

OPERATIONAL REVIEW PER BUSINESS SEGMENT

Bank Mandiri divides work units into two main units, namely business units and supporting units, both of which function in carrying out activities in the banking industry. The two main units are further divided into several segments and also business sub-segments.

OPERATIONAL SEGMENTS

Bank Mandiri's operational segments are described in the following chart:



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OPERATIONAL SEGMENT PROFITABILITY

The increase in Bank Mandiri's net profit which reached Rp55.06 trillion with growth of 33.74% (yoy) in 2023 was mainly supported by net profit in the Retail Banking segment which reached Rp44.07 trillion, followed by the Wholesale Banking segment and subsidiaries which reached a net profit of Rp36.00 trillion and Rp10.64 trillion, respectively.

Of the three segments that recorded the highest net profit growth in nominal and percentage terms in 2023 is the Retail Banking segment. Meanwhile, the Wholesale Banking sub-segment which net profit recorded a large growth in nominal terms was Corporate Banking which increased by Rp4.44 trillion to Rp19.15 trillion. Meanwhile, the Wholesale Banking sub-segment with the highest percentage of profit growth was Institutional Relations up to 80.60% (yoy) to Rp3.21 trillion.

The increase in Bank Mandiri's net profit is certainly inseparable from the achievement performance in interest and sharia income. In 2023, Bank Mandiri's

interest and sharia income was able to grow double-digit by 17.94% (yoy) to Rp132.54 trillion. Whereby the segment that contributed significantly to this growth was the Wholesale Banking segment with an increase of Rp28.35 trillion or grew 39.57% (yoy) to Rp99.99 trillion.

Sub-segments also contributed significantly to the increase in interest and sharia income of Wholesale Banking in 2023 sequentially, namely Corporate Banking which increased by Rp15.06 trillion with a growth of 50.21% (yoy) to Rp45.06 trillion, Treasury & International Banking increased by Rp3.06 trillion or grew 14.62% (yoy) to Rp23.96 trillion, Commercial Banking increased Rp6.63 trillion or grew 40.67% (yoy) to Rp22.92 trillion, and Institutional Relations increased Rp3.60 trillion or grew 80.94% (yoy) to Rp8.06 trillion.

Meanwhile, the Retail Banking segment posted an increase in interest and sharia income in 2023 in nominal terms of Rp14.75 trillion or grew 25.07% (yoy) to Rp73.57 trillion. Meanwhile, interest and sharia income from the subsidiaries segment grew by 16.06% (yoy) to Rp35.12 trillion.



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Operating Segment Profitability 2023 (as of 31 December 2023)

	Corporate Banking	Commercial Banking	Institutional Relations	Retail Banking
Consolidated Statement of Profit or Loss and Other Comprehensive Income				
Interest Income and Sharia Income **)	45,062,477	22,918,692	8,057,705	73,572,015
Interest Expense and Sharia Expense **)	(30,279,973)	(16,104,740)	(4,928,572)	(27,618,272)
Net Interest and Sharia Income	14,782,504	6,813,952	3,129,133	45,953,743
Net Premium Income	-	-	-	-
Net Interest, Sharia and Premium Income	14,782,504	6,813,952	3,129,133	45,953,743
Other Operating Income:				
Fees and Commissions	2,802,116	828,477	485,844	7,397,841
Others	396,415	145,282	45,618	5,933,469
Total	3,198,531	973,759	531,462	13,331,310
Reversal/(Provision) Allowance for Impairment Losses of Financial Assets and Others	2,046,409	1,650,569	(12,738)	(9,013,714)
Unrealized Gain/(Loss) from Increase/ (Decrease) in Fair Value of Policyholders Investment in Unit-Link Contracts	-	-	-	-
Gains on Sale of Marketable Securities and Government Bonds	-	-	-	-
Other Operating Expenses:				
Salaries and Employee Benefits	(223,524)	(341,091)	(110,771)	(2,347,645)
General and Administrative Expenses	(95,607)	(110,462)	(171,253)	(2,033,553)
Others	(563,287)	(261,325)	(153,238)	(1,821,926)
Total	(882,418)	(712,878)	(435,262)	(6,203,124)
Net Non-Operating Income/(Expenses)	-	-	-	-
Tax Expense	-	-	-	-
Net Profit	19,145,026	8,725,402	3,212,595	44,068,215
Net Profit Attributable To:				
Owners of Parent Entity	-	-	-	-
Noncontrolling interests	-	-	-	-
Consolidated statement of financial position				
Gross Loans	409,857,020	237,952,186	72,741,580	358,074,141
Total Assets	424,358,483	229,139,153	73,595,383	240,050,664
Demand Deposits and Wadiah Demand Deposits	(256,481,994)	(91,227,532)	(63,703,665)	(115,236,424)
Saving Deposits and Wadiah Saving Deposits	(16,495,482)	(21,306,778)	(1,062,603)	(414,655,290)
Time Deposits	(26,777,108)	(37,227,044)	(33,127,841)	(149,488,496)
Total Deposits from Customer	(299,754,584)	(149,761,354)	(97,894,109)	(679,380,210)
Total Liabilities	(300,286,798)	(150,621,915)	(99,279,109)	(681,149,184)

*) This includes elimination of internal transfer pricing or reclassification between operating segments and elimination of Subsidiaries.

***) Includes internal transfer pricing components between operating segments.

OPERATIONAL REVIEW PER BUSINESS SEGMENT

Treasury & International Banking	Head Office	Subsidiary - Sharia	Subsidiary - insurance	Subsidiary - non-Insurance and Sharia	Adjustment and Elimination*	Total
23,955,016	273,499	22,266,780	456,576	12,396,296	(76,414,586)	132,544,470
(21,432,754)	(265,903)	(5,993,167)	-	(4,466,631)	74,432,116	(36,657,896)
2,522,262	7,596	16,273,613	456,576	7,929,665	(1,982,470)	95,886,574
-	-	-	2,677,680	-	(554,634)	2,123,046
2,522,262	7,596	16,273,613	3,134,256	7,929,665	(2,537,104)	98,009,620
282,570	3,909,218	2,766,757	-	2,333,237	(657,650)	20,148,410
2,754,747	7,315,708	2,014,757	1,282,189	2,184,912	(1,698,661)	20,374,436
3,037,317	11,224,926	4,781,514	1,282,189	4,518,149	(2,356,311)	40,522,846
(26,561)	(33,011)	(3,220,873)	-	(1,538,788)	-	(10,148,707)
-	-	-	-	-	-	-
-	47,701	74,434	19,340	(16,180)	-	125,295
(146,412)	(12,889,547)	(5,035,077)	(562,463)	(3,321,193)	554,634	(24,423,089)
(127,053)	(11,965,900)	(4,748,386)	(900,857)	(2,579,823)	-	(22,732,894)
(338,731)	(1,792,243)	(725,852)	(1,206,267)	(521,296)	672,657	(6,711,508)
(612,196)	(26,647,690)	(10,509,315)	(2,669,587)	(6,422,312)	1,227,291	(53,867,491)
-	98,094	100	-	(54,876)	-	43,318
-	(11,690,331)	(1,695,729)	(256,165)	(990,786)	-	(14,633,011)
4,920,822	(26,992,715)	5,703,744	1,510,033	3,424,872	(3,666,124)	60,051,870
-	-	-	-	-	-	55,060,057
-	-	-	-	-	-	4,991,813
7,162,500	-	237,907,537	-	42,066,502	(5,929,271)	1,359,832,195
307,078,639	414,628,061	353,624,125	43,938,924	114,843,074	(27,037,057)	2,174,219,449
(4,902,962)	(980,003)	(20,847,525)	-	(1,192,752)	2,213,701	(552,359,156)
(190,222)	-	(47,026,375)	-	(8,554,739)	-	(509,291,489)
(6,772,458)	(2,509,694)	-	-	(35,470,457)	1,575,594	(289,797,504)
(11,865,642)	(3,489,697)	(67,873,900)	-	(45,217,948)	3,789,295	(1,351,448,149)
(55,329,532)	(163,775,636)	(88,202,768)	(38,734,998)	(95,226,939)	12,164,064	(1,660,442,815)

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Operating Segment Profitability 2022 (as of 31 December 2022)

	Corporate Banking	Commercial Banking	Institutional Relations	Retail Banking
Consolidated Statement of Profit or Loss and Other Comprehensive Income				
Interest Income and Sharia Income **)	29,999,243	16,292,295	4,453,246	58,823,019
Interest Expense and Sharia Expense **)	(16,304,561)	(8,854,226)	(2,650,349)	(23,458,737)
Net Interest and Sharia Income	13,694,682	7,438,069	1,802,897	35,364,282
Net Premium Income	-	-	-	-
Net Interest, Sharia and Premium Income	13,694,682	7,438,069	1,802,897	35,364,282
Other Operating Income:				
Fees and Commissions	2,404,288	764,847	360,542	6,901,623
Others	388,254	144,152	48,701	4,801,775
Total	2,792,542	908,999	409,243	11,703,398
Reversal/(Provision) Allowance for Impairment Losses of Financial Assets and Others	(1,078,508)	(1,984,881)	(15,925)	(7,436,292)
<i>Unrealized Gain/(Loss) from Increase/(Decrease) in Fair Value of Policyholders Investment in Unit-Link Contracts</i>	-	-	-	-
Gains on Sale of Marketable Securities and Government Bonds	-	-	-	-
Other Operating Expenses:				
Salaries and Employee Benefits	(176,725)	(303,368)	(96,897)	(2,345,298)
General and Administrative Expenses	(89,590)	(89,296)	(168,560)	(1,445,613)
Others	(435,343)	(218,615)	(151,904)	(1,517,449)
Total	(701,658)	(611,279)	(417,361)	(5,308,360)
Net Non-Operating Income/(Expenses)	-	-	-	-
Tax Expense	-	-	-	-
Net Profit	14,707,058	5,750,908	1,778,854	34,323,028
Net Profit Attributable To:				
Noncontrolling Interests	-	-	-	-
Owners of Parent Entity	-	-	-	-
Consolidated statement of financial position				
Gross Loans	364,163,362	196,304,490	44,119,013	322,250,318
Total Assets	382,797,323	179,089,341	44,971,040	313,385,081
<i>Demand Deposits and Wadiah Demand Deposits</i>	(260,843,103)	(82,519,567)	(43,765,257)	(101,871,549)
<i>Saving Deposits and Wadiah Saving Deposits</i>	(12,153,395)	(15,592,192)	(850,155)	(157,981,554)
Time Deposits	(40,636,468)	(36,819,680)	(20,359,234)	(42,673,131)
Total Deposits from Customer	(313,632,966)	(134,931,439)	(64,974,646)	(302,526,234)
Total Liabilities	(321,701,933)	(138,032,614)	(66,083,263)	(668,925,401)

OPERATIONAL REVIEW PER BUSINESS SEGMENT

Treasury & International Banking	Head Office	Subsidiary - Sharia	Subsidiary - insurance	Subsidiary - non-Insurance and Sharia	Adjustment and Elimination***)	Total
20,898,828	298,082	19,687,046	363,593	10,208,820	(48,642,054)	112,382,118
(17,446,151)	(212,674)	(4,032,169)	-	(3,429,472)	51,909,575	(24,478,764)
3,452,677	85,408	15,654,877	363,593	6,779,348	3,267,521	87,903,354
-	-	-	2,886,272	-	(418,574)	2,467,698
3,452,677	85,408	15,654,877	3,249,865	6,779,348	2,848,947	90,371,052
520,797	3,145,773	2,507,051	-	2,842,500	(645,273)	18,802,148
3,299,449	3,398,103	1,360,143	1,037,323	2,218,724	(1,218,069)	15,478,555
3,820,246	6,543,876	3,867,194	1,037,323	5,061,224	(1,863,342)	34,280,703
3,909	(22,840)	(4,119,048)	-	(1,469,602)	-	(16,123,187)
-	-	-	-	-	-	-
-	696,462	114,642	27,242	61,233	-	899,579
(137,792)	(12,987,631)	(4,948,878)	(506,384)	(3,557,347)	418,574	(24,641,746)
(110,430)	(12,127,172)	(4,437,736)	(913,666)	(2,720,489)	-	(22,102,552)
(389,435)	(1,989,311)	(724,848)	(1,300,987)	(448,541)	660,673	(6,515,760)
(637,657)	(27,104,114)	(10,111,462)	(2,721,037)	(6,726,377)	1,079,247	(53,260,058)
-	113,094	98,449	-	(1,906)	-	209,637
-	(9,086,007)	(1,254,621)	(278,369)	(806,361)	-	(11,425,358)
6,639,175	(28,774,121)	4,250,031	1,315,024	2,897,559	2,064,852	44,952,368
-	-	-	-	-	-	3,781,731
-	-	-	-	-	-	41,170,637
5,801,787	81	206,207,005	-	37,392,602	(3,638,776)	1,172,599,882
318,811,657	331,277,620	305,727,438	42,870,806	98,955,587	(25,341,206)	1,992,544,687
(5,045,475)	(3,946,286)	(21,797,853)	-	(1,164,001)	1,875,129	(519,077,962)
(198,973)	(241,590,679)	(44,214,405)	-	(7,901,413)	-	(480,482,766)
(4,760,793)	(121,556,835)	-	-	(31,871,718)	2,662,658	(296,015,201)
(10,005,241)	(367,093,800)	(66,012,258)	-	(40,937,132)	4,537,787	(1,295,575,929)
(38,306,214)	(126,040,049)	(75,813,992)	(38,197,072)	(81,660,894)	10,664,801	(1,544,096,631)