



A member of  MUFG, a global financial group

PT Bank Danamon Indonesia

Analyst Briefing 1Q - 2021

Jakarta, 28 April 2021

Steady improvements supported by healthy asset quality, high coverage ratio and CASA ratio

Prudent Loan Selection

- EB portfolio grew 11% YoY, supported by collaboration with MUFG network and focus on the blue chip segment.
- Steady improvement in auto financing disbursement. ADMF's 1Q'21 new financing continued the strong trend in 4Q'20 and has recovered by 222% compared to the lowest productivity quarter in FY20.

Liquidity and Funding Growth

- CASA grew 12% YoY
- CASA ratio improved 480bps YoY to 54.7%.
- Ample liquidity shown by healthy RIM, LDR, and LCR.

Asset Quality

- Loan at risk lower by Rp 3.7tn and LAR% improved 230bps QnQ provided by improvement in SM, NPL, and restructuring portfolio
- Loan loss coverage increased from 129.3% in the same period last year to 171.0%.
- COVID restructured loans declined by 21% QoQ to Rp 10.4tn

Profitability

- Stable operating income and PPOP trend since the pandemic.
- OPEX improved 7% YoY.
- NPAT reached Rp 522 bn in 1Q'21.

1Q-2021 Balance Sheet highlights

In Rp billion	1Q20	1Q21	YoY	2Q20	3Q20	4Q20	1Q21	QoQ
Total Assets	203,213	193,993	-5%	194,441	196,631	200,890	193,993	-3%
Total Loan Portfolio and Trade Finance ¹⁾	147,028	132,407	-10%	142,710	137,934	135,786	132,407	-2%
Total Loan Portfolio and Trade Finance excl. ADMF and Run-Off Portfolio ²⁾	89,792	89,314	-1%	90,292	90,576	90,462	89,314	-1%
Government Bonds	14,621	30,510	109%	20,434	22,832	25,535	30,510	19%
Total Funding	143,046	135,904	-5%	137,764	139,947	143,555	135,904	-5%
CASA	59,684	66,608	12%	62,166	61,334	65,999	66,608	1%
Time deposits	59,995	55,080	-8%	54,735	57,743	60,212	55,080	-9%
Borrowings and LT. Funding	23,367	14,216	-39%	20,863	20,871	17,344	14,216	-18%
Equity	42,846	43,481	1%	42,711	43,531	43,108	43,481	1%

1) Trade Finance includes marketable securities.

2) Run-Off Portfolio : ex-BNP + Micro

1Q-2021 Income Statement

In Rp billion	1Q20	1Q21	YoY	2Q20	3Q20	4Q20	1Q21	QoQ
Net Interest Income¹⁾	3,800	3,316	-13%	3,130	3,309	3,406	3,316	-3%
Non Interest Income	1,332	659	-51%	631	622	737	659	-11%
Operating Income	5,132	3,975	-23%	3,761	3,931	4,143	3,975	-4%
Operating Expenses	-2,201	-2,051	7%	-2,077	-2,006	-1,953	-2,051	-5%
PPOP	2,931	1,924	-34%	1,684	1,925	2,190	1,924	-12%
Cost of Credit	-1,148	-1,158	-1%	-2,063	-955	-2,357	-1,158	51%
Operating Profit	1,784	766	-57%	-379	970	-168	766	557%
NPAT	1,245	522	-58%	-400	632	-469	522	211%

1) Netted-off with loss on restructuring.

1Q-2021 Key Financial Ratios

In %	1Q20	1Q21	YoY	2Q20	3Q20	4Q20	1Q21	QoQ
NIM ¹⁾	8.4	7.0	-1.4	6.9	7.1	7.2	7.0	-0.2
CoC	3.3	3.6	0.3	5.8	2.8	7.1	3.6	-3.5
Risk-adjusted NIM	5.1	3.5	-1.6	2.1	4.3	0.1	3.5	3.4
Cost to Income ¹⁾	42.9	51.6	8.7	49.9	51.0	47.1	51.6	4.5
CASA Ratio	49.9	54.7	4.8	53.2	51.5	52.3	54.7	2.4
RIM	95.9	86.6	-9.3	95.1	89.8	85.0	86.6	1.6
NPL Gross	3.4	3.3	0.1	4.1	3.2	2.8	3.3	0.5
Loan Loss Coverage (LLC)	129.3	171.0	41.7	117.2	142.2	199.9	171.0	-28.9
Loan at Risk Coverage excl. COVID ²⁾	27.2	40.2	13.0	34.7	28.8	38.6	40.2	1.6
Loan at Risk Coverage incl. COVID ³⁾	25.7	25.5	-0.2	14.9	13.9	23.4	25.5	2.1
ROAA	2.5	1.1	-1.4	-0.8	1.3	-0.9	1.1	2.0
ROAE ⁴⁾	13.0	5.5	-7.5	-0.8	6.6	-4.9	5.5	10.4
CAR – Consolidated	22.1	25.7	3.6	23.4	24.9	25.0	25.7	0.7

1) Incorporated impact from netting-off loss on restructuring to interest income.

2) NPL + SM + Restructured Loan Coll. 1.

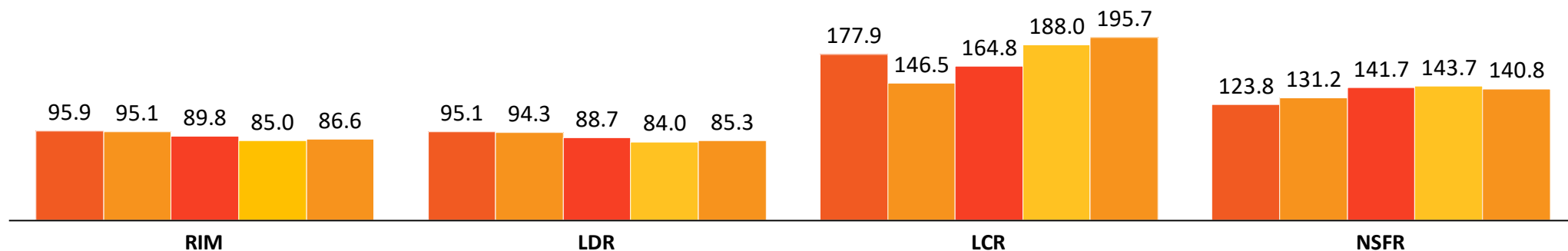
3) NPL + SM + Restructured Loan Coll. 1 including COVID Restructured Loans (Under Forbearance).

4) Following new OJK regulation in July20, ROAEs are calculated per tier-1 capital.

Well maintained liquidity along with improved CASA ratio

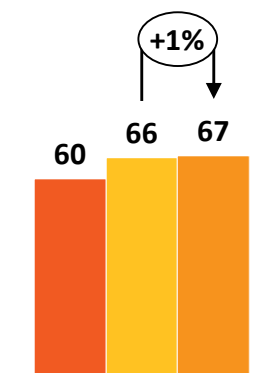
RIM, LDR, LCR & NSFR (%) – Healthy Liquidity

1Q20 2Q20 3Q20 4Q20 1Q21

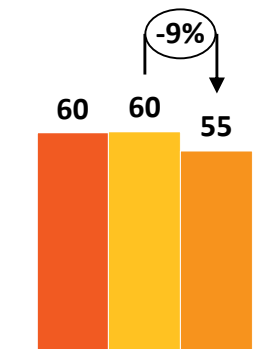


CASA, TD, & CASA Ratio – Improved CASA Ratio

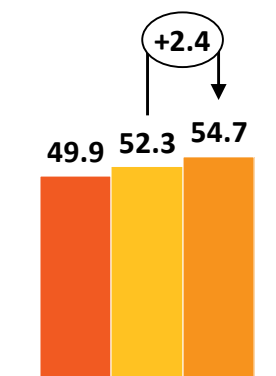
CASA (Rp tn)



TD (Rp tn)



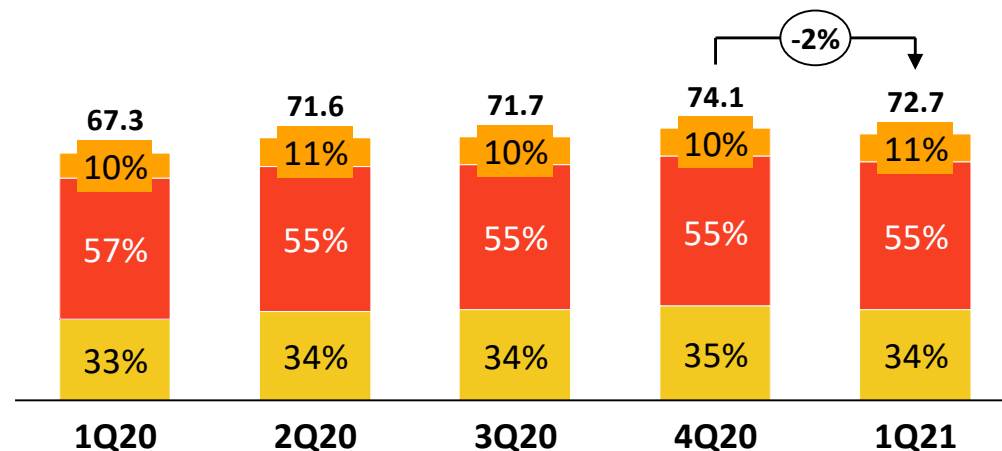
CASA Ratio (%)



1Q20 4Q20 1Q21

Strong Focus on Granular Funding* (Rp tn)

CA SA TD

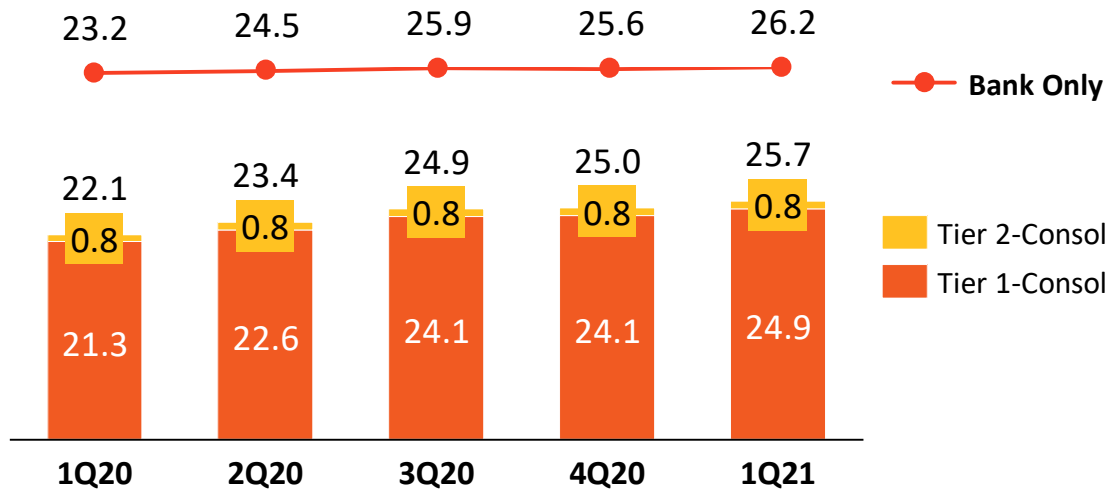


*CA, SA and regular TD IDR from Consumer and SME banking

SAATNYA
PEGANG KENDALI

Strong capital structure as foundation for growth

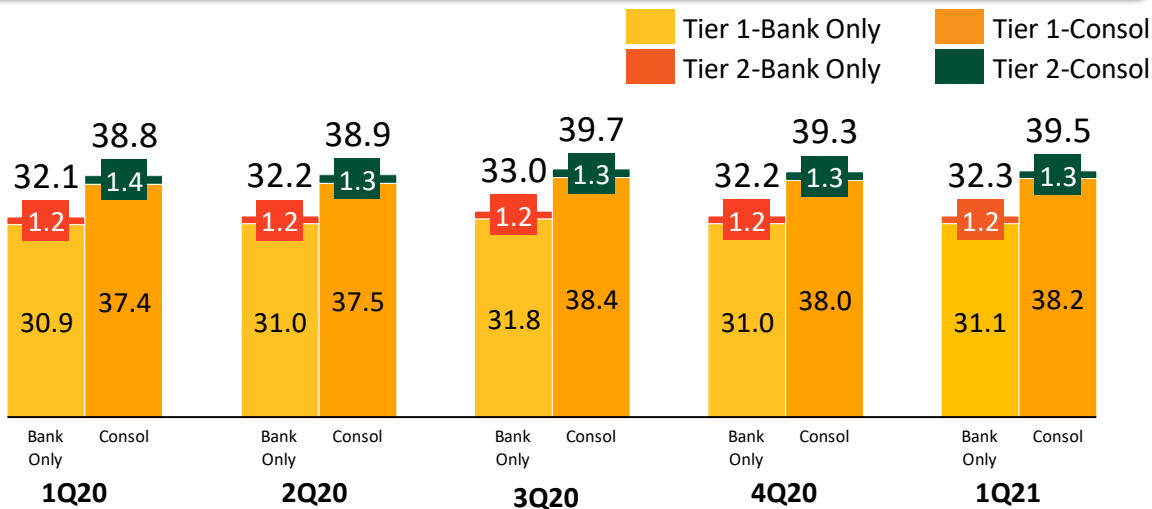
Capital Adequacy Ratio (%)



Market and Operational Risk Charges (%)

%	1Q20	2Q20	3Q20	4Q20	1Q21
CAR w/ Credit Risk	27.6	29.8	31.9	32.3	33.4
Market Risk Charge	-0.1	-0.2	-0.1	-0.3	-0.3
Operational Risk Charge	-5.4	-6.2	-6.9	-7.0	-7.4
CAR Consolidated	22.1	23.4	24.9	25.0	25.7

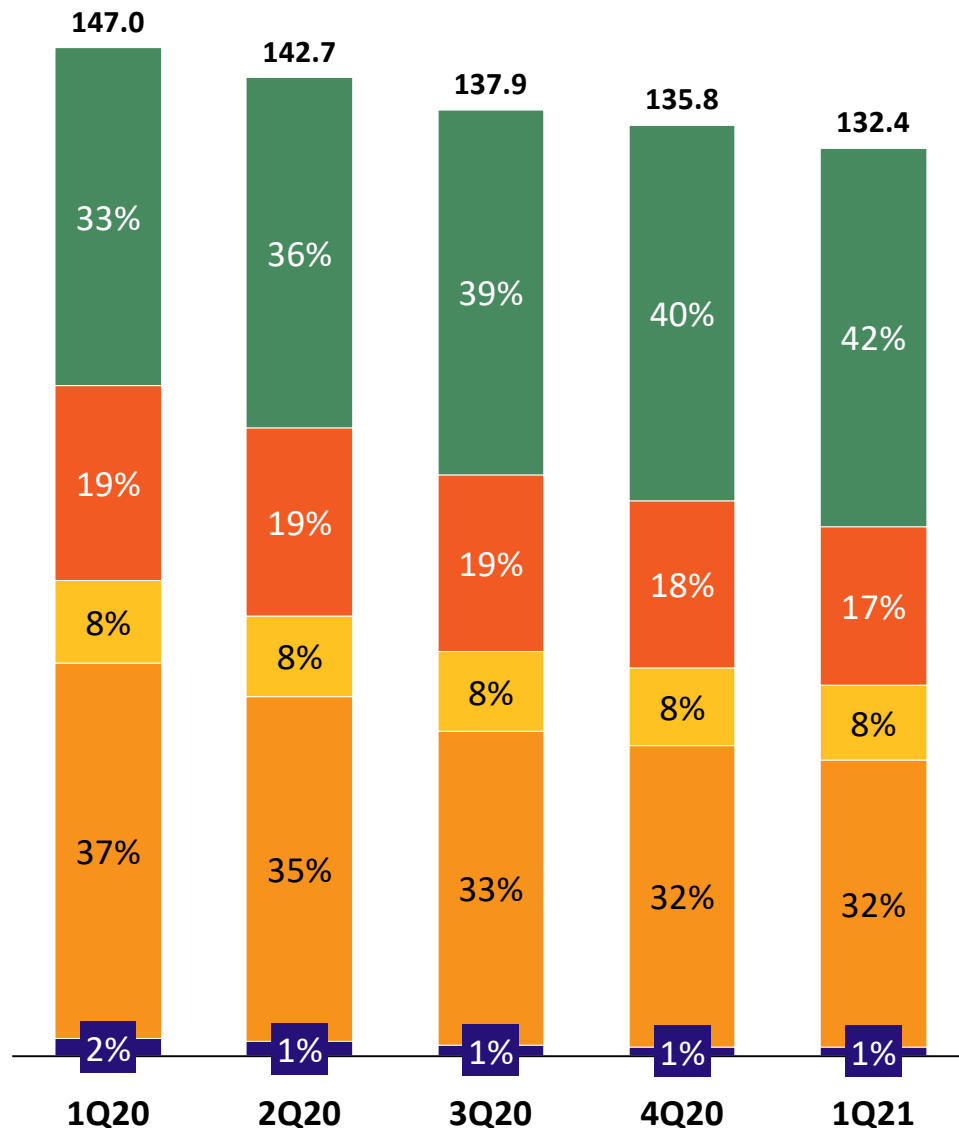
Tier 1 and Tier 2 Consolidated Capital



- Consolidated Capital Adequacy Ratio (CAR) was 25.7%, far above the minimum requirement.
- Almost 100% of the capital derived was from Tier 1 Capital.

Diversified growth engine with EB growth partially offsetting lower demand in other segments

Composition of Loan Portfolio & Trade Finance¹⁾ (Rp tn)



Growth of Loan Portfolio & Trade Finance¹⁾ (Rp bn)

Rp bn	1Q20	1Q21	YoY	QoQ
Enterprise Banking ²⁾ & FI	49,526	55,167	11%	1%
SME	28,474	23,150	-19%	-5%
Consumer	11,792	10,997	-7%	-3%
Mortgage	8,853	8,630	-3%	-1%
Others ³⁾	2,939	2,366	-19%	-7%
Adira Finance	54,679	41,919	-23%	-5%
Total excl run-off portfolio⁴⁾	144,471	131,233	-9%	-2%
Run-off portfolio ⁴⁾	2,557	1,174	-54%	-11%
Total	147,028	132,407	-10%	-2%

1) Trade finance includes marketable securities.

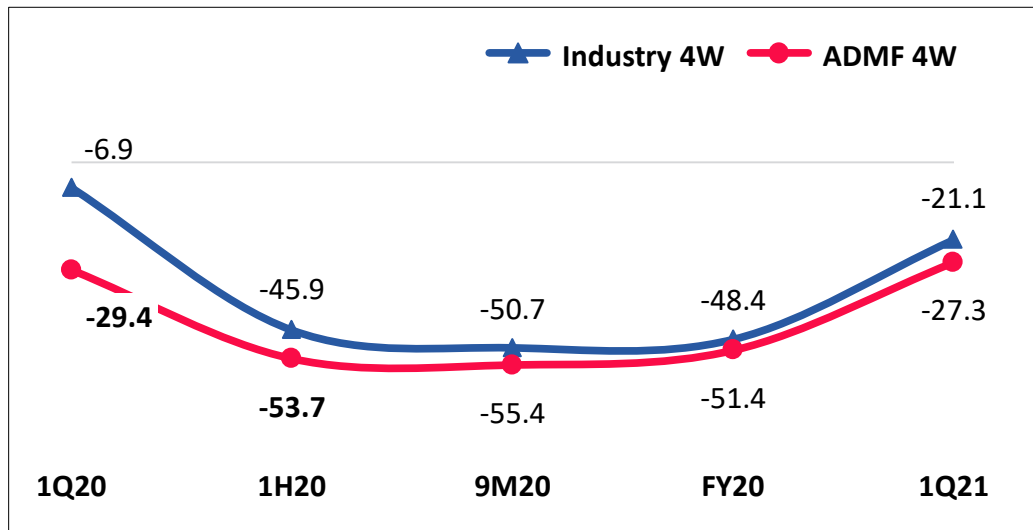
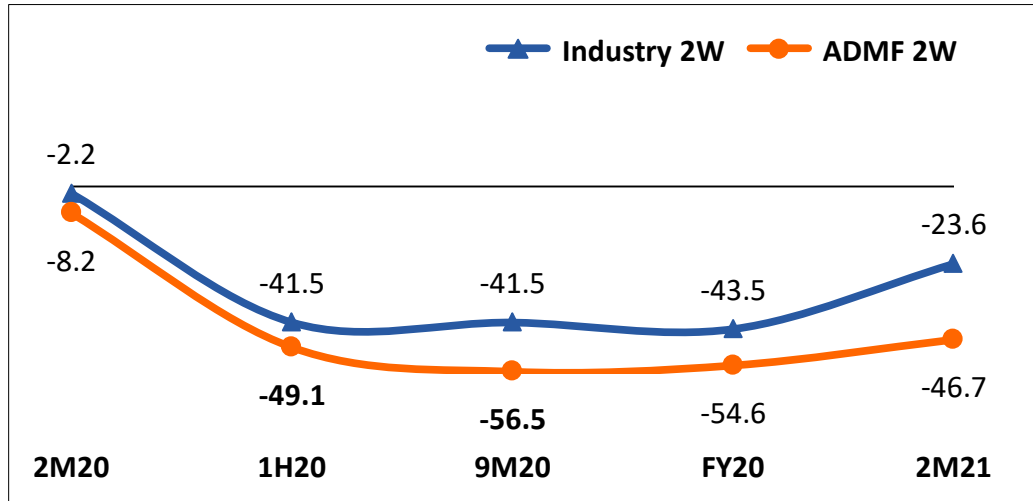
2) Enterprise Banking: Commercial and Corporate.

3) Unsecured Personal Loan, Credit Card, and Other.

4) Run-off portfolio : ex-BNP portfolio+Micro

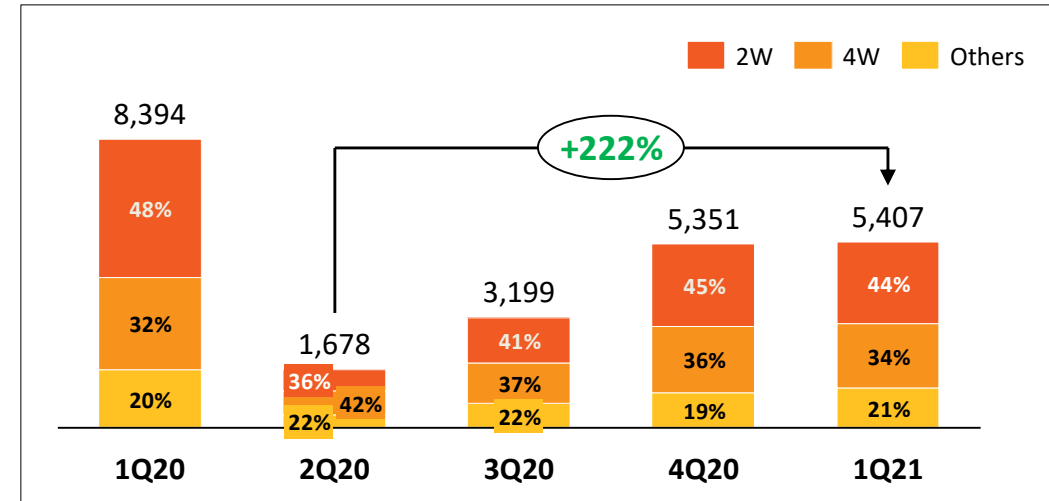
ADMF : Steady improvement trend in disbursement

ADMF units New Financing vs. Industry (% YoY growth based on cumulative YTD)



Note: Industry data from AISI and Gaikindo.

ADMF Loan Disbursement Amount (in Rp bn)

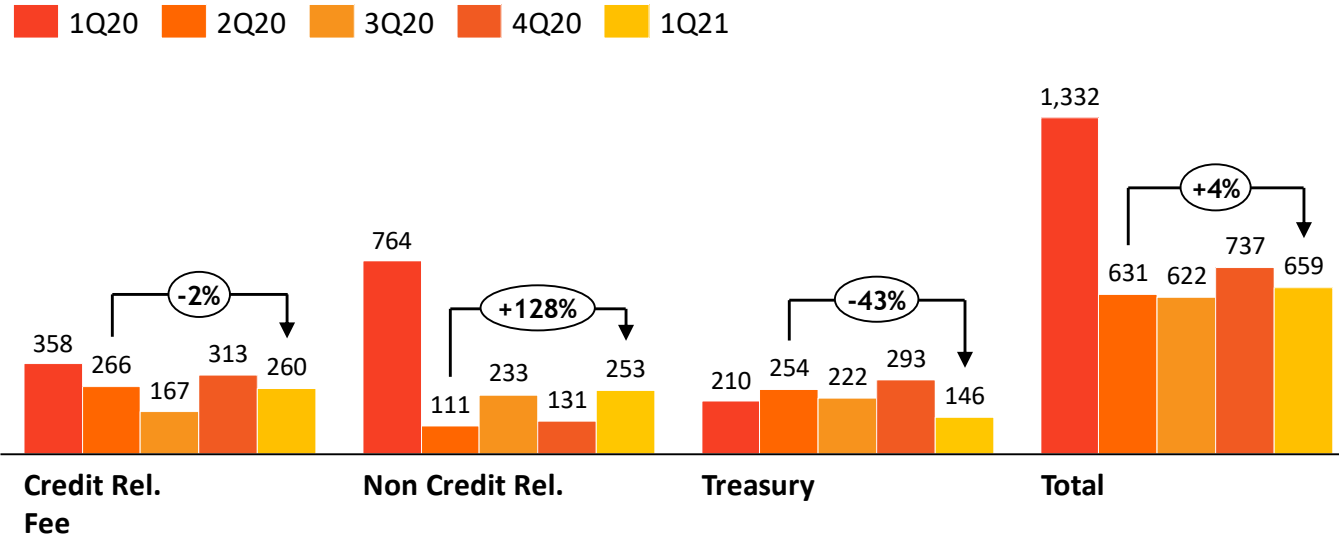


ADMF Outstanding Loans

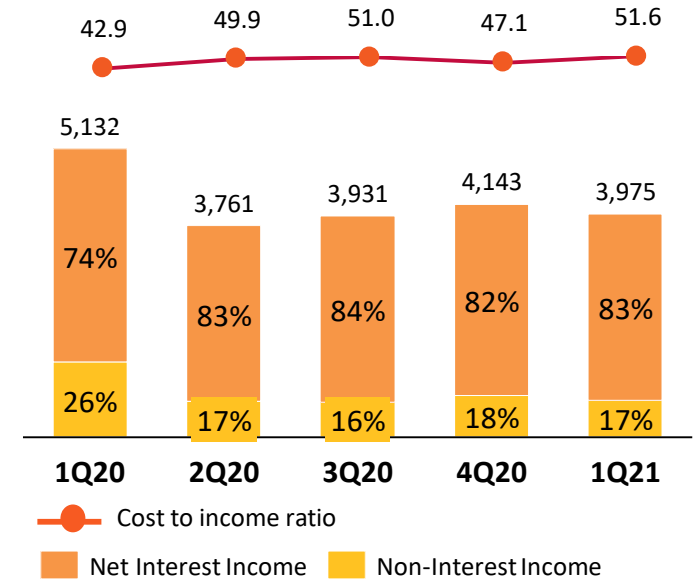
Rp bn	1Q20	1Q21	YoY	FY20	QoQ
2W auto loans	25,748	18,284	-29%	19,358	-6%
4W auto loans	27,858	23,419	-16%	24,395	-4%
White goods and others	1,073	216	-80%	257	-16%
Total Loans	54,679	41,919	-23%	44,010	-5%

Steady non-interest income trend post-pandemic

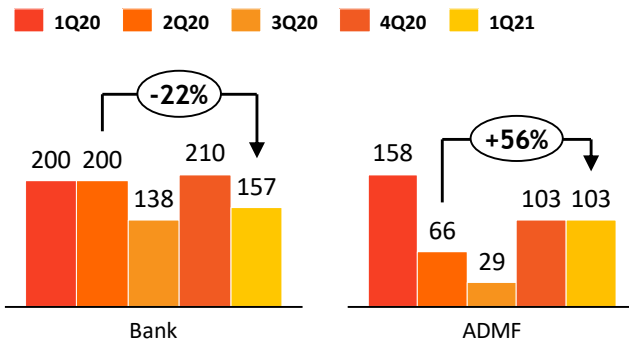
Non-Interest Income (Rp bn)



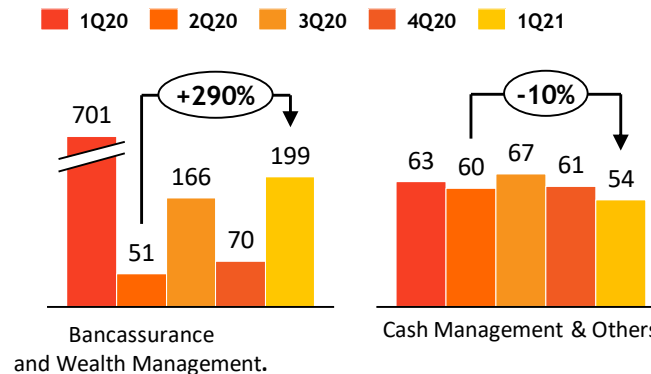
Revenue Composition



Credit Related Fee



Non- Credit Related Fee

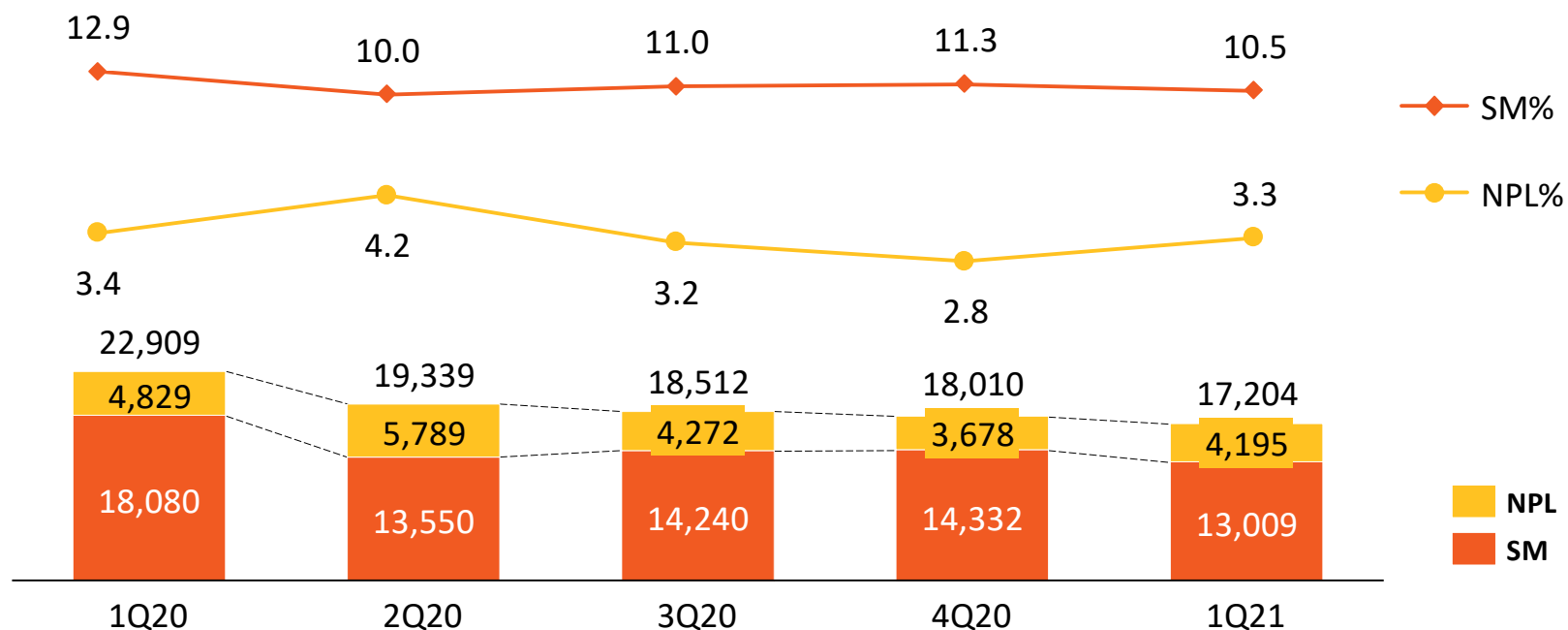


- ADMF credit related fees have picked up in line with disbursement.
- Non-credit related fees have generally performed well post-pandemic.
- Comparable fees to the 1Q21 bancassurance increase of income are now amortized evenly throughout the year

Marked improvement in SM and high NPL Coverage level

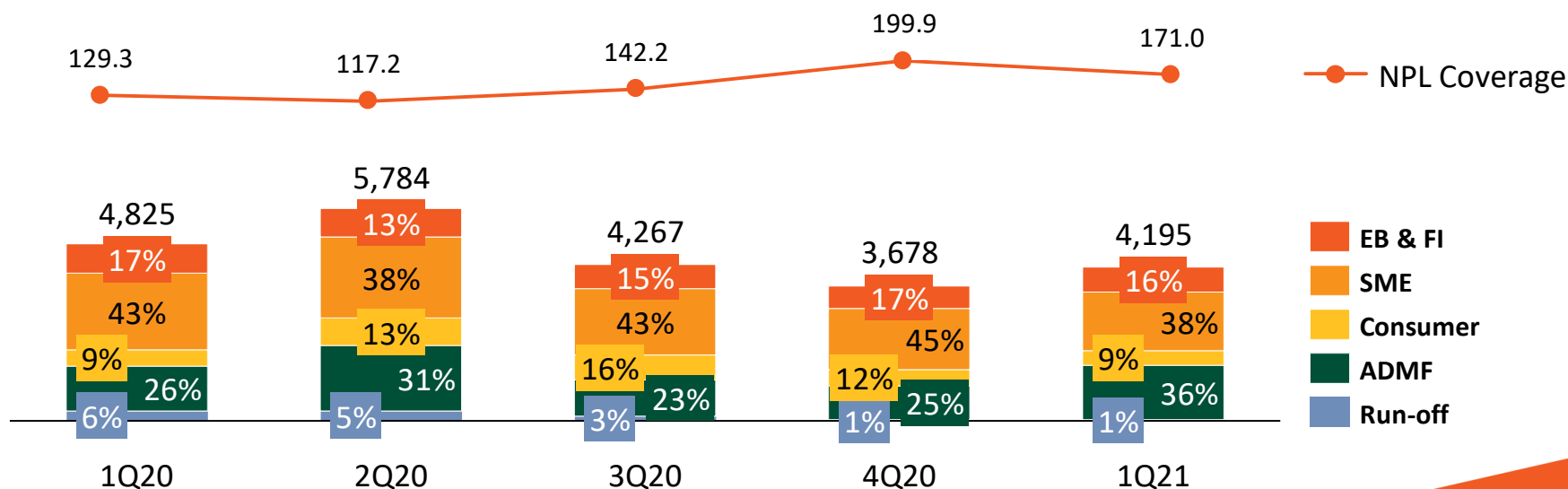
NPL and SM %
of Total Loans

NPL and SM
amount
(Rp bn)



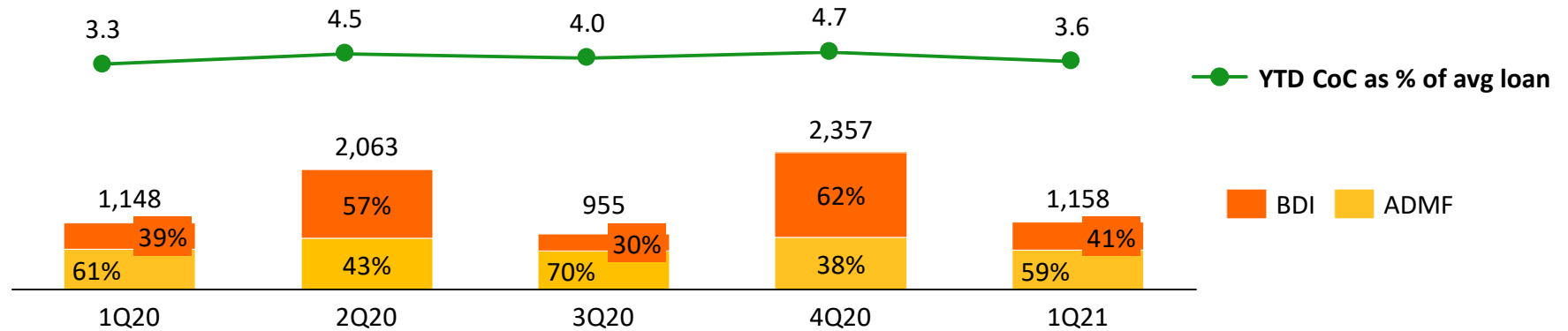
NPL Coverage
Ratio (%)

NPL amount
(Rp bn)
and
Composition
(% of Total
NPL)

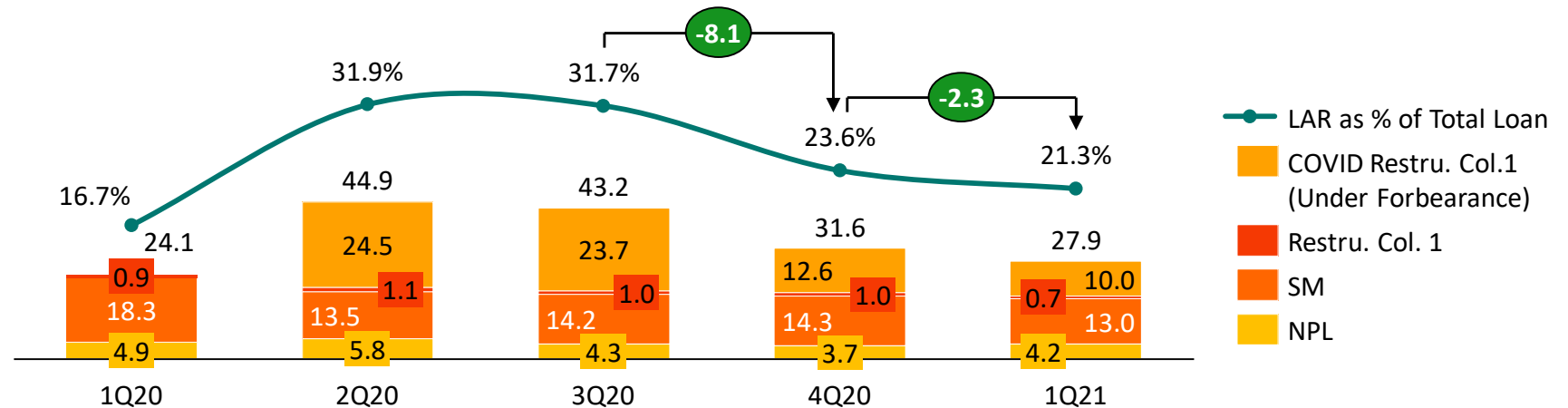


Improving trends in COVID Restructured Loans and Loan at Risk

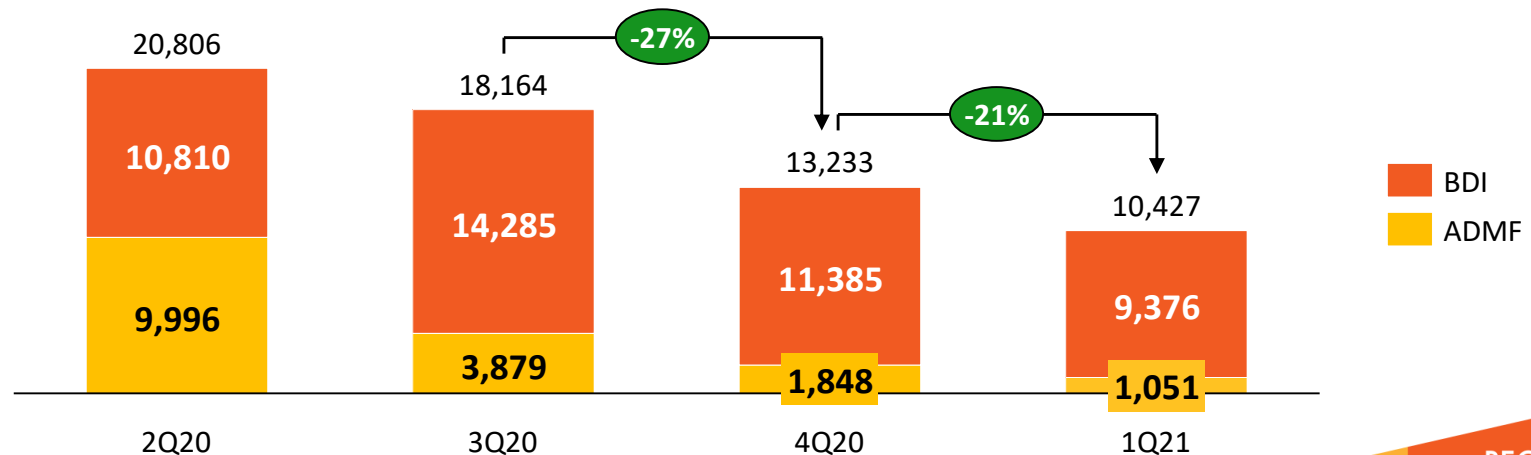
Cost of Credit
(% of Avg
Loans and Rp
bn)



Loan at Risk
(% of Total
Loans and Rp
bn)

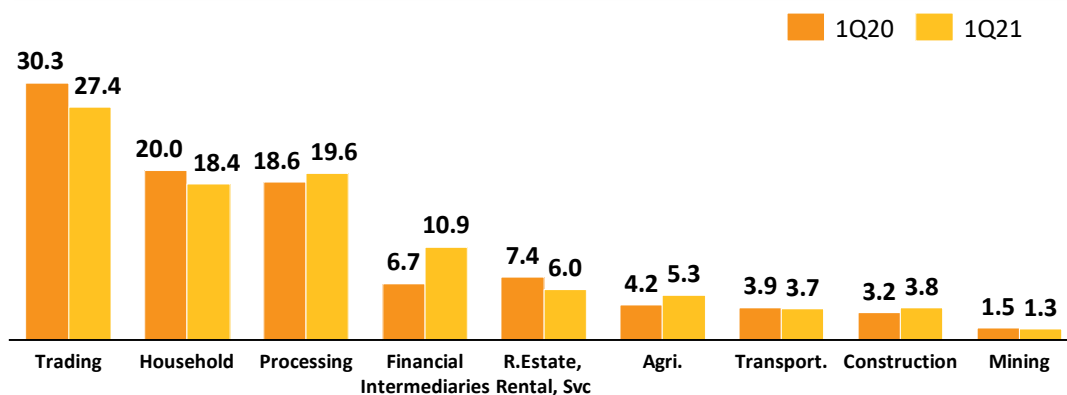


COVID related
Restructured
Loans – Under
Forbearance
(Rp bn)

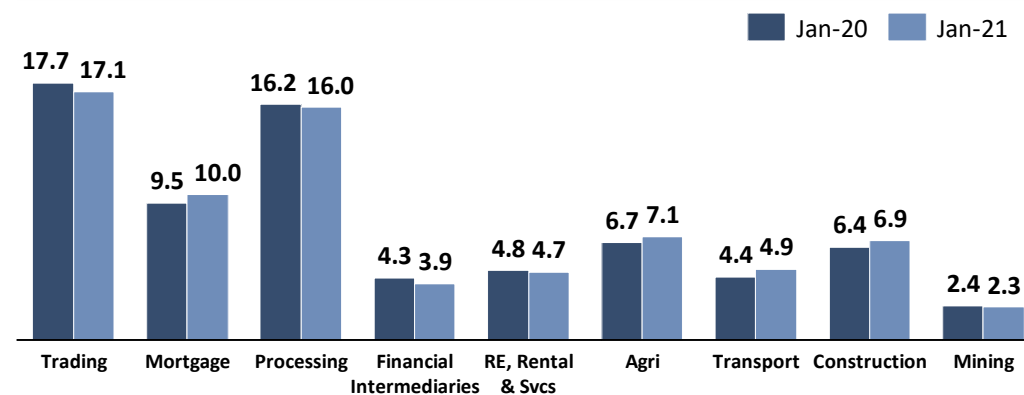


Continuous monitoring of asset quality in key sectors

BDI Loans by Sector (% of total loans)



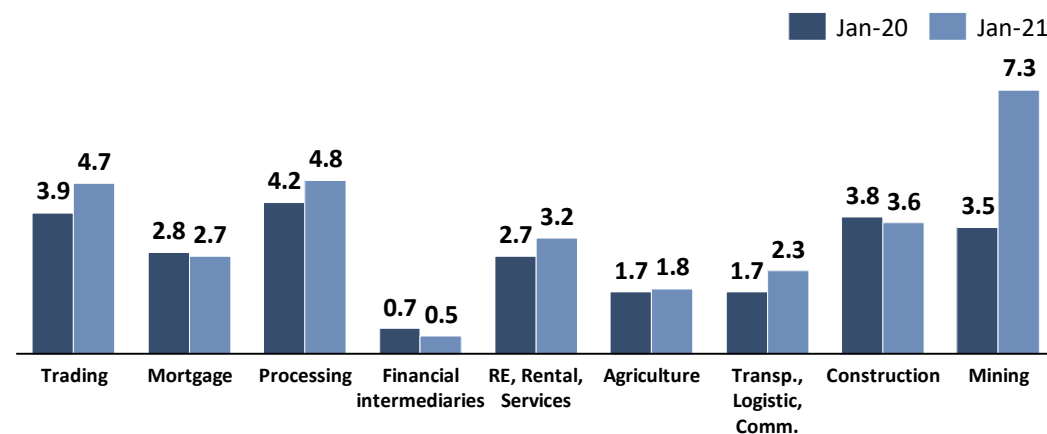
Industry Loans by Sector (% of total loans)



BDI Key Sectors ENR (IDR bn) and NPL (%)

Sectors	ENR		NPL %	
	1Q20	1Q21	1Q20	1Q21
Trading	43,675	35,677	4.9%	4.7%
Household	28,778	23,911	3.0%	3.6%
Processing	26,848	25,579	3.2%	3.1%
Financial Intermediaries	9,615	14,203	0.2%	0.1%
R.Estate, Rental, Svc	10,668	7,856	1.9%	2.9%
Agri.	6,027	6,856	1.8%	1.4%
Transport.	5,559	4,793	4.1%	2.8%
Construction	4,646	4,953	5.4%	4.1%
Mining	2,122	1,712	0.7%	1.1%

Industry NPL by Sector (%)



Source : SPI OJK Jan-21



A member of  MUFG, a global financial group

THANK YOU

Investor Relations

PT Bank Danamon Indonesia, Tbk

Menara Bank Danamon, 16th Floor

Jl. H.R. Rasuna Said Kav. C-10

Setiabudi - Kuningan, Jakarta Selatan 12940

Phone: +62 21 8064 5000

Email: investor.relations@danamon.co.id