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# PT Bank Danamon Indonesia Tbk

## Analyst Briefing - Nine Months FY 2022 Financial Results

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Jakarta, 31 October 2022

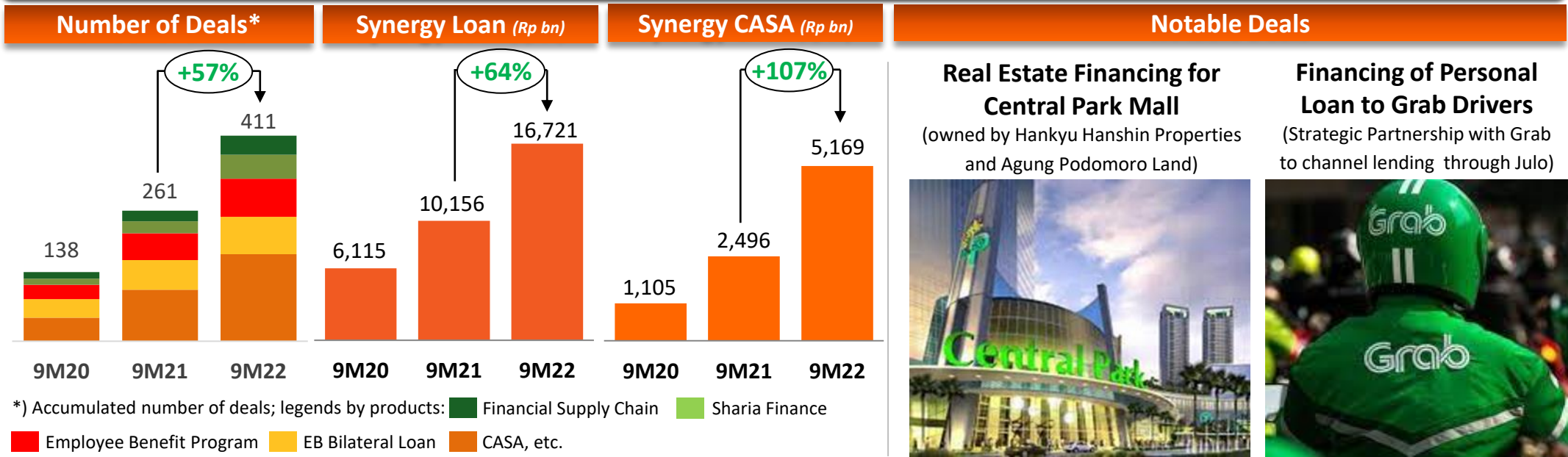


**Collaboration Highlights**

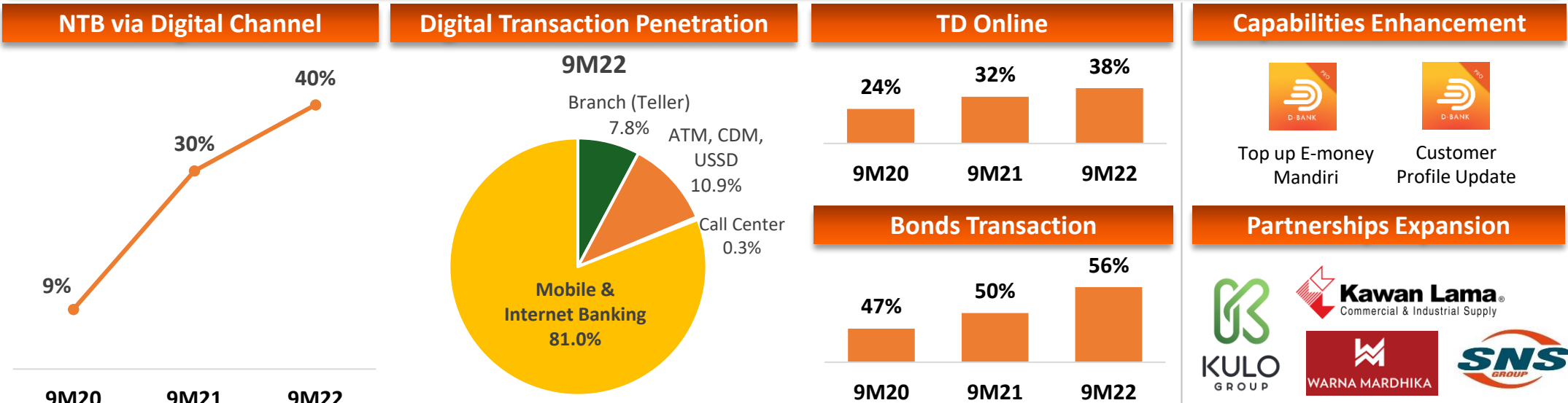
**9M22 Financial Highlights**

# MUFG Collaboration and Digital Banking Highlights

## MUFG Collaboration: Realizing Large-sized and Strategic Deals



## Digital Banking: Steady Increase in Penetration Accompanied by Enhanced Capabilities



# Danamon, Adira Finance and MUFG Collaboration at Automotive Ecosystem

Leveraging the Group's strengths and synergies of Danamon-Adira Finance and MUFG, we keep our commitment in progressing our journey and developing our value proposition to support the recovery and long-term growth of automotive ecosystem in Indonesia.

## Joint Events

EV Sustainable Ecosystems and Motor Exhibition



26 Oct 2022

Financial Expo (FinEXPO)



26-30 Oct 2022

The Indonesia Summit



27 Oct 2022

## Business Synergy

### Auto Financing to Consumer Banking Customers



Referrals

9M22

Vs. FY21

>7.8K  
(#Customer)



Deals

9M22

Vs. FY21

>1.0K  
(#Units)



Loans

9M22

Vs. FY21

>279Bn  
(in IDR)

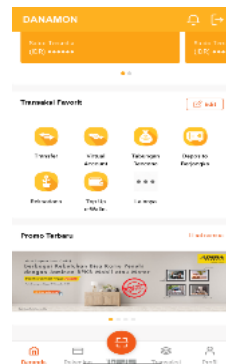


## Value Propositions

### Joint Product Program



### Digital Channel



### Joint Marketing and Campaign



### Employee Program (2W EV Program)





Collaboration Highlights

9M22 Financial Highlights

## NPAT Reached Rp 2.5 Tn, Increased by 79% YoY

### Prudent Loan Selection

- Total Loan and Trade Finance increased by 8% YoY.
- Enterprise Banking and Consumer Banking portfolio grew by 16% and 11% YoY respectively, supported by segmentation approach and collaboration with MUFG.
- ADMF new financing increased by 21% compared to the same period last year.

### Granular Funding Growth

- Institutional Approach and digital resulted in 14% YoY CASA growth.
- CASA ratio reached 64.2% as of Sept-22 from 57.6% as of Sept-21.

### Asset Quality

- Consolidated Gross NPL% improved by 40 bps YoY to 2.7% as of Sept-22.
- NPL coverage improved from 175% in the same period last year to 217%.
- LAR% (include COVID restructure still under forbearance) improved 460bps YoY to 14%.

### Profitability

- NIM improved by 32bps driven by improvement in funding composition and cost of fund.
- NPAT increased by 79% YoY and reached Rp 2.5 trillion in 9M22.

## 9M-2022 Balance Sheet Highlights

In Rp billion	Sep-21	Sep-22	YoY	Mar-22	Jun-22	Sep-22	QoQ
<b>Total Assets</b>	<b>188,280</b>	<b>189,213</b>	-	<b>195,992</b>	<b>193,575</b>	<b>189,213</b>	<b>-2%</b>
Total Loan Portfolio and Trade Finance <sup>1)</sup>	129,511	140,490	8%	132,476	139,701	140,490	1%
Government Bonds	31,078	19,725	-37%	22,572	19,628	19,725	-
<b>Total Funding</b>	<b>128,869</b>	<b>128,837</b>	-	<b>135,612</b>	<b>134,031</b>	<b>128,837</b>	<b>-4%</b>
CASA	67,332	76,469	14%	74,859	79,648	76,469	-4%
Time deposits	49,678	42,571	-14%	48,840	44,030	42,571	-3%
Borrowings and LT. Funding	11,859	9,797	-17%	11,913	10,353	9,797	-5%
<b>Equity</b>	<b>44,260</b>	<b>45,868</b>	<b>4%</b>	<b>44,623</b>	<b>45,249</b>	<b>45,868</b>	<b>1%</b>

1) Trade Finance includes marketable securities.

## 9M-2022 Income Statement

In Rp billion	9M21	9M22	YoY	1Q22	2Q22	3Q22	QoQ
<b>Net Interest Income</b>	<b>10,232</b>	<b>10,487</b>	<b>2%</b>	<b>3,468</b>	<b>3,497</b>	<b>3,522</b>	<b>1%</b>
Non Interest Income	1,940	1,935	-	666	607	662	9%
<b>Operating Income</b>	<b>12,186</b>	<b>12,423</b>	<b>2%</b>	<b>4,134</b>	<b>4,104</b>	<b>4,185</b>	<b>2%</b>
Operating Expenses	(6,367)	(6,802)	7%	(2,199)	(2,317)	(2,286)	-1%
<b>PPOP</b>	<b>5,820</b>	<b>5,621</b>	<b>-3%</b>	<b>1,935</b>	<b>1,787</b>	<b>1,899</b>	<b>6%</b>
Cost of Credit	(3,672)	(2,303)	-37%	(792)	(716)	(794)	11%
<b>Operating Profit</b>	<b>2,147</b>	<b>3,319</b>	<b>55%</b>	<b>1,143</b>	<b>1,071</b>	<b>1,105</b>	<b>3%</b>
<b>NPAT</b>	<b>1,409</b>	<b>2,525</b>	<b>79%</b>	<b>860</b>	<b>835</b>	<b>830</b>	<b>-1%</b>



## 9M-2022 Key Financial Ratios

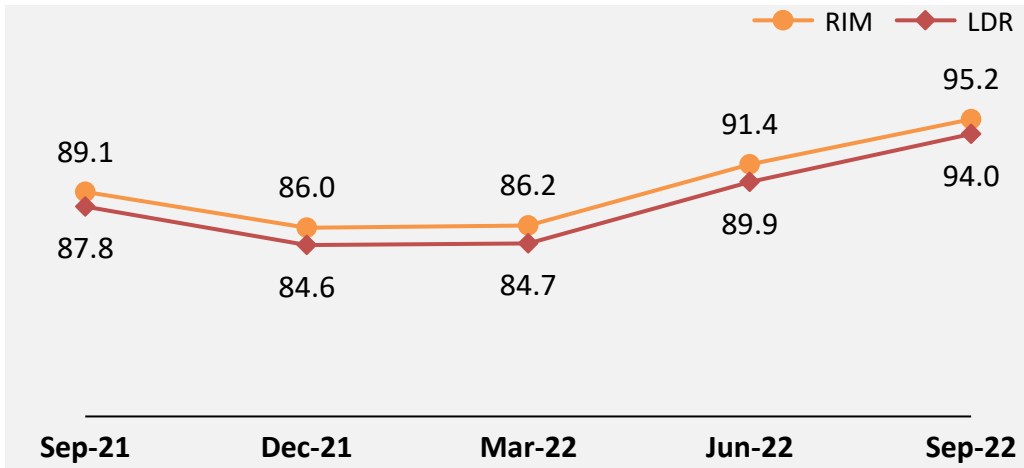
In %	9M21	9M22	YoY	1Q22	2Q22	3Q22	QoQ
NIM	7.6	7.9	0.3	7.9	7.9	8.0	0.1
CoC	3.8	2.3	-1.5	2.5	2.1	2.3	0.2
Risk-adjusted NIM	3.8	5.6	1.8	5.4	5.8	5.7	-0.1
Cost to Income	52.2	54.8	2.6	53.2	56.5	54.6	-1.8
CASA Ratio	57.6	64.2	6.6	60.5	64.4	64.2	-0.2
RIM	89.1	95.2	6.1	86.2	91.4	95.2	3.9
NPL Gross	3.1	2.7	-0.4	2.8	2.8	2.7	-0.1
Loan Loss Coverage (LLC)	174.9	216.7	41.8	209.4	202.9	216.7	13.8
Loan at Risk Coverage excl. COVID <sup>1)</sup>	40.9	50.1	9.2	47.3	48.5	50.1	1.5
Loan at Risk Coverage incl. COVID <sup>2)</sup>	28.3	41.0	12.7	37.8	37.3	41.0	3.7
ROAA	1.0	1.7	0.7	1.8	1.7	1.7	-
ROAE	4.9	8.5	3.6	8.8	8.5	8.3	-0.2
CAR – Consolidated	26.4	26.2	-0.2	26.0	26.0	26.2	0.2

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

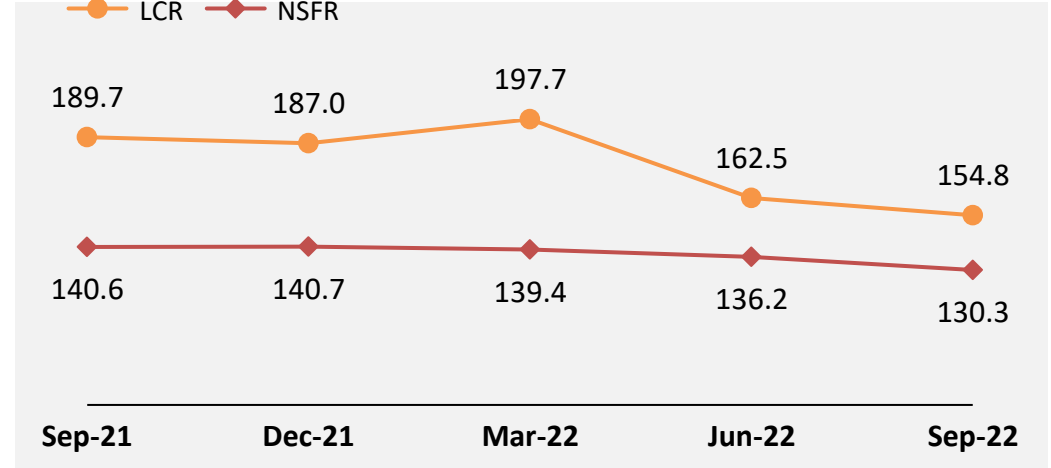
2) NPL + SM + Restructured Loan Coll. 1 including COVID Restructured Loans (Under Forbearance).

# Granular Funding Through Conventional and Digital Channels

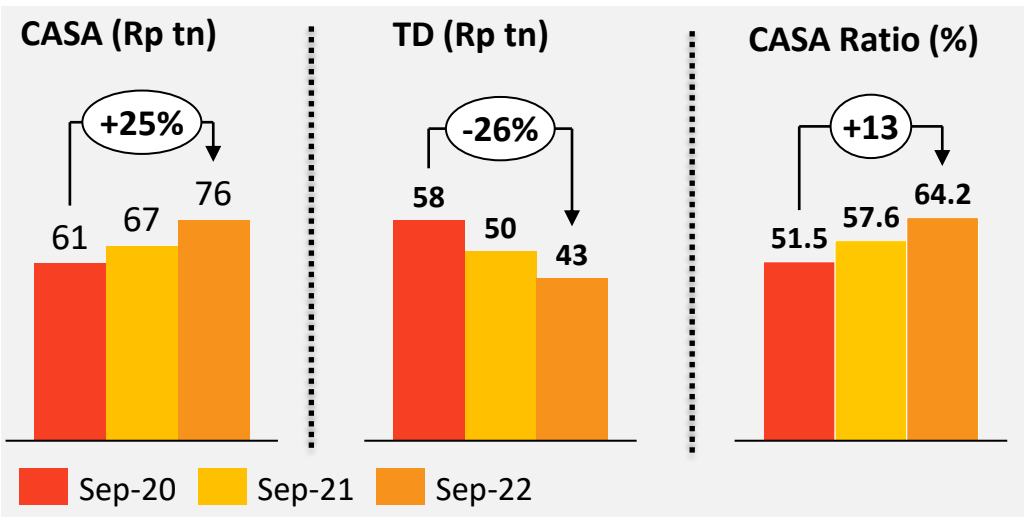
## RIM & LDR (%)



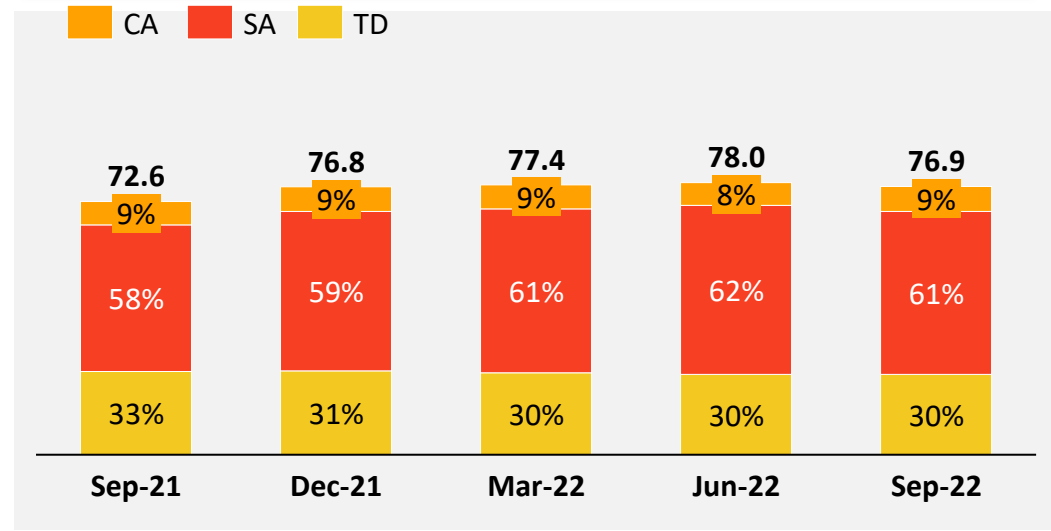
## LCR & NSFR (%)



## CASA, TD & CASA Ratio – Improved CASA Ratio



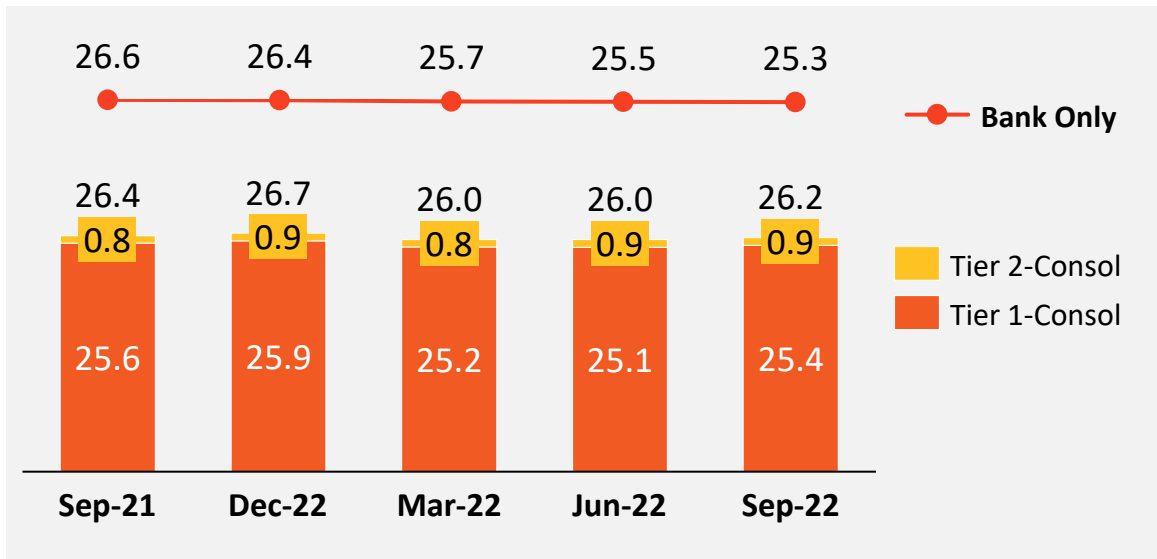
## Strong Focus on Granular Funding\* (Rp tn)



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

# Strong Capital for Growth

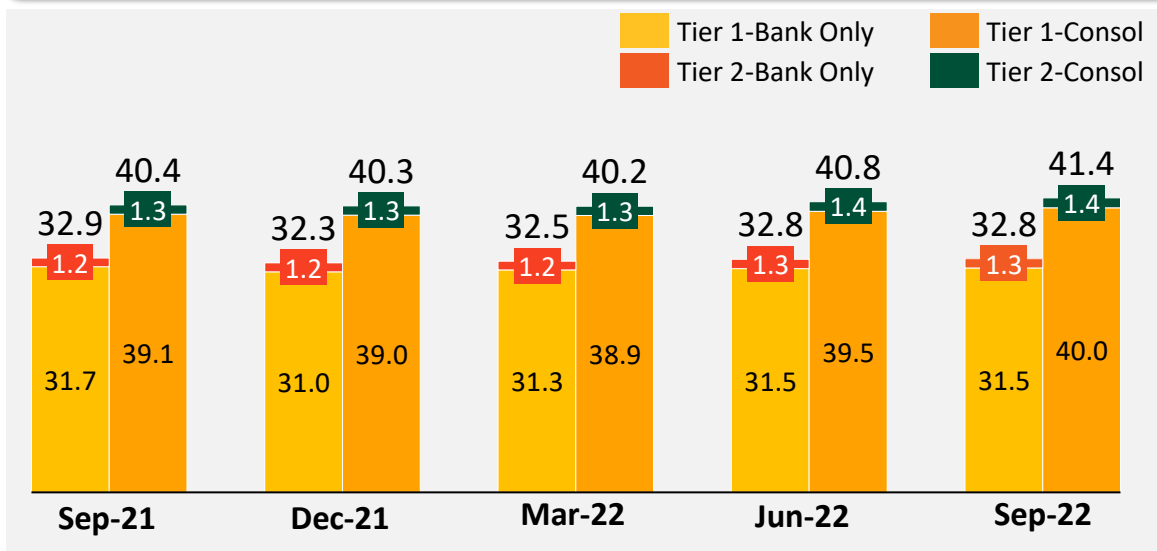
## Capital Adequacy Ratio (%)



## Market and Operational Risk Charges (%)

%	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22
CAR w/ Credit Risk	34.3	34.8	33.5	33.2	33.5
Market Risk Charge	-0.3	-0.3	-0.3	-0.1	-0.2
Operational Risk Charge	-7.6	-7.8	-7.2	-7.1	-7.1
<b>CAR Consolidated</b>	<b>26.4</b>	<b>26.7</b>	<b>26.0</b>	<b>26.0</b>	<b>26.2</b>

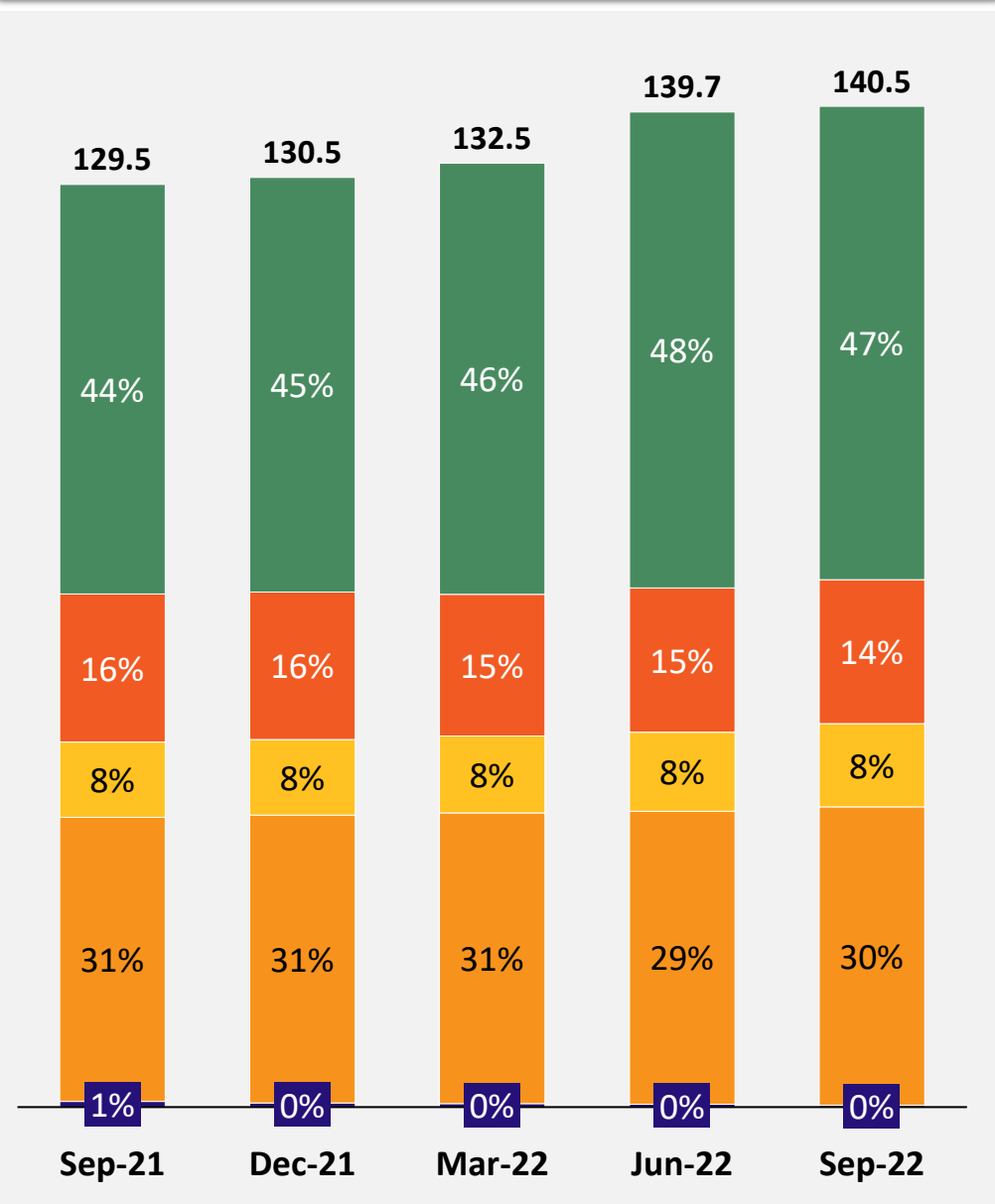
## Tier 1 and Tier 2 Consolidated Capital



- Consolidated Capital Adequacy Ratio (CAR) was 26.2%, far above the minimum requirement.
- Almost 100% of the capital derived was from Tier 1 Capital.

# Double Digit Growth in Enterprise Banking and Consumer Banking

Composition of Loan Portfolio & Trade Finance<sup>1)</sup> (Rp tn)



Growth of Loan Portfolio & Trade Finance<sup>1)</sup> (Rp bn)

	Rp bn	Sep-21	Sep-22	YoY	Jun-22	QoQ
Wholesale Business	Enterprise Banking <sup>2)</sup> & FI	57,478	66,457	16%	66,796	-1%
	SME	20,762	20,193	-3%	20,273	-
Consumer Business	Consumer <sup>3)</sup>	10,562	11,702	11%	11,092	6%
	Adira Finance	39,900	41,845	5%	41,140	2%
	Other Loans <sup>4)</sup>	808	292	-64%	401	-27%
<b>Total</b>		<b>129,511</b>	<b>140,490</b>	<b>8%</b>	<b>139,701</b>	<b>1%</b>

1) Trade finance includes marketable securities.

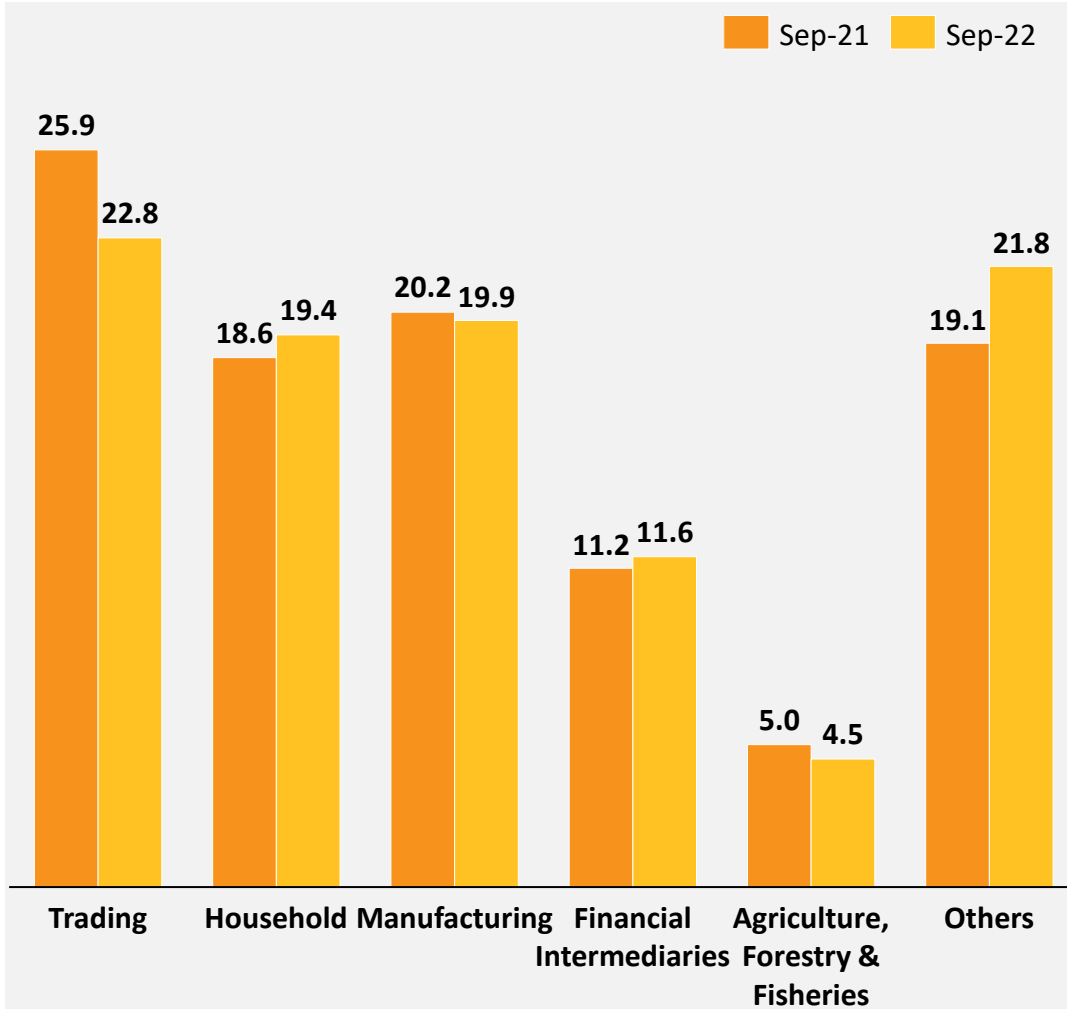
2) Enterprise Banking: Commercial and Corporate.

3) Consumer: Mortgage, Unsecured Personal Loan, Credit Card, and Others.

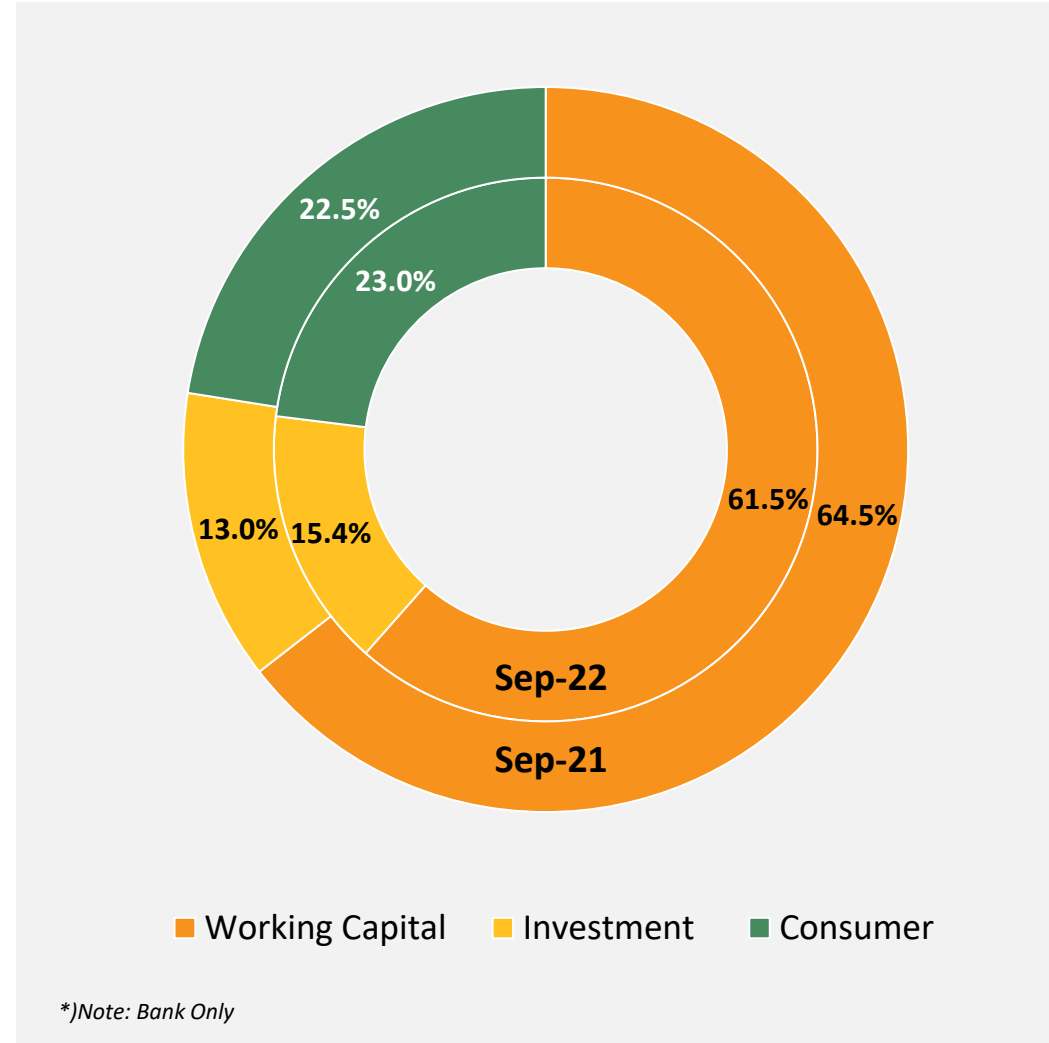
4) Other Loans: ex-BNP portfolio+Micro

# Loan Composition Remained Stable and Diversified

### Loans by Sector (% of total loans)

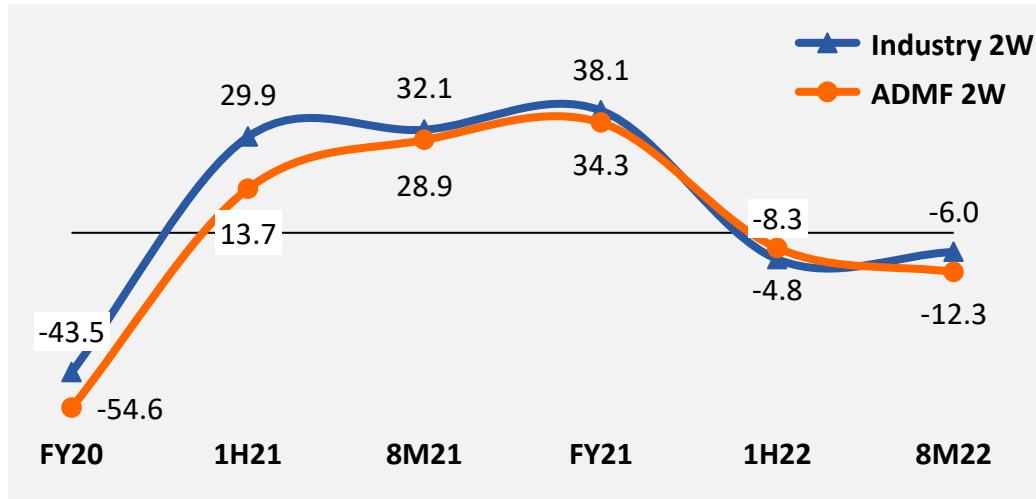


### Loans by Purpose

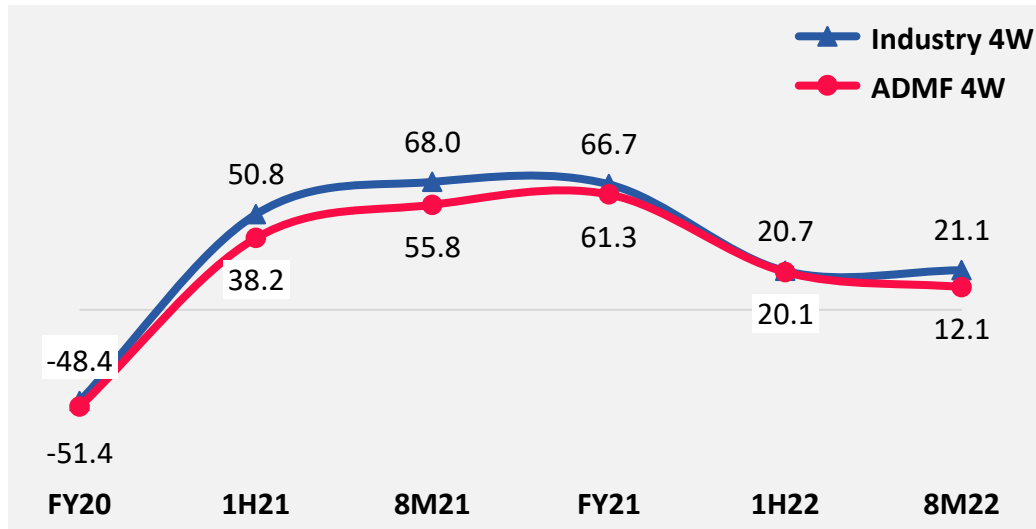
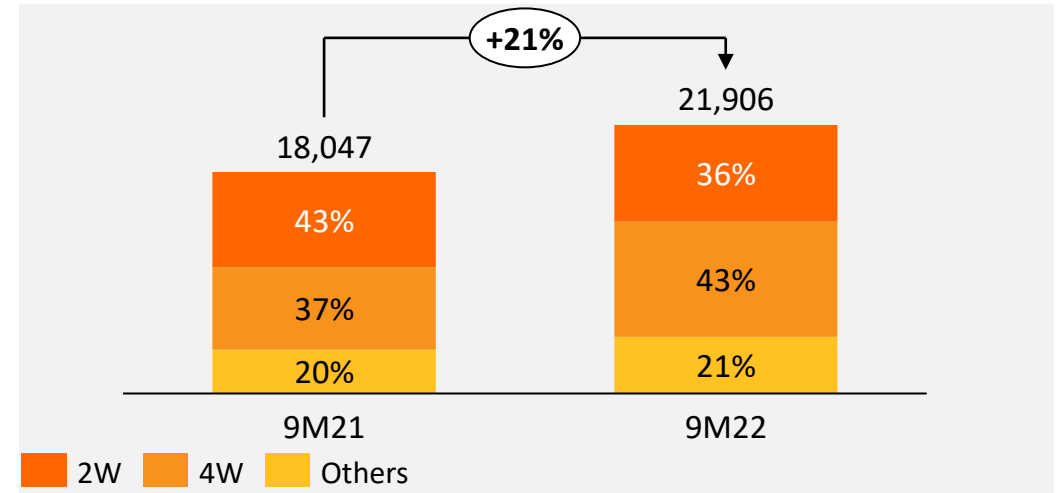


# ADMF New Financing Increased by 21% YoY

## ADMF Units New Financing Growth vs. Industry



## ADMF New Financing Amount (in Rp bn)



## ADMF Outstanding Loans

Rp bn	Sep-21	Sep-22	YoY	Jun-22	QoQ
2W auto loans	16,737	16,480	-2%	16,544	-
4W auto loans	22,956	25,151	10%	24,384	3%
White goods and others	206	214	3%	212	1%
<b>Total Loans</b>	<b>39,900</b>	<b>41,845</b>	<b>5%</b>	<b>41,140</b>	<b>2%</b>

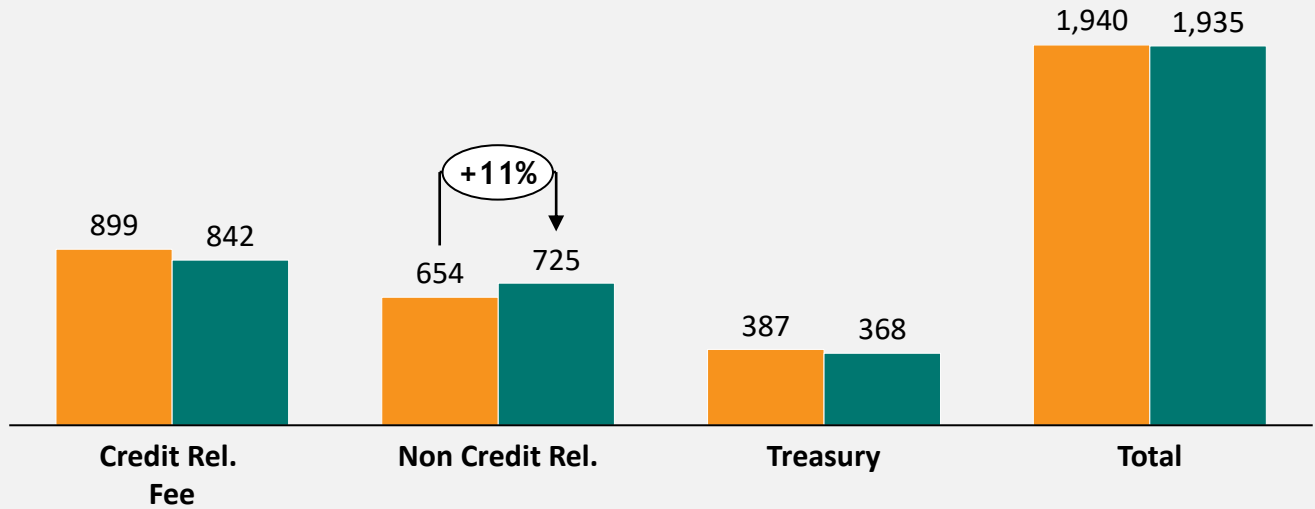
(% YoY growth based on cumulative YTD)

Note: Industry data from AISI and Gaikindo.

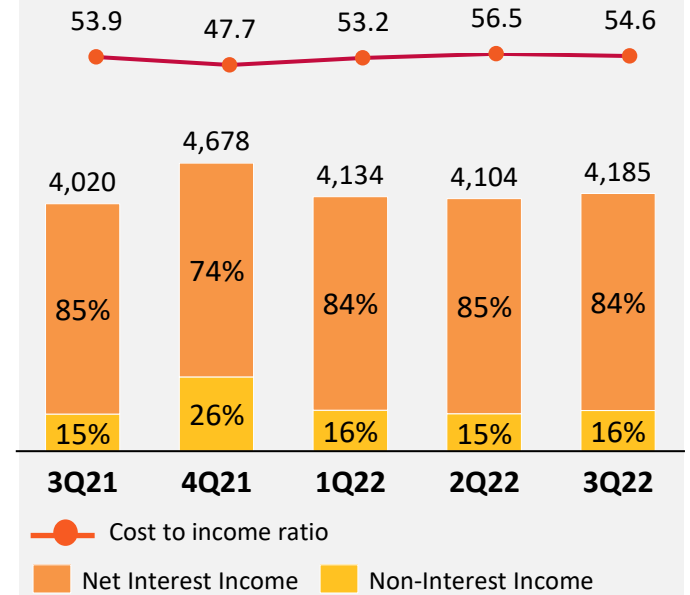
# Steady Non-Interest Income Supported by Growth in Non-Credit Related Fee

## Non-Interest Income (Rp bn)

9M21 9M22

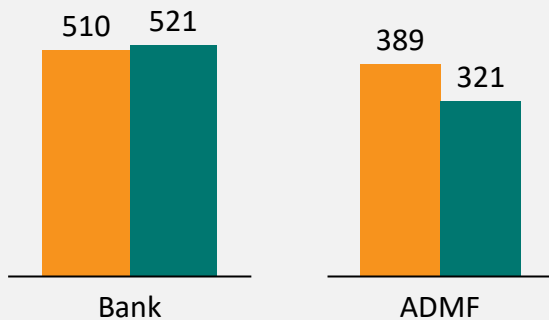


## Revenue Composition



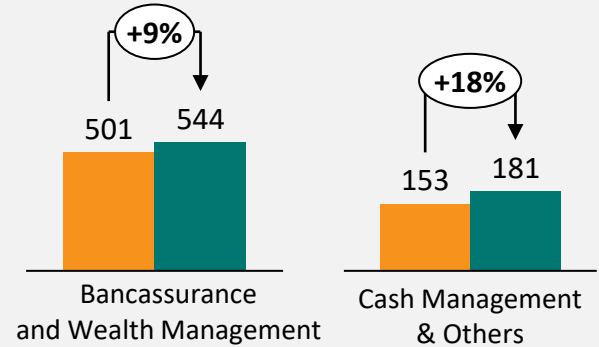
## Credit Related Fee

9M21 9M22



## Non- Credit Related Fee

9M21 9M22

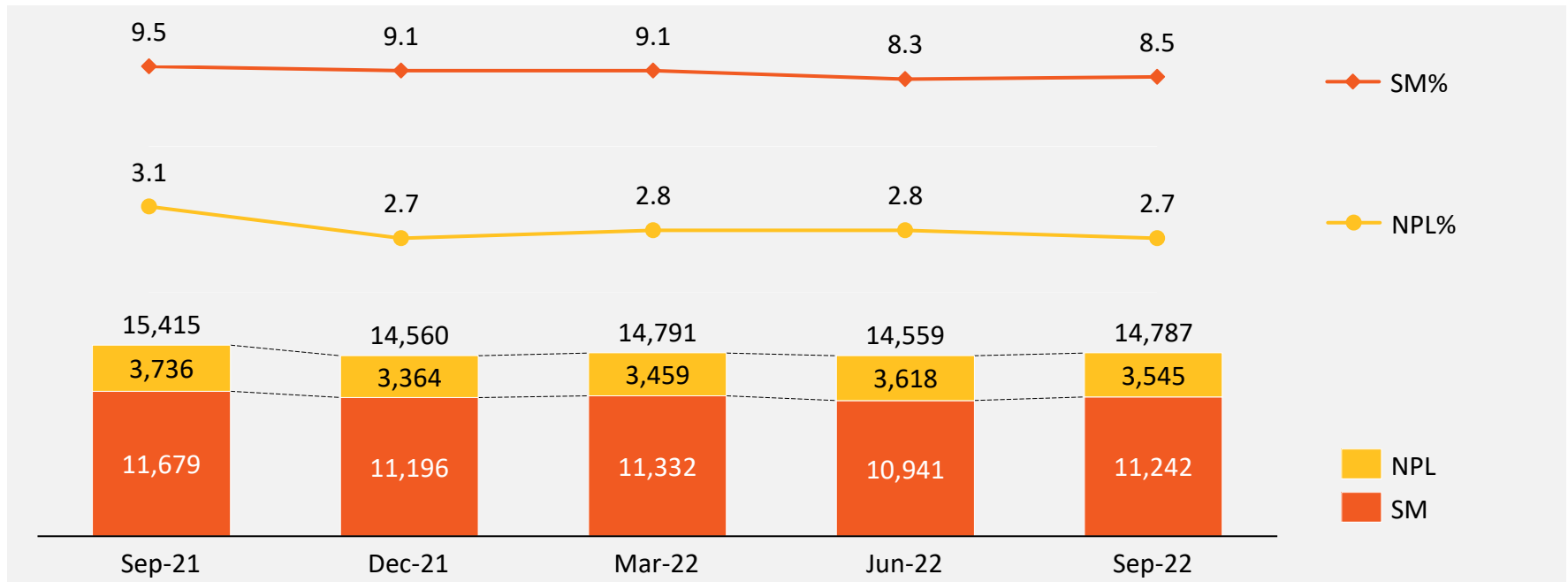


- Non-Interest Income is relatively stable, supported by double digit growth in Non-Credit Related Fees.

# Maintained Asset Quality Complemented by High NPL Coverage

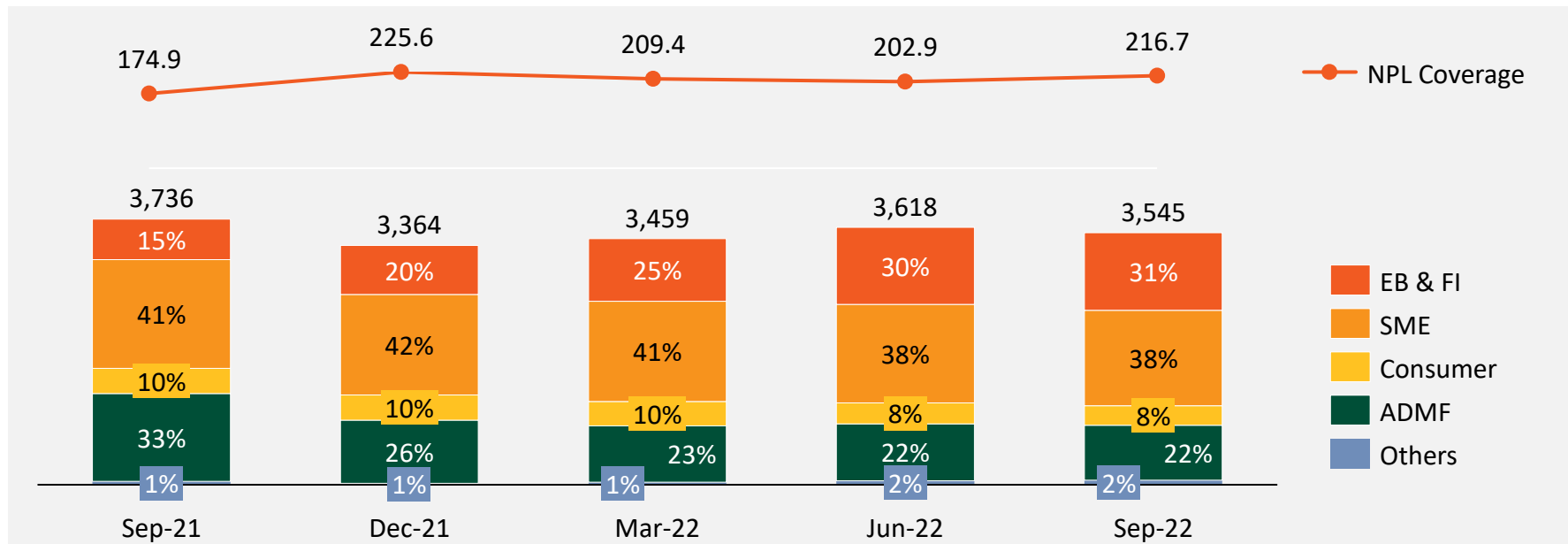
NPL and SM % of Total Loans

NPL and SM amount (Rp bn)



NPL Coverage Ratio (%)

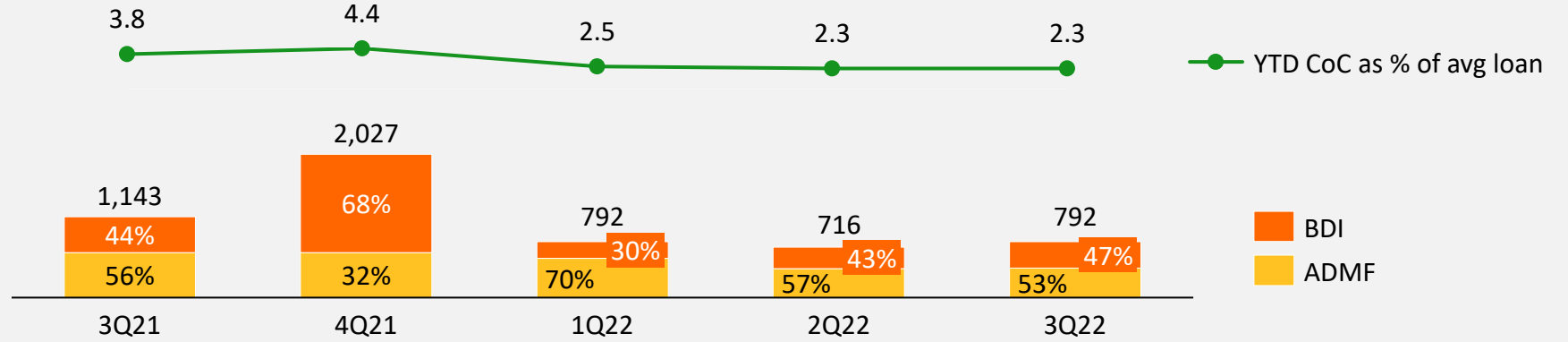
NPL amount (Rp bn) and Composition (% of Total NPL)



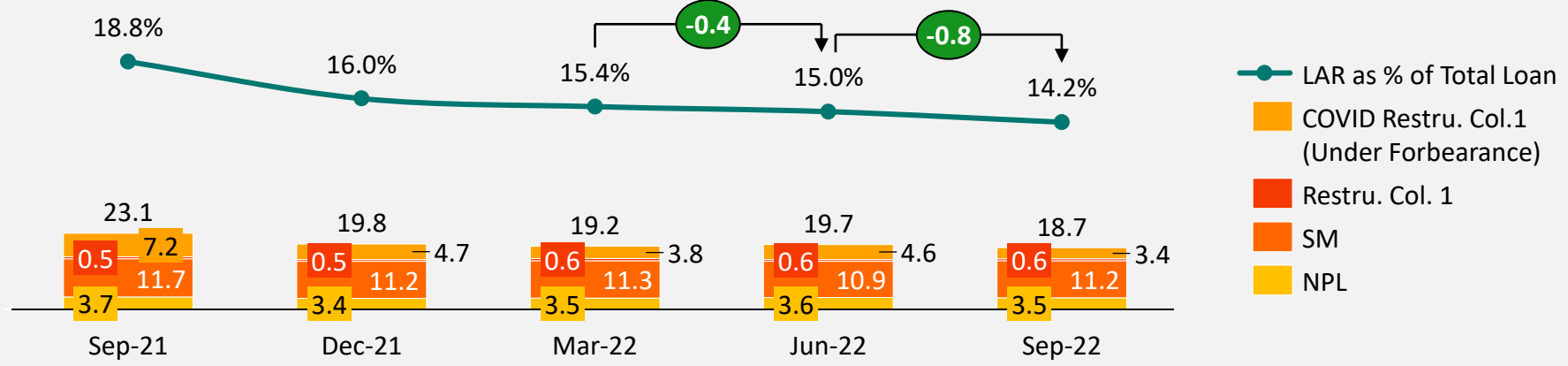


# Cost of Credit and Loan at Risk Ratios Continue to Trend Down

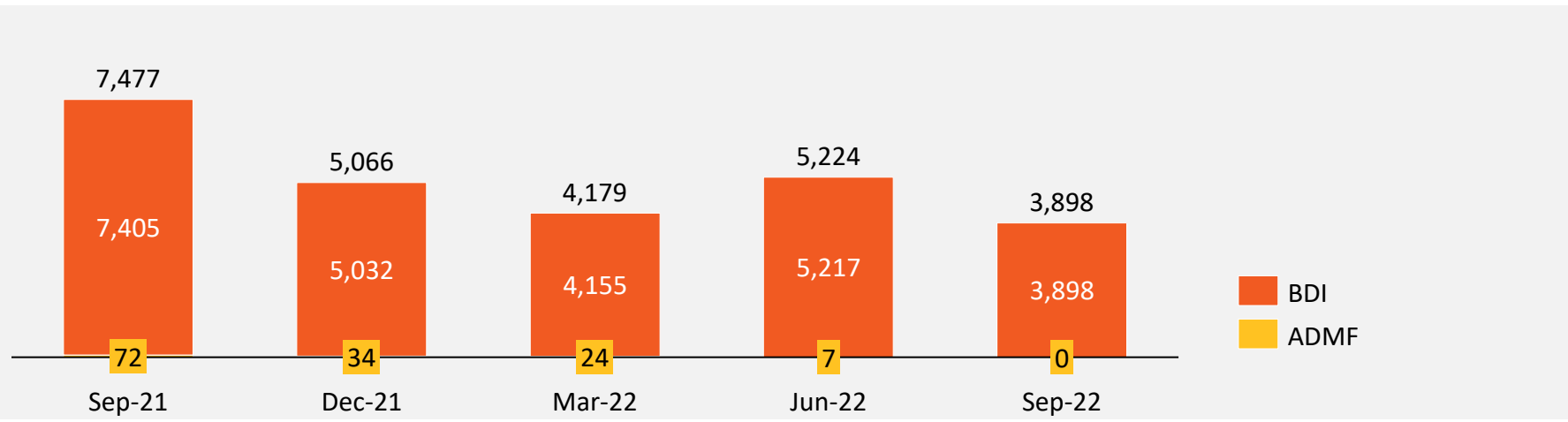
## Cost of Credit (% of Avg Loans and Rp bn)



## Loan at Risk (% of Total Loans and Rp tn)



## COVID related Restructured Loans – Under Forbearance (Rp bn)





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# THANK YOU

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