Benchmarking

December, 10th, 2015

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Agenda

- Introduction – Why? When? How?
- Benchmarking content overview
- Solution flow
- Pricing strategy
- Conclusions
- Discussion

Why?

The very best organizations know their competition inside and out.

They use this information to spot opportunities and make critical decisions about **what direction** to take their business.

Knowing our competition gives us an opportunity to create a **competitive advantage**.

Business decisions should be **driven by concrete data analysis**, not intuition or gut feeling.

When?

Always.

- Well established in the industry but looking for new opportunities
- Starting a new business and wondering about market conditions
- Considering a marketing campaign
- Approaching new segments
- Willing to verify if there are no gaps in the processes
- Need to prioritize improvement efforts

In all these cases we wish to be **better than competition**.

How?

- Mystery shopping – very helpful but uncomplete
- Market surveys – expensive and / or inaccurate
- Official statistics from regulators – valuable but often generous and high level
- Credit Bureau Benchmarking Report – accurate, complete, affordable

What is our market share?

CREDITINFO

BENCHMARKING

COMPANY PERFORMANCE SNAPSHOT

Overall picture of Bank A portfolio versus market	INSTALLMENT - UNSECURED	30 financial institutions overall 15 financial institutions of the same type

Variable	Value	Comparison vs all other institutions				Comparison vs all other Banks			
		Market share	Others' value	Rank/30	Variance from other institutions	Market share	Others' value	Rank/15	Variance from other Banks
New volume - number of loans	9,000	12.00%		3		25.00%		2	
New volume - monetary, '000 000 USD	5.9	12.59%		3		25.93%		2	
Average loan amount, USD	650		615	9	5.7% higher		619	6	5% higher
Average weighted duration, months	6.0		7.7	18	22.3% shorter		6.5	10	7.8% shorter
Early payment default, % of number of loans	4.98%		3.96%	26	25.8% higher		4.31%	11	15.5% higher
Early payment default, % of loan amounts	5.59%		3.82%	28	46.2% higher		4.44%	13	25.7% higher
60DPD3MOB, % of number of loans	10.90%		10.98%	10	0.7% lower		11.07%	4	1.5% lower
60DPD3MOB, % of loan amounts	8.74%		9.46%	11	7.7% lower		9.13%	6	4.3% lower
90DPD6MOB, % of number of loans	9.60%		9.79%	6	1.9% lower		9.80%	3	2% lower
90DPD6MOB, % of loan amounts	8.74%		9.05%	10	3.4% lower		10.25%	5	14.7% lower
Active portfolio - number of loans	423,000	13.38%		2		31.73%		1	
Active portfolio - monetary, '000 000 USD	173.0	9.49%		4		25.53%		2	
Average outst. balance of active loans, USD	409		602	24	32.1% lower		555	11	26.2% lower
Default rate, % of number of loans	12.00%		11.17%	19	7.4% higher		10.70%	11	12.2% higher
Default rate, % of outstanding balance	9.53%		10.08%	11	5.5% lower		11.71%	4	18.6% lower

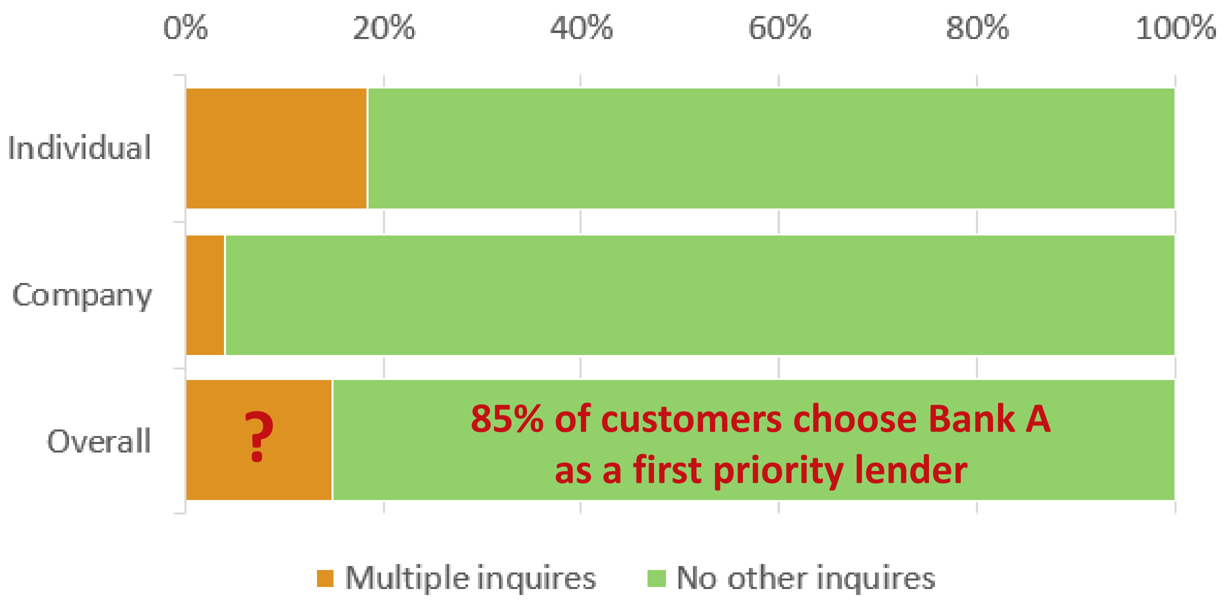
Are we the customer’s choice number one?

Do your customers apply for the loan with a competition prior applying for the loan with you?

1,575 inquiries, done by Subscriber within the last 3 months, are investgated in order to identify:

A) Number of inquiries where customer doesn't have any other credit bureau inquiry from other Subscriber(s) 30 days prior Subscriber's inquiry (No other inquiries), 85.1%.

B) Number of inquiries where customer has another inquiry of the same reason from other Subscriber(s) 30 days prior Subscriber's inquiry (Multiple inquiries), 14.9%.



Reader help

Customers who do not have another CB inquiry within 30 days before applying for the loan with Subscriber (85.1%) can be considered as those who choose Subscriber as a first priority Lender.

Customers who have another CB inquiry within 30 days before applying for the loan with Subscriber (14.9%) can be considered as those who applied for the loan with Subscriber after applying for the loan with another Lender

Search of multiple inquiries is done through the all types of subscribers.

Product type and other loan parameters are not part of calculations.

Do your customers have active loans with other lenders?

Customers have active loan(s) with Subscriber only	Individual	Company	Overall	%
Yes	1,233	856	2,089	92.4%
No	**125**	**46**	**171**	**7.6%**
	1,358	902	2,260	100.0%

	Individual	Company	Overall	%
Total number of active loans with other Lenders	**180**	**77**	**257**	**100.0%**

Distribution by Lenders:	Individual	Company	Overall	%
1 Banks	50	27	77	30.0%
2 Credit Unions	65	10	75	29.2%
3 MFIs	65	40	105	40.9%
	180	**77**	**257**	**100.0%**

Distribution by Products:	Individual	Company	Overall	%
1 Installment - Mortgage	17	0	17	6.6%
2 Installment - Car Loan	8	14	22	8.6%
3 Installment - Unsecured	0	20	20	7.8%
4 Installment - Other	0	30	30	11.7%
5 Non-installment	130	0	130	50.6% ?
6 Credit Card	25	0	25	9.7%
7 Revolving Credit	0	13	13	5.1%
	180	**77**	**257**	**100.0%**

Reader help

Total of 2,260 active customers of Subscriber are analyzed. (Customer is considered to be 'active' if he has contract in status 'open' by the end of reporting period).

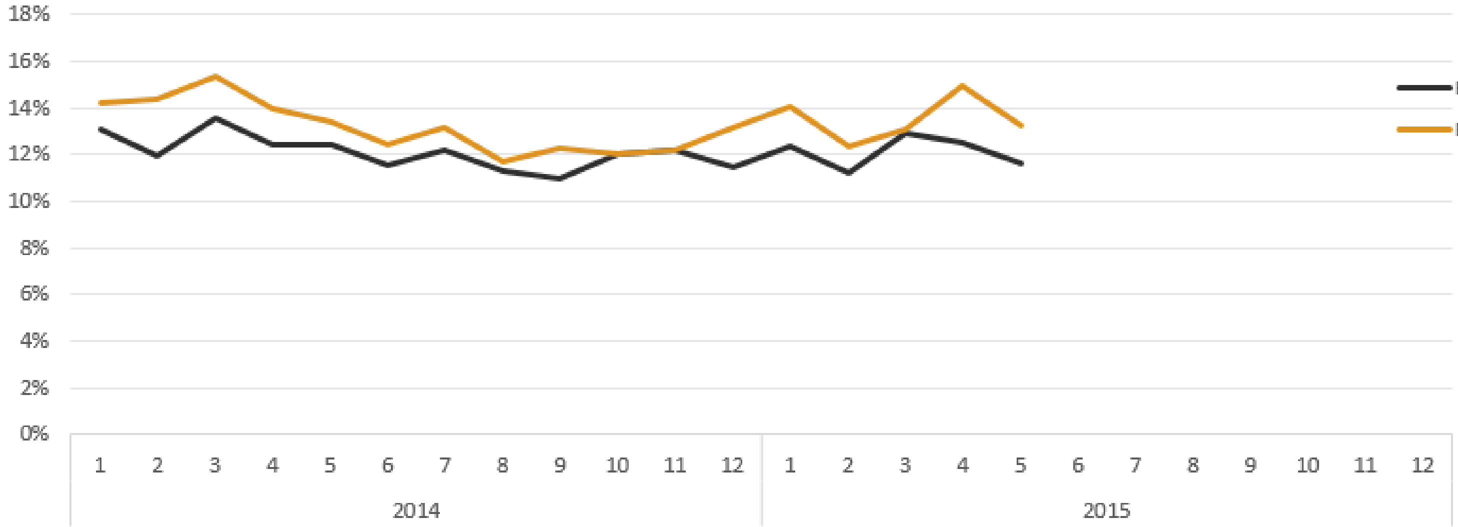
2,089 (92.4%) of them have active loans with Subscriber only.

Remaining 171 (7.6%) have active loan(s) with other Lender(s) as well as with Subscriber.

Total number of active loans with other Lender(s) is 257 (1.5 loans from other Lender(s) per customer).

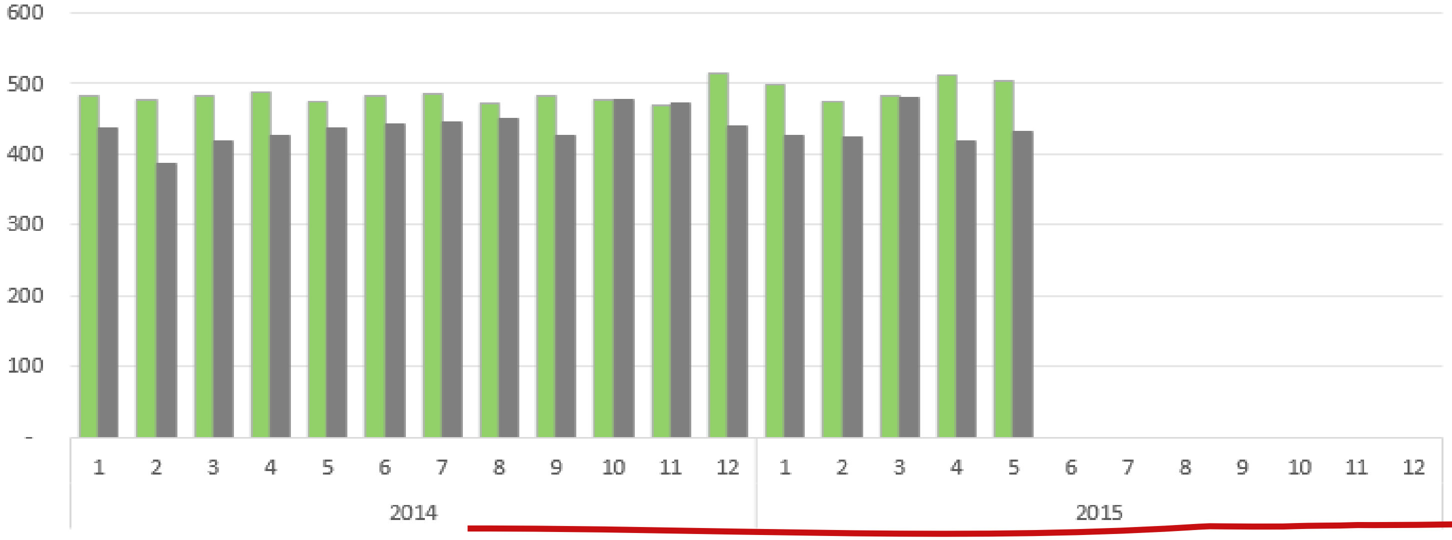
Statistics shows what products do your customers take from other Lender(s), and what type of Lender(s) do they go to.

New volume - Market share NON-INSTALLMENT



	Whole 2014	YTD 2015
By number of loans	12%	12%
By loan amounts	13%	14%

Average loan amount, 'USD



	Whole 2014	YTD 2015
Subscriber	483.5	494.5
Others	441.5	435.7

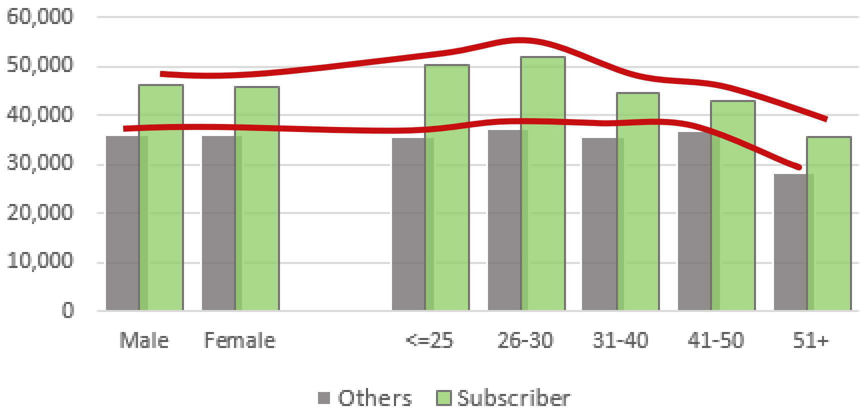
INSTALLMENT - MORTGAGE

New volume, number of loans

	Subscriber	Others
Male	60%	51%
Female	40%	49%
<=25	32%	18%
26-30	30%	21%
31-40	21%	30%
41-50	12%	27%
51+	5%	4%

Average loan amount, USD

	Subscriber	Others
Male	46,200	36,000
Female	45,800	35,960
<=25	50,482	35,620
26-30	52,100	37,302
31-40	44,800	35,800
41-50	43,200	36,800
51+	35,820	28,510



Reader help

Left side - distribution of last 3 months new portfolio (number of loans) by gender and age ranges separately.
Right side - Average loan amount of loans with start date within last 3 months is shown for each gender separately and for each age range separately.
Records where age or gender is not specified, are not taken into calculation.

INSTALLMENT - CAR LOAN

Subscriber				Other Financial Institutions of the same type, except Subscriber		
Risk grade	Default rate, % of number of loans	Active portfolio - distribution, % of number of loans	Risk grade	Active portfolio - distribution, % of number of loans	Default rate, % of number of loans	Risk grade
A	3.0%	23%	A	45%	2.7%	A
B	3.9%	27%	B	34%	3.5%	B
C	6.1%	21%	C	11%	5.6%	C
D	10.6%	12%	D	7%	11.0%	D
E	12.0%	17%	E	3%	12.5%	E

What are the current market conditions?

INSTALLMENT - CAR LOAN

Variable	Last 17 months trend	As of month - May 2015	As of month - May 2014	As of month - May Dev, %	Year - to - Date 2015	Year - to - Date 2014	Year - to - Date Dev, %
New volume - number of loans, '000		6,750	5,431	+24.3%	28,983	23,872	+21.4%
New volume - monetary, '000 000 USD		29,348,555	22,643,156	+29.6%	125,401,690	102,276,518	+22.6%
Average loan amount, USD		4,347,945	4,168,998	+4.3%	4,326,794	4,284,343	+1.0%
Average weighted duration, months		16.28	15.85	+2.7%	16.30	16.18	+0.7%
New Customers share, % of number of loans		76.78%	76.02%	+1.0%	76.68%	76.69%	-0.0%
Average loan amount, given to new customers		4,278,347	4,496,564	-4.9%	4,402,790	4,352,040	+1.2%
Early payment default, % of number of loans		7.6%	7.4%	+3.0%	8.0%	7.2%	+11.8%
Early payment default, % of loan amounts		7.7%	8.0%	-4.0%	7.9%	7.4%	+6.7%
60DPD3MOB, % of number of loans		11.0%	11.0%	-0.3%	11.1%	10.9%	+1.8%
60DPD3MOB, % of loan amounts		11.3%	10.8%	+4.1%	11.2%	10.9%	+2.3%
90DPD6MOB, % of number of loans		8.9%	8.9%	-0.2%	9.1%	8.8%	+3.5%
90DPD6MOB, % of loan amounts		8.9%	9.4%	-4.6%	9.2%	8.9%	+3.7%
Active portfolio - number of loans, '000		68,598	54,809	+25.2%			
Active portfolio - monetary, '000 000 USD		236,729,700	196,314,837	+20.6%			
Average outst. balance of active loans, USD		3,450,954	3,581,808	-3.7%			
Default rate, % of number of loans		11.2%	10.9%	+2.2%			
Default rate, % of outstanding balance		13.5%	12.4%	+8.9%			

Credit Bureau in numbers

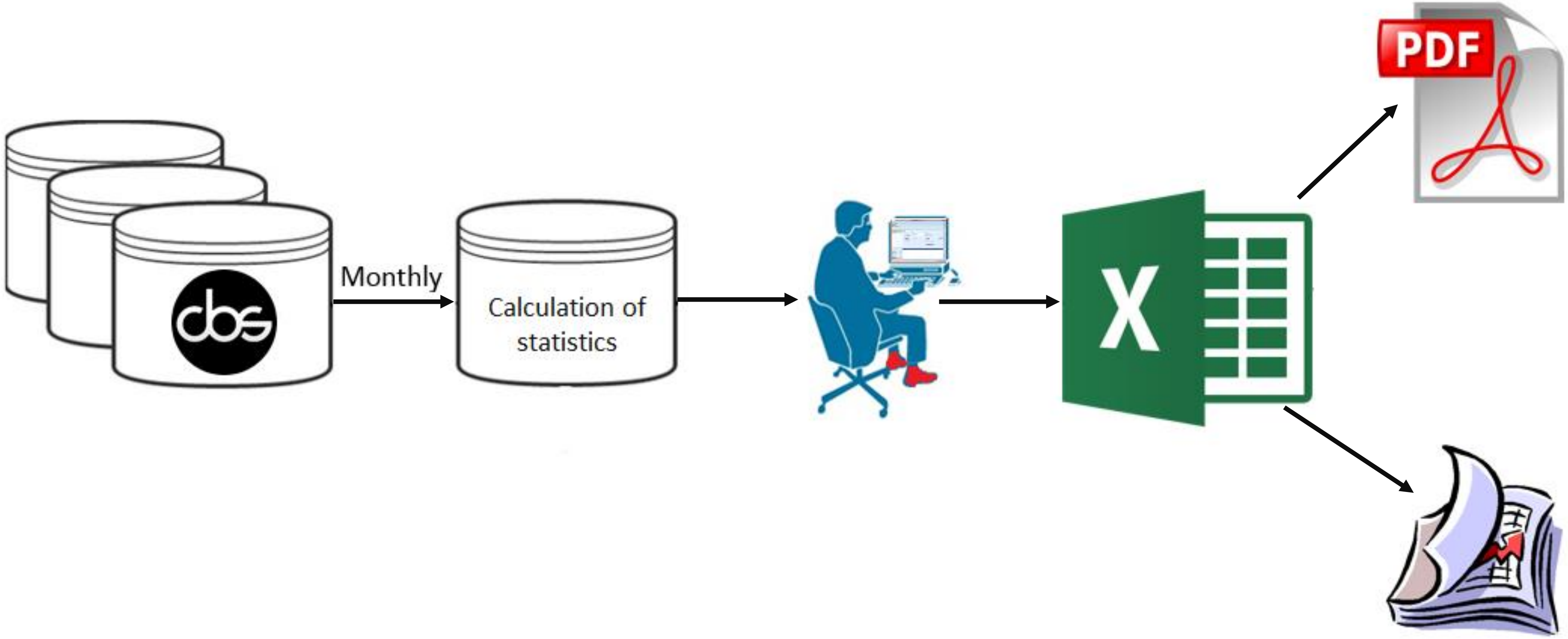
Variable	Value	
Total number of data providers - financial institutions	32	
Number of subscribers doing inquiries during the last 3 months	28	
Total number of inquiries done by Subscribers during the last 3 months	60,000	
--Inquiries per Subscriber	2,143	
Total number of customers - main debtors with type 'INDIVIDUAL', recorded in database	! 17,029,037	
--Have active loan as of report date	4,500,980	26%
Total number of customers - main debtors with type 'COMPANY', recorded in the database	! 2,756,616	
--Have active loan as of report date	1,200,256	44%

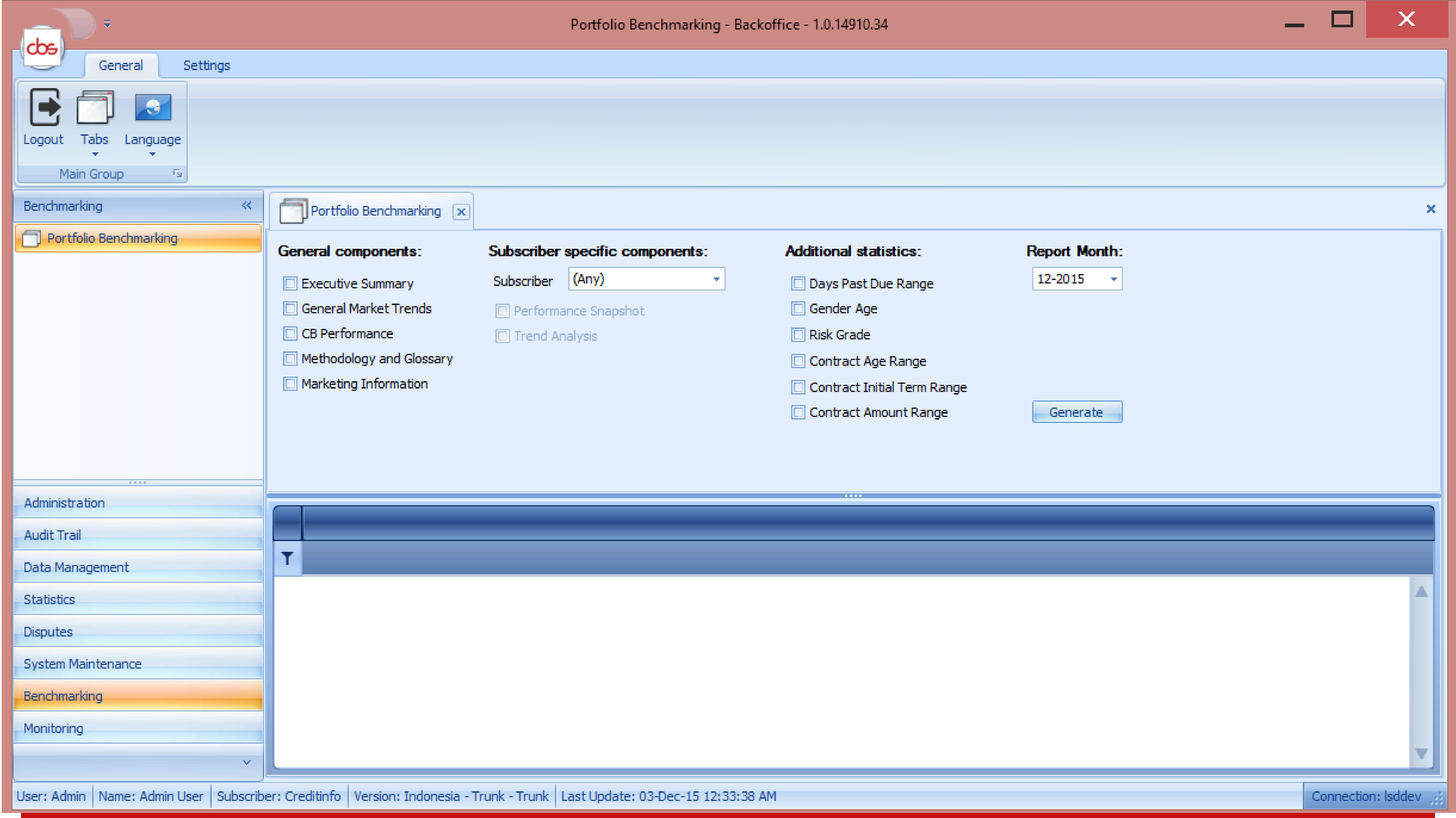
Dear Subscriber!

We are pleased to share with you our important milestone.

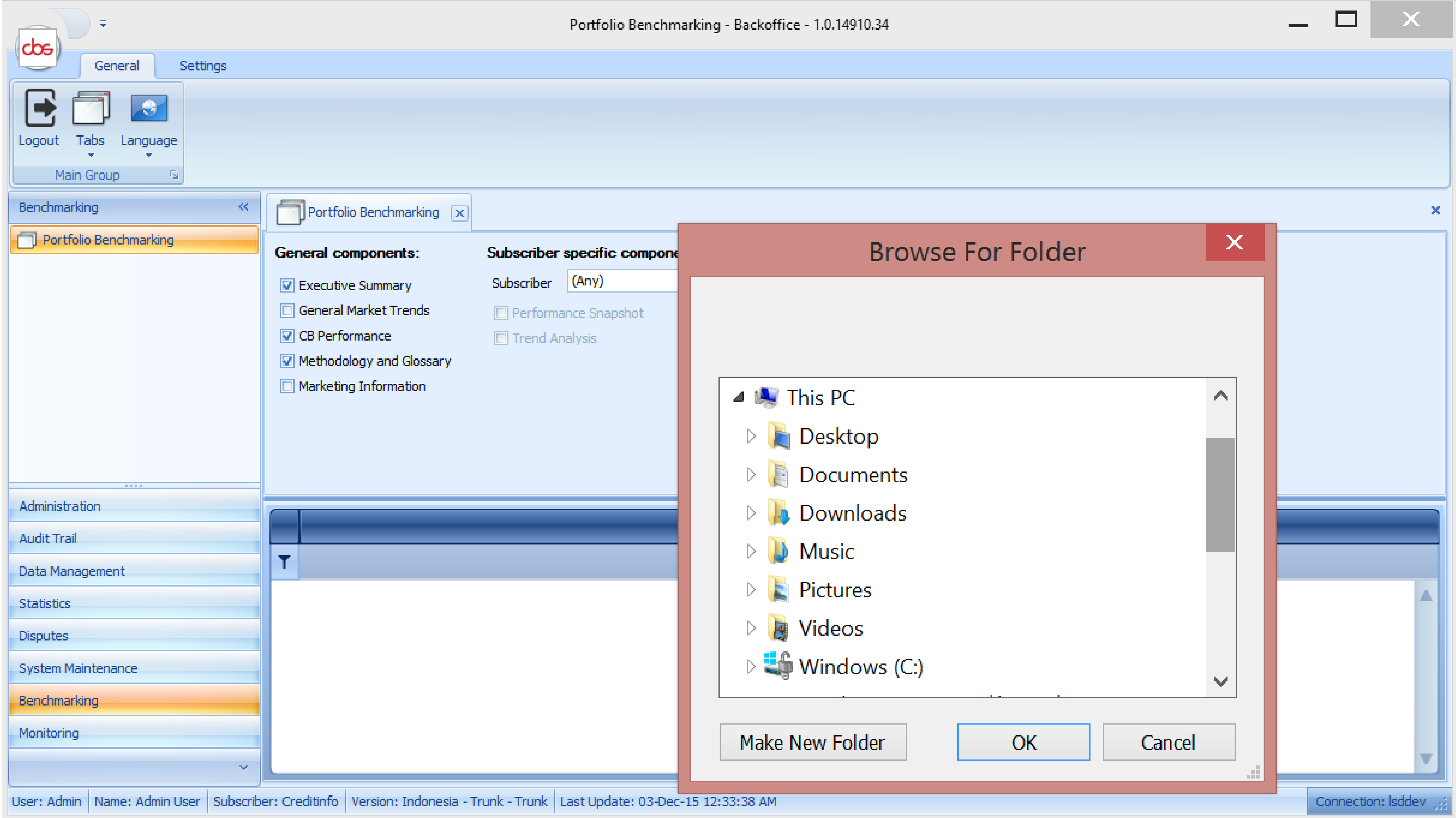
In 3rd quarter of 2015 we achieved a number of 17 mln individuals in our database. This brings us one step closer to our goal of supporting you while taking a right credit decision.

Solution flow





Portfolio Benchmarking - Backoffice - 1.0.14910.34
General
Settings
Logout
Tabs
Language
Main Group
Benchmarking
Portfolio Benchmarking
Portfolio Benchmarking
General components:
Executive Summary
General Market Trends
CB Performance
Methodology and Glossary
Marketing Information
Subscriber specific components:
Subscriber
(Any)
Performance Snapshot
Trend Analysis
Additional statistics:
Days Past Due Range
Gender Age
Risk Grade
Contract Age Range
Contract Initial Term Range
Contract Amount Range
Report Month:
12-2015
Generate
Administration
Audit Trail
Data Management
Statistics
Disputes
System Maintenance
Benchmarking
Monitoring
User: Admin
Name: Admin User
Subscriber: Creditinfo
Version: Indonesia - Trunk - Trunk
Last Update: 03-Dec-15 12:33:38 AM
Connection: lsddev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Subscriber
(Any)
Performance Snapshot
Trend Analysis
Browse For Folder
This PC
Desktop
Documents
Downloads
Music
Pictures
Videos
Windows (C:)
Make New Folder
OK
Cancel
Administration
Audit Trail
Data Management
Statistics
Disputes
System Maintenance
Benchmarking
Monitoring
User: Admin
Name: Admin User
Subscriber: Creditinfo
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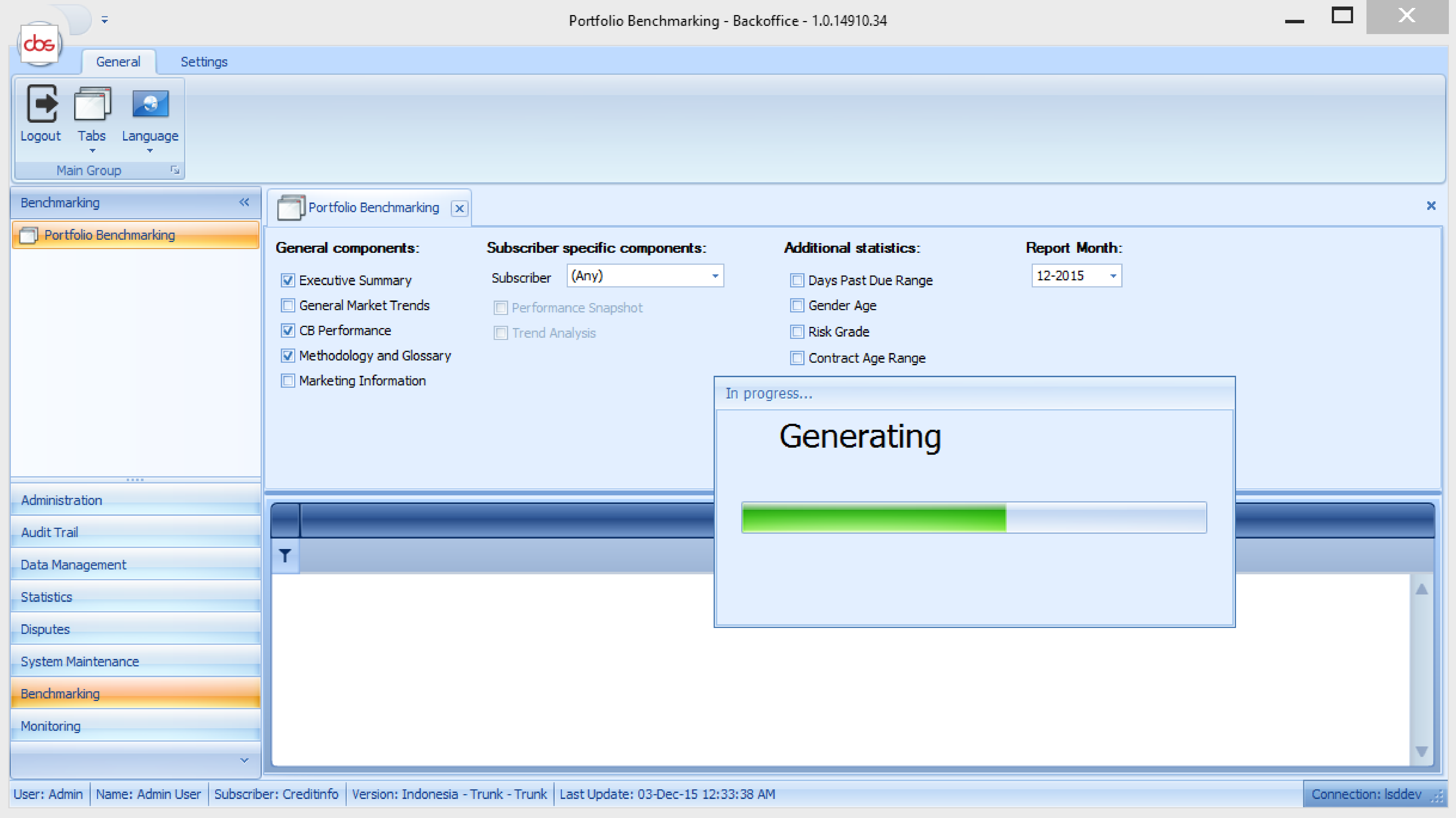
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Marketing Information
Subscriber specific components:
Subscriber
(Any)
Performance Snapshot
Trend Analysis
Additional statistics:
Days Past Due Range
Gender Age
Risk Grade
Contract Age Range
Report Month:
12-2015
In progress...
Generating
User: Admin
Name: Admin User
Subscriber: Creditinfo
Version: Indonesia - Trunk - Trunk
Last Update: 03-Dec-15 12:33:38 AM
Connection: lsddev

Recommended Pricing Structure

	On demand	Monthly	Quarterly
General Content			
General market trends	$$$	$$	$
Credit Bureau statistics	$$$	$$	$
Subscriber' Specific Content			
Subscriber's Performance Snapshot	$$$	$$	$
Subscriber's Trend Analysis	$$$	$$	$
Subscriber's Specific – Additional Statistics			
Portfolio – Loan Amount	$$$	$$	$
Portfolio – Loan Term	$$$	$$	$
Portfolio - Days Past Due	$$$	$$	$
Portfolio - Loan Age	$$$	$$	$
Customer's Gender - Age	$$$	$$	$
Customer's Risk Grades	$$$	$$	$

Conclusions

Credit Bureau is not a black list, and it is not only a tool to manage credit risks.

Credit Bureau is a long term **Strategic Business Partner**, the **one and only** source of valuable data covering main business aspects of every financial institution.

Contact Information

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