

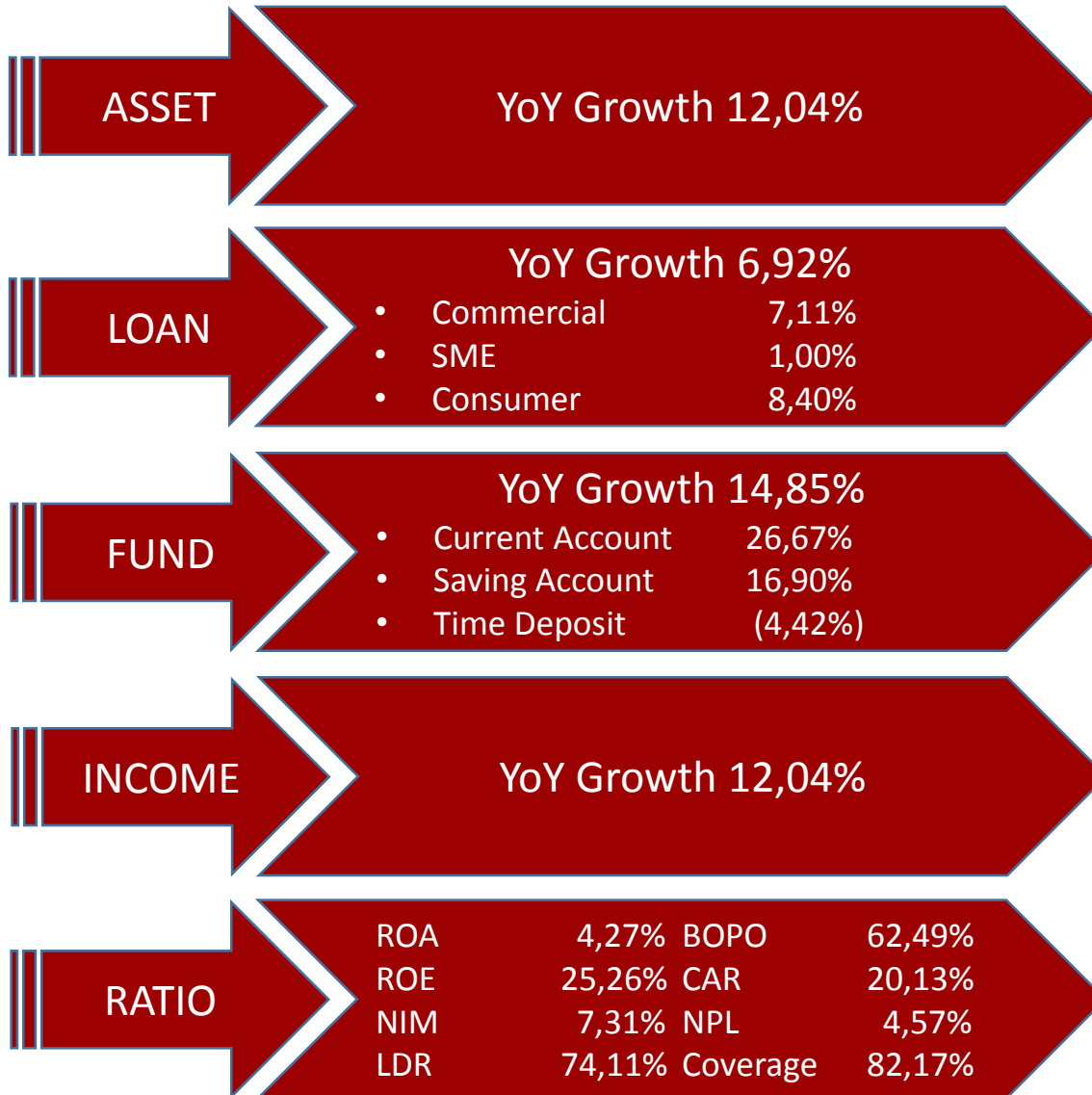
BJTM
COMPANY PERFORMANCE

2 M 16

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OVERVIEW

2M16 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
- (Feb'16 -> 75.98%)
- Low Cost of Fund 3,80%

LOAN

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

STOCK

- High Institutional Shareholder
- (68% 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>2M15</u>	<u>2M16</u>	<u>YoY</u>
Loan	26.110.357	27.917.767	6,92%
- Commercial	4.854.632	5.199.969	7,11%
- SME	4.356.468	4.399.819	1,00%
- Consumer	16.899.256	18.317.979	8,40%

<u>FUND</u> In million Rp	<u>2M15</u>	<u>2M16</u>	<u>YoY</u>
Third Party Fund	32.801.890	37.672.340	14,85%
- Current Account	13.768.425	17.440.772	26,67%
- Saving Account	9.564.771	11.181.679	16,90%
- Time Deposit	9.468.695	9.049.889	-4,42%

- 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>2M15</u>	<u>2M16</u>	<u>YoY</u>
Nett Interest Income	526.895	584.270	10,89%
Nett Non Interest Operational Income (Expense)	(288.728)	(262.579)	-9,06%
Nett profit	190.472	227.307	19,34%
- ROA	3,85%	4,27%	
- ROE	19,04%	25,26%	
- NIM	7,47%	7,31%	

- Dealer Treasury activity's became significant contributor for interest income, the portion raises to 20% of interest income up to Rp 170 billion and 49% YoY.
- Operational profit increased due to higher interest income and lower impairment losses.
- With BOPO ratio only 62,49%, NIM 7,31%, and COF 3,80%, our nett profit increased 19,34% YoY.

<u>NPL</u>	<u>11M15</u>	<u>12M15</u>	<u>1M16</u>	<u>2M16</u>
Consumer	0,83%	0,74%	0,77%	0,81%
SME	10,52%	11,11%	11,44%	11,65%
Commercial	10,78%	9,97%	11,59%	11,46%
NPL GROSS	4,52%	4,29%	4,51%	4,57%
Coverage Ratio	83,65%	81,02%	82,14%	82,17%

- Bank Jatim still faced the non performing loan and yet to decrease, the rising of the NPL last year caused by:
 - 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 came from the same debtors as last year, we still maintain the debtor to restructuring or rescheduling the credit based on their business. Some of the standby loan's debtor waiting from the appeal completion in court.



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%	6,65%
Loan	8,46%	14,98%
Third Party Fund	13,19%	9,32%
Financial Ratio		
- CAR	21,22%	17,52%
- LDR	82,92%	88,46%
- NPL Gross	4,29%	3,8%
- NIM	6,41%	7,36%
- BOPO	76,11%	74,54%
- ROE	16,11%	19,08%
- ROA	2,67%	3,23%

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	2M16
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	166
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	689
Total network	465	561	759	904	1.072	1.291	1.425	1.427

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

EAST JAVA TRADING REPRESENTATIVE OFFICE

- To support East Java's business in Indonesia, Bank Jatim will open trading representative offices to the other province. For the beginning, it will be established in Riau and Nusa Tenggara Timur Province. Next year will be established in 3 other provinces.

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

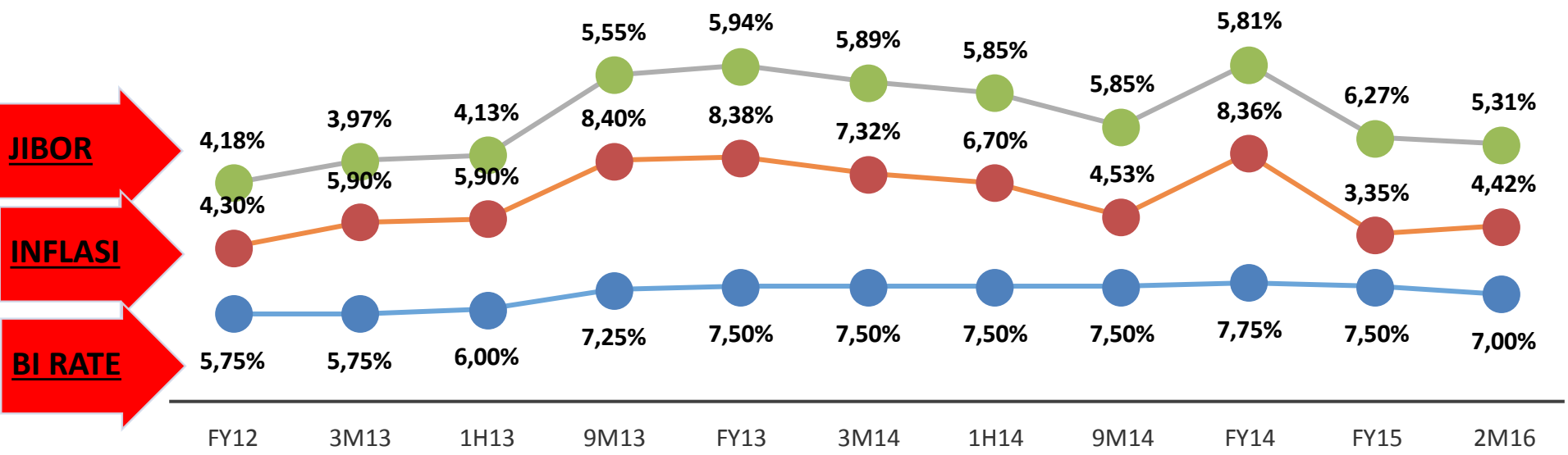
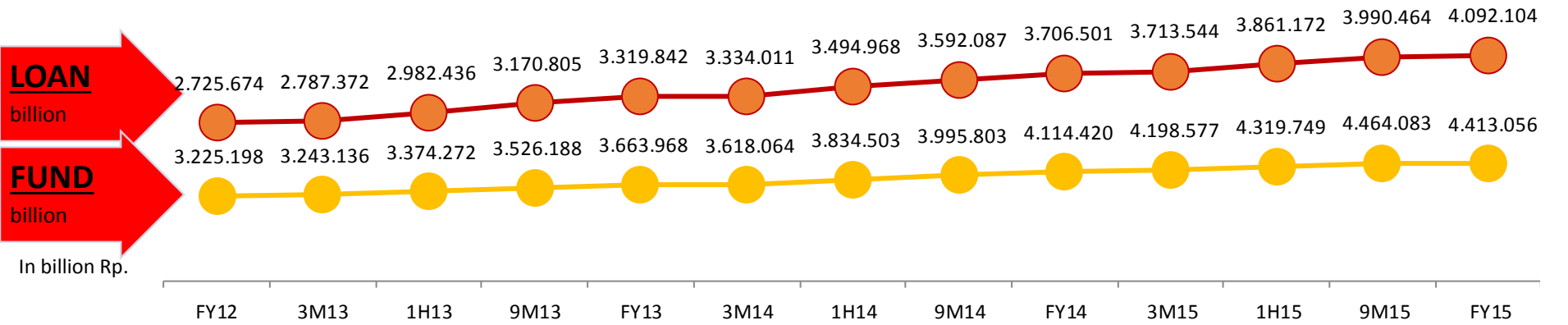
NETWORK & OPS

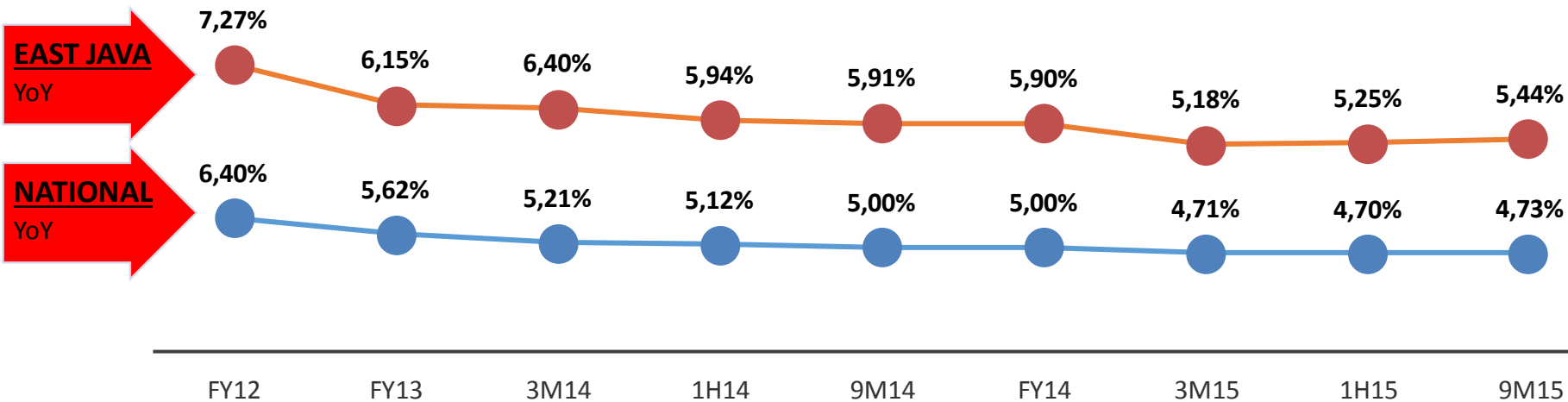
STRATEGY

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

APPENDIX

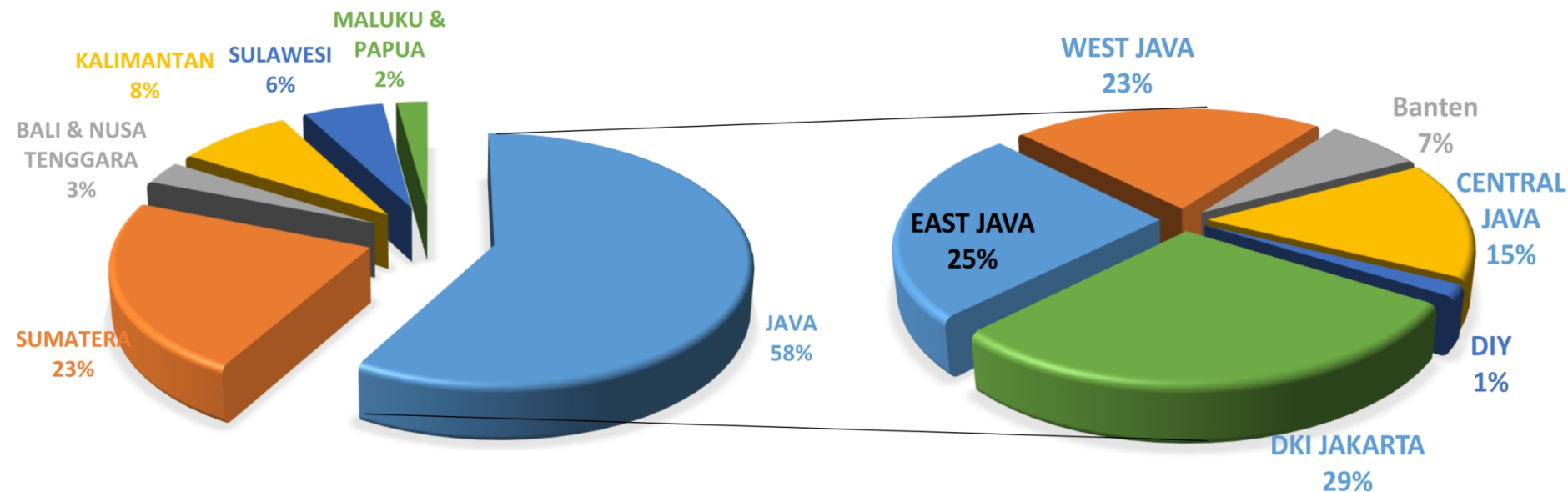
ECONOMIC OUTLOOK





INDONESIA Economic Share

JAVA Regional Economic Share



FINANCIAL HIGHLIGHTS

<u>Information</u> In million Rp	<u>2M15</u>	<u>2M16</u>	<u>YoY</u>
Total Asset	40.882.363	45.804.895	12,04%
Placement BI & Other	9.140.656	10.792.215	18,07%
Loan	26.110.357	27.917.767	6,92%
Impairment Losses	(688.938)	(1.048.289)	52,16%
Third Party Fund	32.801.890	37.672.340	14,85%
- Current Account	13.768.425	17.440.772	26,67%
- Saving Account	9.564.771	11.181.679	16,90%
- Time Deposit	9.468.695	9.049.889	-4,42%
Equity	6.673.495	5.876.880	-11,94%

Profit & Loss

<u>Information</u> In million Rp	<u>2M15</u>	<u>2M16</u>	<u>YoY</u>
Interest Income	704.085	788.835	12,04%
Interest Expense	(177.190)	(204.565)	15,45%
Nett Interest Income	526.895	584.270	10,89%
Non Interest Operational Income	64.658	68.802	6,41%
Non Interest Operational Expense	(233.268)	(257.823)	10,53%
Impairment Losses Expense	(120.117)	(73.558)	-38,76%
Nett Non Interest Operational Income (Expense)	(288.728)	(262.579)	-9,06%
Operational Profit	238.167	321.690	35,07%
Non Operational Profit	25.502	2.370	-90,70%
Pre Tax Profit	263.669	324.061	22,90%
Taxes	(73.198)	(96.753)	32,18%
Net profit	190.472	227.307	19,34%

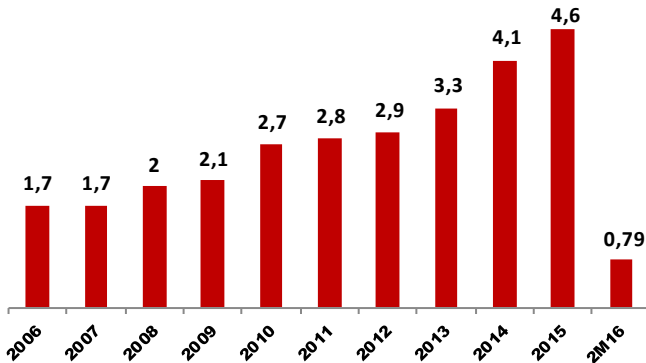
Income & Expense Growth

<u>Information</u> In million Rp	<u>2M15</u>	<u>2M16</u>	<u>YoY</u>
Placement others bank	54.297	62.327	14,79%
Marketable Securities	43.690	89.845	105,64%
Fees & Commissions	36.011	54.613	51,65%
Current Account Expense	(52.452)	(62.020)	18,24%
Saving Accounts Expense	(26.200)	(31.678)	20,91%
Deposits Expense	(95.879)	(103.597)	8,05%
Salaries	(108.569)	(128.162)	18,05%
Education & Training	(2.613)	(682)	-73,88%
Rental	(19.117)	(20.740)	8,49%

Financial Performance

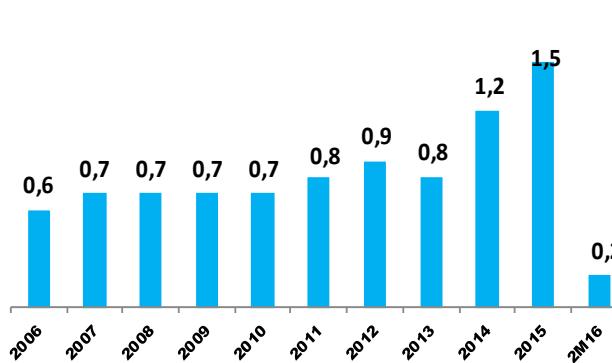
INTEREST INCOME (Rp Tril)

CAGR = 12,47%



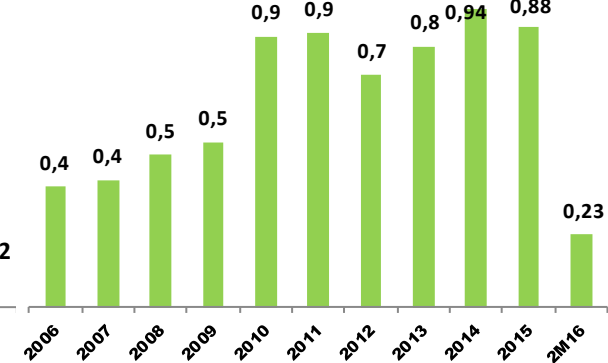
INTEREST EXPENSE (Rp Tril)

CAGR = 10,93%



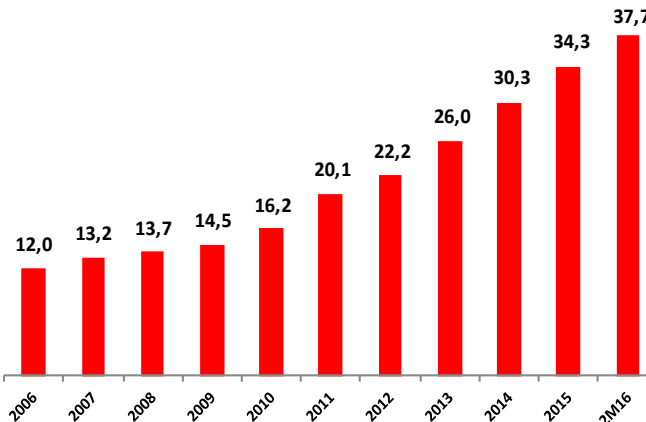
NET PROFIT (Rp Tril)

CAGR = 14,70%



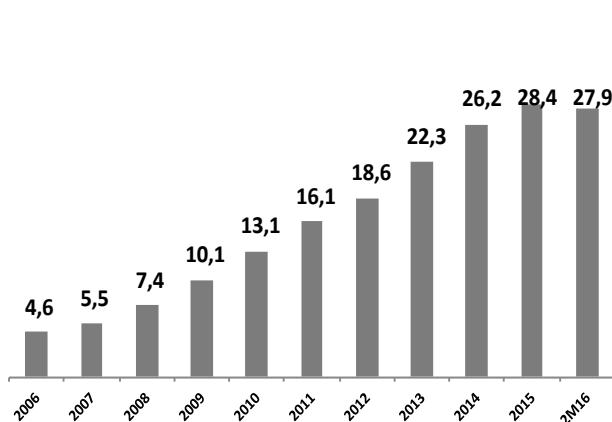
THIRD PARTY FUND (Rp Tril)

CAGR = 13,72%



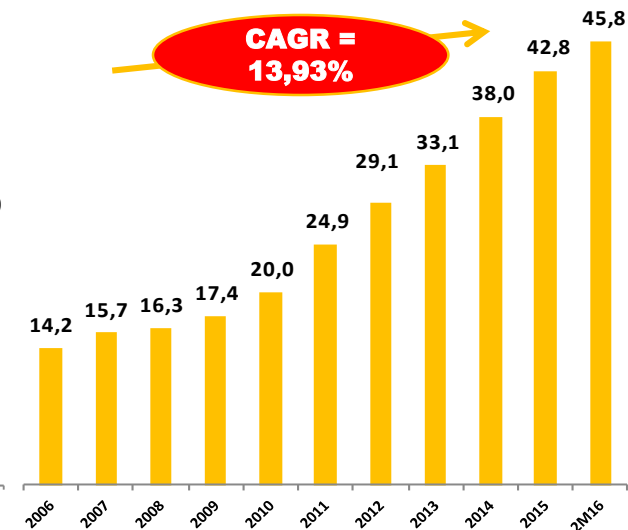
LOAN (Rp Tril)

CAGR = 21,00%

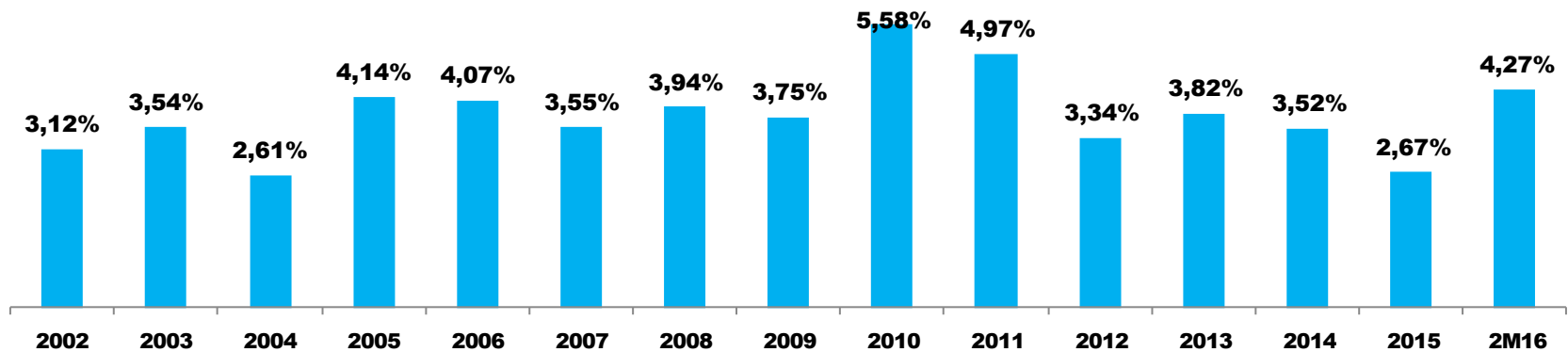


TOTAL ASSET (Rp Tril)

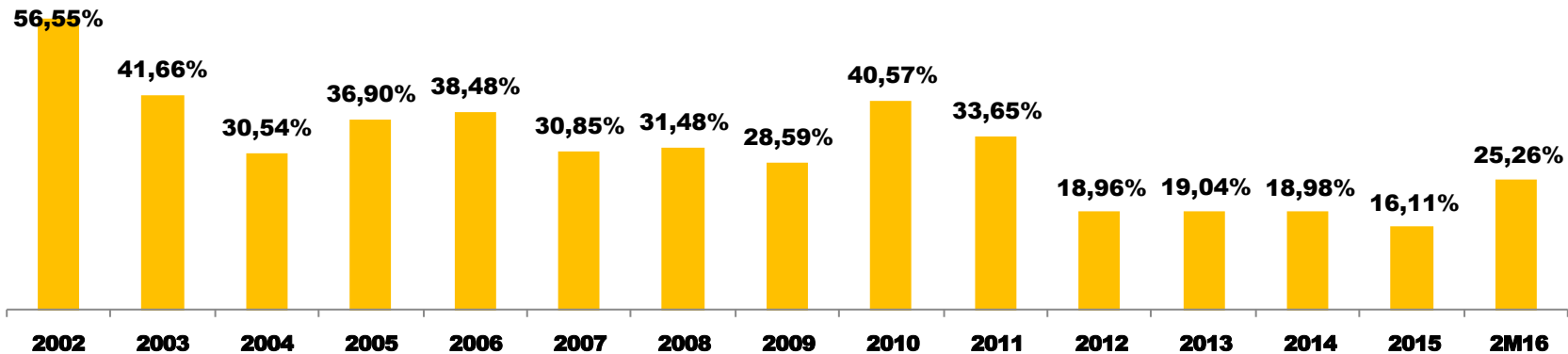
CAGR = 13,93%



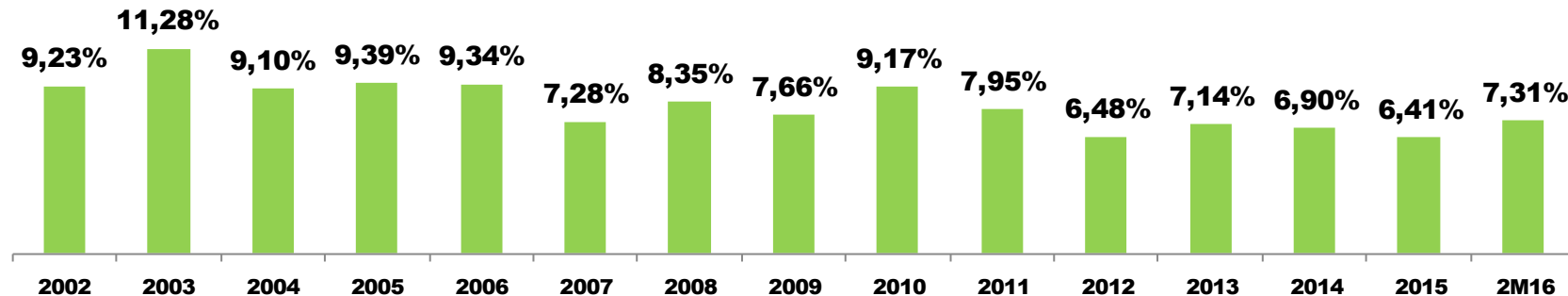
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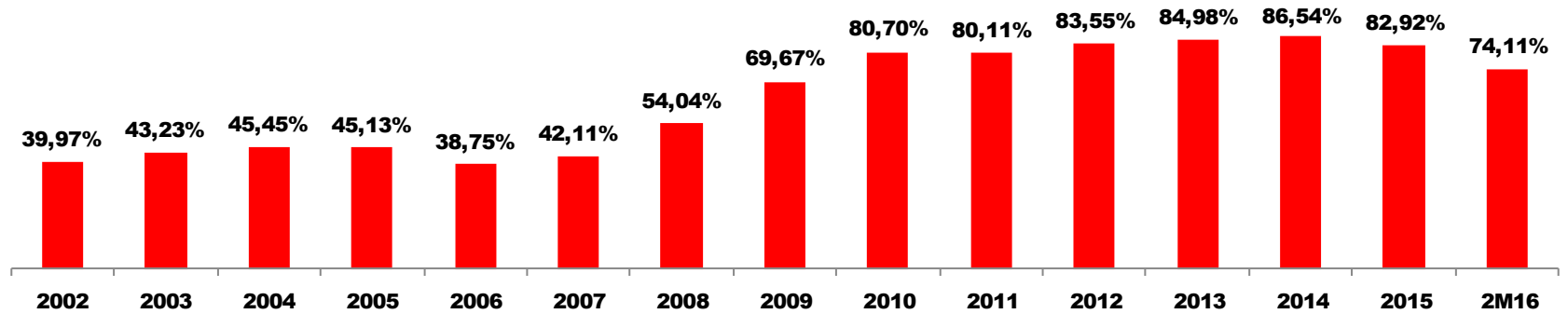
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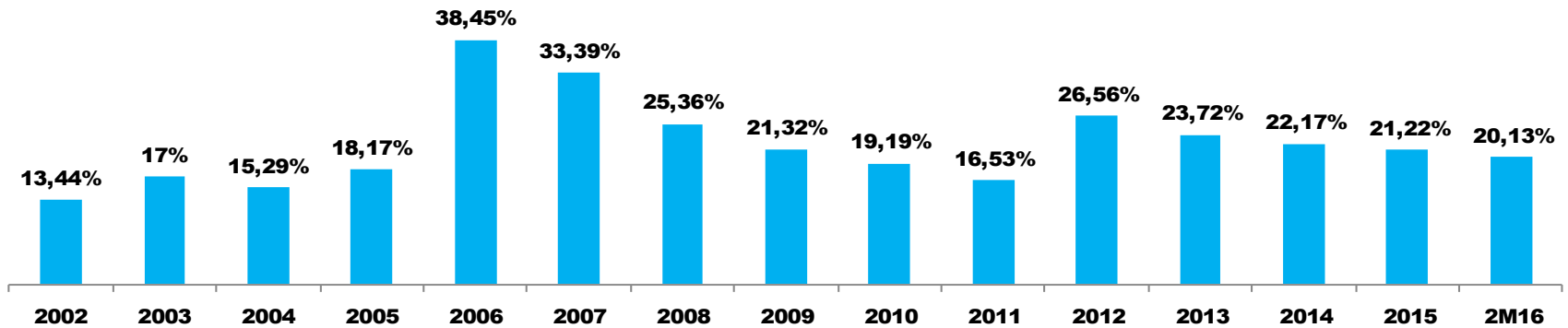
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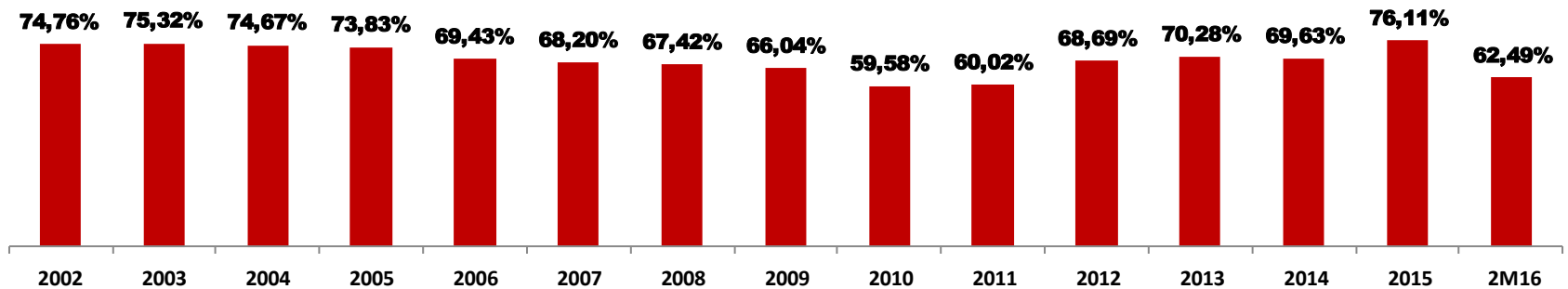
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**C
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OVERVIEW & INVESTMENT HIGHLIGHTS



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

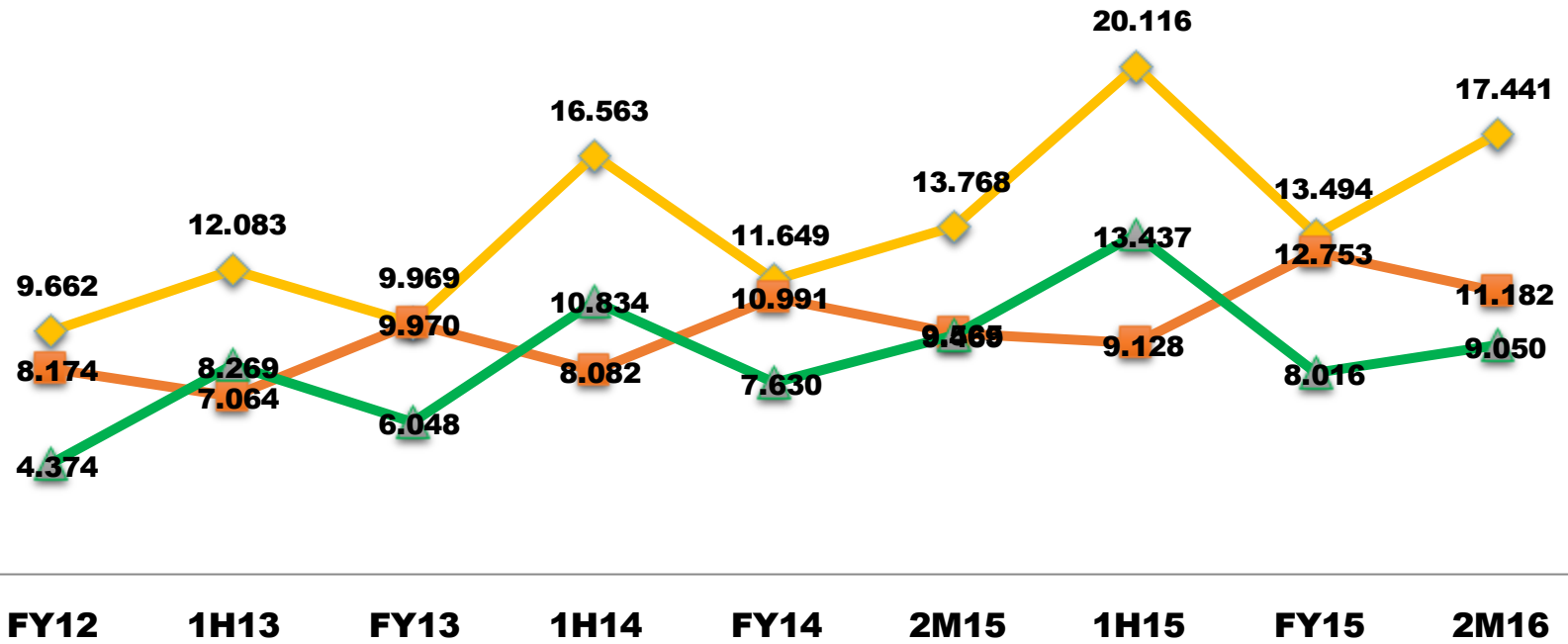
(Head of Jombang Branch, Head of Medium and Corporate Loan Sub-Division, Acting Head of Special Credit Division, Head of Jakarta Branch, Head of Treasury Division, and Agribusiness and Sharia Business Director)

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.



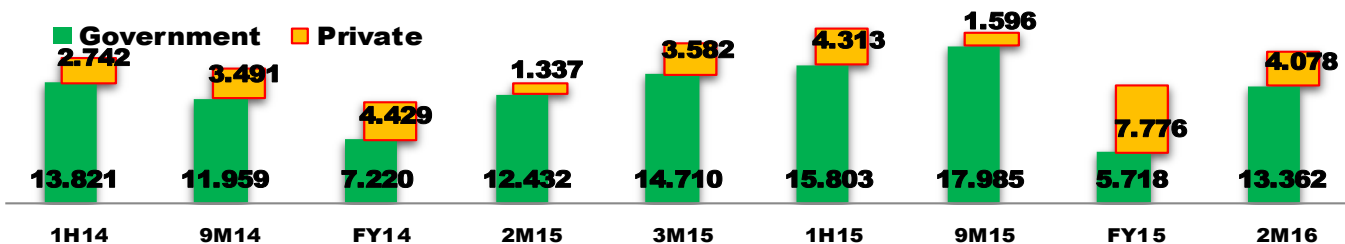
Current Account
 YoY 26,67%

Saving Account
 YoY 16,90%

Time Deposit
 YoY (4,42%)

In Billion Rp.

Current Account



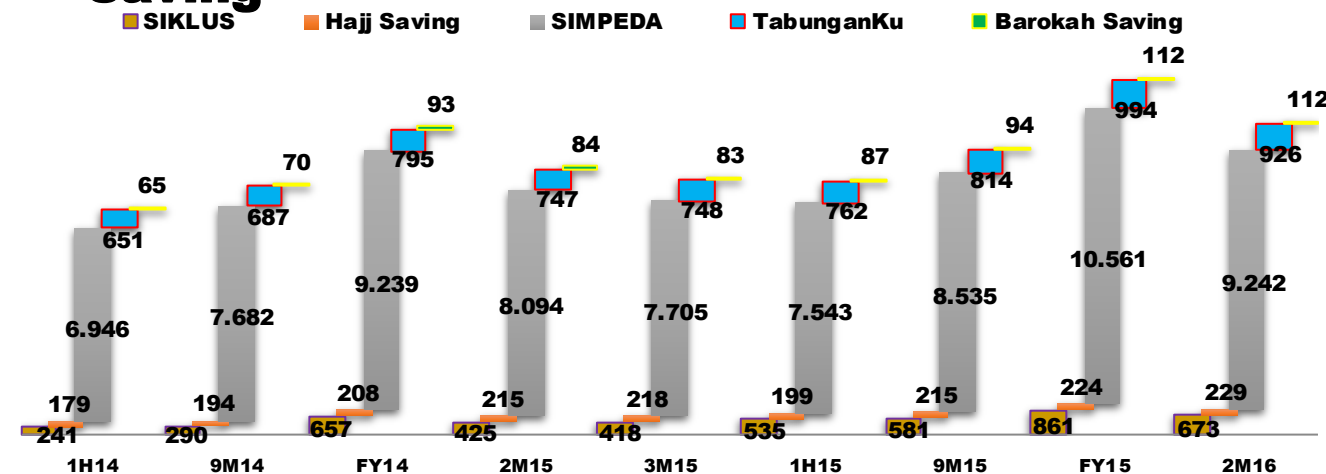
Government Current Acc.

YoY 7,49%

Private Current Acc.

YoY 205,09%

Saving



YoY

SIMPEDA 14,18%

SIKLUS 58,41%

Hajj Saving 6,15%

TabunganKu 24,08%

Barokah Saving 33,44%

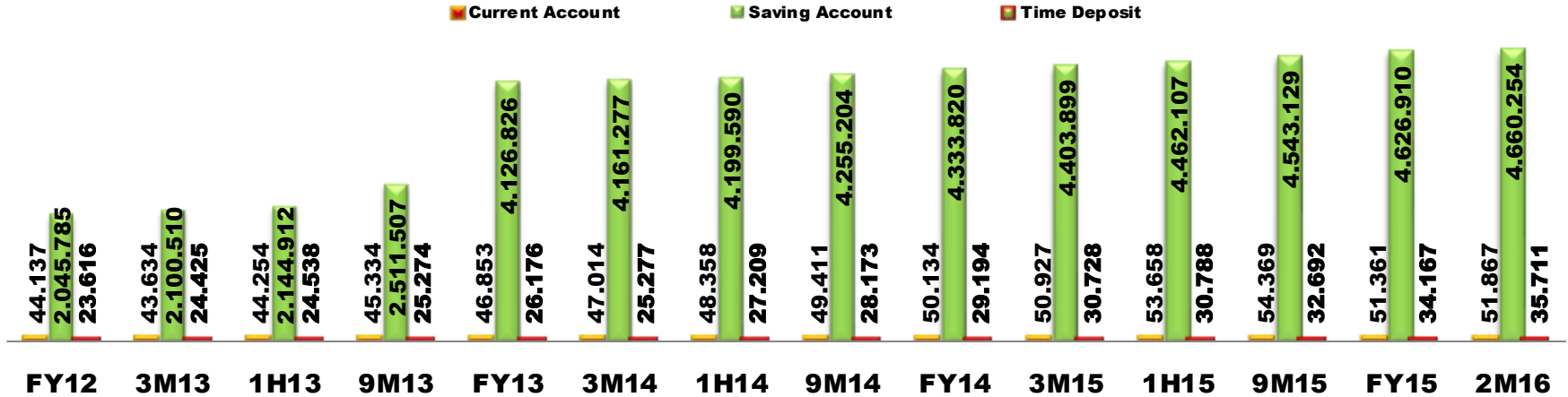
Time Deposit



Time Deposit

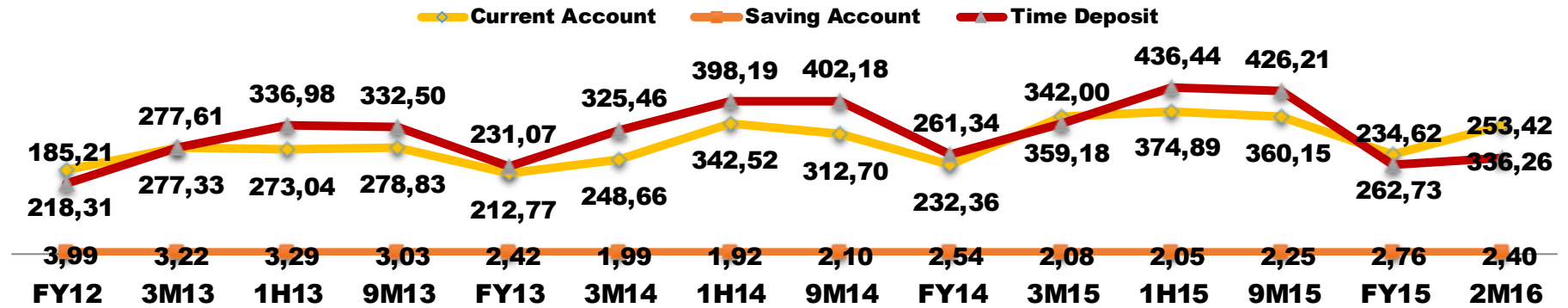
YoY (4,42%)

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

Transfer Uang

Beli Pulsa

Bayar TV Kabel, Tiket Pesawat, Tagihan Multi Finance

Transaksi lainnya

**SMS BANKING
3366**

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

Tentukan pilihan Anda, tetap nikmati bunganya!!

tabungan SIKLUS

SimPel nabungnya,

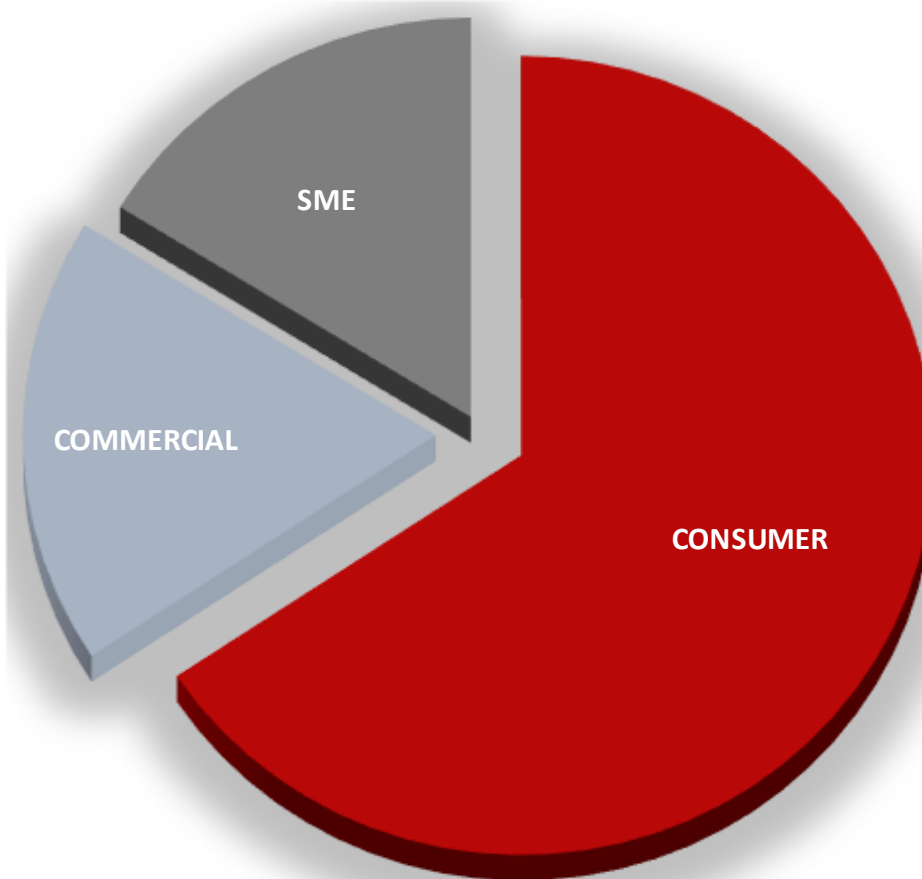
SiUMI
SIKLUS MIKRO KECIL

bankjatim

6036 0980 9999 3939

NURCE LUNMAY

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

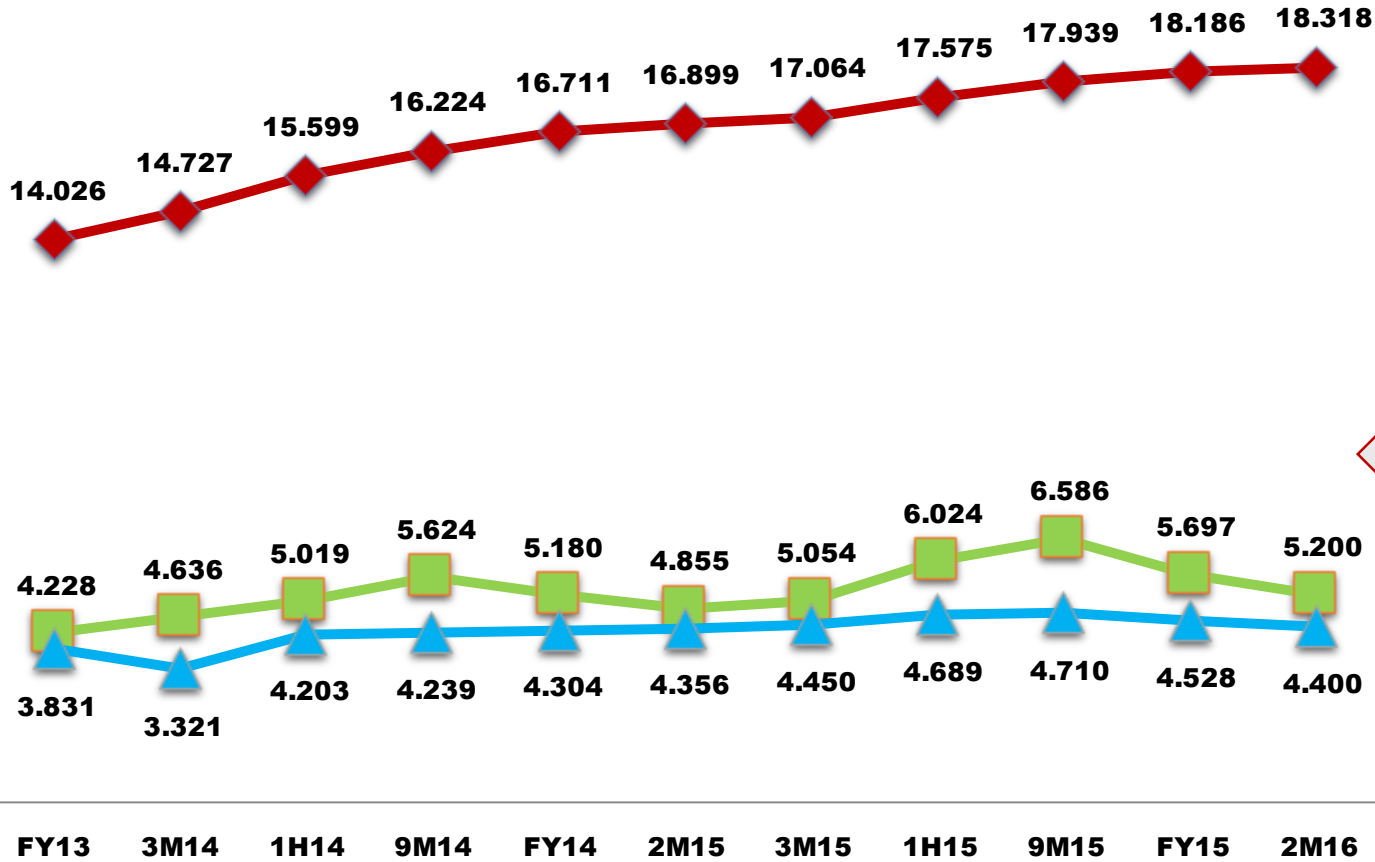


CONSUMER LOAN	Feb'15	Feb'16
Multipurpose	57,54%	57,49%
Mortgage	5,06%	5,13%
Others	2,12%	3,00%
Total	64,72%	65,61%
COMMERCIAL LOAN	Feb'15	Feb'16
Standby Loan	2,99%	2,13%
Keppres	1,54%	1,77%
Overdraft	9,49%	9,84%
Syndicate	4,56%	4,90%
Total	18,59%	18,63%
Small Medium Ent.	Feb'15	Feb'16
KUR	3,64%	1,37%
Pundi Kencana	3,40%	4,30%
Jatim Mikro	1,18%	1,89%
Others	8,47%	8,19%
Total	16,68%	15,76%

Type Of Loan

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

In Billion Rp.



YoY

Consumer
8,40%

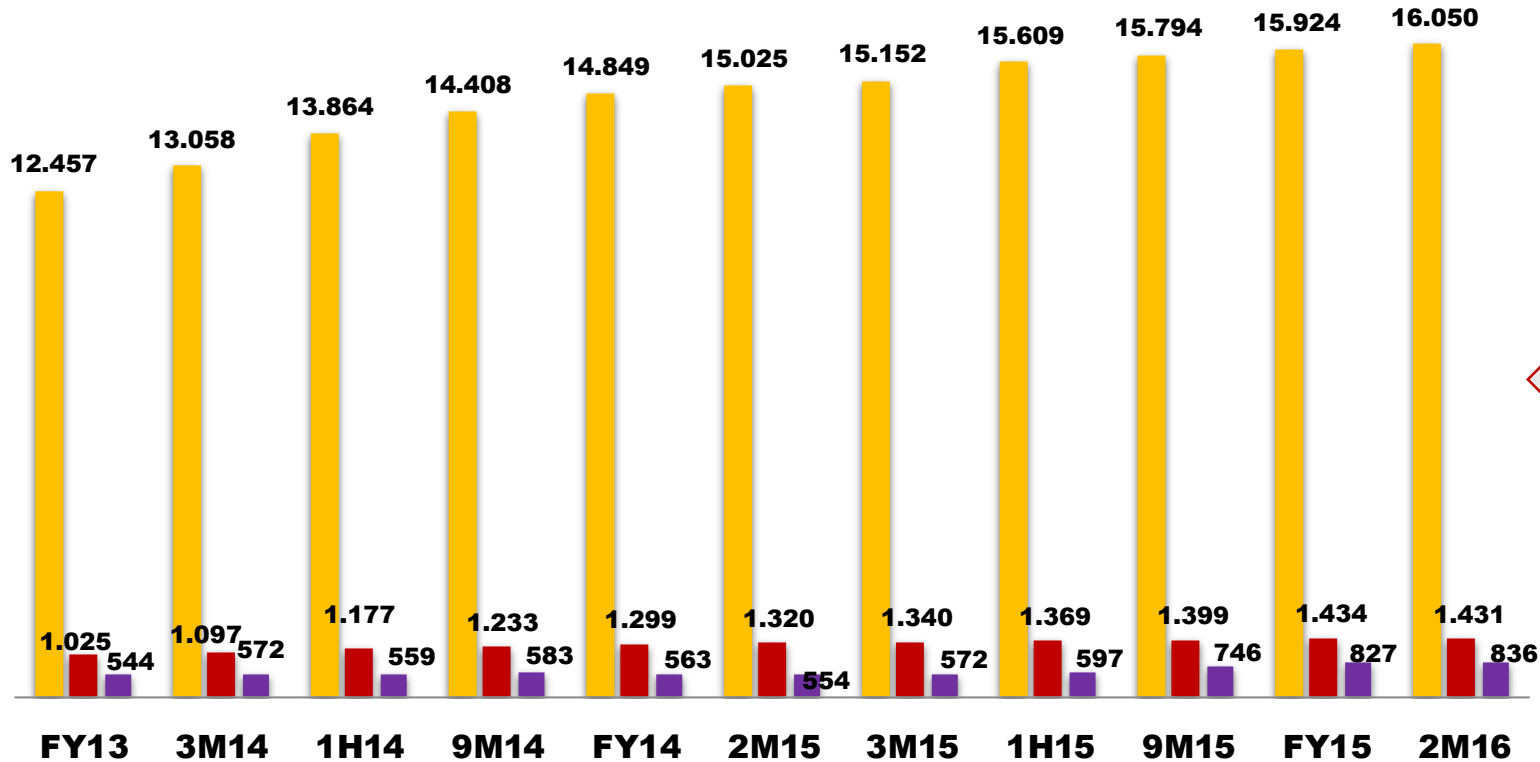
Commercial
7,11%

SME
1,00%

Consumer Loan

In Billion Rp.

■ Multipurpose ■ Mortgage ■ Others



YoY

Multi purpose
6,83%

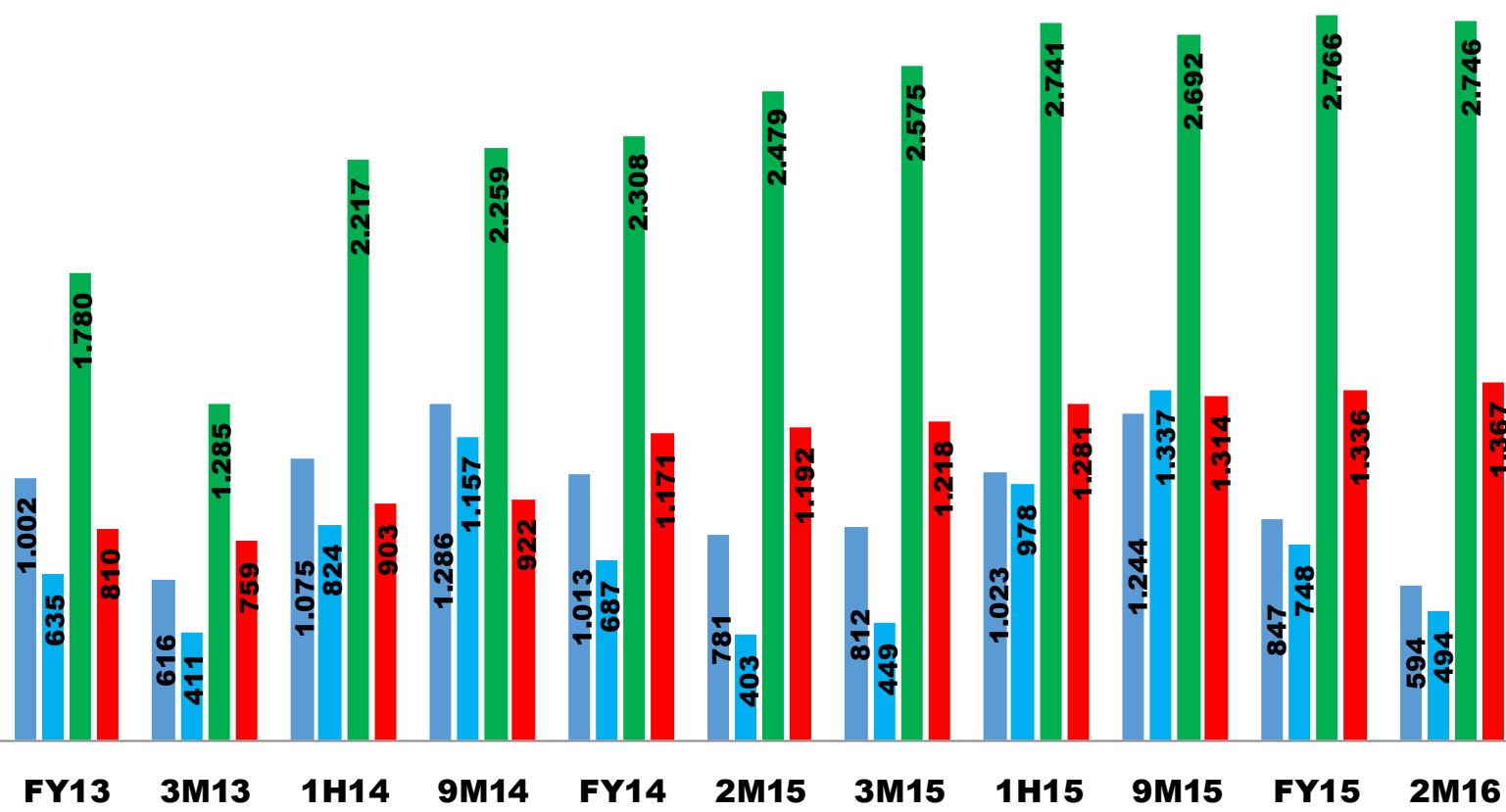
Mortgage
8,40%

Others
50,93%

Commercial Loan

In Billion Rp.

■ Standby Loan ■ Keppres ■ Overdraft ■ Syndicate



YoY

Standby Loan
[24,01%]

Keppres
22,53%

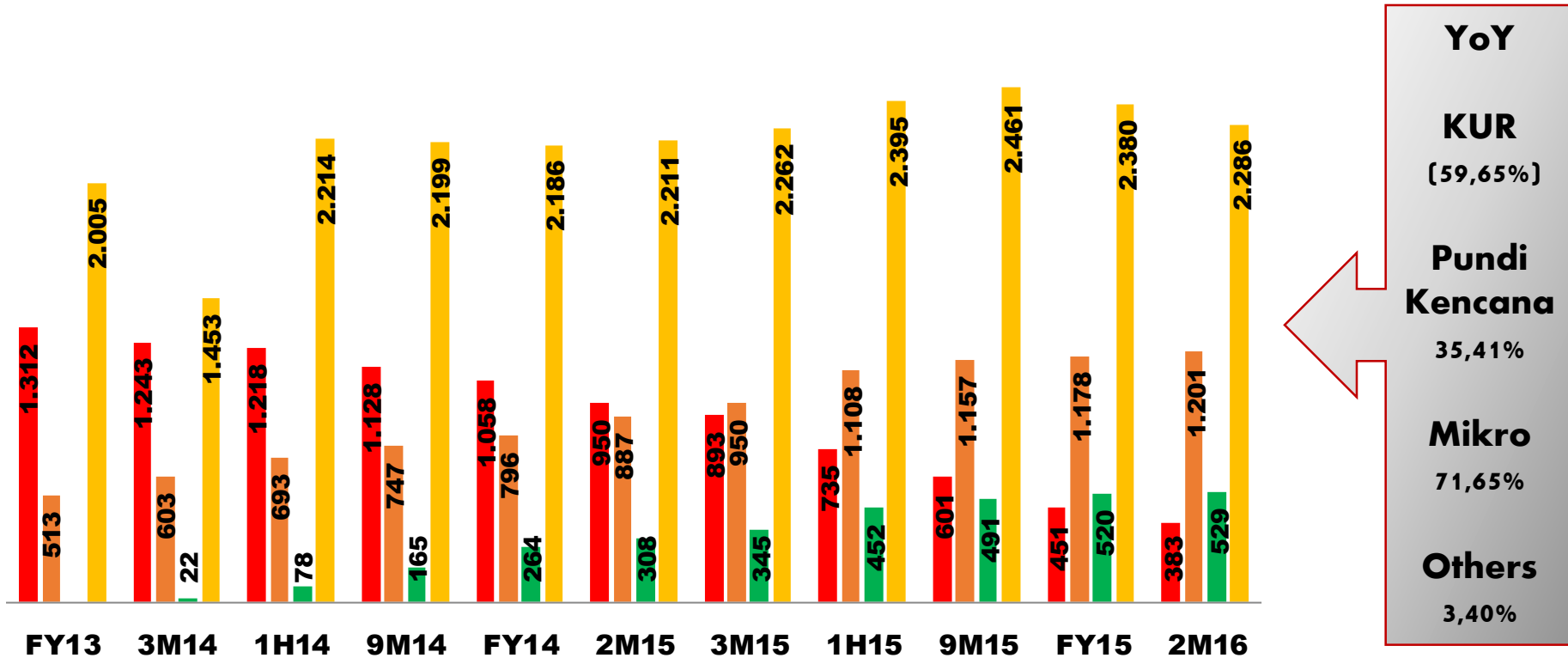
Overdraft
10,77%

Syndicate
14,70%

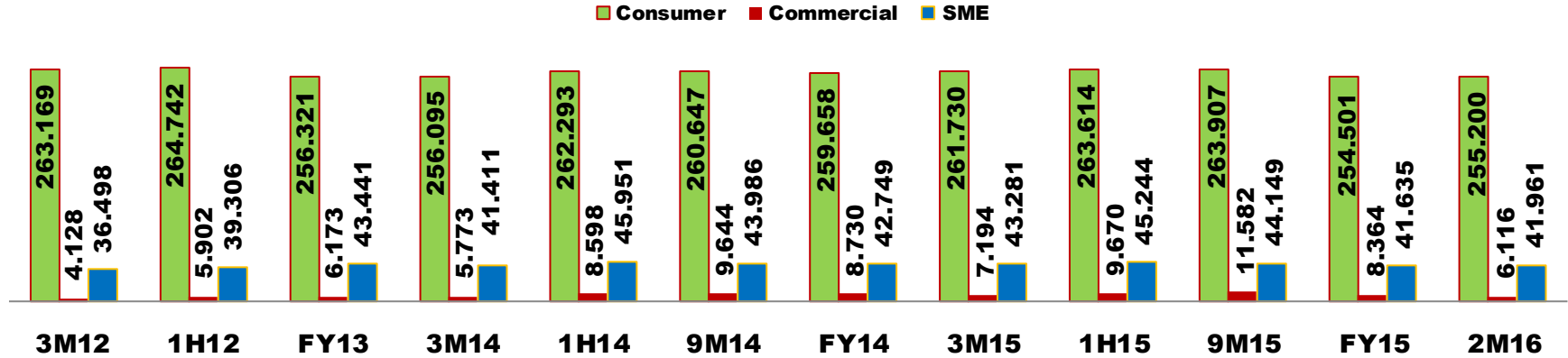
SME Loan

■ KUR ■ Pundi Kencana ■ Mikro ■ Others

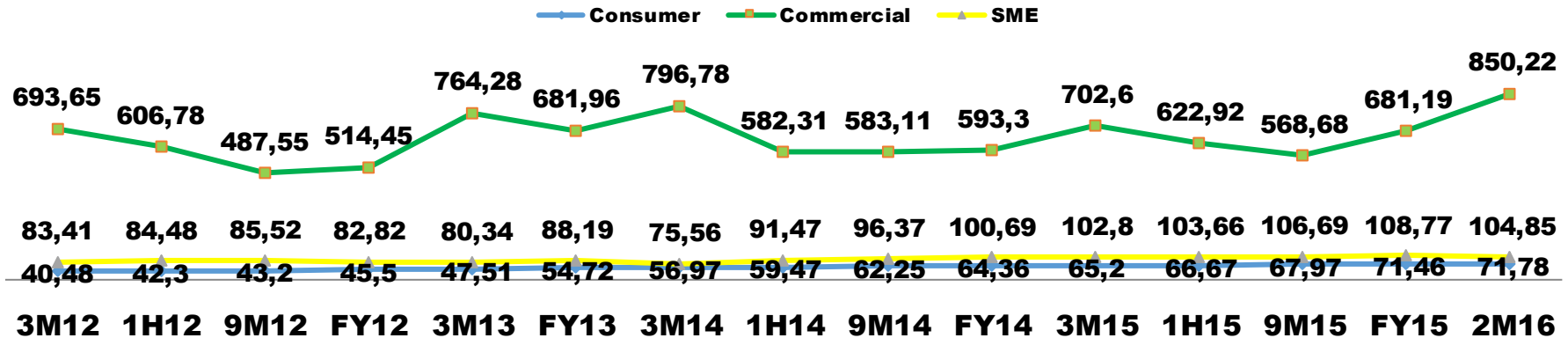
In Billion Rp.



Total Customer



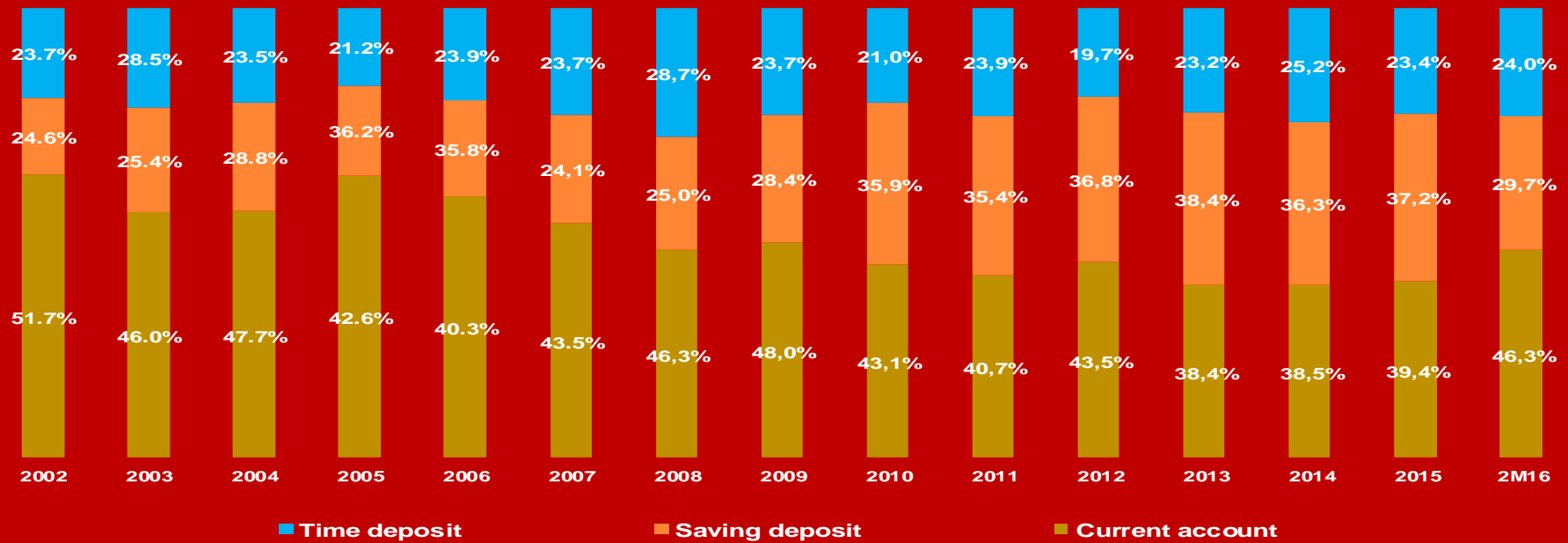
Ticket Size



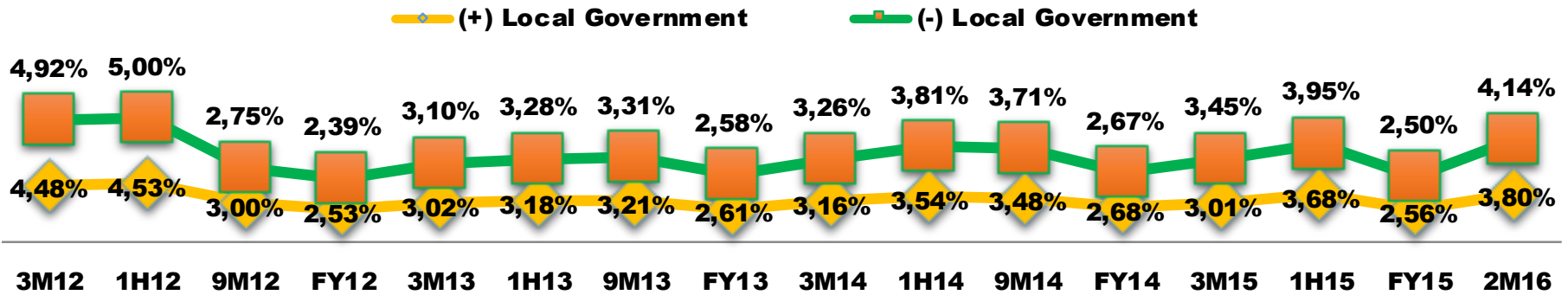
No	DATA	February 2015	February 2016
1	Board of Commisioner	4	5
2	Board of Sharia Supervisory	3	3
3	Director	5	5
4	Management 1	11	22
5	Management 2	73	96
6	Management 3	232	288
7	Management 4	643	707
8	Staff of Administration	1.788	1.994
9	Staff Non Administration	341	336
10	Non Permanent	828	909
11	Outsource	1.772	1.861
	Total	5.700	6.226

STRENGTH

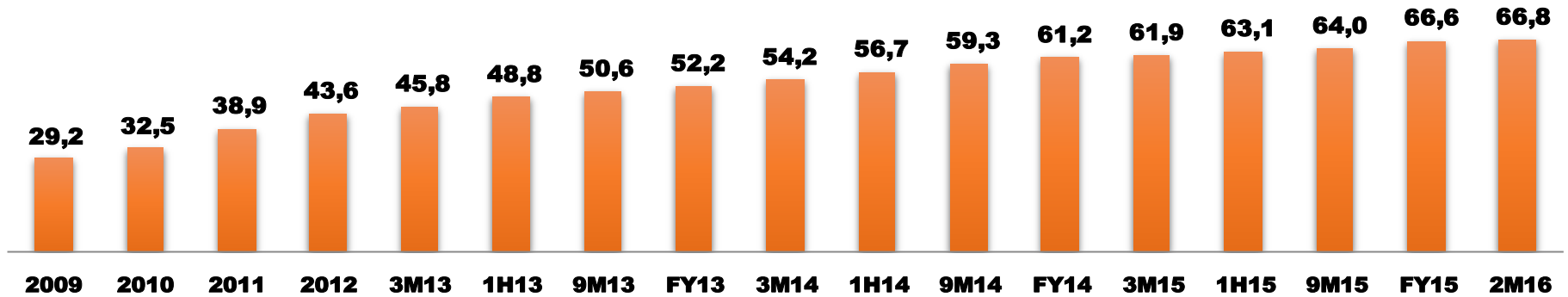
Strength Of Funding



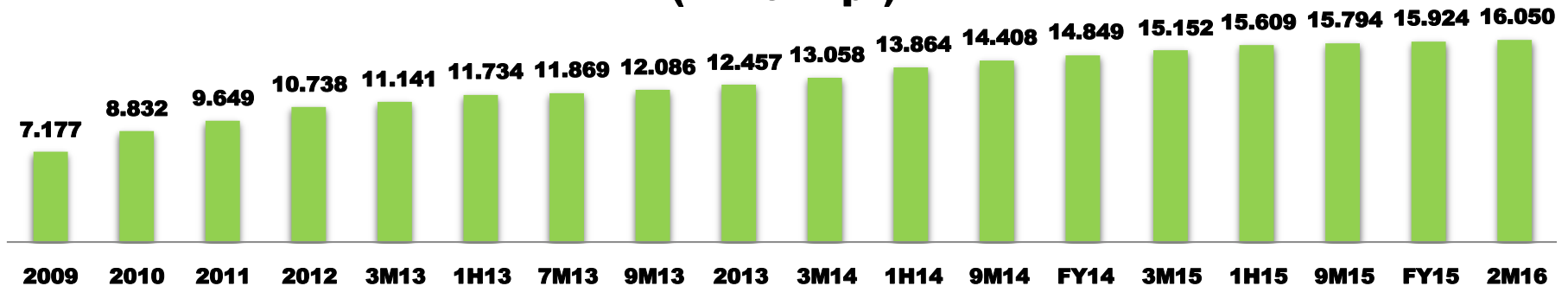
Cost of Fund



Multiguna Ticket Size (million) Rp.



Multiguna Loan Balance (Billion Rp.)



Description

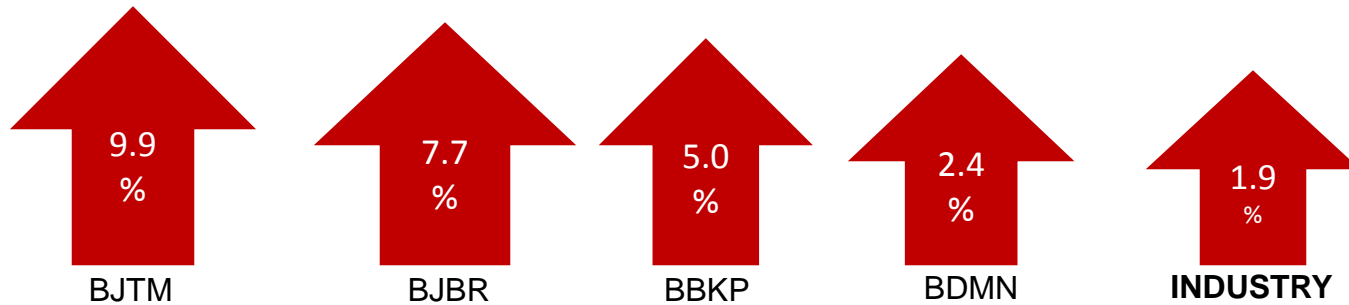
Details

Civil Servants (per December 2014)	426.545
Multipurpose Customer (Civil Servants)	240.299
%	56,34%

NPL

0,32% as of Feb' 2016

Strength of High Dividen Yield



Bank (2/29/2016)	Price	Market Cap Rp bn	PER %	PBV %	Dividend Yield %
BBCA	13.350	329.144	16,6	3,1	1,3
BBRI	10.850	267.660	10,0	2,0	2,0
BMRI	9.475	221.083	10,9	1,7	1,8
BBNI	5.025	93.710	8,5	1,3	2,3
BDMN	3.750	35.942	12,0	1,0	2,4
BTPN	2.770	16.178	8,1	1,1	1,8
BBTN	1.670	17.676	8,5	1,1	2,1
BJBR	900	8.727	6,4	1,1	7,7
BBKP	530	4.816	4,0	0,6	5,0
BJTM	410	6.115	6,0	0,9	9,9

Source: Securities (Pebruary 29, 2016)

February 2015

Foreign Institution Investor
61,97 % from public shares

Domestic Investor
38,03 % from public shares

Public shares 20 %
from paid capital

February 2016

Foreign Institution Investor
68,09% from public shares

Domestic Investor
31,91% from public shares

February 2016 BJTM Investor Country

No	Country	Share
1	INDONESIA	31,9437%
2	SIPRUS	21,7596%
3	NORWEGIA	13,4591%
4	AMERIKA	10,8177%
5	FINLANDIA	5,7695%
6	VIRGIN ISLAND	5,0946%
7	LUKSEMBURG	2,9545%
8	IRLANDIA	2,9473%
9	INGGRIS	1,8581%
10	AUSTRALIA	1,1255%
11	JEPANG	0,8225%
12	KANADA	0,5285%
13	DENMARK	0,2590%

No	Country	Share
14	SWEDIA	0,2489%
15	SINGAPURA	0,2219%
16	CAYMAN ISLAND	0,0750%
17	CINA	0,0427%
18	GREENLAND	0,0331%
19	BELANDA	0,0145%
20	SWITSERLAND	0,0113%
21	KOREA SELATAN	0,0067%
22	MALAYSIA	0,0025%
23	FILIPINA	0,0022%
24	JERMAN	0,0015%
Total		100%

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