



PT MNC KAPITAL INDONESIA Tbk

(IDX Ticker Symbol: BCAP)

The Most Integrated Financial Services in Indonesia

BCAP Posted FY2018 Net Profit of Rp153.9 Billion.

Jakarta, April 1, 2019

PT MNC Kapital Indonesia Tbk (“BCAP” or “The Company”) today announced its audited financial results for the year ended on December 31, 2018 (“FY2018”), with a net profit of Rp153.9 billion, a significant increase from a net loss of Rp737.6 billion in FY2017.

- BCAP’s FY2018 consolidated revenues grew by 12% to Rp2.66 trillion compared to the same period last year of Rp2.39 trillion. BCAP’s revenue was primarily from interest and dividends, which amounts to Rp1.15 trillion for FY2018, representing 43% of the total consolidated revenue. Meanwhile, revenue from financing income & operating lease was Rp608.7 billion in FY2018, which contributed 23% of the total consolidated revenue. The highest revenue growth was reported from investment banking income and other operating income, which increased 128% from FY2017, reaching Rp231.0 billion in FY2018. Revenue from net premium income was Rp488 billion, went up 59%, compared to the previous year.
- In 2018, BCAP managed to reduce its total expenses by 26% from last year, driven primarily from the reduction in bank charges of 15%, and interest expense of 13%. This has brought the Company’s EBITDA to Rp1.3 trillion in FY-2018, an increase of 25% from the previous year. EBITDA margin was recorded at 48.7%, compared to 43.5% in FY-2017.
- BCAP concluded corporate actions in 2018 by distributing bonus shares with the ratio of 6:1. This action was conducted by BCAP’s management to increase the total number of outstanding shares to improve the liquidity on the stock exchange.
- BCAP offers diversified Financial Services with “a full suite” of licenses, and 20 years of experiences in Indonesia. By having 295 office networks and point of sales nationwide, BCAP has become one of the most integrated Financial Services Company, which produces a solid business ecosystem through MNC Group synergies. Benefiting from a variety of business synergy within MNC Group, including its large customer database which enables big data analytics, BCAP will offer a unique service experience to its customers.
- All of BCAP’s business units have developed digital platforms to enable online marketing and processes, in order to enhance customer reach and operational efficiencies. In line with the growth of Fin-Tech in Indonesia, BCAP is currently developing its Fin-Tech infrastructure in collaboration with MNC Group’s digital technological development unit, MNC Teknologi Nusantara (“MTN”), to bring together the digital capabilities from all its subsidiaries into a single digital financial service platform. Services would be offered at a faster and more cost-effective manner, hence keeping up with the demand for innovative and secure products in the market. MTN is developing Smart Payment Indonesia (SPIN), a centralized application which features e-wallet, e-money, digital payment, P2P lending and access to MNC Group’s diverse range of products. SPIN is scheduled to be launched in 2019.

Financial Performances of Subsidiaries

BCAP’s largest revenue contributor was MNC Bank, which generated approximately 46% of the total consolidated revenue, followed by MNC Finance 22%, MNC Life 12%, MNC Insurance 8%, MNC Leasing 6%, MNC Sekuritas 5%, and MNC Asset Management 1% accordingly.

- MNC Bank reported FY2018 net interest revenues of Rp387.5 billion, an increase of 12% from FY2017. MNC Bank’s net profit of FY2018 was Rp57 billion, a 108% growth compared to the net loss in FY2017. In its financing activities, MNC Bank managed to improve low-cost funding to Rp1,531.3 billion with a ratio of low-cost funding to Third Party Deposits (DPK) of 18%, a 2% increase from last year.
- MNC Finance generated revenues of Rp565.5 billion in FY2018. Net profit in FY2018 significantly increased to Rp43.3 billion compared to Rp22.8 billion in FY2017. Total asset managed reached Rp3.2 trillion with a gearing ratio of 1.97x.
- MNC Leasing posted a revenue growth of 31% to Rp152.0 billion compared to FY2017, and a robust increase in net income of Rp24.2 billion or 105% higher than the net income in FY2017. MNC Leasing’s gearing ratio was still 2.25x, indicating a low credit risk. Asset Managed reached Rp1,013.4 billion or a 41% increase compared to FY2017. Moreover, the Company’s Non-Performing Loan (NPL) of 0.61% remains to be very low, and Operating Expenses to Operating Revenue is 80%, a decrease from 86% in FY2017.



- MNC Sekuritas' revenues on FY2018 was Rp122.2 billion, which mainly derived from its brokerage commissions of Rp94.6 billion, underwriting services of Rp18.0 billion and interest income of Rp4.7 billion. Meanwhile, FY2018 net profit was Rp16.0 billion. MNC Sekuritas has 122 point of sales that located nationwide with 47,006 retail customers and 1,070 institution customers.
- In FY2018, MNC Asset Management posted revenues of Rp36.0 billion. The Asset Under Management (AUM) was Rp6.7 trillion, a significant increase of 13% from Rp5.9 triliun on FY2017, placing the company amongst the top 20 Asset Management companies in Indonesia.
- MNC Insurance maintained a healthy performance as its gross premium income grew by 24% to Rp550.4 billion in FY2018 compared to the same period in 2017. The net profit on FY2018 was recorded at Rp12.6 billion, or up by 104% compared to FY2017.
- In life insurance business, MNC Life reported a gross premium income of Rp298.3 billion in FY2018, or a 52% increase from last year, with total revenues of Rp319.4 billion, or a 79% increase compared to last year.

BCAP President Director, Wito Mailoa, said that "I am grateful that 2018 passed without any significant hindrances to the Company. I believe that Indonesia's economic condition creates resilient businesses within the financial service sector over the coming years, especially with the advantage of the digital era. The development of digital technology platforms in all our business units will provide a direct impact to the Company's operating performance and customer service experience. It is a positive indicator for the sustainability of the Company's business and will be the foundation for continuous growth in the future".

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