



PEFINDO CREDIT RATING INDONESIA

PRESS RELEASE
August 09, 2007

PT BPD Sumatera Selatan

PEFINDO upgraded its ratings for PT Bank Sumsel (BPSS or the Bank) and the Bank's Bond I/2003 of IDR200 billion due in 2008 to "**idBBB+**" from "**idBBB**". A "**Stable**" outlook is assigned to the above ratings. The rating action reflects the Bank's ability to maintain favorable business position in the region as well as healthy financial indicators. Nevertheless, those strengths have been constrained by the Bank's relatively high non performing loans (NPL) level. BPSS was established on November 16, 1962 as Bank Pembangunan Daerah Sumatera Selatan. In October 2001, the Bank's name and status were changed to Perseroan Terbatas Bank Pembangunan Daerah Sumatera Selatan (Bank Sumsel). As to date, Provincial Government of Sumatera Selatan is the Bank's major shareholder with 42.45% ownership, while the remaining 57.55% shares are owned by several Municipal Governments in Sumatera Selatan and Bangka Belitung. As of April 2007, BPSS employed 995 staffs to operate its 72 offices (including Jakarta office and 1 sharia unit) and 68 self owned ATMs, which are also linked to ATM BCA.

Rating Period: July 20, 2007 – July 11, 2008

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