

PRESS RELEASE

**FINANCIAL PERFORMANCE IN THE YEAR 2016 EXCELLENT
NET PROFIT OF BANK JATIM WAS NOTED Rp1,03 TRILLION (AUDITED)
INCREASED 16,25%**

JAKARTA – JANUARY 9, 2017. In the context of providing a disclosure, PT Bank Pembangunan Daerah Jawa Timur Tbk or **bankjatim** held the analyst meeting and press conference in order to present the financial performance of the financial year 2016 (audited) at the Ritz Carlton Pacific Place, Jakarta (01/09).

Bankjatim financial performance showed a good performance and growth when compared to the same period the previous year (Year on Year / YoY). Based on the financial statements of fiscal year 2016 (audited), profit before tax of **bankjatim** was recorded 1.45 trillion or grew 15.13% (YoY), while net income of **bankjatim** was recorded 1.03 trillion or grew 16.25% over the previous year (YoY).

During the year of 2016, Third Party Funds of **bankjatim** in the savings sector grew tremendous by recording a growth of 12.61% (YoY) in the amount of 14.36 trillion. Growth in a significant savings showed success of **bankjatim** in managing the cost of funds. This success was reinforced by **bankjatim** CASA ratio of 78.21% (for more than 14 years, **bankjatim** CASA ratio has been above 65%). Increased trust of **bankjatim** customers is one of the factors of growth of savings during 2016.

In the midst of global economic conditions that are still unstable in 2016, **bankjatim** is still able to record a growth in loan portfolio amounted to 29.67 trillion or grew 4.45% (YoY). Credit growth in the SME sector, which has been a concern for **bankjatim** in lending still experienced growth to Rp 4.55 trillion. Credit in the consumer sector contributed the highest for the year 2016 amounting to 19.80 trillion or grew 8.89% (YoY)

Financial ratios of **bankjatim** had better position in December 2016 compared to the previous year, which are, Return on Equity (ROE) of 17.82% from the previous one of 16.11%, Net Interest Margin (NIM) of 6.94% from the previous one of 6.41%, return on Assets (ROA) in 2015 was 2.67% and became 2.98% in 2016, there has been efficiency in Operational Fund compared to Operational Income (BOPO) from 76.12% to 72.22%.

In addition to the excellent record of financial performance, the year of 2016 was an event of awards harvest to **bankjatim**. Carrying more than 50 awards received by **bankjatim** obtained from several government agencies and professional institutions. Such a prestigious award ranked first in Annual Report Award 2016 had been coloring the awards harvest of **bankjatim** in 2016. The award that was organized by the FSA and the BEI proved **bankjatim** to be successful in preparing the annual report properly.

The next prestigious award was obtained from the Ministry of Social Affairs, in the event of Padmamitra Award which had indicated **bankjatim** to be successful in implementing social responsibility to improve social welfare in the areas of poverty. In addition to the above prestigious awards, **bankjatim** also received several awards such as the Indonesian Banking Anugerah 2016 Ranked 1 of BOOK 3 among BPDs, Best Exhibitor Investor Summit and Capital Market Expo, as well as Ranked 1 of BOOK 3 Financial Sector of Indonesian Anugerah Public Company.

In 2016, **bankjatim** continued to innovate in the field of information technology to improve customer convenience in the transaction. One of the products which had been launched was **bankjatim** Mobile Banking. **Bankjatim** mobile banking service, which is internet-based can be accessed via smartphones, both Android and iOS. **bankjatim** Mobile Banking has more features than the SMS Banking, Mobile Banking bankjatim is a solution of the Customer's needs of service banking, which is fast, practical, simple, and timeless.

In an effort to facilitate the public to know and conduct the financial transaction, at the end of the month November 2016 **bankjatim** launched a product that was an inclusive program belongs to the Financial Services Authority (FSA), the Smart Code (Laku Pandai) (Financial Services Without Office in the Framework of Inclusive Finance). By carrying out the principle of branchless banking, the product that was called SiPandai provided comfort and ease the customer transactions. **bankjatim** continued to strengthen the network until to the remote areas with emphasis on service points. Until December 2016, the number of network bankjatim has reached 1,566 service points consisting of one Central/Main Office, 47 Branch Offices, 166 Branches, 190 Cash Offices, 191 Sharia Services Offices, 181 payment points, 79 Cash Cars, 6 ATM Cars, 703 ATMs and 2 CDMs.

BANKJATIM BUSINESS PLAN IN 2017

Broadly speaking, below is the following of **bankjatim** Business Plan in 2017:

1. Total assets are scheduled to rise by 7.57%;
2. Accumulation of Third Party Funds are scheduled to increase by 8.00%;
3. Loan Distributions are planned to increase by 8.17%;

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