

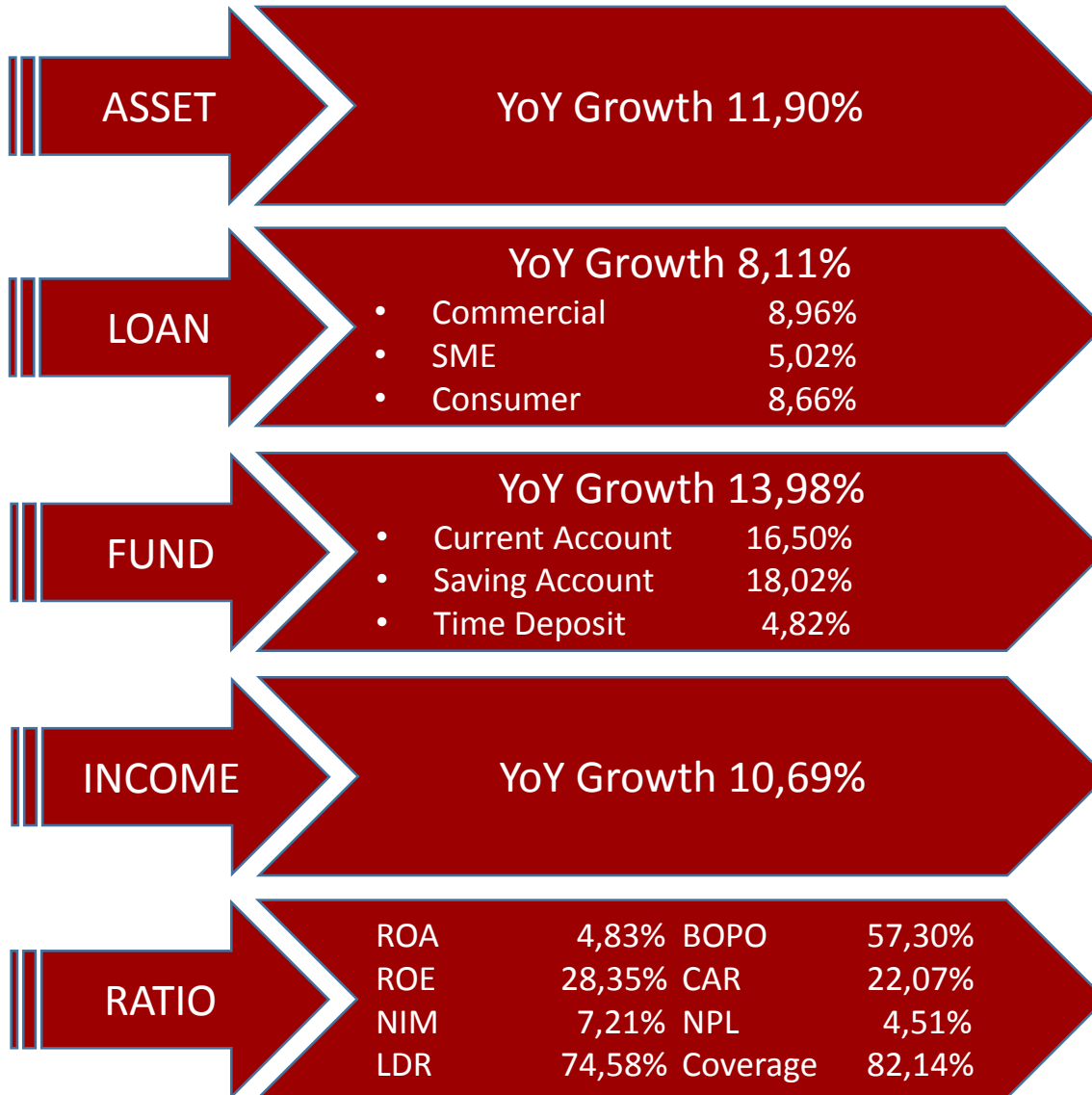
BJTM
COMPANY PERFORMANCE

1 M 16

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OVERVIEW

1M16 Overview



HR SOEROSO
 (Bank Jatim President Director)
 “Regional Development Banks
 Character of The Year”
 Banking Indonesia
 Award 2015

STRENGTH

FUNDING

- CASA RATIO Above 65 % consistently more than 13 years
- (Jan'16 -> 76.62%)
- Low Cost of Fund , average 2,91%

LOAN

- Micro loan at 2 years NPL 0.1 %
- Multipurpose loan more than 15 years NPL below 0.5 %

STOCK

- High Institutional Shareholder
- (69% Foreign Shareholder)
- High Dividend Yield
- Dividend Growth



Ranking 1
Bank Book III
(Asset < Rp 50 Trillion)
Banking Indonesia
Award 2015

COMPANY REVIEW

<u>LOAN</u> In million Rp	<u>1M15</u>	<u>1M16</u>	<u>YoY</u>
Loan	25.662.928	27.744.011	8,11%
- Commercial	4.614.255	5.027.721	8,96%
- SME	4.277.593	4.492.481	5,02%
- Consumer	16.771.081	18.223.809	8,66%

<u>FUND</u> In million Rp	<u>1M15</u>	<u>1M16</u>	<u>YoY</u>
Third Party Fund	32.638.092	37.199.501	13,98%
- Current Account	14.749.470	17.182.535	16,50%
- Saving Account	9.589.974	11.318.543	18,02%
- Time Deposit	8.298.649	8.698.423	4,82%

- Multi-purpose credit still became the largest contributor, this year we will cooperate with non-payroll institutions to increase the multipurpose credit.
- Standby loan credit facility temporarily pending for regulations adjustment.
- Disbursement to rural bank in East Java and Indonesia through government programs, start to be implemented in this year.

- Current account and Saving account increase low rate cost funding.
- Maintain institution relationship to increase institution current account funding placement.
- With new variously saving products and network expansion, saving account as low rate funding increase.
- Deposits with high interest rates has been reduced to lower the interest expense.

<u>Information</u> In million Rp	<u>1M15</u>	<u>1M16</u>	<u>YoY</u>
Nett Interest Income	261.966	289.425	10,48%
Nett Non Interest Operational Income (Expense)	(114.583)	(109.446)	-4,48%
Nett profit	124.767	133.627	7,10%
- ROA	5,06%	4,83%	
- ROE	24,51%	28,35%	
- NIM	7,42%	7,21%	

- Dealer Treasury activity's income raises to 17% of interest income.
- Operational profit increased due to higher interest income and lower impairment losses.
- With BOPO ratio only 57,30%, NIM 7,21%, and COF 2,91%, our nett profit increased 7,10% YoY.

<u>NPL</u>	<u>10M15</u>	<u>11M15</u>	<u>12M15</u>	<u>1M16</u>
Consumer	0,85%	0,83%	0,74%	0,77%
SME	10,35%	10,52%	11,11%	11,44%
Commercial	10,48%	10,78%	9,97%	11,59%
NPL GROSS	4,59%	4,52%	4,29%	4,51%
Coverage Ratio	77,72%	83,65%	81,02%	82,14%

- Bank Jatim still faced the non performing loan and yet to decrease, the rising of the NPL last year caused of:
 - Commercial credit npl, standby loan and keppres .
 - Multipurpose npl from death and fired people decrease from insurance claim.
 - Financial Services Authority policy on lending quality of sharia rural bank based on capital adequate ratio level.
- Bank Jatim's Risk Credit Division and Adhoc team keep trying to reduce the NPL.
- NPL increased to 4,51% from FY15 because the outstanding credit from FY15 to 1M16 also decreased.



The Most Trusted Banking in Microfinance Services of The Year 2015



Very Good Predicate for 2014 Financial Performance Infobank Awards 2015



The Most Favourable Mortgage Loan With Variable Product of The Year 2015



Excellence in Building and Managing Corporate Image Corporate Image Award 2015



The 1st Champion of Indonesia Original Brand 2015



The Indonesia Living Legend Brand 54 Years Old

BUSINESS PLAN 2016

Description	2015	2016 E
Total Asset	12,65%	10,56%
Loan	8,46%	14,98%
Third Party Fund	13,19%	11,52%
Interest Income	15,17%	12,67%
Financial Ratio		
- CAR	21,22%	19,21%
- LDR	82,92%	90,55%
- NPL Gross	4,29%	2,8%
- NIM	6,41%	7,53%
- BOPO	76,11%	74,64%
- ROE	16,11%	19,88%
- ROA	2,67%	3,08%

LOAN STRATEGY

- Productive credit expansion to 80% SME and 20% Commercial proportion.
- Increase MoU with government institution for multipurpose, also private corporate.
- Intensify linkage program to rural bank, member of Perbamida or Perbarindo.

FUNDING STRATEGY

- Cooperation to distribute school operational fund. Cooperation with institution.
- Expanding funding network.
- Intensify new funding product implementation.
- Technology service improvement.

NPL STRATEGY

- Collection with credit restructured.
- Special collection for rest of government payment project terms.
- Insurances claim acceleration and recoveries.
- Collateral auction.

HUMAN CAPITAL

- Revitalization into competence and professional human capital to shape competency based resource management.

Network	2009	2010	2011	2012	2013	2014	2015	1M16
Head Office	1	1	1	1	1	1	1	1
Branch Office	39	41	41	41	41	43	45	45
Sub Branch Office	26	44	67	81	107	153	165	165
Cash office	151	154	164	164	176	165	185	185
Sharia service office	37	37	47	47	47	97	97	97
Payment Point	78	88	115	138	155	167	171	171
Mobile cash	45	49	57	57	59	62	65	65
Mobile ATM	-	4	4	6	6	6	6	6
CDM	1	1	1	1	1	2	2	2
ATM	87	142	262	368	479	595	688	688
Total network	465	561	759	904	1.072	1.291	1.425	1.425

NETWORK 2016
2 (sharia)
11 (sharia)
1 (conventional)
1 (sharia)
7 (sharia) 2 (conventional)
6 (sharia) 1 (conventional)
17 (sharia) 7 (conventional)

2015

Technology
Strengthen
& SDI

FINANCIAL

- 6 KC
- 8 KCP
- 35 KLS

NETWORK & OPS

STRATEGY

- Build Infrastructure
- UMK Empowerment
- Product Innovation
- Link IT and UUS, LKMS and UMK
- Massice marketing UMK Product

2016

• Prepare
Spin Off
• 2016

FINANCIAL

- 2 KC
- 11 KCP
- 31 point

NETWORK & OPS

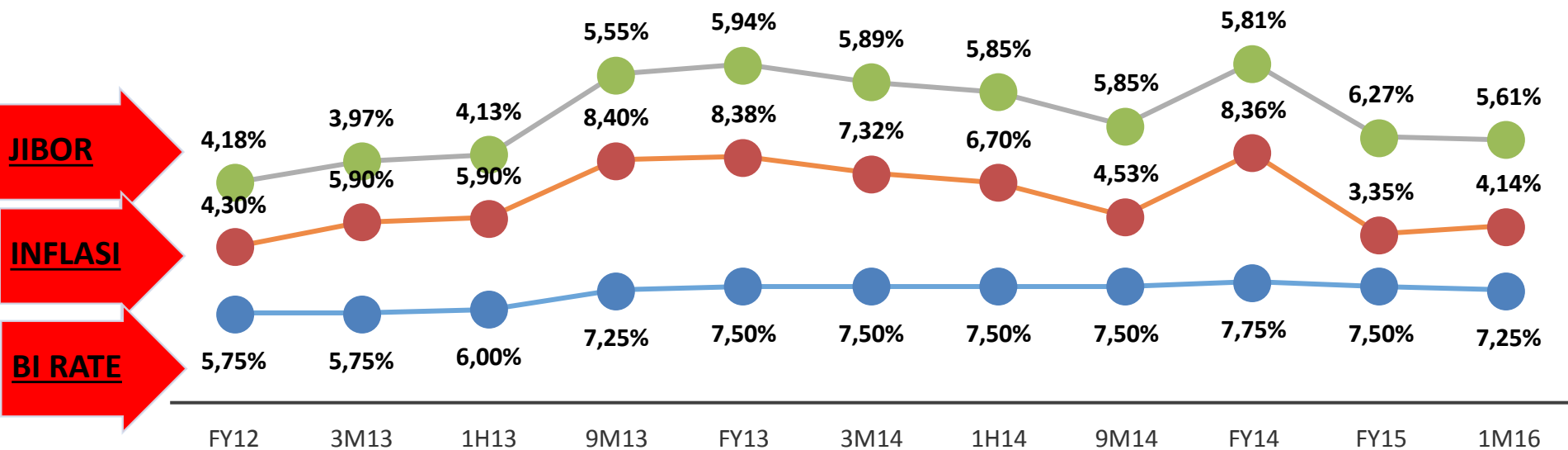
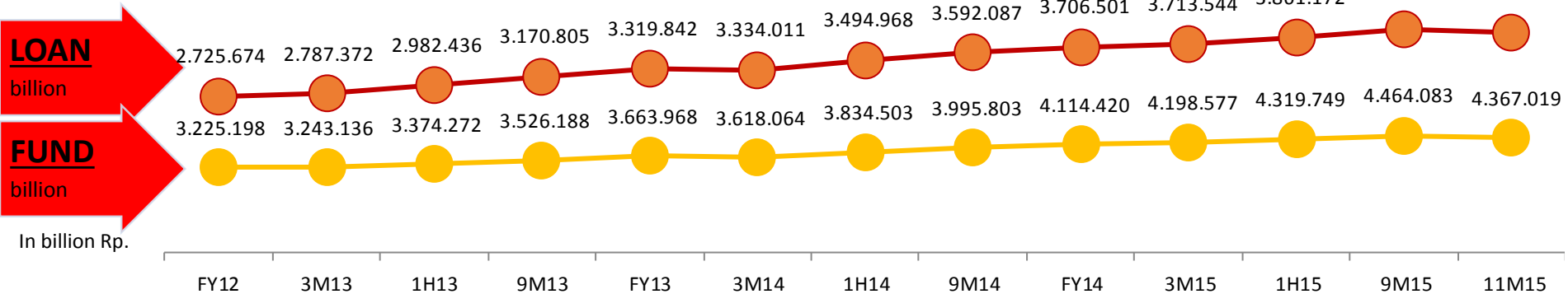
STRATEGY

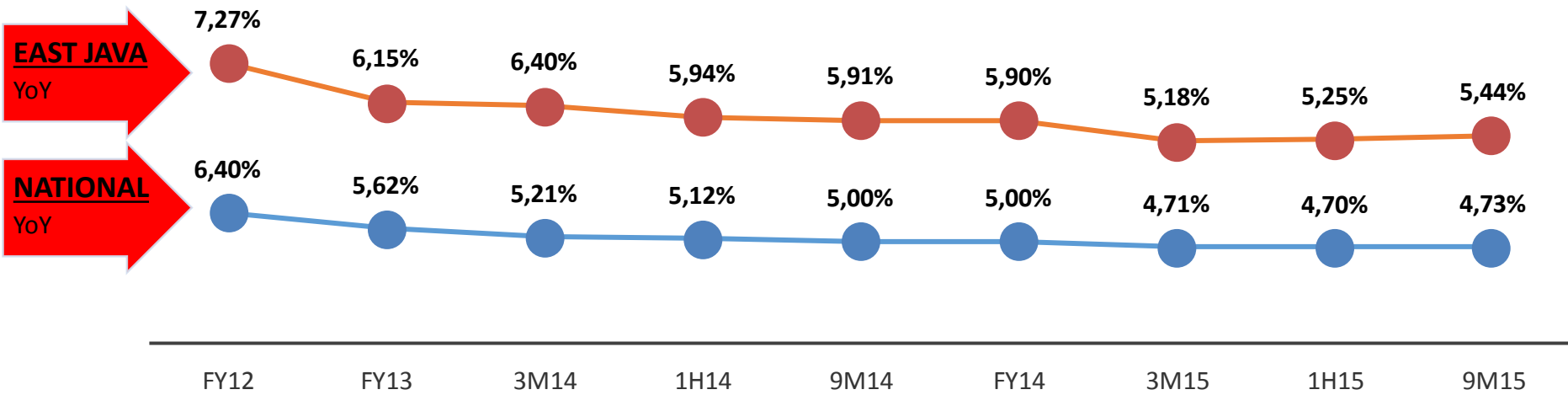
- Prepare Human Capital
- Structure examine (stock)
- Product synergy, service, IT, network
- Law preparation new structure

APPENDIX

ECONOMIC OUTLOOK

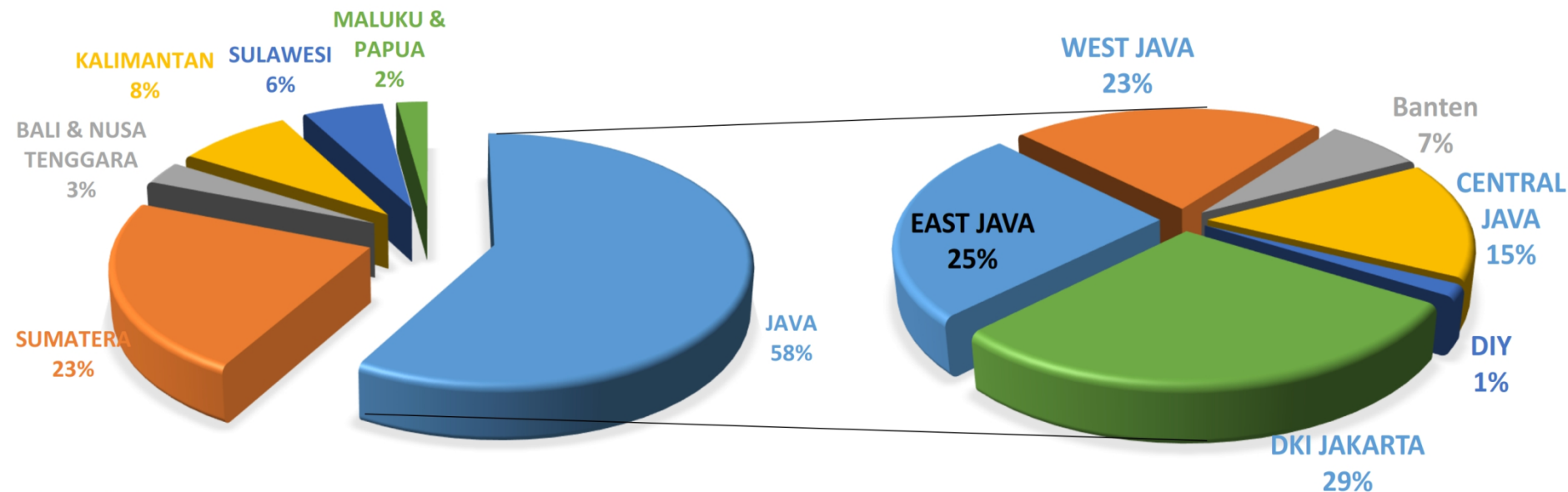
MACRO ECONOMY REVIEW





INDONESIA Economic Share

JAVA Regional Economic Share



Source: East Java Gov.
East Java & National BPS

FINANCIAL HIGHLIGHTS

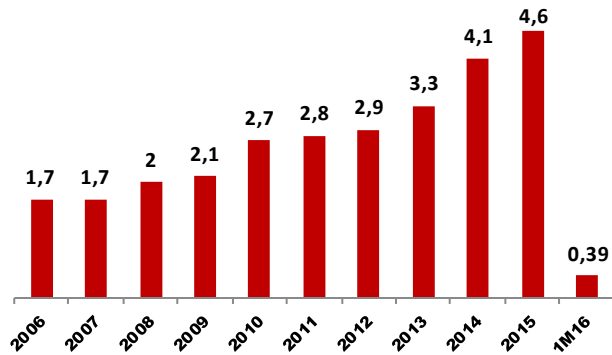
<u>Information</u> In million Rp	<u>1M15</u>	<u>1M16</u>	<u>YoY</u>
Total Asset	40.613.034	45.446.693	11,90%
Placement BI & Other	9.467.186	10.656.498	12,56%
Loan	25.662.928	27.744.011	8,11%
Impairment Losses	(633.727)	(1.027.786)	62,18%
Third Party Fund	32.638.092	37.199.501	13,98%
- Current Account	14.749.470	17.182.535	16,50%
- Saving Account	9.589.974	11.318.543	18,02%
- Time Deposit	8.298.649	8.698.423	4,82%
Equity	6.607.791	6.429.089	-2,70%

<u>Information</u> In million Rp	<u>1M15</u>	<u>1M16</u>	<u>YoY</u>
Interest Income	352.546	390.227	10,69%
Interest Expense	(90.580)	(100.802)	11,29%
Nett Interest Income	261.966	289.425	10,48%
Non Interest Operational Income	40.250	31.318	-22,19%
Non Interest Operational Expense	(92.494)	(98.402)	6,39%
Impairment Losses Expense	(62.339)	(42.363)	-32,04%
Nett Non Interest Operational Income (Expense)	(114.583)	(109.446)	-4,48%
Operational Profit	147.383	179.979	22,12%
Non Operational Profit	23.758	2.620	-88,97%
Pre Tax Profit	171.140	182.598	6,70%
Taxes	(46.373)	(48.971)	5,60%
Net profit	124.767	133.627	7,10%

<u>Information</u> In million Rp	<u>1M15</u>	<u>1M16</u>	<u>YoY</u>
Placement others bank	24.985	26.585	6,40%
Marketable Securities	22.321	37.302	67,12%
Fees & Commissions	21.994	24.430	11,08%
Current Account Expense	(27.489)	(29.076)	5,77%
Saving Accounts Expense	(13.907)	(16.782)	20,67%
Deposits Expense	(47.869)	(50.687)	5,89%
Salaries	(36.231)	(35.087)	-3,16%
Education & Training	(485)	(147)	-69,79%
Rental	(9.310)	(9.864)	5,95%

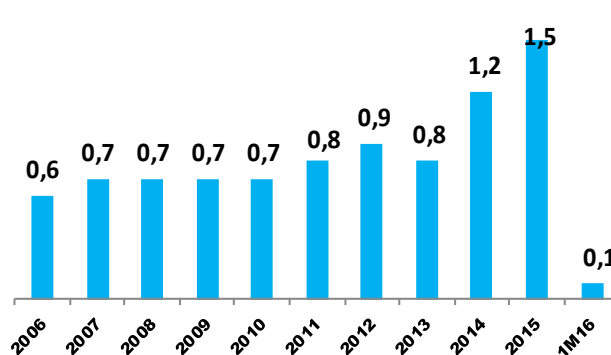
INTEREST INCOME (Rp Tril)

CAGR = 12,35%



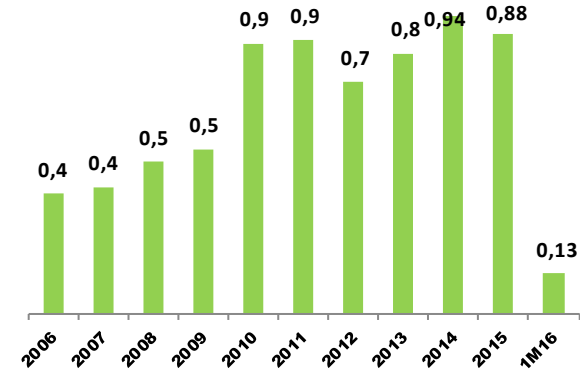
INTEREST EXPENSE (Rp Tril)

CAGR = 10,78%



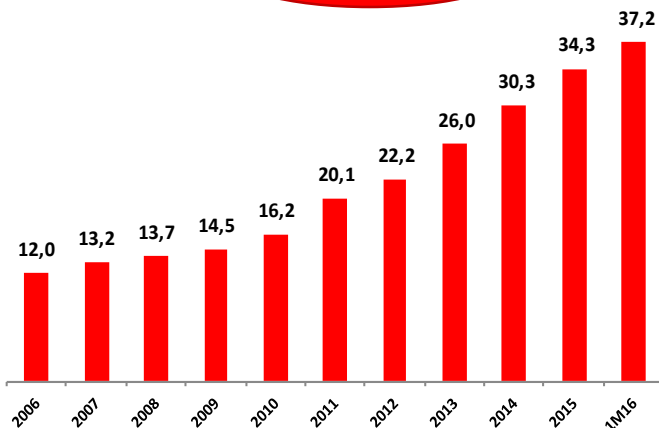
NET PROFIT (Rp Tril)

CAGR = 17,20%



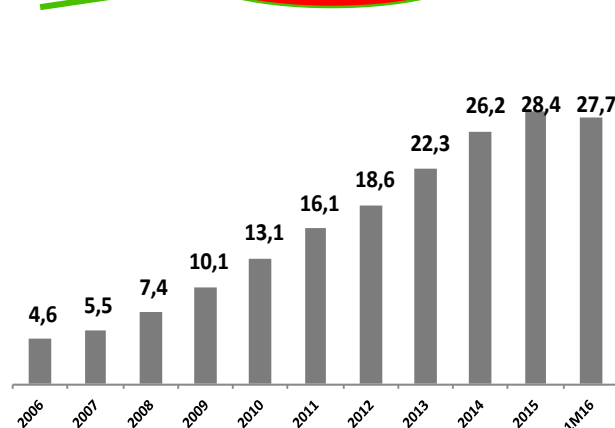
THIRD PARTY FUND (Rp Tril)

CAGR = 13,57%



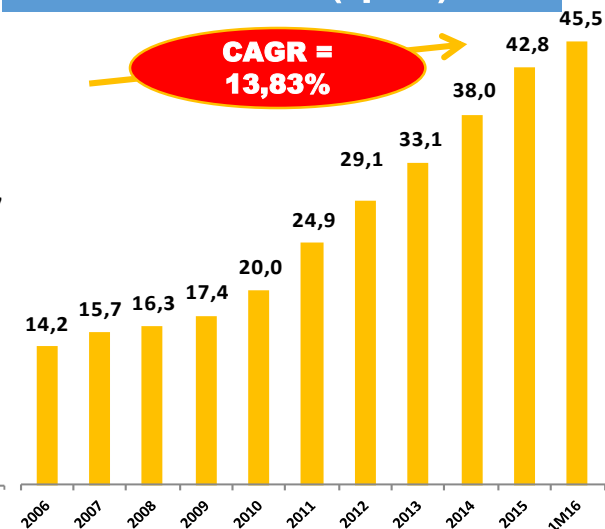
LOAN (Rp Tril)

CAGR = 20,94%

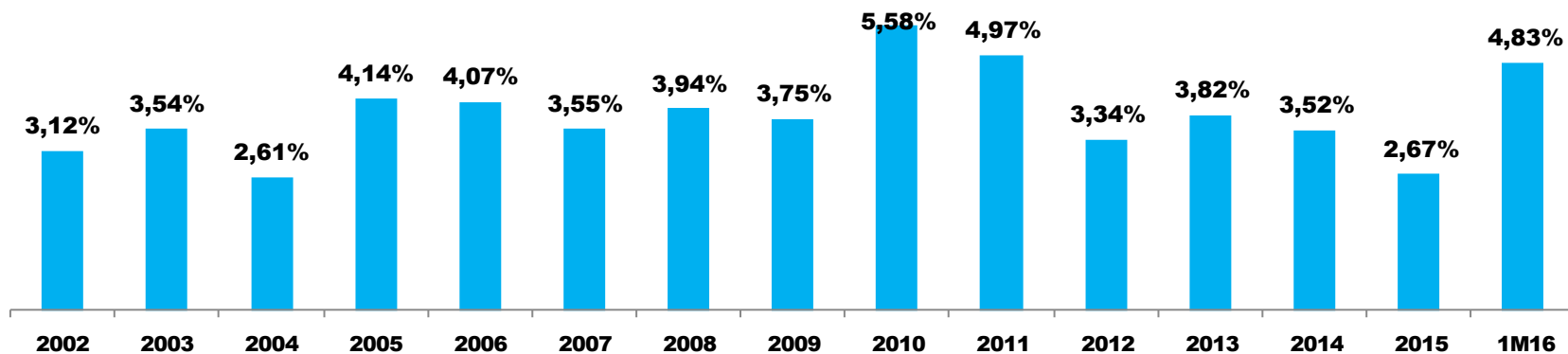


TOTAL ASSET (Rp Tril)

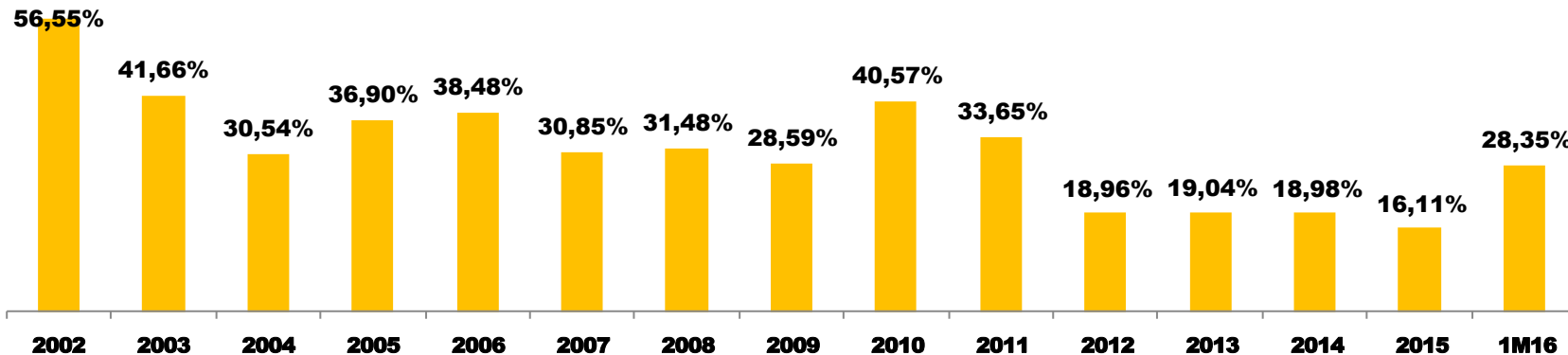
CAGR = 13,83%



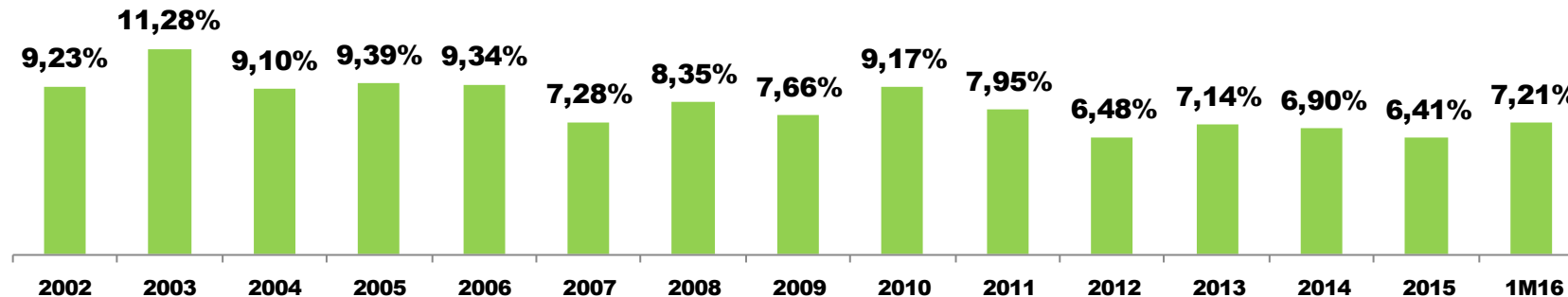
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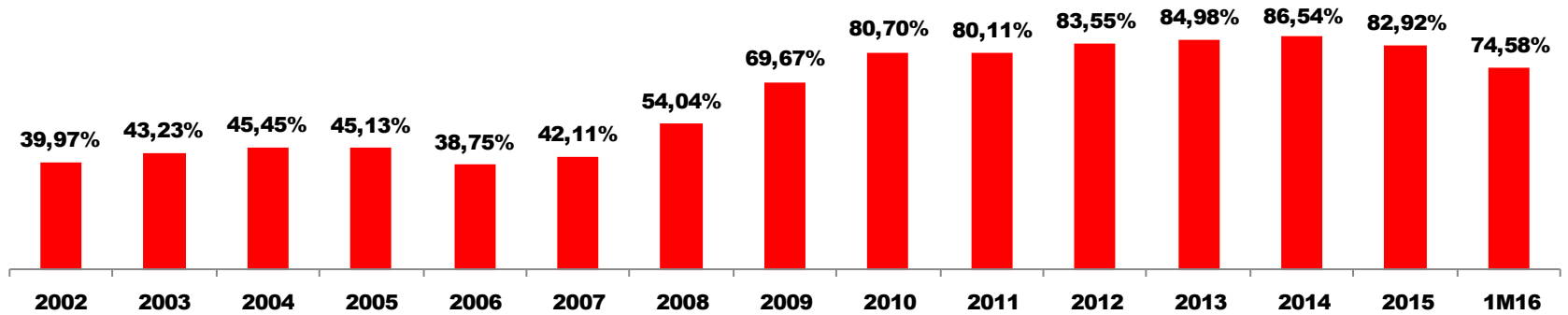
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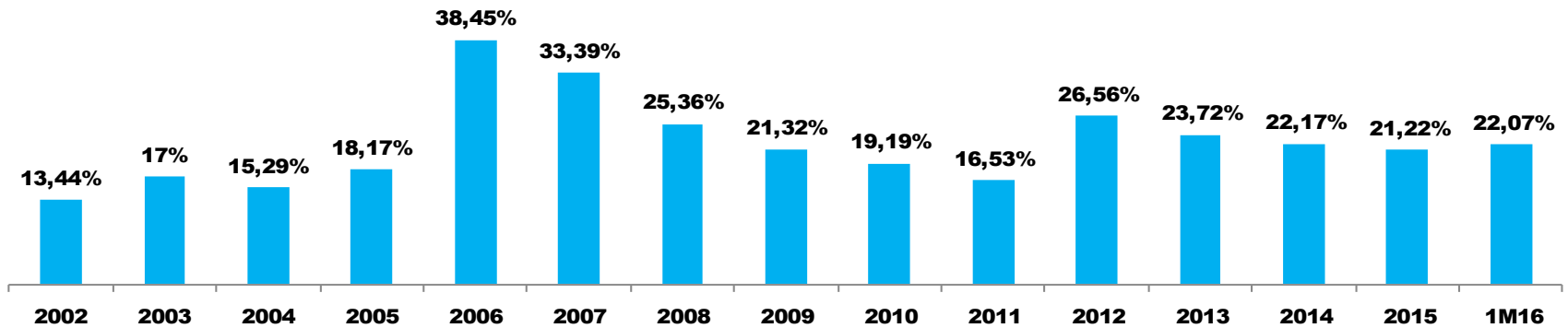
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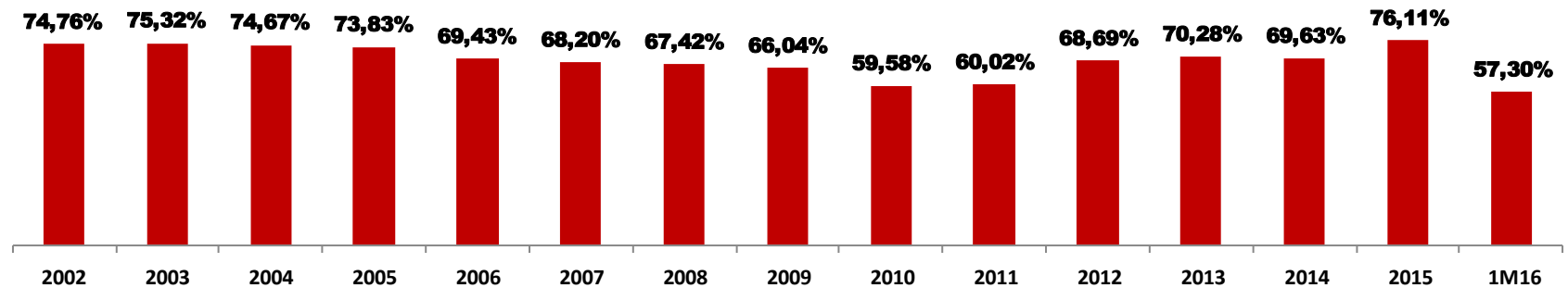
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OVERVIEW & INVESTMENT HIGHLIGHTS



HERU SANTOSO

President Commissioner

(Senior Auditor Bank Indonesia, Senior Supervisor Bank Indonesia, Senior Researcher Bank Indonesia, Division Coordinator Bank Indonesia, Head of Bank Indonesia Makasar, Pengawas Bank Eksekutif Direktorat Pengawasan BPR, Head of Grup/ Director Bank Indonesia, Head of BPR and UMKM Credit Department Bank Indonesia, Expert Staff of Conventional & Sharia Supervisor Member Board Governor, and President Commissioner of Bank Jatim)

Experienced for 31 years in Banking



AKHMAD SUKARDI

Commissioner

(Head of East Java Province Financial Bureau Financial Division, Head of Regional Secretary East Java Province Financial Bureau, Head of East Java Province Revenue Agency, Co-General Administration of Regional Secretary East Java Province, Regional Secretary East Java Province, and Commissioner of Bank Jatim)

Experienced for 36 years in East Java Economic



HADI SUKRIANTO

Commissioner

(Head of Pasuruan Branch, Head of Special Credit Sub-Division, Head of Special Credit Division, Head of Credit Division, Compliance Director, President Director, and Commissioner of Bank Jatim)

Experienced for 32 years in Bank Jatim



SOEBAGYO

Independent Commissioner

(Secretary of Development Economy Major Airlangga University Surabaya, Dean Assistant on Student and Alumni Division Airlangga University Surabaya, Chairman of East Java Province Regional Economy, East Java Province Regional Finance Expert Staff, Surabaya Mayor Expert Staff, Commissioner of PT JAMKRIDA, and Independent Commissioner of Bank Jatim)

Experienced for 36 years in university, east java economic, and insurance



WIBISONO

Independent Commissioner

(Deputy of DPP and Foreign Exchange Division Bank Indonesia, Deputy of Bank Indonesia London, Head of Real Sector and Government Financial Division Bank Indonesia Jakarta, Head of Financial Market Studies Division Bank Indonesia, Head of Financial Studies And International Institute Division Bank Indonesia, Deputy of Bank Indonesia Surabaya, and Independent Commissioner of Bank Jatim)

Experienced for 28 years in banking

Bank Jatim led by an experienced management team with deep knowledge on Indonesia's economic and banking sector.



R SOEROSO

President Director

(Head of Probolinggo Branch, Head of Malang Branch, Head of Sidoarjo Branch, Corporate Secretary, President Director of PT BPR Jatim, and President Director of Bank Jatim)

Experienced for 32 years in Bank Jatim and BPR Jatim



SU'UDI

Director of Medium Business & Corporate

(Head of Risk Controlling Sub Division, Head of Information Technology Sub-Division, Head of Bangkalan Branch, Head of Pamekasan Branch, Head of Blitar Branch, Head of Technology & Accounting Division, Head of Strategic Planning Division, Head of Risk Controlling Division, and Medium Business and Corporate Director)

Experienced for 36 years in Bank Jatim



EKO ANTONO,

Director of Compliance

(Head of Pacitan Branch, Head of Pasuruan Branch, Head of Service Fund and Interantional Sub-Division, Head of Human Capital Division, Operational Director, and Compliance Director)

Experienced for 32 years in Bank Jatim



RUDIE HARDIONO,

Director of Operations

(Head of Strategic Planning Sub Division, Head of Perak Branch, Head of Gresik Branch, Head of Service Fund and International Division, Head of Malang Branch, Corporate Secretary, and Operational Director)

Experienced for 32 years in Bank Jatim



TONY SUDJIARYANTO

Director of Agribusiness & Sharia

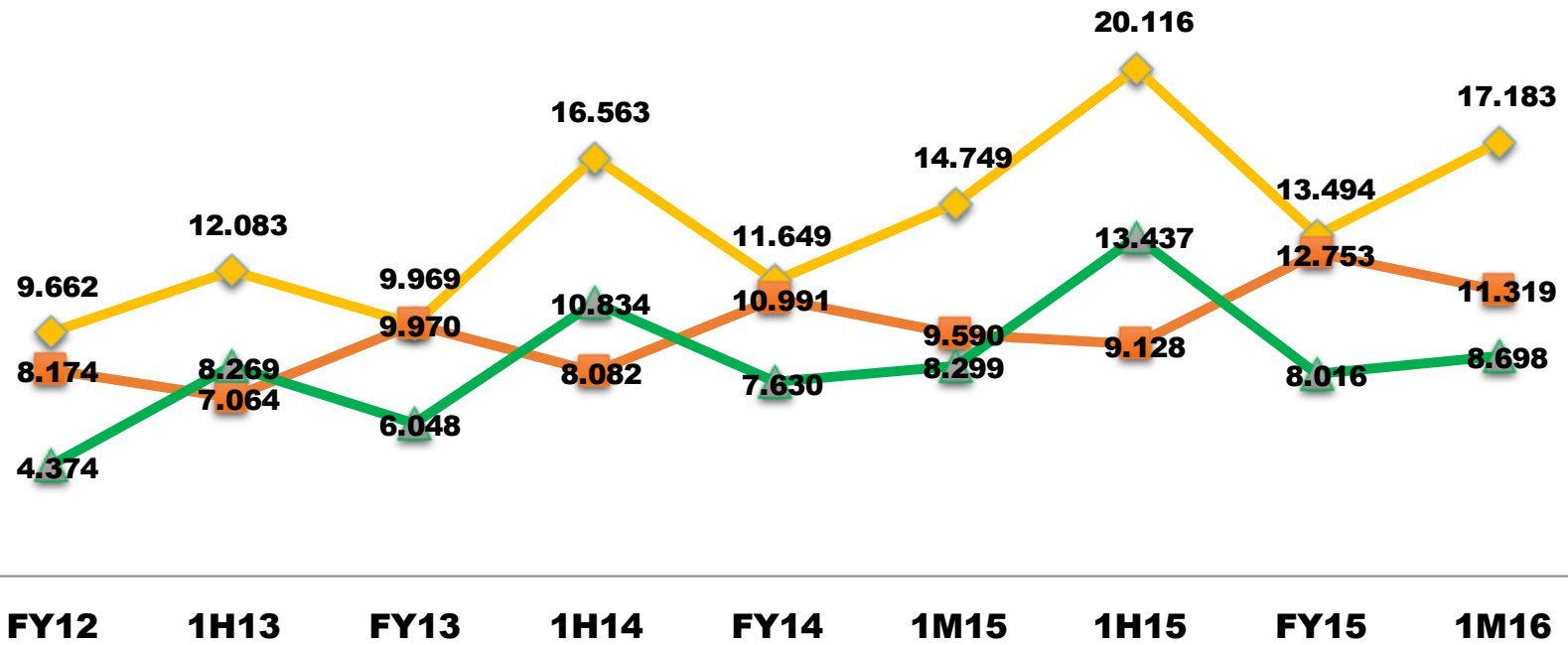
(Head of Jombang Branch, Head of Medium and Corporate Loan Sub-Division, Acting Head of Special Credit Division, Head of Jakarta Branch, Head of Treasury Division, and Agribusiness and Sharia Business Director)

Experienced for 27 years in Bank Jatim

Bank Jatim is led by an experienced management team with deep knowledge on Indonesia's banking sector.

◆ **Current Account**
 ■ **Saving Account**
 ▲ **Time Deposit**

In Billion Rp.



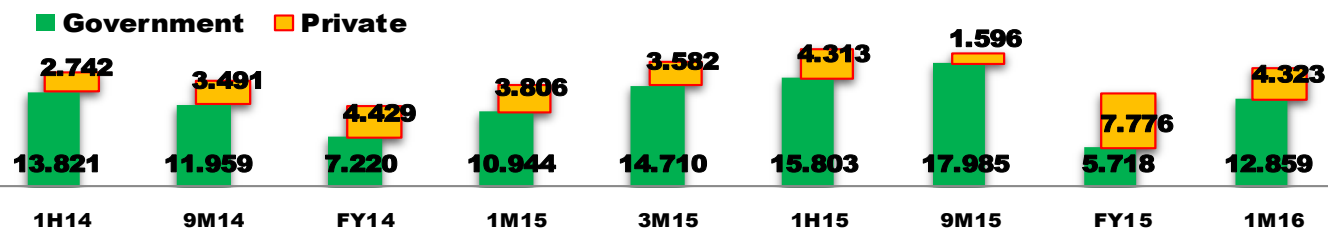
Current Account
 YoY 16,50%

Saving Account
 YoY 18,02%

Time Deposit
 YoY 4,82%

In Billion Rp.

Current Account



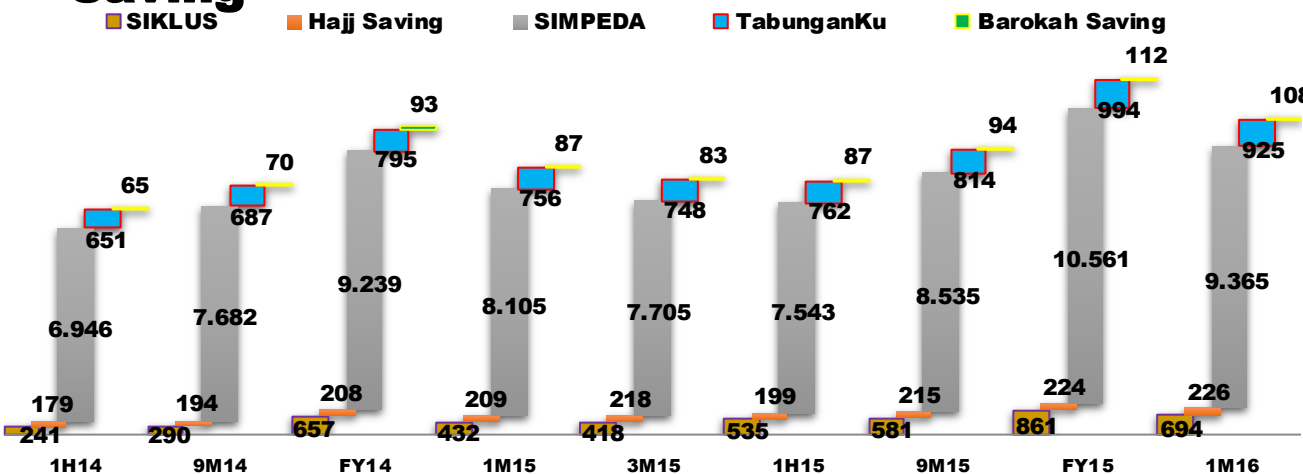
Government Current Acc.

YoY 17,50%

Private Current Acc.

YoY 13,60%

Saving



YoY

SIMPEDA 15,55%

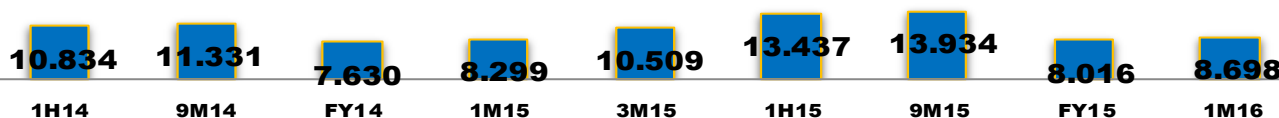
SIKLUS 60,67%

Hajj Saving 8,10%

TabunganKu 22,31%

Barokah Saving 23,79%

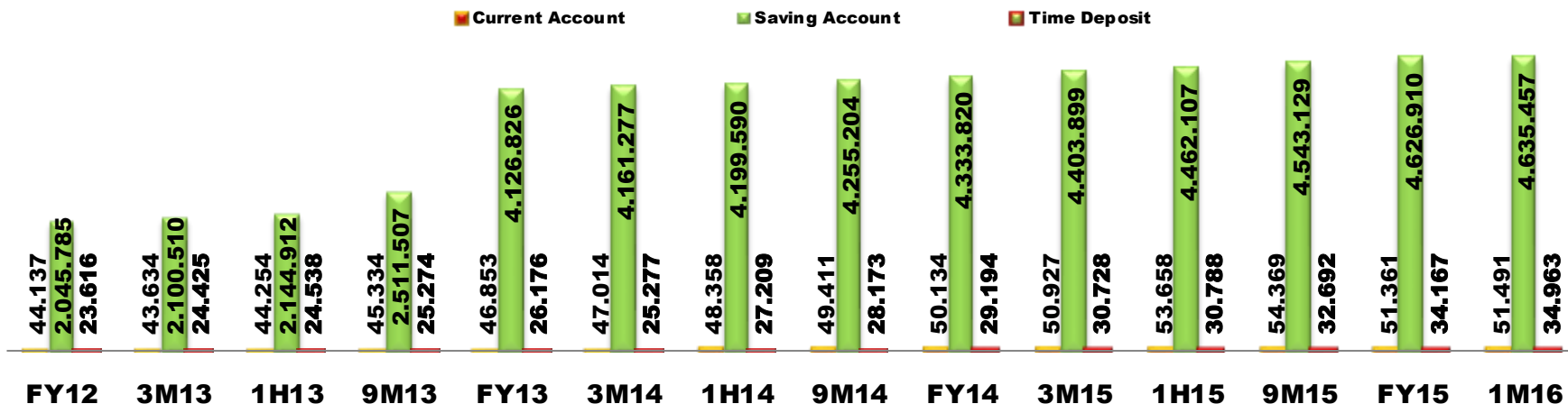
Time Deposit



Time Deposit

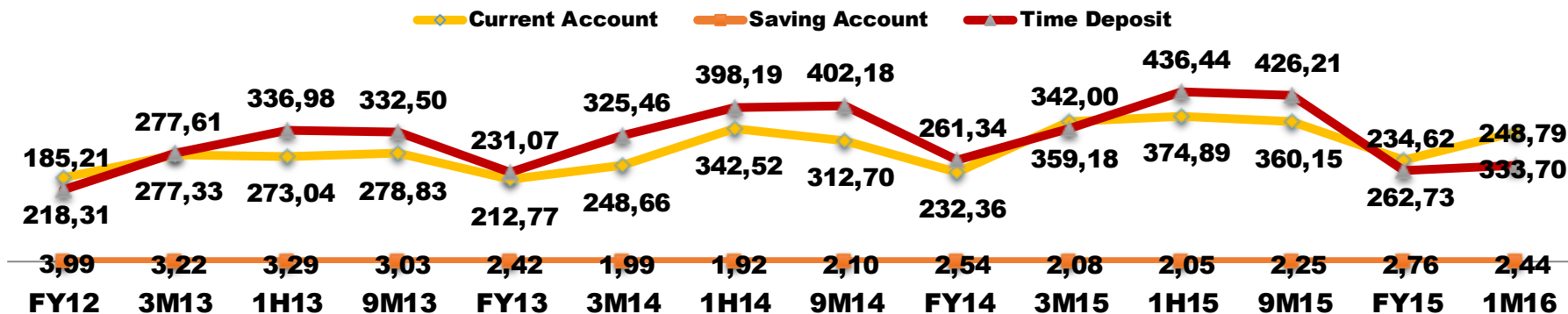
YoY 4,82%

Total Customer



Ticket Size

In million Rp.



**GRAND PRIZE
UANG TUNAI
500 JUTA**

**TOTAL HADIAH
12,5 MILIAR**

gemerlap hadiah SIMPEDA
Tingkatkan SALDO Anda, menangkan Hadiah dengan Total MILIARAN Rupiah!!

JATIMPRIORITAS Debit Card

4000 1234 5678 9010

4000

R. S0E0050

bankjatim
internet banking

**SMS BANKING
3366**

Layanan Dalam Genggaman Anda
Transaksi dimana saja, kapan saja, mudah, cepat & aman

- Transfer Uang
- Beli Pulsa
- Bayar TV Kabel, Tiket Pesawat, Tagihan Multi Finance
- Transaksi lainnya

Tentukan pilihan Anda, tetap nikmati bunganya!!

tabungan SIKLUS

- ✓ Program Bunga Plus
- ✓ Bunga kompetitif
- ✓ Syarat dan ketentuan berlaku
- ✓ Warna barang pada gambar hanya ilustrasi

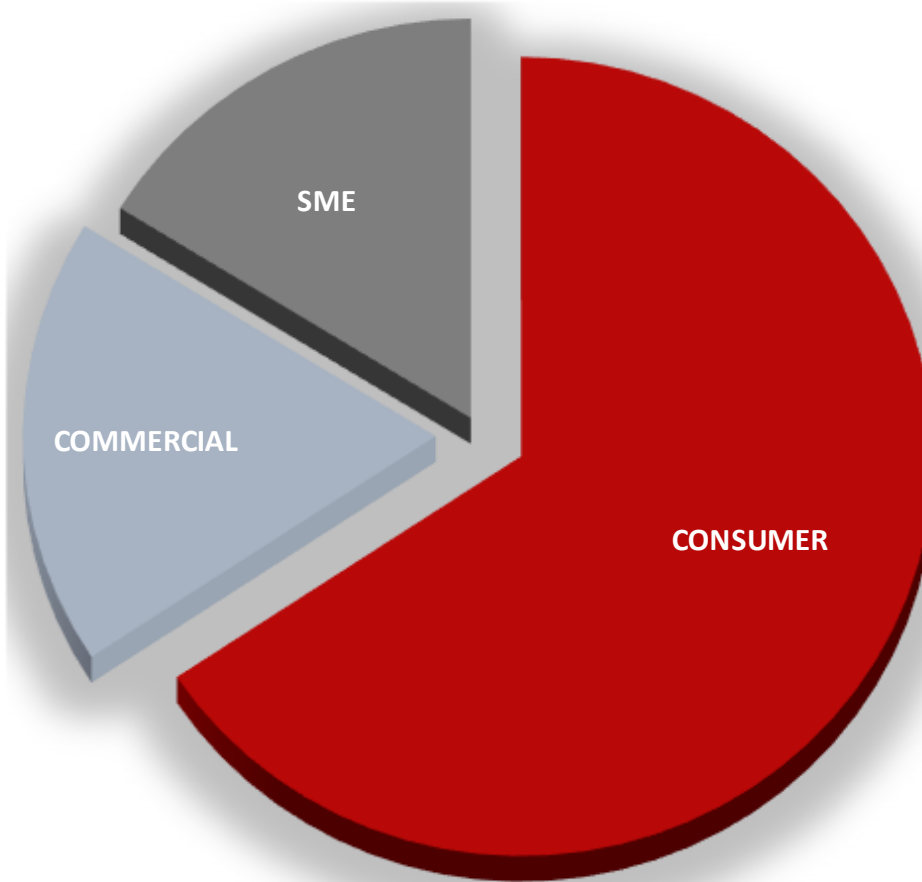
SimPel nabungnya,

Anginico
Bank Jatim

SiUMI
SIKLUS MIKRO KECIL

bankjatim

6036 0980 9999 3939
NURCE LUNMAY

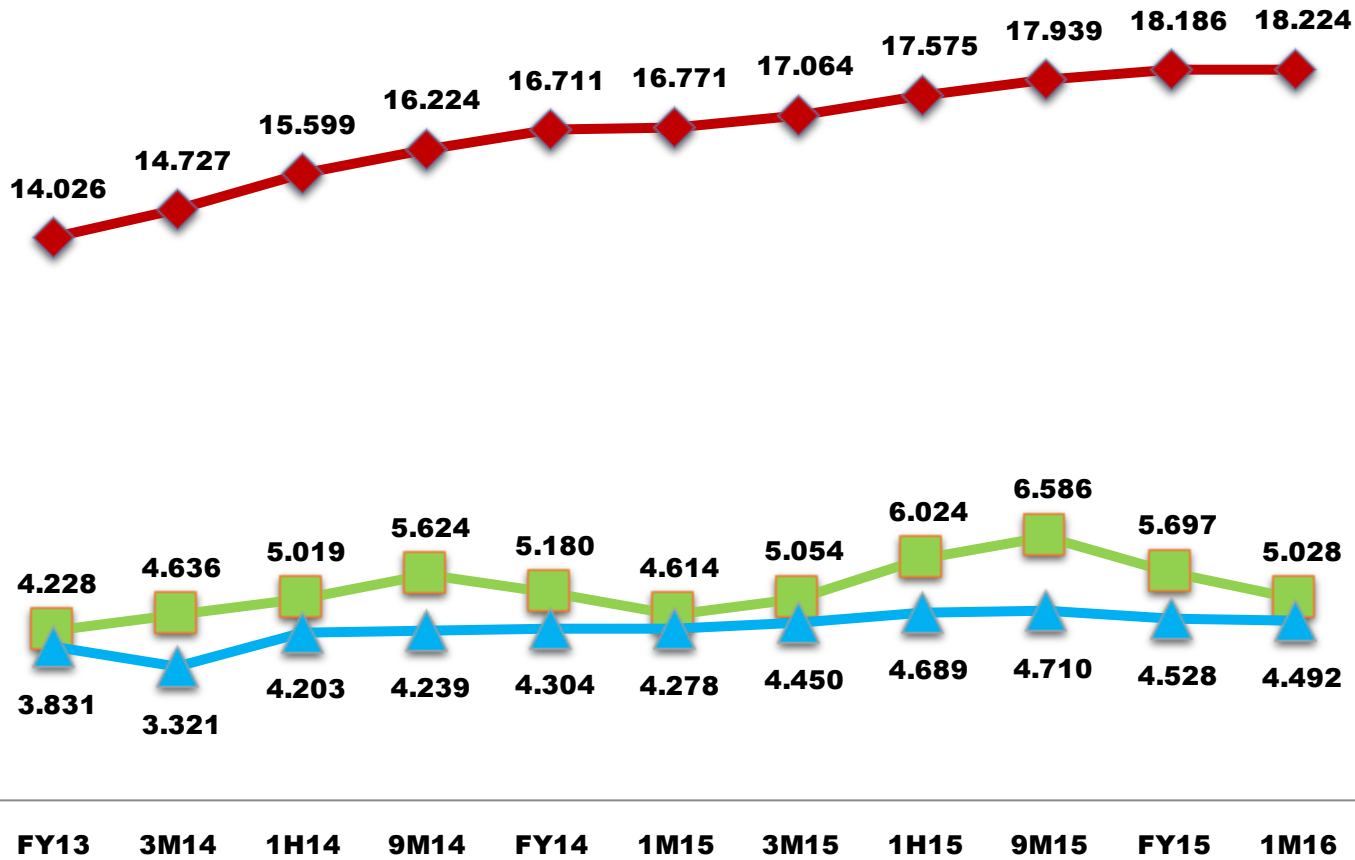


CONSUMER LOAN		
	Jan'15	Jan'16
Multipurpose	58,09%	57,55%
Mortgage	5,09%	5,14%
Others	2,18%	2,99%
Total	65,35%	65,69%
COMMERCIAL LOAN		
	Jan'15	Jan'16
Standby Loan	2,92%	2,20%
Keppres	1,58%	1,37%
Overdraft	8,88%	9,66%
Syndicate	4,60%	4,90%
Total	17,98%	18,12%
Small Medium Ent.		
	Jan'15	Jan'16
KUR	3,91%	1,51%
Pundi Kencana	3,24%	4,27%
Jatim Mikro	1,11%	1,89%
Others	8,41%	8,52%
Total	16,67%	16,19%

Type Of Loan

◆ **Consumer** ■ **Commercial** ▲ **SME**

In Billion Rp.



YoY

Consumer

8,66%

Commercial

8,96%

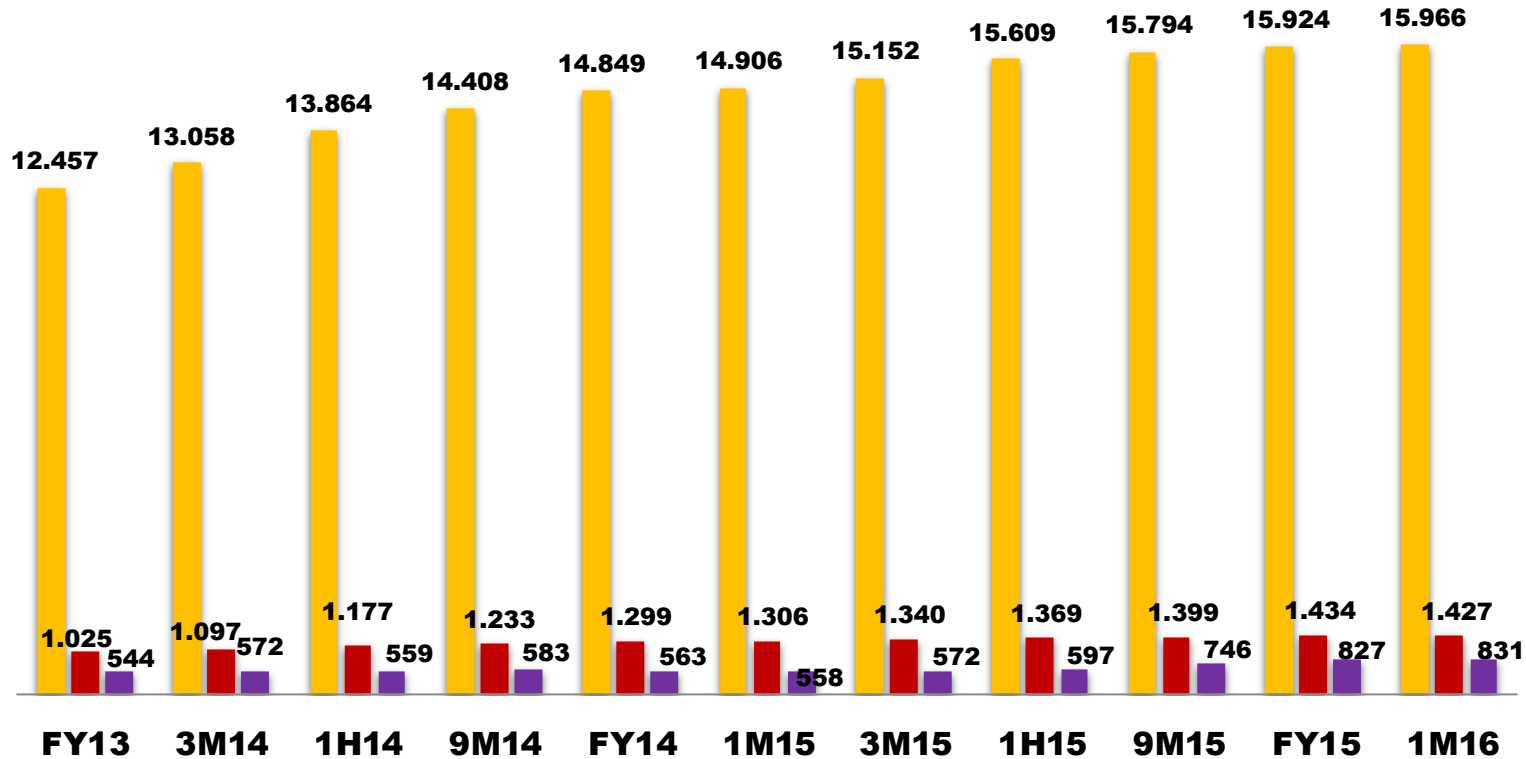
SME

5,02%

Consumer Loan

In Billion Rp.

■ Multipurpose ■ Mortgage ■ Others



YoY

Multi purpose
7,11%

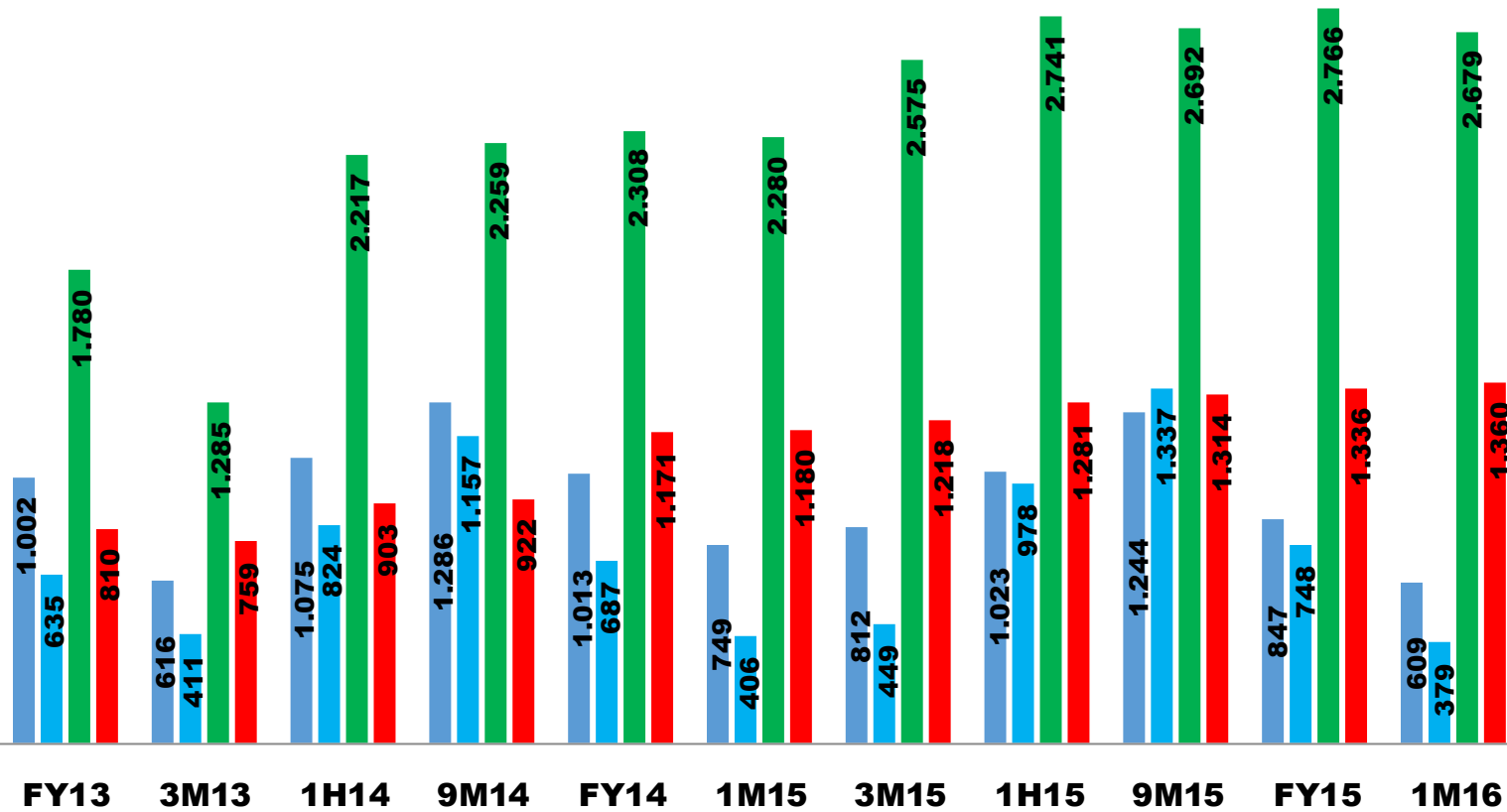
Mortgage
9,26%

Others
48,81%

Commercial Loan

In Billion Rp.

■ Standby Loan ■ Keppres ■ Overdraft ■ Syndicate



YoY

Standby Loan
[18,72%]

Keppres
[6,44%]

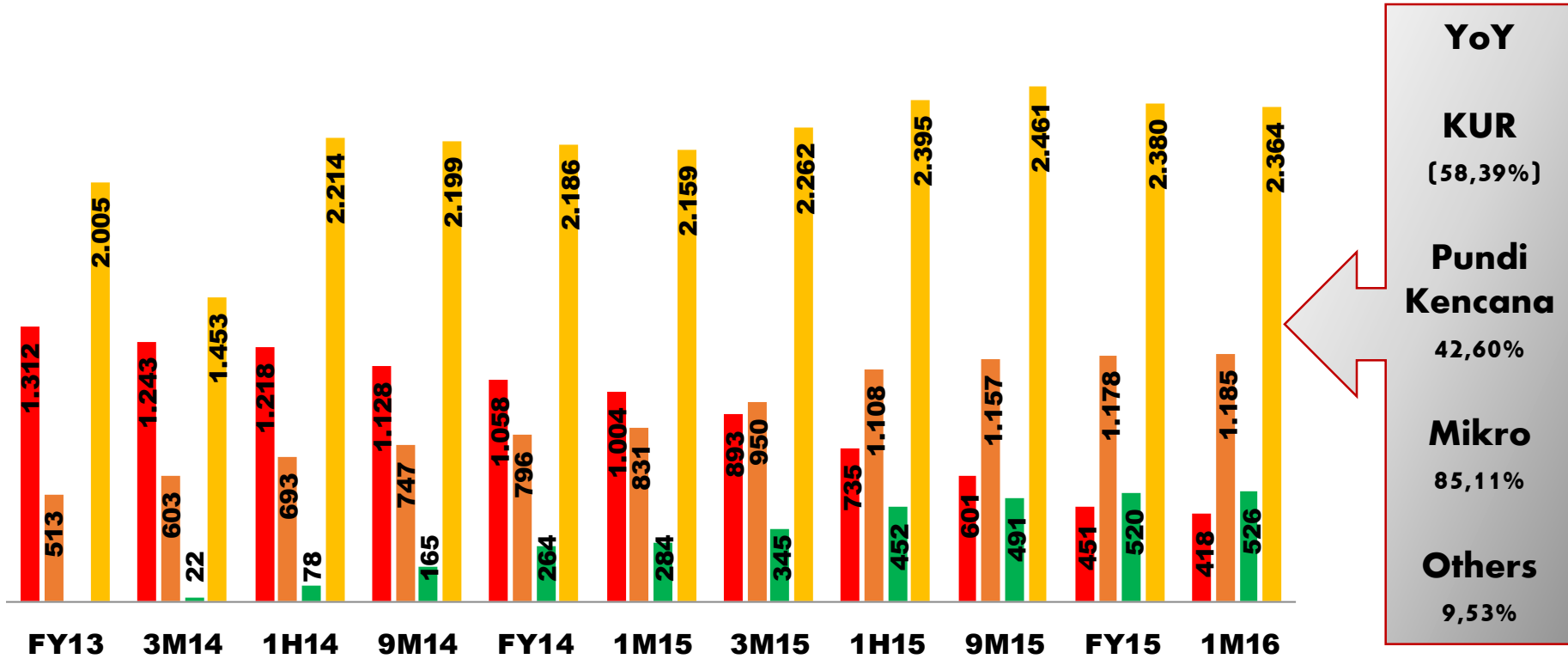
Overdraft
17,53%

Syndicate
15,28%

SME Loan

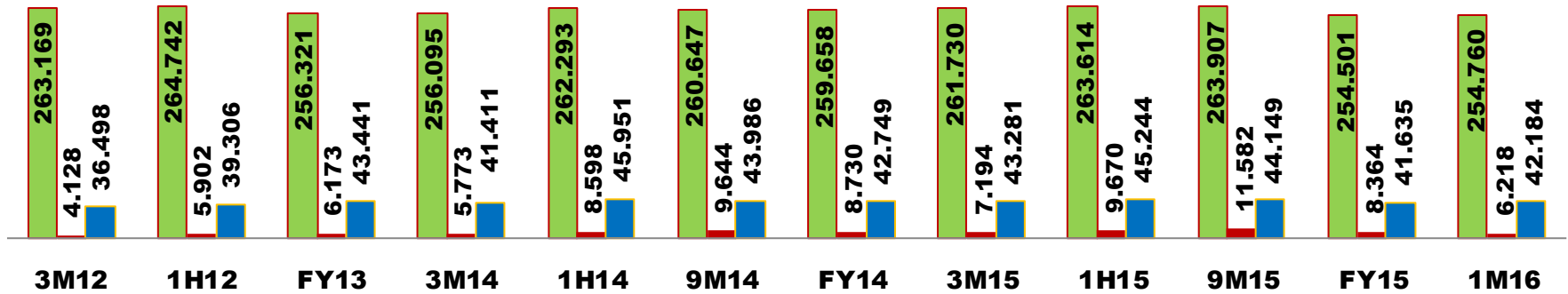
■ KUR ■ Pundi Kencana ■ Mikro ■ Others

In Billion Rp.



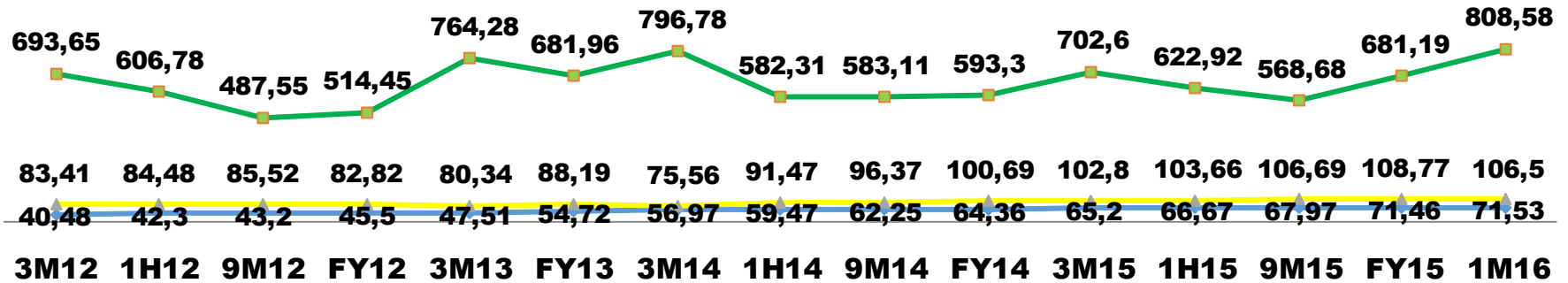
Total Customer

Consumer Commercial SME



Ticket Size

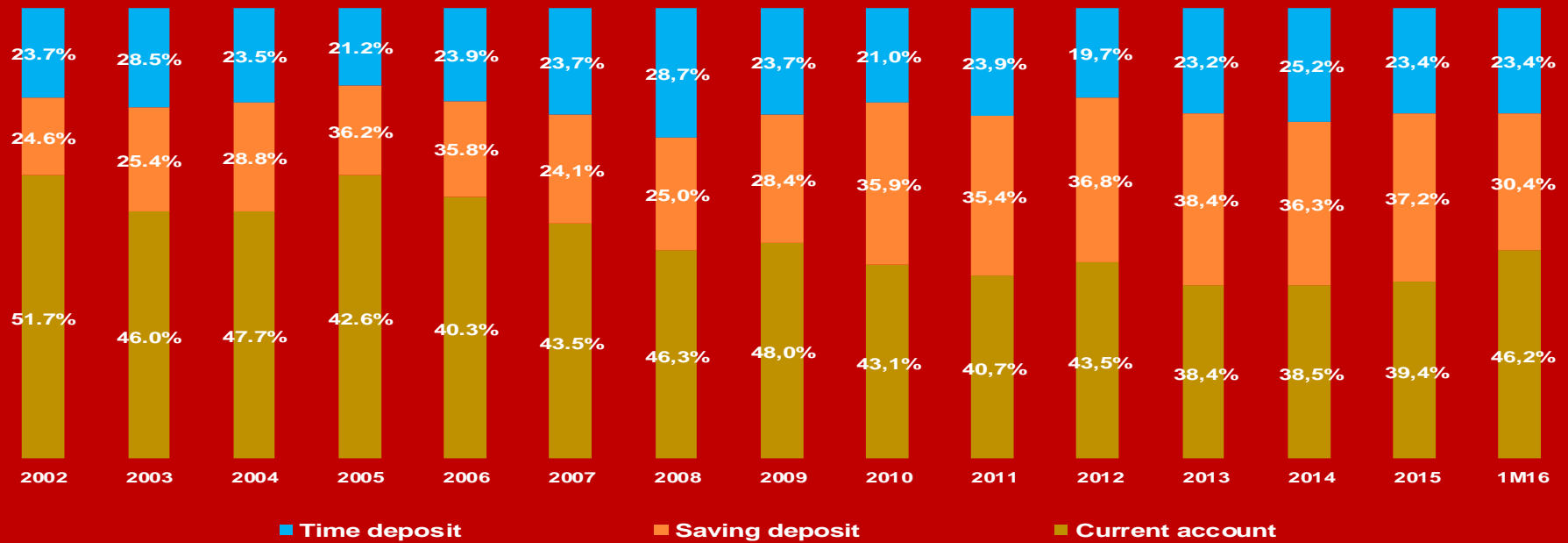
Consumer Commercial SME



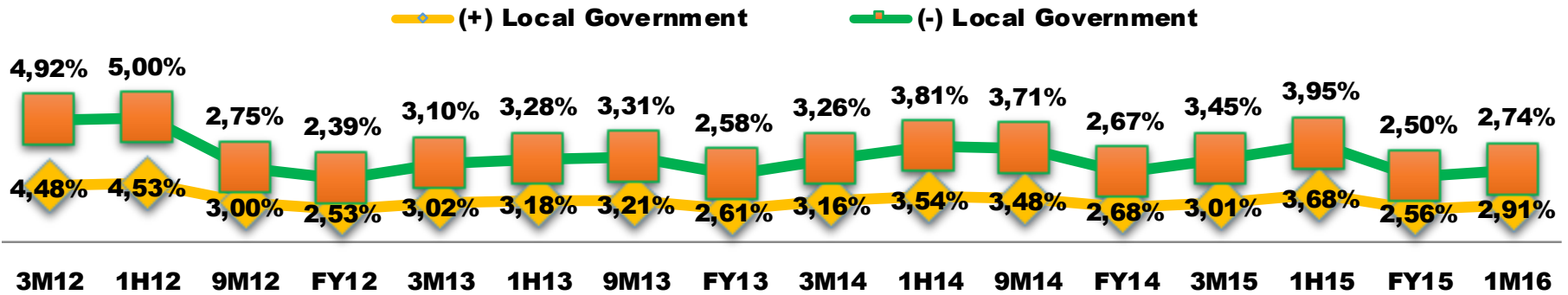
No	DATA	January 2015	January 2016
1	Board of Commisioner	4	5
2	Board of Sharia Supervisory	3	3
3	Director	5	5
4	Management 1	11	20
5	Management 2	73	94
6	Management 3	233	282
7	Management 4	644	705
8	Staff of Administration	1.796	2.012
9	Staff Non Administration	341	338
10	Non Permanent	833	606
11	Outsource	1.771	1.878
	Total	5.714	5.948

STRENGTH

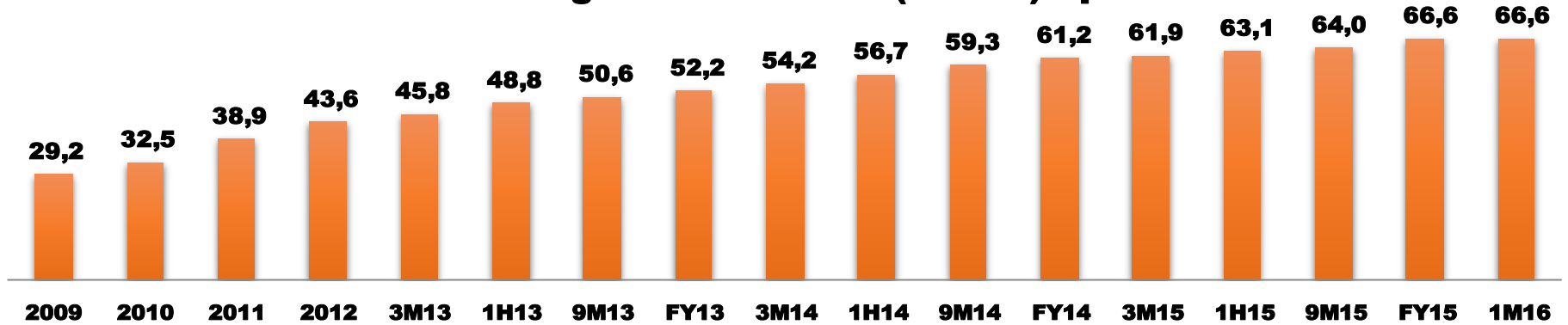
Strength Of Funding



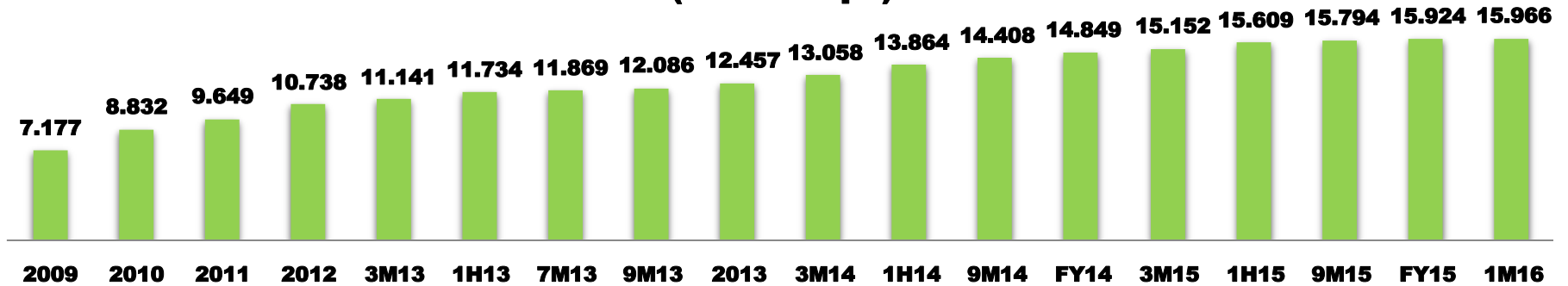
Cost of Fund



Multiguna Ticket Size (million) Rp.



Multiguna Loan Balance (Billion Rp.)



Description

Details

Civil Servants (per December 2014) 426.545




Multipurpose Customer (Civil Servants) 239.701

% 56,20%

NPL 0,29% as of Jan' 2016

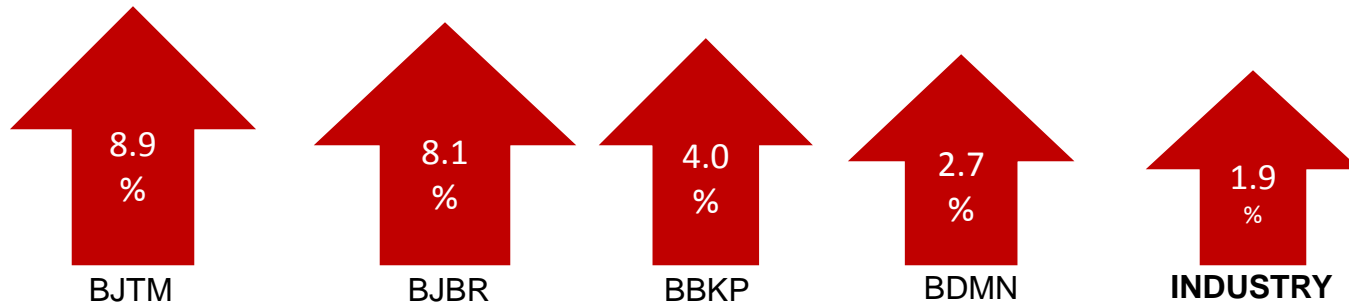
<u>Information</u>	<u>National</u>	<u>East Java</u>	<u>Bank Jatim</u>
Total Asset	13,44%	11,62%	22,01%
Third Party Fund	11,72%	10,80%	22,55%
- Current Account	6,38%	19,39%	26,73%
- Saving Account	19,85%	7,35%	14,75%
- Time Deposit	11,17%	10,78%	22,97%
Credit	11,10%	10,76%	12,07%
- Productive	11,47%	10,61%	14,54%
- Consumptive	10,11%	11,18%	10,57%

Source: Data **September 2014** and **September 2015** Bank Indonesia & KEKR Prov Jatim

<u>Information</u>	<u>Asset</u>	<u>Loan</u>	<u>Fund</u>	<u>Equity</u>
BJTM	 22,01%	 12,07%	 22,55%	4,43%
BJBR	21,47%	11,75%	26,81%	8,69%
BBTN	16,58%	19,04%	22,22%	11,40%
BKPN	14,84%	24,50%	14,68%	10,66%
BBRI	13,54%	11,80%	12,32%	17,46%
BMRI	13,48%	10,70%	10,78%	14,24%
BBNI	11,87%	14,62%	13,33%	9,96%
BTPN	11,74%	11,35%	10,76%	16,34%
BBCA	8,65%	10,33%	7,01%	26,84%
BDMN	0,33%	-3,65%	-1,60%	4,88%

Source: Data **September 2014** and **September 2015** corporate website

Strength of High Dividen Yield



Bank (1/2/2016)	Price	Market Cap Rp bn	PER %	PBV %	Dividend Yield %
BBCA	13.100	322.981	16,2	3,0	1,3
BBRI	11.225	276.911	10,3	2,0	1,9
BMRI	9.600	224.000	11,0	1,7	1,8
BBNI	4.910	91.565	8,3	1,3	2,4
BDMN	4.060	38.914	13,0	1,1	2,7
BTPN	2.150	12.557	6,3	0,8	2,1
BBTN	1.365	14.445	6,9	0,9	2,7
BJBR	870	8.436	6,2	1,0	8,1
BBKP	630	5.725	4,8	0,7	4,0
BJTM	450	6.713	6,6	1,0	8,9

Source: Securities (Pebruary 1, 2016)

January 2015

Foreign Institution Investor
58,32 % from public shares

Domestic Investor
41,68 % from public shares

Public shares 20 %
from paid capital

January 2016

Foreign Institution Investor
68,77% from public shares

Domestic Investor
31,23 % from public shares

January 2016 BJTM Investor Country

No	Country	Share
1	INDONESIA	31,2301%
2	SIPRUS	20,2002%
3	NORWEGIA	13,4591%
4	AMERIKA	10,7276%
5	FINLANDIA	5,7695%
6	VIRGIN ISLAND	5,3292%
7	LUKSEMBURG	3,3904%
8	IRLANDIA	2,9835%
9	INGGRIS	1,8107%
10	SWITSERLAND	1,5707%
11	JEPANG	1,1094%
12	AUSTRALIA	0,9854%
13	KANADA	0,5285%

No	Country	Share
14	DENMARK	0,2590%
15	SWEDIA	0,2489%
16	SINGAPURA	0,2192%
17	CAYMAN ISLAND	0,0750%
18	CINA	0,0427%
19	SELANDIA BARU	0,0331%
20	BELANDA	0,0145%
21	KOREA SELATAN	0,0067%
22	MALAYSIA	0,0025%
23	FILIPINA	0,0022%
24	JERMAN	0,0015%
25	BELGIA	0,0003%
Total		100%

**Investor Relation (IR)
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