

Press Release

23 April 2019

PermataBank's AGMS and Q1 2019 results confirm robust growth in Operating Profit, Credit Quality and Digital Leadership.

JAKARTA – PT Bank Permata Tbk (“PermataBank” or “Bank”) held its 2018 Annual General Meeting of Shareholders (AGMS) today while simultaneously announcing robust growth in its first quarter 2019 financial performance.

Commenting on the Bank's achievements in the first quarter of 2019, **Ridha DM Wirakusumah – President Director of PermataBank** said, "The Bank's performance improved significantly in the first quarter as seen from the positive trend in operating profit, increased credit quality from the improved NPL ratio and the Bank's leadership in digital banking. These achievements set an important foundation for the sustainable future growth of the Bank."

The Bank recorded a net profit after tax of Rp 377 billion at the end of March 2019 or an increase of 131% YoY accompanied by improvements in credit quality. This positive improvement in credit quality has succeeded in reducing the need for loan impairment cost by 71% to Rp 133 billion compared to the same period last year, amounting to Rp 465 billion. The reduction in the loan impairment cost resulted from the Bank's efforts to resolve non-performing loans, both through settlement, restructuring and liquidation efforts. In line with this, in general the credit portfolio shows a much healthier quality in addition to continuously drive Bank's loan growth

which focuses on good quality credit. Regarding the increase in net profit after tax, the Return on Equity ratio increased significantly to 7.6% at the end of March 2019 from previously 4% in the same period last year.

The Bank's Net Interest Margin (NIM) position was recorded at 4.0%, higher from March 2018's position of 3.9% and relatively stable compared to December 2018, where interest-net income slightly increased by 2% YoY to Rp 1.39 trillion at the end of Q1 2019. The increased in NIM is in line with the Bank's efforts to manage cost of funds efficiently despite an increase in the market interest rate.

The Bank's BOPO ratio shows improvement in March 2019 to 88% compared to 95% in the same period last year or 93% at the position of December 2018. This is in line with the Bank's efforts to continue discipline in reducing loan impairment cost and managing operational costs efficiently so that it can maintained at a level that is relatively stable amid various investments made by the Bank and inflationary pressures. Despite an increase in business volume, there has been no increase in operational costs for the past two years

As of March 2019, the Bank managed to record gross loan growth of 4.7% (YoY) from Rp 99.8 trillion to Rp 104.5 trillion at the position of March 2019. This loan growth was contributed by both Retail Banking (5%) and Wholesale Banking (5%). Loan growth in Retail Banking and Wholesale Banking (Good Book) continues to be carried out selectively based on efforts to improve asset quality in accordance with a more prudent credit risk management framework. The Wholesale Banking credit portfolio quality shows positive changes which was indicated by a significant improvement in the weighted average Credit Grade.

During Q1 2019, we saw total operating volume increased by 36% YoY to 64 million, with RB up by 31% and WB up by 113%. In the same period, total new accounts booked increased by 239% YoY to 1.78 million. Digital transactions increased by 25% YoY to 48.3 million. API (Application Programming Interfaces) - based transaction volume up by another 133% YoY to 8.2 million during the quarter. Funds

transfer increased by 19% YoY to 8.7 million. Debit and Credit Card transactions increased by 44% to 39.7 million. At the same time, our operating cost and headcount remained flat leading to 29% gain in unit transaction cost.

To offset this loan growth, the Bank also maintained the growth of funds, as seen from the increase in customer deposits (Third Party Funds) which grew by 7% YoY, contributed from the growth in current account, savings and time deposits by 2%, 3% and 11%. Furthermore, the growth of customer deposits will be sought to be contributed from current account and savings which are more stable and efficient as a source of fund.

The gross NPL ratio and net NPL position in March 2019 improved significantly to the level of 3.8% and 1.6% compared to March 2018 of 4.6% and 1.7% and the December 2018 position of 4.4% and 1.7%. The NPL coverage ratio in March 2019 was also well maintained at 173%, although it was relatively stable compared to the December 2018 position of 176%.

In line with the Bank's efforts to maintain a balance in maximizing lending, the Bank continues to manage its liquidity optimally as reflected by the LDR (Loan to Deposit) ratio recorded in March 2019 at 87%, relatively stable against the positions of March 2018 and December 2018 at 89% and 90% respectively.

The Bank's capital position also remains strong as seen from the Common Equity Tier 1 (CET-1) ratio and the Capital Adequacy Ratio (CAR) of 18.3% and 19.9% (March 2019), compared to 15.1% and 17.7% in the March 2018 period - far above the minimum capital requirement, after calculating additional Bank capital requirements as a systemic bank.

At the AGMS, 5 agenda were approved by the shareholders in the AGMS namely: Approval of the 2018 Annual Report and ratification of the Consolidated Financial Statements of the Company for the financial year ended 31 December 2018; the determination of the use of the Company's net profit for the financial year ended 31

December 2018; followed by the appointment of the Company's Public Accountant who will audit the Financial Statement of the Company for the financial year of 2019, and determination of the honorarium for the Public Accounting Firm and other requirements for its appointment. Another agenda approved was the decision of the amount and type of remuneration and other facilities granted by the Company to the Board of Commissioners, the Board of Directors and Sharia Supervisory Board; as well as changes in the composition of the Company's Management. In the changes to the composition of the Company's Management, the shareholders agreed on the appointment of Mr. **Dayan Sadikin** as a new Director of the Company effective immediately after the meeting ends and approved the resignation of Mr. **Loh Tee Boon** from his position as Director of the Company.

In the presentation of the Bank's performance in 2018, the Company has succeeded in strengthening the fundamental and closed the year with healthy profitability level and other significant achievements. Throughout the year of 2018, Bank recorded net profit after tax of Rp901 billion, up 20% (YoY). The Bank's positive achievement was driven by growth in its good book assets, increased asset quality, recovery of non-performing loans through restructuring and liquidation, as well as successfully maintaining disciplined operational cost efficiency.

Suparno Djasmin, PermataBank Vice President Commissioner and Chairman of the Meeting also conveyed, "I extend my appreciation to Loh Tee Boon for his dedication and contribution while serving as a member of the Board of Directors of **PermataBank**. In addition, I warmly welcome the appointment of Dayan Sadikin to the Bank's Board of Directors. I believe his experience will contribute positively to the Bank's future journey."

Thus, the new composition of the composition of the Board of Directors is as follows:

President Director	:	Ridha DM Wirakusumah
Director	:	Abdy Dharma Salimin
Director	:	Lea Setianti Kusumawijaya
Director	:	Darwin Wibowo

Compliance Director : Dhien Tjahajani
 Director of Sharia Business Unit : Herwin Bustaman
 Director : Djumariah Tenteram
 Director : Dayan Sadikin

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PROFILE OF PT BANK PERMATA Tbk

PermataBank is one of major private bank offering comprehensive financial services in a simple, fast, and reliable manner. As a pioneer in mobile banking and mobile cash technology in the Indonesian market, in 2017 the Bank again led innovation through the launch of the first E-Bond product in the market and was the first bank to introduced TouchID & FaceID features to the Mobile Banking application. In 2018, the Bank launched the PermataMobile X application with the latest 200 innovative features.

Serving more than 2 million customers in 62 cities in Indonesia, as of Dec 2018

PermataBank has 323 branch offices, 16 mobile branches, 1 payment point, 1005 ATMs with access to more than 100,000 ATMs (VisaPlus, Visa Electron, MasterCard, Alto, ATM Bersama and ATM Prima) and millions of ATMs worldwide that are connected to the Visa, Mastercard and Cirrus networks. In the first quarter of 2019, **PermataBank** received various awards for several achievements. In February, PermataMobile X received a "Special Recognition Award" in terms of Product Performance in the 2019 Astra Innovation Award event. In terms of services, **PermataBank** won 2019 Satisfaction Loyalty & Engagement (SLE) Award based on

the Infobank and Marketing Research Indonesia (MRI) survey, one of which is ranked # 1 for the INDEX 2019 OVERALL-ENGAGEMENT category (conventional commercial bank / book bank 3).

For further information on **PermataBank**, please visit us at

<http://www.permatabank.com>