



Analyst Briefing

First Quarter 2008 Results

Jakarta, 22 April 2008

Disclaimer: This report has been prepared by P.T. Bank Danamon Indonesia Tbk independently and is circulated for the purpose of general information only. It is not intended to the specific person who may receive this report. The information in this report has been obtained from sources we deem reliable. No warranty (expressed or implied) is made to the accuracy or completeness of the information. All opinions and estimates included in this report constitute our judgment as of this date and are subject to change without prior notice.

We disclaim any responsibility or liability (expressed or implied) of P.T. Bank Danamon Indonesia Tbk and/or its affiliated companies and /or their respective employees and/or agents whatsoever and howsoever arising which may be brought against or suffered by any person as a result of acting in reliance upon the whole or any part of the contents of this report and neither P.T. Bank Danamon Indonesia Tbk and/or its affiliated companies and/or their respective employees and/or agents accepts liability for any errors, omissions or mis-statements, negligent or otherwise, in this report and any inaccuracy herein or omission here from which might otherwise arise.



Agenda

- **2008 Performance**

- **Financial Results**

- Asset Quality

- Business Update

- Latest Update

- Appendix



Highlights of First Quarter 2008 Results

- Loans grew by 30% to Rp 56 trillion; driven by mass market and wholesale businesses
- Total funding increased by 10% to Rp 74 trillion; current and savings accounts grew by 35% and 18% respectively
- Operating income rose by 12% to Rp 2,418 billion
- Net profit after tax grew by 17% to Rp 563 billion
- Net interest margin expanded to 11.3%
- ROAA and ROAE stood at 2.5% and 20.6% respectively

Highlights of Income Statements

<i>Rp. billion</i>	1Q07	1Q08	△YoY	4Q07	1Q08	△QoQ
Interest Income	2,934	3,149	7%	3,062	3,149	3%
Interest Expense	(1,278)	(1,172)	(8%)	(1,197)	(1,172)	(2%)
Net Interest Income	1,656	1,977	19%	1,865	1,977	6%
Fee Income	503	441	(12%)	328	441	34%
Operating Income	2,159	2,418	12%	2,193	2,418	10%
Operating Expenses	(1,027)	(1,213)	18%	(1,131)	(1,213)	7%
Pre-Provision Op. Profit	1,132	1,205	6%	1,062	1,205	13%
Cost of Credit	(365)	(290)	(21%)	(222)	(290)	31%
Net Profit before Tax	767	915	19%	840	915	9%
Net Profit after Tax	482	563	17%	517	563	9%

Highlights of Balance Sheets

<i>Rp. billion</i>	1Q07	1Q08	△YoY	4Q07	1Q08	△QoQ
Total Assets	84,946	92,178	9%	89,410	92,178	3%
Loans (gross) ¹⁾	43,109	55,916	30%	53,330	55,916	5%
Government Bonds	19,453	15,010	(23%)	15,808	15,010	(5%)
Total Deposits	57,562	62,002	8%	60,937	62,002	2%
Current Account	5,022	6,766	35%	6,728	6,766	1%
Savings	9,694	11,468	18%	11,395	11,468	1%
Time Deposit	42,846	43,768	2%	42,814	43,768	2%
Borrowings ²⁾	6,730	8,997	34%	8,632	8,997	4%
Subordinated Debt	2,733	2,759	1%	2,815	2,759	(2%)
Equity	9,268	11,152	20%	10,833	11,152	3%

¹⁾ Include consumer financing receivables of Adira Finance

²⁾ Include securities sold under repo agreements and Adira Finance's bank loans and bonds

Key Ratios

%	1Q07	1Q08	ΔYoY	4Q07	1Q08	ΔYoY
Net Interest Margin ¹⁾	9.8	11.3	1.5	10.9	11.3	0.4
Cost / Income	47.5	50.2	2.7	51.5	50.2	(1.3)
Credit Cost / Avg.Earn. Assets ²⁾	2.9	2.0	(0.9)	1.5	2.0	0.5
ROAA	2.3	2.5	0.2	2.3	2.5	0.2
ROAE ³⁾	21.2	20.6	(0.6)	21.5	20.6	(0.9)
Loan / Deposit	75.7	89.4	13.7	88.1	89.4	1.3
Loan / Funding ⁴⁾	64.3	74.8	10.5	73.7	74.8	1.1
Capital Adequacy ⁵⁾	20.6	19.7	(0.9)	19.3	19.7	0.4
NPL – Gross	3.2	2.3	(0.9)	2.3	2.3	-
LLP / NPL ⁶⁾	158.1	156.4	(1.7)	161.2	156.4	(4.8)

¹⁾ Include credit related fees and commission as per Bank Indonesia regulations

²⁾ Earning assets exclude all government securities

³⁾ ROAE adjusted after dividend payment were 21.3%

⁴⁾ Funding Includes deposit and long-term funding

⁵⁾ CAR after market risk charge, CAR of 1Q08 adjusted after dividend payment was 18.2%

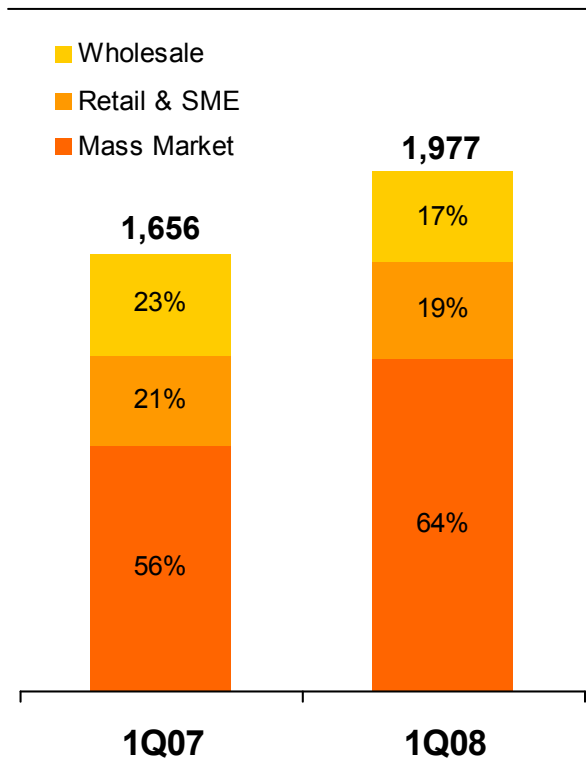
⁶⁾ After considering value of collateral mainly from Corporate, Commercial, SME loans and mortgage



Net interest margin continues to improve to 11.3% on the back of sustained asset yield and lower cost of funds

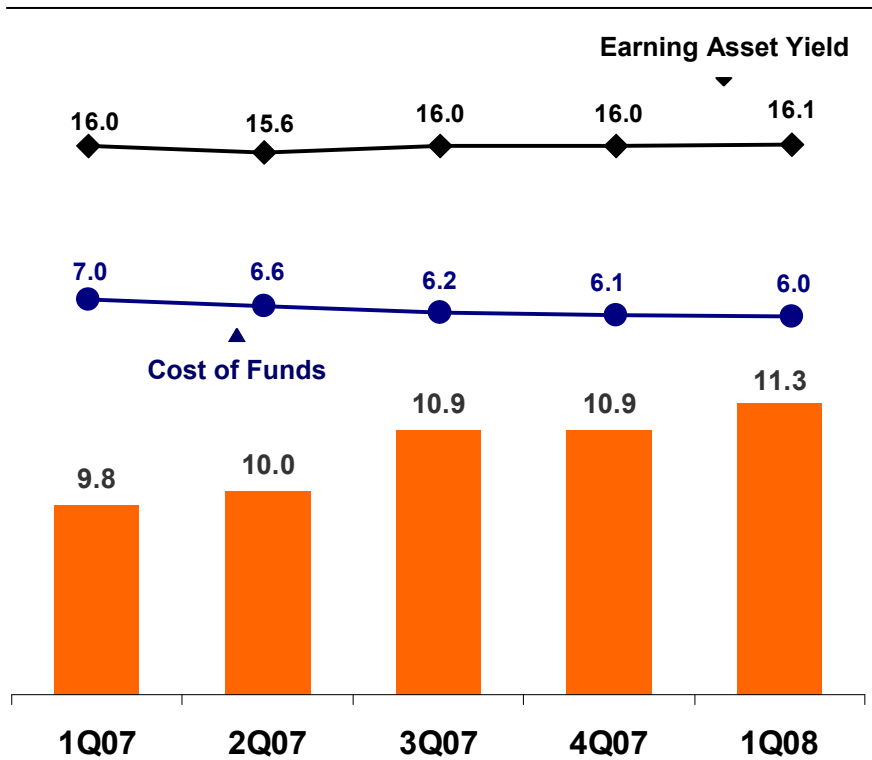
Net Interest Income

Rp. billion



Net Interest Margin

%, annualized



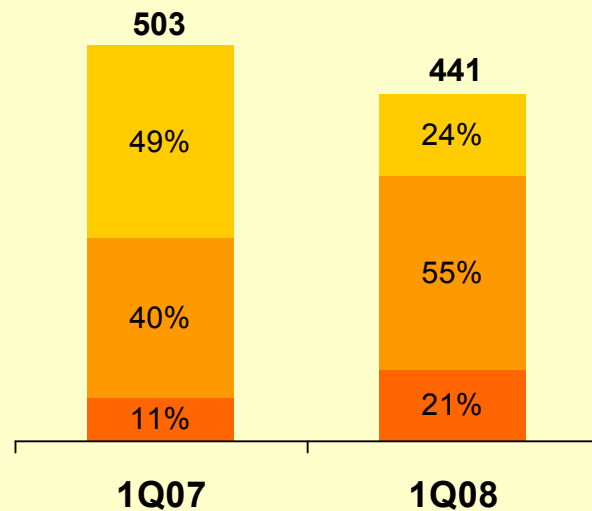
Net interest income rose by 19% driven by mass market businesses

Fee income amounted to Rp 441 billion and contributed to 18% of operating income

Fee Income

Rp. billion

- Wholesale
- Retail & SME
- Mass market

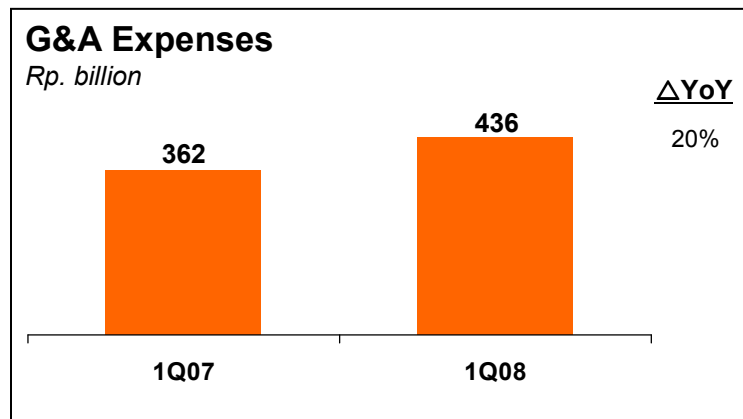
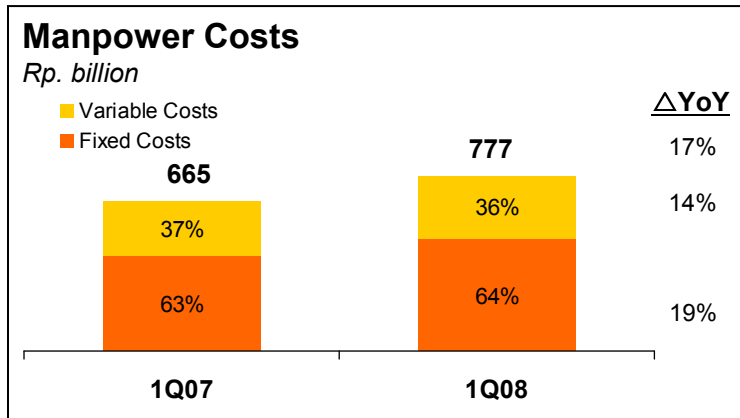


Credit related fees rose by 44% driven by strong growth in loans and trade finance

Rp. billion	1Q07	1Q08	△YoY
Credit related fees	176	251	43%
Cash management	74	79	7%
Treasury products	202	24	(88%)
Adira Finance	7	18	157%
Adira Insurance & Quantum	44	69	57%
Total	503	441	(12%)
Fee Income/Revenue	23%	18%	(5%)

Lower income from treasury products resulted in lower fee income

Increase in operating expenses was due to the expansion in mass market businesses



Rp billion	1Q07	1Q08	ΔYoY
Wholesale	171	161	(6%)
Retail & SME	468	520	11%
Mass Market	388	532	37%
Adira Finance	179	233	30%
SEMM	159	228	43%
CMM & Quantum	50	71	44%
Total	1,027	1,213	18%
Cost / Income	47.5%	50.2%	2.7%

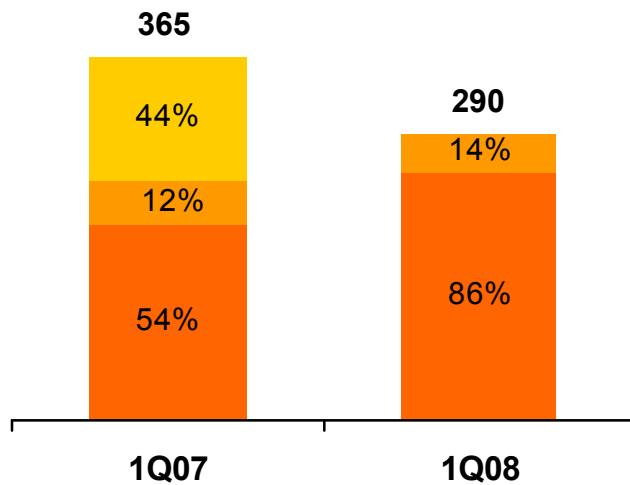
Mass market businesses added over 4,600 headcounts to support their business growth

Cost of credit declined by 21% despite 30% loan expansion, reflecting robust risk management

Cost of Credit ¹⁾

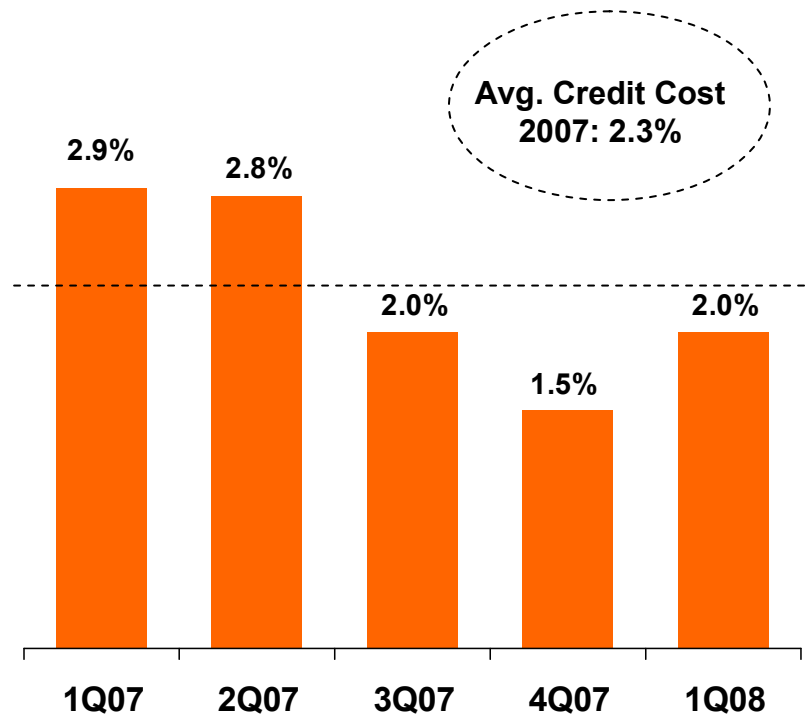
Rp. billion

- Wholesale
- Retail & SME
- Mass market



Cost of Credit / Avg. Earning Assets ²⁾

%, Annualized



Cost of credit stood at 2.0% as compared to 2.9% in the previous year's quarter

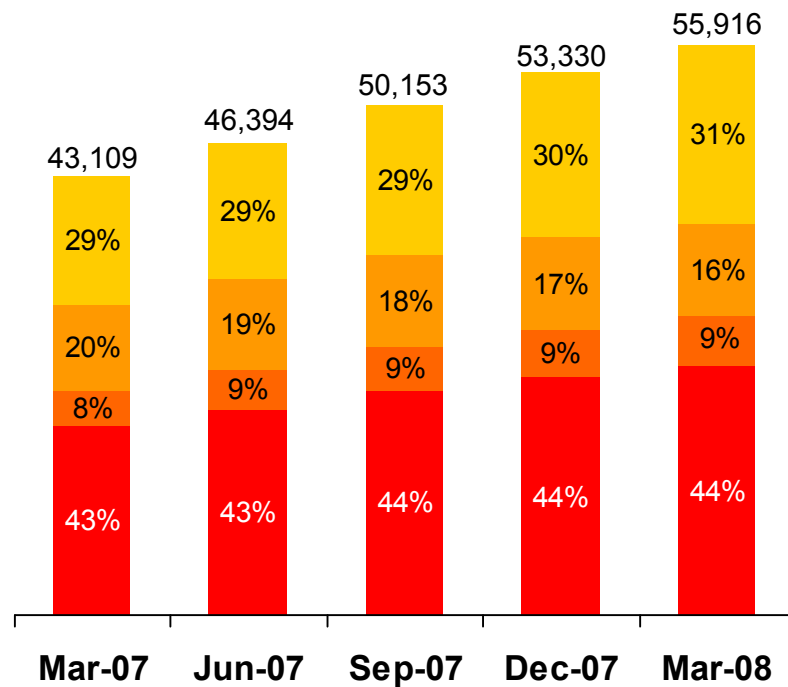
¹⁾Cost of credit comprise of provision for losses, loss on repossessed assets of Adira Finance and net write-off

²⁾Earning assets exclude all government securities

Loans expanded by 30% largely driven by mass market and wholesale businesses

Outstanding Loans Composition

Rp. billion



Loan Growth

Year-on-Year

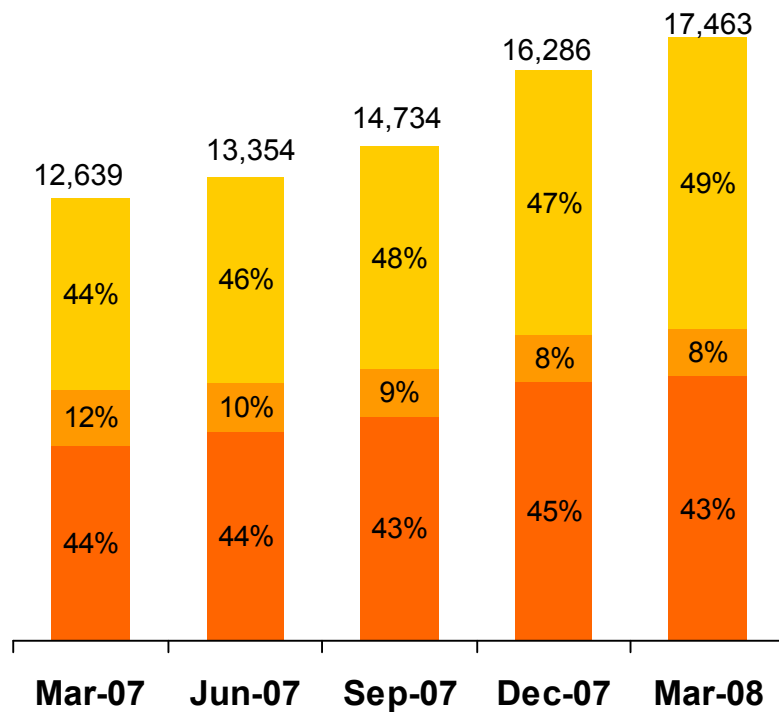
Rp. billion	Mar-07	Mar-08	ΔYoY	
Wholesale	12,639	17,463	4,824	38%
SME	8,360	9,055	695	8%
Retail	3,492	4,870	1,378	39%
Mass Market	18,619	24,528	5,910	32%
Total	43,109	55,916	12,807	30%

Mass market loans grew 32% and now made up 44% of total loan book

Corporate loans grew by 56% partly driven by strong growth in trade financing

Wholesale Loan Composition

Rp. billion



Loan Growth

Year-on-Year

Rp. billion	Mar-07	Mar-08	ΔYoY	
Corporate	5,535	8,630	3,095	56%
JFAB ¹⁾	1,560	1,341	(219)	(14%)
Commercial	5,544	7,491	1,947	35%
Total	12,639	17,463	4,824	38%

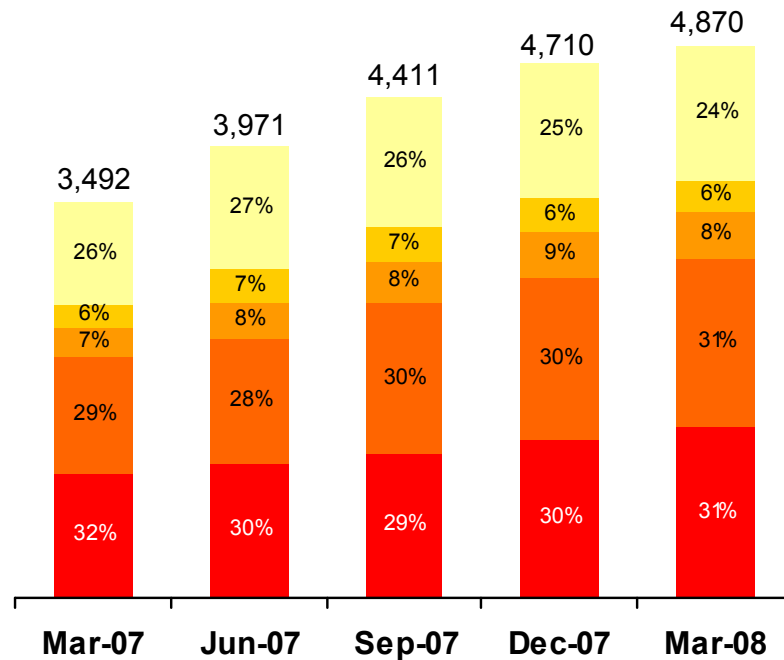
¹⁾ Joint financing and asset buy of auto financing receivables with finance companies. Previously JFAB is classified as part of corporate loans

Asset based financing and working capital loans drove the increase in commercial loans

Retail loans rose by 39% on the back of strong growth in mortgage and credit card

Retail Loans Composition

Rp. billion



Loan Growth

Year-on-Year

Rp. billion	Mar-07	Mar-08	ΔYoY	
Multipurpose & others ¹⁾	901	1,184	283	31%
Personal Loan	213	279	66	31%
Syariah	238	414	176	74%
Mortgage	1,035	1,493	458	44%
Credit card	1,105	1,500	395	36%
Total	3,492	4,870	1,378	39%

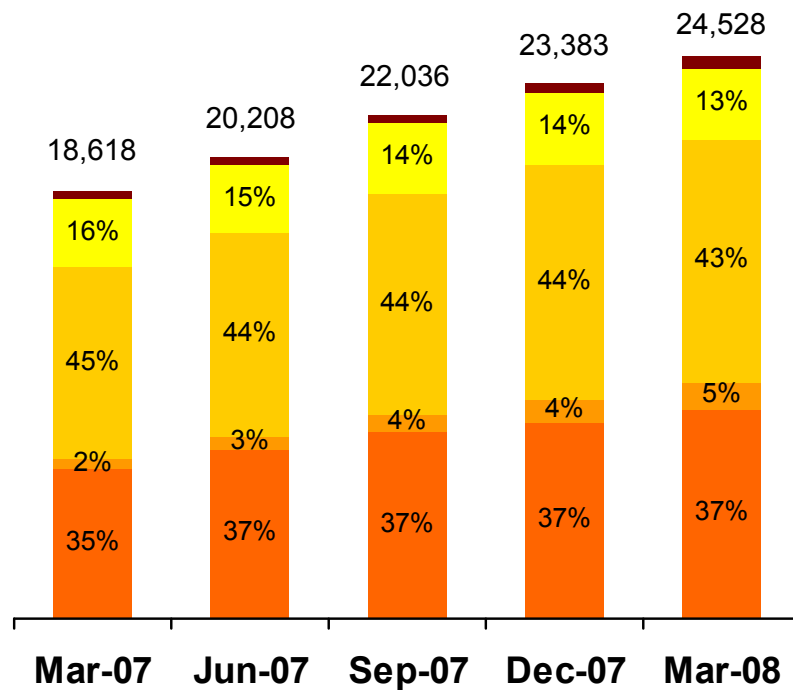
¹⁾ Include loan to employees

Mortgage grew by 44% and contributed to 31% of retail loans

Mass market loans grew by 32% on the back of strong growth in micro lending and motorcycle financing businesses

Mass Market Loan Composition

Rp. billion



Loan Growth

Year-on-Year

Rp. billion	Mar-07	Mar-08	ΔYoY	
Hire Purchase	242	456	215	88%
Cars	3,010	3,195	185	6%
Motorcycles	8,403	10,594	2,191	26%
CMM	425	1,185	760	179%
SEMM	6,539	9,098	2,559	39%
Total	18,619	24,528	5,910	32%

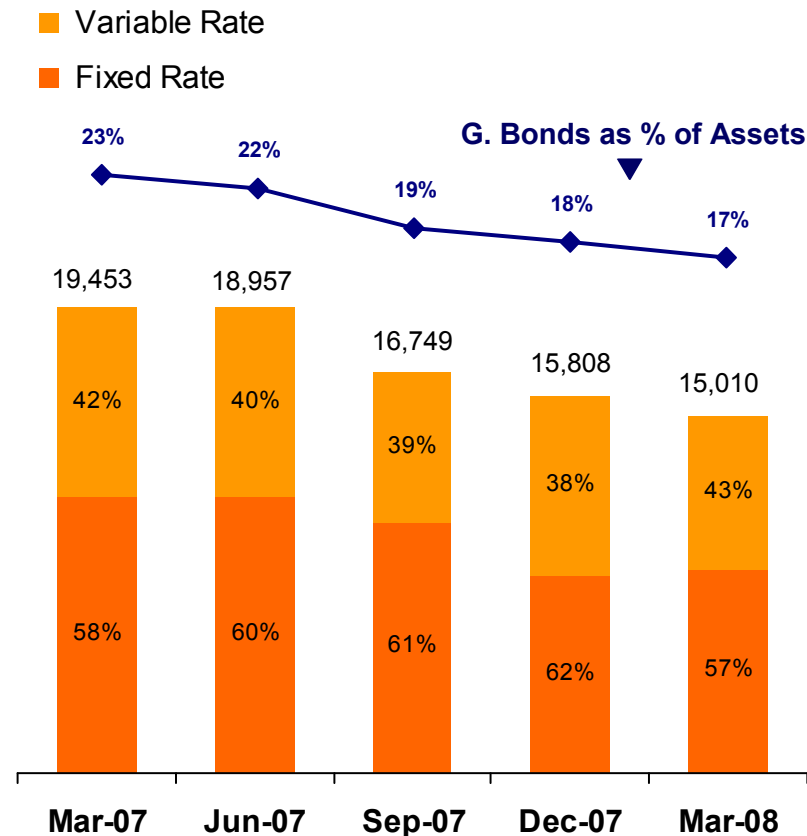
Note: Hire purchase financing from Adira Quantum
Motorcycles and cars financing from Adira Finance

SEMM continues to grow strongly and contributed to 37% of mass market loans

Government bonds steadily declined and now represented 17% of the bank's assets

Government Bonds Composition

Rp. billion



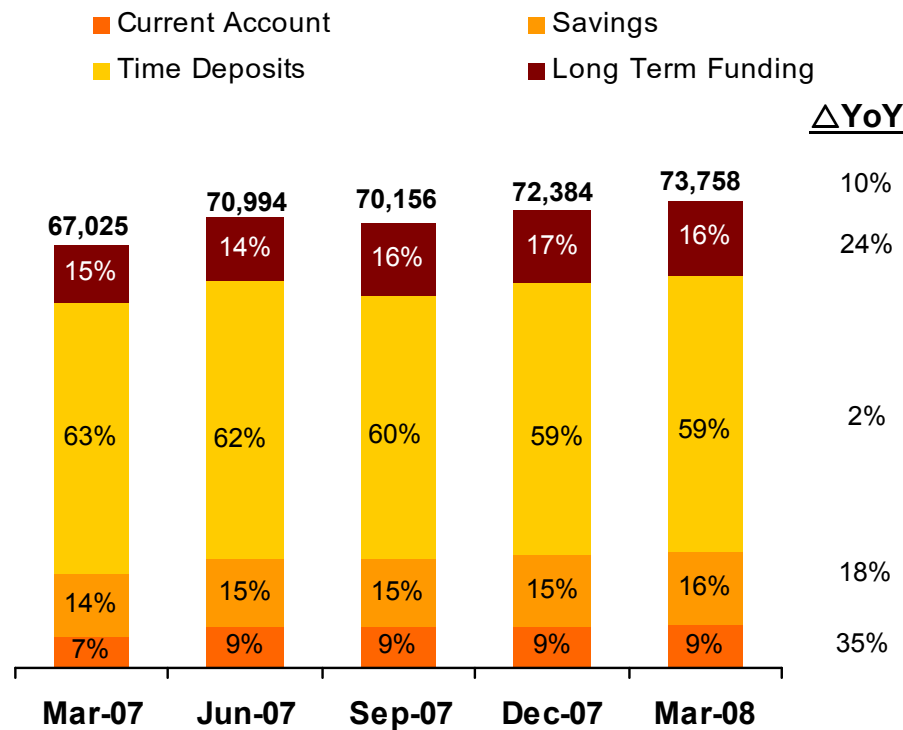
The duration of government bonds is 3.6 years as of March 31, 2008 as compared to 2.1 years a year earlier

	Rp. bn	Mar-07	Mar-08	△YoY	
Held to maturity	6,699	4,207	(2,492)	(37%)	
Available for sale	11,843	10,054	(1,789)	(15%)	
Trading	911	749	162	(18%)	
Total	19,453	15,010	(4,443)	(23%)	

Current and savings accounts rose by 35% and 18% respectively and represented 25% of total funding

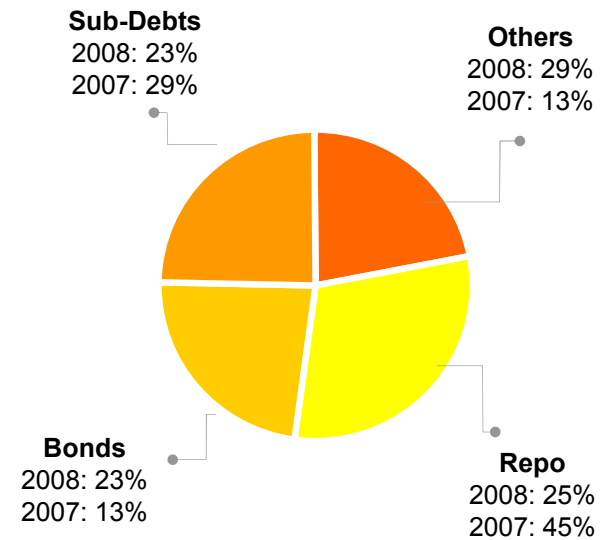
Breakdown of Interest Bearing Funds

Rp. billion



Long Term Funding

As of March 31



Total Long Term Funding

2008: Rp 11,756 billion

2007: Rp 9,467 billion

Long term funding increased by 24% and made up 16% of the bank's funding



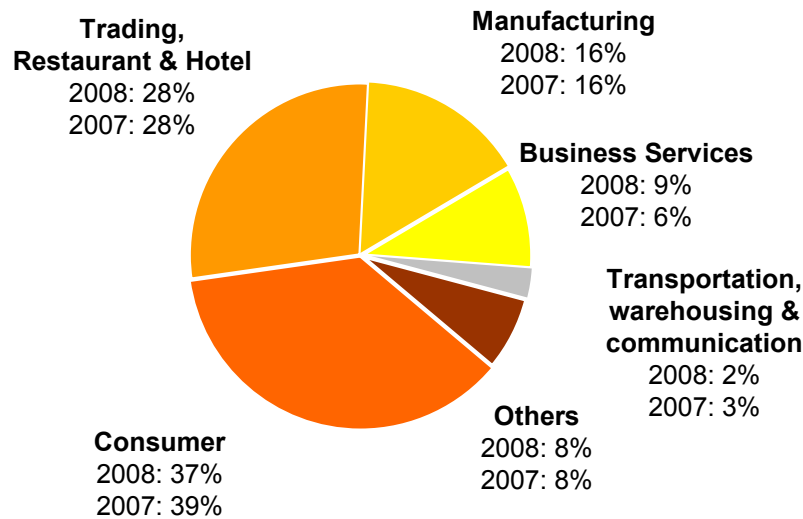
Agenda

- **2008 Performance**
 - Financial Results
 - **Asset Quality**
 - Business Update
- Latest Update
- Appendix

Loan portfolio is well diversified across economic sectors

Loans by Economic Sector

As of March 31

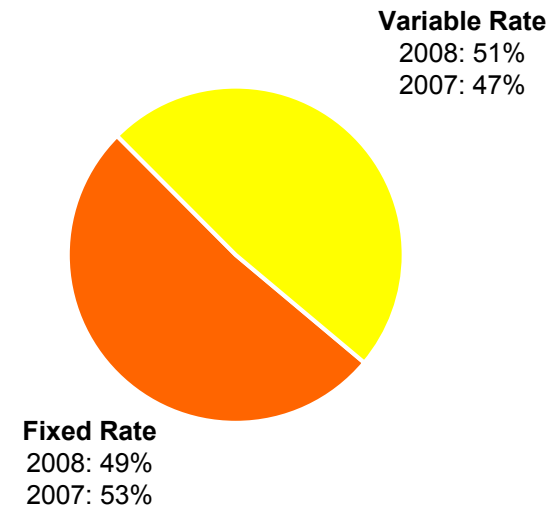


Total Loans

2008: Rp 55,916 billion
2007: Rp 43,109 billion

Loans by Interest Rate

As of March 31



Total Loans

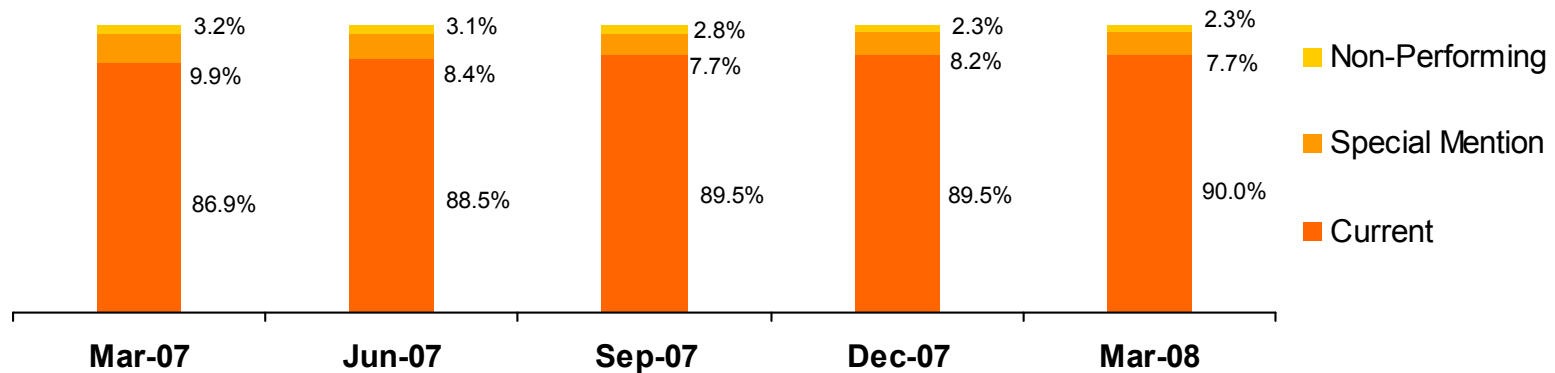
2008: Rp 55,916 billion
2007: Rp 43,109 billion

Fixed rate loans are primarily comprised of auto and micro loans

Non-performing loans ratio steadily declined to 2.3% from 3.2% a year earlier

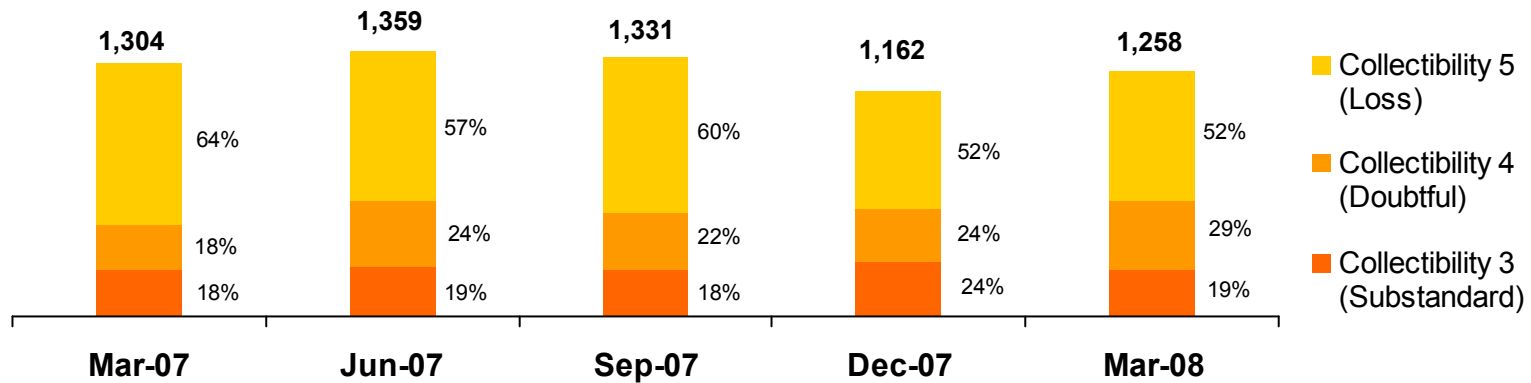
Loan's Collectibility

% Total



Non-Performing Loans Breakdown

% Total

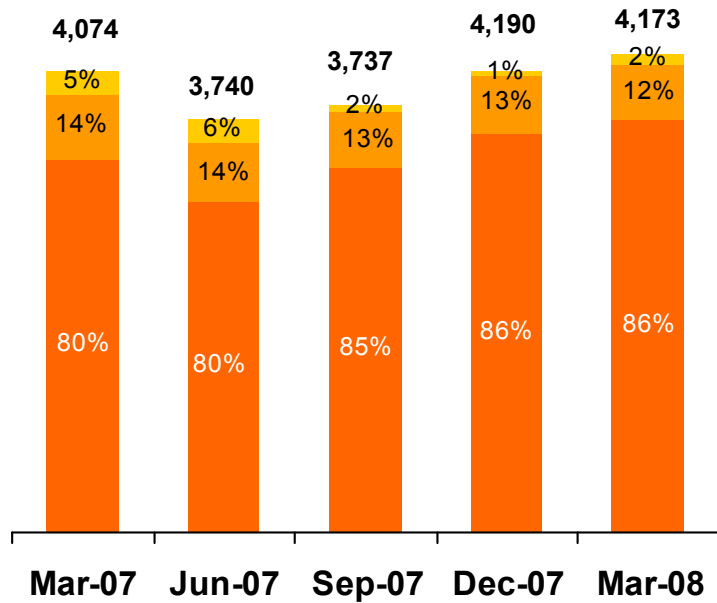


Special mention loans are mostly in DPD 1-30 days category

Special Mention Loans

Rp. billion

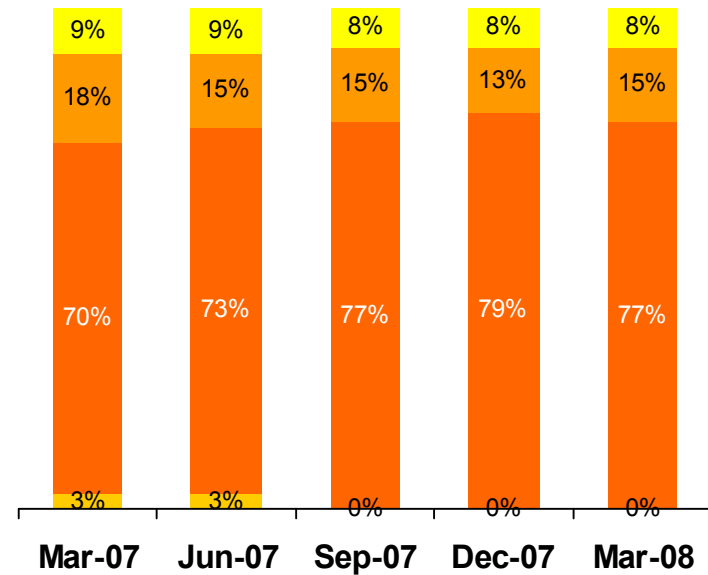
■ Mass market
 ■ Retail & SME
 ■ Wholesale



Aging of Special Mention Loans

% Total

■ 0 Day
 ■ 1 - 30 Days
 ■ 31 - 60 Days
 ■ 61 - 90 Days

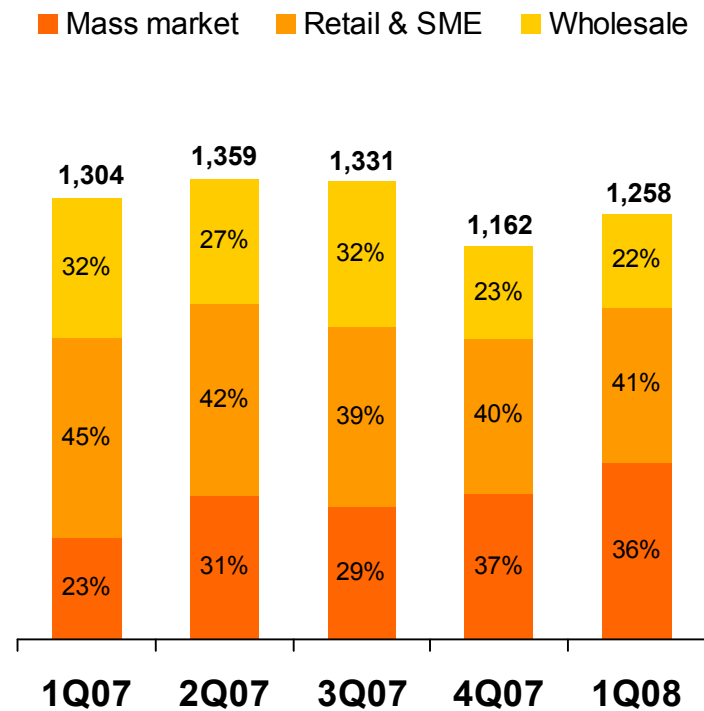


Special mention loans are mainly mass market loans

Adequate loan loss provision to cover non performing loans

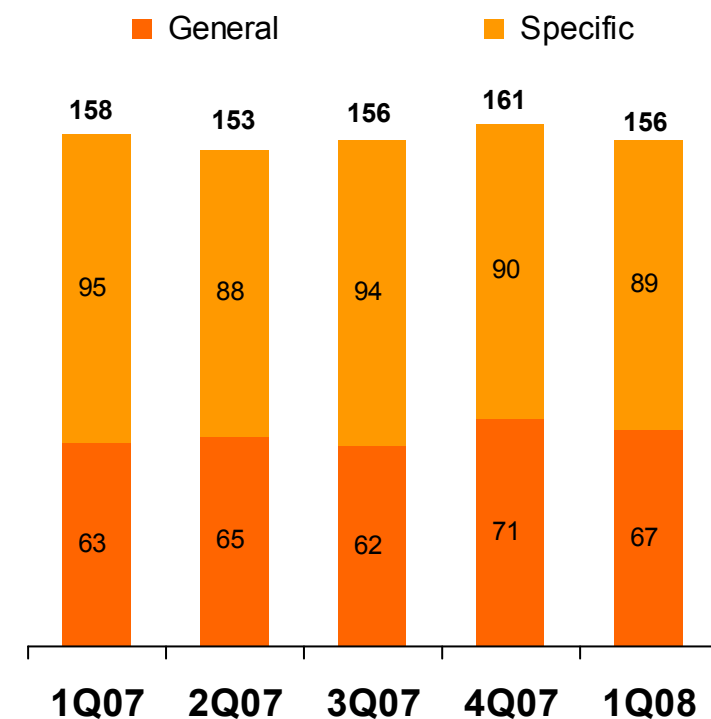
Non Performing Loans by Segments

Rp. billion



Loan Loss Provision / NPL ¹⁾

%



Non-performing loans declined by 4% despite loan expanded by 30%

¹⁾ After considering value of collateral mostly from Corporate, Commercial, SME loans and mortgage



Agenda

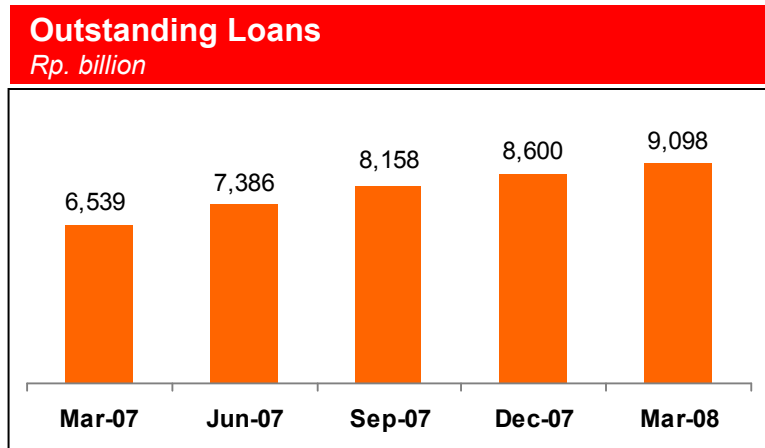
- **2008 Performance**

- Financial Results
- Asset Quality

- **Business Update**

- Latest Update
- Appendix

Self Employed Mass Market (SEMM) Business



SEMM also known as Danamon Simpan Pinjam (DSP) was established in 2004 to serve and help micro and small scale enterprises gain better access to banking services. Below are two business models of DSP:

Wet Market Model

- Operates 700 DSP Units to serve big wet markets and 68 Mobile Units to serve smaller markets and employs around 7,700 personnel
- Extended Rp 8.9 trillion loans as of March 2008, an increase of 36% from Rp 6.5 trillion a year earlier.

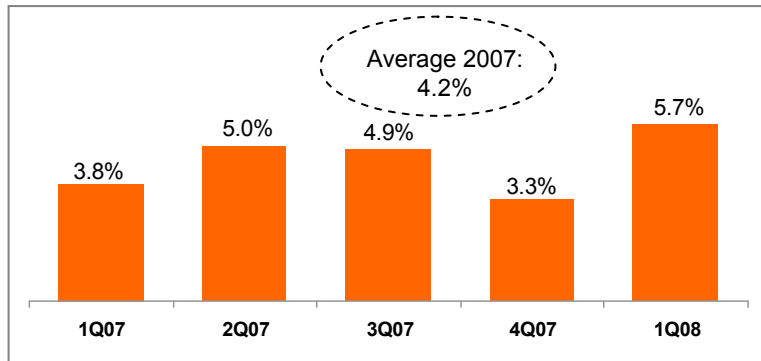
Supply Chain Model

- Introduced in July 2007 to serve traders in low-end of supply chains
- Currently operates 117 Sales Offices with more than 1,000 workforce
- Extended Rp 177 billion in loans as of March 31, 2008

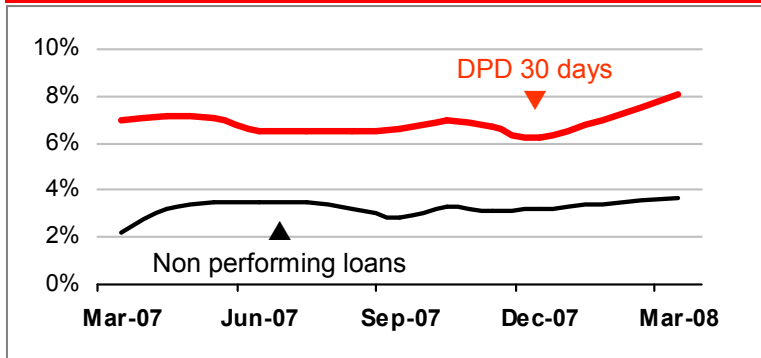
SEMM loans continues to grow strongly by 39% and now represent 16% of the loan book

Self Employed Mass Market (SEMM) Business

Cost of credit % of Average Loans, annualized



DPD 30+ Days and NPL Ratio % of Receivables

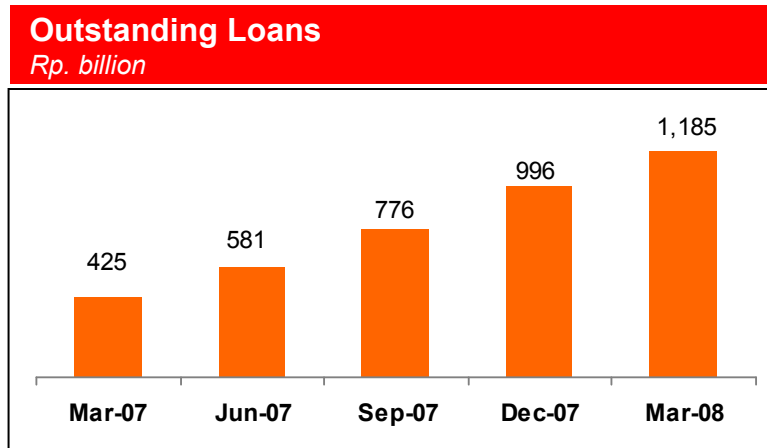


Asset Quality

- Cost of credit stood at 5.7% of average loans in the first quarter of 2008 as compared to 3.8% in the previous year
- 30+ Days Past Due (DPD 30+) loans as a percentage of total loans was 8.1% as of March 31, 2008 compared to 7.0% a year earlier



Consumer Mass Market (CMM) Business



CMM offers personal loans to salaried individuals. Below are two business models of CMM:

Worksite Model

- Currently CMM operates 93 units to sell personal loans to employees of selected companies in cities

Adira Cross Sell Model

- CMM has also stepped into 94 of Adira Finance's branches to cross sell personal loans

Business Performance

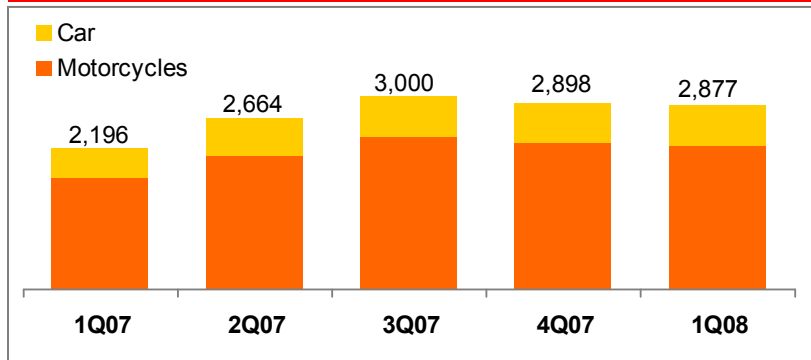
- Loans rose by 179% to Rp 1.2 trillion by the end of March 2008
- Cost of credit remains low at 4.5% in the first quarter 2008 on the back of rapid loan growth

CMM loans nearly tripled to Rp 1.2 trillion

Adira Finance (auto financing business)

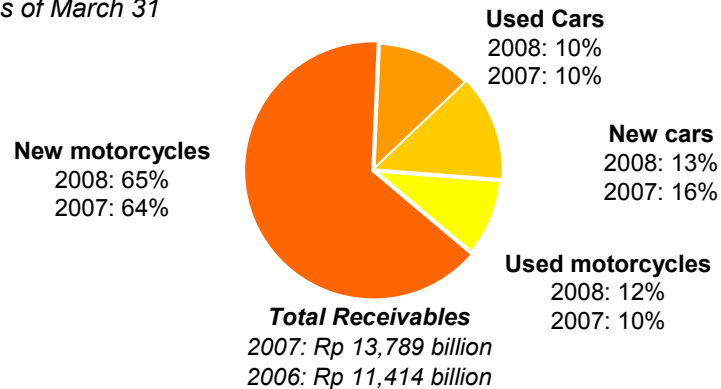
New financing

Rp. billion



Receivables Composition

As of March 31



Danamon's consumer auto financing business is managed through its 75% owned subsidiary, Adira Finance

Business Performance

- Outstanding receivables rose by 21% to Rp 13.8 trillion
- Cost of credit improved to 3.1% from 5.0% in the previous year due to the successful rehabilitation initiatives which resulted in lower provision expenses



New financing rose by 31% to Rp 2.9 trillion

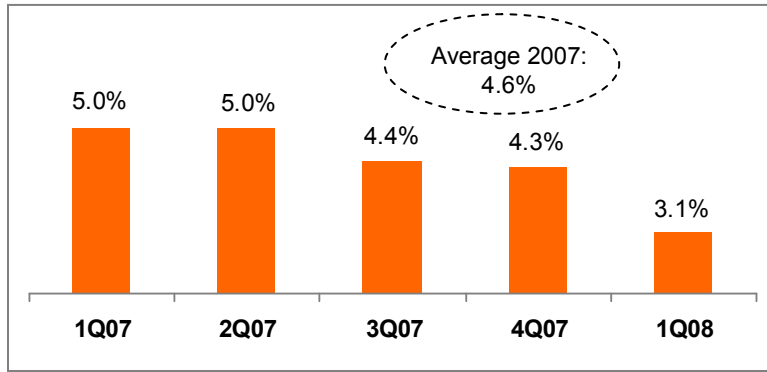
Adira Finance (auto financing business)

Rp. billion	1Q07	1Q08	△YoY	4Q07	1Q08	△QoQ
New Financing Units	194,240	247,023	27%	251,632	247,023	(2%)
New Financing Volume	2,196	2,877	31%	2,898	2,877	-
O/S Receivables	11,414	13,789	21%	13,385	13,789	3%
Net Interest Income ¹⁾	540	652	21%	638	652	2%
Fee Income	7	18	157%	45	18	(60%)
Total Operating Income	547	670	22%	683	670	(2%)
Operating Expenses & Others	(170)	(236)	39%	(255)	(236)	(7%)
Cost of Credit	(137)	(103)	(25%)	(143)	(103)	(28%)
Net Profit before Tax	240	331	38%	285	331	16%
Net Profit after Tax	165	231	40%	199	231	16%

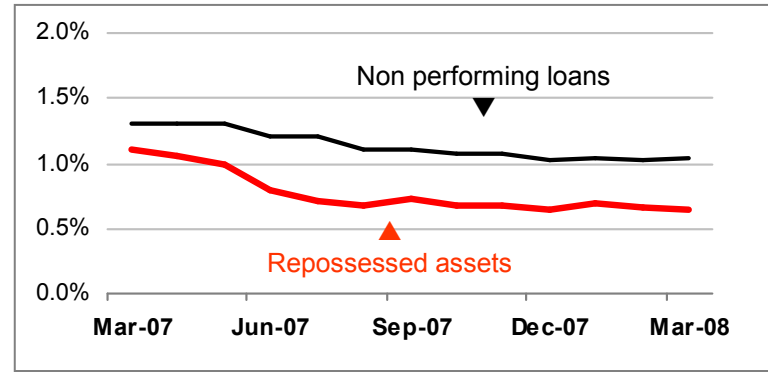
¹⁾ Including internal transfer pricing charge

Adira Finance (auto financing business)

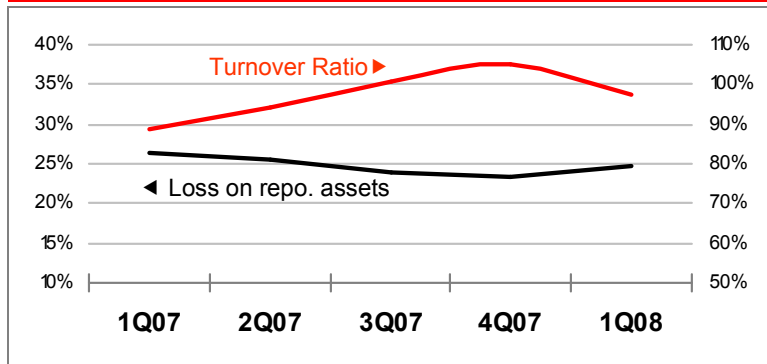
Cost of credit
% of Average Receivables



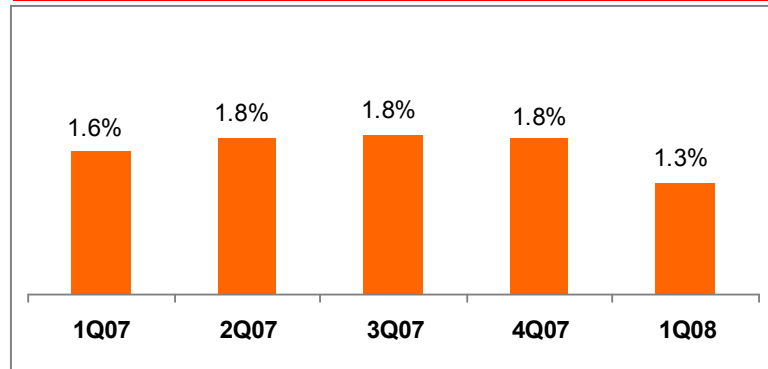
NPL and Repo Assets
% of Receivables



Loss on Repo. Assets and Turnover Ratio ¹⁾
%



Net write off
% of Average Receivables



Cost of credit improved to 3.1% as compared to 5.0% a year earlier

¹⁾ Turnover ratio was measured by number of repossessed asset units sold as % of repossessed asset inventory. LOR was measured by losses of repossessed assets as % of outstanding loan principal



Agenda

- 2008 Performance
 - Financial Results
 - Asset Quality
 - Business Update

- **Latest Update**

- Appendix

Latest Updates

Annual General Meeting of Shareholders



Danamon held its annual general meeting of shareholders (AGMS) on April 3, 2008. The AGMS approved among others:

- To acquit and discharge the Board of Directors and the Board of Commissioners for their management and supervision in the fiscal year that ended on December 31, 2007.
- The payment of 50% of the bank's 2007 Net Profit as cash dividend to shareholders. Hence total dividend amounted to Rp. 1,058 billion or Rp. 208.40 per share. The dividend payments are scheduled in June 2008
- The appointment of the members of the Board of Commissioners and the Board of Directors

Credit Ratings



- PEFINDO upgraded Danamon's corporate and bond ratings from _{id}AA- (Stable Outlook) to _{id}AA+ (Stable Outlook) in February 2008

Board of Commissioners



Ng Kee Choe
President Commissioner

- Commissioner since 2004
- Chairman of Singapore Power Ltd and NTUC Income Insurance Cooperative
- Boards of SGX and Singapore Airport Terminal Services



JB Kristiadi
Vice President Commissioner

- Commissioner since 2005
- Previously Secretary of Minister of Communication & Information and Secretary General to Dept of Finance of RI
- Phd from Sorbonne University, France



Milan Robert Shuster
Commissioner (Independent)

- Commissioner since 2000
- Previously President Director of Danamon 1998-2000
- Phd in International Economics and Law from the University of Oxford



Harry Arief S. Sukadis
Commissioner (Independent)

- Commissioner since 2003
- Previously with IBRA, Indosat and Semen Cibinong



Gan Chee Yen
Commissioner

- Commissioner since 2003
- Senior Managing Director for Investment for Temasek
- Previously Director for Finance at Singapore Technologies



Victor Liew Cheng San
Commissioner

- Commissioner since 2004
- Corporate Advisors to Temasek
- Previously Global Head of Markets in OUB, Chairman of Futures Exchange (SIMEX) and Director of Singapore Stock Exchange



Manggi Taruna Habir
Commissioner (Independent)

- Commissioner since 2005
- Previously Director at S&P's Singapore, President Director of Pefindo, Research Director at Bahana Securities



Krisna Wijaya*
Commissioner

- Previously CEO of Indonesia Deposits Insurance Corporation (LPS), Director & Commissioner of BRI and Director of Institution of Indonesian Banking Education

* Subject to BI approval

Board of Directors



Sebastian Paredes
President Director

- President Director since 2005
- Previously with Citigroup for 20 years
- Master in International Business Adm from Instituto de Empresa, Spain and BSc from California State University, USA



Joseph Luhukay*

- Vice President Director, Legal Compliance & Human Resources**
- Previously CEO of Bank Lippo, COO of Bahana Pembinaan Usaha Indonesia, CIO of Bank Niaga
 - PhD degree in Computer Science from University of Illinois



Muliadi Raharja

- Director, Operation & CREM**
- Director since 1999 and joined the bank in 1989
 - Graduated from University of Indonesia and earned MBA from MIT



Ali Yong

- Director, Self-Employed Mass Market Business**
- Since 2006, and joined the bank in 1999
 - Graduated from ITB and attended executive development at Harvard Business School



Vera Eve Lim

- Director, Chief Financial Officer**
- Joined the bank in 1990 and has been a Director since 2006
 - Graduated from Tarumanegara University



Sanjiv Malhotra

- Director, Integrated Risk**
- Director since 2006
 - 35 years of international experience, including with Citigroup
 - Member of Institute of Chartered Accountants of England and Wales and of Ontario, Canada



Herry Hikmanto*

- Director, Trade Finance, Cash Management & Syariah**
- Joined Danamon in 2003, with last position as Head of Transaction Banking
 - Previously with Standard Chartered Indonesia and Bank Universal
 - Graduated from Padjajaran University



Kanchan Nijasure*

- Director, Chief Information Officer**
- Joined the bank in 2004 as Chief Information Officer
 - Previously with Citigroup as Global Technology Head in London
 - B.Tech degree in Electrical Engineering from Indian Institute of Technology

* Subject to BI approval



Agenda

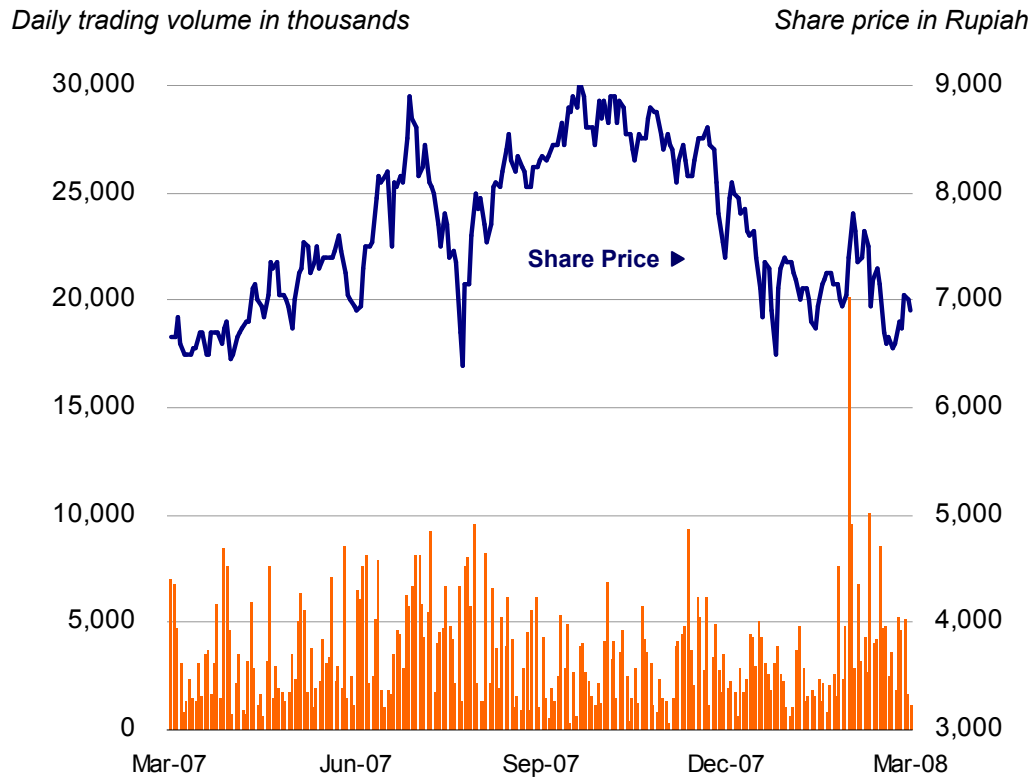
- 2008 Performance
 - Financial Results
 - Asset Quality
 - Business Update
- Latest Update

- **Appendix**

Shareholding Structure

Daily share price and trading volume

BDMN IJ



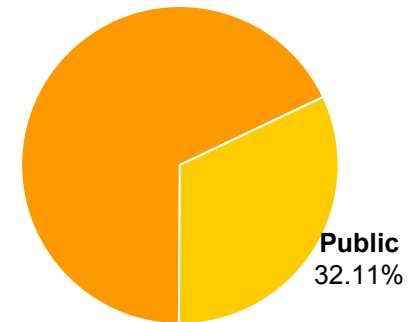
Source: Bloomberg

Shareholding Structure

As of March 31, 2008

Asia Financial (Indonesia)

67.89%



Asia Financial (Indonesia) (AFI)

AFI is a consortium of Fullerton Financial Holdings Pte. Ltd. (FFH) (85%) and Deutsche Bank (15%).

FFH is wholly owned by Temasek Holdings

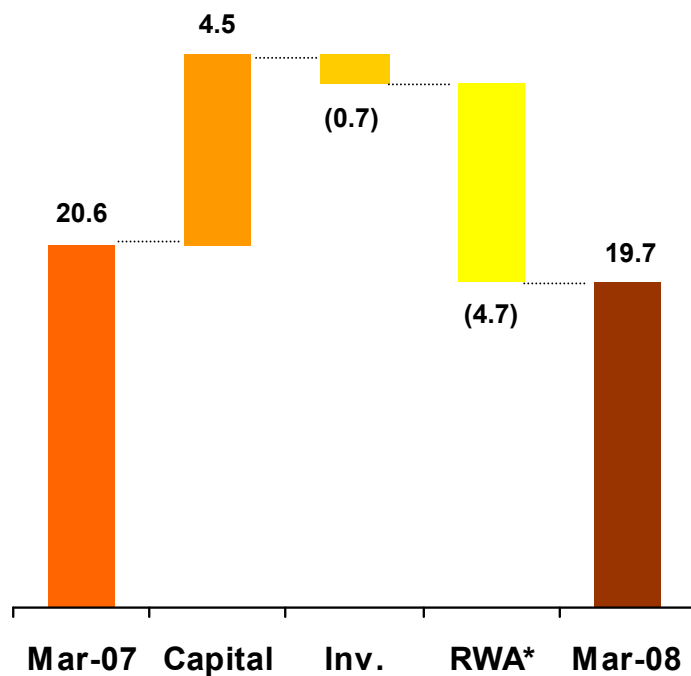


Credit Rating

Danamon		
PEFINDO	Corporate Rating	id ^d AA+ / Stable
	Bond Rating	id ^d AA+ / Stable
Standard & Poor's	Long-term / Short-term Local Currency	BB- / Stable / B
	Long-term / Short-term Foreign Currency	BB- / Stable / B
	Subordinated Debt	B / Stable
Fitch Ratings	Long-term / Short-term Foreign Currency	BB- / Positive / B
	National Long-term	AA (idn) / Stable
Moody's	Global Local Currency Deposit	Baa3 / Stable
	Foreign Currency Long-term / Short-term Deposit	B1 / Stable / Not Prime
	Subordinated Debt	Ba2 / Stable
	National Scale Rating	Aaa.id

Capital Adequacy Ratio (CAR) stood at 19.7%

Movement of Capital Adequacy Ratio %



Rp. billion	Mar-07	Mar-08	△YoY
Tier 1 Capital	8,722	11,029	26%
Tier 2 Capital	3,890	4,056	4%
Investments	(1,286)	(1,680)	31%
Total Capital after Investment	11,326	13,405	18%
Risk Weighted Assets (RWA)*	55,121	67,978	23%
Capital Adequacy Ratio*	20.6%	19.7%	(0.9%)

* After market risk charge

Adequate capital to support business expansion



Thank You

Investor Relations

Bank Danamon

Menara Bank Danamon, 6th Floor

Jl. Prof. Dr. Satrio Kav. E4 No.6

Mega Kuningan, Jakarta 12950

Phone: +62 21 5799 1001-03

Fax: +62 21 5799 1445

www.danamon.co.id