



PEFINDO CREDIT RATING INDONESIA

PRESS RELEASE
October 18, 2006

PT Bank Pan Indonesia Tbk.

PEFINDO upgraded its ratings for PT Bank Pan Indonesia Tbk (PNBN or the Bank) and the Bank's long-term Bond I of IDR500 billion maturing on March 6, 2007 to "id**A**" from "id**A-**", while the rating for the Bank's Subordinated Bond I of IDR1.3 trillion maturing on June 18, 2013 is upgraded to "id**A-**" from "id**BBB+**". The ratings action reflects the Bank's sufficient liquidity, strong capital base and steady business growth. Nevertheless, the strengths have been slightly offset by the Bank's relatively high NPL level. PNBN was established in 1971 by merging three banks namely PT Bank Industri dan Dagang Indonesia, PT Bank Kemakmuran and PT Bank Industri Djaja Indonesia. With total assets of IDR33.45 trillion as of 1H06, PNBN is classified as the 9th largest bank in Indonesia with market share of around 2.2%. Along with its strategy to increase retail and consumer loans, PNBN continues to expand its network coverage. By the end of June 2006, PNBN has operated 238 offices spread out in 33 major cities in Indonesia (vs. 213 offices in FY05). In addition, the Bank has 261 units of self-owned ATMs, which are also incorporated with more than 10,500 units of ALTO and ATM Bersama networks. To support its daily operation, PNBN currently employs 3,641 employees. As to date, PNBN's shareholder structure consists of Panin Life (42.18%), Votraint No. 1103 PTY Ltd (29.0%), and Public (28.82%).

Rating Period: October 5, 2006 – September 1, 2007

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