



UNITED KINGDOM & PAPUA NEW GUINEA INVESTMENT FORUM

Robin Fleming – Group Chief Executive Officer

24 April 2018

WE ARE **BSP**



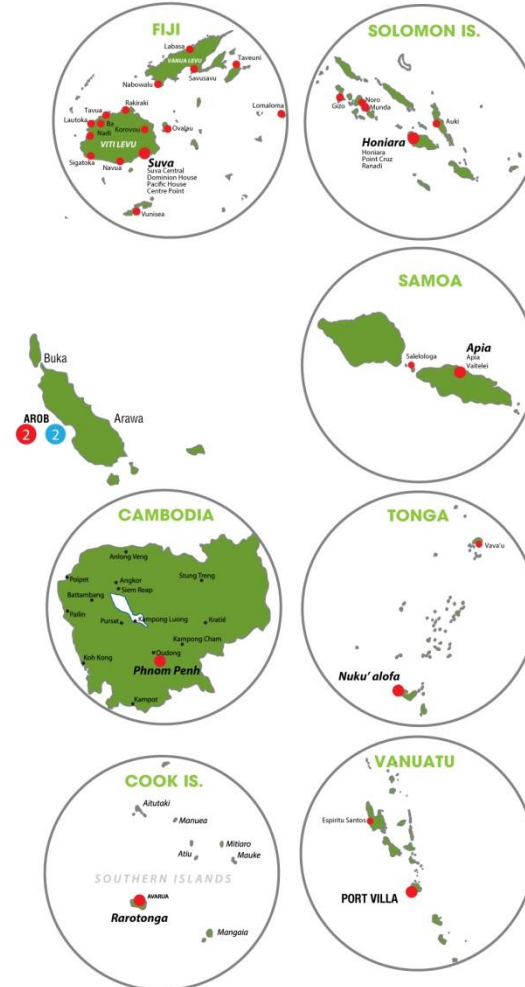
Markets where BSP operates

BSP is to be the leading financial services provider in the markets we operate

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BSP PNG Geographical Footprint

KEY
Branches ●
Sub Branches ●



1

Loan market share in 4 x markets

1

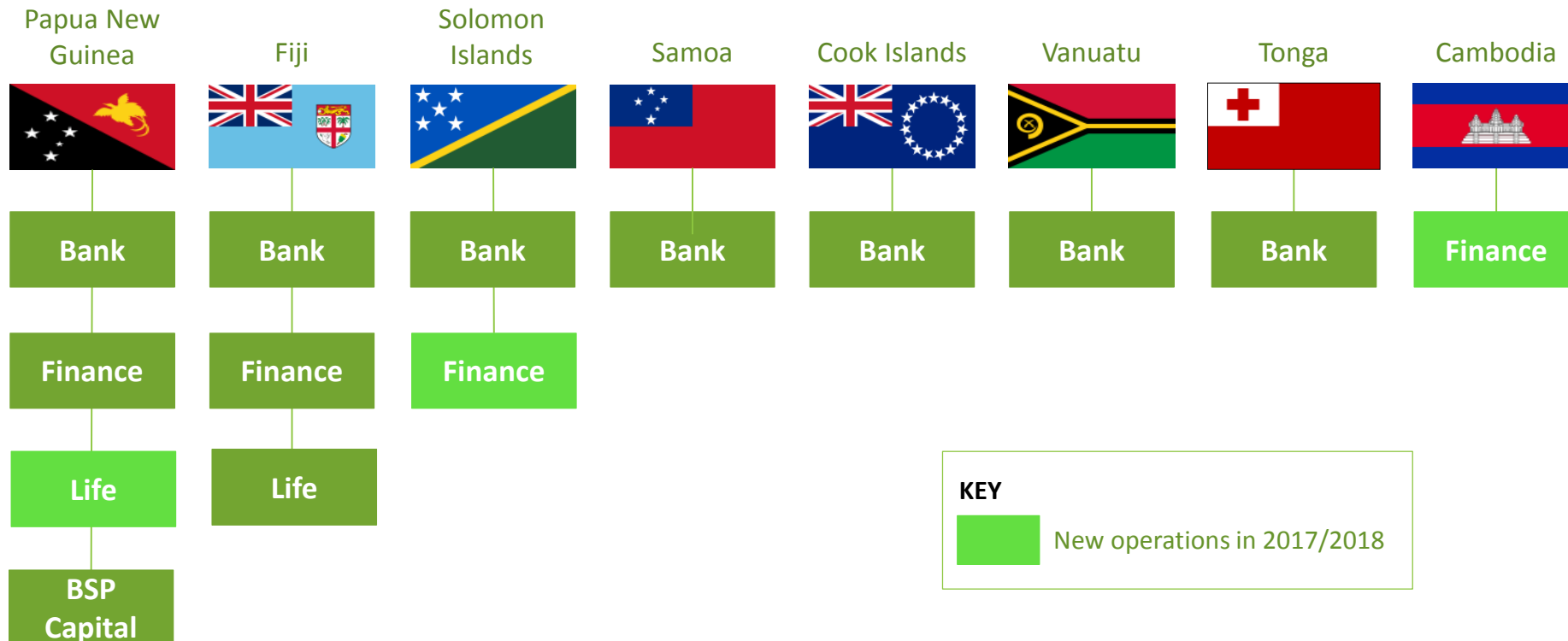
Deposit market share in 4 x markets

POMSOX Market cap of **K4.51b** [US\$1.35b] April 2018

BSP's growing service offering

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In line with BSP's geographical and income diversification strategy, BSP has expanded its product / service offering into both existing and new markets



Continued investment to improve service

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Our Digital Strategy will deliver enhanced banking services to our customers ...
with increased uptake in electronic channel activity

	Total							
 Branches	81	45	17	8	3	2	2	4
 Sub Branches	54	44	7		1			2
 ATMs	512	315	114	26	17	11	17	12
 EFTPOS	12,248	8,825	1,658	330	365	344	385	341
 Agent	593	395	43	76	36	8	17	18

Highlights for 2017

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BSP has again delivered a strong performance ... despite challenging business and economic environments

Profit (NPAT)
up 17.6% to
K757m



Total Income
up 11.5% to
K1.99bn



Total Assets
up 7.4% to
K22.4bn



Cost to Income
ratio improves
to
42.6%



Capital
Adequacy
improved to
24.5%



Loan Provisions
maintained at
4.9%



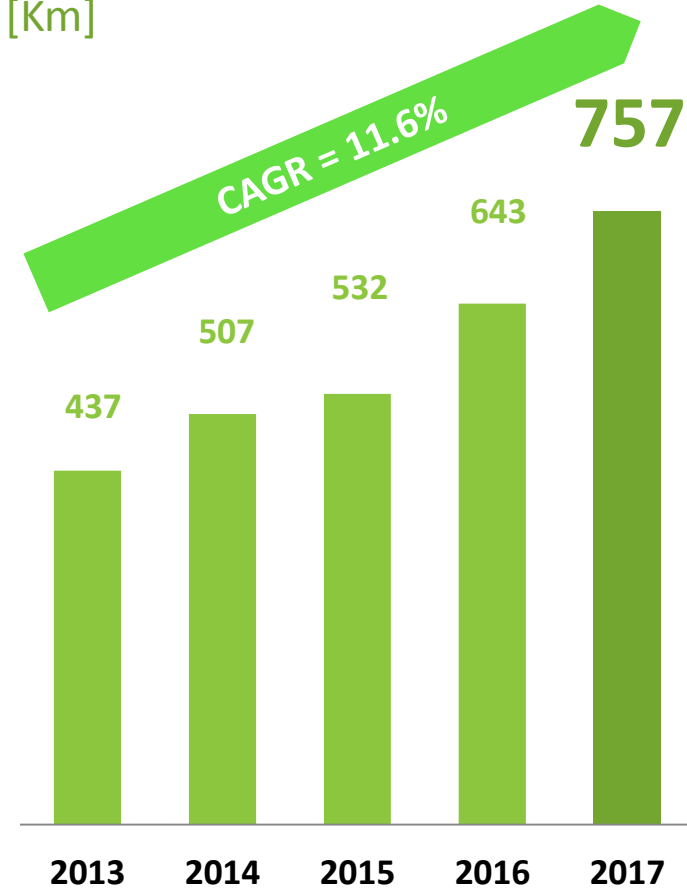
ROE up 1%
to
30.6%



Dividend
Yield of
11.6%



GROUP NPAT TREND
[Km]

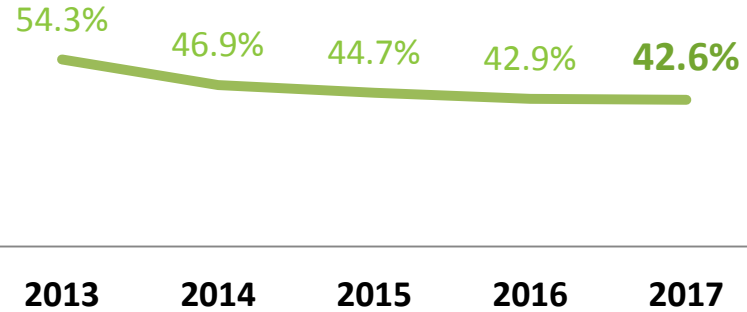


Group key ratios

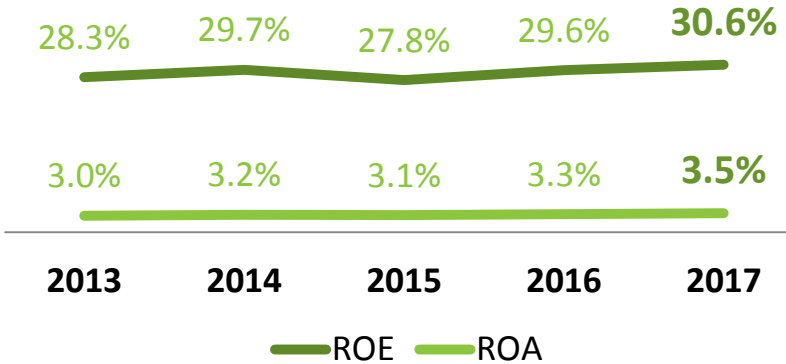
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Our key ratios are trending favourably ... a clear picture of our corporate health

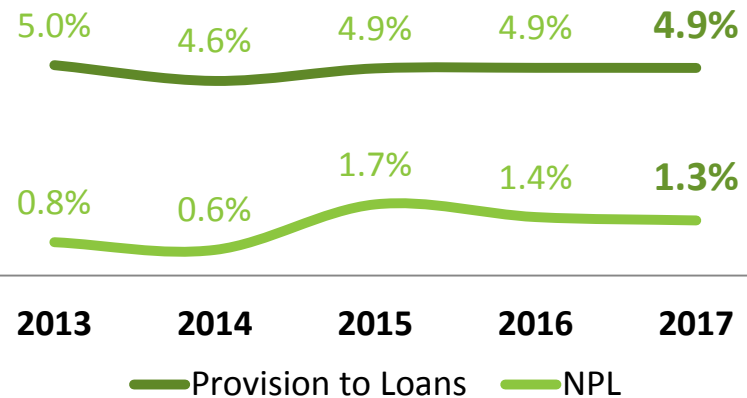
COST TO INCOME TREND



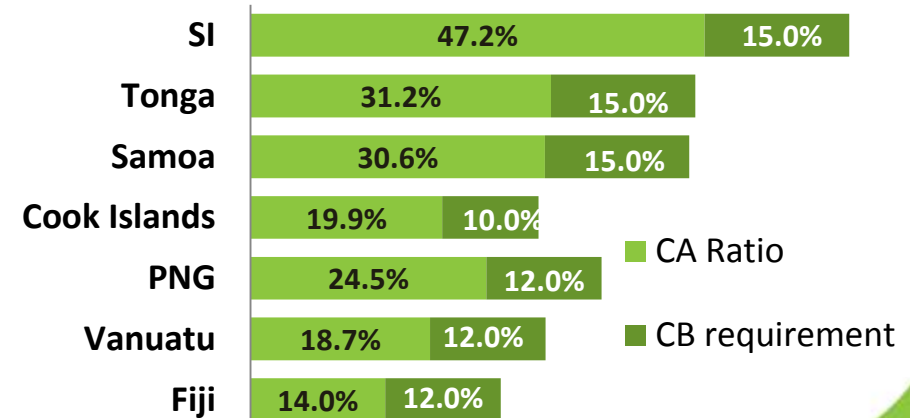
ROE AND ROA TRENDS



PROVISION TO LOANS AND NPL



CAPITAL ADEQUACY



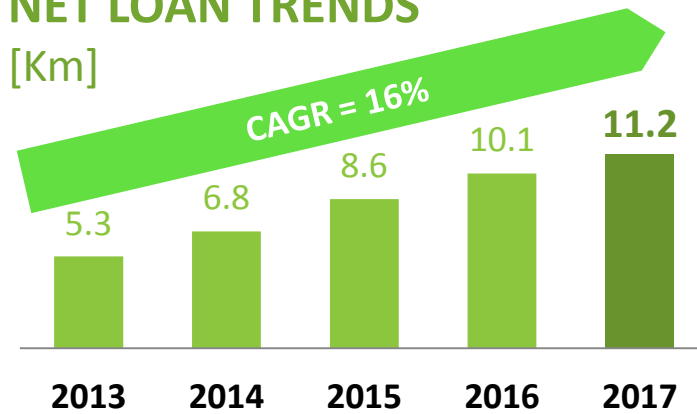
Group key performance indicator trends

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BSP's growth trajectory has been consistent ... particularly in recent years

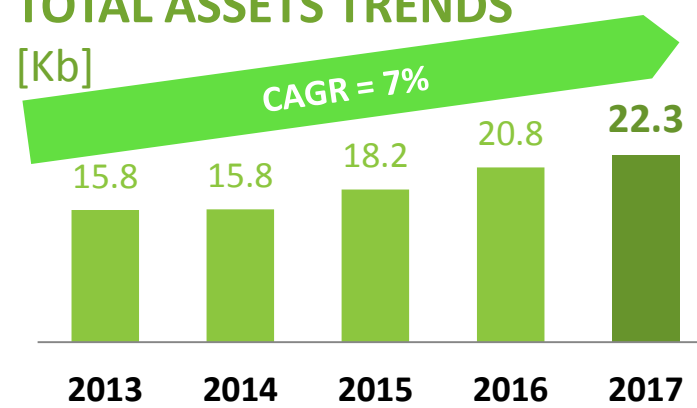
NET LOAN TRENDS

[Km]



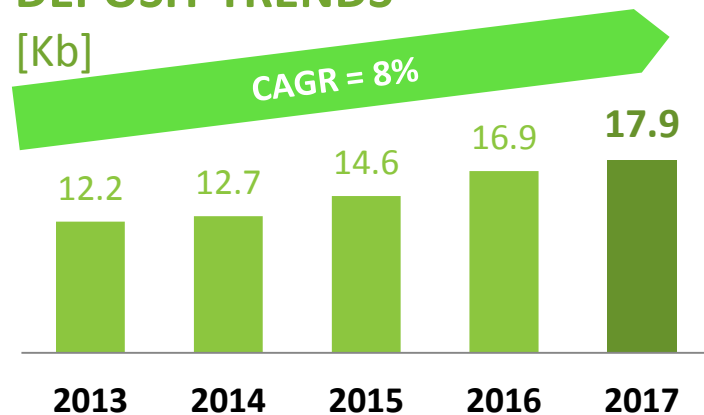
TOTAL ASSETS TRENDS

[Kb]



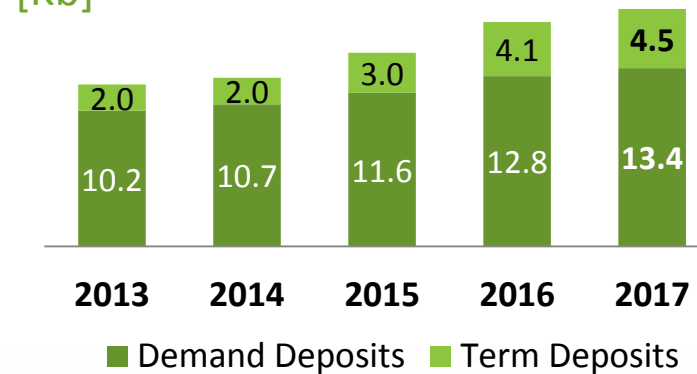
DEPOSIT TRENDS

[Kb]



DEPOSIT MIX TRENDS

[Kb]



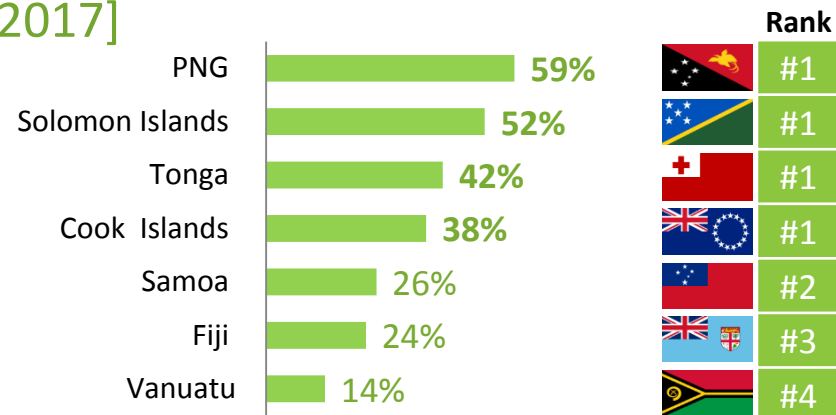
Market strength

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BSP dominates in many of its markets. BSP's loan and deposit portfolios are largely PNG domiciled

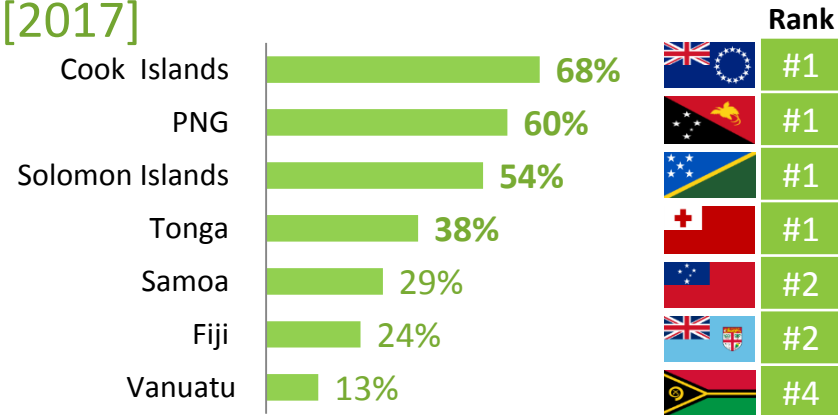
LOANS MARKET SHARE

[2017]



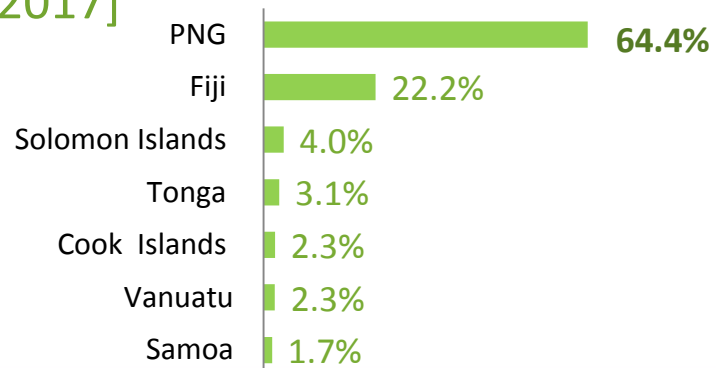
DEPOSIT MARKET SHARE

[2017]



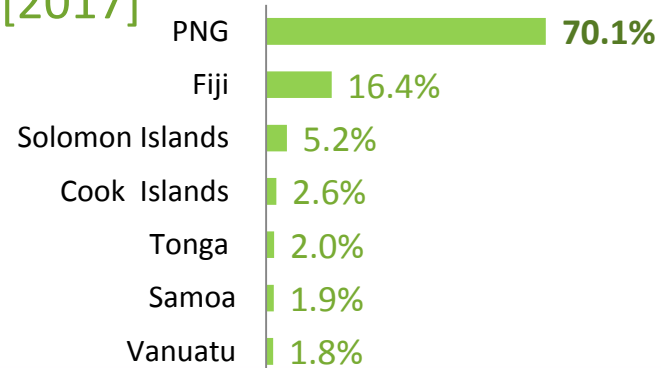
LOANS PORTFOLIO COMPOSITION

[2017]



DEPOSIT PORTFOLIO COMPOSITION

[2017]



Financial inclusion

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We will continue to improve access to banking services in the markets we operate



GROWING DEPOSITS THROUGH TECHNOLOGY

BSP signs up new customers everyday using state of the art technology to grow its customer base.

~2.9m deposit accounts (region)

~116m transactions annually (PNG)

Average balance of ~K2k



AGENCIES AND SUB BRANCHES

BSP agents reach the unbanked in rural areas and provide access to basic banking services both in PNG and Pacific counterparts



Agencies

• 598 Agents across the group



Sub branches

• 56 Sub-branches across the group

Partnering with corporate customers

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BSP has a proven track record in supporting PNG's energy and minerals sectors. We offer "whole of BSP" solutions [banking and financial services] ... whereby our teams in Corporate, Retail, Paramount and Treasury are able to provide tailored solutions to our customers

Strategic Partnership



BSP staff who were involved with the set up of Kikori branch, pose with BSP CEO Robin Fleming, GM Retail Paul Thornton and DGM Retail Kili Tambua (back) during the launch.

The establishment of Kerema and Kikori sub-branch together with the allocation of BSP Agents is a testimony of our commitment to the work and relationship between BSP and InterOil.

With strong focus on customer

service, BSP provides innovative banking technology that will support InterOil operations.

By creating an ecosystem that covers all aspects of InterOil's business from InterOil's lending facilities with our corporate team

to Landowner payments with our Paramount team We are committed to ensuring all your banking requirements are met.



As the only nationwide full service bank in PNG, we offer a comprehensive range of banking and financial solutions to meet every aspect of our customers and their stakeholder needs.

Our 'Whole of BSP' solution incorporating dedicated relationship management, extensive product suite, digital solutions and access to the largest retail branch network, means BSP is your leading business partner in PNG and across the South Pacific.

For example, no other financial institution has the ability to deliver digital solutions to facilitate rural account opening and landowner royalty payments in remote areas.



InterOil

