

Analyst Briefing First Quarter 2010 Results

Jakarta, 20 April 2010

Agenda

- **Financial Results**

- Corporate Updates

- Appendix

Highlights of First Quarter 2010 Results

- Mass market loans grew 16% to Rp35.8 trillion, representing 55% of total loans
- Savings grew 25%; CASA improved to 35% of total deposits
- Net Operating Income increased 36% to Rp1,622 billion
- NPAT rose 78% to Rp701 billion
- Net Interest Margin remains robust at 12.6%
- Cost to Income Ratio improved to 47.5%
- ROE increased to 18% despite of high capitalization
- Equity rose 48%, bringing CAR to 19.7%

Highlights of Income Statement

<i>Rp billion</i>	1Q09	4Q09	1Q10	△QoQ	△YoY
Net Interest Income ¹	2,074	2,564	2,394	(7%)	16%
Non-Interest Income ¹	411	420	694	65%	69%
Operating Income	2,485	2,984	3,088	4%	24%
Operating Expenses ^{1,2}	(1,295)	(1,510)	(1,466)	(3%)	13%
Pre-Provision Operating Profit	1,190	1,474	1,622	10%	36%
Cost of Credit ²	(459)	(762)	(578)	(24%)	26%
Normalized Net Profit after Tax	424	385	701	81%	65%
Extraordinary Items ³	(31)	(218)	-	100%	100%
Reported Net Profit after Tax	393	167	701	320%	78%

¹ Acquisition cost is reclassified to deduct interest income from previously netted against fee income and operating expense starting this year

² Costs of credit recovery is reclassified from Operating Expense to Cost of Credit starting 2010

³ Comprise of cost of unwound foreign exchange forward contracts and provisioning of the outstanding contracts (after Tax).

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Highlights of Balance Sheet

<i>Rp billion</i>	1Q09	4Q09	1Q10	△QoQ	△YoY
Total Assets	104,843	98,598	97,330	(1%)	(7%)
Loans (gross) ¹	63,317	63,278	64,447	2%	2%
Government Bonds	13,419	11,011	10,748	(2%)	(20%)
Total Deposits	74,612	68,419	65,579	(4%)	(12%)
Current Account	6,567	7,398	7,519	2%	14%
Savings	12,470	15,370	15,572	1%	25%
Time Deposit	55,575	45,651	42,488	(7%)	(24%)
Borrowings	10,715	8,194	8,045	(2%)	(25%)
Equity	10,989	15,806	16,223	3%	48%

¹ Include consumer financing receivables of Adira Finance

Key Ratios

%	1Q09	4Q09	1Q10	ΔQoQ	ΔYoY
Net Interest Margin ¹	10.0	13.4	12.6	(0.8)	2.6
Cost / Income ²	52.1	50.6	47.5	(3.1)	(4.6)
Normalized Cost of Credit ^{3, 4}	2.6	4.5	3.5	(1.0)	0.9
Normalized ROAA ⁴	1.6	1.6	2.9	1.3	1.3
Normalized ROAE ⁴	15.5	10.6	18.0	7.4	2.5
Reported Cost of Credit	3.0	6.3	3.4	(2.9)	0.4
Reported ROAA	1.5	0.7	2.9	2.2	1.4
Reported ROAE	14.4	4.6	18.0	13.4	3.6
Modified LDR ⁵	81.4	84.1	83.9	(0.2)	2.5
Loan / Deposit	81.4	88.8	93.8	5.0	12.4
Consolidated CAR	16.9	20.7	21.5	0.8	4.6
Consolidated CAR with Operational Risk	-	-	19.7	N/A	N/A
NPL – Gross	2.9	4.5	4.0	(0.5)	1.1
LLP / Loan	2.7	3.6	3.7	0.1	1.0

¹ NIM in 1Q10 reflects the reclassification of acquisition costs from Fee Income and Operating Expense to Interest Income

² Cost to Income ratio in 1Q10 includes the reclassification of cost of recovery from Operating Expense to Cost of Credit, including cost of acquisition to Interest Income

³ Cost of credit over average earning assets (excluding government securities)

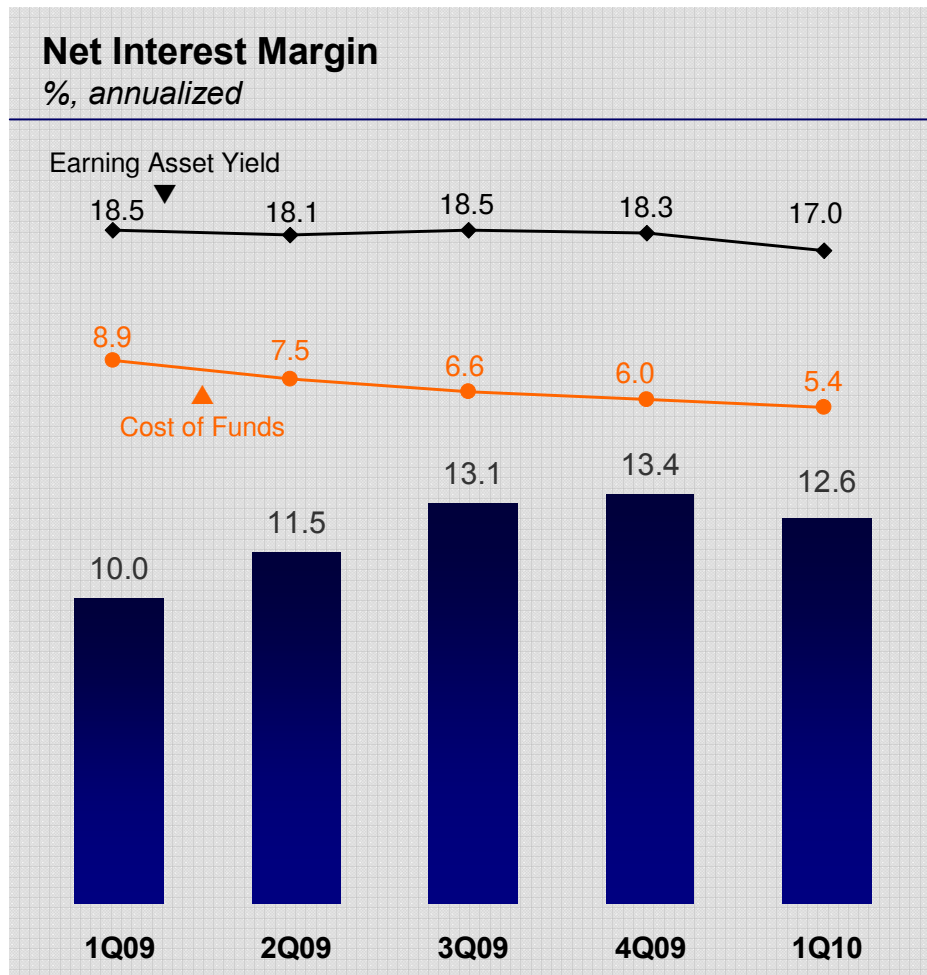
⁴ Exclude the impact of extraordinary items

⁵ Modified LDR is defined as (Loans + Reserves with BI + Cash in Vault + HTM bonds) / (Third Party Deposits + Long Term Funding + Capital - Net Other Assets)

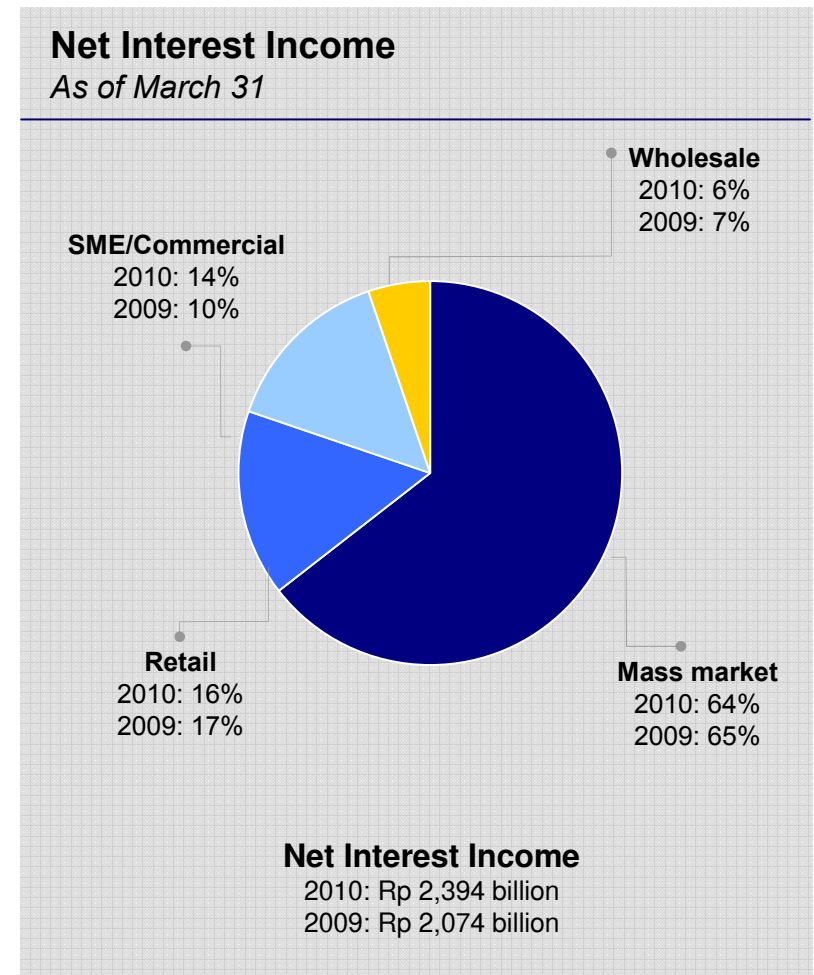
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NIM remains robust at 12.6% in the first quarter of 2010



¹ NIM includes reclassification of acquisition costs from Operating Expense to Interest Income for 1Q10.

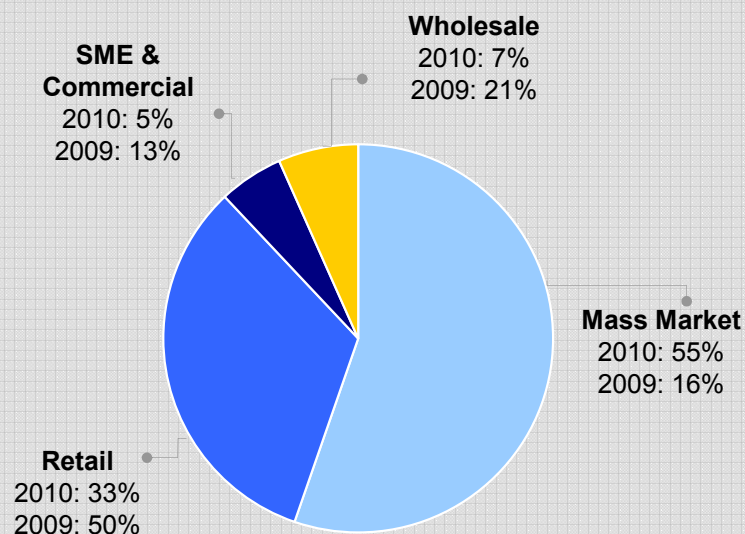


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Non-interest income contributed to 22% of operating income in first quarter 2010

Non-Interest Income by Segment

As of March 31

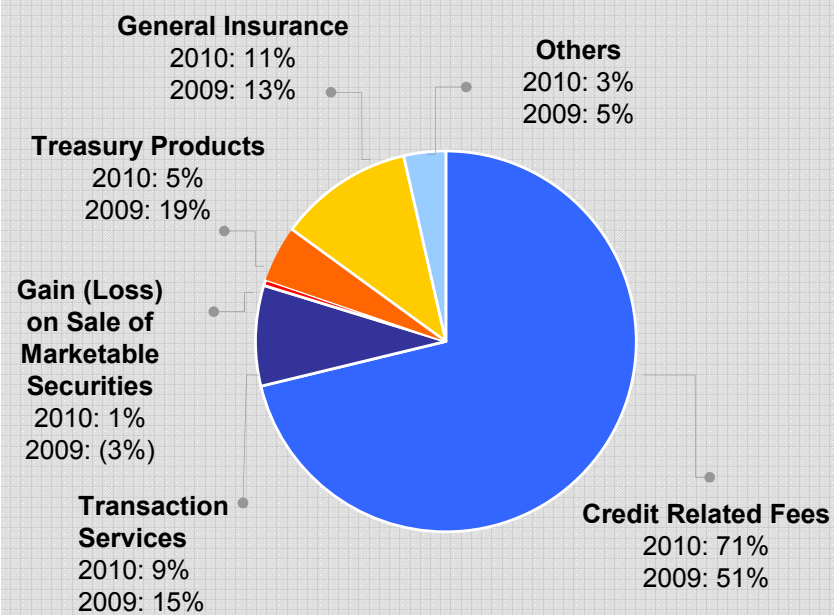


Non-Interest Income

2010: Rp 694 billion
2009: Rp 411 billion

Non-Interest Income by Type

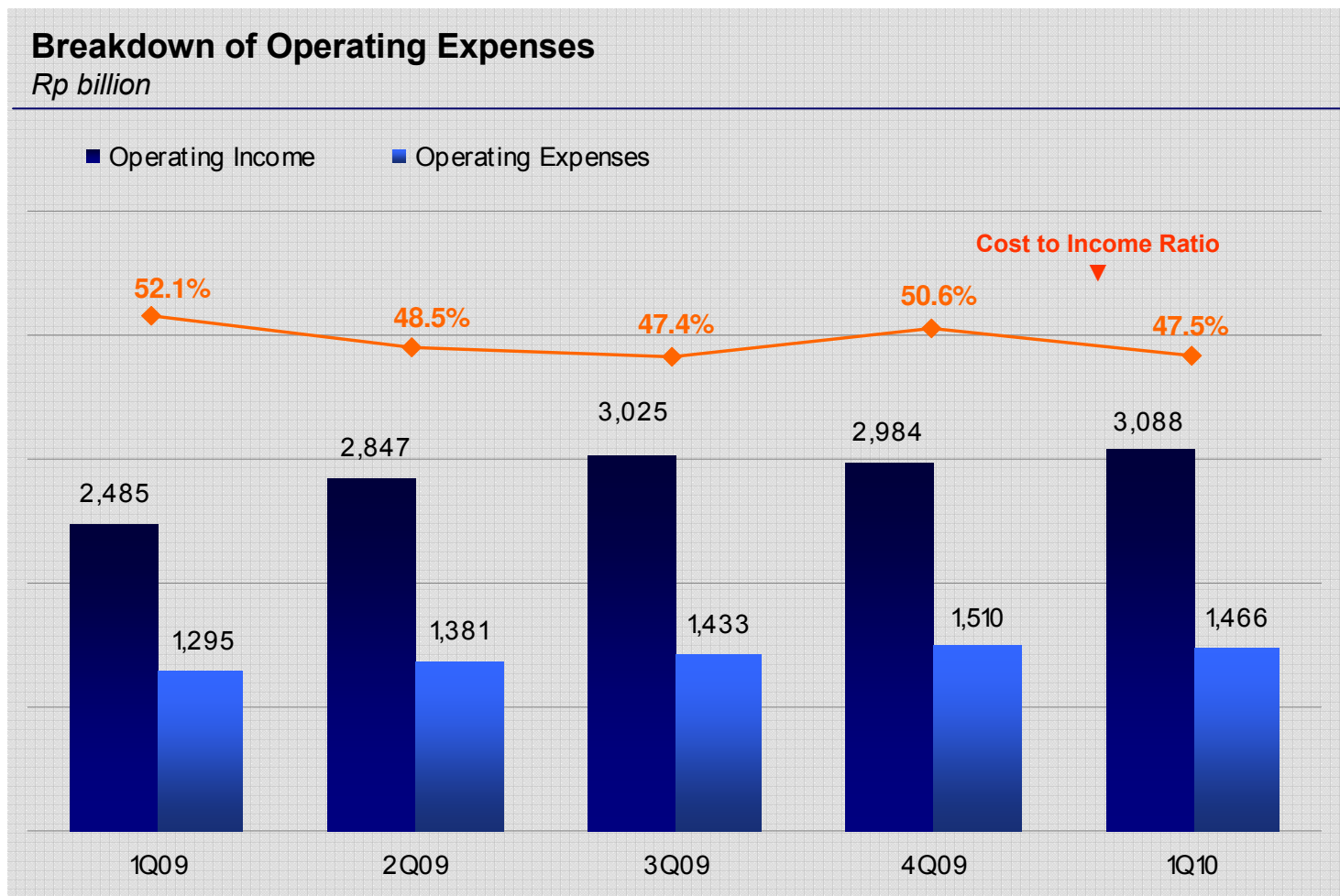
As of March 31



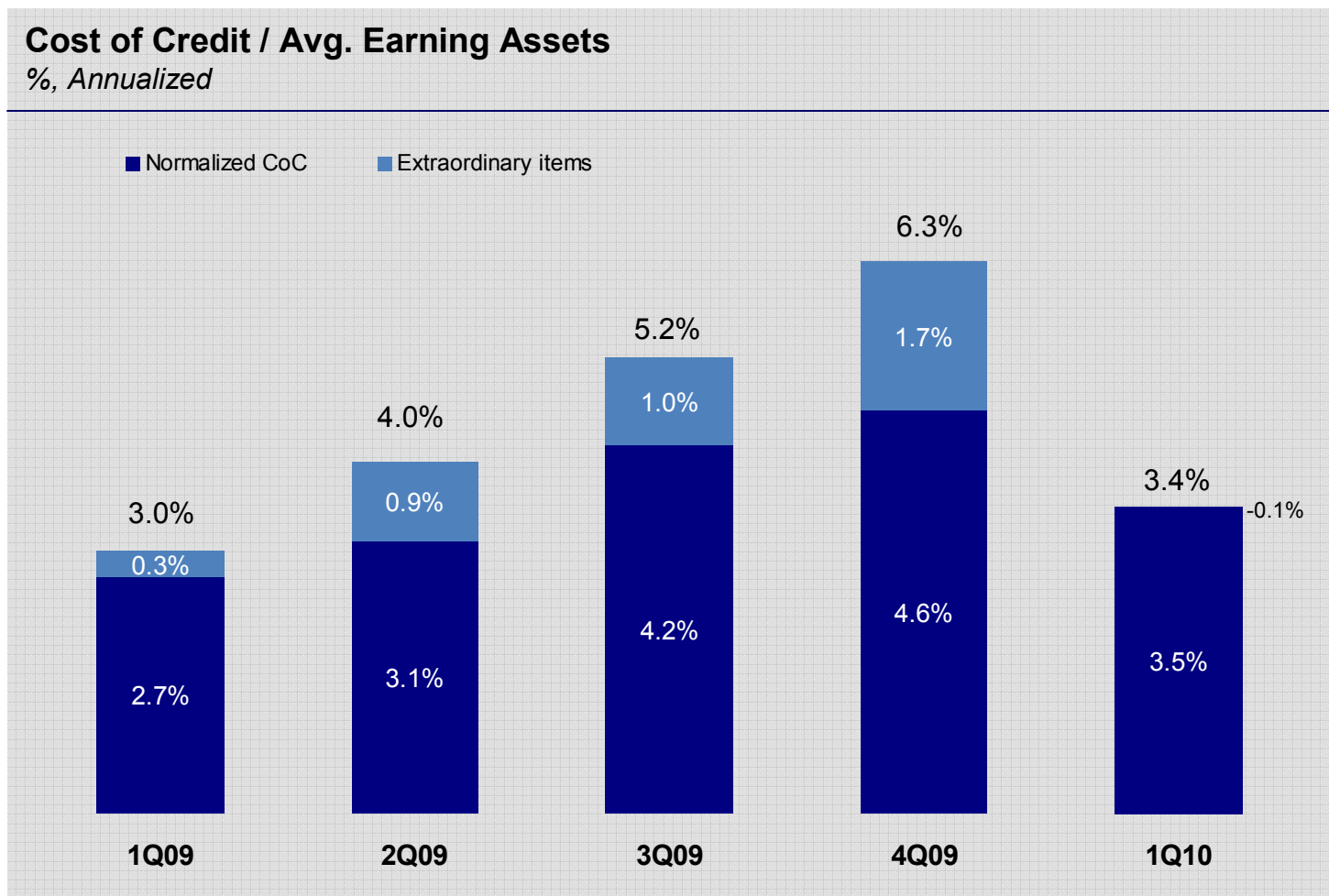
Non-Interest Income

2010: Rp 694 billion
2009: Rp 411 billion

Discipline expense management drove cost to income ratio to 47.5% in first quarter



Cost of credit amounted to Rp 578 billion in the first quarter, representing 3.4% of earning assets

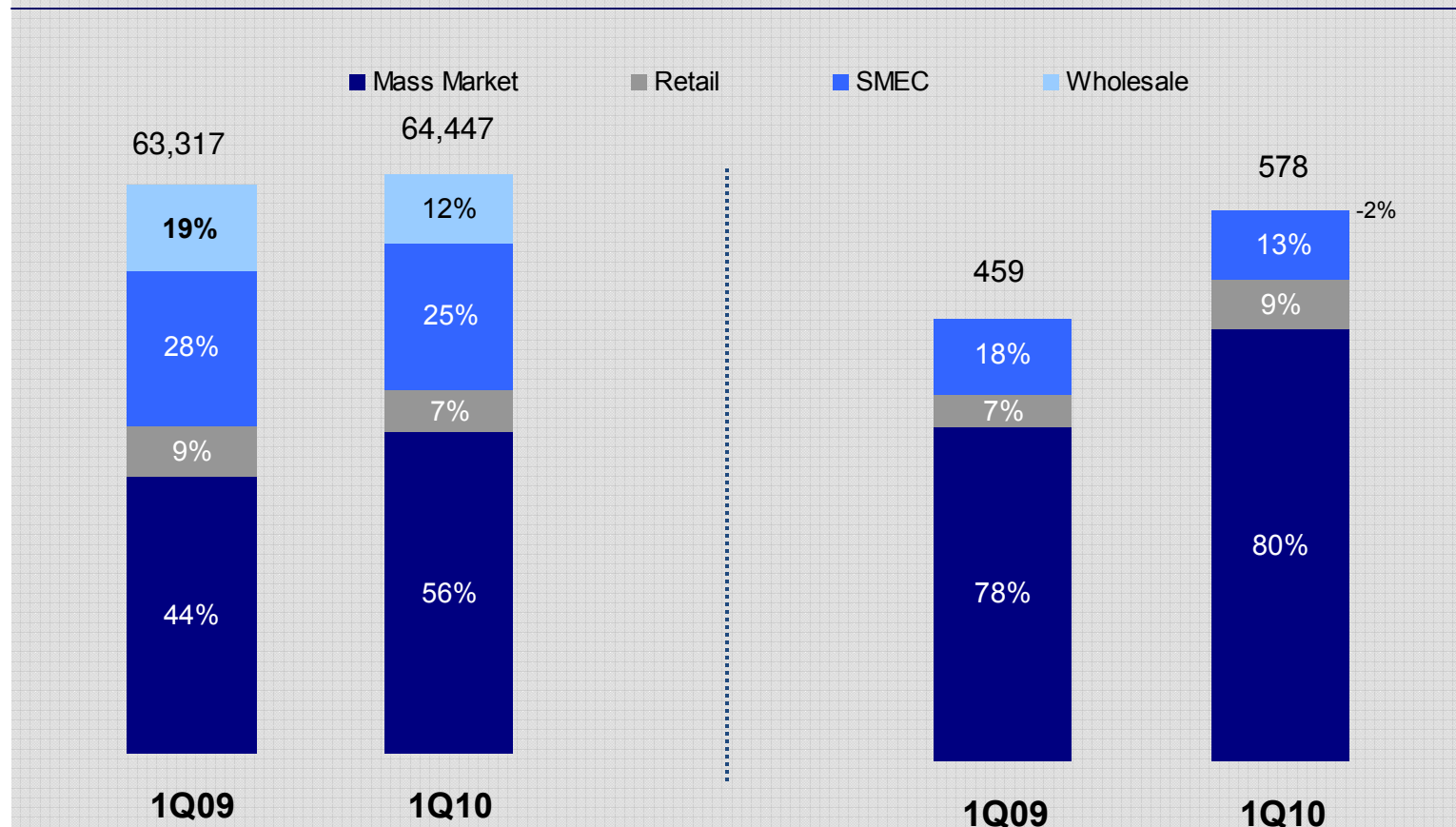


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Cost of credit in the first quarter of 2010 also reflects higher share of mass market loans

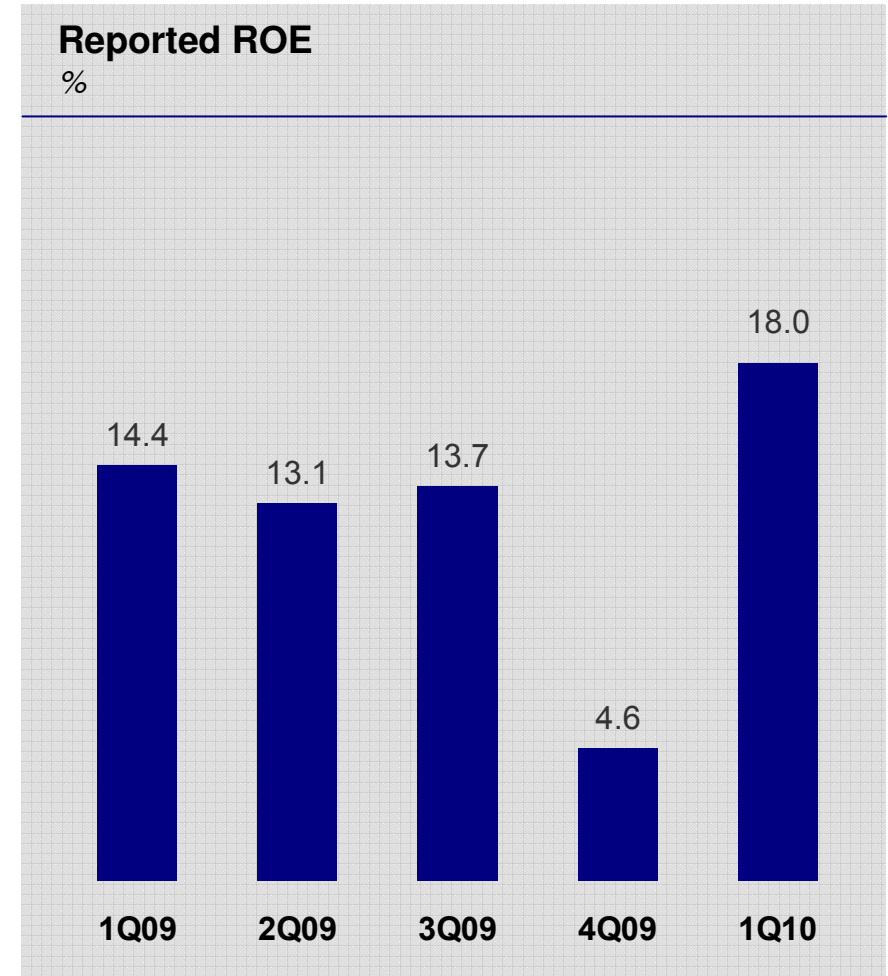
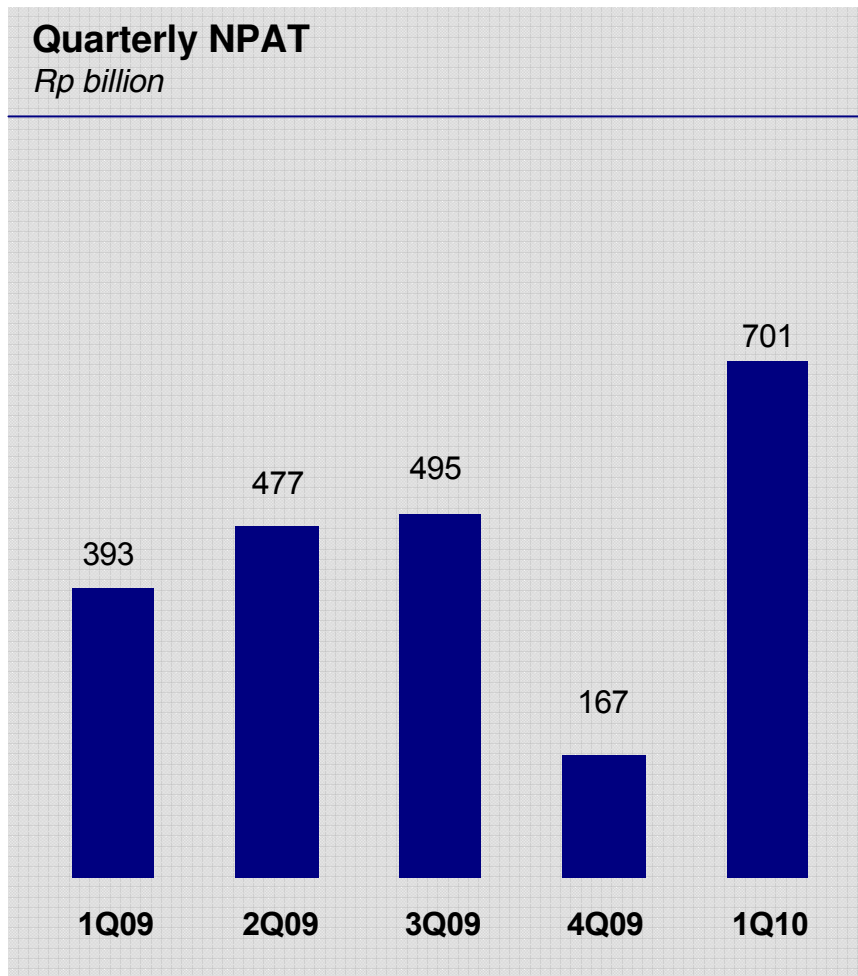
Composition of loans and Normalized Cost of Credit

Rp billion



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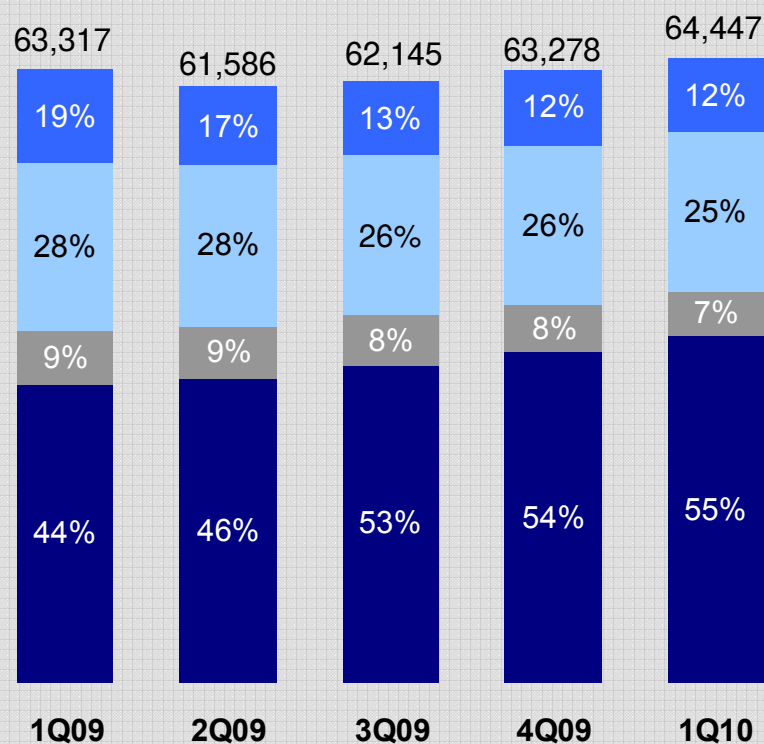
ROE stood at 18.0% in the first quarter despite high capitalization, reflecting a strong recovery in earnings



Loans have started to grow since fourth quarter of 2009; loans grew 2% in the first quarter of 2010

Loan Composition

Rp billion



Loan Growth

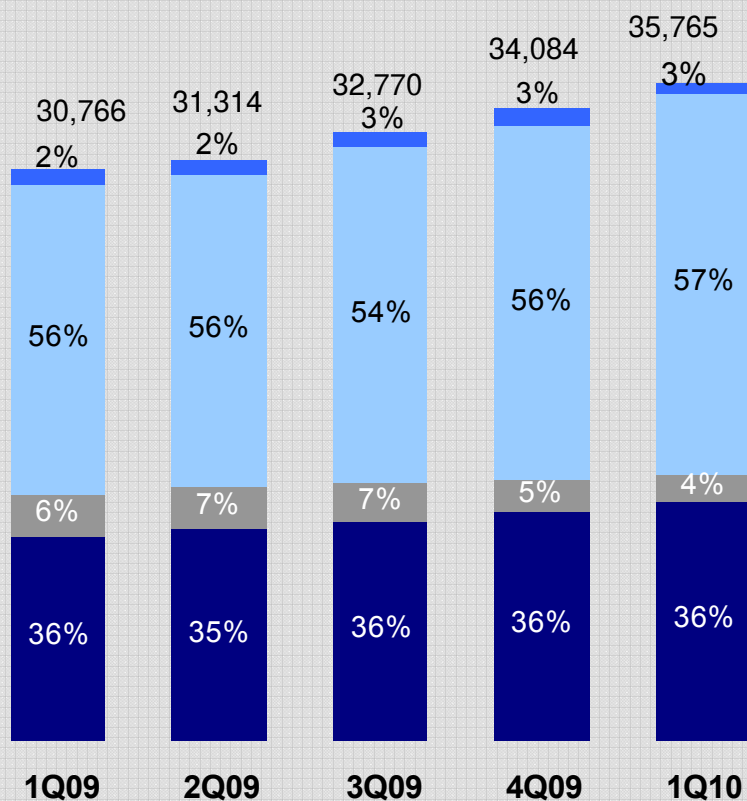
Rp billion

	1Q09	4Q09	1Q10	ΔQoQ	ΔYoY
Wholesale	9,726	7,789	7,631	(2%)	(22%)
SME & Commercial	17,217	16,481	16,340	(1%)	(5%)
Retail	5,607	4,924	4,711	(4%)	(16%)
Mass Market	30,766	34,084	35,765	5%	16%
Total	63,317	63,278	64,447	2%	2%

Mass market loans grew 16% driven by automotive financing and micro lending businesses

Mass Market Loan Composition

Rp billion



Mass Market Loan Growth

Rp billion

	1Q09	4Q09	1Q10	ΔQoQ	ΔYoY
Adira Quantum ¹	771	882	921	4%	19%
Adira Finance ²	16,801	19,134	20,494	7%	22%
CMM	2,236	1,779	1,465	(18%)	(34%)
SEMM (DSP)	10,958	12,289	12,885	5%	18%
Total	30,766	34,084	35,765	5%	16%

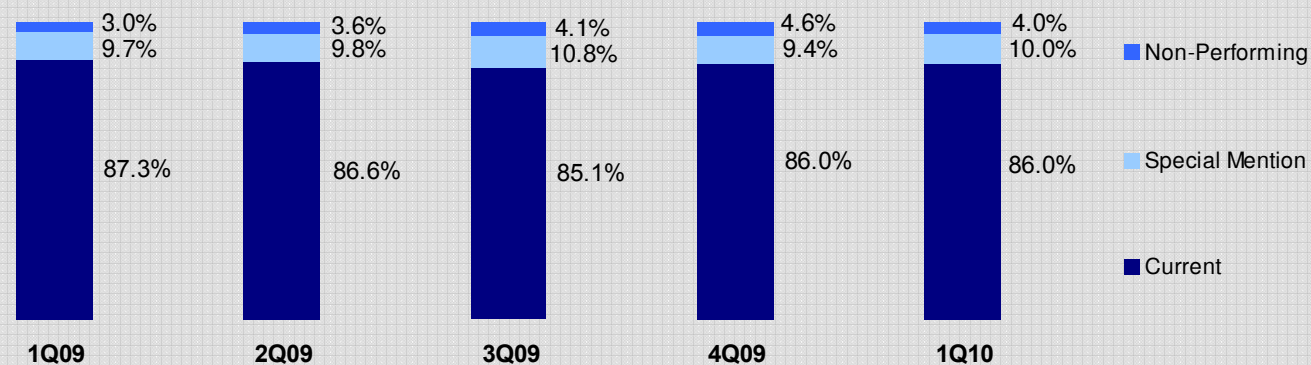
¹ White goods financing

² Motorcycles and cars financing

Non-performing loans

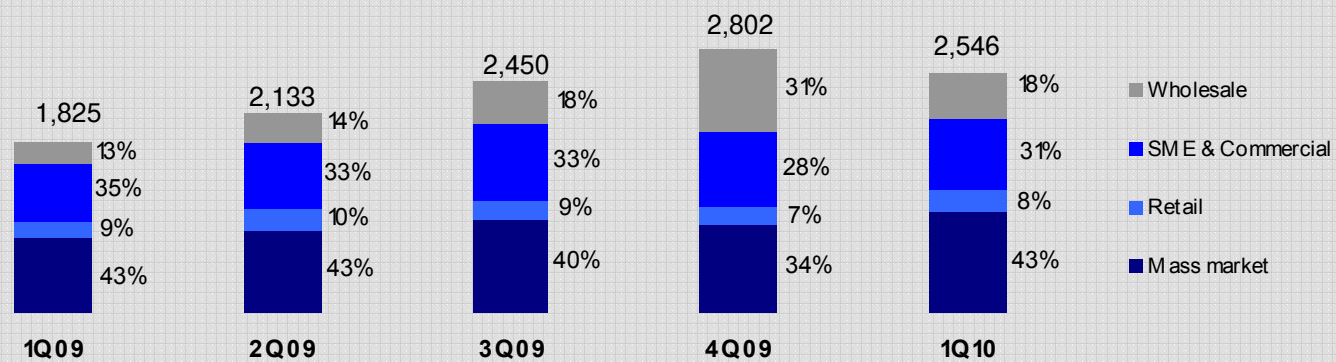
Loan's Collectibility

% of Outstanding loans



Non-Performing Loans by Segment

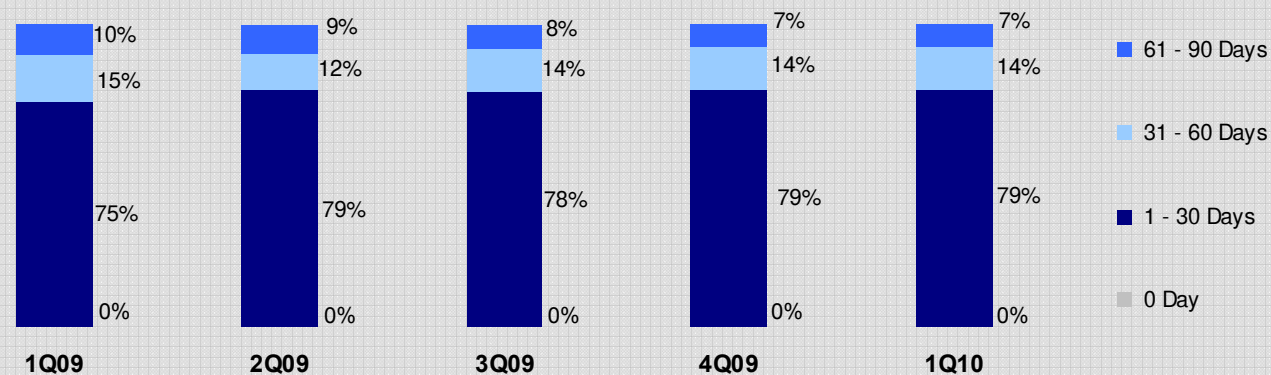
Rp billion



Special mention loans composition

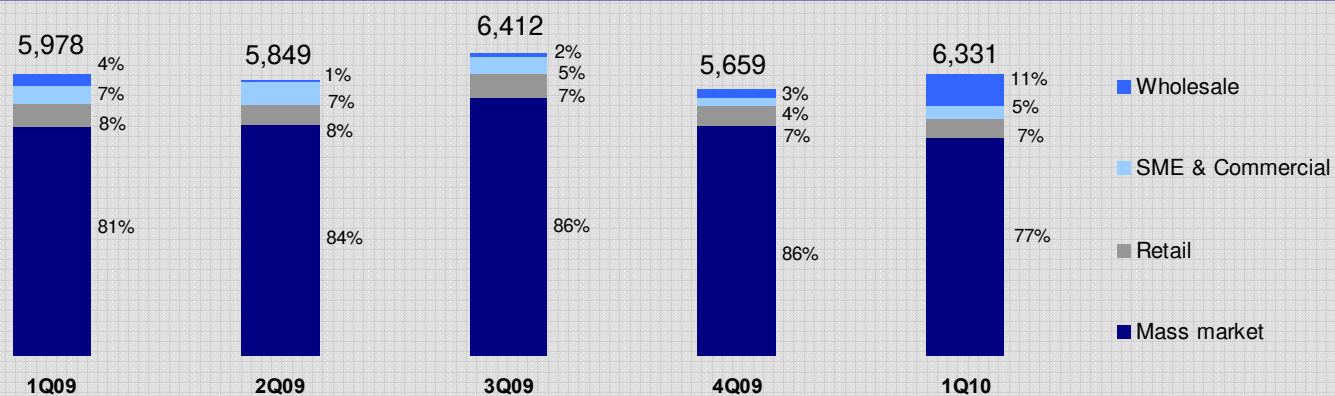
Special mention loans by Aging

% of Special Mention Loans

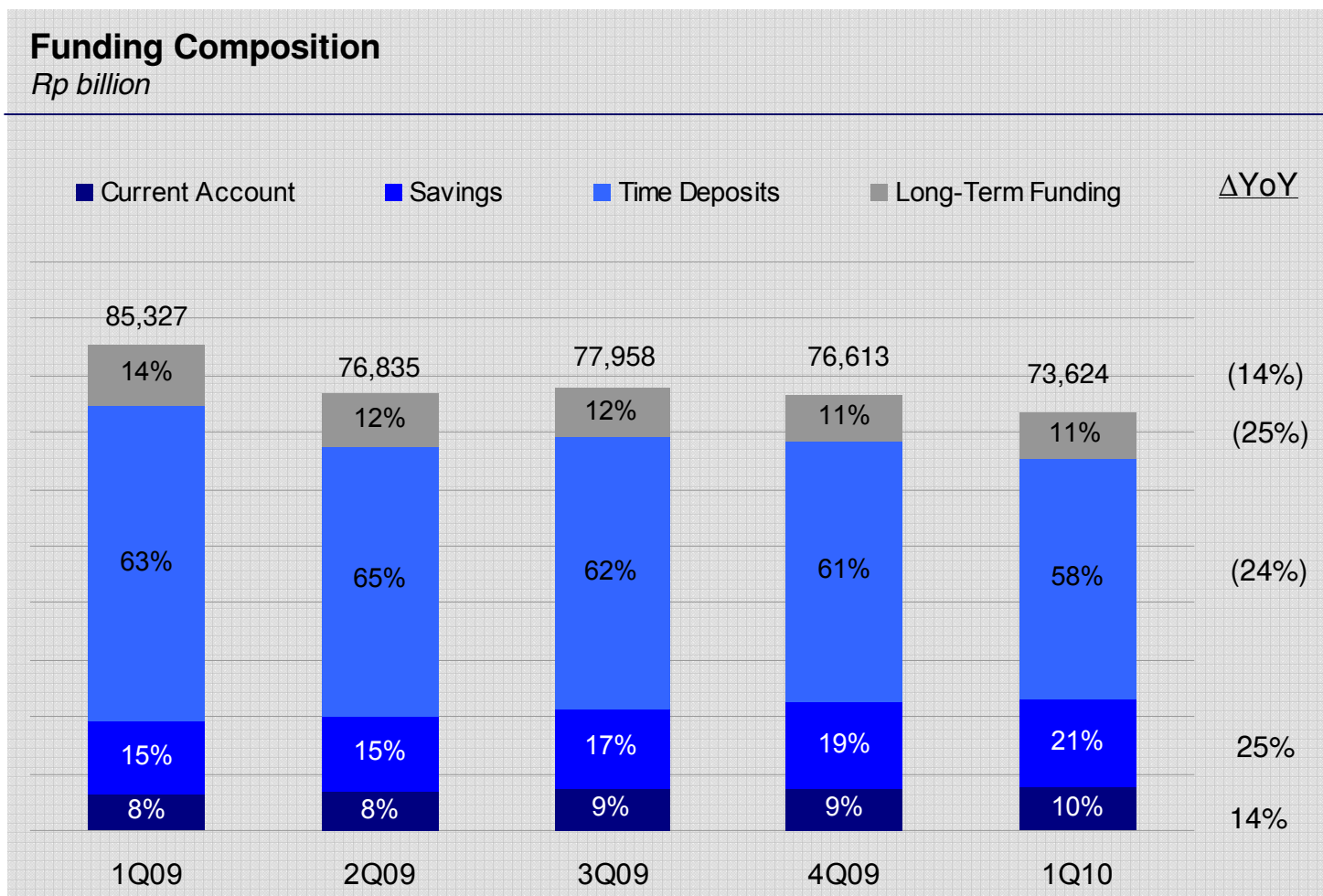


Special mention loans by Segment

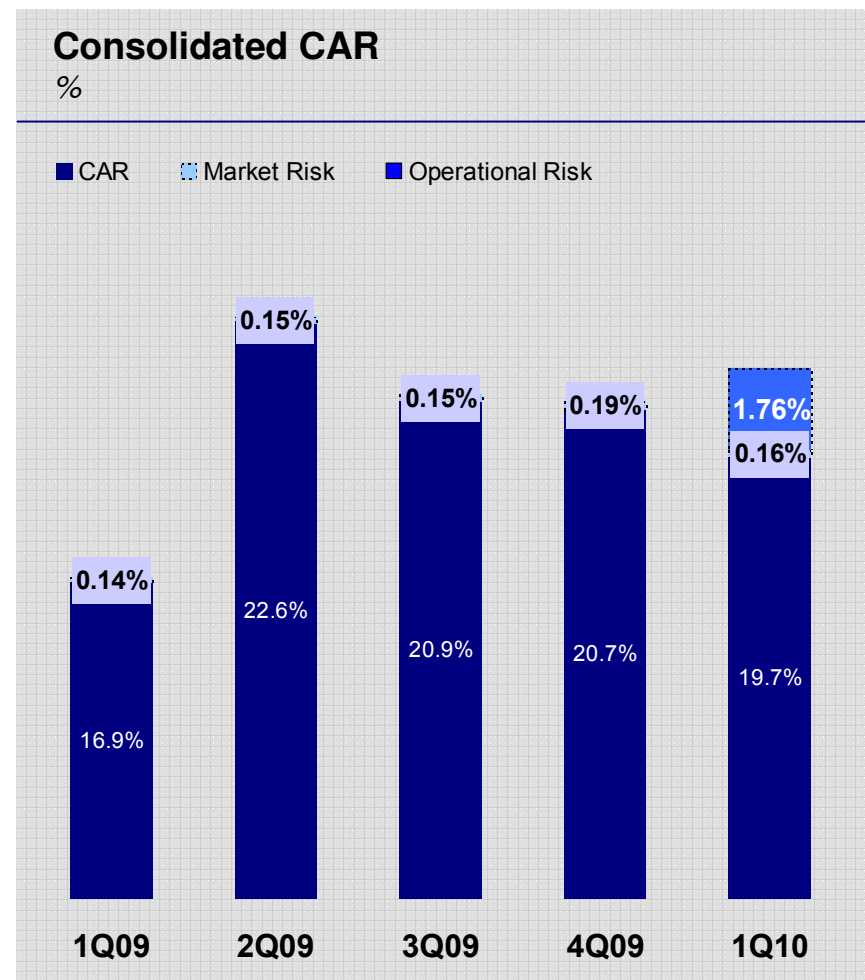
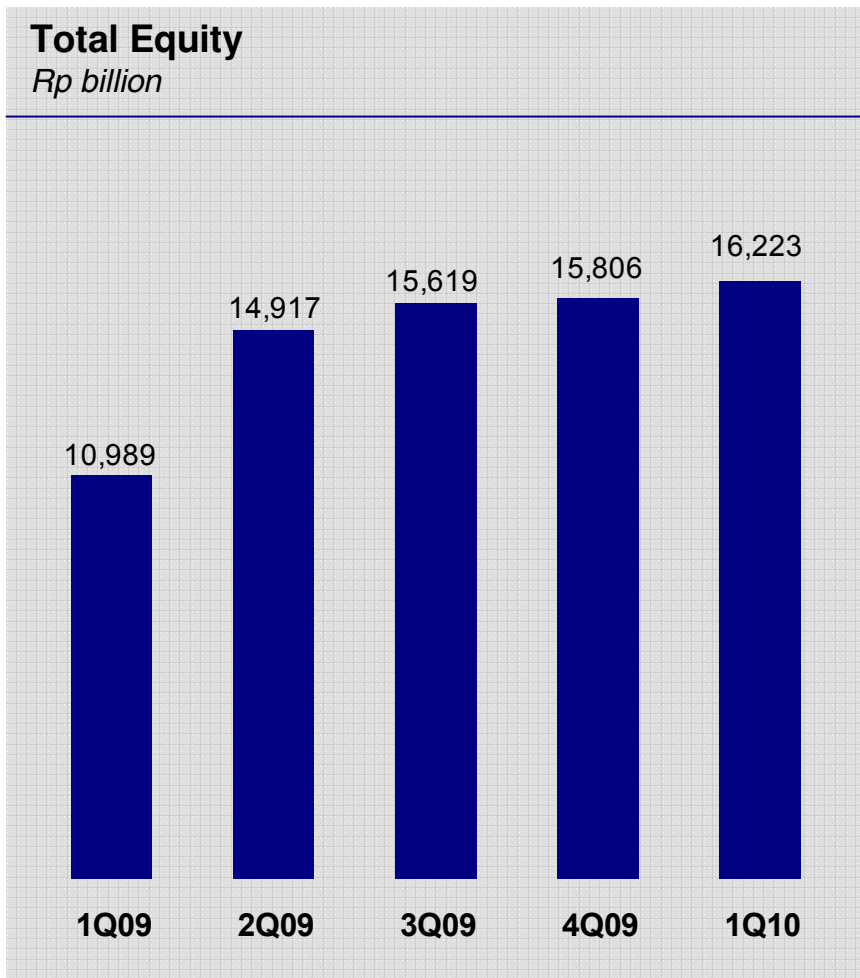
Rp billion



Savings increased 25%; CASA accounted for 35% of total deposits



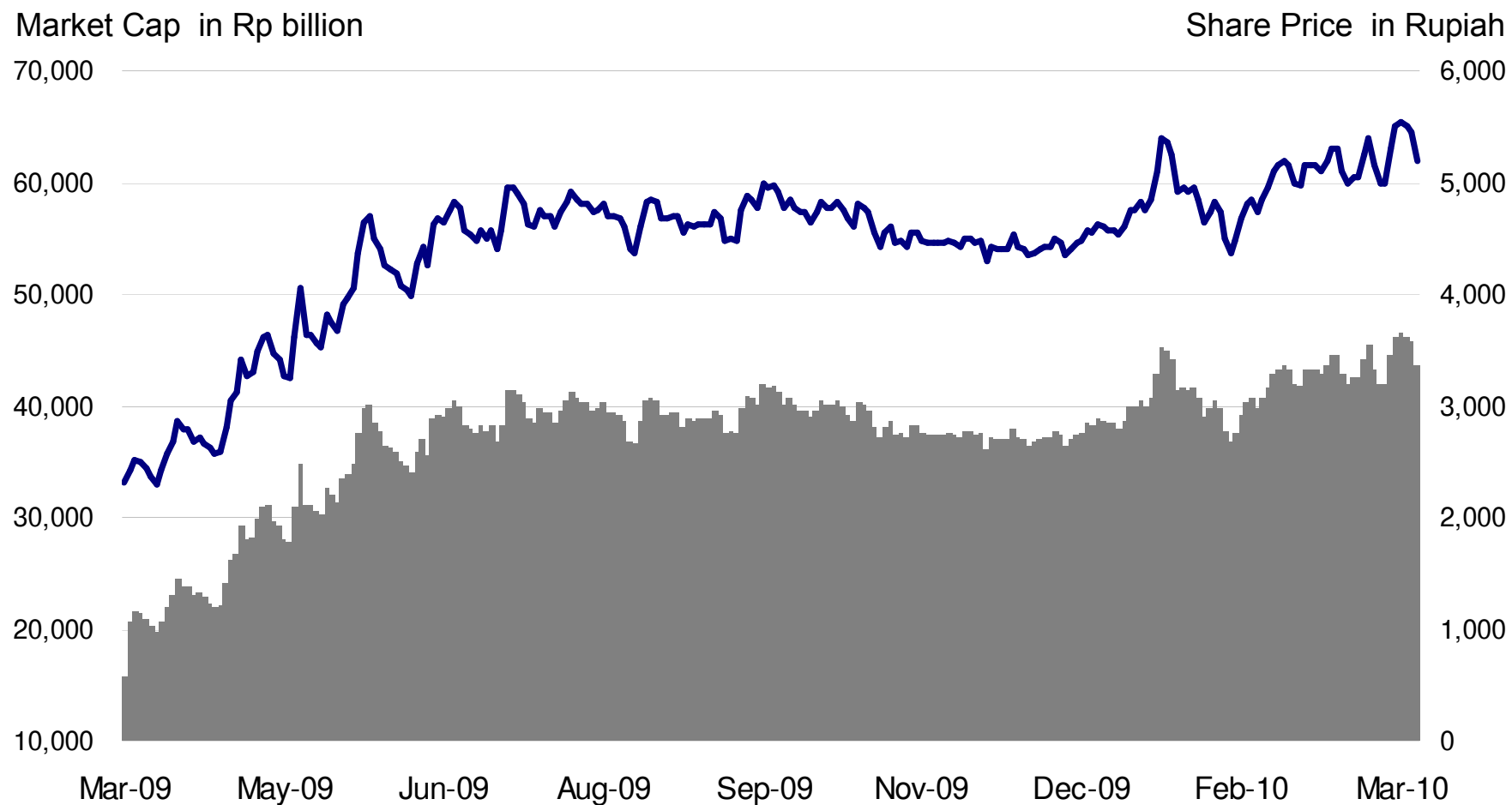
Total Equity expanded 48%, bringing CAR to 19.7% in the first quarter 2010



Note: Capital charge for operational risk in 1Q10 reflects 5% of average gross income for the last three years



Share price has doubled in the last 12 months, outperforming the market



Source: Bloomberg

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Corporate Updates

IFRS Compliance (PSAK 50 and 55)

- We are implementing PSAK 50 & 55 in 2010. The implementation of these new accounting standards is estimated to have a positive impact to our retained earnings

Implementation of Basel II

- We have implemented capital charge for operational risk (as part of Basel II) starting January 2010 toward the full implementation by 2011
- The impact of the implementation of capital charge for operational risk is estimated to lower our CAR by approximately 2% this year

AGMS / EGMS

- We plan to hold our annual general meeting of shareholders on 29 April 2010 with agenda among others:
 - To approve the bank's annual report for financial year 2009
 - To approve the appropriation of the bank's 2009 net profit
 - To approve changes in the Board of Directors

Payment of dividend

- We plan to pay out 50% of our 2009 NPAT or Rp 766 billion as dividend subject to shareholders' approval

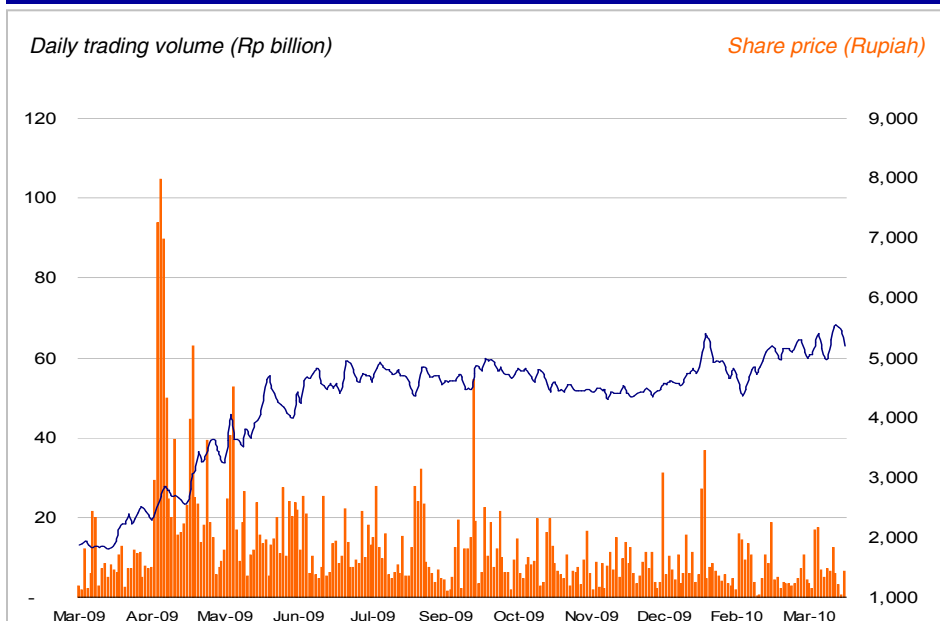
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Share Price and Credit Ratings

Daily share price and trading volume

BDMN IJ



Source: Bloomberg

Ownership Structure	Number of Shares	Ownership
<i>As of 31 March 2010</i>		
Asia Financial (Indonesia) Pte, Ltd.	5,674,493,482	67.59%
Public	2,720,518,134	32.41%
Total	8,395,011,616	100.00%

Danamon

PEFINDO <i>March 2010</i>	Corporate Rating	id ^{id} AA+ / Stable
	Bond Rating	id ^{id} AA+ / Stable
Standard & Poor's <i>October 2009</i>	Long-term / Short-term Local Currency	BB- / B / Positive
	Long-term / Short-term Foreign Currency	BB- / B / Positive
Fitch Ratings <i>January 2010</i>	Long-term / Short-term Foreign Currency	BB+ / B / Stable
	National Long-term	AA+ (idn) / Stable
	Individual / Support Rating	C/D / 3 / Stable
Moody's <i>September 2009</i>	Global Local Currency Deposit	Baa3 / P-3 / Stable
	Foreign Currency Long-term / Short-term Deposit	Ba3 / NP / Stable
	Bank Financial Strength Rating (BFSR)	D / Stable

Asia Financial (Indonesia) (AFI)

- The ultimate shareholder of AFI is Temasek Holding Pte. Ltd, an investment holding company based in Singapore

Thank You

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