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# PT Bank Danamon Indonesia Tbk

Analyst Briefing FY - 2021

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Jakarta, 16 February 2022



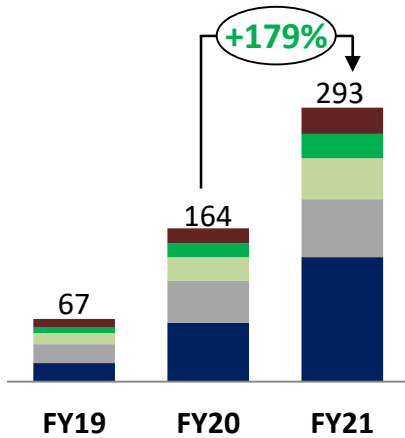
**MUFG Collaboration & Digital Highlights Update**

**FY21 Financial Highlights**

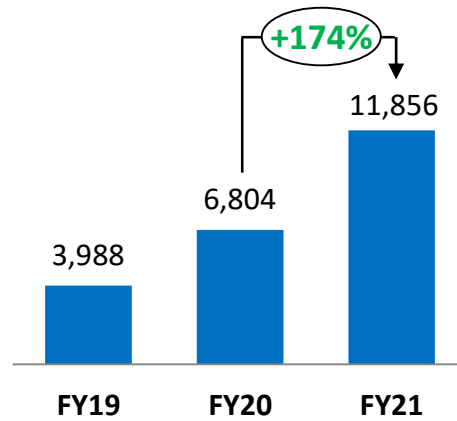
# MUFG Collaboration and Digital Banking Highlights

## MUFG Collaboration: Realizing Synergy Loan and CASA Growth

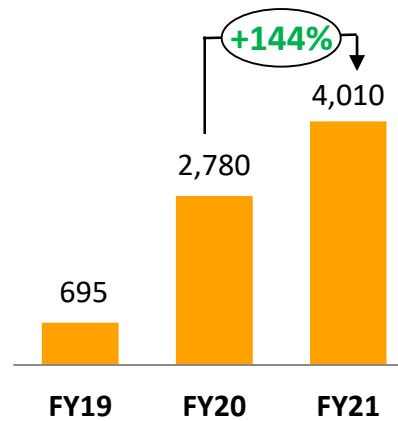
Number of Deals\*



Synergy Loan Balance (Rp bn)



Synergy CASA Balance (Rp bn)



Corporate Loan

Onboard A Leading Auto-parts Company

Dealer Finance

Partnership with Leading Developers

Mortgage



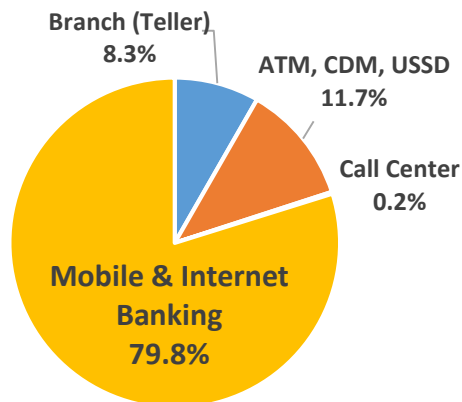
Co-Brand Credit Card

\*) Accumulated number of deals; legends by products:

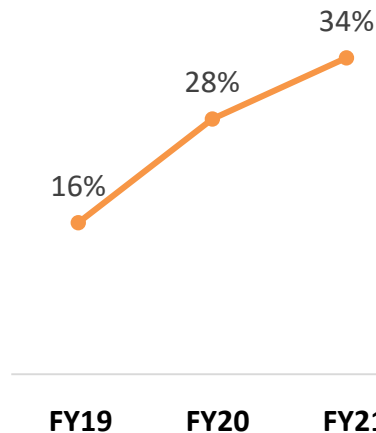
Financial Supply Chain Sharia Finance Employee Benefit Program EB Bilateral Loan CASA, etc.

## Digital Banking: Enhancing Capabilities and Expanding Customer Reach

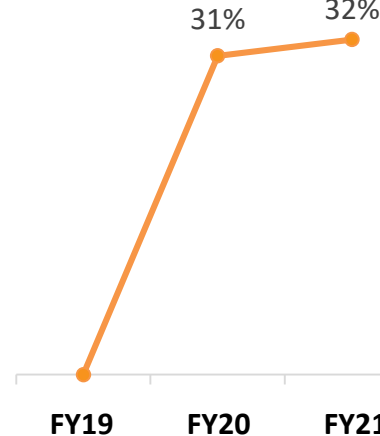
Transaction (%)  
FY21



TD Online (%)



Bonds Transaction (%)



D-BANK PRO

QR Payment & BI Fast Payment



VA, Overbooking & Inquiry Integration



E2E Cust. Onboarding, Lending & Repayment Proc.



Online Onboarding



**MUFG Collaboration & Digital Highlights Update**

**FY21 Financial Highlights**

## Profit growth of 56% and record high NPL Coverage Ratio

### Prudent Loan Selection

- Green shoots of growth recovery is evident. Total loans have started to grow again in Q4'21 supported by Enterprise Banking, ADMF and mortgages.
- EB portfolio grew 6% YoY and reached Rp58tn, supported by collaboration with MUFG and focus on blue chip companies and SOE.

### Granular Funding Growth

- In line with the Bank's focus on granular funding, CASA grew 11% YoY
- CASA ratio improved from 52.3% in FY20 to 59.1% in FY21.

### Asset Quality

- NPL coverage increased to record high 225.6%.
- NPL% improved by 10 bps to 2.7% in FY21.
- LAR% (include COVID restructure still under forbearance) improved 810bps YoY to 16.0%.

### Profitability

- Stable NIM YoY at 7.7% with increasing quarterly trend.
- Operating profit grew 16% YoY.
- NPAT increased by 56% YoY to reach Rp 1.6 trillion in FY21.

## FY-2021 Balance Sheet Highlights

In Rp billion	FY20	FY21	YoY	1Q21	2Q21	3Q21	4Q21	QoQ
<b>Total Assets</b>	<b>200,890</b>	<b>192,240</b>	<b>-4%</b>	<b>193,993</b>	<b>193,751</b>	<b>188,280</b>	<b>192,240</b>	<b>2%</b>
Total Loan Portfolio and Trade Finance <sup>1)</sup>	135,786	130,502	-4%	132,407	131,434	129,511	130,502	1%
Total Loan Portfolio and Trade Finance excl. ADMF and Run-Off Portfolio <sup>2)</sup>	90,462	89,484	-1%	89,314	89,254	88,802	89,484	1%
Government Bonds	25,535	30,338	19%	30,510	34,877	31,078	30,338	-2%
<b>Total Funding</b>	<b>143,555</b>	<b>134,380</b>	<b>-6%</b>	<b>135,904</b>	<b>134,609</b>	<b>128,920</b>	<b>134,380</b>	<b>4%</b>
CASA	65,999	72,932	11%	66,608	68,184	67,383	72,932	8%
Time deposits	60,212	50,422	-16%	55,080	52,874	49,678	50,422	1%
Borrowings and LT. Funding	17,344	11,026	-36%	14,216	13,551	11,859	11,026	-7%
<b>Equity</b>	<b>43,108</b>	<b>44,539</b>	<b>3%</b>	<b>43,481</b>	<b>43,780</b>	<b>44,260</b>	<b>44,539</b>	<b>1%</b>

1) Trade Finance includes marketable securities.

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

## FY-2021 Income Statement

In Rp billion	FY20	FY21	YoY	1Q21	2Q21	3Q21	4Q21	QoQ
<b>Net Interest Income<sup>1)</sup></b>	<b>13,645</b>	<b>13,705</b>	<b>0%</b>	<b>3,316</b>	<b>3,500</b>	<b>3,416</b>	<b>3,473</b>	<b>2%</b>
Non Interest Income	3,322	3,160	-5%	659	691	604	1,205	100%
<b>Operating Income</b>	<b>16,961</b>	<b>16,864</b>	<b>-1%</b>	<b>3,975</b>	<b>4,191</b>	<b>4,020</b>	<b>4,678</b>	<b>16%</b>
Operating Expenses	(8,237)	(8,600)	4%	(2,051)	(2,149)	(2,166)	(2,233)	3%
<b>PPOP</b>	<b>8,724</b>	<b>8,264</b>	<b>-5%</b>	<b>1,924</b>	<b>2,042</b>	<b>1,854</b>	<b>2,445</b>	<b>32%</b>
Cost of Credit	(6,523)	(5,699)	-13%	(1,158)	(1,371)	(1,143)	(2,027)	77%
<b>Operating Profit</b>	<b>2,207</b>	<b>2,565</b>	<b>16%</b>	<b>766</b>	<b>670</b>	<b>711</b>	<b>418</b>	<b>-41%</b>
<b>NPAT</b>	<b>1,008</b>	<b>1,573</b>	<b>56%</b>	<b>522</b>	<b>476</b>	<b>411</b>	<b>164</b>	<b>-60%</b>

## FY-2021 Key Financial Ratios

In %	FY20	FY21	YoY	1Q21	2Q21	3Q21	4Q21	QoQ
NIM <sup>1)</sup>	7.5	7.7	0.2	7.3	7.8	7.8	7.9	0.1
CoC	4.8	4.4	-0.4	3.6	4.3	3.6	6.3	2.7
Risk-adjusted NIM	2.7	3.3	0.6	3.7	3.5	4.2	1.6	-2.5
Cost to Income	48.5	51.0	2.5	51.6	51.3	53.9	47.7	-6.2
CASA Ratio	52.3	59.1	6.8	54.7	56.3	57.6	59.1	1.5
RIM	85.0	86.0	1.0	86.6	86.7	89.1	86.0	-3.0
NPL Gross	2.8	2.7	-0.1	3.3	3.0	3.1	2.7	-0.3
Loan Loss Coverage (LLC)	208.7	225.6	16.9	177.0	182.9	174.9	225.6	50.7
Loan at Risk Coverage excl. COVID <sup>2)</sup>	41.5	50.3	8.8	41.6	38.5	40.9	50.3	9.3
Loan at Risk Coverage incl. COVID <sup>3)</sup>	24.3	38.3	13.9	26.4	27.3	28.3	38.3	10.0
ROAA	0.5	0.8	0.3	1.1	1.0	0.9	0.3	-0.6
ROAE <sup>4)</sup>	2.6	4.1	1.4	5.5	5.0	4.2	1.7	-2.5
CAR – Consolidated	25.0	26.7	1.8	25.7	26.1	26.4	26.7	0.3

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

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

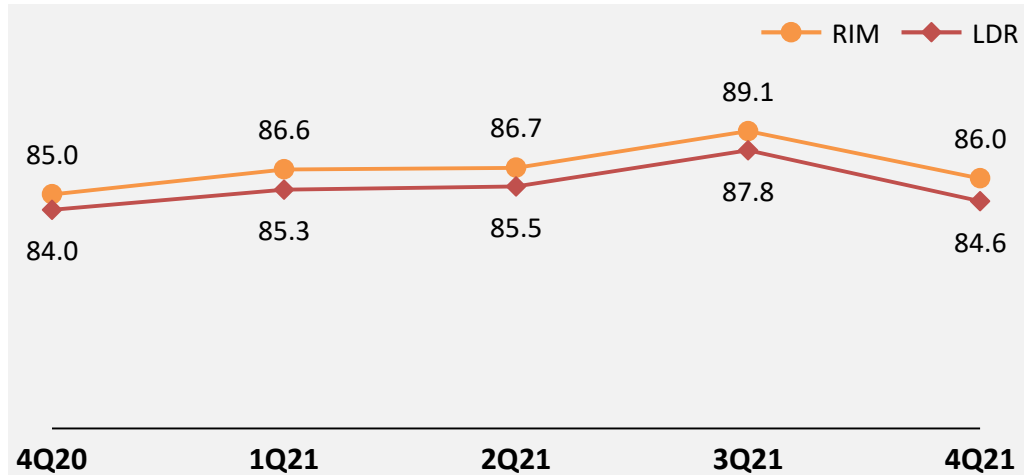
3) NPL + SM + Restructured Loan Coll. 1 including COVID Restructured Loans (Under Forbearance).

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

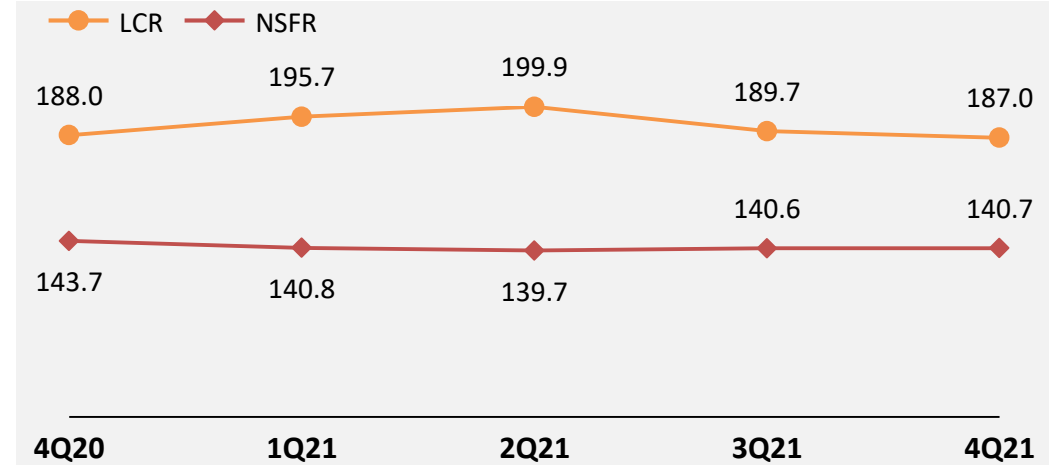


# Granular funding through digital and institutional approach

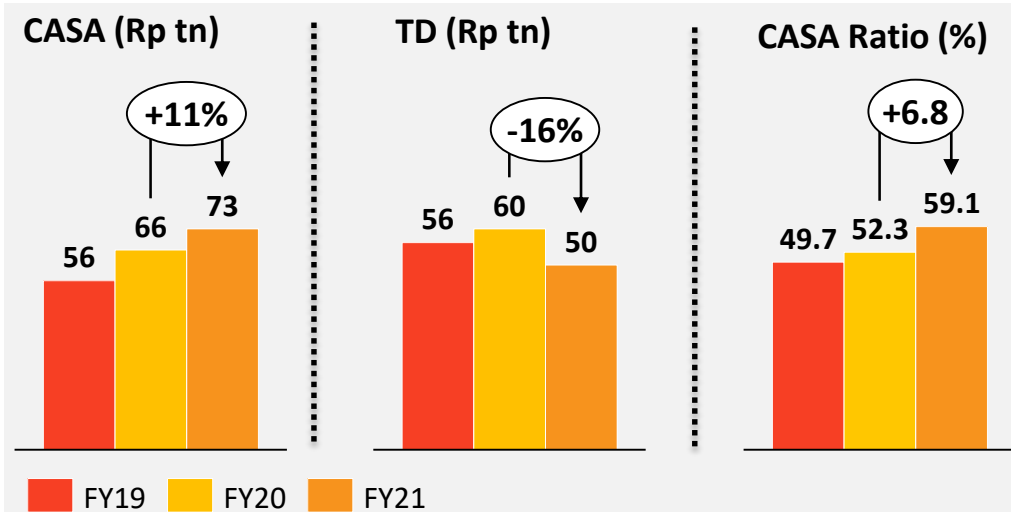
## RIM & LDR (%)



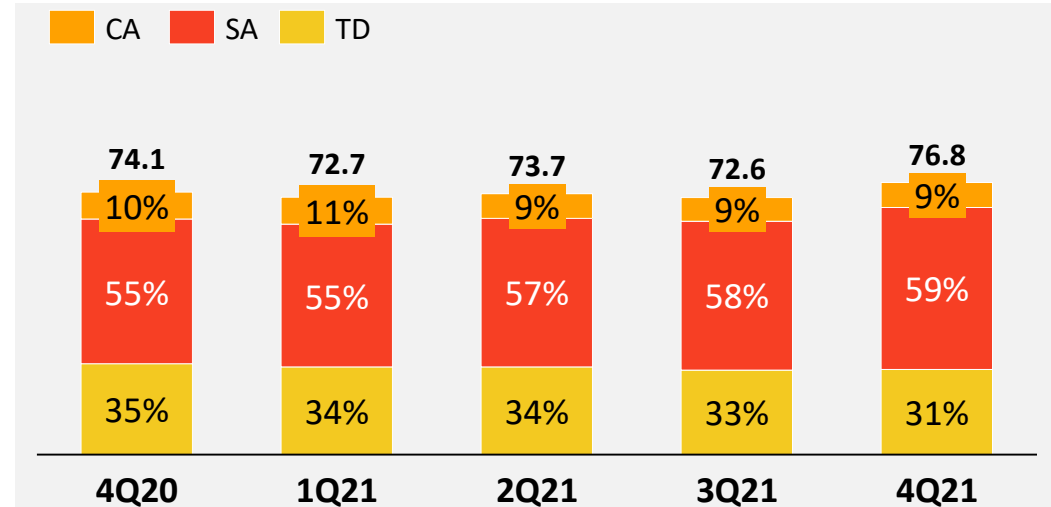
## LCR & NSFR (%)



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



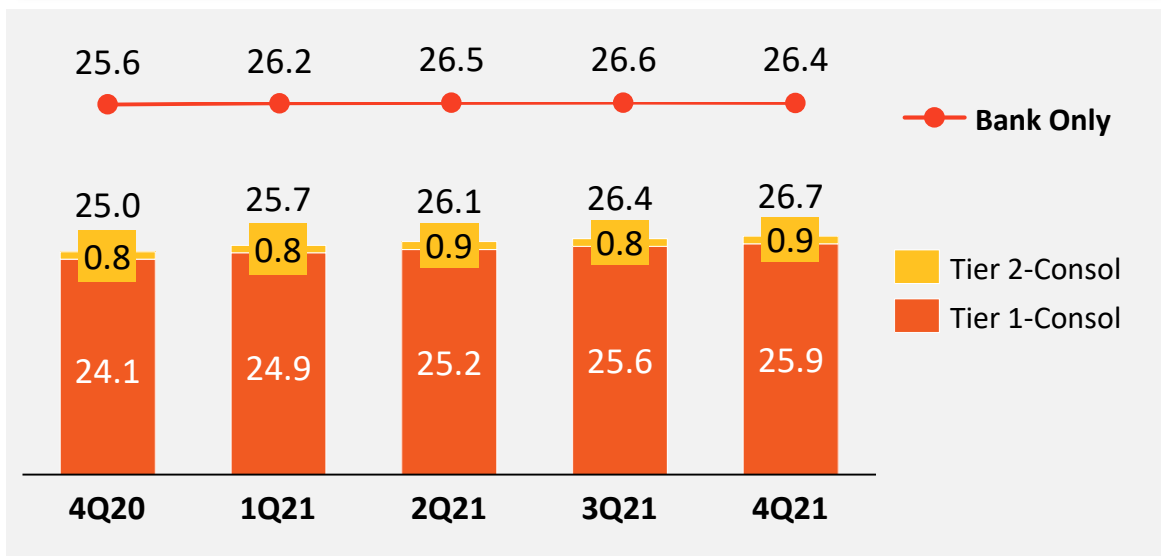
## Strong Focus on Granular Funding\* (Rp tn)



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

## Strong capital as foundation for growth

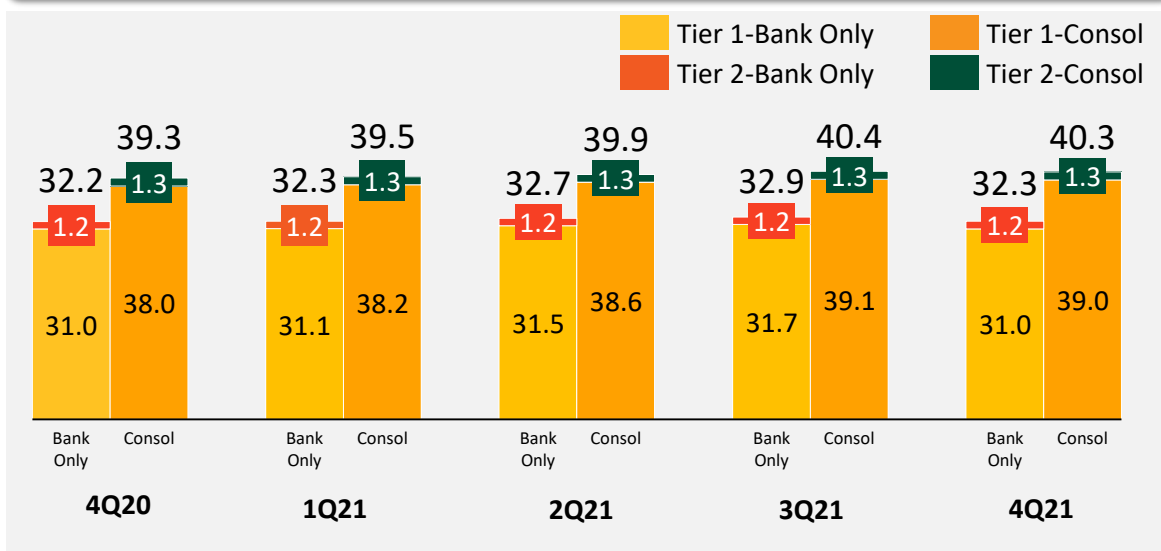
### Capital Adequacy Ratio (%)



### Market and Operational Risk Charges (%)

%	4Q20	1Q21	2Q21	3Q21	4Q21
CAR w/ Credit Risk	32.3	33.4	34.0	34.3	34.8
Market Risk Charge	-0.3	-0.3	-0.4	-0.3	-0.3
Operational Risk Charge	-7.0	-7.4	-7.5	-7.6	-7.8
CAR Consolidated	25.0	25.7	26.1	26.4	26.7

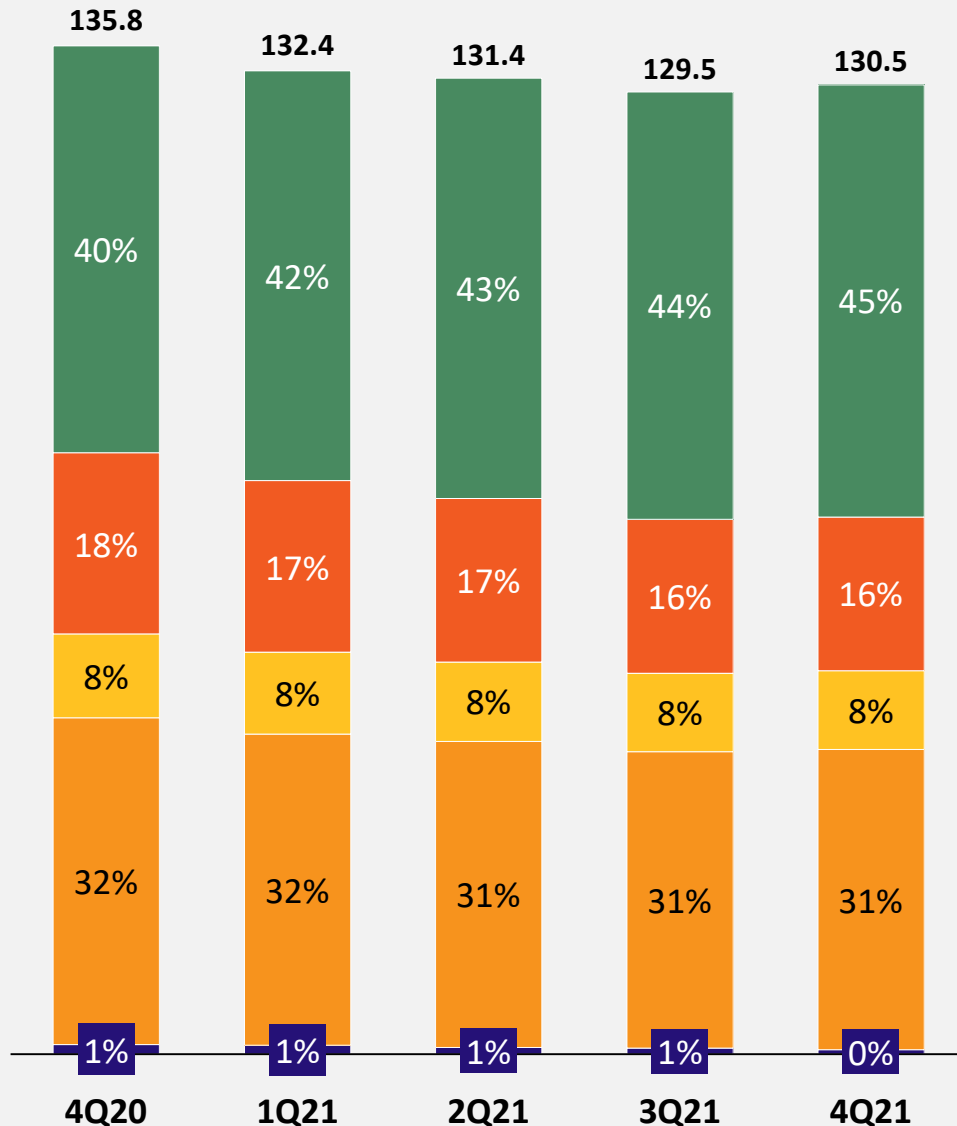
### Tier 1 and Tier 2 Consolidated Capital



- Consolidated Capital Adequacy Ratio (CAR) was 26.7%, far above the minimum requirement.
- Almost 100% of the capital derived was from Tier 1 Capital.

# Quarterly loan growth supported by EB, ADMF and Mortgage

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



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

Rp bn	FY20	FY21	YoY	QoQ
Enterprise Banking <sup>2)</sup> & FI	54,773	58,177	6%	1%
SME	24,407	20,682	-15%	0%
Consumer	11,282	10,624	-6%	1%
Mortgage	8,738	8,471	-3%	2%
Others <sup>3)</sup>	2,544	2,153	-15%	-3%
Adira Finance	44,010	40,429	-8%	1%
<b>Total excl run-off portfolio<sup>4)</sup></b>	<b>134,472</b>	<b>129,912</b>	<b>-3%</b>	<b>1%</b>
Run-off portfolio <sup>4)</sup>	1,314	590	-55%	-27%
<b>Total</b>	<b>135,786</b>	<b>130,502</b>	<b>-4%</b>	<b>1%</b>

1) Trade finance includes marketable securities.

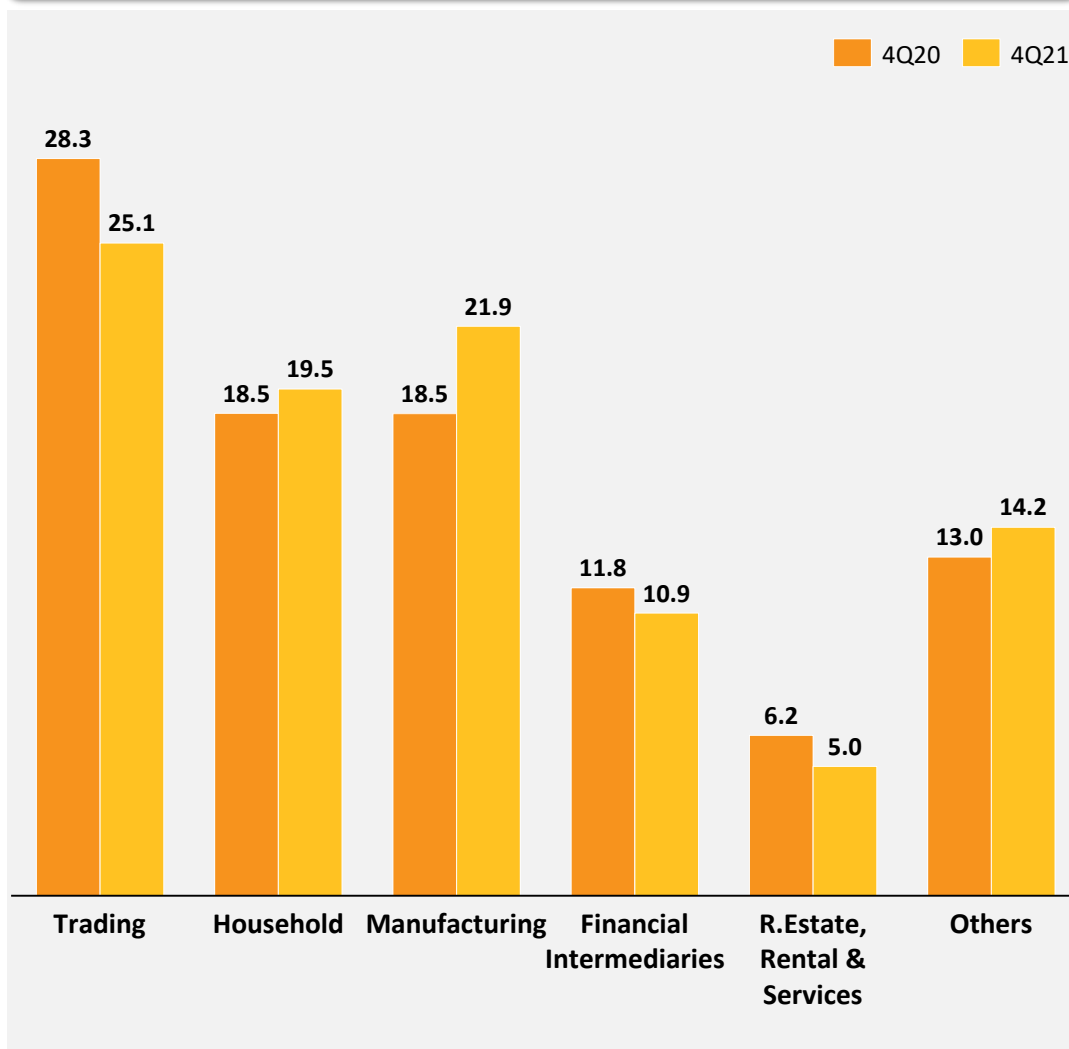
2) Enterprise Banking: Commercial and Corporate.

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

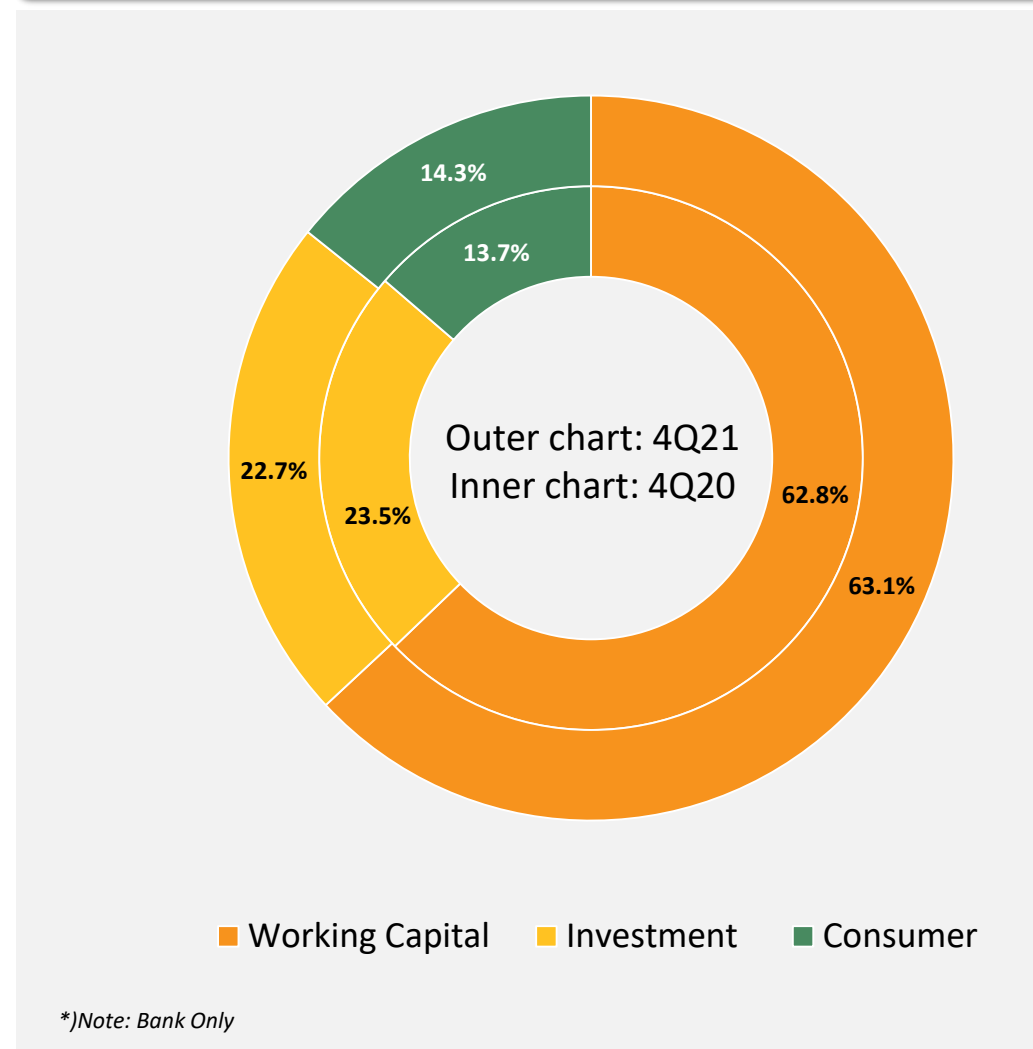
4) Run-off portfolio : ex-BNP portfolio+Micro

# Loans composition remained stable and dominated by working capital loans

## Loans by Sector (% of total loans)

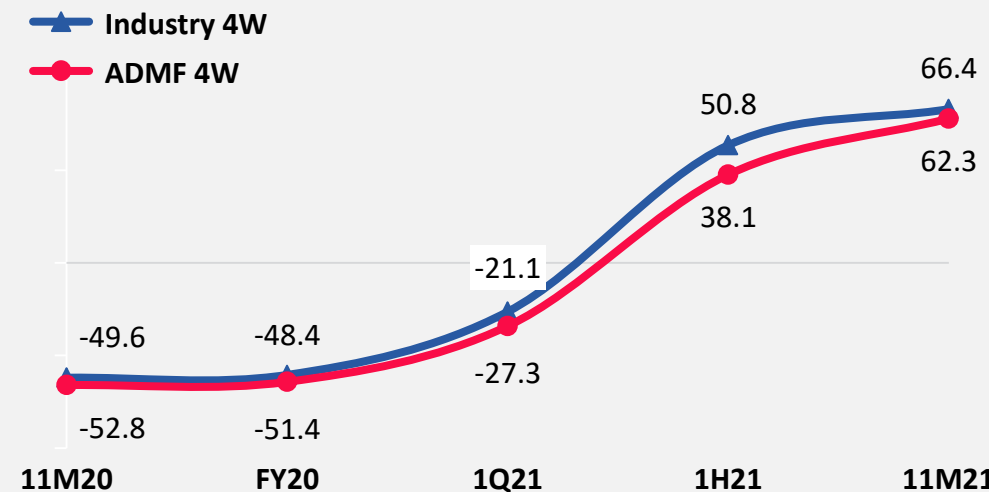
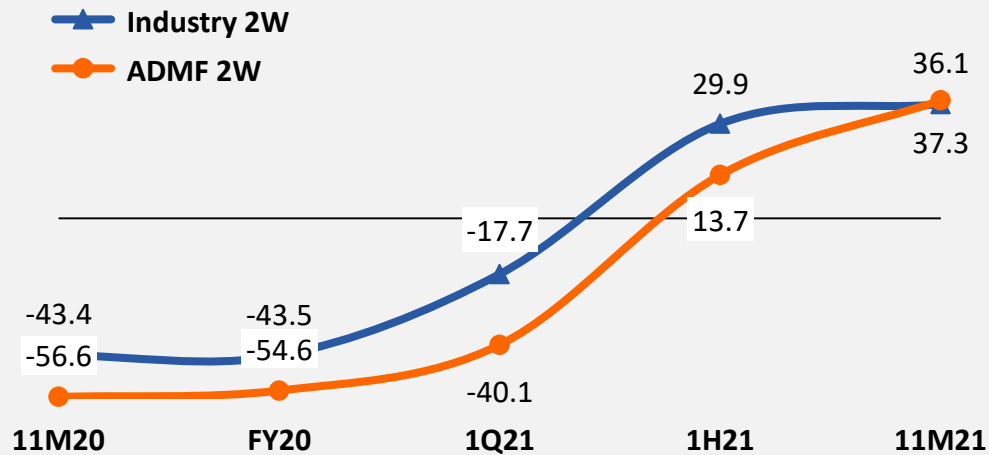


## Loans by Purpose



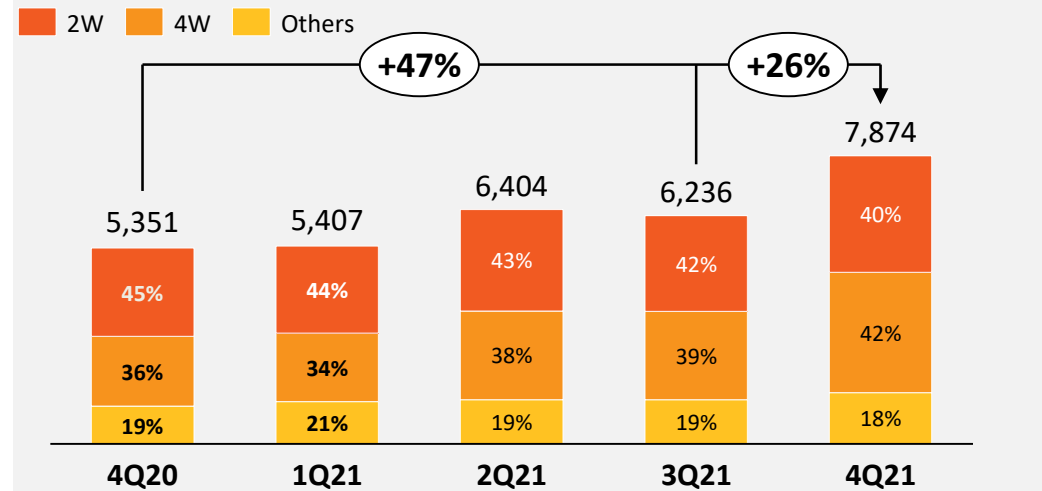
# ADMF regaining market share and growth trajectory

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)



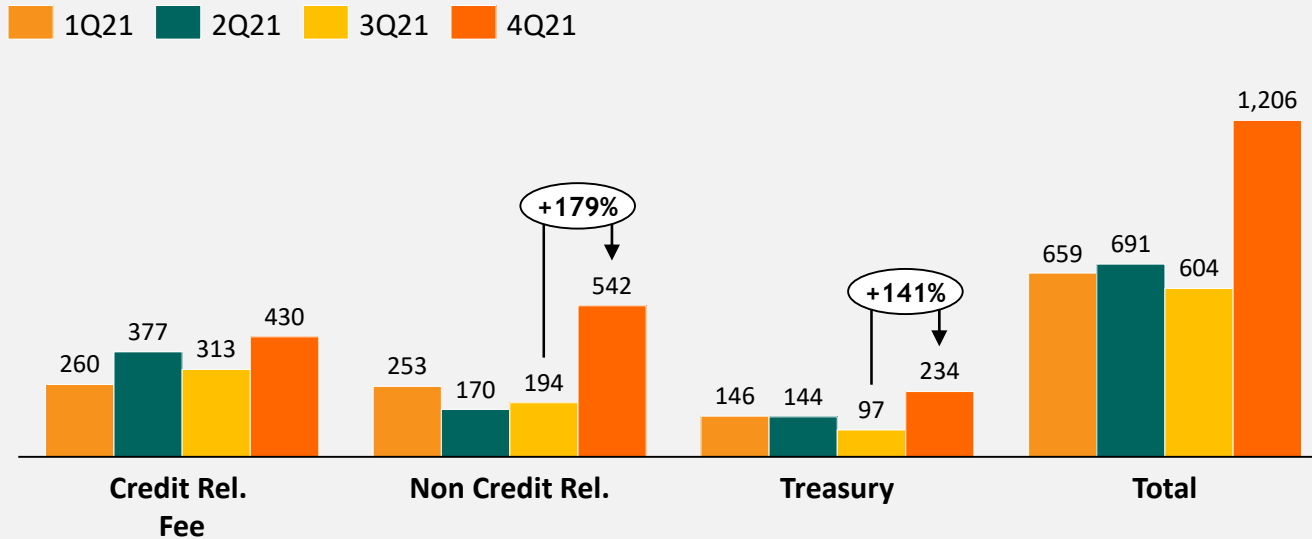
ADMF Outstanding Loans

Rp bn	FY20	FY21	YoY	3Q21	QoQ
2W auto loans	19,358	16,782	-13%	16,737	-
4W auto loans	24,395	23,434	-4%	22,956	2%
White goods and others	241	214	-11%	207	3%
<b>Total Loans</b>	<b>43,994</b>	<b>40,429</b>	<b>-8%</b>	<b>39,901</b>	<b>1%</b>

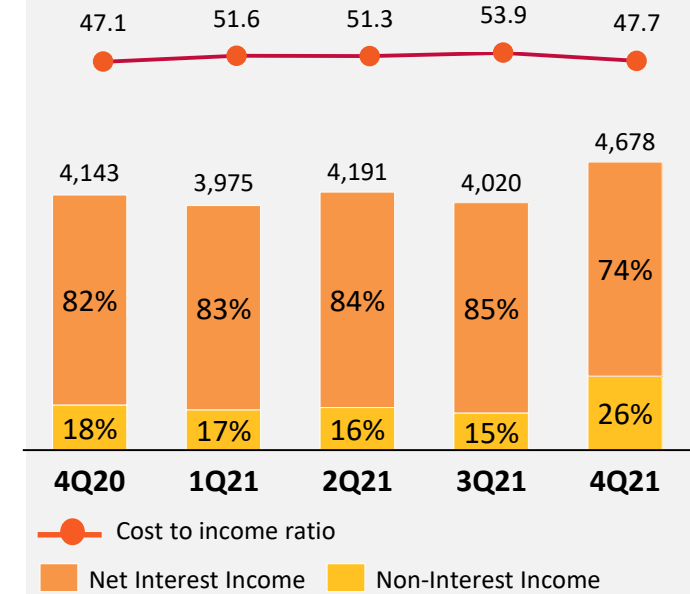
SAATNYA  
PEGANG KENDALI

## Strong quarterly fee income growth

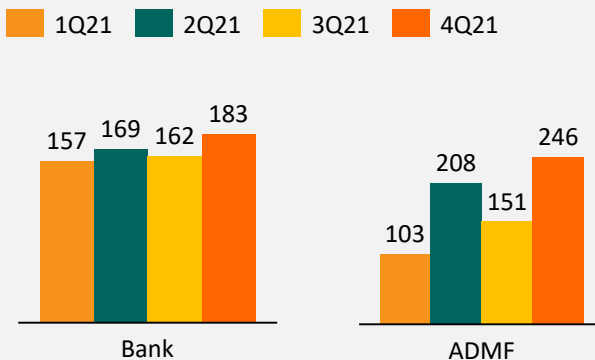
### Non-Interest Income (Rp bn)



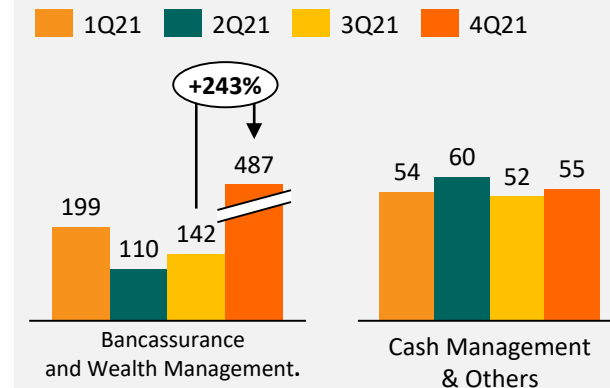
### Revenue Composition



### Credit Related Fee



### Non- Credit Related Fee

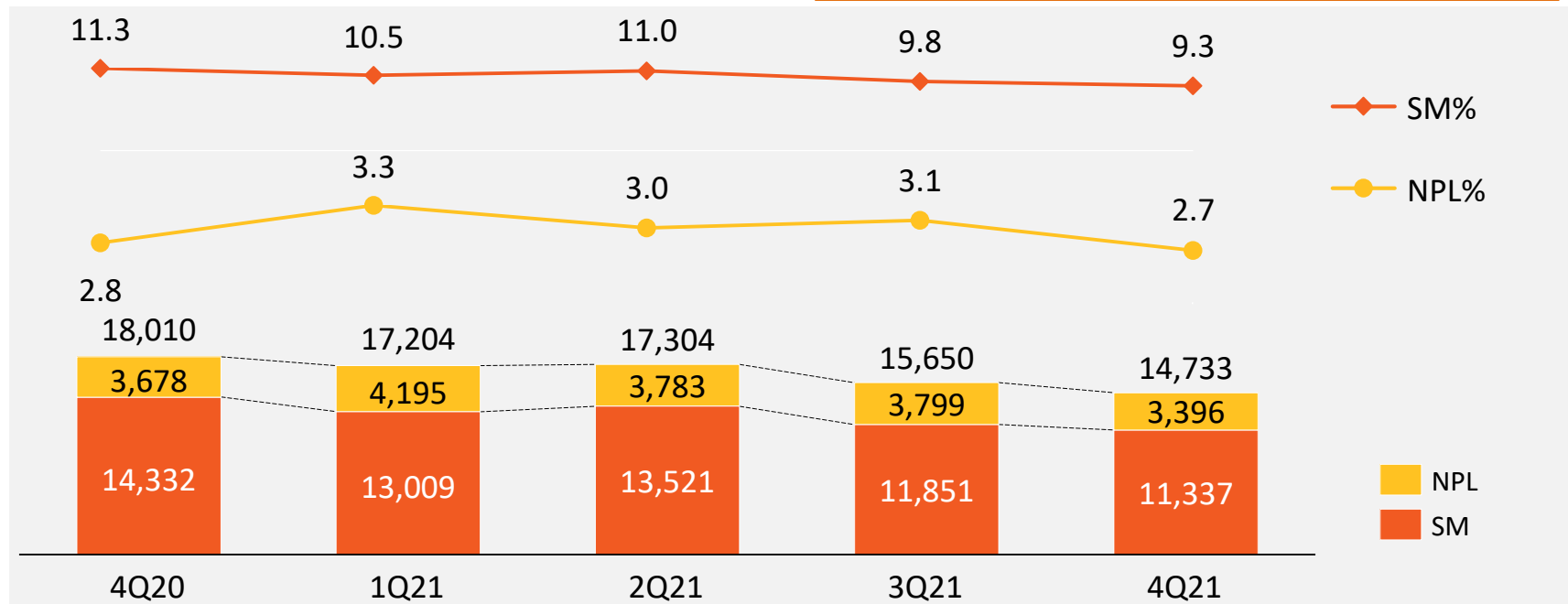


- ADMF credit related fee trend in line with disbursement growth.
- Bancassurance and Wealth Management showed improving trend.

## High NPL Coverage coupled by improving asset quality

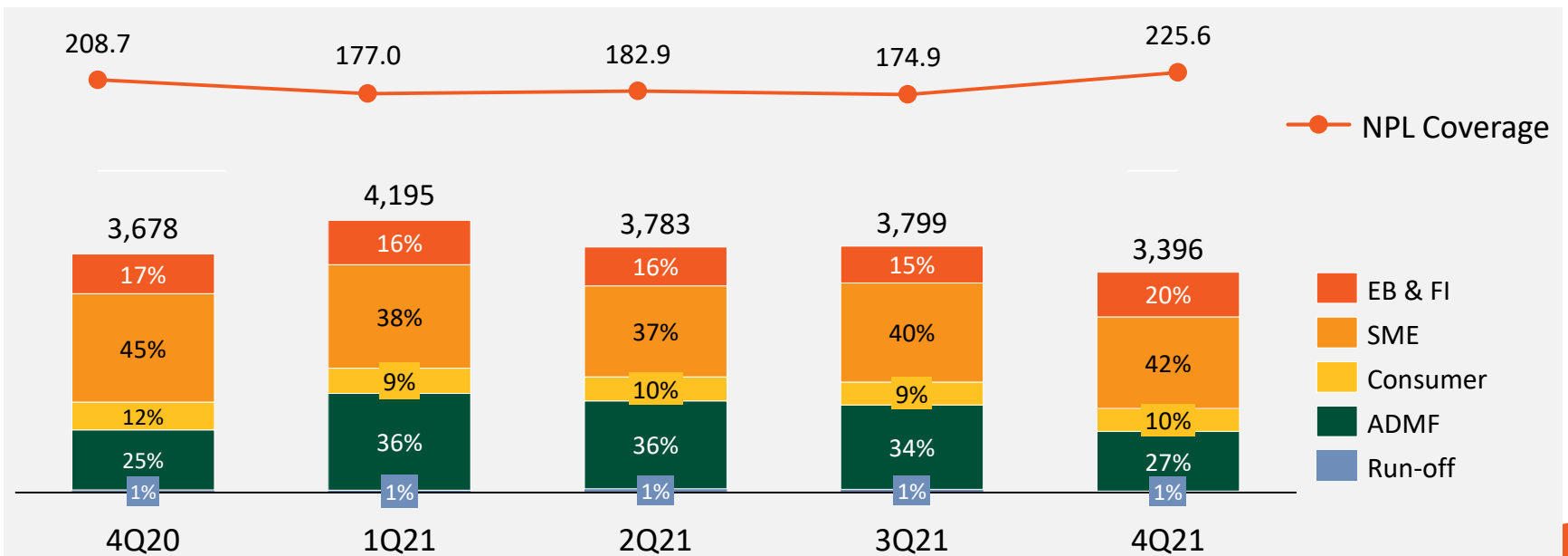
NPL and SM %  
of Total Loans

NPL and SM  
amount  
(Rp bn)



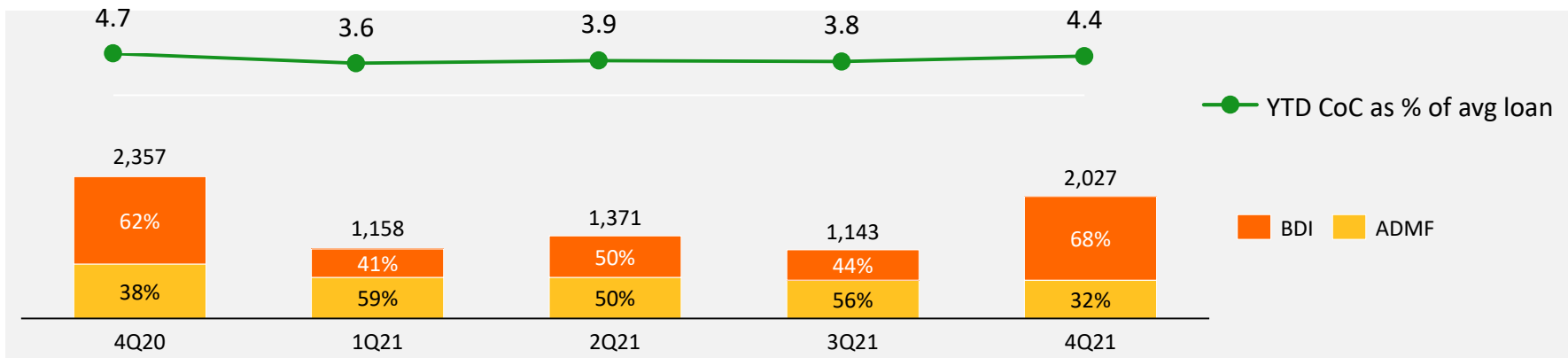
NPL Coverage  
Ratio (%)

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

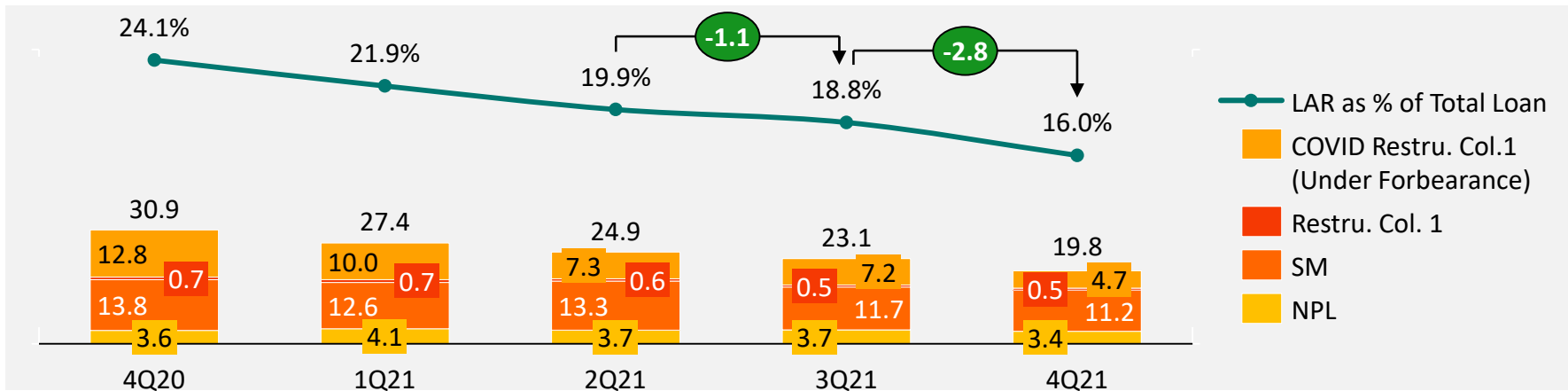


# COVID Restructured Loans and Loan at Risk continued to trend down

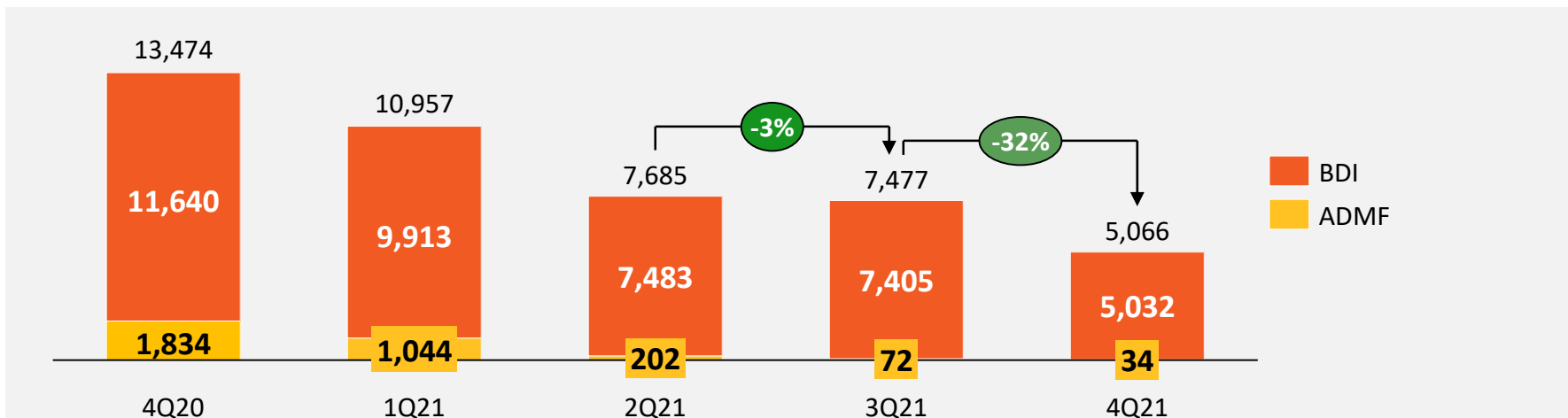
## Cost of Credit (% of Avg Loans and Rp bn)



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



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







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# THANK YOU

Investor Relations

**PT Bank Danamon Indonesia, Tbk**

Menara Bank Danamon, 16<sup>th</sup> 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](mailto:investor.relations@danamon.co.id)