



A member of  MUFG, a global financial group

PT Bank Danamon Indonesia Tbk

Analyst Briefing 1H - 2021

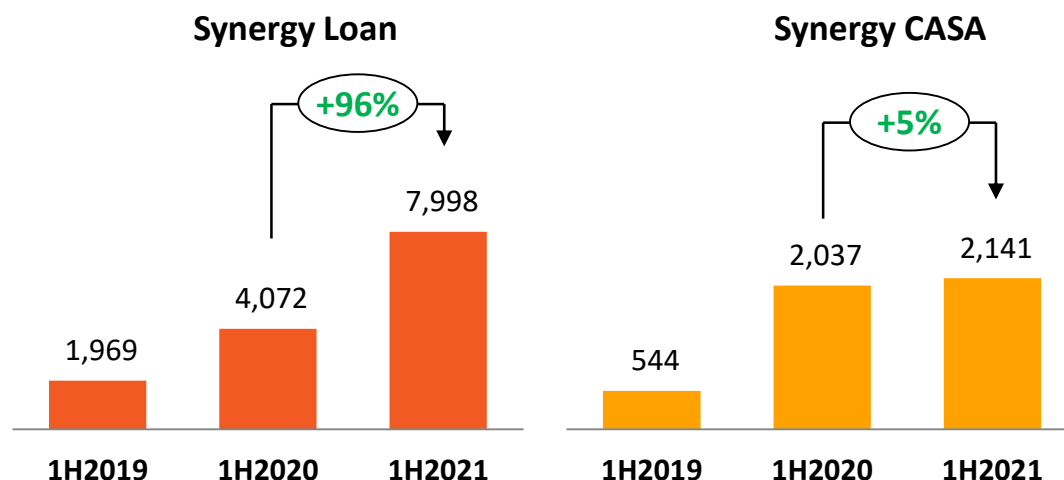
Jakarta, 28 July 2021



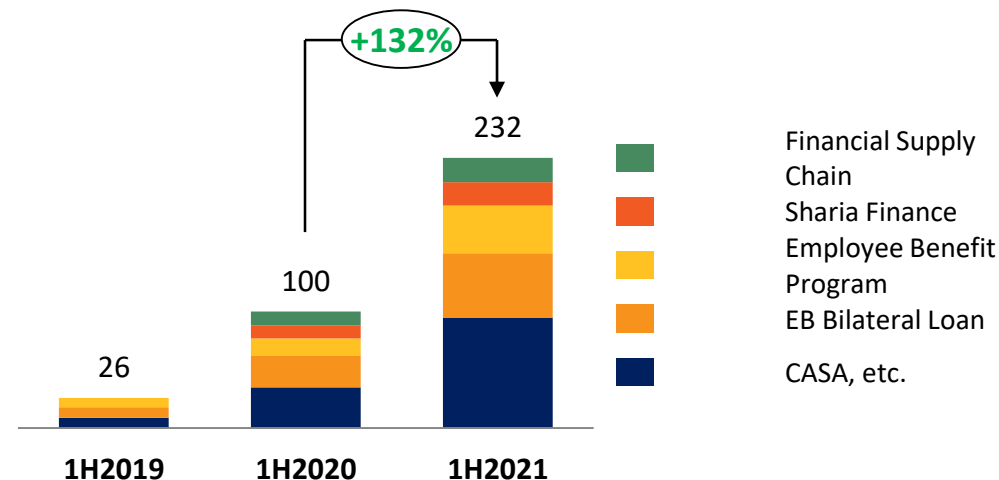
MUFG Collaboration & Digital Initiatives Updates

1H21 Financial Highlights

Growing Synergy Loan & CASA Balance (Rp bn)



Realizing Synergy Deals (Accumulated Number of Deals)



Key Synergy Deals in 2021

Collaborative business leveraging MUFG's global network

Dealer Finance



Syndicated Loan



Provided financing support by participating syndicated loan arranged by MUFG as mandated lead arranger & book runner

Real Estate Value Chain (including Mortgage)



Provided financing support to expansion of industrial estate area (Karawang International Industrial City)



MITSUBISHI ESTATE INDONESIA

Collaborative Customer Engagement Events

Indonesia 2021 Summit & Business Matching Fair



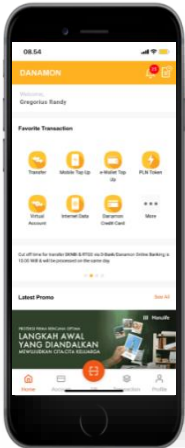
1 day thought leadership event attended by more than 1,100 participants



3 days MUFG/BDI virtual networking platform (over 260 meetings)

Digital Initiatives as our key focus

D-Bank Pro



- In May 2021, launched D-Bank PRO mobile banking with enriched features and superior user experience.
- Our customers increasingly opt for digital channels.

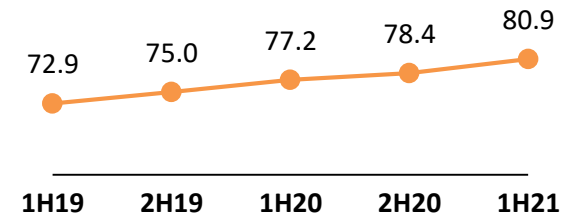
Enhanced Features

- Transfer with higher limit
- D-Save Plus personalized saving plans
- TD Online, Bonds and Mutual Funds
- Robust bill payment
- QRIS, purchases and top ups to various partners.
- Zakat & Wakaf
- Cardless Withdrawals

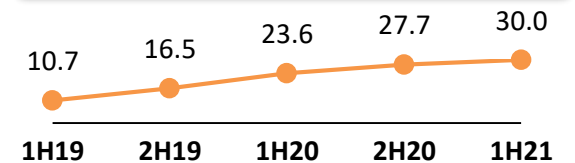
Upcoming Features

- FX Purchase With Live Rate
- ETB Account Opening
- Digital Hajj
- Bancassurance
- Credit Card Features

Percentage of Mobile & Online Transactions(%)



Percentage of TD Online* (%)



*TD Online as % of regular Consumer Time Deposits

Frontline Enablement/Remote Assistance



Launched mobility device, a tablet which enable our frontliners to serve customers with their banking needs anywhere, depending on customer preference, with some key features:

- Customer Onboarding** : New and existing customers for Saving Account & Time Deposit
- Portfolio Management**: Customer Information, Unified Product & Sales Module
- Service & Transaction**: Complaint Management
- Productivity & Process**: Lead Management

Awards Recognizing Digital Innovation and Customer Centricity



Most Popular Digital Financial Brands (Millennial's Choice) 2021
Bank BUKU 4 - E-Loan

Most Popular Digital Financial Brands Awards 2021 - Iconomics



Innovation Excellence

Kofax Customer Excellence Awards 2021



#1 Best Overall
Kategori Bank BUKU 4

4th Infobank Satisfaction, Loyalty, Engagement 2021

SAATNYA
PEGANG KENDALI



MUFG Collaboration & Digital Initiatives Updates

1H21 Financial Highlights

Growth in Enterprise Banking, CASA and profitability despite economic challenges

Prudent Loan Selection

- EB portfolio reached Rp 57tn or grew 11% YoY, supported by collaboration with MUFG network and focus on the blue chip segment.
- Along with improvement in the auto financing industry, ADMF's 2Q21 new financing increased by 18% compared to the previous quarter.

Granular Funding Growth

- CASA grew 10% YoY, in line with the Bank's focus on granular funding.
- CASA ratio improved 310bps to 56.3%.

Asset Quality

- NPL ratio improved 110bps YoY to 3%.
- Loan loss coverage increased from 119% in the same period last year to 177%.
- COVID restructured loans declined by 26% QoQ to Rp 7.7tn.

Profitability

- Operating Income increased 5% QoQ supported by improvement in both net interest income and non interest income.
- PPOP improved 6% QoQ.
- NPAT improved 18% YoY and reached Rp 998 bn in 1H21.

1H-2021 Balance Sheet Highlights

In Rp billion	1H20	1H21	YoY	1Q21	2Q21	QoQ
Total Assets	194,441	193,751	-	193,993	193,751	-
Total Loan Portfolio and Trade Finance ¹⁾	142,710	131,434	-8%	132,407	131,434	-1%
Total Loan Portfolio and Trade Finance excl. ADMF and Run-Off Portfolio ²⁾	90,292	89,254	-1%	89,314	89,254	-
Government Bonds	20,434	34,877	71%	30,510	34,877	14%
Total Funding	137,764	134,609	-2%	135,904	134,609	-1%
CASA	62,166	68,184	10%	66,608	68,184	2%
Time deposits	54,735	52,874	-3%	55,080	52,874	-4%
Borrowings and LT. Funding	20,863	13,551	-35%	14,216	13,551	-5%
Equity	42,711	43,780	3%	43,481	43,780	1%

1) Trade Finance includes marketable securities.

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

1H-2021 Income Statement

In Rp billion	1H20	1H21	YoY	1Q21	2Q21	QoQ
Net Interest Income¹⁾	6,926	6,816	-2%	3,316	3,500	6%
Non Interest Income	1,963	1,350	-31%	659	691	5%
Operating Income	8,889	8,166	-8%	3,975	4,191	5%
Operating Expenses	(4,278)	(4,201)	2%	(2,051)	(2,149)	-5%
PPOP	4,611	3,965	-14%	1,924	2,042	6%
Cost of Credit	(3,211)	(2,529)	21%	(1,158)	(1,371)	-18%
Operating Profit	1,400	1,436	3%	766	670	-13%
NPAT	845	998	18%	522	476	-9%

1) Netted-off with loss on restructuring.

1H-2021 Key Financial Ratios

In %	1H20	1H21	YoY	1Q21	2Q21	QoQ
NIM ¹⁾	7.7	7.5	-0.2	7.3	7.8	0.5
CoC	4.5	3.9	-0.6	3.6	4.3	0.7
Risk-adjusted NIM	3.2	3.6	0.4	3.7	3.5	-0.2
Cost to Income	48.1	51.4	3.3	51.6	51.3	-0.3
CASA Ratio	53.2	56.3	3.1	54.7	56.3	1.6
RIM	95.1	86.7	-8.4	86.6	86.7	0.1
NPL Gross	4.2	3.0	-1.2	3.3	3.0	-0.3
Loan Loss Coverage (LLC)	117.2	176.9	59.7	171.0	176.9	5.9
Loan at Risk Coverage excl. COVID ²⁾	33.6	38.5	4.9	41.6	38.5	-3.1
Loan at Risk Coverage incl. COVID ³⁾	16.4	27.3	10.9	26.4	27.3	0.9
ROAA	0.9	1.0	0.1	1.1	1.0	-0.1
ROAE ⁴⁾	4.5	5.2	0.7	5.5	5.0	-0.5
CAR – Consolidated	23.4	26.1	2.7	25.7	26.1	0.4

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

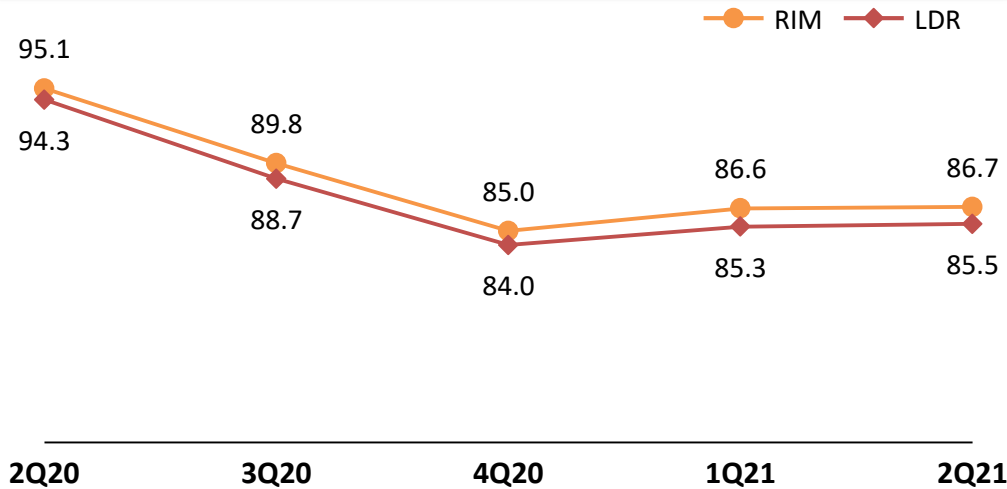
2) NPL + SM + Restructured Loan Coll. 1.

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

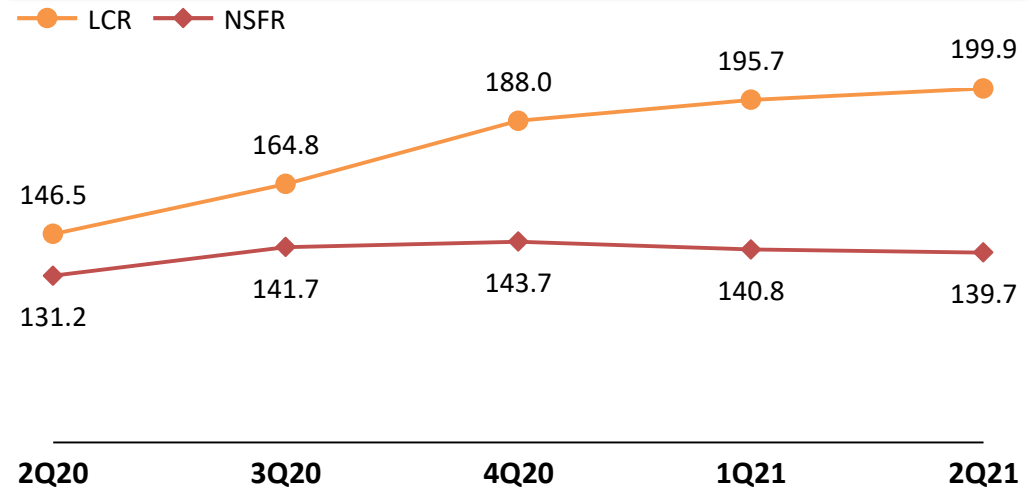
4) Following new OJK regulation in July20, ROAEs are calculated per tier-1 capital.

Ample liquidity supported by focus on CASA

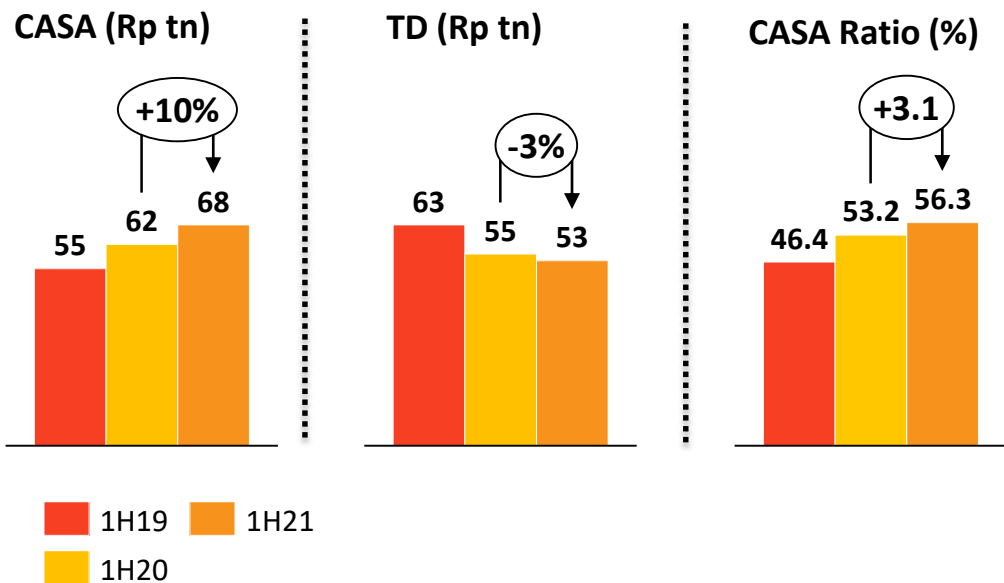
RIM & LDR (%)



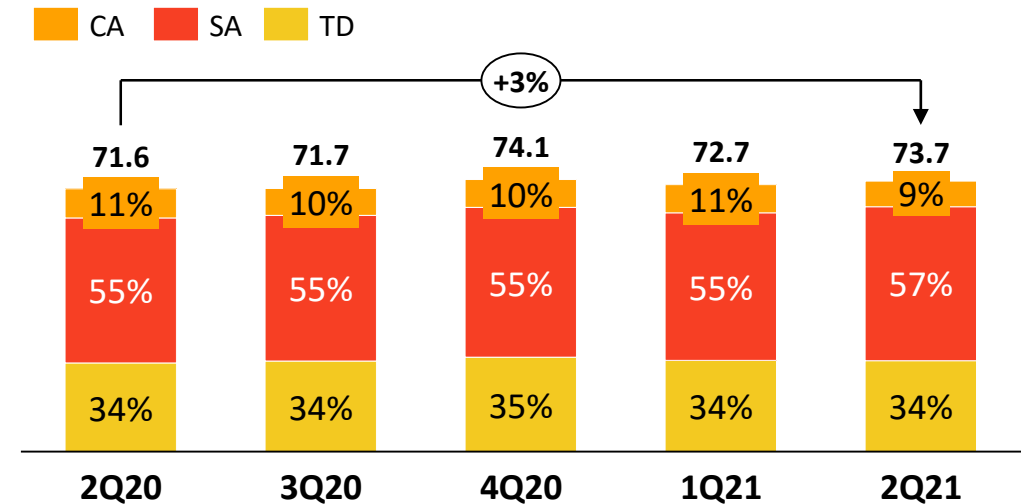
LCR & NSFR (%)



CASA, TD & CASA Ratio – Improved CASA Ratio



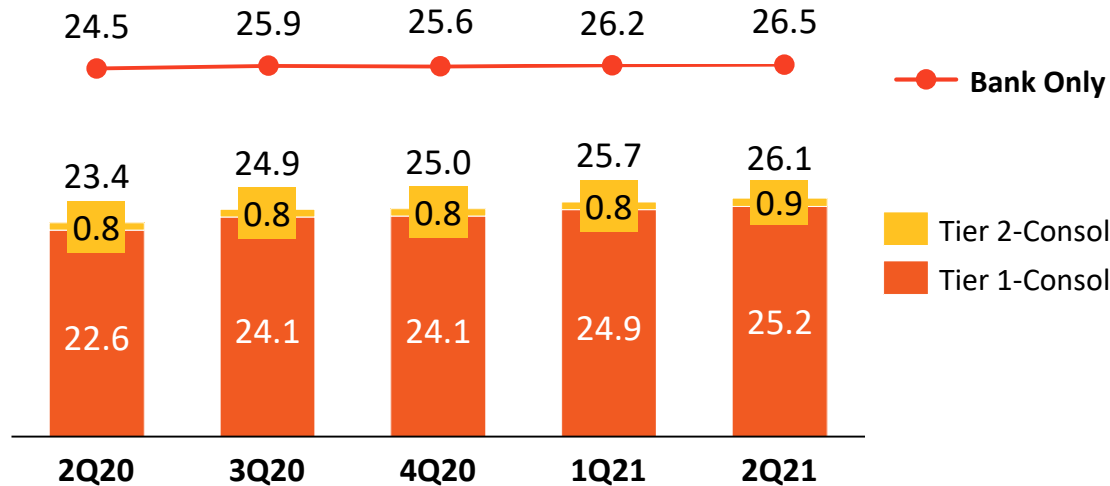
Strong Focus on Granular Funding* (Rp tn)



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

Strong capital to support growth and provide buffer against uncertain economic conditions

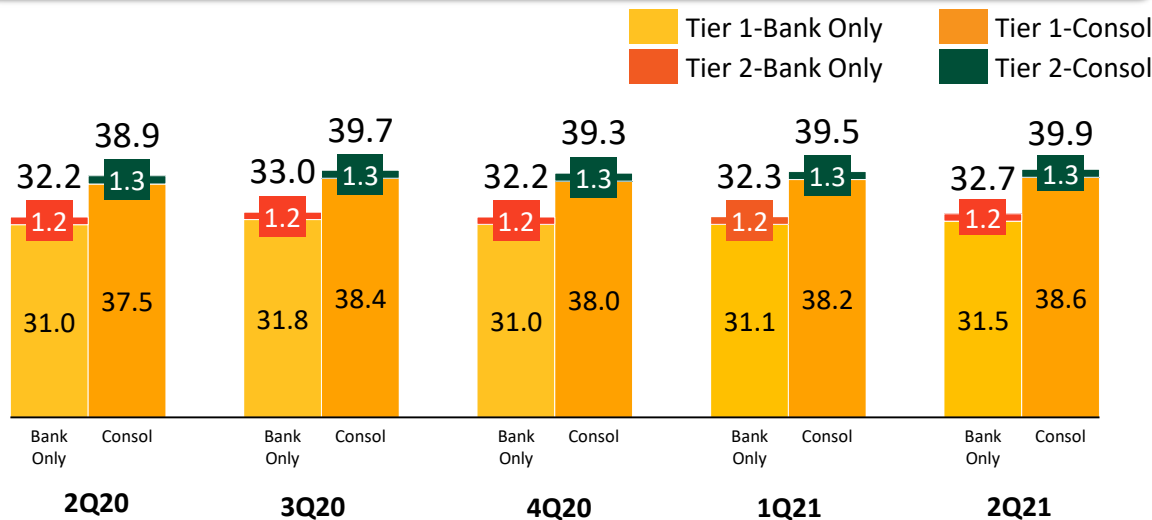
Capital Adequacy Ratio (%)



Market and Operational Risk Charges (%)

%	2Q20	3Q20	4Q20	1Q21	2Q21
CAR w/ Credit Risk	29.8	31.9	32.3	33.4	34.0
Market Risk Charge	-0.2	-0.1	-0.3	-0.3	-0.4
Operational Risk Charge	-6.2	-6.9	-7.0	-7.4	-7.5
CAR Consolidated	23.4	24.9	25.0	25.7	26.1

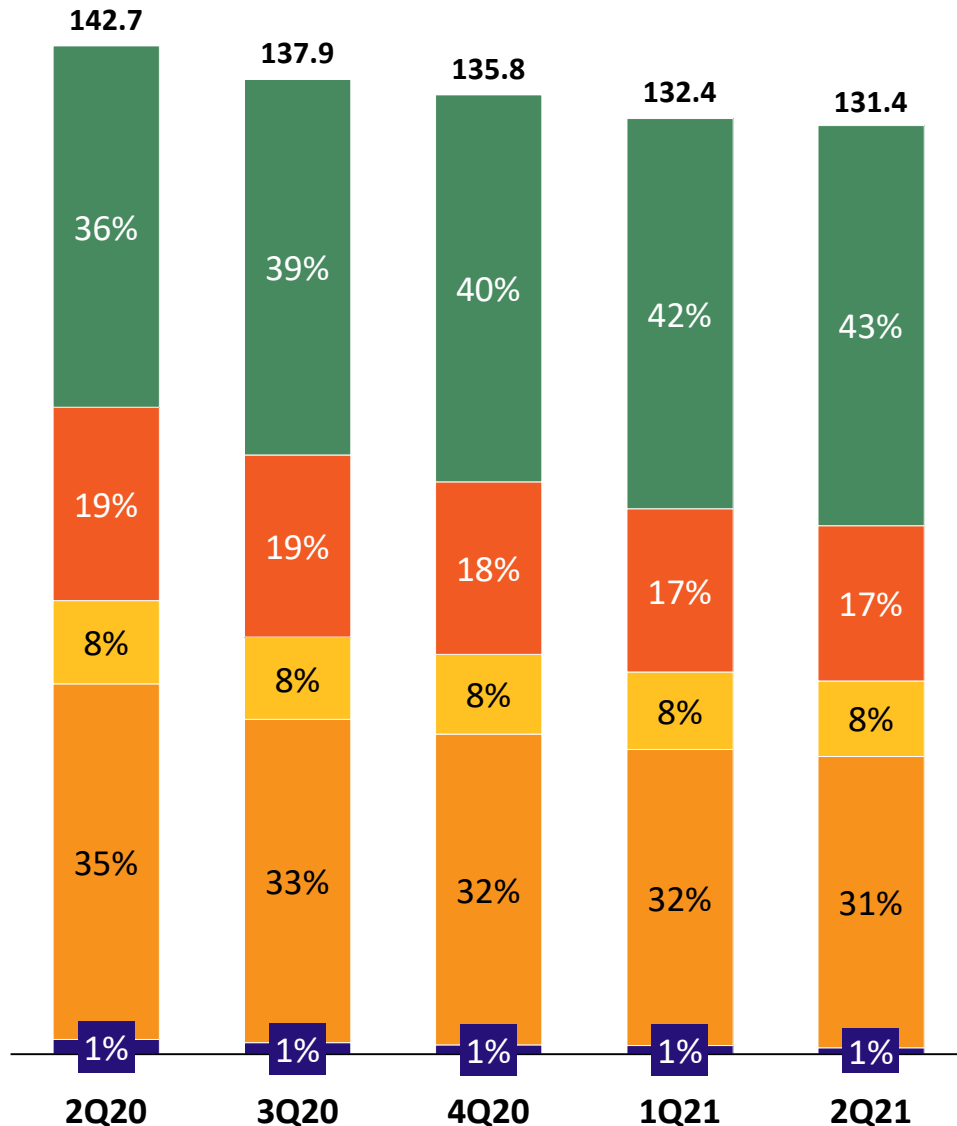
Tier 1 and Tier 2 Consolidated Capital



- Consolidated Capital Adequacy Ratio (CAR) was 26.1%, far above the minimum requirement.
- Almost 100% of the capital derived was from Tier 1 Capital.

Double digit YoY growth in Enterprise Banking while other segments have also seen some recovery in demand

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



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

Rp bn	1H20	1H21	YoY	QoQ
Enterprise Banking ²⁾ & FI	51,175	56,574	11%	3%
SME	27,342	21,975	-20%	-5%
Consumer	11,775	10,705	-9%	-3%
Mortgage	9,009	8,419	-7%	-2%
Others ³⁾	2,765	2,285	-17%	-3%
Adira Finance	50,348	41,252	-18%	-2%
Total excl run-off portfolio⁴⁾	140,640	130,506	-7%	-1%
Run-off portfolio ⁴⁾	2,070	928	-55%	-21%
Total	142,710	131,434	-8%	-1%

1) Trade finance includes marketable securities.

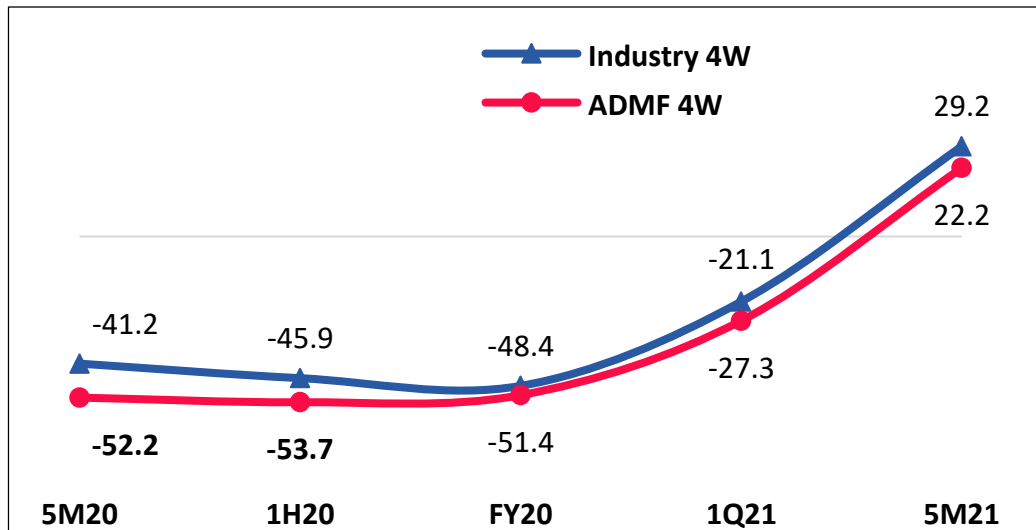
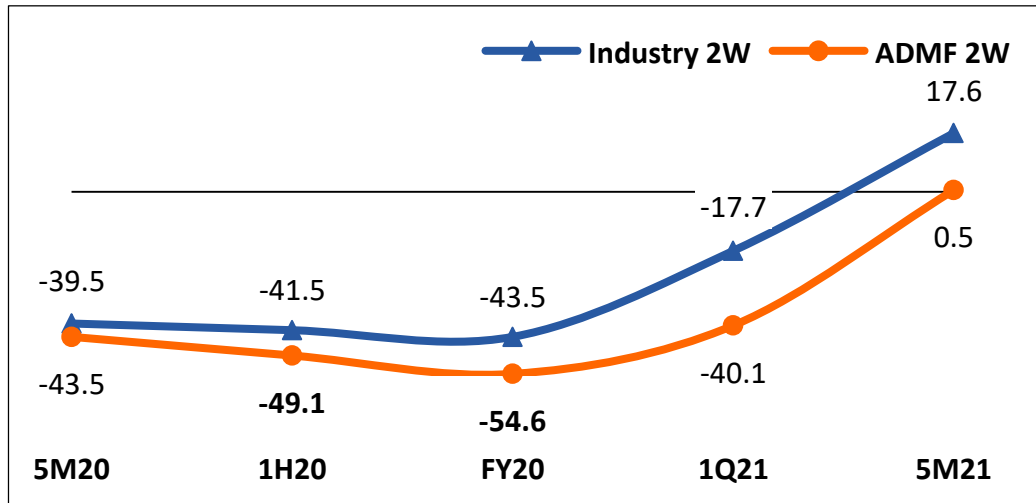
2) Enterprise Banking: Commercial and Corporate.

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

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

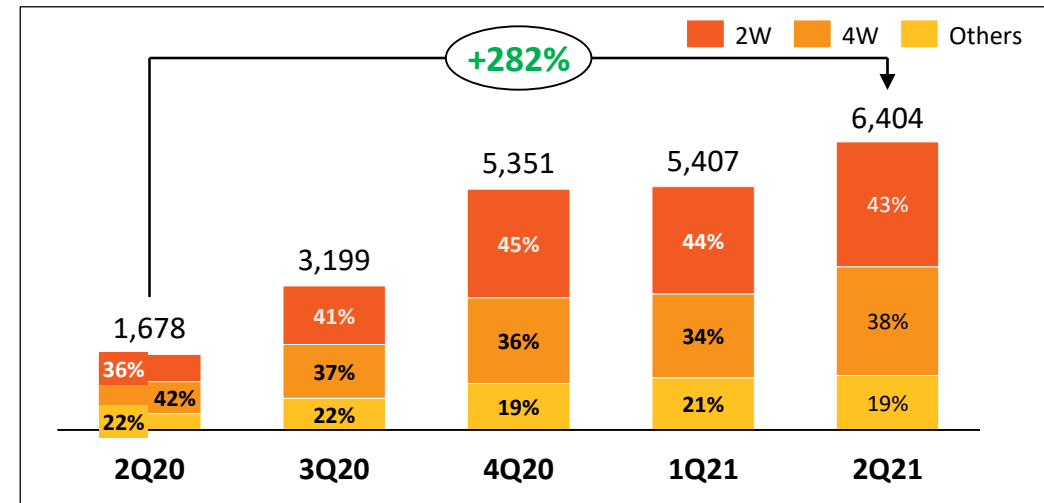
ADMF new unit financing improvement on pace with industry

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)

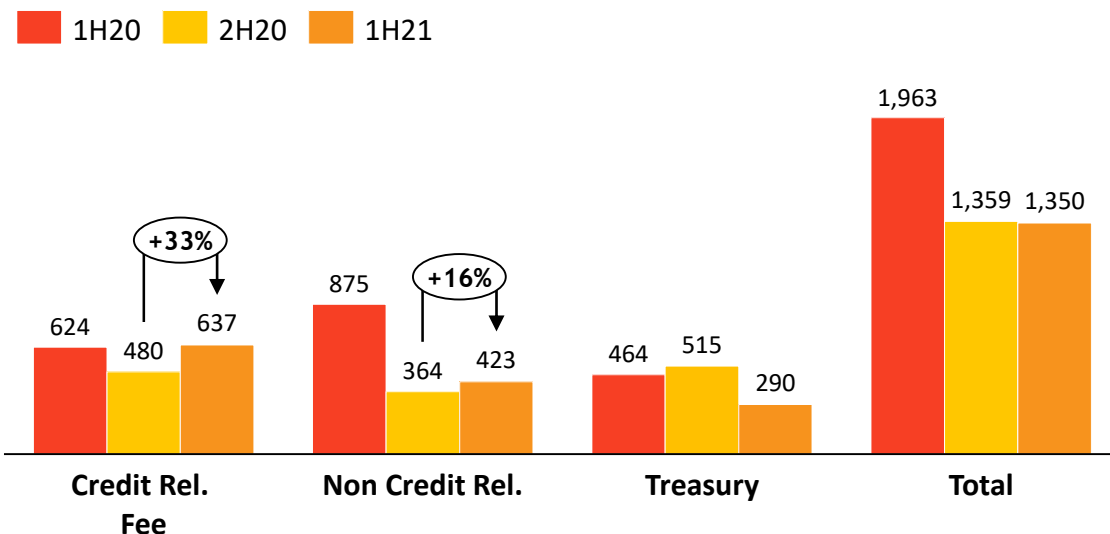


ADMF Outstanding Loans

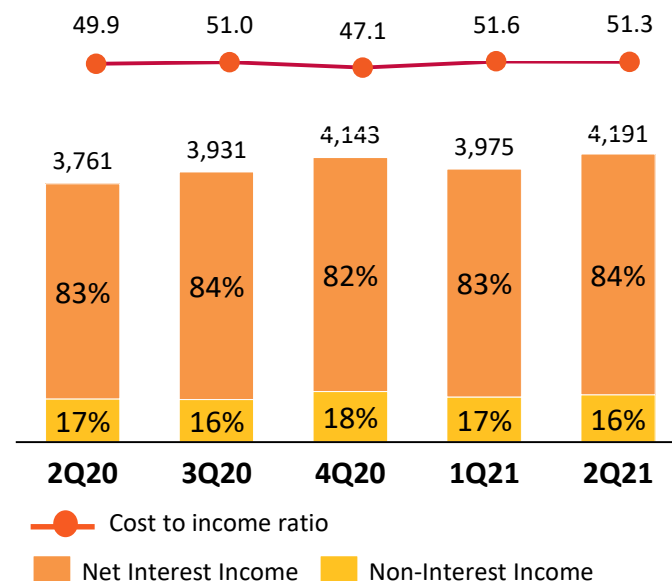
Rp bn	1H20	1H21	YoY	1Q21	QoQ
2W auto loans	23,365	17,498	-25%	18,284	-4%
4W auto loans	26,684	23,539	-12%	23,419	1%
White goods and others	338	216	-36%	216	-
Total Loans	50,388	41,253	-18%	41,919	-2%

Diversified non-interest income source providing stable trend post-pandemic

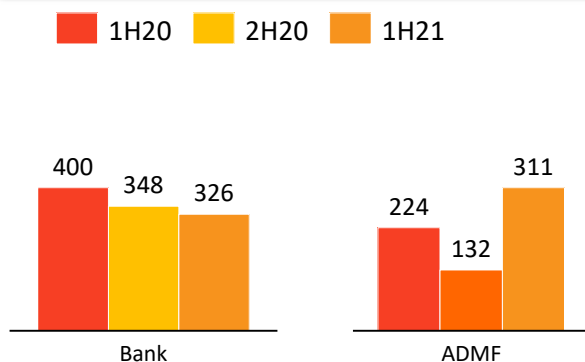
Non-Interest Income (Rp bn)



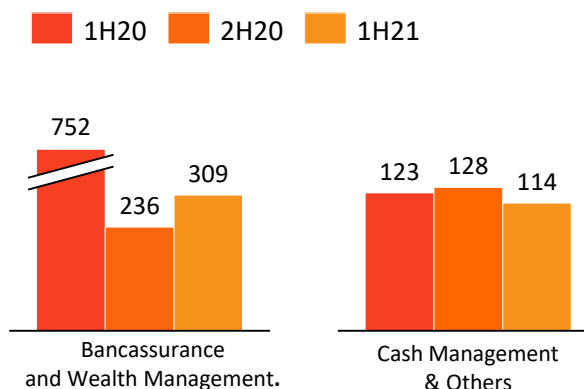
Revenue Composition



Credit Related Fee



Non- Credit Related Fee

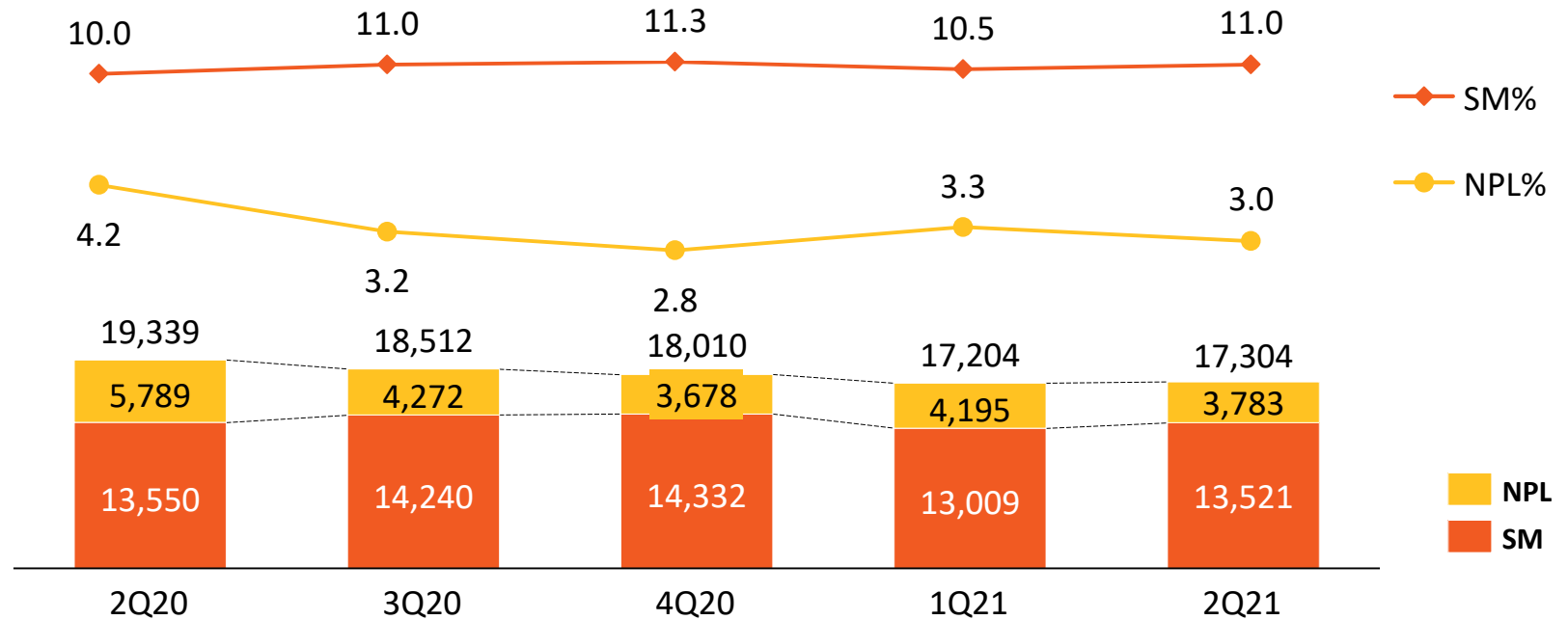


- ADMF showed increased in credit related fee, in line with disbursement growth.
- Non-Credit Related Fee income also increased by 16% compared to 2H20, boosted by Bancassurance and Wealth Management.

Improvement in NPL and NPL Coverage level

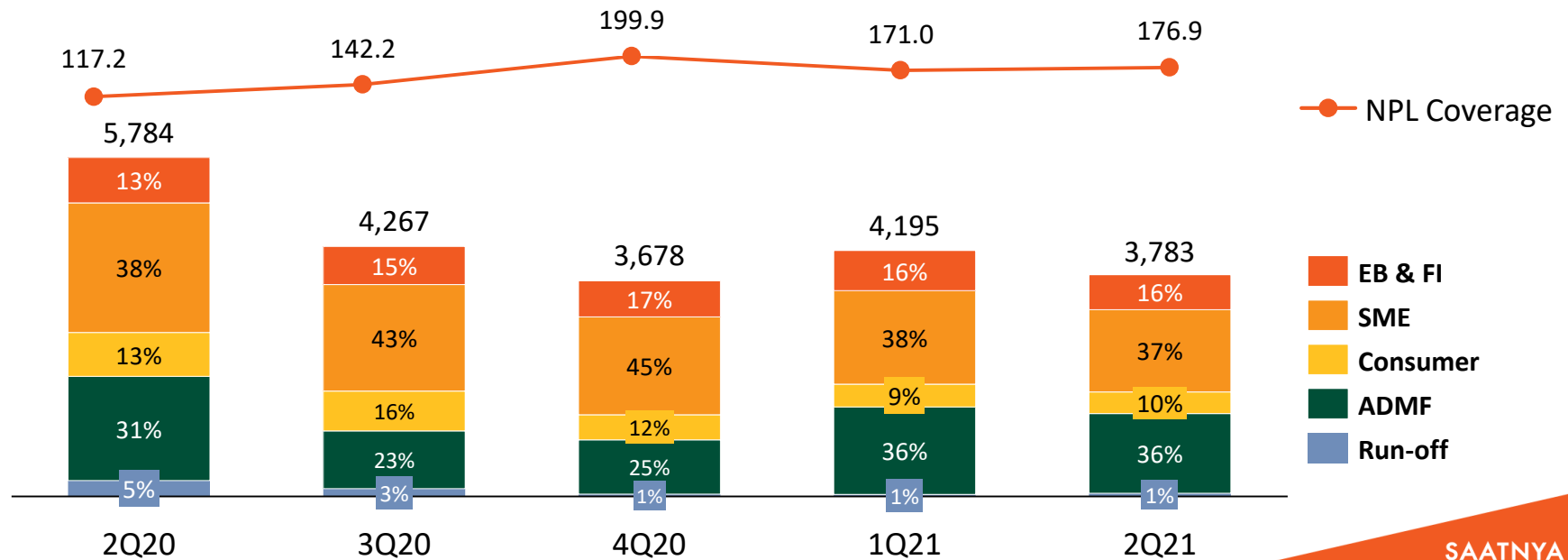
NPL and SM %
of Total Loans

NPL and SM
amount
(Rp bn)



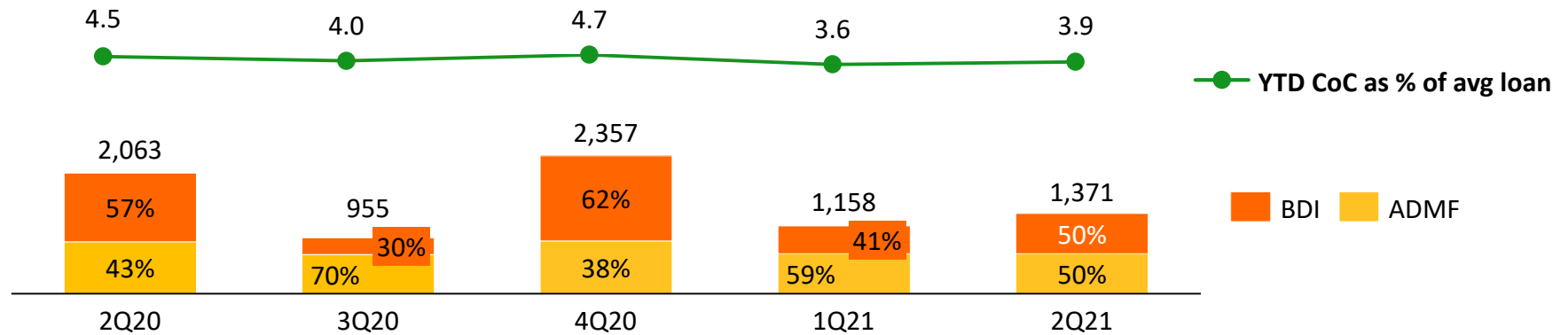
NPL Coverage
Ratio (%)

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

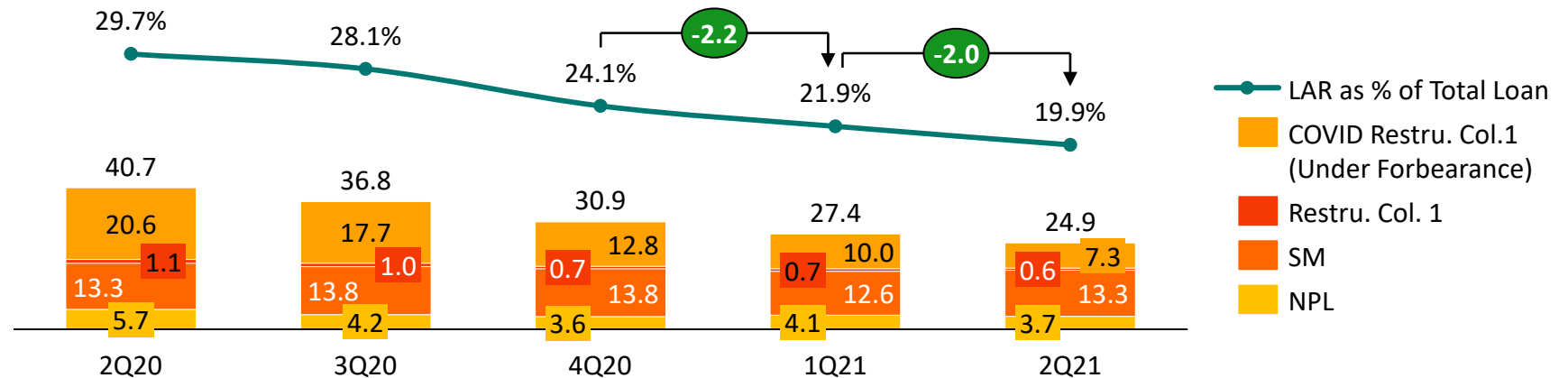


COVID Restructured Loans and Loan at Risk continued to trend down

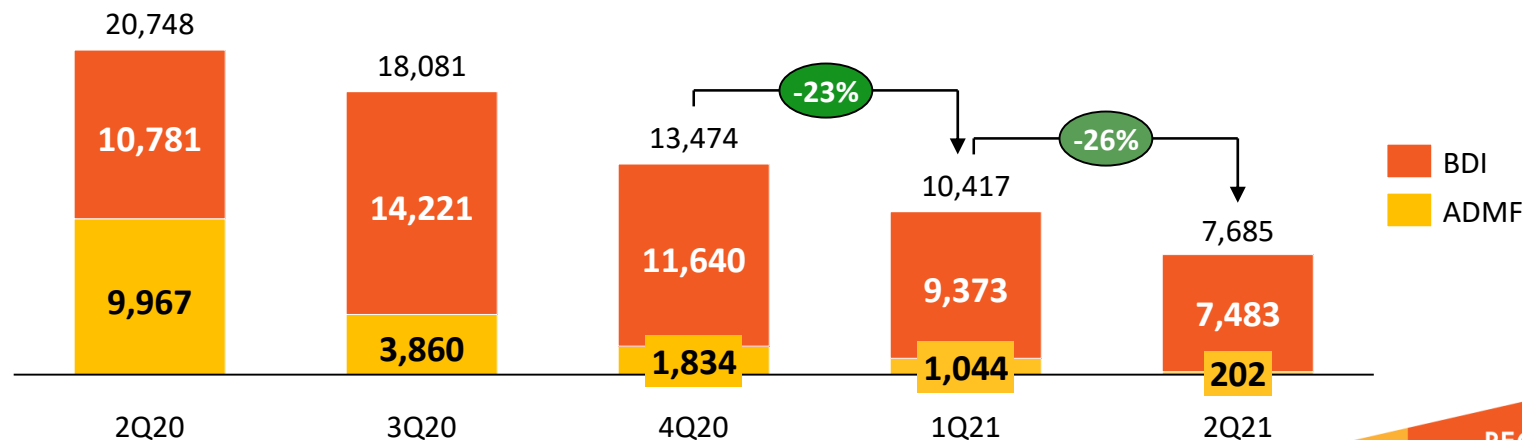
Cost of Credit
(% of Avg
Loans and Rp
bn)



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

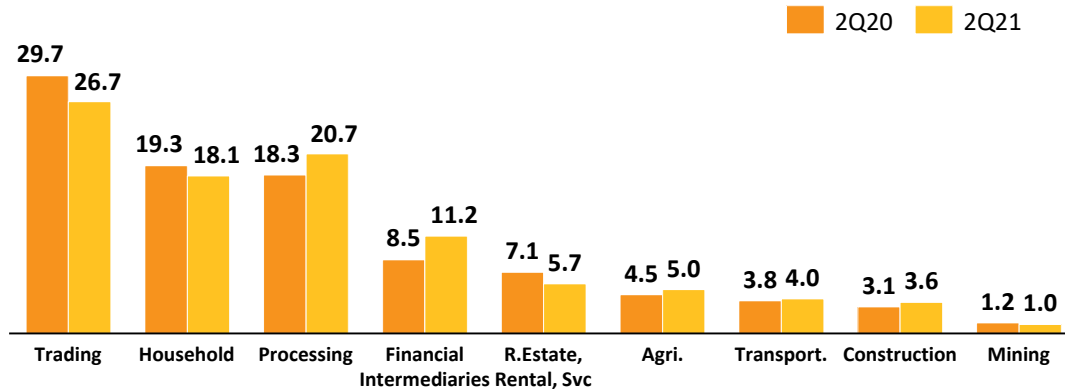


COVID related
Restructured
Loans – Under
Forbearance
(Rp bn)

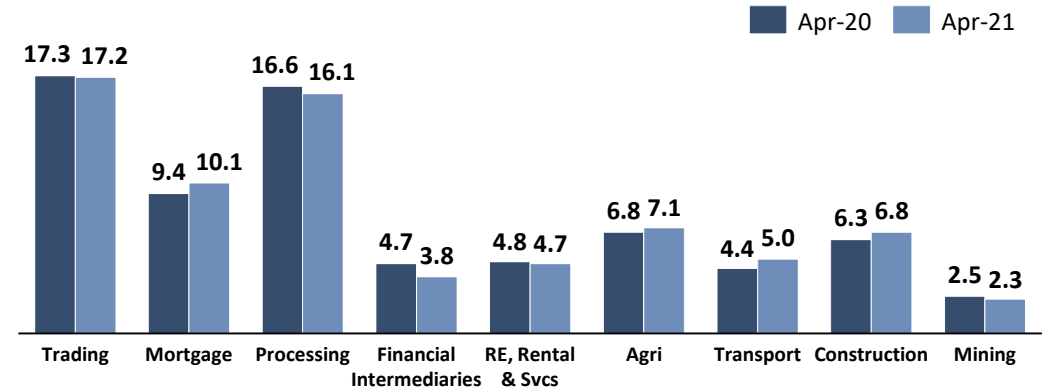


NPL improvement in key sectors

BDI Loans by Sector (% of total loans)



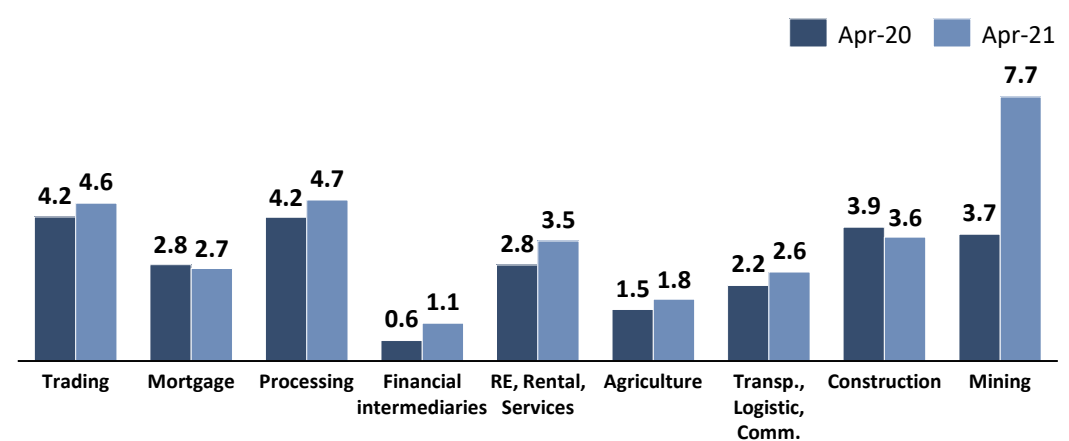
Industry Loans by Sector (% of total loans)



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

Sectors	ENR		NPL %	
	2Q20	2Q21	2Q20	2Q21
Trading	41,783	34,648	5.6%	4.0%
Household	27,184	23,569	4.6%	3.4%
Processing	25,696	26,881	2.7%	3.1%
Financial Intermediaries	11,969	14,569	0.2%	0.0%
R.Estate, Rental, Svc	9,927	7,438	3.5%	3.0%
Agri.	6,274	6,552	1.9%	1.4%
Transport.	5,311	5,174	7.6%	2.4%
Construction	4,308	4,636	8.3%	3.3%
Mining	1,733	1,335	3.4%	2.6%

Industry NPL by Sector (%)



Source : SPI OJK Apr-21



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THANK YOU

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APPENDIX



Recent Awards



Best Hedging & Solution: FX, Indonesia

The Asset Triple A
Awards



Innovation Excellence

Kofax Customer Excellence
Awards



#1 Best Overall Kategori Bank BUKU 4

4th Infobank Satisfaction, Loyalty,
Engagement 2021



#3 Best Corporate Secretary & Corporate Communications Bank BUKU 4

Indonesia Corporate Secretary &
Corporate Communication Award-VI-2021



Most Popular Digital Financial Brands (Millennial's Choice) 2021 Bank BUKU 4 - E-Loan

Most Popular Digital Financial Brands
Awards 2021 - Iconomics

Key Events & Activities



Jan 2021 ; Launched
Danamon Syariah Wakaf
Uang



24 February ; Jointly-hosted thought leadership summit underscores cautious optimism for post-pandemic growth in Indonesia an outlook to reaffirm optimism for local business in Indonesia 2021. The virtual summit attended by more than 1,100 participants. And followed by 3 days virtual networking 'The Business Matching Fair on 24-26 February that connects Indonesian corporates with MUFG's client network across Japan and Southeast Asia.



April 2021 ; Launched IG
@LifeasDanamoners to
build brand pride.



May 31 ; Danamon participated in the 'Vaccination Program for The Financial Services Sector' organized by the Ministry of Health of the Republic of Indonesia, the National Bank Association (Perbanas), the Indonesian Bankers Association (IBI), the Indonesia Stock Exchange (IDX), the Indonesian Securities Guarantee Clearing House (KPEI) and the Indonesian Securities Assurance Agency (KSEI). The COVID-19 vaccine is given to selected Danamon frontliners and seniors 60 and older.

Key Events & Activities



June 23 - July 2 ; Danamon collaboration with MUFG & Adira Finance to held a vaccination center to support government distributing 12,500 doses of vaccine targeted at micro, small, and medium enterprises (MSMEs), transportation communities, online transportation drivers, and vulnerable people, as well as front-line employees who face customers from the three financial services institutions.



#Ramadhanbijak

A PSA campaign to support government regulation on 'mudik' by encouraging people to do their Ramadan with responsible #RAMADANBIJAK and its not wrong to stay at home. At the end Ramadan is all about self control and not about 'mudik' or 'meeting people for silaturahmi'.

- Giving 30 days guidance on how can everyone spend their #RamadanBijak at home anything you want, but with twist.
- Tight-in all the guide to related to financials and Danamon's product or promo.
- Engage and drive audiences to participate and talk about #RamadanBijak in social media
- Using combination of owned media and paid media to boost the campaign



Financial Friday

is one of the drivers to build brand awareness through product communications that being delivered consistently to reach and engage our audience and customer. Currently the program has reached to 64 episodes.