

# PT. BANK RAKYAT INDONESIA (PERSERO) Tbk.

*Financial Update Q2 2009 (Audited)*

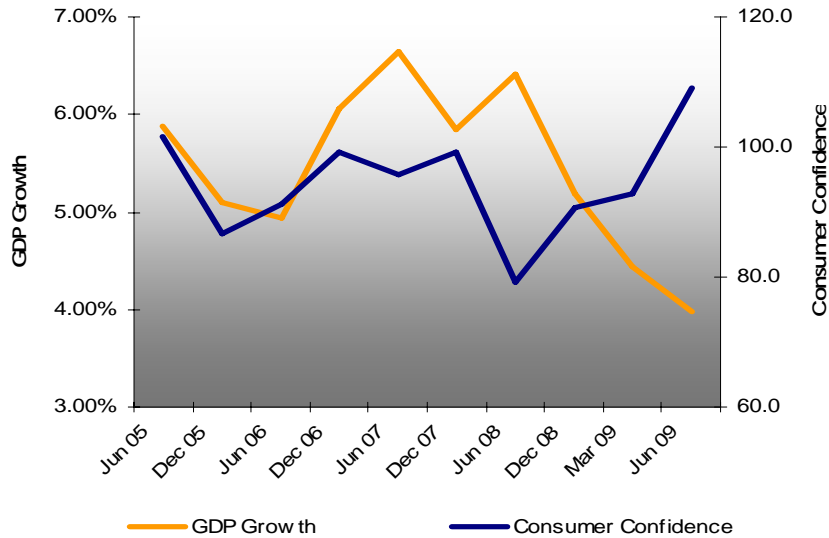
Jakarta, September 17, 2009



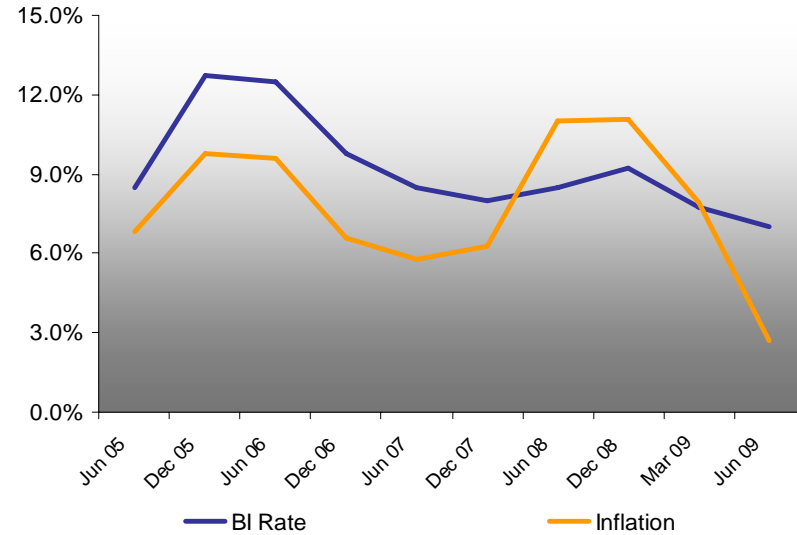
# Conducive macro economic condition for banks



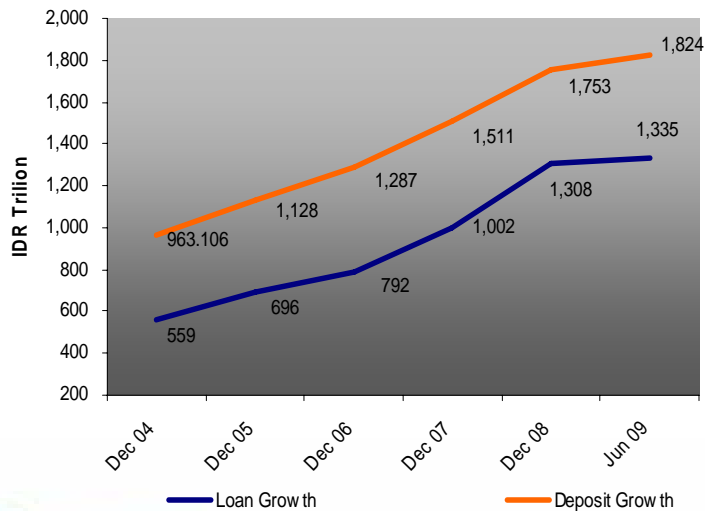
### GDP growth and consumer confidence



### BI Rate and Inflation



### Loan and Deposit Growth



- ❖ Indonesia GDP for the first half of 2009 grew 4.2%, one among few countries experienced positive growth in current global economic recession
- ❖ Increasing in consumer confidence gives positive signal to economic recovery
- ❖ BI rate is trending down, along with the inflation rate to support economic growth
- ❖ After a rapid growth at 30.5% in 2008, the industry's loan expansion started slowing down. As of June 2009 loans increased 16.25% year on year.
- ❖ In funding side, the industry experienced 17.35% year on year growth as of June 2009 and 4.02% year to date growth.

## Highlights

	Q2 2008	Q2 2009	
Total Assets (IDR Billion)	216,889	267,241	↑
Total Loans (Gross) (IDR Billion)	135,955	184,601	↑
Total Deposits (IDR Billion)	176,533	216,346	↑
Net Profit (IDR Billion)	2,818	3,516	↑
NIM	10.42%	9.29%	↓
ROE	32.48%	33.78%	↑
ROA	4.06%	3.61%	↓
NPL (gross)	3.37%	3.70%	↑
Total CAR	13.89%	14.60%	↑
LDR	77.01%	85.33%	↑

Note: Unless stated, numbers in this presentation are Bank only

## *Financial Performance*

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# *Assets and Liabilities*



# Balance Sheet

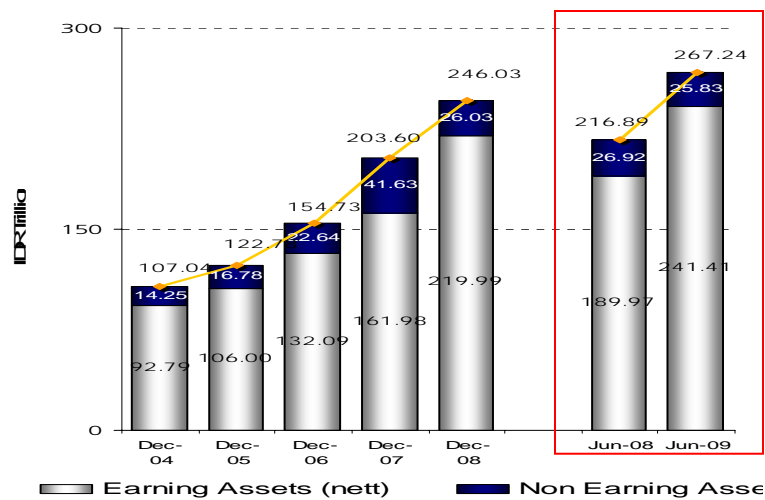
IDR Billion

Description	Full year					Q2		Growth YoY
	2004	2005	2006	2007	2008	2008	2009	
<b>Total Assets</b>	<b>107,040</b>	<b>122,776</b>	<b>154,725</b>	<b>203,604</b>	<b>246,026</b>	<b>216,889</b>	<b>267,241</b>	<b>23.22%</b>
- Gross Loans (incl. syariah)	62,368	75,533	90,283	113,853	161,061	135,955	184,601	35.78%
- Government Bonds (Recap)	22,686	17,722	18,445	18,223	16,352	16,806	16,658	-0.88%
- Other Earnings Assets	12,908	18,219	30,144	36,970	51,393	45,643	51,693	13.25%
Total Earning Assets	97,962	111,475	138,871	169,046	228,807	198,404	252,952	27.49%
Earning Assets Provision	(5,172)	(5,475)	(6,784)	(7,069)	(8,813)	(8,436)	(11,539)	36.78%
Total Non Earning Assets	14,250	16,776	22,638	41,627	26,032	26,921	25,828	-4.06%
<b>Total Liabilities &amp; S.E</b>	<b>107,040</b>	<b>122,776</b>	<b>154,725</b>	<b>203,604</b>	<b>246,026</b>	<b>216,889</b>	<b>267,241</b>	<b>23.22%</b>
Total Customer Deposits	82,400	97,046	124,468	165,475	201,495	176,533	216,346	22.55%
- Demand Deposits	13,364	17,384	27,864	37,146	39,912	34,525	36,463	5.61%
- Saving Deposits	44,569	49,372	58,308	72,269	88,063	76,473	88,596	15.85%
- Time and Certificate Deposits	24,467	30,290	38,297	56,061	73,520	65,535	91,287	39.29%
Other Interest Bearing Liabilities	6,384	5,597	6,037	6,263	7,599	6,446	12,344	91.50%
Non Interest Bearing Liabilities	5,806	6,779	7,342	12,428	14,575	14,708	12,403	-15.67%
Tier I Capital	8,506	10,519	13,104	15,448	17,073	16,399	21,531	31.29%
Total Shareholder's Equity	12,450	13,353	16,879	19,438	22,357	19,202	26,148	36.17%

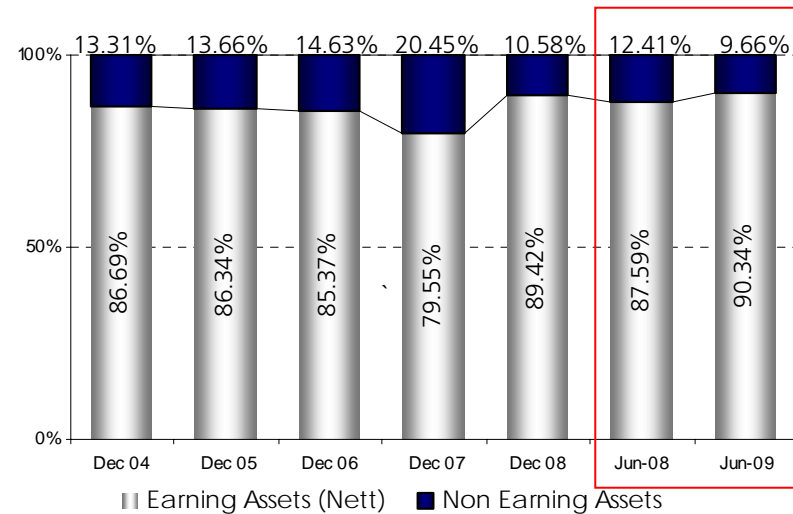
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# Total Assets – Growth and Composition

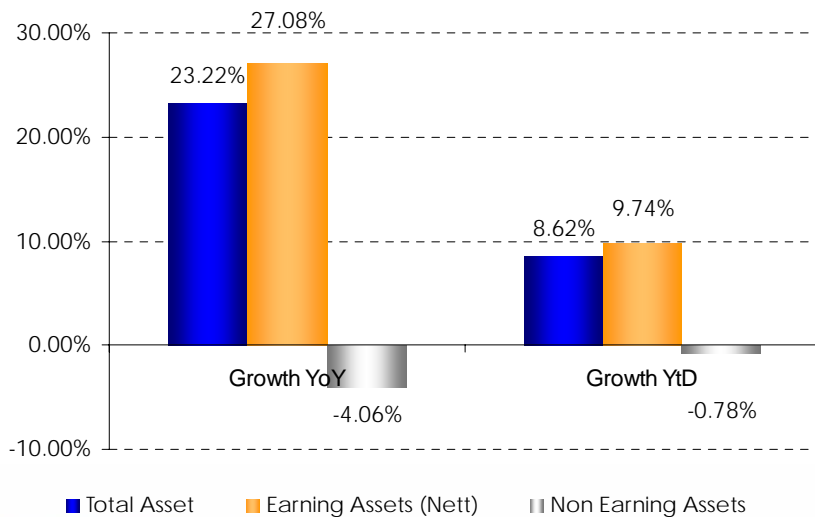
Assets Growth : Trend



Assets Composition : Trend



Assets Growth Q2 2009

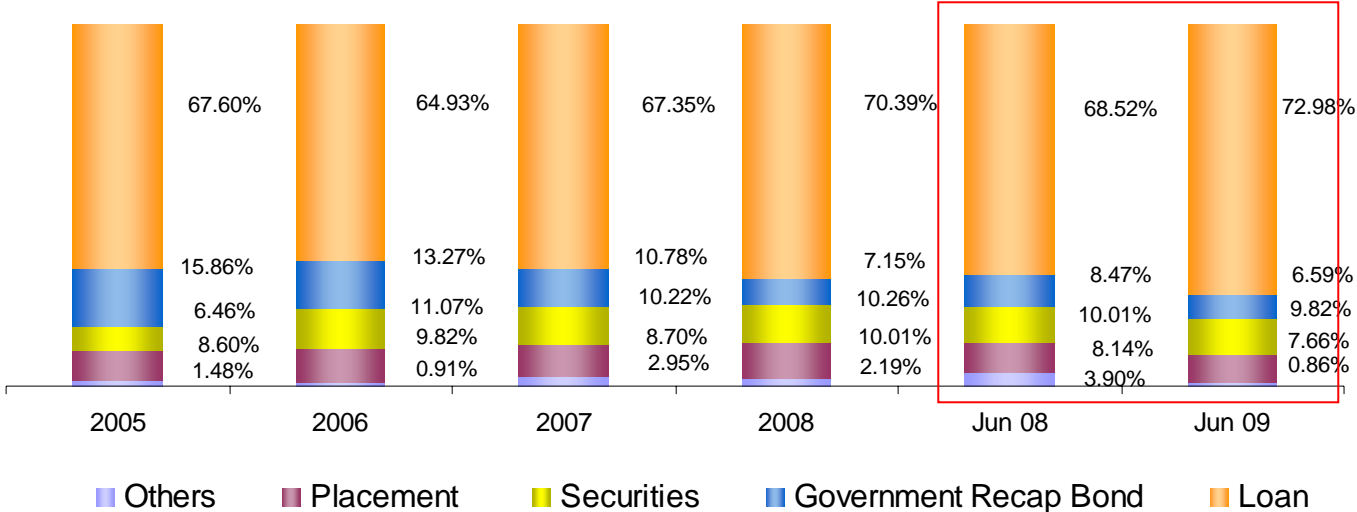


- BRI's total assets in Q2 2009 (nett) grew 23.22% yoy, driven by earning assets growth
- Year to date BRI's total assets increase supported by more productive assets growth

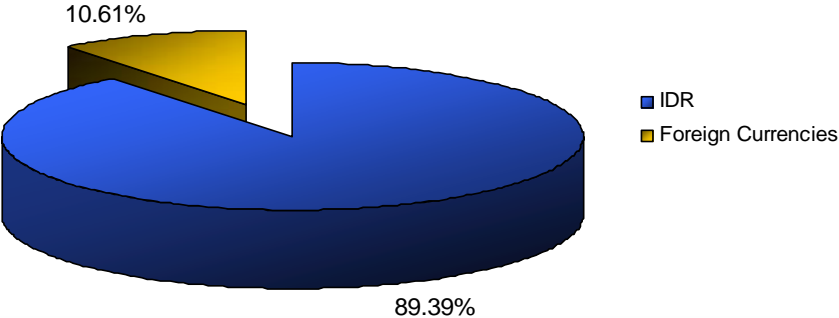
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# Earning Assets Composition

by Trend



by Currency

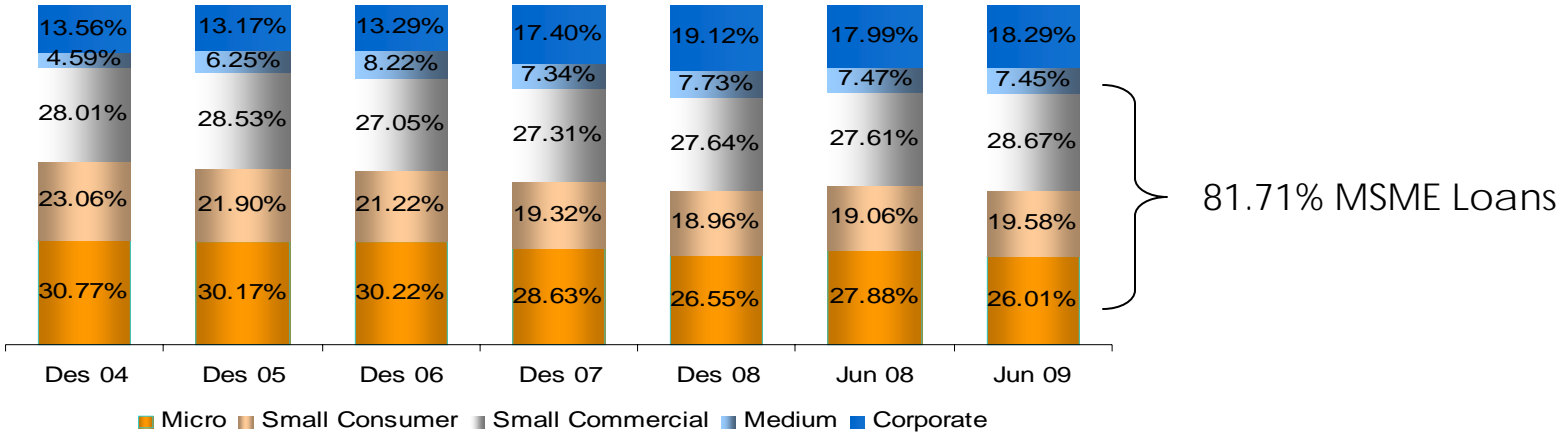


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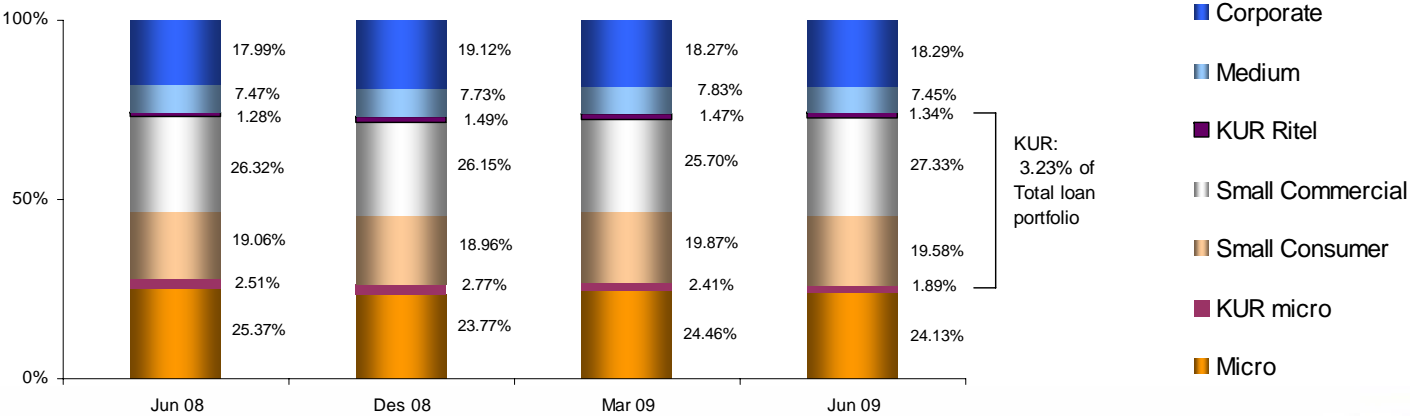


# Loans Composition:

by Business Segment

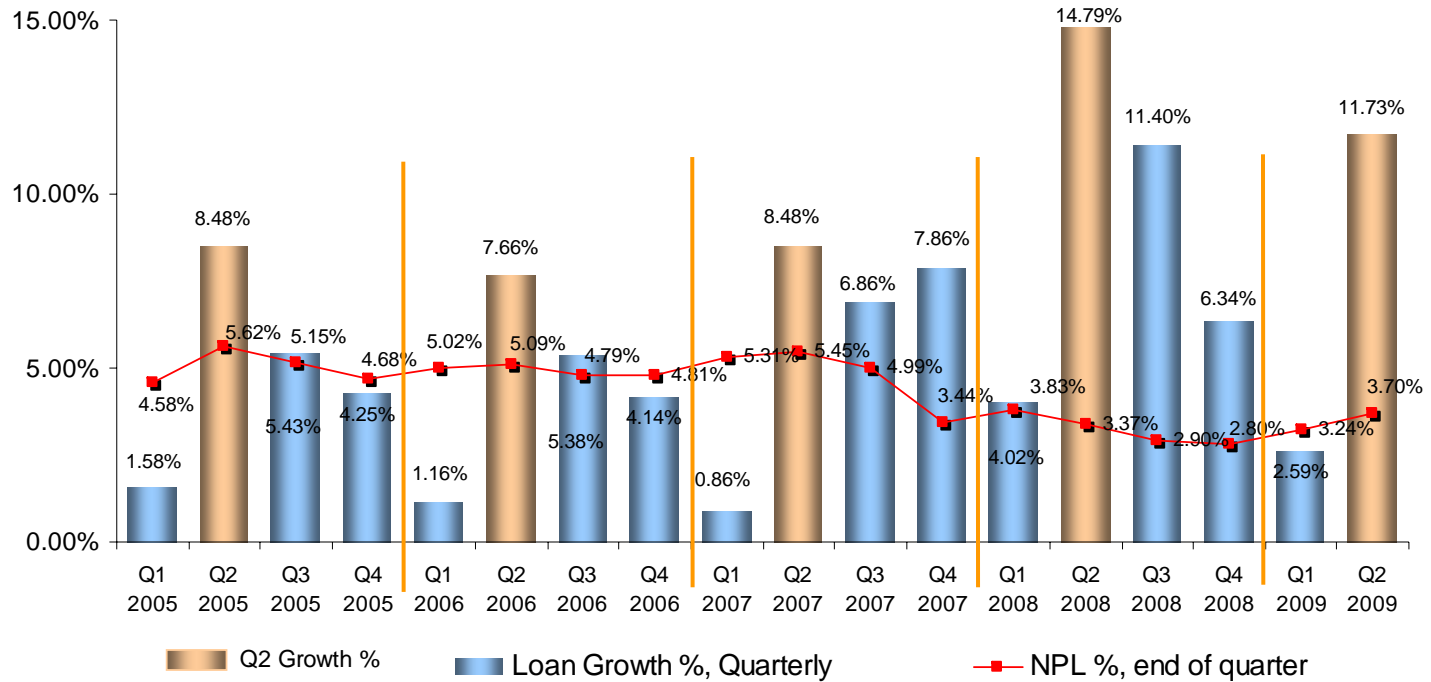


## Portion of KUR to Total Loan



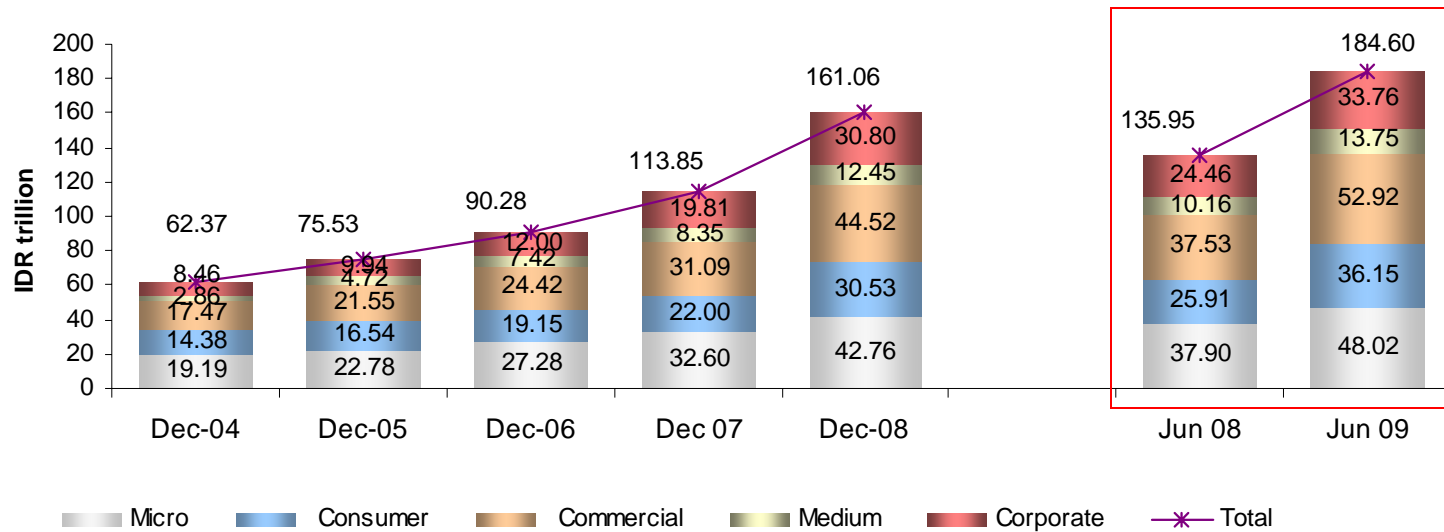
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# Q on Q Loan Growth : Seasonality

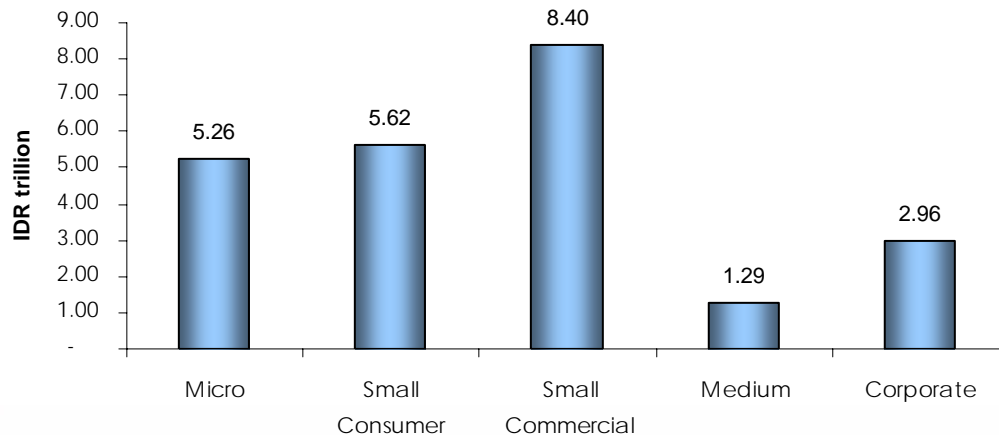


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# Loans Growth : Trend



## Year to date growth

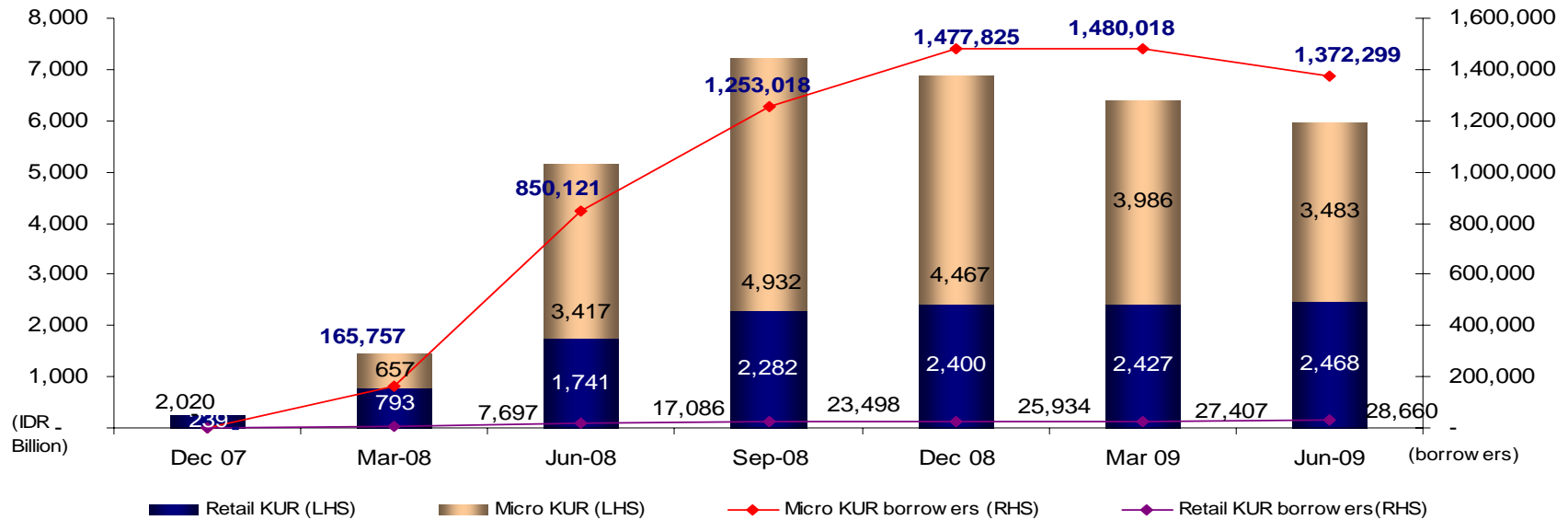


## Year to date:

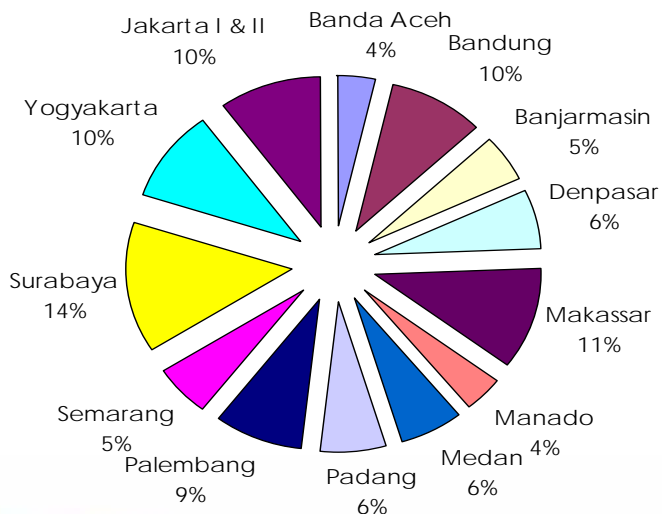
- Loans increased by IDR 23.5 trillion (14.6%)
- Small Commercial experienced the highest growth driven by domestic consumption, extensive marketing effort and outlet expansion

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# Kredit Usaha Rakyat (KUR)



## KUR Distribution by Regional Offices

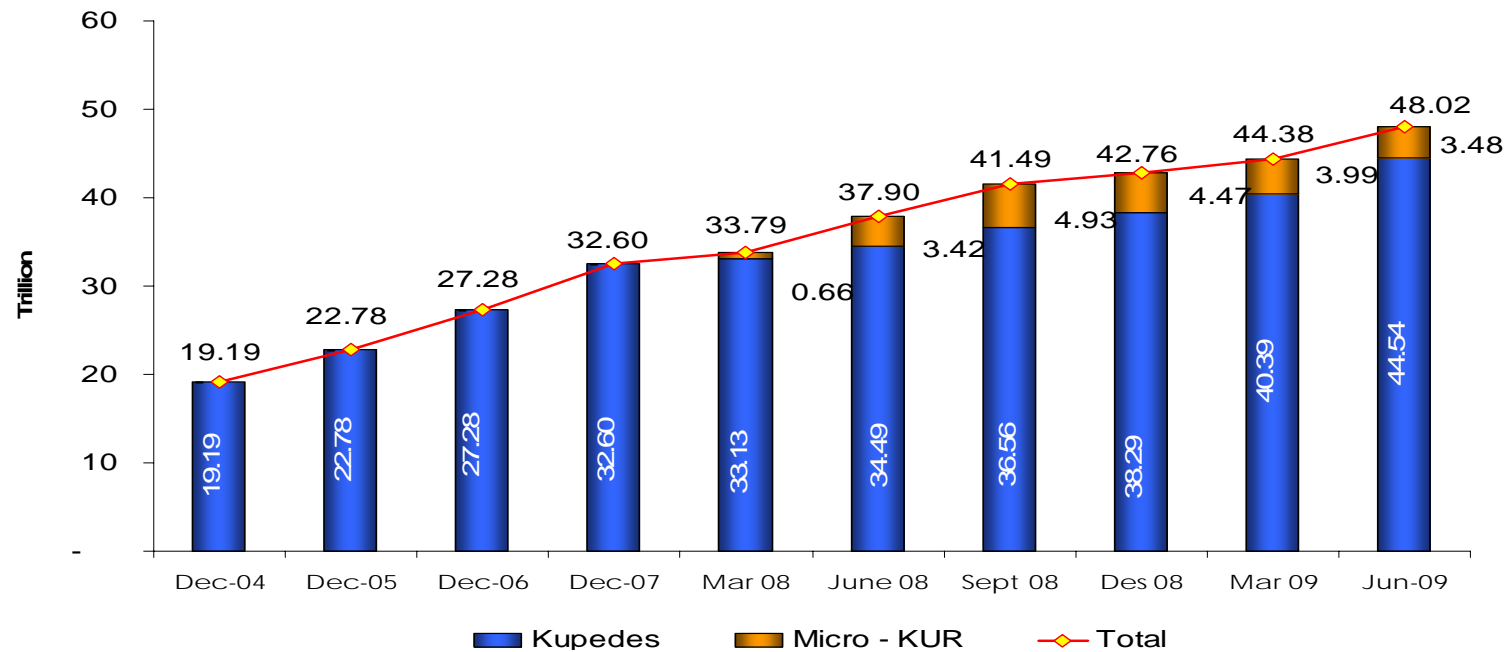


### Jun 09:

- Total "KUR" outstanding reached IDR 5.95 trillion with 1.4 million borrowers.
- KUR disbursed was IDR 11.124 trillion to 1,97 million borrowers
- Loan migration from KUR to Commercial Loan: >135.000 borrowers with outstanding >IDR 1.1 trillion
- NPL reached 6.37%

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# Micro Loans : Trend



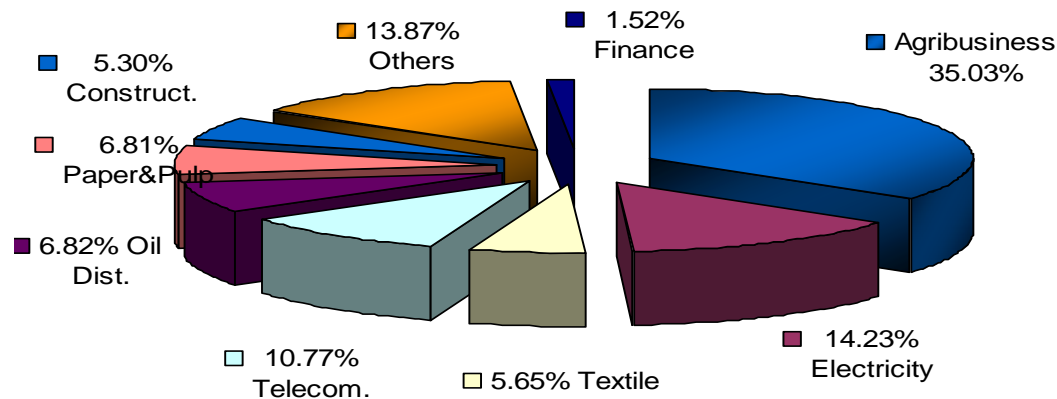
## Micro Loans:

- Consisting of a regular commercial micro loans (Kupedes) and micro KUR (loan size up to IDR 5 million)
- With > 4 million borrowers create a huge business opportunity in the future
- Despite the decreasing KUR outstanding, micro lending grew very well, supported by new outlet opening and stable domestic consumption

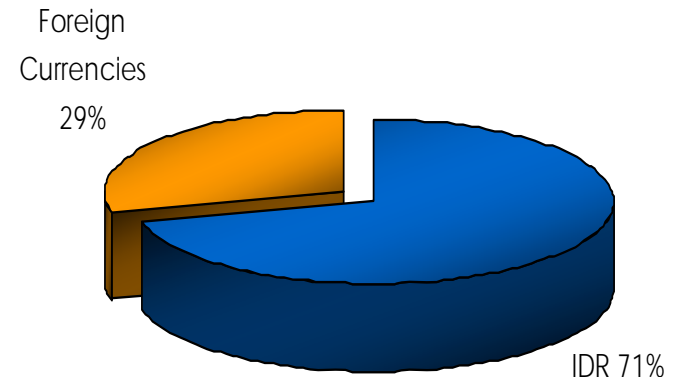
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# Corporate Loans: Composition

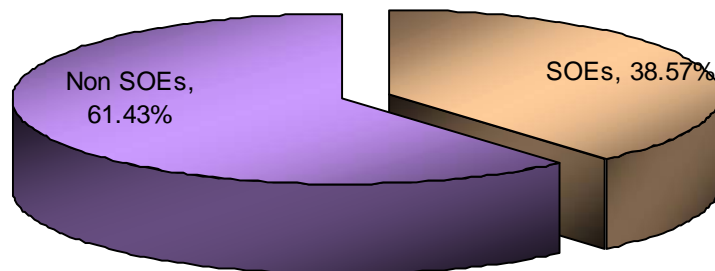
## By Economic Sector



## By Currency



## By Enterprise Ownership



### June 09

- Agribusiness sector, a comparative advantage of Indonesia, dominates corporate lending,
- SOEs lending contributed 38.57% of corporate loan, providing lower risk weight for capital efficiency

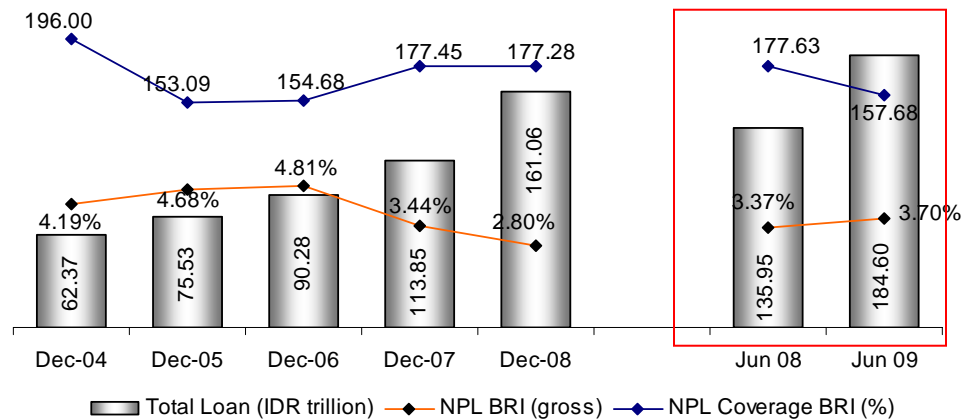
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# Loan Quality:

## NPL Ratio by Business Segments

	Dec 05	Dec-06	Dec-07	Dec-08	Jun-08	Jun-09
Micro	1.55%	1.36%	1.19%	1.02%	1.13%	1.58%
Small Consumer	1.62%	1.91%	1.67%	1.08%	1.62%	1.39%
Small Commercial	4.06%	6.32%	5.71%	3.52%	6.27%	4.71%
Medium	7.48%	5.87%	5.67%	6.33%	5.43%	8.66%
Corporate	16.93%	13.55%	4.62%	4.53%	3.42%	5.56%
<b>Total</b>	<b>4.68%</b>	<b>4.81%</b>	<b>3.44%</b>	<b>2.80%</b>	<b>3.37%</b>	<b>3.70%</b>

## Total Loan vs Total NPLs and NPLs Coverage

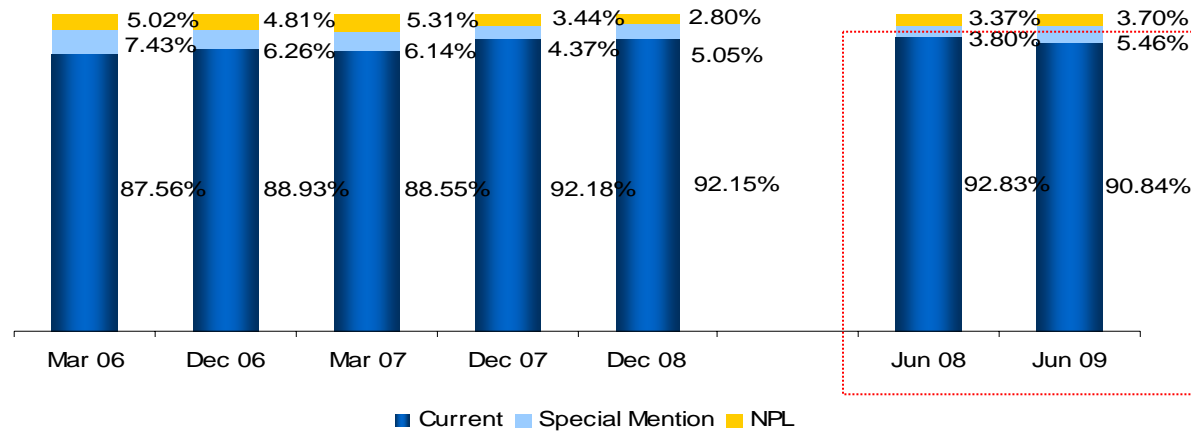


- Loan quality can be maintained at manageable level amid economic slow down
- NPL coverage is at 151.87%, providing a well cushioned portfolio

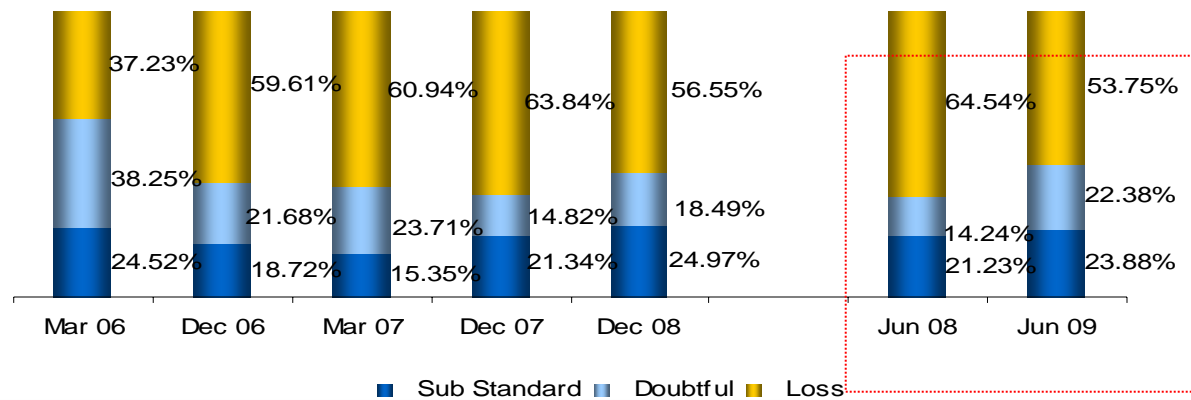
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# Loan Quality:

## Loans Collectibility



## Non Performing Loan Breakdown (%)



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# Government Bonds : Portfolio

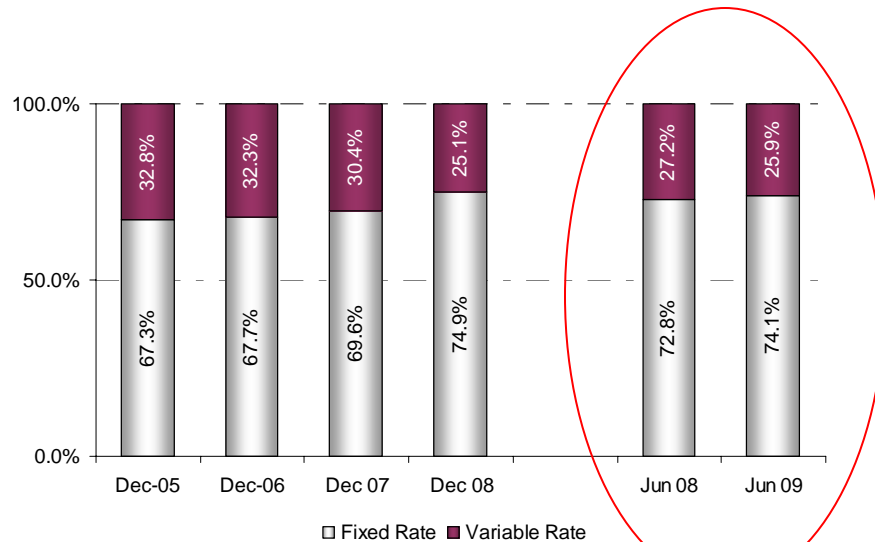
## Govt Bonds (Recap Bonds and Other Govt Bonds) by Type of Holdings

IDR Trillion

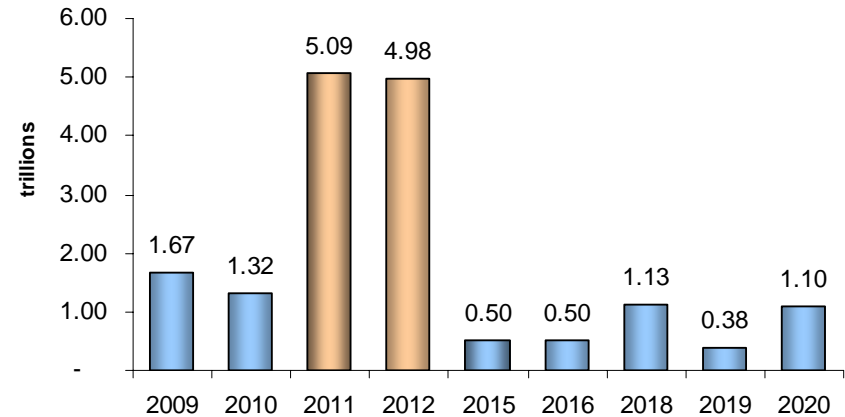
Portofolio	Dec-05		Dec-06		Dec-07		Dec-08		Jun 08		Jun 09	
	Nominal	% to Ttl	Nominal	% to Ttl	Nominal	% to Ttl	Nominal	% to Ttl	Nominal	% to Ttl	Nominal	% to Ttl
Hold to Maturity*)	11.34	53.8%	11.34	56.0%	11.34	48.8%	12.60	60.2%	12.04	55.5%	11.30	55.6%
Available for Sale	6.27	29.7%	7.09	35.0%	8.76	37.7%	7.15	34.2%	6.33	29.2%	7.94	39.1%
Trading	3.48	16.5%	1.81	8.9%	3.12	13.4%	1.18	5.6%	3.32	15.3%	1.07	5.3%
Total Govt. Bond	21.09	100.0%	20.24	100.0%	23.22	100.0%	20.93	100.0%	21.69	100.0%	20.32	100.0%

\* SPN and Fix rate Bonds reclassified to HTM in 2008

### By Type of Rate



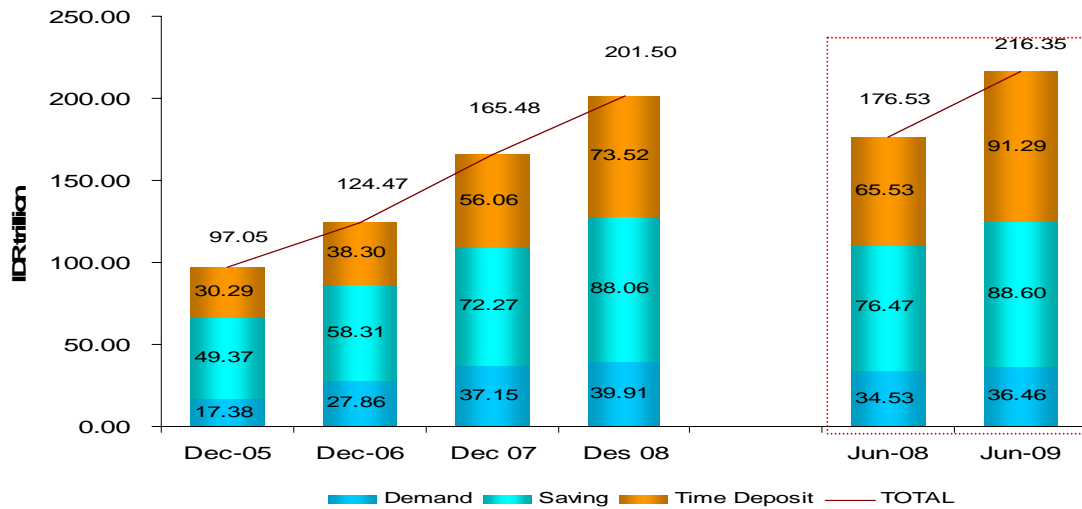
### Recap Bond Maturity



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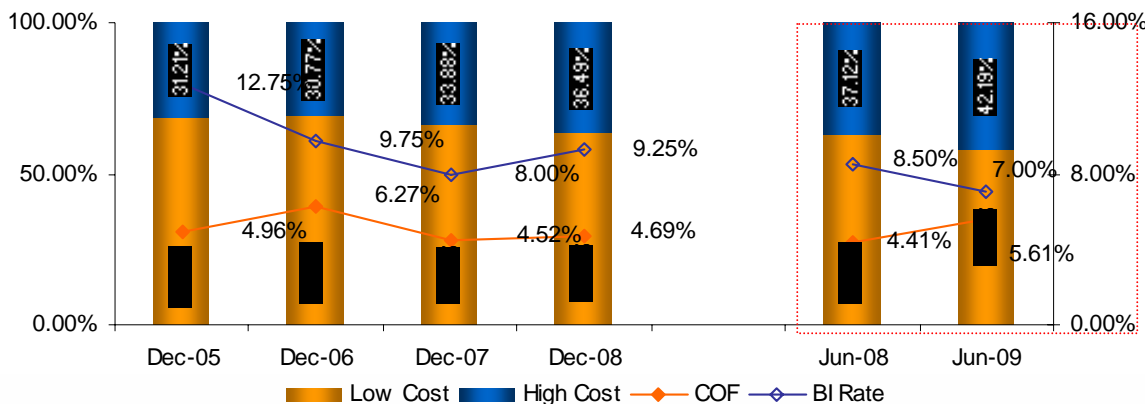
# Deposits : Composition and COF Trend

## Deposits Growth: Trend



- Despite the unfavorable liquidity environment in the banking system, BRI total deposit show steady growth reaching IDR 216.35 trillion or grew 22.55%
- The deposit growth driver is time deposits due to high interest rate differential from CASA

## Deposit Composition, COF and BI Rate



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# *Profitability*



# Income Statement : Highlights

IDR Billion

Description	Full Year					Q2		Growth (YoY)
	2004	2005	2006	2007	2008	2008	2009	
<b>Interest Income</b>	15,530.8	17,253.7	21,070.5	23,240.6	28,076.4	13,208.3	16,840.6	27.50%
<b>Interest Expense</b>	(4,273.2)	(4,827.4)	(7,300.8)	(6,544.1)	(8,437.0)	(3,631.5)	(5,909.2)	62.72%
<b>Net Interest Income</b>	11,257.6	12,426.3	13,769.7	16,696.6	19,639.4	9,576.8	10,931.4	14.14%
<b>Fee &amp; Other Opr. Income</b>	1,446.8	390.0	1,509.1	1,821.7	2,491.6	881.3	1,853.3	110.29%
<b>Gross Operating Income</b>	12,704.4	12,816.3	15,278.8	18,518.3	22,131.1	10,458.2	12,784.8	22.25%
<b>Other Operating Expenses</b>	(6,088.8)	(7,103.0)	(7,646.1)	(9,019.6)	(10,970.9)	(4,954.1)	(5,725.7)	15.57%
<b>PPOP</b>	6,615.6	5,713.3	7,632.7	9,498.7	11,160.2	5,504.0	7,059.1	28.25%
<b>Provision</b>	(1,328.4)	(401.0)	(1,848.1)	(1,942.7)	(2,812.7)	(1,426.0)	(3,067.3)	115.11%
<b>Non Operating Profit/Loss</b>	444.2	295.6	122.1	224.1	475.8	22.5	517.9	2202.60%
<b>Profit Before Tax n Minor. Int.</b>	5,731.4	5,608.0	5,906.6	7,780.1	8,823.3	4,100.6	4,509.7	9.98%
<b>Net Profit</b>	<b>3,633.2</b>	<b>3,808.6</b>	<b>4,257.6</b>	<b>4,838.0</b>	<b>5,958.4</b>	<b>2,818.2</b>	<b>3,516.1</b>	<b>24.76%</b>
<b>EPS *)</b>	306.6	321.7	355.6	403.6	497.0	470.2	586.5	24.74%

\*) Annualized

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# Sources of Income

IDR billion

Source of Income	Dec-06	Dec-07	Dec-08	Jun-08	Jun-09	Growth YoY
Interest income	21,071	23,241	28,076	13,208	16,841	27.5%
Other Opr.Income	1,509	1,822	2,492	881	1,853	110.3%
Non Operational Income (net)	122	224	476	22	518	2202.6%
<b>Total Income</b>	<b>22,702</b>	<b>25,286</b>	<b>31,044</b>	<b>14,112</b>	<b>19,212</b>	<b>36.1%</b>

## Other Operating Income

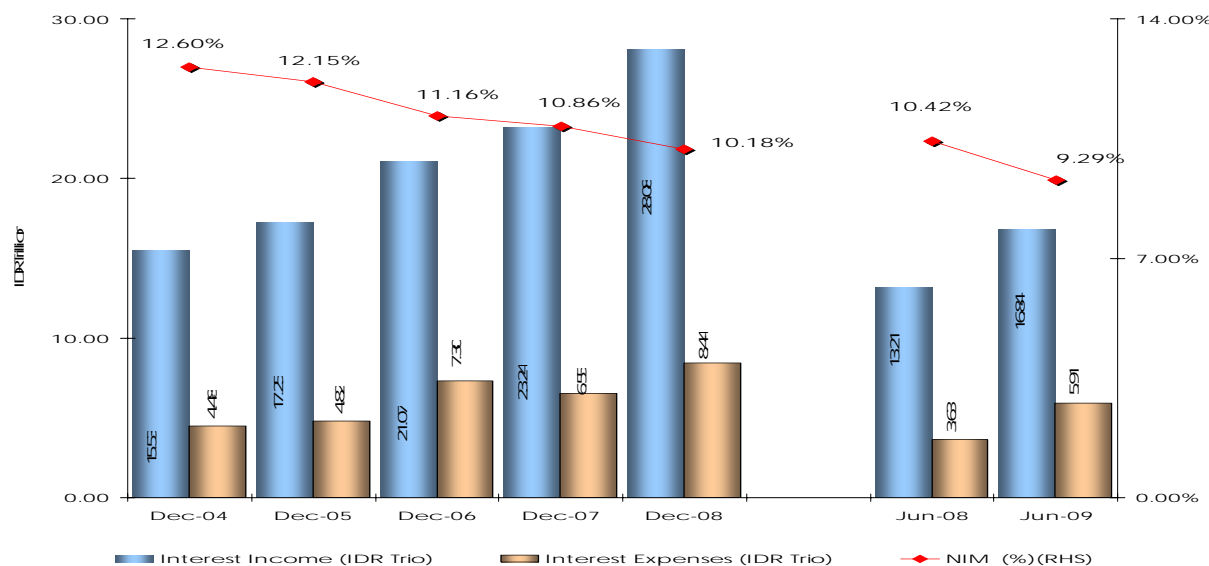
IDR billion

Other Operating Income	Dec-06	Dec-07	Dec-08	Jun-08	Jun-09	YoY
Gain Fr Value Increase of Securities and Govt. Recap Bonds	484	48	52	4	119	3064.95%
Fees and Commissions	838	1,456	1,767	829	1,035	24.8%
Gain fr Forex	-	176	614	-	413	
Others	187	142	60	48	287	495.8%
<b>Total</b>	<b>1,509</b>	<b>1,822</b>	<b>2,492</b>	<b>881</b>	<b>1,853</b>	<b>110.3%</b>

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# Sources of Income

Interest Income, Interest Expenses and NIM



## Source of Interest Income

IDR billion

Source of Income	2006	2007	2008	Jun'08	Jun 09
Interest from Loans	15,763.4	18,123.3	22,518.5	10,285.7	13,763.0
Interest from Govt. Bonds	2,339.1	2,020.3	1,951.4	921.8	1,001.7
Int. from Other Earning Assets	2,968.5	3,097.0	3,606.5	2,000.9	2,076.0
<b>Total Interest Income</b>	<b>21,071.0</b>	<b>23,240.6</b>	<b>28,076.4</b>	<b>13,208.3</b>	<b>16,840.6</b>

- Interest Income contributed 87.66% of total revenue
- Interest income from loans contribute 81.73% of total interest income (or 71.64% of total income)

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# Over Head Expenses

IDR Billion

	Dec-06	Dec-07	Dec-08	Jun-08	Jun-09	Growth YoY
Personnel	4,831	5,274	6,318	2,843	3,577	25.8%
General and Administration	2,054	2,405	3,081	1,299	1,599	23.0%
Losses fr decrease of Securities and Govt. Bonds value	-	46	150	242	6	-97.5%
Losses fr sale of Securities and Govt. Bonds	-	-	-	-	-	-
Losses from forex transaction	5	-	-	-	-	-
Premium Paid on Govt Guarantees	206	267	349	170	190	11.7%
Promotion	177	470	301	102	130	27.5%
Others	393	557	772	297	224	-24.7%
<b>Total</b>	<b>7,666</b>	<b>9,020</b>	<b>10,971</b>	<b>4,954</b>	<b>5,726</b>	<b>15.6%</b>

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# Key Financial Ratios

Description	Full Year					Q2	
	2004	2005	2006	2007	2008	2008	2009
Classified Loan Ratio	12.23%	11.55%	11.07%	7.82%	7.85%	7.17%	9.16%
NPL ratio - Gross	4.19%	4.68%	4.81%	3.44%	2.80%	3.37%	3.70%
NPL Coverage ratio - Gross	196.00%	153.09%	154.68%	177.45%	177.28%	177.63%	157.68%
Tier I CAR	12.49%	12.52%	16.44%	14.15%	11.84%	12.41%	13.27%
Total CAR with market risk	16.19%	15.29%	18.82%	15.84%	13.18%	13.89%	14.60%
Loan to Deposit Ratio	75.69%	77.83%	72.53%	68.80%	79.93%	77.01%	85.33%
Net Interest Margin (NIM)	12.16%	12.15%	11.16%	10.86%	10.18%	10.42%	9.29%
Return on Assets (ROA) - b.t	5.77%	5.04%	4.36%	4.61%	4.18%	4.06%	3.61%
Return on Assets (ROA) - a.t	3.66%	3.42%	3.15%	2.87%	2.82%	2.79%	2.81%
Return on Equity (ROE) - Tier I	42.76%	38.00%	33.75%	31.64%	34.50%	32.48%	33.78%
Return on Equity (ROE) - B/S	34.41%	30.63%	28.19%	26.45%	29.15%	28.15%	28.60%
Cost of Fund (COF)	4.79%	4.96%	6.27%	4.52%	4.90%	4.41%	5.80%
Min. Reserve Requirement	9.39%	9.55%	12.34%	22.09%	5.57%	9.02%	5.06%
Net Open Position	10.77%	5.23%	5.41%	7.90%	13.55%	12.48%	14.23%
Opr. Expense to Opr. Income	68.86%	70.45%	74.38%	69.80%	72.65%	71.05%	78.64%
Cost Efficiency Ratio (CER) <sup>*)</sup>	51.33%	54.22%	51.65%	49.03%	50.40%	45.06%	46.68%

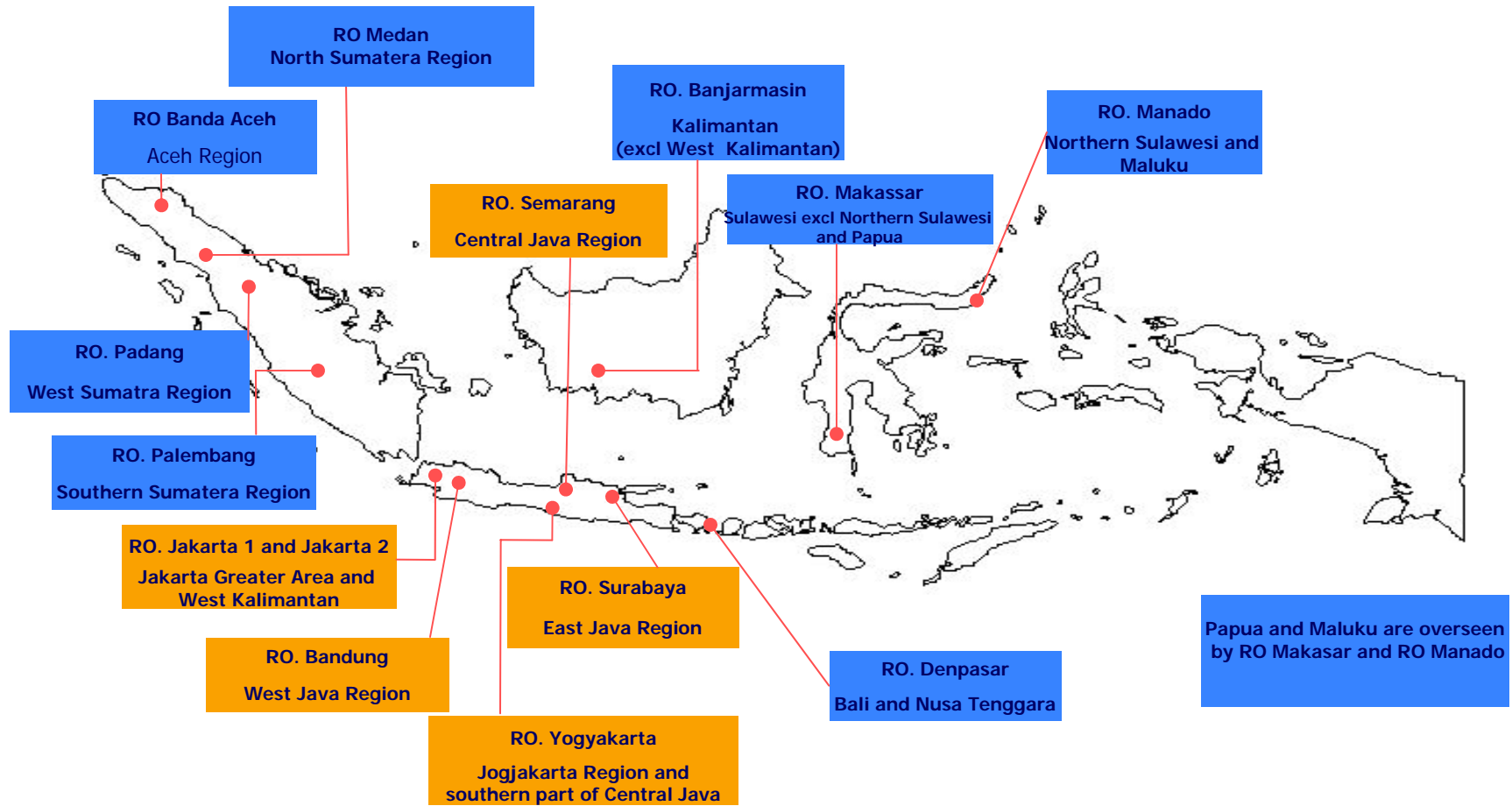
\*) CER = ( Employee expenses+G&A+Other Opr.Expenses)/(NII+Fees&Commision+Other Opr.Income)



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# *Supporting Material*

# Networks – Regional Offices Distribution



*Note: unless stated, numbers in this presentation are Bank only*

# Networks –The Most Extensive and Largest Outlets in Indonesia

...a strong competitive advantages for reaching Micro, Small and Medium Businesses

	Jun 08	Jun-09	Δ
Head Office	1	1	-
Regional Offices	14	14	-
Branches	350	392	42
Sub Branches	250	347	97
Micro Outlets	4,306	4,420	114
Cash Counters	46	232	186
<b>Total Working Units *</b>	<b>4,967</b>	<b>5,406</b>	<b>439</b>
<b>Regional Audit Offices</b>	<b>12</b>	<b>12</b>	<b>0</b>

\*)Branches Inc. Overseas Offices

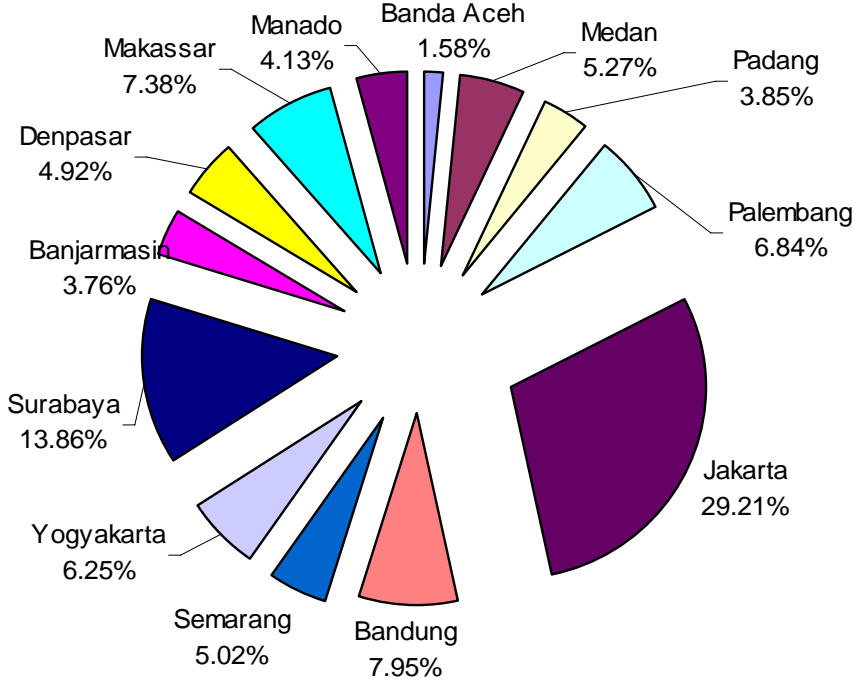
<i>On-Line Networks</i>	Jun 08	Jun 09	Δ YoY
Micro outlets	2,362	3,518	1,156
Branches	347	390	43
Sub - branches	250	347	97
Cash Offices	46	229	183
<b>Total</b>	<b>3,005</b>	<b>4,484</b>	<b>1,479</b>
ATM	1,280	2,757	1,477
Shared and Stand Alone ATM	29,361	46,874	17,513



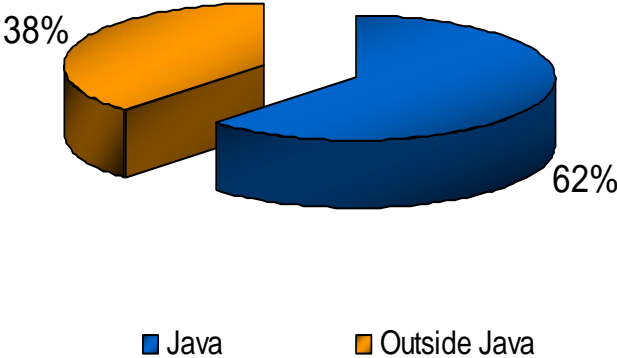
Note: unless stated, numbers in this presentation are Bank only

# Geographic Distribution:

Loans by Regional Offices



Loans by Region



As of June 09, loans booked in offices in Java contribute 62% and outside Java 38%

Note: unless stated, numbers in this presentation are Bank only

# Shareholders – Composition

Shareholder	Nov 2003	Dec-08	Jun-09
<b>Government</b>	<b>59.50%</b>	<b>56.81%</b>	<b>56.78%</b>
<b>Public</b>	<b>40.10%</b>	<b>43.19%</b>	<b>43.22%</b>
Foreign *)	55.3%	81.7%	82.07%
Domestic *)	44.7%	18.3%	17.93%

\*) percentage from public holding

# Rating

## MOODY'S (September 2009)

National Rating	
- National Scale Rating	<b>Aaaid</b>
Global	
- Outlook	<b>Stable</b>
- Domestic Currency Long Term Deposit	<b>Baa3</b>
- Foreign Currency Long Term Deposit	<b>Ba3</b>
- Foreign Currency Sub Debt	<b>Ba2</b>

## FITCH (December 2008)

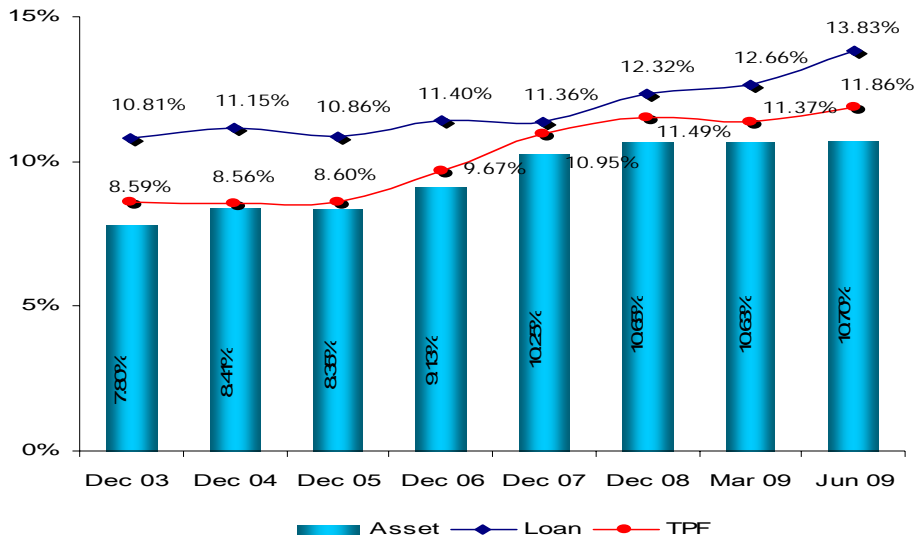
National Rating	
- Long Term	<b>AAA (idn)</b>
Global	
- Long Term Foreign Currency	<b>BB</b>
- Short Term Foreign Currency	<b>B</b>
- Outlook	<b>Stable</b>
- Individual	<b>C/D</b>
- Support Rating	<b>3</b>
- Support Rating Floor	<b>BB-</b>

## PEFINDO (February 2009)

Corporate	<b>ID AAA</b>
Sub-Ordinated Bond	<b>ID AA+</b>

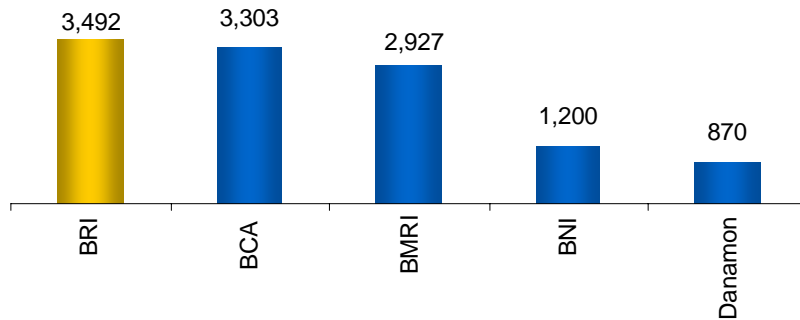
# Market Share

BRI's ASSET, Loans and Deposits market share : trend



BRI's market share in loans and deposits increases steadily

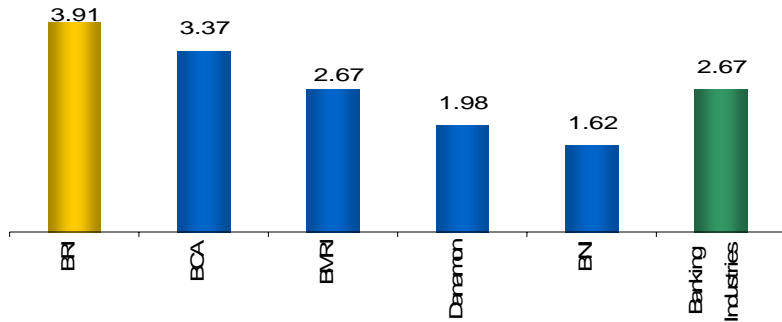
## Net Profit



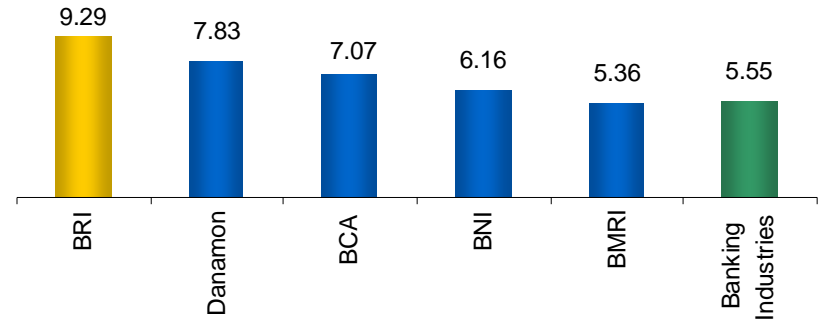
BRI recorded highest net profit in the Industry

# BRI's Ratios compared to Peers and Industry

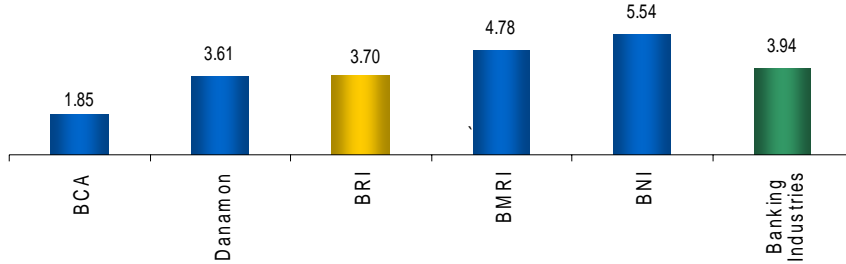
**ROA (%)**



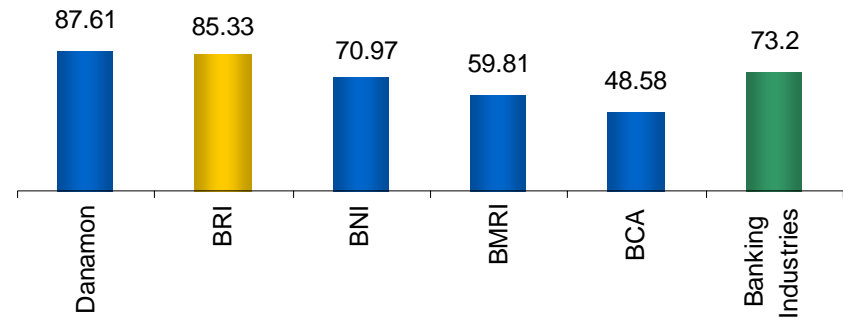
**NIM (%)**



**NPL (Gross - %)**



**LDR (%)**



data: banks ' publication report,  
Bank Indonesia



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