

PRESS RELEASE

CLOSING 2014 WITH FLATTERING ACHIEVEMENT, BANK JATIM WILL BE MORE STUNNING IN 2015

Jakarta - March 11, 2015, Hotel Indonesia Kempinski Jakarta

The Management of PT Bank Pembangunan Daerah Jawa Timur Tbk (**bankjatim**) optimistic that good performance throughout 2014 will surely continue to 2015. This is supported by the opportunity of economic growth in East Java that rose above the national economic growth last few years (East Java economic growth in December 2014 of 5.90% was able to climb back above the national economic growth of 5.00%).

According to data from Bank Indonesia and Economic Studies of Regional Finance of East Java from 2013 and 2014, **bankjatim** was able to rise above the average growth of other National Banks in Indonesia and Banks in East Java, both from total assets category, Third Party Funds (Giro, Savings, Deposits) category and Credit (Productive and Consumptive) category. From 119 banks in Indonesia, **bankjatim** was 25th-ranked for total assets and total credits, 21st-ranked for Third Party Funds, 8th-ranked for paid-in capital and 16th-ranked for earnings before tax (BI, December 2014 unaudited).

Among 26 Regional Development Banks in Indonesia, **bankjatim** was at the top rank for the paid-in capital and the second rank for total assets, credits, Third Party Funds and profit after tax (BI, December 2014 unaudited).

Based on the financial statements of December 2014 (audited), **bankjatim** recorded a profit before tax of Rp 1.37 trillion or increased 19.27% compared to December 2013 (YoY). Besides, other financial performance of bankjatim also grew, which were:

1. Total assets of Rp 37,99 trillion, increased 14.98% (YoY);
2. Third party funds of Rp 30,27 trillion, increased 16.48% (YoY);
3. Credit distribution of Rp 26,19 trillion, increased 18.61% (YoY), and;
4. Net profit of Rp 939,08 billion, increased 13.92% (YoY).

Giro in the composition of Third Party Funds contributed the highest number which was Rp 11,65 trillion, increased 16.86% (YoY), followed by savings of Rp 10,99 trillion, increased 10.23% (YoY), and deposits of Rp 7,63 trillion, increased 26.16% (YoY). This composition made bankjatim CASA ratio stay in the December 2014 position, which was 74.80%.

The biggest contribution of credit composition was gained from consumer credit of Rp 16,71 trillion, increased 19.14% (YoY), followed by commercial credits of Rp 5.18 trillion, increased 22.53% and SME credits of Rp 4.30 trillion, increased 12.38% (YoY). Revealed from the composition, the biggest growth in consumer credit was on Housing credits with total amount of 1.3 trillion, increased 26.71% (YoY), and Multipurpose Credit of Rp 14.85 trillion, increased 19.20% (YoY). In commercial credit, the growth of Syndicated Loan or Kredit Sindikasi was dominating with total credits of Rp 1.17 trillion, increased 44.59% (YoY). While at the SME Credit, the biggest growth was achieved by Pundi Kencana Credit with Rp 796 billion, increased 55.22% (YoY).

bankjatim performances were reflected in the following financial ratios: CAR of 22.17%, ROA of 3.52%, ROE of 18.98%, NIM of 6.90%, and BOPO of 69.63%.

In addition to the excellent financial performance and ratio, improved credit quality or the decreased of NPLs from 3.44% to 3.31% was a proof of 2014 that **bankjatim** attempted in improvement by billing and coordination strategies mechanisms related to insurance claims.

bankjatim is currently preparing to launch a new product. They are including mobile banking, priority banking, reksadana/mutual funds, Electronic Data Capture, bancassurance, virtual accounts, e-money, visa network, and further development of the internet products of individual banking, local tax of e-tax, host to host, as well as chip migration.

"In 2015, **bankjatim** continues to focus on advancing its products and technology-based services such as internet banking, mobile banking, priority banking and others, through consideration for **bankjatim** advancement which is referred to as delivery channel besides teller, ATM, and SMS Banking. All those products and services development plans and publishing are under preparation and will be subject

to approval from the Financial Services Authority prior to launch" explained Hadi Sukrianto, the director of bankjatim.

Besides, **bankjatim** would also distribute more credits in productive sectors to the economy businessmen, one of which is the expansion in the micro sector which in 2014 was able to contribute through outstanding credit of Rp 264,08 billion and NPL ratio of 0.00 %. This fine development leads bankjatim to add 56 new micro units.

The persistent efforts are expected to lead into the achievement of **bankjatim** business plans in 2015, which are :

Total Assets 16,38%	ROA 3,43%
Credits 20,00%	ROE 19,33%
Third Party Funds 17,13%	NIM 7,22%
Net Profit 18,80%	BOPO 69,70%

As established since 1961, **bankjatim** has 1291 service points up to December 2014 consisting of 1 head office, 43 branches, 153 sub-branches, 165 cash offices, 97 Islamic service offices, 167 payment points, 62 car cash, 6 ATM cars, 2 CDMs and 595 ATMs.

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