

# **PT. BANK RAKYAT INDONESIA (PERSERO) Tbk.**

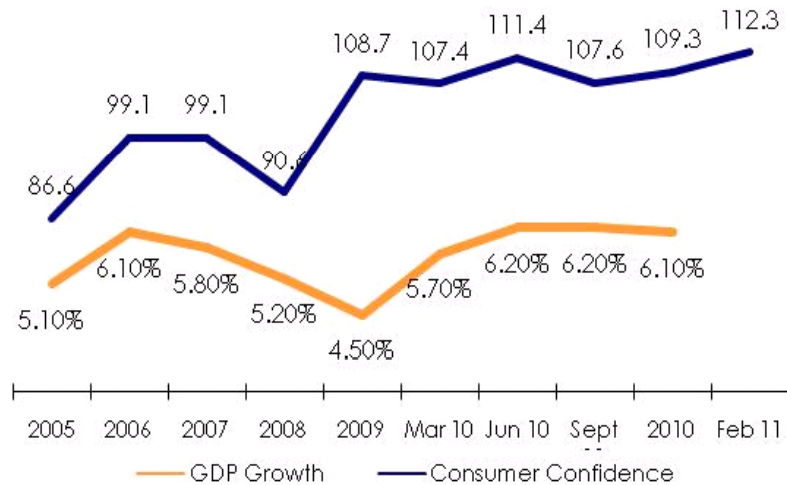
Financial Update FY - 2010

Jakarta, 31 March 2011

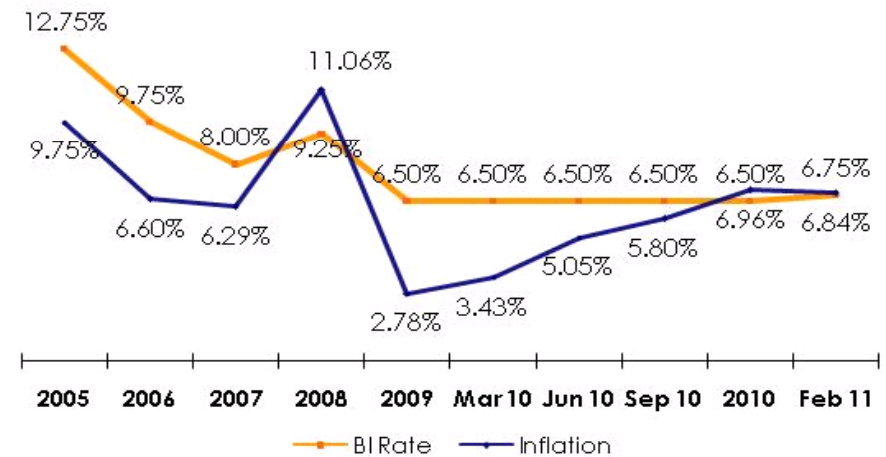


# Macro Economic Condition

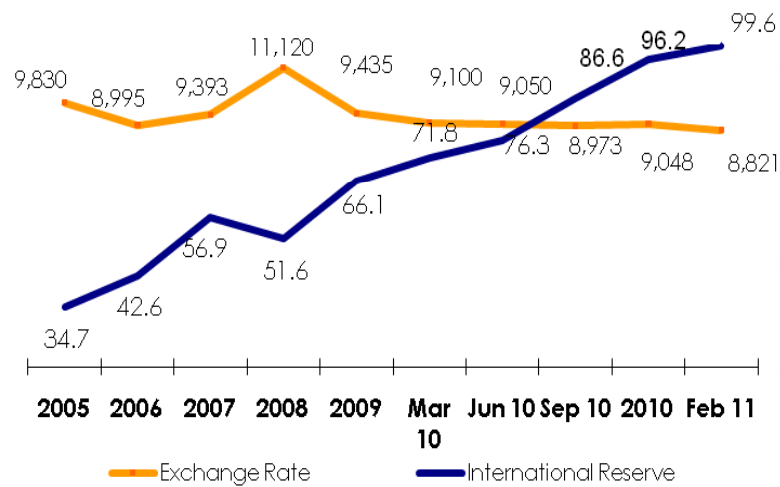
## GDP Growth & Consumer Confidence



## BI Rate & Inflation (%)



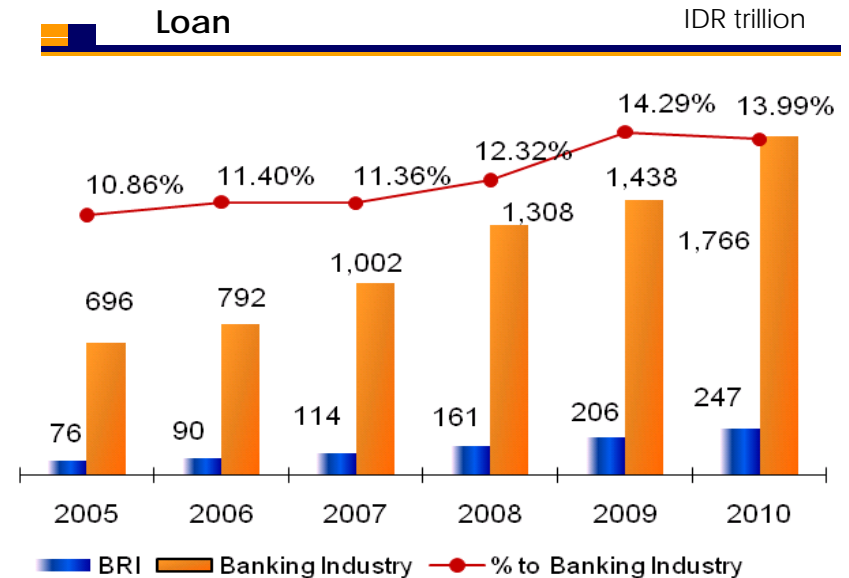
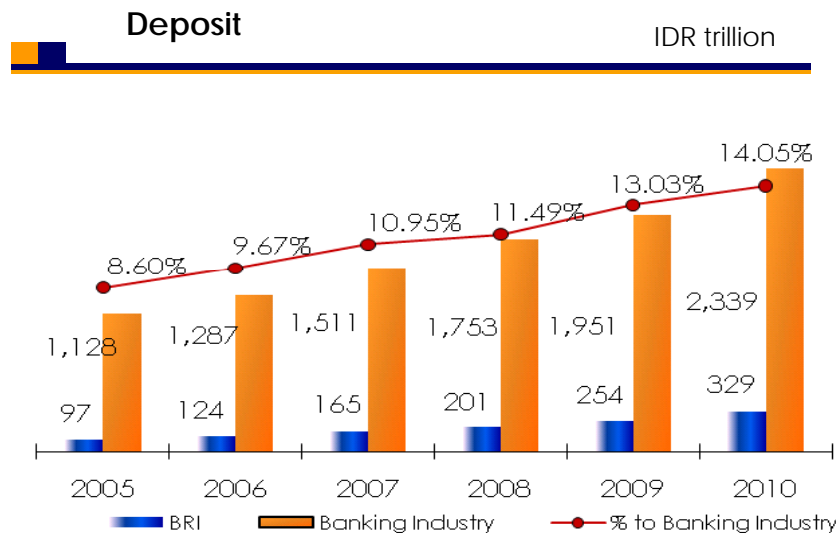
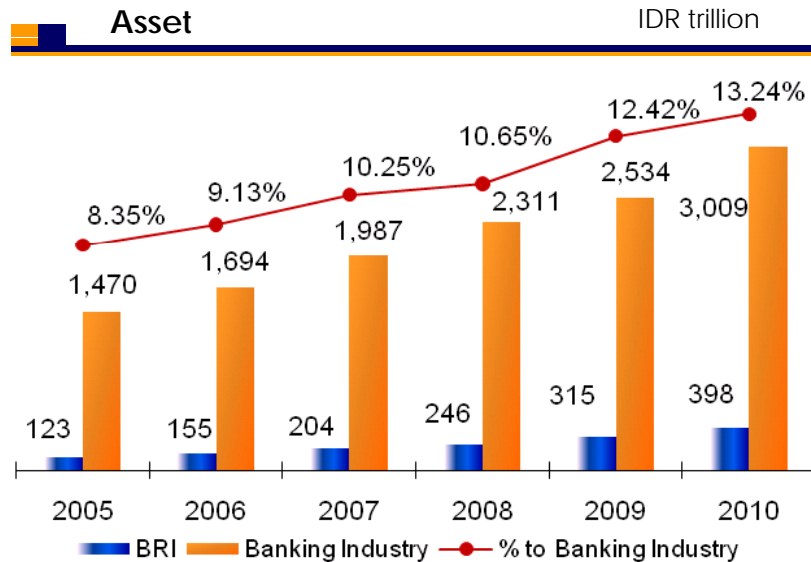
## Exchange Rate



- GDP grew 6.1% in 2010, dominated by consumption and projected higher in 2011. It brings positive impact to BRI business due to BRI business model dealing with low-end economy
- Inflation at 6.84% in February 2011, decreased from Dec 2010 (6.96%) and supportive for economy growth.
- The Central Bank increased the benchmark rate by 25 bps to 6.75% in February 2011 to curb inflation.
- International reserves reached a record of USD99.62 billion by Dec 2010. IDR appreciates gradually to 8700s/USD showing economy improvement.

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## BRI and Industry



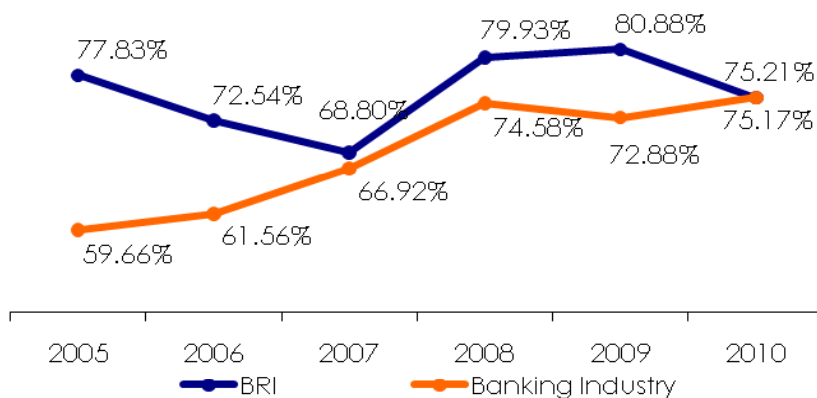
- Loan and earning assets growth has contributed to BRI asset market share, increasing to 13.24% by the end of 2010.
- Although loan market share slightly decreased due to consolidation in small and medium segments in 2010, BRI kept its position as the largest bank by loan.
- Deposit market share increases gradually for the last 6 years to prove BRI's ability to raise deposits amid rising competition.

Source: BI – Indonesia Banking Statistic Data – Dec 2010 & Company's data

# BRI and Industry

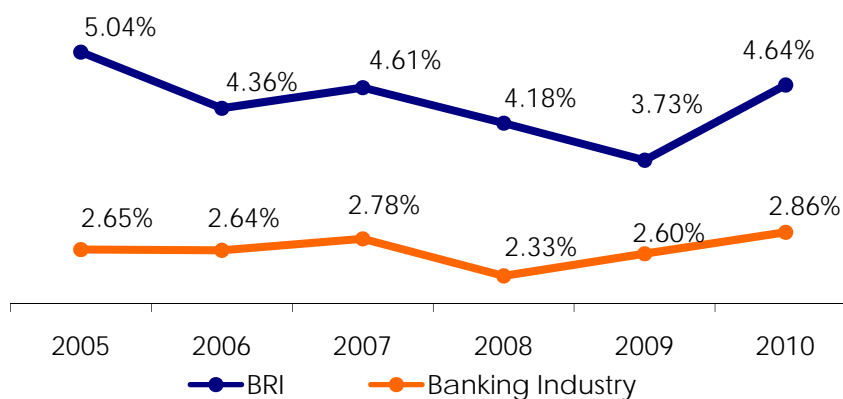


## LDR



LDR dropped due to cyclical inflow of Government-budget related fund.

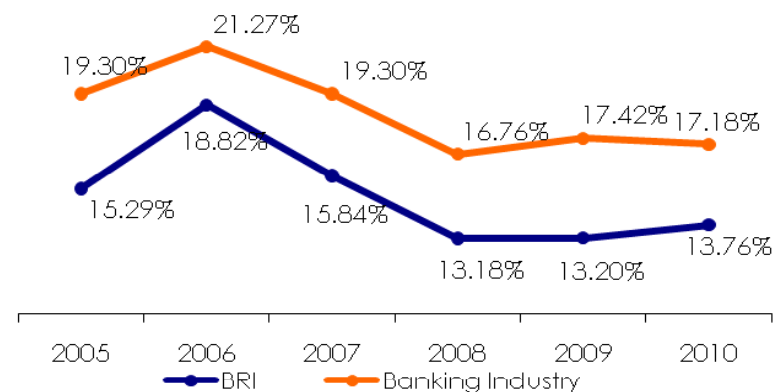
## ROA



ROA increase to 4.64% and above the industry average amid strong asset growth

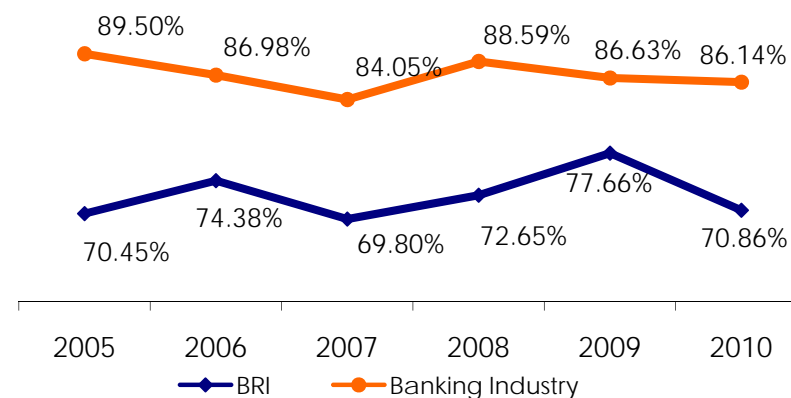
Source: BI – Indonesia Banking Statistic Data – Dec 2010 & Company's data

## CAR



Capital ratio is maintained at minimum of 12%

## Operating Expenses to Operating Income



Improving efficiency during expansion

## Financial Performance

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## Highlights

	FY 2009	FY 2010	Growth	
Total Assets (IDR Billion)	314,746	398,393	26.58%	↑
Total Loans (Gross) (IDR Billion)	205,522	246,964	20.16%	↑
Total Deposits (IDR Billion)	254,118	328,556	29.29%	↑
Net Profit (IDR Billion)	7,308	11,472	56.98%	↑
NIM	9.14%	10.77%		↑
ROE	35.22%	43.83%		↑
ROA before tax	3.73%	4.64%		↑
NPL (gross)	3.52%	2.78%		↓
NPL (nett)	1.08%	0.74%		↓
Total CAR *)	13.20%	13.76%		↑
LDR	80.88%	75.17%		

\*) Include Operational Risk

*Note: Numbers stated in this presentation are Bank only*

## Financial Performance

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### *Balance Sheet*



# Balance Sheet - highlights



Description	Full Year					IDR Billion
	2006	2007	2008	2009	2010	Growth (YoY)
Total Assets	154,725	203,604	246,026	314,746	398,393	26.58%
- Gross Loans	90,283	113,853	161,061	205,522	246,964	20.16%
- Government Bonds (Recap)	18,445	18,223	16,352	15,027	13,626	-9.32%
- Other Earnings Assets	30,310	36,970	51,393	76,487	113,669	48.61%
Total Earning Assets	139,038	169,046	228,807	297,037	374,259	26.00%
Earning Assets Provision	(6,786)	(7,069)	(8,813)	(11,576)	(14,007)	21.01%
Total Earning Assets (net)	132,252	161,977	219,994	285,461	360,252	26.20%
Total Non Earning Assets	22,473	41,627	26,032	29,285	38,141	30.24%
Total Liabilities & S.E	154,725	203,604	246,026	314,746	398,393	26.58%
Total Customer Deposits	124,468	165,475	201,495	254,118	328,556	29.29%
- Demand Deposits	27,864	37,146	39,912	49,965	77,049	54.21%
- Saving Deposits	58,308	72,269	88,063	104,119	125,198	20.24%
- Time and Certificate Deposits	38,297	56,061	73,520	100,034	126,310	26.27%
Other Interest Bearing Liabilities	6,037	6,263	7,599	20,941	16,595	-20.75%
Non Interest Bearing Liabilities	7,342	12,428	14,575	12,429	16,569	33.31%
Tier I Capital	13,104	15,448	17,796	20,846	27,673	32.75%
Total Shareholder's Equity	16,879	19,438	22,357	27,257	36,673	34.54%

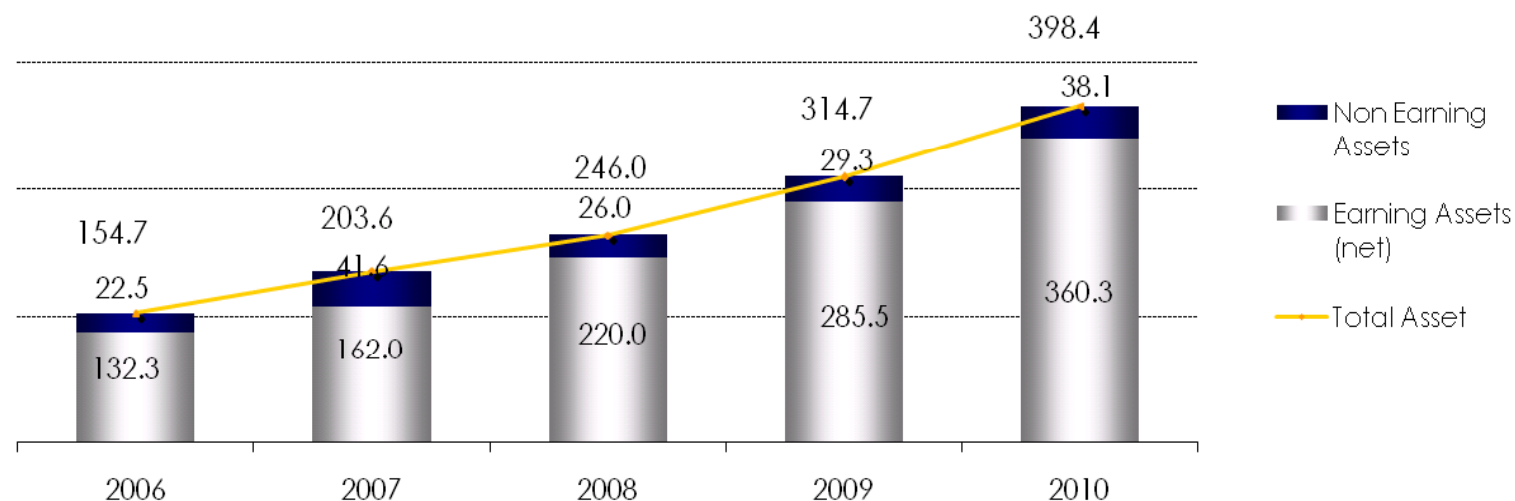
Note: PSAK 50 & 55 implementation increase value of the loan with flat interest rate due to the difference in interest income recognition

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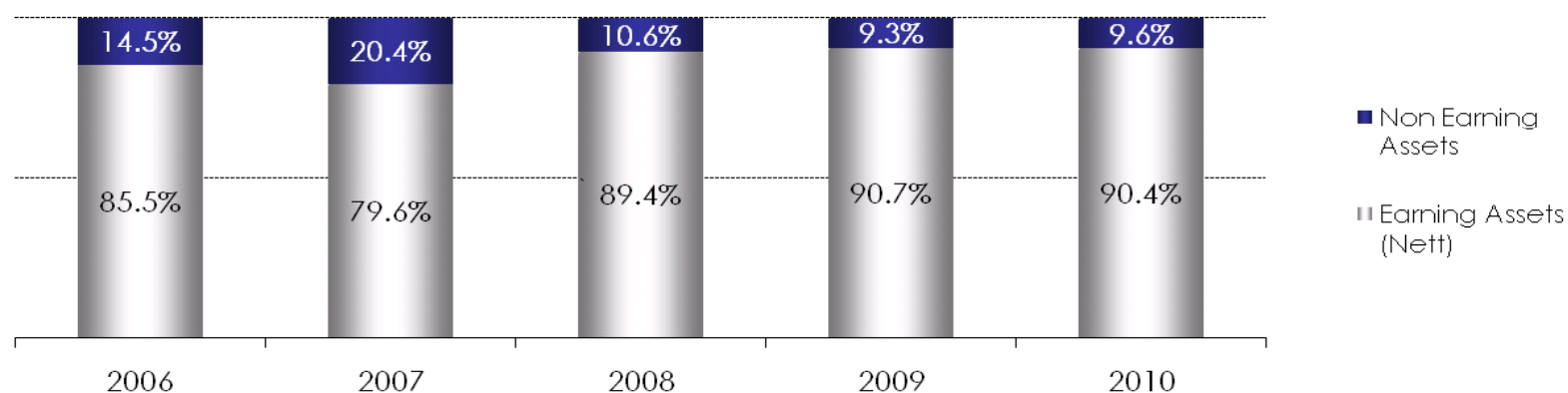
# Asset – growth & composition

## Total Assets – Growth

(IDR Trillion)

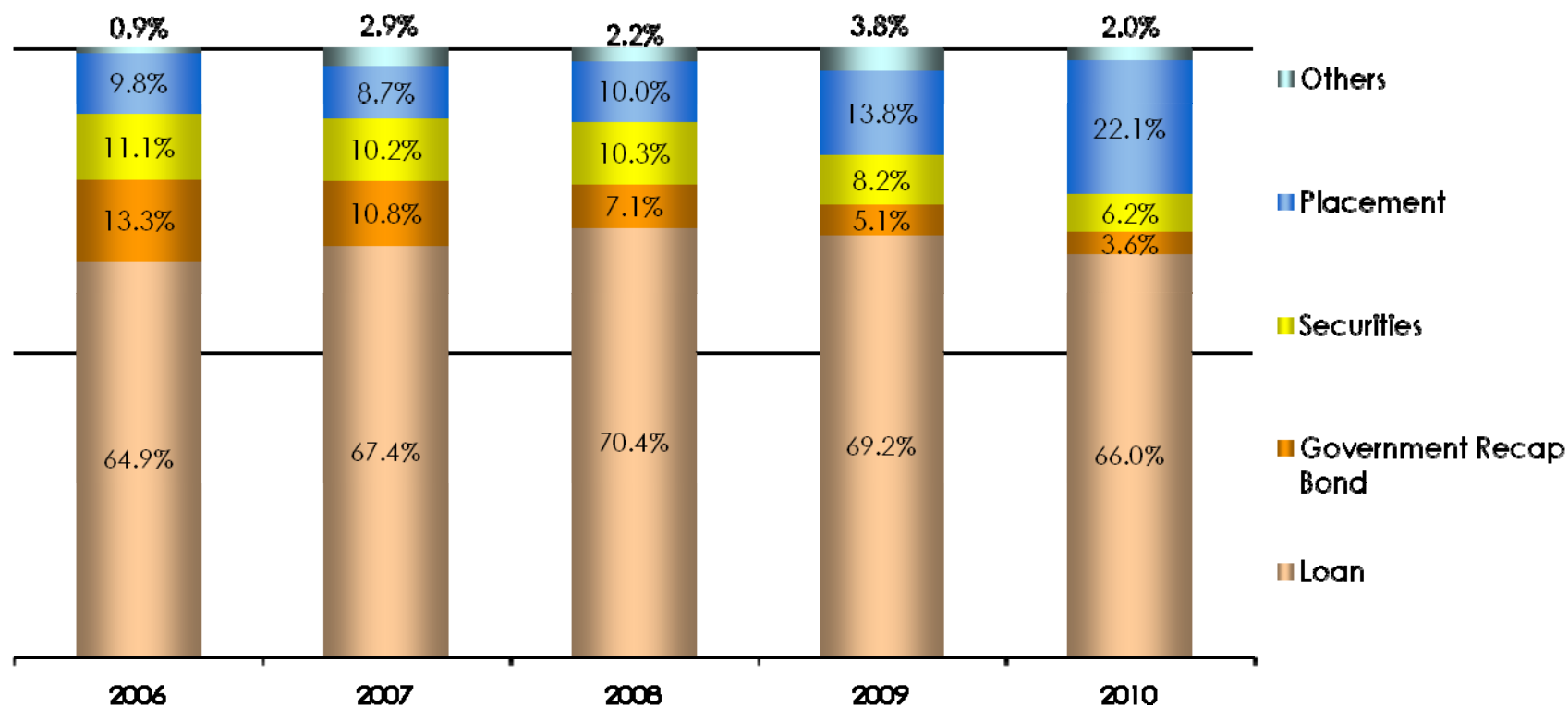


## Total Assets - Composition



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## Asset – earning asset composition



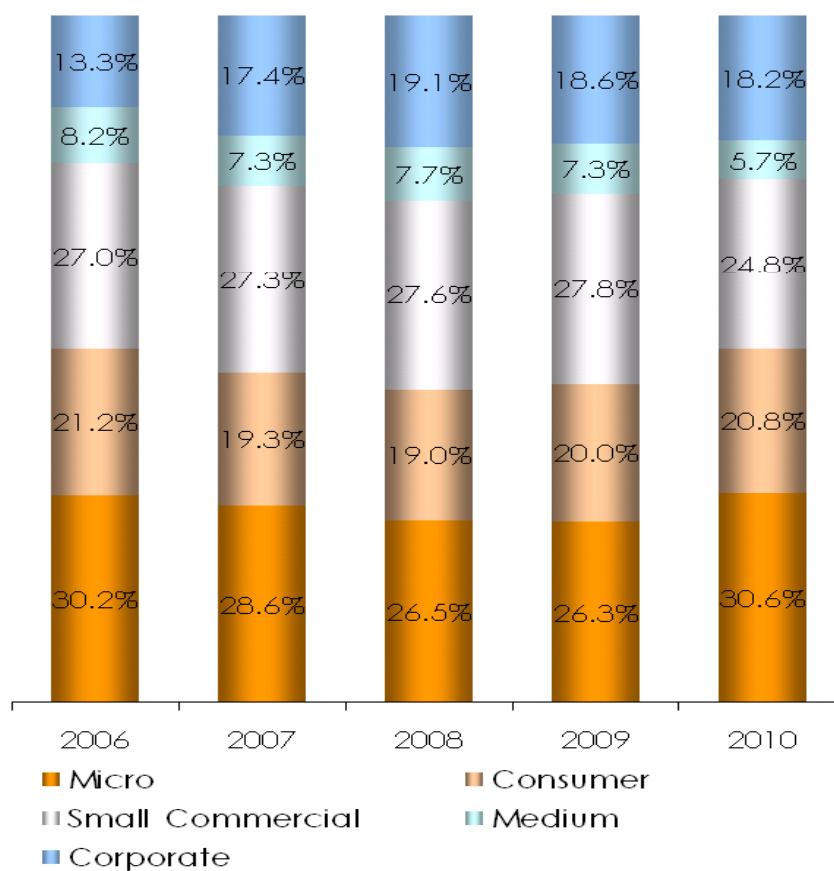
Loan contributes 65.99% of Total Earning Asset

*Note: Numbers stated in this presentation are Bank only*

# Loans – composition

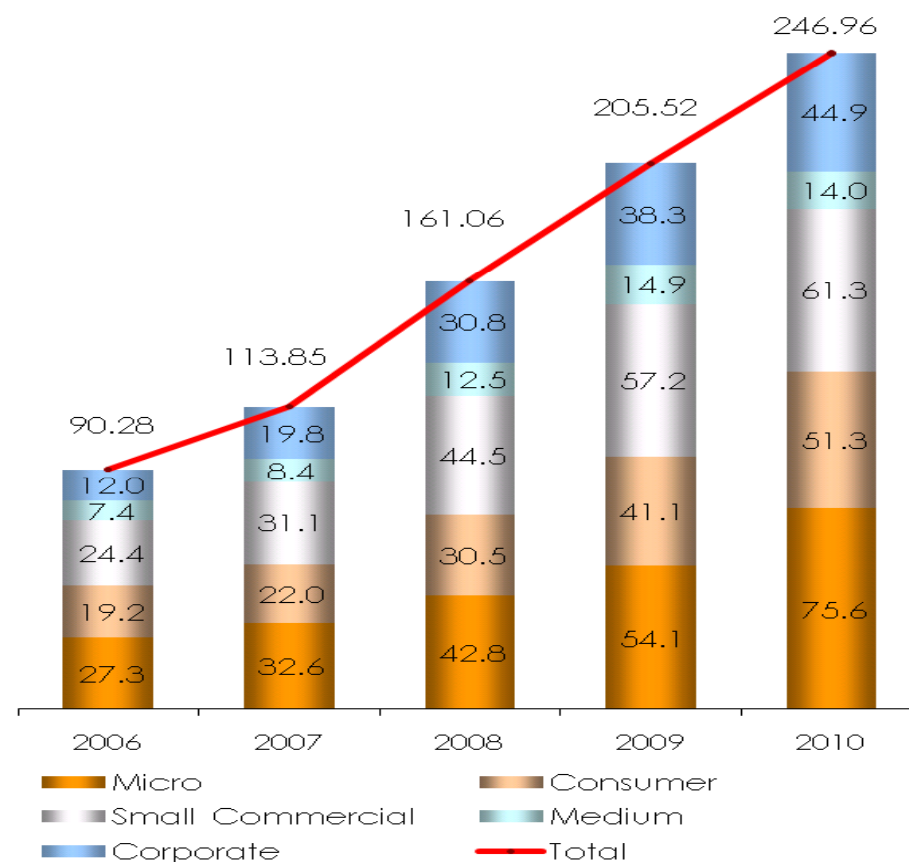


Composition – by business segment (%)



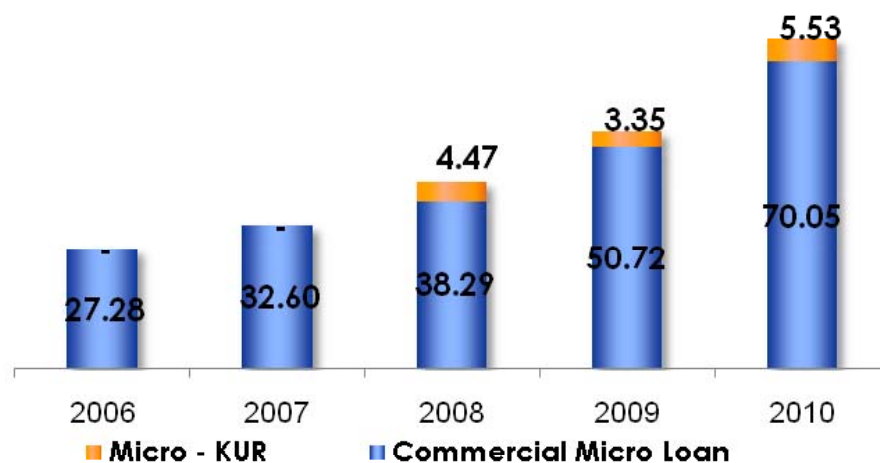
Loans Outstanding

IDR trillion

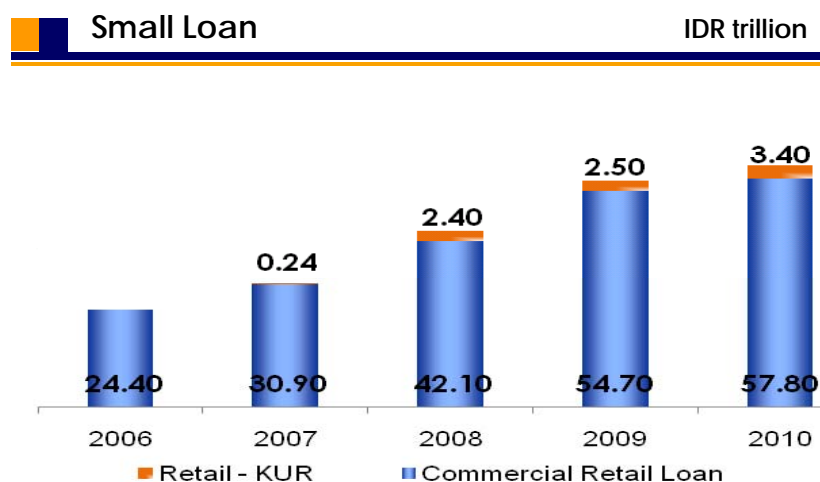


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# Micro, Small & KUR Loan



Micro Loan grew strongly 39,78% year on year with 29% five-year CAGR, while Commercial Micro Loan increase 38,1% (yoy)

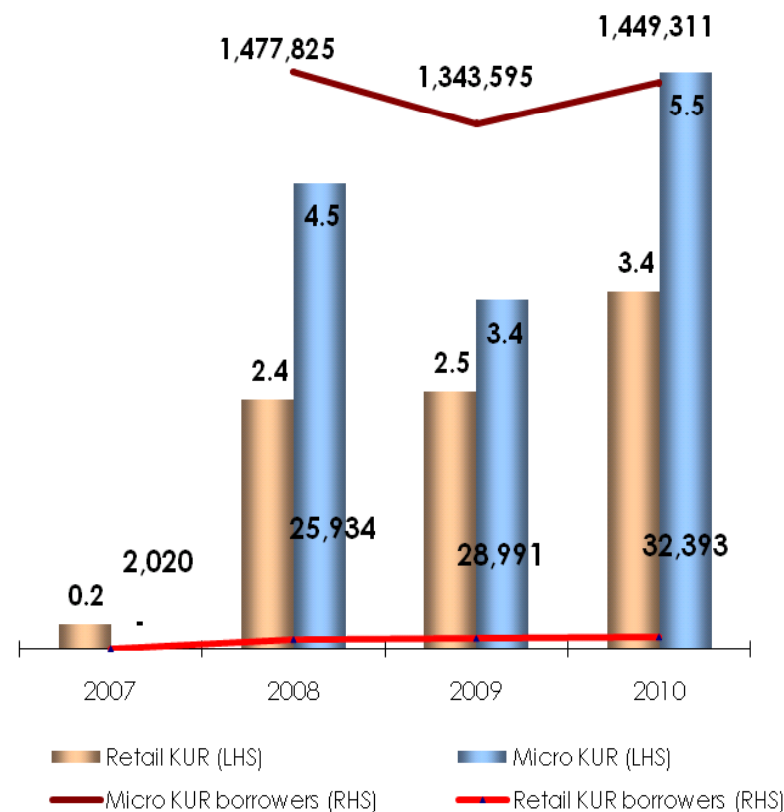


Small Commercial Loan grew 7.2% yoy and 25.9% five-year CAGR

Note: Numbers stated in this presentation are Bank only

## KUR Outstanding & Number of Borrowers

(IDR Trillion & people)



- KUR outstanding was IDR 8.97 trillion with 1.48 million borrowers, contributed 3,63 % of total loan portfolio
- IDR 22.72 trillion of KUR has been disbursed to 3.67million borrowers since its inception (October 2007)
- NPL decreased from 5.98% in 2009 to 2.32% in 2010

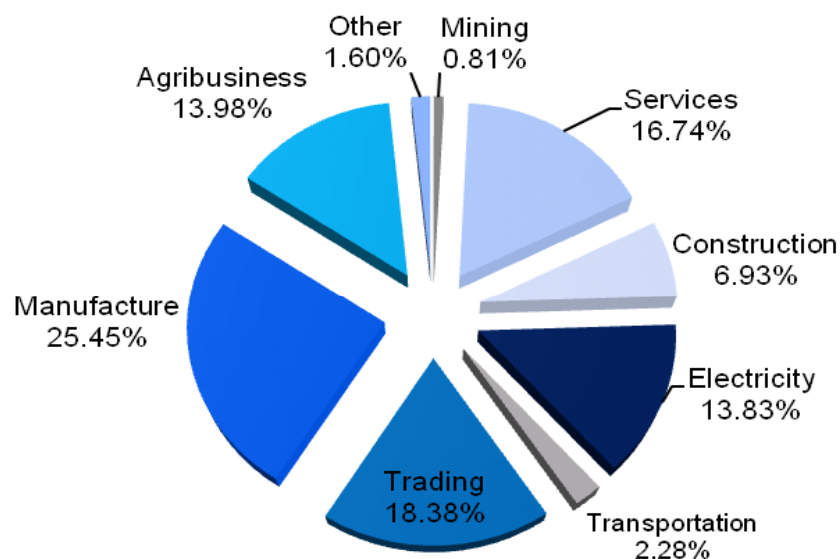
# Corporate Loans - composition

## By Enterprise Ownership

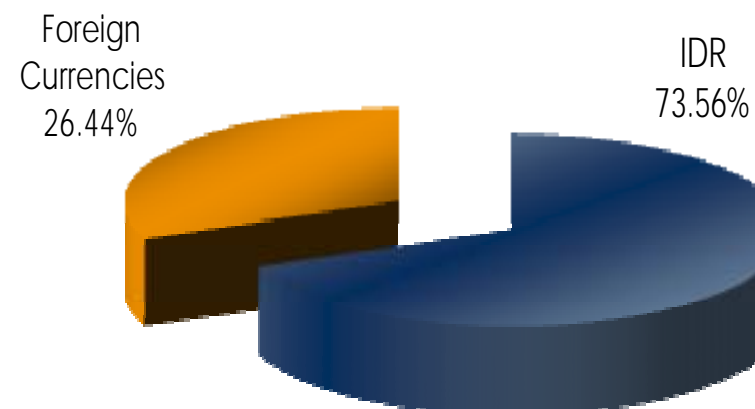
	Nominal (IDR Billion)		Growth	Composition	
	Dec 09	Dec 10		Dec 09	Dec 10
SOE	20,917	24,869	18.89%	54.62%	55.45%
Non SOE	17,379	19,981	14.97%	45.38%	44.55%
<b>Total</b>	<b>38,296</b>	<b>44,850</b>	<b>17.11%</b>	<b>100.00%</b>	<b>100.00%</b>

Corporate Lending continued to focus on SOE

## By Economic Sector



## By Currency



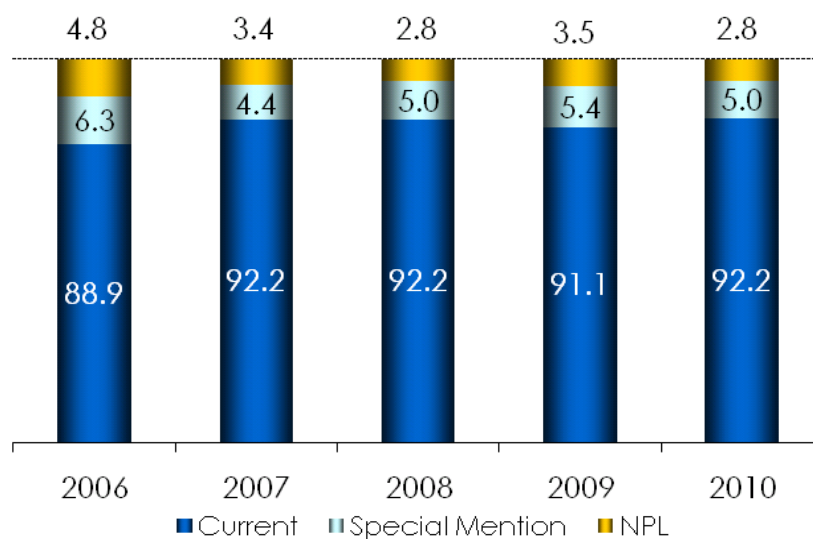
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# Loan Quality – moderate level of NPL

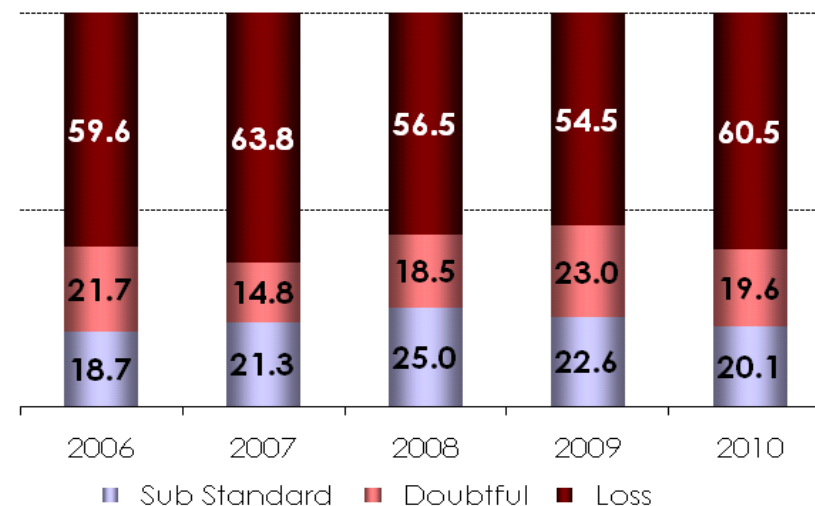
## NPL Ratio by Business Segments

NPL BY SEGMENT (%)	Full Year				
	2006	2007	2008	2009	2010
Micro	1.36	1.19	1.02	1.40	1.22
Consumer	1.91	1.67	1.08	1.35	1.40
Small Commercial	6.32	5.71	3.52	4.21	5.19
Medium	5.87	5.67	6.33	12.31	6.84
Corporate	13.55	4.62	4.53	4.38	2.43
Total NPL	4.81	3.44	2.80	3.52	2.78

## Loan Quality Breakdown (%)



## Non Performing Loan Breakdown (%)



Note: Numbers stated in this presentation are Bank only



# Government Bonds – *by type and maturities*



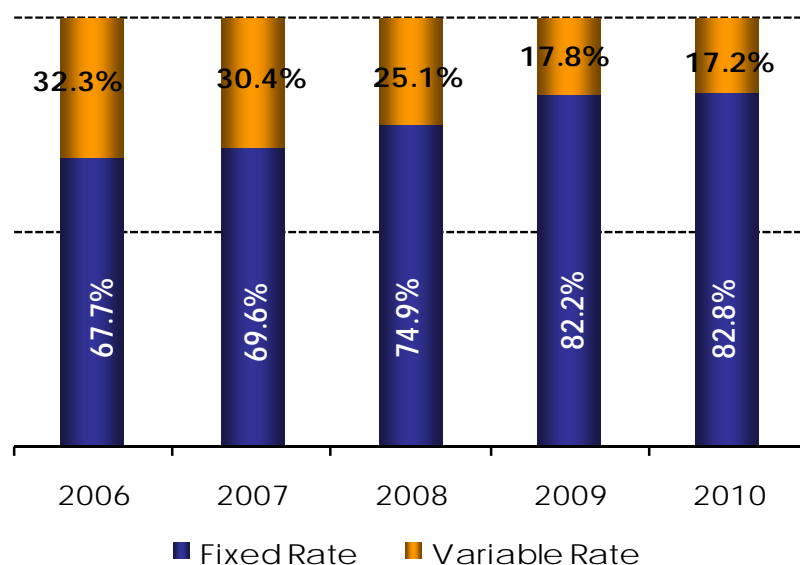
## By Type of Holdings

Portfolio	2006		2007		2008		2009		2010	
	Nom	% to Ttl	Nom	% to Ttl	Nom	% to Ttl	Nom	% to Ttl	Nom	% to Ttl
<b>Hold to Maturity</b>	11.34	56.0%	11.34	48.8%	12.60	60.2%	10.48	51.8%	10.47	50.1%
<b>Available for Sale</b>	7.09	35.0%	8.76	37.7%	7.15	34.2%	8.72	43.1%	10.42	49.9%
<b>Trading</b>	1.81	8.9%	3.12	13.4%	1.18	5.6%	1.04	5.1%	-	0.0%
<b>Total Govt. Bond</b>	<b>20.24</b>	<b>100.0%</b>	<b>23.22</b>	<b>100.0%</b>	<b>20.93</b>	<b>100.0%</b>	<b>20.24</b>	<b>100.0%</b>	<b>20.89</b>	<b>100.0%</b>

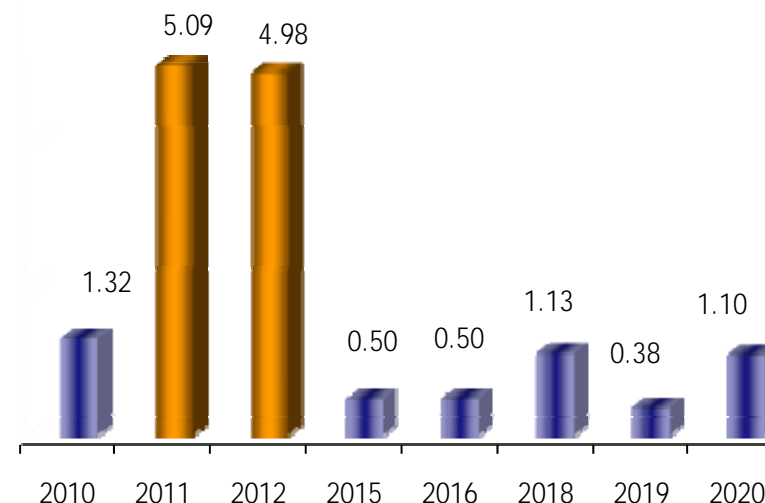
Note: - Total Government Bond consist of Government Recap Bond and Other Government Bonds

- As of December 2010, Government Recap Bond and Other Government Bonds amounting to IDR 13.63 Trillion (65.25%) and IDR 7.26 Trillion (34.75%) respectively

## By Type of Rate



## Recap Bond Maturity



Note: Numbers stated in this presentation are Bank only

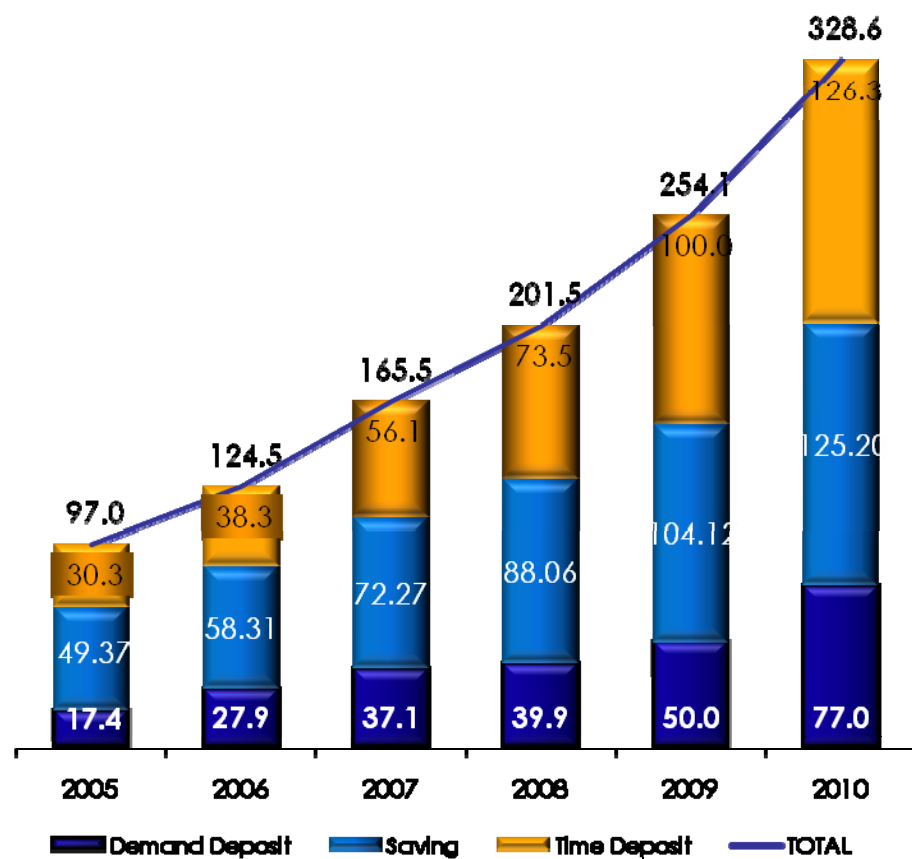


# Deposits – composition and COF trend

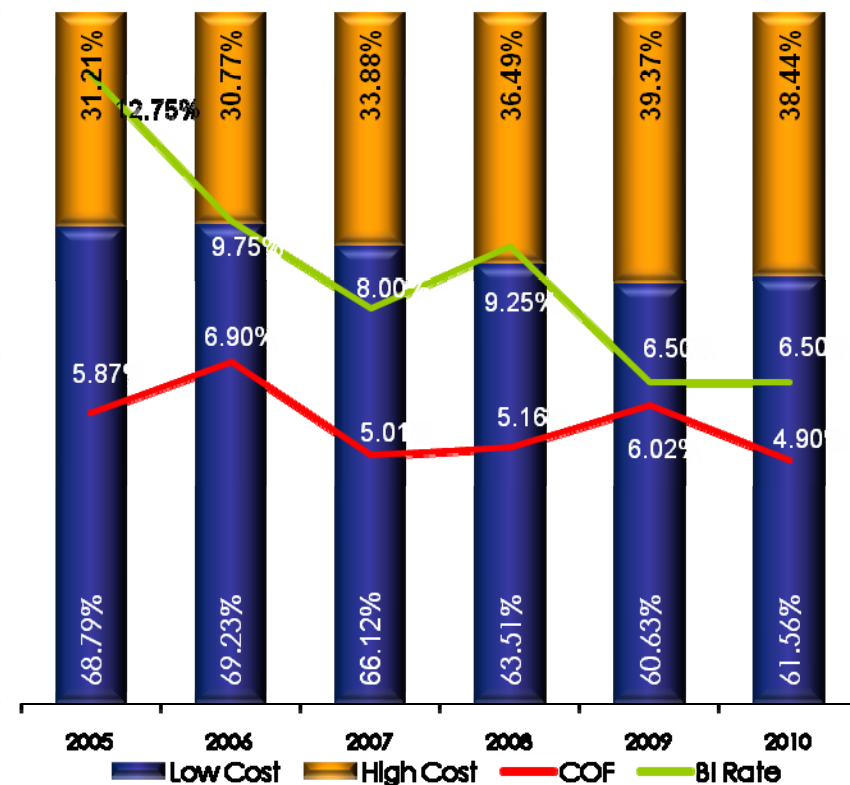


Deposits Growth: Trend

(IDR trillion)



Deposit Composition, COF and BI Rate



- Total deposit grew IDR 74.44 trillion or an increase of 29.29% (yoy), and low cost of fund contributes 61.56% of total third party fund
- COF declines from 6.02% in 2009 to 4.90% in 2010.

Note: Numbers stated in this presentation are Bank only

## Financial Performance

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*Profitability*

# Income Statement – highlights



IDR Billion

Description	Full Year					Growth (YoY)
	2006	2007	2008	2009	2010	
Interest Income	21,070.5	23,240.6	28,076.4	35,070.7	43,971.5	25.38%
Interest Expense	(7,281.2)	(6,544.1)	(8,437.0)	(12,179.9)	(11,449.0)	-6.00%
Net Interest Income	13,789.4	16,696.6	19,639.4	22,890.8	32,522.5	42.08%
Fee & Other Opr. Income	1,509.1	1,821.7	2,491.6	3,257.1	5,457.7	67.56%
Gross Operating Income	15,298.4	18,518.3	22,131.1	26,147.9	37,980.3	45.25%
Other Operating Expenses	(7,665.6)	(9,019.6)	(10,970.8)	(11,773.3)	(15,647.9)	32.91%
Pre Provision Operating Profit	7,632.8	9,498.7	11,160.2	14,374.6	22,332.3	55.36%
Provision	(1,848.1)	(1,942.7)	(2,812.7)	(5,804.9)	(7,926.2)	36.54%
Non Operating Profit/Loss	122.1	224.1	475.8	1,327.0	497.2	-62.53%
Profit Before Tax n Minor. Int.	5,906.7	7,780.1	8,823.3	9,896.8	14,903.4	50.59%
Net Profit	4,257.6	4,838.0	5,958.4	7,308.3	11,472.4	56.98%
EPS	355.6	403.6	497.0	609.5	956.7	56.97%

Note: PSAK 50 & 55 implementation contributes interest income increase of flat-rate loans

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# Sources of Income

IDR Billion

Source of Income	2006	2007	2008	2009	2010	Growth YoY
Interest income	21,070.5	23,240.6	28,076.4	35,070.7	43,971.5	25.4%
Other Opr.Income	1,509.1	1,821.7	2,491.6	3,257.1	5,457.7	67.6%
Non Operating Income (net)	122.1	224.1	475.8	1,327.0	497.2	-62.5%
<b>Total Income</b>	<b>22,701.7</b>	<b>25,286.4</b>	<b>31,043.8</b>	<b>39,654.8</b>	<b>49,926.5</b>	<b>25.9%</b>

Interest Income contributed 88,07% of total revenue

## Other Operating Income

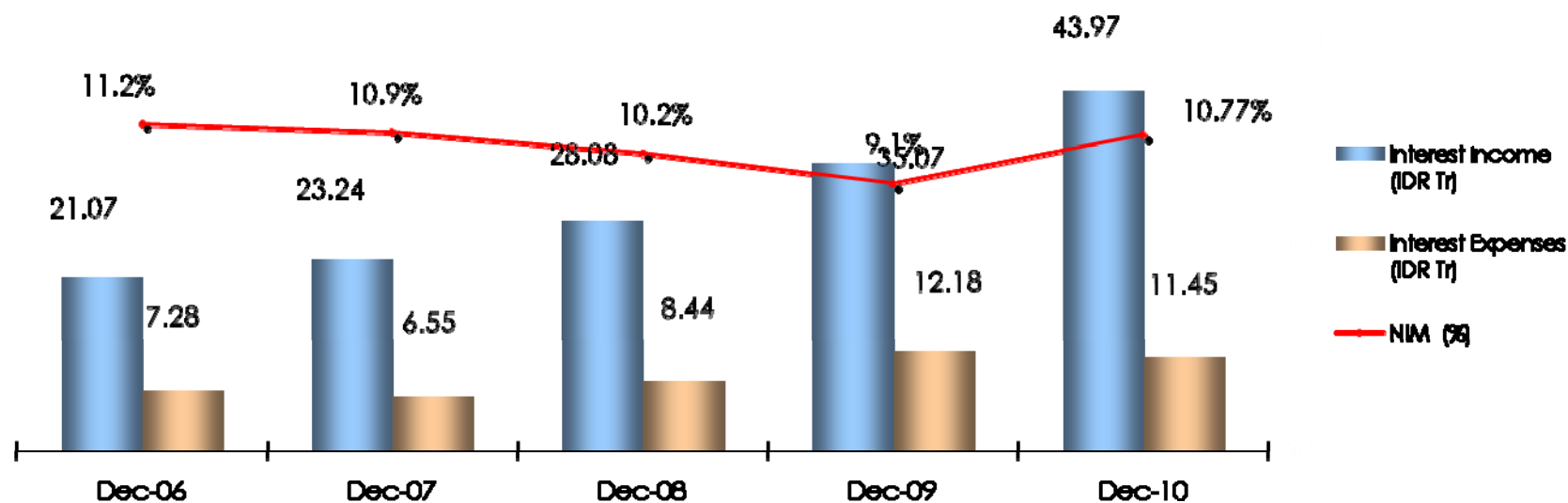
IDR Billion

Other Operating Income	2006	2007	2008	2009	2010	YoY
Gain Fr Value Increase of Securities and Govt. Recap Bonds	484.20	48.36	51.48	270.15	156.21	42.2%
Fees and Commissions	837.69	1,455.59	1,766.83	2,101.53	2,812.51	33.8%
Gain fr Forex	-	176.11	613.64	713.43	773.02	8.4%
Recovery				-	1,525.14	
Others	187.16	141.65	59.67	171.98	190.85	11.0%
<b>Total</b>	<b>1,509.05</b>	<b>1,821.70</b>	<b>2,491.62</b>	<b>3,257.10</b>	<b>5,457.73</b>	<b>67.56%</b>

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# Sources of Interest Income

## Interest Income, Interest Expenses and NIM



## Source of Interest Income

IDR billion

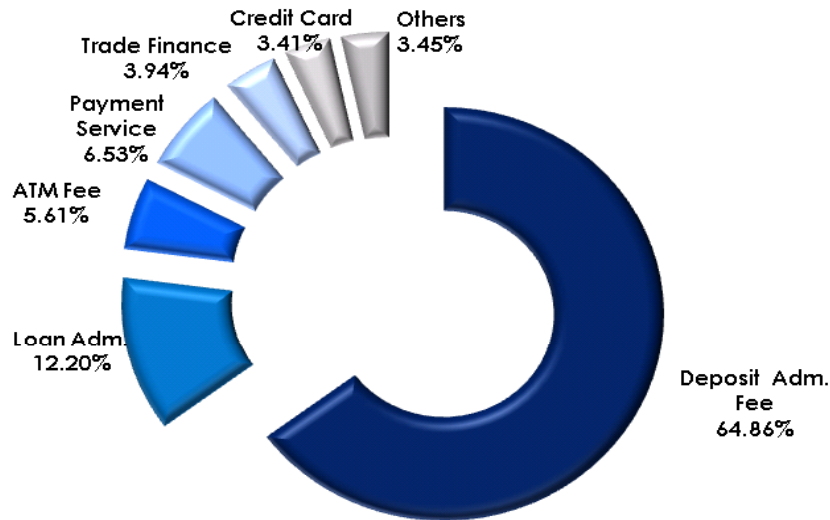
Source of Income	Dec-06	Dec-07	Dec-08	Dec-09	Dec-10	Growth YoY
Interest from Loans	15,763.4	18,123.3	22,530.4	29,290.1	39,587.2	35.16%
Interest from Govt. Bonds	2,339.1	2,020.3	1,930.4	1,805.8	1,506.4	-16.58%
Int. from Other Earning Assets	2,968.0	3,097.0	3,615.6	3,974.8	2,877.9	-27.60%
<b>Total Interest Income</b>	<b>21,070.5</b>	<b>23,240.6</b>	<b>28,076.4</b>	<b>35,070.7</b>	<b>43,971.5</b>	<b>25.38%</b>

- Interest income from loans contribute 90.03% of total interest income (or 79,29% of total income)

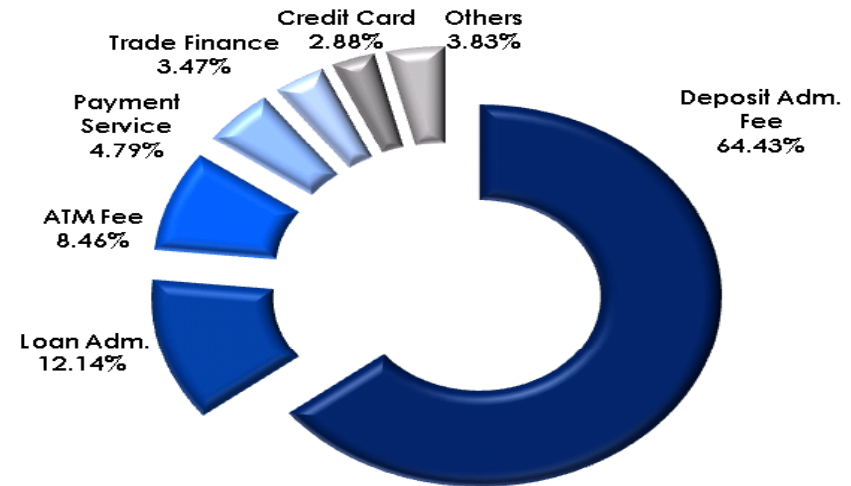
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# Fee-based Income

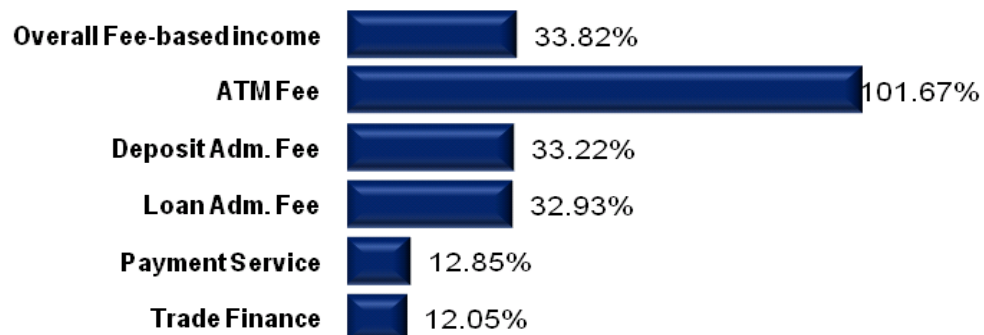
Composition 2009



Composition 2010



Fee-based income growth



- Fee-based income grew strongly 33.8% and reached IDR2.81 trillion in 2010 .
- Deposit administration fee is a major contributor of fee-based income
- ATM fee income doubled and increased its composition to total fee-based income from 5.61% in 2009 to 8.46% in 2010 in line with increase of the number of ATM

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## Other Operating Expenses



IDR Billion

	Dec-06	Dec-07	Dec-08	Dec-09	Dec-10	Growth YoY
Personnel	4,830.78	5,274.42	6,317.64	6,585.62	8,477.75	28.73%
General and Administration	2,054.03	2,404.71	3,081.10	3,647.79	4,534.49	24.31%
Losses fr decrease of Securities and Govt. Bonds value	-	46.33	150.28	-	-	n.a.
Losses fr sale of Securities and Govt. Bonds	-	-	-	-	-	-
Losses from forex transaction	4.61	-	-	-	-	-
Premium Paid on Govt Guarantee	206.25	267.18	349.07	422.83	516.86	22.24%
Promotion	177.32	469.70	300.67	418.38	479.10	14.51%
Others	392.67	557.28	772.09	698.65	1,639.73	134.70%
<b>Total</b>	<b>7,665.65</b>	<b>9,019.61</b>	<b>10,970.83</b>	<b>11,773.26</b>	<b>15,647.93</b>	<b>32.91%</b>

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# Key Financial Ratios



Description	Full Year				
	2006	2007	2008	2009	2010
Classified Loan Ratio	11.07%	7.82%	7.85%	8.91%	7.77%
NPL ratio - Gross	4.81%	3.44%	2.80%	3.52%	2.78%
NPL ratio - Nett	1.29%	0.88%	0.85%	1.08%	0.74%
Provision to Earning Asset	4.94%	4.05%	4.44%	4.29%	4.58%
Tier I CAR	16.44%	14.15%	11.84%	12.05%	12.01%
Total CAR *)	18.82%	15.84%	13.18%	13.20%	13.76%
Loan to Deposit Ratio	72.53%	68.80%	79.93%	80.88%	75.17%
Net Interest Margin (NIM)	11.16%	10.86%	10.18%	9.14%	10.77%
Return on Assets (ROA) - b.t	4.36%	4.61%	4.18%	3.73%	4.64%
Return on Assets (ROA) - a.t	3.15%	2.87%	2.82%	2.76%	3.57%
Return on Equity (ROE) - Tier I	33.75%	31.64%	34.50%	35.22%	43.83%
Return on Equity (ROE) - B/S	28.19%	26.45%	29.15%	28.83%	35.94%
Cost of Fund (COF)	6.90%	5.01%	5.16%	6.02%	4.90%
Min. Reserve Requirement	12.34%	22.09%	5.57%	5.90%	8.05%
Net Open Position	5.41%	7.90%	13.55%	5.22%	4.45%
Opr. Expense to Opr. Income	74.38%	69.80%	72.65%	77.66%	70.86%
Cost Efficiency Ratio (CER)**)	51.65%	49.03%	50.40%	46.78%	42.23%

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

Note: Numbers stated in this presentation are Bank only



## Key Financial Targets - 2011

Loan Growth	:	±22%
Deposit Growth	:	±18%
CASA Composition	:	≥60%
CAR	:	±13%
Net Profit Growth	:	±15%
NIM	:	±9%
COF	:	±5.5%
NPL	:	±4%
LDR	:	±85%

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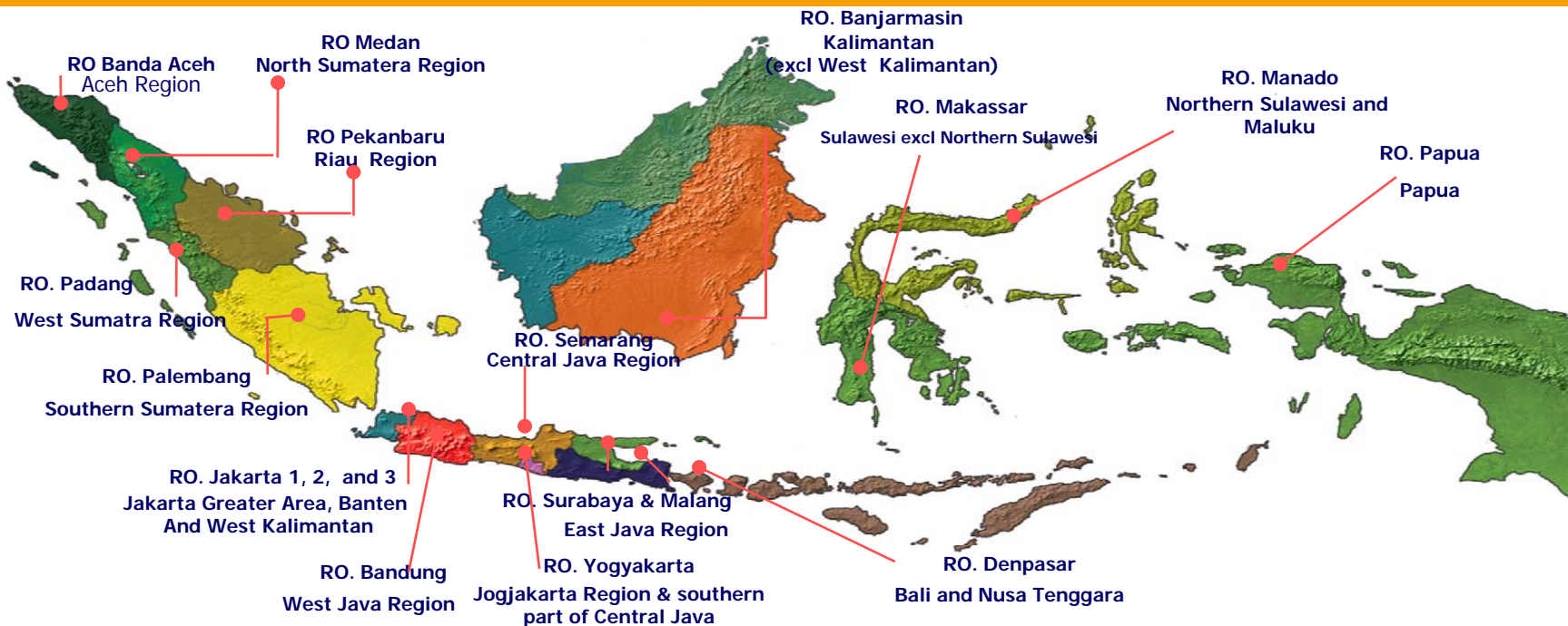
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*Supporting Material*

# The Most Extensive and Largest Networks



## Regional Office Distribution



	Dec 06	Dec 07	Dec 08	Dec 09	Dec 10	Δ
Regional Offices	13	14	14	17	18	1
Branches	334	344	376	406	413	7
Sub Branches	202	230	337	434	470	36
Micro Outlets	4229	4300	4,417	4,538	4,649	111
Cash Counters		24	179	728	822	94
Teras BRI				217	617	400
Total Working Units *	4,779	4,913	5,324	6,341	6,989	649

\*Total working units are including 3 overseas offices

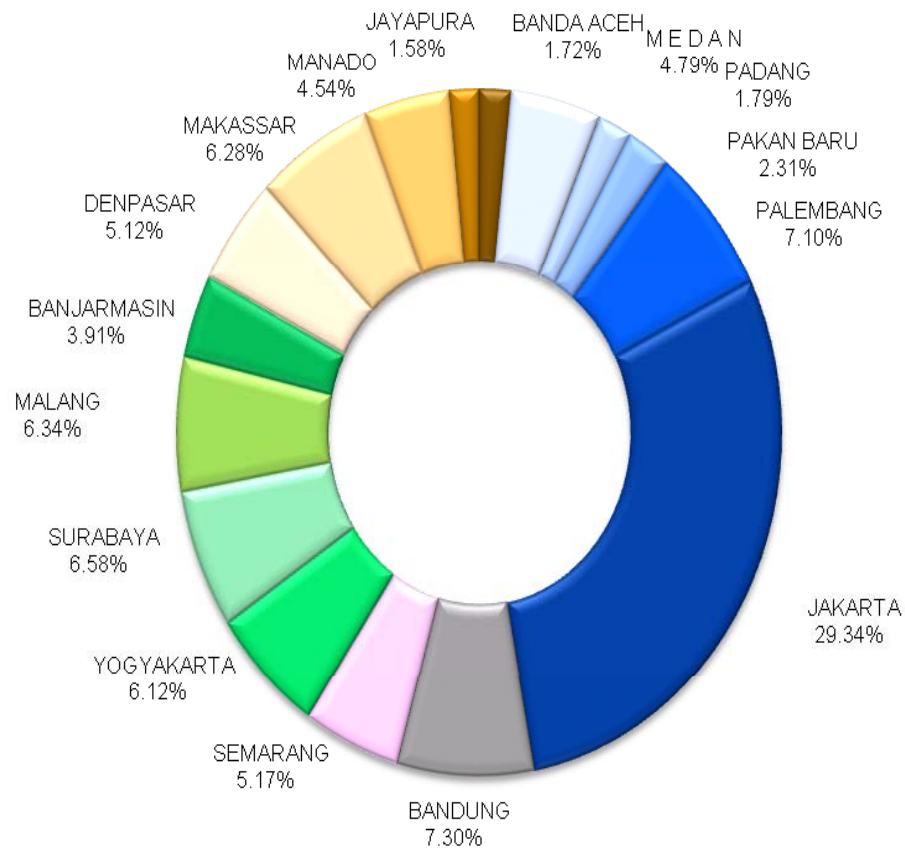
## E-Channel BRI

- As of December 2010, Electronic channel BRI are ATMs 6,085, Electronic Data Captures (EDC) 13,631, Cash Deposit Machines (CDM) 71 and Kiosk BRI 100
- Number of BRI ATMs increased 2,307 machine (yoy)
- BRI also has cooperation with ATM Bersama, ATM Prima, ATM Link, Cirrus and Maestro

# Loan Distribution



## By Regional Office



## By Region



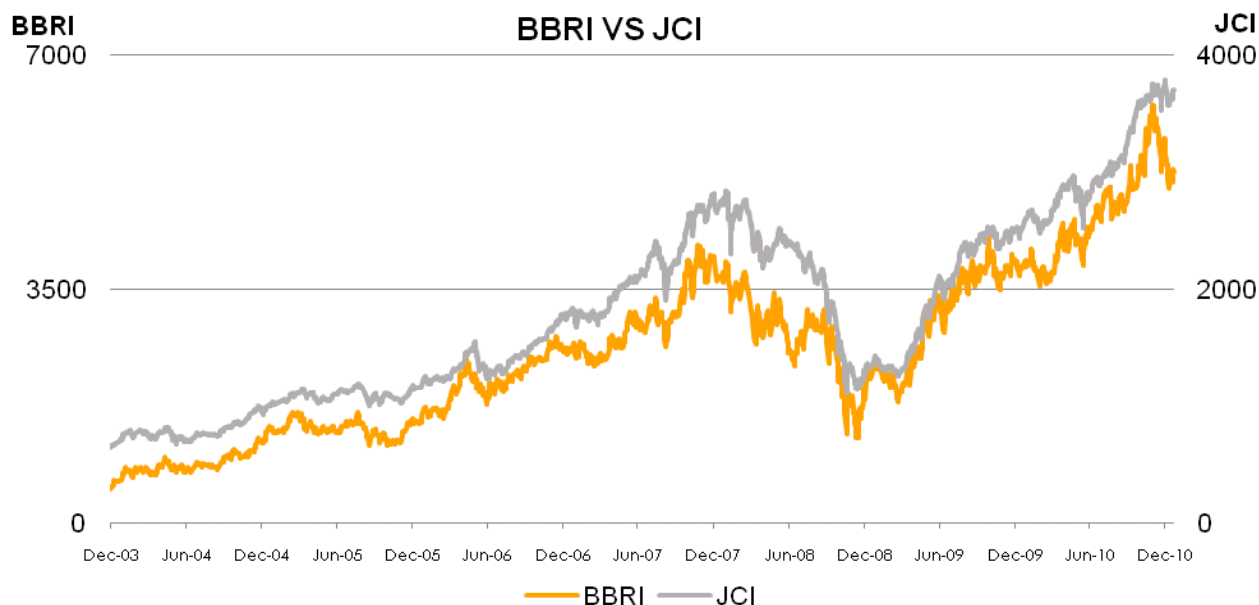
- Loan disbursement in Java contributes 60.85% of total loan
- Jakarta greater area dominates 29,34% of total loan disbursement by regional office

Note: Numbers stated in this presentation are Bank only

# Shareholders & Stock Performance



## Stock Price: Trend



## Shareholders Composition

Shareholder	Nov-03	Dec-07	Dec-08	Dec-09	Dec-10
<b>Government</b>	<b>59.50%</b>	<b>56.83%</b>	<b>56.81%</b>	<b>56.77%</b>	<b>56.75%</b>
<b>Public</b>	<b>40.10%</b>	<b>43.17%</b>	<b>43.19%</b>	<b>43.23%</b>	<b>43.25%</b>
Foreign *)	55.31%	85.66%	81.73%	84.16%	84.25%
Domestic *)	44.69%	14.34%	18.27%	15.84%	15.75%

\*) percentage from public holding

MOODY'S (Jan 2011)		
-	Outlook	Stable
-	Domestic Currency Long Term Deposit	Baa3
-	Foreign Currency Long Term Deposit	Ba2
-	Bank Financial Strength	D+
FITCH (February 2011)		
-	National Long Term Rating	AAA (idn), Stable Outlook
-	Long Term Foreign Currency IDR	BB+, Positive Outlook
-	Short Term Foreign Currency IDR	B
-	Individual Rating	C/D
-	Support Rating	3
-	Support Rating Floor	BB+
-	Rupiah Subordinated Debt	AA (idn)
PEFINDO (March 2011)		
-	National Rating	ID AAA

## Balance Sheet – consolidation\*)



Description	Full Year					Growth YoY
	2006	2007	2008	2009	2010	
Total Assets	154,725	203,735	246,077	316,947	404,286	27.56%
- Gross Loans	90,283	113,973	161,108	208,123	252,489	21.32%
- Government Bonds (Reca	18,445	18,223	16,352	15,027	13,626	-9.32%
- Other Earnings Assets	30,310	36,896	51,321	75,913	113,580	49.62%
Total Earning Assets	139,038	169,091	228,781	299,063	379,696	26.96%
Earning Assets Provision	(6,786)	(7,074)	(8,814)	(11,665)	(14,121)	21.05%
Total Earning Assets (net)	132,252	162,018	219,968	287,398	365,575	27.20%
Total Non Earning Assets	22,473	41,717	26,109	29,549	38,710	31.00%
Total Liabilities & S.E	154,725	203,735	246,077	316,947	404,286	27.56%
Total Customer Deposits	124,468	165,600	201,537	255,928	333,652	30.37%
- Demand Deposits	27,864	37,162	39,923	50,094	77,364	54.44%
- Saving Deposits	58,308	72,300	88,077	104,463	125,990	20.61%
- Time and Certificate Depo	38,297	56,138	73,538	101,371	130,298	28.54%
Other Interest Bearing Liabi	6,037	6,262	7,599	21,284	17,297	-18.73%
Non Interest Bearing Liabilit	7,342	12,435	14,583	12,477	16,663	33.55%
Tier I Capital	13,104	15,448	17,796	21,057	28,135	33.61%
Total Shareholder's Equity	16,879	19,438	22,357	27,257	36,673	34.54%

\*) BRI and its subsidiary (Bank BRI Syariah)

# Income Statement – consolidation\*)



IDR Billion

Description	Full Year					Growth (YoY)
	2006	2007	2008	2009	2010	
Interest Income	21,070.5	23,240.6	28,096.6	35,334.1	44,615.2	26.27%
Interest Expense	(7,281.2)	(6,544.1)	(8,445.6)	(12,284.6)	(11,726.6)	-4.54%
Net Interest Income	13,789.4	16,696.6	19,651.1	23,049.5	32,888.6	42.69%
Fee & Other Opr. Income	1,509.1	1,821.7	2,535.2	3,269.6	5,544.5	69.58%
Gross Operating Income	15,298.4	18,518.3	22,186.3	26,319.1	38,433.1	46.03%
Other Operating Expenses	(7,665.6)	(9,019.6)	(10,996.5)	(11,959.5)	(16,113.7)	34.74%
PPOP	7,632.8	9,498.7	11,189.7	14,359.6	22,319.4	55.43%
Provision	(1,848.1)	(1,942.7)	(2,843.6)	(5,798.9)	(7,917.4)	36.53%
Non Operating Profit/Loss	122.1	224.1	475.9	1,330.6	506.2	-61.95%
Profit Before Tax n Minor. Int.	5,906.7	7,780.1	8,822.0	9,891.2	14,908.2	50.72%
Net Profit	4,257.6	4,838.0	5,958.4	7,308.3	11,472.4	56.98%
EPS	355.6	403.6	497.0	609.5	956.7	56.97%

\*) BRI and its subsidiary (Bank BRI Syariah)



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