

Press Release

17 April 2017

PermataBank Returns to Profitability

Continues Focus on Strengthening Fundamentals, Improving Asset Quality and Business Growth

JAKARTA – PT Bank Permata Tbk (“**PermataBank**” or “**Bank**”) announced improved operating performance for the first three months of the year, period ending 31 March 2017 (consolidated and unaudited) as it booked a net profit after tax of Rp. 453 billion. This compares to a Rp. 376 billion loss over the same period in 2016.

PermataBank’s return to profitability is the result of addressing NPL’s last year, good underlying income and selling down NPLs as planned. The Bank’s Rp 3 trillion rights issue is in progress and will be completed in the first semester of 2017. This combined with the Rp 5.5 trillion rights issue in June 2016, will increase the Bank’s capital reserves by Rp 8.5 trillion.

Commenting on the results, **PermataBank President Director Ridha DM Wirakusumah** said, "I am pleased that **PermataBank** has started the year by delivering improved performance and maintaining a stronger balance sheet. We continue to put in place the plan that will enable us to return to a stronger performance this year. We thank our stakeholders, especially our customers and shareholders, who have relentlessly stood by us and we seek their continued support."

PermataBank continues to take steps to manage its asset quality through proactive restructuring and rehabilitation, stepping up on recoveries and selling part of the NPL portfolio. This has resulted in an improved NPL Gross ratio of 6.4% as of 31 March 2017, down from 8.8% in December 2016. Net NPL remains at 2,2%.

The focus on improving risk and NPLs as the bank de-risked and re-positioned the book, resulted in a slow down in loan growth where loans declined 22% YOY to Rp95.4 trillion from Rp122.7trillion in end March 2016. On the other hand, to maintain healthy liquidity **PermataBank** has increased its CASA balances by 13% resulting in an improved CASA ratio of 46% versus 38% a year ago. Lower loan balances has been the major driver of lower NIM of 3.5%, compared to 3.9% at the end March 2016.

Fee-based income more than compensated the lower margins resulting in total revenue of Rp2.4 trillion, a growth of 11% yoy against a year before. Permata sharia financing recorded a positive growth of 4% YOY in March 2017 coupled with strong CASA growth of 49% YOY. Loan impairment of Rp. 670 billion in 1Q-2017 was 57% lower than Rp1.5 trillion a year ago, resulting in profit before tax of Rp596 billion, a far contrast compared to the operating loss of Rp508 billion a year ago.

PermataBank's capital ratio, total CAR was 17% as of the end of March, 2017 compared to 15.1% at the end March 2016, well above the regulatory minimum. The Rp3.0 trillion rights issue (which includes Rp1.5 trillion capital advance received in December 2016) is currently in progress and will further strengthen the capital ratios when completed in June 2017.

Ridha further remarked, "**PermataBank** will continue to strengthen our fundamentals and leverage our core strengths including our extensive branch network, comprehensive delivery channels, innovative products as well as increase capital through our planned rights issue. We are confident the Bank will return to a progressively stronger performance in 2017 as we build up our role as an agent of development for our customers and clients".

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PROFILE OF PT BANK PERMATA Tbk

PT Bank Permata Tbk (PermataBank) has grown to be a major bank within Indonesian banking sector which offers innovative and comprehensive banking products and services, especially with its delivery channels that are equipped with Internet Banking and Mobile Banking features. **PermataBank** envisions to be the pioneer in delivering innovative financial solutions. Serving approximately two million customers in 62 cities in Indonesia, as of December 2016 the Bank runs 331 branch offices, 22 mobile branches, six payment points, 1,008 ATMs accessible from a network comprising of more than 100,000 ATMs (Alto, Visa Plus, ATM Bersama, Master Card, Cirrus and Prima) nationwide as well as millions of ATMs around the world which connected with Visa, Mastercard, Cirrus. The latest recognition on **PermataBank** are “Excellent Service Experience Award 2016” in Regular Banking category and Sharia Banking from Service Excellence Magazine and Carre CCSL, Contact Center Service Excellence Award (CCSA) 2016, Exceptional Grade for Regular Banking-Sharia Banking-Priority Banking category; “Best Business Model Execution” from The Asian Banker Indonesia Country Awards.

More information about **PermataBank** is available on its website

<http://www.permatabank.com>