








PT Bank Mandiri (Persero) Tbk  
2<sup>nd</sup> Quarter 2008  
Results Presentation

# Bank Mandiri Presentation Contents

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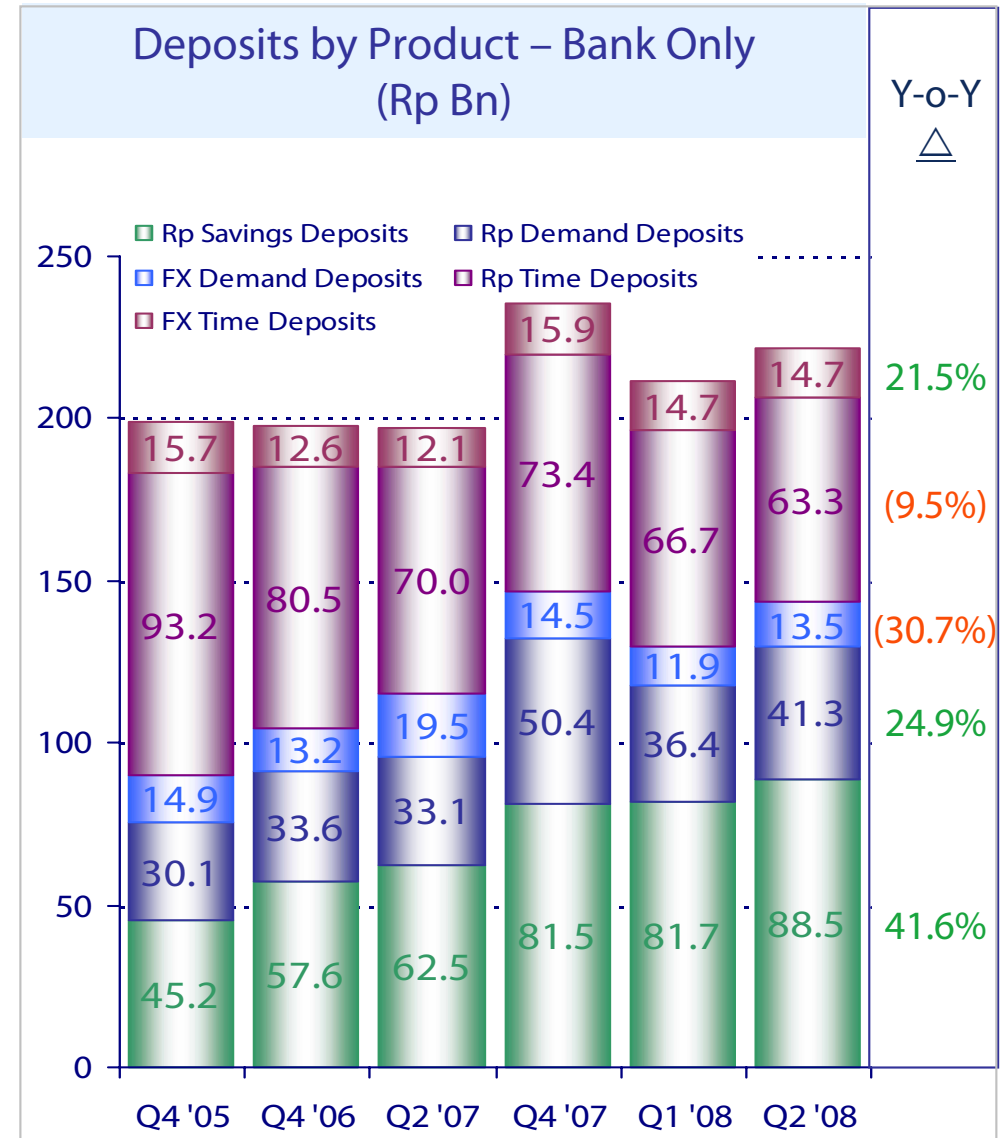
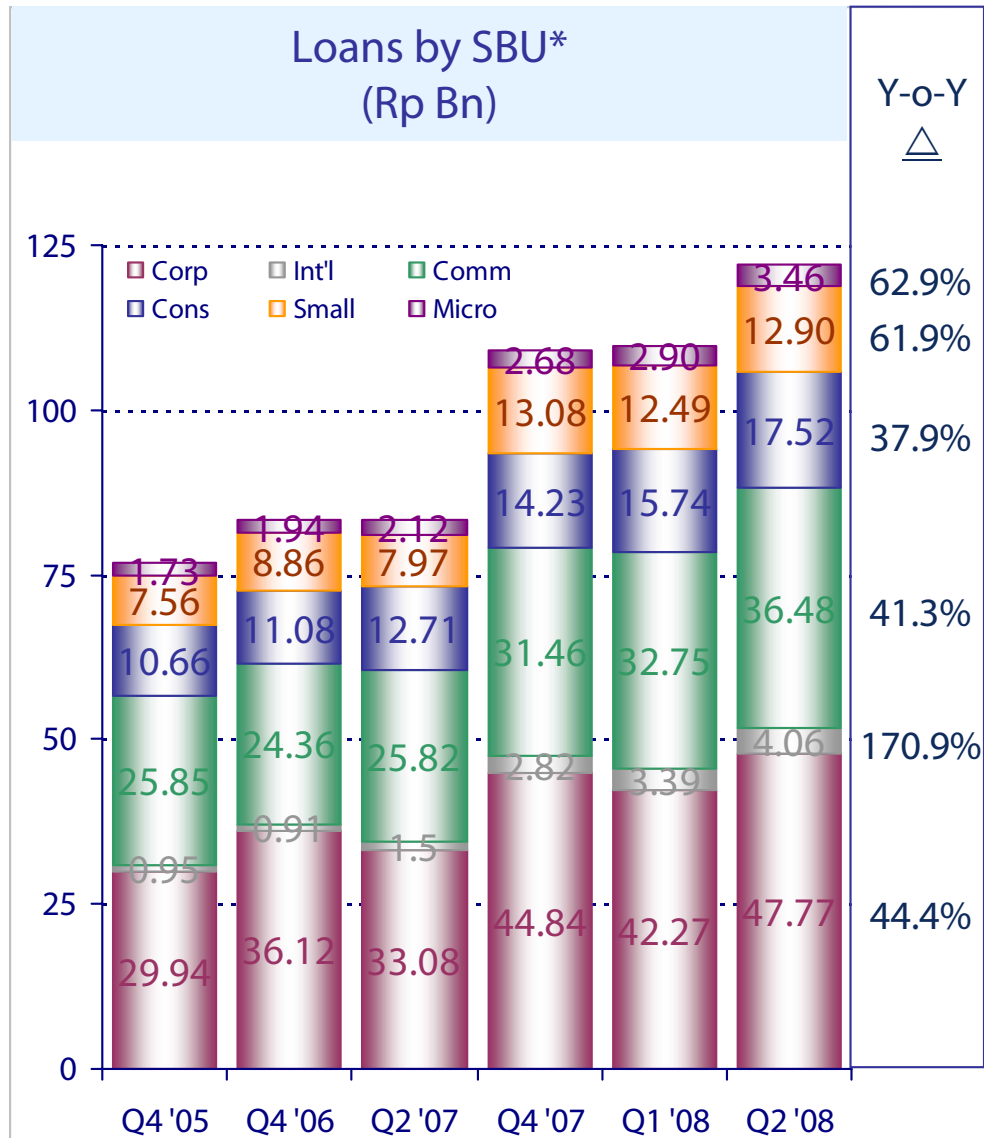
# Key Financial Highlights

Bank Mandiri's First Half 2008 Performance continued to demonstrate marked improvements in a number of key indicators:

	H1 2007		H1 2008		△%
Loans	Rp116.3 tn		Rp149.6 tn		28.6%
Net NPL Ratio	3.92%		0.97%		(75.3%)
Gross NPL Ratio	15.47%		4.74%		(69.4%)
Low Cost Funds Ratio	58.3%		64.0%		9.8%
[Low Cost Funds (Rp)]	Rp120.3 tn		Rp151.3 tn		25.8%
NIM	5.24% <sup>(1)</sup>		5.25%		0.2%
Efficiency Ratio	41.1% <sup>(2)</sup>		44.4%		8.0%
Earnings After Tax	Rp2,140 bn		2,610 bn		22.0%

Including non-recurring interest income: (1) 5.64%; (2) 38.74%

# Building momentum for growth



\*Cash Collateral Loans have been reallocated to Small Business

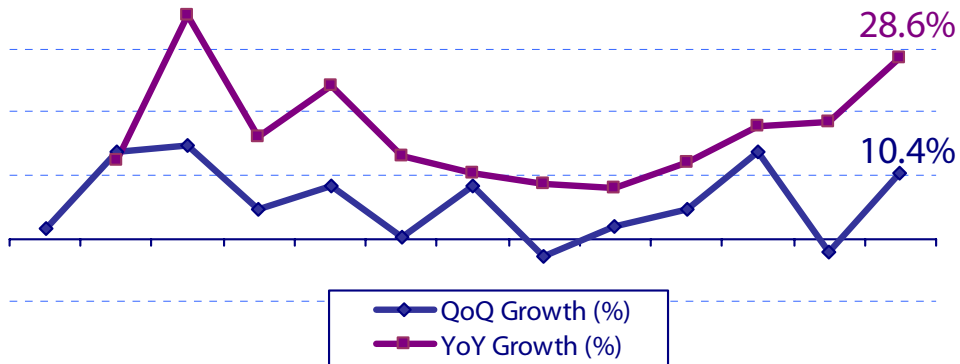
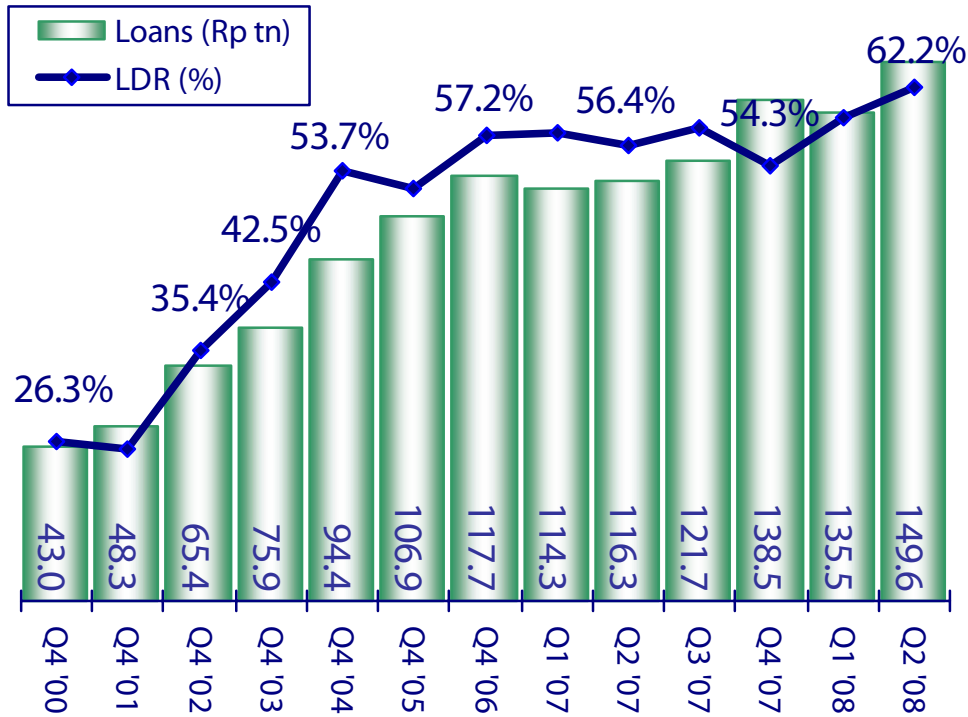
# Solid balance sheet insulates against rate increases

(Bank Only)

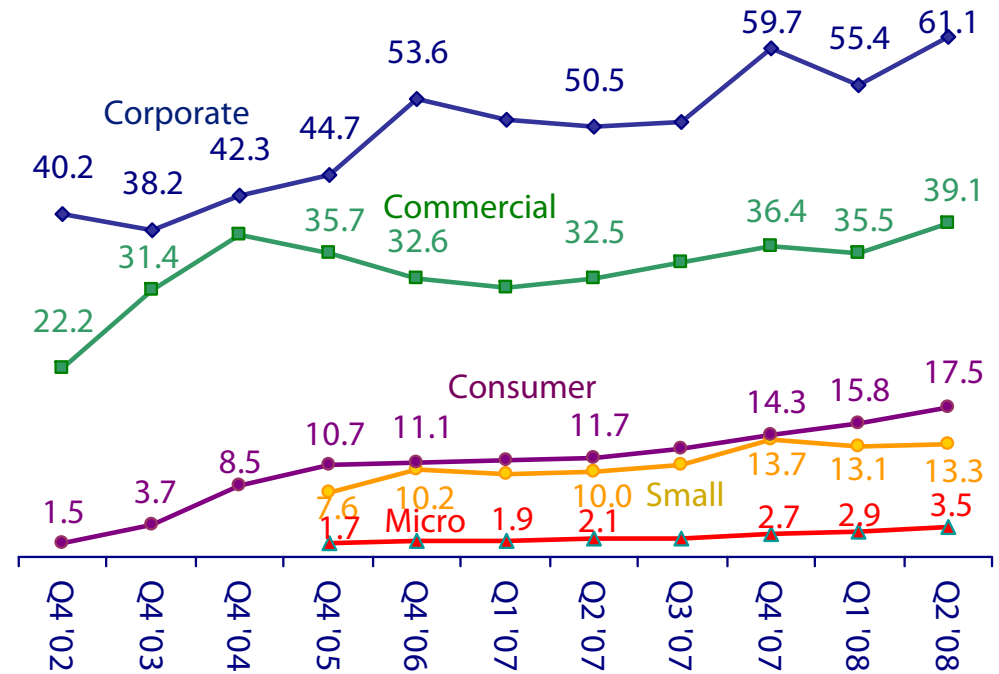
Assets	Amount	% of Assets	Liabilities	Amount	% of Liab.
Cash	4,969	1.74%	Current Account	54,830	19.19%
SBI & BI Placement (net)	27,165	9.51%	Savings	88,522	30.98%
Placements w/other banks (net)	12,023	4.21%	Time Deposits (Rp)	63,341	22.17%
Marketable Securities (net)	3,224	1.13%	Time Deposits (Fx)	14,685	5.14%
Government Bonds	88,189	30.86%	Total Deposits	221,378	77.47%
Loans (Gross)	134,501	47.07%	Securities Issued	833	0.29%
Provisions	(9,054)	(3.17%)	Deposits from other banks	3,327	1.16%
Other Advances (net)	8,980	3.14%	Borrowings	9,488	3.32%
Investments	2,869	1.00%	Other Interest bearing liabilities	2,863	1.00%
Other Assets	12,905	4.52%	Non Interest bearing liabilities	20,169	7.06%
			Equity	27,711	9.70%
<b>Total</b>	<b>285,770</b>	<b>100.00%</b>	<b>Total</b>	<b>285,770</b>	<b>100.00%</b>

# LDR rises to 62.2% with 28.6% Y-o-Y consolidated growth

## Quarterly Loan Data – Consolidated



## Quarterly Loan Segment Details – Bank Only

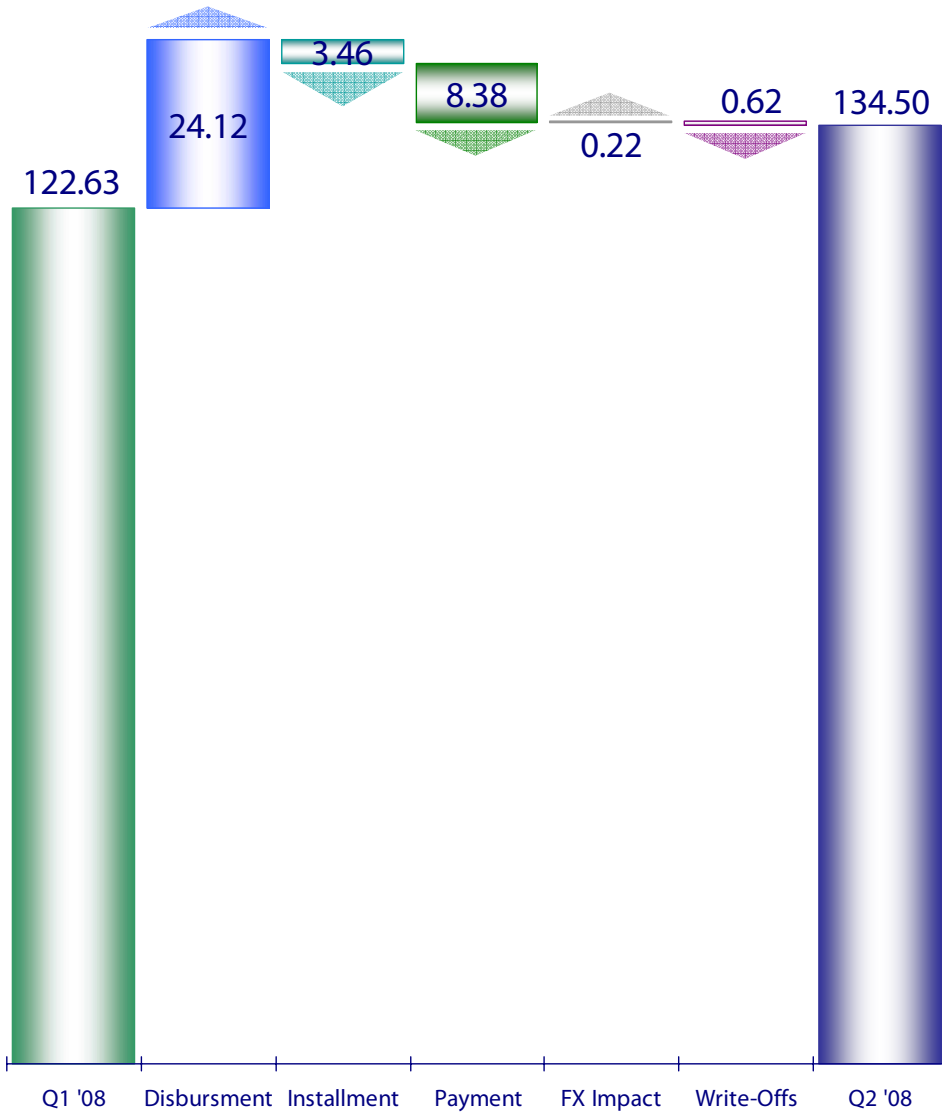


By Segment (Bank only)	Loans (Rp tn)	Y-O-Y Growth (%)	% of Portfolio
Corporate	61.07	20.89%	45.40%
Commercial	39.11	20.20%	29.08%
Small	13.34	33.09%	9.92%
Micro	3.46	62.68%	2.57%
Consumer	17.52	49.91%	13.03%
<b>Total</b>	<b>134.50</b>	<b>20.89%</b>	<b>100.00%</b>

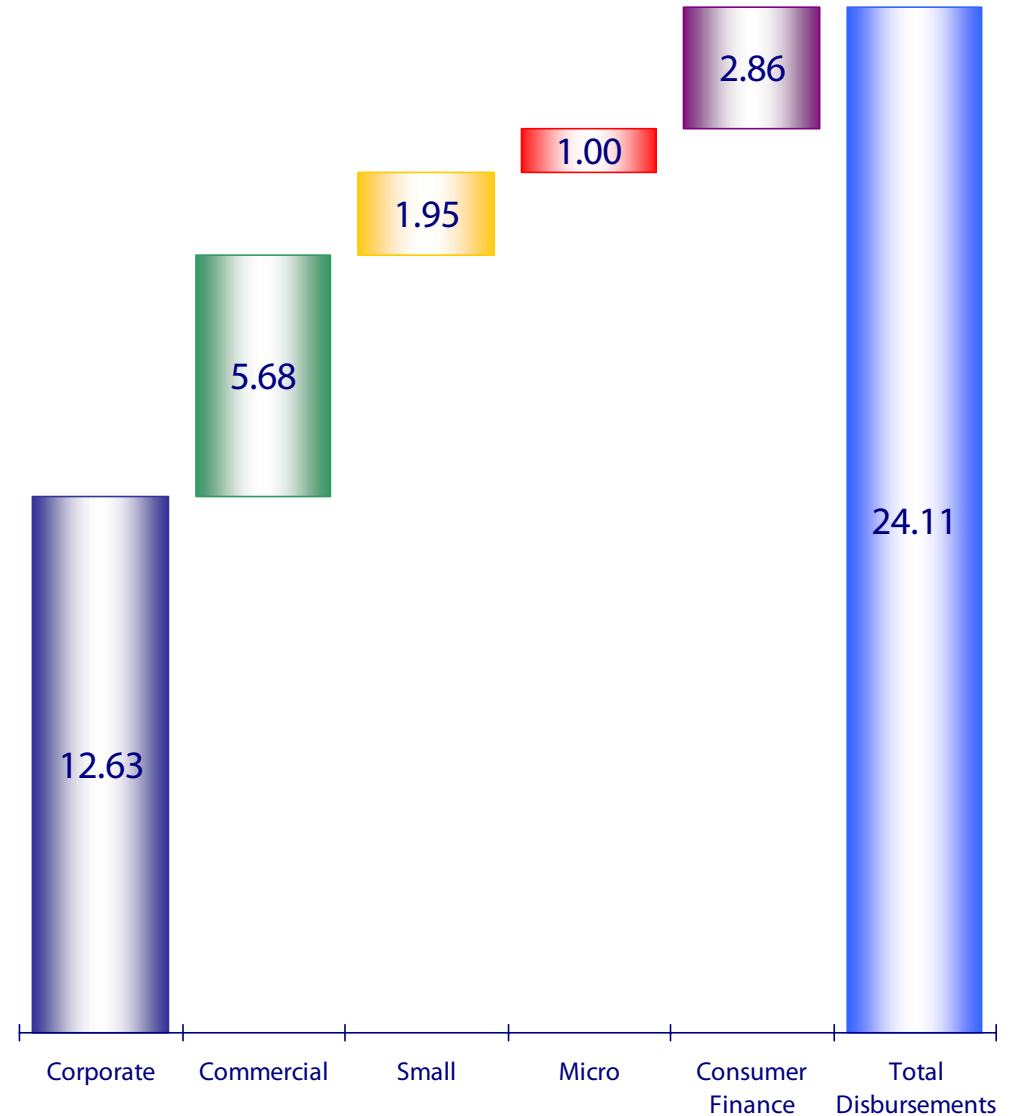
As of June 2008; Non-consolidated numbers

# Rp24.1 tn in loans disbursed in Q2 '08

Loan Movement (Rp tn) – Bank Only

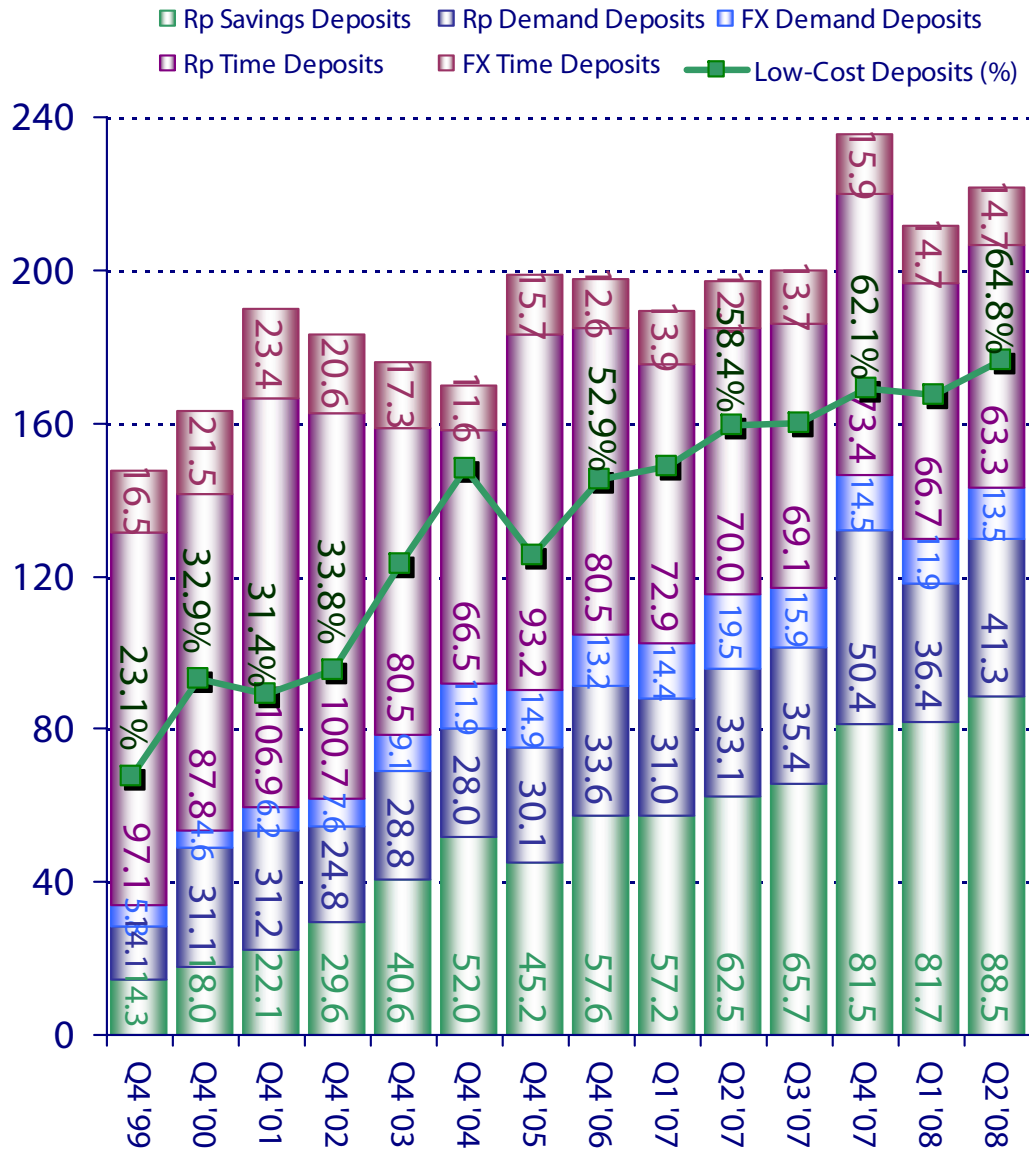


Loan Disbursement by Segment (Rp tn) – Bank Only

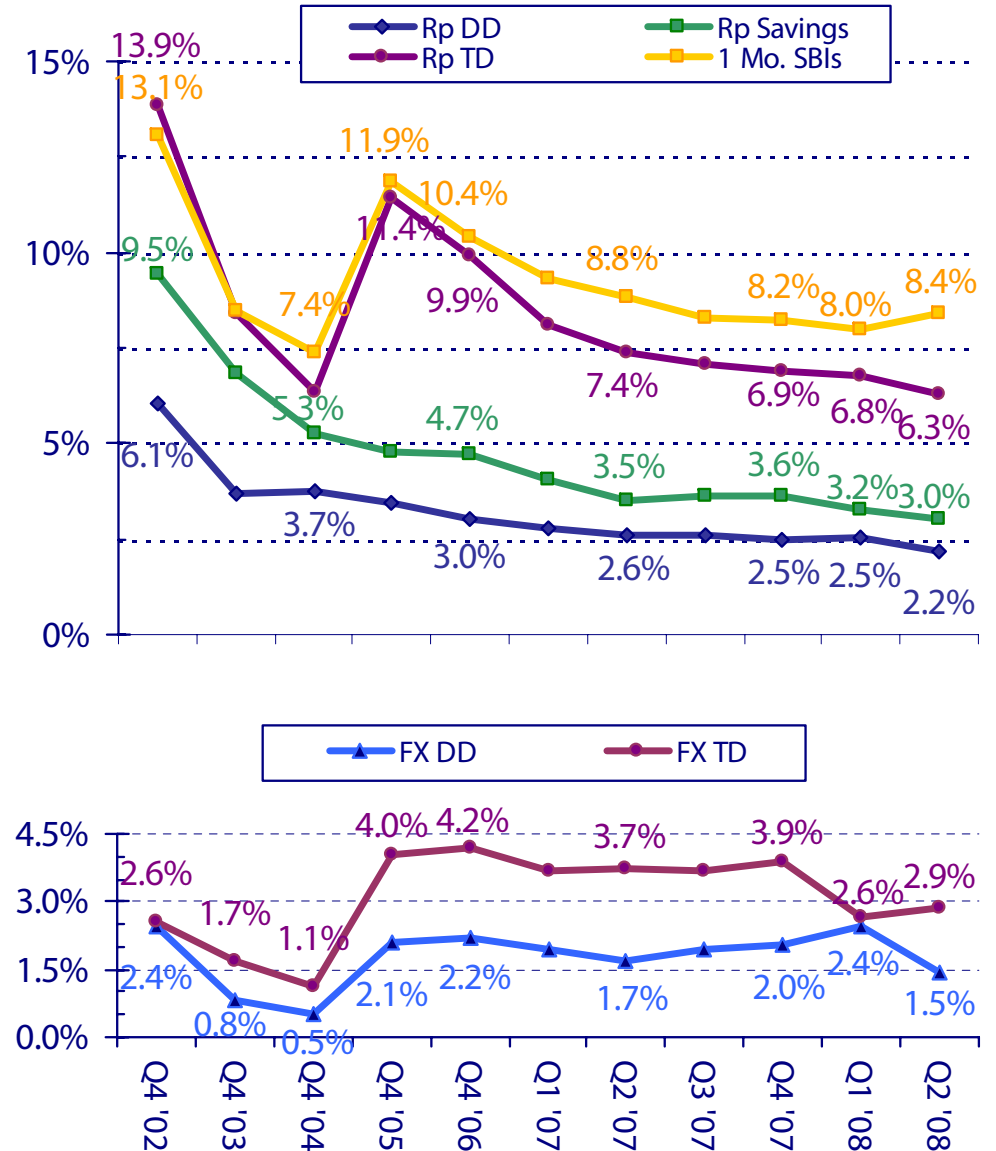


# Q2 Deposits rise by 12.3% Y-o-Y and 4.7% Q-o-Q

## Deposit Analysis – Bank Only



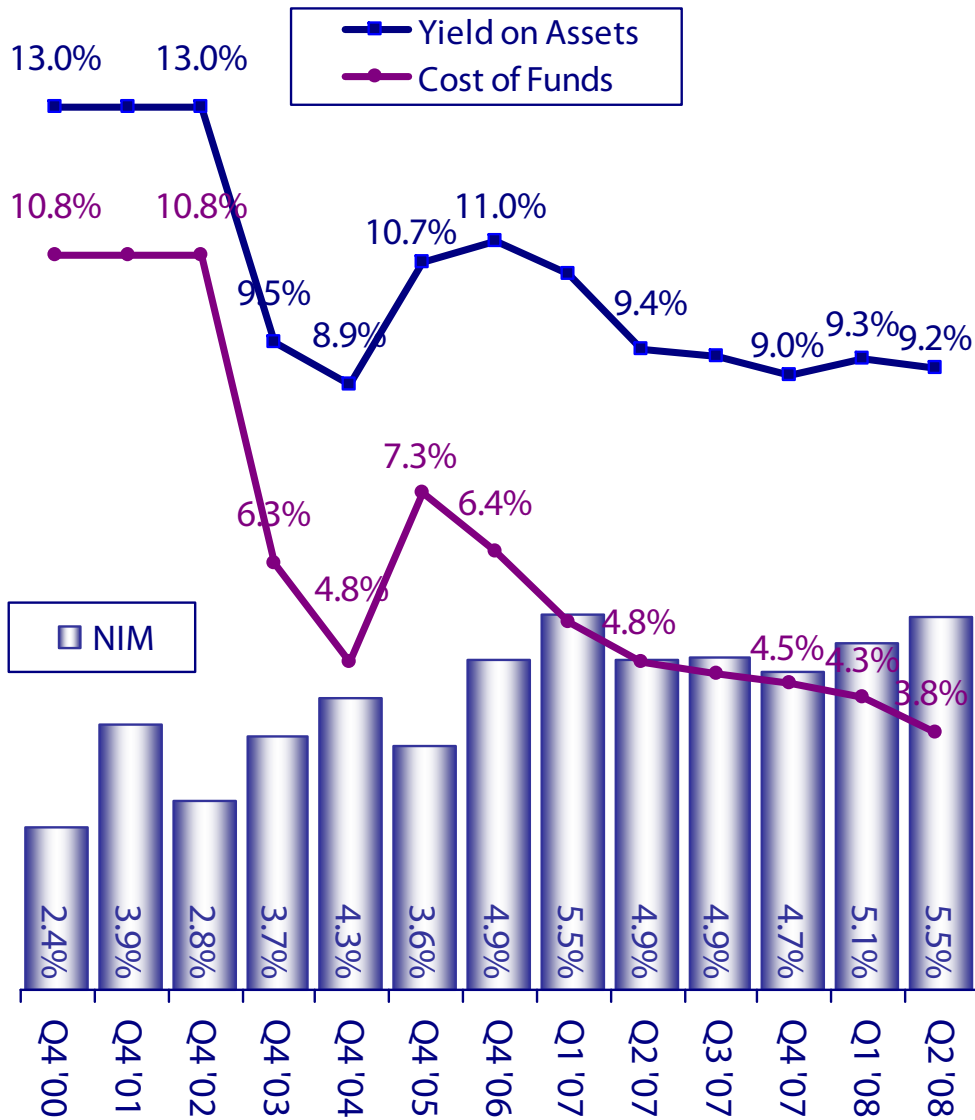
## Average Quarterly Deposit Costs (%)





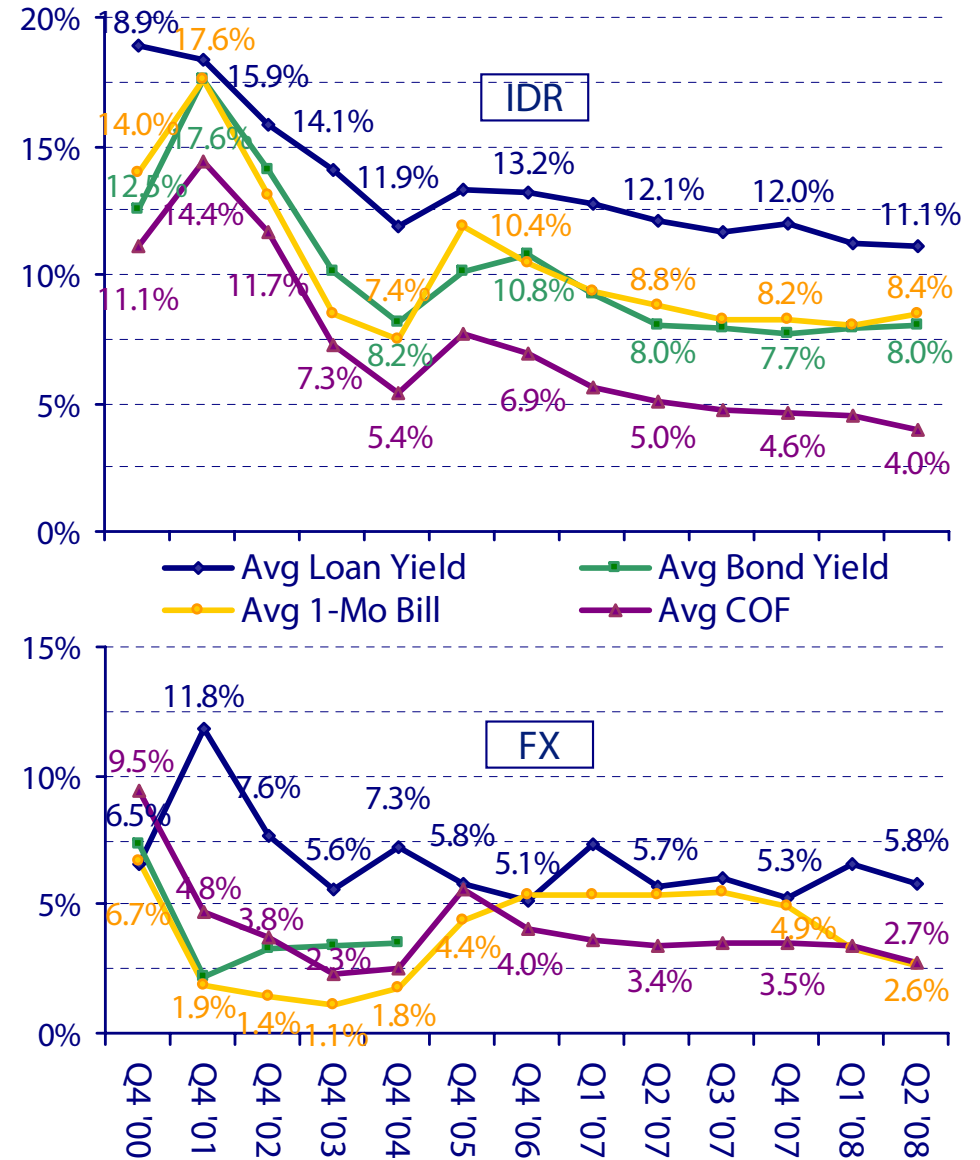
# Q2 COF declines to 3.8%, with NIM of 5.5%

Quarterly Net Interest Margins\*



\*Excluding the impact of non-recurring interest income

Quarterly Yields & Costs by Currency\*



# H1 Fees and Commissions grew by 45.9%

## Breakdown of Q2 2007 & 2008 Non-Loan Related Fees & Commissions (Rp bn)

Non-Loan Related Fees & Commissions	H1 '07	Q1 '08	Q2 '08	H1 '08	H1 $\Delta$ % (Y-o-Y)	Q2 $\Delta$ % (Q-o-Q)
Administration Fees	332.47	237.43	261.24	498.67	50.0%	10.0%
Opening L/Cs, Bank Guarantees & Capital Markets	200.69	81.75	109.71	191.46	(4.6%)	34.2%
Subsidiaries	158.02	139.73	142.18	281.92	78.4%	1.8%
Transfers, Collections, Clearing & Bank Reference	87.77	51.06	54.52	105.58	20.3%	6.8%
Credit Cards	104.35	78.85	86.83	165.68	58.8%	10.1%
Mutual Funds & ORI	7.07	10.32	16.64	26.96	281.3%	61.2%
Others*	212.15	165.87	172.47	338.35	59.5%	4.0%
<b>Total</b>	1,102.52	765.02	843.59	1,608.61	45.9%	10.3%
Total Operating Income <sup>#</sup>	8,924.39	4,261.44	4,666.39	8,927.82	0.0%	9.5%
<i>Non-Loan Related Fees to Operating Income**</i>	12.35%	17.95%	18.08%	18.02%	28.6%	0.7%

\* Others includes Syndication, Payment Points, ATMs, Debit Cards, etc.

\*\* Non-Loan related fees & commissions/(Total Operating Income - Non-recurring interest income)

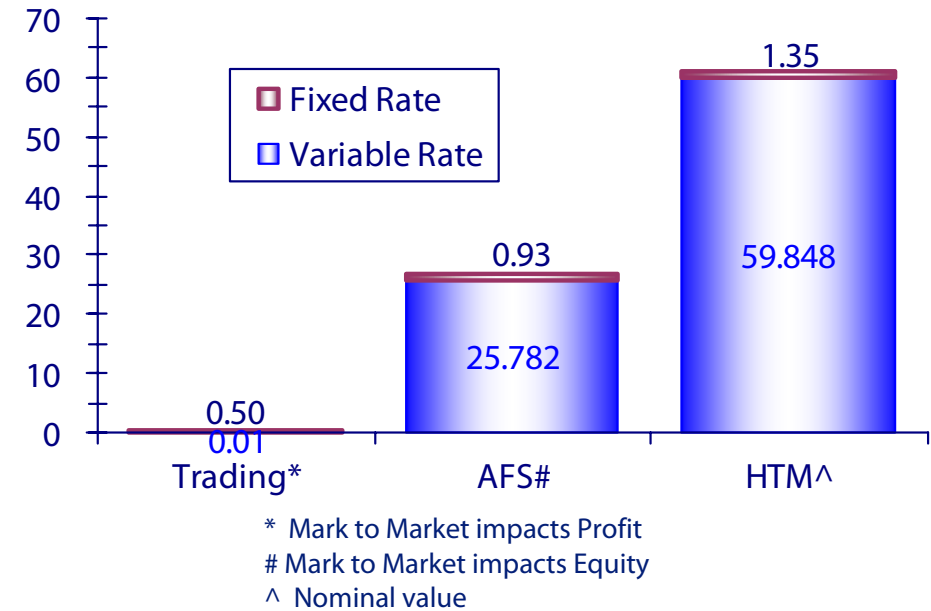
# Excluding non-recurring interest income

# Limited Impact on Government Recap Bonds

Recap Bond Portfolio by Type and Maturity (Rp bn)

Maturity/ Rp bn	Trading Portfolio		Available for Sale		Held to Maturity
	Nominal	MTM	Nominal	MTM	
<b>Fixed Rate Bonds</b>					
< 1 year	271	271	9	9	-
1 - 5 year	142	143	200	191	1,350
5 - 10 year	27	27	499	483	-
> 10 year	56	56	224	216	-
Sub Total	496	497	932	899	1,350
<b>Variable Rate Bonds</b>					
< 1 year	-	-	-	-	-
1 - 5 year	10	10	299	299	-
5 - 10 year	-	-	12,886	12,886	29,388
> 10 year	-	-	12,597	12,597	30,459
Sub Total	10	10	25,782	25,782	59,848
<b>Total</b>	<b>506</b>	<b>507</b>	<b>26,714</b>	<b>26,681</b>	<b>61,198</b>

Bonds by Rate Type & Portfolio as of Jun 2008 (Rp bn)

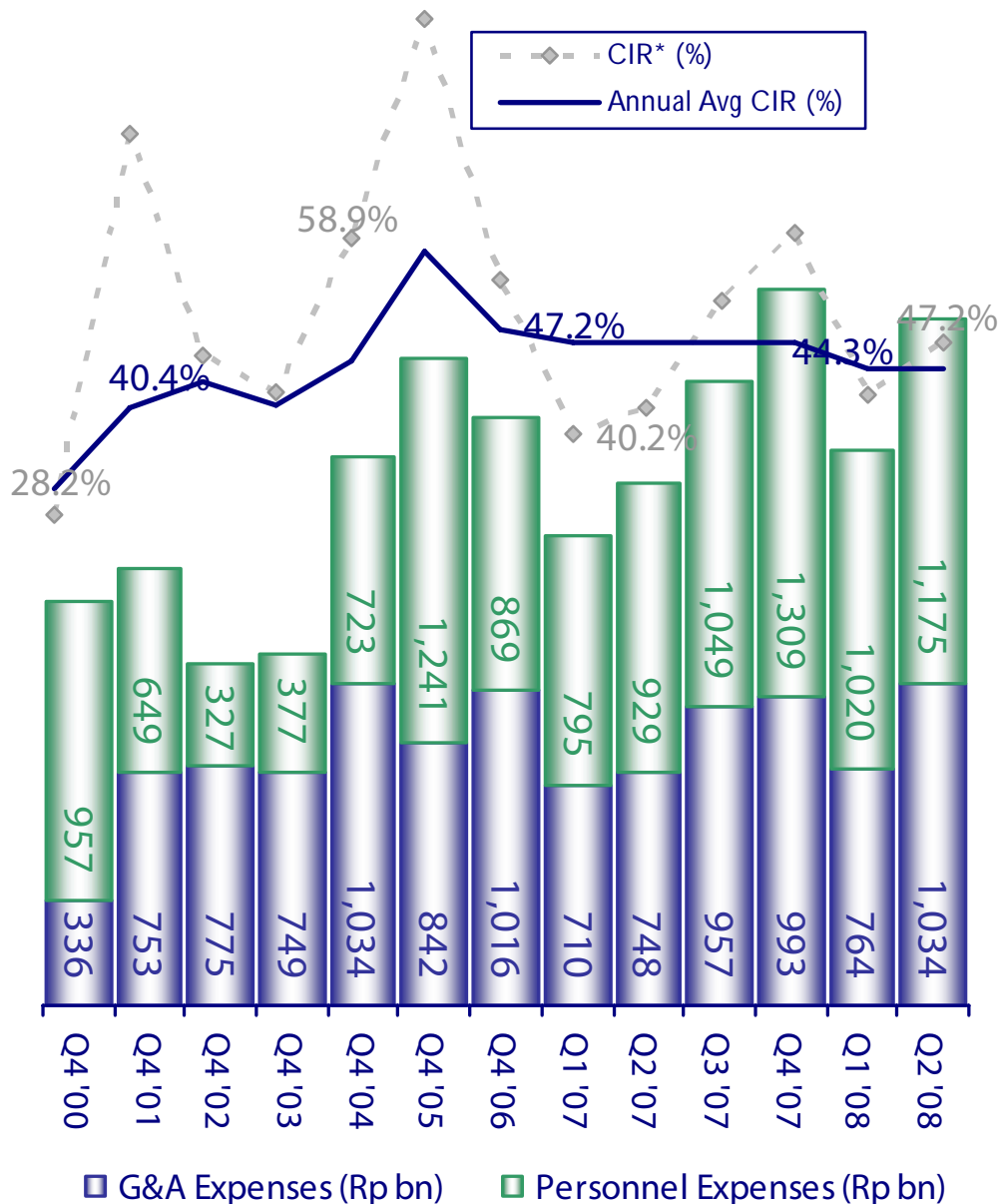


Q2 Recap Bond Gains/(Losses) (Rp bn)

	Q2 '07	Q2 '08
Realized Gains/Losses on Bonds	129.84	(54.23)
Unrealized Gains/Losses on Bonds	13.02	33.44
<b>Total</b>	<b>142.87</b>	<b>(20.78)</b>

# H1 Cost to Income Ratio remains 44.4%, on track with FY expectations

## Quarterly Consolidated Operating Expenses & CIR\*



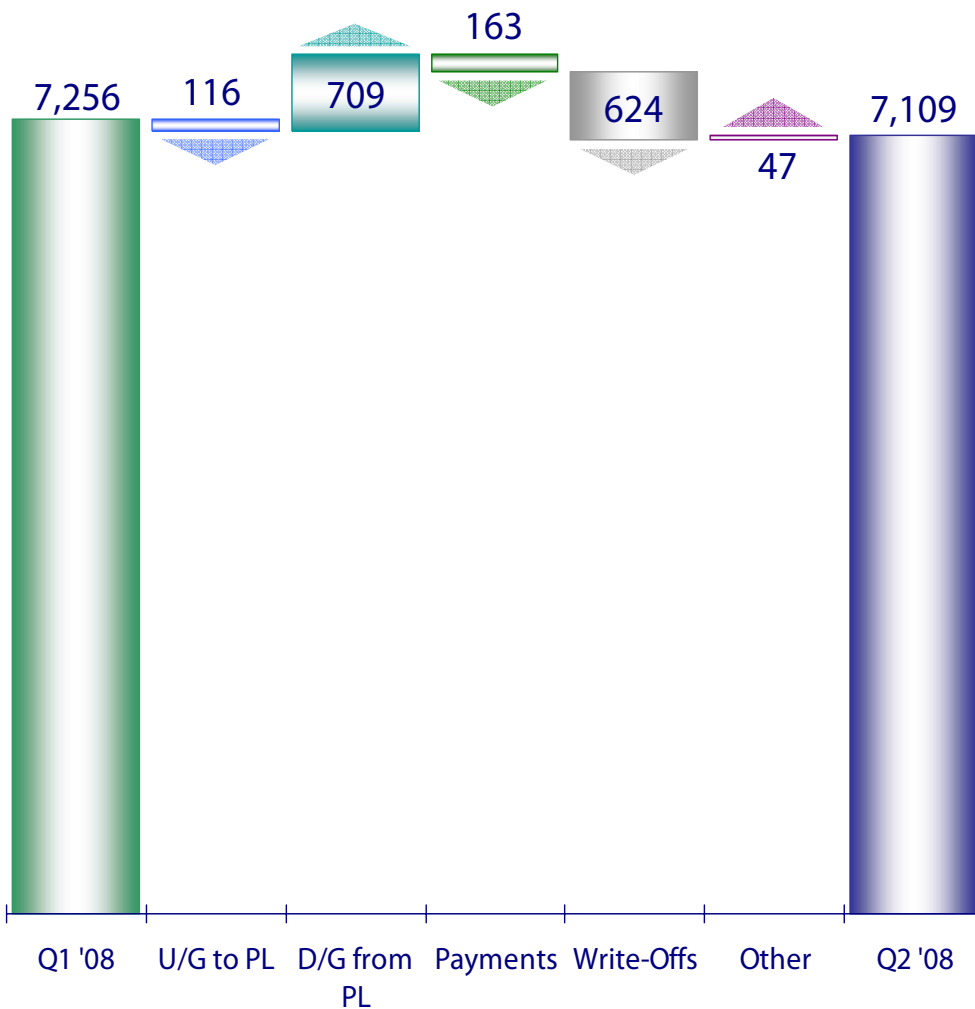
\*Excluding the impact of non-recurring interest income & bond gains

## Breakdown of Q2 2007 & 2008 Operating Expenses

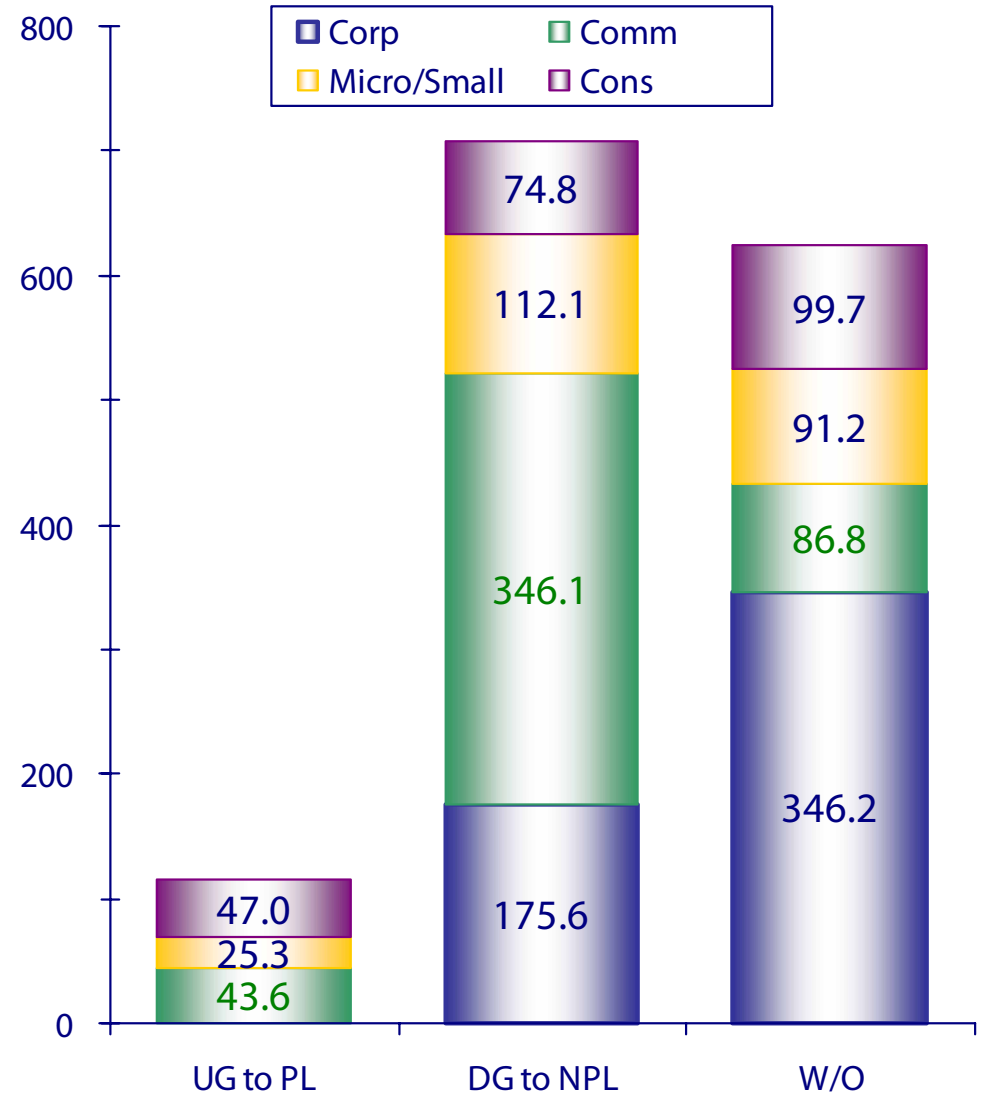
	Q2 '07	Q2 '08	Change (Y-o-Y)
Personnel Expenses			
Base Salary	294,225	358,365	21.80%
Other Allowances	430,057	510,971	18.81%
Post Employment Benefits	70,338	102,075	45.12%
Training	45,120	74,818	65.82%
Subsidiaries	89,168	128,772	44.42%
<b>Total Personnel Expenses</b>	<b>928,908</b>	<b>1,175,001</b>	<b>26.49%</b>
G & A Expenses			
IT & Telecommunication	195,318	200,335	2.57%
Occupancy Related	208,934	240,043	14.89%
Promotion & Sponsorship	66,896	200,296	199.41%
Transport & Traveling	65,849	73,474	11.58%
Professional Services	65,927	90,720	37.61%
Employee Related	56,858	82,299	44.74%
Subsidiaries	88,219	146,600	66.18%
<b>Total G &amp; A Expenses</b>	<b>748,001</b>	<b>1,033,767</b>	<b>38.20%</b>

# Q2 NPLs drop to Rp7.1 tn on upgrades, payments and write-offs of Rp903 bn

Non-Performing Loan Movements (Rp bn) – Bank Only

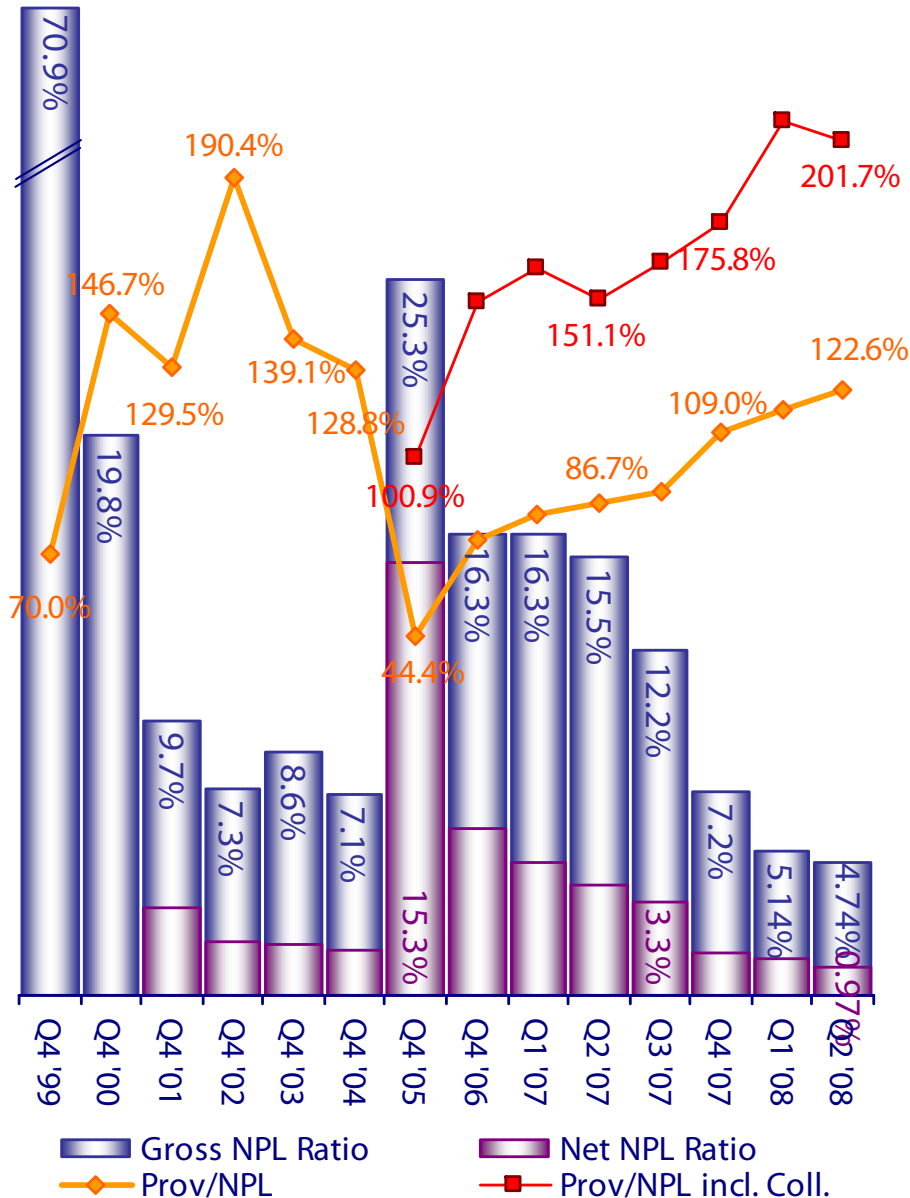


Movement by Customer Segment (Rp Bn)

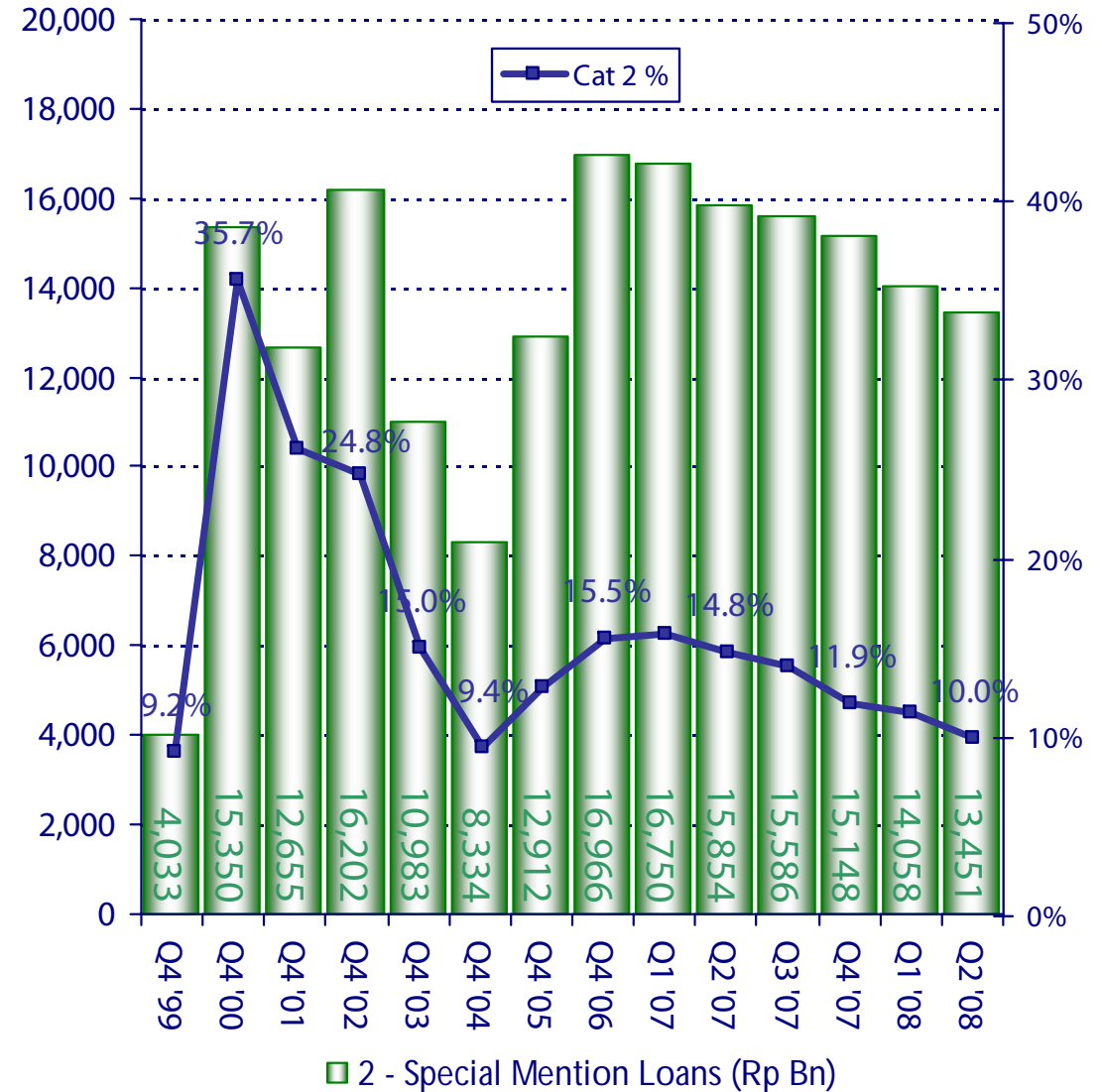


# Gross NPLs decline to 4.7% with provisioning coverage of 122.6%

## NPL Movement - Consolidated



## Category 2 Loans – Bank Only



# Cash Provisioning for Category 5 loans now at 99.4%

## Non-Performing Loans by Segment

	NPLs (Rp tn)	Q1△ (Rp tn)	NPLs (%)
Corporate	4.75	(0.20)	7.78%
Commercial	1.40	0.17	3.58%
Small	0.36	(0.03)	2.69%
Micro	0.13	(0.01)	3.82%
Consumer	0.47	(0.08)	2.67%
Total	7.11	(0.15)	4.74%

- Bank Mandiri's current provisioning policy adheres to BI requirements
- As of 30 June '08, loan loss provisions excess to BI requirements = Rp937 bn

Provisioning Policy	Performing Loans		Non-Performing Loans		
	1	2	3	4	5
BI Req.	1%	5%	<b>15%</b>	<b>50%</b>	<b>100%</b>
BMRI Policy	1%	5%	<b>15%</b>	<b>50%</b>	<b>100%</b>
BMRI pre-2005	2%	15%	50%	100%	100%

## Collateral Valuation Details

Collectibility	1	2	3	4	5
Total Cash Prov. (Rp bn)	1,263	1,789	350	550	5,102
% Cash Provisions	1.1%	13.3%	26.6%	83.1%	99.4%
Collateral Prov. (Rp bn)	-	5,139	695	-	347
# of Accounts		23	3		2

- Collateral has been valued for 28 accounts and collateral provisions of Rp6,181 bn (30.0% of appraised value) have been credited against loan balances of Rp7,134 bn
- Collateral value is credited against cash provisioning requirements on a conservative basis. For assets valued above Rp 5bn:
  - Collateral is valued only if Bank Mandiri has exercisable rights to claim collateral assets
  - 70% of appraised value can be credited within the initial 12 months of valuation, declining to:
    - 50% of appraised value within 12 to 18 months
    - 30% of appraised value within 18 to 24 months
    - No value beyond 24 months from appraisal

# Annualized net downgrades of 0.56% on new loans in Q2

Total Loans originated since 2005

Loan Background	Q2 '08 Balance (Rp bn)	Net Upgrades (%)/Downgrades (%) #									Q2 2008 Details	
		Q2 2006	Q3 2006	Q4 2006	Q1 2007	Q2 2007	Q3 2007	Q4 2007	Q1 2008	Q2 2008	DG to NPL %	UG to PL %
Corporate	39,760.1	-	-	0.02	-	0.49	0.55	-	-	0.10	0.10	-
Commercial	25,249.5	1.27	1.33	2.04	0.11	0.60	0.18	0.02	0.33	0.14	0.14	-
Small/Micro	11,926.8	3.14	2.17	1.62	1.87	1.56	1.07	0.59	0.92	0.58	0.70	0.12
Consumer	16,042.5	0.73	1.18	0.25	0.78	0.34	0.28	0.01	0.42	0.13	0.31	0.17
<b>Total</b>	<b>92,979.0</b>	<b>1.08</b>	<b>1.00</b>	<b>0.68</b>	<b>0.42</b>	<b>0.29</b>	<b>0.23</b>	<b>0.08</b>	<b>0.28</b>	<b>0.18</b>	<b>0.22</b>	<b>0.05</b>

# % downgrades and upgrades are quarterly % figures



# Progress on selected debtors as of 30 June '08

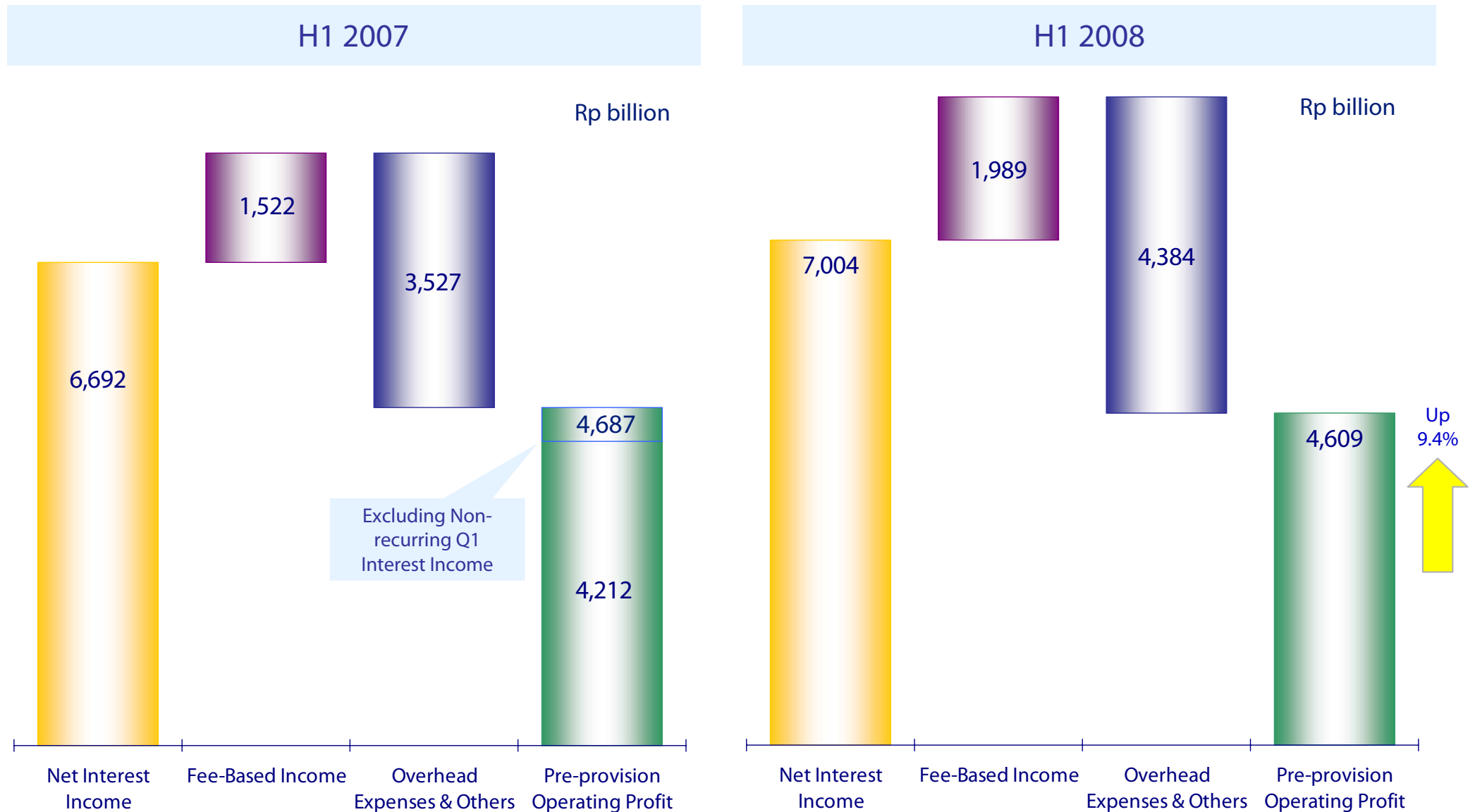
## Suba Indah

- Loans outstanding of this debtor as of 30 June 2008 were Rp664 billion
- The debtor had filed for bankruptcy in October 2007.
- The curator is still in the process of asset valuation in preparation for an asset auction.
- One member of the Suba Indah group, Primayudha Mandirijaya (outstanding loans of Rp158 billion) are in the process of settlement through investor refinancing.
- By June 2008, Primayudha Mandirijaya had paid a total of Rp57.4 billion in H1.

## Djajanti Group

- Djajanti group consist of 5 companies (Djajanti Plaza, Biak Mina Jaya, Artika Optima Inti, Djarma Aru and Nusa Prima Pratama Industry).
- Loans outstanding to this group as of 30 June 2008 were Rp561 billion.
- The obligor settled loans to PT. Hasil Tambak Amboina and PT. Kinantan Sena Putra in October 2006 amounting to USD1.7 million .
- The Bank was succeeded in auctioning loan collateral of Nusa Prima Pratama Industry with a value of Rp151 billion.
- The loans have been fully provided.

# H1 '08 operating profit up 9.4% from H1 '07 excluding non-recurring interest income

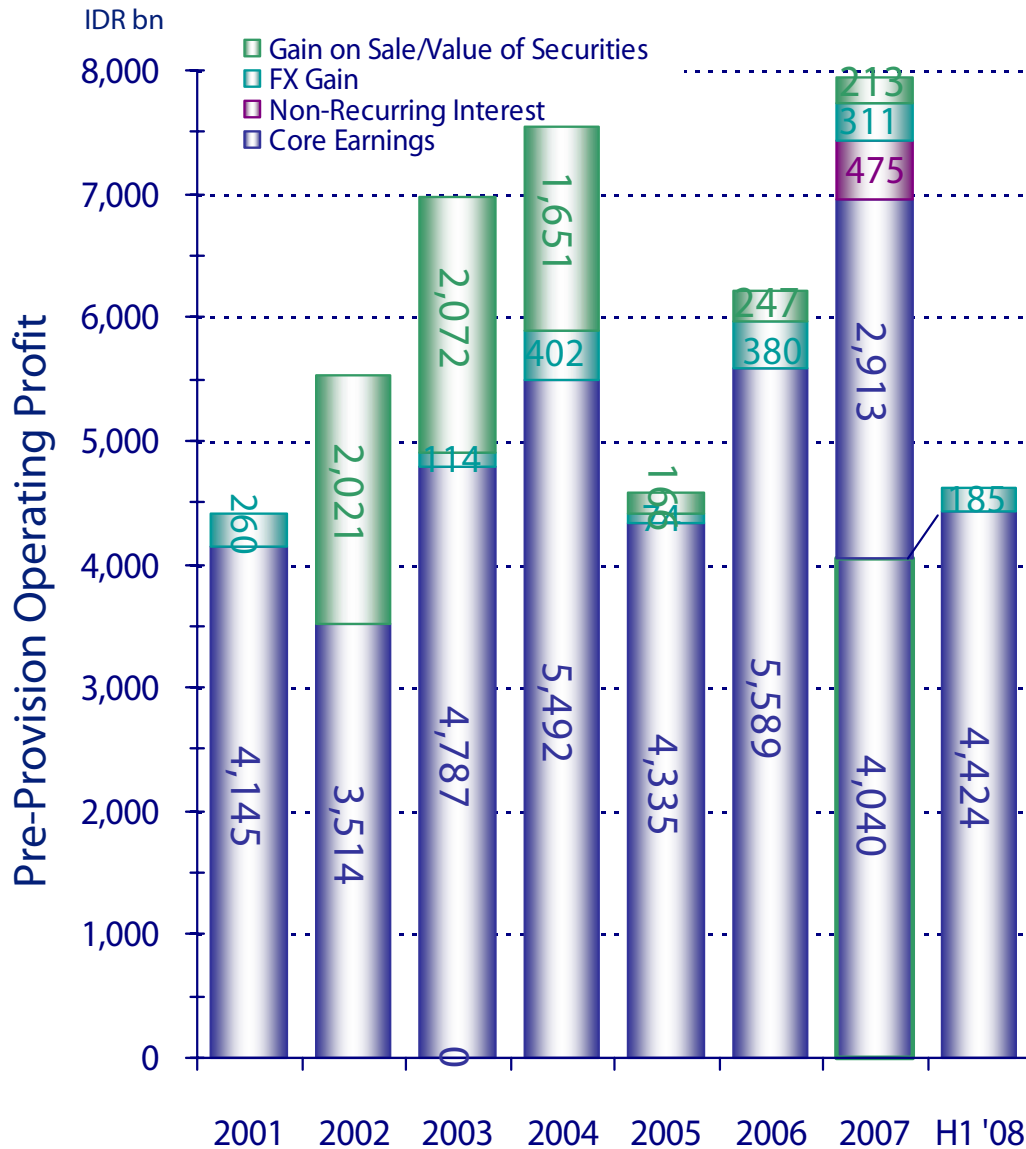


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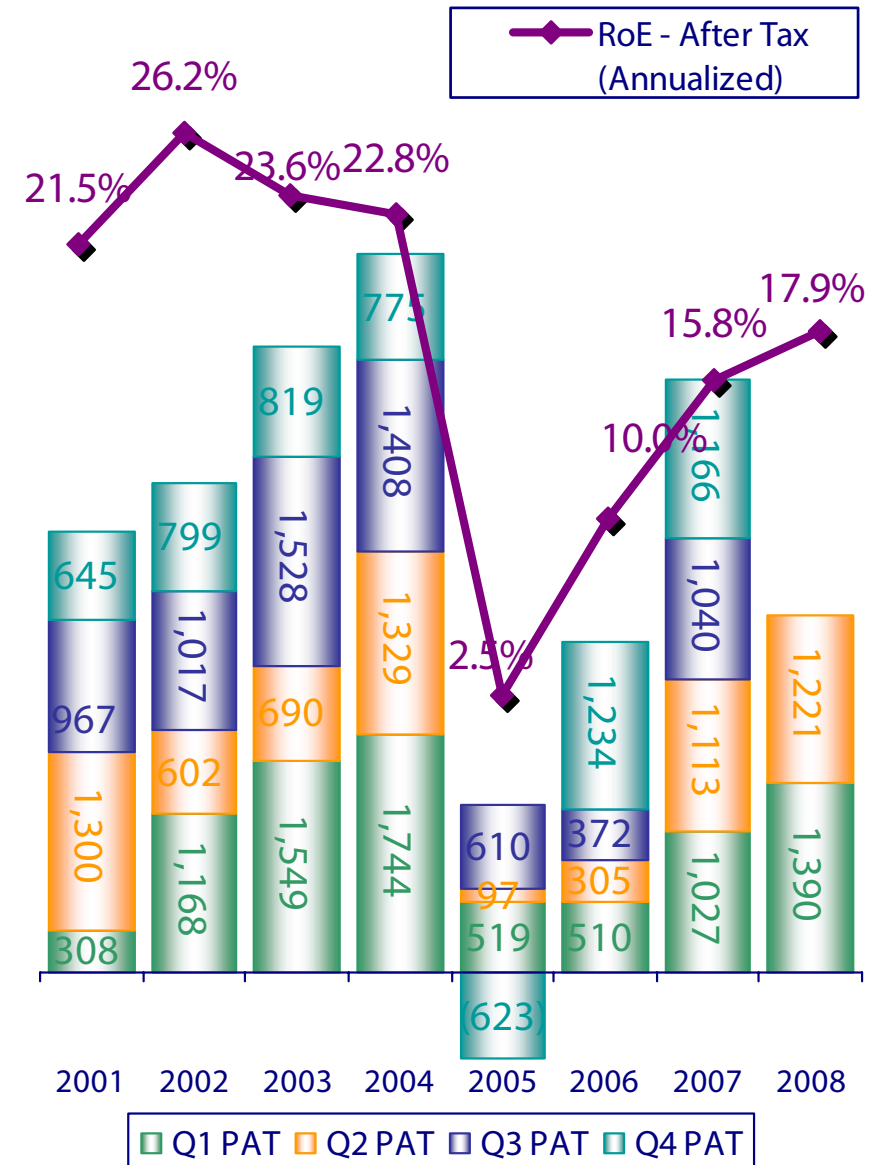
1. Fee based income excluding gain on sale & increasing value GB & securities
2. Overhead expenses + others excluding provisions

# H1 Core earnings up 9.5% to Rp4,424 billion

## Core Earnings



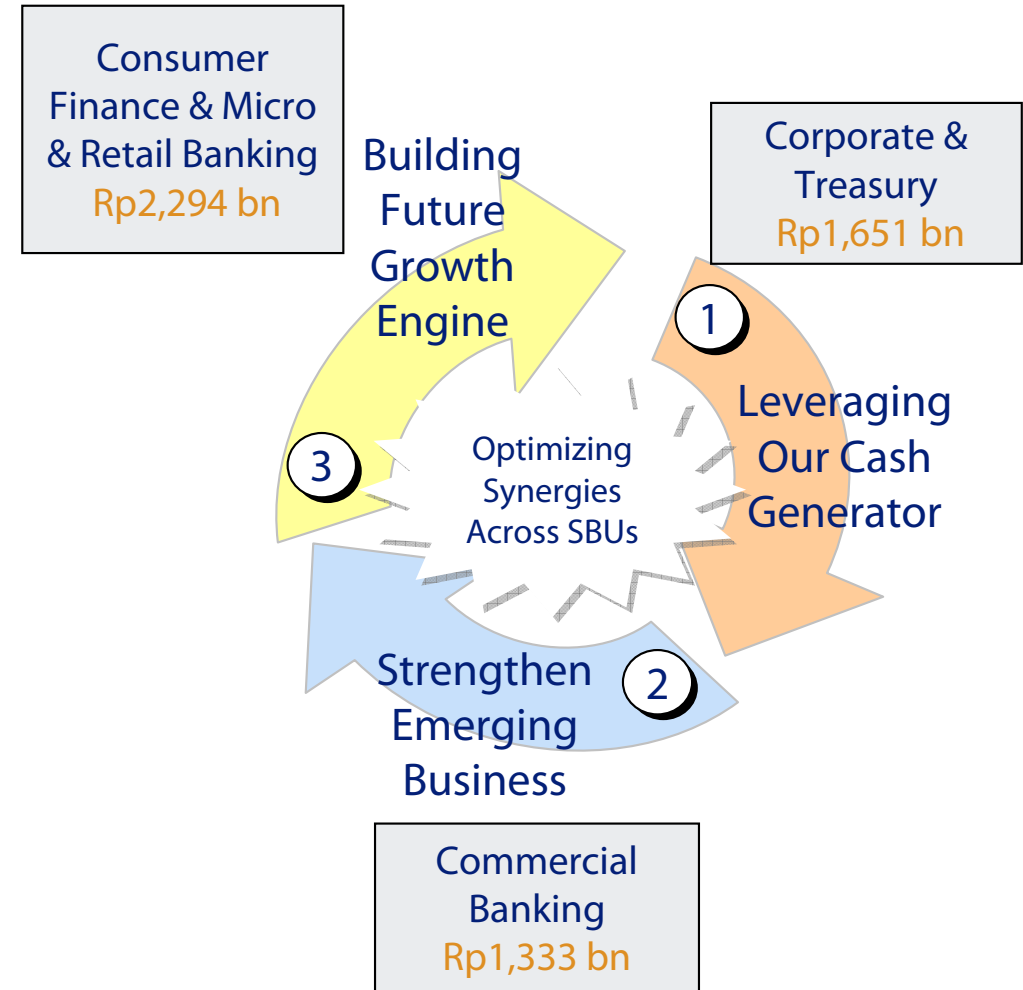
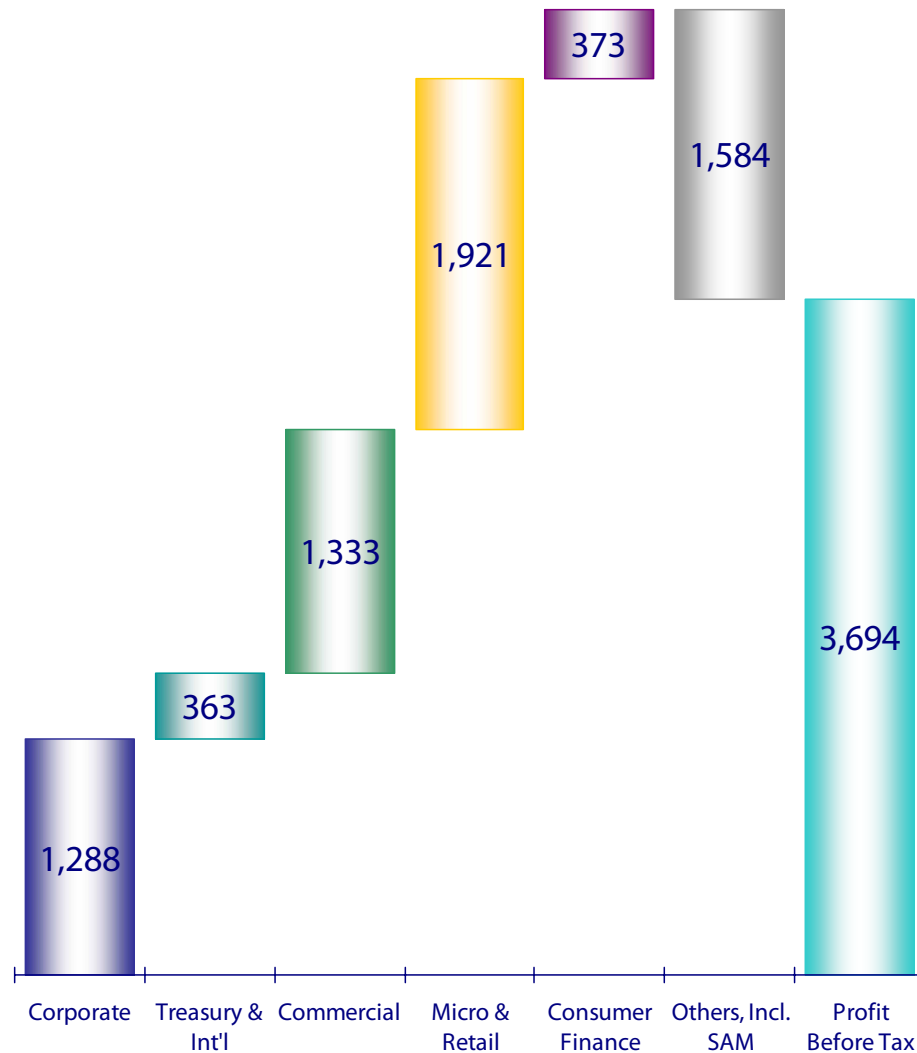
## Profit After Tax & ROE



# Operating Performance Highlights






# Recap: Leveraging leadership in cash generating businesses to build emerging and future growth engines

SBU H1 '08 Contribution Margin



■ Contribution Margin (Net Profit Before Tax)

# ...supported by 4 pillars of subsidiaries with an additional one soon to be developed

Syariah Banking	Investment Bank	Insurance	Niche Banking	
 <p>BANK SYARIAH MANDIRI <i>Lebih Adil dan Menenteramkan</i></p>	 <p>MANDIRI SEKURITAS</p>	 <p>AVA MANDIRI FINANCIAL SERVICES</p>	 <p>Bank Sinar Harapan Bali</p>	
Total Assets Rp16.3 tn	Bond Trading Volume Rp15.9 tn	Total Assets Rp4.4 tn	Total Loans Rp236 bn	
Total Financing Rp12.7 tn	Bond Underwriting Rp2.6 tn	Annual FYP Rp365.7 bn	Net Interest Margin*	
Total Deposits Rp14.3 tn	Equity Trading Volume Rp26.9 tn	Fee Contribution Rp55.6 bn	12.7%	
ROE 22.8%	Equity Trading Volume Rp26.9 tn	ROE 44.2%	ROA 2.28%	
	ROA 6.3%		ROE 14.27%	
<ul style="list-style-type: none"> <li>Remain the leader in syariah financing</li> <li>Capital injection program over 3 years</li> <li>Cross-sell syariah products to Mandiri customers</li> </ul>	<ul style="list-style-type: none"> <li>Expansion of business to fully utilize current capital base</li> <li>Cross-sell capital market services to broad range of Mandiri customers</li> <li>Refocus business toward higher fee income</li> </ul>	<ul style="list-style-type: none"> <li>Provide end-to-end bank assurance business</li> <li>Continue to build cross-sell opportunities in various segments</li> <li>Bank assurance products complete our suite of consumer offerings</li> </ul>	<ul style="list-style-type: none"> <li>Enhance operating model</li> <li>Improve risk management systems and IT</li> <li>Improve productivity</li> </ul>	

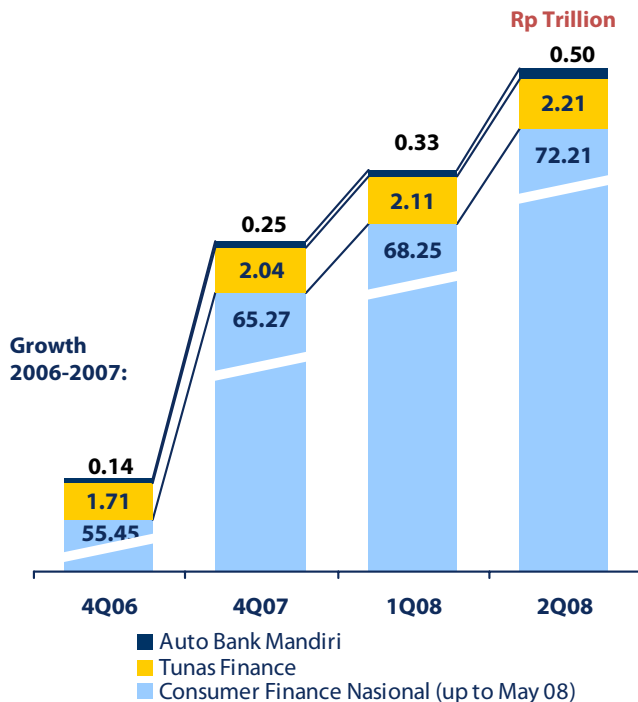
\* Excluding deposits made by Bank Mandiri

# The acquisition of Tunas Finance will boost consumer segment growth

Although Bank Mandiri's Consumer Segment volume is constantly growing, vehicle-ownership loan portfolio is still relatively small

The portfolio of Bank Mandiri auto loan is lower than multi-finance company (i.e. Tunas Finance), the possibilities to growth is relatively high as shown by the total portfolio of national Consumer Financing.

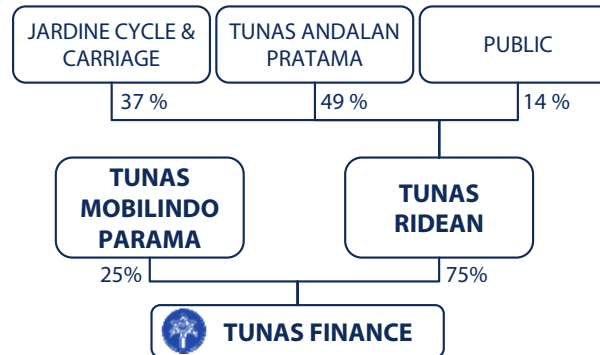
## Consumer Financing National Portfolio (Indonesia)



Through acquisition of Tunas Finance, Bank Mandiri's vehicle ownership is expected to grow rapidly

Bank Mandiri and shareholders of Tunas Finance have agreed the terms of acquisition and signed the *Perjanjian Pengikatan Jual Beli ("PPJB") Saham* on 27 June 2008, in relation to the acquisition of 51% share of Tunas Finance with value of IDR 290 billion.

## Tunas Finance Company Profile (Pre Acquisition)



as of 31 Dec 2007

Total Financing	IDR 2.04 Trillion
Net Profit	IDR 84.7 Billion
ROE	25.23 %
NIM	5.75 %



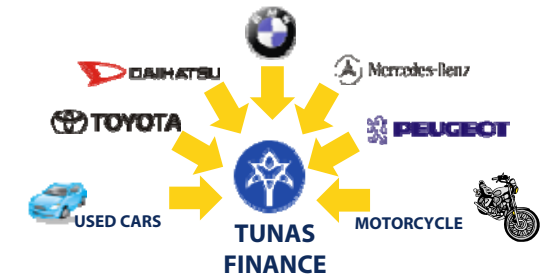
978 employees



32 branches

Tunas Finance will be the main vehicle-ownership loan generator

Tunas Finance is supported by its related captive dealers located throughout major cities in Indonesia



Bank Mandiri will utilize Tunas Finance to develop its business in consumer segment, especially in vehicle-ownership financing, by using Bank Mandiri's network infrastructure throughout Indonesia.

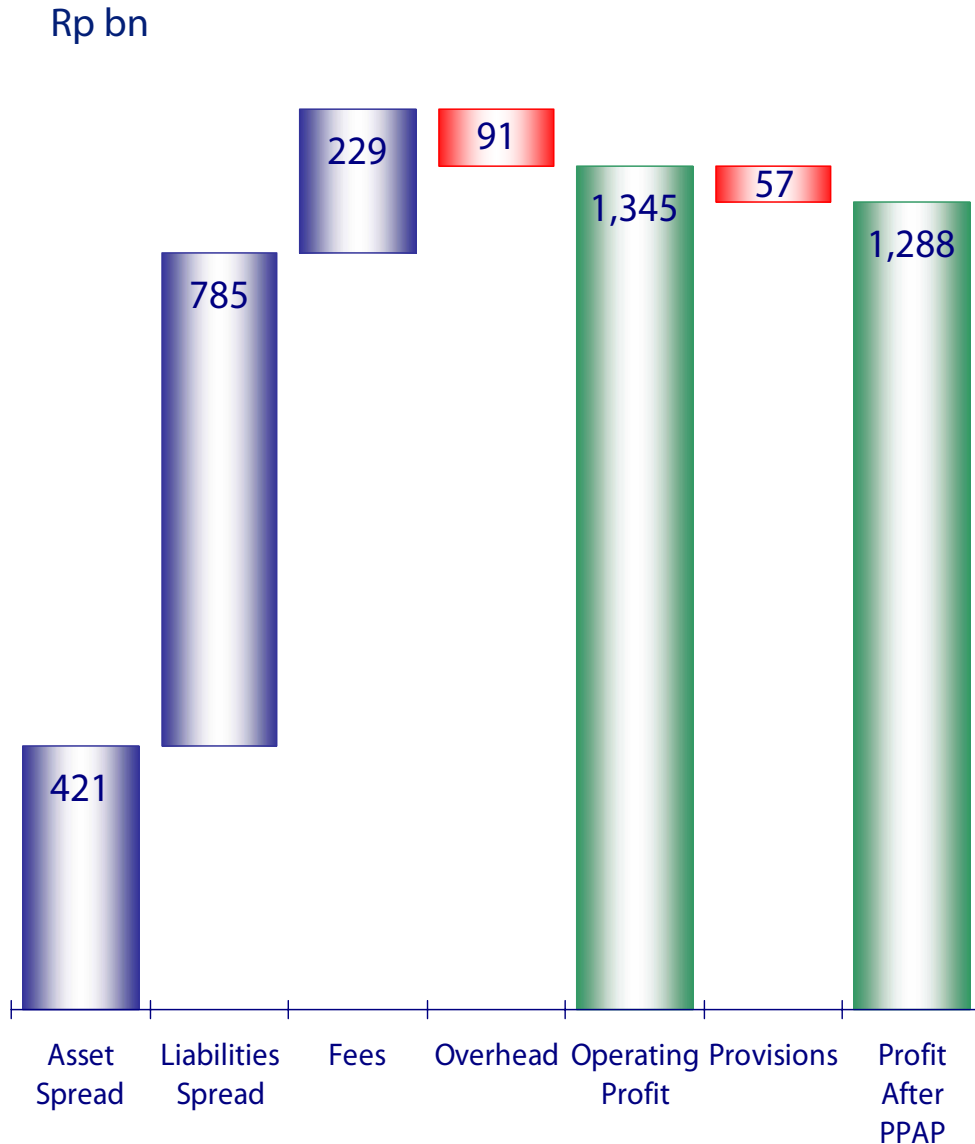
## Bank Mandiri – Tunas Finance Network synergy masterplan



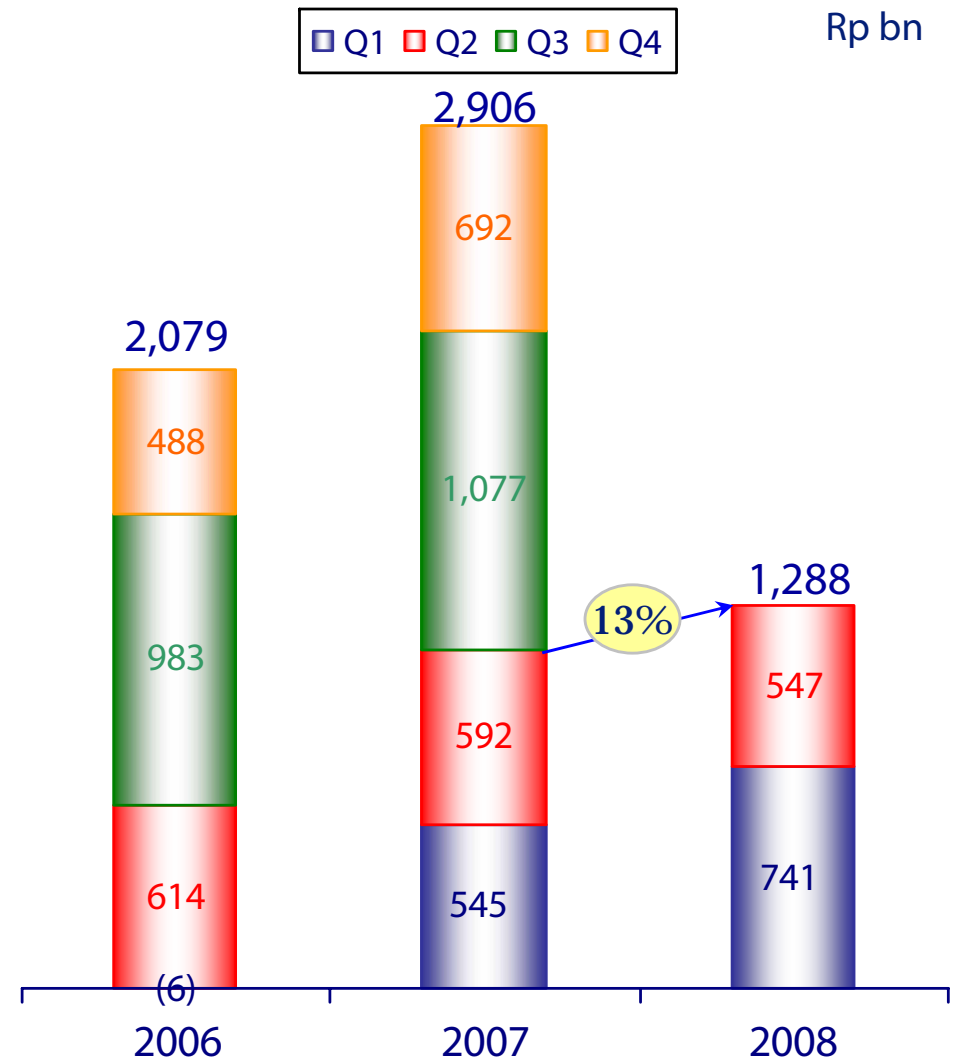
The synergy is expected to significantly increase Bank Mandiri's market share in consumer segment.

# Corporate Banking: H1 Growth in Contribution Margin of 13.3%

Performance to Date, H1 2008



Contribution Margin (after PPAP)

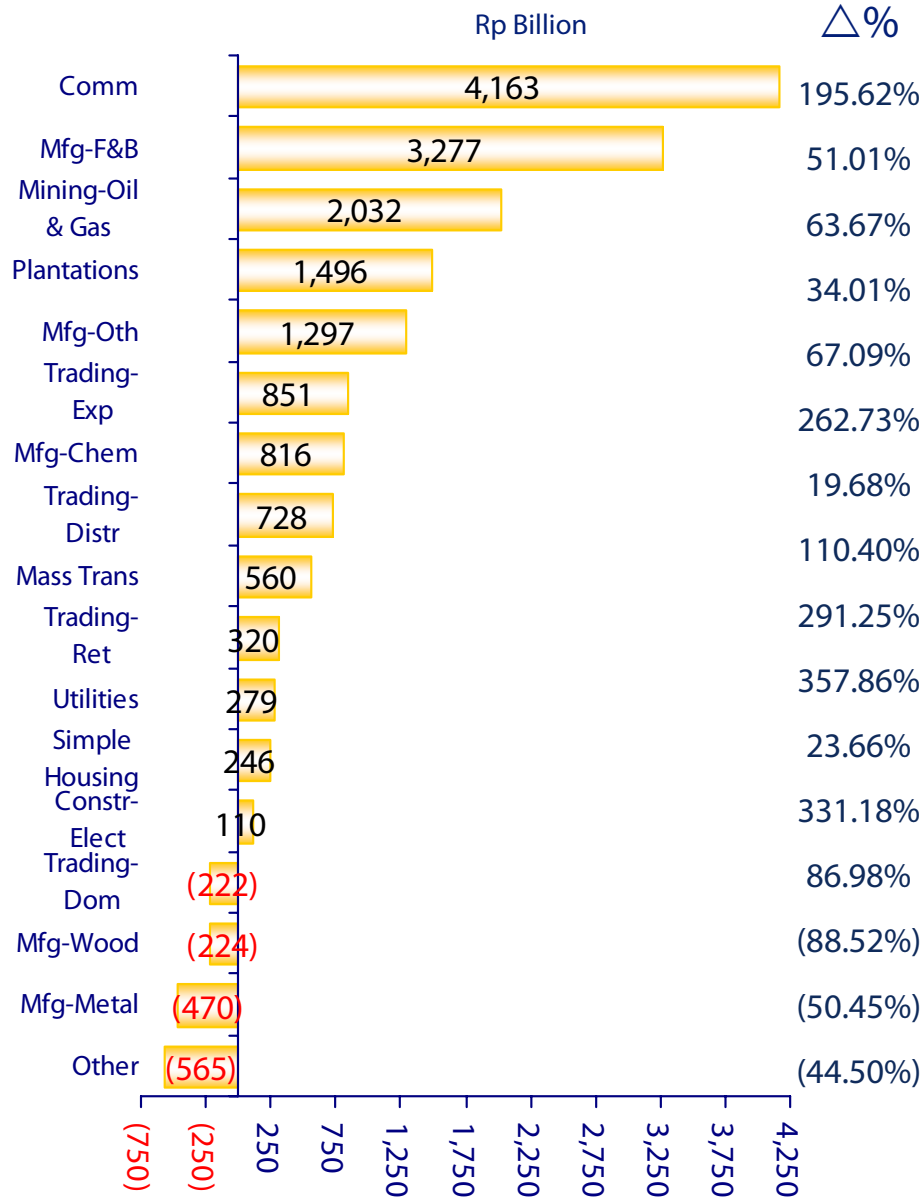




# Corporate Banking: Strengthening Growth in Key Areas

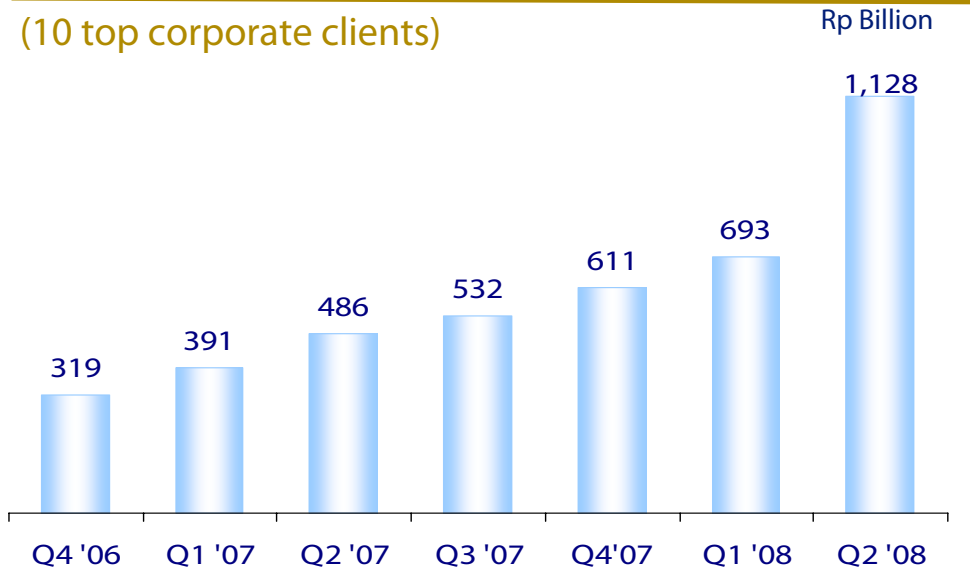
## Breakdown of Net Expansion by Sector, H1 '07 – H1 '08

(Total Rp14.69 tn)

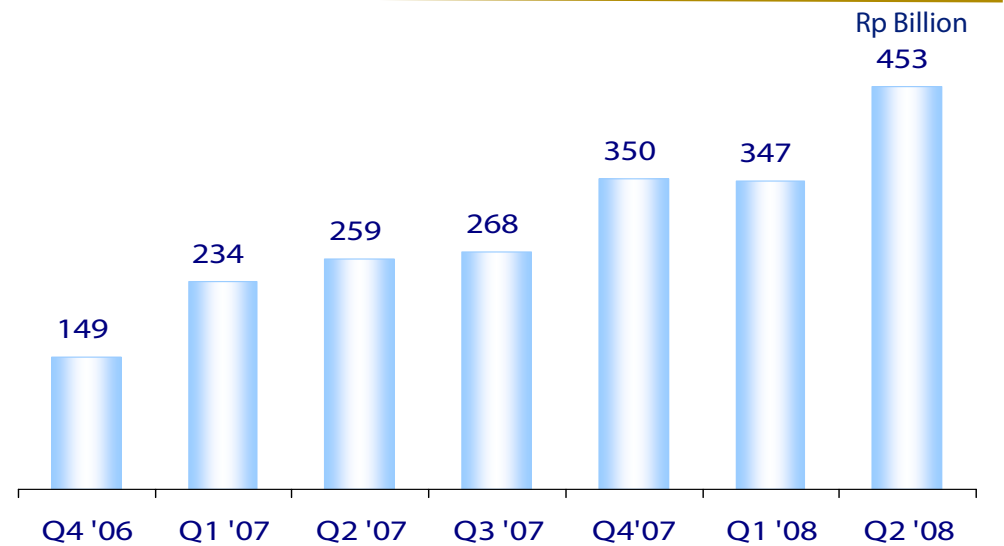


## Consumer Loans from Alliance Program

(10 top corporate clients)



## Plantation Small & Micro Lending from Alliance Program

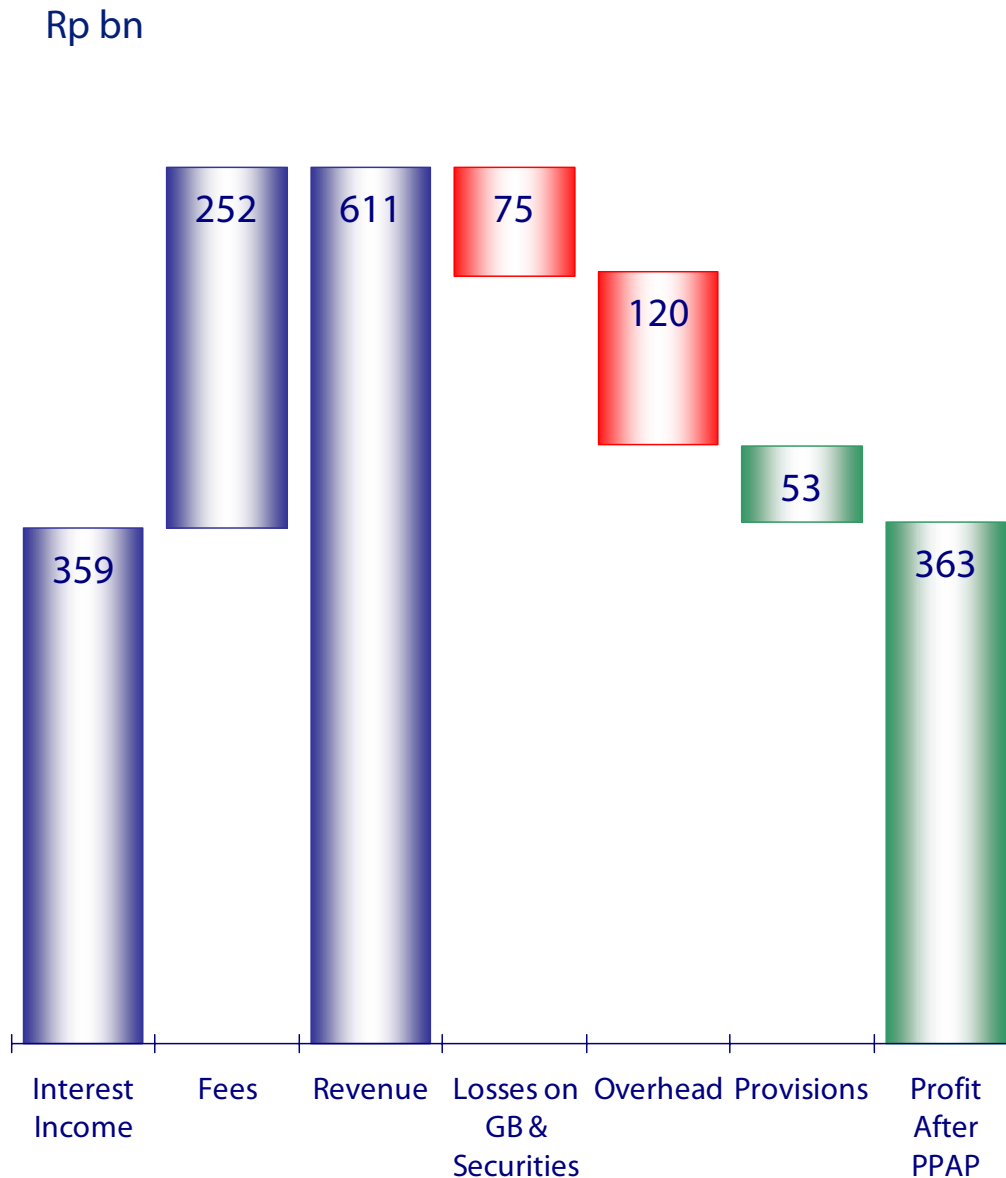


# Mandiri Sekuritas continued to improve

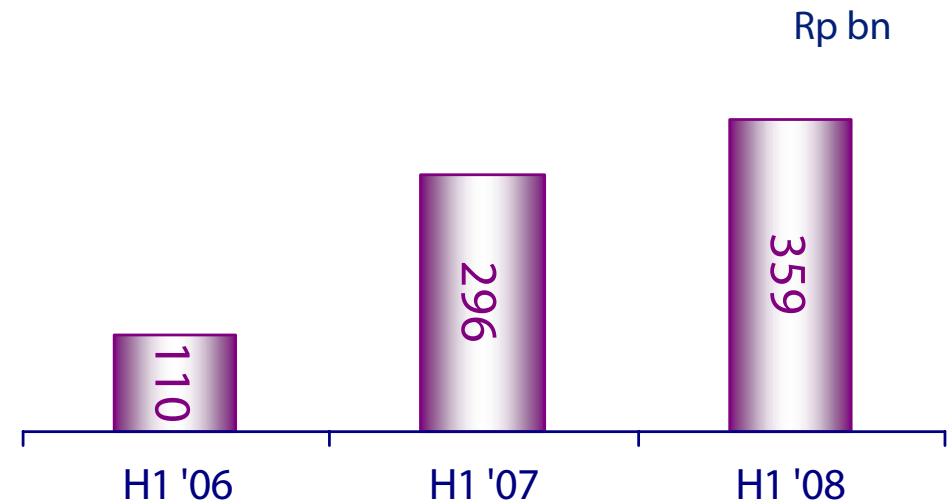
(Rp Bn)	H1 '07	H1 '08	Growth Y-o-Y (%)
<b>Revenues</b>	<b>204</b>	<b>245</b>	<b>20%</b>
• <i>Investment Banking</i>	72	92	28%
• <i>Capital Market</i>	111	115	4%
• <i>Treasury</i>	6	5	(16%)
• <i>Investment Mgt</i>	14	32	128%
Operating Expenses	95	134	42%
Earnings After Tax	56	65	15%
Equity Transactions	18,260	26,940	48%
SUN Transactions	37,711	15,901	(58%)
Bonds Underwritten	1,583	2,633	66%
ROA	6.2%	6.3%	2%
ROE	14.7%	15.8%	7%

# Treasury & International Banking

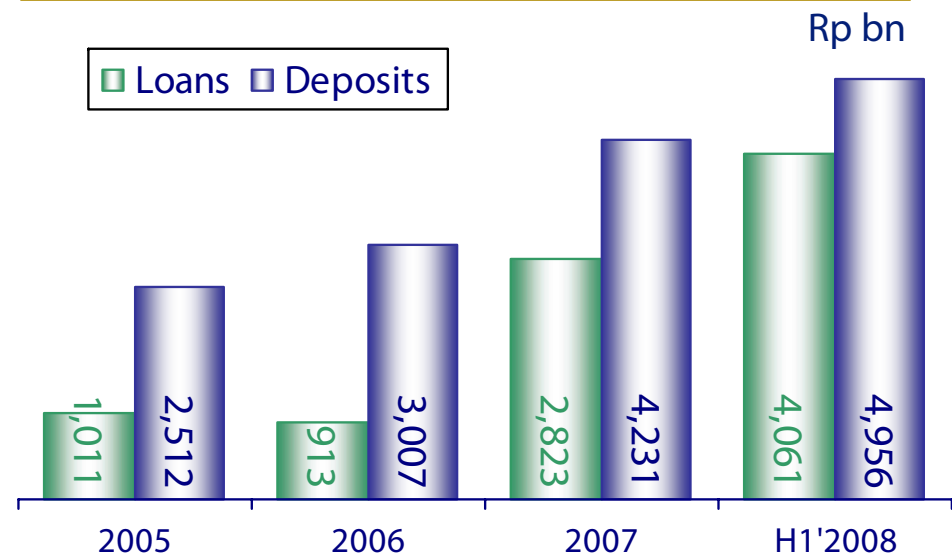
## Performance to Date, H1 2008



## Net Interest Income

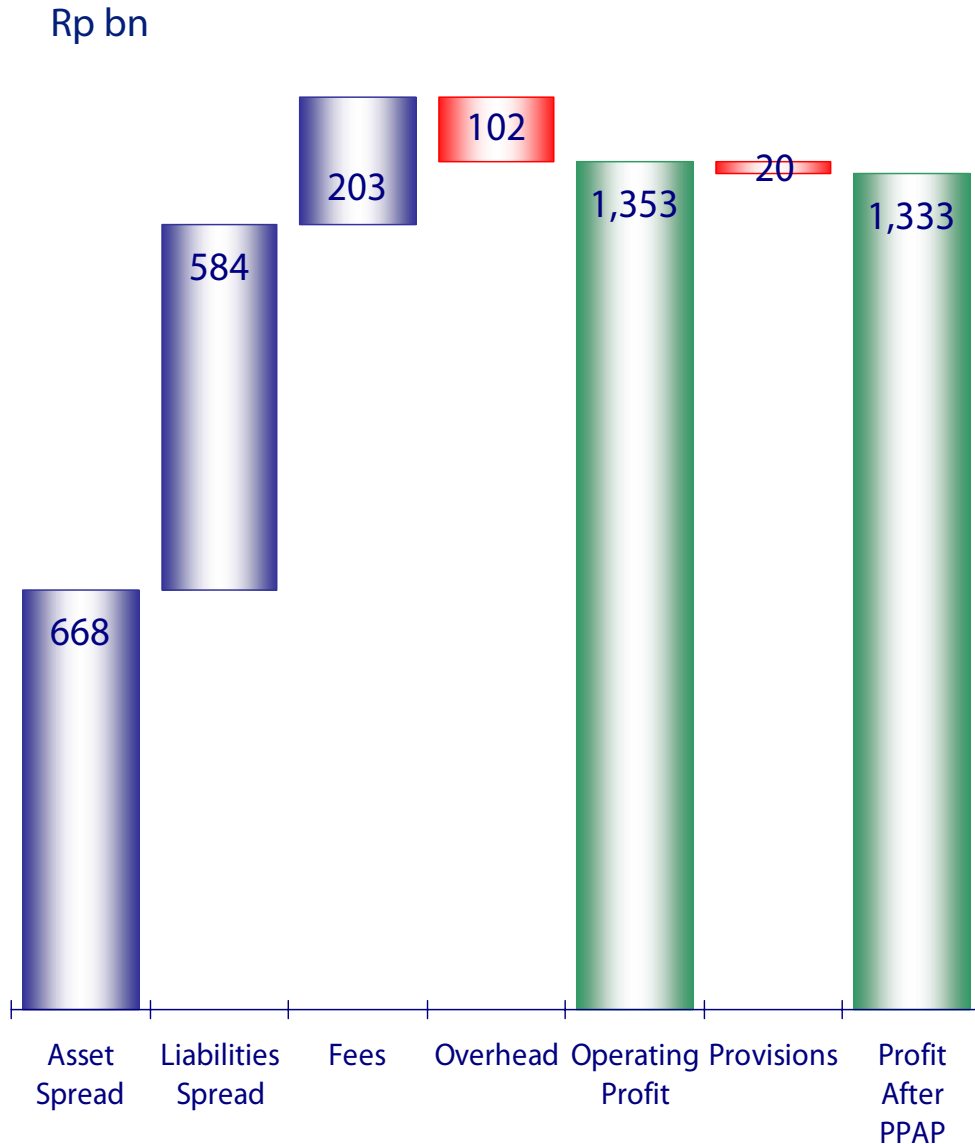


## Business Volume (Rp bn)

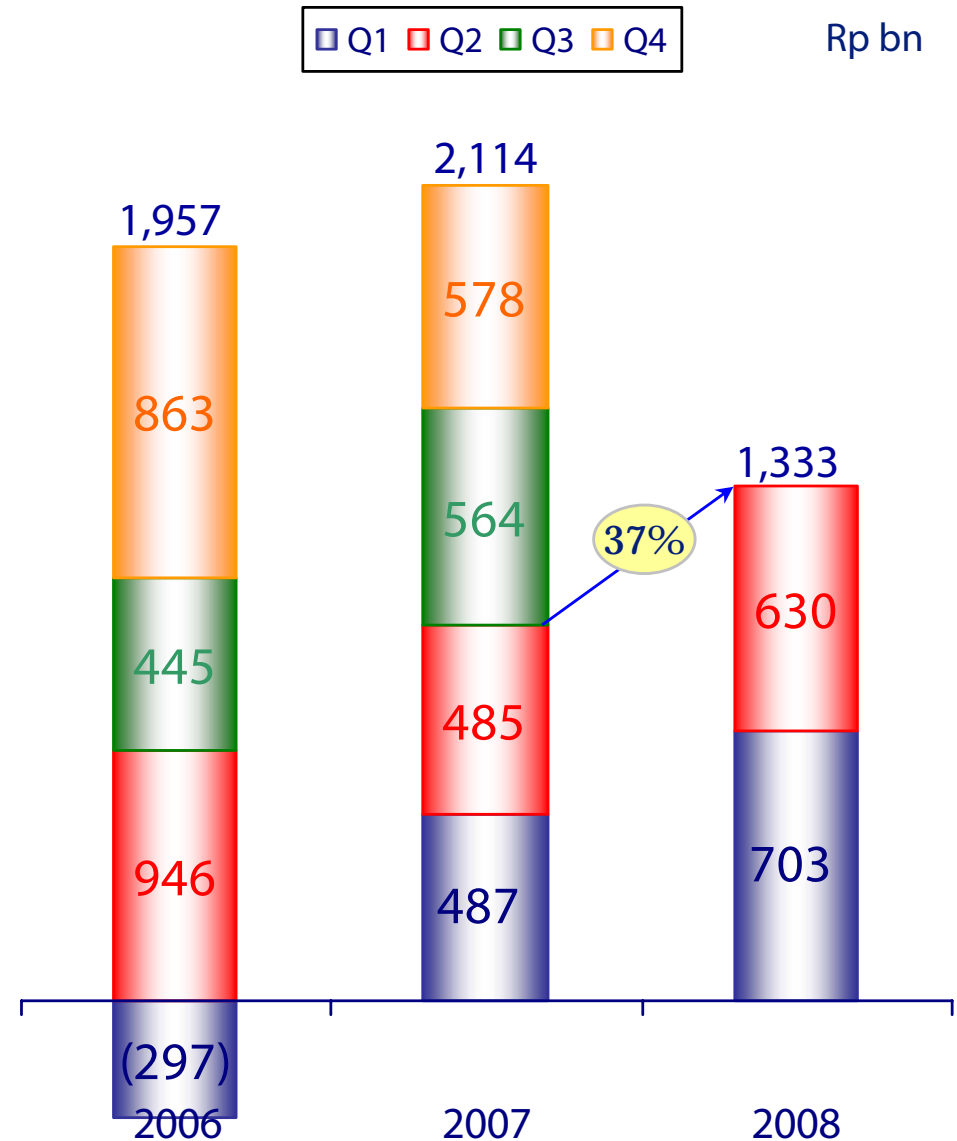


# Commercial Banking: Strong revenues from both Liabilities & Assets

Performance to Date, H1 2008



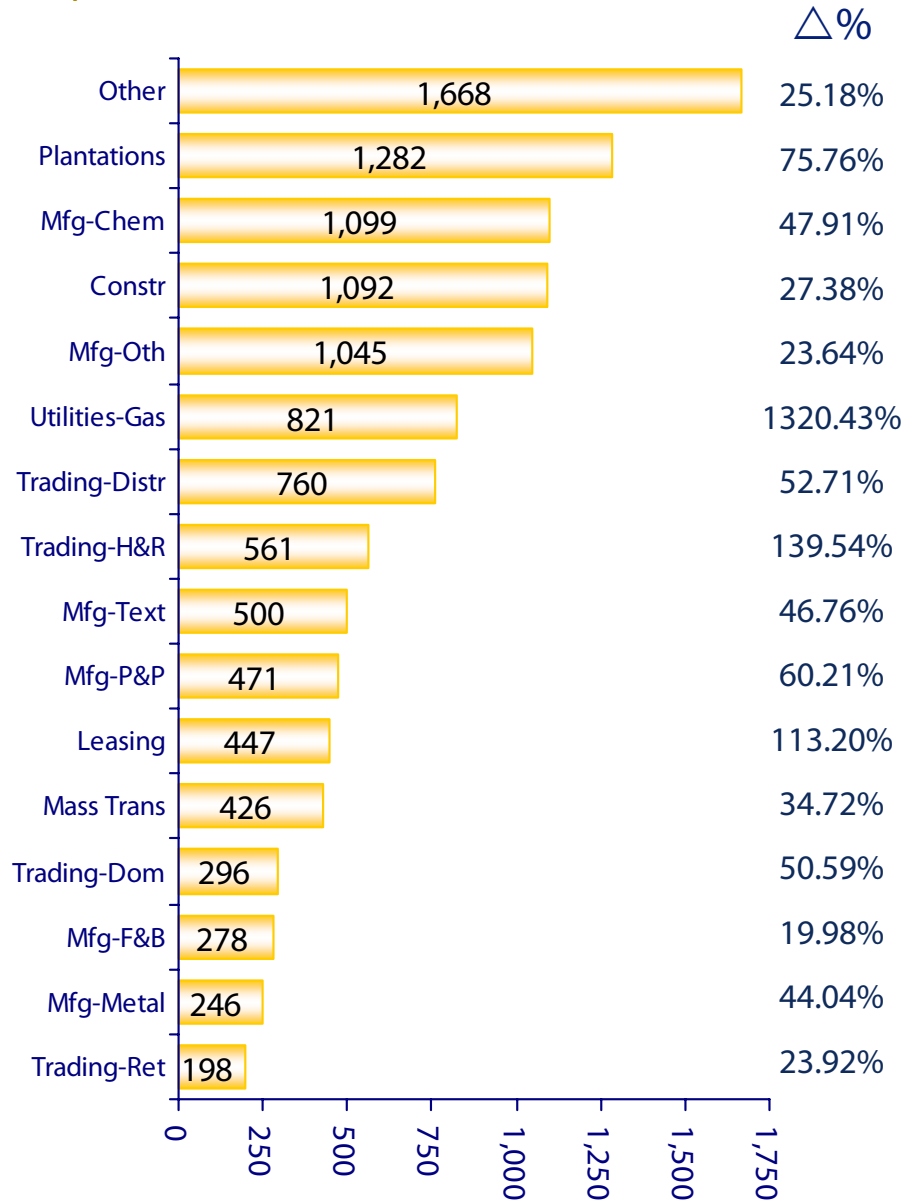
Contribution Margin (after PPAP)



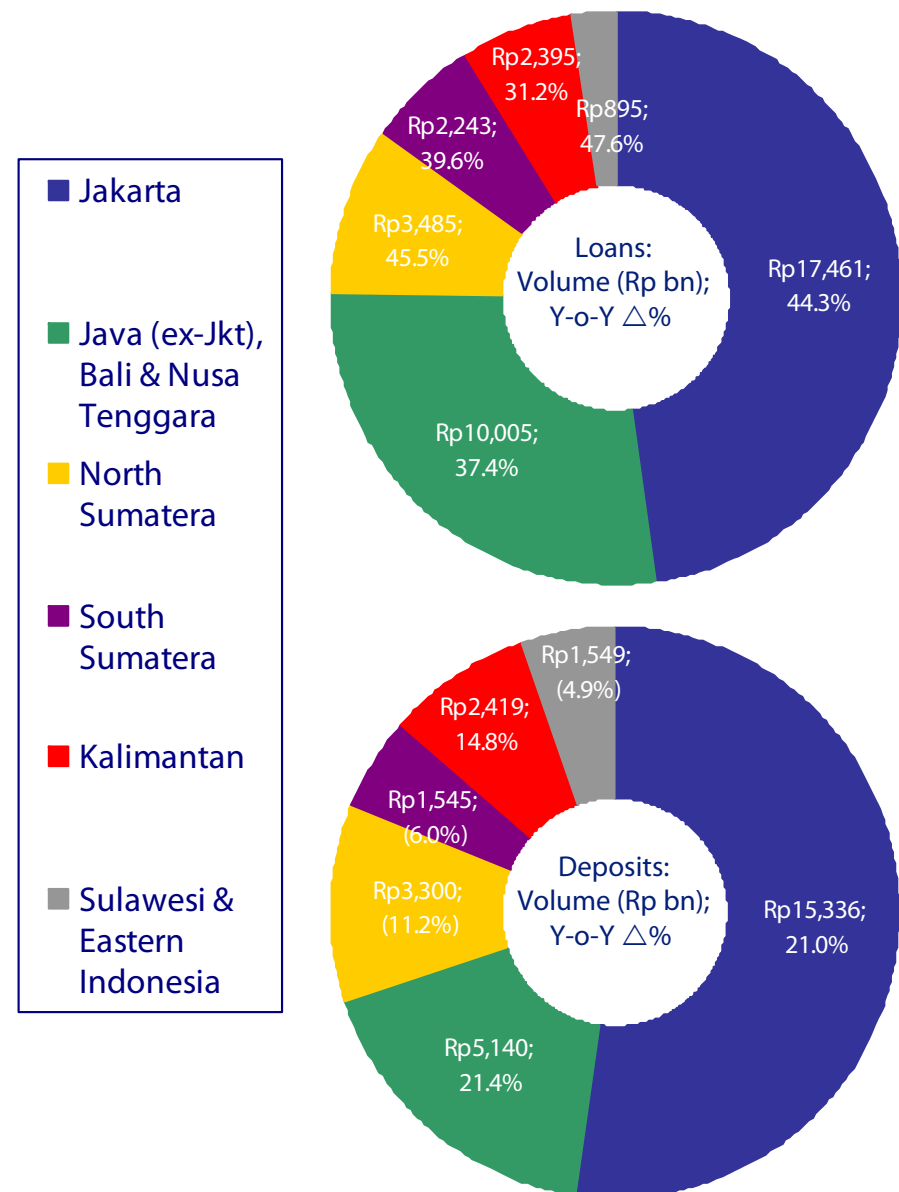
# Commercial Banking: Strong growth in both Liabilities & Assets

Breakdown of Net Expansion by Sector, H1 '07 – H1 '08

(Total Rp10.67 tn)



Loan & Deposit Geographic Distribution, H1 2008

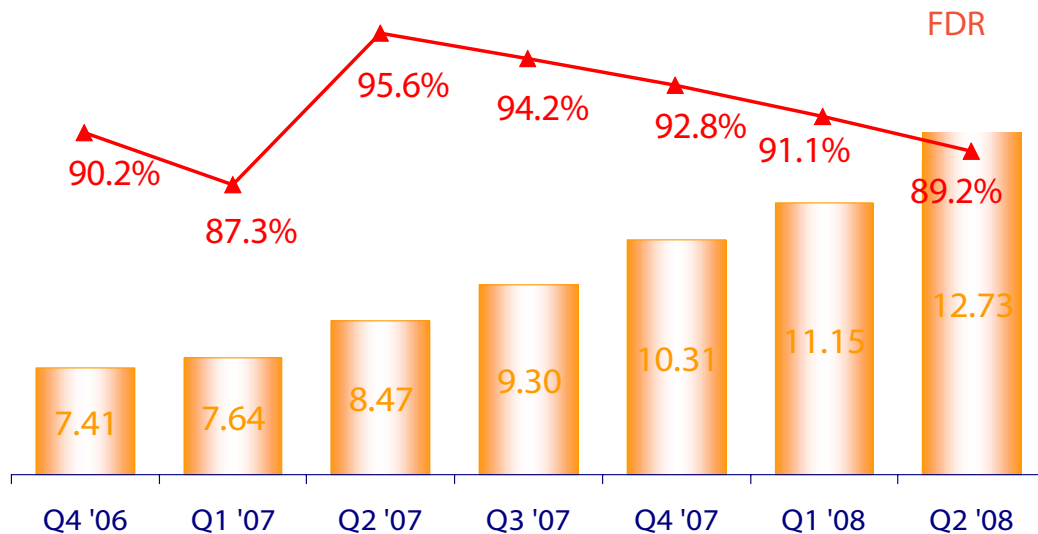


# Strong growth from our Syariah Banking subsidiary

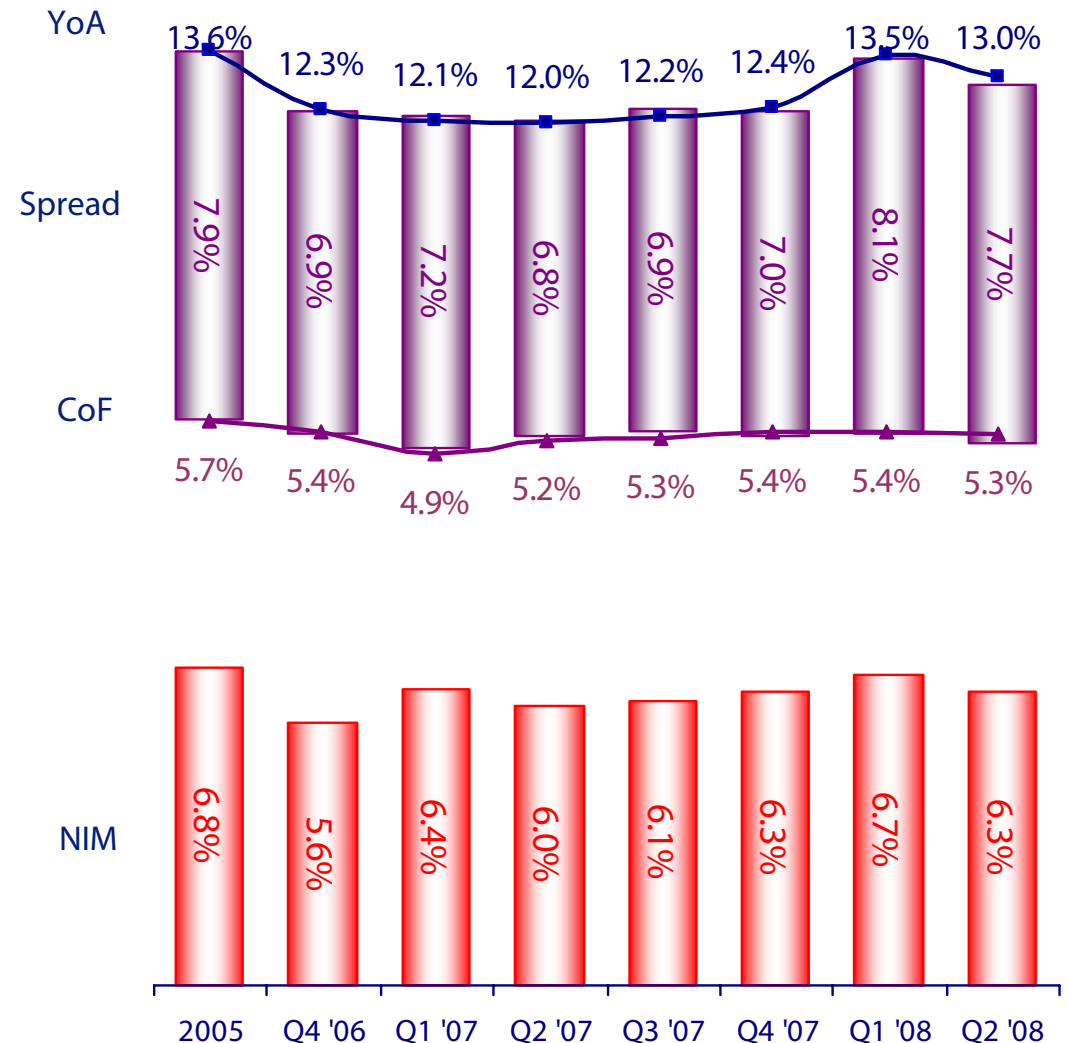
## Financial Performance (Rp bn)

	Q4 '06	Q2 '07	Q4 '07	Q1 '08	Q2 '08
Financing	7,415	8,465	10,305	11,150	12,730
Deposits	8,219	8,851	11,106	12,246	14,270
Assets	9,555	10,438	12,888	14,031	16,285
EAT	65.48	61.80	114.64	46.24	96.28
Ratios:					
ROA	1.10%	1.75%	1.54%	2.05%	1.94%
ROE	10.23%	17.49%	15.94%	22.64%	22.78%
Net NPF	4.64%	4.56%	3.43%	2.63%	2.15%

## Syariah Financing (Rp tn)

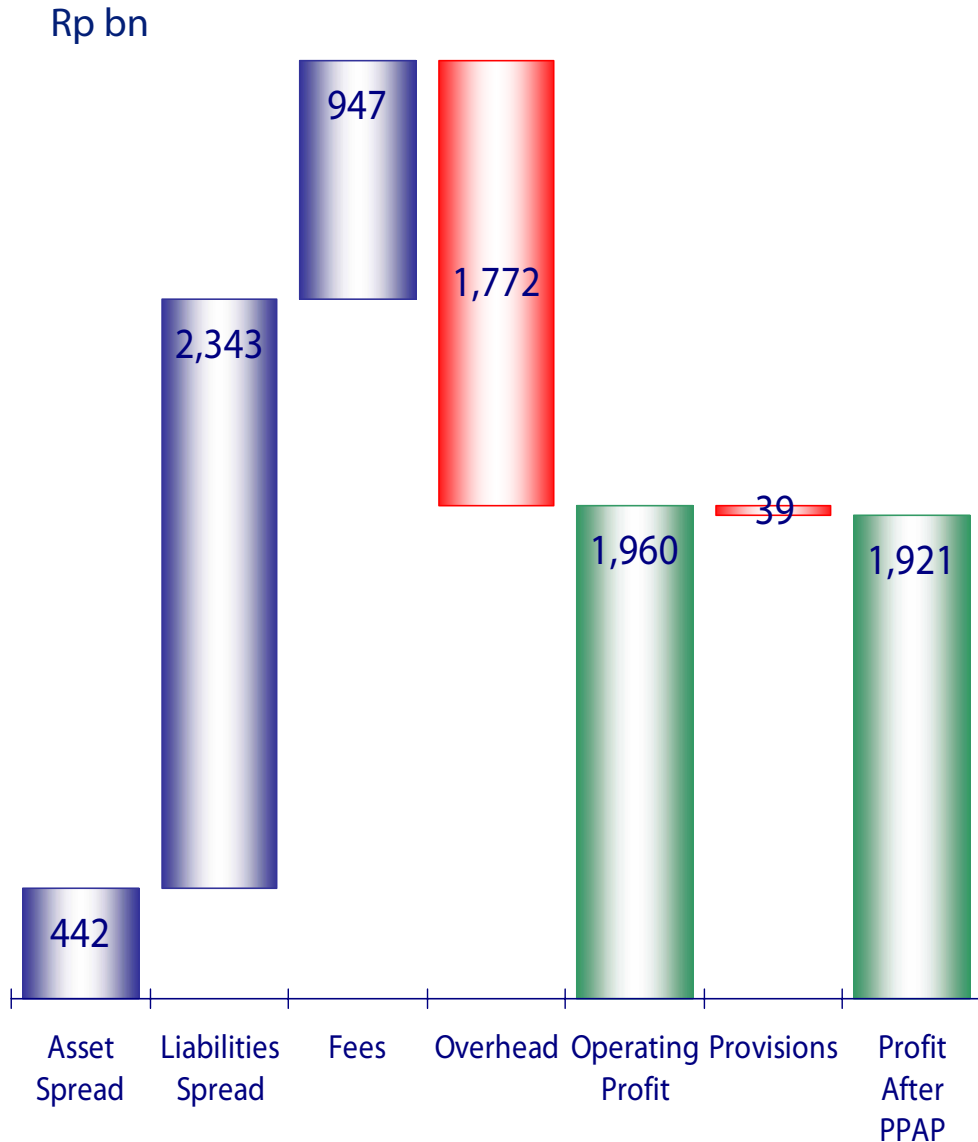


## Net Interest Margin & Cost of Funds

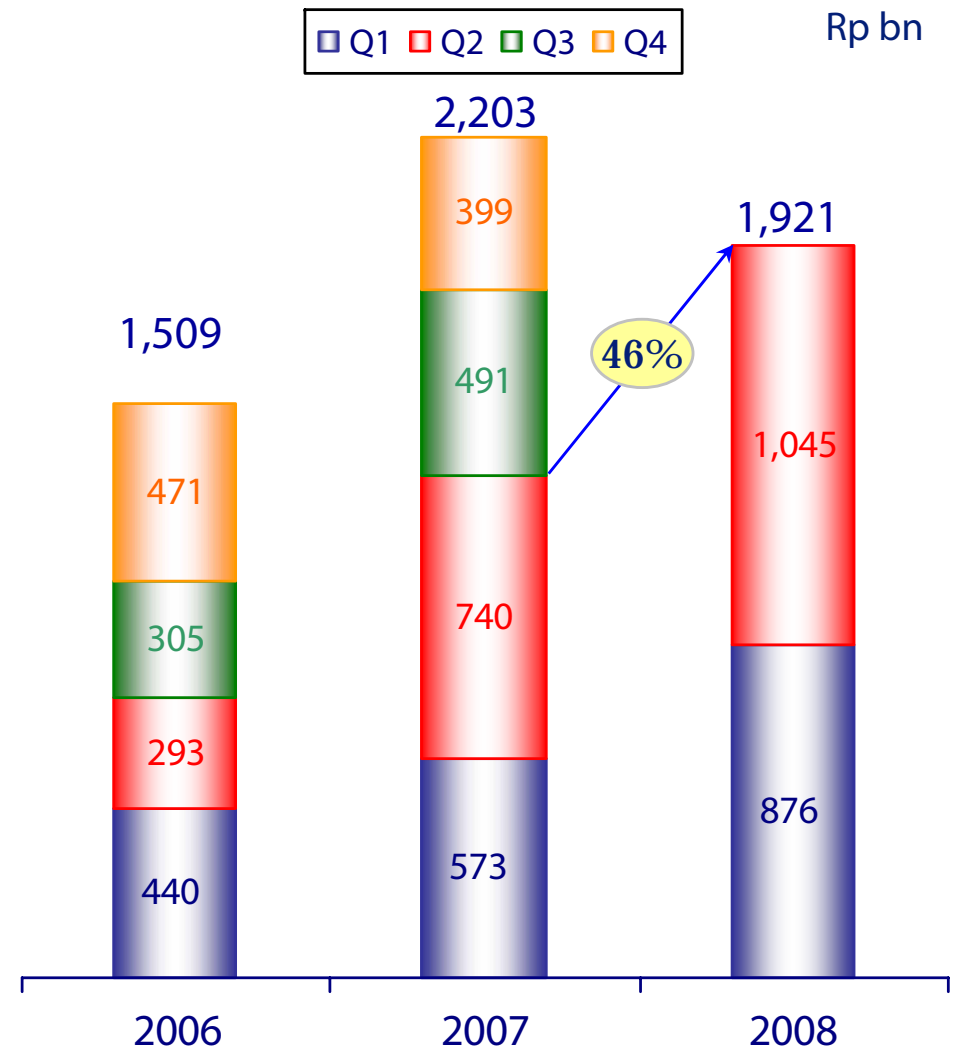


# Micro & Retail Banking: Rapidly growing our high margin business

Performance to Date, H1 2008

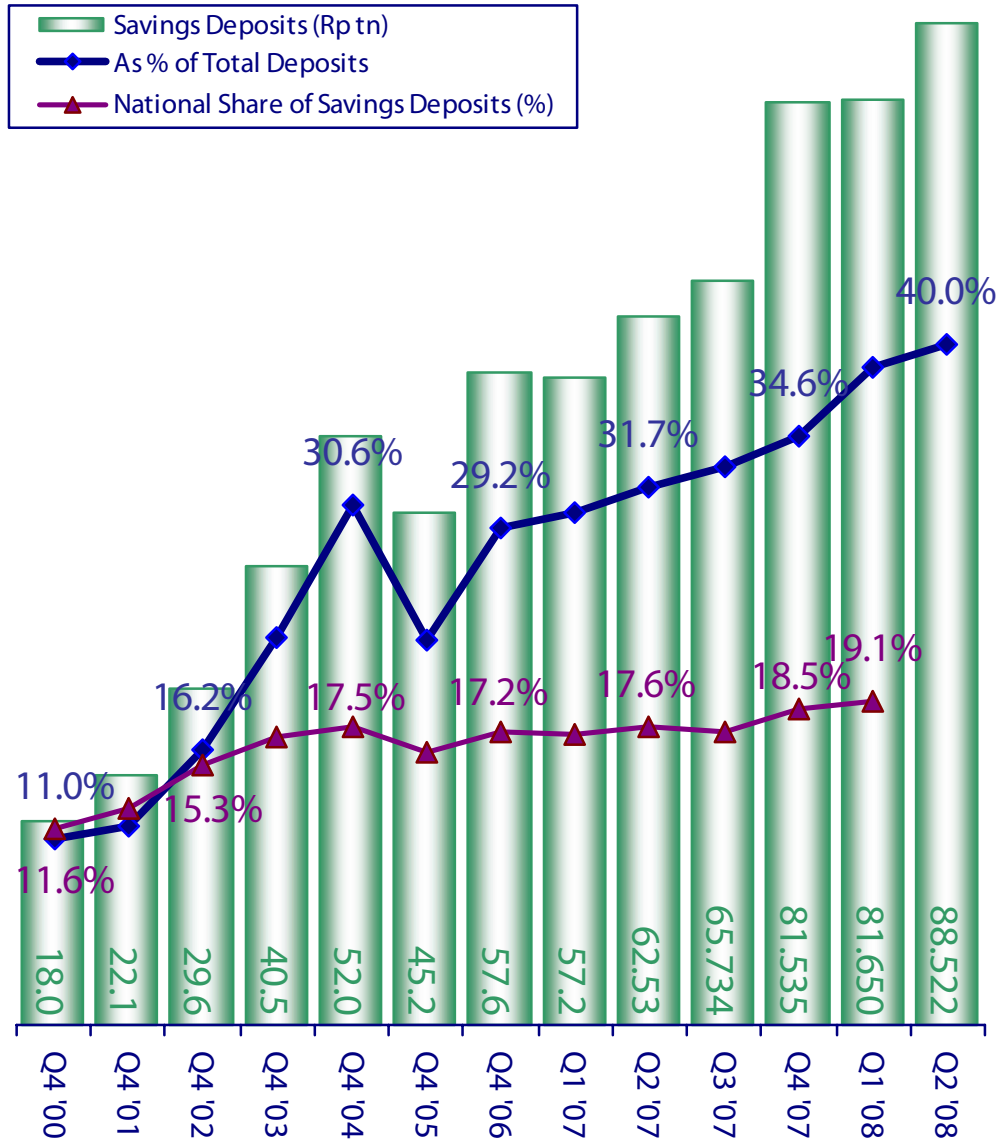


Contribution Margin (after PPAP)

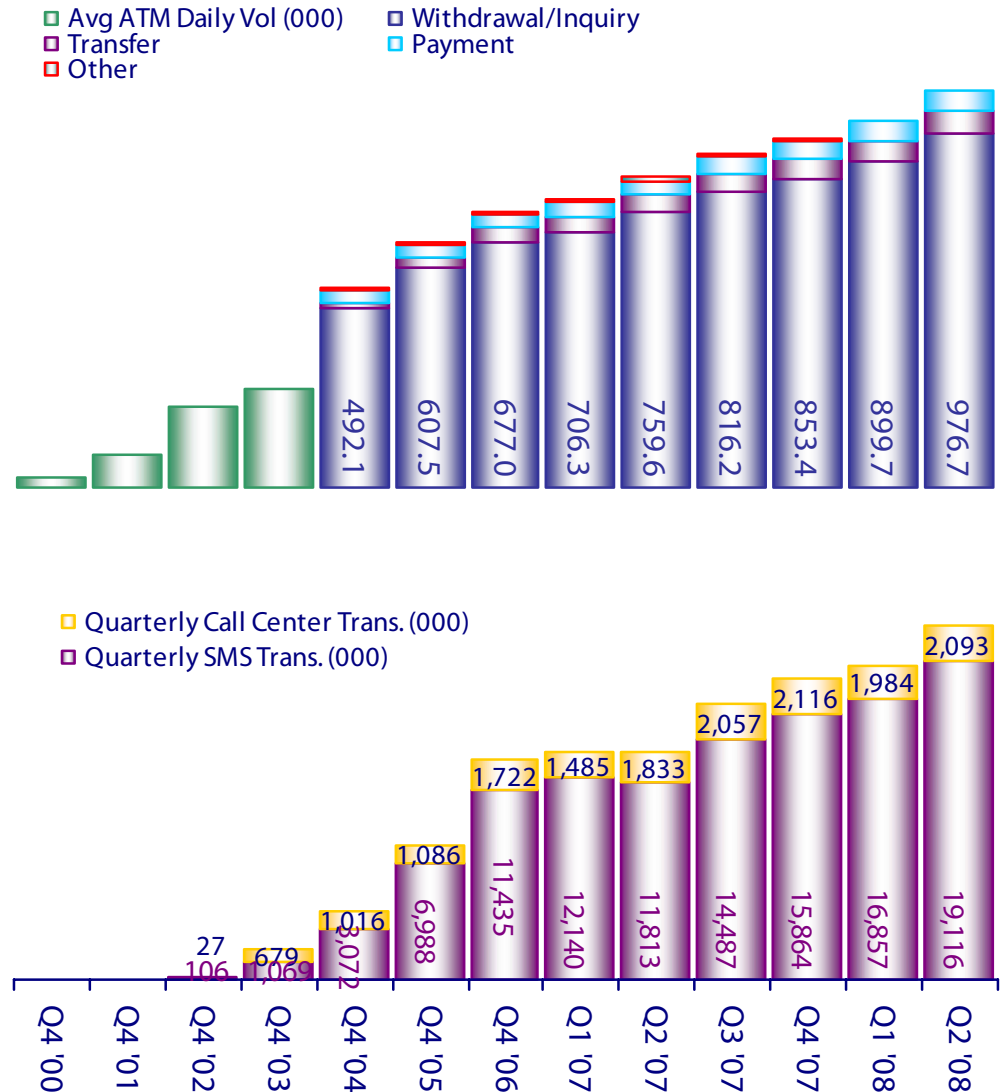


# Building a strong savings deposit franchise

## Savings Deposit Growth

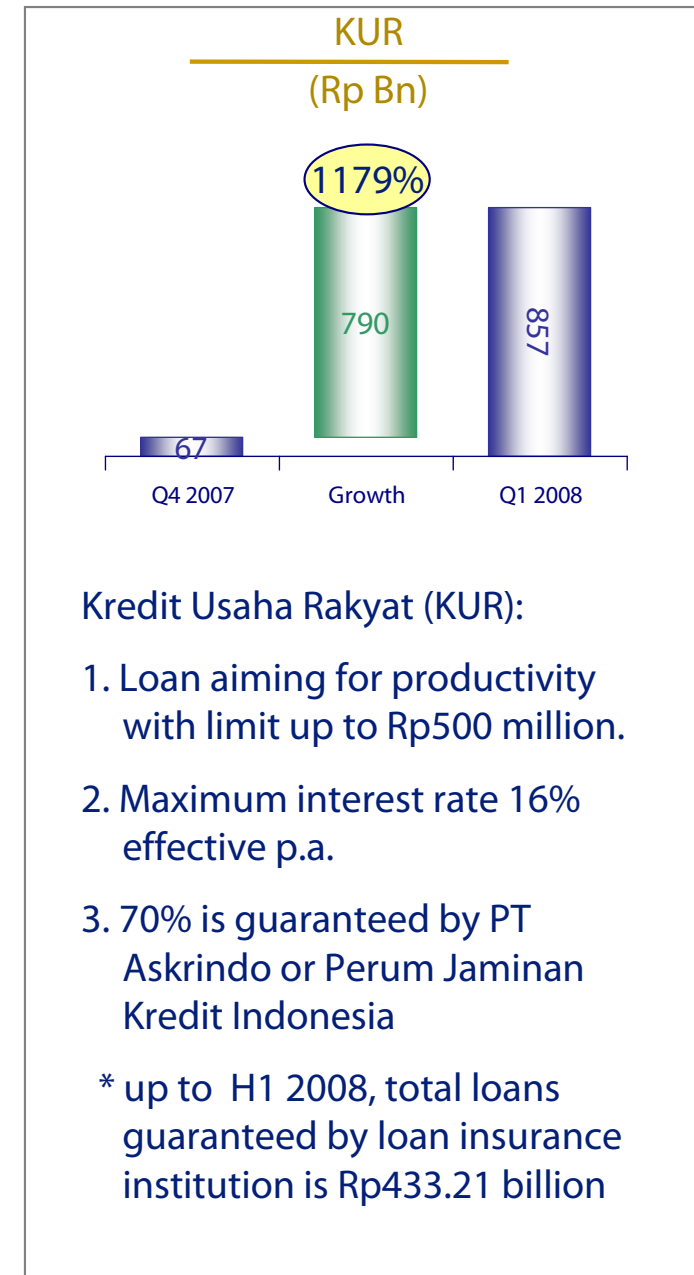
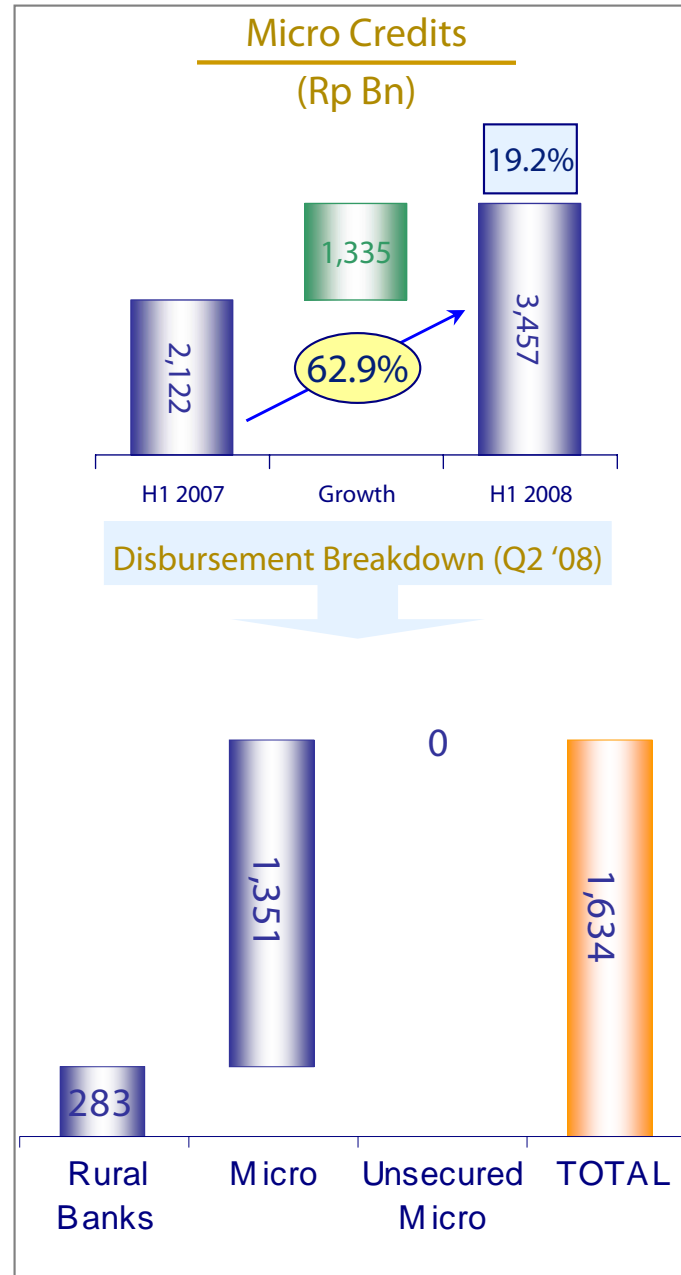
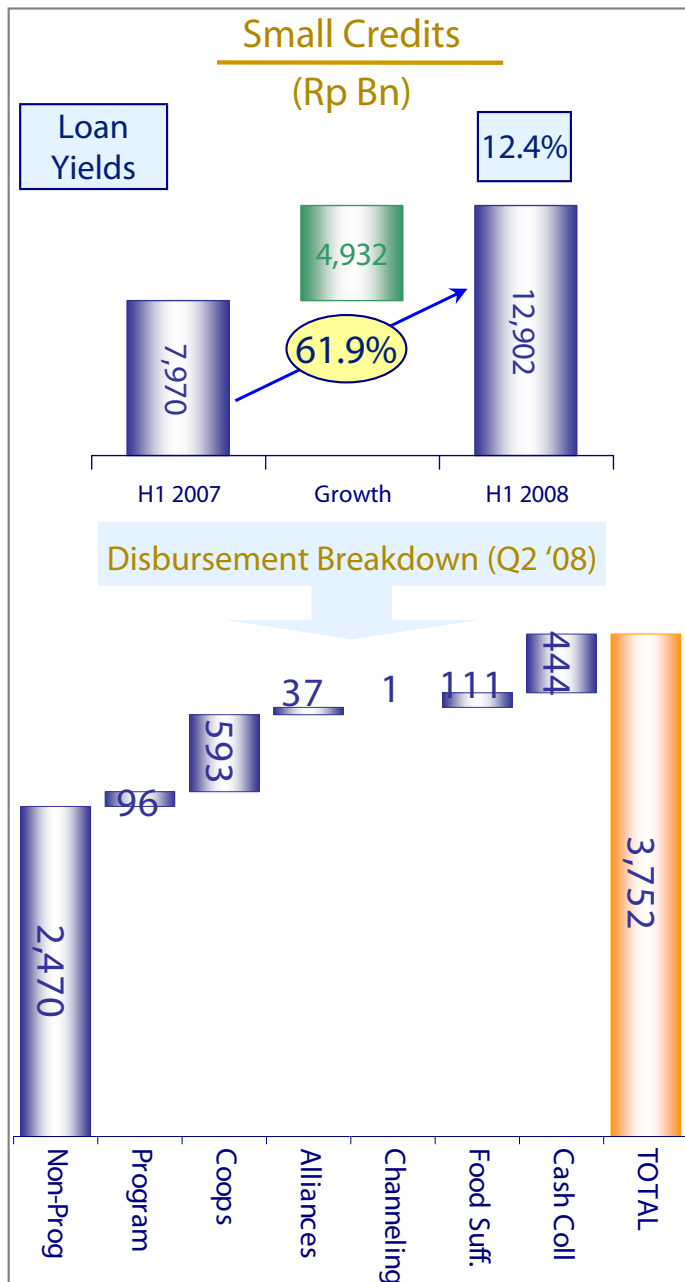


## Transaction channel growth



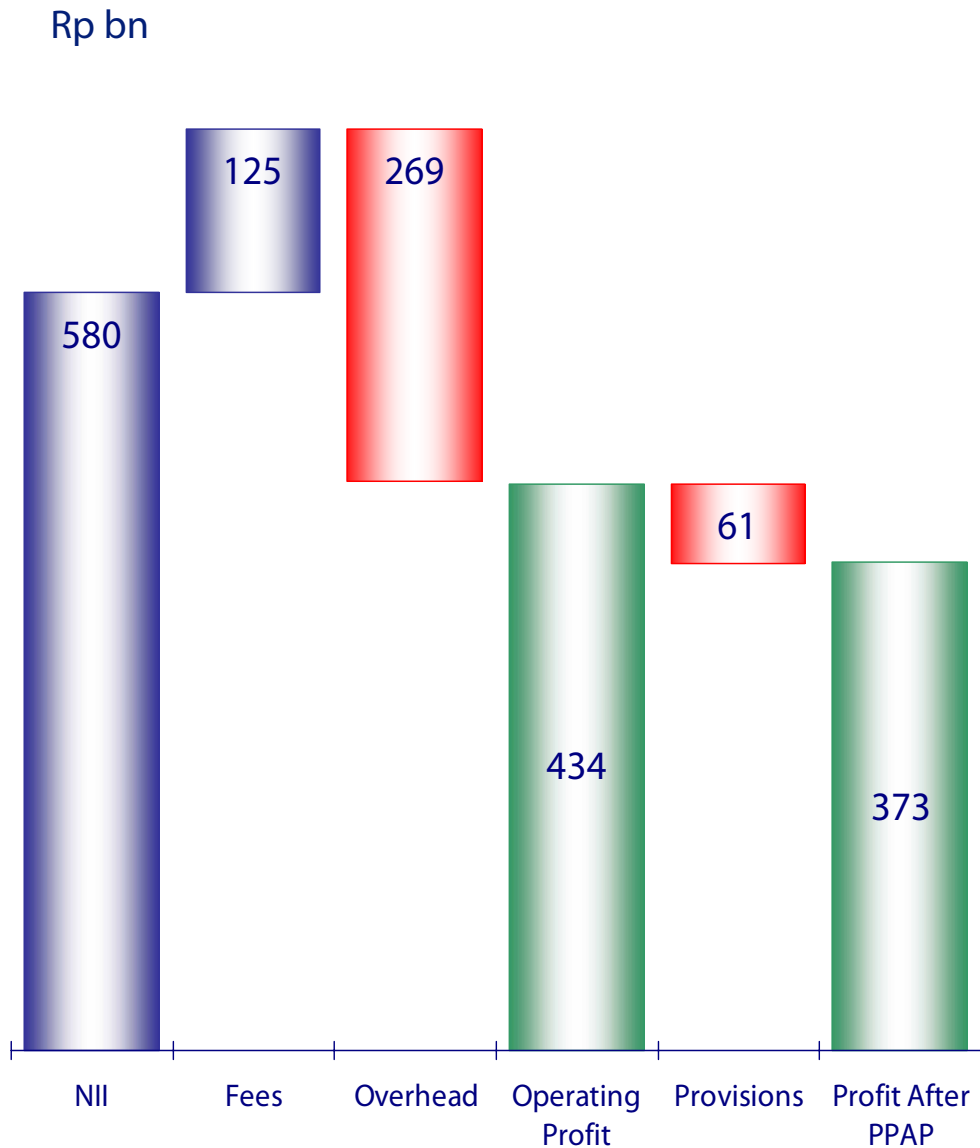


# Micro & Retail Banking: Focus on growing our high yield businesses

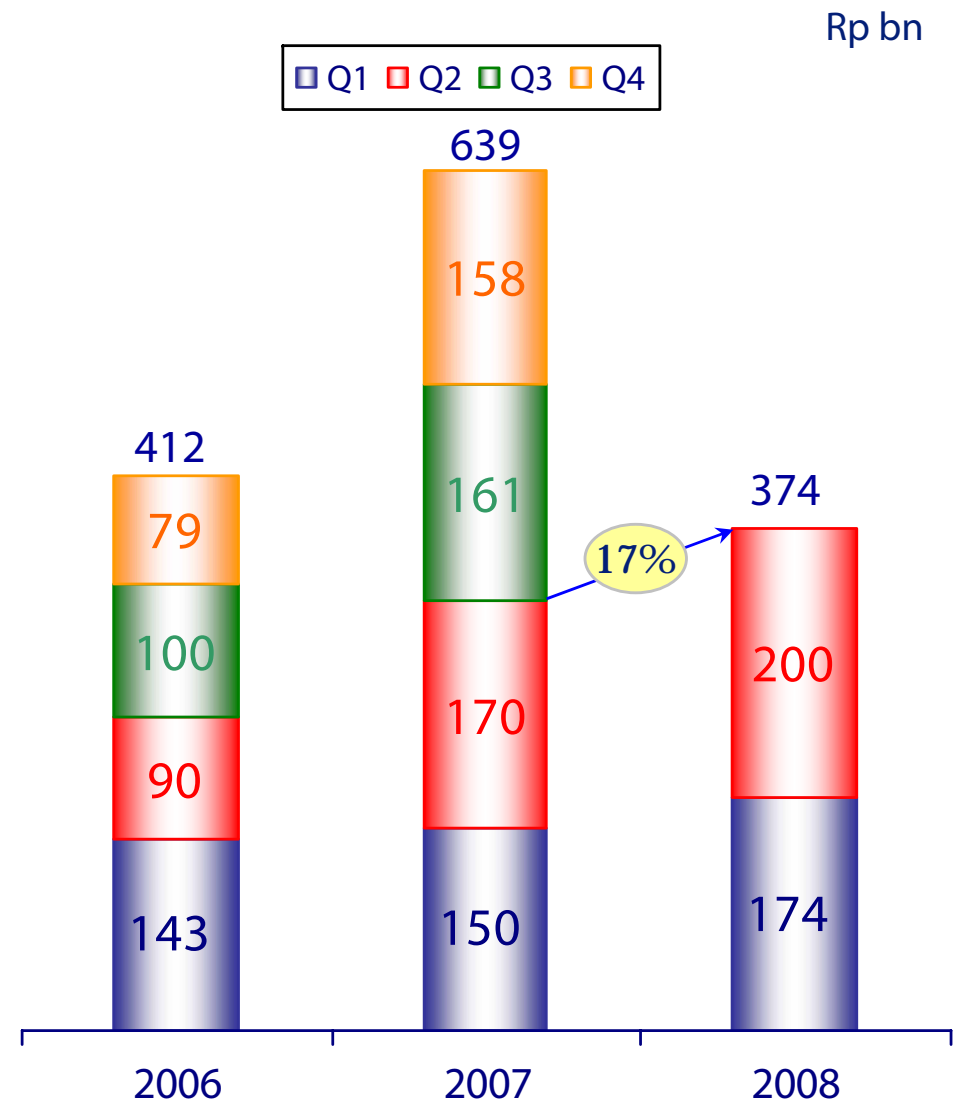


# Consumer Finance: Significant growth in spread and fee income

Performance to Date, H1 2008

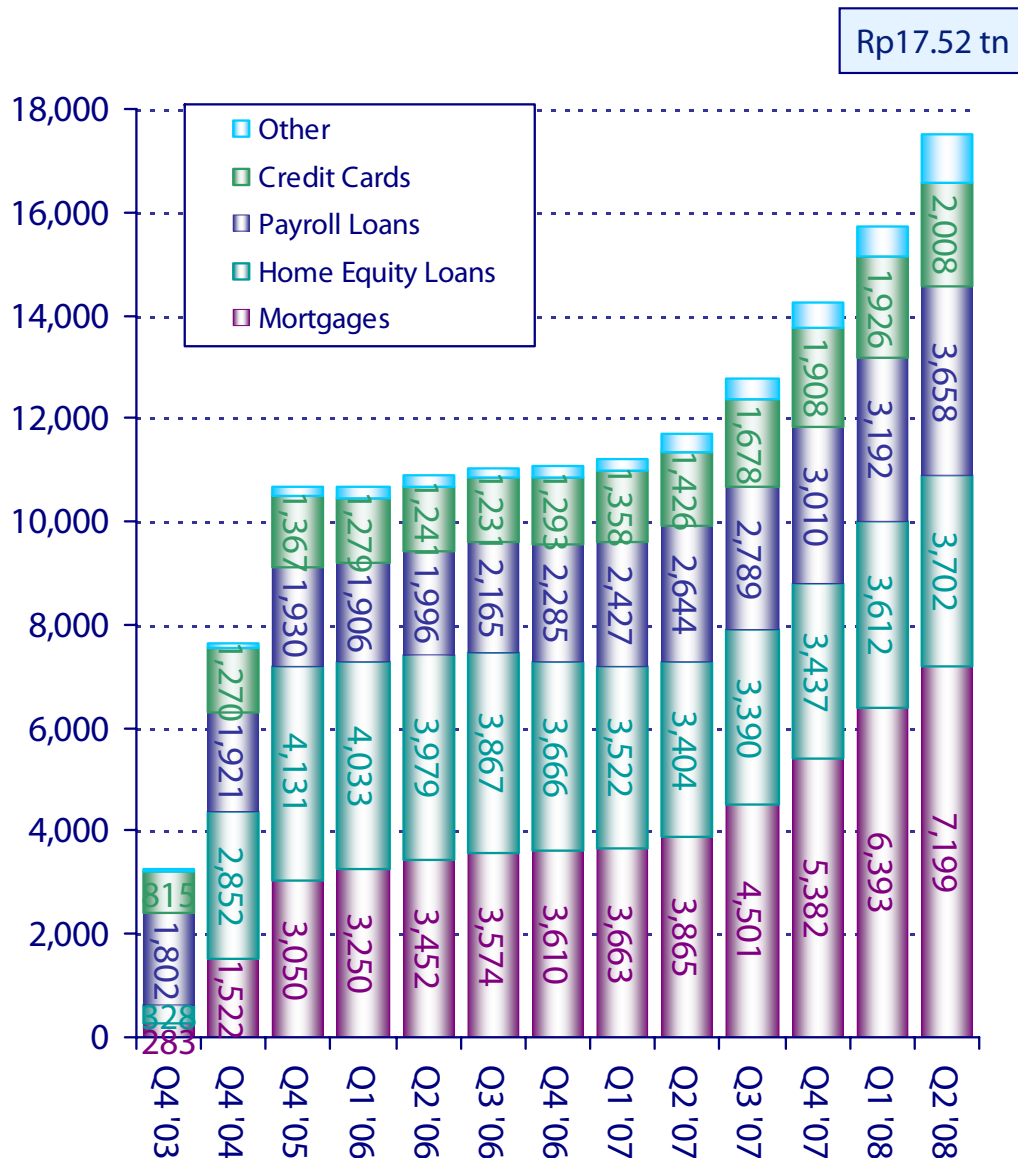


Contribution Margin (after PPAP)



# Consumer lending rose 11.3% Q-o-Q and 37.9% Y-o-Y

## Quarterly Consumer Loan Balances by Type



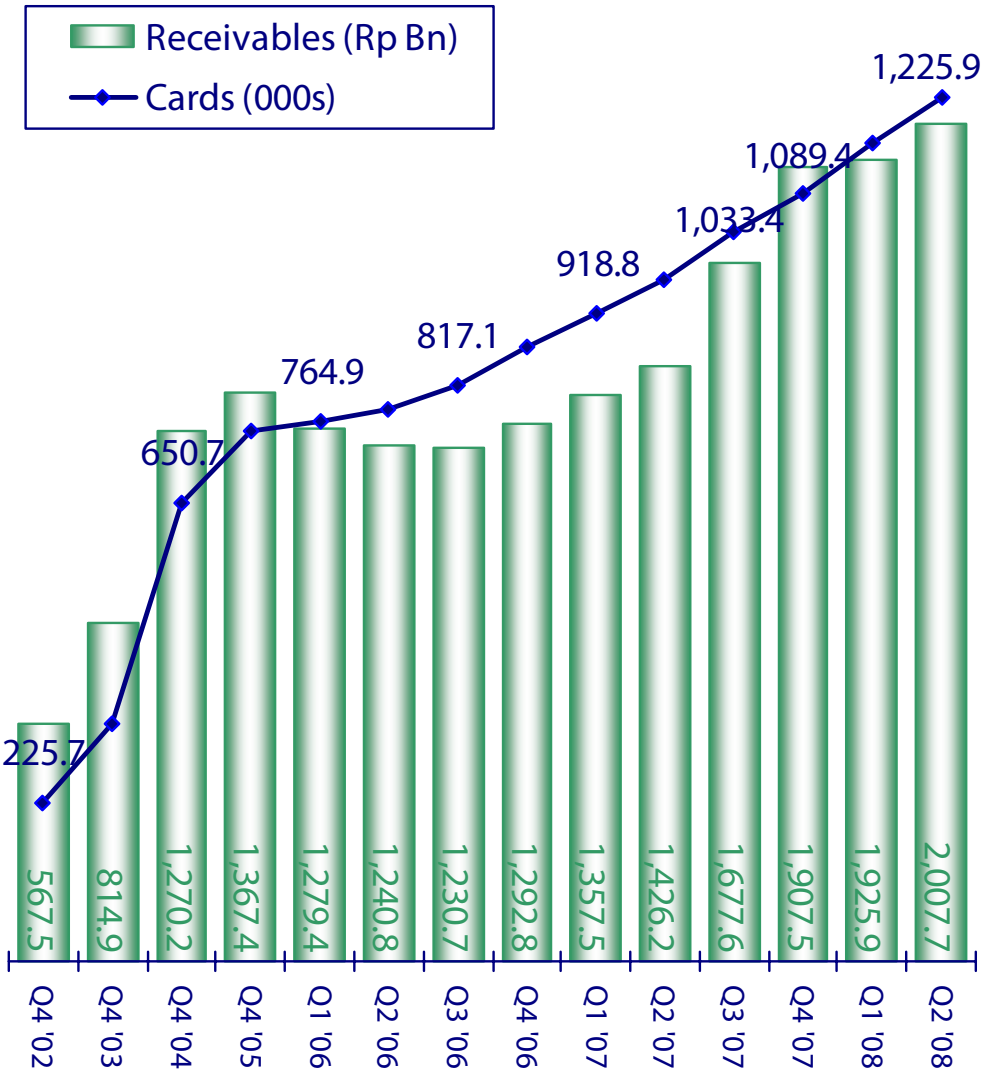
## Consumer Loan Growth by Type

Loan Type	Growth (%)	
	Y-o-Y	Q-o-Q
Other	173.07%	54.31%
Credit Cards	40.77%	4.25%
Payroll Loans	38.37%	14.61%
Home Equity Loans	8.77%	2.48%
Mortgages	86.28%	12.61%
<b>Total Consumer</b>	<b>37.92%</b>	<b>11.31%</b>

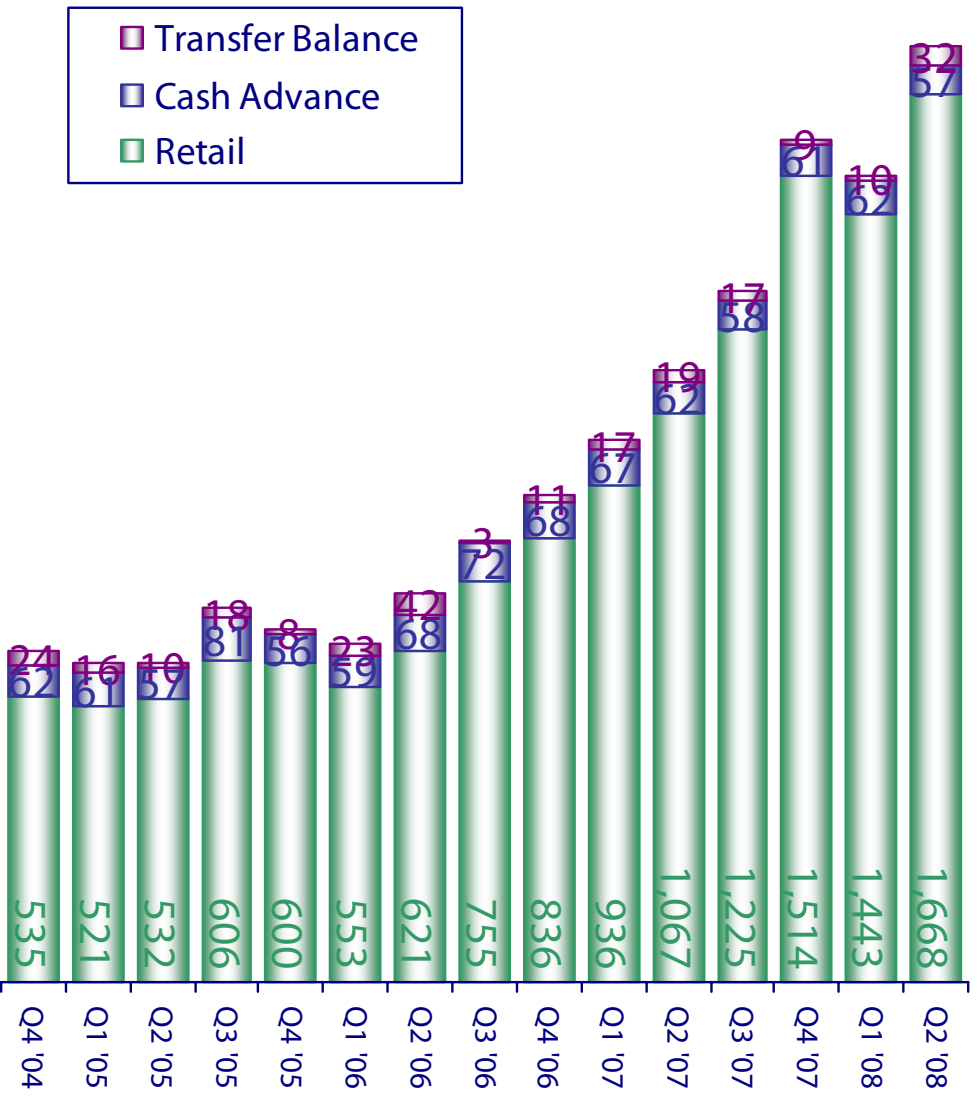
\*Auto & Motorcycle Loans channeled or executed through finance companies = Rp4.58 tn in our Commercial Loan Portfolio

# 1,226k Visa & Mastercards transacted Rp1.76 tn in Q2

Mandiri Visa & Mastercards and EOQ Receivables



Total Card Quarterly Sales by Type of Transaction (Rp Bn)



# Financial targets for 2008

<u>Metric</u>	<u>Target</u>
Gross NPLs	<5%
Normalizing ROE	~ 18%
Gross loan growth*	>18%
▪ Corporate#	>20%
▪ Commercial	>20%
▪ Consumer	>30%
▪ Micro & Retail	>20%
Growth in savings deposits	>Rp90 tn
Margin improvement	~5.2%
Retain efficiency ratio	<50%
NPL Provision Coverage	>120%

\* Prior to the write-off & repayment of NPLs

# Includes Treasury & International

# Supporting Materials

# Key Quarterly Balance Sheet Items & Financial Ratios

<i>IDR billion / %</i>	H1 '07	FY 2007	H1 '08	YoY Change (%)
Gross Loans	116,306	138,530	149,612	28.6%
Government Bonds	91,164	89,465	88,386	(3.0%)
Total Assets	265,022	319,086	304,680	15.0%
Customer Deposits	206,241	247,355	236,213	14.5%
Total Equity	26,949	29,244	27,711	2.8%
RoA - before tax (p.a.)	2.33%	2.28%	2.44%	
RoE – after tax (p.a.)	15.92%	15.75%	17.89%	
Cost to Income <sup>(1)</sup>	38.74%	46.98%	44.40%	
NIM (p.a.)	5.64%	5.23%	5.25%	
LDR	56.39%	54.29%	62.16%	
Gross NPL / Total Loans	15.47%	7.17%	4.74%	
Provisions / NPLs	86.68%	108.97%	122.55%	
Tier 1 CAR <sup>(2)</sup>	19.66%	16.56%	14.48%	
Total CAR <sup>(2)</sup>	25.13%	21.11%	17.72%	
Total CAR incl. Market Risk	24.40%	20.75%	17.58%	
EPS (Rp)	103.5	209.8	124.1	19.9%
Book Value/Share (Rp)	1,304	1,412	1,318	1.1%

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

(2) Bank only – Not including Market Risk

# Summary P&L Information – H1 '07 vs. H1 '08

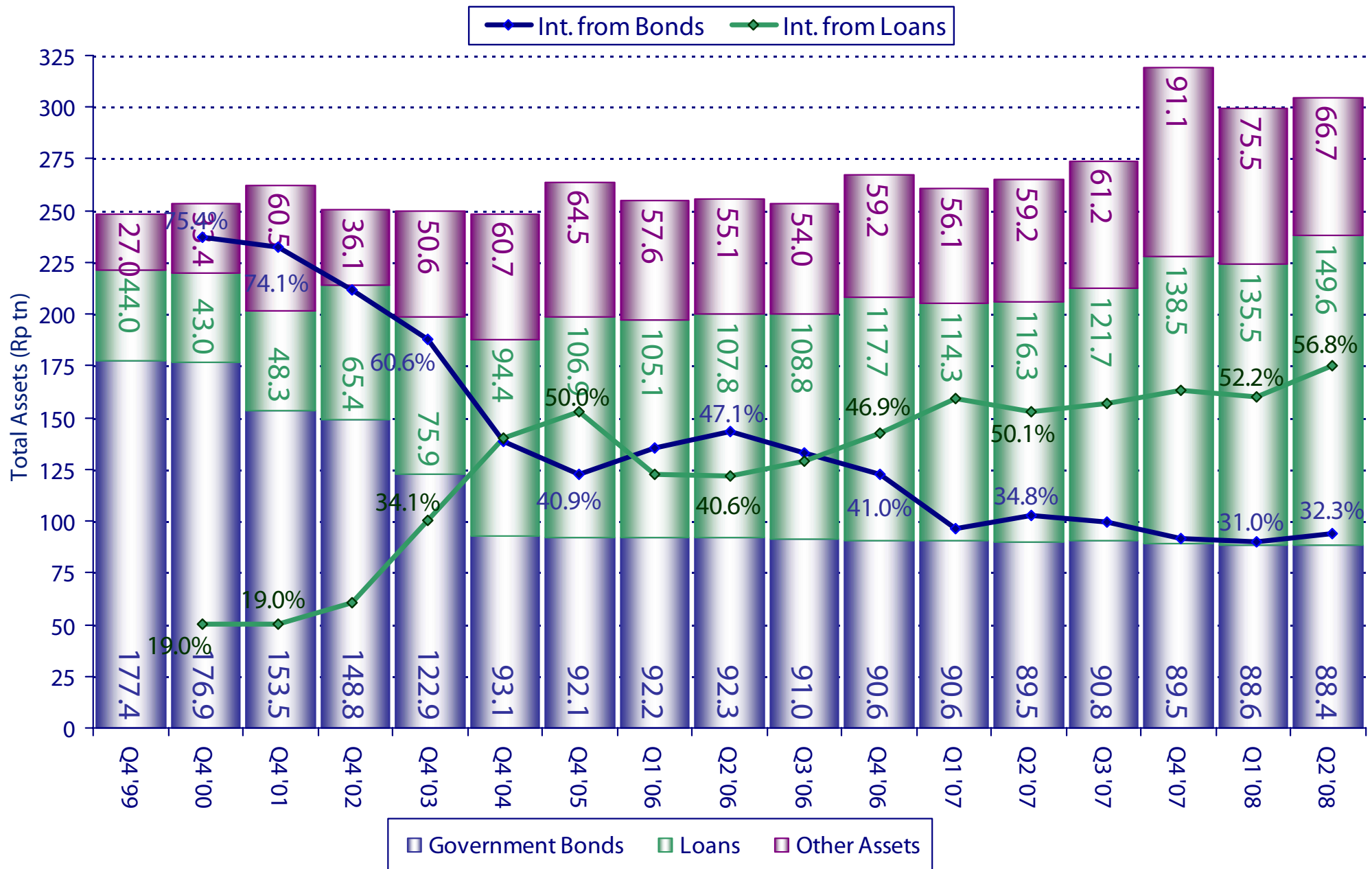
	Q1'07		Q1 '08		YoY Change
	Rp (Billions)	% of Av.Assets*	Rp (Billions)	% of Av.Assets	(%)
Interest Income	12,335	9.3%	12,175	8.1%	(1.3%)
Interest Expense	(5,643)	(4.2%)	(5,171)	(3.4%)	(8.4%)
Net Interest Income	6,692	5.0%	7,004	4.6%	4.7%
Other Operating Income	1,522	1.1%	1,989	1.3%	30.7%
Gain from Increase in Value & Sale of Bonds	235	0.2%	10	0.0%	(95.7%)
Provisions, Net	(1,856)	(1.4%)	(855)	(0.6%)	(53.9%)
Personnel Expenses	(1,724)	(1.3%)	(2,195)	(1.5%)	27.3%
G & A Expenses	(1,458)	(1.1%)	(1,798)	(1.2%)	23.3%
Other Operating Expenses**	(345)	(0.3%)	(391)	(0.3%)	13.3%
Profit from Operations	3,066	2.3%	3,689	2.4%	20.3%
Non Operating Income	15	0.0%	72	0.0%	380.0%
Net Income Before Tax	3,081	2.3%	3,761	2.5%	22.1%
Net Income After Tax	2,140	1.6%	2,610	1.7%	22.0%

\* % of Average Assets on an annualized basis

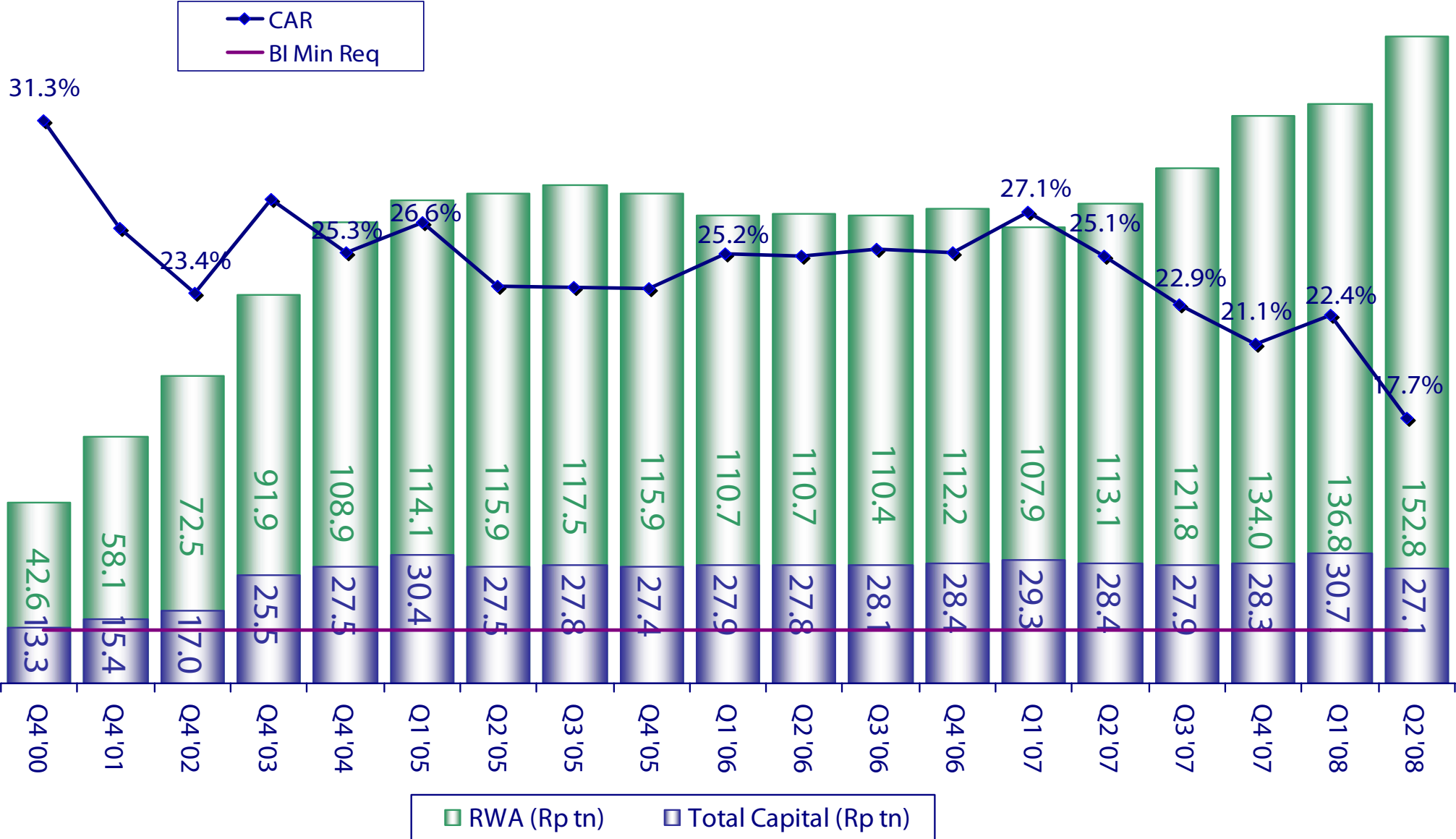
\*\* primarily premiums paid under the blanket guarantee scheme



# Total Assets rose 1.7% to Rp304.7 tn in Q2 '08



# CAR drops to 17.7% on Rp27.1tn capital



# Additional Factors

## Written-off Loans

- Aggregate of Rp33.758 tn (US\$ 3.661 bn) in written-off loans as of end-June 2008, with significant recoveries on-going:
    - 2001: Rp2.0 tn
    - 2002: Rp1.1 tn
    - 2003: Rp1.2 tn
    - 2004: Rp1.08 tn
    - 2005: Rp0.818 tn (US\$ 83.2 mn)
    - 2006: Rp3.408 tn (US\$ 378.5 mn)\*
    - 2007: Rp1.531 tn (US\$ 249.3 mn)
    - Q1 '08: Rp0.325 tn (US\$ 35.3 mn)
    - Q2 '08: Rp0.572 tn (US\$ 62.0 mn)
- \* including the write-back of RGM loans totaling Rp2.336 tn

## Loan Collateral Undervalued

- Collateral values included for provisioning purposes on only 28 accounts, carried at approximately 30.0% of appraised value.

# Summary Quarterly Balance Sheet: Q2 '07 – '08

	Q2 '07	Q3 '07	Q4 '07	Q1 '08	Q2 '08		Y-o-Y
	Rp (tn)	Rp (tn)	Rp (tn)	Rp (tn)	Rp (tn)	US\$ (bn)#	% Change
Total Assets	265.02	273.79	319.09	299.59	304.68	33.05	15.0%
Cash	4.10	4.32	5.91	4.87	5.20	0.56	26.8%
Current Accounts w/BI	20.58	20.55	28.16	23.07	22.84	2.48	11.0%
Certificates of BI	3.77	7.68	23.52	14.24	1.92	0.21	(49.1%)
Other Placements w/BI	0.50	0.00	11.20	2.04	4.55	0.49	810.0%
Current Accounts & Placements w/Other Banks	18.88	14.89	7.02	12.45	12.80	1.39	(32.2%)
Securities - Net	5.45	3.70	3.79	4.10	4.05	0.44	(25.7%)
Government Bonds	89.49	90.79	89.47	88.59	88.39	9.59	(3.0%)
Trading	0.83	1.59	0.97	0.62	0.51	0.05	(72.3%)
AFS	27.56	28.00	27.29	26.77	26.68	2.89	(5.2%)
HTM	61.09	61.20	61.20	61.20	61.20	6.64	0.0%
Loans	116.31	121.74	138.53	135.51	149.61	16.23	28.6%
Performing Loans	98.31	108.92	126.56	127.60	141.80	15.38	44.2%
Non-Performing Loans	17.99	12.82	11.97	7.92	7.81	0.85	(56.6%)
Allowances	(15.60)	(13.39)	(13.04)	(9.18)	(9.57)	(1.04)	(38.6%)
Loans – Net	100.71	108.34	125.27	126.33	140.04	15.19	39.1%
Total Deposits – Non-Bank	206.24	210.10	247.36	223.92	236.21	25.62	14.5%
Demand Deposits	54.68	53.25	67.01	50.34	57.93	6.28	5.9%
Savings Deposits	65.58	69.06	85.36	85.85	93.32	10.12	42.3%
Certificate & Time Deposits	85.98	87.79	94.99	87.73	84.97	9.22	(1.2%)
Shareholders' Equity	26.95	28.06	29.24	30.57	27.71	3.01	2.8%

# Summary P&L Information – Q2 2008

	Q2 2007		Q1 2008		Q2 2008		Y-o-Y Change
	Rp (Billions)	% of Av.Assets*	Rp (Billions)	% of Av.Assets*	Rp (Billions)	% of Av.Assets	(%)
Interest Income	5,574	8.5%	6,142	7.9%	6,033	8.0%	(1.8%)
Interest Expense	(2,681)	(4.1%)	(2,757)	(3.6%)	(2,414)	(3.2%)	(12.4%)
Net Interest Income	2,893	4.4%	3,385	4.4%	3,619	4.8%	6.9%
Other Operating Income	808	1.2%	927	1.2%	1,062	1.4%	14.6%
Gain from Increase in Value & Sale of Bonds	211	0.3%	-	0.0%	10	0.0%	N/A
Provisions, Net	(458)	(0.7%)	(308)	(0.4%)	(547)	(0.7%)	77.6%
Personnel Expenses	(929)	(1.4%)	(1,020)	(1.3%)	(1,175)	(1.6%)	15.2%
G & A Expenses	(748)	(1.1%)	(764)	(1.0%)	(1,034)	(1.4%)	35.3%
Other Operating Expenses**	(181)	(0.3%)	(241)	(0.3%)	(150)	(0.2%)	(37.8%)
Profit from Operations	1,596	2.4%	1,979	2.6%	1,710	2.3%	(13.6%)
Non Operating Income	6	0.0%	27	0.0%	45	0.1%	66.7%
Net Income Before Tax	1,602	2.4%	2,006	2.6%	1,755	2.3%	(12.5%)
Net Income After Tax	1,114	1.7%	1,390	1.8%	1,220	1.6%	(12.2%)

\* % of Average Assets on an annualized basis

\*\* primarily premiums paid under the blanket guarantee scheme

# Reconciliation to IFRS

	FY '03	FY '04	FY '05	FY '06	FY '07
	Rp (Billions)	Rp (Billions)	Rp (Billions)	Rp (Billions)	Rp (Billions)
<b>Net profit under Indonesian GAAP</b>	<b>4,586</b>	<b>5,256</b>	<b>603</b>	<b>2,421</b>	<b>4,346</b>
<b>IFRS Adjustments</b>					
Allow. for possible losses on earning assets	(662)	(309)	(2,681)	1,598	1,934
Allow. for possible losses on commitments & contingencies	104	70	(223)	44	(2)
Change in fair value of derivatives	52	-	-	-	-
Employee benefits	(21)	25	-	-	-
Accretion on deferred inc. arising from loan purchase from IBRA	55	10	9	4	(17)
De-recognition of revaluation of premises & equipment	199	75	25	30	26
Rights of Lands amortization	-	-	-	(137)	(7)
De-recognition of allowances	-	-	-	-	-
Deferred income taxes	82	38	861	(503)	(583)
<b>Net Adjustment</b>	<b>(191)</b>	<b>(90)</b>	<b>(2,008)</b>	<b>1,037</b>	<b>1,351</b>
<b>Net profit in accordance with IFRS</b>	<b>4,395</b>	<b>5,166</b>	<b>(1,405)</b>	<b>3,458</b>	<b>5,697</b>

IFRS = International Financial Reporting Standards

# Ex-Recap Bond Portfolio, 30 Jun '08 – Bank Only

Series	Maturity Date	Interest Rate (%)	Nominal			Mark To Market	Fair Value		
			Trading	AFS	HTM		Trading	AFS	HTM
<b>Fixed Rate</b>									
FR0002	15-Jun-09	14.00%	68	-	-	103.201	70	-	-
FR0010	15-Mar-10	13.15%	-	-	1,350,000	100.000	-	-	1,350,000
FR0014	15-Nov-10	15.58%	-	2,947	-	106.656	-	3,143	-
FR0019	15-Jun-13	14.25%	-	231,028	-	104.002	-	240,273	-
FR0020	15-Dec-13	14.28%	-	291	-	104.318	-	304	-
<b>Sub Total</b>			<b>68</b>	<b>234,266</b>	<b>1,350,000</b>		<b>70</b>	<b>243,720</b>	<b>1,350,000</b>
<b>Variable Rate</b>									
VR0017	25-Jun-11	7.83%	-	298,270	-	100.113	-	298,607	-
VR0019	25-Dec-14	7.83%	-	5,050,000	1,114,300	99.947	-	5,047,324	1,114,300
VR0020	25-Apr-15	8.10%	-	4,100,000	391,029	99.864	-	4,094,424	391,029
VR0021	25-Nov-15	7.83%	-	2,400,000	690	99.768	-	2,394,432	690
VR0022	25-Mar-16	7.83%	-	692,844	6,796,813	99.897	-	692,130	6,796,813
VR0023	25-Oct-16	8.10%	-	659,738	4,086,068	99.764	-	658,181	4,086,068
VR0024	25-Feb-17	7.83%	-	-	8,210,550	100.000	-	-	8,210,550
VR0025	25-Sep-17	7.83%	-	-	5,210,550	100.000	-	-	5,210,550
VR0026	25-Jan-18	8.10%	-	-	3,475,267	100.000	-	-	3,475,267
VR0027	25-Jul-18	8.10%	-	-	3,475,267	100.000	-	-	3,475,267
VR0028	25-Aug-18	7.83%	-	1,696,428	3,475,267	99.718	-	1,691,644	3,475,267
VR0029	25-Aug-19	7.83%	-	5,344,421	3,475,267	99.668	-	5,326,678	3,475,267
VR0030	25-Dec-19	7.83%	-	-	8,016,765	100.000	-	-	8,016,765
VR0031	25-Jul-20	8.10%	-	5,597,343	12,016,765	99.664	-	5,578,536	12,016,765
<b>Sub Total</b>			<b>-</b>	<b>25,839,044</b>	<b>59,744,598</b>		<b>-</b>	<b>25,781,955</b>	<b>59,744,598</b>
<b>Grand Total</b>			<b>68</b>	<b>26,073,310</b>	<b>61,094,598</b>		<b>70</b>	<b>26,025,675</b>	<b>61,094,598</b>
			<b>0.00%</b>	<b>29.91%</b>	<b>70.09%</b>		<b>0.00%</b>	<b>29.87%</b>	<b>70.13%</b>
			<b>Total Nominal Value</b>				<b>Total Fair Value</b>		
					<b>87,167,976</b>				<b>87,120,343</b>

(Stated in Rp Millions)

# Bank Mandiri Credit Ratings

## Bank Mandiri Ratings

Long Term Foreign Currency Outlook

Long Term Bank Deposits

Long Term Foreign Currency Debt

Short Term Outlook

Short Term Foreign Currency Debt

Subordinated Debt

Individual Rating

Support Rating

Bank Financial Strength

Long Term Local Currency Outlook

Long Term Local Currency Debt

Short Term Local Currency Debt

National Rating

	S&P	Moody's	Fitch	Pefindo
Long Term Foreign Currency Outlook	Stable	Positive	Stable	
Long Term Bank Deposits		B2		
Long Term Foreign Currency Debt	BB-	WR	BB	
Short Term Outlook		Stable		
Short Term Foreign Currency Debt	B	NP	B	
Subordinated Debt		Ba3	BB-	
Individual Rating			C/D	
Support Rating			3	
Bank Financial Strength		D-		
Long Term Local Currency Outlook	Stable			
Long Term Local Currency Debt	BB-		BB	idAA
Short Term Local Currency Debt	B			
National Rating	B		idnAA+	



# Corporate Actions

## Dividend Payment

Net Profit for the financial year of 2007 of Rp4,346,223,721,208.00 was distributed as follows:

- 50%, or Rp2,173,111,860,604.00, for the annual dividend
- 40%, or Rp1,738,489,488,483.20, for a one-time “special dividend”
- Total Dividend Payment of Rp186.00 per share

Schedule :

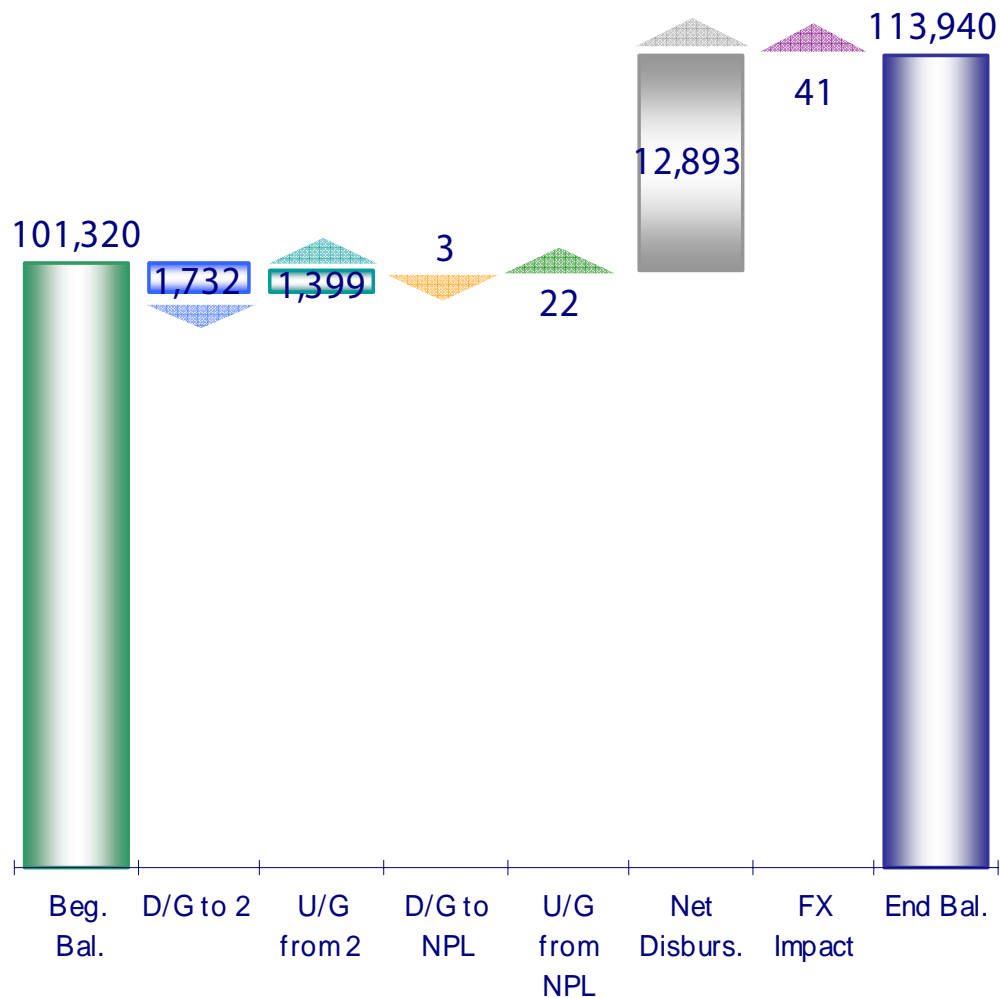
- a. Cum Date : June 19, 2008
- b. Ex Date : June 20, 2008
- c. Payment Date : July 3, 2008

Net Profit for the financial year of 2006 of Rp2,421,405,120,753.71 was distributed as follows:

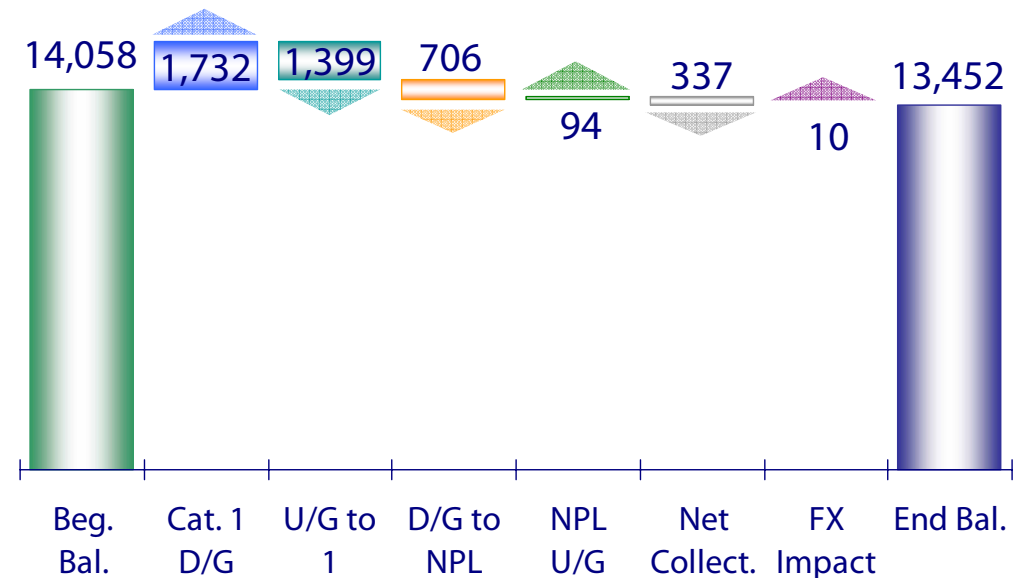
- 50%, or Rp1,210,702,560,376.86, for the annual dividend
- 10%, or Rp242,140,512,075.37, for a one-time “special dividend”
- Total Dividend Payment of Rp70.28 per share

# Q2 2008 Movement in Category 1 and 2 Loans

Category 1 Loan Movements (Rp bn) – Bank Only



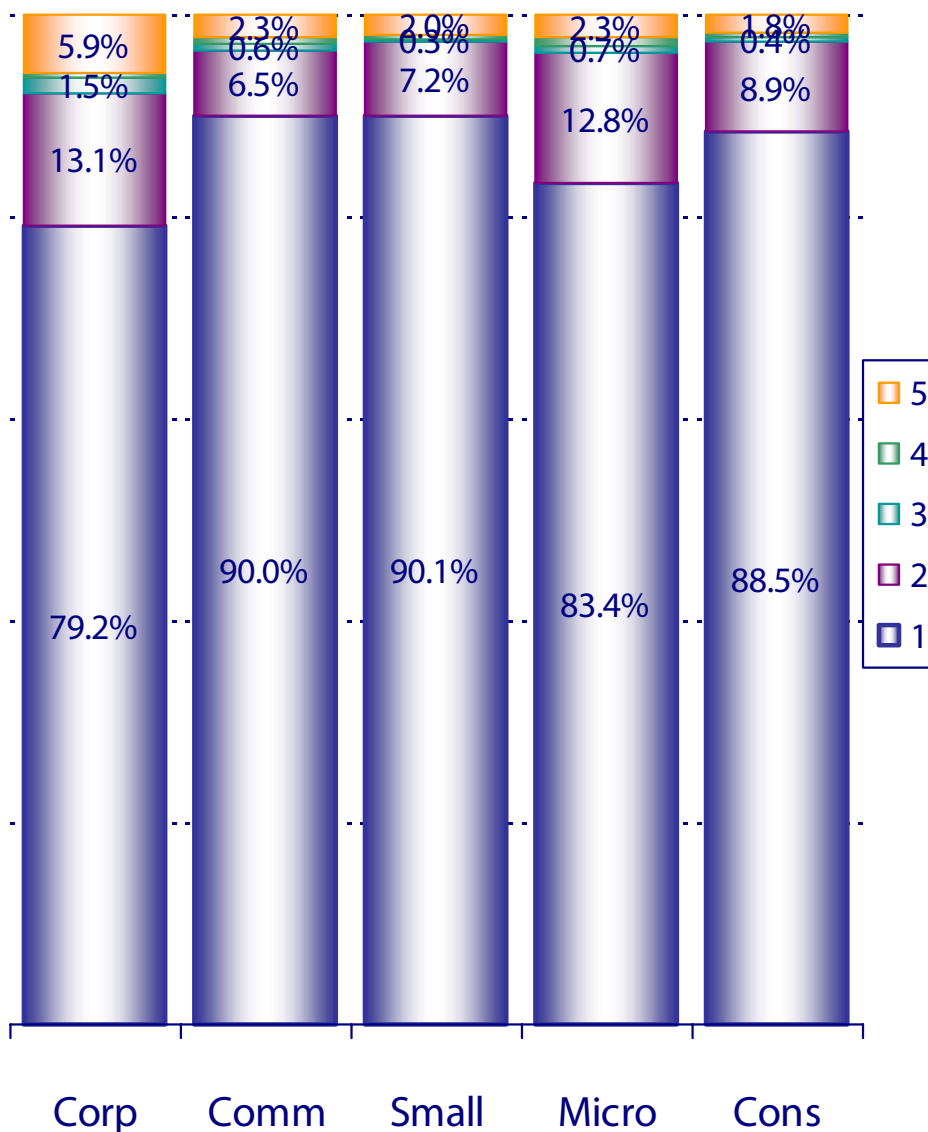
Category 2 Loan Movements (Rp bn) – Bank Only



# Q2 2008 Loan Detail: Collectibility by Segment

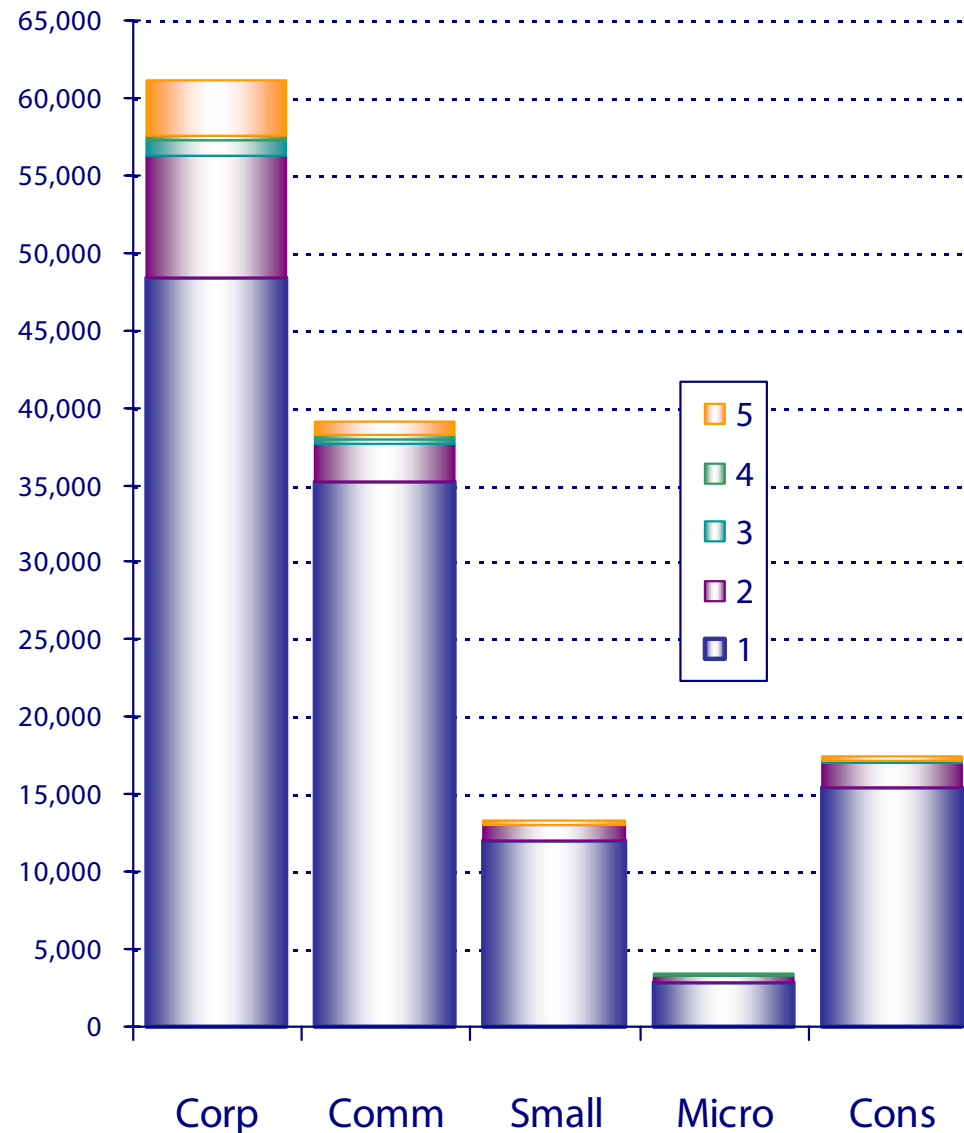
Loan Profile: Q2 Collectibility (%) by Segment

Bank Only



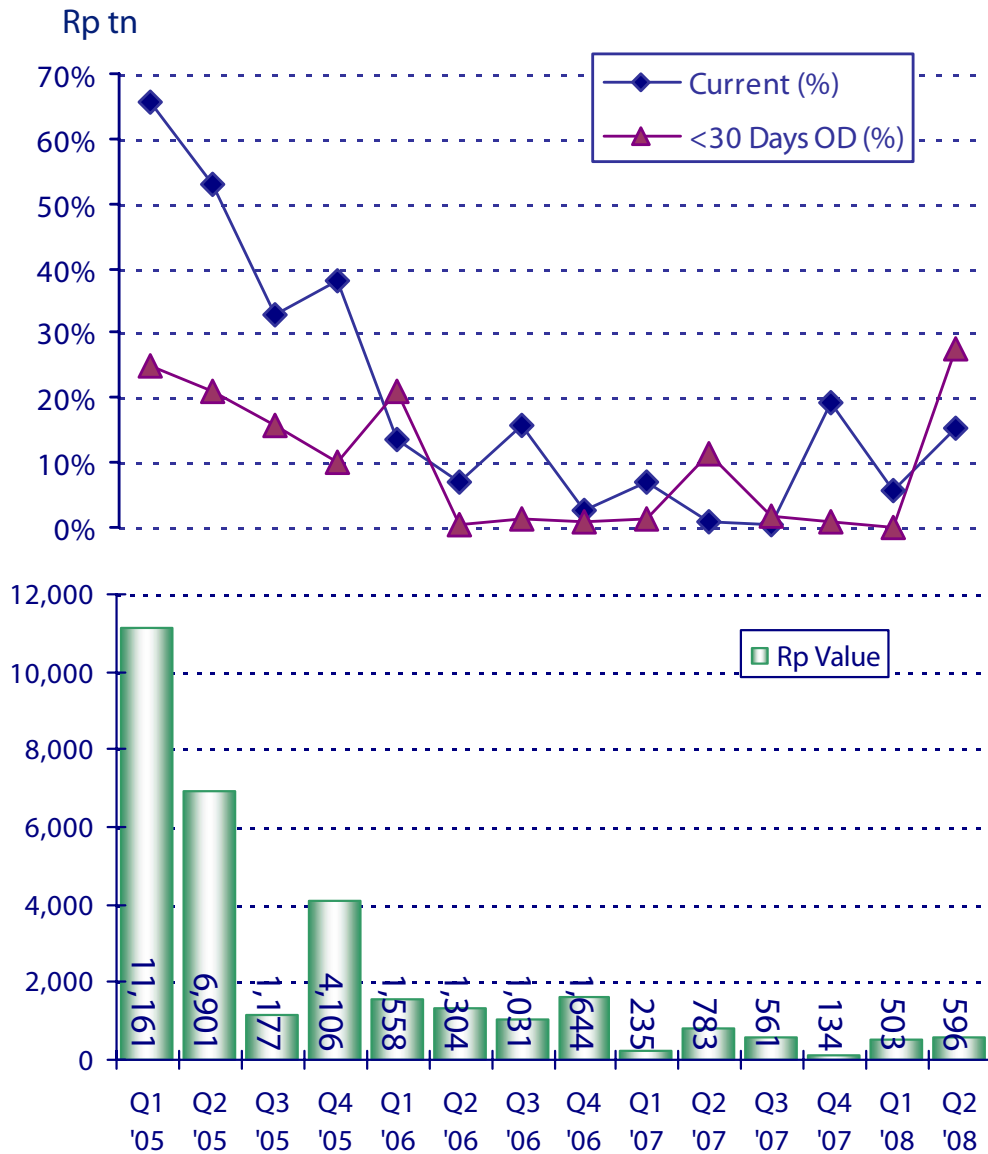
Loan Profile: Q2 Collectibility (Rp bn) by Segment

Bank Only

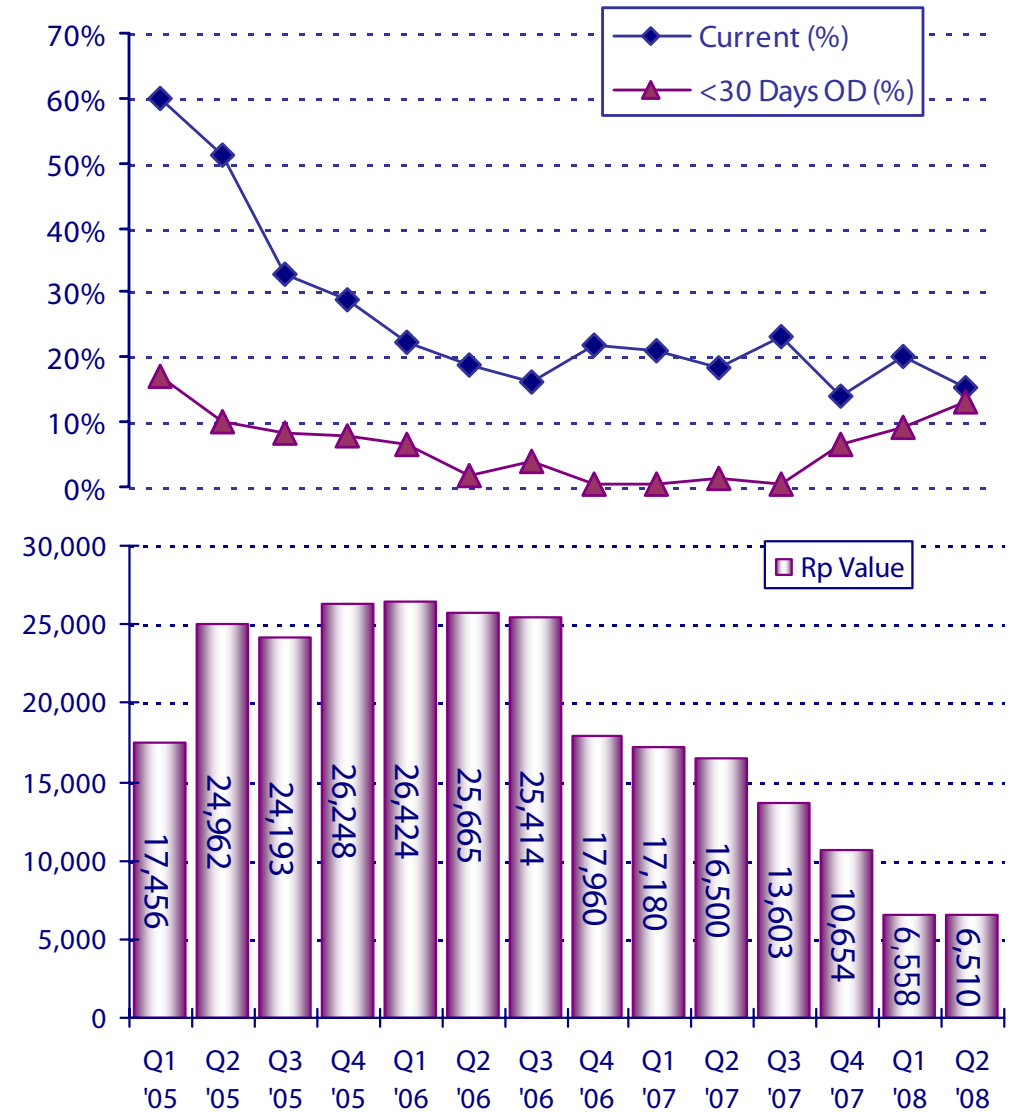


# NPL Loan Detail\*: Quarterly by Days Past Due

## Quarterly D/G to NPL & Interest DPD - Bank Only



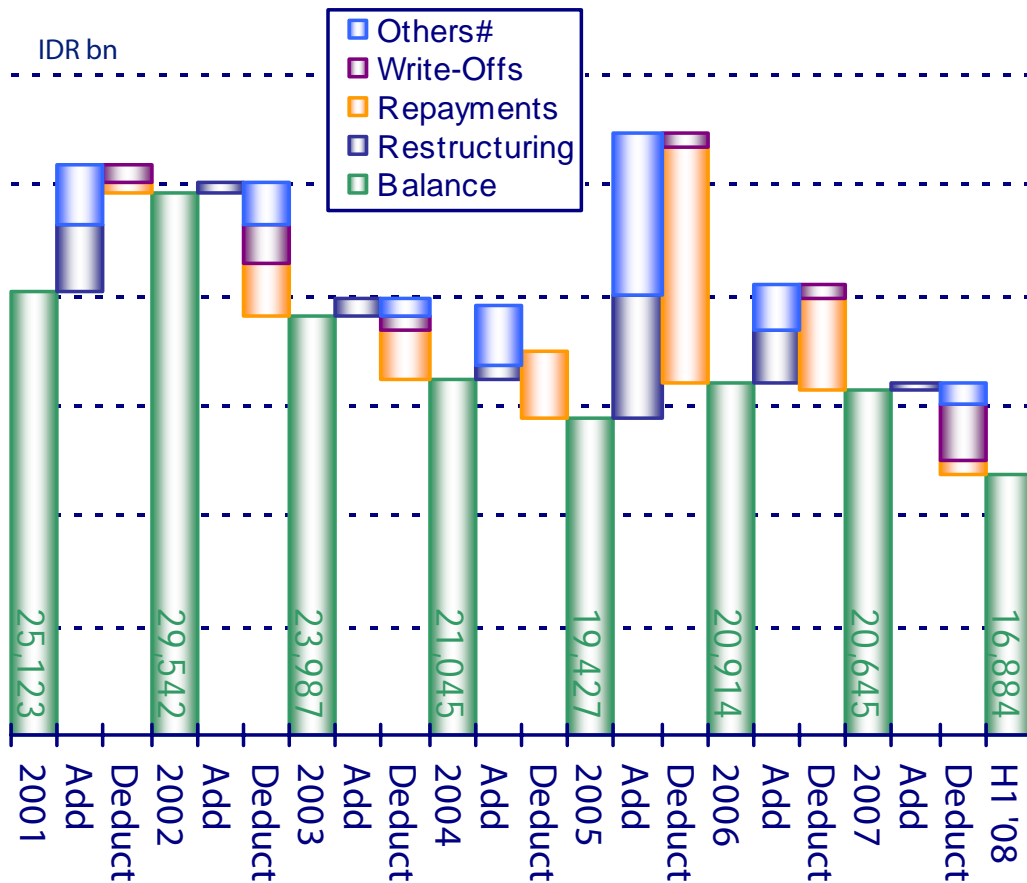
## Quarterly NPL Stock & Interest DPD - Bank Only



\* Excluding Micro & Consumer Loans Only

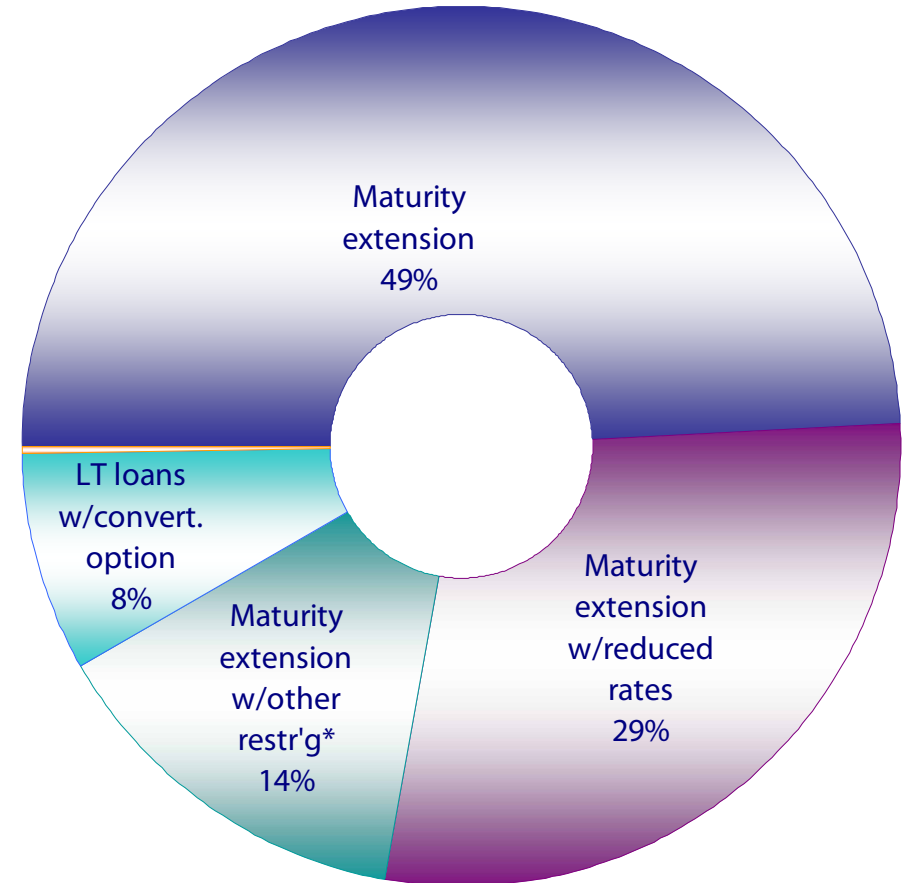
# Rp984 bn in loans were restructured or repaid in H1 '08

Restructured Loan Movement 2000 - H1 2008



(Rp billions)	'04	'05	'06	'07	Q1 '08	Q2 '08
Loans Restructured	391	718	5,573	2,445	118	246
NPL Collections	813	1,118	2,398	2,567	150	146

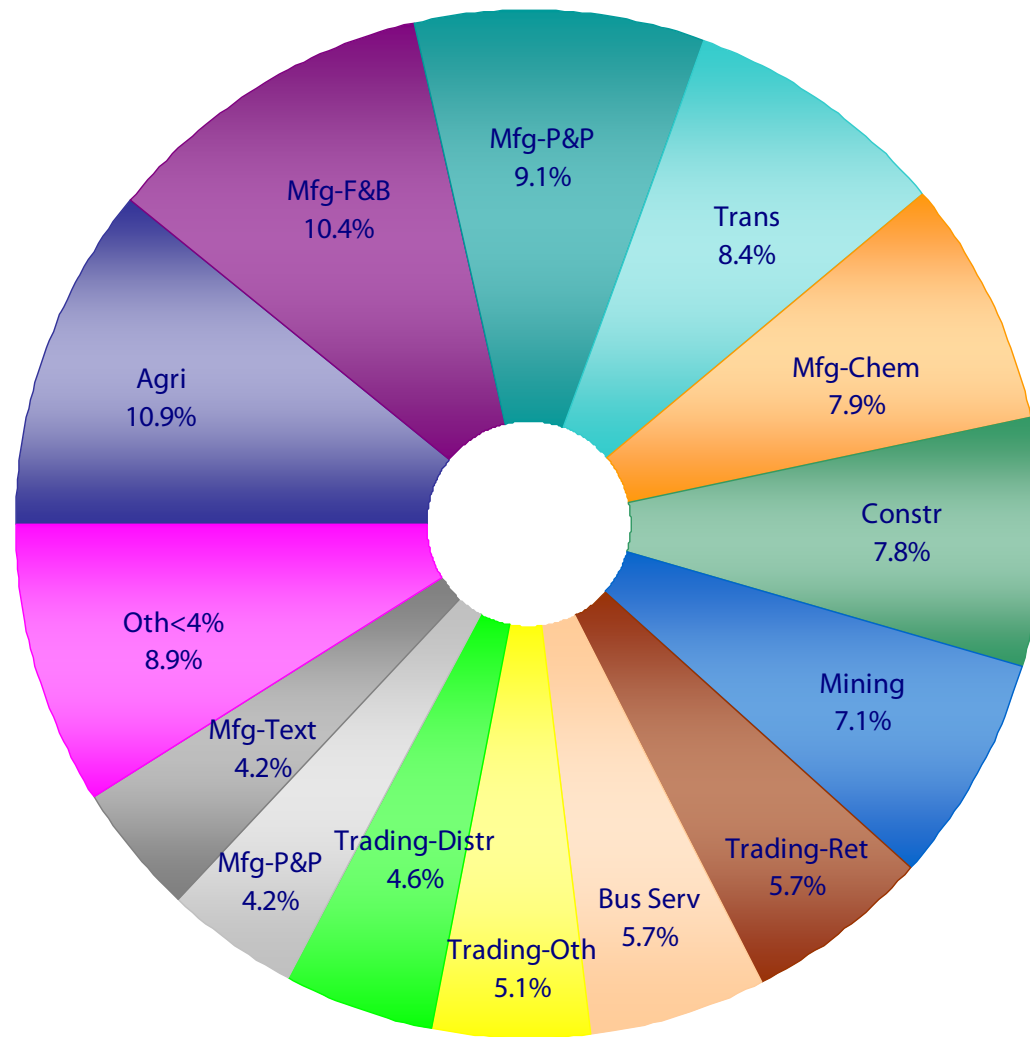
Loans by Restructuring Type in Q2 2008



\*Other Restructuring includes reduction of interest rates, rescheduling of unpaid interest & extension of repayment period for unpaid interest

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

# Loan Portfolio Sector Analysis, Q2 2008

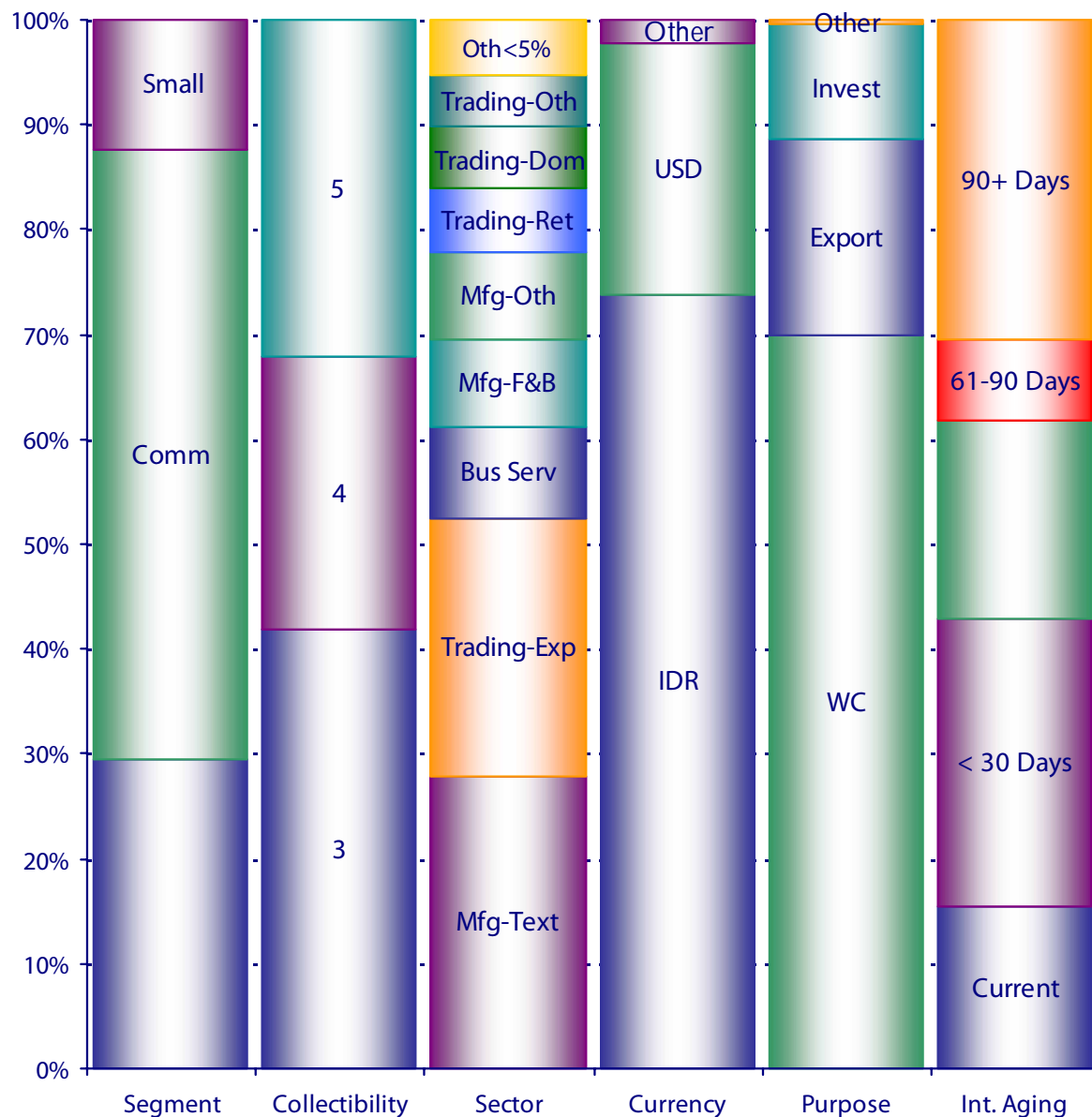


(1) Non-consolidated numbers  
 \* Each sector < 4%

\* Excluding Micro & Consumer Loans Only

# Q2 2008 Loan Detail\*: Downgrades to NPL

Loan Profile: Q2 Downgrades to NPL (Rp596 bn) - Bank Only



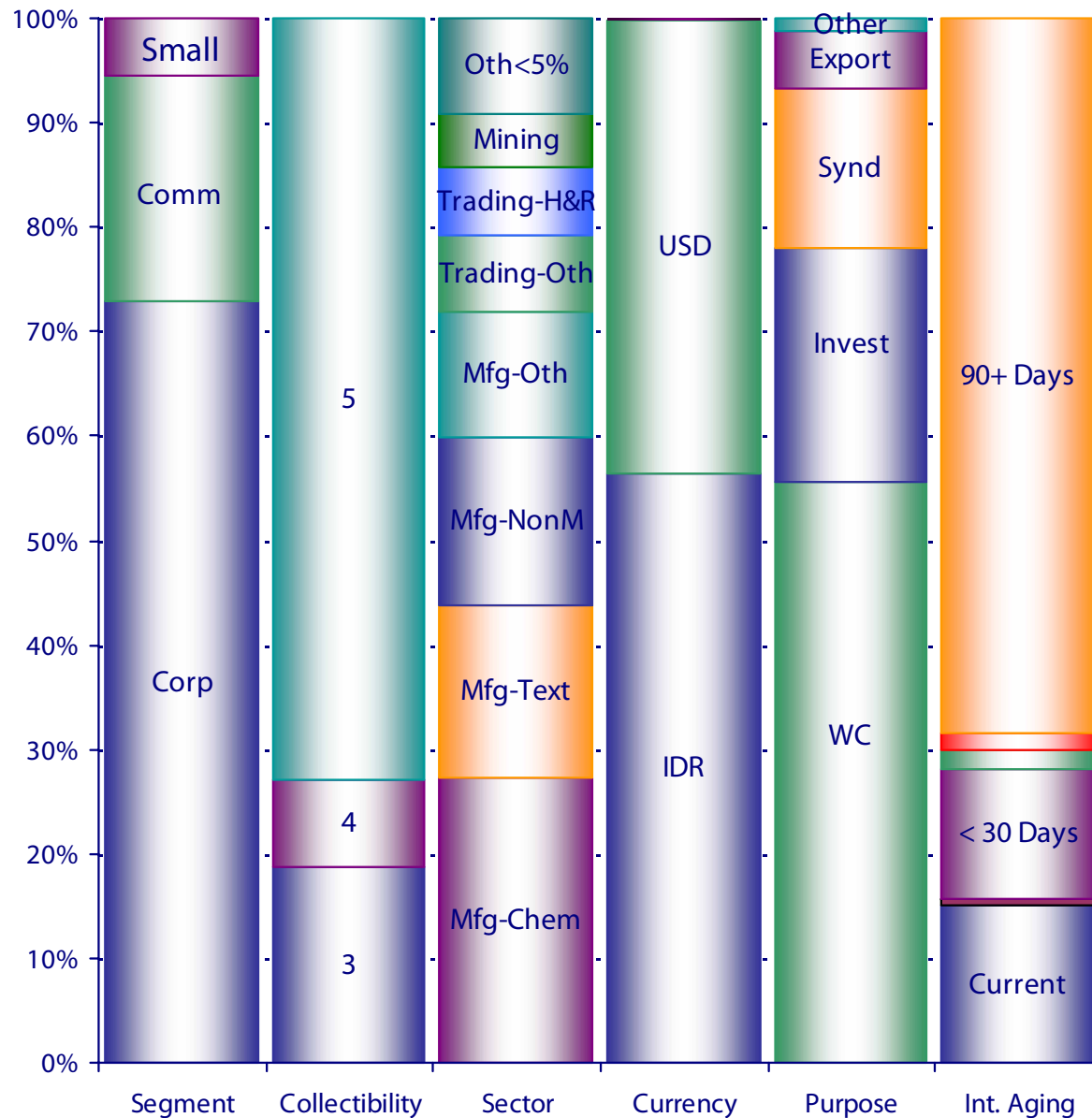
Corporate, Commercial & Small Business loans downgraded to NPL in Q2 totaled Rp596 billion (0.44% of total loans). Of these loans:

- 15.5% were still current on interest payments
- 29.5% were Corporate borrowers and 58.1% came from our Commercial portfolio
- 61.4% were loans previously restructured
- Largest downgrades by sector:
  - Textile Manufacturing
  - Export Trading
  - Business Services
- 73.8% were IDR loans
- 70.0% were Working Capital loans
- 30.6% were more than 90 days overdue in interest payments

\* Excluding Micro & Consumer Loans Only

# Q2 2008 Loan Detail\*: Non-Performing Loans

## Loan Profile: Q2 NPLs (Rp6,510 bn) Bank Only



Corporate, Commercial & Small Business NPLs totaled Rp6,510 billion in Q2, or 4.8% of total loans. Of these NPLs in Q2:

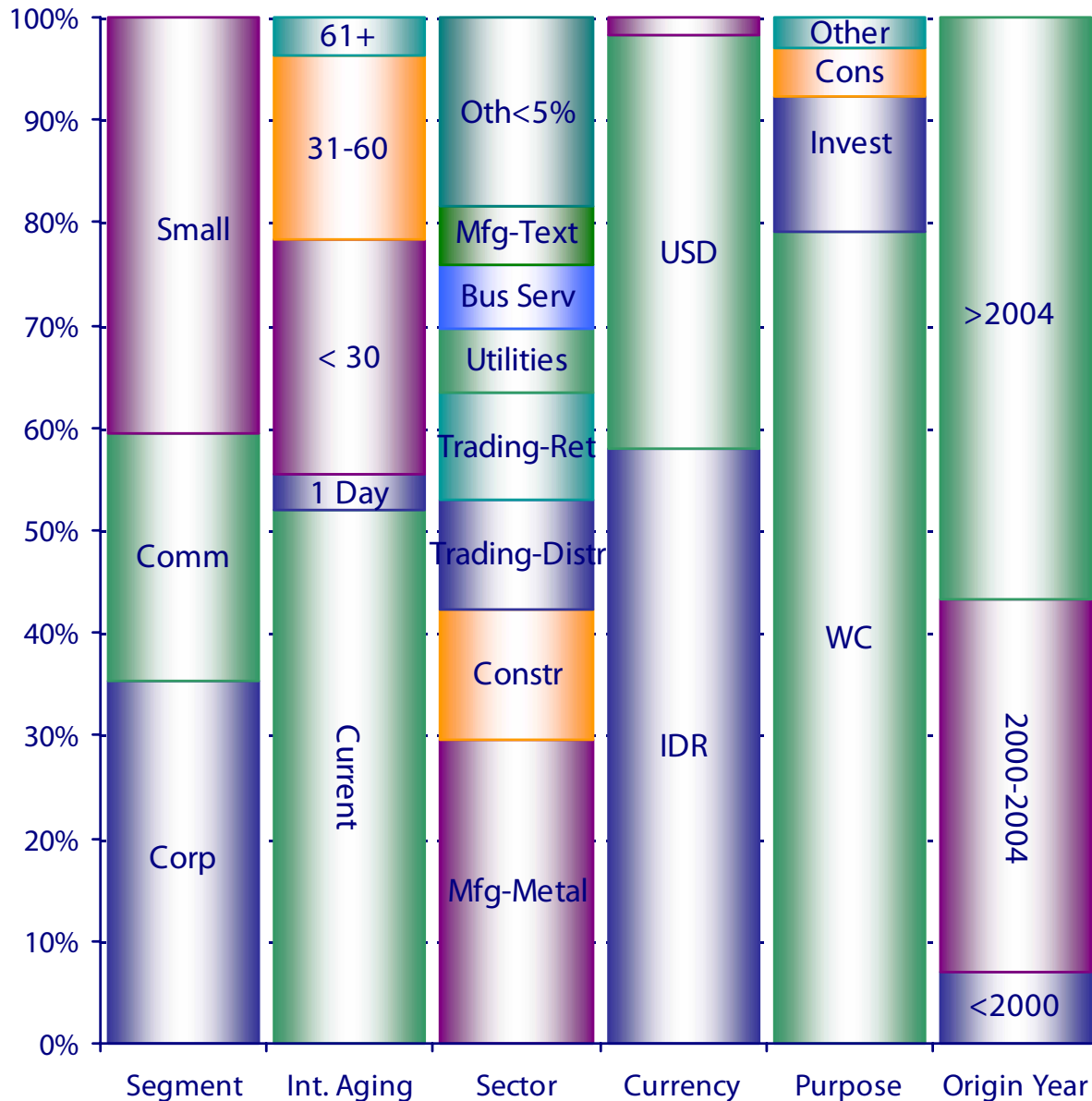
- 15.2% remain current on interest payments and 16.4% are less than 90 days overdue
- 72.9% are to Corporate customers
- 55.5% are Working Capital loans and 22.4% are Investment loans
- Primary sectors are:
  - Manufacturing
    - Chemicals
    - Textiles
    - Non-Metals
  - Trading
- 56.4% are Rupiah loans
- 54.4% were previously restructured
- 0.2% of these loans were purchased from IBRA
- 18.8% are Cat. 3 & 8.3% are Cat. 4

\* Excluding Micro & Consumer Loans Only



# Q2 2008 Loan Detail\*: Downgrades to Cat. 2

Loan Profile: Q2 Downgrades to Cat. 2 loans (Rp1,062 bn) - Bank Only



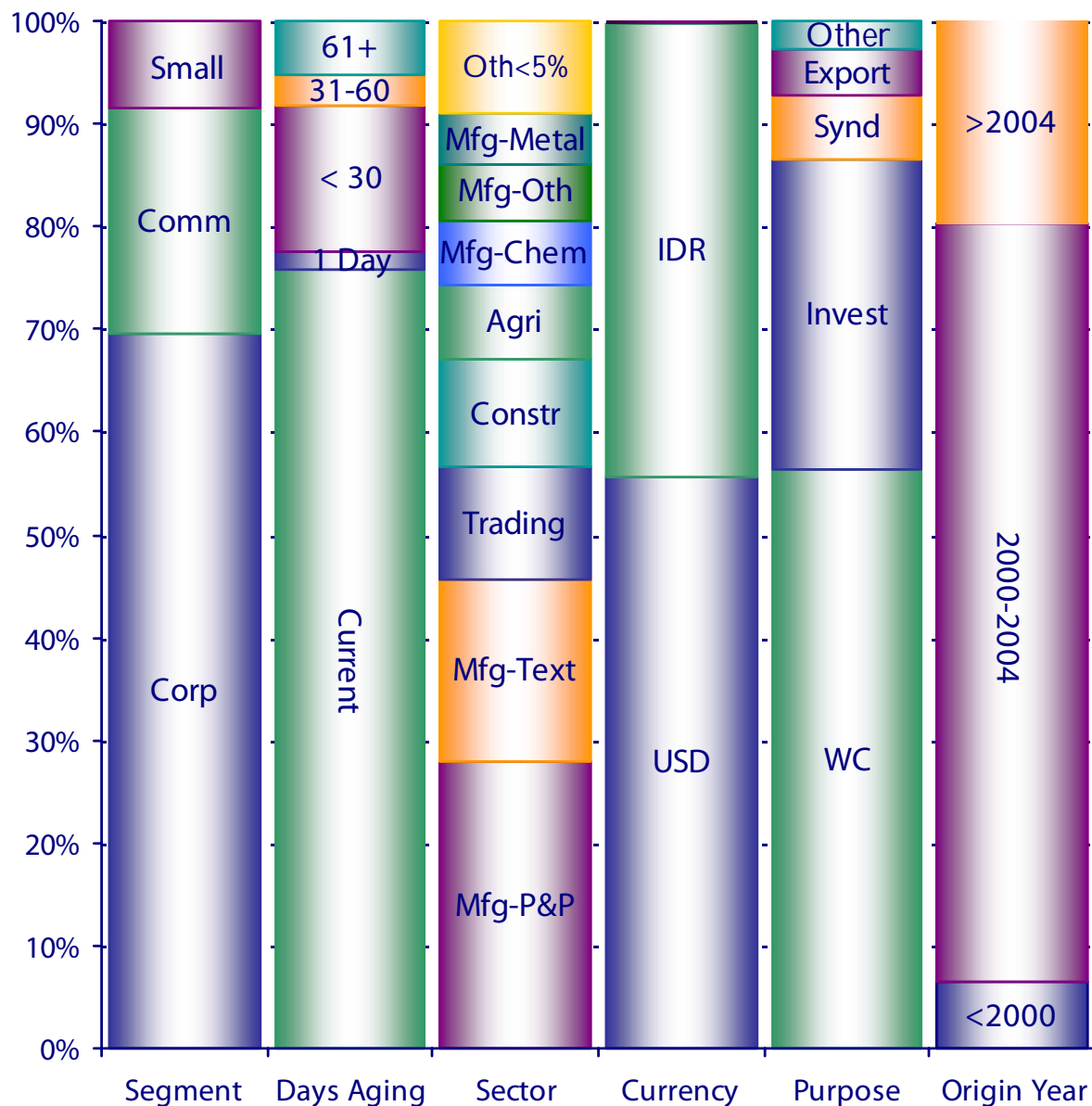
Rp1,062 billion (0.8% of total loans) in Corporate, Commercial & Small Business loans were downgraded to Category 2 in Q2. Of the Special Mention Loans downgraded in Q2:

- 35.3% are for Corporate & 40.6% are to Small Business customers
- 51.9% are current & 3.5% are 1 day overdue
- Primary sectors downgraded are:
  - Metal Manufacturing
  - Construction
  - Distribution
  - Retail Trading
- 58.1% are Rupiah loans
- 79.2% are Working Capital loans
- 14.5% are Restructured loans

\* Excluding Micro & Consumer Loans Only

# Q2 2008 Loan Detail\*: Category 2 Loans

Loan Profile: Q2 Category 2 Loans (Rp11,460 bn) Bank Only



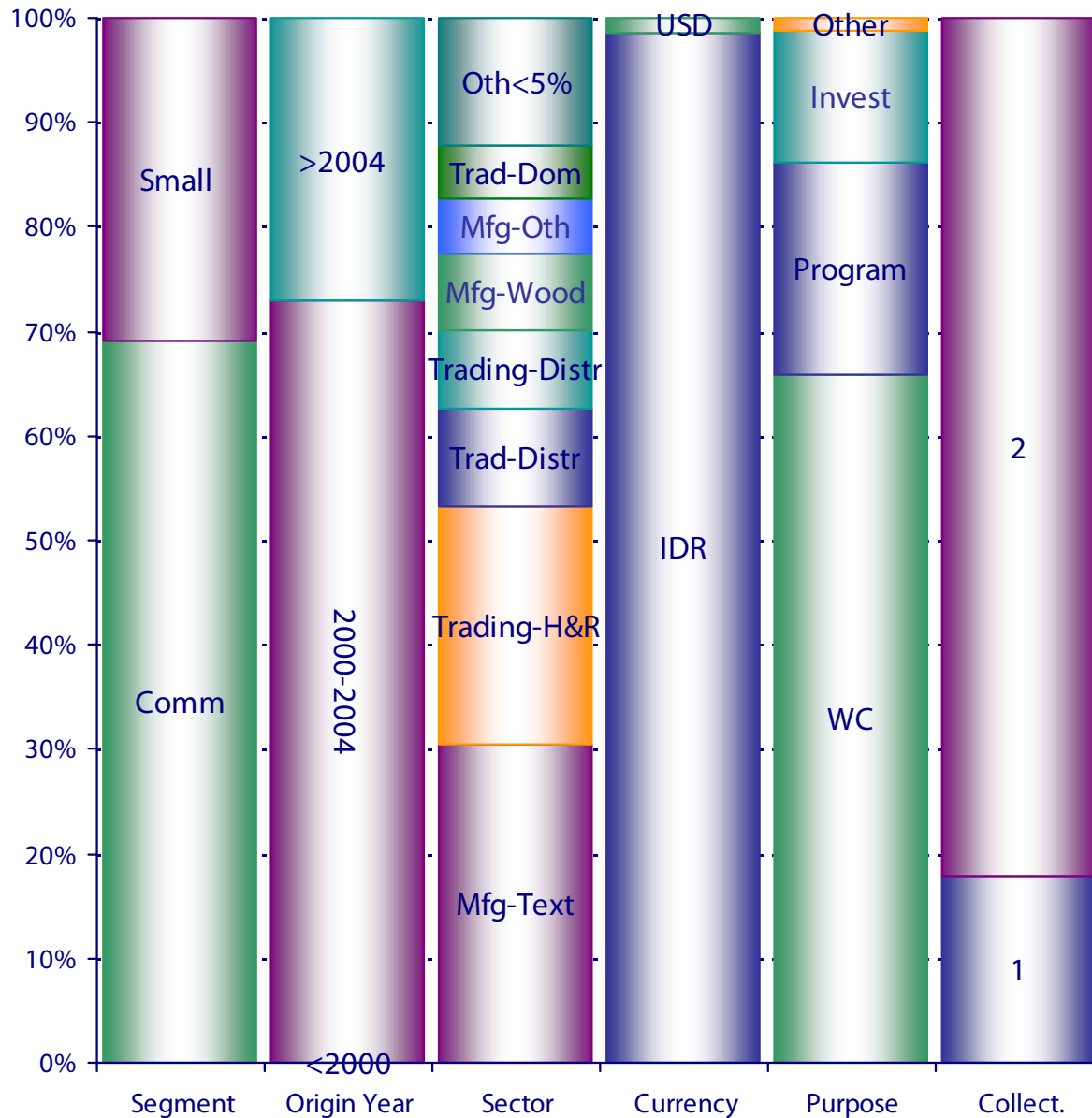
Rp11,460 billion (8.5% of total loans) in Corporate, Commercial & Small Business loans were in Category 2 in Q2. Of these Special Mention loans in Q2:

- 66.5% are to Corporate customers
- 77.6% are current or 1 day overdue
- Primary sectors in Category 2 are:
  - Pulp & Paper
  - Textile Manufacturing
  - Trading
  - Construction
  - Agriculture
- 55.6% are US Dollar loans
- 56.4% are Working Capital loans
- 71.0% are Restructured loans
- 0.5% were purchased from IBRA
- 88.2% were Category 2 in Q1 '08

\* Excluding Micro & Consumer Loans Only

# Q2 2008 Loan Detail\*: Upgrades to PL

Loan Profile: Q2 Upgrades to PL (Rp63 bn) - Bank Only



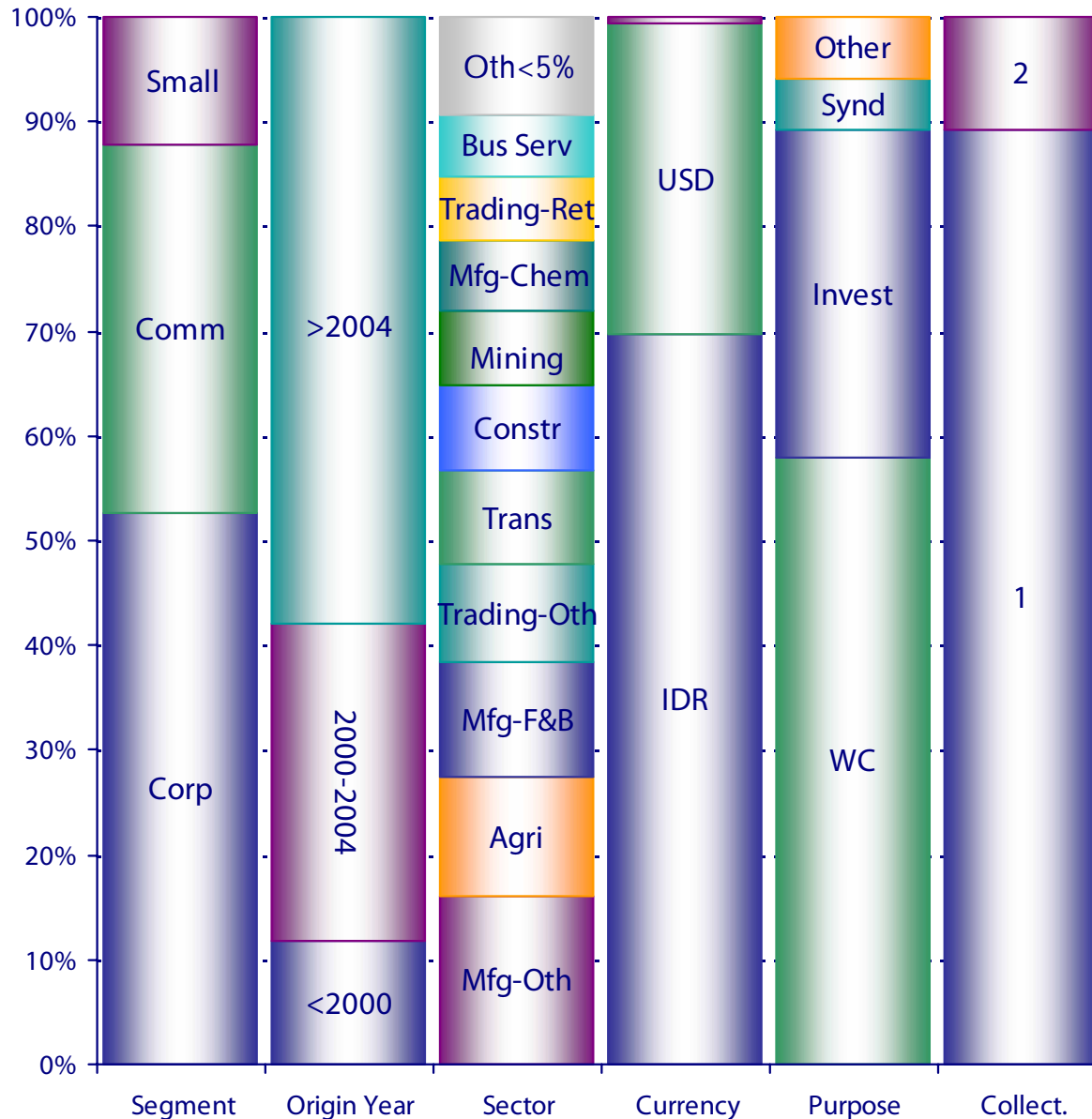
Corporate, Commercial & Small Business loans upgraded to PL in Q2 totaled Rp63 billion (0.05% of total loans). Of these loans:

- 69.1% were to Commercial borrowers
- 72.9% originated between 2000 and 2004
- 65.9% were loans with no previous restructuring history
- Largest upgrades by sector:
  - Textile Manufacturing
  - Hotels & Restaurants
  - Retail
- 98.5% were Rupiah loans
- 65.9% were Working Capital loans
- 82.1% of upgrades to PL were NPLs moving to Category 2

\* Excluding Micro & Consumer Loans Only

# Q2 2008 Loan Detail\*: Performing Loans

## Loan Profile: Q2 Performing Loans (Rp107,011 bn) Bank Only



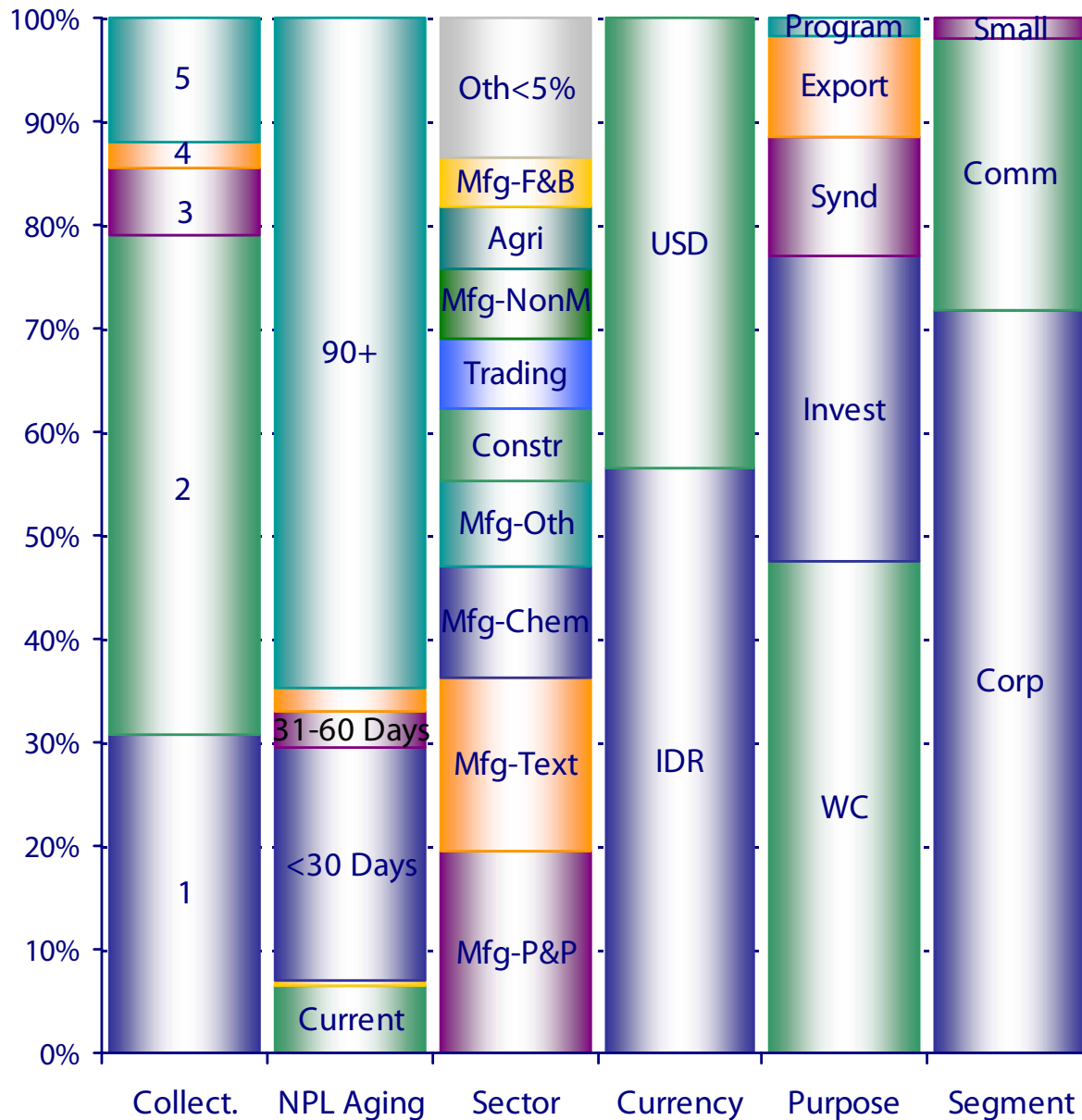
Rp107,011 billion (79.6% of total loans) in Corporate, Commercial & Small Business loans were performing in Q2. Of these performing loans in Q2:

- 52.6% are to Corporate customers & 35.2% are to Commercial customers
- 58.0% originated since 2005
- 87.5% have no restructuring history
- 12.5% are Restructured loans
- 0.3% were purchased from IBRA
- Primary sectors are:
  - Agriculture
  - Food & Beverage Mfg
  - Trading
  - Transportation
- 69.7% are Rupiah loans
- 58.0% are Working Capital loans
- 87.4% saw no change in collectibility
- 0.1% were upgraded from NPL

\* Excluding Micro & Consumer Loans Only

# Q2 2008 Loan Detail\*: Restructured Loans

## Loan Profile: Q2 Restructured Loans (Rp16,884 bn) Bank Only



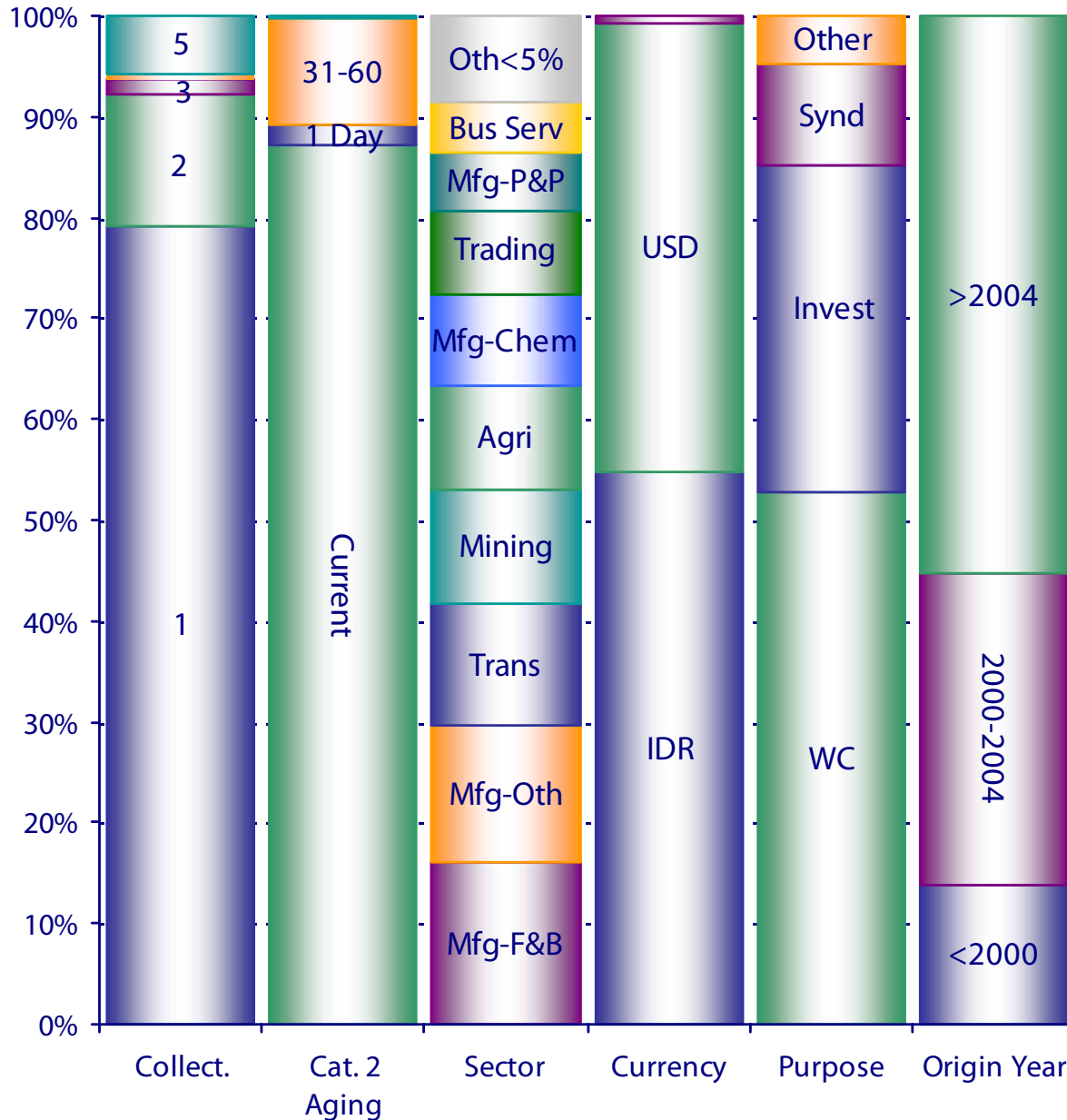
Of the remaining Rp16,884 billion in restructured Corporate, Commercial & Small Business loans in Q2, or 12.6% of total loans:

- 79.0% are performing
- 79.9% of loans in Category 2 are current in interest payments
- Of the 21.0% which are in NPL, 6.4% are current in interest payments
- Primary sectors are:
  - Manufacturing
    - Chemicals
    - Textiles
    - Pulp & Paper
  - Construction
  - Trading
- 56.6% are Rupiah loans
- 47.5% are Working Capital loans
- 71.9% are to Corporate customers
- 5.1% deteriorated in collectibility
- 1.2% showed improved collectibility

\* Excluding Micro & Consumer Loans Only

# Q2 2008 Loan Detail: Corporate Loans

## Loan Profile: Q2 Corporate Loans Only (Rp61,067 bn) Bank Only

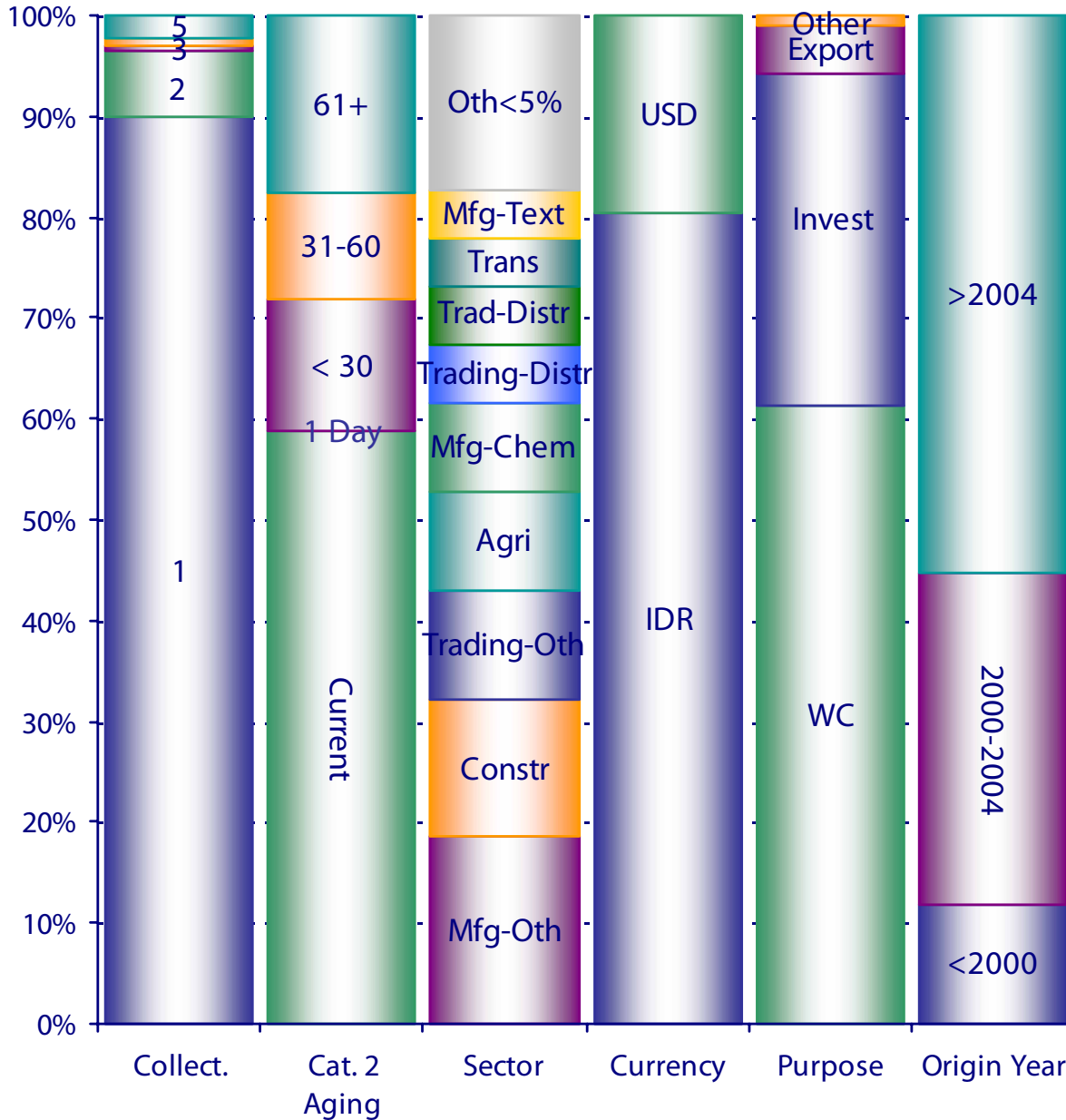


Rp1,067 billion in loans were in the Corporate portfolio in Q2, or 45.4% of total loans. Of the Corporate Loans in Q2:

- 92.2% are performing loans, with 13.1% in Category 2
- 87.2% of Category 2 loans are current in interest payments
- 17.4% of NPLs are current in interest payments
- Primary sectors in Corporate are:
  - Food & Beverage Mfg
  - Mining
  - Agriculture
  - Transportation
- 54.9% are Rupiah loans
- 52.7% are Working Capital loans
- 19.9% are Restructured loans
- 0.1% were purchased from IBRA

# Q2 2008 Loan Detail: Commercial Loans

## Loan Profile: Q2 Commercial Loans Only (Rp39,114 bn) Bank Only

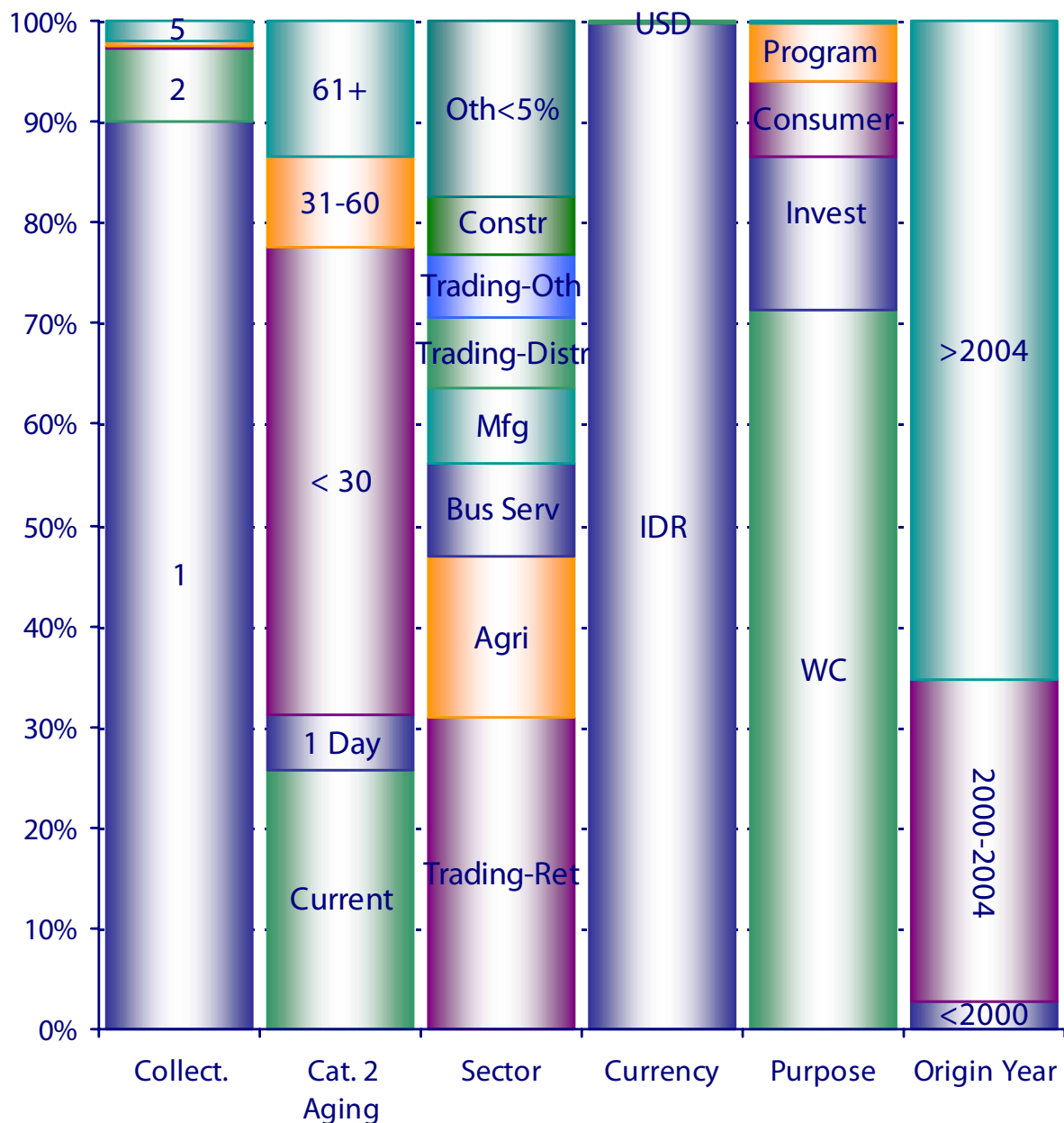


Rp39,114 billion in loans were in the Commercial portfolio in Q2, or 29.1% of total loans. Of the Commercial Loans in Q2:

- 96.4% are performing, with 6.5% in Category 2
- 58.8% in Category 2 are current or 1 day overdue in interest payments
- 10.3% of NPLs are current in interest payments
- Primary sectors in Commercial are:
  - Trading
  - Agriculture
  - Construction
  - Chemical Manufacturing
- 80.5% are Rupiah loans
- 61.3% are Working Capital loans
- 11.2% are Restructured loans
- 0.6% were purchased from IBRA

# Q2 2008 Loan Detail: Small Business Loans

## Loan Profile: Q2 Small Business Loans\* Only (Rp13,341 bn) Bank Only



Rp13,341 billion in loans were in the Small Business portfolio in Q2, or 9.9% of total loans. Of the Small Business Loans\* in Q2:

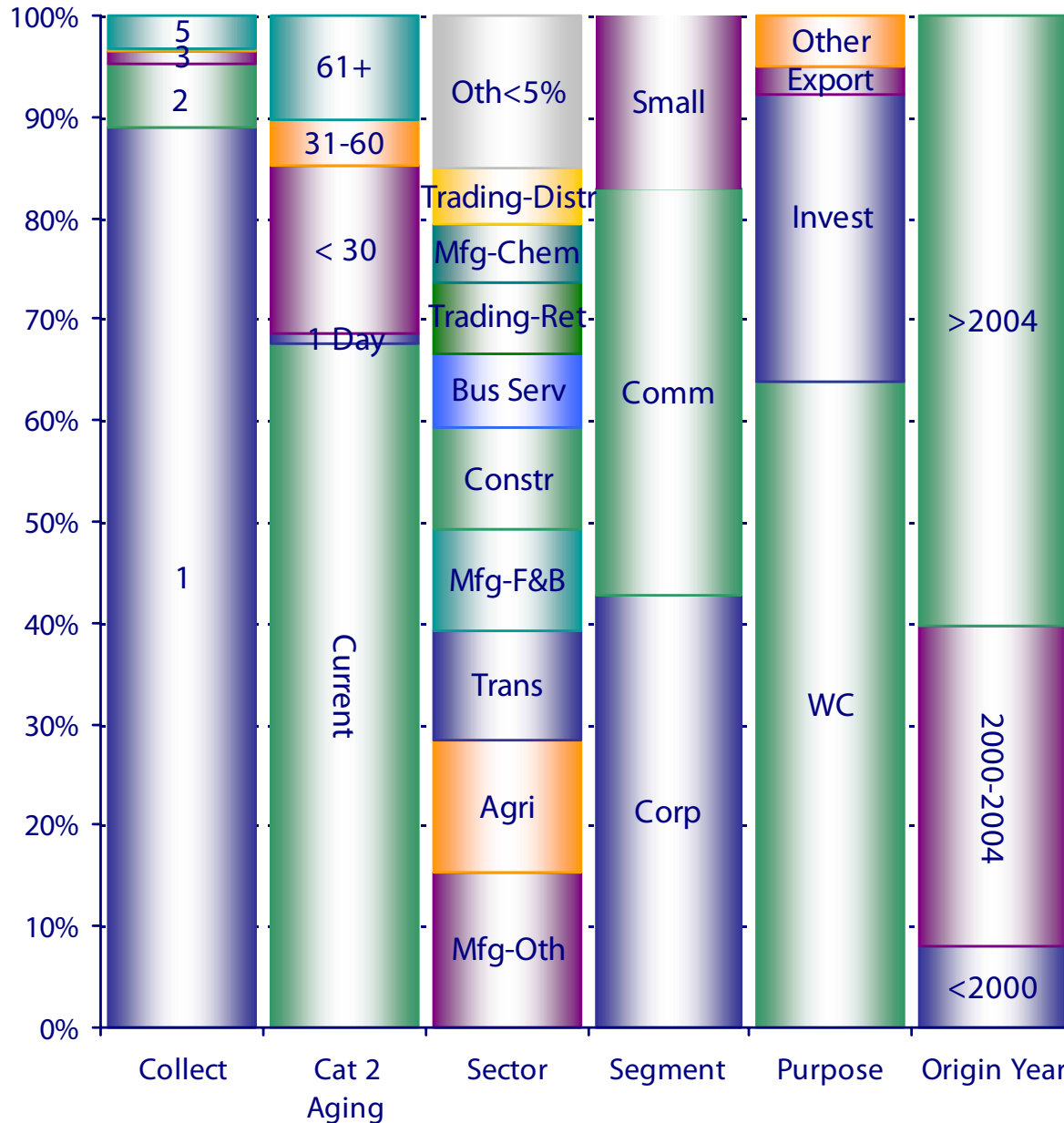
- 97.3% are performing, with 7.2% in Category 2
- 31.2% in Category 2 are current or 1 day overdue in interest payments
- 4.9% of NPLs are current in interest payments
- Primary sectors in Commercial are:
  - Retail Trading
  - Plantations
  - Business Services
  - Manufacturing
- 99.7% are Rupiah loans
- 71.3% are Working Capital loans
- 2.7% are Restructured loans

\* Excluding Micro Loans



# Q2 2008 Loan Detail\*: Rupiah Loans

## Loan Profile: Q2 Loans (Rp78,281 bn) Bank Only



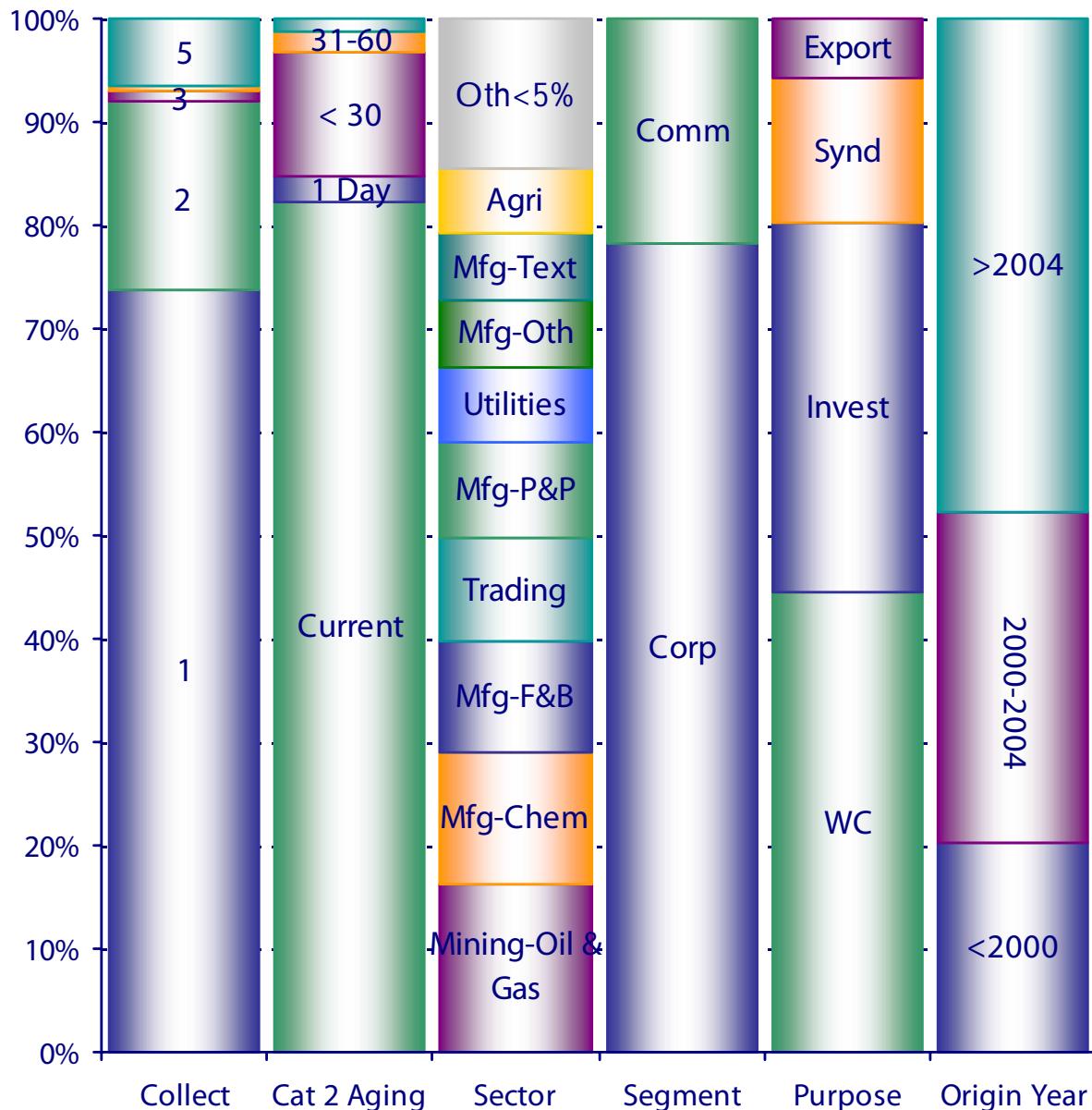
Rp78,281 billion in loans were Rupiah denominated in Q2, or 58.2% of total loans. Of the Rupiah Loans in Q2:

- 95.3% are performing loans with 6.5% in Category 2
- 67.5% of Category 2 loans are current in interest payments
- 4.1% of NPLs are current in interest payments
- Primary sectors in Rupiah loans are:
  - Plantations
  - Transportation
  - Food & Beverage Mfg
  - Construction
- 42.8% are Corporate loans
- 63.9% are Working Capital loans
- 12.2% are Restructured loans
- 0.1% were purchased from IBRA

\* Excluding Micro & Consumer Loans Only

# Q2 2008 Loan Detail\*: Foreign Currency Loans

Loan Profile: Q2 FX Loans (Rp35,240 bn) Bank Only



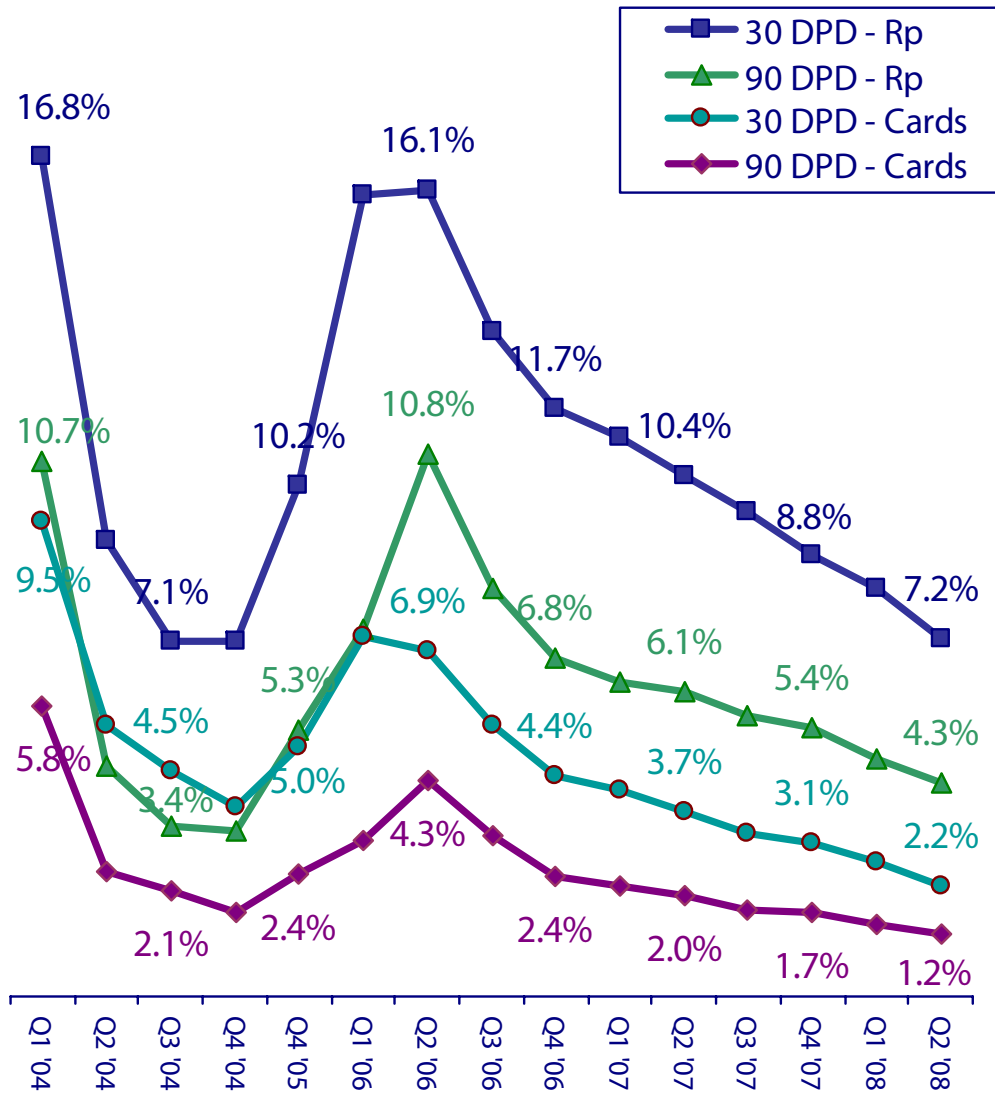
Rp35,240 billion in loans were foreign currency denominated in Q2, or 26.2% of total loans. Of the FX Loans in Q2:

- 91.9% are performing loans with 18.2% in Category 2
- 82.3% of Category 2 loans are current in interest payments
- 29.5% of NPLs are current in interest payments
- Primary sectors in Corporate are:
  - Mining – Oil & Gas
  - Manufacturing of
    - Chemicals
    - F&B
    - Pulp & Paper
    - Textiles
- 78.2% are Corporate loans
- 44.4% are Working Capital loans
- 20.8% are Restructured loans
- 0.8% were purchased from IBRA

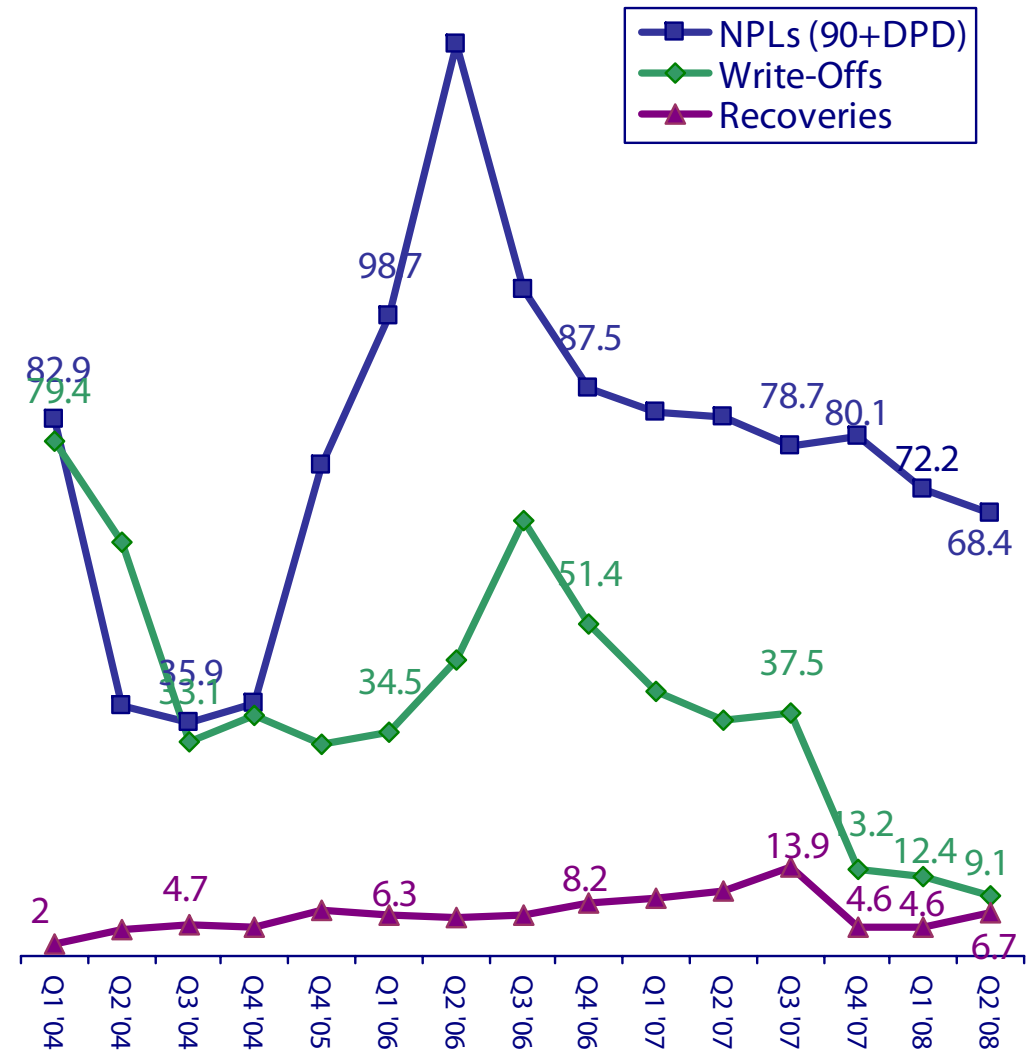
\* Excluding Micro & Consumer Loans Only

# Credit Card portfolio improved in Q2 '08

Mandiri Credit Card Delinquency Rates (%)



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



# Regs. on Asset Classification: PBI No 7/2/PBI/2005

<p>Classification by Aging of Interest Payments#</p>	<table border="1"> <thead> <tr> <th><i>Classification by Payment History</i></th> <th><i>Previously</i></th> <th><i>Current</i></th> <th><i>No change to BI Prov. Req.</i></th> </tr> </thead> <tbody> <tr> <td>Category 1 - Current</td> <td>Current</td> <td>Current</td> <td>1%</td> </tr> <tr> <td>Category 2 – Special Mention</td> <td>1 – 90 days</td> <td>1 – 90 days</td> <td>5%</td> </tr> <tr> <td>Category 3 – Sub-Standard</td> <td>91 – 180 days</td> <td>91 – 120 days</td> <td>15%</td> </tr> <tr> <td>Category 4 - Doubtful</td> <td>181 – 270 days</td> <td>121 – 180 days</td> <td>50%</td> </tr> <tr> <td>Category 5 - Loss</td> <td>271+ days</td> <td>181+ days</td> <td>100%</td> </tr> </tbody> </table>				<i>Classification by Payment History</i>	<i>Previously</i>	<i>Current</i>	<i>No change to BI Prov. Req.</i>	Category 1 - Current	Current	Current	1%	Category 2 – Special Mention	1 – 90 days	1 – 90 days	5%	Category 3 – Sub-Standard	91 – 180 days	91 – 120 days	15%	Category 4 - Doubtful	181 – 270 days	121 – 180 days	50%	Category 5 - Loss	271+ days	181+ days	100%
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<p>Detailed Classification Guidance#</p>	<table border="1"> <thead> <tr> <th><b><i>Business Outlook</i></b></th> <th><b><i>Financial Condition</i></b></th> <th><b><i>Payment Ability</i></b></th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> <li>➤ Business growth potential</li> <li>➤ Market condition &amp; debtor position in the market</li> <li>➤ Management quality</li> <li>➤ Group support</li> <li>➤ Environmental factors</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>➤ Profitability</li> <li>➤ Capital structure</li> <li>➤ Cash flow</li> <li>➤ Sensitivity to market risk</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>➤ On time payment</li> <li>➤ Availability of debtor’s financial information</li> <li>➤ Completeness of credit documentation</li> <li>➤ Compliance toward credit agreement</li> <li>➤ Nature of payment source</li> <li>➤ Appropriateness of funds usage</li> </ul> </td> </tr> </tbody> </table>			<b><i>Business Outlook</i></b>	<b><i>Financial Condition</i></b>	<b><i>Payment Ability</i></b>	<ul style="list-style-type: none"> <li>➤ Business growth potential</li> <li>➤ Market condition &amp; debtor position in the market</li> <li>➤ Management quality</li> <li>➤ Group support</li> <li>➤ Environmental factors</li> </ul>	<ul style="list-style-type: none"> <li>➤ Profitability</li> <li>➤ Capital structure</li> <li>➤ Cash flow</li> <li>➤ Sensitivity to market risk</li> </ul>	<ul style="list-style-type: none"> <li>➤ On time payment</li> <li>➤ Availability of debtor’s financial information</li> <li>➤ Completeness of credit documentation</li> <li>➤ Compliance toward credit agreement</li> <li>➤ Nature of payment source</li> <li>➤ Appropriateness of funds usage</li> </ul>																			
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<p>BI Collectibility takes precedence#</p>	<p>In instances where there is disagreement in the determination of earning asset collectibility between the bank, its external auditors and BI, the bank <b>must</b> adopt BI’s determination</p>																											
<p>One Debtor, One Project Concept*</p>	<ul style="list-style-type: none"> <li>➤ The Bank must classify all of its earning assets to a single debtor at the level of the lowest quality asset</li> <li>➤ For debtors with exposures to more than one bank, all banks must adopt the lowest classification applied by any one bank to the debtor.</li> <li>➤ All earning assets related to a particular project must be classified at the same level</li> </ul>																											
<p>Completeness of Financial Report*</p>	<ul style="list-style-type: none"> <li>➤ Banks must require debtors to submit current financial statements</li> <li>➤ Failure to submit financial statements must result in an automatic downgrade of collectibility by one level, or to a maximum classification of sub-standard</li> </ul>																											

# Implemented in Q1 2005

\* Implemented in Q2 2005

# Accounting for Interest, Provisions & Collateral

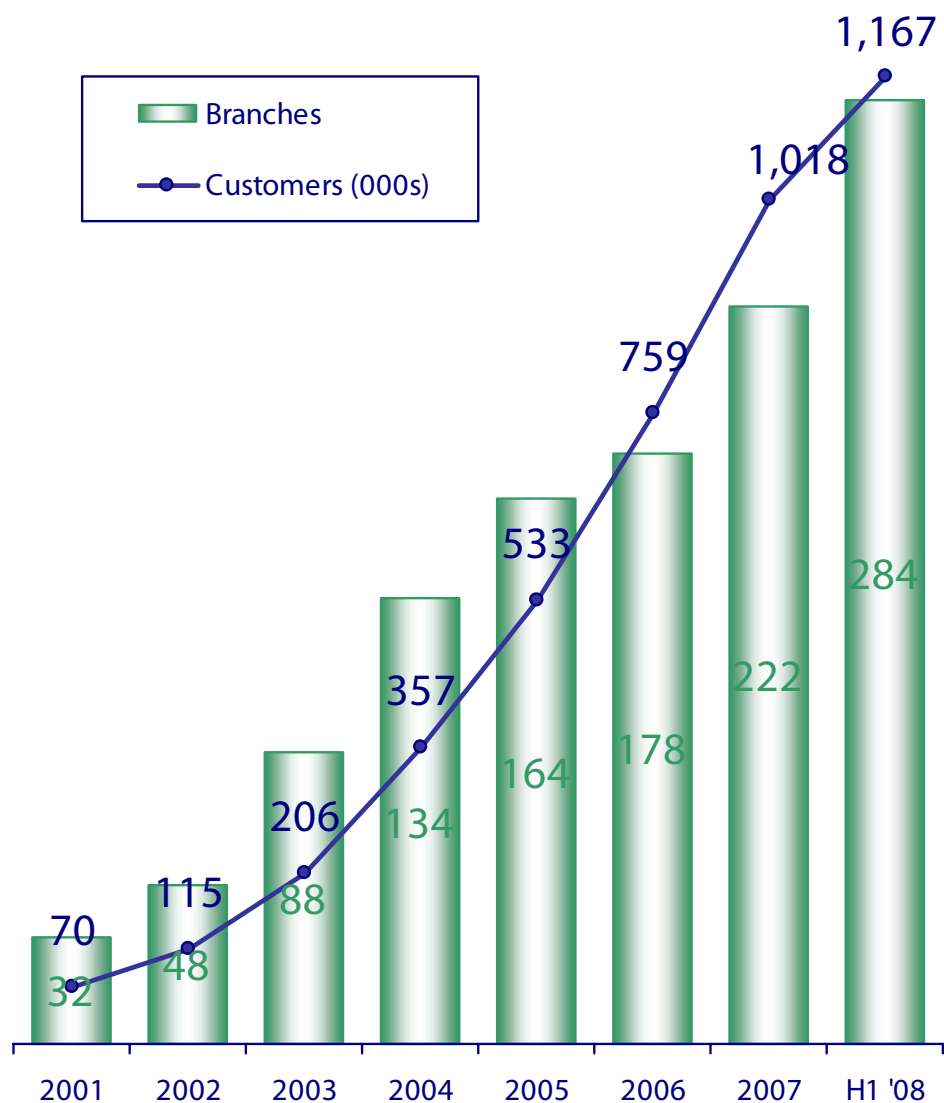
Recognition of Interest Income	<i>Classification</i>	<i>Regular Loans</i>	<i>Restructured Loans</i>	<i>IBRA Loans</i>
	Cat. 1 - Current	Accrual Basis	Accrual Basis	Cash Basis
	Cat. 2 – Special Mention	Accrual Basis	Cash Basis	Cash Basis
	Cat. 3 – Sub-Standard	Cash Basis	Cash Basis	Cash Basis
	Cat. 4 - Doubtful	Cash Basis	Cash Basis	Cash Basis
	Cat. 5 - Loss	Cash Basis	Cash Basis	Cash Basis
Booking of Payments from Borrowers	<i>Classification</i>	<i>Regular Loans</i>	<i>Restructured Loans</i>	<i>IBRA Loans (w/o new agreement)</i>
	Cat. 1 - Current	Interest	Interest	Principal
	Cat. 2 – Special Mention	Interest	Interest	Principal
	Cat. 3 – Sub-Standard	Interest	Interest	Principal
	Cat. 4 - Doubtful	Principal	Principal	Principal
	Cat. 5 - Loss	Principal	Principal	Principal
Provisioning	<i>Classification</i>	<i>Regular Loans</i>	<i>Restructured Loans</i>	<i>IBRA Loans</i>
	Cat. 1 - Current	1%	As per BI regulations, except: – Not reversed by upgrading – Reversed by principal repayment – Beginning provisions determined at 31 Dec. 2004 – Based on net book value after restructuring loss	As per BI regulations, except: – Difference between principal and purchased value book as – Provisions, or – Deferred income if a new agreement has been made
	Cat. 2 – Special Mention	5%		
	Cat. 3 – Sub-Standard	15%		
	Cat. 4 - Doubtful	50%		
	Cat. 5 - Loss	100%		
Valuation of Collateral & Provisioning	<i>Classification</i>	<i>Collateral</i>	<i>All Loans</i>	
	Cat. 1 - Current	Not valued	Collateral valuation for provisioning is determined by the aging of the most recent independent appraisal (for assets over Rp 5bn): – 70% of appraised value within the initial 12 months – 50% of appraised value within 12 to 18 months – 30% of appraised value within 18 to 24 months – No value after 24 months from appraisal	
	Cat. 2 – Special Mention	–Can be credited against cash provisions for Cat. 2-5		
	Cat. 3 – Sub-Standard			
	Cat. 4 - Doubtful			
	Cat. 5 - Loss			

# Summary of Principal Subsidiaries

Bank Syariah Mandiri	Mandiri Sekuritas	AXA Mandiri
<ul style="list-style-type: none"> <li>• Equity Investment of Rp1,007.65 bn</li> <li>• Total Assets of Rp16,286 bn, with total financing extended amount to Rp12,731 bn and total funds of Rp14,270 bn</li> <li>• Operating Income amounting to Rp787.9 bn and Profit After Tax of Rp96.3 bn</li> <li>• Market share of Syariah Banking: 37.17% in assets, 37.40% in financing extended and 42.38% in deposits</li> <li>• CAR=12.28%</li> <li>• ROA=1.94%</li> <li>• ROE=22.78%</li> <li>• 284 outlets, consisting of 236 branches &amp; cash offices, 48 KLS, 111 cash outlets &amp; payment points; along with 63 branded ATMs</li> </ul>	<ul style="list-style-type: none"> <li>• Equity Investment of Rp815.05 bn</li> <li>• Total Assets Rp1,828 bn, total liabilities Rp976 bn and Equity Rp852 bn</li> <li>• Operating Income amount to Rp109.26 bn, and PAT Rp64.66 bn</li> <li>• Bond underwriting amounting to Rp2.63 tn. IPO underwriting amounting to Rp 814.42 bn</li> <li>• Equity transactions in BEI of Rp26.94 tn</li> <li>• Bond transactions (SUN) through BEI of Rp15.9 tn (rank#1)</li> <li>• Total Assets Under Management amounting to Rp6.08 tn.</li> </ul>	<ul style="list-style-type: none"> <li>• Equity Investment of Rp102.66 bn</li> <li>• Total Assets Rp4,383.55 bn, Annual First Year Premium (AFYP) of Rp365.69 bn and total profit Rp59.18 bn</li> <li>• Total Gross Written Premium (GWP) Rp1,278.24 bn, consisting of unit-linked premiums of Rp1,259.89 bn (98.56%) and traditional product premiums of Rp18.35 bn (1.44%). Group business accounted for Rp17.81 bn (1.39%) while Rp1,260.43 bn (98.61%) came from individual premiums.</li> <li>• Embedded value of Rp648.63 bn (before expense overrun) and appraisal value of Rp3,364.22 bn</li> <li>• Operating since December 2003, has a presence in 942 Bank Mandiri branches with a team consisting of 1,100 Financial Advisors (FAs)</li> <li>• In Q1 2008, AXA Mandiri's market share in acquiring new business out of all life insurance companies in Indonesia was 6.6%</li> </ul>

# Bank Syariah Mandiri

## Branch Network & Customer Growth



## Summary Balance Sheet (Rp Billions)

Rp Bn	2004	2005	2006	2007	H1 '08
Total Assets	6,870	8,273	9,612	12,888	16,286
Cash & placement w/ BI	796	1,689	1,377	1,583	2,273
Current Accounts & Placements w/Other Banks	235	168	326	299	515
Securities - Net	427	383	497	778	936
Total Financing	5,267	5,791	7,401	10,305	12,731
Allowances	(86)	(127)	(262)	(331)	(503)
Total Financing - Net	5,181	5,664	7,138	9,974	12,228
Third Party Funds	5,882	7,037	8,219	11,106	14,270
Demand Deposits	981	1,261	2,059	1,858	2,919
Savings Deposits	1,567	1,958	2,662	3,860	4,669
Time Deposits	3,334	3,818	3,498	5,388	6,682
Shareholders Equity	549	633	694	810	1,008

# Bank Syariah Mandiri

## Summary P&L (Rp billions)

	2003	2004	2005	2006	2007	H1 '08
Total Operating Income	279.4	584.2	865.5	935.2	1,197.9	787.9
3rd Party Share on Returns	148.4	269.2	386.4	455.5	511.9	344.7
Bank's Share in Operating Income	131.1	315.0	479.1	479.7	686.0	443.3
Other Operating income	51.9	102.0	93.6	142.4	109.2	161.9
Operating Expenses	159.9	276.4	435.6	383.0	475.9	290.4
Income from Operations	23.0	140.6	137.2	102.1	268.1	140.8
Net Income before tax	24.5	150.4	136.7	95.5	169.7	141.1
Net Income after tax	15.8	103.4	83.8	62.6	114.6	96.3

## Selected Financial Ratios

LDR	66.1%	83.3%	75.6%	90.21%	92.79%	89.21%
CAR	20.9%	10.6%	11.9%	12.56%	12.44%	12.28%
ROA	1.0%	2.9%	1.8%	1.10%	1.54%	1.94%
ROE	3.6%	22.3%	14.6%	10.23%	15.94%	22.78%



# Mandiri Sekuritas

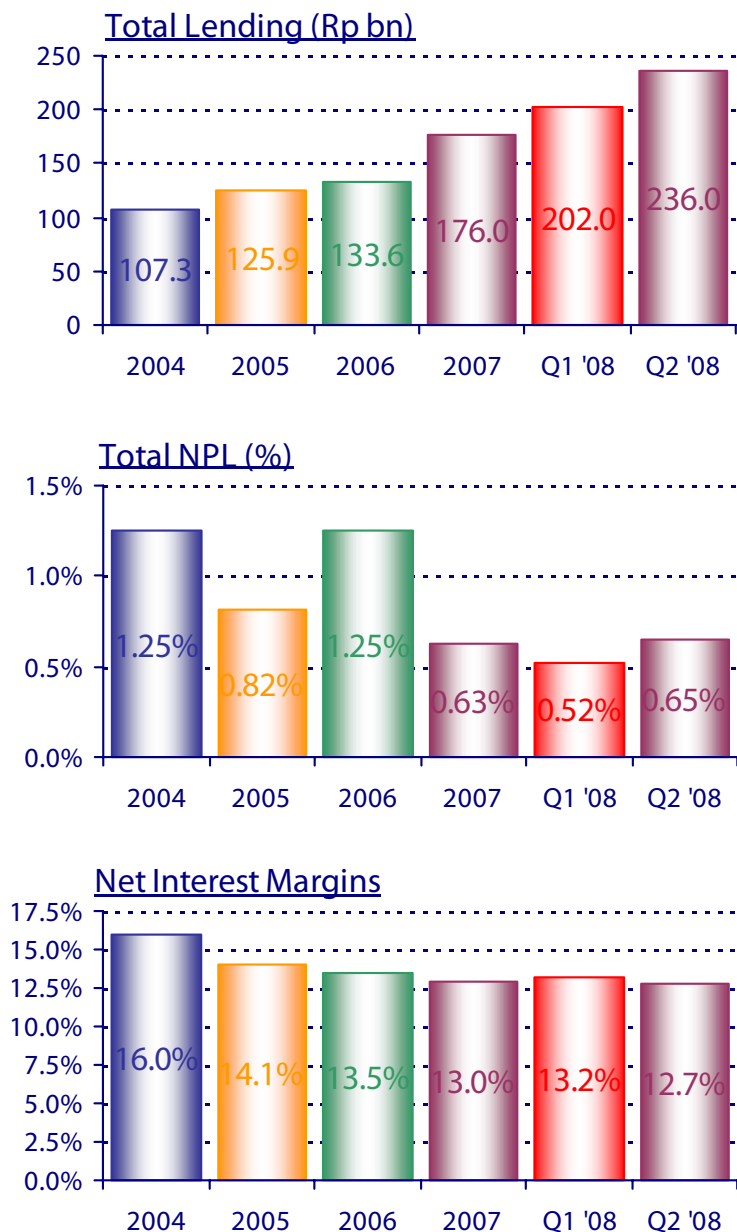
## Summary Balance Sheet

Rp Bn	2004	2005	2006	2007	H1 '08
Total Assets	1,435.7	1,258.7	2,367.4	2,757.2	1,828.1
Cash & Equivalent	117.4	51.8	80.1	57.4	74.7
Time deposit	50.0	-	-	-	-
Marketable Securities	538.8	746.5	480.1	396.9	575.3
Receivables	478.6	84.3	1,267.0	1,036.0	662.4
Property & Equipment-net	11.8	9.6	10.9	12.9	12.5
Total Liabilities	699.3	565.9	1,619.7	1,936.3	976.2
Payable to Clearing & Guarantee body	39.1	30.1	546.2	240.6	167.2
Payable to customers	420.3	52.7	664.7	557.8	305.4
Repo	2.0	137.1	269.4	407.5	15.9
Bank Loans	190.0	305.0	75.0	620.0	400.0
Shareholders Equity	736.4	692.8	747.6	820.8	851.8

## Summary P&L

Rp Bn	2004	2005	2006	2007	H1 '08
Operating Revenue	244.0	197.3	221.6	423.7	243.1
Brokerage Commissions	15.6	20.9	20.2	80.8	44.3
Investment Mgmt Fees	53.0	42.6	16.0	28.9	31.9
Advisory fees	10.4	6.0	3.4	21.0	5.1
Underwriting & Selling Fees	20.6	9.0	5.8	19.0	40.9
Gain on Trading of Marketable Securities	61.9	(13.1)	51.8	69.8	8.9
Interest & Dividends	82.7	131.8	124.2	202.8	110.6
Operating Expenses	134.6	114.5	122.4	198.1	133.8
G & A expenses	23.4	20.6	18.3	29.3	16.9
Salaries and allowances	53.7	48.4	62.2	104.1	54.9
Commissions	36.2	21.2	15.8	28.6	43.3
Profit from operations	109.4	82.8	99.2	224.6	109.3
Other income (charges) - net	(8.1)	(34.8)	(29.4)	(63.8)	(28.9)
Income before tax	101.3	48.0	69.8	160.8	80.4
Net Income after tax	63.0	18.4	42.6	108.4	64.7

# Bank Sinar Harapan Bali



## Implementing the vision of becoming dominant player in the micro segment

BSHB is an integral part of Bank Mandiri's plan to develop the micro segment aggressively, which we intend to achieve through implementing three phases strategy:

### 1. Improving Efficiency and Operational Enhancement Phase (12-24 mths)

During this initial stage, we seek to improve BSHB's IT, Risk Management, HR and Governance infrastructure, as well as developing new product and expanding its footprint across Bali

### 2. Dominating local market phase (24-48mths)

The focus of this stage is to aggressively grow BSHB's market share of micro segment in Bali, while preparing the launch pad for national expansion

### 3. Launching national expansion strategy phase (48+ mths)

Implementing nationwide footprint expansion

## Business Plan, 2008-2010

BSHB has been showing positive momentum despite recent macroeconomic trends.

By the end of Q2 2008, BSHB grew total loans to Rp236 bn, with plans to achieve Rp240 bn (36.4% increase year-on-year) by the end of 2008. By 2010, BSHB is aiming to achieve total loans of Rp449 bn.

From the risk perspective, BSHB has been able to preserve its low level of NPLs at 0.65% in Q2 2008. Going forward, BSHB is confident to be able to maintain gross NPLs below 1.5% through 2010.

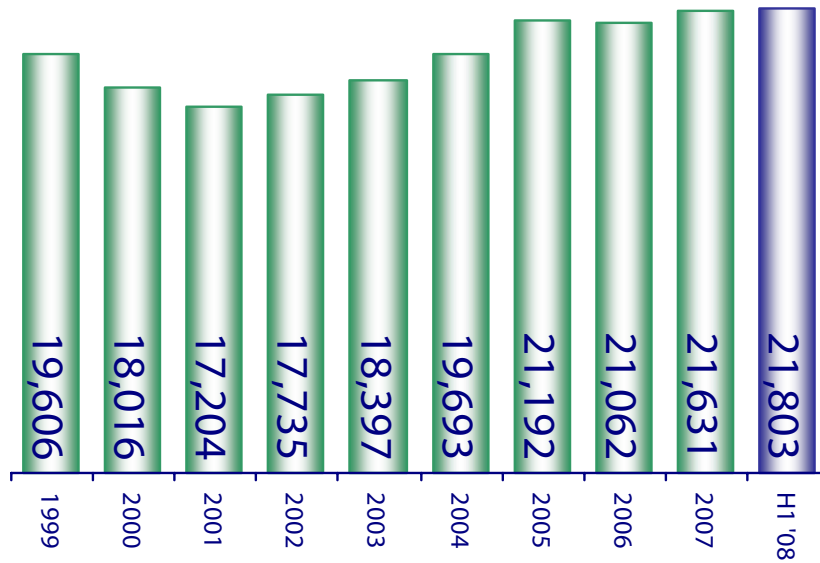
At the end of Q2 2008, BSHB profit before tax reached Rp2.2 bn. For the year 2008, BSHB is targeting Rp12,739 in profit before tax, in line with projected asset growth. As a result of these positive trends, by 2010, BSHB should achieve Rp38,376 mn in profit.

\*) As of June'08 based on non-audited quarter financial report

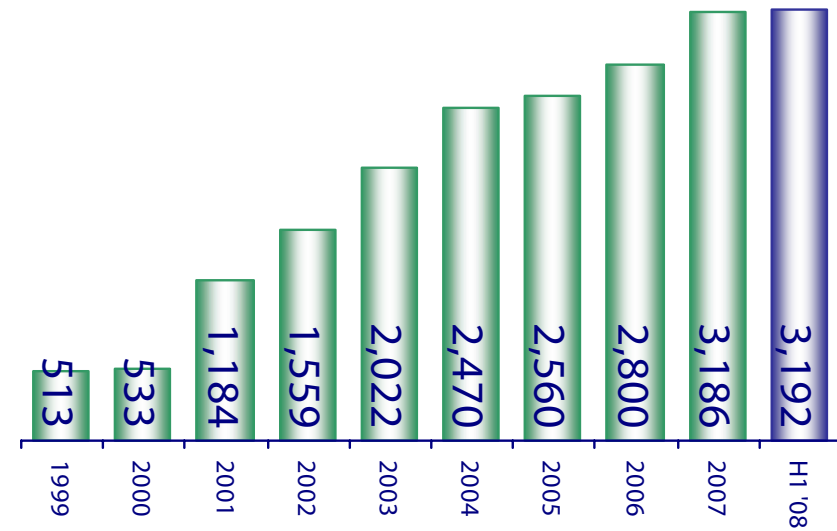
\*\*\*) NIM as of June'08 12.72% (exclude placement of Bank Mandiri, Rp 80 billion, for the month ended March 2008)

# Staffing and Distribution Network Growth

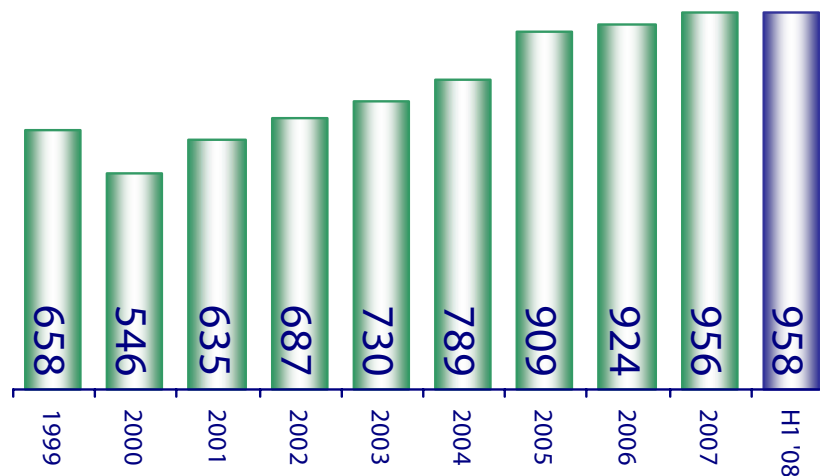
## Employees



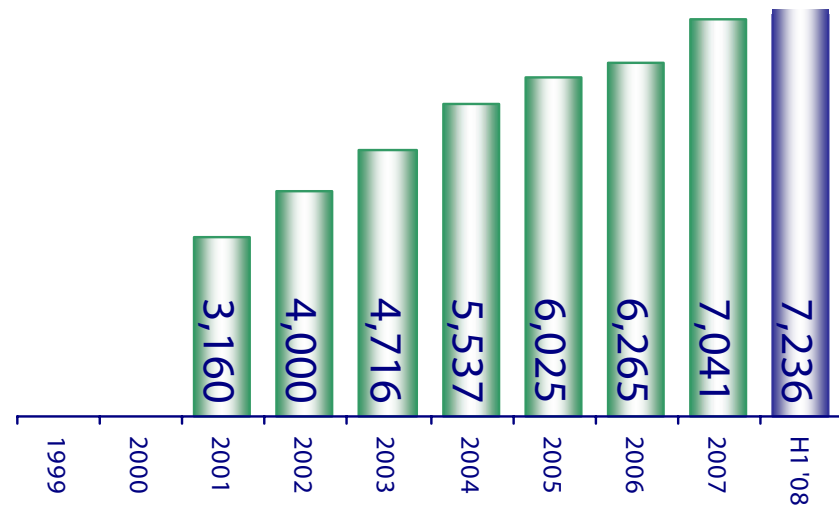
## ATM Network



## Domestic Branch Network

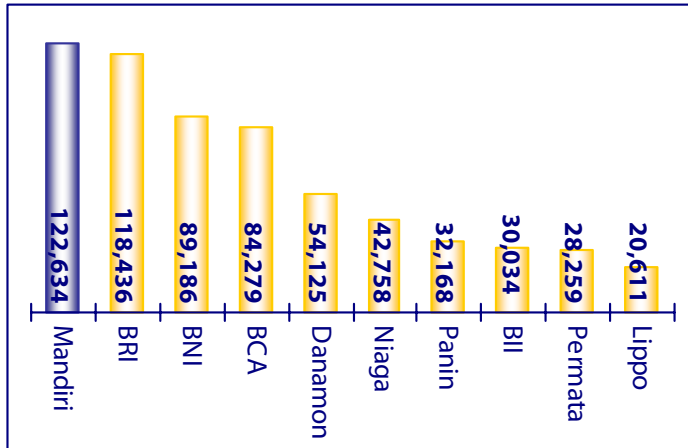


## ATM-Link Network

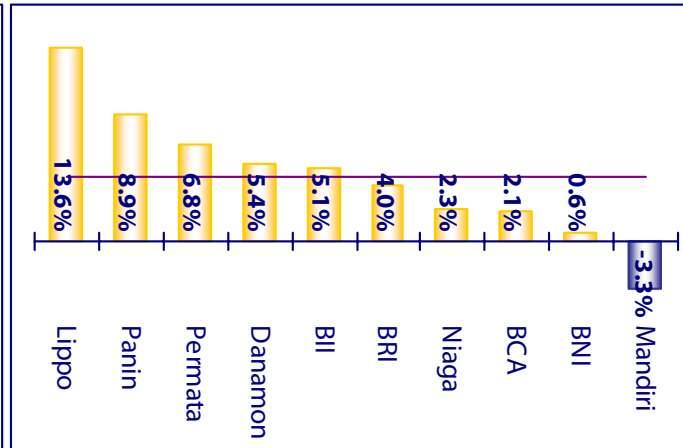


# Loan growth, quality & provisioning relative to peers Bank Only, As of March 2008

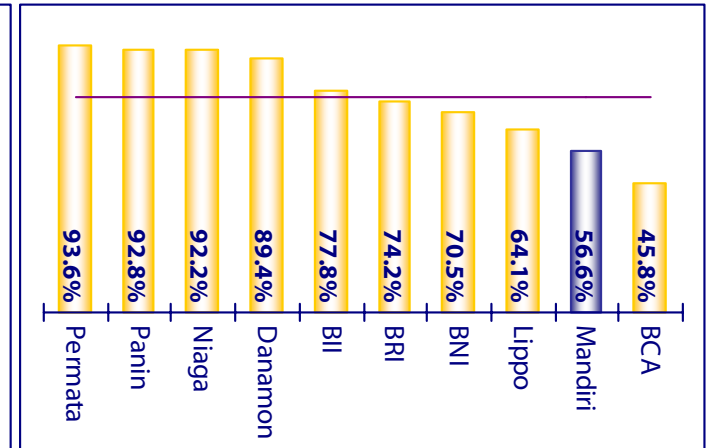
Total Loans  
(Rp bn)



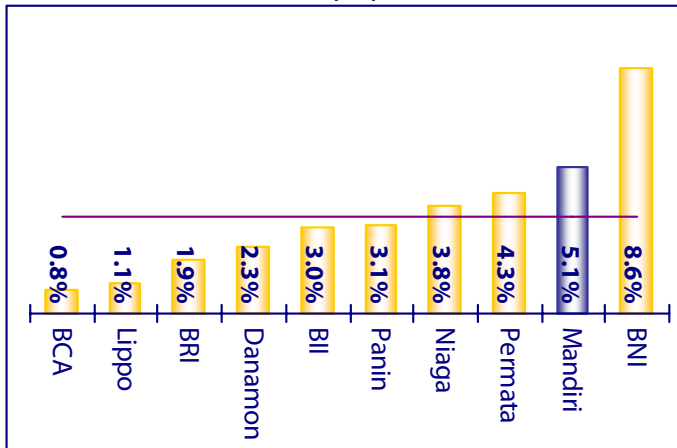
Loan Growth (YTD)  
(%)



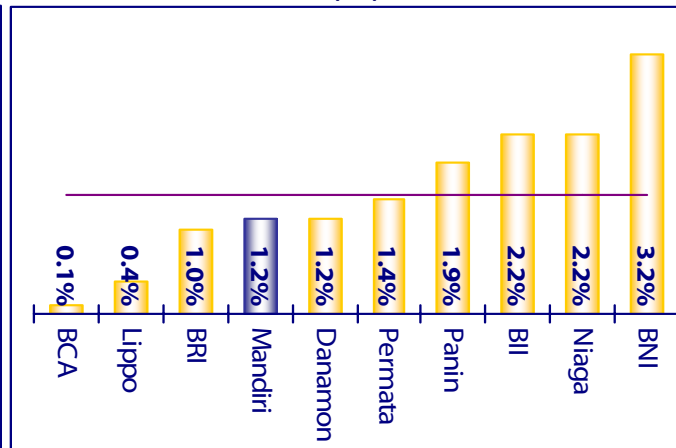
Loan to Deposit Ratio  
(%)



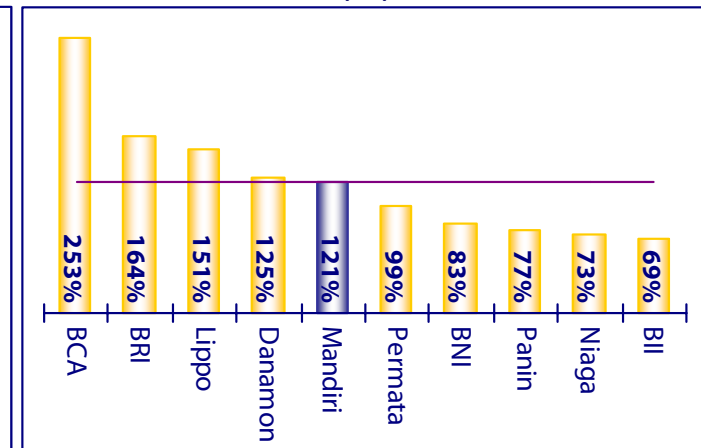
NPL Ratio (Gross)  
(%)



NPL Ratio (Net)  
(%)



Ratio of Provisions to NPL  
(%)

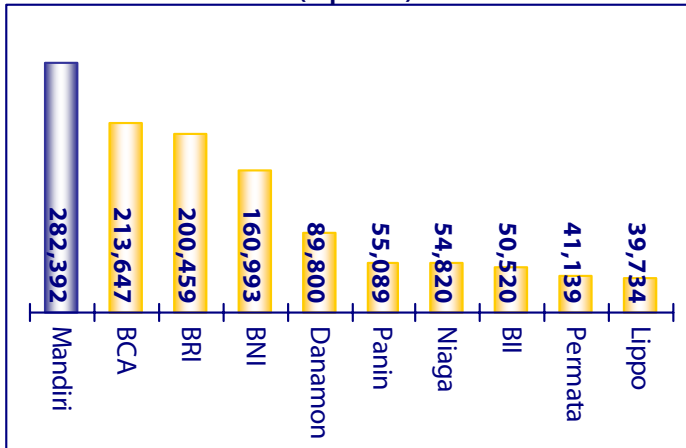


— Average

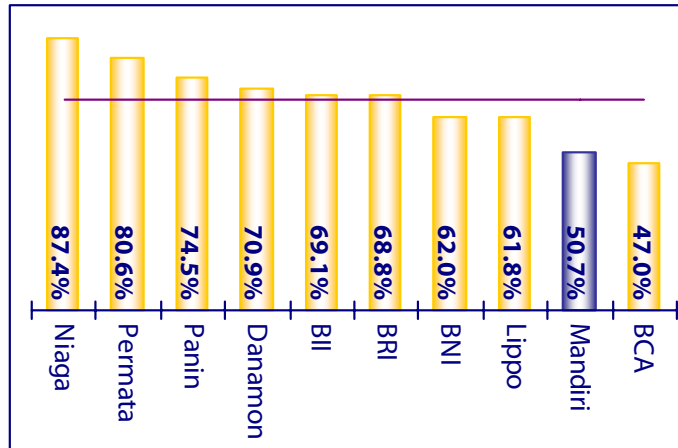
# Asset and liability mix relative to peers

## Bank Only, As of March 2008

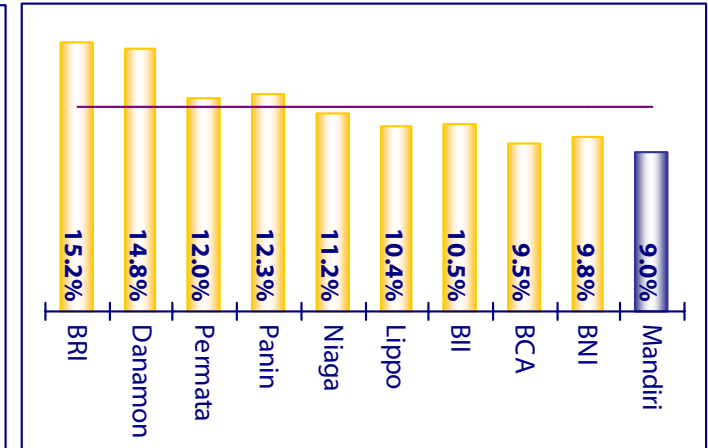
Total Assets  
(Rp bn)



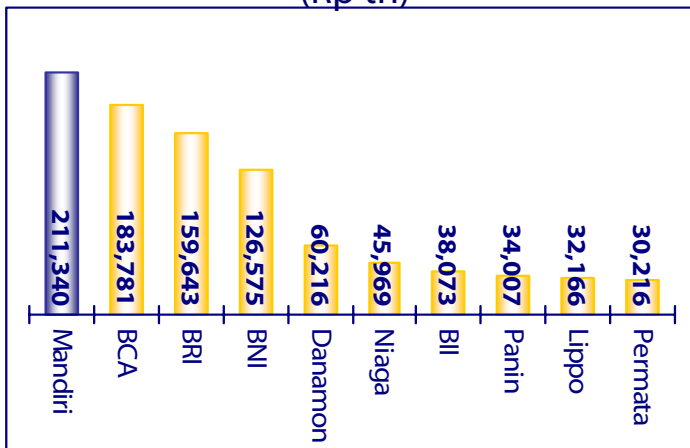
Loans to Total Earning Assets  
(%)



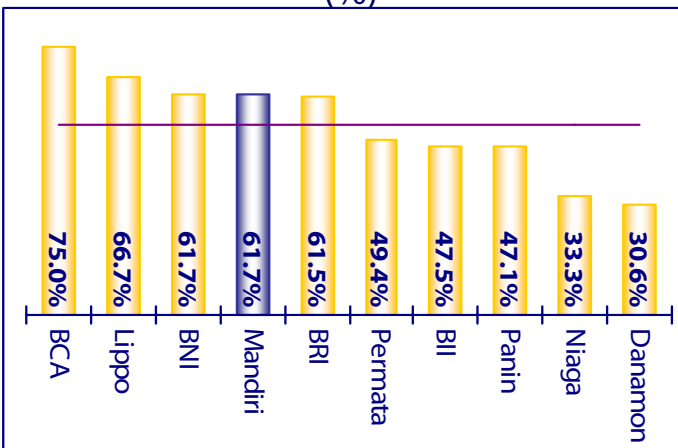
Yield on Assets (p.a.)  
(%)



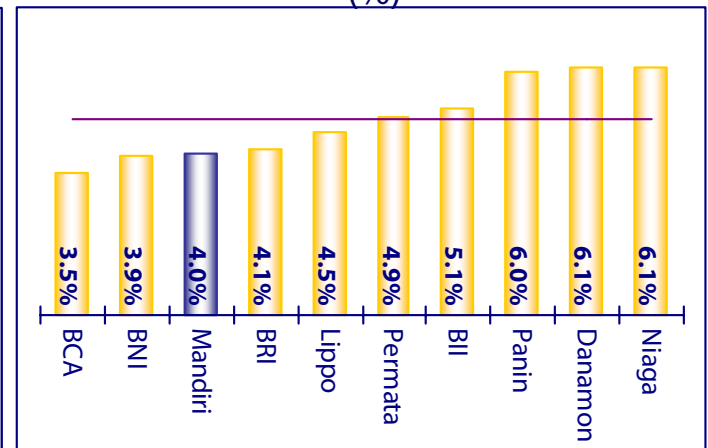
Total Deposits  
(Rp tn)



Low Cost Deposit Ratio  
(%)



Cost of Funds (p.a.)  
(%)

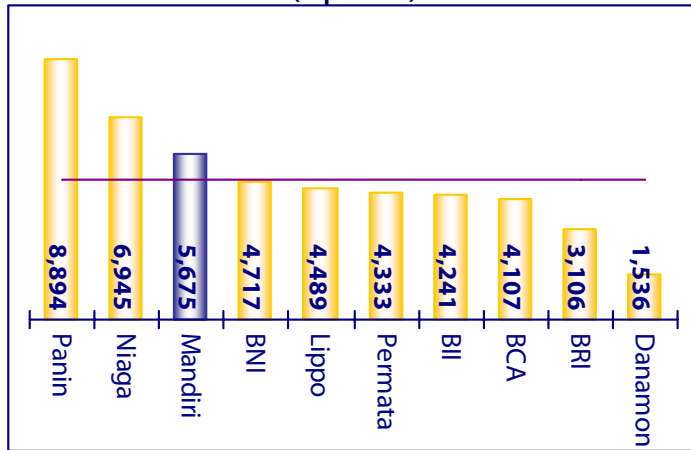


— Average

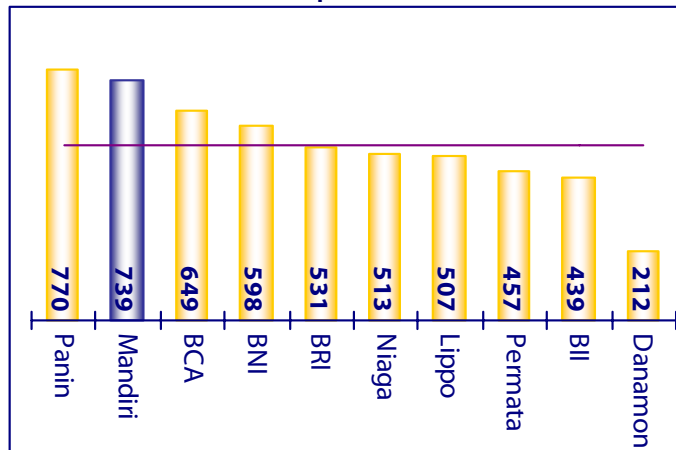
# Efficiency measures relative to peers

## Bank Only, As of March 2008

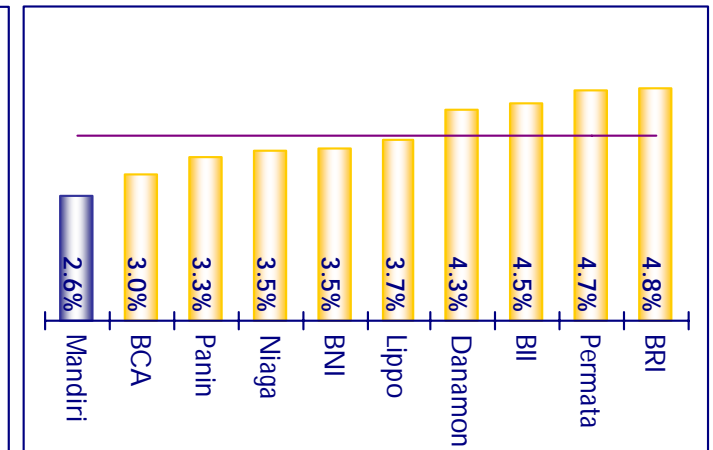
Loans/ Employee  
(Rp Mn)



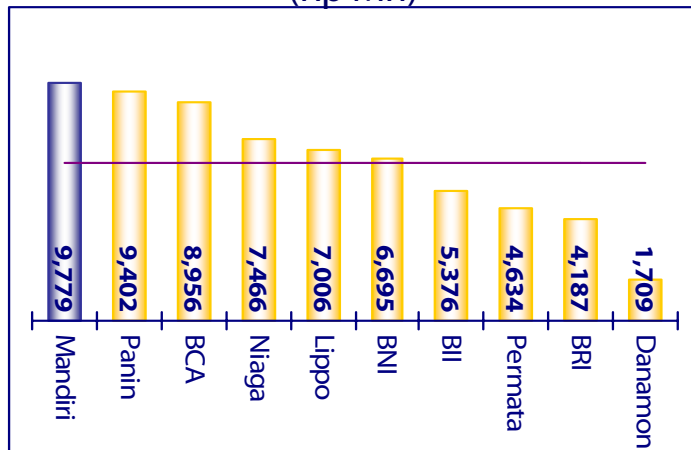
Revenue/ Employee  
(Rp Mn)



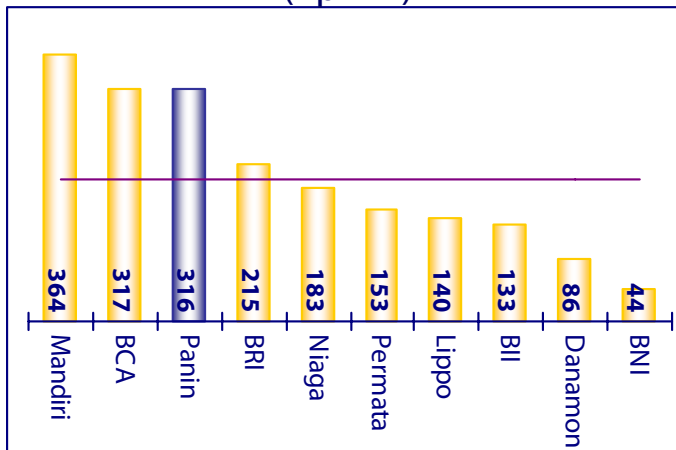
Cost/Assets  
(%)\*



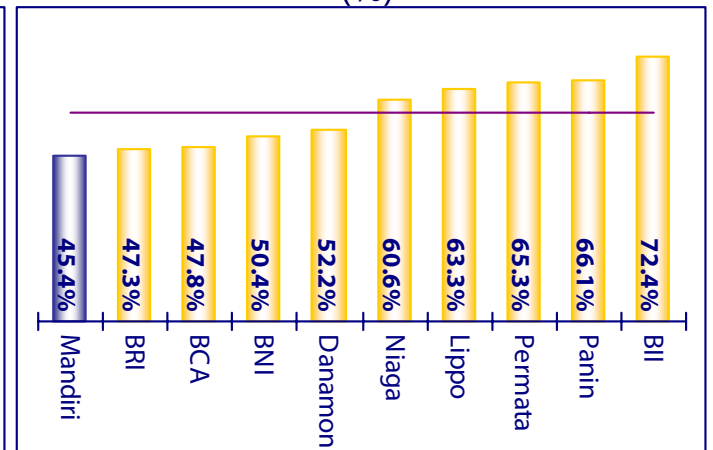
Deposits/ Employee  
(Rp Mn)



Pre Tax Income/Employee  
(Rp Mn)



Cost/ Income  
(%)

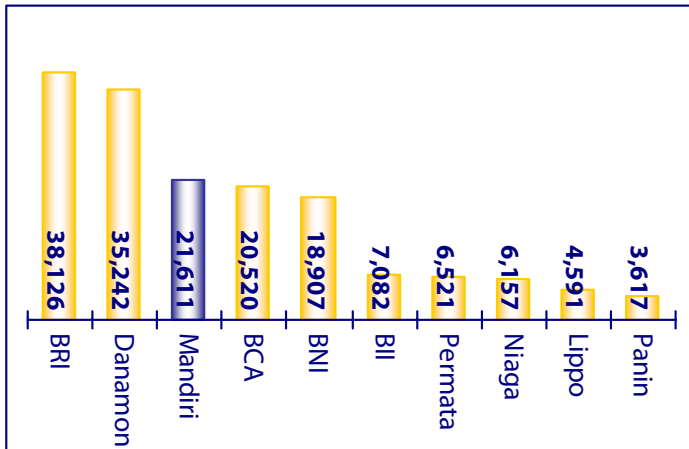


— Industry Average

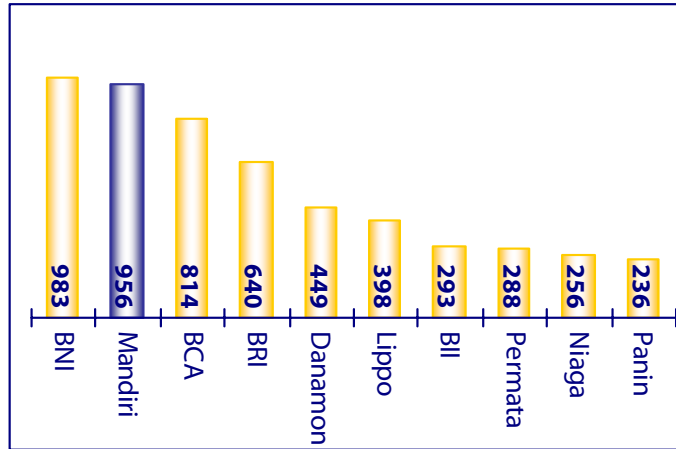
# Measures of scale and returns relative to peers

## Bank Only, As of March 2008

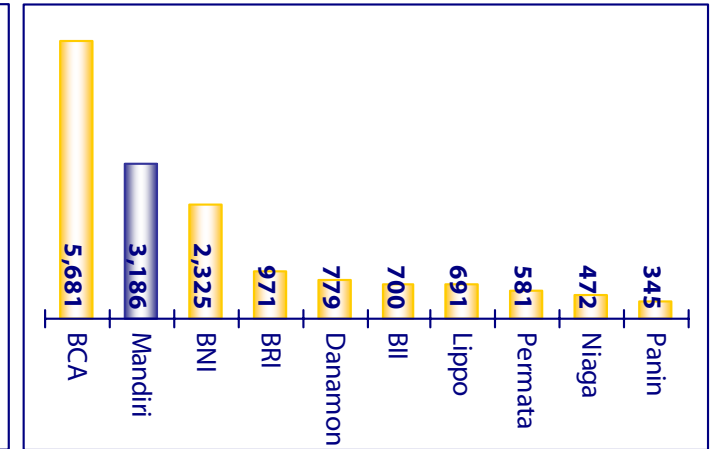
Employees



Branches

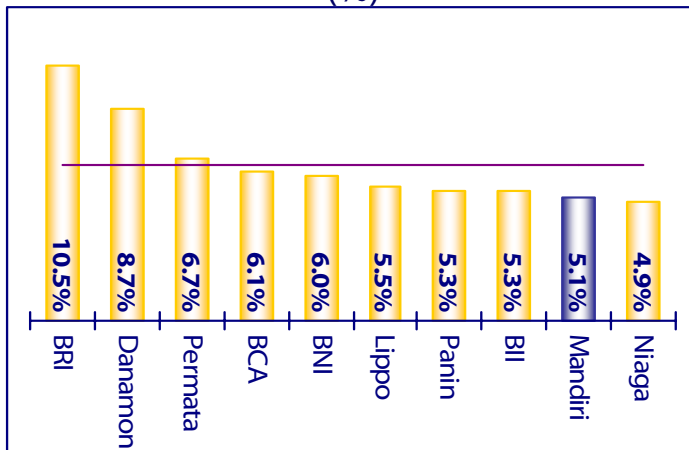


ATMs



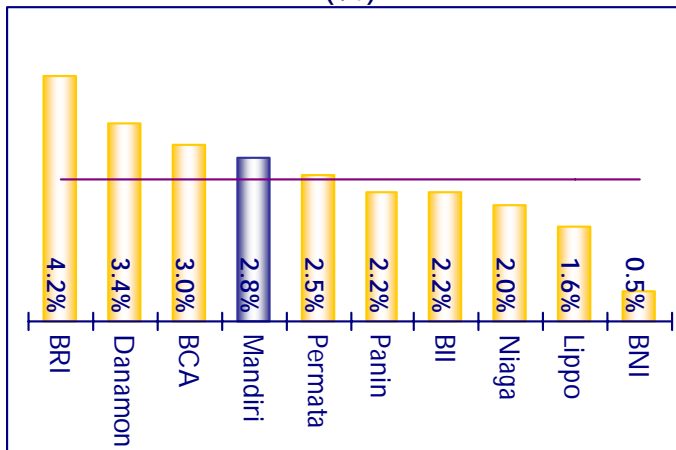
Net Interest Margins

(%)



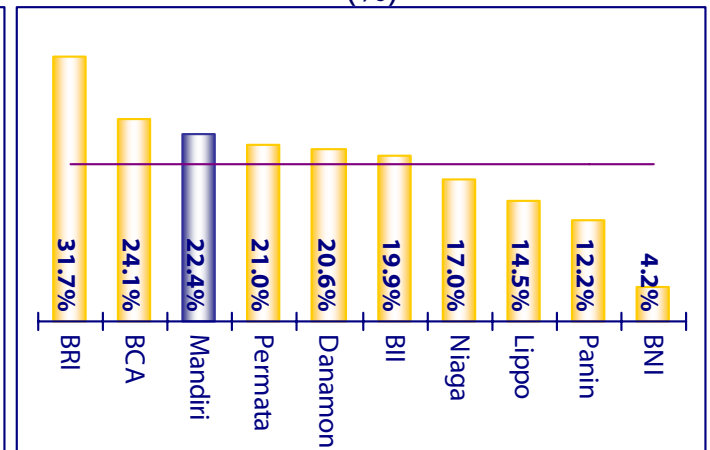
Return on Assets (Before Tax)

(%)



Return on Equity (After Tax)

(%)



— Industry Average

# Notes

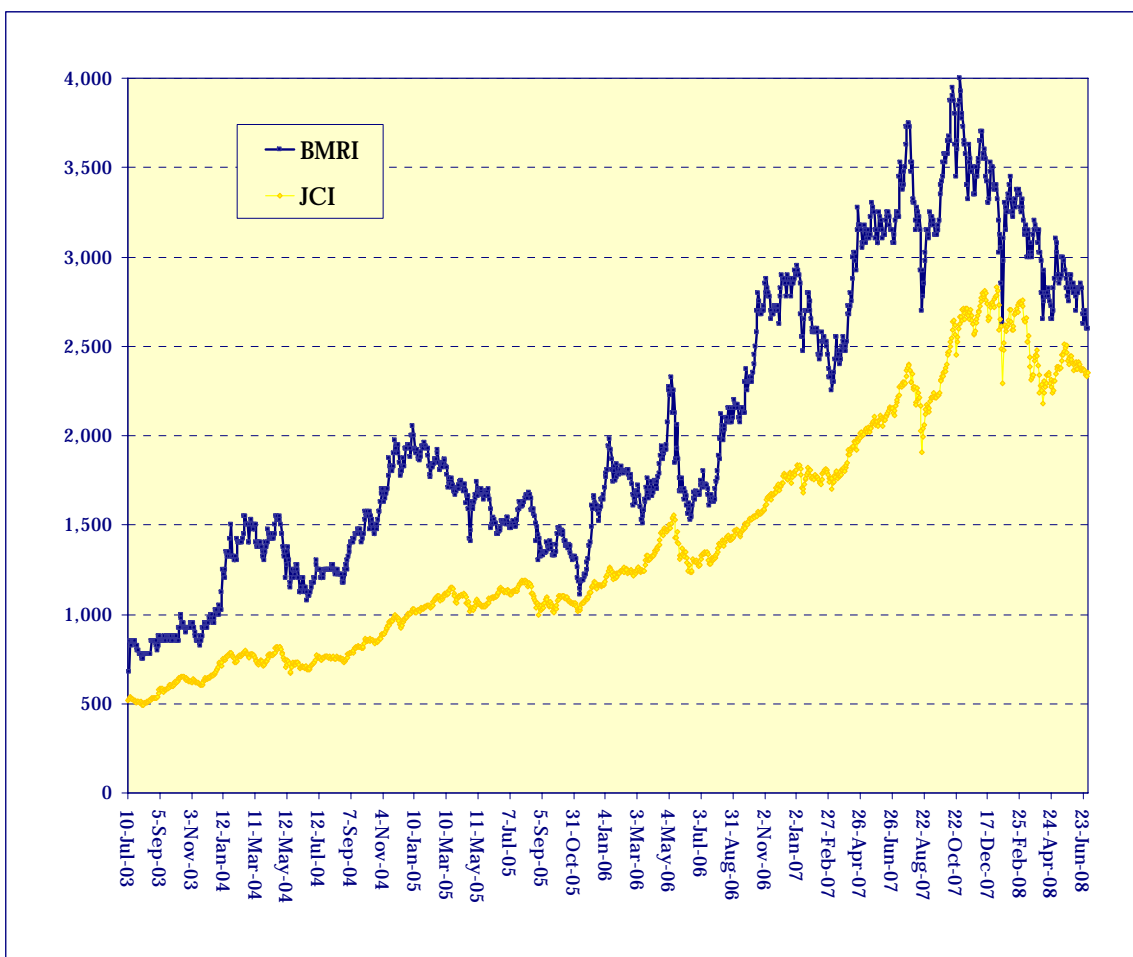
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# Notes

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# Share Information



△ from:	IPO	Jan 1 2008
BMRI	+285.2%	-14.5%
JCI	+347.7%	-25.7%

Description	Per 30 June 2008		
	No. of Investors	No. of shares	%
<b>DOMESTIC</b>			
1. Government of RI	1	14,000,000,000	66.97%
2. Retail	20,662	575,176,097	2.75%
3. Employees	9,384	213,430,105	1.02%
4. Cooperatives	2	465,000	0.00%
5. Foundations	15	21,129,000	0.10%
6. Pension Funds	195	241,743,500	1.16%
7. Insurance Co.s	62	259,476,000	1.24%
8. Banks	1	220,000	0.00%
9. Corporations	241	554,222,484	2.65%
10. Mutual Funds	110	685,032,500	3.28%
<b>Total</b>	<b>30,673</b>	<b>16,550,894,686</b>	<b>79.17%</b>
<b>INTERNATIONAL</b>			
1. Retail	94	4,882,500	0.02%
2. Institutional	389	4,349,349,016	20.81%
<b>Total</b>	<b>483</b>	<b>4,354,231,516</b>	<b>20.83%</b>
<b>TOTAL</b>	<b>31,156</b>	<b>20,905,126,202</b>	<b>100.00%</b>

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**Fax: (6221) 5296 4024**

**Or Contact:**

**Please refer to our website at [www.bankmandiri.co.id](http://www.bankmandiri.co.id)**

**For Additional Information:**