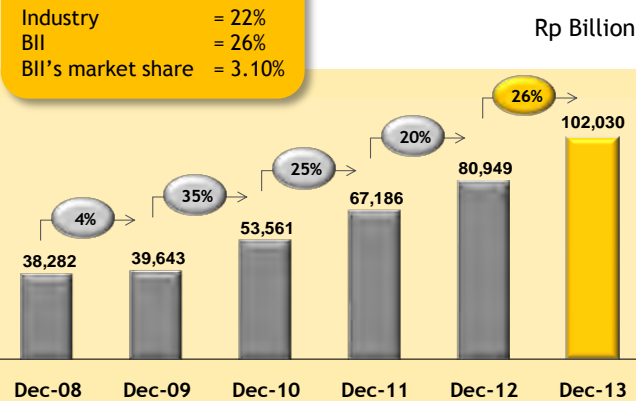
Deposit from Customers

y-o-y growth
as of December 2013
Industry = 14%
BII = 25%
BII's market share = 2.93%



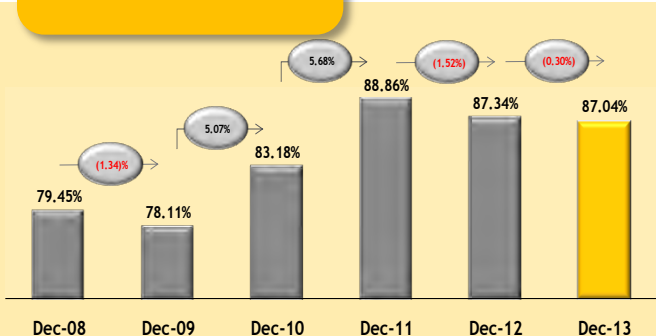
Loans

y-o-y growth
as of December 2013
Industry = 22%
BII = 26%
BII's market share = 3.10%



LDR (Bank Only)

y-o-y growth
as of December 2013
Industry = 89.70%
BII = 87.04%



Financial Ratios

Consolidated	Dec-12	Dec-13	△
	A	B	B - A
Profitability			
Return On Assets	1.62%	1.71%	0.09%
Return On Equities (Tier 1)	15.79%	16.18%	0.39%
Net Interest Margin	5.73%	5.20%	-0.53%
Efficiency & Productivity Ratio			
Cost to Income Ratio	64.07%	64.22%	0.15%
Earning Asset Quality			
Impaired Loans - Gross	2.19%	2.85%	0.66%
Impaired Loans - Net	1.26%	2.24%	0.98%
NPL - Gross	1.70%	2.11%	0.41%
NPL - Net	0.81%	1.55%	0.74%
BalanceSheets Structure			
LDR	92.97%	93.24%	0.27%
Modified LDR *)	79.85%	82.06%	2.21%
CASA to Total Funding	38.97%	39.52%	0.55%
CAR (with credit, operational & market risk)	12.83%	12.72%	-0.11%

Bank Only	Dec-12	Dec-13	△
	A	B	B - A
Profitability			
Return On Assets	1.49%	1.53%	0.04%
Return On Equities (Tier 1)	14.60%	14.64%	0.04%
Net Interest Margin	5.16%	4.49%	-0.67%
Efficiency Ratio			
Cost to Income Ratio	61.32%	61.22%	-0.10%
Earning Asset Quality			
Impaired Loans - Gross	2.21%	2.94%	0.73%
Impaired Loans - Net	1.28%	2.33%	1.05%
NPL - Gross	1.70%	2.15%	0.45%
NPL - Net	0.81%	1.60%	0.79%
BalanceSheets Structure			
LDR	87.34%	87.04%	-0.30%
Modified LDR *)	77.94%	81.95%	4.01%
CASA to Total Funding	39.06%	39.61%	0.55%
CAR (with credit, operational & market risk)	12.92%	12.76%	-0.16%

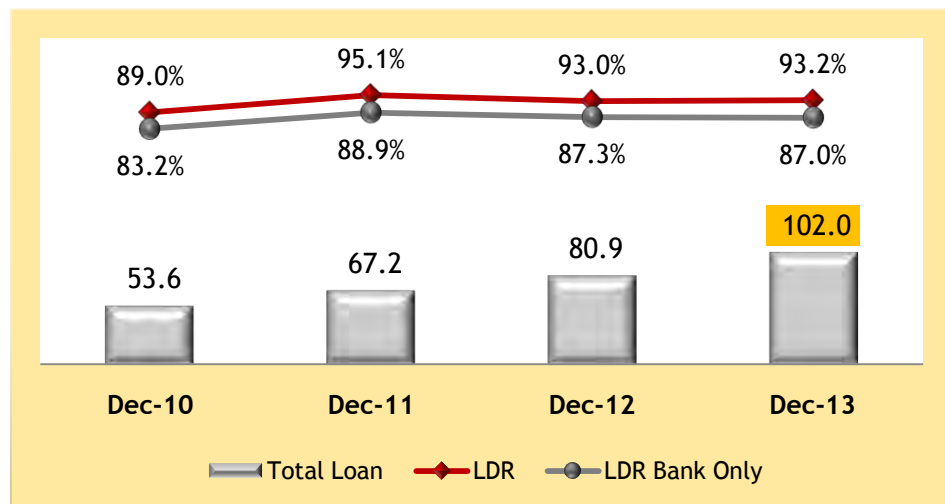
*) Modified LDR is defined as (Loans excl. BPR) / (Third Party Deposits + Borrowing + Securities Issued + Sub Debt)

Strong loans growth across all segments

Business Banking continues to lead

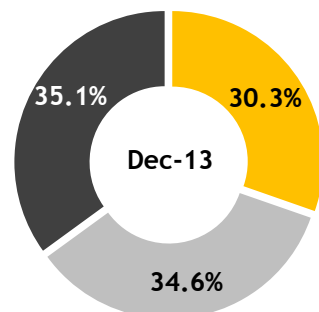
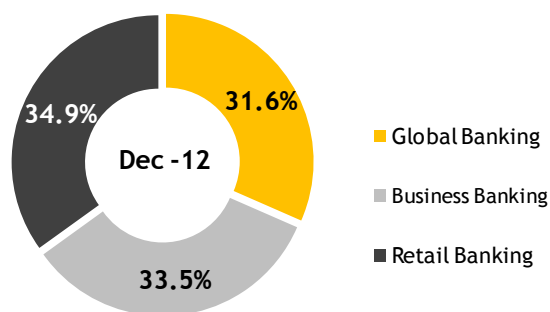
LDR & Total Loans

Rp Trillion



Rp Trillion	Dec-12	Dec-13	Δ
Global Banking	25.5	31.0	21%
Business Banking	27.1	35.3	30%
Retail Banking	28.3	35.8	27%
Total	80.9	102.0	26%

Loans by Business Segment

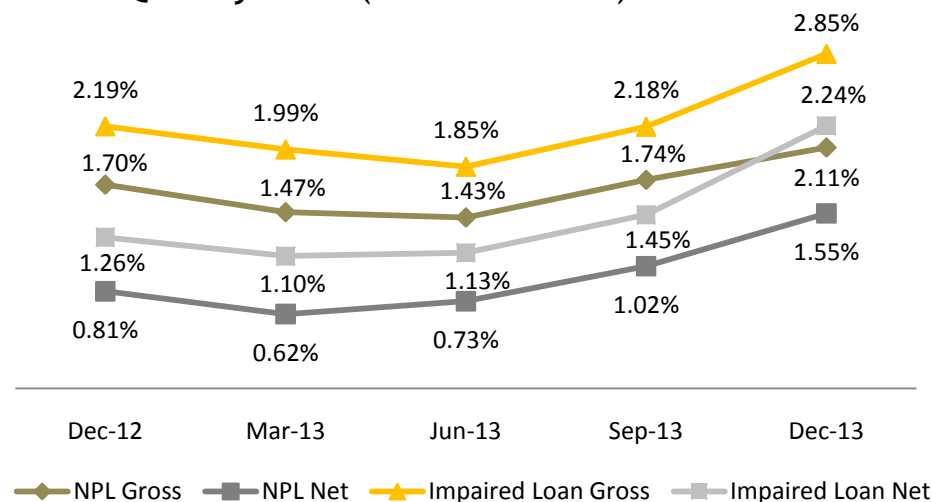


- Loans grew by 26% despite the challenging market conditions with the strongest loans growth from Business Banking of 30%
- Retail Banking Loans has grown strongly, mostly in Mortgage and 4Wheel
- Global Banking Loans increased by 21% yoy

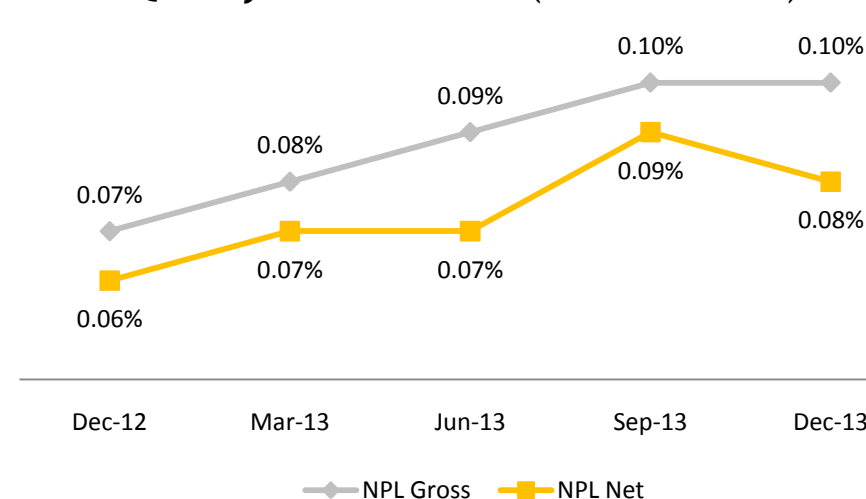
Note: With the coverage expansion covering Micro, Commercial, Financial Supply Chain Management and Credit Management, the SME Banking is now called Business Banking; and Global Wholesale Banking is now called Global Banking to reflect the great focus and harmonization with the group

Loan Quality

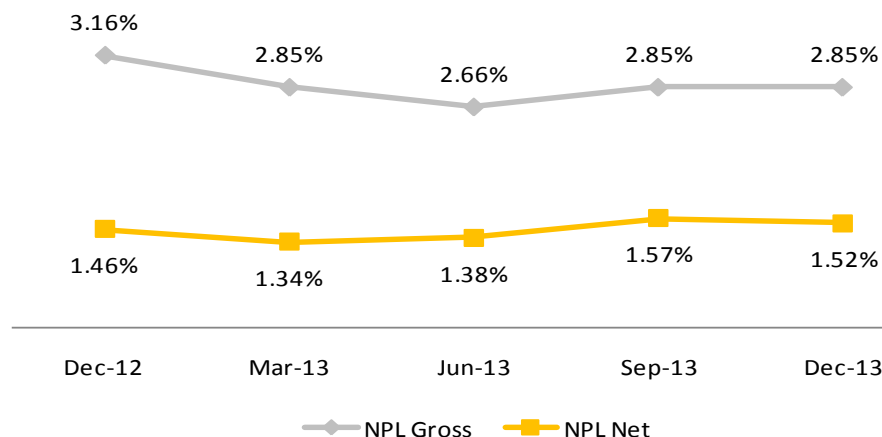
Asset Quality - BII (consolidated)



Asset Quality - BII Finance (consolidated)



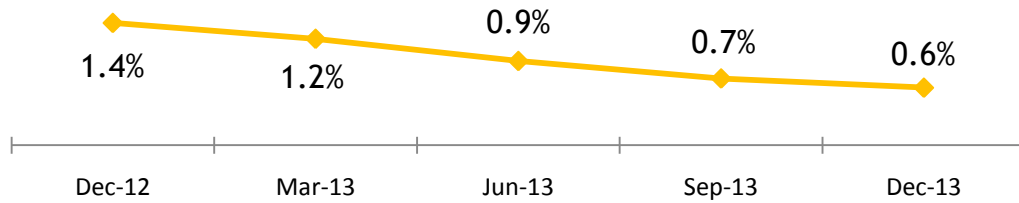
Asset Quality - WOM (consolidated)



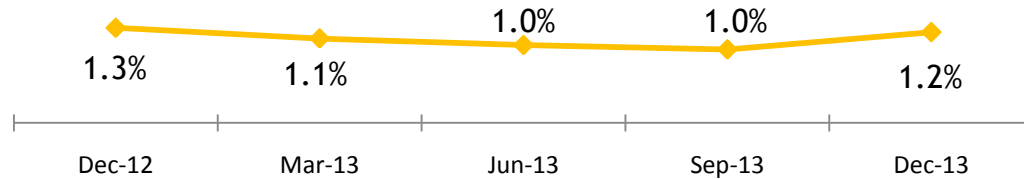
- NPL (gross) at 2.11% and NPL (net) at 1.55%
- The Bank had experienced some deterioration in selected Global Banking debtors related to commodities and structured trade financing
- Current global & domestic economic conditions which led the declining of export activities coupled with the rise in interest rates, depreciation of Rupiah and higher inflation throughout 2013 have impacted the Bank's NPL level.
- BII Finance was able to maintain its NPL gross at 0.10% and NPL net of 0.08% despite 49% growth in its loan portfolio
- WOM have made significant improvement in managing assets quality and improvement of prudent risk management practices as its NPL gross declined to 2.41% and NPL net stable at 1.74%
- The Bank is nevertheless stepping up the monitoring of customer accounts as well as credit quality to ensure that asset quality is well managed & maintained at a favorable level.

Asset Quality by Segment

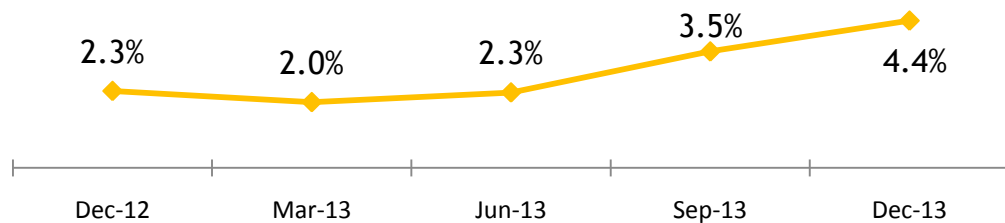
NPL Gross - Retail Banking



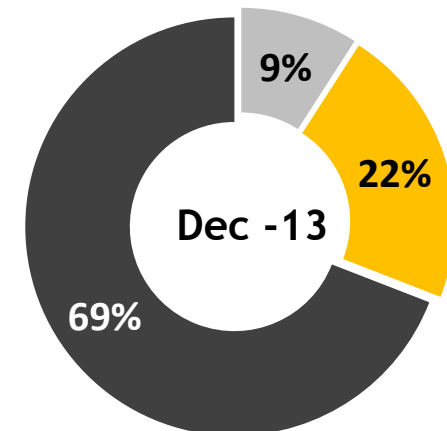
NPL Gross - Business Banking



NPL Gross - Global Banking



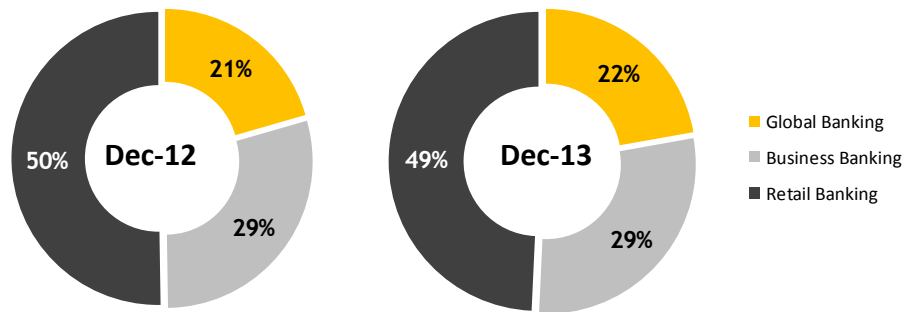
Proportion of NPL



■ Retail Banking ■ Business Banking ■ Global Banking

Strong increase in Deposits led by robust growth in Savings

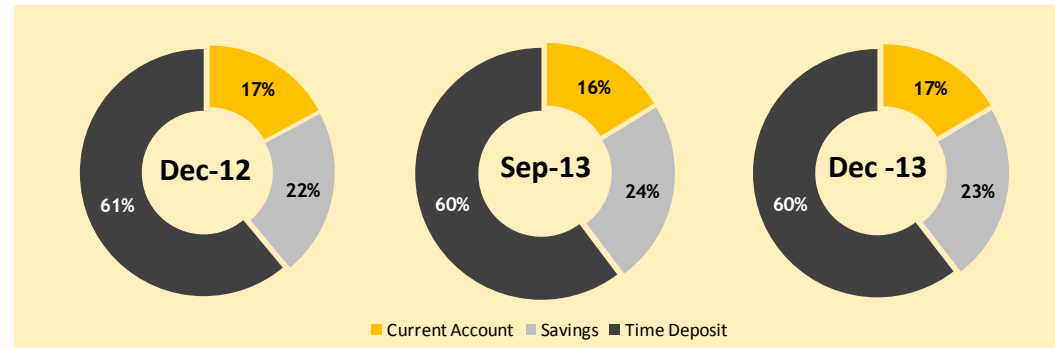
Deposits from Customers by Business Segment



Bank Only

Rp Trillion	Dec-12	Dec-13	Δ
Global Banking	17.6	23.8	35%
Business Banking	25.1	30.7	22%
Retail Banking	43.2	52.9	23%
Elimination	(0.1)	(0.2)	
Total	85.9	107.2	25%

Deposits from Customers by Type

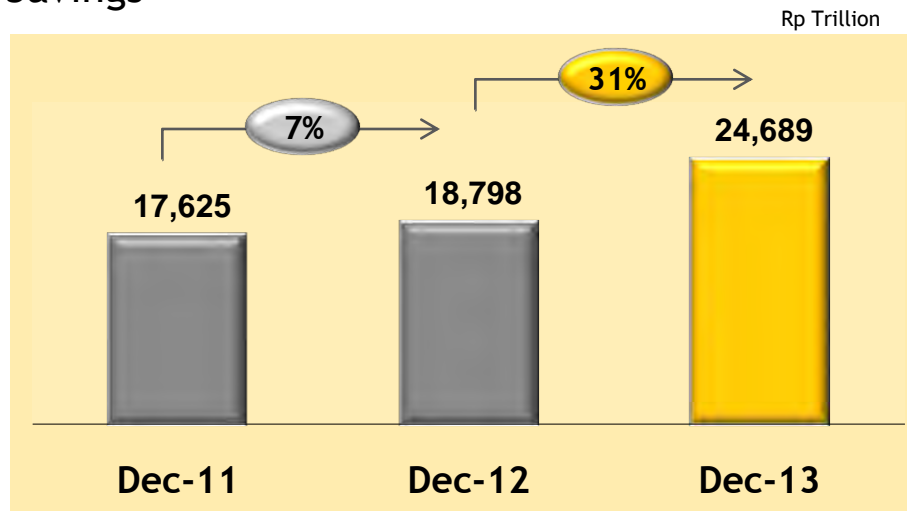


Rp Trillion	Dec-12	Dec-13	Δ
Current Account	14.7	17.7	20%
Savings	18.8	24.7	31%
Time Deposits	52.5	64.9	24%
Total	85.9	107.2	25%
CASA Ratio	39.0%	39.5%	0.6%

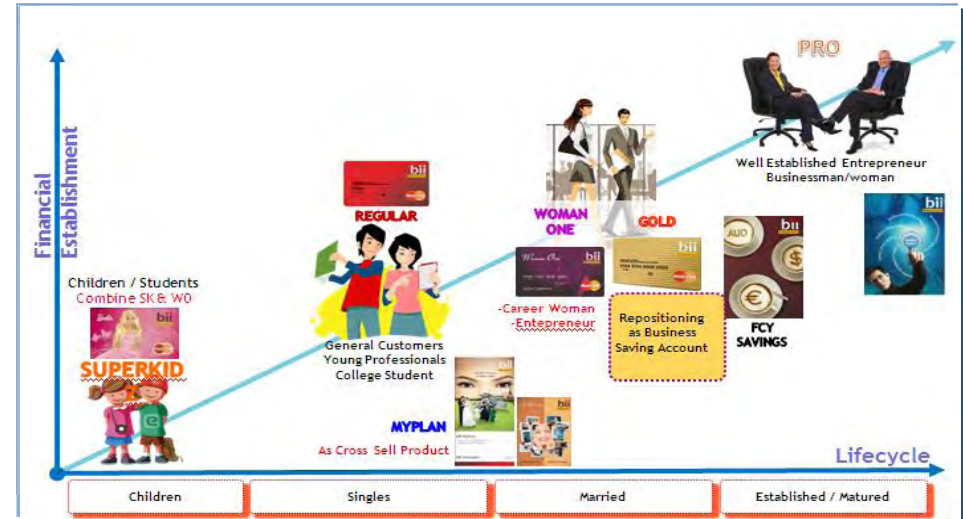
- Savings booked strong growth of 31% to reach Rp24.7 trillion. This is another fruit for the Bank
- The increase in low cost funds was attributable to enhancement of branch productivity as our sales force optimized cross sell opportunities and leveraged our existing clientele
- The Bank's cash management and payroll services have also contributed to the growth of low cost funds

Building Momentum in Savings

Savings



Full range of Savings products - By Segmentation



Resources & Infrastructure

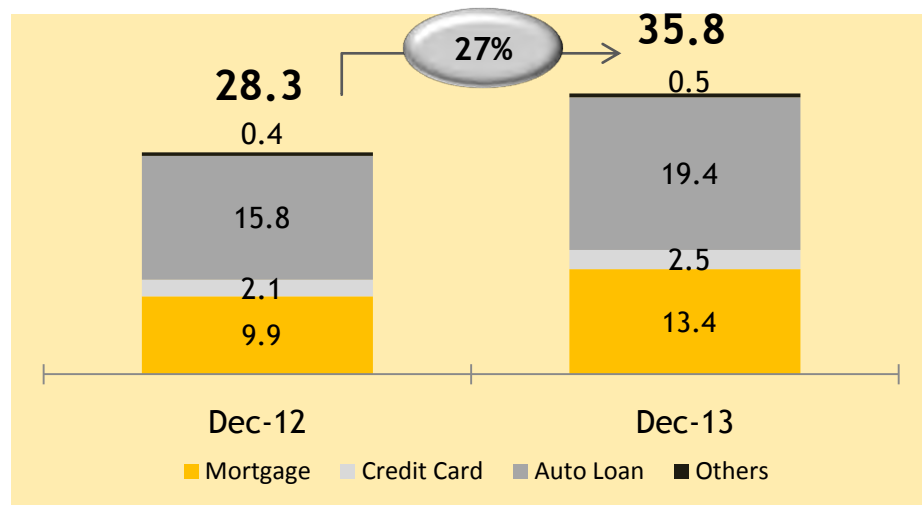
Branch	Telesales	Mobile Branch
Frontliners (Sales & CS) for New Acquisition & Portfolio Management; Other employees for Cross Selling	Telemarketer for anti attrition and cross sell	Sales officer for mass acquisition

Product / Services	Coverage
PRO	Well Established Entrepreneur, Businessmen/women
GOLD	Business SA
WOMAN ONE	Career Women, Entrepreneur and housewives
SUPERKIDZ	Children/Students below 17 years old
REGULER	General Customers
MYPLAN	Monthly savings for future plan
FCY SAVINGS	Business

Retail Loan has grown strongly, mostly in 4Wheel and Mortgage

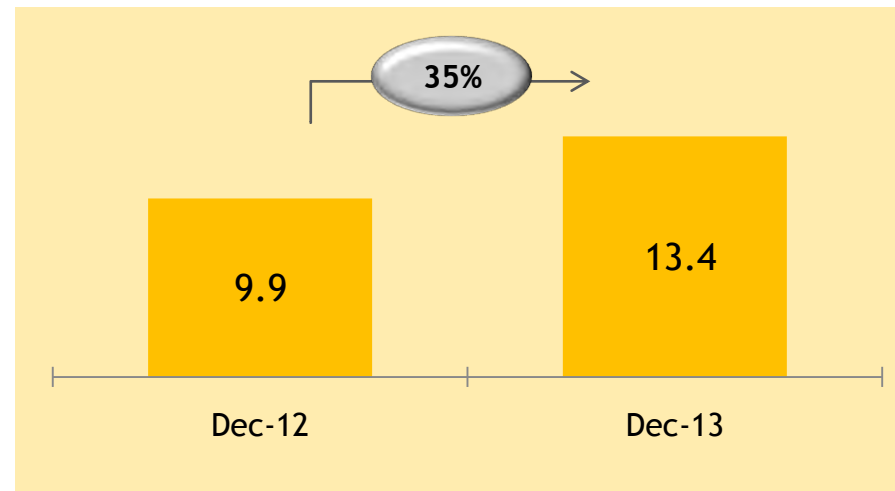
Retail Loan

Rp Trillion



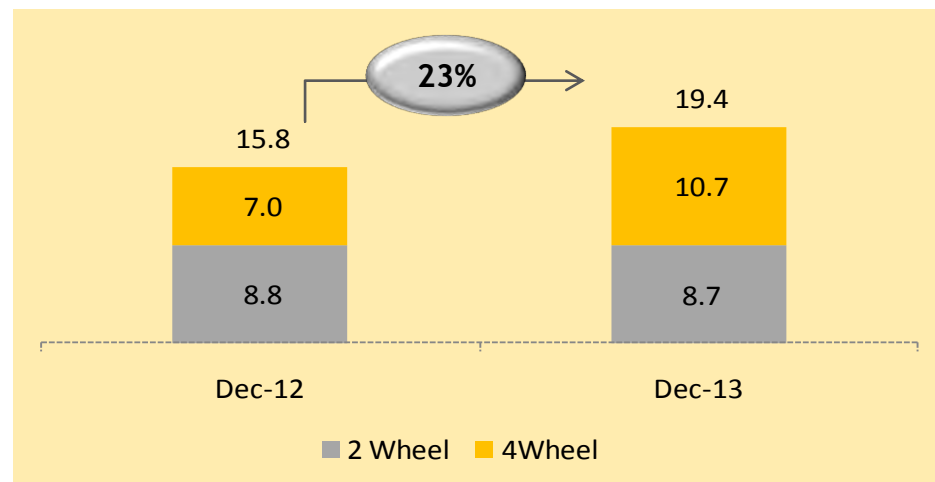
Mortgage

Rp Trillion



Auto Loan

Rp Trillion

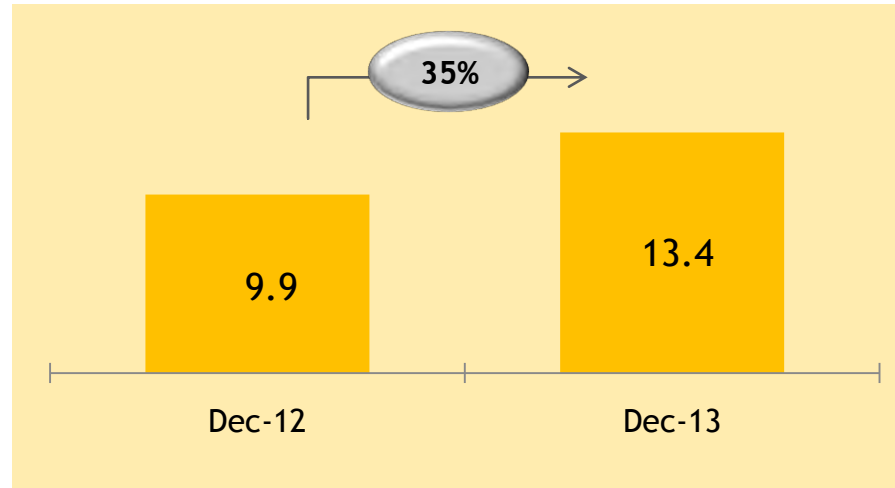


- Retail Loan has grown strongly by 27% YoY to Rp35.8 trillion
- Mortgage and Auto Loan (esp. 4Wheel loan) are the main drivers for the growth with 35% and 23% YoY increase, respectively
- Both these types of loans expanded rapidly despite challenging LTV regulation of maximum 70%
- Asset quality is maintained on a very healthy level

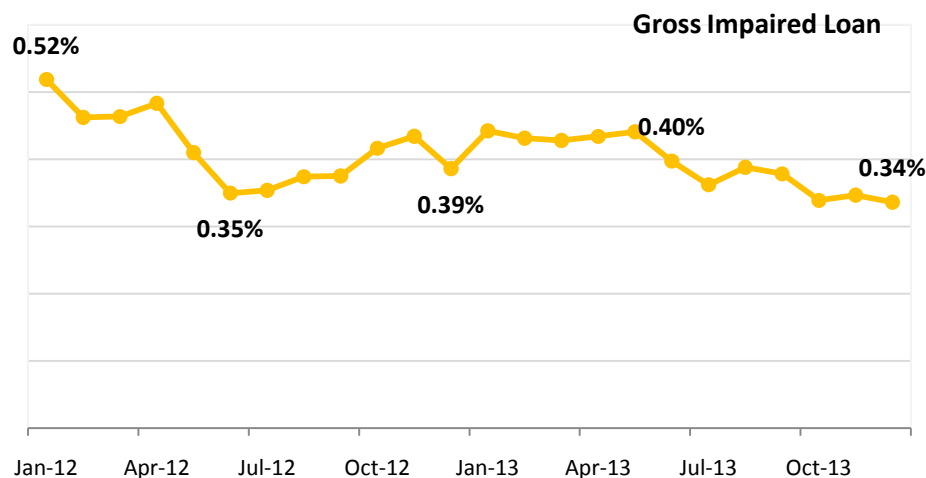
Robust Growth in Mortgage

Mortgage

Rp Trillion



Maintain High Asset Quality



	Rp Billion		
	2012	2013	Growth
ENR	9,926,690	13,384,100	35%
Number of Customer	27,391	30,447	11%
Average Loan Size	362	440	21%
Disbursement	4,553,777	6,184,976	36%
New Loan	5,848	7,245	24%
Sales Productivity	2,778	3,145	13%
Market Share	3.96%	4.08%	0.12%
Product			
Floating Rate BI Rate+3.5%	113,447	500,420	341%
KPR Fix 10 Years	117,906	668,090	467%
KPR Bebas Bunga	127,831	64,768	-49%

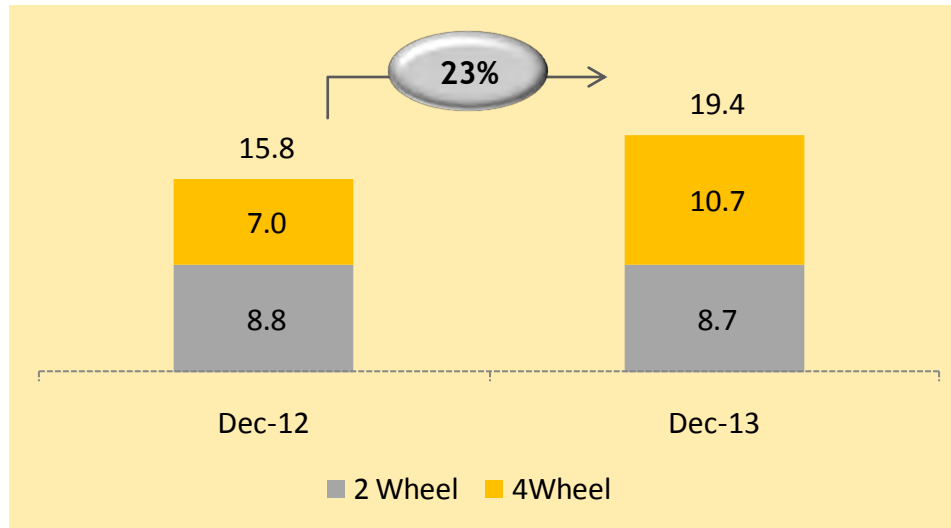
- Mortgage has experienced strong growth, increased by 35% YoY and with healthier asset quality
- Sales productivity also increased 13% YoY
- Bank Indonesia tightened the housing loan market though lower LTV and other restriction like bank financing only for completed property projects
- The Bank is expecting a slow down due to normal “wait and see” attitude by customers due to General Election

Auto Loan

4-wheelers portfolio successfully overtook 2-wheelers in line with our 2013 strategic objective

Auto Loan

Rp Trillion



BIIF	2012	2013	▲	Growth
# of Customer	75,591	98,396	22,805	30.2%
% of RB Loan	22.9%	26.9%	4.0%	4.0%
Ticket Size (in mio IDR)	173	164	(8)	(0.05)
Market Share	7.9%	9.8%	1.9%	1.9%

WOM	2012	2013	▲	Growth
# of Customer	1,175	1,146	(29)	-2.5%
% of RB Loan	31.6%	24.6%	-7.0%	-7.0%
Ticket Size (in mio IDR)	11,919	10,148	(1,771)	(0.15)
Market Share	8.0%	7.7%	-0.3%	-0.3%

- By end of 2013, 4Wheel portfolio has overtaken the size of 2Wheel loan
- 4Wheel Loan has accelerated its market share in New Car from 7.86% to 9.78% in 2013
- 4Wheel Loan is managed by BII Finance, a subsidiary of BII Maybank
- 2 Wheel Loan was focusing on internal consolidation aiming for cost efficiency and healthier asset quality resulting a high jump in profitability

Bunga 0% Tenor 1 Thn.*

New Mazda 2

Mazda VX-1

BII KPM

Humanising Financial Services Across Asia.

Tenor s.d 7 Thn.*

Xenia Sirion

Terios Ayla

BII KPM

Humanising Financial Services Across Asia.

Sustainable growth in Business Banking

Business Banking loans grew by 30% to Rp35.3 trillion, with strong growth in deposits of 22% to Rp30.7 trillion.



“Go beyond horizontal & vertical value chain approach to serve business ecosystem holistically by empowering community and leveraging technology as key differentiator”

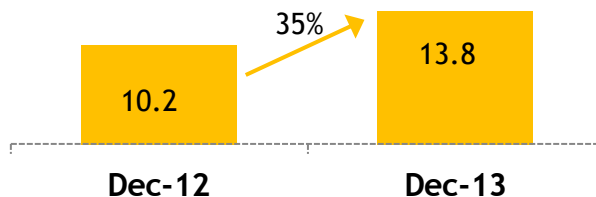
COMMERCIAL

SME

MICRO

SME Loans

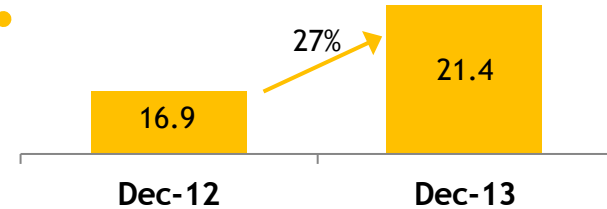
Rp Trillion



- SME loans grew significantly at 35% to Rp13.8 trillion.
- BII SME Banking continuously improve its sales productivity and process re-engineering to provide best in class turnaround time and quality.

Commercial Loans

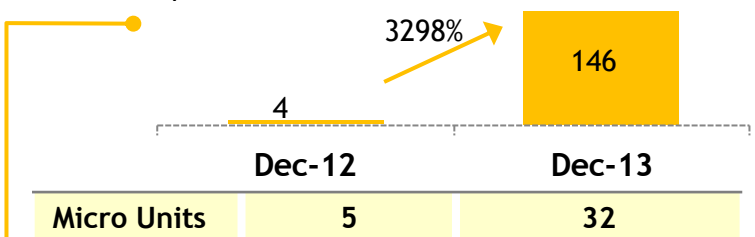
Rp Trillion



- Commercial loans grew by 27% to Rp21.4 trillion.
- As the cross sell, fee based and lead generator engine, Commercial Banking focuses in providing total relationship and business solutions to its customers.

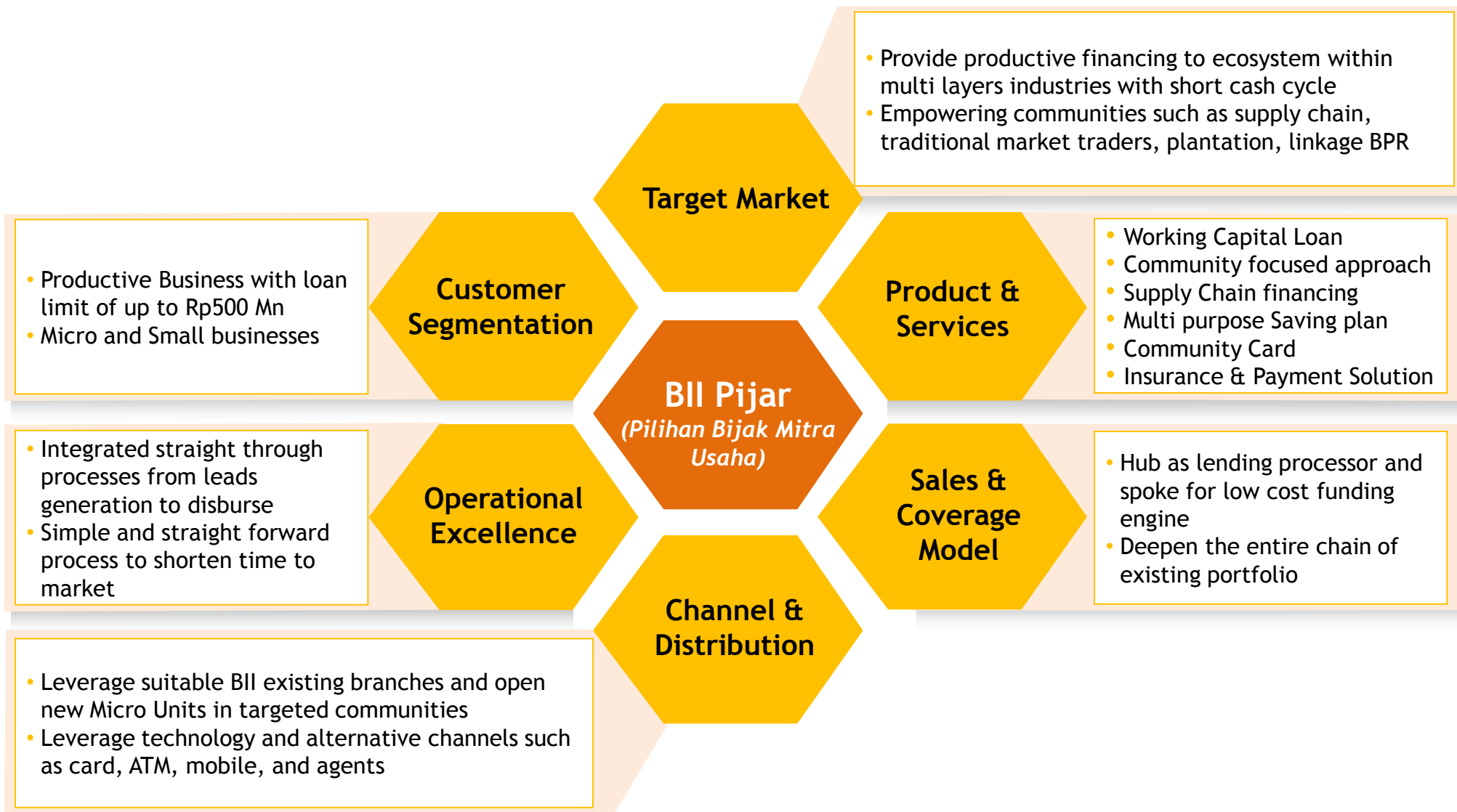
Micro Loans

Rp Billion



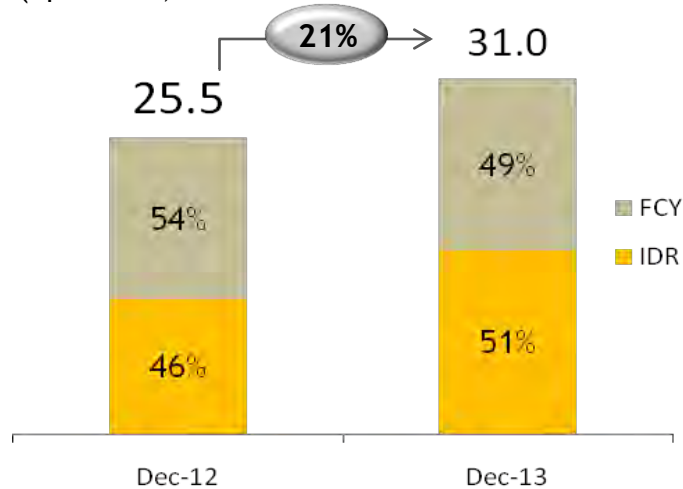
- Expansion to micro business has generated significant micro loans growth of 3298% to Rp146 billion.
- BII aims to build, nurture and empower Micro businesses by leveraging bottom pyramid of supply chain and community ecosystem.

Expanding reach to micro business through community empowerment



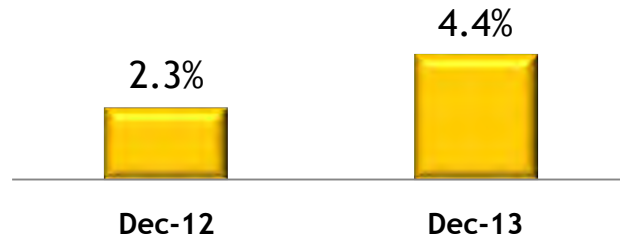
Loans

(Rp Trillion)



NPL increased to 4.4%

due to some deterioration in selected Global Banking debtors



Products & Services

Corporate Banking

- Investment Loan
- Working Capital
- Corporate /Leverage Finance

Transaction Banking

- Letter of Credit
- Bank Guarantee
- CoOL Banking/ CoOL Pay
- Security Services

Global Market

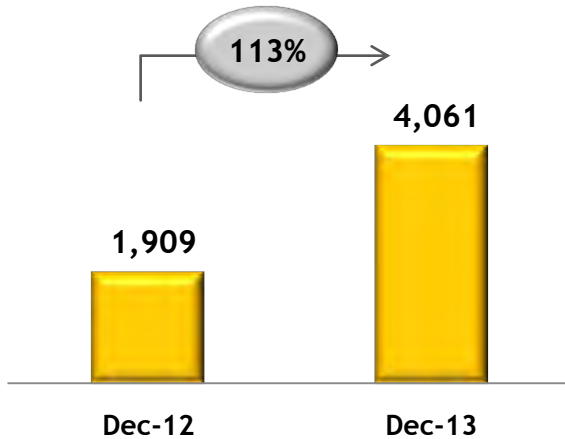
- Foreign Exchange (Retail)
- Structured FX (Hedging)
- Capital Market Related

Going forward strategy:

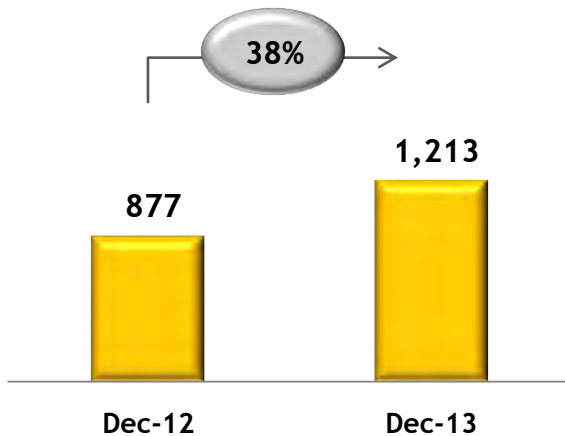
- Deeper penetration thru larger customer base in the targeted customer segments, especially key SOE names.
- Focus on selected winning industries: Customer Products, Agriculture, and Trading .
- Promote trade, cash management, FX, and hedging products.
- Leverage regional collaboration with Maybank Group.

Transaction Banking is key for corporate banking segments

Cool Banking Customer

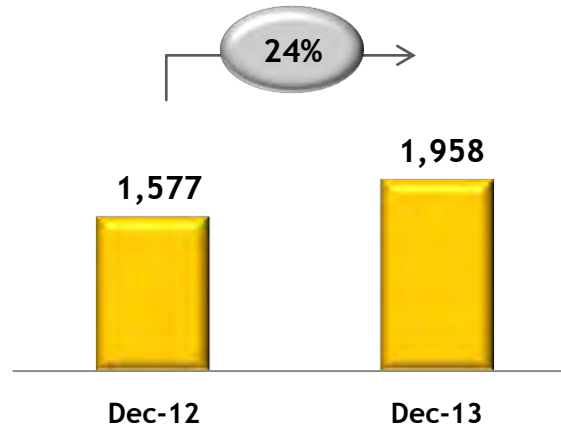


Payroll Customer



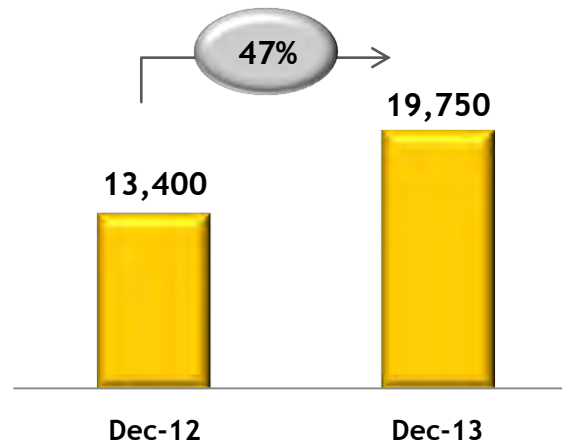
Trade Volume

US\$ million



Asset Under Management

US\$ million



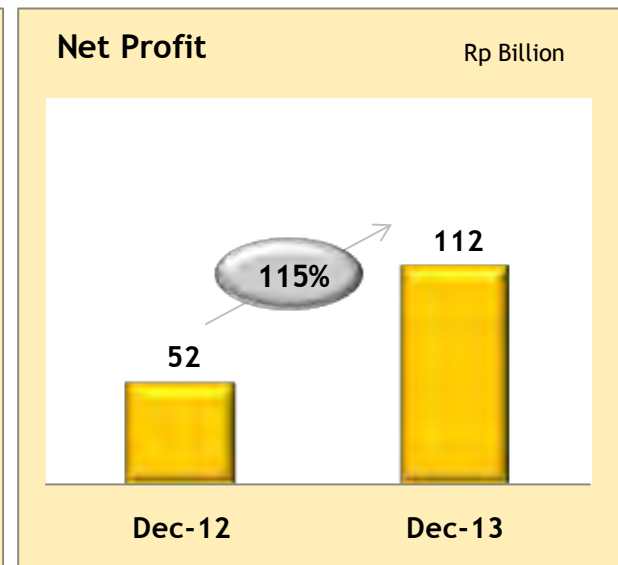
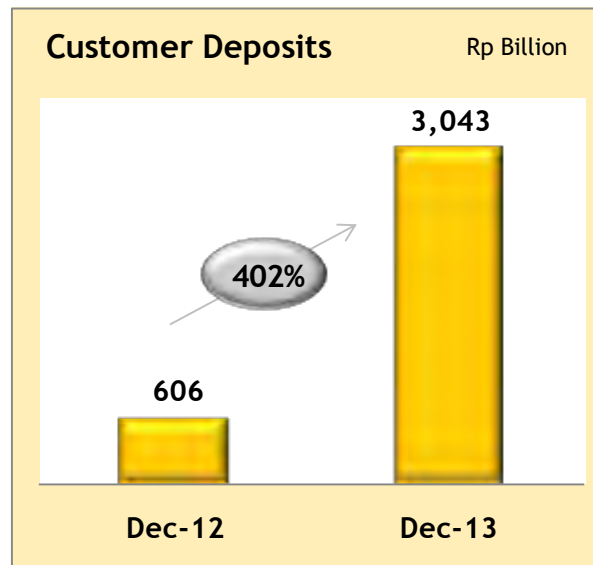
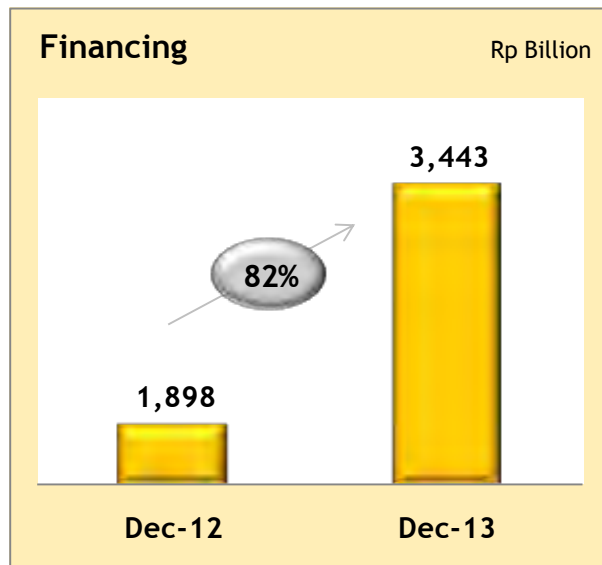
- Electronic channels, such as CoOLBanking, play significant role in growing transaction volumes of BII whilst providing comfort and convenience for customers in managing their banking needs.
- Trade business is one of the main growth-focused areas for fee based income generators by providing value-added services on general trade finance and tailored solutions.
- Securities Services provides a full suite of services containing Custodian Services, Fund Services and Agency Services and has been developing sub-custodian business platform for global clients.

Syariah Banking booked strong performance in 2013

**BII Syariah kini hadir
lebih dekat dengan Anda.**

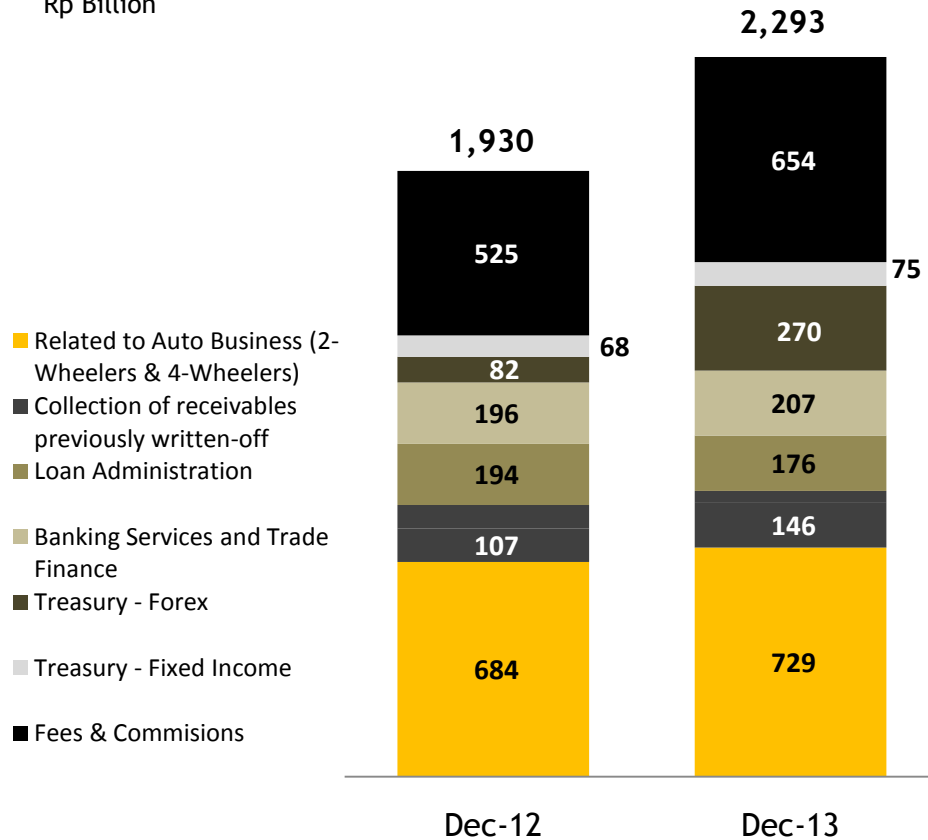


Its strategy to be product provider and offer Syariah solutions across all Business Segments start to bear fruit - Syariah financing increased significantly by 82% and Customer Deposits jumped 402%



Fee Income

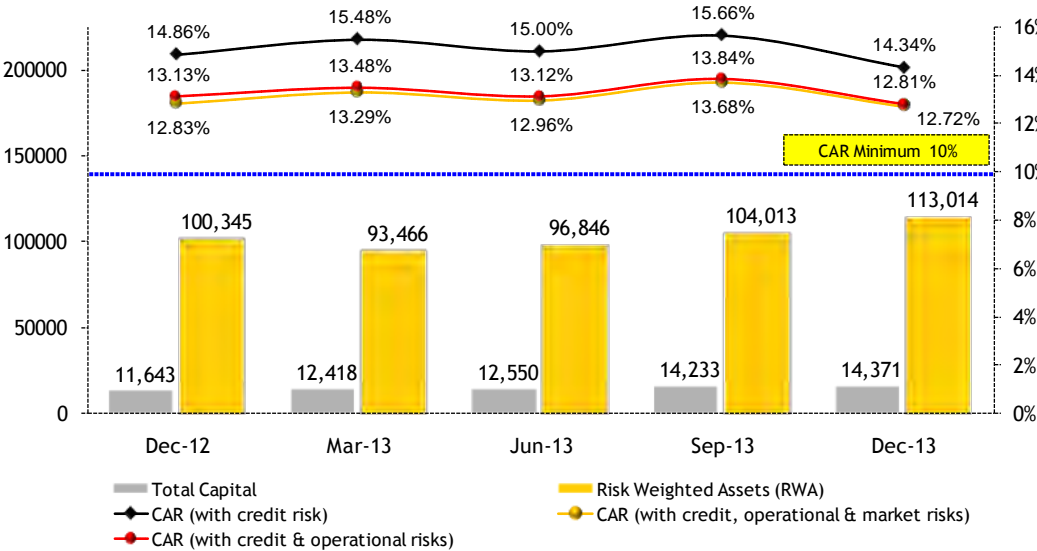
Rp Billion



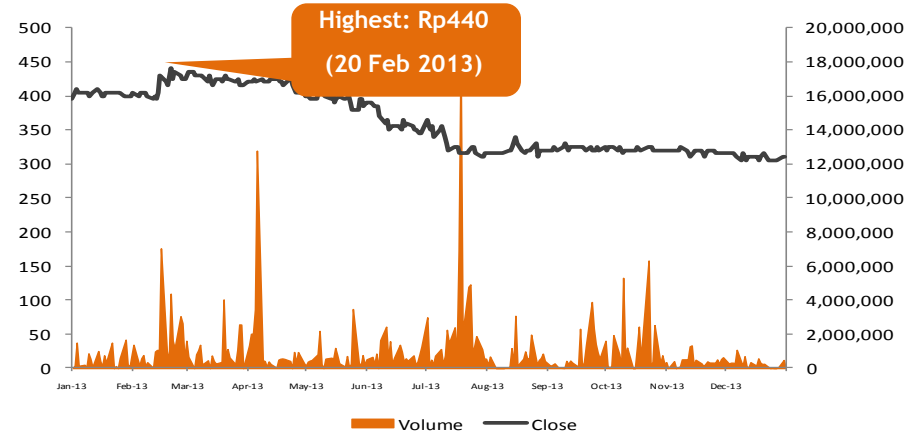
Fee Income (Rp Billion)	Dec-12	Dec-13
Related to Auto Business (2-Wheelers & 4-Wheelers)	684	729
Collection of receivables previously written-off	107	146
Arranger & Syndication Fees	75	36
Loan Administration	194	176
Banking Services and Trade Finance	196	207
Treasury - Forex	82	270
Treasury - Fixed Income	68	75
Fees & Commissions	525	654
- Bancaassurance	25	38
- Remittance	92	102
- Card Relative	236	215
- Other fees & commissions	171	300
Total Fee Income	1,930	2,293

CAR, Ownership, Share Price Performance & Company Rating

CAR



Share Price Performance



BNII	Dec-12	Mar-13	Jun-13	Sep-13	Dec-13
Harga Saham (Rp)	395	415	345	325	310
PBV (x)	2.34	2.41	1.94	1.68	1.55
PER	18.31	87.04	28.37	18.04	12.23

Ownership

No	Shareholders	# of Shares	%
1	Sorak Financial Holdings Pte., Ltd. ("Sorak")	27,449,983,641	45.02%
2	Maybank Offshore Corporate Services (Labuan) Sdn., Bhd. ("MOCS")	20,705,915,197	33.96%
3	UBS AG, London Branch ("UBS")	11,162,535,000	18.31%
4	Public	1,653,722,819	2.71%
	TOTAL	60,972,156,657	100.00%

Corporate Rating



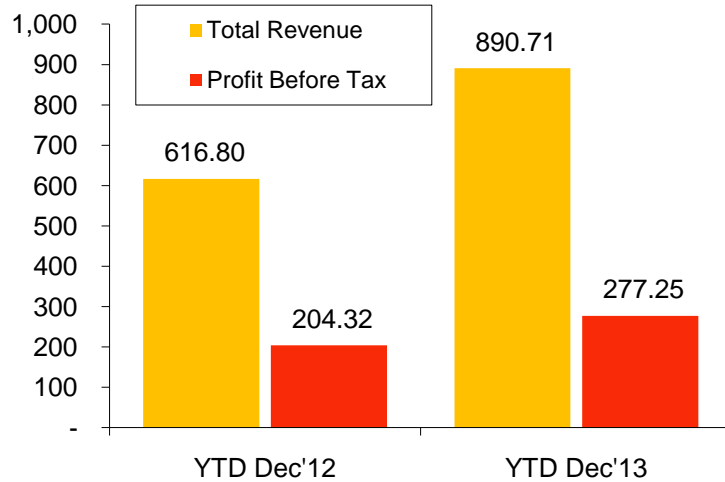
Company Rating	AAA (idn)
Bonds	AAA (idn)
Subordinated Bonds	AA (idn)



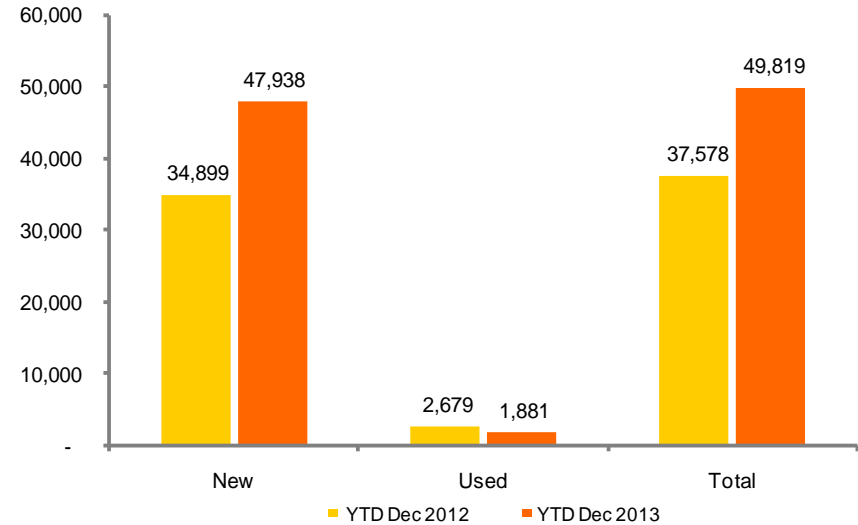
Company Rating	idAAA
Bonds	idAAA
Subordinated Bonds	idAA+

BIIFinance: Recorded strong growth in profit

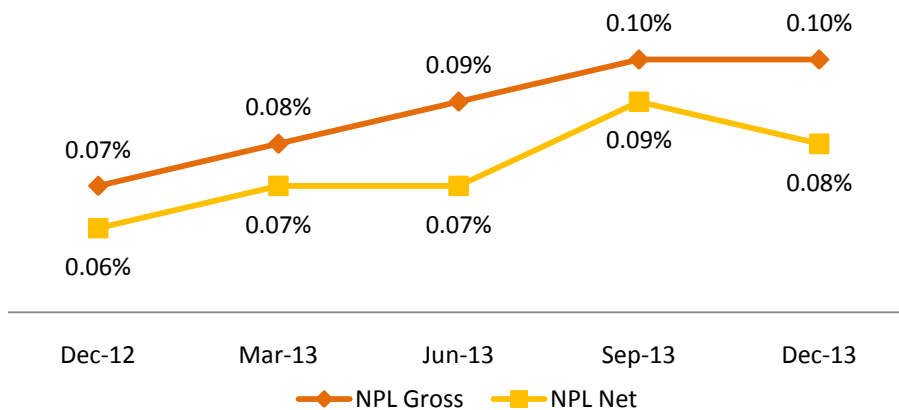
Revenue and PBT (Rp Billion)
(Stand Alone)



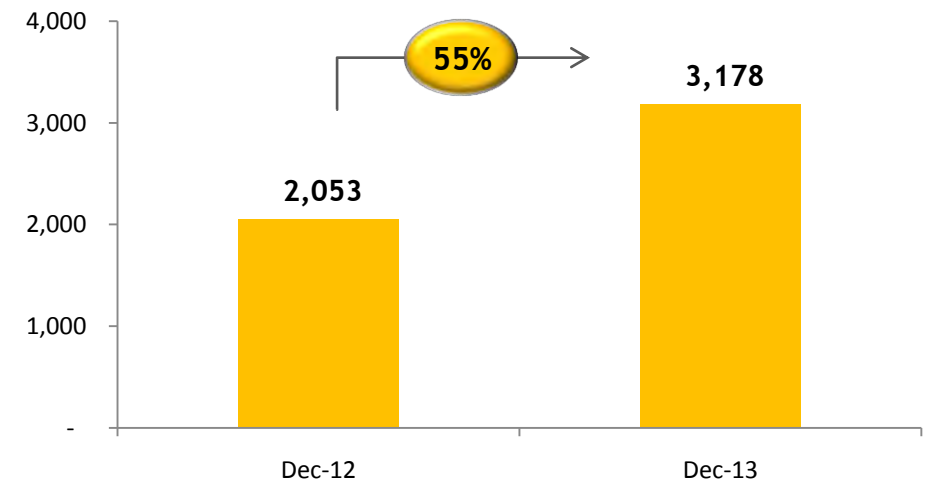
Unit Financing (unit)
(Consolidation)



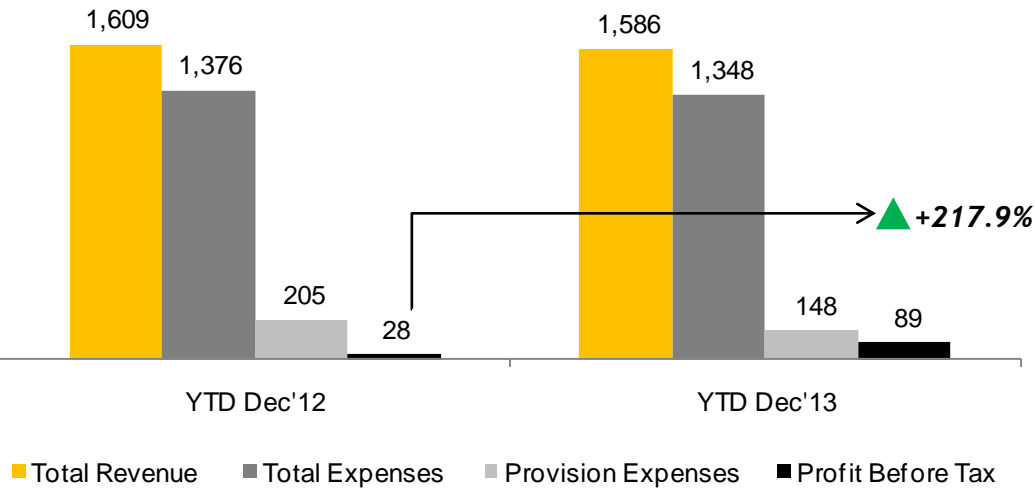
Asset Quality
(Consolidation)



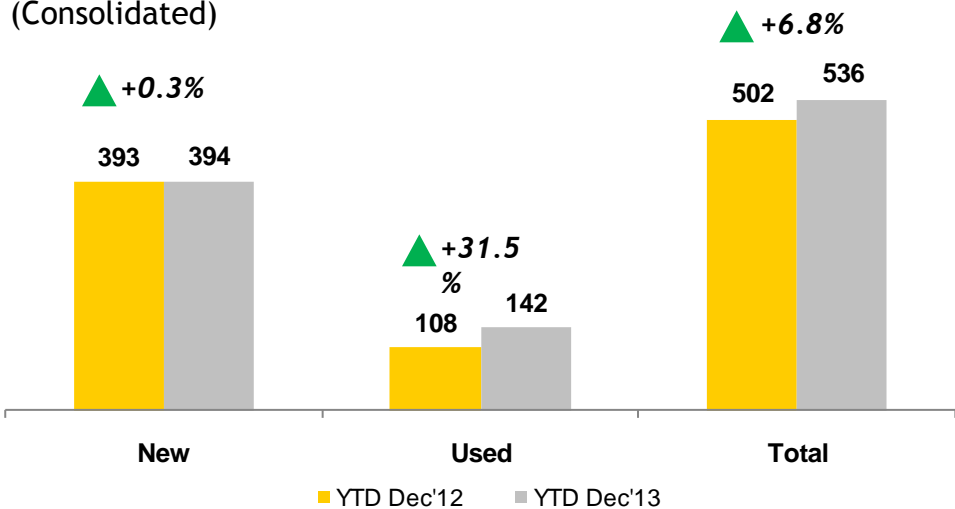
Consumer Financing (Rp Billion)
(Stand Alone)



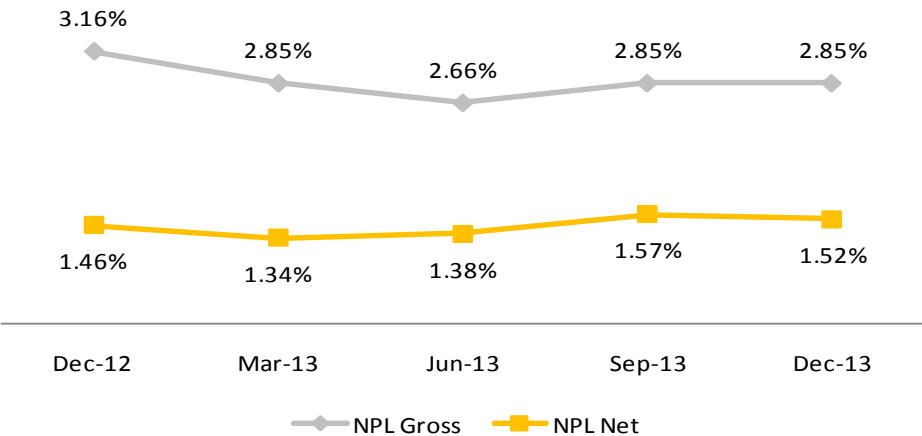
Revenue and PBT (Rp Billion) (Stand alone)



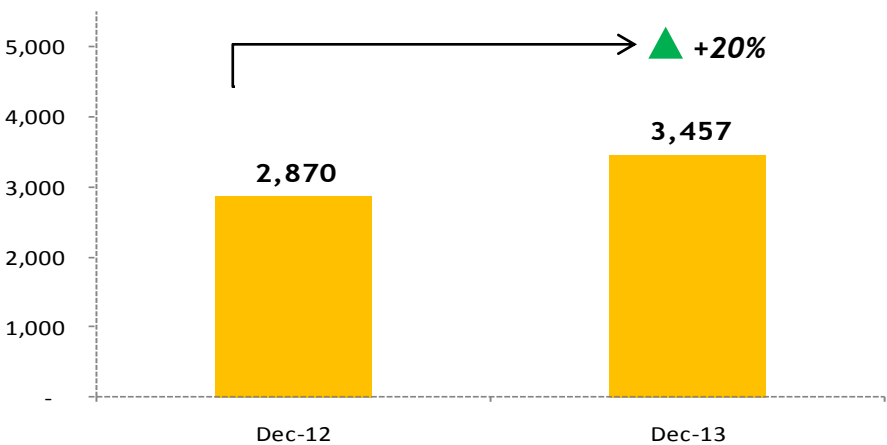
Unit Financing ('000 unit) (Consolidated)



Asset Quality (Consolidated)



Consumer Financing (Rp Billion) (Stand Alone)



Strategy & Key Focus Areas

We are building our competitive advantage through High Quality Service, Product Innovation, Process Simplification and Regional Connectivity ...

Group Vision Statement
To be a Regional Financial Services Leader
Group Mission Statement
Humanising Financial Services Across Asia

Vision: *To be the leading relationship bank in Indonesia by truly being in the community, serving through customized products & solutions and delivering high quality of services *)*
Mission: *Humanising Financial Services *)*

**High
Quality
Service**

**Product
Innovation**

**Process
Simplification**

**Regional
Connectivity**

Global Banking

Business Banking

Retail Banking

WOMF

BIIF

Syariah

Sales & Distribution

Human Capital

Operations & IT

Risk

Finance

*) currently being refined for alignment with latest conditions

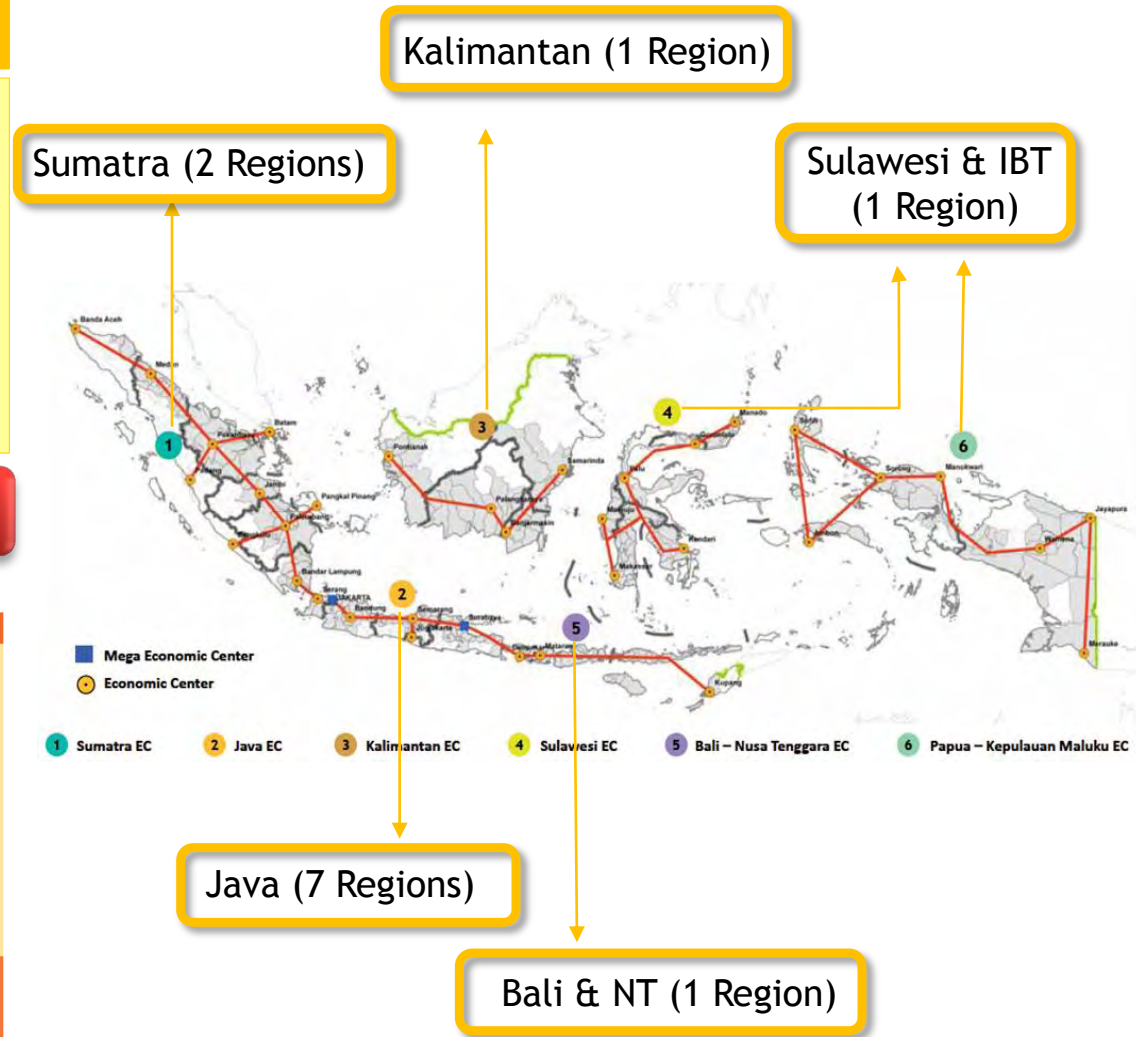
...Identified 2014 priorities (1/3)

Indonesia Regional Productivity (RB & BB)

- Regional economy oriented regional division
- Sharpen regional coverage and productivity through better understanding of local business and associated risks
- Improvement in customer wallet share
- Regions and branches as an effective growth channel for Bank's core, Syariah, and subsidiary businesses

Theme of every economic corridor for acceleration and expansion of economic development

SUMATRA	JAVA	KALIMANTAN	SULAWESI	BALI - NT	PAPUA - KEP. MALUKU
Center for Production and Processing of Natural Resources and As Nation's Energy Reserves	Driver for National Industry and Service Provision	Center for Production and Processing of National Mining and Energy Reserves	Center for Production and Processing of National Agricultural, Plantation, Fishery, Oil & Gas, and	Gateway for Tourism and National Food Support	Center for Development of Food, Fisheries, Energy, and National Mining
Indonesia as basis for global food security, center of processing products of agriculture, plantation, fishery, mineral and energy resources as well as a center of global logistics					



Source: Master plan P3EI - Acceleration and Expansion of Indonesia Economic Development 2011- 2025

Solid Institutional Customer Base (GB & BB)

- Expansion focused on large national corporates and SOEs to build solid annuity and fee business, while allowing volume growth at low-to-moderate risk
- Optimization of Bank's Trade Finance and Global Market regional hubs
- Infrastructure-related Project Financing needs

Defined and Measured Target Market (Risk)

- Institutional view of country economic and business potential to serve as risk-based guide for country target market
- Certainty and uniformity in risk identification and approach
- Basis for GB and BB client segmentation for effective risk differentiation and pricing policy
- Basis for business, regional, and risk resource planning
- Efficient, effective, and consistent credit rating / scoring models across lines of business

Staff Effectiveness (Human Capital)

- Solid partner in cost management
- Driver in the realignment optimal FOMOBO proportion
- Partner to business for sustainable supply of quality human capital
- Champion for human capital development
- Optimize staff planning and productivity level improvement
- Optimize staff cost → Increase PBT / Staff
- Improve return in human capital investment

Cost Discipline (SCMP)

- Effective cost approach: spend where it matters
- Business case driven investment, with disciplined monitoring of benefit realization
- Volume-based approach to procurement against vendors, suppliers, and contractors, including airlines and hotels

Operational Excellence (Operations & IT)

- Efficient and effective internal processes
- Effective and reliable alternate channels (e.g., mobile and internet-based customer interfaces)
- Continuously champion process simplification and modernization

In 2013, We focused on the following priorities ...

- 1 Optimizing branch capability and expanding footprints
- 2 Increasing Customer base
- 3 Boosting Fee Income
- 4 Boosting CASA Funding to support growth
- 5 Addressing Cost Structure
- 6 Enter new businesses to complement growth and enhance financial performance, in line with the strategy of being in the community
- 7 Supporting Regionalization initiatives to enhance value for our customers
- 8 Enhancing capabilities such as IT Infrastructure, talent development

The Bank's headline KPI in 2013

	Target FY2013	Achievement FY2013
Loan Growth *)	18 - 22%	26%
ROE (Tier 1)	15%	16%

** Initial Bank Indonesia FY13 Loan target set in 2012 was 22% but this was revised downward by Bank Indonesia in 3Q/13*

Significant progress made in IMPACT transformation and strong delivery of benefit during 2013

Phase 1

Quick Wins

- Increase penetration of Bancassurance
- ✓ Accelerate rollout of branch frontline transformation
- ✓ Accelerate account planning implementation
- ✓ Re-organize Syariah as a product provider
- Accelerate sales of 4 wheeler using Bii branch network

- Review and revise FTP mechanism
- ✓ Strategic Cost Management Programme
- Strengthen coordination with Maybank Group (Maybank and Kim Eng)
- Improve commercial performance under EB

- Create a compelling employee value proposition

Phase 2

- ✓ Accelerate Receivable growth for PITA & Cards
- ✓ Grow mortgage sales by differentiating on TAT, expand product portfolio
- Develop distinctive proposition & business model for mass affluent
- ✓ Create liabilities focused frontline teams to target cash rich industries
- ✓ Optimize alternate channel strategy and evaluate leveraging on business partners' POS
- ✓ Build on existing success in Supply Chain Finance
- Upgrade credit risk tools & policies to enable business growth
- Review and optimize branch coverage and staffing model including dedicated CASA team for SME
- Turnaround WOM's performance
- Refresh & review PAC proposition

- Increase cross-selling of products (retail and corporate)
- ✓ Trade Finance Transformation
- Grow Securities Services
- ✓ Streamline and centralize end-to-end processes (ops, credit and collections)
- ✓ Institutionalize execution of early warning & monitoring process
- Thematic risk review

- Enhance talent management to create back-up talent for key positions

Phase 3

New Growth

- Build Bankwide CRM to enhance customer loyalty and database marketing
- Build Micro business franchise
- ✓ Launch gold pawn broking



- ✓ Continue in 2014
- Completed & Transition to BAU



- 1 Domestic Regional Transformation :
 - a To ensure our regional growth orientation align with its regional economy potential
 - b To sharpening our regional coverage and productivity through better understanding of local business and associated risks
 - c Regional & Branches Empowerment for communities development
- 2 Retail Banking & Business Banking will focus to serve communities while Global Banking will serve top tier 1 Corporation and State Owned Enterprise (SoE)
- 3 Re-orientation Customers Segmentation
- 4 Strengthen IT Infrastructure
- 5 People Development
- 6 Strategic Cost Management

Continuing



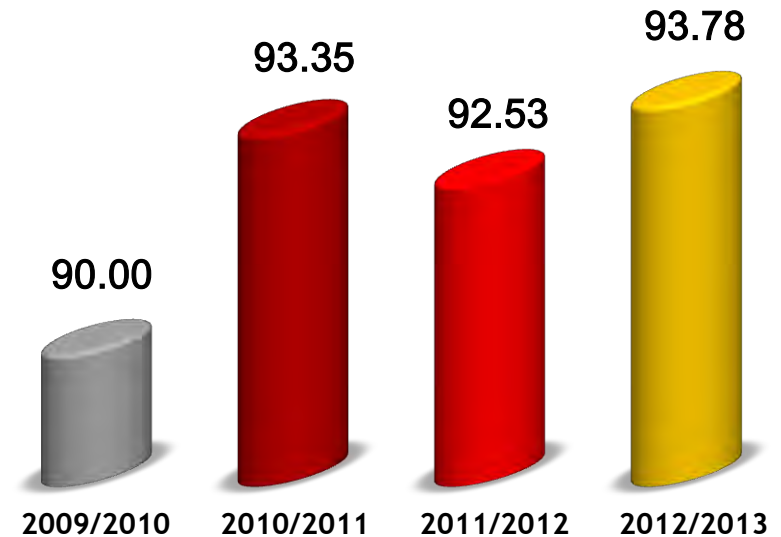
The Bank's
Headline KPI
in 2014

Loans : 17-20%
ROE (Tier 1): 15%

Awards, Corporate Social Responsibility (CSR) & Event Highlights

Top **1** in Service Quality

The Best Bank in Service Quality for 4 consecutive years from Institute of Service Management Studies (ISMS) Trisakti



Other Awards in Service Quality in 2013

- Excellent Service Experience Award (ESEA) from CARRE of Center for Customer Satisfaction and Loyalty (CCSL) and Bisnis Indonesia
- Contact Center Service Excellence Award 2013 from Marketing magazine and CARRE of Center for Customer Satisfaction and Loyalty (CCSL)
- Service to Care Award 2013 from Markplus Insight and Marketeers
- Four Place Grand Champion in the 9th National Customer Service Championship Award 2013 from CARRE



Other Awards



Awards for Syariah Banking

- Most Profitable Bank for category Unit Usaha Syariah with assets more than Rp500 billion from Karim Business Consulting
- Second best for “Service to Care” Award from Markplus,
- Third Best Overall (Syariah Category) in Banking Service Excellence Award from Infobank dan MRI
- “Best Performance Sharia Banking Unit” for asset size between Rp1 trillion to Rp5 trillion, from Investor Magazine

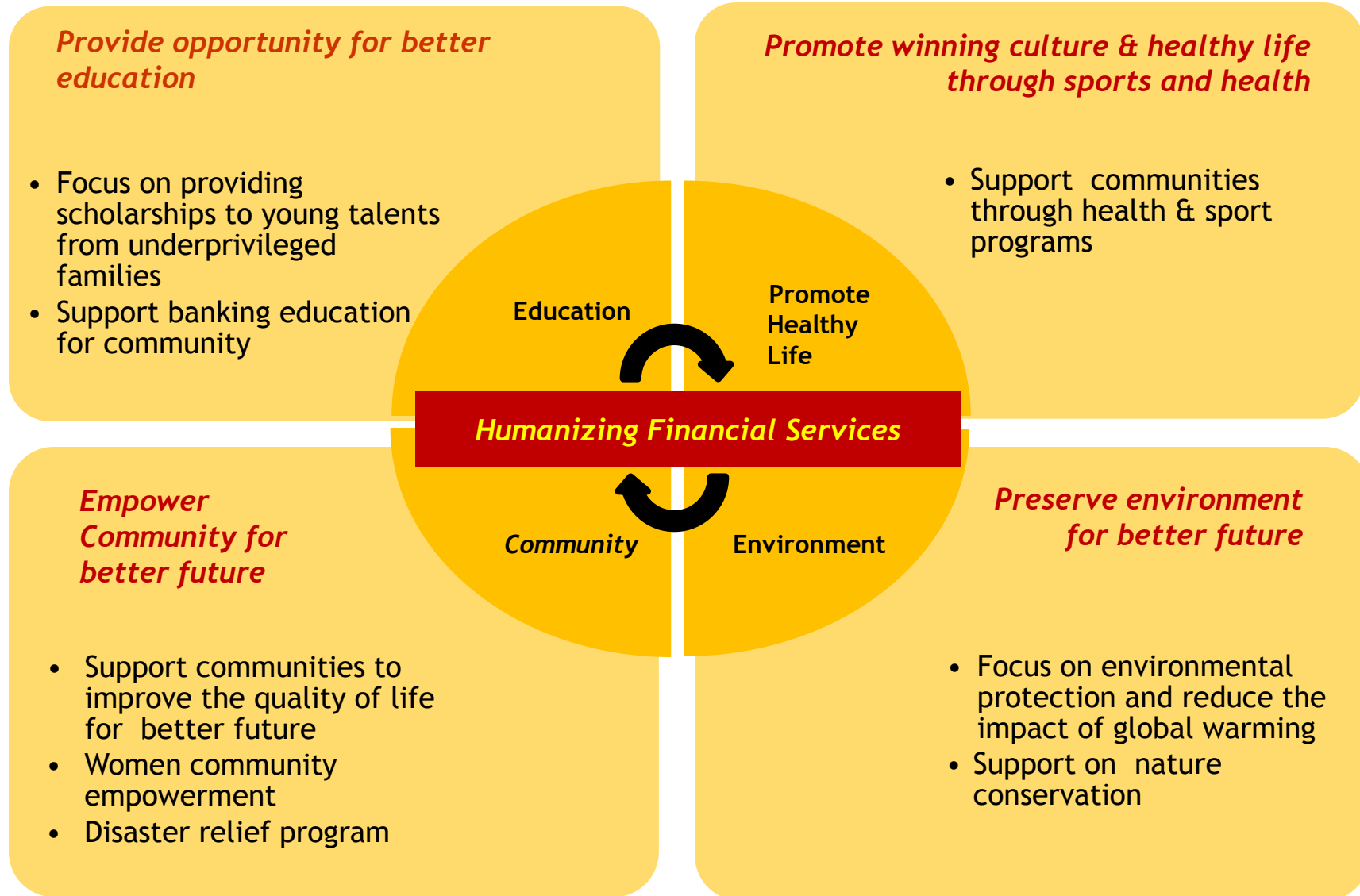
Awards for Subsidiary

- The Best Multifinance in 2012 with the asset category above IDR 500 billion from APPI (Asosiasi Perusahaan Pembiayaan Indonesia)
- “The Best Merit Corporation, The Best Finance and Value Creation and The Best of Multifinance Indonesia 2013 for Asset IDR 1-2T” from Business Review Magazine

Other Awards

- Anugerah Perbankan Indonesia 2012 from Perbanas Institute and Business Review
- Corporate Governance Award as “Best Financial Sector” in ‘The 5th IICD Conference and Award 2013’
- Best Bank in IT Banking Excellence Award 2013 for kategori of commercial bank with Tier-1 capital of Rp5-30 trillion
- STP Award from Citibank and JP Morgan
- Best Company “Pelapor Lalu Lintas Devisa (LLD) dan Devisa Ekspor” 2013 from Bank Indonesia
- 5 Years Loyalty Award from PRIMA ATM Network

Focus Area of BII CSR Program



CSR Highlights in 2013



1. Provide stable foods for floods victims at Kampung Pulo, Jakarta - January 2013
2. Continued to grant scholarship for 50 under privileged bright students at Universitas Gajah Mada, Yogyakarta - May 2013
3. Granted scholarship for 486 bright students of 27 schools located along marathon route, Bali - June 2013
4. Invite 40 paraplegic athletes to take part at 5K running exhibition at BII Maybank Bali Marathon 2013, Bali - June 2013
5. Provide BII Maybank Scholarship Program for young and bright Indonesian student to continue their study at selected overseas university, Jakarta - July 2013
6. Launched community empowerment program through BMT where BII granted revolving fund amounted to Rp1 billion to support micro financing, Jakarta - September 2013
7. Salam Raya - BII provide lebaran package for paramedics at 26 hospitals located throughout Indonesia, Indonesia - August 2013
8. As part of Maybank Group, BII held Global CR Day at all regional offices throughout Indonesia, All Regions - September 2013
9. Launched female community empowerment program through Asosiasi Pendamping Perempuan Usaha Kecil (ASPUK) where BII granted revolving fund amounted to Rp1 billion to support micro financing, Makassar - December 2013

BII Maybank Bali Marathon

BII Maybank Bali Marathon 2013

With theme *Pushing the Limit*, BII Maybank Bali Marathon 2013 was participated by 3,000 runners from 42 countries, includes elite runners from Africa, Europe, Asia and Australia



Marathon 2012



On 22 April 2012, BII held 'BII Maybank Bali Marathon', the first marathon event in Indonesia after 20 years. The event was participated by runners from around the world



Mini Marathon 2013

On 5 May 2013, BII held Mini Marathon Jakarta, *pre -event* for BII Maybank Bali Marathon 2013

Event Highlights in 2013



1. Maybank Corporate Golf Challenge
2. Launched strategic partnership with Air Asia to provide cash management solutions, 16 February 2013
3. Launched strategic partnership with Koperasi Simpan Pinjam Jasa (Kospin Jasa) to provide online cash management solutions, 18 March 2013
4. Pull out grand prize of Biingkisan Beruntun
5. Introduced mobile banking application at android, 3 April 2013
6. Launched strategic partnership with Hekikai Shinkin Bank (HSB) where BII will be servicing bank for HSB customers in Indonesia, 4 April 2013
7. Held Annual General Meeting of Shareholders (AGM) and Extraordinary Meeting of Shareholders (EGM). The EGM approved the appointment of Lani Darmawan as Retail Banking Director and Achyar Ilyas as Independent Commissioner, 22 April 2013
8. BII Sukma Awards 2013 to appreciate women entrepreneurs, 22 May 2013
9. Introduced BII Mitra Amanah (minna) services to merchants at Pasar Baru Bekasi Timur, West Java, 10 June 2013

10. Held 2nd BII Maybank Bali Marathon participated by more than 3000 runners from around the globe, 16 June 2013
11. Held Extraordinary Meeting of Shareholders (EGM) which approved the Bank's plan to undertake a Right Issue of Rp1.5 trillion, 27 June 2013
12. Launched CoolPay2 and BII Sinergi to support business community with financial supply chain scheme, 23 August 2013
13. Officially re-activated the operations of Mumbai branch (10 July 2013) and grand launching BII's first branch in Mumbai (21 October 2013)
14. Partnering with Local Government of DKI Jakarta in providing payment facility for land and building tax via ATM, 1 November 2013
15. Held Extraordinary General Meeting to approve New President Director, 11 November 2013
16. Participated in Gerakan Ekonomi Syariah - the national campaign organized by Bank Indonesia to promote syariah banking in Indonesia, 17 November 2013

Thank You

Disclaimer

Please note that some of the statements in this document may constitute “forward-looking statements” that do not directly or exclusively relate to historical facts. Some of the statements in this document (including but not limited to the forward-looking statements) are derived from or are based upon information from public or external sources and/or reflect BII’s own internal projections, current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks and uncertainties that may cause actual events and BII’s future results to be materially different than expected or indicated by such statements. To the extent that such statements in this document (including but not limited to the forward-looking statements) are derived from or are based on public or external sources of information, BII’s has not undertaken any independent verification of such information. No assurance can be given that the results anticipated by BII, or indicated by any such statements in this document (including but not limited to the forward-looking statements), will be achieved. You are urged to view the statements contained in this document (including but not limited to the forward-looking statements) with caution.