



PT. BANK RAKYAT INDONESIA (PERSERO) Tbk.

Full Year 2004 Financial Result



BRI in the Year 2004

Commitment in MSME Business

Commitment and consistent focus on MSME (micro, small and medium enterprise) business:

- Maintaining MSME portfolio to 80% of total loan portfolio
- Maintaining micro segment at minimum 30% of total loan portfolio

| % Total Loans | 2001*) | 2002 | 2003 | 2004 |
|-------------------------|--------|-------|-------|--------------|
| Micro | 29.4% | 30.5% | 30.6% | 30.8% |
| Small Business | 41.5% | 48.4% | 50.2% | 51.1% |
| - Consumer Fixed Income | 23.1% | 25.5% | 23.5% | 23.1% |
| - Small Commercial | 18.4% | 22.9% | 26.7% | 28.0% |
| Medium | 3.7% | 3.7% | 4.6% | 4.6% |
| Corporate | 22.9% | 17.4% | 14.7% | 13.6% |
| Agribusiness | 20.0% | 29.7% | 30.7% | 27.7% |
| Non-Agribusiness | 80.0% | 70.3% | 69.4% | 72.3% |

} 86.4%

*) 2001 : consolidated figures except figures of medium and corporate loan

Full Year 2004 Outstanding Results

| | Full Year | | | | IDR billion Growth |
|---|-----------|--------|--------|----------|-----------------------|
| | 2001*) | 2002 | 2003 | 2004 | YoY |
| Loan | 33,529 | 39,373 | 47,599 | 62,368 | 31.0% |
| Government Recap Bond | 28,436 | 28,394 | 27,579 | 23,950 | -13.2% |
| Total Assets | 76,195 | 86,345 | 94,710 | 107,040 | 13.0% |
| Customer Deposits | 57,759 | 69,627 | 76,316 | 82,400 | 8.0% |
| Equity | 4,814 | 5,794 | 8,994 | 12,450 | 38.4% |
| Net Interest Income | 4,962 | 6,080 | 8,027 | 10,706 | 33.4% |
| Profit before Tax & Minor Int. | 1,141 | 1,470 | 3,712 | 5,731 | 54.4% |
| Net Profit | 1,072 | 1,525 | 2,579 | 3,633 | 40.9% |
| Earnings per share (Rp)**) | | 129.62 | 251.68 | 306.60 | 21.8% |
| Book Value per share (Rp)***) | | 492.49 | 546.82 | 1,050.65 | 92.1% |

*) 2001 are consolidated figures comprising BRI and one subsidiary, PT Bank Inter-Pasific Tbk

***) 2004 : EPS = Net Profit : amount of shares outstanding as of 30/12/2004 (11,849,019)

***) 2004:BVS = Equity : amount of shares outstanding as of 30/12/2004 (11,849,019)

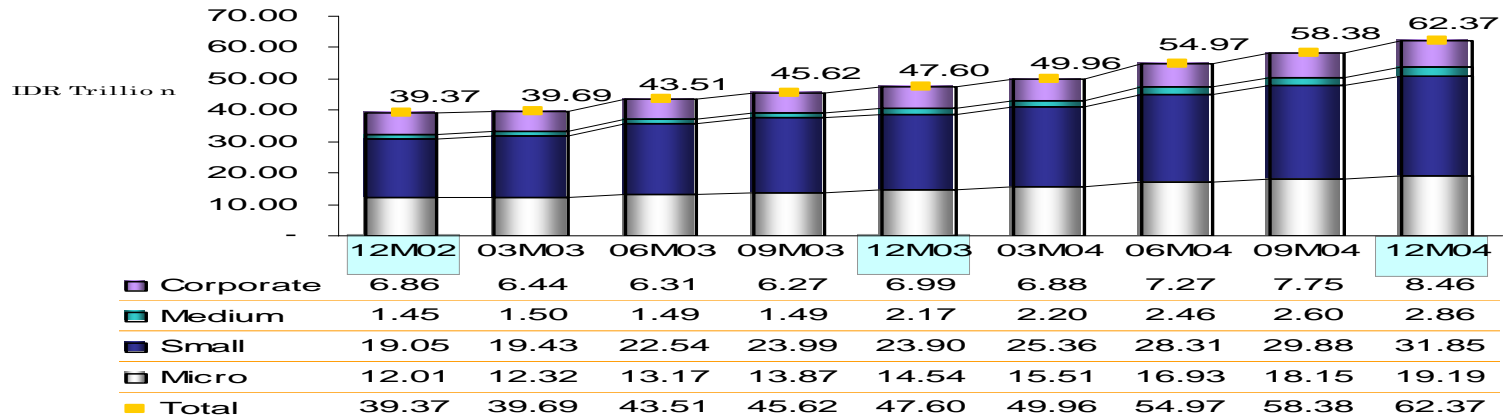




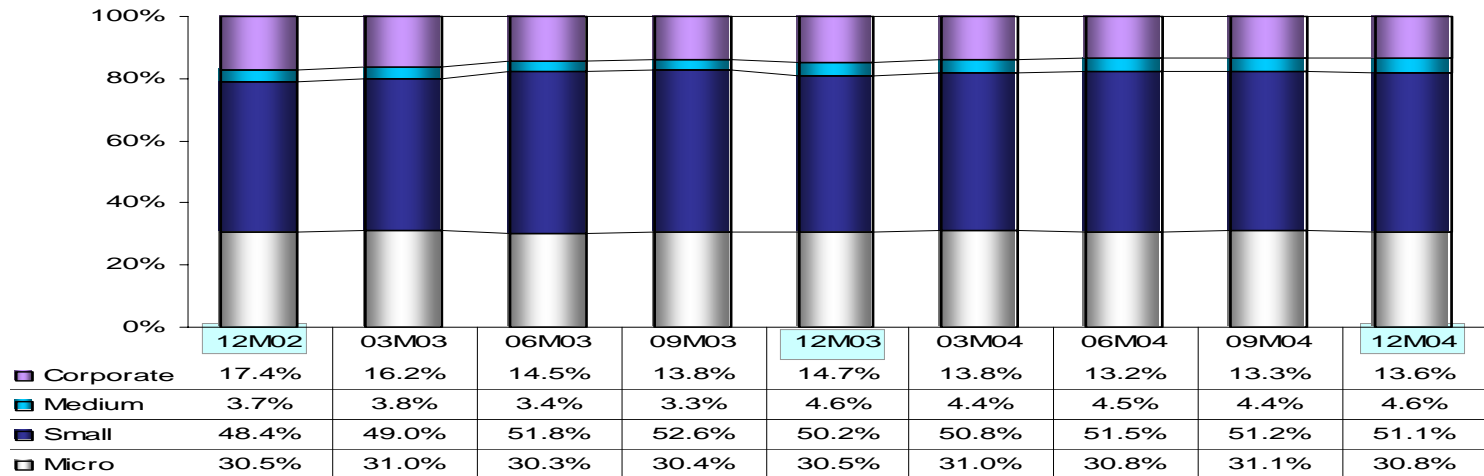
Business Overview

Sound and Improving Loan Book

Loans Trend by Business Segment

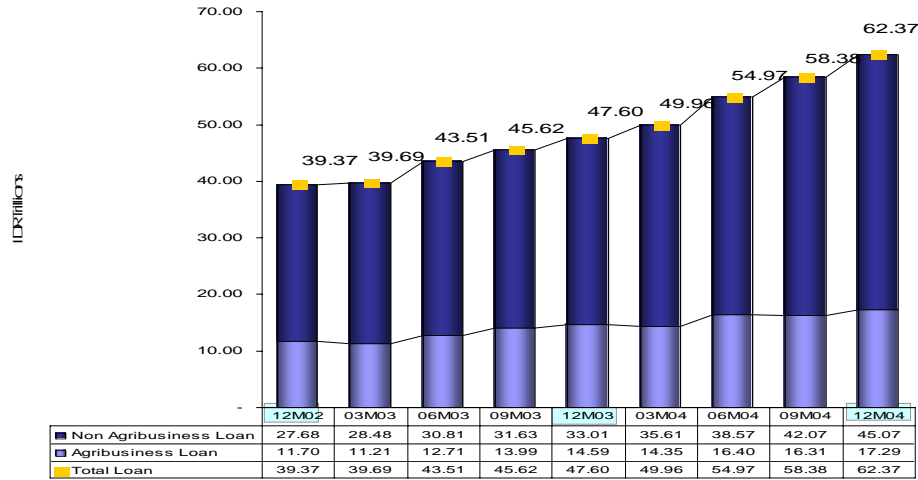


Loan Composition by Business Segment

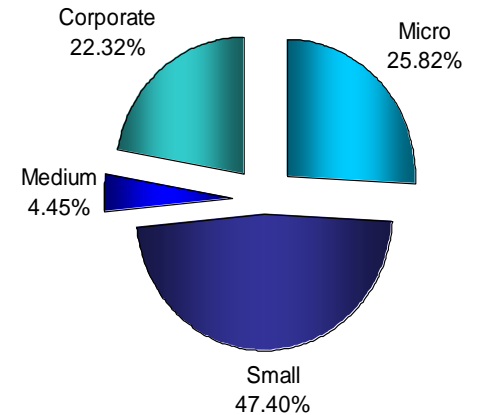


Sound and Improving Loan Book

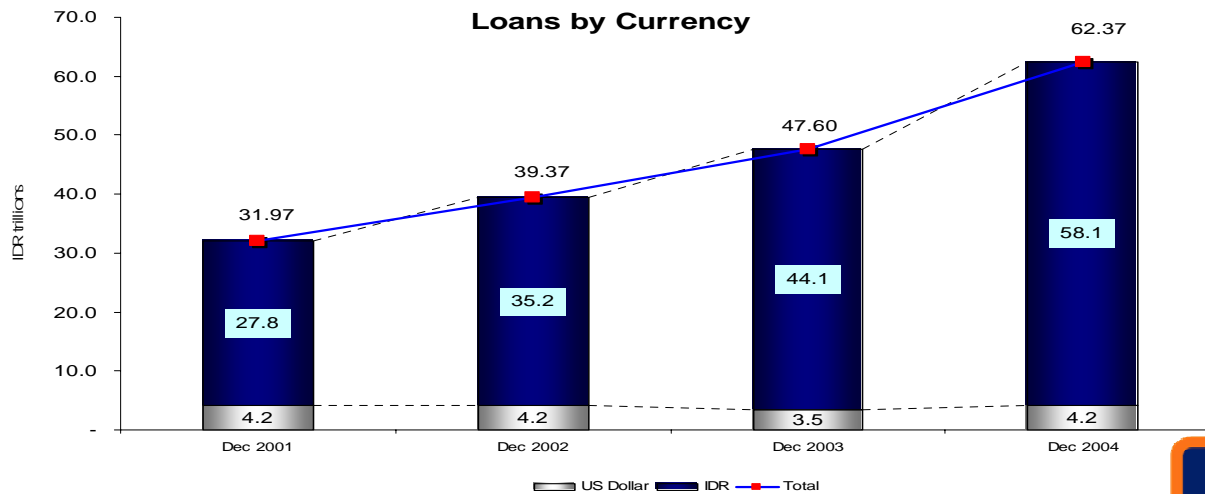
Agribusiness Loan vs Non Agribusiness Loan



Agribusiness Loan Distribution By Business Segments (Dec 2004)

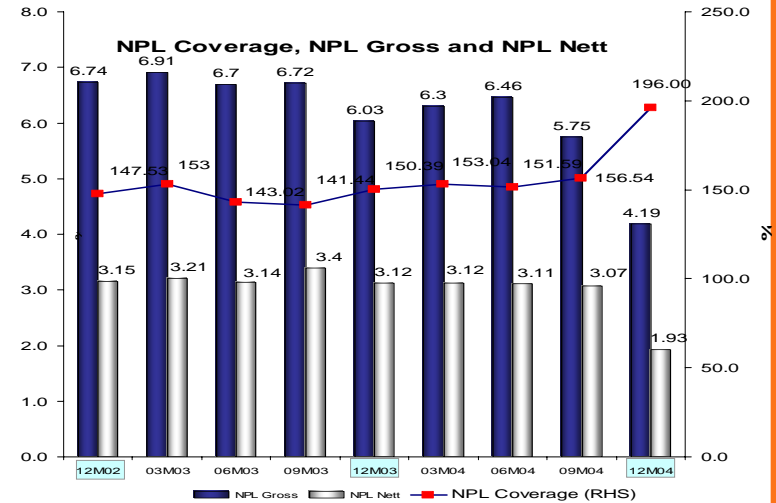
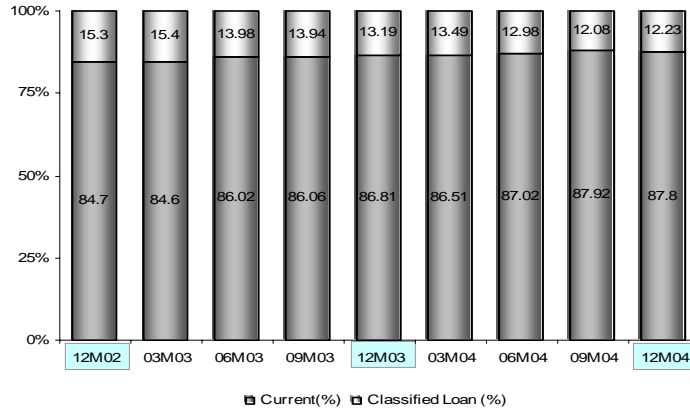


Loans by Currency

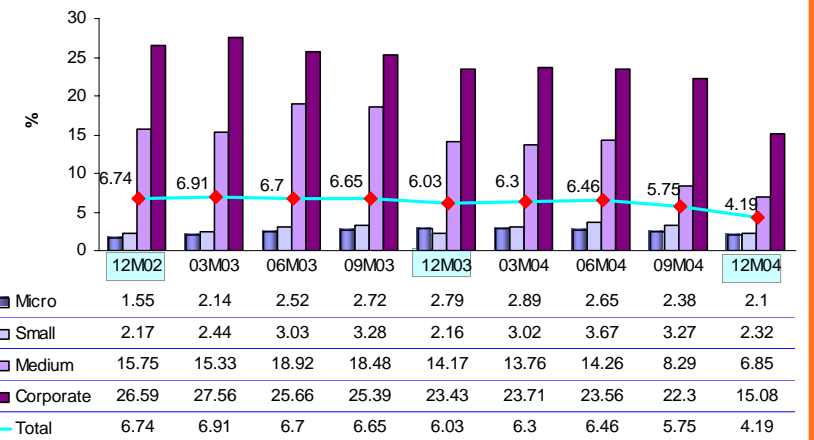


Sound and Improving Loan Book

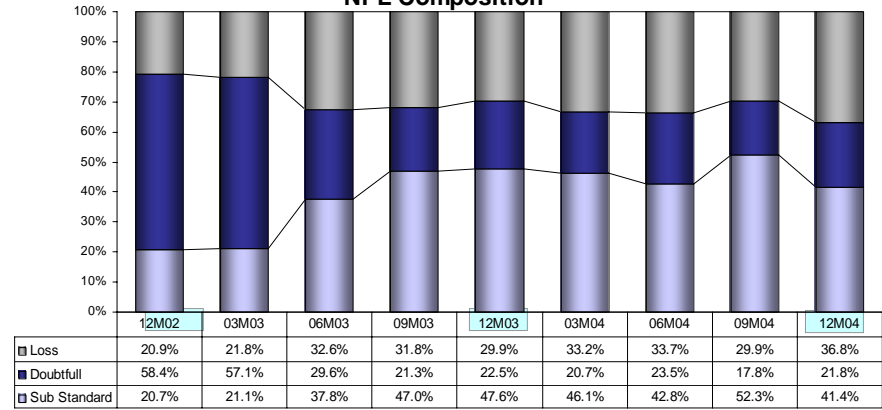
Classified Loan Trend



NPL Trend by Business Segment



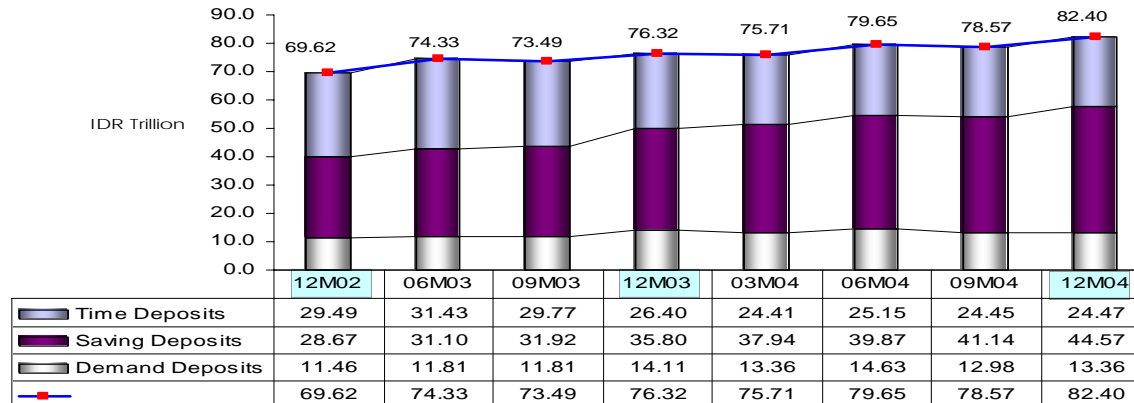
NPL Composition



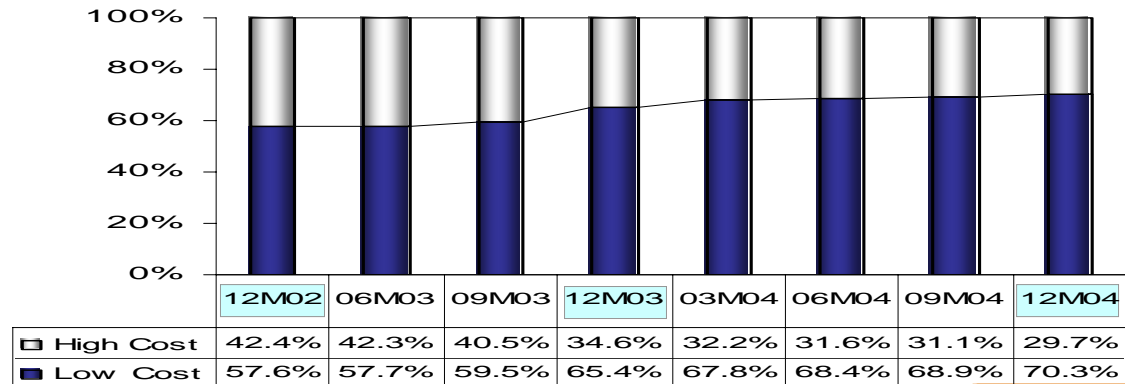
Funding mix :

aiming for low cost of fund structure

Customer Deposits Trend by Product

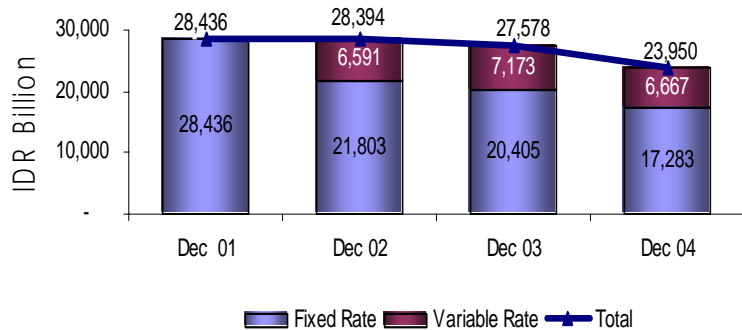


Customer Deposits : Funding Mix Trend

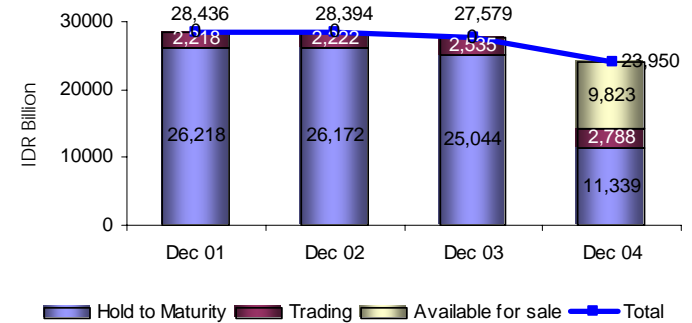


Portfolio of Recap. Bonds

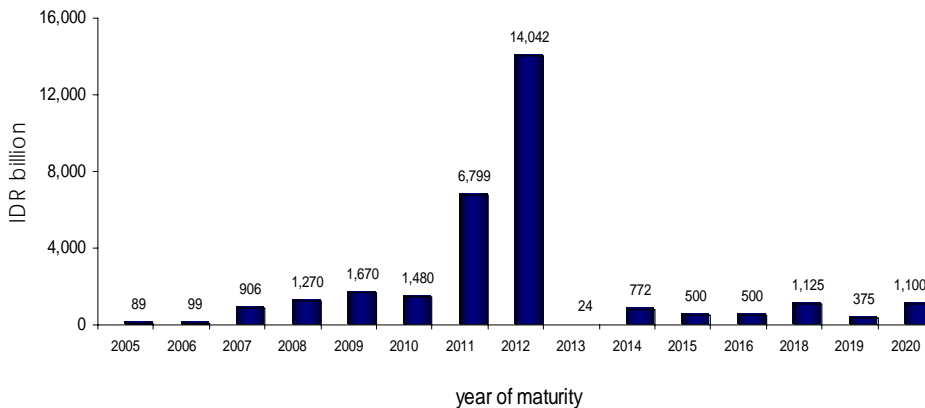
Recap Bonds Portfolio by Type of Rate



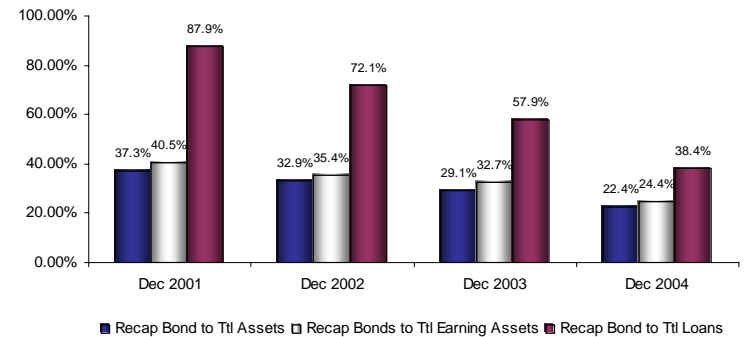
Recap Bonds by Type of Holding



Recap Bond by Maturity



Recap Bond to Ttl Assets, Ttl Earning Assets and Ttl Loans



Potential Recap Bond Recovery

| | | 2000 | 2001 | 2002 | 2003 | 2004 | |
|----|---|--------|--------|--------|--------|--------|----------------|
| 1 | Government Burden | | | | | | |
| | - Recap Bond | 28,982 | 28,436 | 28,393 | 27,579 | 23,950 | 29,063 |
| | Total Government Burden | | | | | | 29,063 |
| 2 | Return of Investment | | | | | | |
| a. | Potential Unrealized Capital Gain * | - | - | - | - | - | 14,000 |
| b. | Government Shares ** | - | - | - | - | - | 6,125 |
| c. | Dividen | 168 | 532 | 762 | 589 | 1073 | 3,124 |
| d. | Proceed from Divestment | - | - | - | 2,510 | - | 2,510 |
| e. | Proceed from Asset Transfer to IBRA | - | - | - | - | - | 1,757 |
| | Total Return of Investment | | | | | | 27,516 |
| | Recovery Rate (before Corp Tax) | | | | | | 94.68% |
| | Corporate Tax | 63 | 7 | 436 | 1,098 | 2,098 | 3,702 |
| | Total Return of Investment with Corp Tax | | | | | | 31,219 |
| | Recovery rate | | | | | | 107.42% |

* ammount of remaining govt shares x (share price(close price) as of 30-12-2004 = Rp 2.875)

** Capital from the Govt at IPO price of Rp 875



Financial Highlights

Balance Sheet Highlights

| IDR Billions | | | | | |
|---|-----------|---------|---------|---------|------------|
| Description | Full Year | | | | Growth YoY |
| | 2001*) | 2002 | 2003 | 2004 | |
| Total Assets | 76,195 | 86,345 | 94,710 | 107,040 | 13.0% |
| - Gross Loans (Incl. syariah) | 33,529 | 39,373 | 47,599 | 62,368 | 31.0% |
| - Government Bonds | 28,436 | 28,394 | 27,579 | 23,950 | -13.2% |
| Total Earning Assets | 70,126 | 80,139 | 84,255 | 97,962 | 16.3% |
| Provision | (4,034) | (4,189) | (4,403) | (5,172) | 17.5% |
| Total Non Earning Assets | 10,104 | 10,342 | 14,857 | 14,250 | -4.1% |
| Total Liabilities | 76,195 | 86,345 | 94,710 | 107,040 | 13.0% |
| Total Customer Deposits | 57,759 | 69,627 | 76,316 | 82,400 | 8.0% |
| - Demand Deposits | 7,516 | 11,459 | 14,112 | 13,364 | -5.3% |
| - Savings | 26,529 | 28,673 | 35,803 | 44,569 | 24.5% |
| - Time and Certificate Deposits | 23,714 | 29,495 | 26,401 | 24,467 | -7.3% |
| Other Interest Bearing Liabilities | 9,174 | 5,807 | 4,474 | 6,384 | 42.7% |
| Non Interest Bearing Liabilities | 4,448 | 5,116 | 5,465 | 5,806 | 6.2% |
| Tier I Capital | 3,446 | 4,133 | 7,532 | 9,826 | 30.5% |
| Total Shareholders' Equity | 4,814 | 5,794 | 8,454 | 12,450 | 47.3% |

*) 2001 are consolidated figures comprising BRI and one subsidiary, PT Bank Inter-Pasific Tbk

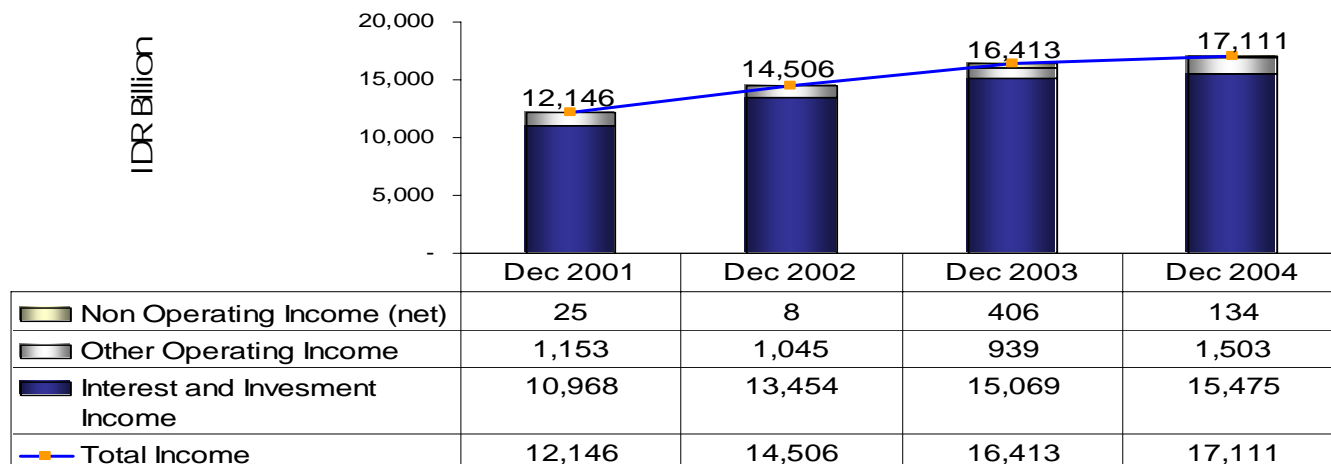
Income Statement Highlights

| <u>IDR Billion</u> Descriptions | Full Year | | | | Growth YoY |
|---|-----------|---------|---------|---------|---------------|
| | 2001*) | 2002 | 2003 | 2004 | |
| Interest Income | 10,968 | 13,454 | 15,069 | 15,475 | 2.7% |
| Interest Expenses | (6,006) | (7,373) | (7,043) | (4,769) | -32.3% |
| NII | 4,962 | 6,080 | 8,027 | 10,706 | 33.4% |
| Other Operating Income | 1,153 | 1,045 | 939 | 1,503 | 60.1% |
| Gross Operating Income | 6,115 | 7,125 | 8,965 | 12,209 | 36.2% |
| Operating Expenses | (3,396) | (3,908) | (5,734) | (5,283) | -7.9% |
| Pre Provision Operating Profit | 2,719 | 3,217 | 3,231 | 6,926 | 114.3% |
| Provisions | (1,603) | (1,755) | 75 | (1,328) | -1870.7% |
| Non Operating Profit/(Loss) | 25 | 8 | 406 | 134 | -67.0% |
| Profit Before Tax and Minor.Int. | 1,141 | 1,470 | 3,712 | 5,731 | 54.4% |
| Net Profit | 1,072 | 1,525 | 2,579 | 3,633 | 40.9% |

*) 2001 are consolidated figures comprising BRI and one subsidiary, PT Bank Inter-Pasific Tbk

Income : Trend and Composition

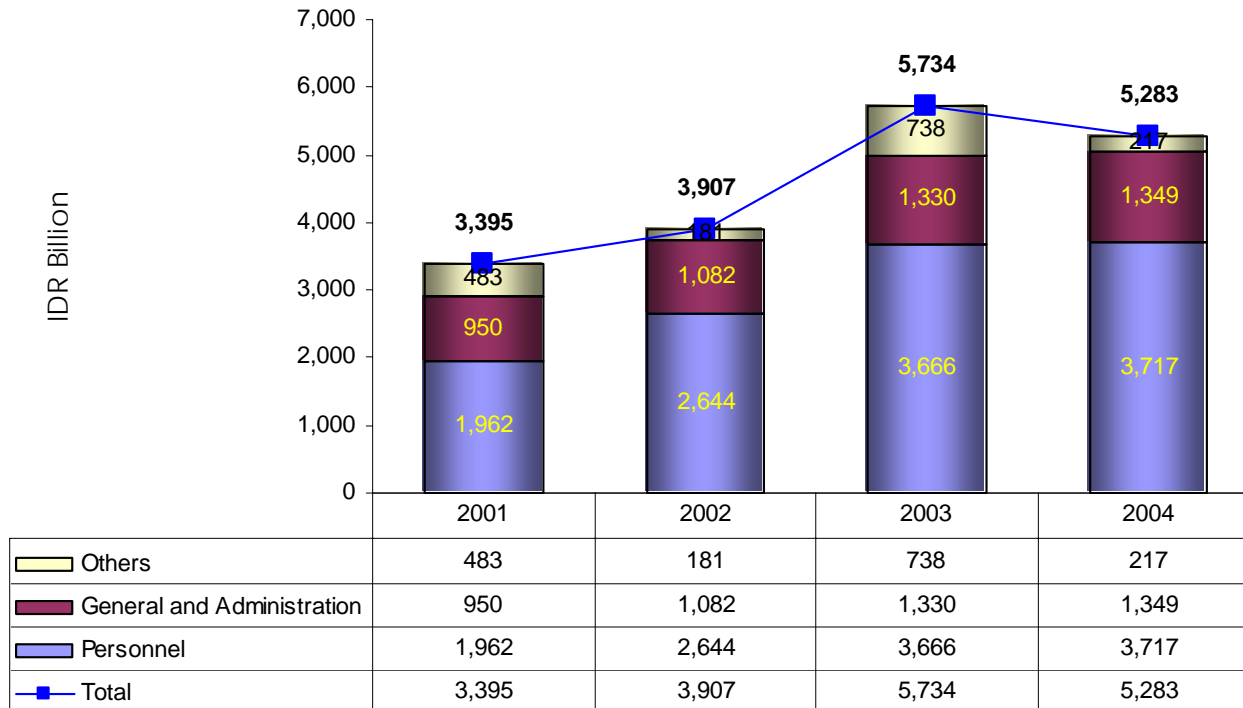
Total Income Trend



Other Operating Income : Trend (IDR billions)

| | Dec 2001 | Dec 2002 | Dec 2003 | Dec 2004 |
|------------------------------------|--------------|--------------|------------|--------------|
| Gain fr Incr in Secr&Govt Bonds | - | 384 | 187 | 189 |
| Gain on Sales of Secr.& Govr Bonds | - | 28 | 30 | 523 |
| Other Fees and Commission | 102 | 290 | 288 | 502 |
| Gain on Foreign Exc.(net) | 150 | - | 92 | 130 |
| Others | 901 | 343 | 342 | 158 |
| Total | 1,153 | 1,045 | 939 | 1,502 |

Overhead Expenses



- The increase of personnel expense in 2003 mainly due to one time salary adjustment and ESOP cost.
- The increase of other expenses in 2003 was due to tax payment related to 2002.

Financial Ratios

| Description | Full Year | | | | Growth YoY |
|---------------------------------|-----------|---------|---------|---------|------------|
| | 2001 | 2002 | 2003 | 2004 | |
| Classified Loan Ratio | 21.21% | 15.31% | 13.19% | 12.23% | -12.27% |
| NPL ratio - Gross | 7.30% | 6.74% | 6.03% | 4.19% | -37.65% |
| NPL ratio - Net | 2.72% | 3.15% | 3.12% | 1.93% | -43.24% |
| NPL Coverage ratio - Gross | 162.30% | 147.50% | 150.39% | 196.00% | 36.96% |
| Tier I CAR | 10.60% | 10.20% | 16.18% | 15.72% | 22.62% |
| Total CAR | 13.32% | 12.62% | 19.64% | 19.86% | 13.10% |
| Loan to Deposit Ratio | 56.08% | 56.55% | 62.37% | 75.69% | 21.94% |
| Net Interest Margin (NIM) | 7.60% | 8.12% | 9.54% | 11.56% | 25.93% |
| Return on Assets (ROA) - b.t | 1.62% | 1.83% | 4.11% | 5.77% | 42.82% |
| Return on Assets (ROA) - a.t | 1.52% | 1.90% | 2.85% | 3.66% | 34.56% |
| Return on Equity (ROE) - Tier I | 30.36% | 38.81% | 44.73% | 42.20% | -6.70% |
| Return on Equity (ROE) - B/S | 21.27% | 26.99% | 37.01% | 32.61% | -11.96% |
| Cost of Fund (COF) | 9.14% | 10.04% | 7.86% | 4.60% | -42.07% |
| Minimum Reserve Requirement | 7.82% | 5.82% | 10.92% | 9.39% | 84.84% |
| Net Open Position | 11.40% | 7.80% | 13.24% | 9.61% | 21.65% |
| Opr. Expense to Opr. Income | 90.81% | 89.92% | 79.19% | 67.03% | -16.74% |
| Cost Efficiency Ratio (CER)* | 50.13% | 57.48% | 64.45% | 46.48% | -26.96% |

*) CER : (Employee expense+ G&A+Other Op. Expense)/(NII+Fee&Commission+Other Op. Income)

*) 2001 are consolidated figures comprising BRI and one subsidiary, PT Bank Inter-Pasific Tbk





Policy and Strategy

Dividend Policy

Dividend Payment History

| Year | Net Profit (IDR Billion) | Dividend | % |
|------|--------------------------|----------|---------------------|
| 2000 | 339.0 | 167.69 | 49.5% |
| 2001 | 1,064.0 | 531.95 | 50.0% |
| 2002 | 1,525.0 | 762.47 | 50.0% |
| 2003 | 2,579.0 | 990.47 | 75.0% ^{*)} |

^{*)} based on the net income of the second semester of 2003

Dividend Policy for 2004 :

As stipulated in the prospectus, subject to Annual General Meeting of Shareholders, BRI plans to maintain a dividend payout ratio of about 50%



Business Plan and Strategy 2005

- Continue to focus on Micro, Small and Medium Business (minimum 80% of Total Loan Portfolio)
- Maintain Strong Loan Growth at 22% - 25%
- Maintain existing funding mix to achieve low cost fund structure
- Increase Fee Based Income, utilizing IT capabilities and other banks' services
- Despite continue to grow organically , considering unorganic growth through acquisition of other viable financial institutions
- Managing government bonds to support business growth and business development
- Maintaining operation efficiency at optimum level

.....Thank You

Investor Relation Team

Boyke Budiono
(Head of Investor Relation)
e mail : boyke_budiono@bri.co.id
Phone : 62 21 5752006

Dwi Agus Pramudya
e mail : dwipram@bri.co.id
phone : 62 21 5752008

Listiarini Dewajanti
e mail : listd@bri.co.id
Phone : 62 21 5752009

Andarini
e mail : andarini@bri.co.id
phone : 62 21 5751951

