

*Support The Growth
Across Our Markets*

& EMPOWERING NEW POTENTIAL BUSINESS

**BJTM COMPANY PERFORMANCE
Full Year 2016 Audited**

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OVERVIEW

2016

Financial Performance



<u>Balance Sheet</u> In million Rp	<u>FY15</u>	<u>FY16</u>	<u>YoY</u>
Asset	42.803.631	43.032.950	0,54%
Loan	28.411.999	29.675.421	4,45%
- Commercial	5.697.470	5.317.943	-6,66%
- SME	4.528.439	4.553.798	0,56%
- Consumer	18.186.090	19.803.680	8,89%
Third Party Fund	34.263.920	32.798.657	-4,28%
- Current Account	13.494.272	11.289.451	-16,34%
- Saving Account	12.753.386	14.361.639	12,61%
- Time Deposit	8.016.262	7.147.568	-10,84%

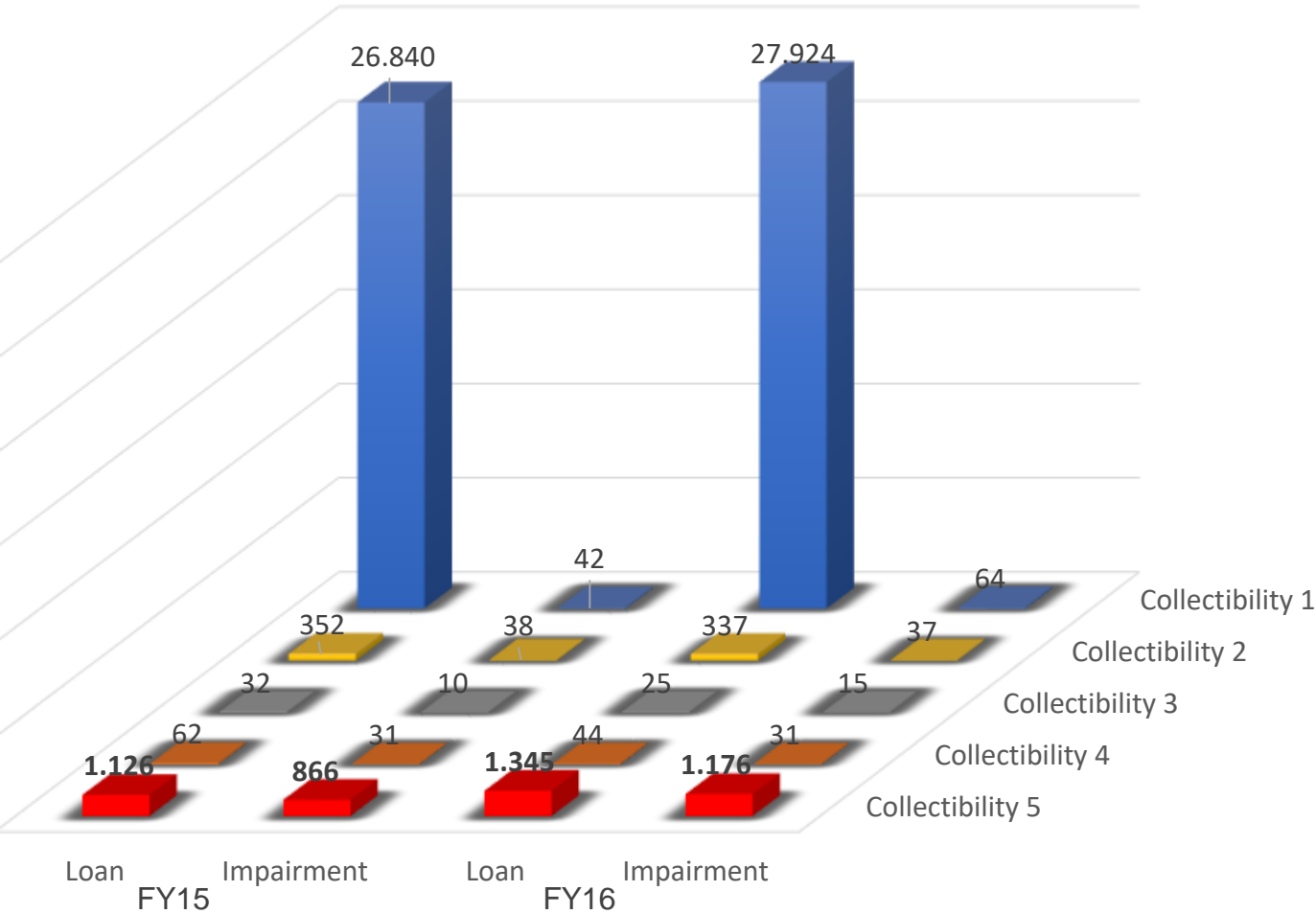
<u>Profit & Loss</u> In million Rp	<u>FY15</u>	<u>FY16</u>	<u>YoY</u>
Interest Income	4.703.655	4.823.457	2,55%
Interest Expense	(1.579.710)	(1.360.345)	-13,89%
Net Interest Income	3.123.945	3.463.112	10,86%
Provision for Impairment	(599.046)	(509.699)	-14,91%
Net profit	884.503	1.028.216	16,25%

<u>Ratio</u>	<u>FY15</u>	<u>FY16</u>	<u>Ratio</u>	<u>FY15</u>	<u>FY16</u>
ROA	2,67%	2,98%	BOPO	76,12%	72,22%
ROE	16,11%	17,82%	CAR	21,22%	23,88%
NIM	6,41%	6,94%	COF	2,56%	1,86%
CASA	76,60%	78,21%	LDR	82,92%	90,48%

Non Performing Loan



Loan & Impairment Composition



In Billion Rp

<u>NPL Information</u>	<u>FY15</u>	<u>FY16</u>
NPL Gross	4,29%	4,77%
NPL Net	1,10%	0,65%
Coverage Ratio	81,02%	93,49%
Consumer's NPL	0,74%	0,84%
Commercial's NPL	9,97%	12,27%
SME's NPL	11,11%	11,99%

- **Increase Dealer Treasury role as profit center with the portion up to 19% from interest income**
 - **Non Interest Operational Income increase up to 30%**

 - **Interest expense -13,89% YoY**
 - **Reducing high rate time deposit and resulted Cost of Fund lowered to 1,86%**
 - **Saving Account increase up to 12,61% YoY and CASA ratio 78,21%**

 - **Maintain NPL with more prudent lending, provision -14,91% YoY**
 - **NPL Net only 0,65%**
 - **Coverage Ratio 93,49%**

 - **Rentability ratio still above the bank's benchmark.**
-

**BUSINESS PLAN
2017**

Network	2009	2010	2011	2012	2013	2014	2015	2016	NETWORK 2017	SHARIA 2017
Head Office	1	1	1	1	1	1	1	1		1
Territorial Office	-	-	-	-	-	-	-	-	4	
Branch Office	39	41	41	41	41	43	45	47	1	1
Sub Branch Office	26	44	67	81	107	153	165	166	6	11
Cash office	151	154	164	164	176	165	185	190	16	2
Sharia service office	37	37	47	47	47	97	97	191		
Payment Point	78	88	115	138	155	167	171	181	21	7
Mobile cash	45	49	57	57	59	62	65	79	7	
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	703	46	18
Total network	465	561	759	904	1.072	1.291	1.425	1.566		

FUNDING

- **Serve Regional Owned Enterprise with all financial and banking activities**
- **Bank Jatim Smart City projects as a media for government and citizen to gain easy access in financial and banking activities**
- **Expanding “Laku Pandai” agent which trusted, handy, and able to give the best serve for customers**
- **Increase Priority Banking to gain CASA**

LENDING

- **Restructuring credit business through organization development with enhancing structures, business process, credit officer risk management, and prudent banking**
- **Continuing government credit programs (LPDB and Loan Agreement)**
- **Partnership with rural banks to disbursing micro lending**
- **Serve Regional Owned Enterprise with lending facility especially Multipurpose for their employee**
- **Inter-island credit lending through L/C (SKBDN)**
- **Lending Socialization to Branches about government budget spending**

NPL

- **Creating Improvement & Rescue Credit Division**
- **Intensify Collection & collateral auction (KPKNL)**
- **Intensify Credit restructuring**
- **Filed bankruptcy to gain recovery**
- **Asset Management Unit to manage collateral**
- **Insurance reconciliation**
- **Partnership with East Java judiciary**

FEE BASED INCOME

- **Increase treasury transaction from cash management and efficiency**
- **Digital transaction IT based**
- **Custody services**
- **Updating potential branches to Foreign Exchange Branch services**

ORGANIZATION STRUCTURE

- **Adding 2 new directorate to support and business deepening**
- **Forming 4 territorial office to accelerate business process and branch operational supervision**
- **Sharia Spin-Off this year**

HUMAN CAPITAL

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

POTENTIAL

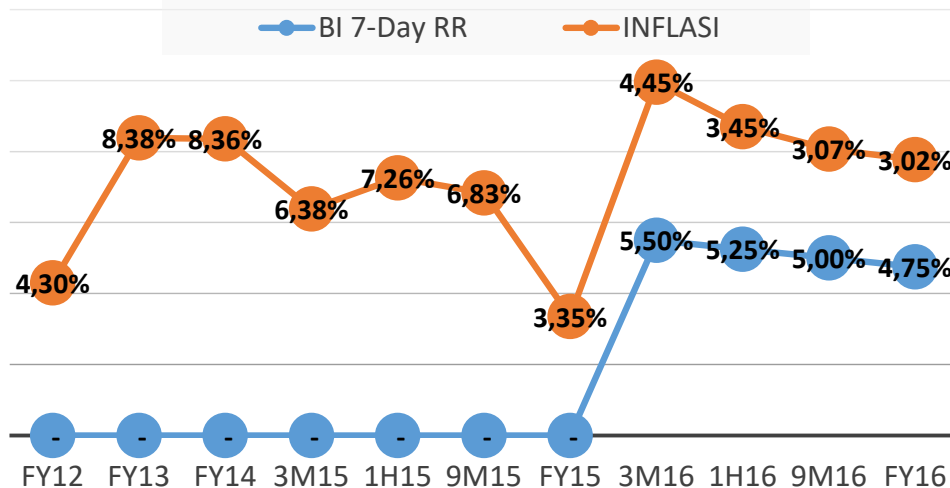
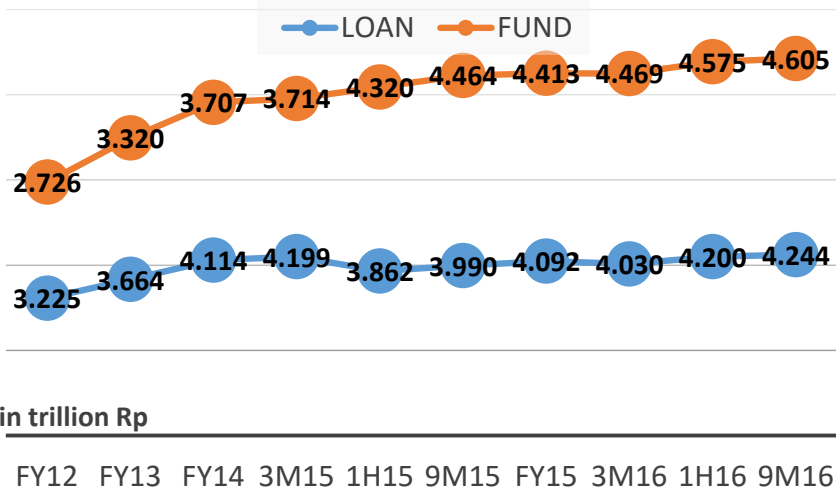
- East Java economic growth higher than national
- East Java 15% contribute to national economic
- Inter-island trading up to IDR +800 trillion
- Infrastructure development such as 9 toll road, 3 port, and many industrial area.
- Captive market to government spending

GRUP SUPPORT

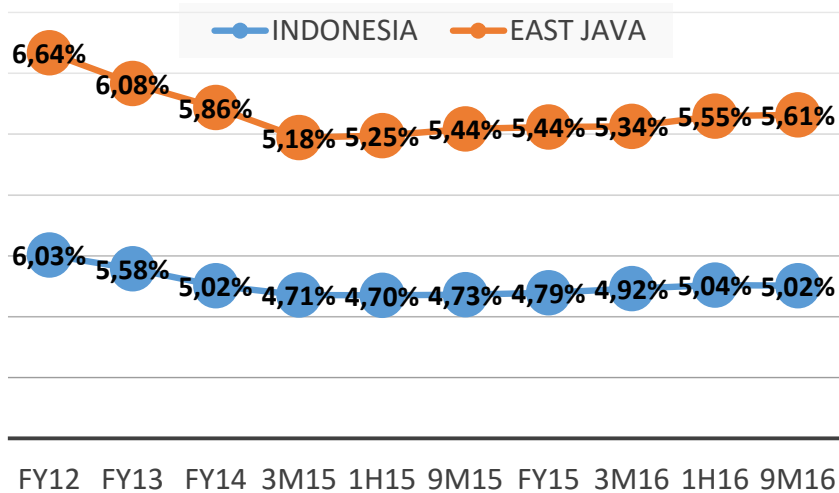
- To accelerate business plan achievement, BJTM formed 5 business performance team to oversee and supervise the process.

Description	<u>2015</u>	<u>2016</u>	<u>2017 E</u>
Total Asset	12,65%	0,54%	7,57%
Loan	8,46%	4,45%	8,17%
Third Party Fund	13,19%	-4,28%	8,00%
Financial Ratio			
- CAR	21,22%	23,88%	21,32%
- LDR	82,92%	90,48%	80,88%
- NPL Gross	4,29%	4,77%	3,10%
- NIM	6,41%	6,94%	7,02%
- BOPO	76,11%	72,22%	70,45%
- ROE	16,11%	17,82%	19,79%
- ROA	2,67%	2,98%	3,17%

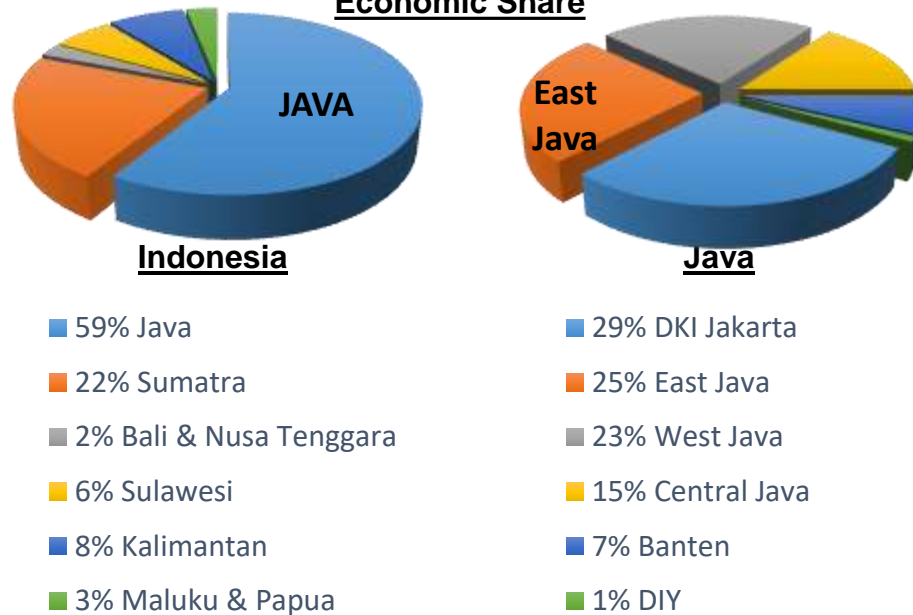
APPENDIX



Economic Growth



Economic Share



FINANCIAL HIGHLIGHTS

Balance Sheet

<u>Information</u> In million Rp	<u>FY15</u>	<u>FY16</u>	<u>YoY</u>	<u>4Q15</u>	<u>3Q16</u>	<u>4Q16</u>	<u>YoY</u>	<u>QoQ</u>
Total Asset	42.803.631	43.032.950	0,54%	(9.289.045)	2.093.836	(7.121.913)	-23,33%	-440,14%
Placement BI & SBI	6.463.288	7.536.300	16,60%	(8.692.769)	3.101.173	(6.886.795)	-20,78%	-322,07%
Loan	28.411.999	29.675.421	4,45%	(823.868)	349.128	50.327	-106,11%	-85,58%
Allowance for Impairment Losses	(988.253)	(1.322.355)	33,81%	51.571	(107.059)	(96.412)	-286,95%	-9,95%
Third Party Fund	34.263.920	32.798.657	-4,28%	(9.489.704)	863.620	(8.366.947)	-11,83%	-1068,82%
- Current Account	13.494.272	11.289.451	-16,34%	(6.086.535)	1.375.527	(5.430.670)	-10,78%	-494,81%
- Saving Account	12.753.386	14.361.639	12,61%	2.514.163	(137.184)	2.119.331	-15,70%	-1644,88%
- Time Deposit	8.016.262	7.147.568	-10,84%	(5.917.332)	(374.723)	(5.055.608)	-14,56%	1249,16%
Equity	6.295.461	7.209.572	14,52%	189.215	808.469	190.430	0,64%	-76,45%

Profit & Loss

<u>Information</u> In million Rp	<u>FY15</u>	<u>FY16</u>	<u>YoY</u>	<u>4Q15</u>	<u>3Q16</u>	<u>4Q16</u>	<u>YoY</u>	<u>QoQ</u>
Interest Income	4.703.655	4.823.457	2,55%	1.223.095	1.204.672	1.220.565	-0,21%	1,32%
Interest Expense	(1.579.710)	(1.360.345)	-13,89%	(477.382)	(355.038)	(298.857)	-37,40%	-15,82%
Nett Interest Income	3.123.945	3.463.112	10,86%	745.713	849.633	921.708	23,60%	8,48%
Non Interest Operational Income	339.158	441.833	30,27%	8.473	89.228	122.786	1349,19%	37,61%
Non Interest Operational Expense	(1.667.158)	(1.932.712)	15,93%	(446.829)	(437.015)	(583.749)	30,64%	33,58%
Provision for Impairment Losses	(599.046)	(509.699)	-14,91%	(55.622)	(143.777)	(129.858)	133,47%	-9,68%
Nett Non Interest Operational Income (Expense)	(1.927.046)	(2.000.578)	3,82%	(493.977)	(491.564)	(590.821)	19,60%	20,19%
Operational Profit	1.196.899	1.462.534	22,19%	251.735	358.069	330.887	31,44%	-7,59%
Non Operational Profit	64.354	(10.406)	-116,17%	20.671	3.908	(18.900)	-191,43%	-583,64%
Pre Tax Profit	1.261.253	1.452.128	15,13%	272.407	361.977	311.987	14,53%	-13,81%
Taxes	(376.750)	(423.912)	12,52%	(84.397)	(86.500)	(120.347)	42,60%	39,13%
Net profit	884.503	1.028.216	16,25%	188.010	275.477	191.639	1,93%	-30,43%

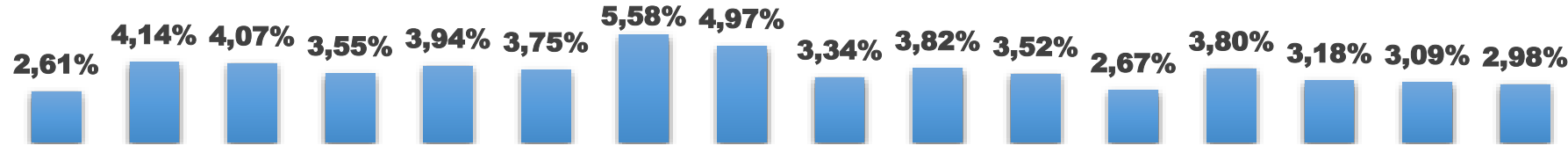
Non Performing Loan

<u>NPL</u>	<u>1H15</u>	<u>9M15</u>	<u>FY15</u>	<u>3M16</u>	<u>1H16</u>	<u>7M16</u>	<u>8M16</u>	<u>9M16</u>	<u>10M16</u>	<u>11M16</u>	<u>FY16</u>
Consumer	0,75%	0,86%	0,74%	0,82%	0,85%	0,91%	0,91%	0,89%	0,88%	0,85%	0,84%
SME	7,59%	8,02%	11,11%	11,62%	11,36%	11,60%	11,61%	12,43%	12,48%	12,27%	11,99%
Commercial	9,78%	10,53%	9,97%	11,42%	11,27%	11,90%	11,72%	11,82%	12,03%	12,41%	12,77%
NPL GROSS	3,82%	4,22%	4,29%	4,59%	4,58%	4,83%	4,80%	4,92%	4,93%	4,90%	4,77%
Coverage Ratio	75,82%	84,28%	81,02%	80,87%	83,37%	85,12%	85,02%	84,18%	84,23%	86,10%	93,49%

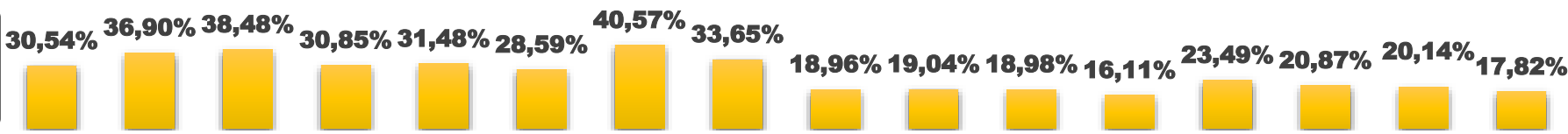
Financial Ratio



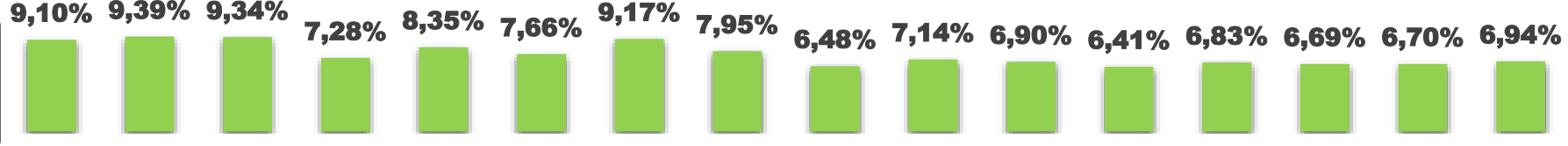
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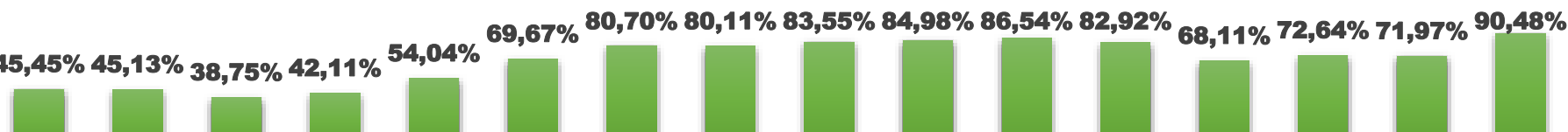
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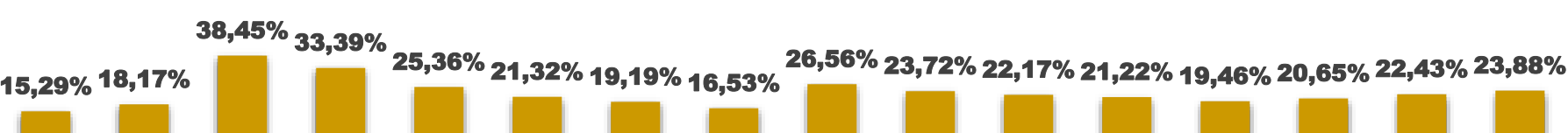
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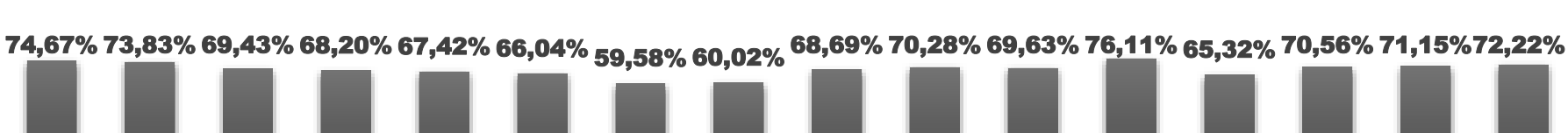
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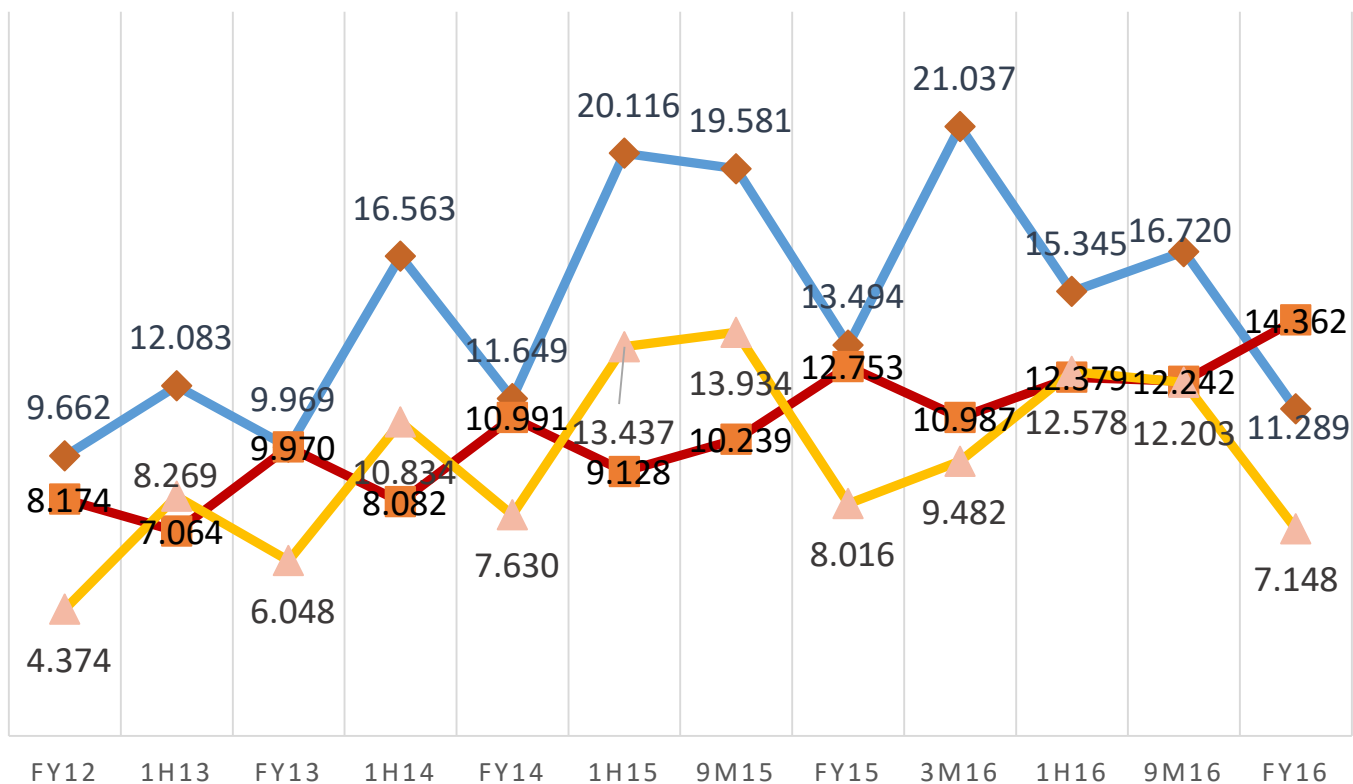


2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 3M16 1H16 9M16 FY16

Funding & Lending

Third Party Fund

◆ Current Account ■ Saving Account ▲ Time Deposit



In Billion Rp.

Funding Composition

Current Account	
Government	14,96%
Private	19,46%
Total	34,42%
Saving Account	
Simpeda	33,59%
Siklus	5,40%
Tab Haji	0,70%
TabunganKu	3,70%
Barokah	0,41%
Total	43,79%
Time Deposit	
Deposit	21,79%
Total	21,79%

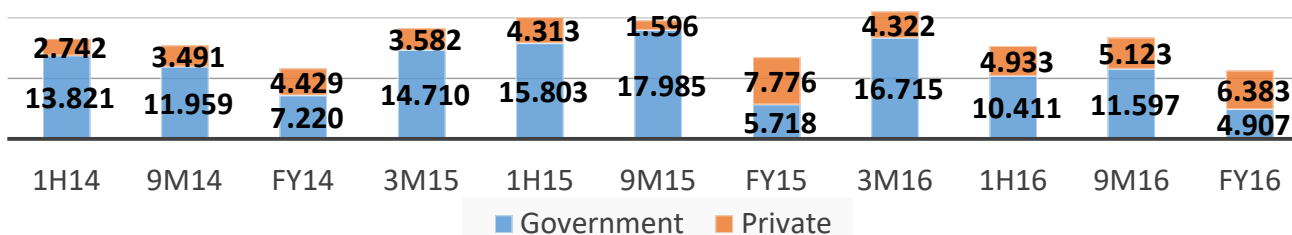
Current Account
YoY (16,34%)

Saving Account
YoY 12,61%

Time Deposit
YoY (10,84%)

Current Account

In Billion Rp.



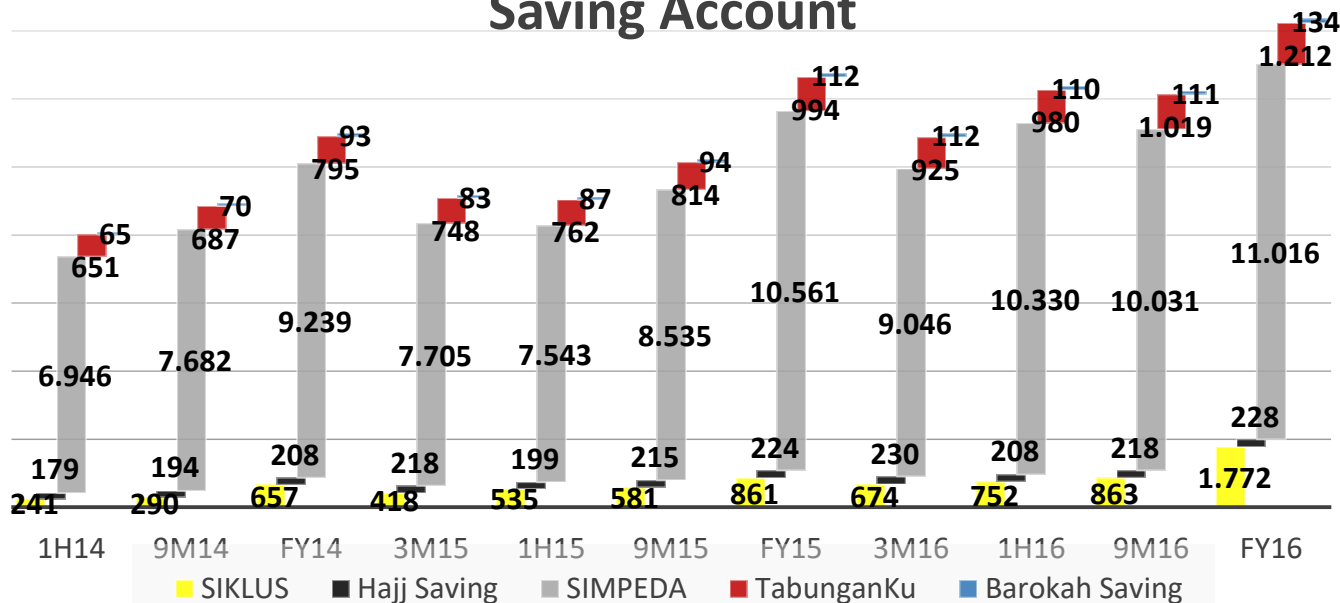
Government Current Acc.

YoY -14,19%

Private Current Acc.

YoY -17,92%

Saving Account



YoY

SIMPEDA 4,30%

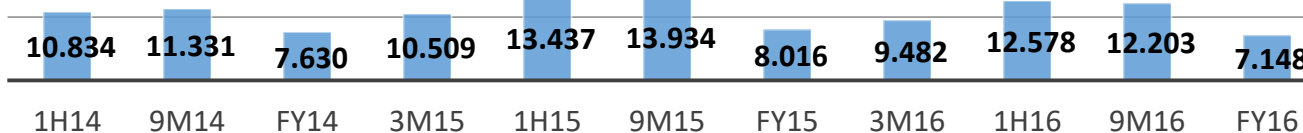
SIKLUS 105,73%

Hajj Saving 1,86%

TabunganKu 21,89%

Barokah Saving 19,44%

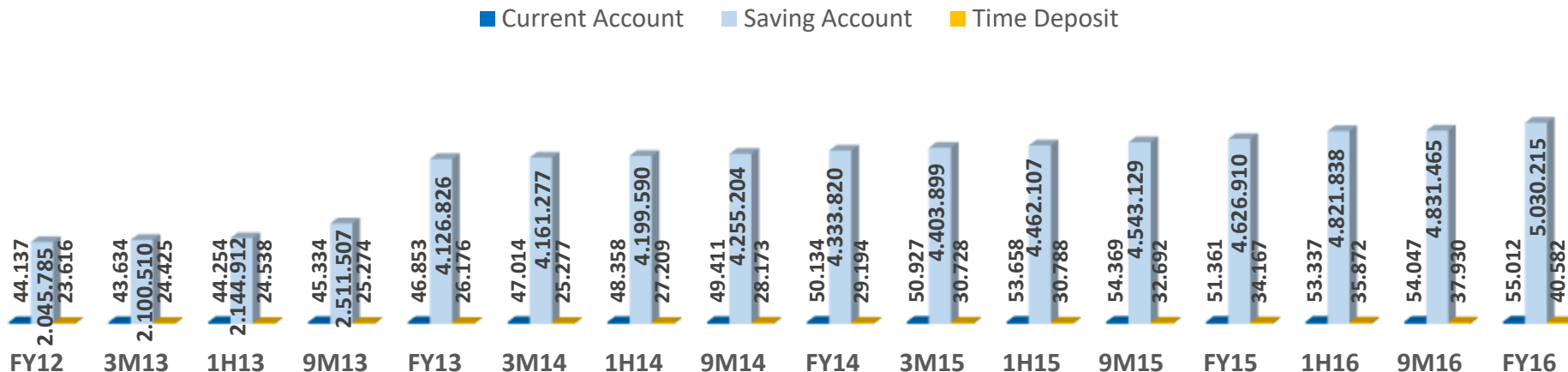
Time Deposit



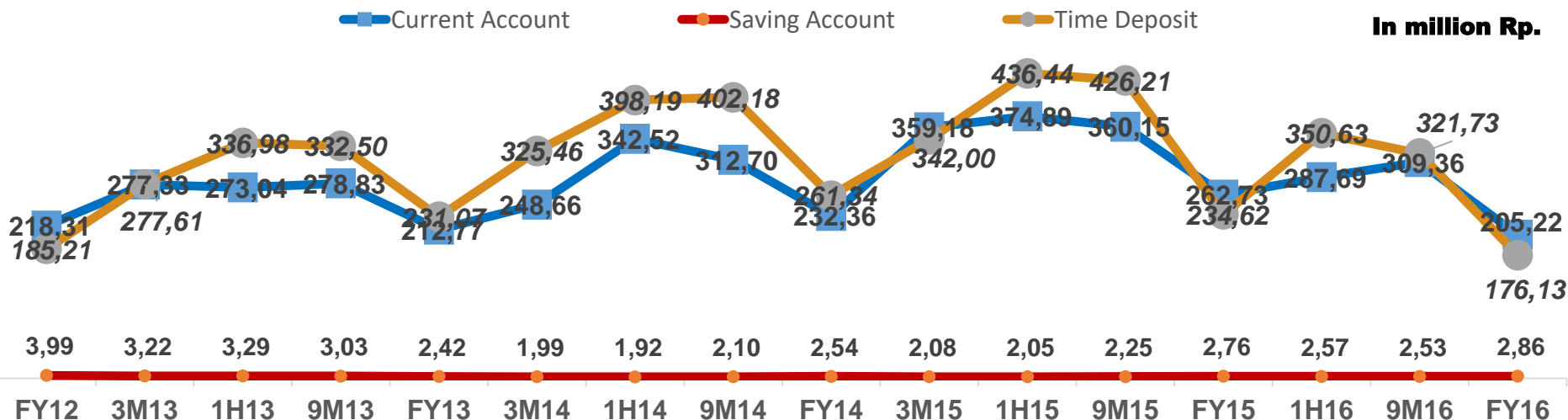
Time Deposit

YoY -10,84%

Total Customer



Ticket Size



**GRAND PRIZE
UANG TUNAI
500 JUTA**

**TOTAL HADIAH
12,5 MILIAR**

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

JATIMPRIORITAS

4000 1234 5678 9010

R. 5000000

bankjatim
internet banking

Tetap bebas bertransaksi,
dimanapun dan apapun aktivitas Anda

- Pembelian tagihan telepon rumah, PDAM, PBB, Rumah N.A.B, SPJ, Tiket Kereta Api, Belanja, transaksi e-commerce melalui fitur QR
- Pendaftaran/aktifasi rekening
- Transfer antar rekening bankjatim
- Transfer dan Saldo ke bank lain ke Bank Lain
- Dapatkan informasi produk dan informasi yang lebih lengkap melalui ATM dan Callcenter Bank Jatim terdekat

www.bankjatim.co.id

Tentukan pilihan Anda,
tetap nikmati bunganya!!

tabungan SIKLUS

14044
INFO BANK JATIM

24 JAM LAYANAN
atm

3366
SMS BANKING

Bank Jatim Mobile Banking
PT Bank Jatim Tbk (BJTM)

UNINSTALL OPEN

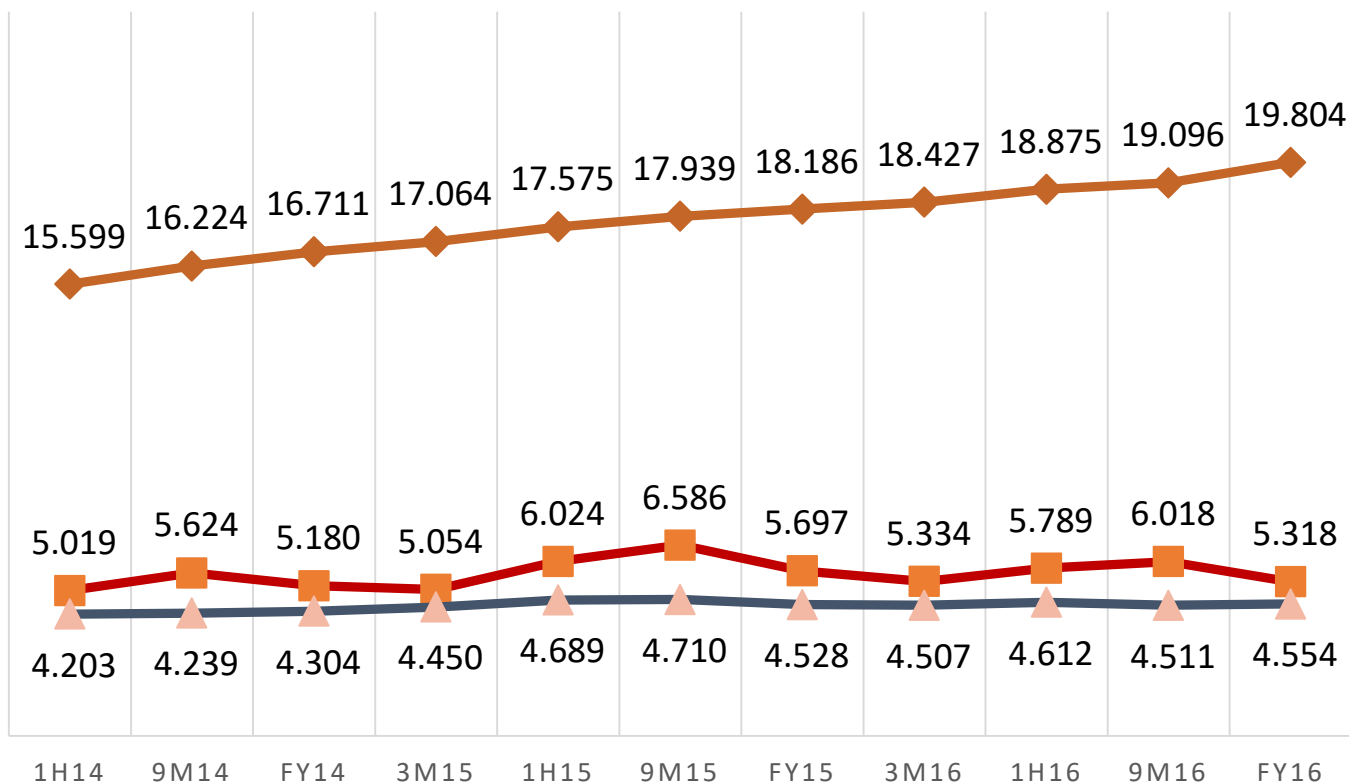
5 THOUSAND Downloads | 4.6 Rating | Finance | Similar

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

Mobile applications for ease of transaction

Type Of Loan

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



In Billion Rp.

Loan Composition

CONSUMER LOAN		Dec'16
Multipurpose		57,73%
Mortgage		5,36%
Others		3,65%
Total		66,73%
COMMERCIAL LOAN		Dec'16
Standby Loan		1,79%
Keppres		1,84%
Overdraft		10,06%
Syndicate		4,23%
Total		17,92%
Small Medium Ent.		Dec'16
Pundi Kencana		4,38%
Jatim Mikro		1,90%
Others		9,07%
Total		15,35%

Consumer
YoY 8,89%

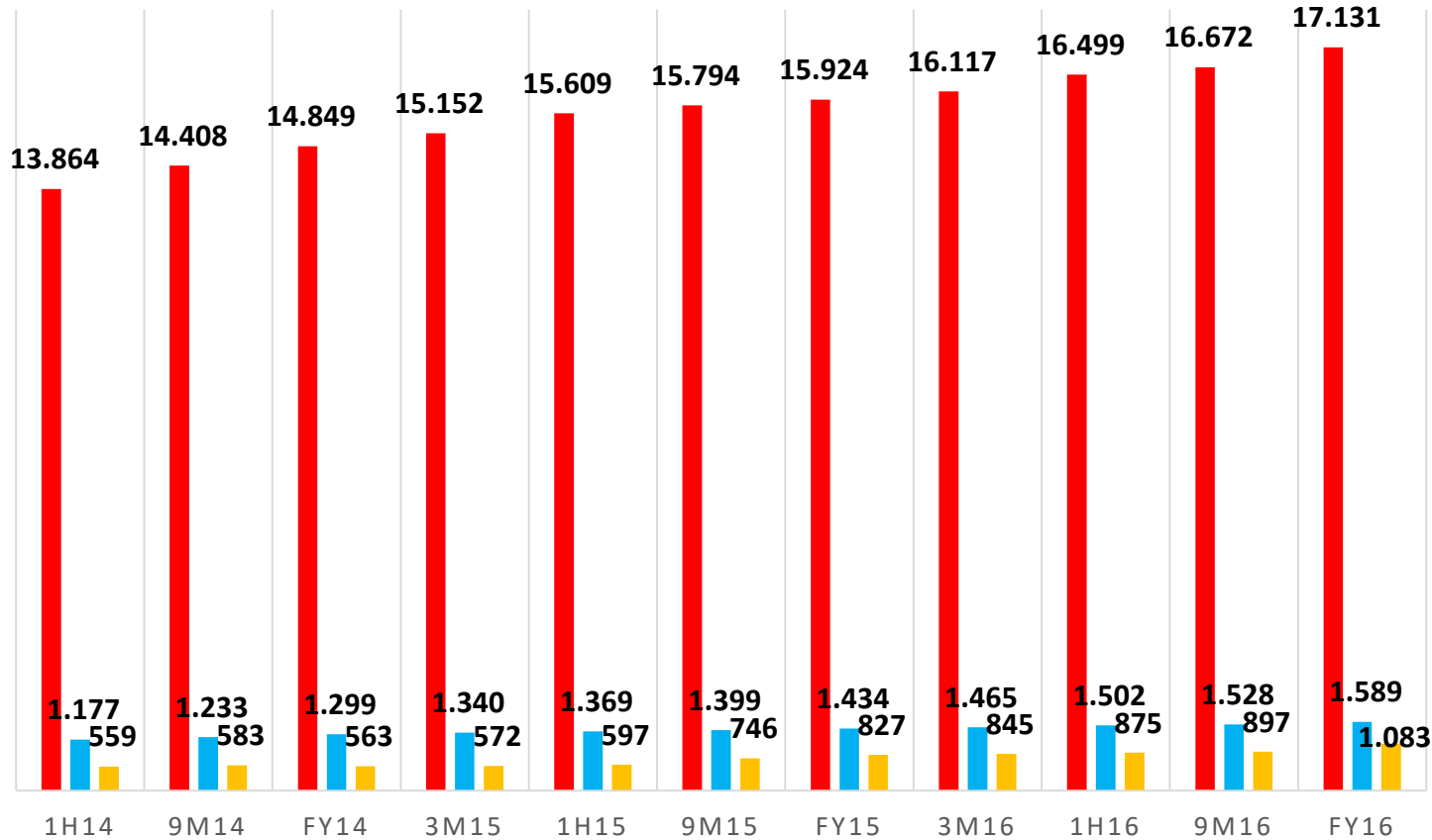
Commercial
YoY -6,66%

SME
YoY 0,56%

CONSUMER LOAN

■ Multipurpose ■ Mortgage ■ Others

In Billion Rp.



YoY

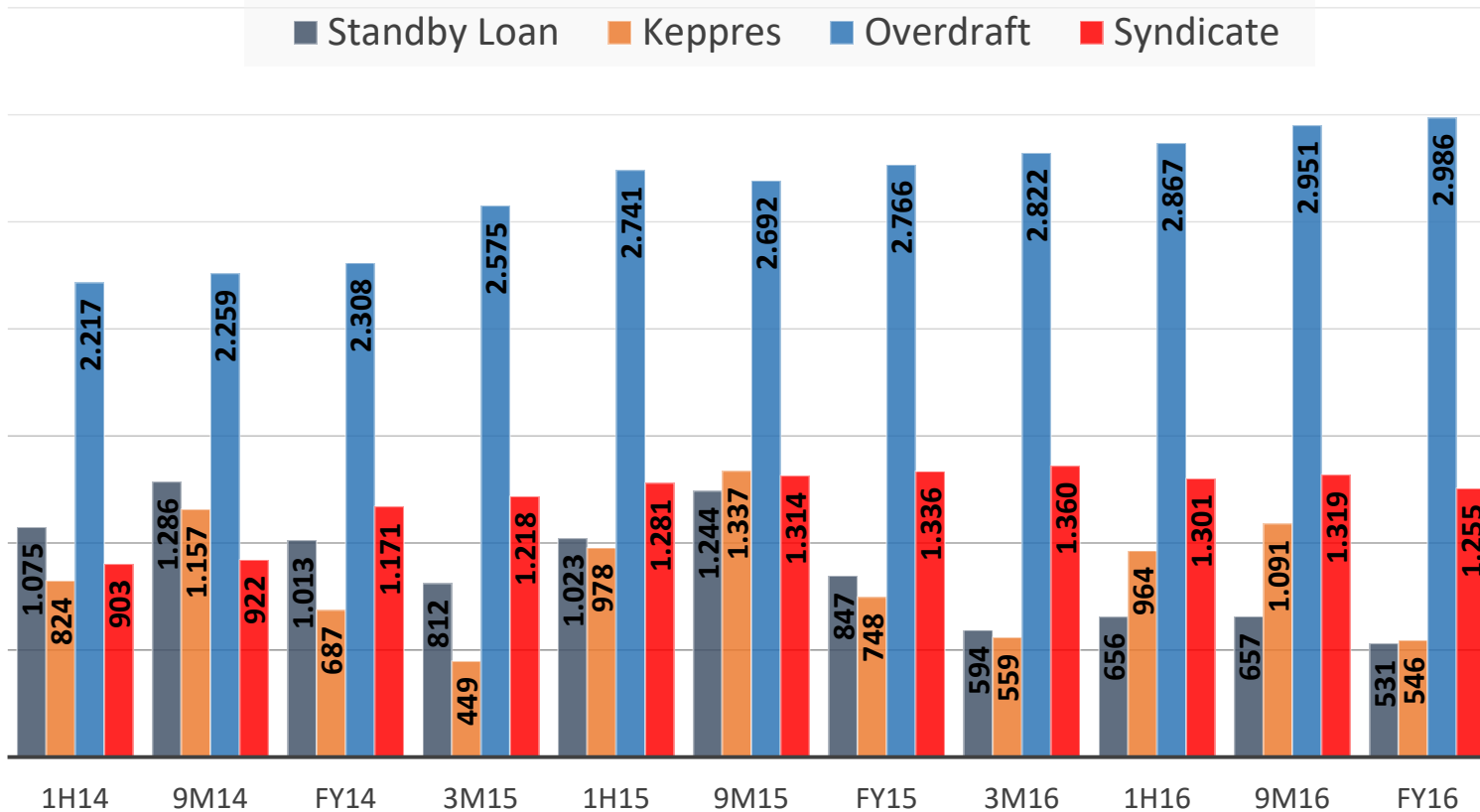
Multi purpose 7,58%

Mortgage 10,79%

Others 30,93%

Commercial Loan

In Billion Rp.

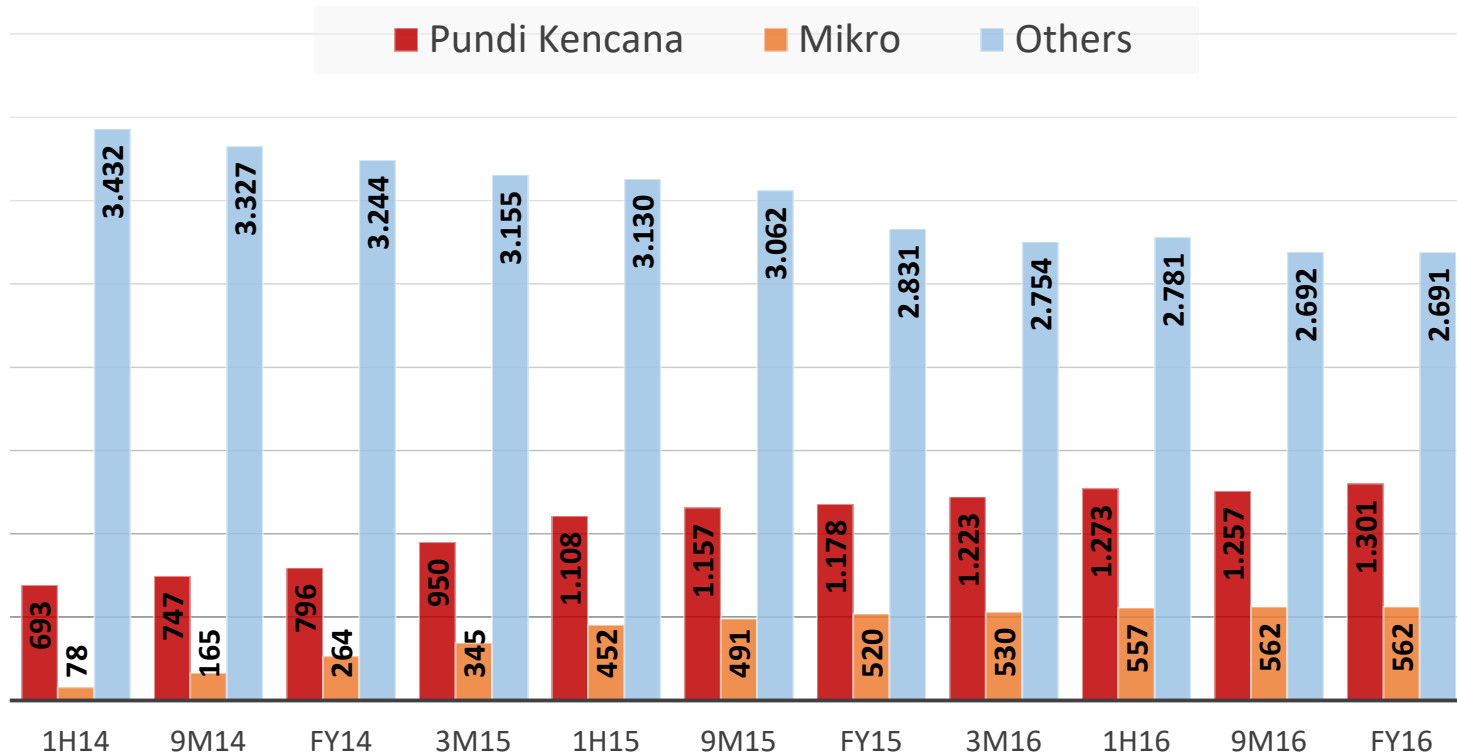


YoY

- Standby Loan -37,29%
- Keppres -26,96%
- Overdraft 7,92%
- Syndicate -6,06%

SME Loan

In Billion Rp.



YoY

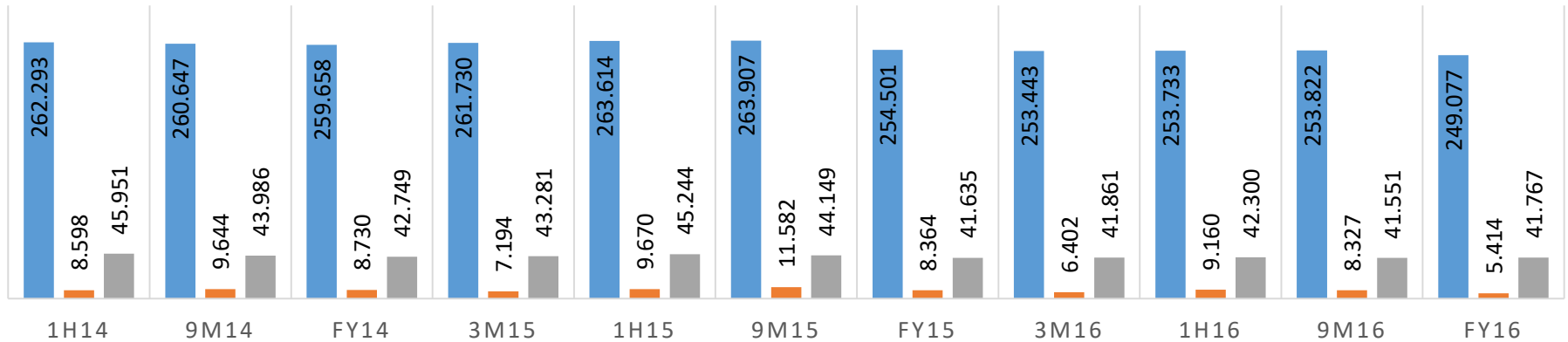
Pundi Kencana
10,47%

Micro
8,18%

Others
-4,96%

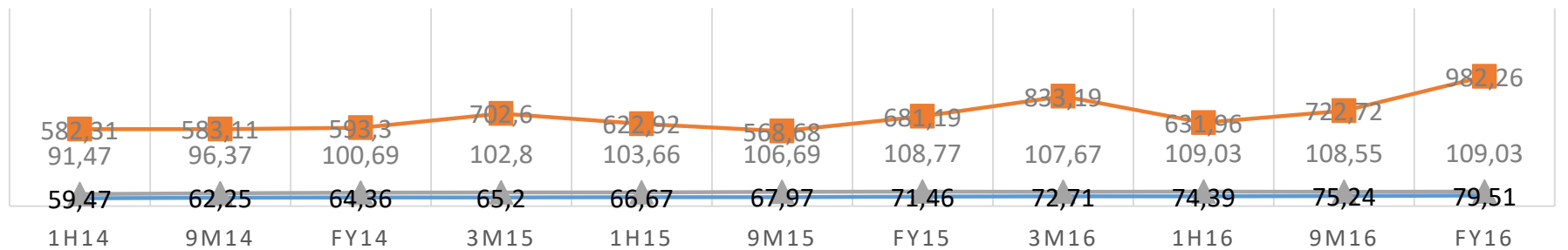
TOTAL CUSTOMER

■ Consumer ■ Commercial ■ SME



TICKET SIZE

◆ Consumer ◆ Commercial ◆ SME

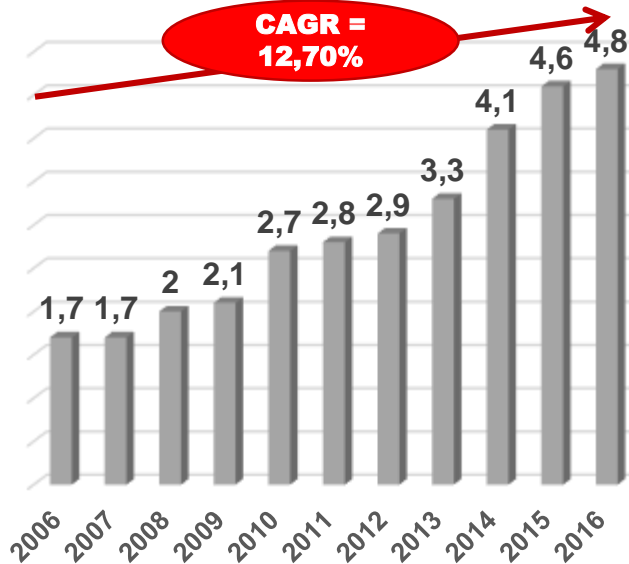


STRENGTH

Financial Performance

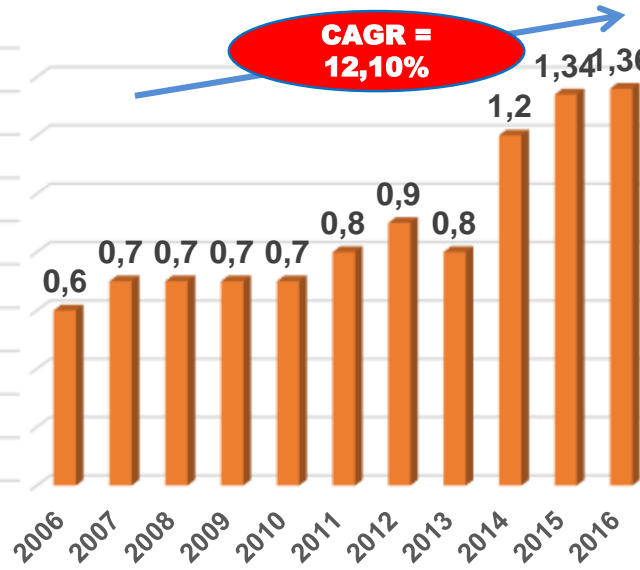
INTEREST INCOME (Rp Tril)

CAGR = 12,70%



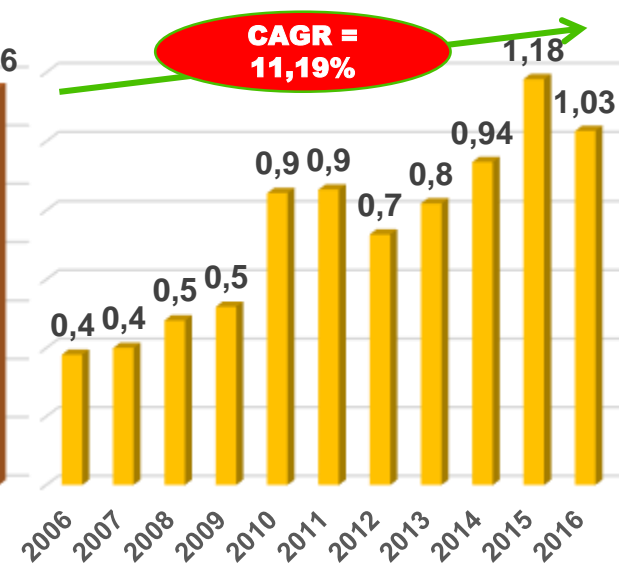
INTEREST EXPENSE (Rp Tril)

CAGR = 12,10%



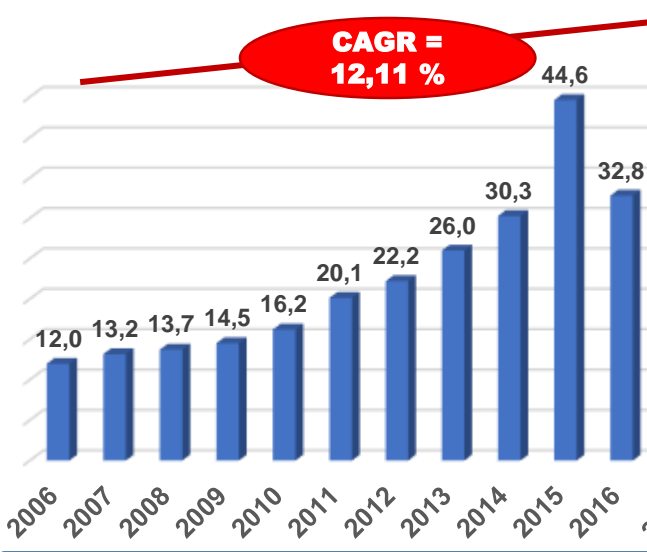
NET PROFIT (Rp Tril)

CAGR = 11,19%



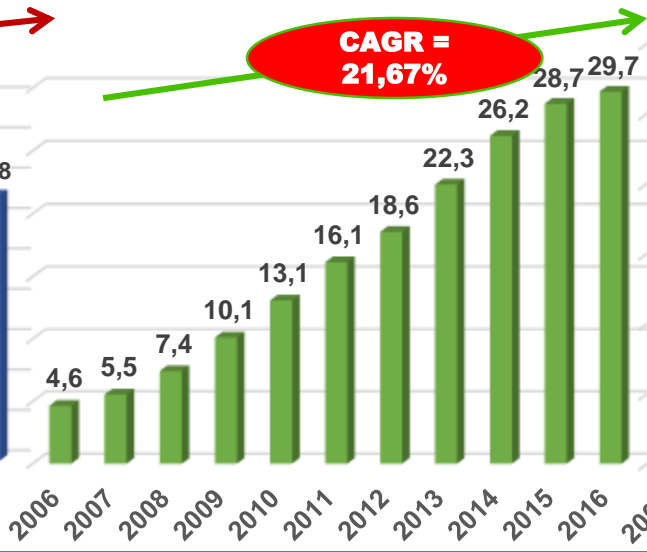
THIRD PARTY FUND (Rp Tril)

CAGR = 12,11%



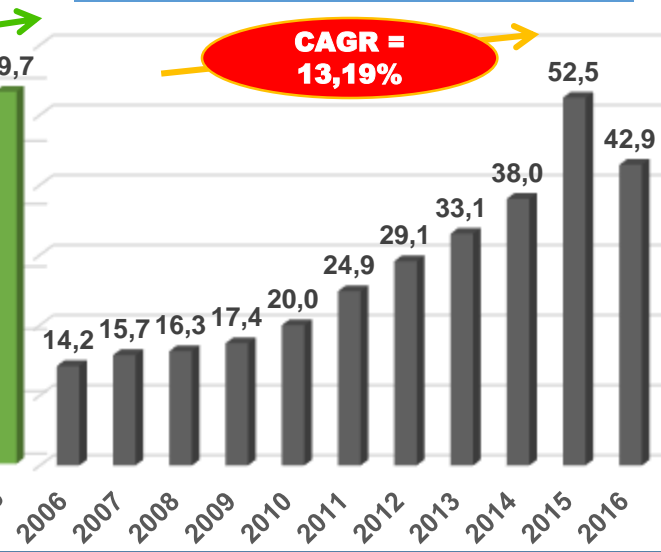
LOAN (Rp Tril)

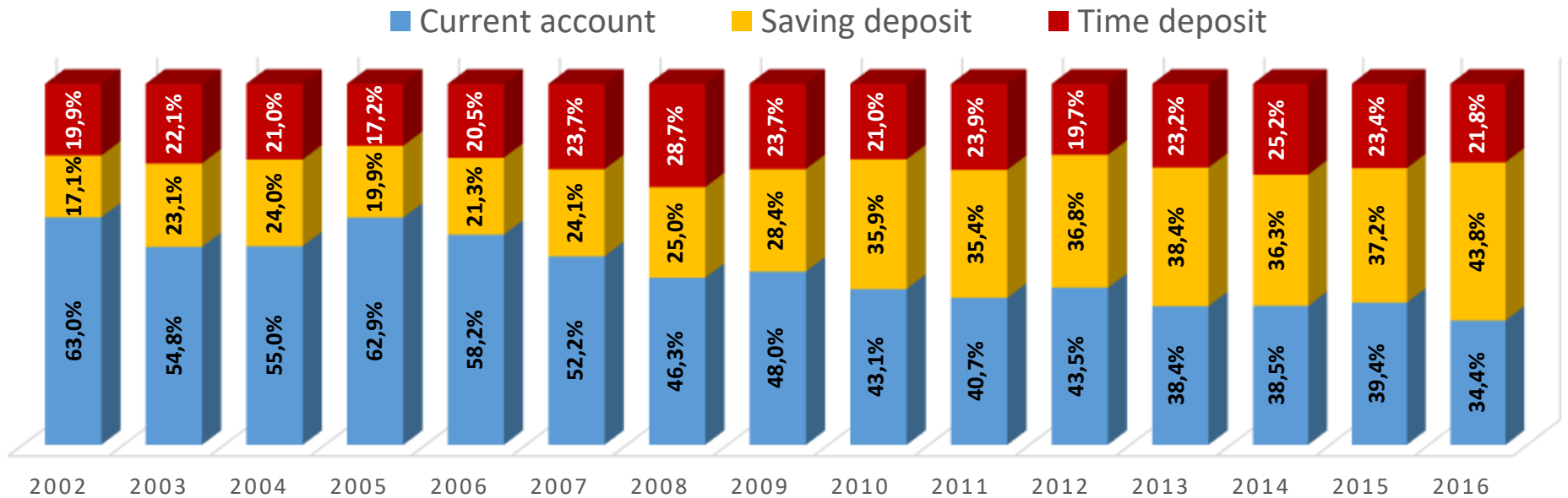
CAGR = 21,67%



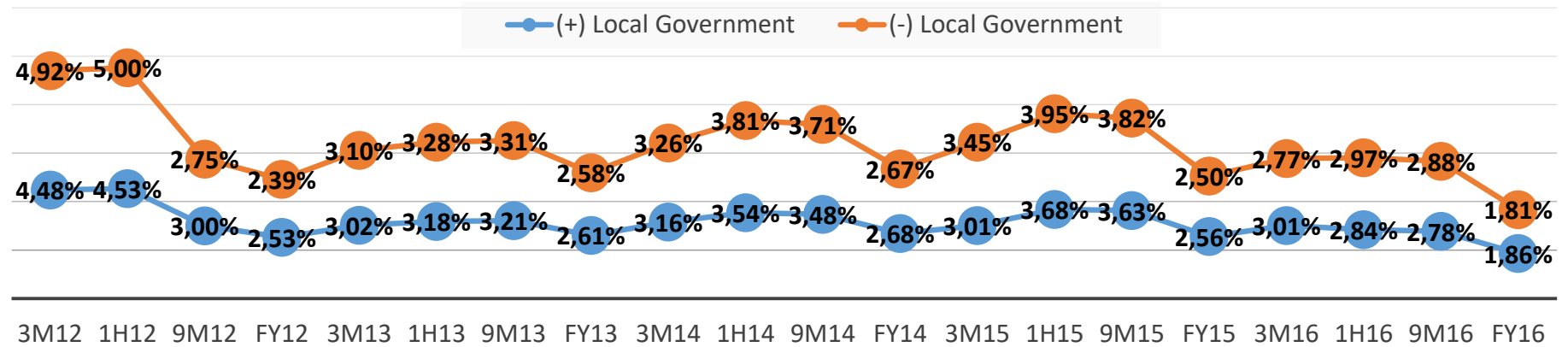
TOTAL ASSET (Rp Tril)

CAGR = 13,19%

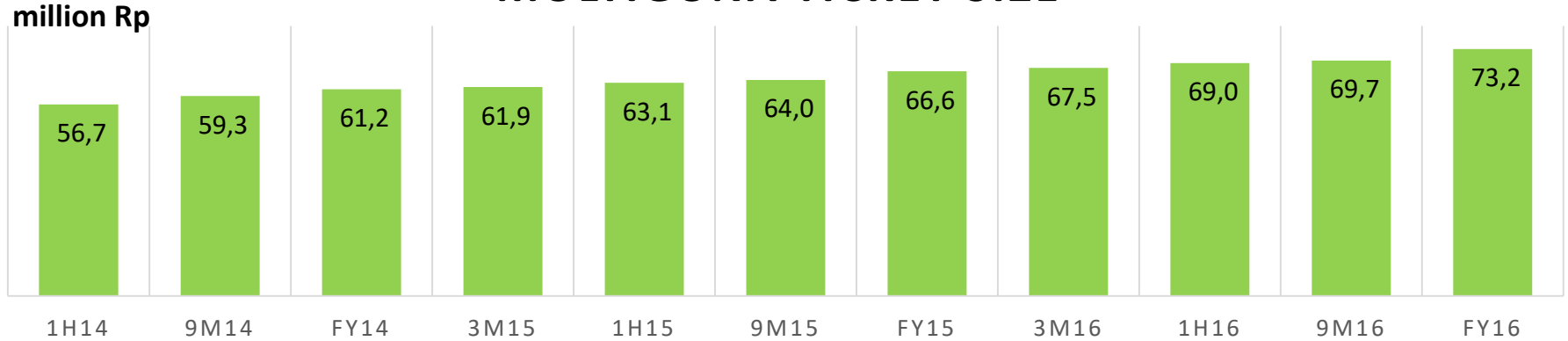




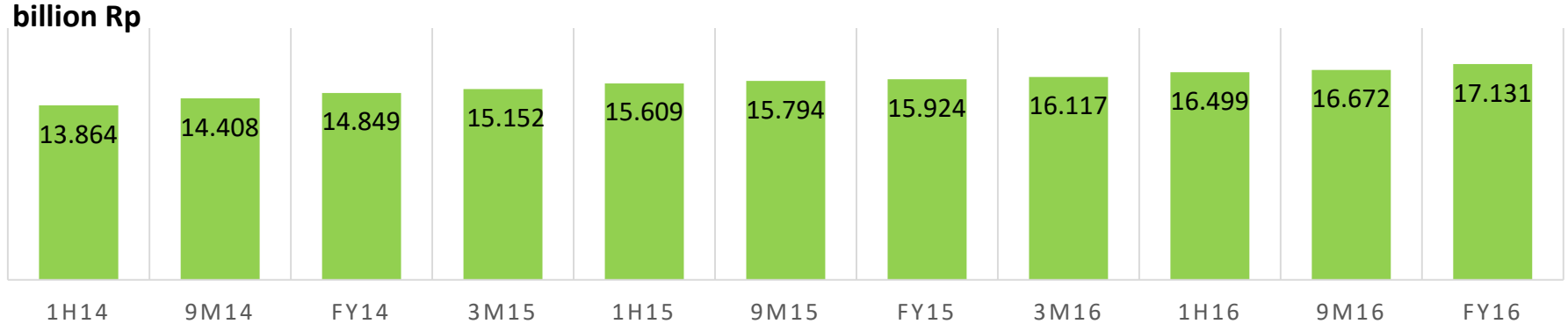
Cost of Fund



MULTIGUNA TICKET SIZE



MULTIGUNA LOAN BALANCE



NPL 0,44% as of Dec' 2016

Investor	FY15	FY16
Foreign Investor	69,35%	42,45%
Domestic Investor	30,65%	57,55%

No	Country	Share
1	INDONESIA	57,5476%
2	AMERIKA	14,6134%
3	NORWEGIA	7,5742%
4	FINLANDIA	6,3104%
5	IRLANDIA	4,9771%
6	LUKSEMBURG	4,0649%
7	INGGRIS	1,2899%
8	AUSTRALIA	0,9559%
9	KANADA	0,5359%
10	SWITSERLAND	0,4883%
11	BERMUDA	0,3917%
12	KOREA SELATAN	0,3596%

No	Country	Share
13	JEPANG	0,2988%
14	SINGAPURA	0,1991%
15	HONGKONG	0,1595%
16	SWEDIA	0,0805%
17	JERMAN	0,0801%
18	CINA	0,0294%
19	MALAYSIA	0,0205%
20	SELANDIA BARU	0,0190%
21	FILIPINA	0,0024%
22	THAILAND	0,0013%
23	BELANDA	0,0005%
Total		100%

- BJTM Price December 30, 2016 IDR 570/ share
- PBV 1,18
- EPS 68,80
- PER 8,28

No	DATA	December 2015	December 2016
1	Board of Commisioner	5	5
2	Board of Sharia Supervisory	3	3
3	Board of Director	5	5
4	Management 1	20	21
5	Management 2	78	103
6	Management 3	281	276
7	Management 4	701	696
8	Staff of Administration	1.987	2.023
9	Staff Non Administration	338	327
10	Non Permanent	483	1.071
11	Outsource	1.896	1.956
	Total	5.797	6.486



**No 1 BUMD Listed
Annual Report Award**



Top IT 2016



**Bank Jatim Regional Banks with
excellent service of the year
2016**



Top BPD 2016



Indonesia GCG Award 2016



**Top BPD HR&IT Management
2016**

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