

Bank Mandiri Presentation H1 2004 Results



One Heart. One Nation. One Bank.

Bank Mandiri Presentation Contents

Overview

	<u>Page #</u>
■ H1 2004 Summary P&L	3
■ Key Balance Sheet Items & Financial Ratios	4
■ Reconciliation to IFRS	5
■ Quarterly Loan Growth & LDR	6
■ Loan Portfolio Growth by Business	7
■ Quarterly Loan Collectibility Profile	8
■ Quarterly Asset Quality & Provisioning	9
■ Recap Bond Portfolio Summary & Movement	10
■ Quarterly Asset Mix & Interest Source	11
■ Quarterly Funding Mix	12
■ Quarterly Savings Deposits & Funding Rates	13
■ Quarterly Capital Structure	14
■ Quarterly Net Interest Margins and Spread	15
■ Quarterly Non-Interest Operating Income	16
■ Quarterly Overhead Spending	17
■ Industry Efficiency Comparison	18
■ Annual Core Earnings Analysis	19
■ Quarterly Profitability	20
■ Potential Upsides	21
■ Corporate Actions	22
■ Conclusion	23

Financial Summary

	<u>Page #</u>
■ Summary Half-Year Balance Sheet	25
■ Summary Quarterly Balance Sheet	26
■ Summary Quarterly P&L	27
■ Recap Bond Portfolio Detail	28
■ Bank Mandiri Credit Ratings	29

Loan Movement & Portfolio Detail

■ Q2 PL/NPL Movement	31
■ Q2 Non-Performing Loan Details	32 - 33
■ Q2 Category 1 and 2 Loan Movement	34
■ Q2 Category 2 Loan Details	35 - 36
■ Historical Restructured Loan Movement	37
■ Q2 Restructured Loan Details	38
■ Q2 Loan Portfolio Sector Analysis	39
■ Q2 Corporate Loan Details	40
■ Q2 Commercial Loan Details	41
■ Q2 Rupiah Loan Details	42
■ Q2 FX Loan Details	43

Additional Information

■ Consumer Banking Details	44 - 47
■ Bank Syariah Mandiri Details	48 - 49
■ Mandiri Sekuritas Details	50
■ Operational Loss Details	51

Bank Mandiri Overview

Operating Highlights & Financial Performance

Q2 2004

Summary P&L Information – H1 2004

	H1 2003		H1 2004		YoY Change
	Rp (Billions)	% of Av.Assets*	Rp (Billions)	% of Av.Assets	(%)
Interest Income	14,047	11.0	9,910	8.2	(29.5)
Interest Expense	(10,406)	(8.1)	(4,932)	(4.1)	(52.6)
Net Interest Income	3,641	2.8	4,978	4.1	36.7
Other Operating Income	746	0.6	1,177	1.0	57.8
Gain from Increase in Value & Sale of Bonds	1,647	1.3	950	0.8	(42.3)
Provisions, Net	(917)	(0.7)	(92)	(0.1)	(90.0)
Personnel Expenses	(930)	(0.7)	(1,160)	(1.0)	24.7
G & A Expenses	(821)	(0.6)	(1,114)	(0.9)	35.7
Other Operating Expenses**	(308)	(0.2)	(316)	(0.3)	2.6
Profit from Operations	3,057	2.4	4,423	3.7	44.7
Non Operating Income	90	0.1	30	0.0	(66.7)
Net Income Before Tax	3,147	2.5	4,453	3.7	41.5
Net Income After Tax	2,239	1.7	3,073	2.5	37.2

* % of Average Assets on an annualized basis

** primarily premiums paid under the blanket guarantee scheme

Key Balance Sheet Items and Financial Ratios

<i>IDR billion / %</i>	H1 2003	FY 2003	H1 2004	YoY Change (%)	YTD Change (%)
Gross Loans	66,787	75,943	82,250	23.2	8.3
Government Bonds	137,003	122,907	102,277	(25.4)	(16.8)
Total Assets	257,772	249,436	234,686	(9.0)	(5.9)
Customer Deposits	184,370	178,811	171,616	(6.9)	(4.0)
Total Equity	21,044	20,395	22,759	8.1	11.6
RoA - before tax (p.a.)	2.5%	2.8%	3.7%		
RoE – after tax (p.a.)	24.5%	23.6%	27.7%		
Cost to Income⁽¹⁾	39.9%	40.4%	36.9%		
NIM (p.a.)	3.1%	3.4%	4.6%		
LDR	36.1%	42.5%	47.9%		
Gross NPL / Total Loans	7.3%	8.6%	8.2%		
NPL Provisions / NPLs	178.2%	139.1%	129.9%		
Tier 1 CAR⁽²⁾	20.6%	19.4%	19.9%		
Total CAR⁽²⁾	30.7%	27.7%	27.5%		
EPS (Rp) ⁽³⁾	112	229	154	37.2	
Book Value/Share (Rp) ⁽³⁾	1,052	1,020	1,138	8.2	11.6

(1) (G&A and employee expenses) / (Net Interest Income + Other Operating Income)

(2) Bank only

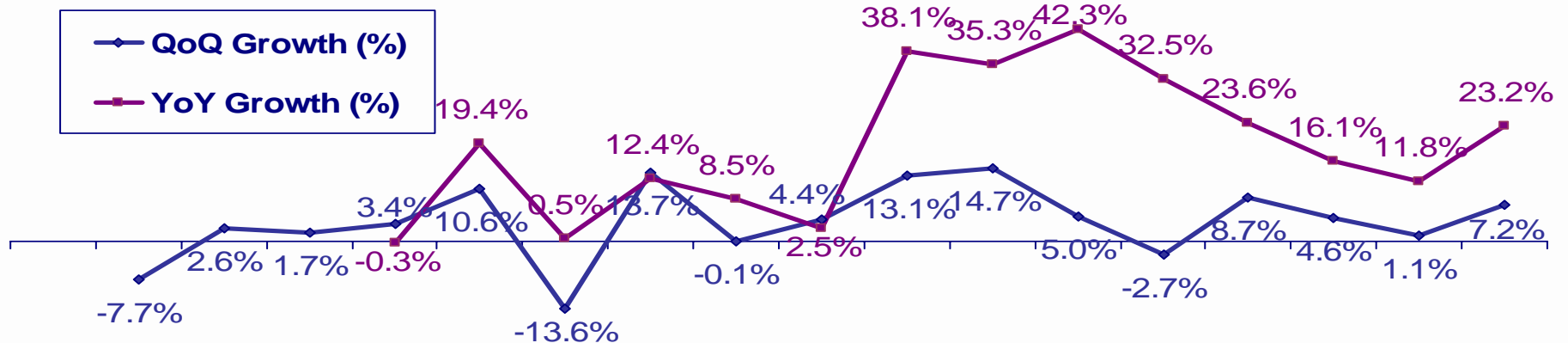
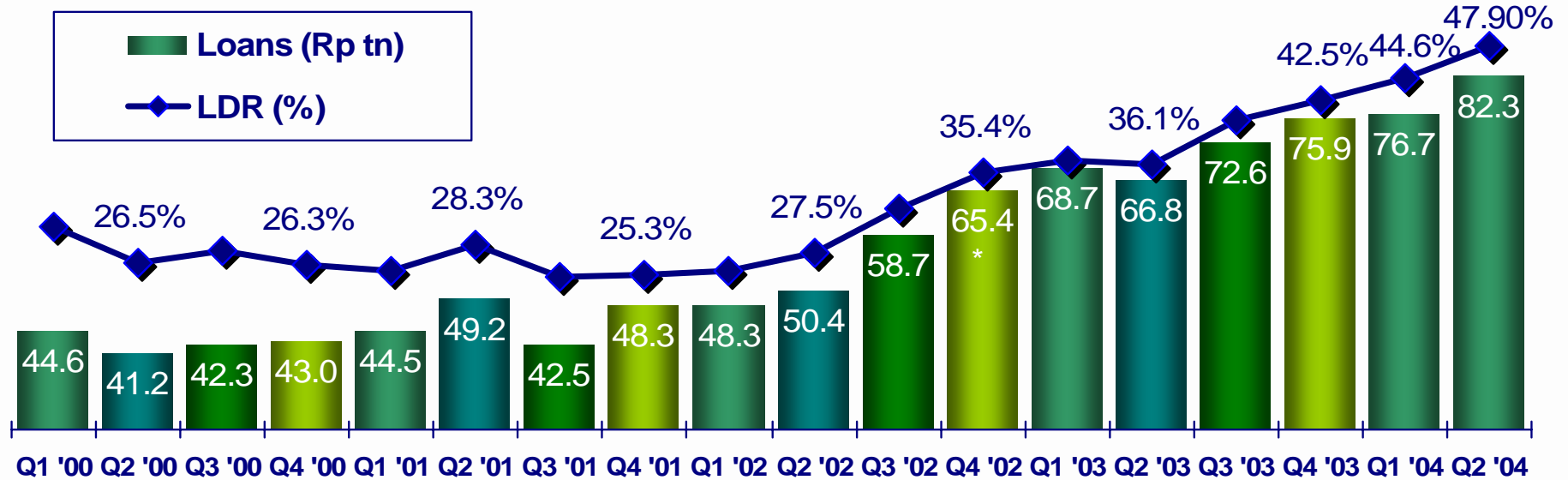
(3) Based upon 20,000,000,000 shares outstanding

Audited Reconciliation to IFRS

	FY '01	FY '02	FY '03	H1 '03	H1 '04
	Rp (Billions)	Rp (Billions)	Rp (Billions)	Rp (Billions)	Rp (Billions)
Net profit under Indonesian GAAP	2,746	3,586	4,586	2,239	3,073
IFRS Adjustments					
Allow. for possible losses on earning assets	955	215	(662)	(669)	112
Allow. for possible losses on commitments & contingencies	351	(77)	104	1,108	117
Change in fair value of derivatives	-	(52)	52	44	-
Employee benefits	10	(94)	(17)	4	-
Accretion on deferred inc. arising from loan purchase from IBRA	-	-	55	-	(2)
De-recognition of revaluation of premises & equipment	-	-	199	-	28
De-recognition of allowances	(995)	-	-	-	-
Securities & Gov. Bond (trading portfolio)	293	-	-	-	-
Deferred income taxes	(184)	2	81	(146)	(77)
Net Adjustment	430	(6)	(188)	341	178
Net profit in accordance with IFRS	3,176	3,580	4,398	2,580	3,251

Loan growth 7.2% in Q2; LDR increased as well

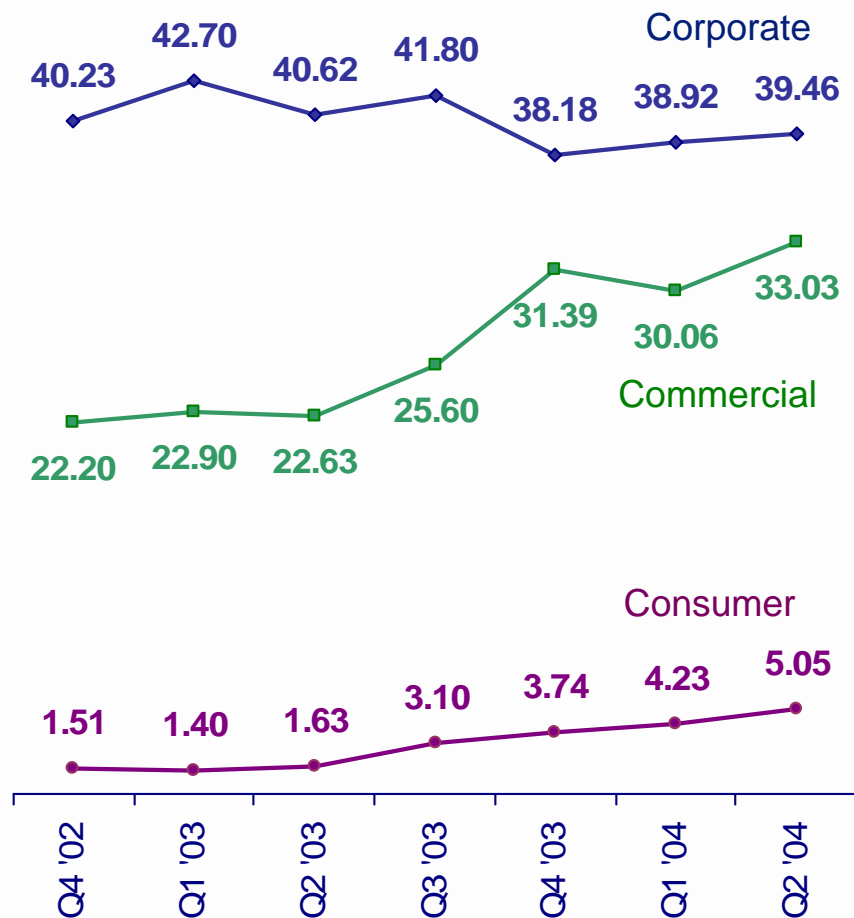
Consolidated Quarterly Data



* Note: Includes IBRA loan purchases of Rp 5 tr

Consumer and Commercial loan growth improves segment mix

Loans by Customer Segment (Rp tn) – Bank Only



As of Jun. 2004; Non-consolidated numbers

Loan Segment Details – Bank Only

By Segment (Bank only)	Corp.	Comm.	Cons.	Total
Loans (Rp tn)	39.46	33.03	5.05	77.55
Y-O-Y Growth (%)	-2.9%	45.9%	210.1%	19.5%
% of Portfolio	50.9%	42.6%	6.5%	100%

Non-Performing Loans by Segment

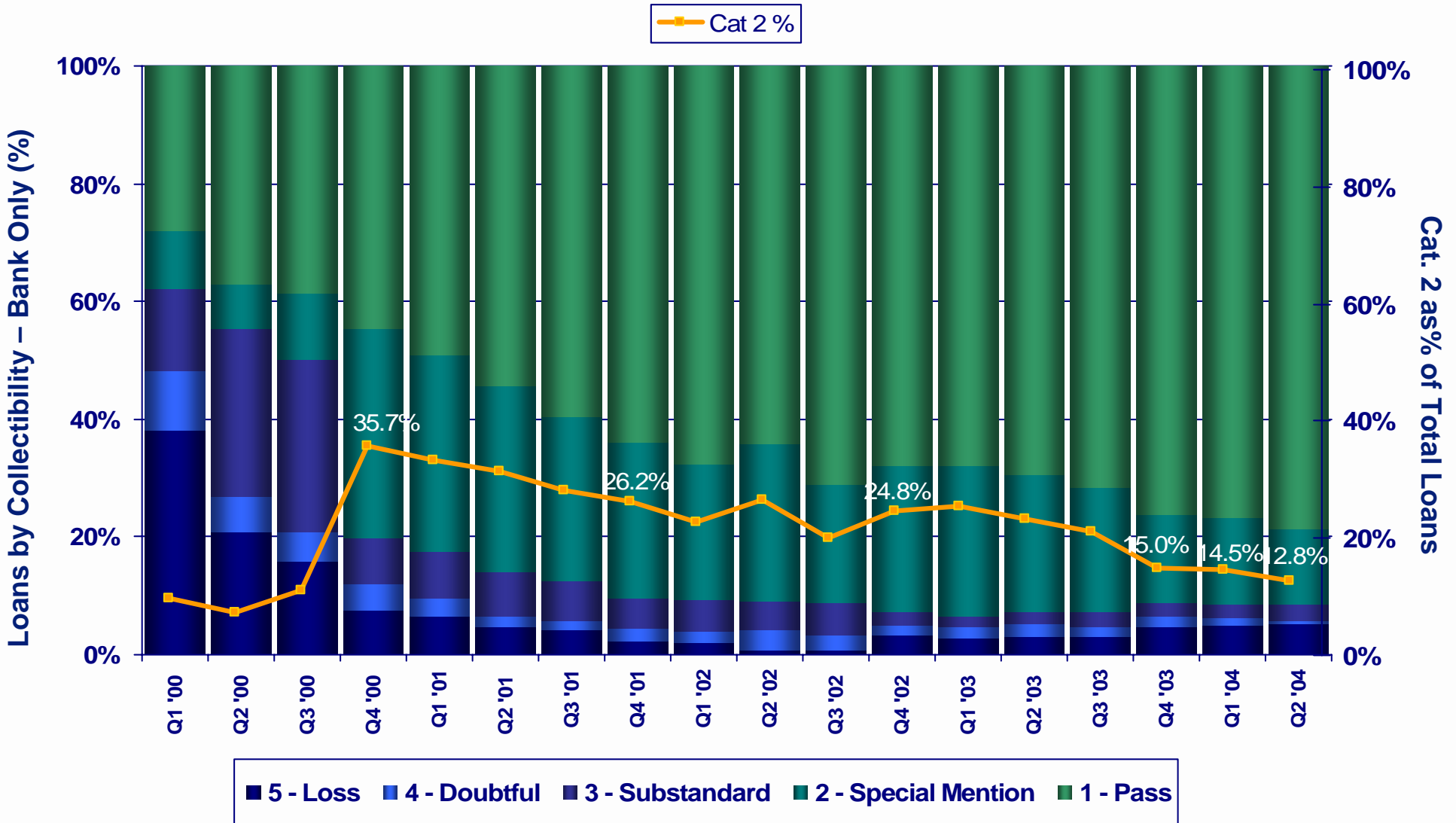
NPLs (Rp tn)	3.32	3.13	0.19	6.64
NPLs (%)	8.41%	9.48%	3.76%	8.56%

■ On target for loan mix by end-2004

➤ Corporate: 50%

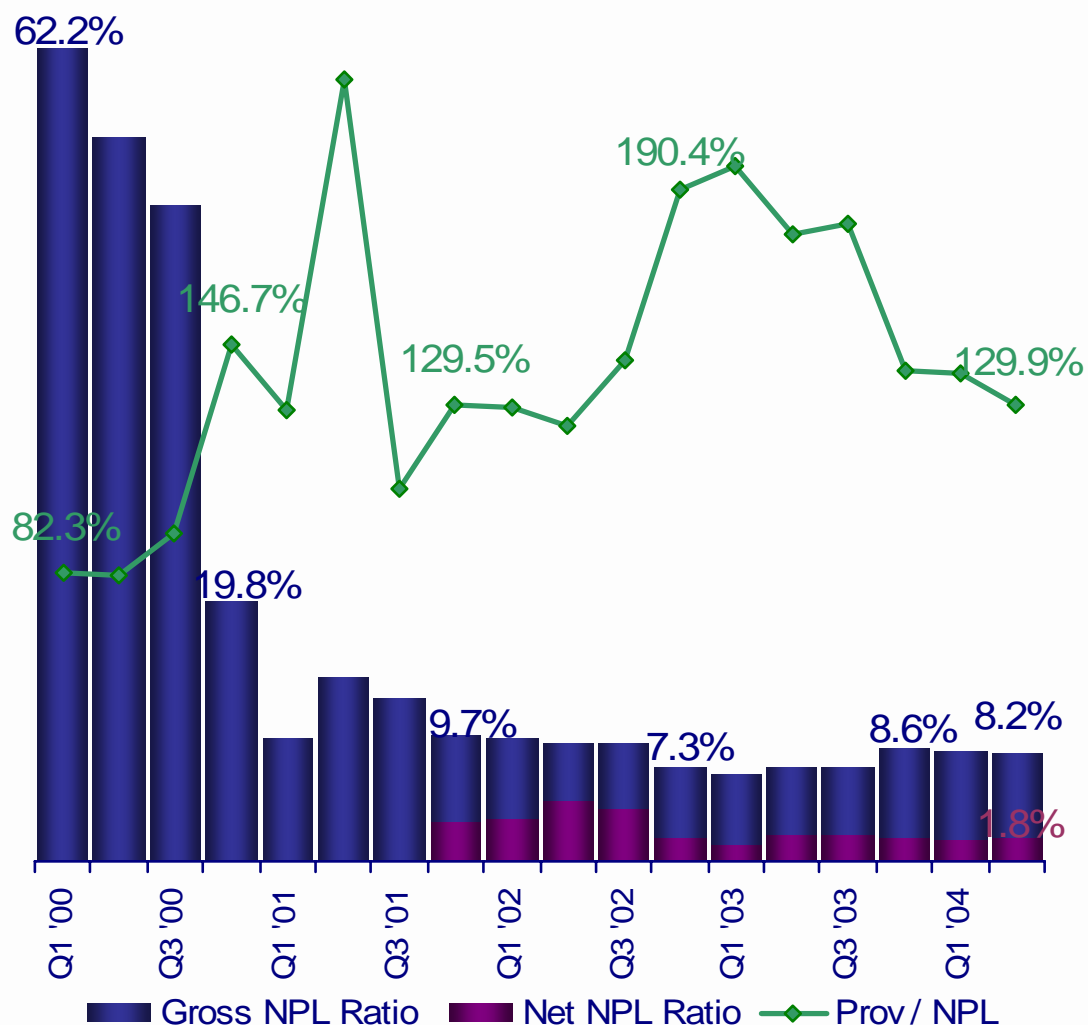
➤ Non-Corporate: 50%

Special Mention loans declining



Maintaining conservative provisioning

NPL Movement - Consolidated



Provisioning Details

Provisioning Policy	Performing Loans		Non-Performing Loans		
	1	2	3	4	5
Collectibility	1	2	3	4	5
BI Req.	1%	5%	15%	50%	100%
BMRI Policy	2%	15%	50%	100%	

As of 30 Jun '04:

- Provisions/NPL coverage = 129.9%
- Collateral values not deducted for Categories 3,4 and 5
- Provisions excess to BI requirements = Rp 2.8 tn

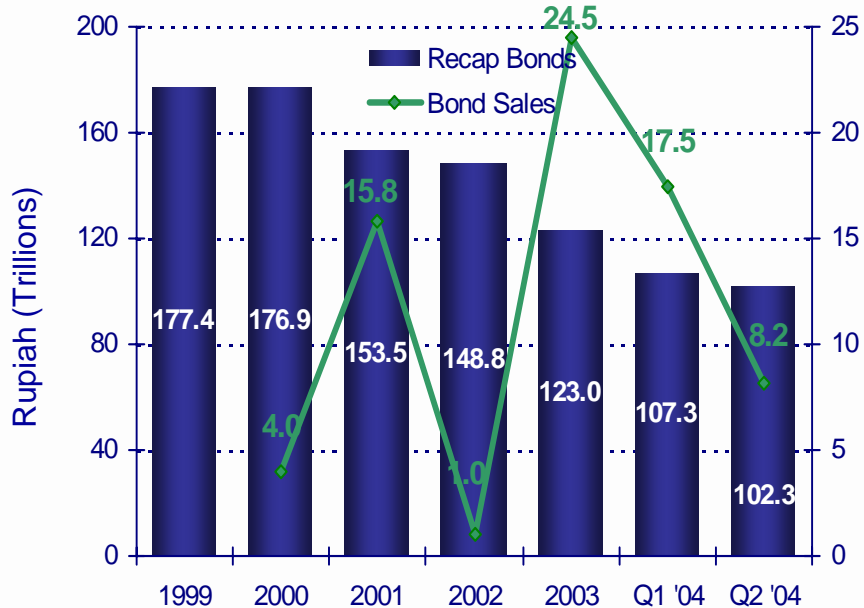
Restructuring during Q2 '04:

- Loans Restructured = Rp 170 bn
- Bad Debt Recovery = Rp 231 bn

Recap Bond Portfolio

<i>At Fair Value, June 2004 (Rp tn)</i>	Trading (Mark to Market)	AFS (Mark to Market)	HTM (Nominal Value)	Total	% of Total
Fixed Rate	0.1	10.6	1.4	12.1	11.8%
Variable Rate	1.3	22.9	59.7	83.9	82.0%
Hedge Bonds	-	-	6.3	6.3	6.2%
Total	1.4	33.5	67.4	102.3	
% of Total	1.4%	32.8%	65.9%		

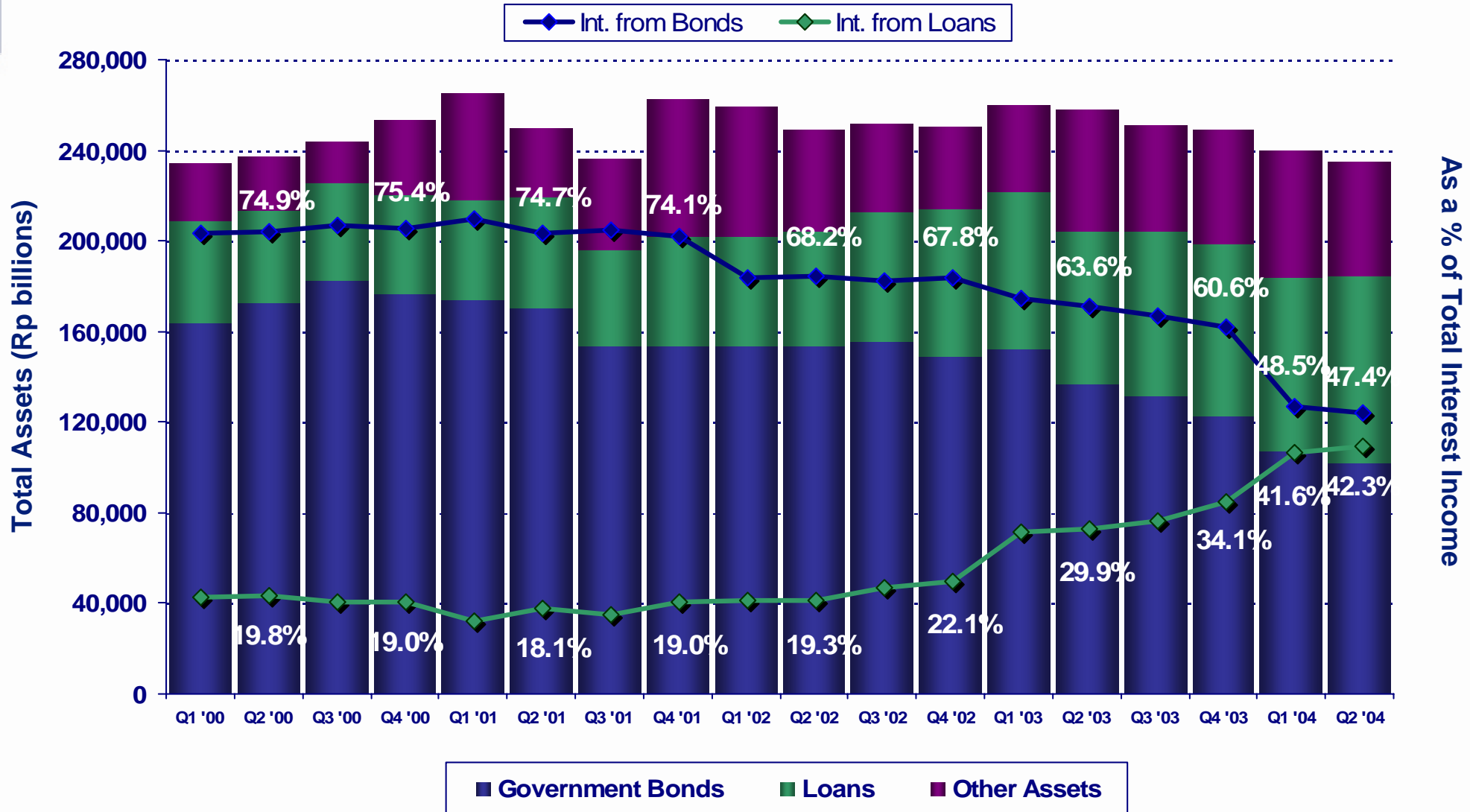
Bond Portfolio Movement (Fair Value), 1999 – Q2 '04



Portfolio Sales as of June 2004 (Rp bn)

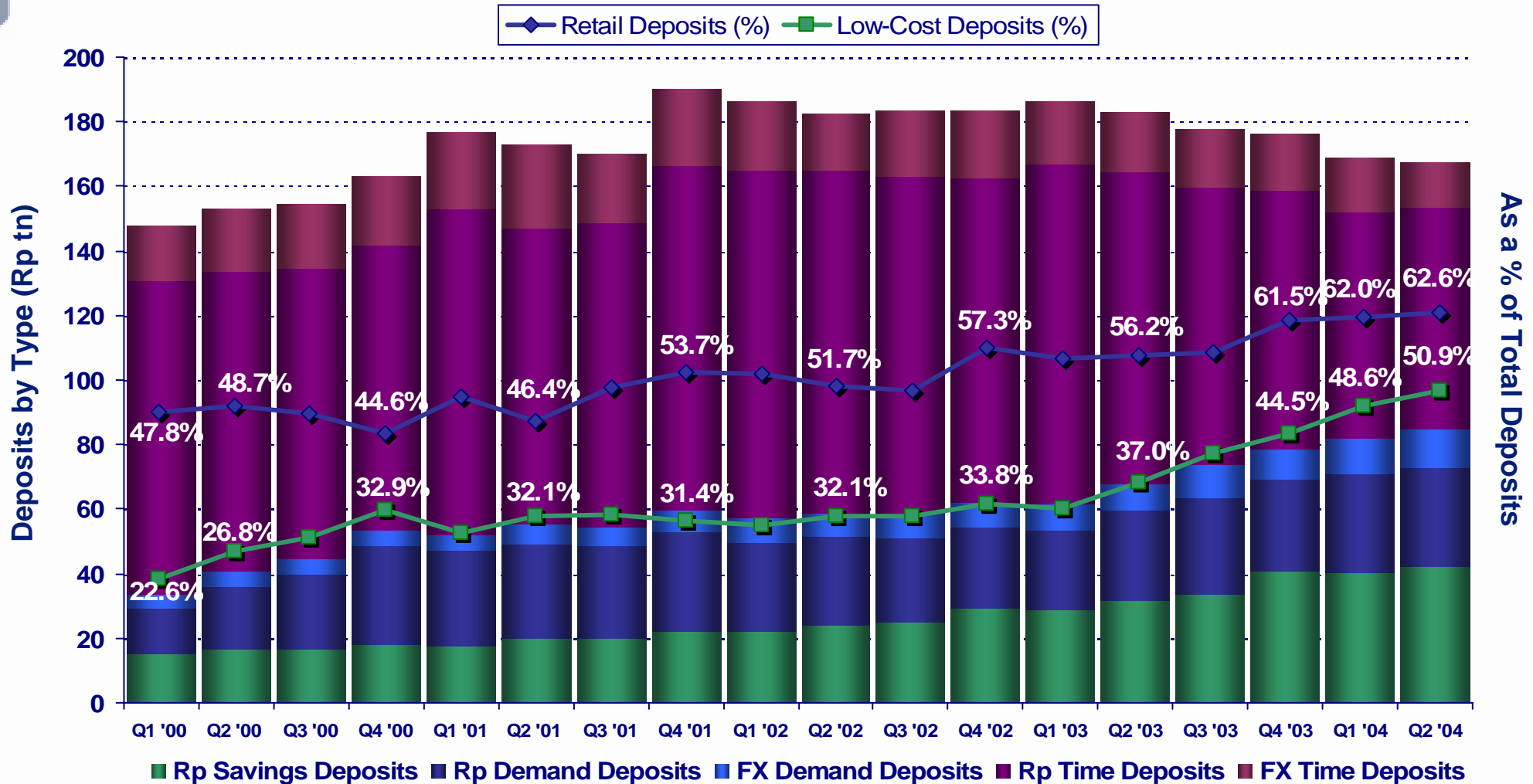
IDR bn	2003	Q1 '04	Q2 '04	H1 '04
Bonds Sold	24,505	17,540	8,181	25,721
Realized Profit	1,868	653	63	716
Unrealized Profit	(52)	60	10	70

Growing Contribution from Loans vs. Bonds – Bank Only



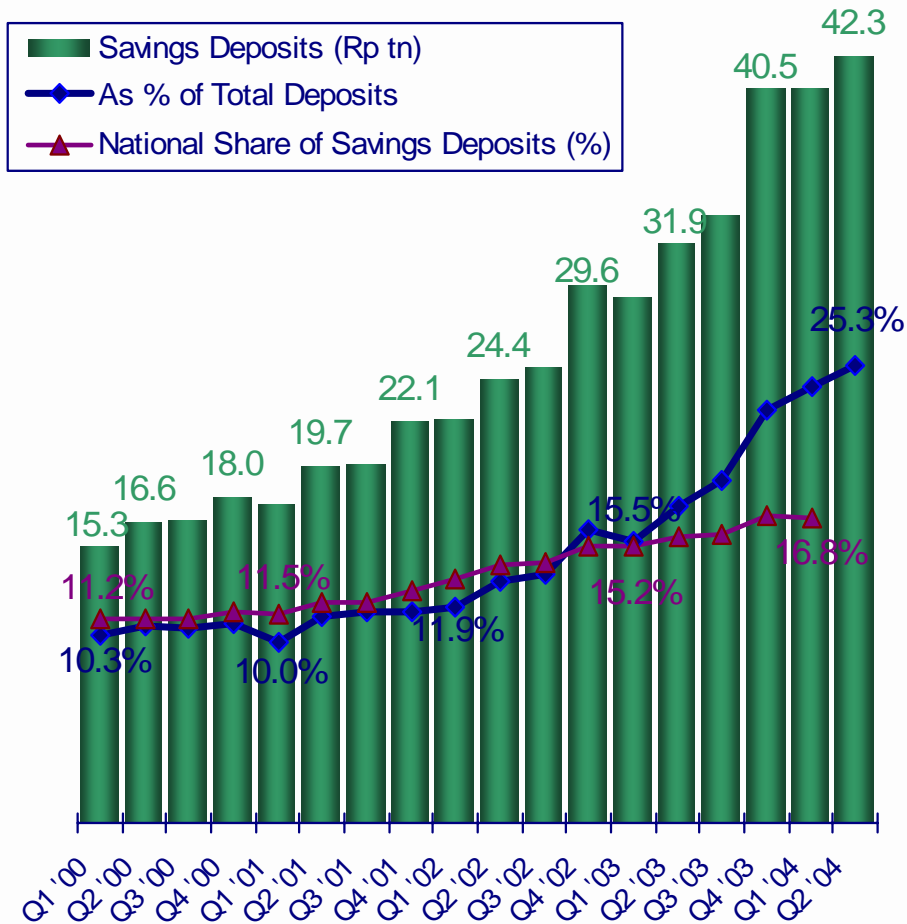
Funding Mix Improves

Deposit Analysis – Bank Only

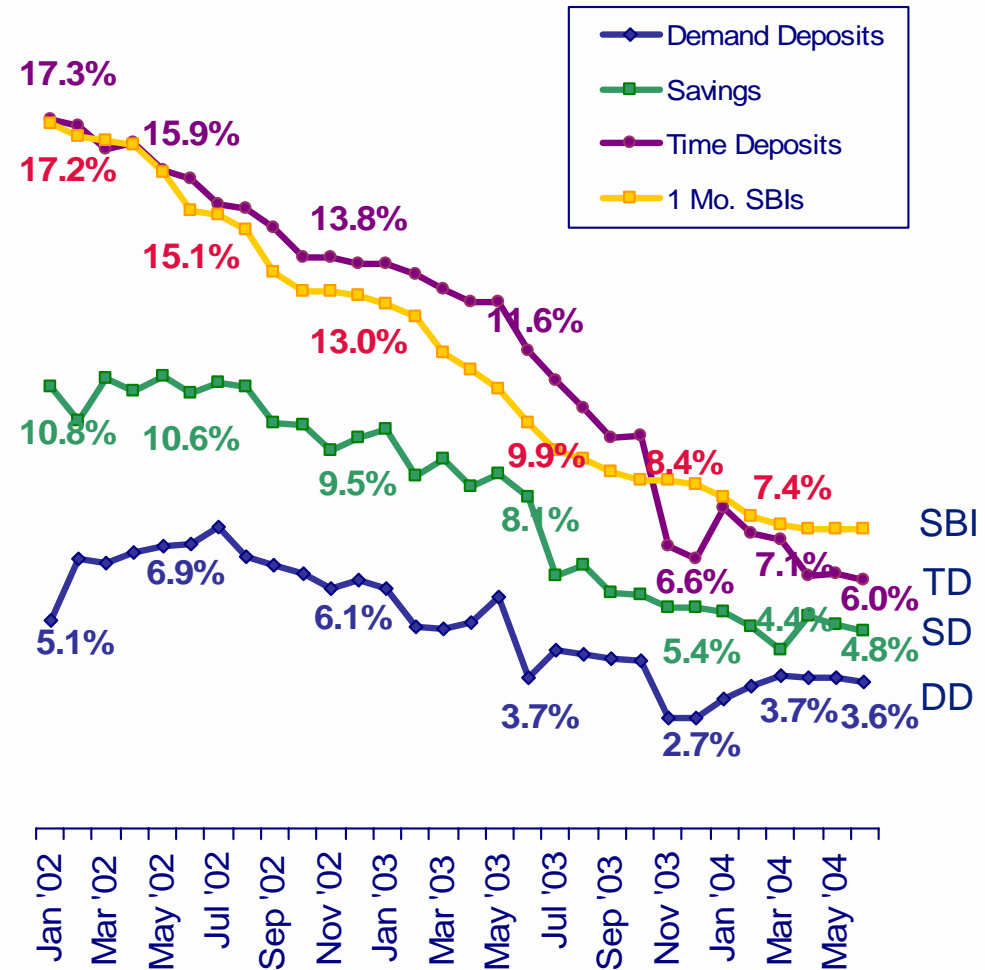


Savings Deposit Growth Generating a Better Funding Mix

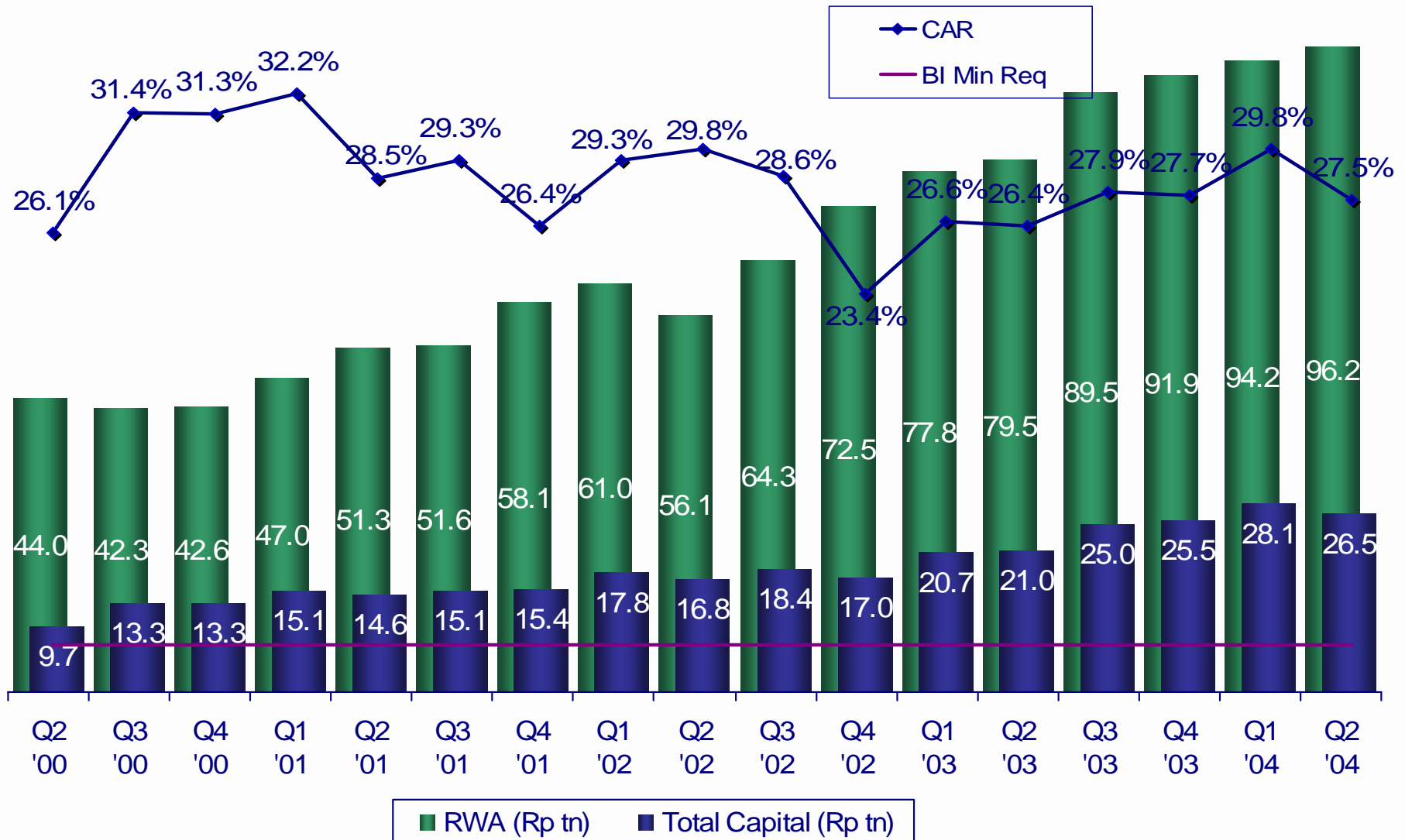
Savings Deposit Growth



Average Monthly Rupiah Deposit Costs (%)

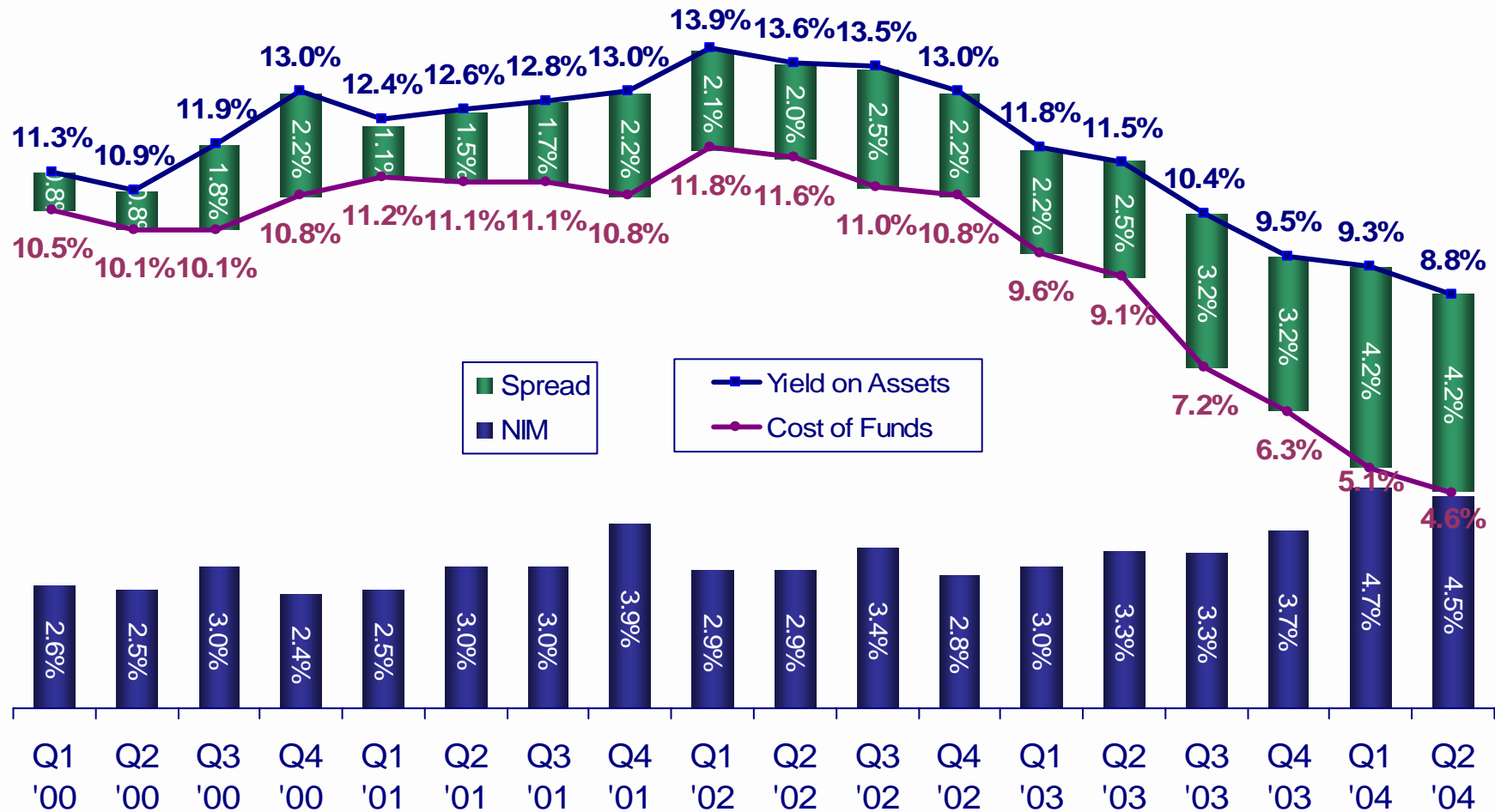


High CAR maintained through strong internal capital generation



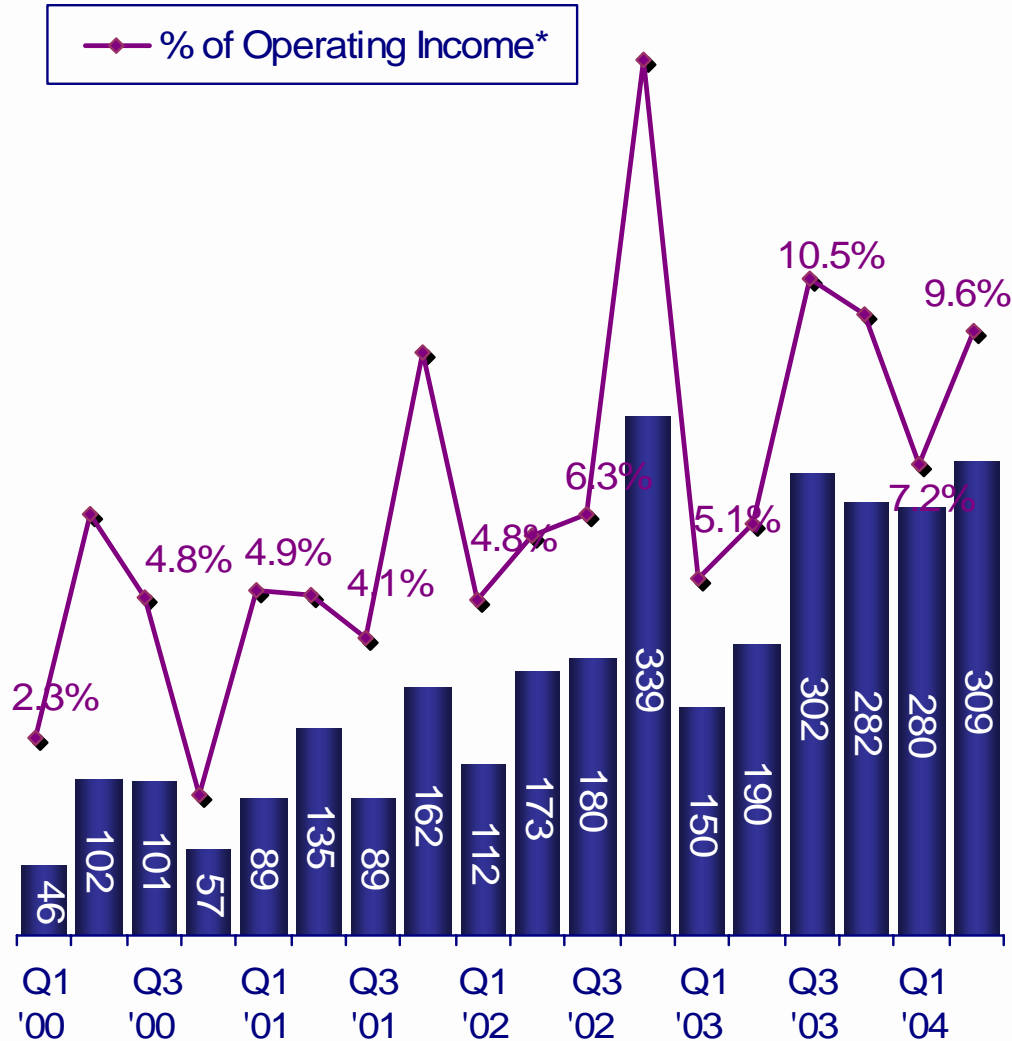
Margins improving through better Assets/Liabilities mix

All figures - Bank Only



Rising non-loan related fees & commissions

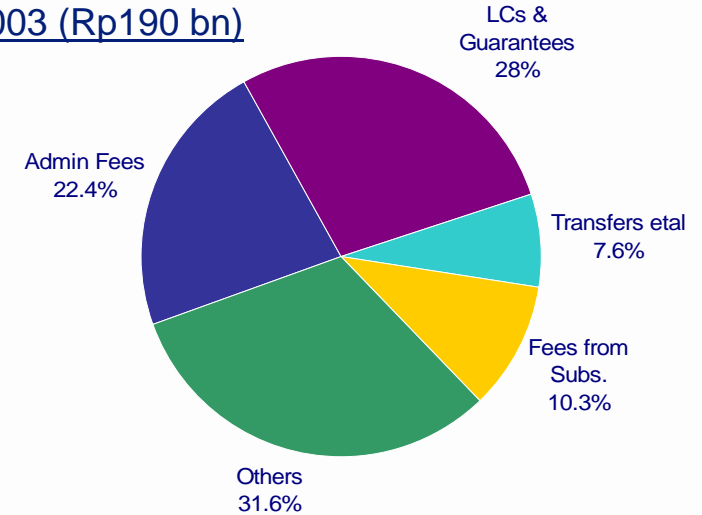
Non-loan related fees & commissions



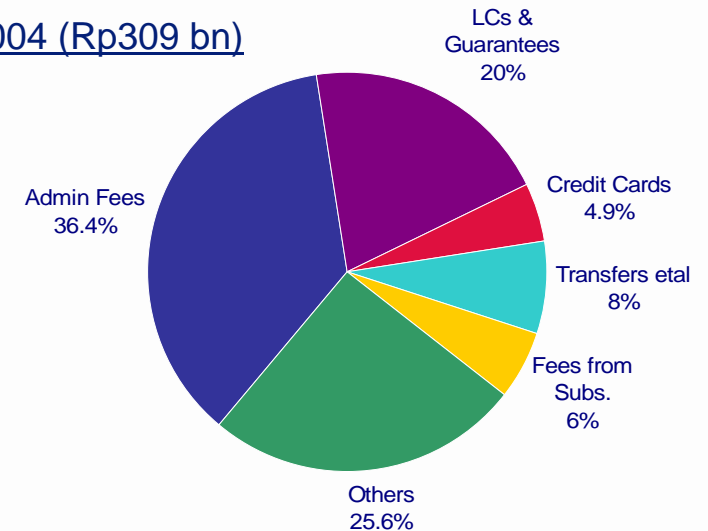
*Non-Loan related fees & commissions/Total Operating Income

Details of Q2 2003 & 2004

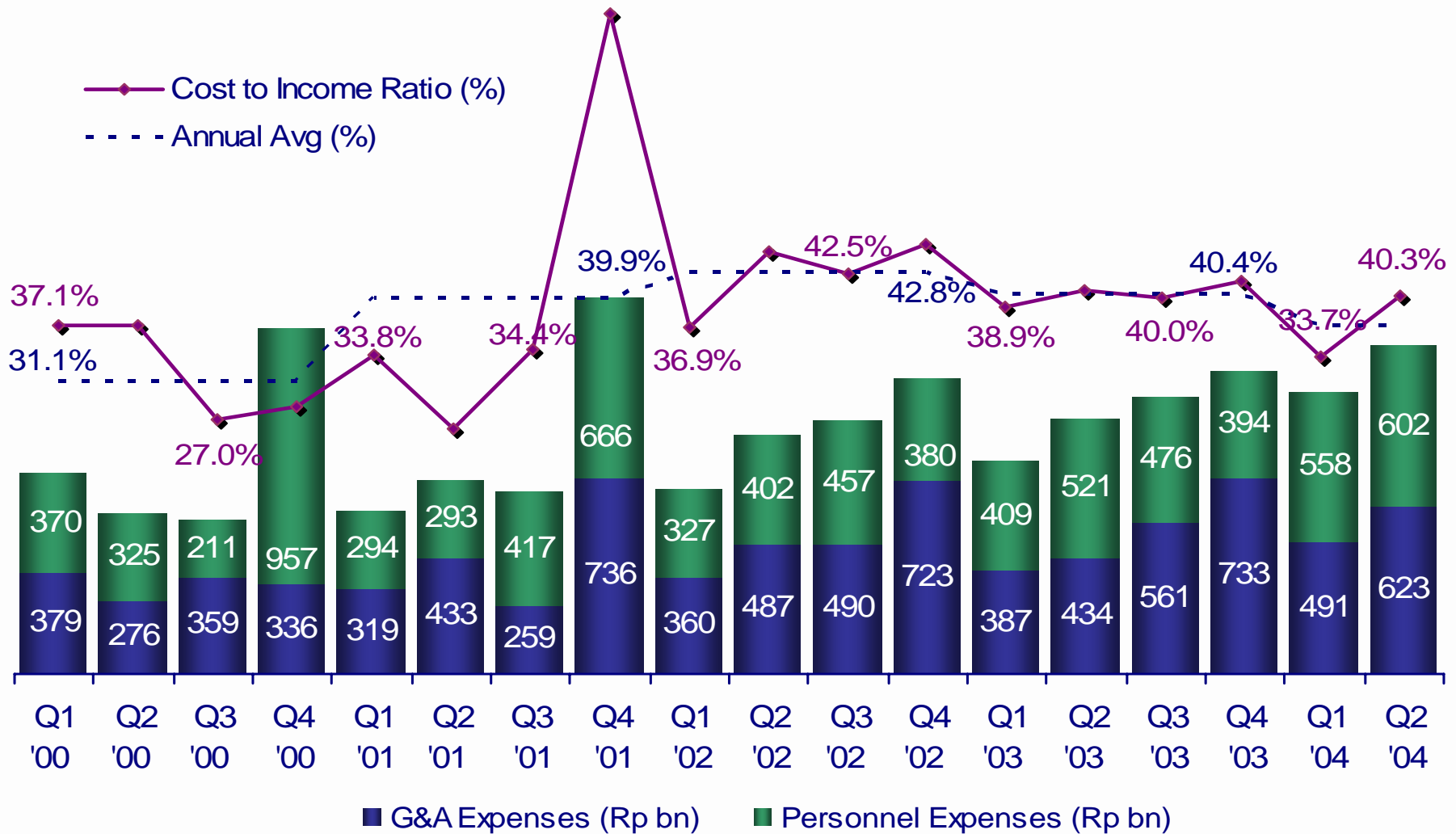
Q2 2003 (Rp190 bn)



Q2 2004 (Rp309 bn)



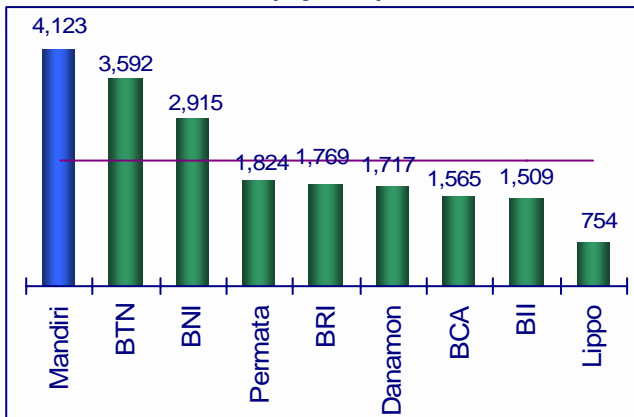
Efficiency ratios maintained despite salary adjustments and higher G&A expenses



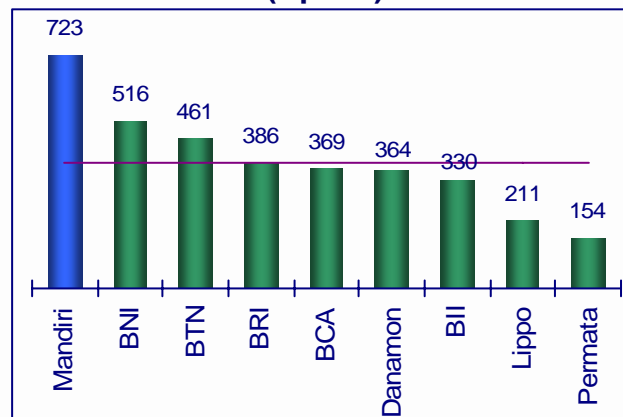
Scale maintains efficiency advantage over competitors

Bank Only, As of June 2004

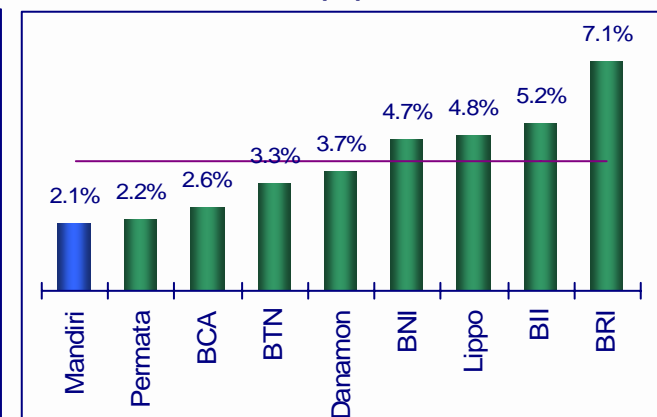
Loans/ Employee
(Rp Mn)



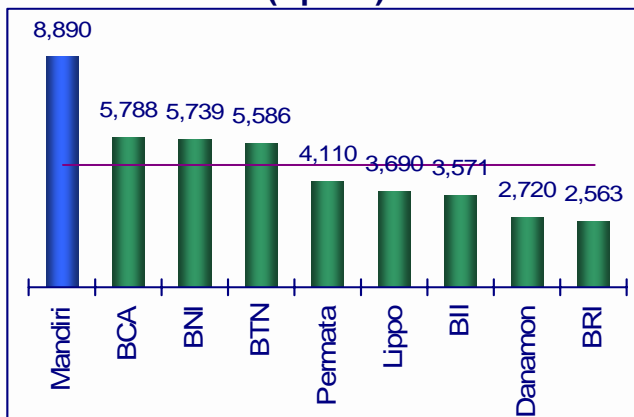
Revenue/ Employee*
(Rp Mn)



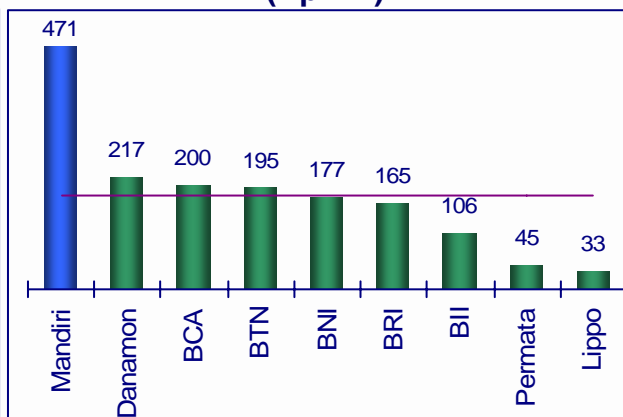
Cost/Assets*
(%)



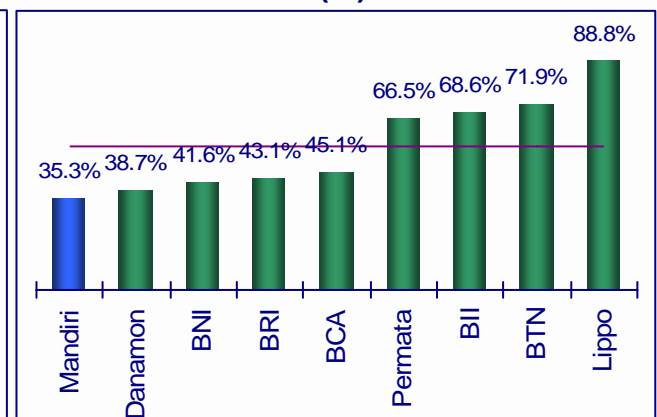
Deposits/ Employee
(Rp Mn)



Pre Tax Income/Employee*
(Rp Mn)



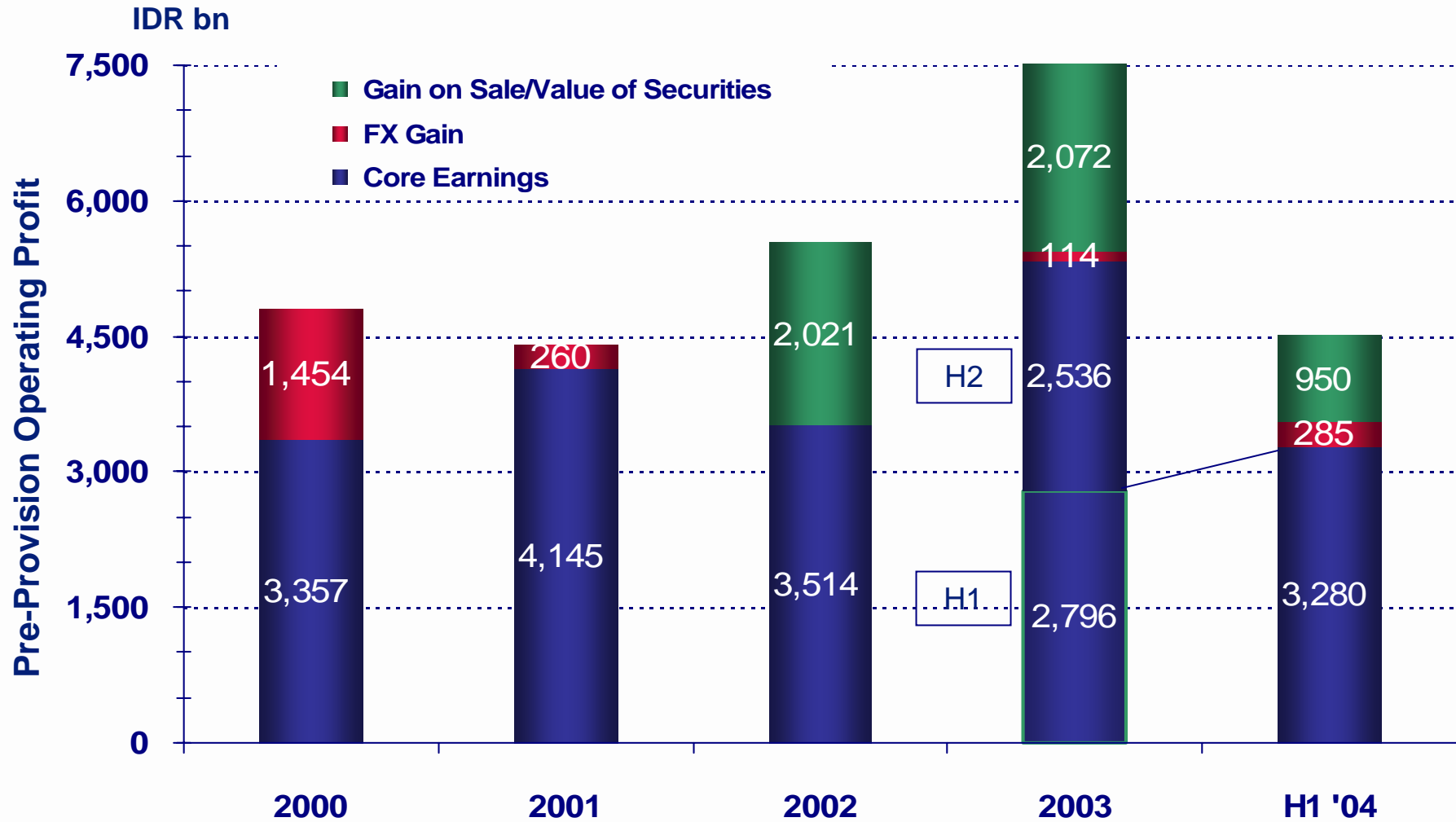
Cost/ Income (p.a.)
(%)



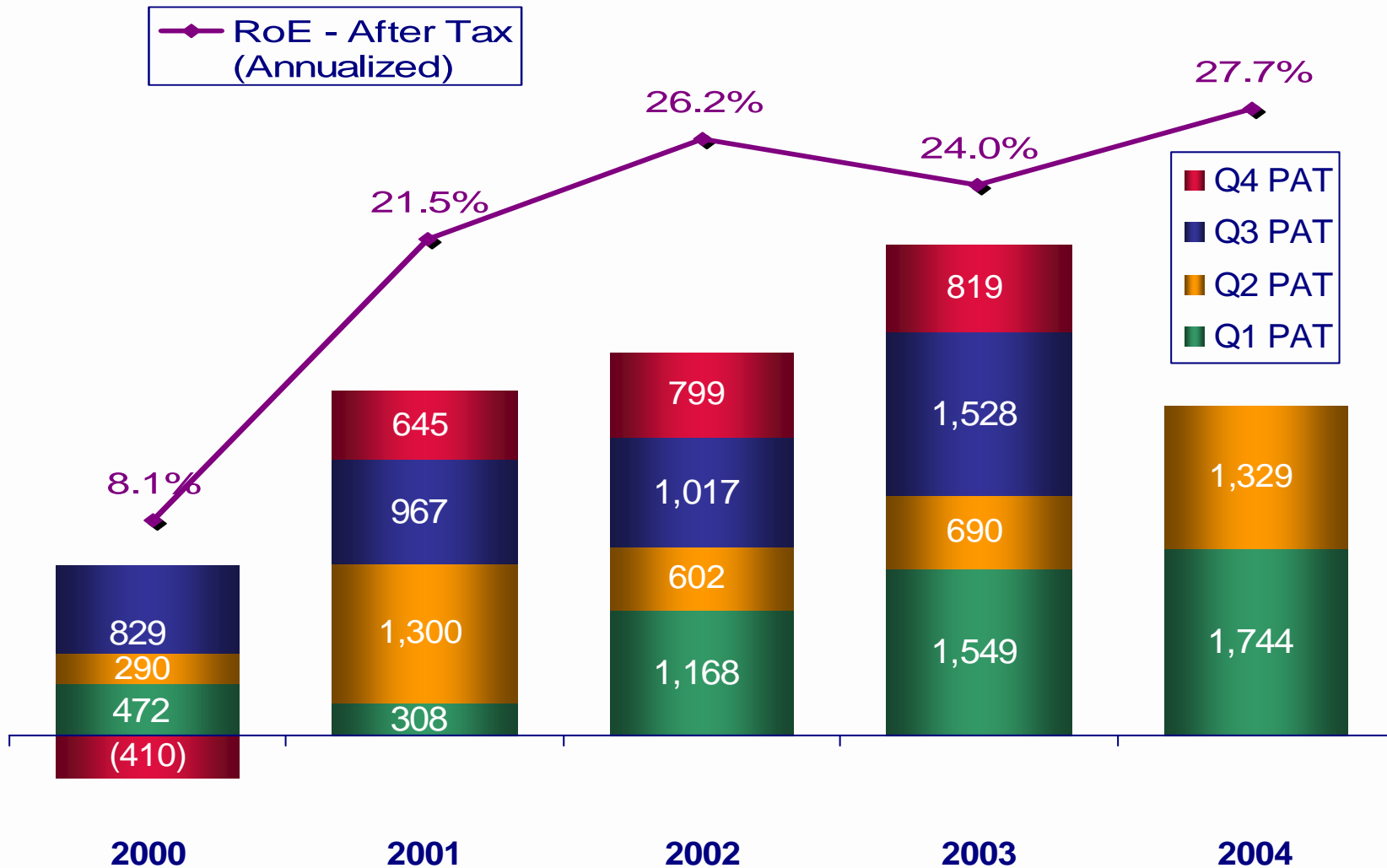
* Annualized

— Industry Average

H1 2004 core earnings 17.3% above H1 2003



Q2 PAT of Rp 1,329 bn is an increase of 92.6% on Q2 2003



Potential Upsides

Written-off Loans

- Aggregate of IDR 21.92 tn (US\$ 2.34 bn) in written-off loans as of end-June 2004, with significant recoveries on-going:
 - 2001: IDR 2.0 tn (US\$ 224 mn)
 - 2002: IDR 1.1 tn (US\$ 123 mn)
 - 2003: IDR 1.2 tn (US\$ 147 mn)
 - Q1 '04: IDR 0.19 tn (US\$ 22 mn)
 - Q2 '04: IDR 0.19 tn (US\$ 20 mn), including property auctions & redemptions bringing in IDR 42 bn against principal of IDR369.3 bn

Property Revaluation

- Property revalued by Rp. 3.0 trillion in our June 2003 accounts
- Based upon a valuation by Vigers as of June 2003, an additional Rp. 2.8 trillion remains un-booked

Conservative Provisioning

- Conservative provisioning policy resulted in allowances on loans exceeding BI's minimum requirements
 - As of 30 June 2004, excess provisions totaled IDR 2.845 tn (US\$ 303 mn)

Loan Collateral Undervalued

- Collateral values on NPLs are generally not included for provisioning purposes due to outdated valuations

Corporate Actions

Dividend Policy

- No change to dividend payment policy:
 >50% of Net Profit after tax

Acquisitions

- Bank Mandiri leads the Bank Mandiri-Buana Consortium in bidding for 51% of Bank Permata being sold by PT. Perusahaan Pengelolaan Asset (PPA).
- Indicative non-binding bid was submitted on 30 August 2004
- Final bidding is expected end-October 2004

In Conclusion

- Asset mix continues to improve
- Liability mix continues to improve
- Retail banking continues to grow (now on the asset side)
- Margins remain strong
- Transformation in corporate governance, risk management and corporate culture continues

Bank Mandiri Financial Summary

Summary Balance Sheet: Half Years ending June 30 & Dec 31

	H1 '03	H2 '03	H1 '04		Y-o-Y
	Rp (Billions)	Rp (Billions)	Rp (Billions)	USD (Millions)#	Rp % Change
Total Assets	257,772	249,436	234,686	25,006	(9.0)
Cash & Placements w/BI	32,421	27,089	25,490	2,716	(21.4)
Current Accounts & Placements w/Other Banks	6,416	6,972	8,399	895	30.9
Securities - Net	3,553	5,215	5,492	585	54.6
Government Bonds	137,033	122,907	102,277	10,898	(25.4)
Trading	4,091	1,389	1,446	154	(64.7)
AFS	29,509	51,437	33,474	3,567	13.4
HTM	103,433	70,081	67,357	7,177	(34.9)
Loans	66,787	75,943	82,250	8,764	23.2
Performing Loans	61,897	69,401	75,469	8,041	21.9
Non-Performing Loans	4,890	6,542	6,781	723	38.7
Allowances	(8,713)	(9,100)	(8,809)	(939)	1.1
Loans – Net	58,074	66,843	73,441	7,825	26.5
Total Deposits – Non-Bank	184,370	178,811	171,616	18,286	(6.9)
Demand Deposits	36,012	38,232	43,551	4,640	20.9
Savings Deposits	32,546	41,307	43,535	4,639	33.8
Certificate & Time Deposits	115,812	99,272	84,530	9,007	(27.0)
Shareholders' Equity	21,044	20,395	22,759	2,425	8.1

USD1 = Rp9,385

Summary Quarterly Balance Sheet: 31 Dec '03, 31 Mar. & 30 Jun. '04

	Q4 '03	Q1 '04	Q2 '04		Q-o-Q
	Rp (Billions)	Rp (Billions)	Rp (Billions)	USD (Millions)#	Rp % Change
Total Assets	249,436	239,383	234,686	25,006	(2.0)
Cash & Placements w/BI	27,089	28,135	25,490	2,716	(9.4)
Current Accounts & Placements w/Other Banks	6,972	10,358	8,399	895	(18.9)
Securities - Net	5,215	4,335	5,492	585	26.7
Government Bonds	122,907	107,317	102,277	10,898	(4.7)
Trading	1,389	1,478	1,446	154	(2.2)
AFS	51,437	37,321	33,474	3,567	(10.3)
HTM	70,081	68,518	67,357	7,177	(1.7)
Loans	75,943	76,652	82,250	8,764	7.3
Performing Loans	69,401	70,231	75,469	8,041	7.5
Non-Performing Loans	6,542	6,421	6,781	723	5.6
Allowances	(9,100)	(8,894)	(8,809)	(939)	(1.0)
Loans – Net	66,843	67,758	73,441	7,825	8.4
Total Deposits – Non-Bank	178,811	172,018	171,616	18,286	(0.2)
Demand Deposits	38,232	41,843	43,551	4,640	4.1
Savings Deposits	41,307	41,719	43,535	4,639	4.4
Certificate & Time Deposits	99,272	88,456	84,530	9,007	(4.4)
Shareholders' Equity	20,395	23,299	22,759	2,425	(2.3)

USD1 = Rp9,385

Summary P&L Information – Q2 2004

	Q1 2004		Q2 2004		Q-o-Q Change
	Rp (Billions)	% of Av.Assets*	Rp (Billions)	% of Av.Assets	(%)
Interest Income	5,178	8.5	4,732	8.0	(8.6)
Interest Expense	(2,623)	(4.3)	(2,309)	(3.9)	(12.0)
Net Interest Income	2,555	4.2	2,423	4.1	(5.2)
Other Operating Income	557	0.9	620	1.0	(11.3)
Gain from Increase in Value & Sale of Bonds	777	1.3	173	0.3	(77.7)
Provisions, Net	(243)	(0.4)	151	0.3	(162.1)
Personnel Expenses	(558)	(0.9)	(602)	(1.0)	7.9
G & A Expenses	(491)	(0.8)	(623)	(1.1)	26.9
Other Operating Expenses**	(168)	(0.3)	(148)	(0.2)	(11.9)
Profit from Operations	2,429	4.0	1,994	3.4	(17.9)
Non Operating Income	36	0.1	(6)	(0.0)	(116.7)
Net Income Before Tax	2,465	4.0	1,988	3.4	(19.4)
Net Income After Tax	1,744	2.9	1,329	2.2	(23.8)

* % of Average Assets on an annualized basis

** primarily premiums paid under the blanket guarantee scheme

Recap Bond Portfolio Details – 30 June 2004

Series	Maturity Date	Nominal Available (Rp)	Interest Rate (%)	Nominal Value			Mark To Market	Fair Value			
				Trading Portfolio	AFS Portfolio	HTM Portfolio		Trading Portfolio	AFS Portfolio	HTM Portfolio	
Fixed Rate											
FR0002	15-Jun-09	116,139	14.00%	18,068	98,071		109.00	19,694	106,897		
FR0005	15-Jul-07	72,813	12.25%		72,813		104.50		76,090		
FR0010	15-Mar-10	2,746,101	13.15%		1,396,101	1,350,000	105.00		1,465,906	1,350,000	
FR0013	15-Sep-10	265,852	15.43%		265,852		114.00		303,071		
FR0013	15-Sep-10	20,000	14.50%	20,000			114.00	22,800			
FR0014	15-Nov-10	609,947	15.58%		609,947		114.00		695,340		
FR0019	15-Jun-13	2,763,791	14.25%		2,763,791		109.50		3,026,351		
FR0020	15-Dec-13	4,489,791	14.28%		4,489,791		109.75		4,927,546		
Sub Total		11,084,434	14.05%	38,068	9,696,366	1,350,000		42,494	10,601,201	1,350,000	
Variable Rate											
VR0008	25-Nov-05	1,899	7.24%	1,899			100.25	1,904			
VR0010	25-Oct-06	1,312,361	7.25%	1,312,361			99.80	1,309,736			
VR0012	25-Sep-07	180,000	7.25%		180,000		99.60		179,280		
VR0013	25-Jan-08	1,198,384	7.25%		1,198,384		99.40		1,191,194		
VR0014	25-Aug-08	5,000	7.24%		5,000		99.15		4,958		
VR0015	25-Dec-08	450,000	7.25%		450,000		99.00		445,500		
VR0017	25-Jun-11	2,878,270	7.25%		2,878,270		98.75		2,842,292		
VR0019	25-Dec-14	6,164,300	7.25%		5,050,000	1,114,300	97.10		4,903,550	1,114,300	
VR0020	25-Apr-15	4,491,029	7.25%		4,100,000	391,029	94.00		3,854,000	391,029	
VR0021	25-Nov-15	2,400,690	7.24%		2,400,000	690	94.00		2,256,000	690	
VR0022	25-Mar-16	7,489,657	7.25%		692,844	6,796,813	93.00		644,345	6,796,813	
VR0023	25-Oct-16	4,745,806	7.25%		659,738	4,086,068	93.00		613,556	4,086,068	
VR0024	25 Feb 17	8,210,550	7.24%			8,210,550				8,210,550	
VR0025	25-Sep-17	5,210,550	7.25%			5,210,550				5,210,550	
VR0026	25-Jan-18	3,475,267	7.25%			3,475,267				3,475,267	
VR0027	25-Jul-18	3,475,267	7.25%			3,475,267				3,475,267	
VR0028	25-Aug-18	5,171,695	7.24%		1,696,428	3,475,267	93.00		1,577,678	3,475,267	
VR0029	25-Aug-19	8,214,881	7.24%		4,739,614	3,475,267	92.00		4,360,445	3,475,267	
VR0030	25-Dec-19	8,016,765	7.25%			8,016,765				8,016,765	
VR0031	25-Jul-20	12,016,765	7.25%			12,016,765				12,016,765	
Sub Total		85,109,136	7.25%	1,314,260	24,050,278	59,744,598		1,311,640	22,872,797	59,744,598	
Hedge Bonds											
		KPSB (Bank Ind.)			KPSB (Bank Ind.)				Midas Position		
HB00071	25-Jul-04	577,588	3.16%			577,588				624,573	
HB00072	25-Aug-04	539,643	3.28%			539,643				557,094	
HB00073	25-Sep-04	560,300	3.56%			560,300				557,094	
HB00074	25-Oct-04	515,186	3.16%			515,186				557,094	
HB00075	25-Nov-04	539,643	3.28%			539,643				557,094	
HB00076	25-Dec-04	560,300	3.56%			560,300				557,094	
HB00077	25-Jan-05	439,766	3.16%			439,766				475,539	
HB00078	25-Feb-05	460,642	3.28%			460,642				475,539	
HB00079	25-Mar-05	478,275	3.56%			478,275				475,539	
HB00080	25-Apr-05	439,679	3.16%			439,679				475,445	
HB00081	25-May-05	460,551	3.28%			460,551				475,445	
HB00082	25-Jun-05	478,181	3.56%			478,181				475,445	
Sub Total		6,049,752	3.34%	0	0	6,049,752				6,262,996	
Grand Total		102,243,322		1,352,328	33,746,644	67,144,350		1,354,134	33,473,998	67,357,594	
				1.32%	33.01%	65.67%		1.33%	32.76%	65.92%	
				Total Nominal Value	102,243,322			Total Fair Value			
					102,243,322			102,185,725			

(Stated in Rp Millions)

Bank Mandiri's Credit Ratings

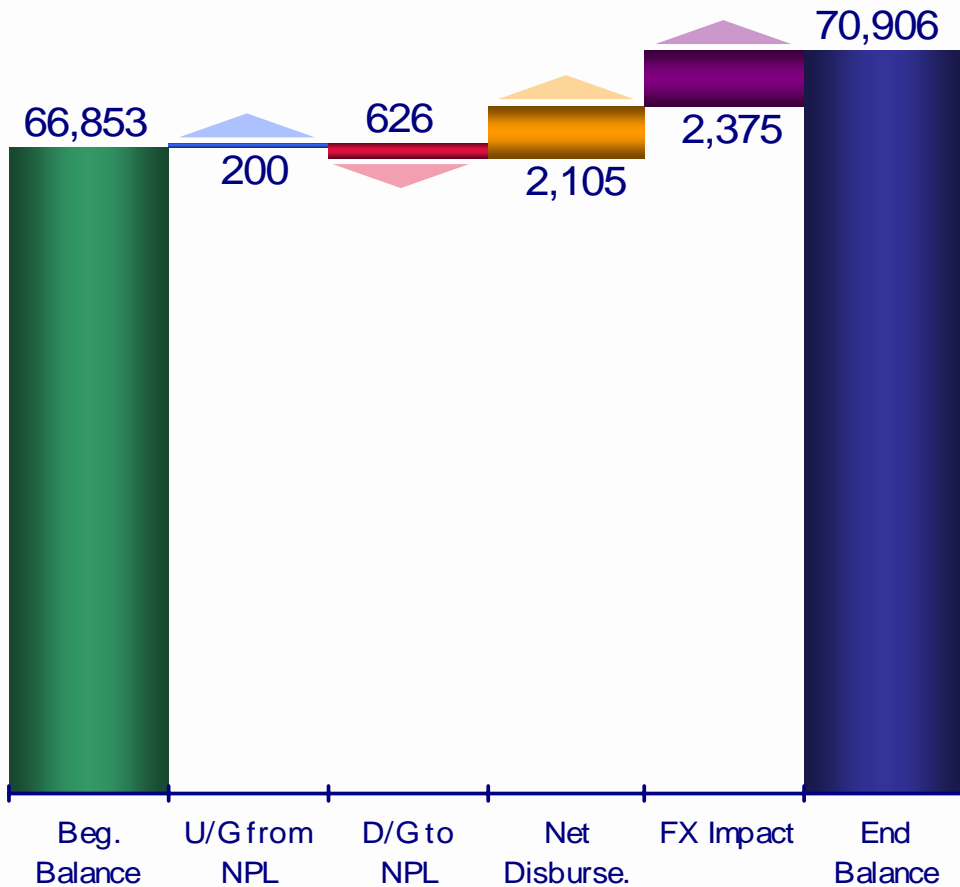
	S&P	Moody's	Fitch
<u>Sovereign Ratings</u>			
Outlook	Positive	Stable	Stable
Long Term Bank Deposits		B3	
Long Term Foreign Currency Debt	B	B2	B
Long Term Local Currency Debt	B+		B
<u>Bank Mandiri Ratings</u>			
Long Term Foreign Currency Outlook	Positive	Stable	
Long Term Bank Deposits		B3	
Long Term Foreign Currency Debt	B	B2	B
Short Term Foreign Currency Debt	B		B
Long Term Local Currency Outlook	Positive		
Long Term Local Currency Debt	B+		B+

Bank Mandiri Additional Loan Movement & Portfolio Detail

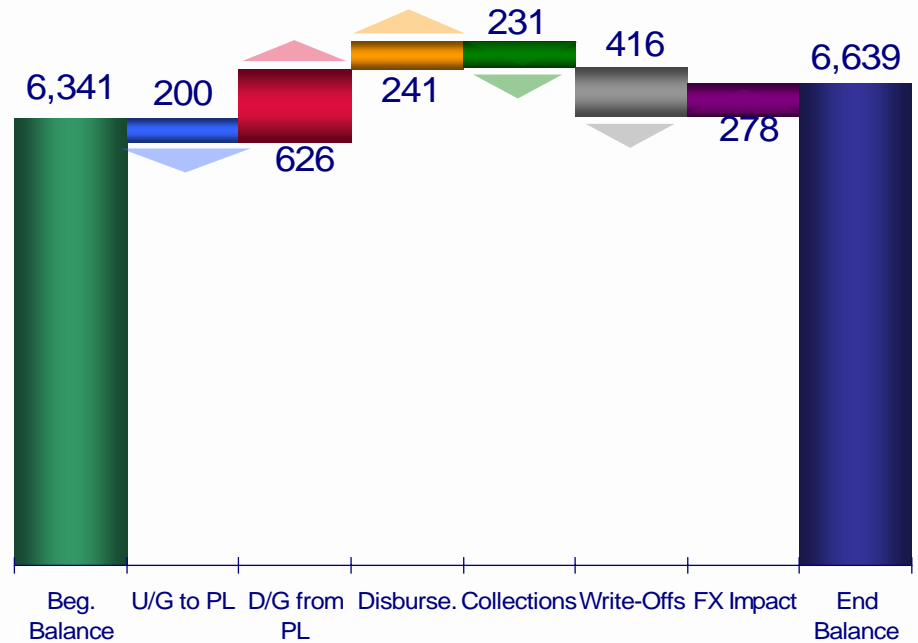
Q2 2004 Loan Movement, Performing & Non-Performing Loans

Performing Loan Movements - Bank Only

IDR bn

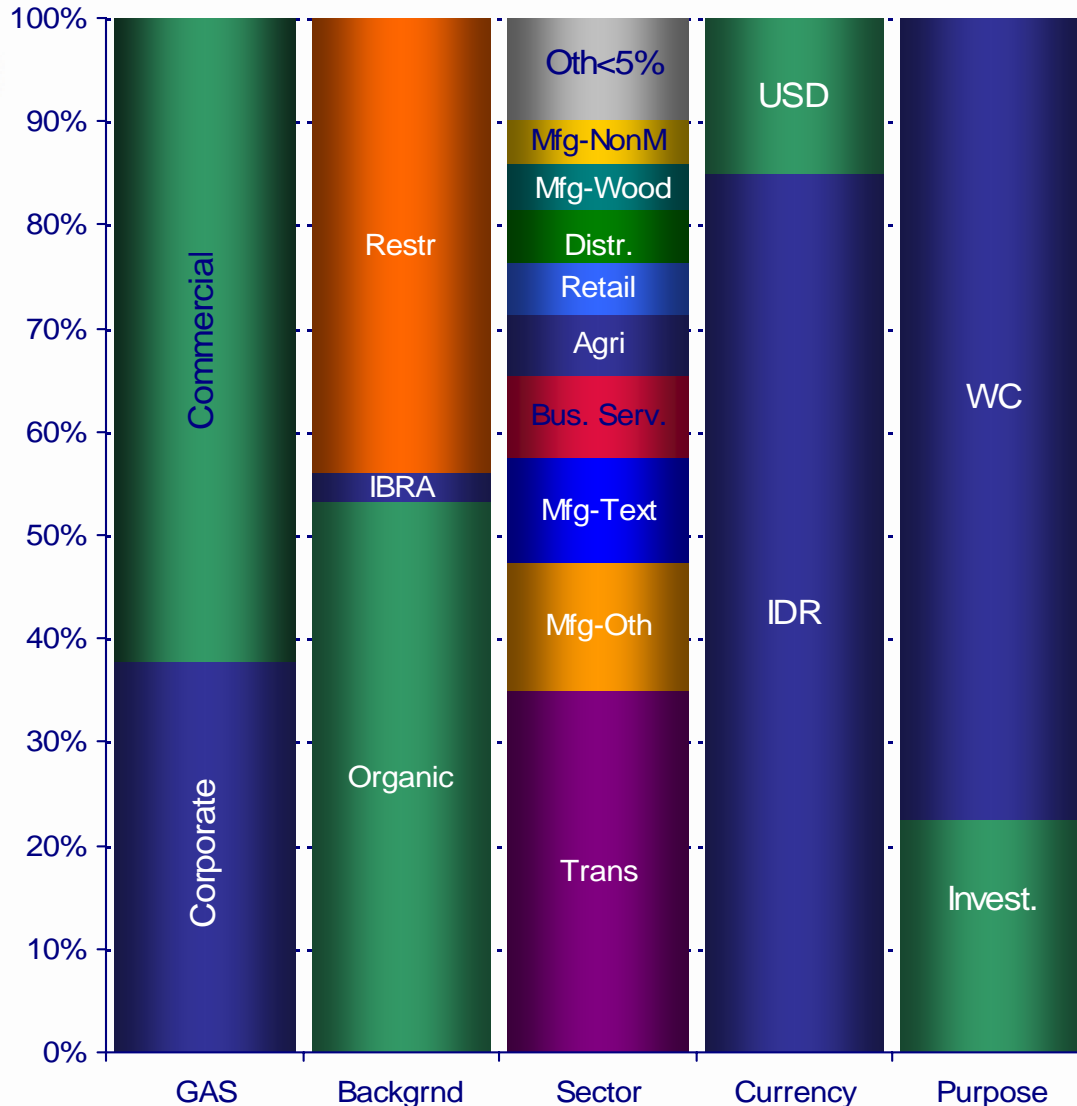


Non-Performing Loan Movements – Bank Only



Q2 2004 Loan Detail*: New NPLs

Loan Profile: Q2 Corp & Comm New NPLs (Rp 665 bn) - Bank Only



New NPLs in Corporate and Commercial loans totaled Rp 665 billion (0.9% of total loans) in Q2. Of these new NPLs in Q2:

- 43.8% remained current on interest payments
- 62.3% were Commercial borrowers
- 2.8% were loans purchased from IBRA
- 43.9% were previously restructured
- Largest downgrades by sector:
 - Transportation
 - Business Services
 - Manufacturing of Textiles
- 85.0% were Rupiah loans
- 22.5% were Investment loans
- 1st time downgrades from Business Services, Trading & Hotels

* Corporate & Commercial Loans Only

Q2 2004 Loan Detail*: New NPLs

New NPLs by Customer Segment (Rp tn) – Bank

Loan Classification	Commercial	Corporate	Total
Restructured	7,184.0	14,342.4	21,526.4
IBRA	1,377.4	3,633.2	5,010.5
Pre-Merger	3,351.1	1,367.7	4,718.8
Post-Merger	20,988.5	17,985.9	38,974.4
Overseas	-	2,083.1	2,083.1
Total	33,028.6	39,464.5	72,493.1

New NPLs in Q2 2004

Restructured	79.6	212.5	292.0
IBRA	18.6	-	18.6
Pre-Merger	18.2	-	18.2
Post-Merger	297.9	16.0	313.9
Overseas	-	22.7	22.7
Total	414.2	251.1	665.4

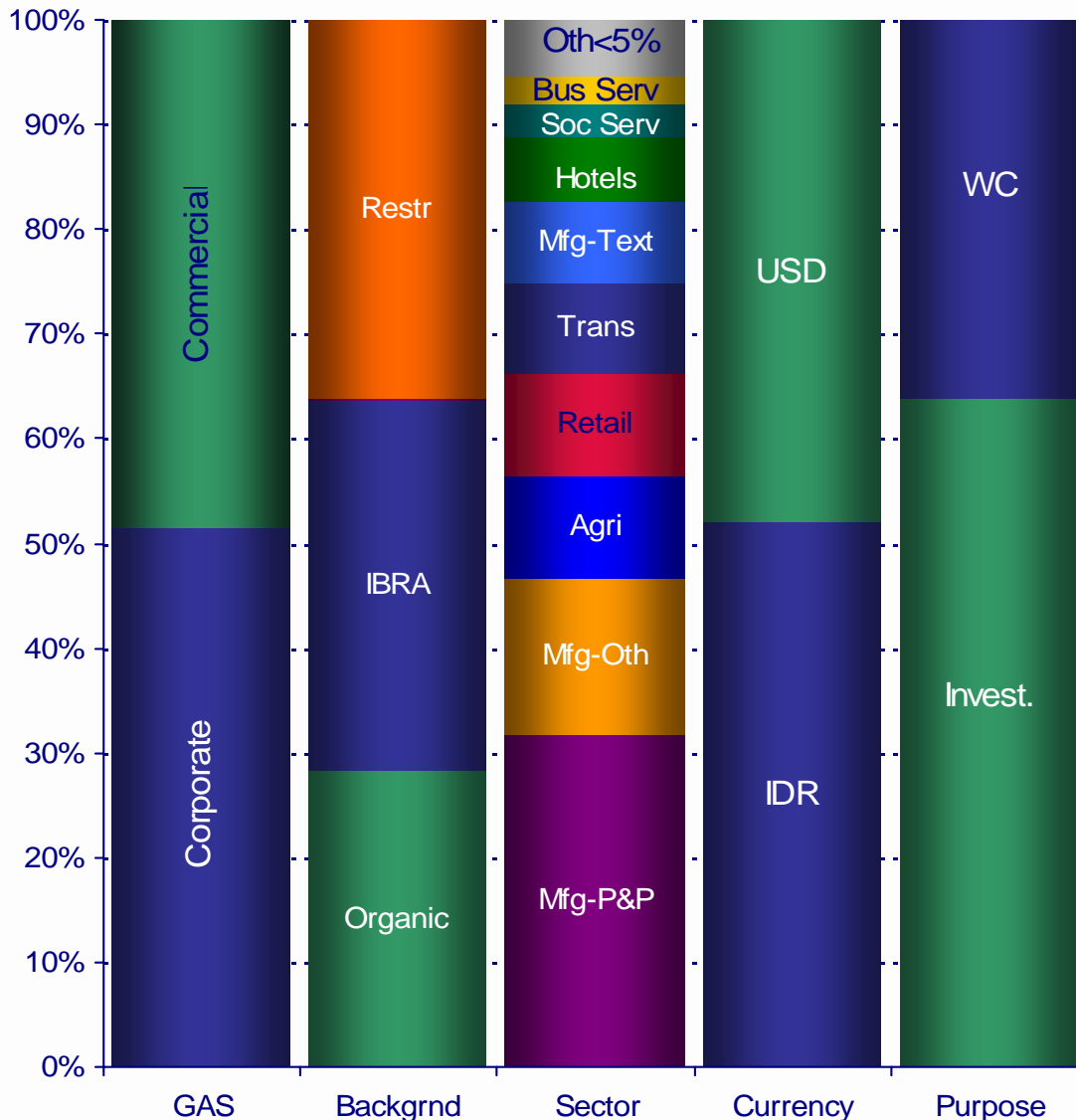
Annualized NPL Rate

Restructured	4.4%	5.9%	5.4%
IBRA	5.4%	-	1.5%
Pre-Merger	2.2%	-	1.5%
Post-Merger	5.7%	0.4%	3.2%
Overseas	-	4.4%	4.4%
Total	5.0%	2.5%	3.7%

Loan Segment Details – Bank Only

Q2 2004 Loan Detail*: Non-Performing Loans

Loan Profile: Q2 Corp & Comm NPLs (Rp 6.5 tn) Bank Only



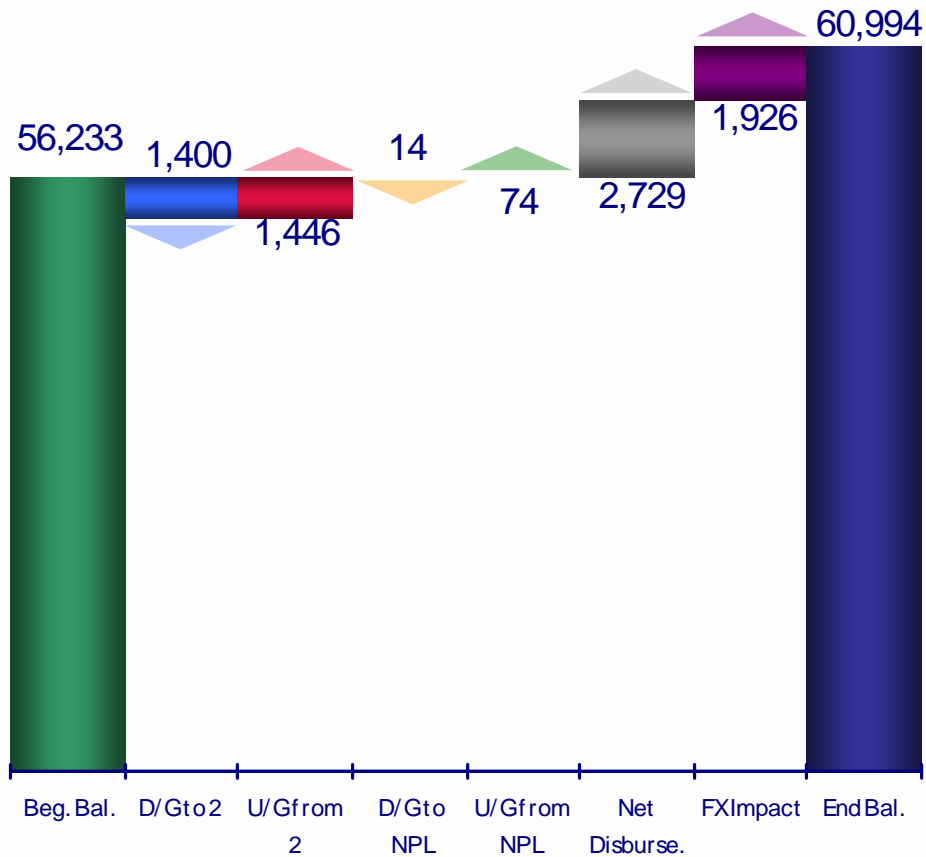
Rp 6.5 trillion in Corporate & Commercial NPLs remained in Q2, or 8.3% of total loans. Of these NPLs in Q2:

- 51.4% are to Corporate customers
- 63.9% are Investment loans
- Primary sectors are:
 - Manufacturing
 - Pulp & Paper
 - Textiles
 - Trading, Hotel & Restaurant
 - Agriculture
 - Transportation
- 52.1% are Rupiah loans
- 36.3% were previously restructured
- 35.4% were loans purchased from IBRA

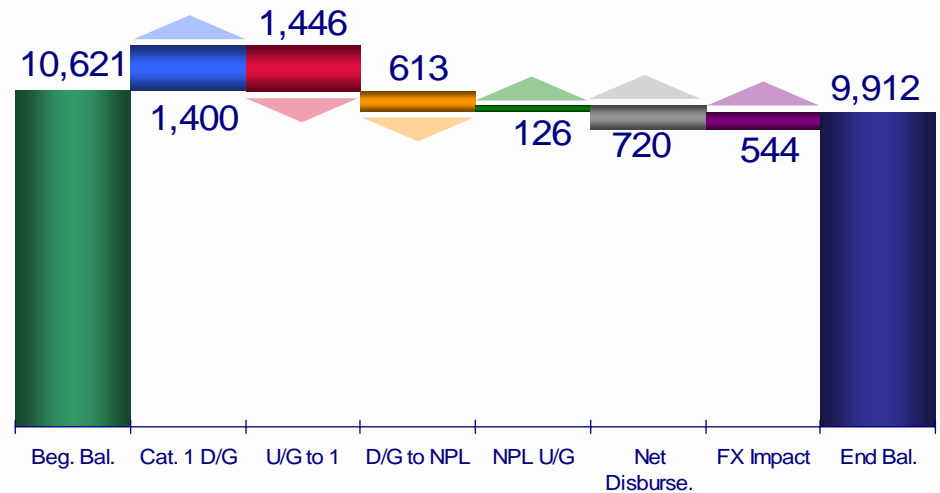
* Corporate & Commercial Loans Only

Q2 2004 Movement in Category 1 and 2 Loans

Category 1 Loan Movements (Rp bn) – Bank Only

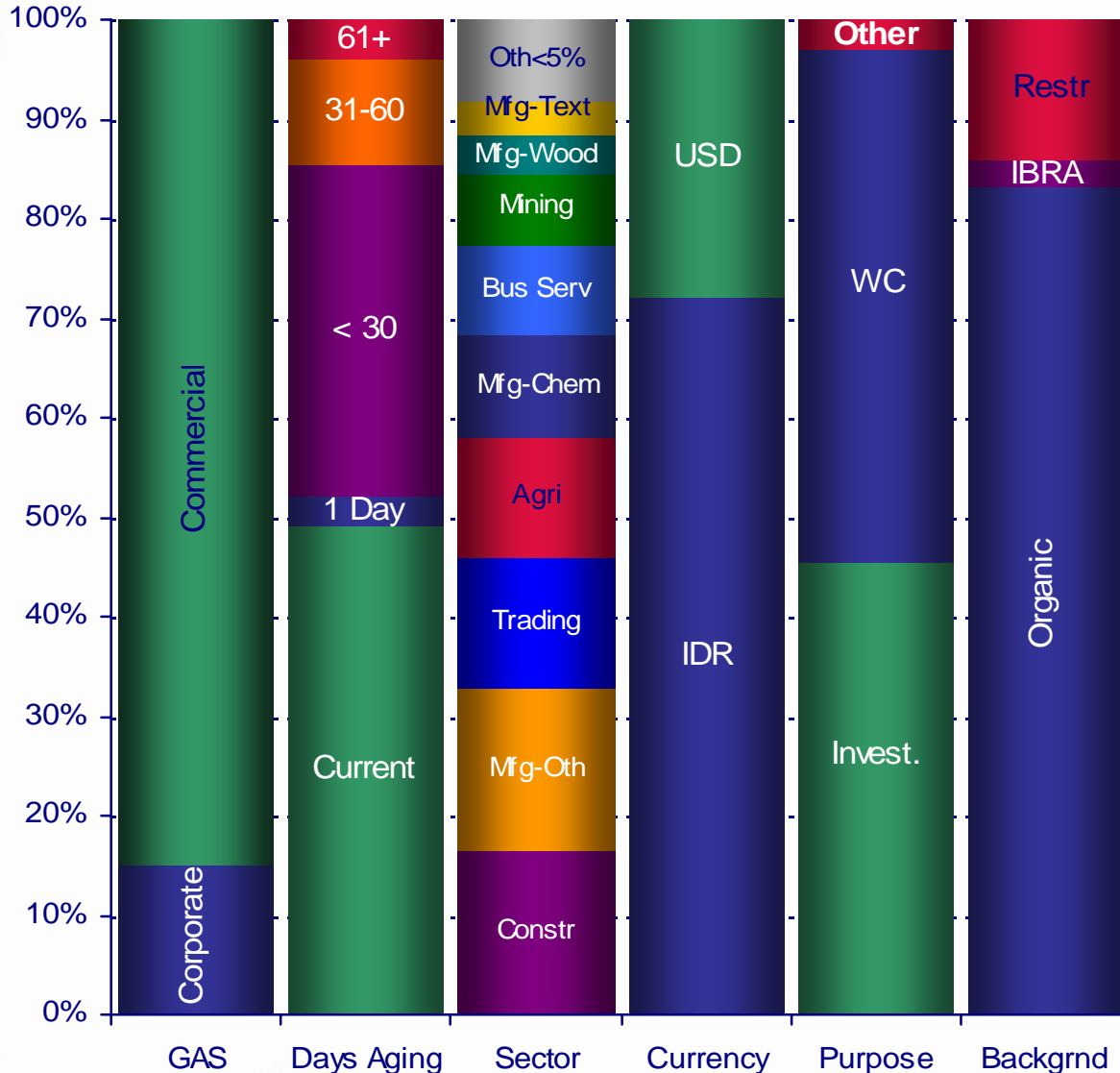


Category 2 Loan Movements (Rp bn) – Bank Only



Q2 2004 Loan Detail*: New Category 2 Loans

Loan Profile: Q2 Corp & Comm New Cat. 2 loans (Rp 1.38 tn)
Bank Only



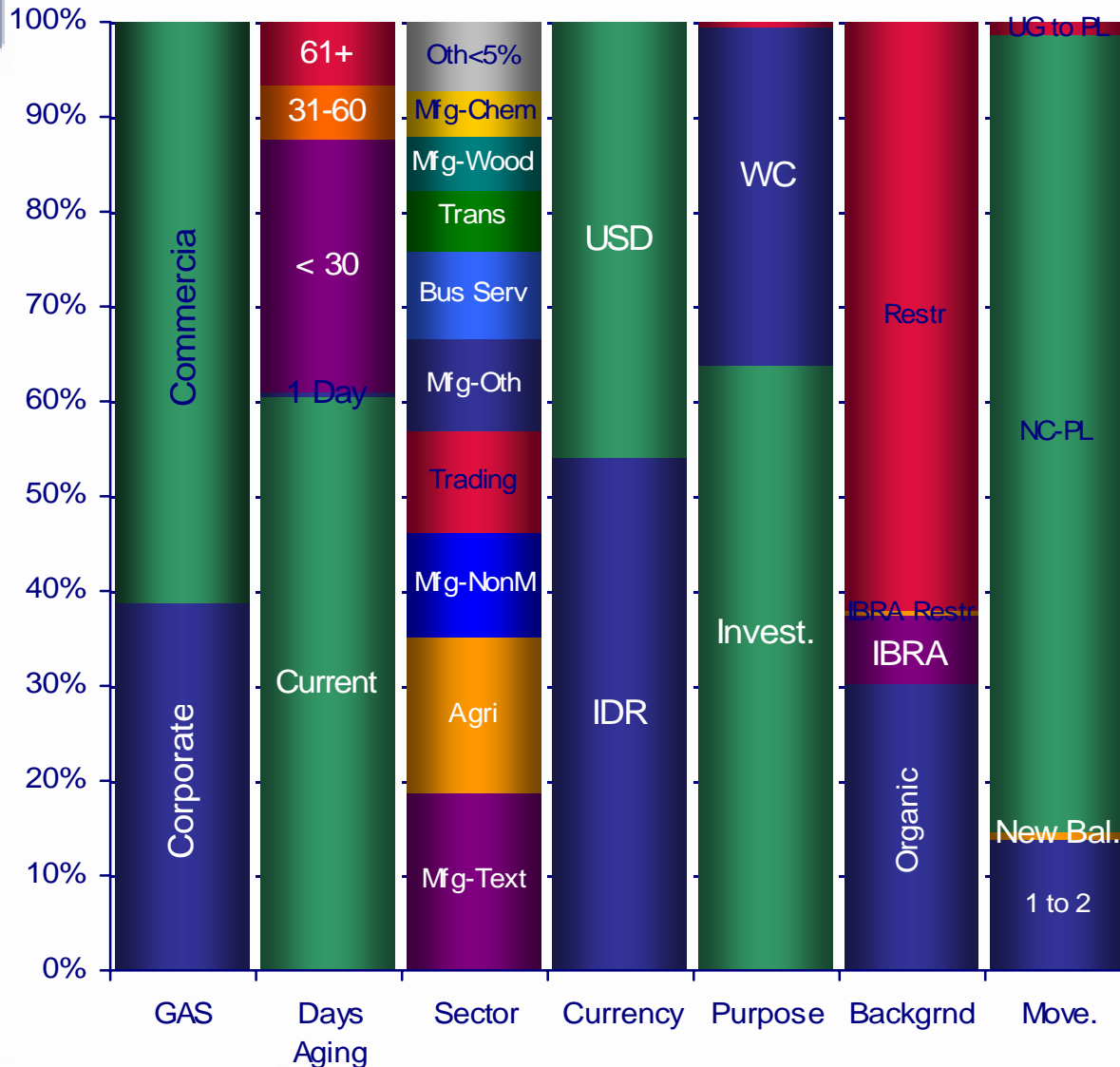
Rp 1.38 trillion in Corporate & Commercial loans were new to Category 2 in Q2, or 1.8% of total loans. Of these new Special Mention Loans in Q2:

- 84.9% are to Commercial customers
- 45.8% are current or 1 day overdue
- Primary sectors in Category 2 are:
 - Construction
 - Agriculture
 - Trading
 - Chemical manufacturing
- 72.0% are Rupiah loans
- 45.5% are Investment loans
- 14.1% are Restructured loans
- 2.6% were purchased from IBRA

* Corporate & Commercial Loans Only

Q2 2004 Loan Detail*: Category 2 Loans

Loan Profile: Q2 Corp & Comm Category 2 Loans (Rp 9.5 tn)
Bank Only



Rp 9.5 trillion in Corporate & Commercial loans were in Category 2 in Q2, or 12.3% of total loans. Of these Special Mention loans in Q2:

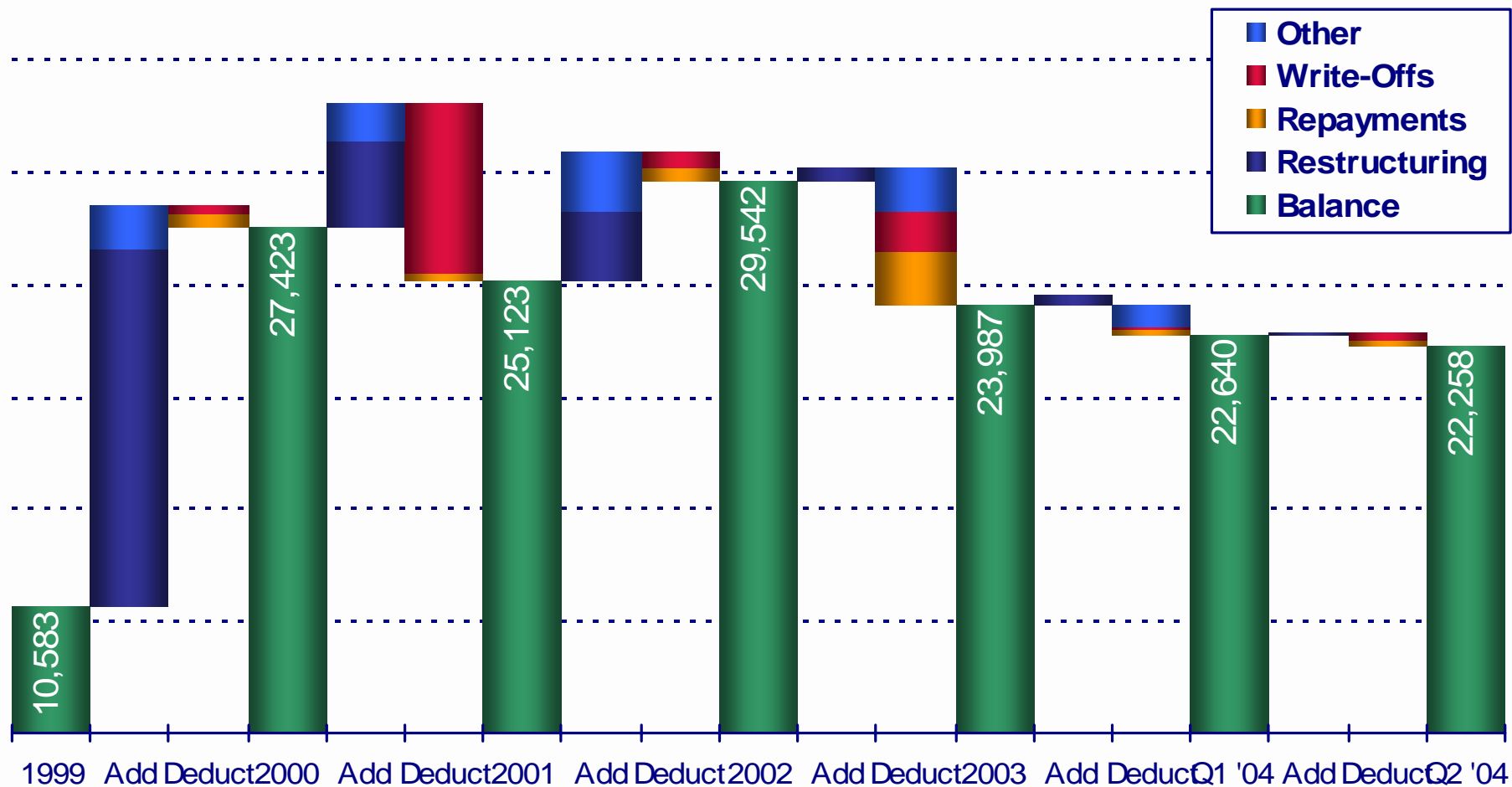
- 38.6% are Corporate customers
- 61.1% are current or 1 day overdue
- Primary sectors in Category 2 are:
 - Textile Manufacturing
 - Agriculture
 - Trading, Hotels & Restaurants
 - Non-Metal Mining
- 54.1% are Rupiah loans
- 63.8% are Investment loans
- 62.5% are Restructured loans
- 7.7% were purchased from IBRA
- 84.2% saw no change in collectibility

* Corporate & Commercial Loans Only

Movement in Restructured Loans, 1999 – Q2 '04

FY 2003 Restructured Loan Movements

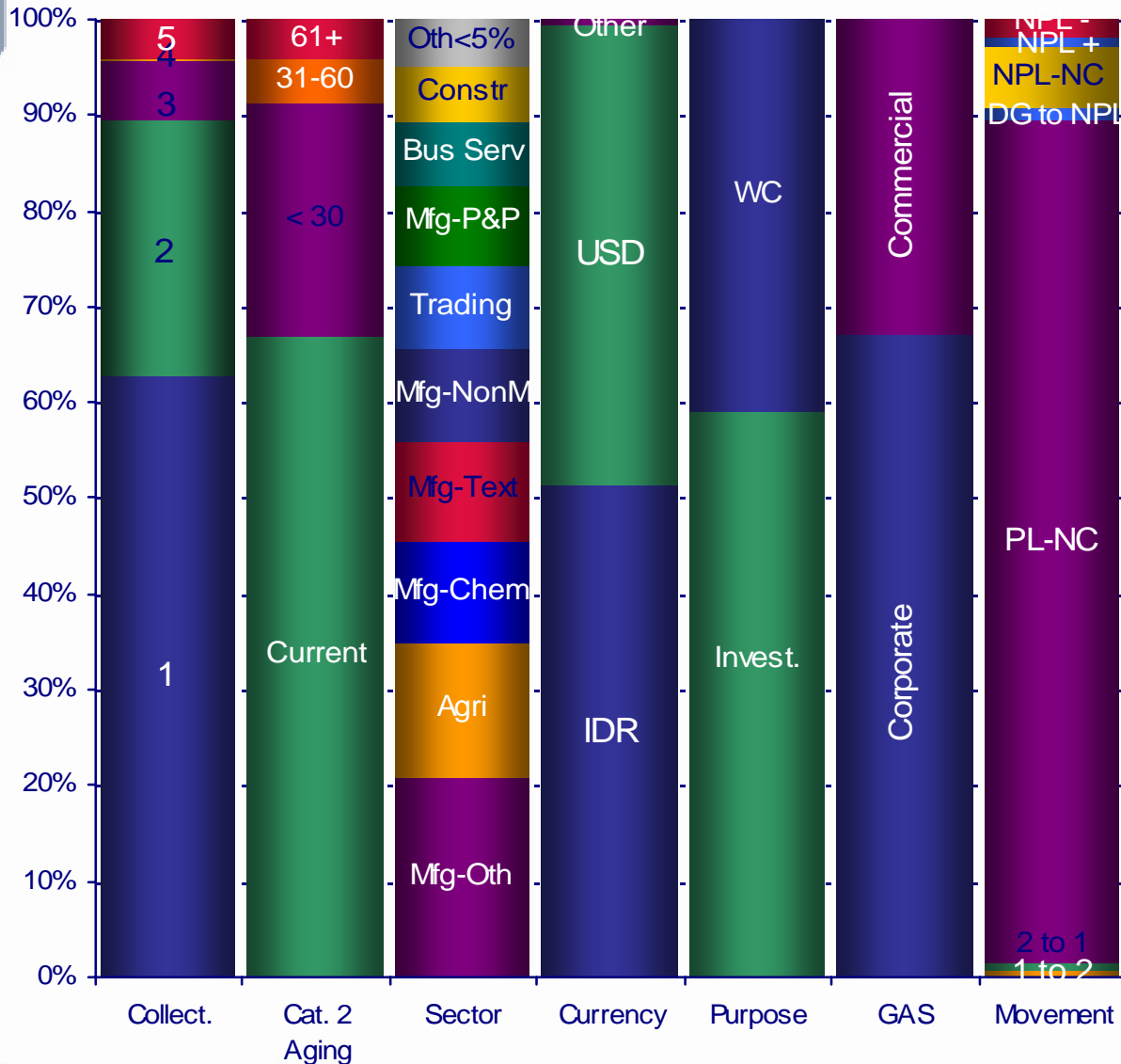
IDR bn



*Others includes partial payments, FX impacts, and fluctuation in Working Capital facilities

Q2 2004 Loan Detail*: Restructured Loans

Loan Profile: Q2 Corp & Comm Restructured Loans (Rp 22.3 tn) Bank Only



Rp 22.3 trillion in restructured Corporate & Commercial loans remained in Q2, or 28.7% of total loans. Of Restructured Loans in Q2:

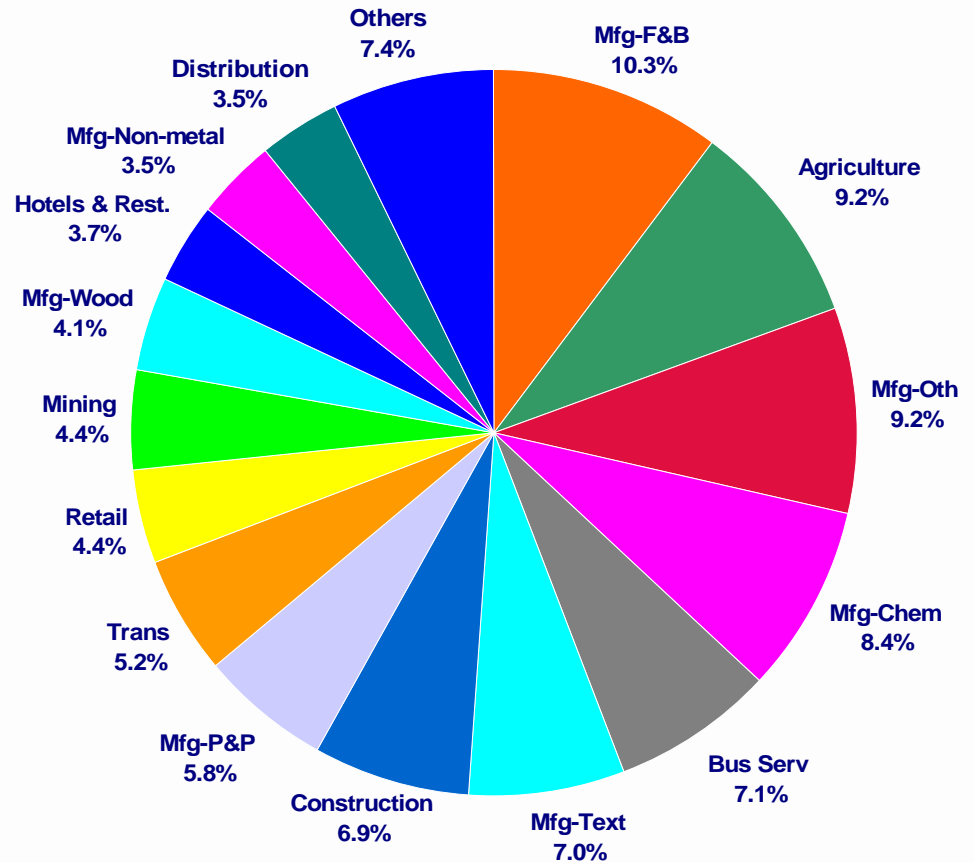
- 89.5% are performing
- 67.2% are to Corporate customers
- Primary sectors are:
 - Agriculture
 - Manufacturing
 - Chemicals
 - Textiles
 - Trading & Hotels
 - Business Services
- 51.5% are Rupiah loans
- 59.0% are Investment loans
- 1.8% improved in collectibility
- 4.0% deteriorated in collectibility

* Corporate & Commercial Loans Only

Loan Portfolio Sector Analysis

- No sector accounts for more than 11% of total loans
- Minimizing exposure to problem sectors including
 - Textiles (7.0%)
 - Plywood (4.1%)
 - Hotels & Restaurants (3.7%)
- Focusing on growth sectors including:
 - Agriculture
 - Fisheries
 - Natural Resources

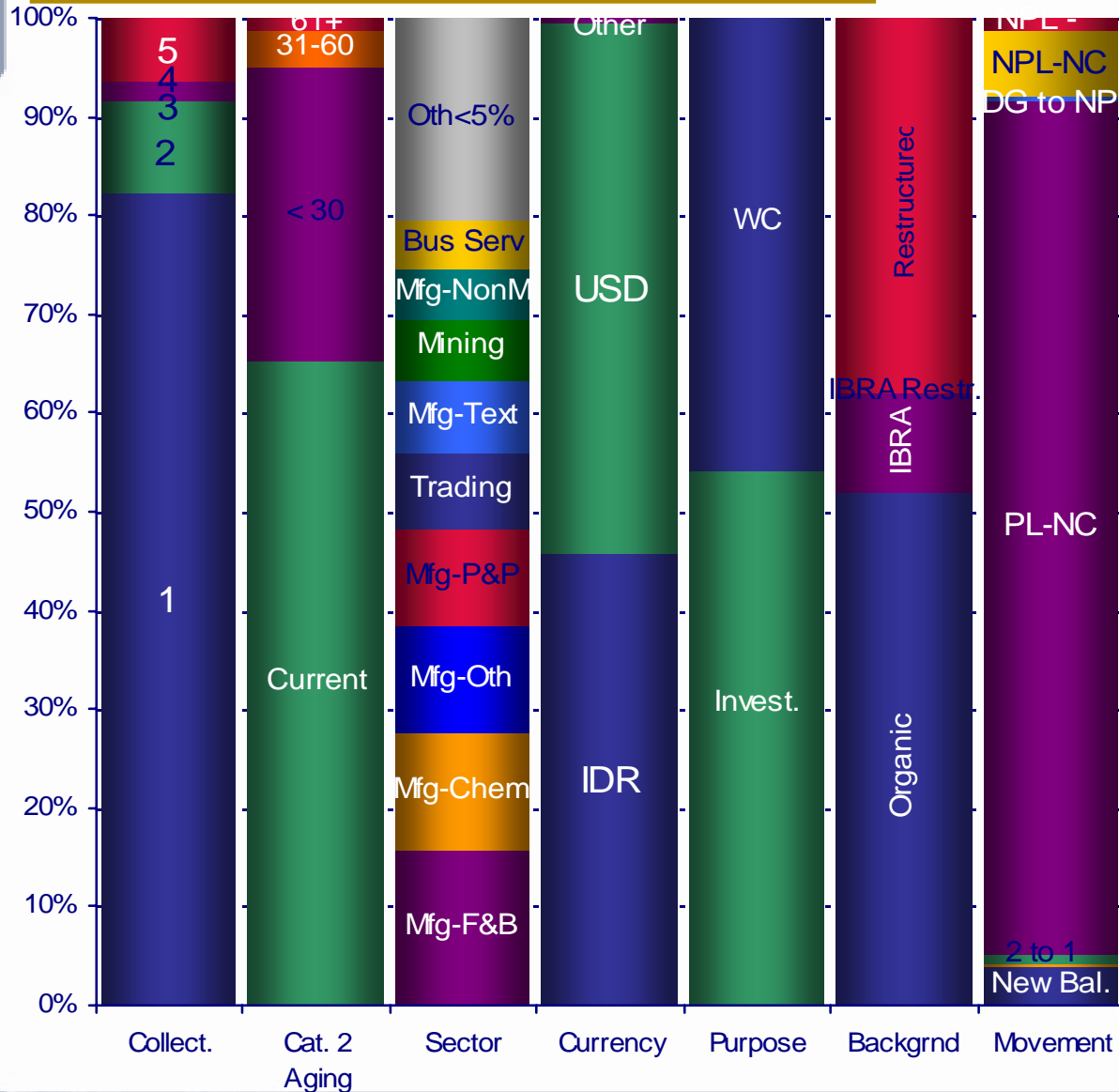
Breakdown By Sector, June 2004⁽¹⁾



(1) Non-consolidated numbers

Q2 2004 Loan Detail: Corporate Loans

Loan Profile: Q2 Corporate Loans Only (Rp 39.5 tn)

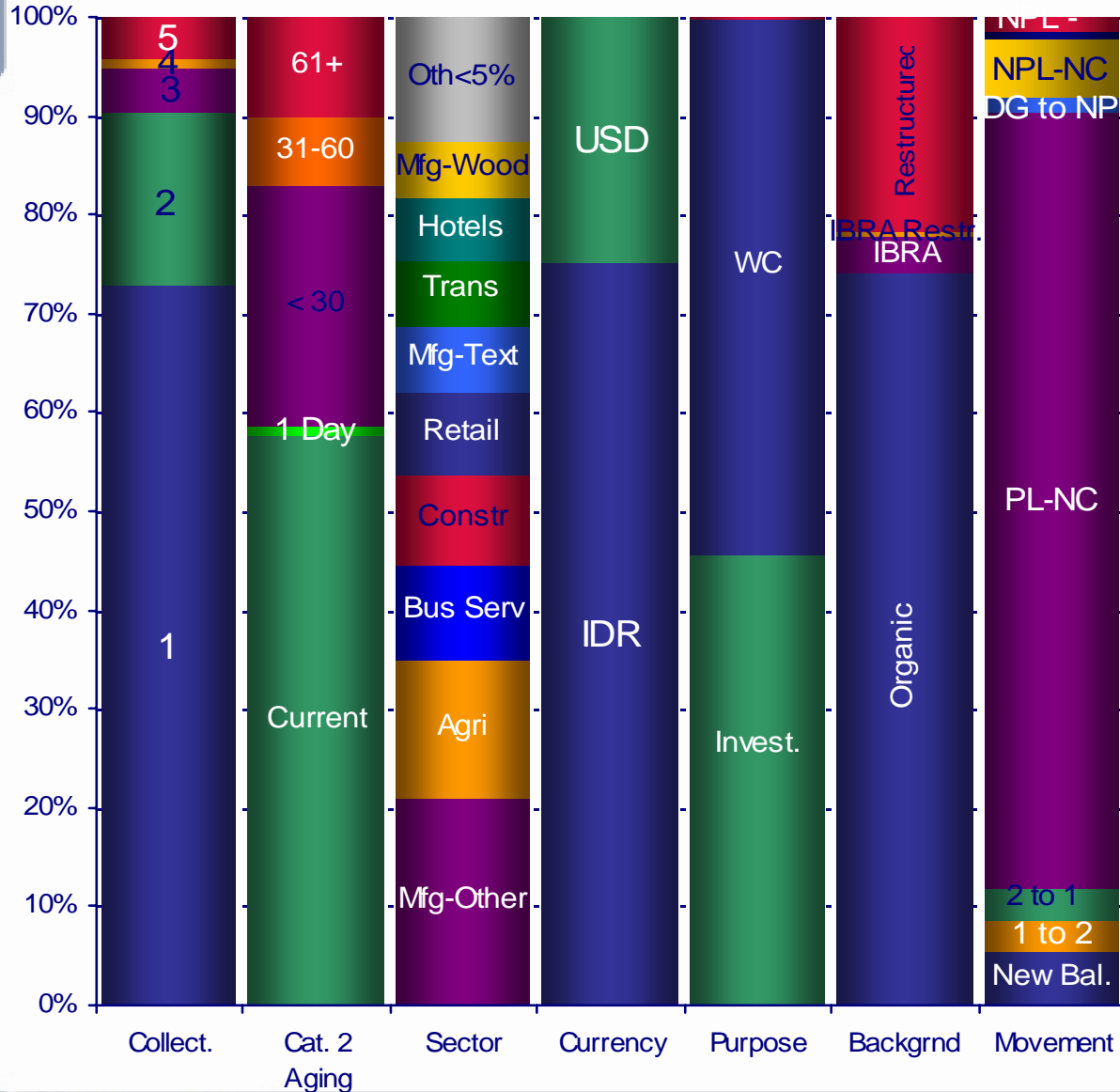


Rp 39.5 trillion in loans were in the Corporate portfolio in Q2, or 50.9% of total loans. Of the Corporate Loans in Q2:

- 91.6% are performing loans
- 9.3% are in Category 2
- 65.2% of Category 2 loans are current in interest payments
- Primary sectors in Corporate are:
 - Food & Beverage Mfg
 - Chemical Mfg
 - Pulp & Paper Mfg
 - Trading, Hotels & Restaurants
- 45.7% are Rupiah loans
- 54.1% are Investment loans
- 37.9% are Restructured loans
- 10.2% were purchased from IBRA

Q2 2004 Loan Detail: Commercial Loans

Loan Profile: Q2 Commercial Loans Only (Rp 33.0 tn)

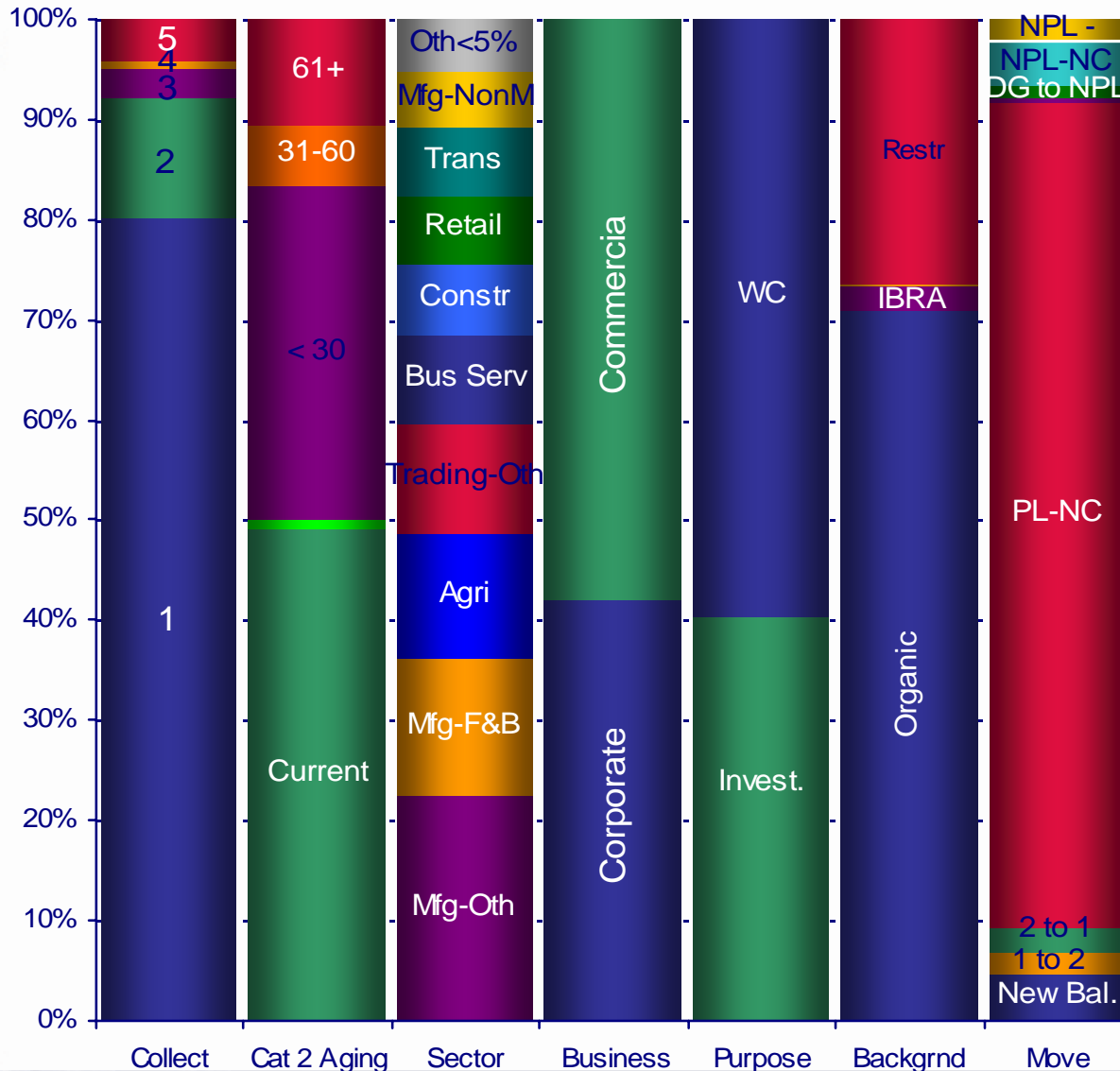


Rp 33.0 trillion in loans were in Commercial portfolio in Q2, or 42.6% of total loans. Of the Commercial Loans in Q2:

- 90.5% are performing
- 17.7% are in Category 2
- 57.7% of Category 2 loans are current in interest payments
- Primary sectors in Commercial are:
 - Agriculture
 - Retail
 - Business Services
 - Construction
- 75.1% are Rupiah loans
- 45.5% are Investment loans
- 22.1% are Restructured loans
- 4.2% were purchased from IBRA

Q2 2004 Loan Detail*: Rupiah Loans

Loan Profile: Q2 Corp & Comm Rupiah Loans (Rp 42.8 tn) Bank Only



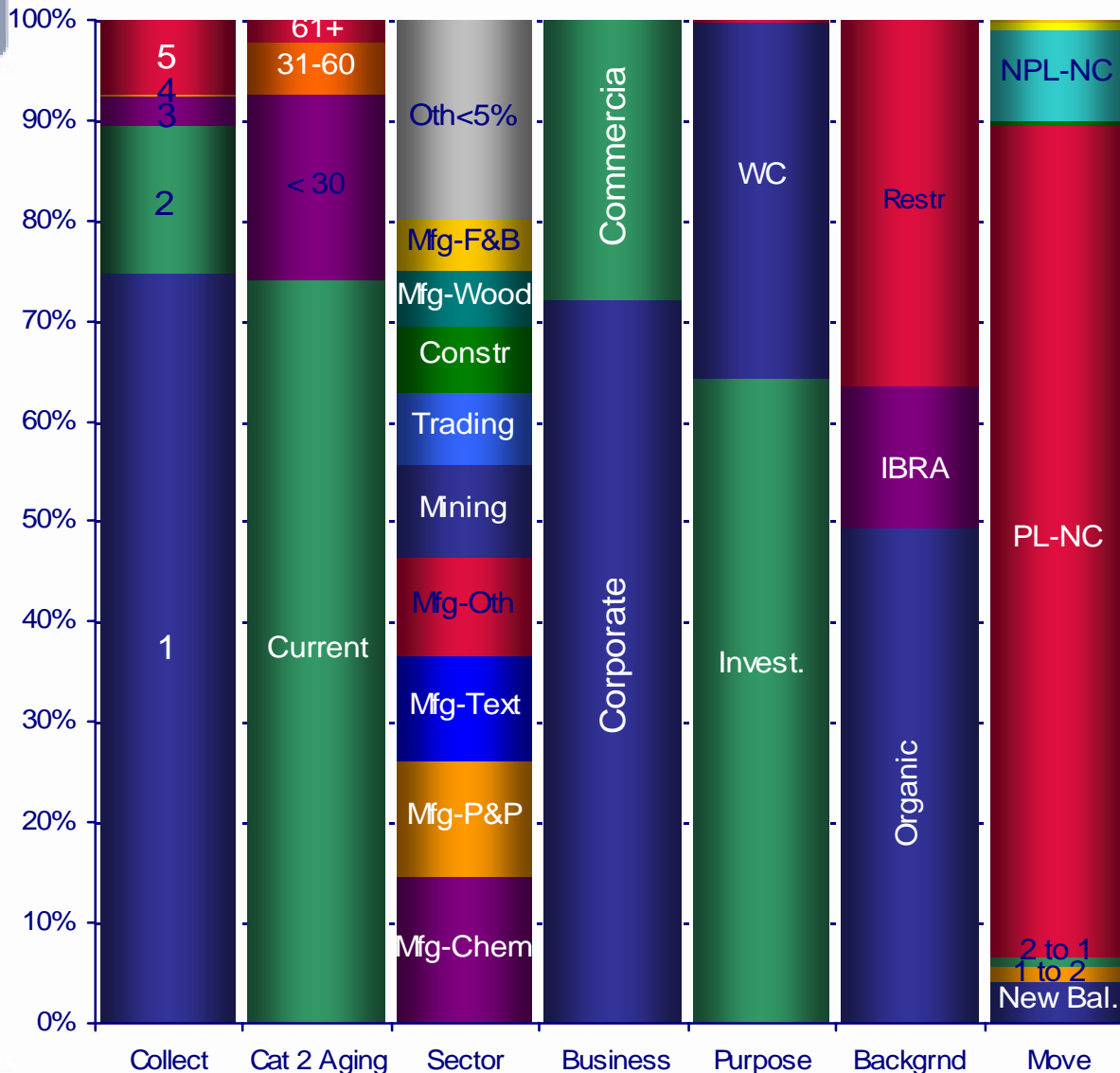
Rp 42.8 trillion in loans were Rupiah denominated in Q2, or 55.2% of total loans. Of the Rupiah Loans in Q2:

- 92.1% are performing loans
- 12.0% are in Category 2
- 49.1% of Category 2 loans are current in interest payments
- Primary sectors in Corporate are:
 - Trading, Hotels & Restaurants
 - Agriculture
 - Food & Beverage Mfg
 - Business Services
- 42.1% are Corporate loans
- 40.3% are Investment loans
- 26.7% are Restructured loans
- 2.7% were purchased from IBRA

* Corporate & Commercial Loans Only

Q2 2004 Loan Detail*: Foreign Currency Loans

Loan Profile: Q2 Corp & Comm FX Loans (Rp 29.7 tn) Bank Only



Rp 29.7 trillion in loans were foreign currency denominated in Q2, or 38.3% of total loans. Of the FX Loans in Q2:

- 89.6% are performing loans
- 14.7% are in Category 2
- 74.1% of Category 2 loans are current in interest payments
- Primary sectors in Corporate are:
 - Manufacturing of
 - Chemicals
 - Textiles & Leather
 - Pulp & Paper
 - Mining
 - Trading, Hotels & Restaurants
- 72.2% are Corporate loans
- 64.3% are Investment loans
- 36.4% are Restructured loans
- 14.3% were purchased from IBRA

* Corporate & Commercial Loans Only

Consumer Loan Portfolio Detail in Q2

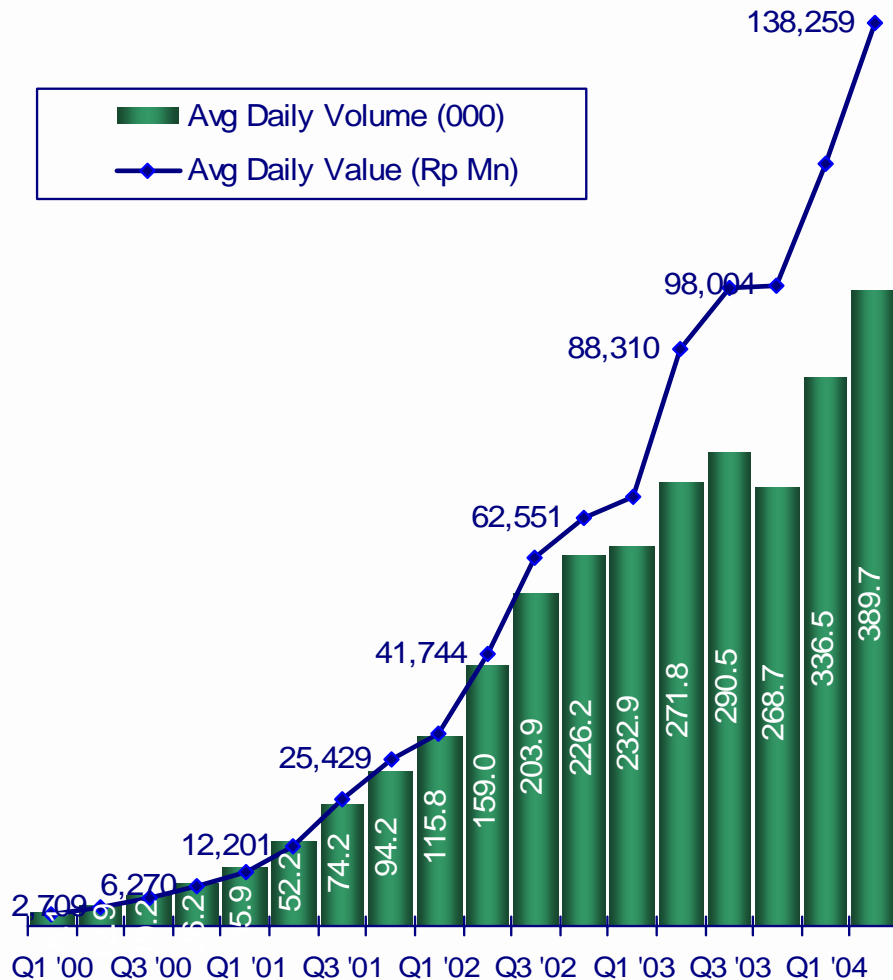
Quarterly Consumer Loan Balances by Type

(Rp bn)	Jun 2003	Dec 2003	Mar 2004	Jun 2004	Growth (%)		
					Y-o-Y	Y-T-D	Q-o-Q
Mortgages	120.2	282.7	411.1	654.5	444.5%	131.5%	59.2%
Payroll Loans	889.3	1,802.0	1,859.6	1,902.3	113.9%	5.6%	2.3%
Collateralized Personal Loans	118.1	328.0	539.8	1,058.3	796.1%	222.7%	96.1%
Cash Collateral Loans	496.9	493.5	594.0	479.4	(3.5%)	(2.9%)	(19.3%)
Credit Cards	747.9	814.9	785.7	933.6	24.8%	14.6%	18.8%
Unsecured Loans	604.0	18.3	19.6	23.5	(96.1%)	28.4%	19.9%
Total Consumer	2,976.4	3,742.0	4,212.5	5,052.0	69.7%	35.0%	19.3%

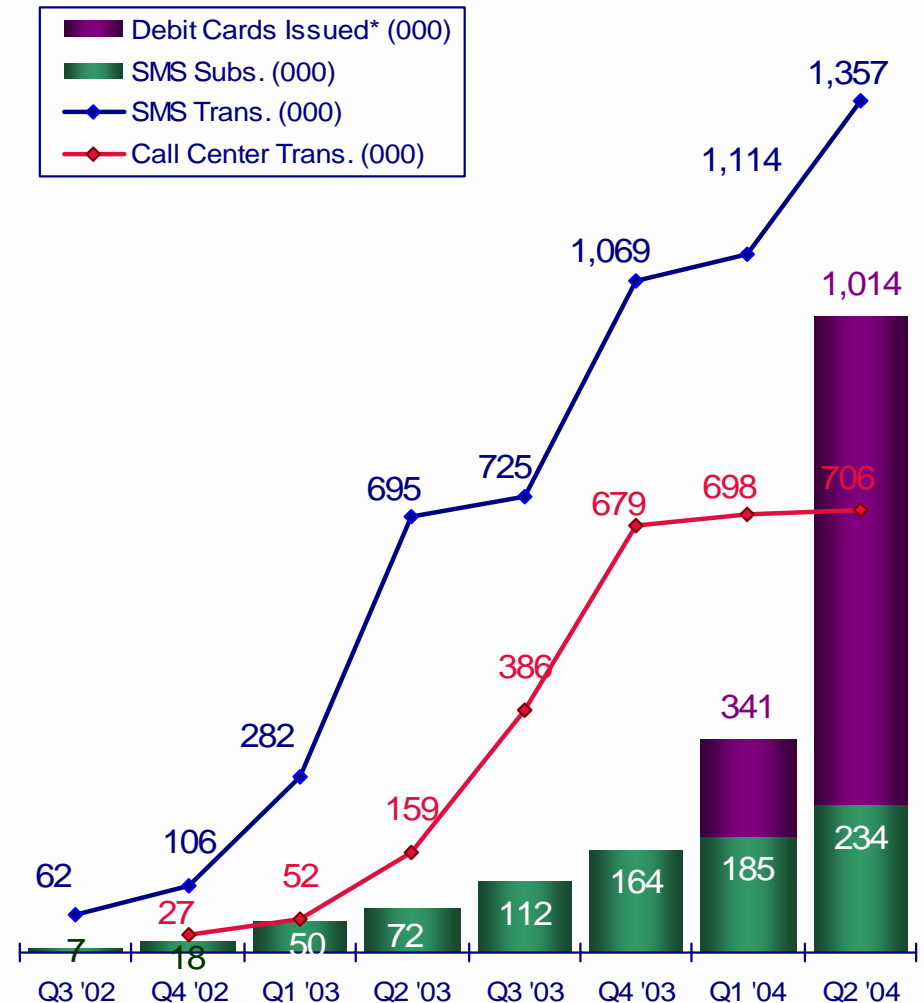
*Car Loans channeled through finance companies = Rp 1.68tn

Electronic banking channels rapidly expanding

ATM Average Daily Transaction Volume and Value



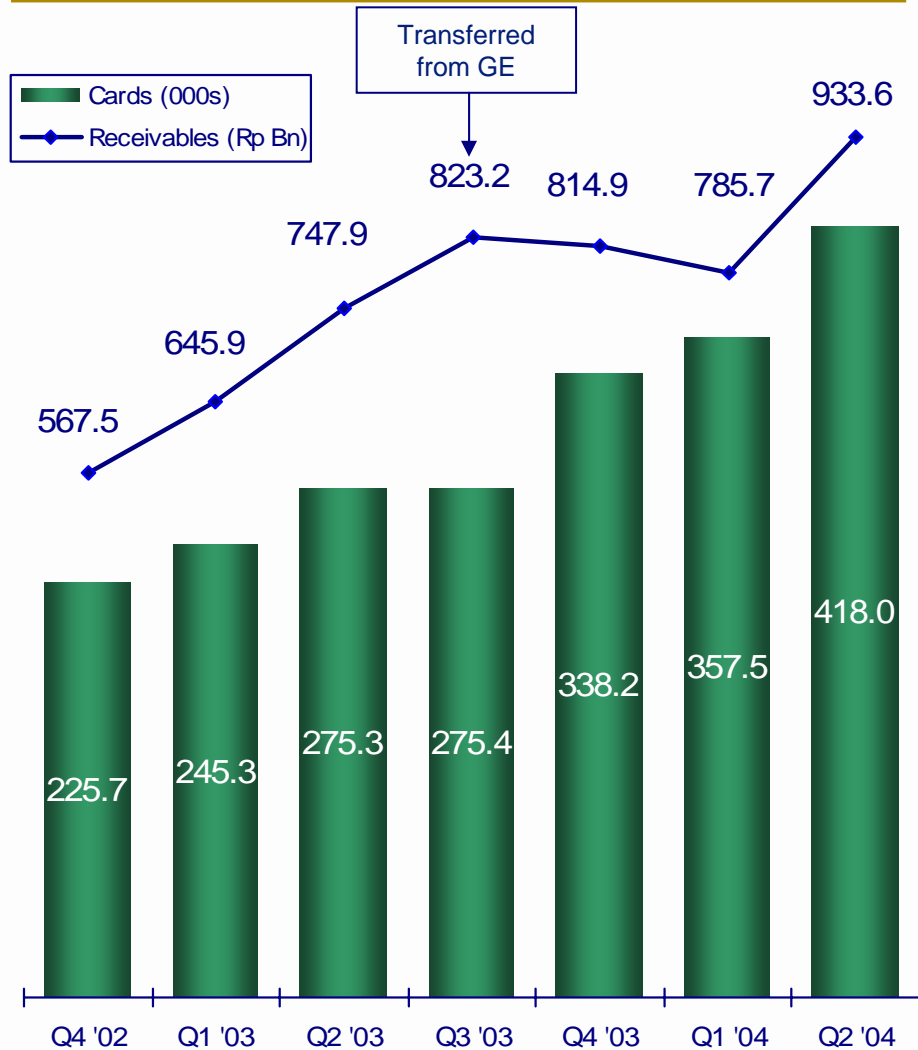
Other Transaction Services



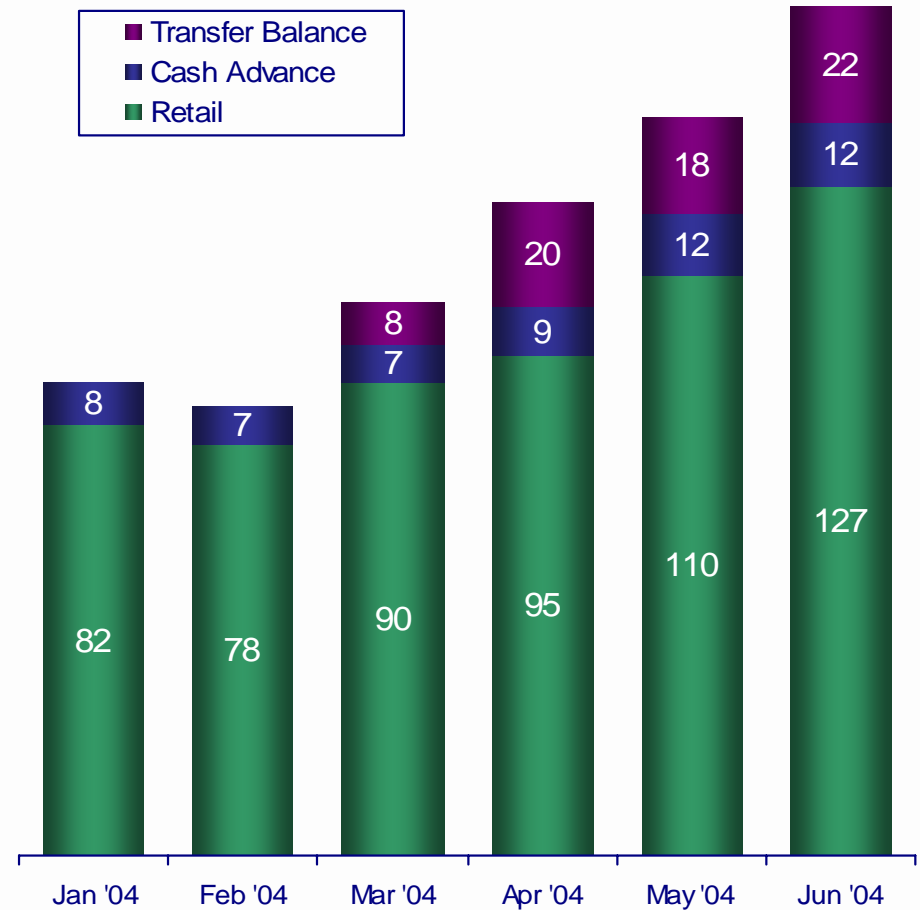
* Debit Cards reintroduced in Jan. '04

Credit Card business expanding

Mandiri Visa Card Holders and EOQ Receivables

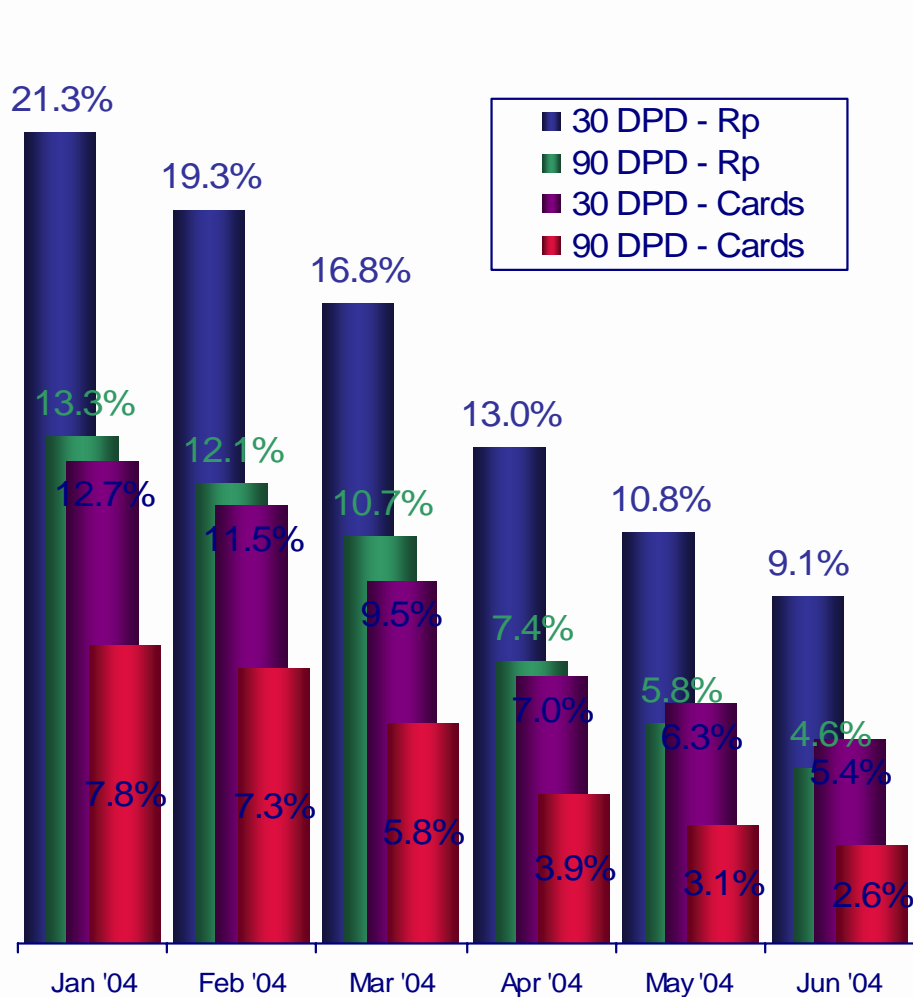


Visa Card Monthly Sales by Type of Transaction (Rp Billion)

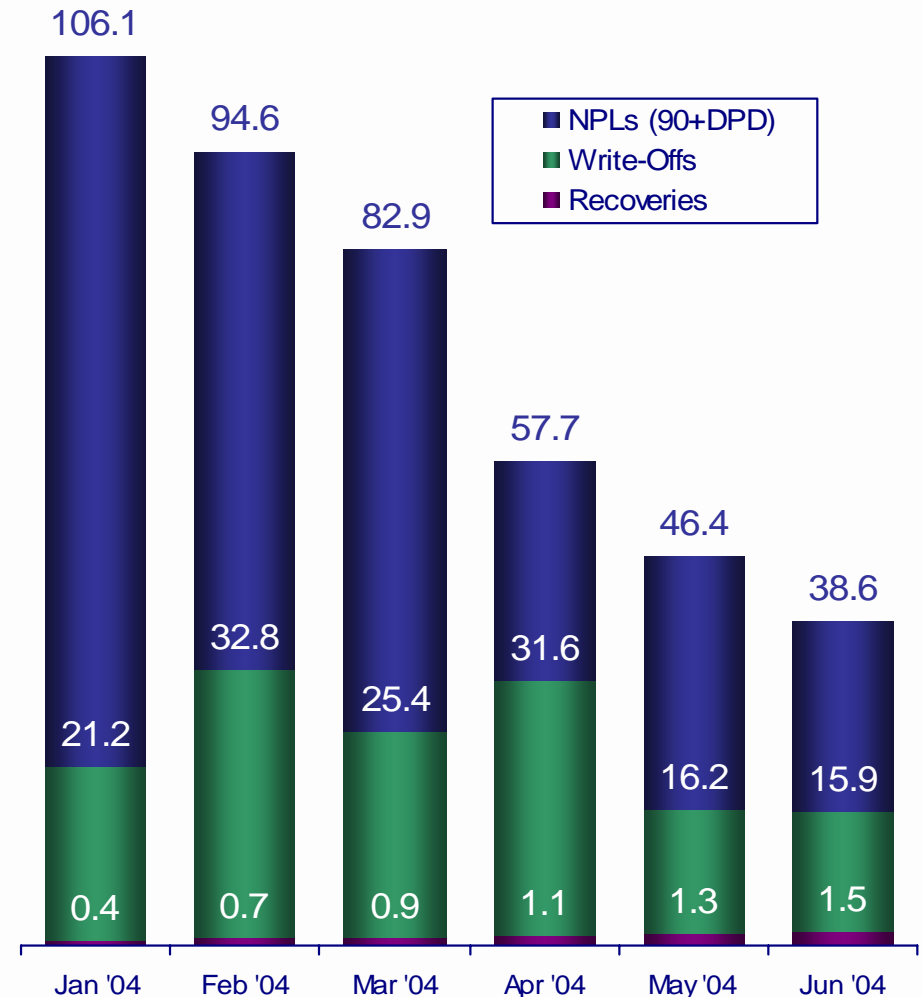


Credit Card portfolio quality improving

Mandiri Visa Card Delinquency Rates (%)

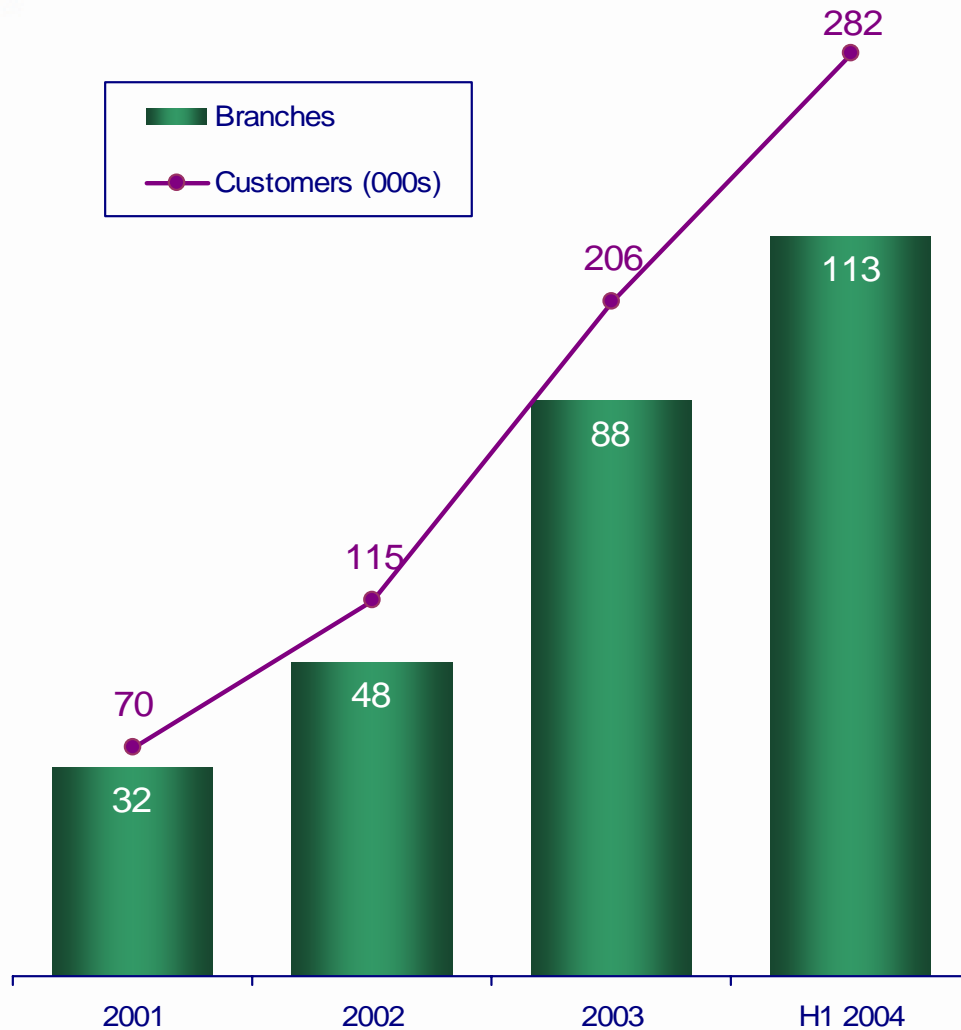


Monthly Charge-offs, NPLs & Recoveries (Rp Billion)

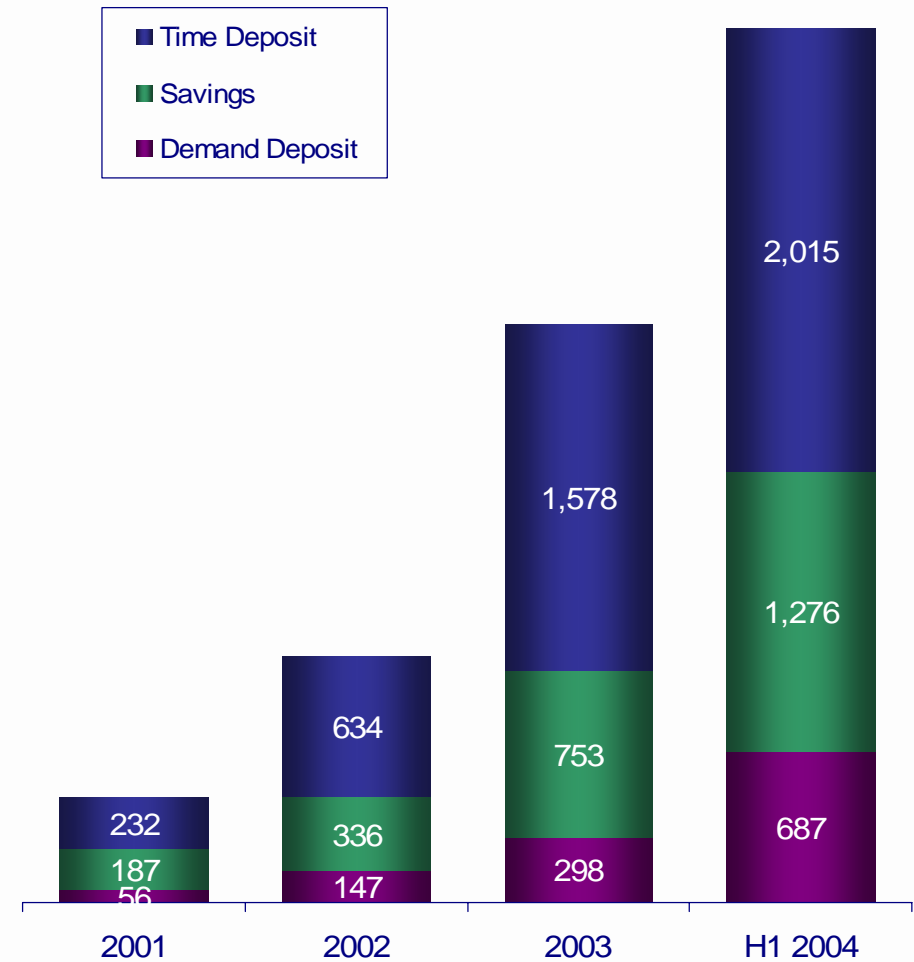


Bank Syariah Mandiri

Branch Network & Customer Growth

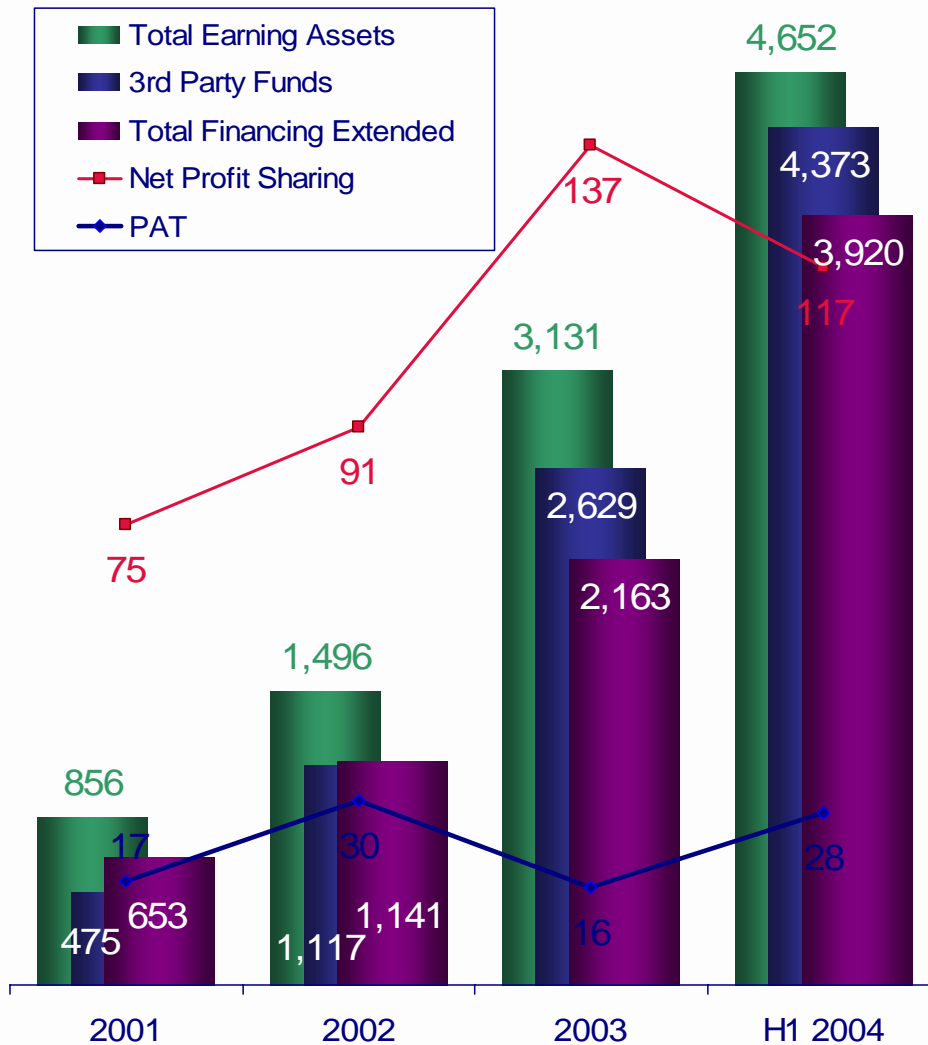


Third Party Deposits by Type (Rp Billions)

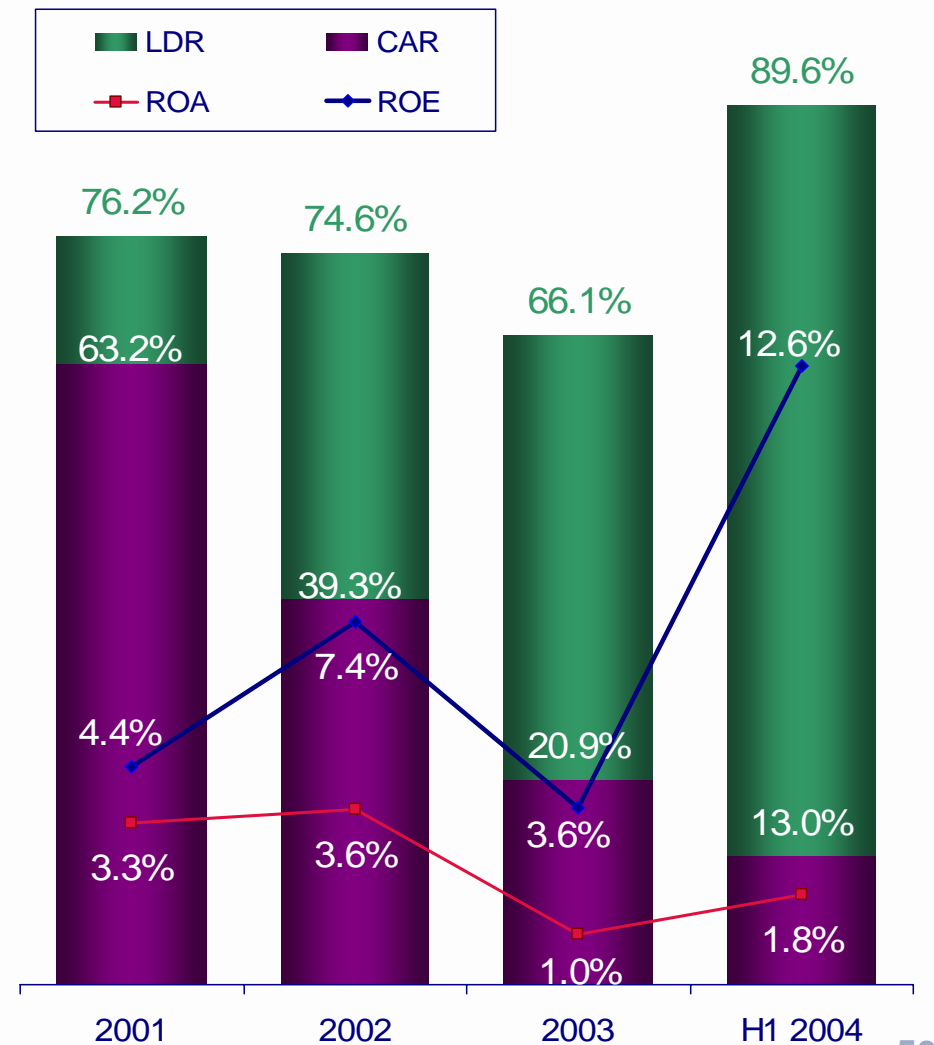


Bank Syariah Mandiri

Financial Highlights (Rp Billions)

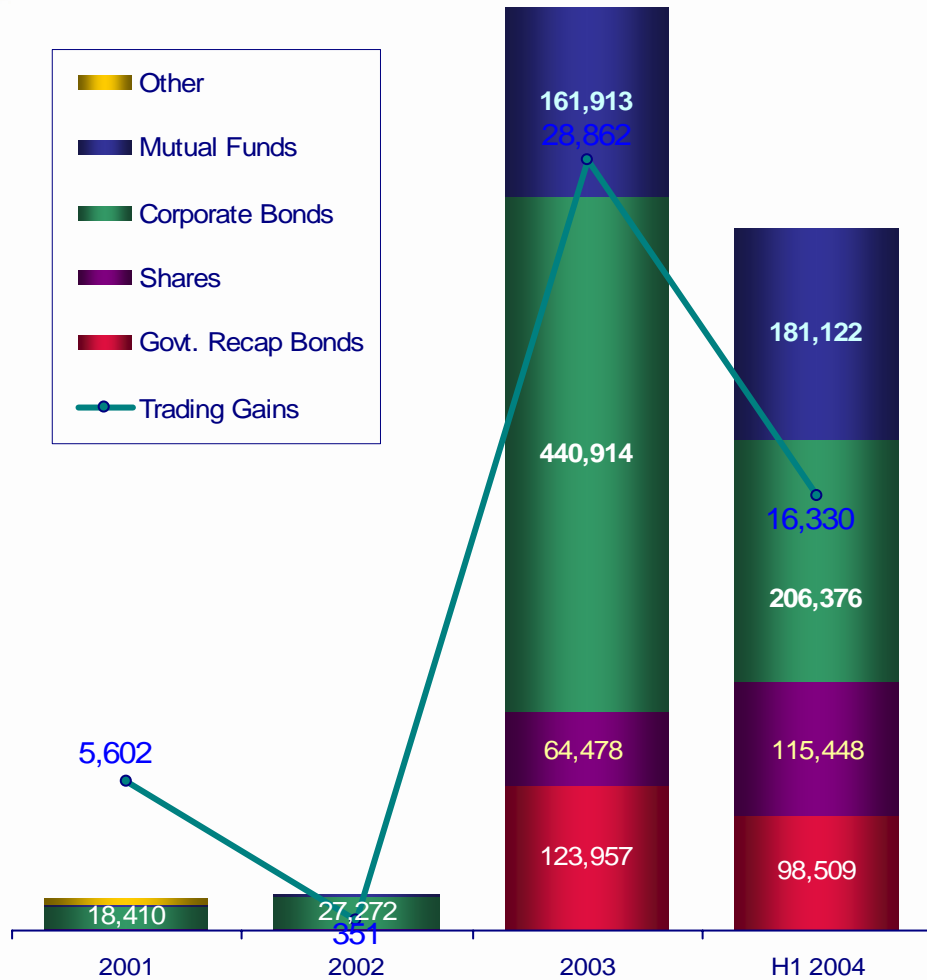


Selected Financial Ratios (%)

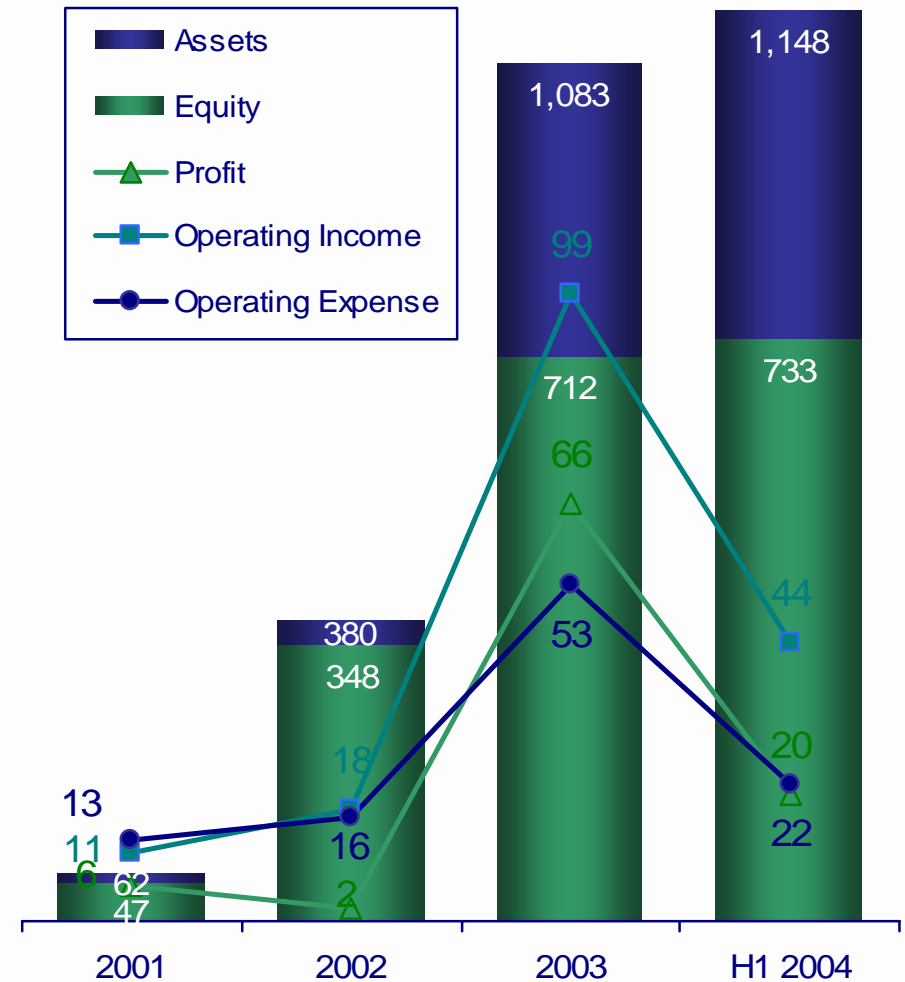


Mandiri Sekuritas

Marketable Securities Portfolio Breakdown (Rp Billion)

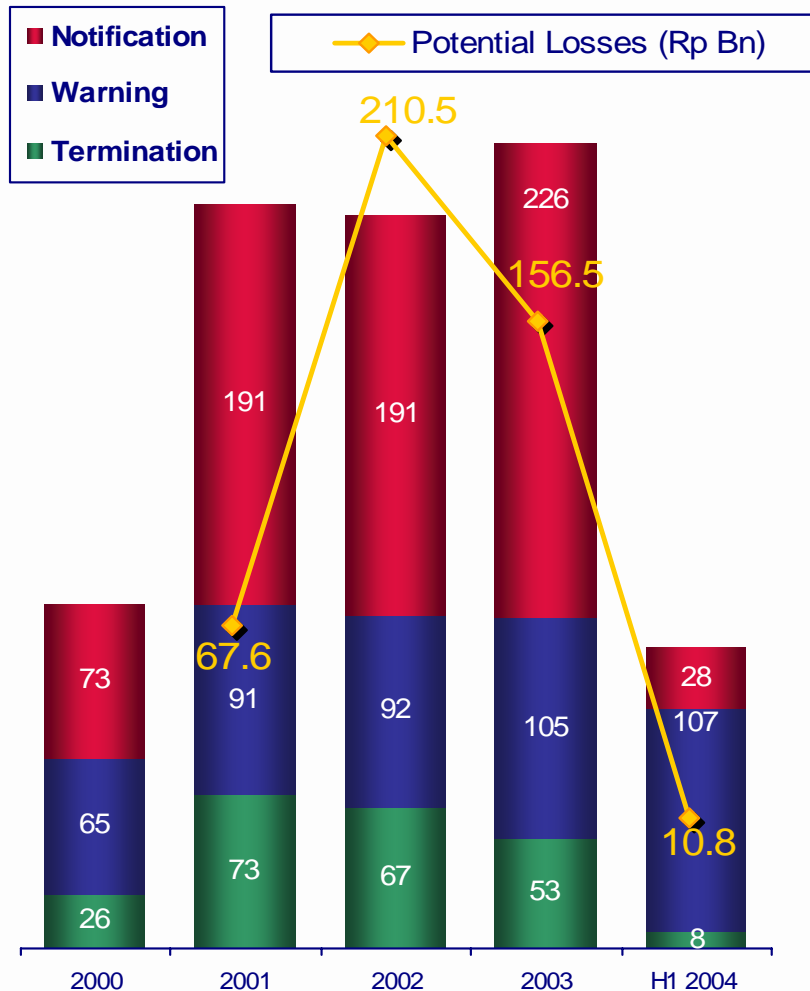


Financial Performance (Rp Billion)



Compliance & Discipline

Disciplinary Actions Taken (# of Employees) & Total Potential Operational Losses – All Sources



Recent Significant Fraud Proceedings

Branch/Year: Jakarta Tanjung Priok, 2002
 Employee: ex Officer (CSO)
 Potential Losses: Rp 53.83 b
 Recovered: Rp 2.0b + assets
 Court Judgment: 17 year jail term
 Rp 10b penalty
 Repayment of Rp 40b
 Currently on appeal to the Supreme Court

Branch/Year: Jakarta Prapatan, 2002
 Employee: ex Spoke Manager
 Potential Losses: Rp 120b
 Recovered: Rp 40.3b + assets
 Court Judgment: 15 year jail term
 Rp 5.1b penalty
 Repayment of Rp 77b
 Currently on appeal to the Supreme Court

Branch/Year: Pontianak, 2002
 Employee: ex Hub Outlet Manager
 Potential Losses: Rp 95.8b
 Recovered: Rp 95.7b
 Court Judgment: 4 year jail term
 Rp 200m penalty
 No appeal