



# Maybank

Humanising Financial Services

## Maybank Indonesia

Financial Results

1Q 2018 ended 31 March 2018



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# Summary of 1Q 2018 Results

*All numbers are based on Consolidated Financial Statements which are in accordance with accounting classification unless otherwise stated. The classifications differ from published results which are in accordance with Bank Indonesia's classification.*

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## Earnings

- PATAMI decreased 5.5% (YoY) to Rp463 billion mainly due to FX losses
- NII largely flat due to continued pressure in loan yields
- Provision expenses improved significantly, decreasing by 26.5% (YoY)
- Subsidiaries continued to record improvement; WOM's and Maybank Finance's PBT increased by 102.5% (YoY) and 9.3% (YoY) respectively

2

## Moderate loans growth and improved asset quality

- Loan growth of 2.2% (YoY):
  - Global Banking grew 6.2% (YoY) contributed by loans from SOE
  - CFS Non-Retail loans grew 3.2% (YoY)
  - CFS Retail loans reduced by 1.3% (YoY)
- Significantly improved asset quality with lower Gross NPL level at 3.02% in Mar-18 from 3.70% in Mar-17 and Gross Impaired Loan ratio at 3.57% in Mar-18 from 3.63% in Mar-17

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## Continued to adopt Shariah-First strategy

- Shariah Banking continued to deliver its strong results Year on Year. Shariah Financing increased by 41.6% (YoY) to Rp20.2 trillion and contributed 16.5% to Bank's loans
- Significantly improved asset quality with lower Non Performing Financing (NPF) level to 3.20% as at Mar-18 from 4.59% as at Mar-17

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## Robust Liquidity Positions

- Customer deposits grew by 2.7% (YoY) with Current Account growing strongly at 27.3% (YoY), lifting the CASA ratio to 39.74%
- Loan-to-Deposit Ratio (LDR - bank only) maintained at a healthy level 85.62% with Liquidity Coverage Ratio (LCR - bank only) at 176.37% as of Mar-18

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## Maintained Capital Positions

- Total Assets increased by 6.6% (YoY) to Rp175.8 trillion
- Improved capital position with CAR as per 31 Mar 2018 at 17.63%; total capital of Rp22.8 trillion and CAR Tier 1 at 14.93%

# **Financial Performance**

# Balance Sheet

Financial Position - Consolidated	Mar-18	Dec-17	Mar-17	QoQ	YoY
Rp Billion	a	b	c	(a/b)-1	(a/c)-1
Loans	122,518	125,436	119,872	-2.3%	2.2%
Other Earning Assets	33,932	29,091	27,173	16.6%	24.9%
Other Assets	19,325	18,727	17,844	3.2%	8.3%
<b>Total Assets</b>	<b>175,775</b>	<b>173,253</b>	<b>164,889</b>	<b>1.5%</b>	<b>6.6%</b>
Deposits from Customer	120,899	121,292	117,678	-0.3%	2.7%
- Current Account	24,059	23,715	18,905	1.4%	27.3%
- Saving Account	23,989	24,820	24,803	-3.3%	-3.3%
- Time Deposit	72,851	72,757	73,970	0.1%	-1.5%
Deposits from Other Banks	3,388	3,861	2,199	-12.2%	54.1%
Borrowing	8,144	5,054	4,887	61.1%	66.7%
Securities Issued	9,202	9,426	7,958	-2.4%	15.6%
Subordinated Debt	5,292	5,291	5,288	0.0%	0.1%
Other Liabilities	7,612	7,554	7,499	0.8%	1.5%
<b>Total Liabilities</b>	<b>154,538</b>	<b>152,478</b>	<b>145,509</b>	<b>1.4%</b>	<b>6.2%</b>
Equity (excl. Non-Controlling Interest)	20,909	20,464	19,116	2.2%	9.4%
Non-Controlling Interest	329	311	265	5.5%	23.9%
<b>Total Equity</b>	<b>21,237</b>	<b>20,775</b>	<b>19,381</b>	<b>2.2%</b>	<b>9.6%</b>

# Income Statement

Income Statement - Consolidated	1Q 2018	4Q 2017	1Q 2017	QoQ	YoY
Rp Billion	a	b	c	(a/b)-1	(a/c)-1
Interest Income	3,602	3,720	3,687	-3.2%	-2.3%
Interest Expense	(1,711)	(1,745)	(1,787)	-1.9%	-4.2%
<b>Net Interest Income</b>	<b>1,890</b>	<b>1,975</b>	<b>1,900</b>	<b>-4.3%</b>	<b>-0.5%</b>
Non Interest Income	528	588	567	-10.2%	-6.9%
<b>Gross Operating Income</b>	<b>2,418</b>	<b>2,563</b>	<b>2,467</b>	<b>-5.7%</b>	<b>-2.0%</b>
Personnel	(648)	(516)	(612)	25.6%	5.8%
General & Administrative	(861)	(784)	(832)	9.8%	3.5%
<b>Operating Expenses</b>	<b>(1,508)</b>	<b>(1,300)</b>	<b>(1,444)</b>	<b>16.1%</b>	<b>4.5%</b>
<b>Operating Income before Provisions</b>	<b>910</b>	<b>1,264</b>	<b>1,023</b>	<b>-28.0%</b>	<b>-11.1%</b>
Provisions	(263)	(787)	(358)	-66.6%	-26.5%
<b>Operating Income After Provision</b>	<b>647</b>	<b>476</b>	<b>665</b>	<b>35.7%</b>	<b>-2.8%</b>
Non Operating Income / (Expenses)	(7)	44	(8)	-114.8%	-17.9%
<b>Profit Before Tax &amp; Minority Interest</b>	<b>640</b>	<b>521</b>	<b>657</b>	<b>22.9%</b>	<b>-2.6%</b>
Tax & Minority Interest	(177)	(165)	(167)	7.0%	6.0%
<b>Profit After Tax &amp; Minority Interest (PATAMI)</b>	<b>463</b>	<b>355</b>	<b>490</b>	<b>30.3%</b>	<b>-5.5%</b>

# Financial Ratios



Key Operating Ratio	Mar-18	Dec-17	Mar-17	△
Consolidated	a	b	c	(a-c)
<b>Profitability</b>				
Return On Assets	1.46%	1.48%	1.59%	-0.14%
Return On Equities (Tier 1)	9.60%	9.91%	11.30%	-1.70%
Net Interest Margin	4.83%	5.17%	5.17%	-0.33%
<b>Efficiency &amp; Productivity Ratio</b>				
Cost to Income Ratio	62.38%	55.53%	58.53%	3.85%
BOPO	84.18%	85.97%	85.22%	-1.04%
<b>Earning Asset Quality</b>				
Impaired Loans - Gross	3.57%	3.32%	3.63%	-0.06%
Impaired Loans - Net	2.25%	2.10%	2.26%	-0.02%
NPL - Gross	3.02%	2.81%	3.70%	-0.69%
NPL - Net	1.85%	1.72%	2.38%	-0.54%
<b>Balance Sheets Structure</b>				
LDR	98.19%	99.87%	98.72%	-0.53%
LCR	166.54%	140.74%	161.32%	5.22%
CASA to Total Funding	39.74%	40.01%	37.14%	2.60%
CAR	17.63%	17.53%	16.94%	0.69%

Key Operating Ratio	Mar-18	Dec-17	Mar-17	△
Bank Only	a	b	c	(a-c)
<b>Profitability</b>				
Return On Assets	1.17%	1.23%	1.37%	-0.20%
Return On Equities (Tier 1)	8.28%	8.86%	10.41%	-2.13%
Net Interest Margin	4.01%	4.49%	4.51%	-0.51%
<b>Efficiency &amp; Productivity Ratio</b>				
Cost to Income Ratio	61.27%	53.11%	56.90%	4.37%
BOPO	84.92%	86.97%	85.57%	-0.65%
<b>Earning Asset Quality</b>				
Impaired Loans - Gross	3.87%	3.56%	3.84%	0.04%
Impaired Loans - Net	2.43%	2.25%	2.42%	0.02%
NPL - Gross	3.25%	3.00%	3.93%	-0.68%
NPL - Net	1.98%	1.83%	2.55%	-0.57%
<b>Balance Sheets Structure</b>				
LDR	85.62%	88.12%	88.40%	-2.78%
LCR	176.37%	136.29%	170.69%	5.68%
CASA to Total Funding	39.85%	40.33%	37.27%	2.57%
CAR	17.86%	17.63%	16.98%	0.88%

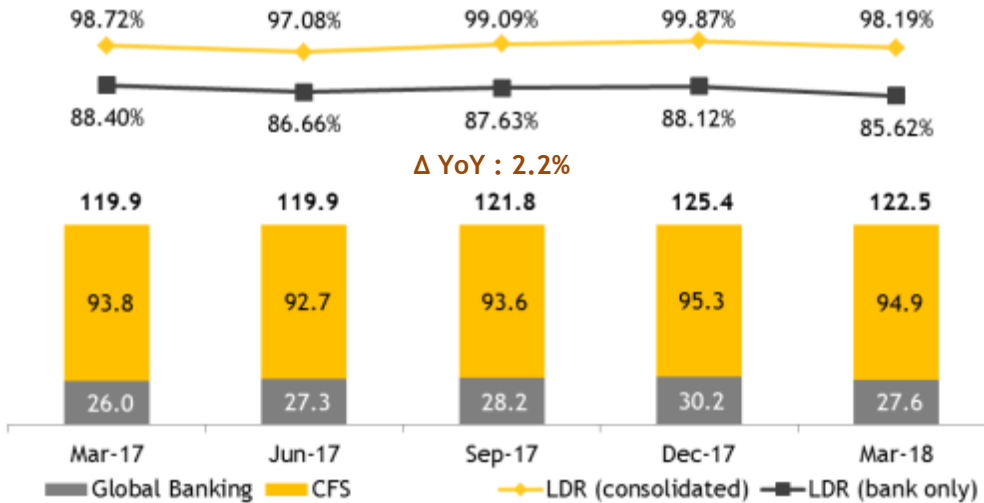
# Loans

Moderate loans growth of 2.2% (YoY)



## LDR & Total Loans

Rp Trillion

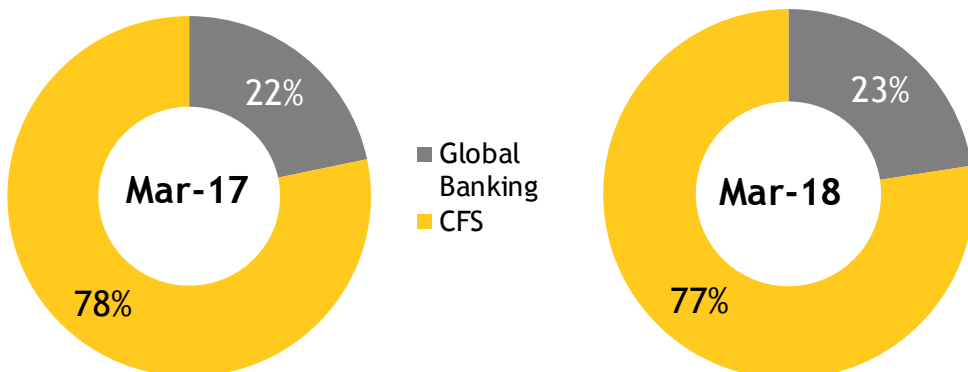


## Loans Portfolio Breakdown

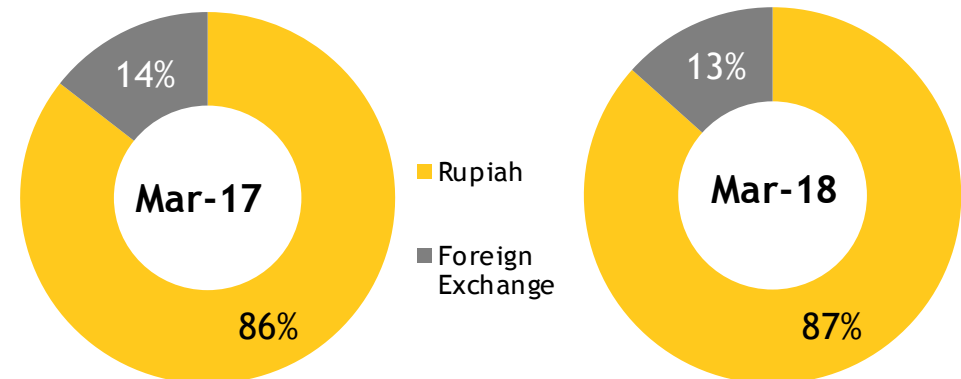
Rp Trillion

	Mar-18	Dec-17	Mar-17	YoY	QoQ
Global Banking	27.6	30.2	26.0	6.2%	-8.4%
CFS	94.9	95.3	93.8	1.1%	-0.4%
<i>CFS Non-Retail</i>	<i>52.1</i>	<i>52.6</i>	<i>50.5</i>	<i>3.2%</i>	<i>-1.0%</i>
Business Banking	29.9	30.9	29.3	2.0%	-3.3%
RSME	22.2	21.7	21.2	4.7%	2.4%
<i>CFS Retail</i>	<i>42.8</i>	<i>42.7</i>	<i>43.4</i>	<i>-1.3%</i>	<i>0.3%</i>
Auto Loan	23.8	23.4	22.7	5.1%	1.9%
Mortgage	15.6	16.0	17.3	-9.8%	-2.4%
CC + Personal Loan	2.9	2.8	2.9	0.0%	2.2%
Other loan	0.4	0.4	0.4	-1.9%	1.6%
<b>Total</b>	<b>122.5</b>	<b>125.4</b>	<b>119.9</b>	<b>2.2%</b>	<b>-2.3%</b>

## Loans Composition by Business Segment



## Loans Composition by Currency

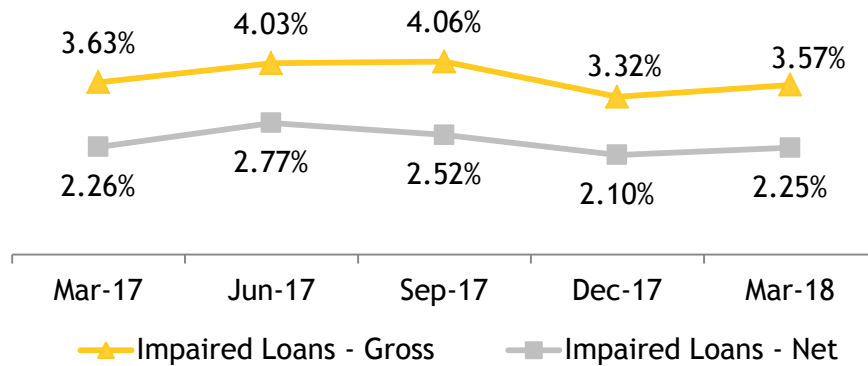


# Asset Quality

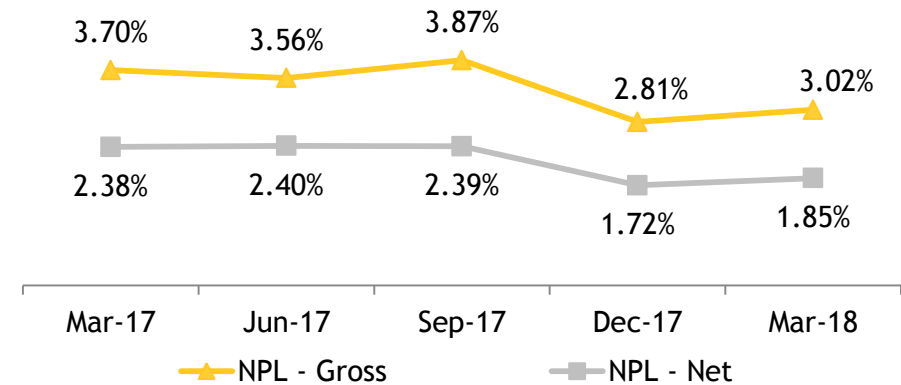
Focus on asset quality improvement



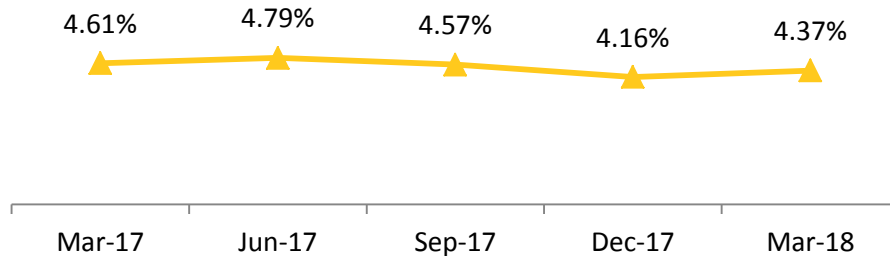
## Asset Quality - Maybank Indonesia Impaired Loans (consolidated)



## Asset Quality - Maybank Indonesia NPL (consolidated)



## Asset Quality - Maybank Indonesia Special Mention Loans (consolidated)

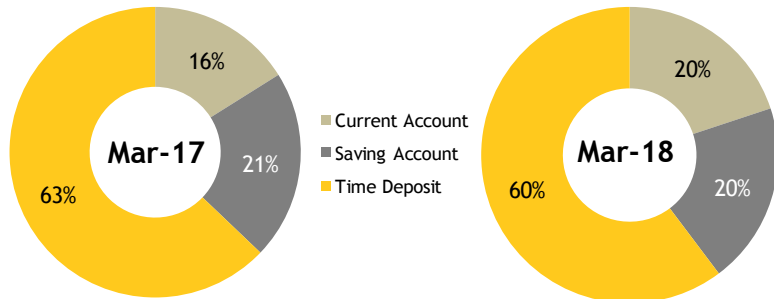


- The Bank already has in place rigorous credit approval procedures, tight approval limits and matrix and stringent early alert mechanism and watch list criteria
- The Bank also continually review and update its risk acceptance criteria and industry exposure limit to reduce concentration risk and limit exposure to high risk segments
- The Bank also continues to remain conservative in managing asset quality and takes a proactive stance on the credit facilities of customers impacted by the challenging economic environment

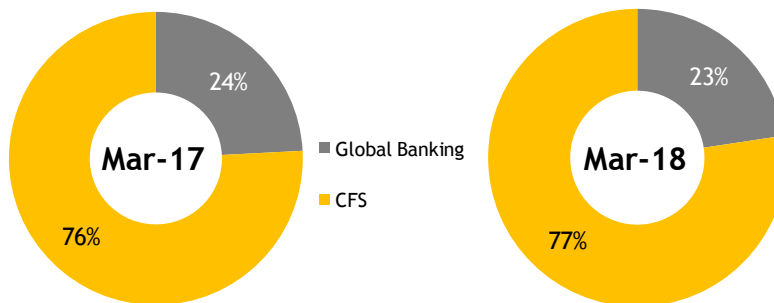
# Customer Deposits

## Focus on CASA accumulation

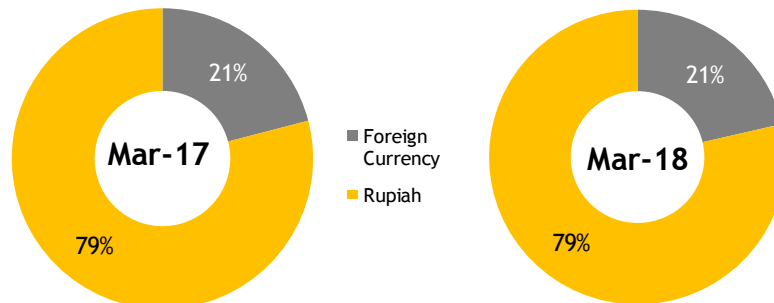
### Deposits from Customers by Business Segment



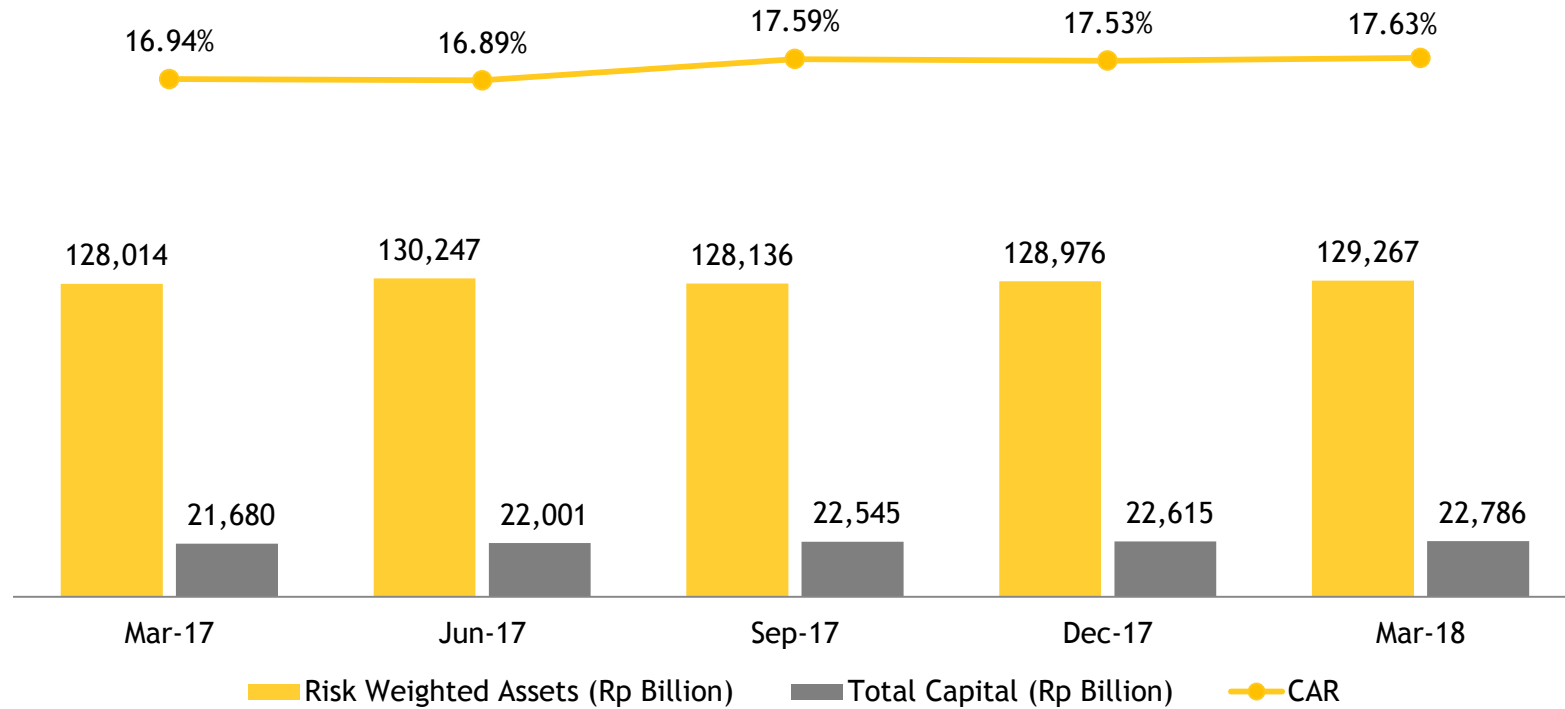
### Deposits from Customers by Type



### Deposits from Customers by Currency



Rp Trillion	Mar-18	Dec-17	Mar-17	YoY	QoQ
Current Account	24.1	23.7	18.9	27.3%	1.4%
Saving Account	24.0	24.8	24.8	-3.3%	-3.3%
Time Deposit	72.9	72.8	74.0	-1.5%	0.1%
<b>Total</b>	<b>120.9</b>	<b>121.3</b>	<b>117.7</b>	<b>2.7%</b>	<b>-0.3%</b>
CASA Ratio	39.7%	40.0%	37.1%	2.6%	-0.3%



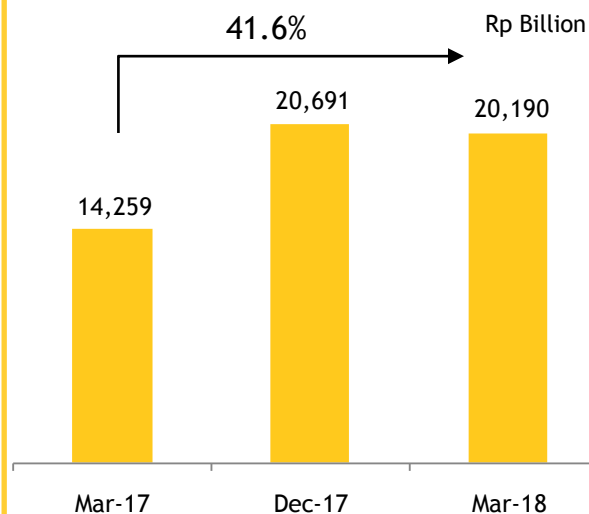
Capital Ratios	Mar-18	Dec-17	Sep-17	Jun-17	Mar-17	YoY	QoQ
Tier I	14.93%	14.64%	14.55%	13.72%	13.55%	1.38%	0.29%
Tier II	2.70%	2.89%	3.04%	3.17%	3.39%	-0.69%	-0.20%
<b>Total CAR</b>	<b>17.63%</b>	<b>17.53%</b>	<b>17.59%</b>	<b>16.89%</b>	<b>16.94%</b>	<b>0.69%</b>	<b>0.09%</b>

## Shariah First strategy continues to deliver strong results

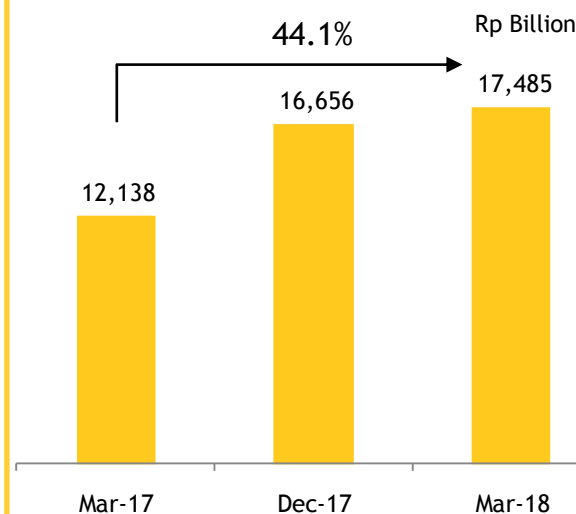
- Assets increased by 25.7% (YoY) to Rp27.1 trillion, contributing 15.4% of the Bank's consolidated total assets
- Financing increased by 41.6% (YoY) to Rp20.2 trillion
- Deposits increased by 44.1% (YoY) to Rp17.5 trillion
- Net Profit decreased by 16.6% (YoY) to Rp156.5 billion
- NPF significantly improved to 3.20% as at Mar-18 from 4.59% as at Mar-17



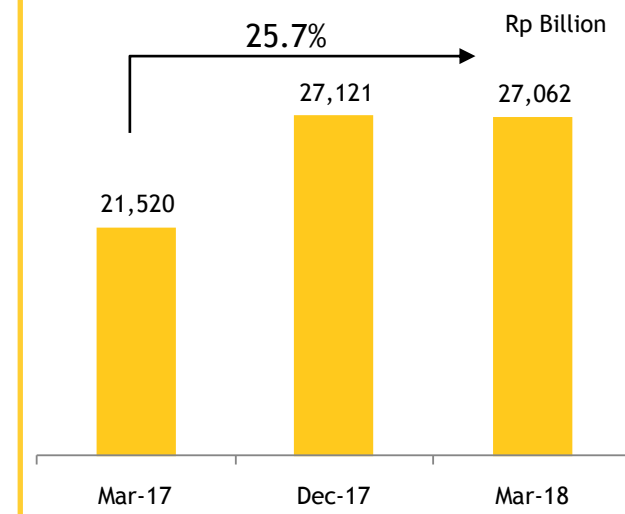
### Shariah Financing



### Shariah Deposits

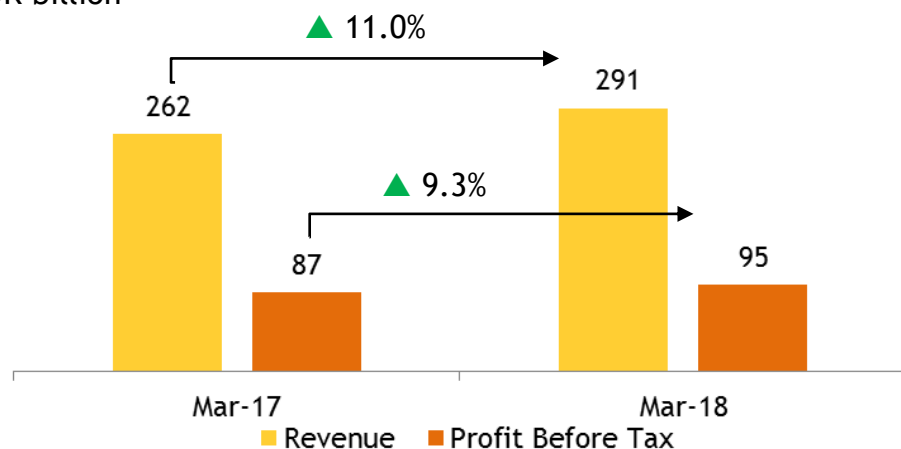


### Shariah Assets



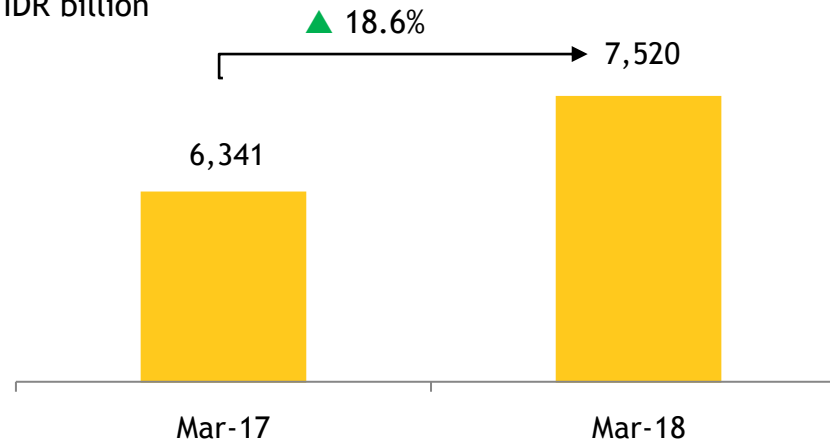
## Revenue and Profit Before Tax

IDR billion

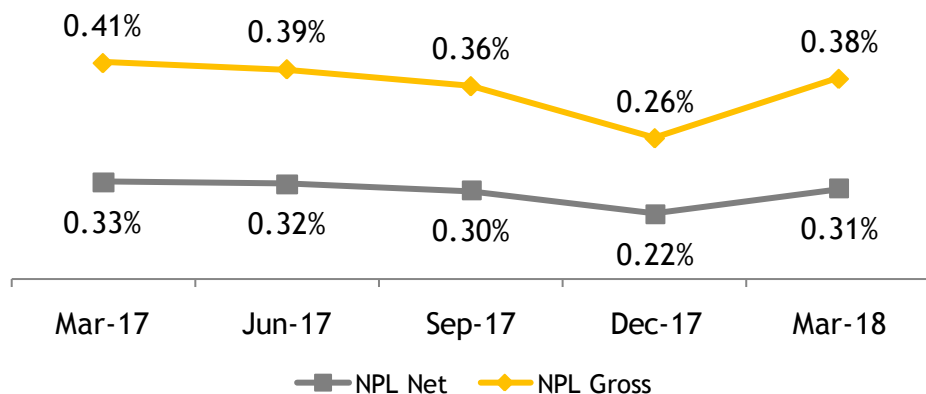


## Financing

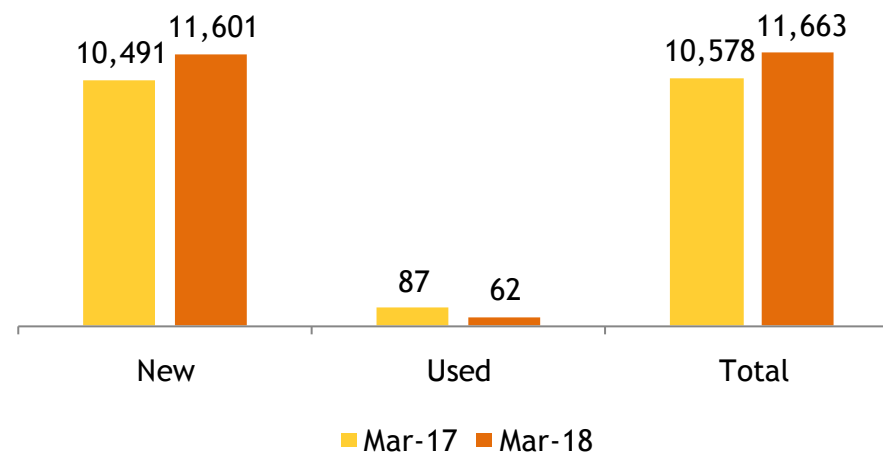
IDR billion



## Asset Quality

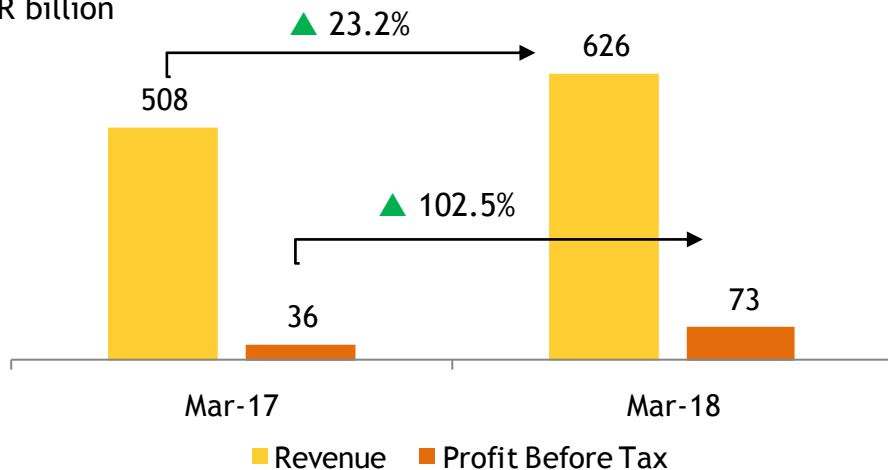


## Unit Financing (unit)



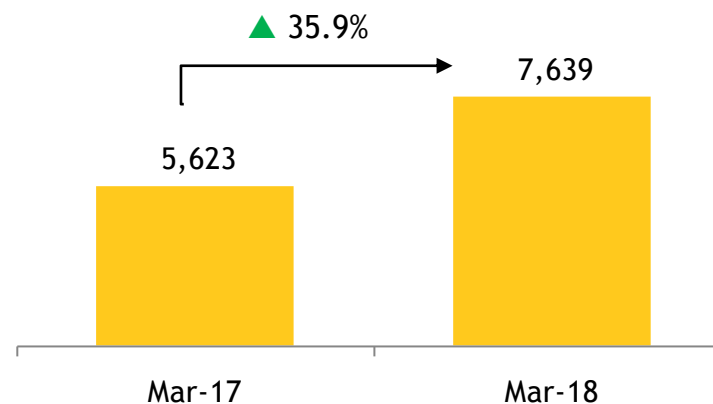
## Revenue and Profit Before Tax

IDR billion

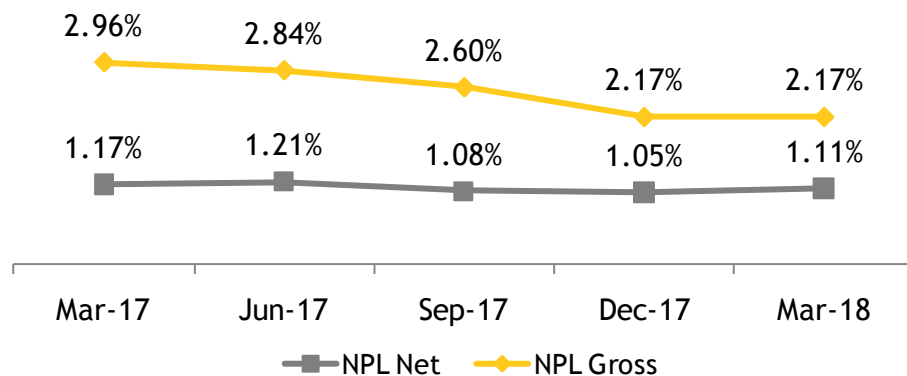


## Financing

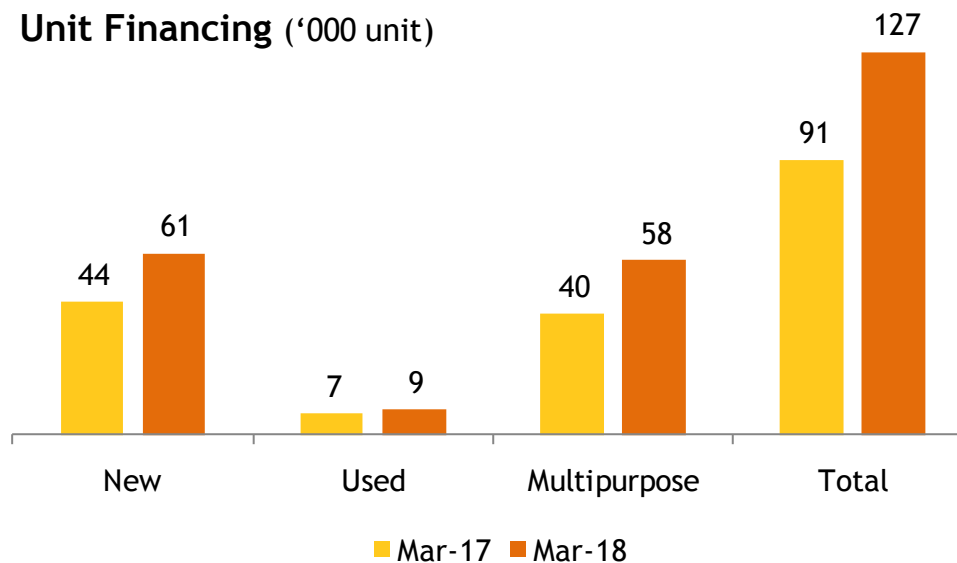
IDR billion



## Asset Quality



## Unit Financing ('000 unit)



# **Maybank Indonesia in Brief**



## Company Rating

### FitchRatings

National Long-Term Rating	AAA(idn); Outlook Stable
National Short-Term Rating	F1+(idn)
Long-Term Foreign-Currency IDR	BBB; Outlook Stable
Short-Term Foreign-Currency IDR	F3
Viability Rating	bb
Support Rating	2
Senior Bonds	AAA (idn)
Subordinated Debt	AA (idn)
Sukuk Mudharabah	AAA (idn)



Corporate rating / Outlook	idAAA, Outlook Stable
Subordinated Debt I/2011	idAA+
Shelf Reg. Sub Debt I/2011	idAA+
Shelf Reg. Sub Debt II/2014	idAA
Shelf Reg. Sukuk Mudharabah I/2014	idAAA(sy)
Shelf Reg. Bonds II/2017	idAAA
Shelf Reg. Sukuk Mudharabah II/2017	idAAA(sy)

## Shareholders





**Datuk Abdul Farid bin Alias**  
President Commissioner



**Spencer Lee Tien Chye**  
Commissioner



**Edwin Gerungan**  
Commissioner



**Budhi Dyah Sitawati**  
Independent Commissioner



**Achjar Iljas**  
Independent Commissioner



**Hendar**  
Independent Commissioner



**Taswin Zakaria**  
President Director



**Thilagavathy Nadason**  
Director



**Jenny Wiriyanto**  
Director



**Dhien Tjahajani \*)**  
Director



**Eri Budiono**  
Director



**Irvandi Ferizal**  
Director



**Effendi**  
Director

\*) Resignation approved at the AGMS on 6 April 2018 and will be effective on 25 June 2018

# Building Competitive Advantage

Through four pillars of Maybank Indonesia





**MY BANK IS  
MAYBANK!**

*Maybank wins hearts and  
inspires confidence through  
its commitment to treating  
customers and staff with  
respect.*

*We make humanising  
financial services more than  
just a promise but the way  
we do business.*

***Thank You***



**Maybank**

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