2014
Annual Report

Delivering Value During a Transition Period

GRUP BCA

BCA

Always by your side

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Delivering Value During A Transition Period

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DELIVERING VALUE DURING A TRANSITION PERIOD

2014 was a year of both political and economic transition for Indonesia marked by high volatility in the foreign exchange and capital markets and continuing pressure on commodity prices.

The solid foundation laid by the previous government provides a sound basis for facing the macro economic issues now impacting the Indonesian economy. The new administration is taking steps to address these issues, including the reallocation of a large part of the fuel subsidy budget to other strategic areas, that should pave the way for future sustainable economic development.

New challenges for the Indonesian banking industry surfaced in 2014 as the result of a slowing economy and tightening liquidity which both limited the capacity for loan growth and led to higher sector NPL's. BCA successfully maintained its solid performance and delivered value to its stakeholders throughout this transition year by boosting liquidity and maintaining prudential lending guidelines.

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ANTICIPATING MARKET DYNAMICS

2014 was a year that required paying close attention to economic, political and regulatory transitions.

BCA prudently and cautiously executed a number of well-planned and well-managed steps to guide the Bank through the external uncertainties, prioritizing the Bank's liquidity position, credit quality and capital adequacy. The Bank continued to show resilience and an ability to adapt to the challenging environment.

Liquidity

Third party funds of

Rp448 T

The Bank maintained an ample liquidity position through stable and low-cost CASA funds and by proactively adjusting time deposit rates while remaining within the interest rate parameters set by the regulators.

Quality Lending

NPL ratio of

0.6%

Third biggest lending bank in Indonesia.

The Bank posted healthy lending growth of 11% while maintaining a low NPL ratio through prudent lending practices.

Capital adequacy

CAR ratio of

16.9%

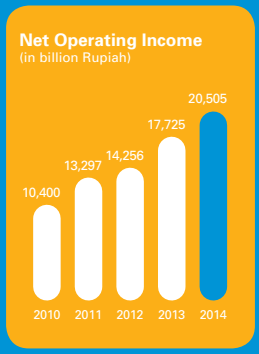
Sound capital position built on a solid Tier 1 capital base.

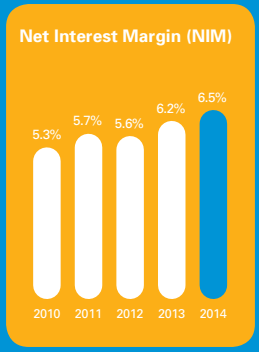
Delivering strong returns with ROA of 3.9% and ROE of 25.5%.

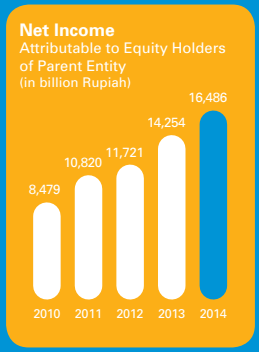
Financial Summary*

	2014	2013
Earnings (in billion Rupiah)		
Net Income**	16,486	14,254
Earning per Share (in Rupiah)	669	579
Net Interest Income	32,027	26,425
Operating Income other than Interest	9,024	7,947
Performance Measures (%)		
ROA	3.9	3.8
ROE	25.5	28.2
NIM	6.5	6.2
Liquidity (%)		
LDR	76.8	75.4
Efficiency (%)		
Cost Efficiency Ratio	44.2	42.9
Assets (%)		
Loan Growth	11.0	21.6
Earning Assets / Total Assets	87.6	87.7
NPL Ratio	0.6	0.4
Liabilities (%)		
Third Party Funds Growth	9.4	10.6
Current and Savings Accounts (CASA) to Total Third Party Funds	75.1	78.9
Capital Ratios (%)		
CAR	16.9	15.7
CAR (Tier 1)	16.0	14.8
CAR (Tier 2)	0.9	0.9
Share Price (in Rupiah)	13,125	9,600

* All financial ratios using parent company data
** Net Income attributable to equity holders of parent entity
Note: 5-year financial highlights is presented on page 18-21







MAINTAINING CUSTOMER TRUST

Customers are the driving force behind BCA's success and are the reason the Bank is committed to delivering the most convenient and highest quality service.

The uncertain environment in 2014 provided an opportunity for BCA to enhance customer relationships by offering quality financial products and services to cater to the transaction and financing needs of BCA's customers.

BCA is committed to being the bank of choice for customers by delivering the best possible services through its extensive branch network and convenient electronic channels. BCA's electronic delivery channels have played an increasingly important role in transaction services in recent years in line with the rapid development of technology and electronic communications.

Recognition of the quality of BCA's products and services is reflected in the number of prestigious awards bestowed on BCA in 2014...

Euromoney

Awards for Excellence (Asia) 2014

The Best Bank in Indonesia

The Asian Banker

The International Excellence in Retail Financial Service Awards 2014

Best Retail Bank in Indonesia

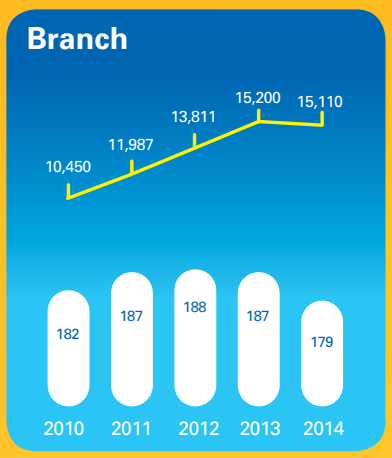
Fortune Indonesia Magazine & Hay Group International

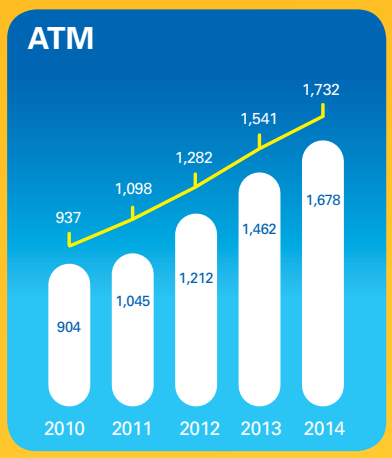
Indonesia's Most Admired Companies (IMAC) 2014

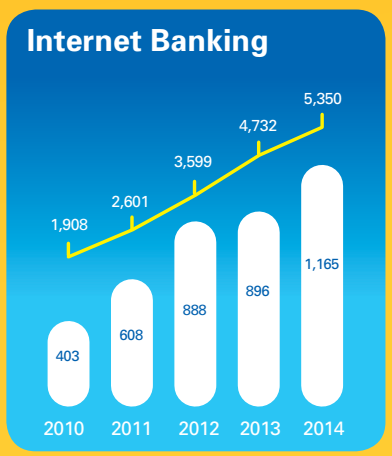
Most Admired Company in Financial Services 2014

view more than **50 awards** *on Corporate Data*

...and the strong growth in volume of customer transactions over the year.







● Number of Transactions (in million) — Transaction Value (in trillion Rupiah)

Vision, Mission and Core Values

Vision

To be the bank of choice and a major pillar of the Indonesian economy

Mission

- To build centers of excellence in payment settlements and financial solutions for businesses and individuals
- To understand diverse customer needs and provide the right financial services to optimize customer satisfaction
- To enhance our corporate franchise and stakeholders value

The vision and mission statements have been approved by the Board of Directors and the Board of Commissioners of PT Bank Central Asia Tbk through Decree No. 022/SK/DIR/2006 dated February 23, 2006, concerning Vision and Mission of PT Bank Central Asia Tbk

Core Values

CUSTOMER FOCUS

INTEGRITY

TEAMWORK

CONTINUOUS PURSUIT OF EXCELLENCE

Milestones

1955

Bank Central Asia (BCA) founded as "NV Perseroan Dagang Dan Industrie Semarang Knitting Factory."

1957

BCA commenced operations on 21st February 1957 with Head Office located in Jakarta.

1970's

BCA strengthens its delivery channels and obtained a license to open as a Foreign Exchange Bank in 1977.

1980's

BCA aggressively expanded its branch network in line with the deregulation of the Indonesian banking sector.

BCA developed its information technology capacity, by establishing an online system for its branch office network, and launches new products and services including the Tahapan BCA savings accounts product.

1990's

BCA develops the Automated Teller Machine (ATM) network as an alternative delivery channel.

In 1991, BCA installed 50 ATM units in various locations in Jakarta.

BCA intensively develops the ATM network and features.

BCA works with well-known institutions, such as PT Telkom and Citibank, allowing BCA's customers to pay their Telkom phone bill or Citibank credit card bill through BCA ATMs.

1997-1998

BCA experiences a bank rush during the Indonesian economic crisis.

In 1998 BCA became a Bank Taken Over (BTO) and was placed under the recapitalization and restructuring program operated by the Indonesian Bank Restructuring Agency (IBRA), a Government Institution.

1999

BCA was fully recapitalized with the Government of Indonesia, through IBRA, assuming ownership of 92.8% of BCA shares in exchange for liquidity support from Bank Indonesia and a swap of related-party loans for Government Bonds.

Corporate actions highlights in 2000-2005

2000

IBRA divested 22.5% of its BCA shares through an Initial Public Offering, reducing its ownership of BCA to 70.3%.

2001

In a Secondary Public Offering, 10% of BCA's total shares were made available to the market. IBRA's ownership of BCA decreased to 60.3%.

2002

FarIndo Investment (Mauritius) Limited acquired 51% of BCA's shares through a strategic private placement.

2004

IBRA divested a further 1.4% of its BCA shares to domestic investors through a private placement.

2005

The Government of Indonesia through PT Perusahaan Pengelola Aset (PPA), divested the remaining 5.02% of its BCA shares and no longer has share ownership in BCA.

Note: There has been dilution effect to existing shareholders as new shares were issued in accordance with the Management Stock Option Plan, in which stock options were executable in the period from November 2001 to November 2006

Business development after 2000

BCA strengthens and develops its products and services, especially in electronic banking, by launching Debit BCA, Tunai BCA, KlikBCA internet banking, m-BCA mobile banking, EDCBIZZ, etc.

BCA establishes a Disaster Recovery Center in Singapore.

BCA develops expertise in lending, including expansion into vehicle financing through its subsidiary, BCA Finance.

2007

BCA became a pioneer in introducing fixed-rate mortgage products. BCA launches its stored-value card, Flazz Card, and introduced Weekend Banking to maintain its transaction banking leadership.

2008-2009

BCA proactively manages its lending and liquidity position in the face of unprecedented global turbulence while continuing to strengthen the core transaction banking franchise.

BCA completes the setting up of a mirroring IT system to strengthen business continuity and reduce operational risk.

BCA introduces Solitaire, a new banking service for high net-worth individual customers.

2010-2013

BCA enters new lines of business including Sharia banking, motorcycle financing, general insurance and the capital markets business. In 2013, BCA increased its effective ownership from 25% to 100% in its general insurance arm PT Asuransi Umum BCA (formerly PT Central Sejahtera Insurance and also known as BCA Insurance).

BCA strengthens its transaction banking through further development of innovative products and services, notably with mobile banking applications in the latest Smartphones, with payment settlement services through e-Commerce, and through a new concept of Electronic Banking Center which equips ATM Centers with additional technology-backed features.

Enhancing the reliability of its banking services, BCA completes a new Disaster Recovery Center (DRC) facility in Surabaya which functions as a disaster recovery backup data center, integrated with the current two mirroring data centers. The new DRC replaced the previous DRC in Singapore.

2014

The Electronic Banking Center concept refined and rebranded under the name MyBCA, equipped with HaloBCA video conference and various video banking services.

In January 2014, BCA finalized share purchase of PT Central Santosa Finance (CS Finance), a subsidiary engaged in two-wheeler financing, increasing the Bank's effective ownership of CS Finance from 25% to 70%.

BCA obtained permission to provide life insurance services through PT Asuransi Jiwa BCA (BCA Life), which operates as a subsidiary of BCA Sekuritas.

BCA continues to lend prudently to support the funding needs of existing customers during a year of economic and political uncertainty.

Event Highlights 2014

January

08

BCA Disburses Investment Loan to PT KAI
BCA disbursed an investment loan of Rp 665 billion to PT Kereta Api Indonesia (Persero) for the procurement of 600 coal carrier wagons (KKBW) and 600 container carrier wagons (PPCW)

23

BCA Launches 2 New Features on its EDC Machines: Dynamic Currency Conversion (DCC) Facility and Acceptance of Union Pay Cards
BCA becomes the first Bank in Indonesia to provide DCC services on EDC. BCA EDC also can accept Union Pay cards, adding to the variety of cards that can be processed by BCA's EDCs

February

04

Product Launch of BCA Bancassurance "MAXI"
PT AIA Financial and BCA continue their bancassurance strategic partnership by launching a series of protection products, namely Maxi Health and Maxi Kid

21

57th Anniversary, BCA Strengthens "Always by Your Side" Commitment
BCA's commitment to be "Always by Your Side" for customers and stakeholders means that every product that we launch, every work process that we perform and every service that we provide always provides added value and puts the customers and stakeholders first

25

BCA Serves Railway Ticket Purchases through BCA KlikPay and BCA MIGS
BCA facilitates the purchase train tickets through the PT Kereta Api Indonesia (KAI - Persero) Blackberry app by using the BCA KlikPay and BCA MIGS (MasterCard Internet Gateway Service) channels

March

05

Analyst Meeting & Presentation of 2013 Full Year Performance
BCA holds an Analyst Meeting and updates journalists and analysts regarding BCA's performance in 2013

25

BCA Introduces "New Gebyar BCA"
BCA presents 'New Gebyar BCA' TV Show style with a fresher, more unique and more elegant and prioritizing intimacy with customers. New Gebyar BCA premiere will be broadcast live by NET TV

April

07

BCA Holds the Annual General Meeting of Shareholders

May

14

BCA Supports Indonesia Open 2014
BCA sponsors the first BCA Indonesia Open MetLife BWF World Super Series Premier (BIOSSP) 2014 badminton tournament which took place on 17 - 22 June

June

05

BCA Presents Jazz Gunung 2014
BCA once again supports the Jazz Gunung 2014 event held on Friday-Saturday, 20 - 21 June 2014 on the Java Banana open stage, Mount Bromo, Probolinggo, East Java

19

BCA and Aozora Bank Sign an MoU
BCA signs a partnership with Aozora Bank Ltd., to develop mutual business opportunities between the two parties

21

BCA Organizes Electro Run 2014
The 5K night race was organized by BCA with Ismaya Live and Mesarace in the East Parking lot Senayan, Jakarta

23

Launching of BCA BLACK Credit Card
The BCA Black Credit Card product is the latest innovation from the BCA Credit Card Division which targets the affluent customer segments

26

Cooperation Agreement between BCA with the Ministry of Home Affairs "Quicker with Electronic ID"
BCA signs a cooperation agreement with the General Directorate of Population and Civil Registration of the Ministry of Home Affairs on the use of Electronic Identity Card. This cooperation helps BCA mitigate fraud risk

August

07

High Tea BDP 2014
Learning and Development Division (DPP) holds a High Tea BDP 2014 to establish intimacy and togetherness between the 295 participants of the BDP in 2014 (batch 36 to 45) and the BCA Board of Directors

21

BCA Innovation Award 2014
Reward Night for Award winners at the Kempinski Hotel Ballroom. BCA Innovation Award is expected to be a forum for innovation in BCA and as a follow-up to BCA's development of knowledge

Event Highlights 2014 - continued

September

4

BCA Celebrates National Customer Day
BCA President Director Jahja Setiaatmadja visits BCA KCU Thamrin on National Customer Day

12 - 14

BCA Organizes BCA-SQ Travel Fair 2014
Vacation, traveling and recreational activities are necessary counterweights to a busy lifestyle. BCA organized the BCA SQ Travel Fair 2014 for BCA credit card holders, and the general public to showcase travel packages

18

BCA Holds a Public Expose
BCA holds a public expose to provide information regarding the performance of the Company to shareholders

October

01

Flazz BCA Become e-Parking Card
Flazz BCA, BCA's multifunction card, officially selected by PT Reska Multi Usaha (PT RMU), a subsidiary of PT Kereta Api Indonesia (Persero), as an electronic payment tool for Commuter Line customers using the Park & Ride parking facilities at KAI stations

01

BCA as Sales Agent for ORI
BCA participates in the launch of the series 011 ORI opened by the Minister of Finance, Chatib Basri. The sales of the ORI 011 series include environmental protection efforts with the theme "Save Earth's Water"

09 -10

Indonesia Knowledge Forum III
BCA Learning Service holds the third IKF Conference & Expo in the Ballroom of the Ritz Carlton Pacific Place, Jakarta with the theme of technology-based entrepreneurial spirit (Technopreneurship) and innovative leadership

11

Launch of myBCA
Launch of myBCA which is a digital banking services outlet using the latest banking technology with the theme My Bank, My Way

31

PBB – P2 Payment Cooperation through BCA Services
BCA continues its cooperation with the Government of Jakarta for PBB - P2 tax payment transactions through BCA ATMs and KlikBCA internet banking

November

04

BCA with PPM Organizes RBCC Competition
"BCA's Employer Branding: The Challenge Ahead" became the Asean and China Students' Case Study on the 5th PPM Regional Business Case Competition (RBCC)

05

BCA Launches BCA Life
PT Asuransi Jiwa BCA (BCA Life) officially launched and will operate under the BCA Sekuritas

10

BCA Disburses Loans for KRL Development
BCA, along with three other syndicate banks, and PT Kereta Api Indonesia (KAI) as well as PT KAI Commuter Jabodetabek (KCJ) sign a Loan Agreement, with total loans amounting to 85 percent of the total cost of Rp2.38 trillion project for the building of electric train (KRL) facilities and infrastructure, and to increase KRL services in Jabodetabek

12

BCA – American Express Cooperation
BCA and American Express announce a cooperation agreement that makes BCA an Acquirer for American Express Card on BCA EDC networks

14

Synergy of BCA and KSEI
PT Kustodian Sentral Efek Indonesia (KSEI) and BCA sign a cooperation agreement for the development of e-channel for AKSes (Securities Ownership Reference) facility intended to facilitate investors access to AKSes KSEI through the bank's channels

24

MoU BCA – Public Bank Berhad Malaysia
BCA signs a Memorandum of Understanding or MoU with Public Bank Berhad of Malaysia. This cooperation was carried out to strengthen regional cooperation in welcoming the 2015 ASEAN Economic Community

December

04 - 05

Workshop for Executives
BCA organizes a Workshop for Executives to discuss future performance and strengthen the management teamwork of BCA

08

Cooperation Signing of PD Pasar Jaya Tenant Payment
BCA signs a cooperation agreement with PD Pasar Jaya for tenant lease payments at all PD Pasar Jaya locations.

17

BCA Receives the ISO 9001: 2008 Quality Management System, at the IT Data Center Operation BCA
BCA received the ISO 9001: 2008 for Quality Management System for BCA Data Center Operation. The ISO 9001: 2008 certification was given by SAI Global Certification Institution which has been accredited by the National Accreditation Committee (KAN) and the Joint Accreditation System of Australia and New Zealand (JAS-ANZ) on 25 November 2014

20

BCA Disburses UMKM Loan
BCA provided local loan assistance facilities with a credit limit amount of Rp5 billion and the provision of time loan recovery facility with a credit limit of Rp1.5 billion to UMKM borrowers in the People's Financial Market Program, initiated by OJK (Financial Service Authority)

Financial Highlights

Key Financial Highlights in the last 5 years (Audited, Consolidated, as of or for the year ended December 31)

(in billion Rupiah)	2014	2013	2012	2011	2010
Balance Sheets					
Total Assets	**552,424**	**496,305**	**442,994**	**381,908**	**324,419**
Total Earning Assets	483,945	435,309	389,093	334,956	290,627
Loans - gross	346,563	312,290	256,778	202,255	153,923
Loans - net	339,859	306,679	252,761	198,440	150,017
Securities (including Securities Purchased Under Agreements to Resell)	99,106	90,211	82,388	73,773	63,306
Placements with Bank Indonesia and Other Banks	11,503	12,254	28,802	43,010	61,327
Total Liabilities[1]	**474,503**	**432,338**	**391,096**	**339,881**	**290,311**
Third Party Funds[2]	447,906	409,486	370,274	323,428	277,531
Current Accounts	107,419	103,157	96,456	76,020	63,991
Savings Accounts	228,993	219,738	200,802	172,990	145,553
Time Deposits	111,494	86,591	73,016	74,418	67,987
Fund Borrowings[3]	6,835	3,802	2,458	3,916	3,345
Debt Securities Issued[4]	2,504	3,133	2,522	1,481	1,120
Total Equity	**77,921**	**63,967**	**51,898**	**42,027**	**34,108**
Total Liabilities & Equity	**552,424**	**496,305**	**442,994**	**381,908**	**324,419**
Comprehensive Income[5]					
Operating Income	41,051	34,372	27,614	24,049	20,282
Net Interest Income	32,027	26,425	21,238	18,054	13,921
Operating Income other than Interest	9,024	7,947	6,376	5,995	6,361
Impairment Losses on Financial Assets[6]	(2,239)	(2,016)	(499)	161	(324)
Operating Expense	(18,307)	(14,631)	(12,859)	(10,913)	(9,558)
Net Operating Income	20,505	17,725	14,256	13,297	10,400
Non Operating Income	236	91	430	322	253
Income Before Tax	20,741	17,816	14,686	13,619	10,653
Net Income	**16,512**	**14,256**	**11,718**	**10,818**	**8,479**
Other Comprehensive Income (Expense)	413	(1,252)	180	(48)	311
Total Comprehensive Income	**16,925**	**13,004**	**11,898**	**10,770**	**8,790**
Net Income Attributable to:					
Equity Holders of Parent Entity	**16,486**	**14,254**	**11,721**	**10,820**	**8,479**
Non-Controlling Interest	26	2	(3)	(2)	-
Comprehensive Income Attributable to:					
Equity Holders of Parent Entity	**16,899**	**13,002**	**11,901**	**10,772**	**8,790**
Non-Controlling Interest	26	2	(3)	(2)	-
Earnings per Share (in Rupiah)	**669**	**579**	**480**	**444**	**348**

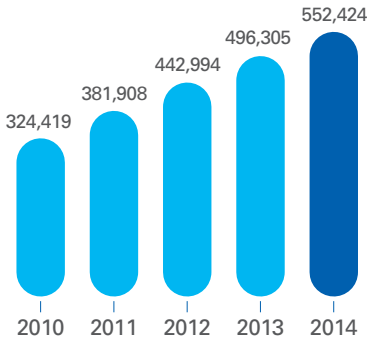
All numbers in this document use English notation.

1. Including temporary syirkah funds amounting to Rp 1,952 billion in 2014, Rp 1,444 billion in 2013, Rp 1,029 billion in 2012, Rp 716 billion in 2011 and Rp 460 billion in 2010.
2. Third party funds excluding deposits from other banks.
3. Funds borrowings including deposits from other banks.
4. The majority of debt securities issued represent bonds issued by BCA Finance, a subsidiary of the Bank that is engaged in 4-wheeler financing.
5. The impact of the consolidation of the subsidiaries, BCA Insurance and Central Santosa Finance on Interest Income, Operating Income other than Interest and Operating Expenses can be seen in the Financial Review, pages 176–180. BCA Insurance was consolidated in September 2013 in line with the increase in the Bank's effective ownership to 100%, and Central Santosa Finance was consolidated in January 2014 after BCA's effective ownership increased to 70%.
6. For 2011 and 2010, including provision/recovery of impairment losses on non financial assets and provision for estimated losses on administrative account transactions (mainly reserves for unused loan facilities).

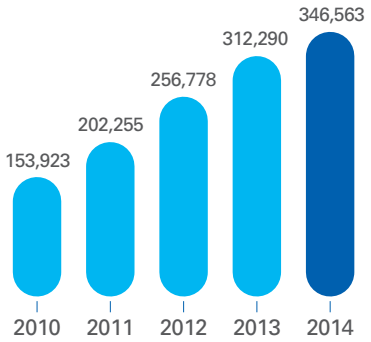
	2014	2013	2012	2011	2010
Financial Ratios[7]					
Capital					
Capital Adequacy Ratio (CAR)[8]	16.9%	15.7%	14.2%	12.7%	13.5%
CAR Tier 1	16.0%	14.8%	13.3%	11.6%	12.6%
CAR Tier 2	0.9%	0.9%	0.9%	1.1%	0.9%
Fixed Assets to Capital	21.2%	21.8%	24.0%	22.1%	24.4%
Earning Assets					
Non performing earning assets and non earning assets to total earning assets and non earning assets	0.5%	0.4%	0.3%	0.3%	0.4%
Non performing earning assets to total earning assets	0.6%	0.5%	0.4%	0.4%	0.5%
Allowance provision on earning assets to total earning assets	1.6%	1.5%	1.2%	1.4%	1.9%
Non Performing Loans (NPL) - gross[9]	0.6%	0.4%	0.4%	0.5%	0.6%
Non Performing Loans (NPL) - net	0.2%	0.2%	0.2%	0.2%	0.2%
Rentability					
Return on Assets (ROA)[10]	3.9%	3.8%	3.6%	3.8%	3.5%
Return on Equity (ROE)[11]	25.5%	28.2%	30.4%	33.5%	33.3%
Net Interest Margin (NIM)[12]	6.5%	6.2%	5.6%	5.7%	5.3%
Cost Efficiency Ratio	44.2%	42.9%	46.4%	47.2%	48.1%
Operating Expenses to Operating Revenues (BOPO)	62.4%	61.5%	62.4%	60.9%	65.1%
Liquidity					
Loan to Deposit Ratio (LDR)[13]	76.8%	75.4%	68.6%	61.7%	55.2%
CASA (Current Accounts & Savings Accounts) Ratio	75.1%	78.9%	80.3%	77.0%	75.5%
Liabilities to Equity Ratio	613.5%	679.5%	763.9%	831.7%	879.8%
Liabilities to Assets Ratio	86.0%	87.2%	88.4%	89.3%	89.8%
Compliance					
Percentage Violation of Legal Lending Limit					
a. Related Parties	0.0%	0.0%	0.0%	0.0%	0.0%
b. Non Related Parties	0.0%	0.0%	0.0%	0.0%	0.0%
Percentage Lending in Excess of Legal Lending Limit					
a. Related Parties	0.0%	0.0%	0.0%	0.0%	0.0%
b. Non Related Parties	0.0%	0.0%	0.0%	0.0%	0.0%
Minimum Reserve Requirement					
a. Primary Reserve Requirement - Rupiah	8.4%	8.3%	9.0%	9.9%	8.2%
b. Reserve Requirement - Foreign Currency	8.6%	8.5%	8.3%	8.5%	1.2%
Net Open Position (NOP)	0.6%	0.2%	0.9%	0.5%	1.0%
Other Key Indicators					
Number of Accounts (in thousands)	13,370	12,486	11,447	10,233	9,292
Number of Branches[14]	1,111	1,062	1,011	942	930
Number of ATMs	16,694	14,048	12,026	8,578	7,459
Number of ATM Cards (in thousands)	12,429	11,639	10,674	9,620	8,691
Number of Credit Cards (in thousands)	2,583	2,458	2,357	2,062	2,162

7. Parent company only, financial ratios have been presented based on Circular Letter of Bank Indonesia No. 13/30/DPNP dated December 16, 2011 concerning Third Changes on Circular Letter of Bank Indonesia No. 3/30/DPNP dated December 14, 2001 regarding Quarterly and Monthly Published Financial Statements of Commercial Banks and Certain Reports to Bank Indonesia.
8. CAR is calculated with credit risk, operational risk and market risk based on Circular Letter of Bank Indonesia No. 11/3/DPNP dated January 27, 2009, regarding the Risk Weighted Assets Calculation for Operational Risk using the Basic Indicator Approach.
9. Calculated from total non performing loans (substandard, doubtful, loss) divided by total loans.
10. Calculated from income (loss) before tax divided by average total assets.
11. Calculated from net income (loss) divided by average of total equity (Tier 1).
12. Calculated from net interest income (expense) divided by average of earning assets.
13. Calculated from total loan portfolio for third party divided by total third party funds.
14. Including cash offices.

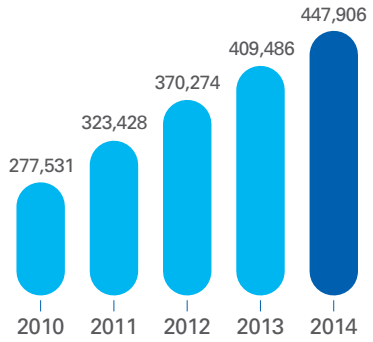
Total Assets
(in billion Rupiah)



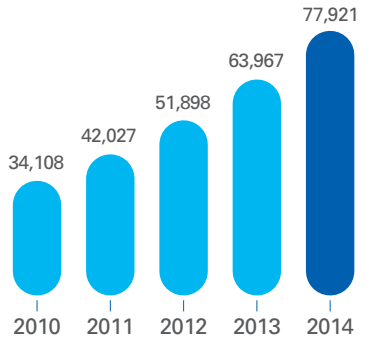
Loans - gross
(in billion Rupiah)



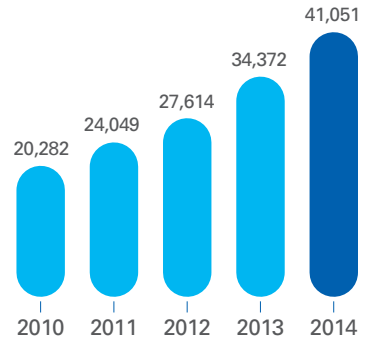
Third Party Funds
(in billion Rupiah)



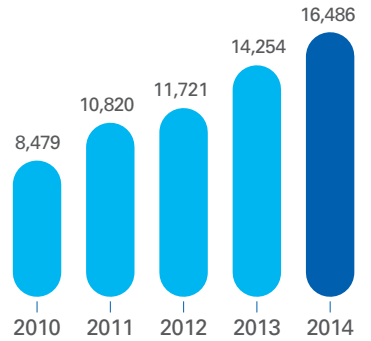
Total Equity
(in billion Rupiah)



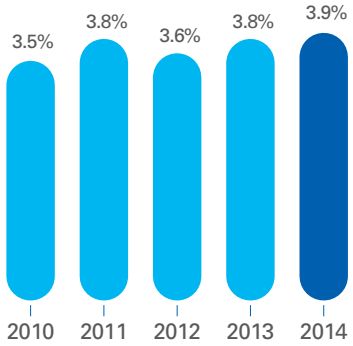
Operating Income
(in billion Rupiah)



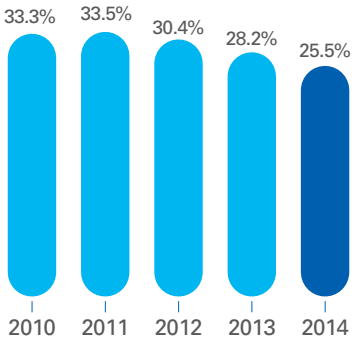
Net Income
Attributable to Equity Holders of Parent Entity
(in billion Rupiah)



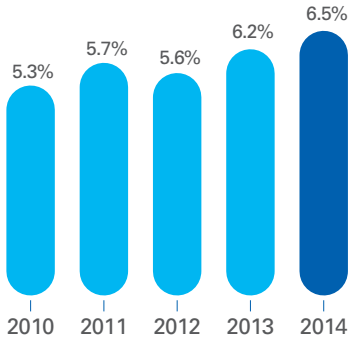
Return on Assets (ROA)



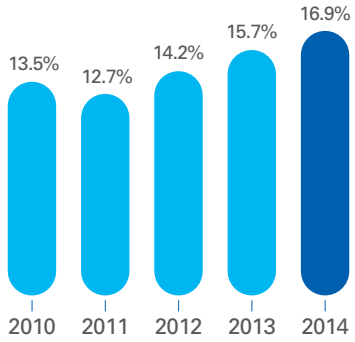
Return on Equity (ROE)



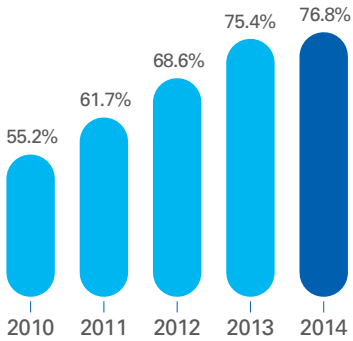
Net Interest Margin (NIM)



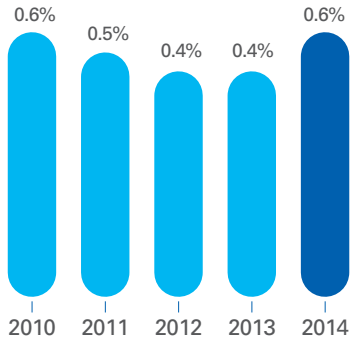
Capital Adequacy Ratio (CAR)



Loan to Deposit Ratio (LDR)

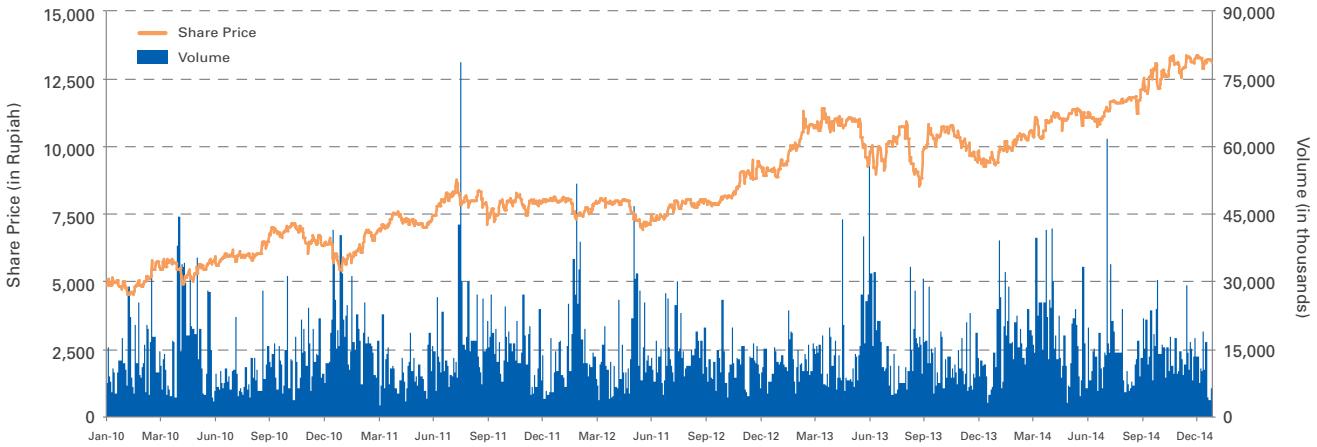


Non Performing Loans (NPL) - gross



Stock Highlights

BCA Share Performance in 2010 - 2014



Source: Bloomberg

	2014	2013	2012	2011	2010
Highest Price (in Rupiah)	13,575	12,500	9,500	8,850	7,200
Lowest Price (in Rupiah)	9,250	8,450	6,750	5,300	4,425
Closing Price (in Rupiah)	13,125	9,600	9,100	8,000	6,400
Market Capitalization (in billion Rupiah)	323,597	236,688	224,361	197,240	157,792
Earnings per Share (in Rupiah)	669	579	480	444	348
Book Value per Share (in Rupiah)	3,151	2,592	2,124	1,725	1,400
P/E (x)	19.6	16.6	19.0	18.0	18.4
P/BV (x)	4.2	3.7	4.3	4.6	4.6

Source: Bloomberg

BCA Share Price, Volume and Capitalization in 2010 - 2014

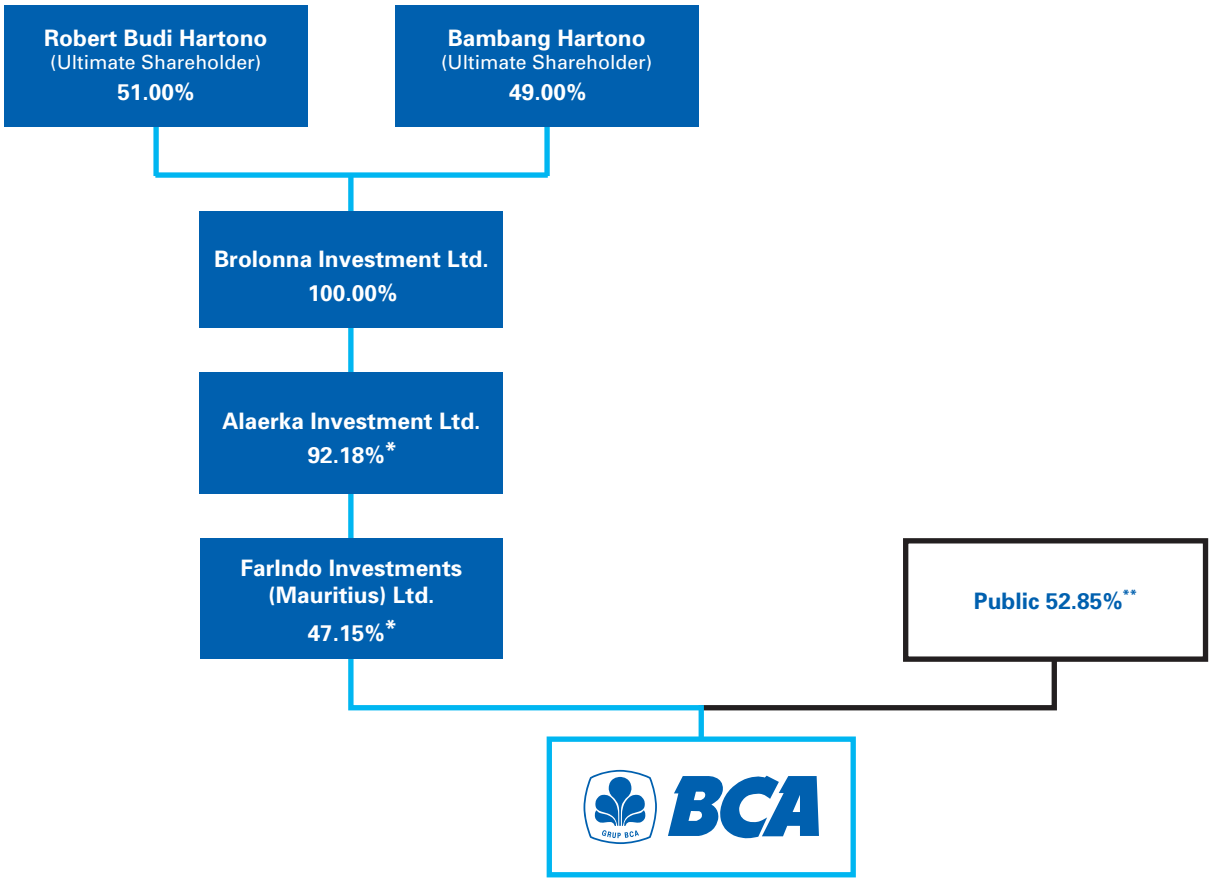
Year	Quarter	Price			Transaction Volume (in thousands)	Market Capitalization (in billion Rupiah)
		Highest (in Rupiah)	Lowest (in Rupiah)	Closing (in Rupiah)		
2014	I	11,125	9,250	10,600	1,009,917	261,343
	II	11,525	10,425	11,000	816,759	271,205
	III	13,125	10,875	13,075	780,993	322,364
	IV	13,575	12,050	13,125	734,021	323,597
2013	I	11,400	8,850	11,400	695,468	281,067
	II	11,250	8,900	10,000	964,072	246,550
	III	12,500	8,450	10,000	762,881	246,550
	IV	10,800	9,250	9,600	606,268	236,688
2012	I	8,250	7,200	8,000	852,037	197,240
	II	8,250	6,750	7,300	738,340	179,982
	III	8,150	7,250	7,900	730,666	194,775
	IV	9,500	7,800	9,100	600,935	224,361
2011	I	7,000	5,300	6,950	1,001,283	171,352
	II	7,700	6,800	7,650	559,391	188,611
	III	8,850	6,950	7,700	930,543	189,844
	IV	8,400	7,050	8,000	724,140	197,240
2010	I	5,850	4,425	5,500	669,628	135,603
	II	6,200	4,825	5,950	897,317	146,697
	III	6,900	5,500	6,700	501,935	165,189
	IV	7,200	6,050	6,400	703,936	157,792

Source: Bloomberg

BCA Capital Structure in 2010 - 2014

	2014	2013	2012	2011	2010
Authorized Capital					
Number of Shares	88,000,000,000	88,000,000,000	88,000,000,000	88,000,000,000	88,000,000,000
Total par Value (in Rupiah)	5,500,000,000,000	5,500,000,000,000	5,500,000,000,000	5,500,000,000,000	5,500,000,000,000
Unissued					
Number of Shares	63,344,990,000	63,344,990,000	63,344,990,000	63,344,990,000	63,344,990,000
Total par Value (in Rupiah)	3,959,061,875,000	3,959,061,875,000	3,959,061,875,000	3,959,061,875,000	3,959,061,875,000
Issued and Fully Paid Up Capital					
Number of Shares	24,655,010,000	24,655,010,000	24,655,010,000	24,655,010,000	24,655,010,000
Total par Value (in Rupiah)	1,540,938,125,000	1,540,938,125,000	1,540,938,125,000	1,540,938,125,000	1,540,938,125,000
Treasury Stock					
Number of Shares	-	-	198,781,000	289,767,000	289,767,000
Total par Value (in Rupiah)	-	-	12,423,812,500	18,110,437,500	18,110,437,500
Outstanding Shares					
Number of Shares	24,655,010,000	24,655,010,000	24,456,229,000	24,365,243,000	24,365,243,000
Total par Value (in Rupiah)	1,540,938,125,000	1,540,938,125,000	1,528,514,312,500	1,522,827,687,500	1,522,827,687,500

BCA Ultimate Shareholders



Note:

Controlling Shareholders

Controlling Line

* Alaerka Investment Ltd. owns 92.18% shares in Farindo Investments (Mauritius) Ltd. ("Farindo"). Farindo's Treasury Stocks accounts for the balance of 7.82%.

** In the composition of shares held by the public, 2.45% of the shares are owned by parties affiliated with the Ultimate Shareholders; 0.02% are held by Mr. Robert Budi Hartono and 0.02% by Mr. Bambang Hartono.

Board of Commissioners and Board of Directors owns 0.24% of the shares. Each of public shareholder owns less than 5% of the shares.

Shares owned by Public also includes Anthony Salim's share ownership of 1.76%

Record of BCA Share Listing at the Indonesia Stock Exchange

Date	Description		Number of Outstanding Shares
11 May 2000	Initial Public Offering (IPO)	2,943,986,000	2,943,986,000
15 May 2001	Stock split I with ratio of 1:2	x 2	5,887,972,000
2001	Shares issued in accordance with the Management Stock Option Plan (MSOP)	58,025,000	5,945,997,000
2002	Shares issued in accordance with the Management Stock Option Plan (MSOP)	71,526,000	6,017,523,000
2003	Shares issued in accordance with the Management Stock Option Plan (MSOP)	113,611,500	6,131,134,500
8 June 2004	Stock split II with ratio of 1:2	x 2	12,262,269,000
2004	Shares issued in accordance with the Management Stock Option Plan (MSOP)	40,944,500	12,303,213,500
2005	Shares issued in accordance with the Management Stock Option Plan (MSOP)	15,888,000	12,319,101,500
2006	Shares issued in accordance with the Management Stock Option Plan (MSOP)	8,403,500	12,327,505,000
31 January 2008	Stock split III with ratio 1:2	x 2	24,655,010,000

Note:

The Extraordinary General Meeting of Shareholders on 12 April 2001 decided to increase the issued capital by issuing 147,199,300 shares through the Management Stock Option Plan (MSOP). The MSOP was executable from 10 November 2001 up to 9 November 2006. Shares issued in accordance with the MSOP program above were taken into account for the effect of the stock split

BCA Cash Dividends in 2010 - 2014

Dividend Year	2014	2013	2012	2011	2010
Earnings per Share (in Rupiah)	669	579	480	444	348
Cash Dividends per Share (in Rupiah)	N.A	120.0	114.5	113.5	112.5
Cash Dividends Amount (in Rupiah)	N.A	2,958,601,200,000	2,814,351,671,500	2,765,455,080,500	2,741,089,837,500
Interim Dividend (in Rupiah)	50.0	45.0	43.5	43.5	42.5
Cum Dividend for trading in:					
Regular and Negotiated Market	4 Dec 2014	28 Nov 2013	3 Dec 2012	6 Dec 2011	19 Nov 2010
Cash Market	9 Dec 2014	3 Dec 2013	6 Dec 2012	9 Dec 2011	24 Nov 2010
Final Dividend (in Rupiah)	N.A	75.0	71.0	70.0	70.0
Cum Dividend for trading in:					
Regular and Negotiated Market	N.A	29 Apr 2014	28 May 2013	8 Jun 2012	6 Jun 2011
Cash Market	N.A	5 May 2014	31 May 2013	13 Jun 2012	9 Jun 2011
Dividend Payout Ratio	N.A	20.8%	24.0%	25.6%	32.3%

BCA Dividends History*

Description	Amount per Share	Declared	Cum-Dividend		Recording Date	Payment Date
2014 Interim	Rp 50.0	17 Nov 2014	Regular and Negotiation Market Cash Market	4 Dec 2014 9 Dec 2014	9 Dec 2014	23 Dec 2014
2013 Final	Rp 75.0	10 Apr 2014	Regular and Negotiation Market Cash Market	29 Apr 2014 5 May 2014	5 May 2014	20 May 2014
2013 Interim	Rp 45.0	11 Nov 2013	Regular and Negotiation Market Cash Market	28 Nov 2013 3 Dec 2013	3 Dec 2013	17 Dec 2013
2012 Final	Rp 71.0	8 May 2013	Regular and Negotiation Market Cash Market	28 May 2013 31 May 2013	31 May 2013	17 Jun 2013
2012 Interim	Rp 43.5	12 Nov 2012	Regular and Negotiation Market Cash Market	3 Dec 2012 6 Dec 2012	6 Dec 2012	20 Dec 2012
2011 Final	Rp 70.0	22 May 2012	Regular and Negotiation Market Cash Market	8 Jun 2012 13 Jun 2012	13 Jun 2012	27 Jun 2012
2011 Interim	Rp 43.5	17 Nov 2011	Regular and Negotiation Market Cash Market	6 Dec 2011 9 Dec 2011	9 Dec 2011	23 Dec 2011
2010 Final	Rp 70.0	16 May 2011	Regular and Negotiation Market Cash Market	6 Jun 2011 9 Jun 2011	9 Jun 2011	23 Jun 2011
2010 Interim	Rp 42.5	1 Nov 2010	Regular and Negotiation Market Cash Market	19 Nov 2010 24 Nov 2010	24 Nov 2010	9 Dec 2010
2009 Final	Rp 70.0	7 May 2010	Regular and Negotiation Market Cash Market	31 May 2010 3 Jun 2010	3 Jun 2010	17 Jun 2010
2009 Interim	Rp 40.0	26 Oct 2009	Regular and Negotiation Market Cash Market	12 Nov 2009 17 Nov 2009	17 Nov 2009	2 Dec 2009
2008 Final	Rp 65.0	20 May 2009	Regular and Negotiation Market Cash Market	9 Jun 2009 12 Jun 2009	12 Jun 2009	26 Jun 2009
2008 Interim	Rp 35.0	22 Dec 2008	Regular and Negotiation Market Cash Market	15 Jan 2009 20 Jan 2009	20 Jan 2009	30 Jan 2009
2007 Final	Rp 63.5	26 May 2008	Regular and Negotiation Market Cash Market	12 Jun 2008 17 Jun 2008	17 Jun 2008	1 Jul 2008
2007 Interim	Rp 55.0	12 Nov 2007	Regular and Negotiation Market Cash Market	29 Nov 2007 4 Dec 2007	4 Dec 2007	18 Dec 2007
2006 Final	Rp 115.0	21 May 2007	Regular and Negotiation Market Cash Market	8 Jun 2007 13 Jun 2007	13 Jun 2007	27 Jun 2007
2006 Interim	Rp 55.0	21 Sep 2006	Regular and Negotiation Market Cash Market	10 Oct 2006 13 Oct 2006	13 Oct 2006	3 Nov 2006
2005 Final	Rp 90.0	17 May 2006	Regular and Negotiation Market Cash Market	6 Jun 2006 9 Jun 2006	9 Jun 2006	23 Jun 2006
2005 Interim	Rp 50.0	15 Sep 2005	Regular and Negotiation Market Cash Market	6 Oct 2005 11 Oct 2005	11 Oct 2005	25 Oct 2005
2004 Final	Rp 80.0	28 Jun 2005	Regular and Negotiation Market Cash Market	19 Jul 2005 22 Jul 2005	22 Jul 2005	5 Agt 2005
2004 Interim	Rp 50.0	27 Oct 2004	Regular and Negotiation Market Cash Market	22 Nov 2004 25 Nov 2004	25 Nov 2004	8 Dec 2004
2003 Final	Rp 112.5	8 Jun 2004	Regular and Negotiation Market Cash Market	30 Jun 2004 6 Jul 2004	6 Jul 2004	20 Jul 2004
2002 Final	Rp 225.0	7 Nov 2003	Regular and Negotiation Market Cash Market	3 Dec 2003 8 Dec 2003	8 Dec 2003	19 Dec 2003
2001 Final	Rp 140.0	10 Oct 2002	Regular and Negotiation Market Cash Market	29 Oct 2002 1 Nov 2002	1 Nov 2002	15 Nov 2002
2001 Interim	Rp 85.0	29 Oct 2001	Regular and Negotiation Market Cash Market	14 Nov 2001 20 Nov 2001	20 Nov 2001	4 Dec 2001

* BCA conducted a 2 for 1 stock split, one share was split into two shares, effective on May 15, 2001, June 8, 2004 and January 31, 2008

Report of the Board of Commissioners

Djohan Emir Setijoso
President Commissioner

To our respected Shareholders,

We are pleased to report that BCA posted solid performance in 2014 and consistently delivered value to stakeholders in the face of a rapidly changing environment. Throughout a period of both economic and political transition for Indonesia in 2014, BCA successfully maintained a steady balance between short-term targets and long-term objectives, laying a strong foundation for future development. The Board of Directors prudently and cautiously conducted a number of well-planned and well-managed activities to guide the Bank through external uncertainties by prioritizing liquidity, credit quality and capital adequacy.

ECONOMIC REVIEW OF 2014

In the midst of continuing turmoil in the global economy, Indonesia posted a moderate Gross Domestic Product (GDP) growth of around 5% for the year 2014. The pace of economic growth has slowed to less than 6% over the past two years, reflecting the economic re-balancing process Indonesia is now experiencing. Even so, Indonesia's large and increasingly wealthy domestic consumer base continued to support healthy economic growth, allowing Indonesia to achieve a higher growth rate than most of its G-20 counterparts.

Since late 2011, Indonesia has faced widening trade and current account deficits. These deficits, due mostly to the steady decline of major export commodity prices, an increased reliance on imported oil and slowing growth in some of Indonesia's main export markets, have led to increased uncertainty in the Indonesian financial markets.

Highly volatile foreign investment continued to represent a large portion of the interest in the Indonesian financial markets throughout 2014. The Quantitative Easing initiative and low interest rate policy implemented by the US in the wake of the 2008 global financial crisis led to an increase in liquidity in global markets, which flowed as capital into developing countries, including Indonesia, as economic capital sought higher returns. This inflow of foreign capital into Indonesia led to a national liquidity position that supported the relatively low interest rate environment experienced in Indonesia from 2009 to 2012. Beginning in 2013, the international market became increasingly volatile in anticipation of the tapering of Quantitative Easing with indications that tapering would begin in 2013 and the actual implementation of tapering and end of Quantitative Easing realized throughout 2014. In addition, the depreciation of the Russian Ruble and the repositioning of assets globally in relation to the fall of oil prices created more volatility in global investment funds. As such, this instability in the flow of funds along with Indonesia's current account deficit led to increased volatility and a weakening of the Rupiah in 2014.

In order to maintain macro-economic stability, in November of 2014 the newly elected Indonesian Government implemented a bold fiscal initiative in the form of a reduction of the fuel subsidy. We are confident that the Government's plans to shift focus from fuel subsidy spending, which is consumptive by nature, towards development of infrastructure, healthcare and education spending is a strategy that promises to yield greater long-term results. This initiative is also vital for the improvement of the oil & gas trade deficit, which will help to rebalance Indonesia's current account deficit. In line with the reduction in the fuel subsidy, and in anticipation of increased inflationary pressure, Bank Indonesia prudently took the proactive decision to raise interest rates in 2014. As a follow up, the new Indonesian Government announced at year end 2014 the elimination of all fuel subsidies for gasoline with a set subsidy maintained for diesel fuel and kerosene.

Through these prudent fiscal and monetary initiatives, Indonesia has achieved stronger economic fundamentals with the potential to regain control over the current account deficit, strengthen the structure of the national budget, and improve its capability to maintain stable inflation and Rupiah exchange rates. All of these factors play an important role in Indonesia's long-term economic growth and the national banking industry's performance.

In the face of the macroeconomics volatility in 2014, the overall capital base proved strong for both BCA and Indonesia's banking industry in general. Although NPL rates indicated a marginal increase throughout the banking sector, credit quality remained within manageable limits and the Bank Indonesia & Financial Services Authority (OJK) guidelines. Indonesia entered a new liquidity environment in 2014, marked by the industry Loan to Deposit Ratio (LDR) reaching roughly 90%, compared with 78.8% three years ago. This placed more limits on lending in the banking industry and led to a tighter competition for third party funds. Stringent monetary policy along with regulatory efforts to control credit growth rate successfully secured a stronger overall sector liquidity position by the end of 2014 when compared to the beginning of the year.

Following the smooth, albeit with some disruptions, presidential election, the new administration under President Joko Widodo took positive steps at the end of 2014. These steps were intended to stimulate the economy by focusing targeted government spending in 2015 on areas of the economy that have lagged in the past. We believe this focus is positive and that economic growth will accelerate in the years to come.

BCA is optimistic that the Indonesian Government, Financial Services Authority, and Bank Indonesia will continue to take the necessary steps to guide the Indonesian economy and banking industry in a positive direction even with challenging external pressures that show signs of persisting into 2015. A long-term approach to economic management is essential to address external pressures and the issues faced by the Indonesian economy. BCA is confident in the country's capacity to implement polices to mitigate expected continued turmoil in global markets and pressures on the domestic market.

PERFORMANCE REVIEW OF THE BOARD OF DIRECTORS

On behalf of the Board of Commissioners, I am pleased to report that the Board of Directors executed their various functions smoothly and implemented sound initiatives to maintain a healthy balance between profitability, liquidity, and asset quality. By maintaining balanced focus on both short-term and long-term objectives, BCA was able to achieve strategic targets in line with the Bank's vision and mission.

Throughout 2014, BCA was prudent in its lending activity in light of the uncertain economic and political environment. Lending was prioritized for businesses that had existing relationships with the Bank and exhibited a positive business and borrowing track record. Through

a process of structured monitoring of credit quality, the Bank maintained openness to align its work programs with the credit market climate. Following the smooth presidential election and the credit climate showed signs of stabilizing, BCA increased its lending activities while maintaining its prudent lending profile. In the consumer segment, BCA proactively managed credit growth by adjusting interest rates, particularly mortgage loan rates, up in the first quarter of 2014 and then reducing rates slightly in September 2014.

In the Bank's various business activities, BCA management demonstrated strong commitment and a disciplined approach to maintaining a solid liquidity position. BCA continuously works to strengthen the capabilities of its core business as a leading provider of transaction solutions. Through its transaction banking services, BCA was able to generate stable liquidity based on low cost of funds from Current Accounts and Savings Accounts (CASA), which contributed the bulk of BCA's total third party funds. In 2014, BCA was able to record a moderate CASA growth of 4.2% in spite of slowing business activities. BCA is one of the most innovative players in transaction banking. With the expected improvement in the growth rate of the Indonesian economy, BCA will be in a strong position to serve the increased demand for transaction services which will provide a strong platform for CASA funds growth.

Throughout 2014, BCA took proactive steps to increase third party funds from time deposits by selectively increasing interest rates on certain categories of time deposits in order to maintain an overall solid liquidity position. Time deposits grew strongly in 2014 as a result of this policy and supported the overall third party funds. The Board of Commissioners is pleased to see a solid 9.4% growth in total third party funds.

As a leading bank in Indonesia, BCA continues to develop long-term competencies and assess opportunities for business development that can build a more complete portfolio of products and solutions for BCA customers. The Board of Commissioners supports the steps taken by the Board of Directors to build and develop the Bank's new life insurance business which began operations at the end of 2014. BCA also continues to support and strengthen the activities of its other subsidiaries operating in vehicle financing, Sharia banking, general insurance, remittance and securities. Through these subsidiaries, BCA is able to offer a wide varied range of products to the Bank's customers which in turn strengthens relations between BCA and its customers.

The results of the efforts of the Board of Directors in 2014 are represented by BCA's solid financial performance. BCA successfully booked a healthy lending growth of Rp 34.3 trillion, a 11.0% increase year on year, accompanied by solid credit quality and a strong liquidity position. Non Performing Loans (NPL) ratio was low at 0.6% while the Loan to Deposit Ratio (LDR) remained healthy at around 76.8%. Net Income in 2014 grew by 15.7% to Rp 16.5 trillion, and earnings per share reached Rp 669, with a Return on Assets (ROA) of 3.9% and Return on Equity (ROE) of 25.5%. The Capital Adequacy Ratio (CAR) stood at 16.9% as of December 2014 compared to 15.7% as of December 2013, reinforcing BCA's strong capital position.

IMPROVING GOOD CORPORATE GOVERNANCE

Amidst the increasing challenges facing the banking industry in Indonesia, the consistent application of Good Corporate Governance (GCG) is essential in nurturing trust amongst the customers, shareholders and the Bank's other stakeholders. Implementing GCG principles throughout the organization helps BCA protect its reputation while also ensuring sound business performance.

The Board of Commissioners works closely with the Board of Directors to monitor and enhance GCG

practices to meet current regulations and expectations. BCA endeavors to continuously develop its GCG practice to align with the standards of the ASEAN Corporate Governance Scorecard. The principles of transparency, accountability, responsibility, independence, and fairness are major guidelines for managing the Bank's business.

We are satisfied that BCA has implemented sound risk management practices and effective internal control systems. The implementation was made in accordance with business policies, the size and complexity of the business, and the ability to meet requirements and procedures as set out in the statutes and regulations of Bank Indonesia and Indonesia Financial Services Authority. With the implementation of reliable risk management and internal control systems, BCA can mitigate the possible negative impact of the risks the Bank faces in the course of business.

In order to monitor and improve GCG implementation, the Bank regularly conducts self-assessments to measure performance against regulations set by Bank Indonesia. The Board can report that self-assessment results for GCG performance in 2014 achieved a rating result of "Very Good".

For its commitment in implementing Good Corporate Governance, BCA has been awarded with various awards and acknowledgements including Finance Asia's "Asia's Best Companies 2014 – Best Corporate Governance", "The Most Trusted Companies 2014" from SWA and Indonesia Institute for Corporate Governance (IICG); and "Best Financial Sector – Corporate Governance Award" from Indonesia Institute for Corporate Directorship (IICD).

CHANGES TO THE BOARD OF COMMISSIONERS AND THE BOARD OF DIRECTORS

In 2014 there were no changes to the Board of Commissioners. Within the Board of Directors, Mr. Renaldo Hector Barros resigned as Director in 2014. The 2014 Annual General Meeting of Shareholders (AGM) selected Mr. Rudy Susanto as the newest addition to the Board of Directors.

On behalf of the Board, I wish to thank Mr. Renaldo Hector Barros for his 11 years of service as both a member of the Board of Directors and the Board of Commissioners. We also welcome Mr. Rudy Susanto as Director.

We further report that, in compliance with the new regulation as specified in the Decision of the Board of Directors of the Indonesia Stock Exchange and without reducing the independence of other Directors, the AGM also appointed Mr. Erwan Yuris Ang, a member of the Board of Directors of BCA, as an Independent Director of the Bank.

PERFORMANCE REVIEW OF COMMITTEES UNDER THE BOARD OF COMMISSIONERS

The Board is assisted in its activities by the Audit Committee, the Risk Oversight Committee, and the Remuneration & Nomination Committee. Throughout 2014, these committees performed their respective duties effectively and satisfactorily and provided significant support to the Board of Commissioners in carrying out their duties to oversee business and operational activities.

The role of the Audit Committee is to ensure the adequacy and viability of internal control, including the adequacy of the financial reporting process. The Audit Committee has conducted reviews of the Bank's business reports and met with several parties, including the Internal Audit Division, the Finance and Planning Division and the external auditor KAP Siddharta Widjaja & Rekan (a member firm of KPMG), as part of their oversight process. The Audit Committee also visited work units at the headquarter and branches for field checks and to verify compliance with policy.

To ensure that the risk management activities provide sufficient protection from the various risks faced by the Bank, the Risk Oversight Committee conducted reviews, observations and evaluations of a number of operational and risk management activities. Meanwhile, the Remuneration and Nomination Committee evaluated the remuneration policies of the Board of Commissioners, the Board of Directors, high-level Bank executives and overall BCA employees.

CORPORATE SOCIAL RESPONSIBILITY

As members of the public, we are proud to see BCA's involvement in socially responsible activities, especially in the areas of small business empowerment, education, culture and health, in support of essential elements in the greater development of Indonesia. BCA works with leading social institutions, such as WWF, UNICEF, and Red Cross Indonesia in order to support the Bank's social activities.

As the economy grows and new opportunities arise, the Bank's comprehensive commitment to social development will continue to develop and improve as BCA continues to increase its contribution to build a solid foundation for the future of Indonesia.

BUSINESS PROSPECTS AS VIEWED BY THE BOARD OF COMMISSIONERS

The Indonesian economy continues to show signs of recent transitions throughout 2014 that are expected to continue into 2015.

We believe that BCA is well poised to navigate this transition. The presidential election and the smooth political transition reconfirms trust in the direction of the country from the global business and consumer perspectives. The solid foundation laid by Mr. Susilo Bambang Yudhoyono's government in conjunction with new approaches taken by President Joko Widodo on the economy will open business opportunities. We are optimistic that once the local economy gains momentum, BCA will be in a strong position to take advantage of these opportunities.

In 2015, the ASEAN Economic Community will bring new opportunities and challenges to Indonesia's banking industry. Overall, BCA is confident in the long-term prospects of the industry as one of the leading banking markets in ASEAN.

The Board of Commissioners is pleased with the Board of Directors' ongoing efforts to strengthen the Bank's main businesses in the fields of payment settlement and lending within Indonesia and in maintaining BCA's competitive position while addressing the changing dynamics that the ASEAN Economic Community promises to bring. The Board of Commissioners will continue to support the Board of Directors and BCA in its efforts to increase investments in infrastructure, improve internal risk management and strengthen business enablers.

BCA plans to continue developing its multi-business lines through business units and subsidiaries as a part of its strategy to increase its capabilities and product offerings in the long term. The Board of Commissioners works very closely with the Board of Directors throughout these activities to ensure that prudence and caution are always exercised while the Bank adapts to the changing market conditions and the developing financial sector.

APPRECIATION TO ALL STAKEHOLDERS

On behalf of the Board of Commissioners, I want to thank all BCA shareholders, customers, business partners, staffs and other stakeholders for their ongoing supports of the Bank. BCA's success in 2014 could not have been achieved without their support.

left to right

standing:

Raden Pardede
Independent Commissioner

Sigit Pramono
Independent Commissioner

Tonny Kusnadi
Commissioner

seated:

Cyrillus Harinowo
Independent Commissioner

Djohan Emir Setijoso
President Commissioner

The Board of Commissioners appreciates the hard work and the leadership of the Board of Directors throughout 2014 in maintaining stability and delivering solid financial performance. Furthermore, the Board of Commissioners also wishes to thank BCA's subsidiaries for their role in the Bank's success and their contribution to the overall development of BCA.

We are grateful to the regulators, the Indonesia Financial Services Authority and Bank Indonesia, for the direction and support given to the banking industry and to BCA specifically.

With the commitment of all stakeholders, we believe BCA will continue to improve its performance and enhance the benefits it provides to customers, all stakeholders and to the people of Indonesia in the coming years.

Jakarta, March 2015
On behalf of the Board of Commissioners,

Djohan Emir Setijoso
President Commissioner

Report of the Board of Directors

Jahja Setiaatmadja
President Director

Dear Stakeholders and Valued Customers,

2014 was a year of economic and political transition. We are delighted to report that BCA continued to post solid financial results in 2014 due to the realization of various initiatives designed to maintain liquidity and asset quality while providing top quality service to the Bank's customers.

In response to the uncertainties of 2014, BCA's Board of Directors managed the business with caution and sought to strive a balance between opportunities and risk. Going forward, BCA will continue to monitor closely developing economic and political conditions and will take proactive steps to assure sound banking practices and a solid balance sheet.

REVIEW OF THE INDONESIAN ECONOMY

The Indonesian economy has experienced major changes in recent years. From 2008 to 2012, the business environment was supported by strong foreign capital inflows due to the effects of Quantitative Easing in the United States resulting in low domestic and global interest rates. In 2013 and 2014, this environment began to change. Indonesia experienced volatility in foreign capital flows, in the exchange rate and in domestic interest rates as US Federal Reserve Quantitative Easing slowed and finally came to an end. The markets will continue to be volatile in 2015 as market participants monitor interest rates in the US and the possible impact of an increase in US interest rates on worldwide, and in particular, emerging markets, capital flows.

Recent capital flow volatility coincided with the imbalance between exports and imports in Indonesia, particularly in the oil and gas sector as Indonesia became a large net-importer of energy, leading to a significant current account deficit. In addition, the prolonged downturn in the global economy, with the exception of the US, combined with continued low commodity prices has adversely impacted Indonesia's trade balance. These rapid changes led to lower growth. GDP was reported at 5.0% at year-end compared with the previous year's 5.6%.

As Indonesia faced uncertainty with a widening current account deficit, the Central Bank and the Government took proactive steps to address economic imbalances. These actions included raising interest rates, revamping the fuel pricing policy through the elimination of a large part of the fuel subsidy and stressing prudent lending. These proactive measures are showing signs of leading to a reduction in the current account deficit and mitigating the risk of a hard landing from the recent strong growth years. BCA believes that the Government's actions to consolidate the economy for a soft landing were correct and establish a solid foundation for long-term economic growth.

Although 2014 was a year of uncertainty, it is worth noting that Indonesia remains among the top five G-20 countries for GDP growth, supported by a resilient local economy and a large, dynamic population. Politically, Indonesia closed 2014 with a well-managed and smooth presidential transition, an impressive milestone in the political health of the country. This fair and legitimate election puts Indonesia on a strong footing to move into the next phase of economic development. BCA is optimistic that the nation is on the right trajectory in 2015 for a solid long-term economic growth.

2014 PERFORMANCE: MAINTAINING QUALITY GROWTH

BCA posted positive financial performance, generating added value for its shareholders. The Bank maintained a quality loan portfolio with improving profitability while sustaining solid liquidity and a strong capital position. BCA booked Earnings per Share of Rp 669 in 2014, a 15.7% increase on 2013's Rp 579 per share. A Non Performing Loans (NPL) closed the year at 0.6% and Capital Adequacy Ratio (CAR) at 16.9%. Loan to Deposit Ratio (LDR) stood at 76.8%.

Focus on Liquidity

The tight banking sector liquidity trend evidenced in 2013 continued into 2014. Overall, since 2013 the Indonesian banking sector has experienced a slower pace of growth in third party funds. In particular, Current Accounts and Savings Accounts (CASA) growth has slowed even as loan growth has remained strong. The banking sector LDR peaked at 92.2% in July 2014. Towards the end of 2014, the liquidity condition improved somewhat due to flagging loan demand.

Despite tighter liquidity conditions, BCA maintained a stable liquidity position driven by excellence in transaction banking. This enabled BCA to have a sustainable pool of core funds consisting of CASA. Despite slower economic growth, BCA managed to grow its CASA account balances to Rp 336.4 trillion. CASA comprised the main contributor to the Bank's funding base, accounting for 75.1% of total deposits. We are pleased to report that our transaction banking franchise remained strong, as evidenced by resilient CASA funds throughout 2014, even with no increase in CASA accounts interest rates.

Throughout 2014 and going forward, BCA will continue to cultivate customer confidence by providing high quality, secure and reliable transaction banking services. BCA has been successful in promoting efficient and low-cost electronic delivery channels to strengthen traditional branch banking services. The Bank continues to expand both electronic delivery channels and the traditional branch network. In support of this growth, we continue to improve the Bank's infrastructure, and to develop the products and transaction services that will keep us ahead of the competition.

At BCA we continue to improve ease of access for customers by enhancing the branch network and electronic delivery channels, in particular by increasing the number of branches, Electronic Data Captures (EDCs), and cash withdrawal and deposit machines. Branch network development focuses on strategic locations, such as shopping centers, business centers and rapidly growing residential areas.

BCA is exploring the possibility of establishing smaller branches equipped with electronic banking channels. The Bank remains in the forefront of innovation in the use of new technologies designed to improve customer experience and to maintain the transaction banking business as the prime mechanism for raising CASA funds.

To maintain an overall strong liquidity position in the face of slowing economic growth during 2014, BCA took proactive steps in collecting funds from time deposit products by proactively adjusting interest rates ahead of the market. With this strategy, the Bank was able to keep time deposit interest rates paid by BCA lower than market rates while keeping rates well within guidelines established by the Indonesia Deposit Insurance Corporation and the Indonesia Financial Services Authority. Time deposit balances increased 28.8% to Rp 111.5 trillion at the end of 2014 from Rp 86.6 trillion at the end of 2013.

Total third party funds grew 9.4% to Rp 447.9 trillion by the end of 2014 with a CASA portfolio of Rp 336.4 trillion, an increase of 4.2% from 2013. We are pleased to see the positive trend of total deposits which reinforced our strong funding position and liquidity buffer. Short-term

placements and government bonds accounted for 20.7% of total third party funds in addition to primary reserves, which stood at 8.7% of total third party funds. BCA's LDR ratio was maintained at a healthy level of 76.8%.

Prudence in Lending

The banking sector experienced slower loan growth in 2014 when compared to 2013. Moderate GDP growth, tight liquidity conditions and a higher interest rate environment were seen as the chief constraints that limited loan growth in 2014. Consumer lending slowed dramatically due to higher market interest rates and more prudent government regulations for consumer lending. Rising banking sector NPLs indicated a weaker, though still tolerable, level of asset quality in 2014. In this environment, BCA adopted a cautious approach to lending, with an emphasis on quality and careful consideration both to the liquidity position of the banking sector as a whole and, specifically, to BCA's own liquidity targets.

Relationship banking is central to the Bank's approach to lending. Provision of credit focused on the development of the debtors' businesses, particularly companies that have an established relationship with the Bank as well as established track records in their respective fields. BCA closely monitored the activity of businesses and consumers in order to best align lending activities with changing risk tolerance. The lending process continues to be supported by established lending infrastructure in the branches and head office that is designed to support sustainable high quality loan growth.

Credit administration and real time credit portfolio monitoring capabilities continue to improve in support of sound lending practices. BCA also continues to develop the capacity and capability of its account officers through training and a focus on the balance between marketing skills and risk knowledge.

In 2014 BCA's loan portfolio grew 11.0% to Rp 346.6 trillion, underpinned by growth in lending to the business sector. Thanks to the Bank's prudent lending policy, credit quality was maintained with an NPL level of 0.6% of total loans.

Business Development Through Subsidiaries

In order to enhance customer services, BCA is diversifying its financial services portfolio, offering a wider variety of financial products and services. The Bank expects that this move will result in growing fee-based income, which will become a significant part of future revenue and profitability.

In recent years the Bank has developed a comprehensive range of new financial products and services, including the development of new business lines through subsidiaries in the fields of Sharia banking (BCA Syariah), securities (BCA Sekuritas), general insurance (BCA Insurance) and 2-wheeler financing (Central Santosa Finance). These businesses are showing positive results and are expected to contribute to even greater profitability in the future. BCA Life (life insurance) began operations in the 4th quarter 2014 and will add to the Bank's ability to provide a greater array of financial products and solutions for BCA's customers. BCA Life is owned by the Bank's securities subsidiary. The established subsidiary BCA Finance (4-wheeler financing) continued to provide a significant contribution to the Bank's profitability.

BCA's large customer base, built upon excellence in transaction banking and lending, provides a strong base for non-bank financial products growth. Going forward, new product lines will allow BCA to expand beyond its existing customer base and will provide a point of entry for Indonesians who are not yet BCA customers.

The development of these new business lines is essential for BCA in its endeavor to strengthen relationships with customers. With a growing middle class and their increasingly diverse needs, banking products & services are becoming inseparable from non-banking products and services.

Going forward, the Bank will continue to support the growth of the subsidiaries as well as continuing to strengthen synergies with the Bank's main businesses. We are optimistic that the subsidiaries will make greater contributions to BCA in the future.

Subur Tan
Director

Eugene Keith Galbraith
Deputy President Director

Rudy Susanto
Director

Dhalia Mansor Ariotedjo
Director

Suwignyo Budiman
Director

Armand Wahyudi Hartono
Director

Jahja Setiaatmadja
President Director

Henry Koenaifi
Director

Anthony Brent Elam
Director

Erwan Yuris Ang
Independent Director

CHALLENGES FACED IN 2014 AND TARGETS VS. REALIZATION

Although slightly lower than originally expected, BCA recorded positive lending growth of 11.0% in 2014. Throughout the year BCA focused on lending to existing high quality customers with proven ability to weather uncertain political and economic conditions. Overall, the corporate and commercial lending segments represented the biggest portion of the Bank's total loan growth in 2014. Loan growth was achieved without a material deterioration in asset quality, with the NPL ratio standing at 0.6% at year end 2014. BCA's NPL ratio compares favorably to the banking sector's 2.2% NPL ratio.

As a proactive move to anticipate a modest CASA growth rate, BCA proactively raised funds from time deposit products through a series of staged interest rate adjustments. As a result, BCA was able to record total third party funds of Rp 447.9 trillion at the end of 2014, a growth rate of 9.4%, well within the targeted range of 8-11% growth.

Steady growth in lending and in third party funds supported solid financial performance and profitability growth. Net interest income rose by 21.2% to Rp 32.0 trillion in 2014, compared with Rp 26.4 trillion in 2013, with a net interest margin of 6.5% compared with 6.2% in the previous year. Operating income other than interest grew by 13.6% to Rp 9.0 trillion during 2014. Cost efficiency ratio measured at 44.2% in 2014, slightly higher than 2013's 42.9%. BCA's overall net income grew by 15.7% to Rp 16.5 trillion by the end of 2014. The Bank generated sound returns throughout the year, with Return on Assets (ROA) and Return on Equity (ROE) of 3.9% and 25.5% respectively, exceeding the predetermined targets.

BCA Financial Highlights (in billion Rupiah)

	2014	2013	Δ %
Total Assets	552,424	496,305	11.3%
Loans	346,563	312,290	11.0%
Third Party Funds	447,906	409,486	9.4%
Net Interest Income	32,027	26,425	21.2%
Operating Income other than Interest	9,024	7,947	13.6%
Operating Expenses	(18,307)	(14,631)	25.1%
Income Before Tax	20,741	17,816	16.4%
Net Income attributable to equity holders of parent entity	16,486	14,254	15.7%
EPS (in Rupiah)	669	579	15.7%

Key Financial Ratios (non consolidated)

	2014	2013	Δ bps
ROA	3.9%	3.8%	10
ROE	25.5%	28.2%	-270
NIM	6.5%	6.2%	30
LDR	76.8%	75.4%	140
Cost Efficiency Ratio	44.2%	42.9%	130
NPL	0.6%	0.4%	20
CAR (credit, market and operational risk)	16.9%	15.7%	120

QUALITY IMPLEMENTATION OF GOOD CORPORATE GOVERNANCE

In the midst of external challenges and the increasing complexity of banking operations, BCA believes that the implementation of Good Corporate Governance is the foundation for establishing both a solid banking infrastructure and a strong corporate culture that will contribute to sustainable performance while helping to minimize risks.

The Bank's application of Good Corporate Governance continues to be refined with reference to the best practices and standards in Indonesia, and the ASEAN Corporate Governance Scorecard. In addition, BCA has reviewed the Company's core values to be in accordance with the developments and demands of today's businesses. All business activities are carried out based on the principles of Good Corporate Governance and are supported by strong internal control and risk management systems.

Measures taken to increase the quality of the implementation of Corporate Governance will strengthen BCA as an institution, making the Bank more adaptive to changes in an increasingly competitive business environment and ultimately providing added value for all our stakeholders. BCA has received numerous awards for Good Corporate Governance over the past years which is evidence that the community recognizes the achievements of the Bank and its efforts to increase the quality of Good Corporate Governance implementation.

CHANGES TO THE BOARD OF DIRECTORS

We would like to report that there were some changes to the composition of the Board of Directors in 2014. The Annual General Meeting of Shareholders (AGM) held on 7 April 2014 approved the resignation of Mr. Renaldo Hector Barros as a member of the Board of Directors. We give the highest appreciation and thanks to Mr. Renaldo Hector Barros for his significant contribution in his career spanning 11 years with the Bank, first as a member of the Board of Commissioners and then as a member of the Board of Directors.

The AGM also appointed Mr. Rudy Susanto as a new Director. We would like to welcome Mr. Rudy Susanto as a member of the Board of Directors, effective as of 21 July 2014, the date upon which the Indonesia Financial Services Authority approved the appointment.

Associated with these changes and in accordance with the authority granted by the AGM, the Board of Commissioners established new roles and responsibilities among the members of the Board of Directors. Mr. Armand W. Hartono was designated Director of Information Technology and Operations, replacing Mr. Renaldo Hector Barros; and Mr. Rudy Susanto was designated Credit Director.

We further report that, in compliance with the new regulation as specified in the Decision of the Board of Directors of the Indonesia Stock Exchange and without reducing the independence of other Directors, the AGM also appointed Mr. Erwan Yuris Ang, as an Independent Director of the Bank.

CORPORATE SOCIAL RESPONSIBILITY

As a good corporate citizen, BCA is committed to supporting Corporate Social Responsibility (CSR) activities to make a meaningful contribution to development of communities. In particular, the Bank's CSR activities were directed to areas fundamental to building a strong foundation for the future of the nation. The Bank's CSR focuses on education, health, and environmental and cultural preservation.

In the area of education, BCA has sponsored various scholarship programs in collaboration with a number of leading universities in Indonesia aside from operating its own learning center for banking and finance.

BCA has a policy of recruiting employees for the internship program to support the industry manpower needs in general. The interns are rotated throughout the Bank to maximize exposure to banking and to create skilled professionals. Part of the interns are recruited by BCA, and the remaining are recruited by companies in various developing industries throughout Indonesia. We believe this healthy process contributes to the long-term growth of BCA and of Indonesia.

In addition, the Bank is active in the empowerment of SMEs; the preservation of the cultural heritage of Indonesia, especially that of traditional Wayang puppetry; and the medical support of many communities. BCA was also a primary sponsor of the 2014 Indonesia Open, a badminton championship held in Jakarta.

PROSPECTS AND STRATEGY REVIEW FOR 2015

Amidst continuing uncertainty in the global markets, we believe that the Indonesian economy will remain in a consolidation phase in 2015 before growing more rapidly thereafter. Indonesia must be sensitive to the potential threats that could arise from the current account deficit, the risk of weak commodity prices, and the reversal possibility of foreign funds flows in line with the Fed's normalization of interest rate policy.

Nevertheless, we believe that the Government and the regulators will be effective in guiding the Indonesian economy and building a solid foundation for sustainable growth into the future. The Government prudently plans to reallocate a large part of government budget from spending on fuel subsidies to other areas such as essential infrastructure projects that promise to stimulate economic growth. Realization of government spending and investment flows will provide significant liquidity to strengthen the domestic banking industry.

The ASEAN Economic Community (AEC), to be implemented in 2015, will present many challenges and opportunities for Indonesia. Banking competition is expected to intensify in Indonesia, as the country becomes one of the main pillars of the AEC economy. BCA will continue to improve excellence in transaction banking and strengthen lending infrastructure with a focus in-country. In addition, the Bank will develop business alliances and strengthen ties with selected banks in Asia to capture business opportunities from potential ASEAN customers requiring banking services in Indonesia. Meanwhile, synergy with the Bank's subsidiaries will evolve both in terms of business and operational strategy.

With consideration to these factors as a whole, the work plan across the various Bank business lines will be accompanied by a prudent liquidity management plan, a strong capital base and solid credit risk management. We will keep a close watch on macro developments and will proactively make adjustments to the work program and business plan if needed, particularly in the face of any unexpected eventualities.

We realize that all business strategies rely on the support of capable employees. To that end, the Bank will continue to work to improve the competency of human resources through coaching, training and learning. With these measures, we hope to maintain a highly qualified workforce that embodies integrity and BCA's core values.

APPRECIATION TO ALL STAKEHOLDERS

We are fully aware that the success of BCA in maintaining solid business performance in these uncertain times is due to the trust of our customers. This trust motivates BCA to work hard to maintain that trust and provide the best possible products and services to our valued customers.

The role of the Board of Commissioners—the careful observation and guidance they have provided—is very important and allows the Bank to move with certainty amid the uncertainties that arise in the operating environment.

Finally, on behalf of the Board of Directors and the management of BCA, I would like to thank all stakeholders, including the Indonesia Financial Services Authority and Bank Indonesia, for all the support and trust we have received and which has enabled us to look ahead with optimism.

Jakarta, March 2015
On behalf of the Board of Directors,

Jahja Setiaatmadja
President Director

“With strong customer relationships and sound business practices, BCA grew both lending and third party funds while maintaining healthy asset quality and a solid liquidity and capital position”

Net Income Growth

15.7%

Solid business performance translated into strong Net Income of Rp 16.5 trillion in 2014

Management Discussion and Analysis

BUSINESS REVIEW

Branch Banking

Third Party Funds

Rp448T

Current and Savings Accounts comprised 75.1% of total third party funds

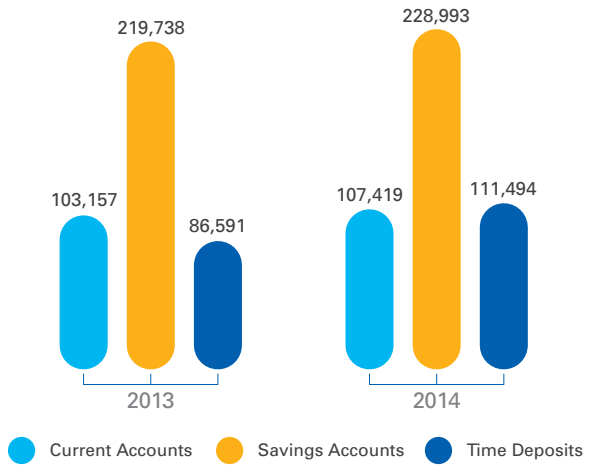
Commercial & SME Loans

Rp132T

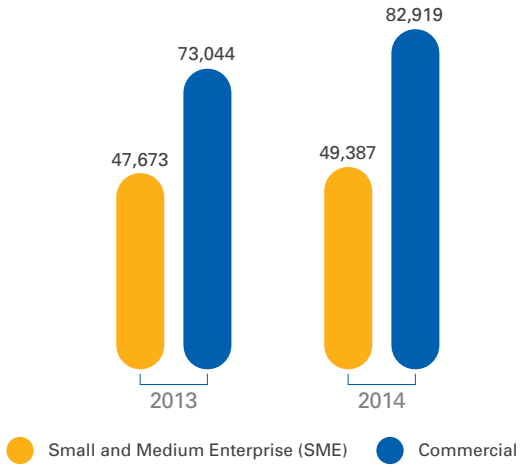
Commercial & SME Loans comprised 38.1% of total loans

Branch Banking is at the center of BCA business in providing transaction and payment settlement services as well as commercial & SME lending

Third Party Funds
(in billion Rupiah)



Commercial and SME Loan Portfolio
(in billion Rupiah)



Branch Banking is at the center of BCA's business activities in providing transaction and payment settlement services as well as commercial & SME lending. While the Bank continued to strategically expand its branch network to provide broader access and better service for the Bank's growing customer base, BCA's electronic delivery channels have played a major role in recent years in transaction banking. This role has been enhanced by the rapid development of technology and electronic communications.

BCA has consistently been in the forefront in developing the accessibility of electronic banking network, including Automated Teller Machine (ATM), Electronic Data Capture (EDC), point-of-sale for pre-paid Flazz card use, and in improving internet and mobile banking services. BCA's priority is to maintain the convenience, safety and reliability of banking services through disciplined investments in electronic networks and banking infrastructure.

BCA's preeminence in transaction banking and extensive network coverage provides a solid base for the Bank to grow its commercial and SME lending across Indonesia. BCA is currently one of the leading lenders in Indonesia in the commercial and SME segment. BCA's overall loan exposure to this segment represents the largest portion of BCA's total loan portfolio.

Transaction Banking

BCA is the leading transaction bank in Indonesia, with 13 million customer accounts, 1,111 branches, 16,694 ATMs and hundreds of thousands of EDC machines, as well as robust internet and mobile banking services. BCA focuses on strategically expanding the Bank's multi-channel network to capitalize on high potential growth opportunities in Indonesia. The Bank also works to optimize client comfort and provide financial services that cater to the needs of the Bank's growing customers in both the individual and business banking segments. One of the Bank's strategies to manage the rapid increase in transaction volume is to promote the use of low-cost electronic banking services.

In 2014 the Bank continued to expand its merchant network, adding around 80 thousand new EDC machines at selected merchants with high frequency of payment transactions. This ever-increasing number of EDC units includes installations of Flazz card machines to capitalize on the high frequency of micro-payments being made in a number of strategic merchants, such as retail stores, supermarkets, parking locations and commuter trains in Jakarta.

Increasing functionality and the ongoing refinement of this multi-channel integration is an important focus of BCA to entice customers away from the branches and to the Bank's electronic channels. Significant strides have been made in improving the integration of internet and mobile banking into a single platform through the development of BCA Mobile. From the customers' point of view, this integrated interface has enhanced the internet and mobile banking service by providing a seamless experience across platforms. BCA Mobile application is available on a variety of popular smartphone and tablet operating systems, including Apple iOS, Android, and BlackBerry, that are widely used by the growing Indonesian middle class. The BCA Mobile application is equipped with "Info BCA" service which displays promotional materials, credit card application forms and the Bank's product and service information, including smart features to determine the location of the nearest branch and ATMs for customers on the go.

In recent years BCA has seen customer preferences for transaction services gravitate towards electronic banking, a positive indication that the Bank will be able to reduce queues and thus waiting time for customers at branches during peak hours. The Bank seeks to educate its customers to use electronic banking services as a reliable, safe and convenient transaction channel. In 2014, transaction banking activities through the electronic network continued to grow with the support of ongoing network expansion and the innovation and development of transaction features. The use of internet banking and other electronic networks increased significantly in 2014 both in terms of transaction value and frequency. The highest e-channel transaction value in 2014 was recorded in internet banking transactions, reaching Rp 5,350 trillion, up 13.1% from Rp 4,732 trillion

in 2013. The number of clients who accessed the KlikBCA Individual and Business services increased from 4.1 million customers in 2013 to 4.5 million in 2014. BCA's ATM network remains one of the most popular means of transactions with 1,678 million transactions recorded in 2014, breaking previous year's record of 1,462 million transactions.

The electronic banking network will continue to be improved upon in order to ensure customer convenience and security in conducting electronic banking transactions. Improvements will include increasing the range of products and payment facilities and through collaboration with strategic partners. BCA also plans to develop branchless banking services to expand its reach beyond the Bank's existing customer base, particularly in the field of payment settlement and transaction banking.

In 2014 the Bank managed to maintain its role as a leading transaction bank in Indonesia with a market share of Current Accounts and Savings Accounts (CASA) of 15.5%. BCA CASA funds recorded positive growth of 4.2%, reaching Rp 336.4 trillion by the end of 2014. Resilient CASA balances were maintained due to consistently high transaction volume and frequency catalyzed by BCA's large number of interconnected individual and business transaction banking customers. On this basis, BCA did not

Number of Distribution Channels (unit)

	2014	2013
Number of Branches (including cash offices)	1,111	1,062
Number of ATMs	16,694	14,048

Delivery Channels Transactions

	2014	2013
Branch		
Number of Transactions (in million)	179.4	186.7
Transaction Value (in trillion Rupiah)	15,110.2	15,199.8
ATM		
Number of Transactions (in million)	1,678.2	1,461.5
Transaction Value (in trillion Rupiah)	1,732.1	1,540.9
Internet Banking		
Number of Transactions (in million)	1,165.1	895.9
Transaction Value (in trillion Rupiah)	5,349.7	4,731.8
Mobile Banking		
Number of Transactions (in million)	499.7	408.1
Transaction Value (in trillion Rupiah)	485.6	389.9

choose to compete on CASA rates, thereby avoiding a CASA rate price war that could in turn lead to unhealthy market competition. It is testament to BCA's transaction strength that CASA funds continued to grow even with unchanged and relatively low CASA rates and a notably widening gap between CASA and time deposit rates.

CASA remains BCA's main source of liquidity, representing 75.1% to the Bank's total third party funds at the end of 2014. More precisely, savings accounts contributed 68.1% to CASA funds while the remaining 31.9% were in current accounts. BCA is confident that stronger CASA growth will return when the Indonesian economy accelerates and commerce velocity increases in the coming years.

BCA seeks to create value-added services to meet the diverse financial needs of the Bank's different customer segments. In addition to regular branch banking services, the Bank also provides priority banking services to individuals in the mass-affluent segment, and Weekend Banking services in specific shopping malls to serve individual and small business customers who may not be able to go to the branches during regular branch hours. Furthermore, the Bank offers Solitaire banking services for high net-worth individuals.

Tahapan BCA continues to dominate third party funds and is central to the Bank's position as a leading transaction bank. BCA offers a range of Tahapan savings products geared to different customer segments, with features meant to appeal to each of those segments. For example, Tahapan Gold is aimed for the business segment. Meanwhile, to capture a large share of the youth market, BCA also provides Tahapan Xpresi with features tailored for the younger generation, including ATM cards customization.

In order to keep up with the evolution of contemporary lifestyles, the Bank proactively connects with customers through social media thereby providing additional communication channels and further strengthening customer relationships. BCA has been expanding its digital marketing strategies to take advantage of the country's growing use of social networking sites. The Bank has set up several social media accounts as communication and information platforms, which have received positive responses from Indonesian netizens. Currently, BCA has close to 850 thousands social media followers and likes. Gebyar BCA, the long established TV variety show, is now available through social media and BCA website.

Faced with intense competition in fund raising in the midst of a rising interest rate environment and a widening gap between CASA and time deposit rates, the Bank selectively raised time deposit rates in 2014 for specified deposit amounts and tenors to further strengthen BCA's liquidity position. Time deposits grew 28.8% from Rp 86.6 trillion in 2013 to Rp 111.5 trillion in 2014, with total third party funds increasing by 9.4% to Rp 447.9 trillion in 2014 from Rp 409.5 trillion in 2013.

Cash Management

BCA continues improving relationships with corporate and commercial & SME customers through integrated cash management services designed to facilitate the flow of funds in business transactions. By providing a more efficient process for the payment of goods and services, the Bank places itself in a strategic position within the customers' business value chains, allowing BCA to effectively capture opportunities to acquire fee-based income and solidify stable source of third party funds.

BCA offers a number of Business to Business (B2B) and Business to Consumer (B2C) services via internet banking. In addition, the use of BCA virtual account services, one of the Bank's cash management features, continued to increase with a total of around 1,300 companies making use of the service in 2014.

In order to optimize the provision of services to its customers, BCA maintains its cash management services in a community format, whereby groups of customers are connected to one another within a business chain from supplier to distributor. These communities include the capital markets community, futures markets community, oil and gas community, cement community, modern market community, and telecommunications community.

Various events were organized to enhance relationships with members of these communities such as benchmarking trips, workshops, dissemination and business solutions updates. BCA also organized business gatherings in a number of cities, both within and outside the country, aimed to increase knowledge and experience as well as to strengthen relationships between community members.

In an effort to meet customer demand for a total integrated cash management solution, the Bank engages the Corporate Business Group and the Commercial & SME Division to facilitate supply chain financing and other credit facilities as key elements for cash management.

BCA Cash Management also cooperates with selected foreign banks to provide services for modern foreign-owned retail enterprises that have recently entered the Indonesian market. These enterprises include H&M, UNIQLO, IKEA and Central Department Store. In 2014, the number of companies using BCA cash management solutions rose to more than 3,000.

In order to strengthen the infrastructure, BCA is planning the launch of its latest cash management innovation, KlikBCA Bisnis 'Integrated Business Solution', which provides integrated interface to connect BCA's cash management with companies' internal cash management systems through a host-to-host network. This service is a development of KlikBCA Bisnis bringing more complete features, a better interface and a variety of other facilities, including enhanced supply chain financing. This new solution is expected to further strengthen the relationship between BCA and corporate enterprises, as well as strengthening the Bank's transaction business and improving cash flow management and customer payment capacities.

Commercial & SME Customers

Branch Banking plays an important role in growing commercial and SME segment. Driven by growth in the commercial segment, in 2014 the commercial & SME loan portfolio grew 9.6% to Rp 132.3 trillion from the previous year's Rp 120.7 trillion. Commercial & SME loan contributed significantly to the Bank's overall loan portfolio and represented 38.1% of the total portfolio at the end of 2014.

In line with the credit risk management policies adopted by the Bank in the midst of challenging economic conditions, commercial and SME loan growth was not as high as in previous years. BCA implemented a number of prudent lending policies, with credit facilities prioritized for borrowers showing promising prospects and those who have established good relationships with the Bank. With these measures, growth in commercial and SME loans was well-balanced with the preservation of quality, reflected in the low commercial and SME NPL ratio of 0.7% at the end of 2014.

In the commercial banking segment, the Bank positioned itself as a business partner to its customers by providing working capital loans and financing for medium-scale enterprises mainly those engaged in the trade, manufacturing and services industries with loans ranging from Rp 10 billion to Rp 350 billion. In 2014, commercial loans grew 13.5% to Rp 82.9 trillion, contributing 62.7% to the total Commercial and SME loan portfolio.

Supported by the Commercial Business Centers, BCA is able to provide better service and ease of access in offering banking solutions that fit the needs of commercial customers. At the end of 2014, there were 14 Commercial Business Centers located in major business centers in Indonesia including in Jakarta, Semarang, Bandung and Surabaya as well as in cities outside Java including Medan, Palembang, Makassar and Denpasar. Working closely with the branches, Commercial Business Centers actively analyzes SME borrowers to find those with the potential of growing into commercial sized borrowers. In line with the expansion of SME customers' businesses, approximately 4% of SME lending migrates to the commercial segment each year.

BCA defines the SME segment as business loans with nominal less than Rp 10 billion. In 2014, SME loans increased by 3.6% to Rp 49.4 trillion and contributed 37.3% to the total Commercial and SME loan portfolio. BCA faces tight competition in this SME segment given that all banks are active within the segment. Most SME customers are family businesses, shop or restaurant owners or small-scale factory owners. Lending is done through the BCA branch network which is strategically located throughout Indonesia. SME lending is supported by an online credit scoring system. In addition, BCA collaborates with several partner institutions, such as rural banks and cooperatives, to provide loan facilities both directly or indirectly in support of business development for those SME customers who cannot be reached by the Bank's branch network.

Efforts to encourage business growth are made through intensive marketing in major cities by optimizing BCA's branch network and the use of value chain financing system that capitalizes on the relationships between corporate, commercial and SME customers. BCA also continuously strengthens infrastructure, simplifies the credit processes and improves the skills and abilities of account officers in establishing strong relationships with customers. The recruitment and training of new account officers continued throughout 2014 in order to meet the increasing demand for skilled account officers. BCA also introduced the relationship officers program, a new initiative established to complement the role of account officers primarily in providing banking solutions beside credit facilities. Relationship officer development is consistent with the Bank's strategic direction to build on relationship banking, increase the Bank's funding and create cross-selling opportunities.

Sharia Banking

In 2014, BCA Syariah continued to enhance its products and services to cater to the needs of its customers. Launched in 2010, BCA Syariah currently manages a network of 45 branches — including 23 Syaria Service Units — across Greater Jakarta, Bandung, Semarang, Solo and Surabaya. The BCA network supports BCA Syariah by allowing their customers to use the Bank's ATM services and EDC machines. Through BCA's transaction network, BCA Syariah also provides mobile banking services via smartphones to increase customer convenience. For easy access to information and as a platform to submit complaints or feedbacks, BCA Syariah customers can also make use of the Bank's call center HaloBCA.

BCA Syariah is strategically positioned to complement financing services for the SME lending segment by exploring opportunities for cooperation with BCA SME business unit. In 2014, BCA Syariah introduced new investment product in precious metals for customers with low installments. As a Muslim majority country with a population of over 250 million, the sharia banking possesses promising prospects for the future.

With increased competition in 2014, BCA Syariah faced a rising cost of funds which negatively impacted its profitability. In 2014, BCA Syariah's third party funds grew 32.8% to Rp 2.2 trillion, while total Syariah financing grew 49.9% to Rp 2.1 trillion. Reliance on high-cost time deposit funding affected BCA Syariah's margin in 2014 with Net Core Operating Margin decreasing to 6.4% from 7.7%. Throughout the year, focus was directed towards maintaining loan quality with the Non Performing Financing ratio maintained at a low level of 0.1%. To strengthen its business, BCA injected an additional Rp 300 billion of capital into the business in 2014.

Looking to the Future

Transaction banking remains BCA's core business and will be maintained and developed as a foundation for growing the Bank's other businesses. In the future, the Bank will continue to expand coverage and improve the quality of its services to provide convenience and security for customers.

To further extend its reach at a lower cost than conventional branch banking, BCA will introduce a new branch concept with smaller physical premises and fewer staffs. These new branches will be supported by the latest electronic banking facilities.

In order to strengthen the Bank's position in the value-chains of large customers, BCA will continue to enhance its cash management systems as a flexible solution to corporate and commercial & SME customers' needs.

In the commercial and SME segment, the Bank will increase lending to prospective customers and continue to improve credit infrastructure. BCA will increase the number of account officers in line with business growth as well as improving their skills and abilities through training initiatives. The commercial and SME segment plays an important role in sustaining the growth of the national economy. Leveraging off its solid position in transaction banking and extensive network, BCA is poised to capture the demand for commercial and SME lending when the Indonesian economy returns to a faster rate of growth.

BUSINESS REVIEW

Corporate Banking

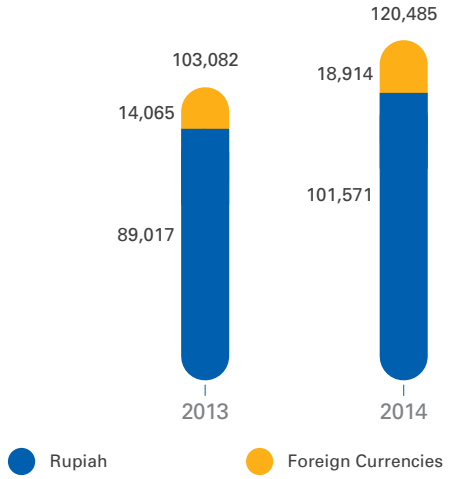
Corporate Loans

Rp 120 T

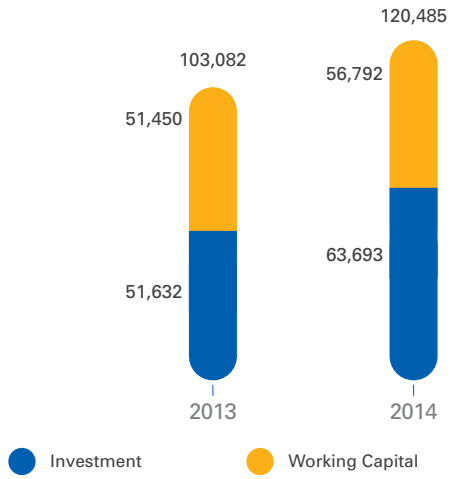
Diversified portfolio of top-tier companies across sectors

Supported by its solid balance sheet and strong relationships with the corporate customers, BCA is one of the leading banks in Indonesia in lending to the corporate segment

Corporate Loan by Currency
(in billion Rupiah)



Corporate Loan by Facilities
(in billion Rupiah)



In line with BCA's goal of maintaining a high quality loan portfolio, the Bank focuses corporate lending activities on top-tier Indonesian corporate customers with business stability and excellent reputation within their respective fields. Prudent lending to a well-defined and diversified market minimizes risk exposure that may arise from declining performance in any one industry.

In 2014, corporate lending was a main driver of growth in the Bank's overall loan portfolio. BCA corporate lending grew 16.9% to Rp 120.5 trillion at the end of 2014. Demand for corporate loans rose across most industries in various sectors of the economy as a result of limited alternative funding sources. With a solid balance sheet, BCA is a major lender to the Indonesian corporate segment.

Focus on Customer Needs

In the midst of an unfavorable economic environment, corporate borrowers continued to seek bank lending in 2014. In line with BCA's commitment to building strong relationships with its corporate customers, the Bank stood ready to provide funding to high quality corporate customers during this period of tight liquidity. Close cooperation and ability to meet customers' funding needs enabled Corporate Banking to continue its sustainable approach for long-term growth. The Bank maintained its prudent lending practices by focusing on quality customers and leading institutions who have established good relationships with the Bank.

In 2014, growth in corporate lending was mainly derived from investment loans. This was largely attributable to the drawdown of previously committed facilities and new facilities that catered for selected reputable state-owned companies. The provision of this type of credit facility is expected to generate demand for working capital loans, trade finance, and a variety of other banking services in the future. BCA's investment loan portfolio in corporate segment increased by 23.4% to Rp 63.7 trillion in 2014, while working capital loans grew 10.4% to Rp 56.8 trillion in the same period. The overall corporate loan portfolio booked a 16.9% growth to reach Rp 120.5 trillion in 2014. This growth was mainly derived from state-owned oil & gas company, Pertamina, as well as corporations in the plantation and tourism industries.

BCA provides credit facilities mostly in Rupiah as it matches with the Bank's source of funds. Approximately 90% of BCA's total third party funds are in Rupiah. BCA is one of Indonesia's top banks which enables the Bank to fund large scale borrowings at competitive Rupiah lending rates to top quality Indonesian corporate customers.

Rupiah-denominated loans accounted for the largest portion of 2014's corporate loan portfolio representing 84.3% of total corporate lending with the remaining 15.7% denominated in foreign currencies. BCA maintains a conservative foreign currency lending profile in order to minimize risks associated with fluctuations in the Rupiah exchange rate against foreign currencies. The Bank has a long standing policy of providing foreign currency lending facilities only to corporate customers with US Dollar or other foreign currency-denominated revenue. This ensures that customers have a source of income that is in line with their credit obligations to minimize exchange risk. In addition, BCA has set a cap on foreign currency loan exposure to the Bank's portfolio as a whole.

Thanks to comprehensive industry analysis and careful monitoring, BCA has been able to expand its corporate loan portfolio while mitigating the risks the banking sector faces from the declining performances of the commodities sectors, particularly mining. The Non Performing Loans (NPL) ratio on the corporate portfolio stood at 0.4% at year-end, compared to 0.1% in previous year. The increase is due to a downgrade of a previously restructured corporate loan that showed signs of weakness in the current environment. BCA has adequate credit loss reserves to cover any impact this loan restructuring may have on the financial position of the Bank.

BCA seeks to exploit the opportunities presented by increasing trade flows in Asia, especially with the upcoming implementation of the ASEAN Economic Community (AEC) in 2015. To that end, the Bank continues to strengthen its partnerships with banks in other Asian countries, such as Thailand, Japan, South Korea, China and the Philippines, in facilitating access to the Indonesian markets for corporates in these countries. With its varied banking services, BCA hopes to be able to fulfill the banking needs of these corporate customers.

Loan Syndication

In 2014, the Bank completed syndicated loan transactions amounting to Rp 45.2 trillion, making BCA one of the major players in the field of syndicated loans in Indonesia. Underwriting conducted by BCA reached an equivalent of Rp 8.6 trillion for its

participation in syndicated loans while the Bank booked Rp 7.7 trillion on its own balance sheet. In 2014, syndicated loans were disbursed to various sectors including telecommunications; power generation; transportation; oil & gas; poultry; and property.

Through syndicated loans, the Bank contributed to the development of Indonesian infrastructure by providing financing to PT Kereta Api Indonesia (Persero), PT KAI Commuter Jabodetabek, state-owned electricity power corporation PT PLN (Persero) and PT Tower Bersama Infrastructure Tbk along with its subsidiaries. In addition, syndicated loans were disbursed to state-owned oil and gas company, PT Pertamina and a leading poultry feed producer, PT Charoen Phokphand Indonesia Tbk. In the property sector, the Bank disbursed syndicated loans to PT Pakuwon Jati Tbk and PT Bali Raga Wisata as leading property developers in Indonesia.

BCA's role as a syndicated loans agent makes for a meaningful contribution to fee-based income growth. In carrying out its function as an agent, the Bank may act as a facility agent, collateral agent or escrow account agent.

Top 10 Corporate Loan Portfolios by Industry Sectors

Industry Sector	2014	2013
Plantation and Agriculture	11.2%	10.7%
Chemicals and Plastics	7.3%	7.6%
Power Generation	6.3%	5.8%
Transportation and Logistics	5.9%	6.7%
Consumer Financing	5.7%	7.5%
Telecommunications	5.5%	7.8%
Financial Services*	4.9%	5.7%
Food and Beverage	4.6%	4.1%
Tourism	4.5%	3.2%
Property and Construction	4.5%	3.8%
Total	**60.4%**	**62.9%**

* Including credit facilities to other banks

Community-Based Services

BCA actively creates and develops business community networks connecting corporate customers with commercial & SME customers within one business circle. The Bank made use of its extensive banking network throughout Indonesia to foster value chain lending relationships with these community-based customers.

This community-based service provides large enterprises, commercial and small to medium enterprises with value chain financing for access to credit facilities as well as BCA's cash management and transaction services.

With its important role as banking services provider, BCA offers ease for corporations and suppliers in controlling daily payment settlements for a more efficient cash management process. The Bank continues to increase its presence in cash management, targeting selected promising business communities and industries especially those in value chains that can strengthen BCA's transaction franchise, and ultimately cementing the Bank's strong position in stable Current Accounts and Savings Accounts (CASA) funds. BCA's reliable cash management services have, over the years, been utilized by various strategic communities, including public gas stations and convenience store chains. Individual users of the gas station network and convenience stores also benefit from value chain service with the ability to use BCA payment settlement products, including Credit Cards, Debit Cards as well as Flazz cards for non-cash micro payments.

To meet the growing needs of corporate customers, BCA continued to enhance its cash management infrastructure and interface capabilities for an improved integration with corporate customers' cash management systems. The development of these value chain networks facilitates businesses to expand further and equips the Bank with the necessary capacity to capture sustainable growth opportunities.

The Bank aims to improve relationships between corporate, commercial and SME clients. Through various networking events in recent years, BCA is actively promoting interaction among the Bank's corporate customers. In 2014, the Bank organized cross-sector networking events for selected sectors with close business associations. BCA brought together customers from the transportation, logistics and automotive industries in an event themed "Connecting the New Indonesia" to discuss the

prospects of transport connectivity across land, air and sea in Indonesia. In addition, the Bank also brought together customers from the property community with those from the tourism community at a seminar on the development of tourism in Indonesia. Interaction between clients is expected to create vibrant multi-industry communities, which in turn forms closer relationships between BCA and these communities.

Going Forward

BCA will carefully monitor developments and trends in each industry sector and in the global economy as well as national developments to determine the most promising industries for lending without compromising the Bank's prudent lending principles.

Cooperation between BCA Corporate Banking and other business units will continue to be improved to strengthen the Bank's value chain financing and integrated cash management services. BCA will continue to pursue the ongoing development of more advanced cash management systems and infrastructure.

BCA will continue its partnerships with foreign banks in the Asian region to capture Foreign Direct Investment (FDI) opportunities by providing financing, trade, foreign exchange and cash management services to foreign corporates wishing to establish a presence in Indonesia.

PT Petrokimia Gresik

BUSINESS REVIEW

Individual Banking

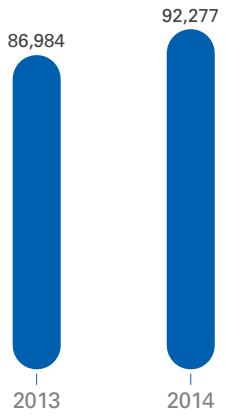
Consumer Lending

Rp 92 T

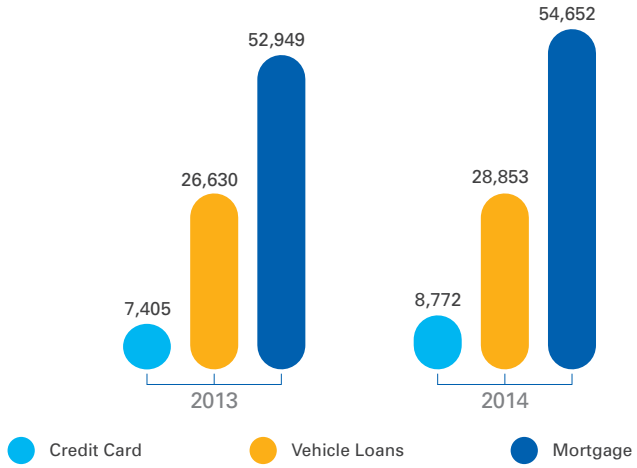
Mortgages contributed 59.2% to total consumer loans

The steady growth of Indonesia's professional and middle classes continued to support growing demand for consumer banking products including mortgages, vehicle loans, credit cards, insurance and wealth management products and services

Total Consumer Loans
(in billion Rupiah)



Consumer Loan Portfolio
(in billion Rupiah)



BCA is optimistic about the long-term growth prospects of the Indonesian economy and developing middle class. Over the last several years, the Bank has established a solid business framework to service the changing banking needs of the Bank's individual customers. The steady growth of Indonesia's professional and middle income classes continues to support growing demand for consumer banking products including mortgages, vehicle loans, credit cards, insurance and wealth management products and services.

After posting 5 years of strong 32.9% growth in lending, BCA pulled back on consumer lending in 2014 in line with an overall slowdown in the broader Indonesian economy. In a year marked by challenging macroeconomic conditions, higher interest rates and tighter regulations, the Bank proactively tightened credit appetite and raised lending rates intended to manage the growth of consumer lending. Over 2014, BCA recorded consumer loan growth of 6.1% with credit quality comfortably maintained at a low Non Performing Loans (NPL) ratio of 0.7%.

The Bank focuses on developing infrastructure and enhancing the organizational structure of the work units in the Individual Banking Group. With improved infrastructure, BCA will be able to capitalize on cross-selling opportunities going forward while allowing the Bank to improve the quality of products and services. Overall, these efforts will solidify BCA's well-known position as the leading consumer lender in Indonesia offering a transparent and timely credit approval process with competitive rates.

Mortgages

Since fully developing its mortgage business in 2007, BCA has become a leader in the Indonesian mortgage market. By the end of December 2014, the Bank's mortgage portfolio reached Rp 54.7 trillion, a 32.0% CAGR growth since 2007, contributing 59.2% to BCA's total consumer loans.

BCA understands the long-term strategic value of mortgage lending as it enables customers to purchase homes and provides the Bank with an opportunity to build long-term relationships with individual customers. Through the provision of mortgages, the Bank has succeeded in building greater customer loyalty thereby creating cross-selling opportunities and developing a future source of stable long-term funding. BCA's mortgage strategy of concentrating on prime residential areas with high demand for housing results in low default risk.

BCA markets mortgage loans through the Bank's extensive branch network and consumer loan centers in major cities throughout the country. The majority of mortgage applications originated from branch referrals with the remaining from property developers. The healthy flow of branch referrals provides key support for the mortgage business

particularly in the midst of tighter regulation in the property industry. Since 2013, the regulator has restricted the national banking industry from providing mortgages for properties that are semi-completed or in the development process.

In 2014 BCA maintained its prudent mortgage lending standards reflecting the prevailing property market conditions. The growth rate of the mortgage portfolio stood at 3.2%, with mortgages outstanding reaching Rp 54.7 trillion. The majority of this growth occurred in the fourth quarter of 2014 following previous four quarters of relatively flat growth. Throughout 2014, new mortgage bookings were approximately equal to the mortgage repayment run-off. Due to the unfavorable economic environment and higher interest rates in 2014, close attention was required to ensure that disbursement of mortgages was maintained at a sustainable and prudent level.

BCA maintained mortgages rates relatively high in 2014 compared to 2013. Rates of the flagship product, the 5 year fixed-rate mortgage, stood at 10.5% throughout most of the first 9 months of 2014, compared to 8.5% - 9.5% in 2013. Following the smooth presidential election, banking liquidity improved, allowing BCA to proactively reduce mortgage rates slightly in September 2014 by 50 bps to 10.0%.

While BCA recognizes the need for government action to prevent excessive growth in the property market through tightened Loan-to-Value restrictions, the Bank remains optimistic about the long-term potential of mortgages in Indonesia. With low penetration rates and the increasing size of Indonesia's middle-class, mortgages stand out as a promising business. The Bank believes that mortgages can and will continue to give significant contribution to the Individual Banking business and provide increased opportunities for the Bank in providing a range of other banking solutions to consumer banking customers.

Vehicle Financing

The economic uncertainty and new Loan-to-Value restrictions affected both the the automotive industry and the growth of the auto finance industry in 2014. BCA believes that the introduction of prudent Loan-to-Value rules designed to prevent excessive consumer finance growth in an uncertain economic environment, is the best course of action to establish a healthy consumer credit culture. New car sales nation-wide were recorded at 1.21 million units in 2014, down 2% from 1.23 million units in 2013. Meanwhile, growth in motorcycle sales nation-wide had a slight increase of 2% to 7.9 million units in 2014.

BCA manages car and motorcycle financing through its subsidiaries, BCA Finance and Central Santosa Finance (CS Finance) respectively. Both BCA Finance and CS Finance offer financing through Joint Financing Agreements, with the majority of the loans booked directly at BCA and a smaller portion remaining on the books of BCA Finance and CS Finance.

In 2014, BCA Finance focused on enhancing the quality and efficiency of product and service delivery to ensure customers continued to receive the high service standards to which they are accustomed. BCA Finance improved its online service to speed up applications for vehicle loans and complemented this with an on-site survey option to further expedite the credit process. This is part of BCA Finance's strategy to maintain market share among its mass-affluent target.

BCA Finance continued to work closely with BCA branches to serve the Bank's quality customers while continuing to maintain relationships with third party dealers. Marketing synergy with BCA branches distinguishes BCA Finance from its competitors in providing a high quality customer network for

auto finance lending. BCA Finance aligns its credit risk management and risk appetite with the Bank's prudent policies resulting in a relatively low NPL level. Benefiting from its multi sales channels, BCA Finance had more than 400 thousand customers in 2014, a growth of over 300% from 2008. In addition to BCA branches, BCA Finance maintains a standalone branch network of a total of 59 branches with 6 new outlets opening in 2014.

BCA Finance offers attractive, 'top of mind' financing products in the auto financing markets. BCA Finance's flagship product, the 'Fix and Cap' loan, offers 3 years fixed-rate installment and 2 years installment at a capped interest rate. BCA Finance also has an attractive product, the 'mini for max' loan, which is a 3-year financing facility offering lower monthly principal installment with a 40% principal balloon payment on loan maturity. Customers may choose to pay off the facility, or to sign up for another financing facility after the 3-year tenor.

To minimize risk, BCA Finance prioritizes lending for the best-selling cars produced by leading auto makers while maintaining a relatively high down payment with competitive interest rates. BCA Finance also continued to penetrate the highly prospective second-hand vehicle market by lending against second-hand vehicles with evidence of maintaining value for an optimal risk-return trade-off.

In January 2014, BCA increased its effective stake in CS Finance to 70% from the previous 25% share ownership in line with overall strategic management objectives to strengthen the Bank's presence in the two-wheeler financing market. Subsequently, BCA and other shareholders made a capital injection into Central Santosa Finance in the amount of Rp 200 billion, Rp 140 billion of which was contributed by BCA and BCA Finance. CS Finance continued to grow in 2014, albeit slowly, and contributed positive results to the Bank. CS Finance is focusing on strengthening its business platform through infrastructure development, risk management policy, human resource recruitment, branch expansion and close cooperation with dealers in Java and Sumatra.

Total loans for car financing at the end of 2014 stood at Rp 24.7 trillion on BCA's book and Rp 5.2 trillion on BCA Finance's. Total motorcycle financing stood at Rp 4.2 trillion on BCA's book and Rp 2.0 trillion on CS Finance's at the end of 2014.

Credit Cards

In 2014, BCA's outstanding credit card balances grew 18.5% to Rp 8.8 trillion, securing the Bank's position as a leading provider of credit card services in Indonesia. The number of BCA's cards in circulation continued to grow throughout 2014, with an overall increase of 5.1%, amounting to a total of 2.6 million cards by the end of the year. The growth in the number of credit cards issued yields a market share of 16.1% in 2014. The growth in cards was accompanied by consistently high credit card usage with an active usage rate of over 90%, resulting in an overall increase in BCA's credit card transaction volume of 18.0% to reach Rp 46.1 trillion in 2014.

This positive performance was made possible by BCA's solid brand image and focused promotional efforts. The Bank works to develop a better understanding of the changing customer needs in the various customer holding BCA credit cards.

To this end, BCA works closely with many strategic urban merchants to facilitate customers' lifestyle and spending behaviours. In 2014, the Bank continued its partnership with long-term strategic partners, such as Starbucks Coffee, Pizza Hut, Cineplex21, Haagen-Dazs, and other renowned brands.

The Bank continued to promote the successful Singapore Airlines co-branded credit card focusing on the middle-to-upper class market. The BCA Singapore Airlines card has recorded excellent growth, with an increase in the number and value of transactions in excess of 50% on a year to year basis. Further, to accommodate needs of the growing mass-affluent segment, BCA released the Black Visa and MasterCard in 2014 for highly mobile customers who require the widest range of services to facilitate global transactional needs. The lower risk middle-to-upper class segments are BCA's main target market for credit card services.

BCA remains the only bank in Indonesia to have a private label or proprietary card, or the 'BCA Card', in addition to offering BCA Visa and BCA MasterCard options. The BCA Card can be used throughout Indonesia and in certain locations in Singapore. In recognition of the Bank's achievement in the credit card business, BCA was awarded the Indonesian Best Brand Award 2014 from SWA magazine and the Top Brand Award from Marketing Magazine and Frontier Consulting Group.

As part of BCA's integrated transaction platform, the Bank's credit card business focuses on both the issuing and acquiring sides with the support of reliable EDC network.

BCA has installed hundreds of thousands of Electronic Data Capture (EDC) as payment points in strategic locations, business centres, and at retail merchants across Indonesia. BCA's extensive EDC network has constantly generated high transaction volume that augments BCA's transaction and CASA accounts. Today, BCA's EDCs can also provide Dynamic Currency Conversion (DCC), a service that allows cardholders to choose from Rupiah or the local currency of the card-issuing bank for convenient transactions. In 2014, BCA's EDC has been able to process transactions using UnionPay International and American Express (Amex) cards, in addition to BCA Card, Debit BCA, MasterCard, Visa, JCB, PrimaDebit and Flazz cards.

BCA enhances comfort by providing e-statements and other credit card information digitally, autopay registration via SMS, easy conversion of transactions into installment facilities and online credit card applications. In 2014, BCA prepared the infrastructure to introduce PIN security for credit card transactions and conducted training to educate and socialize this feature among merchants and cashiers.

Pre-paid Flazz Card

Complementing credit cards and debit cards, the Bank also offers the pre-paid Flazz Card. In 2014, BCA continued to contribute to the transportation infrastructure by providing Flazz Card services as e-ticketing for TransJakarta buses and commuter trains throughout greater Jakarta. In addition, the Bank has also developed self-service Flazz Card top-up machines. At the end of 2014, there were 6.5 million Flazz Cards in circulation, including BCA Combi cards (combined BCA credit card and Flazz Card).

The use of Flazz Cards is expected to increase given the increasing needs for services to handle small-value transactions, such as parking facilities, highways, fast food outlets and food & beverage counters. Furthermore, the Bank will continue to improve the Flazz Card network and infrastructure.

Priority Banking and Wealth Management

Introduced in 1996, BCA Prioritas provides tailored service to the Bank's mass-affluent clients. In 2014, BCA manages 152 Prioritas branches equipped with capable relationship officers to deliver quality services. BCA Prioritas customers can now enjoy the benefits of using exclusive services and programs, such as health services, exclusive communication bulletin, airport executive lounges, investment products, and other attractive offers as added service values. BCA's Prioritas' customers made a significant contribution towards growth in various BCA Individual Banking products.

In 2014, BCA Priority Banking Officers continued to focus on deepening relationships with priority customers, providing close contact on updating financial markets movements and expanding awareness of diversified investment alternatives including bonds and mutual funds.

In 2014, the Bank participated in the Retail Saving Bonds sales, a new investment instrument introduced by the Government. This floating rate non-traded instrument is intended for retail investors with a minimum purchase of Rp 5 million up to Rp 5 billion.

BCA seeks to take advantage of opportunities arising from the growth of Indonesia's high net-worth segment through the development of Solitaire Banking services. Launched in 2009, Solitaire Banking aims to provide services through personalized touch for the Bank's customers who require Wealth Management services. The Bank has set up exclusive facilities in selected BCA branches staffed with specially trained financial advisers to assist Solitaire clients in managing their personal finances.

In 2014 the Bank reorganized work units in the Individual Banking Division to facilitate improved cooperation between the different units. BCA Prioritas and BCA Solitaire aligned their organizational structures for business integration and upgraded human resource capabilities to better satisfy the needs of their customers.

Going Forward

BCA will continue to develop the Individual Banking business in line with the promising growth prospects of Indonesia's burgeoning middle class. The Bank sees its large customer base and extensive branch network as assets that can be used when designing and marketing Individual Banking products.

Synergy between work units will be further strengthened to allow for a more effective delivery of Individual Banking products. These efforts are intended to help increase product diversity for the Bank's customers. BCA will also continue to enhance its Customer Relationship Management system to better understand customer behavior and needs as the basis for establishing effective strategies in product development as well as marketing and promotional activities.

BCA aims to improve the infrastructure and enhance the business of its subsidiaries. The Bank will establish synergies with BCA Life that began operations at the end of 2014.

BUSINESS REVIEW

Treasury and International Banking

Treasury Portfolio

Rp 112 T

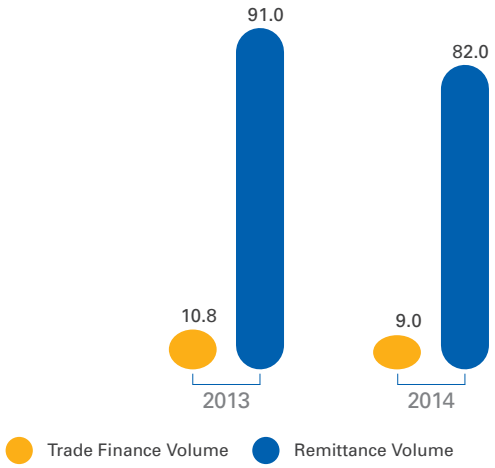
Majority comprised of Bank Indonesia instruments and short & medium term placements in sovereign instruments

BCA preserved its solid balance sheet by managing liquidity and ensuring optimum profitability.

The Bank continued to maintain its presence in international banking business by providing remittance and international trade finance services

Treasury Portfolio
(in billion Rupiah)

International Banking Business Volume
(in USD billion)



TREASURY BANKING

Throughout 2014, BCA safeguards its liquidity position by carefully managing the Bank's investment portfolios and maintaining a balance between risk and return on investments through short and medium term placements. BCA also works to enhance customer relationships by offering products and services to meet a wide variety of foreign exchange and other treasury related needs.

Maintaining a Robust Liquidity Position

In 2014 the Indonesian banking industry faced the challenge of tightening liquidity and a rapid increase in cost of funds. Together with a decline in business activity and the general elections taking place in 2014, these events resulted in a slowdown in lending and increasing focus on loan quality. Faced with these market conditions, the Bank responded by managing its funding and assets with care.

In 2014 BCA successfully maintained a solid third party funds position and transaction account franchise. BCA's strong transaction banking network allows the Bank to pay relatively low interest rates on Current Accounts and Savings Accounts (CASA). Throughout the year, CASA funds remained stable and represented approximately 75.1% of total third party funds. BCA's strategy to strengthen its liquidity position by being more aggressive in pricing for time deposit products had no significant impact on the increase of overall cost of funds. In 2014 cost of funds was recorded at 2.6%, compared with 2.0% in 2013.

In 2014 the Bank entered into short term loan agreements for USD 270 million with several of BCA's correspondent banks. This step was intended to test both the market for USD borrowing by the Bank and the availability of USD to Rupiah hedging instruments. The ability to borrow in USD and convert the borrowing to Rupiah is a possible source of liquidity for the Bank.

On the assets side, the Bank's total earning assets amounted to Rp 483.9 trillion by the end of 2014, an increase of 11.2% compared with Rp 435.3 trillion at the end of 2013. The total investment funds managed by BCA Treasury reached Rp 112.1 trillion by the end of 2014, growing 9.5% from Rp 102.4 trillion at the end of 2013. Most of these investments were placed in low-risk Bank Indonesia and sovereign instruments such as Bank Indonesia Term Deposits, Bank Indonesia Certificates, Bank Indonesia securities purchased under agreements to resell, and short-term and medium-term government bonds. Treasury's investment structure is designed to balance the Bank's liquidity with optimum investment yield. These high-quality investments represented 25.0% of the Bank's total third party funds as of December 31, 2014. This percentage reflects a continued strong liquidity position especially when compared to the overall banking sector. Investment assets managed by BCA Treasury and the Bank's loan portfolio enhanced overall earnings assets yield in 2014. Total earning assets yield increased 90 bps to 8.7% in 2014 from 7.8% in 2013.

Increased yield on earning assets and a solid funding composition allowed BCA to generate a Net Interest Margin (NIM) of 6.5% in 2014, an increase from 6.2% in 2013.

The Bank managed its balance sheet and liquidity position with careful consideration to cash flow forecasts and exchange rate risk. BCA's balance sheet remained resilient against fluctuations in the value of the Rupiah against foreign currencies. At the end of 2014, the Bank's Net Open Position (NOP) was recorded at 0.6% of the capital, far below the limit of 20% set by Bank Indonesia.

Facilitating Customer Needs

In addition to managing the Bank's assets and liabilities, BCA Treasury also provides a variety of services to meet the needs of customers, including foreign exchange products, capital markets and custodian services. These services are provided to corporate, commercial, SME and individual customers in cooperation with front liners located in the Bank's branches.

BCA capitalizes on technological advances by improving online forex services for corporate customers using BCA's internet banking e-Rate application. There are currently 14 foreign currencies that can be traded through KlikBCA, BCA's internet banking facility. In 2014, BCA expanded the features of KlikBCA Bisnis, by offering a facility for USD sales at even better exchange rates compared to the regular e-Rate application. This feature is still in the early stages of a pilot project and will be further developed in accordance with customers' responses.

In 2014 the volume of customers' foreign exchange transactions increased to 673.2 thousand transactions compared to 596.6 thousand in 2013. Despite the increase in the frequency of transactions, overall transaction value decreased to USD 36.8 billion in 2014 from USD 45.0 billion in 2013, due to the decline in domestic export and import activities.

In the bonds market, BCA is one of the official selling agents for Indonesia Retail (ORI) and Sukuk Retail (SR) bonds. BCA Treasury sold Rp 2.7 trillion ORI011 and Rp 1.4 trillion SR006 in bonds in 2014, an increase from 2013's Rp 2.1 trillion ORI010 and Rp 857 billion SR005 bonds. In selling SR006, BCA collaborated with UNICEF to help the Early Childhood Development program in Aceh by contributing a percentage of every bond sold to the program. In addition, BCA Treasury participated in the launch of Retail Savings Bonds issued by the Government for retail investors, with total sales through BCA reaching Rp 260 billion.

In 2014, BCA Treasury received several awards, including Best Domestic FX Bank awarded by the Asiamoney Poll as well as awards for the previous year's performance as one of the Best Selling Agent for ORI010 from the Ministry of Finance.

INTERNATIONAL BANKING

Remittance Services

Although faced with several challenges, owing to the uncertainty of the global economic recovery, BCA maintained its position as one of the main remittance service providers in Indonesia. Throughout 2014, BCA successfully processed remittances with a total value of USD 82.0 billion.

To support the business development of remittance services, foreign exchange, bank notes, and other cross-border settlements, the Bank's International Banking has access to a global network of more than

2,000 correspondent banks. BCA's representative offices in Singapore and Hong Kong support and enhance the cooperation between BCA and the Bank's correspondent banks. BCA International Banking also manages remittance services through BCA Finance Limited in Hong Kong. BCA remittance services are currently available in 14 currencies.

Since 2007, BCA has facilitated money transfers for Indonesian Overseas Workers through its web-based Financial Institution Remittance Fire Cash BCA service. Supported by correspondent banks and offshore partners, Fire Cash BCA is present in more than 100 countries around the world, especially in the main destination countries of Indonesian migrants. In 2014, BCA's Fire Cash system was updated to expedite the disbursement of cash remittances via EDCs, as well as transfers to BCA accounts, other banks in Indonesia and Post Office. BCA continues to develop the Fire Cash capacity in Indonesia to facilitate customers' Fire Cash transactions throughout the country.

International Trade Finance Services

The slow recovery in commodity prices, particularly coal and palm oil (CPO), and slowing economic growth in Indonesia's major trading partners, such as China, Japan and some European countries, have impacted Indonesia's exports and affected demand for Indonesian commodities in 2014. In the midst of these conditions, the demand for BCA's international trade services declined for both imports and exports products. The volume of international trade services managed by BCA fell 16.2% to USD 9.0 billion in 2014.

However, the decline in international trade volumes was partly offset by the increase in domestic trade transactions using Domestic Letters of Credit (SKBDN) with higher volume recorded in 2014 when compared to 2013. The domestic trade growth was mainly in the steel, coal, pharmaceuticals and chemicals industries. Volume of domestic trade transactions through SKBDN in BCA increased 9.2% to USD 2.7 billion in 2014.

Despite the unfavorable conditions of 2014, BCA International Banking continued to develop a wide range of trade finance products and services and improve the quality of human resources in order to increase competitiveness and to accommodate the increasingly complex trading service needs of BCA customers.

LOOKING AHEAD

We expect uncertainty in the global economy to continue in 2015. In these conditions, BCA Treasury will remain focused on managing liquidity prudently as well as optimizing the Bank's profitability. BCA will continue to monitor economic developments and be ready to anticipate events before they arise.

As for international trade transactions and remittance business, the Bank will continue to explore opportunities to expand its partnership network and to improve the quality of its infrastructure and human resources. This is essential in anticipating the improving economic growth in Indonesia in the years to come.

BUSINESS SUPPORT

Risk Management

Non Performing Loans

0.6%

Implementing prudent lending standards

The Bank proactively reviews and enhances risk management policies to adapt to changes in the macroeconomic environment and to comply with changing regulatory provisions and international best practices for risk management

The application of a professional and disciplined risk management framework has supported the prudent, consistent and sustainable growth of the Bank while delivering added value for all BCA stakeholders.

The various risks BCA and its subsidiaries face are managed comprehensively, covering all aspects of enterprise-wide risk. The Bank proactively reviews and enhances risk management policies to adapt to changes in the macroeconomic environment and to remain in line with the latest regulatory provisions and international best practices. By working with business lines to identify, measure and mitigate risks in the design and implementation of risk management policies and procedures, BCA was able to ease the negative effects of uncertainties arising from the uncertain economic and political environment in Indonesia in 2014.

Risk management is the responsibility of all the Bank's management and employees. BCA continues to instill risk awareness as an integral part of the Bank's culture to all levels of the organization. Accordingly, the Bank applies the Three Lines of Defense approach, whereby risk management is performed by all organization lines, and overseen by the Board of Commissioners and the Board of Directors. All frontline and supporting business units serve as the First Line of Defense, tasked to manage risks related to the risk owner. The Second Line of Defense comprises of the Risk Management and Compliance work units who are in charge of monitoring the bank-wide enterprise risk management. As the Third Line of Defense, Internal Audit work unit is responsible to provide independent assurance for risk management implementation at BCA.

Focus of Risk Management in 2014

Amidst the consolidation phase of the Indonesian economy and the transition to the new administration in 2014, BCA implemented risk management policies that aimed to ensure a solid liquidity position, maintain loan quality and strengthen the Bank's capital position in addition to maintaining a strong focus on Operational Risk.

BCA established conservative risk appetite parameters in 2014 and managed loan growth by raising credit standards and loan pricing. Prudent lending principles were maintained with priority given to existing customers who have established good relationships with the Bank and those with verifiable track records. After recording significant growth over the past 5 years, BCA raised rates and pulled back on consumer loan growth amid slower growth of the Indonesian economy in 2014.

The Bank conducts intensive monitoring of the loan portfolio and takes proactive steps to address potential problems if there are signs of a weakening in loan quality. BCA consistently applies an early warning system in the evaluation of loan quality to enable the Bank to take preventative measures against problems that may arise. The Bank also appoints employees at branches to monitor Non Performing Loans (NPL) ratios, and to safeguard asset quality.

Thanks to these efforts, BCA successfully maintained healthy loan quality in 2014 reflected in the low NPL ratio of 0.6%, comfortably below the industry average. The NPL level was slightly higher compared to the previous year of 0.4%, mainly due to a downgrade

of a previously restructured corporate loan. However, this minor increase had no significant impact on the Bank's overall financial position. In the last 10 years, BCA has recorded significant loan growth with relatively low NPL ratios. The loan portfolio is well reserved with a ratio of reserves to Non Performing Loans of 324.2% in December 2014.

Supported by its preeminence in transaction banking, BCA was able to achieve a solid liquidity position through low-cost current accounts and saving accounts. Together, current accounts and savings accounts contribute 75.1% to the Bank's total third party funds. To further reinforce the Bank's liquidity position, in 2014 BCA resumed its proactive approach to raising funds through time deposits products by selectively increasing interest rates for Rupiah time deposits in certain categories.

This anticipatory strategy proved beneficial to BCA in gathering funds amidst increasingly intense competition in deposit taking and in a rising interest rate environment. Stable funding and a solid liquidity position are the Bank's main focuses and these strategic steps have enabled the Bank to maintain solid third party funds.

Effective operational risk management and reliable information technology systems are key elements in maintaining the Bank's position as the leading transaction bank in Indonesia. BCA regularly assesses the Operational Risk Management Information System (ORMIS), a web-based system equipped with Key Risk Indicators, to provide early detection of operational risks. To ensure that banking operations continue to run 24 hours a day without interruption, BCA operates two data centers to manage data redundancy for maintaining business continuity in the event of a system failure at one of the locations. These two data centers are complemented by a Disaster Recovery Center (DRC) in Surabaya that was completed in 2013. As part of the Bank's Business Continuity Management, the Surabaya DRC is currently undergoing further upgrading so that the DRC can operate as a Crisis and Command Centre should a disaster occur in Jakarta and cause a disruption at BCA Head Office.

BCA has sufficient capital to cover stress tested losses that may occur. Capital Adequacy Ratio (CAR) for credit risk, operational risk and market risk was recorded at 16.9% at the end of 2014. The Bank conducts regular stress tests based on a number of models to ensure adequate capital in a range of possible scenarios. BCA also continues to prepare for the Basel III framework on bank capital and liquidity standards by taking part to support the implementation of Quantitative Impact Study (QIS) and the preparation for setting the Liquidity Coverage Ratio (LCR) and Leverage Ratio standards which are planned for publication in 2015.

Thanks to the effective implementation of risk management in all business activities, based on a self-assessment in 2014, the Bank registered a "low to moderate" composite risk level. The composite risk level was recorded as "low to moderate" inherent risk with "satisfactory" risk management implementation.

RISK MANAGEMENT DISCLOSURE

The implementation of risk management principles and bank wide risk exposure, including the Bank's capital, are done in accordance with Bank Indonesia Circular Letter No.14/35/DPNP dated December 10, 2012, regarding the Annual Reports of Commercial Banks and Specific Annual Reporting Required by Bank Indonesia.

I. BCA's Risk Management Application

Guidelines for the implementation of the Bank's risk management are based on Bank Indonesia Regulation No. 5/8/PBI/2003 dated May 19, 2003 on Application of Risk Management for Commercial Banks as amended by Bank Indonesia Regulation No. 11/25/PBI/2009 dated July 1, 2009 and are as follows:

I.A. Active Supervision by the Board of Commissioners and the Board of Directors

1. In performing the function of risk management, the Board of Commissioners has clear duties and responsibilities, including the following:
   - Approving policies that require the approval of the Board of Commissioners.
   - Evaluating the implementation of risk management policies and risk management strategies.
   - Evaluating the accountability of the Board of Directors and providing guidance on improvements to the risk management policies implementation, including evaluating the implementation of risk management through reviewing regular reports from the Board of Directors and requesting clarification from the Board of Directors if there are any deviations on policies.
   - Approving transactions that require the approval of the Board of Commissioners.
2. In performing the function of risk management, the Board of Directors has clear duties and responsibilities, including the following:
   - Evaluating and approving policies and methodologies used for the assessment of the various types of risk faced by the Bank.
   - Periodically monitoring the development of the Bank's risk profile and the implementation of Management Information Systems (MIS).
   - Determining the requirements for human resources and establishing a clear organizational structure in regards to authority levels and clear definitions of duties, responsibilities, and functions of activities subject to risk as well as the review procedures.
   - Conducting regular risk management training programs for all officials/employees of the Bank in order to improve the quality and skills of human resources in the field of risk management.
   - Requiring all employees/officials to attain Risk Management Certification in accordance with their respective positions.
3. Active supervision by the Board of Commissioners and the Board of Directors (Management) includes the following mechanisms:

- Supervision by the Board of Commissioners is conducted in accordance with their duties and responsibilities as stipulated in the Articles of Association and relevant regulations.
- The Audit Committee, the Risk Oversight Committee and the Remuneration and Nomination Committee assist in the supervisory duties of the Board of Commissioners
  a. **The Audit Committee**, established to ensure the implementation of internal control systems, financial reporting processes and effective corporate governance.
  b. **Risk Oversight Committee**, established to ensure that the risk management framework provides adequate protection against the risks faced by the Bank.
  c. **Remuneration and Nomination Committee**, established to provide recommendations to the Board of Commissioners on remuneration policies as well as systems and procedures for selection and/or replacement of members of the Board of Commissioners and the Board of Directors.
- The Board of Commissioners maintains constructive communication with the Board of Directors.
- The Board of Commissioners actively provides recommendations to the Board of Directors in determining strategic actions that they believe should be implemented.
- The Board of Directors actively engages in discussion and provides input and monitors the internal conditions and the development of external factors that directly or indirectly affect the Bank's business strategy.

I.B. Adequacy of Risk Management Policies and Procedures, and Determination of Risk Management Limits

1. The Bank's organizational structure adequately supports the implementation of sound risk management and internal control, consisting of the Internal Audit Division, Risk Management Unit, Compliance Unit and Risk Management Committee.
2. BCA risk management policy, as detailed in the Bank Business Plan and the Annual Budget & Work Plan, is in line with the vision, mission, business strategy, capital adequacy, human resources competencies and risk appetite of the Bank. This policy is reviewed regularly and adjusted to both internal and external developments.
3. Policies and procedures, and determination of risk management limits, have been fully documented in writing and are regularly reviewed.
4. In conducting its business activities, the Bank has developed a Bank Business Plan and Annual Budget & Work Plan that addresses BCA's overall strategy, including business direction, which has been determined with consideration to the impact on the Bank's capital, particularly in relation to capital projections and the Capital Adequacy Ratio (CAR).

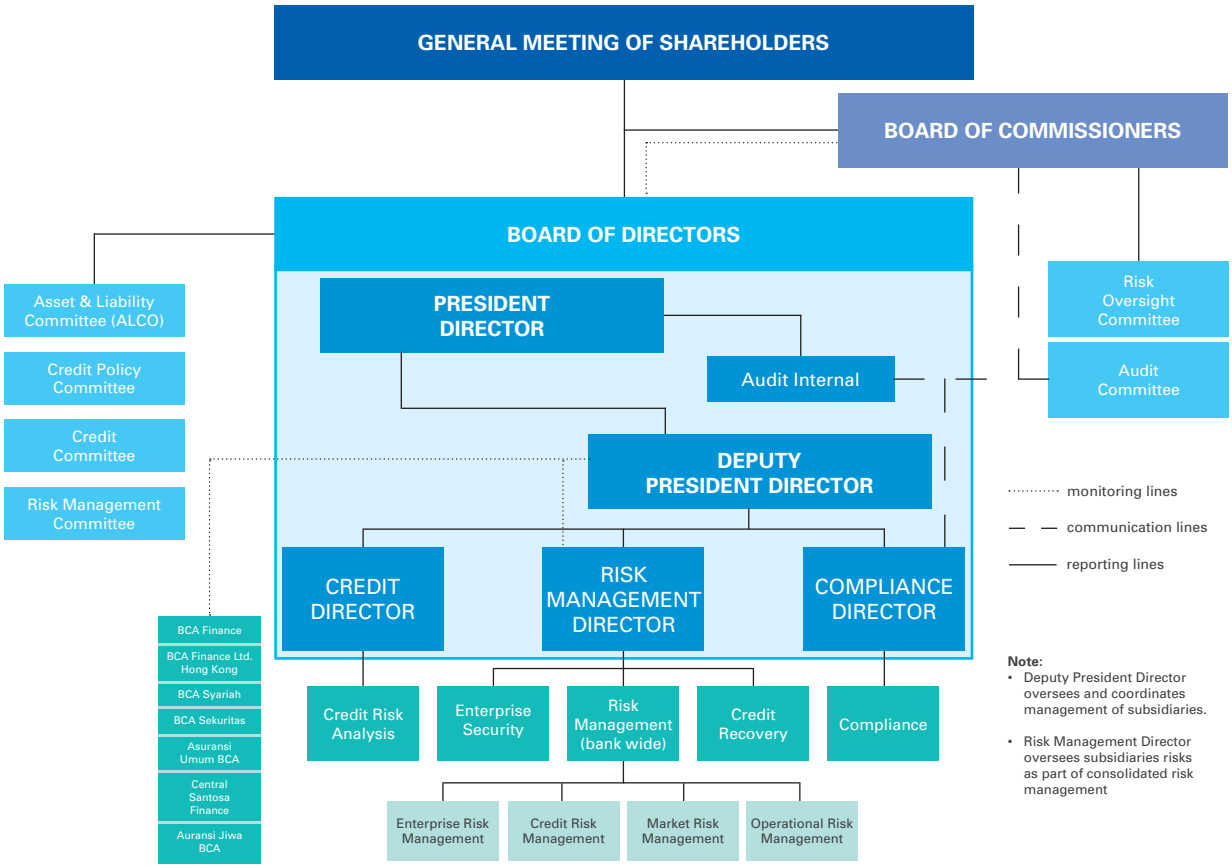
I.C. Adequacy of Risk Identification, Measurement, Monitoring and Mitigation Processes as well as Risk Management Information Systems

1. BCA's lending procedures and other operational procedures are clearly set forth in the Operating Manuals, Job Guidance, and Decisions and Circulars Letters.
2. Risk exposure is monitored regularly by the Risk Management Unit by comparing the actual risk against set risk limits.
3. Reports on risk trends, including among others Risk Profile Reports, Credit Portfolio Reports and Business Plan Progress Reports, are submitted to the Board of Directors on an accurate and timely regular basis.

I.D. Comprehensive Internal Control System

1. BCA's internal control systems policy comprises five components:
   - Supervision by management and development of a culture of risk control
   - Risk identification and assessment
   - Risk control activities and segregation of duties.
   - Accounting, information, and communication systems.
   - Monitoring and corrective actions against deviations
2. The Bank has in place the following:
   - business continuity plan and disaster recovery plan, to speed up the recovery process in the event of a disaster;
   - back up system, to prevent high-risk business failure.
3. All operational activities are based on the standards set forth in the job guidance manual, a detailed internal control system. Effectiveness of internal control is reviewed regularly by the Internal Control Unit in branches, regional offices and headquarters as well as by the Internal Audit Division.
4. All management and employees of the Bank have a role and responsibility in improving the quality and implementation of the Bank's internal control systems.

Risk Management and Internal Control Organization Structure



Implementation of Basel Accords

BCA continues to prepare for the Basel III framework on bank capital and liquidity standards by taking part to support the implementation of Quantitative Impact Study (QIS) and the preparation for setting the Liquidity Coverage Ratio (LCR) and Leverage Ratio standards which are planned for publication in 2015.

Risk Appetite

BCA defines risk appetite as the level and type of risk that BCA is willing to take in order to achieve its business objectives. The risk appetite set by the Bank is reflected in the Bank's strategy and business objectives.

Stress Test

BCA regularly and continuously performs stress testing with a variety of scenarios as well as enhancing the factors and parameters of stress testing.

Generally, stress test scenarios consider several macroeconomic variables such as the BI rate, inflation rates, GDP, exchange rates, fuel prices and others. The method used to conduct stress tests in addition to the use of statistical models based on the historical data also allows management to input their best judgement as part of the stress test methodology. Stress testing is carried out to estimate the impact of changes in macroeconomic factors on the level of NPL ratios, profitability, liquidity and capital.

The results of stress testing conducted by BCA for credit, market and liquidity risk have been satisfactory and indicate that capital and liquidity would be sufficient to anticipate estimated potential losses.

II. BCA Capital

Capital management policy aims to ensure that BCA has a strong capital base to support the current expansion strategy, assure sustainable growth in the future, and to comply with the capital adequacy provisions set by the regulator.

A Capital Plan is prepared by the Board of Directors as part of the Bank's Business Plan and Annual Budget & Work Plan and approved by the Board of Commissioners. This plan is expected to ensure the availability of sufficient capital and the maintenance of an healthy capital structure.

In 2014, all capital requirements were met through organic capital growth driven by BCA's solid profitability and a balanced dividend distribution policy based on a target level for capital.

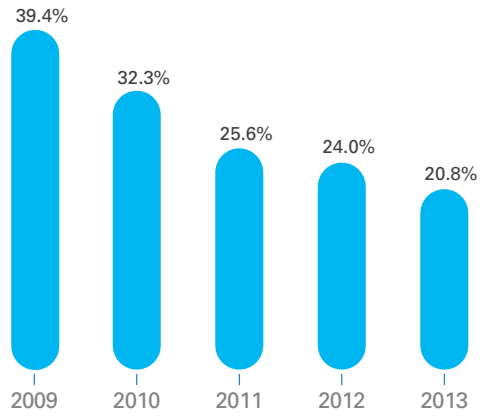
Dividend Policy

BCA determined the dividend payout ratio based on the Bank's profitability and capital needs for growth while taking into consideration the interests of the shareholders.

In the last few years BCA has gradually adjusted the dividend payout ratio to strengthen capital, particularly for supporting lending and new business lines as well as building capital in anticipation of the implementation of Basel III. Based on the results of the Annual General Meeting of Shareholders on April 7, 2014, the shareholders approved the net income allocation in 2013 with the provision of cash dividends in the amount of Rp 3.0 trillion or Rp 120 per share (paid through the interim dividend in the amount of Rp 45 per share on December 17, 2013 and a final dividend of Rp 75 per share paid on May 20, 2014). The most recent dividend payout ratio stood at 20.8%, payable from the net income in 2013. BCA distributed a portion of the 2014 net income with an interim dividend of Rp 50 per share paid on December 23, 2014.

BCA sets the appropriate dividend payout ratio annually to ensure that the retained earnings will be able to support the capital necessary to meet growth targets and manage risk. The amount of the dividend payout ratio is determined by taking into account the latest business developments, particularly in the achievement of loan targets, and the need to maintain adequate capital.

Dividend Payout Ratio



Capital Requirement of Subsidiaries

The capital requirements of BCA's subsidiaries are currently not significant compared to BCA's capital position. The subsidiaries are projected to grow gradually, allowing the Bank to monitor the risks periodically and enabling the Bank to meet the capital requirements of the subsidiaries.

In 2014, BCA provided a Rp 300 billion capital injection to BCA Syariah as approved by the Indonesia Financial Services Authority (OJK) on June 18, 2014. Meanwhile, BCA and other shareholders provided Central Santosa Finance with a capital injection of Rp 200 billion, Rp 140 billion of which was contributed by BCA and BCA Finance with the approval from OJK on July 17, 2014. These capital injections are expected to expedite business developments at both companies.

Capital Structure Policy

BCA has a policy to maintain the capital structure and CAR at an adequate level to support business growth and to anticipate major risks, including but not limited to credit risk, market risk and operational risk that are inherent in the Bank's businesses. Tier I capital base accounted for 94.9% of total BCA's capital.

BCA's Capital Position

At the end of December 2014, the Capital Adequacy Ratio (CAR) was recorded at 16.9% (non consolidated), while the consolidated CAR was at 17.2%. Non-consolidated core capital at the end of 2014 stood at Rp 64.4 trillion, representing 94.9% of BCA's total capital, while the non-consolidated supplementary capital stood at Rp 3.5 trillion, or 5.1% of BCA's total capital.

III. Disclosure of Risk Exposures and Implementation of Risk Management

Following is a summary of the risk exposures faced by BCA in conducting business and the risk management framework designed to mitigate those risks.

III.A. Disclosure of Credit Risk Exposure and Implementation of Credit Risk Management

Organization of Credit Risk Management

BCA has established a structured credit risk management process in order to support sound lending principles with strong internal control.

1. **The Board of Commissioners** approves the Bank's credit plan and oversees its realization; approves the Bank's Basic Credit Policy and seeks explanations from the Board of Directors wherever the provision of credit deviates from the established policy.
2. **The Board of Directors** is responsible for the preparation of the Bank's credit plan and formulation of the Bank's credit policies; ensures the Bank's compliance with laws and regulations relevant to the field of credit and credit policies; and reports to the Board of Commissioners on matters such as the realization of the credit plan, irregularities in loan disbursement, loan portfolio quality and credit in the special mention or in the non performing loan category.
3. **Chief Risk Officer**, a member of the BCA Board of Directors, has signing authority for credit related to the feasibility of credit applications for credit recovery and in the Chief Risk Officer's capacity to provide advice from a risk management point of view on the feasibility of credit applications and the suitability of an individual credit or credit pool with the Bank's overall risk appetite.

4. **Work units** who perform functions related to credit risk management (The Business Development Units and Credit Risk Analysis Unit) are the risk owners responsible for the management of credit risk.

The Bank has dedicated committees that assist the Board of Directors in the lending process as follows:

1. **Credit Policy Committee**, has the principal function of assisting the Board of Directors in formulating credit policies, especially with regard to the principle of prudence in lending, monitoring and evaluating the implementation of credit policy, monitoring and regularly reviewing the progress and condition of the credit portfolio as well as providing advice and suggesting solutions for improvements based on the results of the Committee's evaluations.
2. **Credit Committee** has the principal function of providing guidance when a more in-depth credit analysis is required; provides decisions or recommendations on drafts of credit decisions related to large debtors, specific industries or special requests from the Board of Directors; coordinates with the Asset & Liability Committee (ALCO) in relation to the funding aspect of credit and corporate credit interest rate adjustments.
3. **Risk Management Committee** has the main function of developing policies, strategies and guidelines for risk management implementation; determines matters related to business decisions that contain irregularities; enhances the implementation of risk management based on evaluation of the implementation of an effective risk management process and system.

Risk Management Strategy for Activities with Significant Credit Risk Exposure

BCA formulates risk management strategies in accordance with the Bank's overall business strategy and in accordance with risk appetite and risk tolerance. Risk management strategy is structured to ensure that BCA's risk exposure is managed carefully in line with credit policy, the Bank's internal procedures, laws and regulations, and other applicable rules.

Structured risk management strategies are based on the following general principles:

- Risk management strategy should be long term oriented for the sustainability of the business by considering economic conditions and cycles,
- Comprehensive risk management strategy should identify and manage the risks of the Bank and its subsidiaries, and
- The expected capital adequacy should be achievable with the allocation of adequate resources.

Risk management strategies are prepared with consideration to the following factors:

- Economic and business development and the possible impact of the risks faced by the Bank.
- Organization of BCA, including the adequacy of human resources and supporting infrastructure.
- The financial condition of the Bank, including the ability to generate earnings and the Bank's ability to manage the risks arising from both external and internal changes.
- Composition and diversification of the Bank's portfolio.

Credit Risk Concentration Management Policy

Portfolio management manages credit risk by determining risk concentration limits for, among others, the industrial sector, foreign exchange, and certain types of loans as well as both individual and business group exposures. Along with the development of the ratings database, technology, human resources, the level of complexity of the Bank, the market and regulations, the Bank's portfolio management actively works to optimize the allocation of the Bank's capital to achieve an acceptable risk level/risk appetite and risk tolerance.

Credit Risk Measurement and Control

The Bank measures credit risk using Basel II based guidelines in accordance with Bank Indonesia Circular Letter No. 13/6/DPNP regarding Guidelines for Calculation of Risk Weighted Assets by using the Standard Approach which specifies that Indonesian banks use the Basel II standardized approach for measuring credit risk. For internal purposes, the Bank uses an internal ratings scorecard as a tool to assist with the credit decision process.

Credit risk management is executed through the establishment of an independent rating system for effective implementation of credit risk management processes, comprising:

- Evaluation of the credit administration process;
- Assessment of accuracy in the implementation of internal risk ratings and the use of other monitoring tools; and
- Performance effectiveness of work units or officers responsible for monitoring individual credit quality.

BCA exercises early detection to identify non performing or potentially problematic loans and makes every efforts to address such issues as early as possible. The Bank is proactive in managing the Non Performing Loans (NPL) portfolio.

Loans and Receivables that are Overdue and Impaired

Past due loans and receivables are defined as any loan or receivable that is more than 90 days overdue for payment or either principal and/or interest. Impaired loans and receivables are those financial assets of significant individual value that have objective evidence of impairment occurring after the initial recognition of the financial asset.

Disclosure of the Bank's net receivables - Bank only and consolidated - can be seen in Table 2.1.a and b; Table 2.2.a and b; Table 2.3.a and b.

Approach Used for the Formation of Allowances for Impairment

In anticipating possible impairment arising from the Bank's financial assets, it is necessary to establish Allowances for Impairment Losses. The Allowance for Impairment losses is adjusted on the basis of impairment under the implementation of Statement of Financial Accounting Standards (SFAS) No. 50/55.

Impairment evaluation is performed individually and collectively. The approach to calculating individual impairment takes the difference between the cash value of the estimated discounted cash flows based on the Effective Interest Rate (EIR) and the amortized cost at the time of impairment. Collective impairment is calculated statistically using the following statistical parameters:

a. Probability of Default (PD) is the debtor's probability of failure to meet obligations, which is measured based on Migration Analysis and Roll Rates reviews.
b. Loss Given Default (LGD) is the level of losses resulting from the debtor's failure to meet obligations. Calculating a reasonable LGD percentage requires an analysis of historical data.

Disclosure of movement allowance for impairment losses - Bank only and consolidated - can be seen in Table 2.4.a and b; Table 2.5.a and b; Table 2.6.a and b.

Standardized Approach to the Application of Credit Risk Managament

In the calculation of Risk Weighted Assets (RWA) for credit risk, the Bank refers to Bank Indonesia Circular Letter No. 13/6/DPNP regarding Guidelines for Calculation of Risk Weighted Assets using the Basel II standardized approach for credit risk. RWA is generally calculated based on the ratings issued by rating agencies recognized by Bank Indonesia as stipulated in Bank Indonesia Circular Letter No. 13/31/DPNP regarding Rating Agencies and Ratings recognized by Bank Indonesia.

The use of ratings in the calculation of RWA credit risk is only used for claims on Governments of Other Countries, Public Sector Entities, Multilateral Development Banks and particular International Institutions, Banks and Corporates.

Disclosure of net receivables based on portfolio type and scale of rating - Bank only and consolidated - is presented in Table 3.1.a and b.

Counterparty credit risk arises from Over the Counter (OTC) derivative transactions and repo/reserve repo transactions, both on the trading book and the banking book.

Disclosure of counterparty credit risk: derivatives and reverse repo transactions can be seen in Table 3.2.a-c.

Credit Risk Mitigation

The main types of collateral accepted to mitigate credit risk are solid collateral defined as cash or land and buildings. These types of collateral have relatively high liquidity value and/or can be legally attached so that the Bank is able to liquidate collateral immediately on the debtor's/debtor group's loan becoming delinquent.

Collateral assessment is performed by an independent appraiser, except in certain remote areas where no independent appraiser is available, in which event the appraisal will be conducted by internal staff who are not involved in the loan processing. To exert control over the physical collateral pledged to BCA by the debtor, site visits are conducted periodically to review the status of the collateral. These reviews are performed by external parties, except in certain locations where no external reviewer is available, in which event an internal account officer will conduct the visit.

When processing credit, the main guarantors/warrant providers are also analyzed, and creditworthiness is determined by applying the Four Eyes Principle, where credit decisions are determined by the two parties, the business development aspect and the credit risk aspect.

Credit mitigation techniques are focused on strong collateral coverage. To further mitigate potential credit risks, the Bank's loan portfolio is well diversified with regard to loans category and industrial and economic sectors.

Disclosure of net receivables - Bank only and consolidated - by risk weight after calculation of credit risk mitigation impact is presented in Table 4.1.a and b.

Disclosure of net receivables and credit risk mitigation techniques - Bank only and consolidated - is presented in Table 4.2.a and b.

Calculation of RWA for credit risk using the standard method - Bank only - is presented in Table 6.1.1, 6.1.2, 6.1.3 and 6.1.7.

Calculation of RWA for credit risk using the standard method - consolidated - is presented in Table 6.2.1, 6.2.2, 6.2.3, 6.2.6 and 6.2.7.

III.B. Disclosure of Market Risk Exposures and Implementation of Market Risk Management

Market Risk Management Organization

The Board of Commissioners and the Board of Directors are responsible for ensuring that the implementation of risk management with regards to exchange rates and interest rates is in line with the Bank's strategic direction, scale, business characteristics and the Bank's exchange rate and interest rate risk profiles. This includes ensuring the integration of exchange rate and interest rate risk management with other risks that may affect the Bank's risk position.

The Board of Directors delegates its authority and responsibility to the parties listed below.

Party	Authority and Responsibilities
ALCO	Determines policies and strategies regarding foreign exchange rate and interest rate risks.
The Risk Management Unit	Supports ALCO in monitoring and measuring foreign exchange rate and interest rate risks.
Treasury Division	Manages the Bank's overall operations in foreign currency transactions, and interest rates on the trading book: - Responsible for maintaining foreign currency Net Open Position (NOP) and interest rate on the trading book and ensuring the Bank's compliance with Bank Indonesia regulations regarding NOP. - Responsible for managing Trading Marketable Securities and Foreign Currency Transactions in line with customer needs and/or income considerations.
Regional Offices and Branches	Responsible for managing foreign currency transactions in the respective regional offices/branches in accordance with predetermined limits. All regional/branch foreign currency transactions shall be covered by the Treasury Division. Limits for each region/branch are determined in accordance with operational needs.

The calculation of market risk to determine the Bank's capital requirements uses standardized methods defined by Bank Indonesia.

Trading Book and Banking Book Portfolio Management

Management of portfolios exposed to interest rate risk (on the trading book) and to foreign exchange risk is conducted by setting and monitoring the use of Nominal Limits (Net Open Position), Value at Risk Limits, Stress Loss Limits and Stop Loss Limits.

The valuation method is based on closeout prices or market price quotations from independent sources, including the following:

- Exchange Prices.
- Dealer screen prices.
- The most conservative quotations given by at least two (2) brokers and/or market makers.
- Where market prices are not available from independent sources, the pricing is done by setting a price based on established yield curve building principles.

Market Risk Measurement

For the purposes of monitoring market risk (exchange rate and interest rate risk), measurements are taken on a daily basis in the form of Value at Risk based on a full historical valuation method using 250 days data at a 99% confidence level.

For the calculation of minimum Capital Adequacy Ratio (CAR), market risk is calculated based on the Basel II standardized method as adopted by Bank Indonesia.

Disclosure of market risk – Bank only and consolidated – using the standardized method can be seen in Table 7.1.

Disclosure of market risk – Bank only – using the internal method (Value at Risk) can be seen in Table 7.2.a.

Scope of Trading and Banking Portfolios Accounted for by Capital Adequacy Ratio

Following is the scope of the portfolio coverage included in the CAR calculations:

- Exchange rate risk considers the trading book and banking book. Exchange rate risk can arise from foreign currency transactions (Today (TOD), Tomorrow (TOM), SPOT, Forward and SWAP.
- Interest rate risk takes into account the trading book. Interest rate risk can arise from securities transactions, as well as Forward and SWAP transactions.
- Equity risk (for subsidiaries) takes into account the trading book. Equity risk can arise from equity trading transactions that may be performed by subsidiaries.

Anticipation of Market Risk on Foreign Currency Transactions

In order to anticipate market risk in transactions associated with exchange rate and interest rate risks, steps are taken to establish and control market risk limits, such as Value at Risk, Nominal, Stress Loss and Stop Loss Limit, as well as conducting stress tests. For new products, the Bank will conduct assessments to identify and to mitigate market risk.

III.C. Disclosure of Operational Risk Exposure and Implementation of Operational Risk Management

Organization of Operational Risk Management

Bankwide Operational Risk Management is undertaken as follows:

1. **The Board of Commissioners and the Board of Directors** ensure adequate risk management implementation according to the characteristics, complexity and risk profile of the Bank as well as a good understanding of the type and level of risk inherent in the business activities of the Bank.
2. **The Risk Management Committee** ensures that the risk management framework provides adequate protection against risks faced by the Bank.
3. **The Risk Management Unit (SKMR)** ensures that the risks faced by the Bank are identified, measured, monitored, controlled and reported correctly through the application of an appropriate risk management framework; SKMR also provides input to the Board of Directors on the development of policies, strategies and the risk management framework.
4. **The Enterprise Security Work Unit** protects and secures information and the physical assets of the Bank; develops the Bank's ability to deal with emergency situations that threaten the business as an ongoing concern; and ensures that the application of information technology governance is in line with the Bank's policy.
5. **The Internal Audit Division** assures that business risks are managed properly and evaluates the adequacy and effectiveness of risk management and internal control.
6. **The Operation Strategy and Development Division** assists SKMR in implementing operational risk management programs and provides support to all work units in implementing SKMR programs.
7. **The Work Units** (business units and support units) are risk owners responsible for risk management in daily operations; they issue reports on operational risk events to SKMR.

Measurement and Identification of Operational Risks

Implemented in 2002, BCA applies a Risk Self-Assessment (RSA) methodology to identify and quantify operational risk across all work units in the Bank. A main function of an RSA is to cultivate strong risk culture and increase risk awareness as an important element of effective risk management. Developing a stronger risk culture is expected to improve risk control implementation amongst all employees in performing their daily activities and subsequently reduce overall risk.

The RSA methodology is further refined into a Risk and Control Self-Assessment (RCSA) model, which has been implemented in all branches and head office units that have been identified as having significant operational risks. In the RCSA methodology, branches and the head office conducts a process of identification and measurement of operational risks inherent to their respective work units and, based on this process, the work units determines the risk mitigation measures required to monitor, control, and minimize the risk. These are then reviewed and approved by the Risk Management Unit.

In addition to RCSA, the Bank has implemented a Loss Event Database (LED) and Key Risk Indicators (KRI) identification system. KRI is a method used to provide an early warning signal should the possibility of increased operational risk within a work unit arise. KRI has been implemented in every regional office and branch.

LED is designed to assist in recording and analyzing cases or events that could lead to a loss so that corrective action can be taken and similar cases can be prevented from occurring in the future. The ultimate purpose of the LED is to minimize the risk of operational losses. LED is also a means of operational loss risk data collection used by the Bank to determine the allocation of capital charges and for continuous monitoring of events that could lead to further operational losses. LED is currently implemented in all regional offices, branches and at head office.

The application of RCSA, LED and KRI is supported by the Operational Risk Management Information System (ORMIS). Currently all branches and head office units use ORMIS in their implementation of RCSA, LED and KRI.

Operational Risk Mitigation

To mitigate operational risk, the Bank uses the following:

- Policies, procedures and limits to monitor, measure and mitigate operational risks.
- Up-to-date policies and procedures in accordance with organizational development and changes in legislation and regulations.
- Integrated and comprehensive Business Continuity Management (BCM) plans to ensure operational continuity in running the business and serving customers.
- Internal control system, which in practice applies the segregation of duties principle (four eyes principle) and operates on a rotation system to avoid potential self-dealing and concealment of documents or possible fraudulent transactions.

Disclosure of quantitative operational risk - Bank only and consolidated - can be seen in Tables 8.1.a and b.

Risk Management of New Products and Activities

In line with the tag line "BCA Always by Your Side", the Bank continues to provide diverse banking products and services to meet customers' needs. The risks of those products and services are managed through the implementation of sufficient mitigation steps. Risk management is conducted based on internal regulations drawn up in accordance with regulatory provisions. Consideration is always given to the comfort and security of BCA customers in order to maintain and increase customer confidence in the Bank. New products or services launched in 2014 include Video Banking Services and Flazz Machines. At the end of 2014, the Bank participated in promoting the Cashless Society National Campaign through the planning of Digital Financial Services.

III.D. Disclosure of Liquidity Risk Exposure and Implementation of Liquidity Risk Management

Organization of Liquidity Risk Management

The Board of Commissioners and the Board of Directors are responsible for ensuring that liquidity risk management is conducted in accordance with the strategic objectives, scale, business characteristics and liquidity risk profile of the Bank, which includes the integration of liquidity risk management with other risks that may impact on the Bank's liquidity position.

The Board of Directors delegates liquidity risk authority and responsibility to the parties below.

Party	Authority and Responsibilities
ALCO	Determines policies and strategies regarding liquidity.
Risk Management Work Unit	Supports ALCO in monitoring and calculating liquidity risks.
Treasury Division	Manages overall operational liquidity of the Bank: - Responsible for monitoring Statutory Reserves and ensuring the Bank's compliance with Bank Indonesia regulations regarding Statutory Reserves. - Responsible for managing secondary reserves in order to maintain liquidity and seek income.
Regional Offices and Branches	Responsible for managing liquidity risk at the respective regional offices and branches.

Measurement and Control of Liquidity Risk and Early Warning Indicators for Liquidity Problems

Liquidity risk is measured using a model that is integrated with cash flow projection, maturity profile report and stress test scenarios. Liquidity risk management includes funding strategies that cover source diversification strategy and funding terms to support the overall business plan of the Bank. Daily liquidity management, high quality liquid assets and limits related to liquidity risks, as well as contigency funding plans are monitored and reported to mitigate liquidity risk.

Liquidity risk monitoring is conducted to ensure that in the event of potential increases in liquidity risk, the situation can be readily mitigated or that necessary adjustments can be made to liquidity risk management mechanisms in a timely manner.

Below are the activities involved in the process of monitoring liquidity risk:

- Monitoring of liquidity risk considers both internal and external early warning indicators of potential increases in liquidity risk.
- Monitoring of funding and the liquidity position includes:
  - Interest rate movement strategies, alternative investments for funds owners, changes in customer behavior, changes in exchange rate and interest rate differentials with the Bank's main competitors that affect changes in the structure of funds, funds volatility and core funds. Funds are thus monitored regularly (daily, monthly and yearly).
  - Monitoring of the liquidity position in the form of statutory reserves and cash as well as secondary reserves is done daily, weekly, monthly, and yearly.

- Monitoring of losses due to liquidity risk is evaluated through the costs arising from liquidity maintenance or losses caused by liquidity factors.

The Bank maintains liquidity reserves by preserving high quality liquid assets sufficient to meet its commitments to customers and other parties, including the provision of credit, return of customer deposits, fulfillment of operational liquidity needs, and ensuring that the amount of assets maturing in each period will cover the liabilities due to mature.

Disclosure of Rupiah and foreign exchange maturity profiles for the Bank alone and as a consolidated entity (according to Bank Indonesia regulations regarding the Implementation of Risk Management for Commercial Banks and Periodic Reports of Commercial Banks) are presented in Table 9.1.a and b, Table 9.2.a and b.

III.E. Disclosure of Legal Risk Exposure and Implementation of Legal Risk Management

Legal risk is defined as risk from lawsuits and/or weaknesses in legal documentation or contracts, or an absence of and/or change in regulation that causes a formerly compliant procedure to be no longer in accordance with the updated regulation, and litigation arising from third party claims against the Bank or claims by the Bank against a third party.

Organization of Legal Risk Management

In order to minimize legal risk, the Bank has established a Legal Group at the head office and legal units in regional offices to support the Bank in carrying out banking activities and mitigating legal risk. The Legal Group also has the duty and responsibility of supporting and safeguarding the legal interests of the Bank with respect to the prevailing laws and regulations as it carries out banking activities.

Legal risk control

BCA has mitigated legal risk through the following:

- Legal Risk Management Policy; having internal regulations to govern the organizational structure and job description for the Legal Group; standardizing legal documents.
- Socializing the impact of new regulations applicable to BCA's banking activities and the various modus operandi of criminal and fraudulent banking activities as well as the legal guidelines for prosecuting such crimes to branch officers and related work units.
- Registering intellectual property rights for the Bank's products and services as well as securing ownership of the Bank's assets, such as rights to land and buildings owned by the Bank, with the appropriate authority.
- Monitoring and taking legal action on violations against the Bank's assets, including infringement of intellectual property rights belonging to BCA.
- Identifying, monitoring, analyzing and quantifying potential losses that may arise in relation to legal cases.

III.F. Disclosure of Strategic Risk Exposure and Implementation of Strategic Risk Management

Strategic risk can occur as a result of inaccuracies in management decisions and/or inappropriate implementation of strategic direction and failure to anticipate changes in the business environment.

Organization of Strategic Risk Management
In an effort to limit the occurrence of strategic risks, the Board of Directors has developed strategic plans and business initiatives. These are outlined in a 3-year business strategy blue print (the Bank Business Plan) and a one-year business plan and budget (Annual Budget & Work Plan). The Bank Business Plan and the Annual Budget & Work Plan also require the approval of the Board of Commissioners. BCA has a Corporate Planning Sub-Division to support and monitor the formulation and the implementation of the Bank Business Plan and the Annual Budget & Work Plan by preparing reports comparing the business plan and budget with their realization and conducting regular reviews of both financial and non-financial business targets. The Bank Business Plan and the Annual Budget & Work Plan are compiled through a series of discussions involving the Board of Commissioners, the Board of Directors and other management.

Policies to Identify and Respond to Changes in the Business Environment
In order to identify and respond to changes in the external and internal environment and business conditions, BCA conducts:

- Regular reviews of the Bank Business Plan and the Annual Budget & Work Plan in accordance with business developments and the state of the Indonesian economy.
- Reviews of business targets with consideration to the current economic situation and the forecast of the coming year while emphasizing the principle of prudence, attention to the capacity and capabilities of BCA and trends in banking competition.

BCA's strategy is formulated with reference to the relevant Bank Indonesia and Financial Services Authority regulations and potential impacts on the Bank's capital related to the Capital Adequacy Ratio (CAR) based on risk appetite, risk tolerance, and considering the Bank's capabilities.

Measurement of the Bank Business Plan Progress
To measure progress in achieving the business plan, the Bank conducts the following activities, among others:

- Identifying, measuring and monitoring strategic risk as well as compiling quarterly strategic risk profile reports.
- Compiling reports on the realization of the Bank Business Plan, which includes financial performance (actual vs. budgeted), realization of corporate/divisional work programs and the realization of branch network development.
- Regularly monitoring changes to the business environment and developments in the Indonesian economy.

III.G Disclosure of Reputation Risk Exposure and Implementation of Reputation Risk Management

Reputation risk can occur as a result of reduced levels of trust from stakeholders triggered by negative perceptions of the Bank.

Organization of Reputation Risk Management
BCA has a strong commitment to managing reputation risk. To this end, the Bank has established the Halo BCA Contact Center and Customer Care that specifically deals

with customer complaints by phone, mail, email, and social media 24 hours a day, every day. In handling customer complaints, Halo BCA Contact Center and Customer Care coordinates with other related units, including the Consumer Card Work Unit, the Consumer Credit Work Unit and the Electronic Banking Services Center, to respond to potential reputational risk events.

Policies and Mechanisms of Reputation Risk Control

In order to manage reputation risk, the Bank implements the following:

- Establishment of provisions for customer complaints that clearly define the policies, procedures, work units that monitor and handle customer complaints, including the format of reports made to Bank Indonesia or Indonesia Financial Services Authority.
- Monitors customer complaints and routinely reports the results to the head of each unit and to the Board of Directors. These reports help the Bank to better handle complaints.
- Develops infrastructure, including the implementation of appropriate software and hardware; develops and manages procedures; develops management information system infrastructure to facilitate monitoring and to support the speed and quality of work in responding to and monitoring customer complaints.

Reputation Risk Management at Times of Crisis

To manage reputation risk in times of crisis, the Bank has conducted the following:

1. Implemented Crisis Management, which includes:
   - Crisis Management Policy, a strategy to manage disorder or events that disturb the Bank's services and reputation, as well as those with the potential to cause disruptions.
   - Crisis Management Team, responsible for coordinating the process of crisis management.
   - Crisis Communication Protocol, to coordinate crisis communications to internal and external parties, including to the mass media. Clear chains of communication and the person in charge of communications have been established for all stages of the crisis.
   - Crisis Management Guidelines, including emergency responses, to facilitate customer service and transactions in the event of a crisis or emergency situation.
2. Developed a business continuity plan and a disaster recovery plan, designed to speed up the recovery process in the event of a disaster.
3. Installed backup systems to prevent high risk business failure.

III.H. Disclosure of Compliance Risk Exposure and Implementation of Compliance Risk Management

Compliance risk is the risk arising should the Bank not comply with and/or implement laws and regulations.

Organization of Compliance Risk Management

In order to minimize compliance risks, all organizational lines need to be responsible for the management of compliance risk in all activities of the Bank. The Board of Commissioners is responsible for approving risk management policies and providing advice. With the assistance of the Audit Committee and Risk Oversight Committee, the Board of Commissioners supervises the implementation of compliance risk management.

The Compliance Director, assisted by the Compliance Unit, is responsible for ensuring compliance and minimizing compliance risk by formulating compliance risk management policies and procedures in the monitoring and the implementation of the compliance function. The Compliance Unit is independent from other working units. The results of the Compliance Director's activities are reported to the President Director and brought to the attention of the Board of Commissioners. The Compliance Unit is responsible for the implementation of the Bank's Anti Money Laundering and Combatting the Financing of Terrorism programs in BCA.

Business units at head office and branches are the front-line in ensuring all business activities are carried out in accordance with the relevant regulations.

Risk Management Strategies Associated with Compliance Risk

BCA has a strong commitment to comply with prevailing laws and regulations and actively take steps to correct any weaknesses. This is in line with BCA's compliance risk management strategy, which contains policies to always comply with the applicable regulations, foremost through proactive prevention (ex-ante) to minimize any occurrence of violations, and through curative action (ex-post) to take corrective actions on any violations.

Compliance Risk Monitoring and Control

In order to control and minimize compliance risk, the Bank has taken the following steps, among others:

- Identify sources of compliance risk.
- Perform gap analysis between new and previous provisions and accordingly make the necessary changes to internal policies and regulations, as well as the application of information systems.
- Measure and monitor compliance risk exposure on a regular basis; results are discussed with the Risk Management Unit and then reported to the Director of Compliance, who finalizes decisions and prepares the compliance risk profile report.
- Socialize and consult on provisions of various regulations.
- Examine compliance in the implementation of provisions.
- Develop a compliance matrix as a means of monitoring commitment to comply with rules issued by regulators.
- Monitor suspicious financial transactions regularly with implementation of Anti Money Laundering protocols, which are regularly audited by internal and external auditors.

In order to improve the effectiveness of internal control, coordination is maintained between the Risk Management Unit, Internal Audit Division and the Compliance Unit through regular meetings and intensive communication. Problems associated with internal compliance control, particularly in addressing potential compliance risks, are comprehensively assessed, allowing the formulation of effective measures.

IV. Consolidated Risk Management

In the consolidation of risk management, BCA refers to Bank Indonesia Regulation No. 8/6/PBI/2006 dated January 30, 2006 regarding the Application of Consolidated Risk Management for Banks Exercising Control Over Subsidiaries.

Application of consolidated risk management includes the following:

1. Active supervision by the Board of Commissioners and the Board of Directors.
2. Adequacy of risk management policies, procedures and determination of risk management limits.
3. Adequacy of identification, measurement, monitoring and mitigation risk processes as well as risk management information system.
4. Comprehensive internal control system.

Implementation of the above four pillars is adapted to the characteristics of the business and resource capabilities of each subsidiary.

The Bank's subsidiaries that fall within the scope of consolidated risk management are BCA Finance, BCA Finance Limited, BCA Syariah, BCA Sekuritas, BCA Insurance and Central Santosa Finance.

V. Application of Integrated Risk Management

With the issuance of Indonesia Financial Services Authority Regulation No. 17/POJK.03/2014 dated November 18, 2014 on Integrated Risk Management For Financial Conglomerates, BCA has conducted the following:

1. Appointment of Director in charge of risk management as the Director in charge of Integrated Risk Management with the function to implement Integrated Risk Management.
2. Preparation of the formation of an Integrated Risk Management Committee.
3. Identification and preparation of the Risk Management Unit organizational structure in order to develop and support an integrated risk management framework.
4. Identification of subsidiaries and affiliated companies included in the Financial conglomerate for integrated risk management purposes.
5. Socialization and coordination with those subsidiaries and affiliated companies.

The summary of risk management implementation at each subsidiary

PT BCA Finance	
Active Supervision by the Board of Commissioners and the Board of Directors	Active supervision is conducted by the Board of Commissioners and the Board of Directors through the establishment of the following: • Audit Committee at the level of the Board of Commissioners, and • Risk Management Committee and Asset Liability Committee (ALCO) at the level of the Board of Directors
Adequacy of Risk Management Policies and Procedures, and Determination of Risk Management Limits	• Basic Risk Management Policy. • Risk management policy for various risks as described in Decision Letters, Circular Letters, Job Procedures and Guidelines. • Policies and procedures, and determination of limits are adequate and regularly reviewed.
Adequacy of Risk Identification, Measurement, Monitoring and Mitigation Processes as well as Risk Management Information System	• Risk management processes are conducted and outlined in quarterly risk profile reports. • Risk management processes are reflected in, among others, risk profile reports, monitoring reports and regular limit reviews.
Comprehensive Internal Control Systems	Internal Audit Division has the function of evaluating the effectiveness and efficiency of work processes and their suitability to the needs of the business. Evaluations are conducted by way of active and passive inspection throughout all work units.

BCA Finance Limited	
Active Supervision by the Board of Commissioners and the Board of Directors	Active supervision by the Board of Directors is conducted through regular discussions and reports on business and operational activities between the Board of Directors and Management.
Adequacy of Risk Management Policies and Procedures, and Determination of Risk Management Limits	• Basic Risk Management Policy & Guidelines. • Risk management policy is defined in Job Procedures and Guidelines. • Policies and procedures, and determination of limits are adequate and regularly reviewed.
Adequacy of Risk Identification, Measurement, Monitoring and Mitigation Processes as well as Risk Management Information System	• Risk management processes are conducted and outlined in quarterly risk profile reports. • Risk management processes are reflected in, among others, the monitoring of limits and regular limit reviews.
Comprehensive Internal Control Systems	Internal supervision is conducted by the Accounting Control unit.

PT BCA Syariah	
Active Supervision by the Board of Commissioners and the Board of Directors	Active supervision by the Board of Commissioners and the Board of Directors is conducted through the establishment of the following: • Risk Oversight Committee, Audit Committee and Remuneration & Nomination Committee at the level of the Board of Commissioners, and • Risk Management Committee, Financing Policy Committee and Asset Liability Committee (ALCO) at the level of the Board of Directors.
Adequacy of Risk Management Policies and Procedures, and Determination of Risk Management Limits	• Basic Risk Management Policy. • Risk management policy for various risks as defined in Job Procedures and Guidelines. • Financing Policy related to credit risk. • Policies and procedures, and determination of limits are adequate and regularly reviewed.
Adequacy of Risk Identification, Measurement, Monitoring and Mitigation Processes as well as Risk Management Information System	• Risk management processes are conducted and outlined in quarterly risk profile reports. • Risk management processes are reflected in, among others, risk profile reports, monitoring reports and regular limit reviews.
Comprehensive Internal Control Systems	The effectiveness of internal control is tested by the Internal Audit Work Unit.

PT BCA Sekuritas	
Active Supervision by the Board of Commissioners and the Board of Directors	Active supervision by the Board of Commissioners and the Board of Directors is conducted through the following activities: • Regular meetings of the Board of Commissioners and the Board of Directors. • Establishment of organizations with reference to Bapepam-LK regulation No. V.D.3 regarding Internal Control and Bookkeeping of Securities Companies, wherein are defined six functions that must be fulfilled by securities companies: 1. Marketing Functions 2. Risk Management Functions 3. Bookkeeping Functions 4. Custodian Functions 5. Information Technology Functions, and 6. Compliance Functions as well as Research Functions outside of the six functions listed above. • The Board of Commissioners gives approval regarding credit facilities accepted by BCA Sekuritas from third parties. • The Board of Directors makes decisions regarding internal policy. • The Board of Directors signs all reports which are submitted to the regulators.

PT BCA Sekuritas (continued)	
Adequacy of Risk Management Policies and Procedures, and Determination of Risk Management Limits	• Policies and Procedures that are in line with Capital Market regulations and that make adequate guidelines for BCA Sekuritas' business activities. • Basic Risk Management Policy. • Policies and procedures, and determination of limits are adequate and regularly reviewed.
Adequacy of Risk Identification, Measurement, Monitoring and Mitigation Processes as well as Risk Management Information System	• Risk management processes are reflected in regular monitoring of the haircut securities, customer limits, and customer's daily transaction, all of which are reported regularly. • Risk management processes are conducted and recorded in quarterly risk profile reports.
Comprehensive Internal Control Systems	Internal supervision of all BCA Sekuritas business activities is conducted by the Board of Directors and the Compliance Unit in accordance with Capital Market regulations.

PT Asuransi Umum BCA	
Active Supervision by the Board of Commissioners and the Board of Directors	Active supervision is conducted by the Board of Commissioners and the Board of Directors through the establishment of the following committees: • Audit Committee at the level of the Board of Commissioners, and • Investment Committee, Insurance Closure Acceptance Committee and Insurance Claim Finalization Committee at the level of the Board of Directors.
Adequacy of Risk Management Policies and Procedures, and Determination of Risk Management Limits	• Various policies, including the following: - Basic Risk Management Policy. - Authority for Claim Approval, Acceptance and Insurance Policy/Cover Note Signing. - Underwriting Guidelines. • Risk management policy for various risks as defined in Job Procedures and Guidelines. • Policies and procedures, and determination of limits are adequate and regularly reviewed.
Adequacy of Risk Identification, Measurement, Monitoring and Mitigation Processes as well as Risk Management Information System	• Risk management processes are conducted and recorded in quarterly risk profile reports. • Risk management processes are reflected in, among others, monitoring reports and regular limit reviews.
Comprehensive Internal Control Systems	Internal supervision is conducted by the Internal Audit Work Unit.

PT Central Santosa Finance	
Active Supervision by the Board of Commissioners and the Board of Directors	Active supervision by the Board of Commissioners and the Board of Directors is conducted in the following forms: • Routine meetings of the Board of Commissioners and the Board of Directors • The Board of Directors signs all reports which are submitted to the regulators.
Adequacy of Risk Management Policies and Procedures, and Determination of Risk Management Limits	Policies and procedures, and determination of limits are adequate and regularly reviewed
Adequacy of Risk Identification, Measurement, Monitoring and Mitigation Processes as well as Risk Management Information System	• Risk management processes are conducted and outlined in quarterly risk profile reports. • Risk management processes are reflected in, among others, monitoring reports and regular limit reviews.
Comprehensive Internal Control Systems	Internal supervision is conducted by the Internal Audit Work Unit.

Risk Management Table*

Table 1.a **Disclosure of the Capital Structure**

Disclosure of the Bank's capital structure (on standalone basis and consolidated) is presented in the audited Consolidated Financial Statements, note No. 39.

Table 2.1.a **Disclosure of Net Receivables by Region - Bank Only**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2014				
		Net Receivables by Region				
		Sumatera	Java	Kalimantan	Eastern Indonesia	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Receivables on sovereigns	-	126,878,997	-	-	126,878,997
2	Receivables on public sector entities	-	21,474,415	-	-	21,474,415
3	Receivables on multilateral development banks and international institutions	-	-	-	-	-
4	Receivables on banks	61,409	23,827,865	21,163	58,425	23,968,862
5	Loans secured by residential property	1,073,282	19,551,346	452,660	801,697	21,878,985
6	Loans secured by commercial real estate	620,635	9,295,419	371,345	303,491	10,590,890
7	Employee/retired loans	-	-	-	-	-
8	Receivables on micro, small business & retail portfolio	2,365,017	45,957,578	562,586	1,170,736	50,055,917
9	Receivables on corporate	17,713,881	255,695,728	5,297,096	11,867,637	290,574,342
10	Past due receivables	83,012	441,927	18,083	45,460	588,482
11	Other assets	1,697,522	28,365,961	643,470	1,342,523	32,049,476
12	Exposures at Syariah based business activity unit (if any)	-	-	-	-	-
	Total	**23,614,758**	**531,489,236**	**7,366,403**	**15,589,969**	**578,060,366**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2013				
		Net Receivables by Region				
		Sumatera	Java	Kalimantan	Eastern Indonesia	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Receivables on sovereigns	-	122,231,555	-	-	122,231,555
2	Receivables on public sector entities	-	12,814,253	-	-	12,814,253
3	Receivables on multilateral development banks and international institutions	-	-	-	-	-
4	Receivables on banks	14,606	17,795,934	6,130	12,093	17,828,763
5	Loans secured by residential property	1,584,021	30,018,529	531,944	1,364,235	33,498,729
6	Loans secured by commercial real estate	543,255	7,896,384	359,933	318,778	9,118,350
7	Employee/retired loans	-	-	-	-	-
8	Receivables on micro, small business & retail portfolio	1,994,381	45,831,449	487,500	934,771	49,248,101
9	Receivables on corporate	18,096,632	229,509,093	5,277,499	10,236,090	263,119,314
10	Past due receivables	75,195	404,744	7,332	39,564	526,835
11	Other assets	1,642,575	24,164,606	525,649	1,214,968	27,547,798
12	Exposures at Syariah based business activity unit (if any)	-	-	-	-	-
	Total	**23,950,665**	**490,666,547**	**7,195,987**	**14,120,499**	**535,933,698**

* The information is presented in accordance with Bank Indonesia Circular Letter No. 14/35/DPNP dated 10 December 2012, on the Annual Report of Commercial Banks and Specific Annual Reporting Submitted to Bank Indonesia. If the Bank has no transactions of the particular type defined in the Circular, the table is not presented.

Table 2.1.b **Disclosure of Net Receivables by Region - Bank Consolidated**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2014					
		Net Receivables by Region					
		Sumatera	Java	Kalimantan	Eastern Indonesia	Foreign Operation	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Receivables on sovereigns	-	126,879,146	-	-	299,737	127,178,883
2	Receivables on public sector entities	-	21,474,695	-	-	-	21,474,695
3	Receivables on multilateral development banks and international institutions	-	-	-	-	-	-
4	Receivables on banks	61,409	24,321,402	21,163	58,425	132,485	24,594,884
5	Loans secured by residential property	1,073,282	19,551,346	452,660	801,697	-	21,878,985
6	Loans secured by commercial real estate	620,635	9,295,419	371,345	303,491	-	10,590,890
7	Employee/retired loans	-	-	-	-	-	-
8	Receivables on micro, small business & retail portfolio	2,365,017	53,146,776	562,586	1,170,736	-	57,245,115
9	Receivables on corporate	17,713,881	255,468,256	5,297,096	11,867,637	3,319	290,350,189
10	Past due receivables	83,012	526,530	18,083	45,460	-	673,085
11	Other assets	1,697,522	28,745,194	643,470	1,342,523	5,461	32,434,170
12	Exposures at Syariah based business activity unit (if any)	-	3,505,158	-	-	-	3,505,158
	Total	**23,614,758**	**542,913,922**	**7,366,403**	**15,589,969**	**441,002**	**589,926,054**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2013					
		Net Receivables by Region					
		Sumatera	Java	Kalimantan	Eastern Indonesia	Foreign Operation	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Receivables on sovereigns	-	122,231,889	-	-	288,145	122,520,034
2	Receivables on public sector entities	-	12,814,588	-	-	-	12,814,588
3	Receivables on multilateral development banks and international institutions	-	-	-	-	-	-
4	Receivables on banks	14,606	17,977,673	6,130	12,093	130,138	18,140,640
5	Loans secured by residential property	1,584,021	30,018,529	531,944	1,364,235	-	33,498,729
6	Loans secured by commercial real estate	543,255	7,896,384	359,933	318,778	-	9,118,350
7	Employee/retired loans	-	-	-	-	-	-
8	Receivables on micro, small business & retail portfolio	1,994,381	51,195,374	487,500	934,771	-	54,612,026
9	Receivables on corporate	18,096,632	229,605,276	5,277,499	10,236,090	7,600	263,223,097
10	Past due receivables	75,195	410,845	7,332	39,564	-	532,936
11	Other assets	1,642,575	22,911,623	525,649	1,214,968	4,867	26,299,682
12	Exposures at Syariah based business activity unit (if any)	-	2,256,644	-	-	-	2,256,644
	Total	**23,950,665**	**497,318,825**	**7,195,987**	**14,120,499**	**430,750**	**543,016,726**

Table 2.2.a. **Disclosure of Net Receivables by Contractual Maturity - Bank Only**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2014					
		Net Receivables by Contractual Maturity					
		≤ 1 year	>1 year to 3 years	>3 year to 5 years	> 5 years	Non-Contractual	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Receivables on sovereigns	103,831,107	12,132,403	7,837,215	3,078,272	-	126,878,997
2	Receivables on public sector entities	2,091,178	2,067,186	250,981	176,681	16,888,389	21,474,415
3	Receivables on multilateral development banks and international institutions	-	-	-	-	-	-
4	Receivables on banks	19,726,166	896,237	109,942	200,157	3,036,360	23,968,862
5	Loans secured by residential property	271,529	3,586,101	5,655,725	12,293,315	72,315	21,878,985
6	Loans secured by commercial real estate	2,028,549	1,056,162	674,053	4,178,320	2,653,806	10,590,890
7	Employee/retired loans	-	-	-	-	-	-
8	Receivables on micro, small business & retail portfolio	4,797,171	21,421,300	14,277,060	8,385,887	1,174,499	50,055,917
9	Receivables on corporate	162,021,311	26,613,509	34,873,414	40,088,993	26,977,115	290,574,342
10	Past due receivables	336,649	86,440	39,876	104,515	21,002	588,482
11	Other assets	1,272	55,774	103,352	-	31,889,078	32,049,476
12	Exposures at Syariah based business activity unit (if any)	-	-	-	-	-	-
	Total	**295,104,932**	**67,915,112**	**63,821,618**	**68,506,140**	**82,712,564**	**578,060,366**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2013					
		Net Receivables by Contractual Maturity					
		≤ 1 year	>1 year to 3 years	>3 year to 5 years	> 5 years	Non-Contractual	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Receivables on sovereigns	97,437,569	10,918,885	12,024,028	1,851,073	-	122,231,555
2	Receivables on public sector entities	920,097	668,628	1,417,868	170,482	9,637,178	12,814,253
3	Receivables on multilateral development banks and international institutions	-	-	-	-	-	-
4	Receivables on banks	12,287,889	1,014,900	388,163	200,157	3,937,654	17,828,763
5	Loans secured by residential property	412,242	4,230,070	9,895,010	18,850,237	111,170	33,498,729
6	Loans secured by commercial real estate	1,285,391	785,130	842,509	3,311,133	2,894,187	9,118,350
7	Employee/retired loans	-	-	-	-	-	-
8	Receivables on micro, small business & retail portfolio	4,752,911	18,996,641	19,209,433	4,508,059	1,781,057	49,248,101
9	Receivables on corporate	128,627,841	26,208,432	29,121,334	35,149,307	44,012,400	263,119,314
10	Past due receivables	252,145	75,996	45,636	118,390	34,668	526,835
11	Other assets	1,629	28,001	86,765	-	27,431,403	27,547,798
12	Exposures at Syariah based business activity unit (if any)	-	-	-	-	-	-
	Total	**245,977,714**	**62,926,683**	**73,030,746**	**64,158,838**	**89,839,717**	**535,933,698**

Table 2.2.b. **Disclosure of Net Receivables by Contractual Maturity - Bank Consolidated**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2014					
		Net Receivables by Contractual Maturity					
		≤ 1 year	>1 year to 3 years	>3 year to 5 years	> 5 years	Non-Contractual	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Receivables on sovereigns	103,868,808	12,132,403	7,837,215	3,340,308	149	127,178,883
2	Receivables on public sector entities	2,091,294	2,067,346	250,985	176,681	16,888,389	21,474,695
3	Receivables on multilateral development banks and international institutions	-	-	-	-	-	-
4	Receivables on banks	20,290,079	958,346	109,942	200,157	3,036,360	24,594,884
5	Loans secured by residential property	271,529	3,586,101	5,655,725	12,293,315	72,315	21,878,985
6	Loans secured by commercial real estate	2,028,549	1,056,162	674,053	4,178,320	2,653,806	10,590,890
7	Employee/retired loans	-	-	-	-	-	-
8	Receivables on micro, small business & retail portfolio	6,720,284	25,127,969	15,945,564	8,505,626	945,672	57,245,115
9	Receivables on corporate	161,604,977	26,758,633	34,917,152	40,092,312	26,977,115	290,350,189
10	Past due receivables	376,753	126,722	43,982	104,626	21,002	673,085
11	Other assets	3,703	57,334	103,352	-	32,269,781	32,434,170
12	Exposures at Syariah based business activity unit (if any)	2,210,051	351,744	611,138	263,390	68,835	3,505,158
	Total	**299,466,027**	**72,222,760**	**66,149,108**	**69,154,735**	**82,933,424**	**589,926,054**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2013					
		Net Receivables by Contractual Maturity					
		≤ 1 year	>1 year to 3 years	>3 year to 5 years	> 5 years	Non-Contractual	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Receivables on sovereigns	97,437,569	11,067,889	12,024,028	1,990,214	334	122,520,034
2	Receivables on public sector entities	920,143	668,914	1,417,871	170,482	9,637,178	12,814,588
3	Receivables on multilateral development banks and international institutions	-	-	-	-	-	-
4	Receivables on banks	12,557,354	1,016,149	388,163	200,157	3,978,817	18,140,640
5	Loans secured by residential property	412,242	4,230,070	9,895,010	18,850,237	111,170	33,498,729
6	Loans secured by commercial real estate	1,285,391	785,130	842,509	3,311,133	2,894,187	9,118,350
7	Employee/retired loans	-	-	-	-	-	-
8	Receivables on micro, small business & retail portfolio	5,577,803	21,800,703	20,944,405	4,508,059	1,781,056	54,612,026
9	Receivables on corporate	128,438,897	26,383,956	29,234,118	35,152,805	44,013,321	263,223,097
10	Past due receivables	253,562	79,787	46,529	118,390	34,668	532,936
11	Other assets	1,629	28,001	86,765	-	26,183,287	26,299,682
12	Exposures at Syariah based business activity unit (if any)	541,498	588,901	609,020	277,138	240,087	2,256,644
	Total	**247,426,088**	**66,649,500**	**75,488,418**	**64,578,615**	**88,874,105**	**543,016,726**

Table 2.3.a. **Disclosure of Net Receivables by Economic Sectors - Bank Only**

No.	Economic Sectors	Receivables on Sovereigns	Receivables on Public Sector Entities	Receivables on Multilateral Development Banks and International Institutions	Receivables on Banks	Loans Secured by Residential Property
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Period of December 31, 2014					
1	Agriculture, hunting and forestry	-	-	-	-	-
2	Fishery	-	-	-	-	-
3	Mining and quarrying	-	6,085,663	-	-	-
4	Manufacturing	-	484,299	-	-	-
5	Electricity, gas and water	-	7,875,771	-	-	-
6	Construction	-	604,774	-	-	-
7	Wholesale and retail trading	-	-	-	-	-
8	Hotel and food & beverage	-	-	-	-	-
9	Transportation, warehousing and communications	-	1,133,781	-	-	-
10	Financial intermediary	-	2,538,752	-	23,968,862	-
11	Real estate, rental and business services	-	-	-	-	-
12	Public administration, defense and compulsory social security	126,878,997	-	-	-	-
13	Education services	-	-	-	-	-
14	Human health and social work activities	-	-	-	-	-
15	Public, socio-culture, entertainment and other personal services	-	150,330	-	-	-
16	Activities of households as employers	-	-	-	-	-
17	International institution and other extra international agencies	-	-	-	-	-
18	Undefined activities	-	-	-	-	-
19	Non business field	-	-	-	-	21,878,985
20	Others	-	2,601,045	-	-	-
	Total	**126,878,997**	**21,474,415**	**-**	**23,968,862**	**21,878,985**

(in million Rupiah)

Loans Secured by Commercial Real Estate	Employee / Retired Loans	Receivables on Micro, Small Business & Retail Portfolio	Receivables on Corporate Portfolio	Past Due Receivables	Other Assets	Exposures at Syariah Based Business Activity Unit (if any)
(8)	(9)	(10)	(11)	(12)	(13)	(14)
-	-	48,380	16,361,806	11,582	-	-
-	-	10,480	617,823	659	-	-
-	-	10,051	1,370,920	1,689	-	-
-	-	253,317	78,572,455	28,050	-	-
-	-	1,327	493,241	140	-	-
134,033	-	90,473	7,574,767	27,417	-	-
-	-	1,283,614	89,234,650	230,835	-	-
-	-	60,402	13,057,833	656	-	-
-	-	102,488	17,812,054	6,605	80	-
-	-	6,590	9,052,710	27	145,747	-
10,456,857	-	80,264	4,463,839	15,664	-	-
-	-	5,987	4,044	-	-	-
-	-	16,471	890,604	-	-	-
-	-	33,833	1,267,481	451	-	-
-	-	129,777	3,626,202	11,798	-	-
-	-	-	-	-	-	-
-	-	120	111	-	-	-
-	-	146,634	62,275	1,088	-	-
-	-	39,595,193	23,867,468	178,341	-	-
-	-	8,180,516	22,244,059	73,480	31,903,649	-
10,590,890	**-**	**50,055,917**	**290,574,342**	**588,482**	**32,049,476**	**-**

Table 2.3.a. **Disclosure of Net Receivables by Economic Sectors - Bank Only**

No.	Economic Sectors	Receivables on Sovereigns	Receivables on Public Sector Entities	Receivables on Multilateral Development Banks and International Institutions	Receivables on Banks	Loans Secured by Residential Property
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Period of December 31, 2013					
1	Agriculture, hunting and forestry	-	-	-	-	-
2	Fishery	-	-	-	-	-
3	Mining and quarrying	-	111,914	-	-	-
4	Manufacturing	-	-	-	-	-
5	Electricity, gas and water	-	5,833,883	-	-	-
6	Construction	-	949,137	-	-	-
7	Wholesale and retail trading	-	-	-	-	-
8	Hotel and food & beverage	-	-	-	-	-
9	Transportation, warehousing and communications	-	792,875	-	-	-
10	Financial intermediary	-	1,949,369	-	17,828,763	-
11	Real estate, rental and business services	-	-	-	-	-
12	Public administration, defense and compulsory social security	122,231,555	-	-	-	-
13	Education services	-	-	-	-	-
14	Human health and social work activities	-	-	-	-	-
15	Public, socio-culture, entertainment and other personal services	-	50,059	-	-	-
16	Activities of households as employers	-	-	-	-	-
17	International institution and other extra international agencies	-	-	-	-	-
18	Undefined activities	-	-	-	-	-
19	Non business field	-	-	-	-	33,498,729
20	Others	-	3,127,016	-	-	-
	Total	**122,231,555**	**12,814,253**	**-**	**17,828,763**	**33,498,729**

(in million Rupiah)

Loans Secured by Commercial Real Estate	Employee / Retired Loans	Receivables on Micro, Small Business & Retail Portfolio	Receivables on Corporate Portfolio	Past Due Receivables	Other Assets	Exposures at Syariah Based Business Activity Unit (if any)
(8)	(9)	(10)	(11)	(12)	(13)	(14)
-	-	61,124	14,387,050	3,351	-	-
-	-	10,180	436,946	1,888	-	-
-	-	16,069	1,685,199	1,216	-	-
-	-	297,955	70,777,344	28,850	-	-
-	-	2,817	578,305	160	-	-
147,218	-	104,777	6,767,928	19,948	-	-
-	-	1,492,813	81,007,728	216,925	-	-
-	-	62,875	11,201,835	1,132	-	-
-	-	128,605	19,241,302	7,718	80	-
-	-	6,845	9,915,792	-	137,547	-
8,971,132	-	133,004	4,829,257	14,617	-	-
-	-	5,971	4,248	-	-	-
-	-	24,395	820,539	72	-	-
-	-	29,677	856,798	475	-	-
-	-	134,967	4,078,039	2,639	-	-
-	-	-	-	-	-	-
-	-	235	71	-	-	-
-	-	260,388	447,653	993	-	-
-	-	31,844,049	15,938,059	200,618	-	-
-	-	14,631,355	20,145,221	26,233	27,410,171	-
9,118,350	**-**	**49,248,101**	**263,119,314**	**526,835**	**27,547,798**	**-**

Table 2.3.b. **Disclosure of Net Receivables by Economic Sectors - Bank Consolidated**

No.	Economic Sectors	Receivables on Sovereigns	Receivables on Public Sector Entities	Receivables on Multilateral Development Banks and International Institutions	Receivables on Banks	Loans Secured by Residential Property
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Period of December 31, 2014					
1	Agriculture, hunting and forestry	-	-	-	-	-
2	Fishery	-	-	-	-	-
3	Mining and quarrying	-	6,085,663	-	-	-
4	Manufacturing	-	484,299	-	-	-
5	Electricity, gas and water	-	7,875,771	-	-	-
6	Construction	-	604,774	-	-	-
7	Wholesale and retail trading	-	-	-	-	-
8	Hotel and food & beverage	-	-	-	-	-
9	Transportation, warehousing and communications	-	1,133,781	-	-	-
10	Financial intermediary	-	2,539,032	-	24,353,725	-
11	Real estate, rental and business services	-	-	-	-	-
12	Public administration, defense and compulsory social security	127,178,883	-	-	-	-
13	Education services	-	-	-	-	-
14	Human health and social work activities	-	-	-	-	-
15	Public, socio-culture, entertainment and other personal services	-	150,330	-	-	-
16	Activities of households as employers	-	-	-	-	-
17	International institution and other extra international agencies	-	-	-	-	-
18	Undefined activities	-	-	-	-	-
19	Non business field	-	-	-	-	21,878,985
20	Others	-	2,601,045	-	241,159	-
	Total	**127,178,883**	**21,474,695**	**-**	**24,594,884**	**21,878,985**

(in million Rupiah)

Loans Secured by Commercial Real Estate	Employee / Retired Loans	Receivables on Micro, Small Business & Retail Portfolio	Receivables on Corporate Portfolio	Past Due Receivables	Other Assets	Exposures at Syariah Based Business Activity Unit (if any)
(8)	(9)	(10)	(11)	(12)	(13)	(14)
-	-	168,863	16,366,242	12,690	-	129,181
-	-	24,091	617,949	776	-	76,676
-	-	107,461	1,391,777	2,215	-	3,388
-	-	770,717	78,594,125	28,995	-	463,904
-	-	3,967	493,545	145	-	-
134,033	-	326,477	7,574,800	28,701	-	76,389
-	-	2,928,118	89,267,613	239,038	-	484,522
-	-	157,980	13,059,866	1,169	-	8,925
-	-	357,462	17,826,260	7,737	80	243,019
-	-	120,659	8,631,711	222	407,863	896,525
10,456,857	-	388,780	4,537,933	17,050	-	127,280
-	-	395,127	4,044	1,586	-	912,852
-	-	395,594	890,616	1,016	-	2,918
-	-	281,175	1,267,481	1,170	-	24
-	-	557,549	3,632,224	13,455	-	4,108
-	-	-	-	-	-	-
-	-	6,611	111	17	-	-
-	-	344,954	78,780	1,982	-	-
-	-	41,523,971	23,867,482	241,641	-	2,221
-	-	8,385,559	22,247,630	73,480	32,026,227	73,226
10,590,890	**-**	**57,245,115**	**290,350,189**	**673,085**	**32,434,170**	**3,505,158**

Table 2.3.b. **Disclosure of Net Receivables by Economic Sectors - Bank Consolidated**

No.	Economic Sectors	Receivables on Sovereigns	Receivables on Public Sector Entities	Receivables on Multilateral Development Banks and International Institutions	Receivables on Banks	Loans Secured by Residential Property
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Period of December 31, 2013					
1	Agriculture, hunting and forestry	-	-	-	-	-
2	Fishery	-	-	-	-	-
3	Mining and quarrying	-	111,914	-	-	-
4	Manufacturing	-	-	-	-	-
5	Electricity, gas and water	-	5,833,883	-	-	-
6	Construction	-	949,137	-	-	-
7	Wholesale and retail trading	-	-	-	-	-
8	Hotel and food & beverage	-	-	-	-	-
9	Transportation, warehousing and communications	-	792,875	-	-	-
10	Financial intermediary	-	1,949,704	-	18,140,553	-
11	Real estate, rental and business services	-	-	-	-	-
12	Public administration, defense and compulsory social security	122,520,034	-	-	-	-
13	Education services	-	-	-	-	-
14	Human health and social work activities	-	-	-	-	-
15	Public, socio-culture, entertainment and other personal services	-	50,059	-	-	-
16	Activities of households as employers	-	-	-	-	-
17	International institution and other extra international agencies	-	-	-	-	-
18	Undefined activities	-	-	-	87	-
19	Non business field	-	-	-	-	33,498,729
20	Others	-	3,127,016	-	-	-
	Total	**122,520,034**	**12,814,588**	**-**	**18,140,640**	**33,498,729**

(in million Rupiah)

Loans Secured by Commercial Real Estate	Employee / Retired Loans	Receivables on Micro, Small Business & Retail Portfolio	Receivables on Corporate Portfolio	Past Due Receivables	Other Assets	Exposures at Syariah Based Business Activity Unit (if any)
(8)	(9)	(10)	(11)	(12)	(13)	(14)
-	-	187,873	14,397,478	3,643	-	181,116
-	-	23,950	437,656	1,909	-	-
-	-	114,606	1,716,608	1,330	-	-
-	-	765,958	70,792,762	29,365	-	218,363
-	-	10,091	578,548	162	-	-
147,218	-	335,101	6,767,928	20,312	-	70,307
-	-	3,063,472	81,030,226	219,153	-	215,853
-	-	160,066	11,203,238	1,310	-	-
-	-	403,723	19,259,366	8,062	80	157,012
-	-	114,113	9,815,449	116	198,059	150,000
8,971,132	-	781,042	4,908,481	15,458	-	551,704
-	-	335,524	4,248	219	-	334,099
-	-	386,291	820,539	266	-	-
-	-	259,175	856,798	593	-	206
-	-	542,763	4,079,590	3,004	-	-
-	-	-	-	-	-	-
-	-	6,575	71	7	-	-
-	-	646,299	464,531	1,176	-	-
-	-	31,844,049	15,938,059	200,618	-	-
-	-	14,631,355	20,151,521	26,233	26,101,543	377,984
9,118,350	**-**	**54,612,026**	**263,223,097**	**532,936**	**26,299,682**	**2,256,644**

Table 2.4.a. **Disclosure of Receivables and Provisioning by Region - Bank Only**

(in million Rupiah)

No.	Description	Period of December 31, 2014				
		Region				
		Sumatera	Java	Kalimantan	Eastern Indonesia	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Receivables	20,218,575	491,793,152	6,638,631	14,076,720	532,727,078
2	Impaired receivables	14,804	1,597,101	-	56,816	1,668,721
	a. Non past due	-	887,353	-	23,831	911,184
	b. Past due	14,804	709,748	-	32,985	757,537
3	Allowance for impairment losses - Individual	14,516	1,348,202	-	56,816	1,419,534
4	Allowance for impairment losses - Collective	309,768	5,758,565	128,957	176,215	6,373,505
5	Written-off receivables	2,031	519,442	1,601	6,421	529,495

(in million Rupiah)

No.	Description	Period of December 31, 2013				
		Region				
		Sumatera	Java	Kalimantan	Eastern Indonesia	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Receivables	20,822,188	439,843,346	6,301,804	12,594,916	479,562,254
2	Impaired receivables	-	1,006,795	-	90,133	1,096,928
	a. Non past due	-	805,947	-	40,646	846,593
	b. Past due	-	200,848	-	49,487	250,335
3	Allowance for impairment losses - Individual	-	904,903	-	90,085	994,988
4	Allowance for impairment losses - Collective	312,152	4,851,787	63,640	151,891	5,379,470
5	Written-off receivables	2,126	323,783	467	5,685	332,061

Table 2.4.b. **Disclosure of Receivables and Provisioning by Region - Bank Consolidated**

(in million Rupiah)

No.	Description	Period of December 31, 2014					
		Region					
		Sumatera	Java	Kalimantan	Eastern Indonesia	Foreign Operation	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Receivables	20,218,575	498,712,161	6,638,631	14,076,720	510,004	540,156,091
2	Impaired Receivables	14,804	1,598,101	-	56,816	81,130	1,750,851
	a. Non Past Due	-	887,353	-	23,831	37,163	948,347
	b. Past Due	14,804	710,748	-	32,985	43,967	802,504
3	Allowance for Impairment Losses - Individual	14,516	1,349,202	-	56,816	78,528	1,499,062
4	Allowance for Impairment Losses - Collective	309,768	5,963,840	128,957	176,215	-	6,578,780
5	Written-off receivables	2,031	700,613	1,601	6,421	-	710,666

(in million Rupiah)

No.	Description	Period of December 31, 2013					
		Region					
		Sumatera	Java	Kalimantan	Eastern Indonesia	Foreign Operation	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Receivables	20,822,188	445,246,366	6,301,804	12,594,916	493,479	485,458,753
2	Impaired Receivables	-	1,007,795	-	90,133	79,515	1,177,443
	a. Non Past Due	-	806,197	-	40,646	79,515	926,358
	b. Past Due	-	201,598	-	49,487	-	251,085
3	Allowance for Impairment Losses - Individual	-	905,903	-	90,085	71,961	1,067,949
4	Allowance for Impairment Losses - Collective	312,152	4,936,542	63,640	151,891	-	5,464,225
5	Written-off receivables	2,126	337,968	467	5,685	-	346,246

Table 2.5.a. **Disclosure of Receivables and Provisioning based on Economic Sectors - Bank Only**

(in million Rupiah)

No.	Economic Sectors	Receivables	Impaired Receivables		Allowance for Impairment Losses - Individual	Allowance for Impairment Losses - Collective	Written-Off Receivables
			Non Past Due	Past Due			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Period of December 31, 2014						
1	Agriculture, hunting and forestry	15,644,714	-	-	-	376,158	219
2	Fishery	575,811	-	-	-	11,555	-
3	Mining and quarrying	7,380,304	-	-	-	63,374	3
4	Manufacturing	71,509,275	-	21,128	21,128	1,160,773	15,687
5	Electricity, gas and water	7,879,735	23,663	1,400	22,521	5,095	7
6	Construction	7,586,887	382,935	-	271,784	87,066	2,085
7	Wholesale and retail trading	80,715,692	185,910	187,361	319,870	1,537,865	9,668
8	Hotel and food & beverage	11,216,130	-	-	-	137,440	93
9	Transportation, warehousing and communications	17,359,722	101,890	18,032	103,581	798,535	6,097
10	Financial intermediary	35,174,824	-	-	-	70,422	-
11	Real estate, rental and business services	13,518,397	-	14,805	14,516	108,042	806
12	Public administration, defense and compulsory social security	128,004,738	-	-	-	54	-
13	Education services	769,435	-	-	-	39,614	196
14	Human health and social work activities	1,149,677	-	-	-	25,627	-
15	Public, socio-culture, entertainment and other personal services	3,417,160	-	-	-	41,995	74
16	Activities of households as employee	-	-	-	-	-	-
17	International and other extra international institutions	231	-	-	-	1	-
18	Undefined activities	215,292	-	-	-	11,854	8,713
19	Non business field	85,398,966	-	-	-	1,098,329	280,300
20	Others	45,210,088	216,786	514,811	666,134	799,706	205,547
	Total	**532,727,078**	**911,184**	**757,537**	**1,419,534**	**6,373,505**	**529,495**

Table 2.5.a. **Disclosure of Receivables and Provisioning based on Economic Sectors - Bank Only**

(in million Rupiah)

No.	Economic Sectors	Receivables	Impaired Receivables		Allowance for Impairment Losses - Individual	Allowance for Impairment Losses - Collective	Written-Off Receivables
			Non Past Due	Past Due			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Period of December 31, 2013						
1	Agriculture, hunting and forestry	13,215,042	-	-	-	165,311	1,099
2	Fishery	414,568	-	-	-	7,637	-
3	Mining and quarrying	1,706,141	-	-	-	57,863	-
4	Manufacturing	62,905,315	19,840	10,980	30,772	1,257,812	2,087
5	Electricity, gas and water	6,156,325	26,927	1,600	25,781	5,259	72
6	Construction	5,853,807	-	-	-	228,618	381
7	Wholesale and retail trading	73,186,126	24,462	174,131	173,645	1,657,439	4,633
8	Hotel and food & beverage	8,774,150	-	-	-	252,860	663
9	Transportation, warehousing and communications	19,235,497	50,859	56,061	97,396	190,077	1,197
10	Financial intermediary	29,158,826	-	-	-	70,194	-
11	Real estate, rental and business services	12,042,925	7,127	7,563	14,690	154,615	569
12	Public administration, defense and compulsory social security	122,669,977	-	-	-	34	-
13	Education services	700,733	-	-	-	12,804	-
14	Human health and social work activities	854,184	-	-	-	57,723	-
15	Public, socio-culture, entertainment and other personal services	3,583,268	-	-	-	35,917	1,866
16	Activities of households as employee	-	-	-	-	-	-
17	International and other extra international institutions	305	-	-	-	1	-
18	Undefined activities	518,142	-	-	-	12,162	6,841
19	Non business field	81,176,169	-	-	-	762,142	161,301
20	Others	37,410,754	717,378	-	652,704	451,002	151,352
	Total	**479,562,254**	**846,593**	**250,335**	**994,988**	**5,379,470**	**332,061**

Table 2.5.b. **Disclosure of Receivables and Provisioning based on Economic Sectors - Bank Consolidated**

(in million Rupiah)

No.	Economic Sectors	Receivables	Impaired Receivables		Allowance for Impairment Losses - Individual	Allowance for Impairment Losses - Collective	Written-Off Receivables
			Non Past Due	Past Due			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Period of December 31, 2014						
1	Agriculture, hunting and forestry	15,773,247	-	-	-	379,170	1,187
2	Fishery	590,020	-	-	-	11,947	315
3	Mining and quarrying	7,501,709	-	-	-	64,990	372
4	Manufacturing	72,061,258	-	21,128	21,128	1,166,699	17,714
5	Electricity, gas and water	7,882,695	23,663	1,400	22,521	5,126	11
6	Construction	7,828,689	382,935	-	271,784	92,174	4,001
7	Wholesale and retail trading	82,424,927	185,910	187,361	319,870	1,569,471	19,851
8	Hotel and food & beverage	11,317,496	-	-	-	139,132	541
9	Transportation, warehousing and communications	17,633,719	101,890	19,032	104,581	802,168	7,557
10	Financial intermediary	34,221,369	-	-	-	72,001	363
11	Real estate, rental and business services	13,906,429	-	14,805	14,516	115,245	2,544
12	Public administration, defense and compulsory social security	129,443,661	-	-	-	6,388	871
13	Education services	1,152,770	-	-	-	43,945	1,093
14	Human health and social work activities	1,400,291	-	-	-	28,892	633
15	Public, socio-culture, entertainment and other personal services	3,858,115	-	-	-	49,204	2,107
16	Activities of households as employee	-	-	-	-	-	-
17	International and other extra international institutions	6,792	-	-	-	158	-
18	Undefined activities	433,244	-	-	-	14,654	9,569
19	Non business field	87,421,681	-	-	-	1,217,648	436,379
20	Others	45,297,979	253,949	558,778	744,662	799,768	205,558
	Total	**540,156,091**	**948,347**	**802,504**	**1,499,062**	**6,578,780**	**710,666**

Table 2.5.b. **Disclosure of Receivables and Provisioning based on Economic Sectors - Bank Consolidated**

(in million Rupiah)

No.	Economic Sectors	Receivables	Impaired Receivables		Allowance for Impairment Losses - Individual	Allowance for Impairment Losses - Collective	Written-Off Receivables
			Non Past Due	Past Due			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Period of December 31, 2013						
1	Agriculture, hunting and forestry	13,384,896	-	-	-	168,424	1,983
2	Fishery	429,289	-	-	-	7,881	19
3	Mining and quarrying	1,838,655	-	-	-	59,610	122
4	Manufacturing	63,415,167	19,840	10,980	30,772	1,263,887	3,046
5	Electricity, gas and water	6,163,875	26,927	1,600	25,781	5,296	84
6	Construction	6,089,335	-	-	-	233,215	1,125
7	Wholesale and retail trading	74,801,865	24,462	174,131	173,645	1,684,818	8,661
8	Hotel and food & beverage	8,874,159	-	-	-	254,638	987
9	Transportation, warehousing and communications	19,532,998	51,109	56,811	98,396	195,190	1,842
10	Financial intermediary	28,841,434	-	-	-	71,350	371
11	Real estate, rental and business services	12,779,638	7,127	7,563	14,690	167,738	4,159
12	Public administration, defense and compulsory social security	123,676,051	-	-	-	4,111	190
13	Education services	1,065,506	-	-	-	16,279	530
14	Human health and social work activities	1,085,455	-	-	-	59,895	319
15	Public, socio-culture, entertainment and other personal services	3,998,110	-	-	-	42,975	2,844
16	Activities of households as employee	-	-	-	-	-	-
17	International and other extra international institutions	6,678	-	-	-	35	-
18	Undefined activities	798,694	-	-	-	15,739	7,311
19	Non business field	81,176,169	-	-	-	762,142	161,301
20	Others	37,500,779	796,893	-	724,665	451,002	151,352
	Total	**485,458,753**	**926,358**	**251,085**	**1,067,949**	**5,464,225**	**346,246**

Table 2.6.a. **Disclosure of Movements of Allowance for Impairment Losses - Bank Only**

(in million Rupiah)

No.	Description	Period of December 31, 2014	
		Allowance for Impairment Losses - Individual	Allowance for Impairment Losses - Collective
(1)	(2)	(3)	(4)
1	Beginning balance - allowance for impairment losses	994,988	5,379,628
2	Additional/reversal allowance for impairment losses during the year (Net)		
	2.a Additional allowance for impairment losses during the year	545,662	4,410,315
	2.b Reversal allowance for impairment losses during the year	(149,289)	(2,820,120)
3	Allowance for impairment losses used for written off receivables during the year	(75)	(656,045)
4	Other additional (reversal) of allowance during the year	28,248	61,656
Ending Balance - Allowance for Impairment Losses		**1,419,534**	**6,375,434**

(in million Rupiah)

No.	Description	Period of December 31, 2013	
		Allowance for Impairment Losses - Individual	Allowance for Impairment Losses - Collective
(1)	(2)	(3)	(4)
1	Beginning balance - allowance for impairment losses	699,394	3,955,362
2	Additional/reversal allowance for impairment losses during the year (Net)		
	2.a Additional allowance for impairment losses during the year	345,520	3,190,884
	2.b Reversal allowance for impairment losses during the year	(50,378)	(1,504,609)
3	Allowance for impairment losses used for written off receivables during the year	(1,995)	(384,517)
4	Other additional (reversal) of allowance during the year	2,447	122,508
Ending Balance - Allowance for Impairment Losses		**994,988**	**5,379,628**

Table 2.6.b. **Disclosure of Movements of Allowance for Impairment Losses - Bank Consolidated**

(in million Rupiah)

No.	Description	Period of December 31, 2014	
		Allowance for Impairment Losses - Individual	Allowance for Impairment Losses - Collective
(1)	(2)	(3)	(4)
1	Beginning balance - allowance for impairment losses	1,067,949	5,480,268
2	Additional/reversal allowance for impairment losses during the year (Net)		
	2.a Additional allowance for impairment losses during the year	539,617	4,660,315
	2.b Reversal allowance for impairment losses during the year	(133,102)	(2,827,797)
3	Allowance for impairment losses used for written off receivables during the year	(75)	(839,297)
4	Other additional (reversal) of allowance during the year	24,673	126,308
Ending Balance - Allowance for Impairment Losses		**1,499,062**	**6,599,797**

(in million Rupiah)

No.	Description	Period of December 31, 2013	
		Allowance for Impairment Losses - Individual	Allowance for Impairment Losses - Collective
(1)	(2)	(3)	(4)
1	Beginning balance - allowance for impairment losses	752,696	4,049,573
2	Additional/reversal allowance for impairment losses during the year (Net)		
	2.a Additional allowance for impairment losses during the year	355,048	3,221,806
	2.b Reversal allowance for impairment losses during the year	(50,378)	(1,510,811)
3	Allowance for impairment losses used for written off receivables during the year	(1,995)	(405,611)
4	Other additional (reversal) of allowance during the year	12,578	125,311
Ending Balance - Allowance for Impairment Losses		**1,067,949**	**5,480,268**

Table 3.1.a. **Disclosure of Net Receivables by Portfolio and Rating Category - Bank Only**

No.	Portfolio Category	Rating Company	Long-Term Rating				
		Standard and Poor's	AAA	AA+ to AA-	A+ to A-	BBB+ to BBB-	
		Fitch Rating	AAA	AA+ to AA-	A+ to A-	BBB+ to BBB-	
		Moody's	Aaa	Aa1 to Aa3	A1 to A3	Baa1 to Baa3	
		PT Fitch Ratings Indonesia	AAA (idn)	AA+(idn) to AA-(idn)	A+(idn) to. A-(idn)	BBB+(idn) to BBB-(idn)	
		PT ICRA Indonesia	[Idr]AAA	[Idr]AA+ to [Idr] AA-	[Idr]A+ to [Idr]A-	[Idr]BBB+ to [Idr] BBB-	
		PT Pemeringkat Efek Indonesia	idAAA	idAA+ to idAA-	idA+ to idA-	id BBB+ to idBBB-	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
1	Receivables on sovereigns		-	558,084	-	6,192,274	
2	Receivables on public sector entities		8,967,966	4,458,273	552,375	-	
3	Receivables on multilateral development banks and international institutions		-	-	-	-	
4	Receivables on banks		6,416,468	5,984,886	2,959,109	249,612	
5	Loans secured by residential property						
6	Loans secured by commercial real estate						
7	Employee/retired loans						
8	Receivables on micro, small business & retail portfolio						
9	Receivables on corporate		3,511,724	11,264,230	4,308,667	522,460	
10	Past due receivables						
11	Other assets						
12	Exposures at Syariah based business activity unit (if any)		-	-	-	-	
	Total		**18,896,158**	**22,265,473**	**7,820,151**	**6,964,346**	

(in million Rupiah)

Period of December 31, 2014									
Net Receivables									
				Short-Term Rating				Unrated	Total
	BB+ to BB-	B+ to B-	Lower than B-	A-1	A-2	A-3	Lower than A-3		
	BB+ to BB-	B+ to B-	Lower than B-	F1+ to F1	F2	F3	Lower than F3		
	Ba1 to Ba3	B1 to B3	Lower than B3	P-1	P-2	P-3	Lower than P-3		
	BB+(idn) to BB-(idn)	B+(idn) to B-(idn)	Lower than B-(idn)	F1+(idn) to F1(idn)	F2(idn)	F3(idn)	Lower than F3(idn)		
	[Idr]BB+ to [Idr]BB-	[Idr]B+ to [Idr] B-	Lower than [Idr]B-	[Idr]A1+ to [Idr]A1	[Idr]A2+ to [Idr]A2	[Idr]A3+ to [Idr] A3	Lower than [Idr]A3		
	idBB+ to idBB-	idB+ to idB-	Lower than idB-	idA1	idA2	idA3 to idA4	Lower than idA4		
	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
	3,796,838	-	-	-	-	-	-	116,331,801	126,878,997
	5,260,776	-	-	-	-	-	-	2,235,025	21,474,415
	-	-	-	-	-	-	-	-	-
	239,188	920	-	-	-	-	-	8,118,679	23,968,862
								21,878,985	21,878,985
								10,590,890	10,590,890
								-	-
								50,055,917	50,055,917
	26,145	317,620	-	-	-	-	-	270,623,496	290,574,342
								588,482	588,482
								32,049,476	32,049,476
	-	-	-	-	-	-	-	-	-
	9,322,947	**318,540**	**-**	**-**	**-**	**-**	**-**	**512,472,751**	**578,060,366**

Table 3.1.a. **Disclosure of Net Receivables by Portfolio and Rating Category - Bank Only**

No.	Portfolio Category	Rating Company	Long-Term Rating				
		Standard and Poor's	AAA	AA+ to AA-	A+ to A-	BBB+ to BBB-	
		Fitch Rating	AAA	AA+ to AA-	A+ to A-	BBB+ to BBB-	
		Moody's	Aaa	Aa1 to Aa3	A1 to A3	Baa1 to Baa3	
		PT Fitch Ratings Indonesia	AAA (idn)	AA+(idn) to AA-(idn)	A+(idn) to. A-(idn)	BBB+(idn) to BBB-(idn)	
		PT ICRA Indonesia	[Idr]AAA	[Idr]AA+ to [Idr] AA-	[Idr]A+ to [Idr]A-	[Idr]BBB+ to [Idr] BBB-	
		PT Pemeringkat Efek Indonesia	idAAA	idAA+ to idAA-	idA+ to idA-	id BBB+ to idBBB-	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
1	Receivables on sovereigns		33,901,799	-	-	9,517,029	
2	Receivables on public sector entities		7,132,830	4,131,128	-	-	
3	Receivables on multilateral development banks and international institutions		-	-	-	-	
4	Receivables on banks		2,844,244	5,920,677	2,013,123	171,702	
5	Loans secured by residential property						
6	Loans secured by commercial real estate						
7	Employee/retired loans						
8	Receivables on micro, small business & retail portfolio						
9	Receivables on corporate		-	16,776,272	3,804,757	383,324	
10	Past due receivables						
11	Other assets						
12	Exposures at Syariah based business activity unit (if any)		-	-	-	-	
	Total		**43,878,873**	**26,828,077**	**5,817,880**	**10,072,055**	

(in million Rupiah)

Period of December 31, 2013									
Net Receivables									
				Short-Term Rating				Unrated	Total
	BB+ to BB-	B+ to B-	Lower than B-	A-1	A-2	A-3	Lower than A-3		
	BB+ to BB-	B+ to B-	Lower than B-	F1+ to F1	F2	F3	Lower than F3		
	Ba1 to Ba3	B1 to B3	Lower than B3	P-1	P-2	P-3	Lower than P-3		
	BB+(idn) to BB-(idn)	B+(idn) to B-(idn)	Lower than B-(idn)	F1+(idn) to F1(idn)	F2(idn)	F3(idn)	Lower than F3(idn)		
	[Idr]BB+ to [Idr]BB-	[Idr]B+ to [Idr] B-	Lower than [Idr]B-	[Idr]A1+ to [Idr]A1	[Idr]A2+ to [Idr]A2	[Idr]A3+ to [Idr] A3	Lower than [Idr]A3		
	idBB+ to idBB-	idB+ to idB-	Lower than idB-	idA1	idA2	idA3 to idA4	Lower than idA4		
	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
	5,686,068	-	-	-	-	-	-	73,126,659	122,231,555
	690,932	-	-	-	-	-	-	859,363	12,814,253
	-	-	-	-	-	-	-	-	-
	86,134	1,803	-	-	-	-	-	6,791,080	17,828,763
								33,498,729	33,498,729
								9,118,350	9,118,350
								-	-
								49,248,101	49,248,101
	25,792	335,799	5,989	-	-	-	-	241,787,381	263,119,314
								526,835	526,835
								27,547,798	27,547,798
	-	-	-	-	-	-	-	-	-
	6,488,926	**337,602**	**5,989**	**-**	**-**	**-**	**-**	**442,504,296**	**535,933,698**

Tabel 3.1.b. **Disclosure of Net Receivables by Portfolio and Rating Category - Bank Consolidated**

No.	Portfolio Category	Rating Company	Long-Term Rating				
		Standard and Poor's	AAA	AA+ to AA-	A+ to A-	BBB+ to BBB-	
		Fitch Rating	AAA	AA+ to AA-	A+ to A-	BBB+ to BBB-	
		Moody's	Aaa	Aa1 to Aa3	A1 to A3	Baa1 to Baa3	
		PT Fitch Ratings Indonesia	AAA (idn)	AA+(idn) to AA-(idn)	A+(idn) to. A-(idn)	BBB+(idn) to BBB-(idn)	
		PT ICRA Indonesia	[Idr]AAA	[Idr]AA+ to [Idr] AA-	[Idr]A+ to [Idr]A-	[Idr]BBB+ to [Idr] BBB-	
		PT Pemeringkat Efek Indonesia	idAAA	idAA+ to idAA-	idA+ to idA-	id BBB+ to idBBB-	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
1	Receivables on sovereigns		-	558,084	-	6,192,274	
2	Receivables on public sector entities		8,967,966	4,458,553	552,375	-	
3	Receivables on multilateral development banks and international institutions		-	-	-	-	
4	Receivables on banks		6,416,556	6,068,161	3,010,842	280,048	
5	Loans secured by residential property						
6	Loans secured by commercial real estate						
7	Employee/retired loans						
8	Receivables on micro, small business & retail portfolio						
9	Receivables on corporate		3,244,382	11,264,208	4,308,667	522,460	
10	Past due receivables						
11	Other assets						
12	Exposures at Syariah based business activity unit (if any)		-	70,000	-	-	
	Total		**18,628,904**	**22,419,006**	**7,871,884**	**6,994,782**	

(in million Rupiah)

Period of December 31, 2014									
Net Receivables									
				Short-Term Rating				Unrated	Total
	BB+ to BB-	B+ to B-	Lower than B-	A-1	A-2	A-3	Lower than A-3		
	BB+ to BB-	B+ to B-	Lower than B-	F1+ to F1	F2	F3	Lower than F3		
	Ba1 to Ba3	B1 to B3	Lower than B3	P-1	P-2	P-3	Lower than P-3		
	BB+(idn) to BB-(idn)	B+(idn) to B-(idn)	Lower than B-(idn)	F1+(idn) to F1(idn)	F2(idn)	F3(idn)	Lower than F3(idn)		
	[Idr]BB+ to [Idr]BB-	[Idr]B+ to [Idr] B-	Lower than [Idr]B-	[Idr]A1+ to [Idr]A1	[Idr]A2+ to [Idr]A2	[Idr]A3+ to [Idr] A3	Lower than [Idr]A3		
	idBB+ to idBB-	idB+ to idB-	Lower than idB-	idA1	idA2	idA3 to idA4	Lower than idA4		
	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
	4,096,576	-	-	-	-	-	-	116,331,949	127,178,883
	5,260,776	-	-	-	-	-	-	2,235,025	21,474,695
	-	-	-	-	-	-	-	-	-
	300,597	920	-	-	-	-	-	8,517,760	24,594,884
								21,878,985	21,878,985
								10,590,890	10,590,890
								-	-
								57,245,115	57,245,115
	26,145	317,620	-	-	-	-	-	270,666,707	290,350,189
								673,085	673,085
								32,434,170	32,434,170
	-	21,787	-	-	-	-	-	3,413,371	3,505,158
	9,684,094	**340,327**	**-**	**-**	**-**	**-**	**-**	**523,987,057**	**589,926,054**

Tabel 3.1.b. **Disclosure of Net Receivables by Portfolio and Rating Category - Bank Consolidated**

No.	Portfolio Category	Rating Company	Long-Term Rating				
		Standard and Poor's	AAA	AA+ to AA-	A+ to A-	BBB+ to BBB-	
		Fitch Rating	AAA	AA+ to AA-	A+ to A-	BBB+ to BBB-	
		Moody's	Aaa	Aa1 to Aa3	A1 to A3	Baa1 to Baa3	
		PT Fitch Ratings Indonesia	AAA (idn)	AA+(idn) to AA-(idn)	A+(idn) to. A-(idn)	BBB+(idn) to BBB-(idn)	
		PT ICRA Indonesia	[Idr]AAA	[Idr]AA+ to [Idr] AA-	[Idr]A+ to [Idr]A-	[Idr]BBB+ to [Idr] BBB-	
		PT Pemeringkat Efek Indonesia	idAAA	idAA+ to idAA-	idA+ to idA-	id BBB+ to idBBB-	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
1	Receivables on sovereigns		33,901,799	-	-	9,517,029	
2	Receivables on public sector entities		7,132,830	4,131,128	-	-	
3	Receivables on multilateral development banks and international institutions		-	-	-	-	
4	Receivables on banks		2,848,442	5,962,079	2,116,966	228,980	
5	Loans secured by residential property						
6	Loans secured by commercial real estate						
7	Employee/retired loans						
8	Receivables on micro, small business & retail portfolio						
9	Receivables on corporate		-	16,576,363	3,804,757	383,324	
10	Past due receivables						
11	Other assets						
12	Exposures at Syariah based business activity unit (if any)		-	106,063	70,000	-	
	Total		**43,883,071**	**26,775,633**	**5,991,723**	**10,129,333**	

(in million Rupiah)

Period of December 31, 2013									
Net Receivables									
				Short-Term Rating				Unrated	Total
	BB+ to BB-	B+ to B-	Lower than B-	A-1	A-2	A-3	Lower than A-3		
	BB+ to BB-	B+ to B-	Lower than B-	F1+ to F1	F2	F3	Lower than F3		
	Ba1 to Ba3	B1 to B3	Lower than B3	P-1	P-2	P-3	Lower than P-3		
	BB+(idn) to BB-(idn)	B+(idn) to B-(idn)	Lower than B-(idn)	F1+(idn) to F1(idn)	F2(idn)	F3(idn)	Lower than F3(idn)		
	[Idr]BB+ to [Idr]BB-	[Idr]B+ to [Idr] B-	Lower than [Idr]B-	[Idr]A1+ to [Idr]A1	[Idr]A2+ to [Idr]A2	[Idr]A3+ to [Idr] A3	Lower than [Idr]A3		
	idBB+ to idBB-	idB+ to idB-	Lower than idB-	idA1	idA2	idA3 to idA4	Lower than idA4		
	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
	5,974,213	-	-	-	-	-	-	73,126,993	122,520,034
	690,932	-	-	-	-	-	-	859,698	12,814,588
	-	-	-	-	-	-	-	-	-
	141,540	1,803	-	-	-	-	-	6,840,830	18,140,640
								33,498,729	33,498,729
								9,118,350	9,118,350
								-	-
								54,612,026	54,612,026
	25,792	335,799	5,989	-	-	-	-	242,091,073	263,223,097
								532,936	532,936
								26,299,682	26,299,682
	-	-	-	-	-	-	-	2,080,581	2,256,644
	6,832,477	**337,602**	**5,989**	**-**	**-**	**-**	**-**	**449,060,898**	**543,016,726**

Table 3.2.a. **Disclosure of Counterparty Credit Risk : Derivative**

(in million Rupiah)

No.	Underlying Variables	Period of December 31, 2014							
		Notional Amount			Derivative Receivables	Derivative Liabilities	Net Receivables before CRM	CRM	Net Receivables after CRM
		≤ 1 Year	> 1 Year - ≤ 5 Years	> 5 Years					
BANK ONLY									
1	Interest rate	-	-	-	-	-	-	-	-
2	Foreign exchange	8,909,114	-	-	35,624	14,702	124,715	-	124,715
3	Other	-	-	-	-	-	-	-	-
	Total	**8,909,114**	**-**	**-**	**35,624**	**14,702**	**124,715**	**-**	**124,715**
BANK CONSOLIDATED									
1	Interest rate	-	-	-	-	-	-	-	-
2	Foreign exchange	8,909,114	-	-	35,624	14,702	124,715	-	124,715
3	Equity	-	-	-	-	-	-	-	-
4	Gold	-	-	-	-	-	-	-	-
5	Metals other than gold	-	-	-	-	-	-	-	-
6	Other	408,705			20,003	-	24,090	-	24,090
	Total	**9,317,819**	**-**	**-**	**55,627**	**14,702**	**148,805**	**-**	**148,805**

(in million Rupiah)

No.	Underlying Variables	Period of December 31, 2013							
		Notional Amount			Derivative Receivables	Derivative Liabilities	Net Receivables before CRM	CRM	Net Receivables after CRM
		≤ 1 Year	> 1 Year - ≤ 5 Years	> 5 Years					
BANK ONLY									
1	Interest rate	-	-	-	-	-	-	-	-
2	Foreign exchange	8,194,618	-	-	25,600	113,516	107,546	-	107,546
3	Other	-	-	-	-	-	-	-	-
	Total	**8,194,618**	**-**	**-**	**25,600**	**113,516**	**107,546**	**-**	**107,546**
BANK CONSOLIDATED									
1	Interest rate	-	-	-	-	-	-	-	-
2	Foreign exchange	8,194,618	-	-	25,600	113,516	107,546	-	107,546
3	Equity	-	-	-	-	-	-	-	-
4	Gold	-	-	-	-	-	-	-	-
5	Metals other than gold	-	-	-	-	-	-	-	-
6	Other	-	-	-	-	-	-	-	-
	Total	**8,194,618**	**-**	**-**	**25,600**	**113,516**	**107,546**	**-**	**107,546**

Table 3.2.c.1. **Disclosure of Counterparty Credit Risk: Reverse Repo Transaction – Bank Only**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2014			
		Net Receivables	CRM Value	Net Receivables after CRM	Risk Weighted Asset after CRM
(1)	(2)	(3)	(4)	(5)	(6)
1	Receivables on sovereigns	19,253,398	19,253,398	-	-
2	Receivables on public sector entities	-	-	-	-
3	Receivables on multilateral development banks and international institutions	-	-	-	-
4	Receivables on banks	7,036,265	7,036,265	-	-
5	Receivables on micro, small business & retail portfolio	-	-	-	-
6	Receivables on corporate	-	-	-	-
7	Exposures at Syariah based business activity unit (if any)	-	-	-	-
	Total	**26,289,663**	**26,289,663**	**-**	**-**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2013			
		Net Receivables	CRM Value	Net Receivables after CRM	Risk Weighted Asset after CRM
(1)	(2)	(3)	(4)	(5)	(6)
1	Receivables on sovereigns	38,882,223	38,882,223	-	-
2	Receivables on public sector entities	-	-	-	-
3	Receivables on multilateral development banks and international institutions	-	-	-	-
4	Receivables on banks	2,173,948	2,173,948	-	-
5	Receivables on micro, small business & retail portfolio	-	-	-	-
6	Receivables on corporate	-	-	-	-
7	Exposures at Syariah based business activity unit (if any)	-	-	-	-
	Total	**41,056,171**	**41,056,171**	**-**	**-**

Table 3.2.c.2. **Disclosure of Counterparty Credit Risk: Reverse Repo Transactions - Bank Consolidated**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2014			
		Net Receivables	CRM Value	Net Receivables after CRM	Risk Weighted Asset after CRM
(1)	(2)	(3)	(4)	(5)	(6)
1	Receivables on sovereigns	19,253,398	19,253,398	-	-
2	Receivables on public sector entities	-	-	-	-
3	Receivables on multilateral development banks and international institutions	-	-	-	-
4	Receivables on banks	7,036,265	7,036,265	-	-
5	Receivables on micro, small business & retail portfolio	-	-	-	-
6	Receivables on corporate	-	-	-	-
7	Exposures at Syariah based business activity unit (if any)	-	-	-	-
	Total	**26,289,663**	**26,289,663**	**-**	**-**

Table 3.2.c.2. **Disclosure of Counterparty Credit Risk: Reverse Repo Transactions - Bank Consolidated**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2013			
		Net Receivables	CRM Value	Net Receivables after CRM	Risk Weighted Asset after CRM
(1)	(2)	(3)	(4)	(5)	(6)
1	Receivables on sovereigns	38,882,223	38,882,223	-	-
2	Receivables on public sector entities	-	-	-	-
3	Receivables on multilateral development banks and international institutions	-	-	-	-
4	Receivables on banks	2,173,948	2,173,948	-	-
5	Receivables on micro, small business & retail portfolio	-	-	-	-
6	Receivables on corporate	-	-	-	-
7	Exposures at Syariah based business activity unit (if any)	-	-	-	-
	Total	**41,056,171**	**41,056,171**	**-**	**-**

Table 4.1.a. **Disclosure of Net Receivables by Risk Weight after Credit Risk Mitigation - Bank Only**

No.	Portfolio Category				
		0%	20%	35%	
(1)	(2)	(3)	(4)	(5)	
A	**Balance Sheet Exposures**				
1	Receivables on sovereigns	107,625,599	-	-	
2	Receivables on public sector entities	11,454	12,981,322	-	
3	Receivables on multilateral development banks and international institutions	-	-	-	
4	Receivables on banks	6,807	12,297,647	-	
5	Loans secured by residential property	-	-	12,625,200	
6	Loans secured by commercial real estate	923,158	-	-	
7	Employee/retired loans	-	-	-	
8	Receivables on micro, small business & retail portfolio	294,195	-	-	
9	Receivables on corporate	8,905,937	13,588,480	-	
10	Past due receivable	3,208	-	-	
11	Other assets	19,564,233	-	-	
12	Exposures at Syariah based business activity unit (if any)	-	-	-	
	Total Exposures - Balance Sheet	**137,334,591**	**38,867,449**	**12,625,200**	
B	**Off Balance Sheet Commitment/Contingency Receivables Exposures**				
1	Receivables on sovereigns	-	-	-	
2	Receivables on public sector entities	-	444,916	-	
3	Receivables on multilateral development banks and international institutions	-	-	-	
4	Receivables on banks	6,397	60,177	-	
5	Loans secured by residential property	-	-	201,364	
6	Loans secured by commercial real estate	40,150	-	-	
7	Employee/retired loans	-	-	-	
8	Receivables on micro, small business & retail portfolio	96,137	-	-	
9	Receivables on corporate	1,345,490	1,187,539	-	
10	Past due receivable	250	-	-	
11	Exposures at Syariah based business activity unit (if any)	-	-	-	
	Total Exposures - Off Balance Sheet	**1,488,424**	**1,692,632**	**201,364**	
C	**Counterparty Credit Risk Exposures**				
1	Receivables on sovereigns	-	-	-	
2	Receivables on public sector entities	-	-	-	
3	Receivables on multilateral development banks and international institutions	-	-	-	
4	Receivables on banks	-	76,296	-	
5	Receivables on micro, small business & retail portfolio	-	-	-	
6	Receivables on corporate	-	-	-	
7	Exposures at Syariah based business activity unit (if any)	-	-	-	
	Total Exposures - Counterparty Credit Risk	**-**	**76,296**	**-**	

(in million Rupiah)

Period of December 31, 2014								RWA	Capital Charge
Net Receivables after Calculation of Credit Risk Mitigation Impact									
40%	45%	50%	75%	100%	150%	Others			
(6)	(7)	(8)	(9)	(10)	(11)	(12)		(13)	(14)
-	-	-	-	-	-			-	-
-	-	2,565,122	-	5,260,776	-			9,139,601	731,168
-	-	-	-	-	-			-	-
-	-	3,364,818	-	3,149	-			4,145,088	331,607
9,049,923	-	-	-	-	-			8,038,789	643,103
-	-	-	-	8,578,659	-			8,578,659	686,293
-	-	-	-	-	-			-	-
-	-	-	49,470,575	-	-			37,102,931	2,968,235
-	-	4,042,002	-	231,341,251	234,522			236,431,732	18,914,539
-	-	-	-	63,471	521,547			845,792	67,663
-	-	-	-	12,321,825	163,418			12,566,953	1,005,356
-	-	-	-	-	-	-		-	-
9,049,923	**-**	**9,971,942**	**49,470,575**	**257,569,131**	**919,487**	**-**		**316,849,545**	**25,347,964**
-	-	-	-	-	-			-	-
-	-	210,000	-	-	-			193,983	15,519
-	-	-	-	-	-			-	-
-	-	992,211	-	104,076	-			612,217	48,977
2,498	-	-	-	-	-			71,476	5,718
-	-	-	-	1,048,923	-			1,048,923	83,914
-	-	-	-	-	-			-	-
-	-	-	195,010	-	-			146,258	11,700
-	-	273,287	-	29,546,161	83,098			30,044,960	2,403,597
-	-	-	-	-	6			9	1
-	-	-	-	-	-	-		-	-
2,498	**-**	**1,475,498**	**195,010**	**30,699,160**	**83,104**	**-**		**32,117,826**	**2,569,426**
-	-	-	-	-	-			-	-
-	-	825	-	-	-			413	33
-	-	-	-	-	-			-	-
-	-	19,781	-	1,238	-			26,388	2,111
-	-	-	-	-	-			-	-
-	-	-	-	26,575	-			26,575	2,126
-	-	-	-	-	-	-		-	-
-	**-**	**20,606**	**-**	**27,813**	**-**	**-**		**53,376**	**4,270**

Table 4.1.a. **Disclosure of Net Receivables by Risk Weight after Credit Risk Mitigation - Bank Only**

No.	Portfolio Category				
		0%	20%	35%	
(1)	(2)	(3)	(4)	(5)	
A	**Balance Sheet Exposures**				
1	Receivables on sovereigns	83,321,842	-	-	
2	Receivables on public sector entities	-	10,664,716	-	
3	Receivables on multilateral development banks and international institutions	-	-	-	
4	Receivables on banks	5,737	12,670,334	-	
5	Loans secured by residential property	49	-	15,779,717	
6	Loans secured by commercial real estate	846,735	-	-	
7	Employee/retired loans	-	-	-	
8	Receivables on micro, small business & retail portfolio	434,322	-	-	
9	Receivables on corporate	8,826,270	14,875,385	-	
10	Past due receivable	5,925	-	-	
11	Other assets	16,273,620	-	-	
12	Exposures at Syariah based business activity unit (if any)	-	-	-	
	Total Exposures - Balance Sheet	**109,714,500**	**38,210,435**	**15,779,717**	
B	**Off Balance Sheet Commitment/Contingency Receivables Exposures**				
1	Receivables on sovereigns	-	-	-	
2	Receivables on public sector entities	-	599,241	-	
3	Receivables on multilateral development banks and international institutions	-	-	-	
4	Receivables on banks	6,252	169,194	-	
5	Loans secured by residential property	-	-	265,698	
6	Loans secured by commercial real estate	28,471	-	-	
7	Employee/retired loans	-	-	-	
8	Receivables on micro, small business & retail portfolio	122,238	-	-	
9	Receivables on corporate	1,529,376	1,902,593	-	
10	Past due receivable	1	-	-	
11	Exposures at Syariah based business activity unit (if any)	-	-	-	
	Total Exposures - Off Balance Sheet	**1,686,338**	**2,671,028**	**265,698**	
C	**Counterparty Credit Risk Exposures**				
1	Receivables on sovereigns	27,490	-	-	
2	Receivables on public sector entities	-	-	-	
3	Receivables on multilateral development banks and international institutions	-	-	-	
4	Receivables on banks	-	32,046	-	
5	Receivables on micro, small business & retail portfolio	-	-	-	
6	Receivables on corporate	-	-	-	
7	Exposures at Syariah based business activity unit (if any)	-	-	-	
	Total Exposures - Counterparty Credit Risk	**27,490**	**32,046**	**-**	

(in million Rupiah)

Period of December 31, 2013								RWA	Capital Charge
Net Receivables after Calculation of Credit Risk Mitigation Impact									
40%	45%	50%	75%	100%	150%	Others			
(6)	(7)	(8)	(9)	(10)	(11)	(12)		(13)	(14)
-	-	-	-	-	-			-	-
-	-	842,934	-	194,032	-			2,748,442	219,875
-	-	-	-	-	-			-	-
-	-	2,253,025	-	-	-			3,660,579	292,846
17,448,271	-	-	-	-	-			12,502,210	1,000,177
-	-	-	-	6,755,184	-			6,755,184	540,415
-	-	-	-	-	-			-	-
-	-	-	40,753,813	-	-			30,565,360	2,445,229
-	-	3,517,616	-	200,643,329	259,468			205,766,416	16,461,313
-	-	-	-	84,174	436,735			739,276	59,142
-	-	-	-	11,139,652	134,526			11,341,441	907,315
-	-	-	-	-	-	-		-	-
17,448,271	**-**	**6,613,575**	**40,753,813**	**218,816,371**	**830,729**	**-**		**274,078,908**	**21,926,312**
-	-	-	-	-	-			-	-
-	-	16,430	-	496,900	-			624,963	49,997
-	-	-	-	-	-			-	-
-	-	503,947	-	-	-			285,812	22,865
4,994	-	-	-	-	-			94,992	7,599
-	-	-	-	1,487,960	-			1,487,960	119,037
-	-	-	-	-	-			-	-
-	-	-	7,937,728	-	-			5,953,296	476,264
-	-	287,875	-	31,162,741	80,931			31,808,594	2,544,688
-	-	-	-	-	-			-	-
-	-	-	-	-	-	-		-	-
4,994	**-**	**808,252**	**7,937,728**	**33,147,601**	**80,931**	**-**		**40,255,617**	**3,220,450**
-	-	-	-	-	-			-	-
-	-	-	-	-	-			-	-
-	-	-	-	-	-			-	-
-	-	14,280	-	-	-			13,549	1,084
-	-	-	-	-	-			-	-
-	-	-	-	33,730	-			33,730	2,698
-	-	-	-	-	-	-		-	-
-	**-**	**14,280**	**-**	**33,730**	**-**	**-**		**47,279**	**3,782**

Table 4.1.b. **Disclosure of Net Receivables by Risk Weight after Credit Risk Mitigation - Bank Consolidated**

No.	Portfolio Category				
		0%	20%	35%	
(1)	(2)	(3)	(4)	(5)	
A	**Balance Sheet Exposures**				
1	Receivables on sovereigns	107,925,485	-	-	
2	Receivables on public sector entities	11,454	12,981,602	-	
3	Receivables on multilateral development banks and international institutions	-	-	-	
4	Receivables on banks	6,807	12,837,395	-	
5	Loans secured by residential property	-	-	12,625,200	
6	Loans secured by commercial real estate	923,158	-	-	
7	Employee/retired loans	-	-	-	
8	Receivables on micro, small business & retail portfolio	294,195	-	-	
9	Receivables on corporate	8,905,937	13,329,424	-	
10	Past due receivables	3,208	-	-	
11	Other assets	19,573,164	-	-	
12	Exposures at Syariah based business activity unit (if any)	991,286	70,003	-	
	Total Exposures - Balance Sheets	**138,634,694**	**39,218,424**	**12,625,200**	
B	**Off Balance Sheet Commitment/Contingency Receivables Exposures**				
1	Receivables on sovereigns	-	-	-	
2	Receivables on public sector entities	-	444,916	-	
3	Receivables on multilateral development banks and international institutions	-	-	-	
4	Receivables on banks	6,397	60,177	-	
5	Loans secured by residential property	-	-	201,364	
6	Loans secured by commercial real estate	40,150	-	-	
7	Employee/retired loans	-	-	-	
8	Receivables on micro, small business & retail portfolio	96,137	-	-	
9	Receivables on corporate	1,345,490	1,179,232	-	
10	Past due receivables	250	-	-	
11	Exposures at Syariah based business activity unit (if any)	-	-	-	
	Total Exposures - Off Balance Sheets	**1,488,424**	**1,684,325**	**201,364**	
C	**Counterparty Credit Risk Exposures**				
1	Receivables on sovereigns	-	-	-	
2	Receivables on public sector entities	-	-	-	
3	Receivables on multilateral development banks and international institutions	-	-	-	
4	Receivables on banks	-	100,385	-	
5	Receivables on micro, small business & retail portfolio	-	-	-	
6	Receivables on corporate	-	-	-	
7	Exposures at Syariah based business activity unit (if any)	-	-	-	
	Total Exposures - Counterparty Credit Risk	**-**	**100,385**	**-**	

(in million Rupiah)

Period of December 31, 2014								RWA	Capital Charge
Net Receivables after Calculation of Credit Risk Mitigation Impact									
40%	45%	50%	75%	100%	150%	Others			
(6)	(7)	(8)	(9)	(10)	(11)	(12)		(13)	(14)
-	-	-	-	-	-			-	-
-	-	2,565,122	-	5,260,776	-			9,139,657	731,173
-	-	-	-	-	-			-	-
-	-	3,365,647	-	64,504	-			4,314,807	345,185
9,049,923	-	-	-	-	-			8,038,789	643,103
-	-	-	-	8,578,659	-			8,578,659	686,293
-	-	-	-	-	-			-	-
-	-	-	56,659,773	-	-			42,494,830	3,399,586
-	-	4,042,002	-	231,400,391	234,522			236,439,061	18,915,125
-	-	-	-	63,471	606,150			972,696	77,816
-	-	-	-	12,697,588	163,418			12,942,716	1,035,417
-	-	-	-	1,548,222	-	393,303		1,896,531	151,722
9,049,923	**-**	**9,972,771**	**56,659,773**	**259,613,611**	**1,004,090**	**393,303**		**324,817,746**	**25,985,420**
-	-	-	-	-	-			-	-
-	-	210,000	-	-	-			193,983	15,519
-	-	-	-	-	-			-	-
-	-	992,211	-	104,076	-			612,217	48,977
2,498	-	-	-	-	-			71,476	5,718
-	-	-	-	1,048,923	-			1,048,923	83,914
-	-	-	-	-	-			-	-
-	-	-	195,010	-	-			146,258	11,700
-	-	273,287	-	29,530,231	83,098			30,027,369	2,402,190
-	-	-	-	-	6			9	1
-	-	502,344	-	-	-	-		251,172	20,094
2,498	**-**	**1,977,842**	**195,010**	**30,683,230**	**83,104**	**-**		**32,351,407**	**2,588,113**
-	-	-	-	-	-			-	-
-	-	825	-	-	-			413	33
-	-	-	-	-	-			-	-
-	-	19,782	-	1,238	-			31,206	2,496
-	-	-	-	-	-			-	-
-	-	-	-	26,575	-			26,575	2,126
-	-	-	-	-	-	-		-	-
-	**-**	**20,607**	**-**	**27,813**	**-**	**-**		**58,194**	**4,655**

Table 4.1.b. **Disclosure of Net Receivables by Risk Weight after Credit Risk Mitigation - Bank Consolidated**

No.	Portfolio Category				
		0%	20%	35%	
(1)	(2)	(3)	(4)	(5)	
A	**Sheet Exposures**				
1	Receivables on sovereigns	83,610,321	-	-	
2	Receivables on public sector entities	-	10,664,716	-	
3	Receivables on multilateral development banks and international institutions	-	-	-	
4	Receivables on banks	5,737	12,950,482	-	
5	Loans secured by residential property	49	-	15,779,717	
6	Loans secured by commercial real estate	846,735	-	-	
7	Employee/retired loans	-	-	-	
8	Receivables on micro, small business & retail portfolio	434,322	-	-	
9	Receivables on corporate	8,826,270	14,676,534	-	
10	Past due receivables	5,925	-	-	
11	Other assets	16,276,969	-	-	
12	Exposures at Syariah based business activity unit (if any)	552,016	200,239	-	
	Total Exposures - Balance Sheets	**110,558,344**	**38,491,971**	**15,779,717**	
B	**Off Balance Sheet Commitment/Contingency Receivables Exposures**				
1	Receivables on sovereigns	-	-	-	
2	Receivables on public sector entities	-	599,241	-	
3	Receivables on multilateral development banks and international institutions	-	-	-	
4	Receivables on banks	6,252	169,194	-	
5	Loans secured by residential property	-	-	265,698	
6	Loans secured by commercial real estate	28,471	-	-	
7	Employee/retired loans	-	-	-	
8	Receivables on micro, small business & retail portfolio	122,238	-	-	
9	Receivables on corporate	1,529,376	1,901,534	-	
10	Past due receivables	1	-	-	
11	Exposures at Syariah based business activity unit (if any)	-	-	-	
	Total Exposures - Off Balance Sheets	**1,686,338**	**2,669,969**	**265,698**	
C	**Counterparty Credit Risk Exposures**				
1	Receivables on sovereigns	27,490	-	-	
2	Receivables on public sector entities	-	-	-	
3	Receivables on multilateral development banks and international institutions	-	-	-	
4	Receivables on banks	-	32,046	-	
5	Receivables on micro, small business & retail portfolio	-	-	-	
6	Receivables on corporate	-	-	-	
7	Exposures at Syariah based business activity unit (if any)	-	-	-	
	Total Exposures - Counterparty Credit Risk	**27,490**	**32,046**	**-**	

(in million Rupiah)

Period of December 31, 2013								RWA	Capital Charge
Net Receivables after Calculation of Credit Risk Mitigation Impact									
	40%	45%	50%	75%	100%	150%	Others		
	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	-	-	-	-	-	-		-	-
	-	-	843,269	-	194,032	-		2,748,609	219,889
	-	-	-	-	-	-		-	-
	-	-	2,284,754	-	-	-		3,732,473	298,598
	17,448,271	-	-	-	-	-		12,502,210	1,000,177
	-	-	-	-	6,755,184	-		6,755,184	540,415
	-	-	-	-	-	-		-	-
	-	-	-	46,117,738	-	-		34,588,304	2,767,064
	-	-	3,517,616	-	200,948,322	259,468		206,031,639	16,482,531
	-	-	-	-	84,174	442,836		748,428	59,874
	-	-	-	-	9,888,187	134,526		10,089,976	807,198
	-	-	-	-	1,225,135	-	67,335	1,322,417	105,794
	17,448,271	**-**	**6,645,639**	**46,117,738**	**219,095,034**	**836,830**	**67,335**	**278,519,240**	**22,281,540**
	-	-	-	-	-	-		-	-
	-	-	16,430	-	496,900	-		624,963	49,997
	-	-	-	-	-	-		-	-
	-	-	503,947	-	-	-		285,812	22,865
	4,994	-	-	-	-	-		94,992	7,599
	-	-	-	-	1,487,960	-		1,487,960	119,037
	-	-	-	-	-	-		-	-
	-	-	-	7,937,728	-	-		5,953,296	476,264
	-	-	287,875	-	31,161,441	80,931		31,807,082	2,544,566
	-	-	-	-	-	-		-	-
	-	-	211,919	-	-	-	-	105,960	8,477
	4,994	**-**	**1,020,171**	**7,937,728**	**33,146,301**	**80,931**	**-**	**40,360,065**	**3,228,805**
	-	-	-	-	-	-		-	-
	-	-	-	-	-	-		-	-
	-	-	-	-	-	-		-	-
	-	-	14,280	-	-	-		13,549	1,084
	-	-	-	-	-	-		-	-
	-	-	-	-	33,730	-		33,730	2,698
	-	-	-	-	-	-	-	-	-
	-	**-**	**14,280**	**-**	**33,730**	**-**	**-**	**47,279**	**3,782**

Table 4.2.a. **Disclosure of Net Receivables and Credit Risk Mitigation Techniques - Bank Only**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2014					
		Net Receivables	Portion Secured By				Unsecured Portion
			Collateral	Guarantee	Credit Insurance	Others	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) = (3)-[(4)+(5)+(6)+(7)]
A	**Balance Sheet Exposures**						
1	Receivables on sovereigns	107,625,599	-	-	-		107,625,599
2	Receivables on public sector entities	20,818,674	11,454	-	-		20,807,220
3	Receivables on multilateral development banks and international institutions	-	-	-	-		-
4	Receivables on banks	15,672,421	6,807	-	-		15,665,614
5	Loans secured by residential property	21,675,123	-	-	-		21,675,123
6	Loans secured by commercial real estate	9,501,817	923,158	-	-		8,578,659
7	Employee/retired loans	-	-	-	-		-
8	Receivables on micro, small business & retail portfolio	49,764,770	294,195	-	-		49,470,575
9	Receivables on corporate	258,112,192	8,912,130	-	-		249,200,062
10	Past due receivables	588,226	3,208	-	-		585,018
11	Other assets	32,049,476	-	-	-		32,049,476
12	Exposures at Syariah based business activity unit (if any)	-	-	-	-	-	-
	Total Exposures - Balance Sheet	**515,808,298**	**10,150,952**	**-**	**-**	**-**	**505,657,346**
B	**Off Balance Sheet Commitment/ Contingency Receivables Exposures**						
1	Receivables on sovereigns	-	-	-	-		-
2	Receivables on public sector entities	654,916	-	-	-		654,916
3	Receivables on multilateral development banks and international institutions	-	-	-	-		-
4	Receivables on banks	1,162,861	6,397	-	-		1,156,464
5	Loans secured by residential property	203,862	-	-	-		203,862
6	Loans secured by commercial real estate	1,089,073	40,150	-	-		1,048,923
7	Employee/retired loans	-	-	-	-		-
8	Receivables on micro, small business & retail portfolio	291,147	96,137	-	-		195,010
9	Receivables on corporate	32,435,575	1,345,992	-	-		31,089,583
10	Past due receivables	256	250	-	-		6
11	Exposures at Syariah based business activity unit (if any)	-	-	-	-	-	-
	Total Exposures - Off Balance Sheets	**35,837,690**	**1,488,926**	**-**	**-**	**-**	**34,348,764**
C	**Counterparty Credit Risk Exposures**						
1	Receivables on sovereigns	19,253,398	19,253,398	-	-		-
2	Receivables on public sector entities	825	-	-	-		825
3	Receivables on multilateral development banks and international institutions	-	-	-	-		-
4	Receivables on banks	7,133,580	7,036,265	-	-		97,315
5	Receivables on micro, small business & retail portfolio	-	-	-	-		-
6	Receivables on corporate	26,575	-	-	-		26,575
7	Exposures at Syariah based business activity unit (if any)	-	-	-	-	-	-
	Total Exposures - Counterparty Credit Risk	**26,414,378**	**26,289,663**	**-**	**-**	**-**	**124,715**
Total (A+B+C)		**578,060,366**	**37,929,541**	**-**	**-**	**-**	**540,130,825**

Table 4.2.a. **Disclosure of Net Receivables and Credit Risk Mitigation Techniques - Bank Only**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2013					
		Net Receivables	Portion Secured By				Unsecured Portion
			Collateral	Guarantee	Credit Insurance	Others	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) = (3)-[(4)+(5)+(6)+(7)]
A	**Balance Sheet Exposures**						
1	Receivables on sovereigns	83,321,842	-	-	-		83,321,842
2	Receivables on public sector entities	11,701,682	-	-	-		11,701,682
3	Receivables on multilateral development banks and international institutions	-	-	-	-		-
4	Receivables on banks	14,929,096	5,737	-	-		14,923,359
5	Loans secured by residential property	33,228,037	49	-	-		33,227,988
6	Loans secured by commercial real estate	7,601,919	846,735	-	-		6,755,184
7	Employee/retired loans	-	-	-	-		-
8	Receivables on micro, small business & retail portfolio	41,188,135	434,322	-	-		40,753,813
9	Receivables on corporate	228,122,068	8,826,270	-	-		219,295,798
10	Past due receivables	526,834	5,925	-	-		520,909
11	Other assets	27,547,798	-	-	-		27,547,798
12	Exposures at Syariah based business activity unit (if any)	-	-	-	-	-	-
	Total Exposures - Balance Sheet	**448,167,411**	**10,119,038**	**-**	**-**	**-**	**438,048,373**
B	**Off Balance Sheet Commitment/ Contingency Receivables Exposures**						
1	Receivables on sovereigns	-	-	-	-		-
2	Receivables on public sector entities	1,112,571	-	-	-		1,112,571
3	Receivables on multilateral development banks and international institutions	-	-	-	-		-
4	Receivables on banks	679,393	6,252	-	-		673,141
5	Loans secured by residential property	270,692	-	-	-		270,692
6	Loans secured by commercial real estate	1,516,431	28,471	-	-		1,487,960
7	Employee/retired loans	-	-	-	-		-
8	Receivables on micro, small business & retail portfolio	8,059,966	122,238	-	-		7,937,728
9	Receivables on corporate	34,963,516	1,531,816	-	-		33,431,700
10	Past due receivables	1	1	-	-		-
11	Exposures at Syariah based business activity unit (if any)	-	-	-	-	-	-
	Total Exposures - Off Balance Sheets	**46,602,570**	**1,688,778**	**-**	**-**	**-**	**44,913,792**
C	**Counterparty Credit Risk Exposures**						
1	Receivables on sovereigns	38,909,713	38,882,223	-	-		27,490
2	Receivables on public sector entities	-	-	-	-		-
3	Receivables on multilateral development banks and international institutions	-	-	-	-		-
4	Receivables on banks	2,220,274	2,173,948	-	-		46,326
5	Receivables on micro, small business & retail portfolio	-	-	-	-		-
6	Receivables on corporate	33,730	-	-	-		33,730
7	Exposures at Syariah based business activity unit (if any)	-	-	-	-	-	-
	Total Exposures - Counterparty Credit Risk	**41,163,717**	**41,056,171**	**-**	**-**	**-**	**107,546**
Total (A+B+C)		**535,933,698**	**52,863,987**	**-**	**-**	**-**	**483,069,711**

Table 4.2.b. **Disclosure of Net Receivables and Credit Risk Mitigation Techniques - Bank Consolidated**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2014					
		Net Receivables	Portion Secured By				Unsecured Portion
			Collateral	Guarantee	Credit Insurance	Others	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) = (3)-[(4)+(5)+(6)+(7)]
A	**Balance Sheet Exposures**						
1	Receivables on sovereigns	107,925,485	-	-	-		107,925,485
2	Receivables on public sector entities	20,818,954	11,454	-	-		20,807,500
3	Receivables on multilateral development banks and international institutions	-	-	-	-		-
4	Receivables on banks	16,274,353	6,807	-	-		16,267,546
5	Loans secured by residential property	21,675,123	-	-	-		21,675,123
6	Loans secured by commercial real estate	9,501,817	923,158	-	-		8,578,659
7	Employee/retired loans	-	-	-	-		-
8	Receivables on micro, small business & retail portfolio	56,953,968	294,195	-	-		56,659,773
9	Receivables on corporate	257,912,276	8,912,130	-	-		249,000,146
10	Past due receivables	672,829	3,208	-	-		669,621
11	Other assets	32,434,170	-	-	-		32,434,170
12	Exposures at Syariah based business activity unit (if any)	3,002,814	1,070,320	-	-	-	1,932,494
	Total Exposures - Balance Sheet	**527,171,789**	**11,221,272**	**-**	**-**	**-**	**515,950,517**
B	**Off Balance Sheet Commitment/ Contingency Receivables Exposures**						
1	Receivables on sovereigns	-	-	-	-		-
2	Receivables on public sector entities	654,916	-	-	-		654,916
3	Receivables on multilateral development banks and international institutions	-	-	-	-		-
4	Receivables on banks	1,162,861	6,397	-	-		1,156,464
5	Loans secured by residential property	203,862	-	-	-		203,862
6	Loans secured by commercial real estate	1,089,073	40,150	-	-		1,048,923
7	Employee/retired loans	-	-	-	-		-
8	Receivables on micro, small business & retail portfolio	291,147	96,137	-	-		195,010
9	Receivables on corporate	32,411,338	1,345,992	-	-		31,065,346
10	Past due receivables	256	250	-	-		6
11	Exposures at Syariah based business activity unit (if any)	502,344	19,834	-	-	-	482,510
	Total Exposures - Off Balance Sheets	**36,315,797**	**1,508,760**	**-**	**-**	**-**	**34,807,037**
C	**Counterparty Credit Risk Exposures**						
1	Receivables on sovereigns	19,253,398	19,253,398	-	-		-
2	Receivables on public sector entities	825	-	-	-		825
3	Receivables on multilateral development banks and international institutions	-	-	-	-		-
4	Receivables on banks	7,157,670	7,036,265	-	-		121,405
5	Receivables on micro, small business & retail portfolio	-	-	-	-		-
6	Receivables on corporate	26,575	-	-	-		26,575
7	Exposures at Syariah based business activity unit (if any)	-	-	-	-	-	-
	Total Exposures - Counterparty Credit Risk	**26,438,468**	**26,289,663**	**-**	**-**	**-**	**148,805**
Total (A+B+C)		**589,926,054**	**39,019,695**	**-**	**-**	**-**	**550,906,359**

Table 4.2.b. **Disclosure of Net Receivables and Credit Risk Mitigation Techniques - Bank Consolidated**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2013					
		Net Receivables	Portion Secured By				Unsecured Portion
			Collateral	Guarantee	Credit Insurance	Others	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) = (3)-[(4)+(5)+(6)+(7)]
A	**Balance Sheet Exposures**						
1	Receivables on sovereigns	83,610,321	-	-	-		83,610,321
2	Receivables on public sector entities	11,702,017	-	-	-		11,702,017
3	Receivables on multilateral development banks and international institutions	-	-	-	-		-
4	Receivables on banks	15,240,973	5,737	-	-		15,235,236
5	Loans secured by residential property	33,228,037	49	-	-		33,227,988
6	Loans secured by commercial real estate	7,601,919	846,735	-	-		6,755,184
7	Employee/retired loans	-	-	-	-		-
8	Receivables on micro, small business & retail portfolio	46,552,060	434,322	-	-		46,117,738
9	Receivables on corporate	228,228,210	8,826,270	-	-		219,401,940
10	Past due receivables	532,935	5,925	-	-		527,010
11	Other assets	26,299,682	-	-	-		26,299,682
12	Exposures at Syariah based business activity unit (if any)	2,044,725	810,347	-	377,296	231,707	625,375
	Total Exposures - Balance Sheet	**455,040,879**	**10,929,385**	**-**	**377,296**	**231,707**	**443,502,491**
B	**Off Balance Sheet Commitment/ Contingency Receivables Exposures**						
1	Receivables on sovereigns	-	-	-	-		-
2	Receivables on public sector entities	1,112,571	-	-	-		1,112,571
3	Receivables on multilateral development banks and international institutions	-	-	-	-		-
4	Receivables on banks	679,393	6,252	-	-		673,141
5	Loans secured by residential property	270,692	-	-	-		270,692
6	Loans secured by commercial real estate	1,516,431	28,471	-	-		1,487,960
7	Employee/retired loans	-	-	-	-		-
8	Receivables on micro, small business & retail portfolio	8,059,966	122,238	-	-		7,937,728
9	Receivables on corporate	34,961,157	1,531,816	-	-		33,429,341
10	Past due receivables	1	1	-	-		-
11	Exposures at Syariah based business activity unit (if any)	211,919	-	-	-	-	211,919
	Total Exposures - Off Balance Sheets	**46,812,130**	**1,688,778**	**-**	**-**	**-**	**45,123,352**
C	**Counterparty Credit Risk Exposures**						
1	Receivables on sovereigns	38,909,713	38,882,223	-	-		27,490
2	Receivables on public sector entities	-	-	-	-		-
3	Receivables on multilateral development banks and international institutions	-	-	-	-		-
4	Receivables on banks	2,220,274	2,173,948	-	-		46,326
5	Receivables on micro, small business & retail portfolio	-	-	-	-		-
6	Receivables on corporate	33,730	-	-	-		33,730
7	Exposures at Syariah based business activity unit (if any)	-	-	-	-	-	-
	Total Exposures - Counterparty Credit Risk	**41,163,717**	**41,056,171**	**-**	**-**	**-**	**107,546**
Total (A+B+C)		**543,016,726**	**53,674,334**	**-**	**377,296**	**231,707**	**488,733,389**

Table 6.1.1. **Disclosure of On Balance Sheet Assets Exposures - Bank Only**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2014		
		Net Receivables	RWA before CRM	RWA after CRM
(1)	(2)	(3)	(4)	(5)
1	Receivables on sovereigns	107,625,599	-	-
2	Receivables on public sector entities	20,818,674	9,145,328	9,139,601
3	Receivables on multilateral development banks and international institutions	-	-	-
4	Receivables on banks	15,672,421	4,148,491	4,145,088
5	Loans secured by residential property	21,675,123	8,038,789	8,038,789
6	Loans secured by commercial real estate	9,501,817	9,501,817	8,578,659
7	Employee/retired loans	-	-	-
8	Receivables on micro, small business & retail portfolio	49,764,770	37,323,578	37,102,931
9	Receivables on corporate	258,112,192	245,340,765	236,431,732
10	Past due receivable	588,226	850,604	845,792
11	Other assets	32,049,476	-	12,566,953
	Total	**515,808,298**	**314,349,372**	**316,849,545**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2013		
		Net Receivables	RWA before CRM	RWA after CRM
(1)	(2)	(3)	(4)	(5)
1	Receivables on sovereigns	83,321,842	-	-
2	Receivables on public sector entities	11,701,682	2,748,442	2,748,442
3	Receivables on multilateral development banks and international institutions	-	-	-
4	Receivables on banks	14,929,096	3,663,448	3,660,579
5	Loans secured by residential property	33,228,037	12,502,227	12,502,210
6	Loans secured by commercial real estate	7,601,919	7,601,919	6,755,184
7	Employee/retired loans	-	-	-
8	Receivables on micro, small business & retail portfolio	41,188,135	30,891,101	30,565,360
9	Receivables on corporate	228,122,068	214,592,686	205,766,416
10	Past due receivable	526,834	748,164	739,276
11	Other assets	27,547,798	-	11,341,441
	Total	**448,167,411**	**272,747,987**	**274,078,908**

Table 6.1.2. **Disclosure of Off Balance Sheet Commitment/Contingency Exposures - Bank Only**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2014		
		Net Receivables	RWA before CRM	RWA after CRM
(1)	(2)	(3)	(4)	(5)
1	Receivables on sovereigns	-	-	-
2	Receivables on public sector entities	654,916	193,983	193,983
3	Receivables on multilateral development banks and international institutions	-	-	-
4	Receivables on banks	1,162,861	615,416	612,217
5	Loans secured by residential property	203,862	71,476	71,476
6	Loans secured by commercial real estate	1,089,073	1,089,073	1,048,923
7	Employee/retired loans	-	-	-
8	Receivables on micro, small business & retail portfolio	291,147	218,360	146,258
9	Receivables on corporate	32,435,575	31,390,715	30,044,960
10	Past due receivable	256	384	9
	Total	**35,837,690**	**33,579,407**	**32,117,826**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2013		
		Net Receivables	RWA before CRM	RWA after CRM
(1)	(2)	(3)	(4)	(5)
1	Receivables on sovereigns	-	-	-
2	Receivables on public sector entities	1,112,571	624,963	624,963
3	Receivables on multilateral development banks and international institutions	-	-	-
4	Receivables on banks	679,393	288,938	285,812
5	Loans secured by residential property	270,692	94,992	94,992
6	Loans secured by commercial real estate	1,516,431	1,516,431	1,487,960
7	Employee/retired loans	-	-	-
8	Receivables on micro, small business & retail portfolio	8,059,966	6,044,975	5,953,296
9	Receivables on corporate	34,963,516	33,340,396	31,808,594
10	Past due receivable	1	1	-
	Total	**46,602,570**	**41,910,696**	**40,255,617**

Table 6.1.3. **Disclosure of Counterparty Credit Risk Exposures - Bank Only**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2014		
		Net Receivables	RWA before CRM	RWA after CRM
(1)	(2)	(3)	(4)	(5)
1	Receivables on sovereigns	19,253,398	-	-
2	Receivables on public sector entities	825	413	413
3	Receivables on multilateral development banks and international institutions	-	-	-
4	Receivables on banks	7,133,580	1,433,641	26,388
5	Receivables on micro, small business & retail portfolio	-	-	-
6	Receivables on corporate	26,575	26,575	26,575
	Total	**26,414,378**	**1,460,629**	**53,376**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2013		
		Net Receivables	RWA before CRM	RWA after CRM
(1)	(2)	(3)	(4)	(5)
1	Receivables on sovereigns	38,909,713	-	-
2	Receivables on public sector entities	-	-	-
3	Receivables on multilateral development banks and international institutions	-	-	-
4	Receivables on banks	2,220,274	448,339	13,549
5	Receivables on micro, small business & retail portfolio	-	-	-
6	Receivables on corporate	33,730	33,730	33,730
	Total	**41,163,717**	**482,069**	**47,279**

Table 6.1.7. **Disclosure of Total Credit Risk Measurement - Bank Only**

(in million Rupiah)

	Period of December 31, 2014
TOTAL RISK WEIGHTED ASSETS CREDIT RISK	349,020,747
TOTAL CAPITAL CHARGE FACTOR	-

(in million Rupiah)

	Period of December 31, 2013
TOTAL RISK WEIGHTED ASSETS CREDIT RISK	314,381,804
TOTAL CAPITAL CHARGE FACTOR	-

Table 6.2.1. **Disclosure of On Balance Sheet Assets Exposures - Bank Consolidated**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2014		
		Net Receivables	RWA before CRM	RWA after CRM
(1)	(2)	(3)	(4)	(5)
1	Receivables on sovereigns	107,925,485	-	-
2	Receivables on public sector entities	20,818,954	9,145,384	9,139,657
3	Receivables on multilateral development banks and international institutions	-	-	-
4	Receivables on banks	16,274,353	4,318,211	4,314,807
5	Loans secured by residential property	21,675,123	8,038,789	8,038,789
6	Loans secured by commercial real estate	9,501,817	9,501,817	8,578,659
7	Employee/retired loans	-	-	-
8	Receivables on micro, small business & retail portfolio	56,953,968	42,715,476	42,494,830
9	Receivables on corporate	257,912,276	245,348,094	236,439,061
10	Past due receivables	672,829	977,508	972,696
11	Other assets	32,434,170	-	12,942,716
	Total	**524,168,975**	**320,045,279**	**322,921,215**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2013		
		Net Receivables	RWA before CRM	RWA after CRM
(1)	(2)	(3)	(4)	(5)
1	Receivables on sovereigns	83,610,321	-	-
2	Receivables on public sector entities	11,702,017	2,748,609	2,748,609
3	Receivables on multilateral development banks and international institutions	-	-	-
4	Receivables on banks	15,240,973	3,735,342	3,732,473
5	Loans secured by residential property	33,228,037	12,502,227	12,502,210
6	Loans secured by commercial real estate	7,601,919	7,601,919	6,755,184
7	Employee/retired loans	-	-	-
8	Receivables on micro, small business & retail portfolio	46,552,060	34,914,045	34,588,304
9	Receivables on corporate	228,228,210	214,857,909	206,031,639
10	Past due receivables	532,935	757,316	748,428
11	Other assets	26,299,682	-	10,089,976
	Total	**452,996,154**	**277,117,367**	**277,196,823**

Table 6.2.2. **Disclosure of Off Balance Sheets Commitment/Contingency Receivables Exposures - Bank Consolidated**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2014		
		Net Receivables	RWA before CRM	RWA after CRM
(1)	(2)	(3)	(4)	(5)
1	Receivables on sovereigns	-	-	-
2	Receivables on public sector entities	654,916	193,983	193,983
3	Receivables on multilateral development banks and international institutions	-	-	-
4	Receivables on banks	1,162,861	615,416	612,217
5	Loans secured by residential property	203,862	71,476	71,476
6	Loans secured by commercial real estate	1,089,073	1,089,073	1,048,923
7	Employee/retired loans	-	-	-
8	Receivables on micro, small business & retail portfolio	291,147	218,360	146,258
9	Receivables on corporate	32,411,338	31,373,124	30,027,369
10	Past due receivables	256	384	9
	Total	**35,813,453**	**33,561,816**	**32,100,235**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2013		
		Net Receivables	RWA before CRM	RWA after CRM
(1)	(2)	(3)	(4)	(5)
1	Receivables on sovereigns	-	-	-
2	Receivables on public sector entities	1,112,571	624,963	624,963
3	Receivables on multilateral development banks and international institutions	-	-	-
4	Receivables on banks	679,393	288,938	285,812
5	Loans secured by residential property	270,692	94,992	94,992
6	Loans secured by commercial real estate	1,516,431	1,516,431	1,487,960
7	Employee/retired loans	-	-	-
8	Receivables on micro, small business & retail portfolio	8,059,966	6,044,975	5,953,296
9	Receivables on corporate	34,961,157	33,338,884	31,807,082
10	Past due receivables	1	1	-
	Total	**46,600,211**	**41,909,184**	**40,254,105**

Table 6.2.3. **Disclosure of Counterparty Credit Risk Exposures - Bank Consolidated**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2014		
		Net Receivables	RWA before CRM	RWA after CRM
(1)	(2)	(3)	(4)	(5)
1	Receivables on sovereigns	19,253,398	-	-
2	Receivables on public sector entities	825	413	413
3	Receivables on multilateral development banks and international institutions	-	-	-
4	Receivables on banks	7,157,670	1,438,459	31,206
5	Receivables on micro, small business & retail portfolio	-	-	-
6	Receivables on corporate	26,575	26,575	26,575
	Total	**26,438,468**	**1,465,447**	**58,194**

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2013		
		Net Receivables	RWA before CRM	RWA after CRM
(1)	(2)	(3)	(4)	(5)
1	Receivables on sovereigns	38,909,713	-	-
2	Receivables on public sector entities	-	-	-
3	Receivables on multilateral development banks and international institutions	-	-	-
4	Receivables on banks	2,220,274	448,339	13,549
5	Receivables on micro, small business & retail portfolio	-	-	-
6	Receivables on corporate	33,730	33,730	33,730
	Total	**41,163,717**	**482,069**	**47,279**

Table 6.2.6. **Disclosure of Exposures at Syariah Based Business Activity Unit (if any) - Bank Consolidated**

(in million Rupiah)

No.	Transaction Type	Period of December 31, 2014	
		Capital Deduction Factor	RWA
(1)	(2)	(3)	(4)
1	Total Exposure	-	2,147,703

(in million Rupiah)

No.	Transaction Type	Period of December 31, 2013	
		Capital Deduction Factor	RWA
(1)	(2)	(3)	(4)
1	Total Exposure	-	1,428,377

Table 6.2.7. **Disclosure of Total Credit Risk Measurement - Bank Consolidated**

(in million Rupiah)

	Period of December 31, 2014
TOTAL RISK WEIGHTED ASSETS CREDIT RISK	357,227,347
TOTAL CAPITAL CHARGE FACTOR	-

(in million Rupiah)

	Period of December 31, 2013
TOTAL RISK WEIGHTED ASSETS CREDIT RISK	318,926,584
TOTAL CAPITAL CHARGE FACTOR	-

Table 7.1. **Disclosure of Market Risk Using Standardized Method**

(in million Rupiah)

No.	Type of Risk	Period of December 31, 2014			
		Bank		Consolidated	
		Capital Charge	RWA	Capital Charge	RWA
(1)	(2)	(3)	(4)	(5)	(6)
1	Interest rate risk				
	a. Specific risk	16	203	16	202
	b. General risk	10,446	130,580	8,511	106,387
2	Foreign exchange risk	30,129	376,609	9,940	124,250
3	Equity risk				
	a. Specific risk			201	2,512
	b. General risk			201	2,512
4	Commodity risk				
5	Option risk	-	-		
	Total	**40,591**	**507,392**	**18,869**	**235,863**

(in million Rupiah)

No.	Type of Risk	Period of December 31, 2013			
		Bank		Consolidated	
		Capital Charge	RWA	Capital Charge	RWA
(1)	(2)	(3)	(4)	(5)	(6)
1	Interest rate risk				
	a. Specific risk	-	-	3,088	38,600
	b. General risk	5,947	74,335	9,409	117,612
2	Foreign exchange risk	10,714	133,924	53,348	666,850
3	Equity risk				
	a. Specific risk			925	11,563
	b. General risk			925	11,563
4	Commodity risk				
5	Option risk	-	-		
	Total	**16,661**	**208,259**	**67,695**	**846,188**

Table 7.2.a. **Disclosure of Market Risk Using Internal Model (Value at Risk/VaR) - Bank Only**

(in million Rupiah)

No.	Type of Risk	Period of December 31, 2014			
		Average VaR	Maximum VaR	Minimum VaR	End of Periode VaR
(1)	(2)	(3)	(4)	(5)	(6)
1.	Interest Rate Risk	7,364	23,896	1,980	4,309
2.	Foreign Exchange Risk	14,606	61,384	1,414	2,629
3.	Option Risk	-	-	-	-

(in million Rupiah)

No.	Type of Risk	Period of December 31, 2013			
		Average VaR	Maximum VaR	Minimum VaR	End of Periode VaR
(1)	(2)	(3)	(4)	(5)	(6)
1.	Interest Rate Risk	8,355	28,894	3,786	4,555
2.	Foreign Exchange Risk	28,165	69,952	350	771
3.	Option Risk	-	-	-	-

Table 8.1.a. **Quantitative Disclosure of Operational Risk - Bank Only**

(in million Rupiah)

No.	Indicator Approach	Period of December 31, 2014		
		Average Gross Income in the past 3 years	Capital Charge	RWA
(1)	(2)	(3)	(4)	(5)
1	Basic Indicator Approach	28,229,336	4,234,400	52,930,005
	Total	**28,229,336**	**4,234,400**	**52,930,005**

(in million Rupiah)

No,	Indicator Approach	Period of December 31, 2013		
		Average Gross Income in the past 3 years	Capital Charge	RWA
(1)	(2)	(3)	(4)	(5)
1	Basic Indicator Approach	23,665,870	3,549,880	44,373,506
	Total	**23,665,870**	**3,549,880**	**44,373,506**

Table 8.1.b. **Quantitative Disclosure of Operational Risk - Bank Consolidated**

(in million Rupiah)

No.	Indicator Approach	Period of December 31, 2014		
		Average Gross Income in the past 3 years	Capital Charge	RWA
(1)	(2)	(3)	(4)	(5)
1	Basic Indicator Approach	28,908,090	4,336,213	54,202,668
	Total	**28,908,090**	**4,336,213**	**54,202,668**

(in million Rupiah)

No.	Indicator Approach	Period of December 31, 2013		
		Average Gross Income in the past 3 years	Capital Charge	RWA
(1)	(2)	(3)	(4)	(5)
1	Basic Indicator Approach	24,393,334	3,659,000	45,737,501
	Total	**24,393,334**	**3,659,000**	**45,737,501**

Disclosure of Rupiah and foreign exchange maturity profiles for the Bank on a stand alone and as a consolidated entity (according to Bank Indonesia regulations regarding the Implementation of Risk Management for Commercial Banks and Periodic Reports of Commercial Banks) is presented in Table 9.1.a and b, Table 9.2.a and b.

Table 9.1.a. **Disclosure of Rupiah Maturity Profile - Bank Only**

(in million Rupiah)

No.	Account	Balance	Period of December 31, 2014				
			Maturity				
			≤ 1 month	> 1 to 3 months	> 3 to 6 months	> 6 to 12 months	> 12 months
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
I.	**BALANCE SHEET**						
A.	**Asset**						
	1. Cash	18,791,203	18,791,203	-	-	-	-
	2. Placement with Bank Indonesia	73,399,380	47,555,829	20,274,996	983,890	4,584,665	-
	3. Placement with other banks	1,840,164	1,840,164	-	-	-	-
	4. Marketable securities	36,831,640	4,560,440	810,351	2,618,946	6,238,997	22,602,907
	5. Loans	323,572,692	14,266,808	28,373,346	32,761,140	60,665,640	187,505,757
	6. Other receivables	27,426,809	24,524,746	2,631,597	270,466	-	-
	7. Others	5,961,233	5,961,233	-	-	-	-
	Total Asset	**487,823,120**	**117,500,423**	**52,090,290**	**36,634,442**	**71,489,302**	**210,108,664**
B	**Liabilities**						
	1. Deposits from customer	410,416,365	54,777,605	2,652,321	653,795	560,748	351,771,896
	2. Liabilities with Bank Indonesia	577	-	-	-	-	577
	3. Liabilities with other banks	2,594,195	2,587,595	6,500	100	-	-
	4. Securities issued	-	-	-	-	-	-
	5. Borrowings	-	-	-	-	-	-
	6. Other liabilities	347,176	101,607	155,520	90,050	-	-
	7. Others	8,393,954	8,367,093	-	-	-	26,861
	Total Liabilities	**421,752,267**	**65,833,900**	**2,814,340**	**743,945**	**560,748**	**351,799,334**
	On Balance Sheet Asset and Liabilities Differences	**66,070,853**	**51,666,522**	**49,275,950**	**35,890,498**	**70,928,554**	**(141,690,670)**
II.	**OFF BALANCE SHEET**						
A.	**Off Balance Sheet Receivables**						
	1. Commitment	-	-	-	-	-	-
	2. Contingency	-	-	-	-	-	-
	Total Administrative Account Receivable	**-**	**-**	**-**	**-**	**-**	**-**
B.	**Off Balance Sheet Liabilities**						
	1. Commitment	116,311,250	115,723,098	588,073	-	80	-
	2. Contingency	-	-	-	-	-	-
	Total Off Balance Sheet Liabilities	**116,311,250**	**115,723,098**	**588,073**	**-**	**80**	**-**
	Off Balance Sheet Asset and Liabilities Differences	**(116,311,250)**	**(115,723,098)**	**(588,073)**	**-**	**(80)**	**-**
	Differences [(IA - IB)+(IIA-IIB)]	**(50,240,397)**	**(64,056,575)**	**48,687,877**	**35,890,498**	**70,928,474**	**(141,690,670)**
	Cumulative Differences		**(64,056,575)**	**(15,368,698)**	**20,521,799**	**91,450,273**	**(50,240,397)**

Table 9.1.a. **Disclosure of Rupiah Maturity Profile - Bank Only**

(in million Rupiah)

No.	Account	Balance	Period of December 31, 2013				
			Maturity				
			≤ 1 month	> 1 to 3 months	> 3 to 6 months	> 6 to 12 months	> 12 months
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
I.	**BALANCE SHEET**						
A.	**Asset**						
	1. Cash	15,496,546	15,496,546	-	-	-	-
	2. Placement with Bank Indonesia	78,402,610	73,881,095	781,926	1,505,382	2,234,207	-
	3. Placement with other banks	2,715,184	2,715,184	-	-	-	-
	4. Marketable securities	38,041,682	3,776,038	1,416,978	1,231,478	5,482,202	26,134,986
	5. Loans	294,088,570	18,905,015	25,124,728	28,417,030	52,749,042	168,892,755
	6. Other receivables	2,392,172	2,392,172	-	-	-	-
	7. Others	5,772,072	5,772,072	-	-	-	-
	Total Asset	**436,908,835**	**122,938,121**	**27,323,632**	**31,153,890**	**60,465,451**	**195,027,741**
B	**Liabilities**						
	1. Deposits from customer	371,555,792	45,998,908	3,158,901	1,192,815	976,744	320,228,424
	2. Liabilities with Bank Indonesia	577	-	-	-	-	577
	3. Liabilities with other banks	1,755,066	1,727,466	27,500	100	-	-
	4. Securities issued	-	-	-	-	-	-
	5. Borrowings	-	-	-	-	-	-
	6. Other liabilities	272,827	184,211	51,120	37,496	-	-
	7. Others	3,944,667	3,944,667	-	-	-	-
	Total Liabilities	**377,528,929**	**51,855,253**	**3,237,521**	**1,230,411**	**976,744**	**320,229,001**
	On Balance Sheet Asset and Liabilities Differences	**59,379,906**	**71,082,869**	**24,086,111**	**29,923,479**	**59,488,707**	**(125,201,260)**
II.	**OFF BALANCE SHEET**						
A.	**Off Balance Sheet Receivables**						
	1. Commitment	-	-	-	-	-	-
	2. Contingency	-	-	-	-	-	-
	Total Administrative Account Receivable	**-**	**-**	**-**	**-**	**-**	**-**
B.	**Off Balance Sheet Liabilities**						
	1. Commitment	114,648,734	114,048,269	507,667	92,798	-	-
	2. Contingency	-	-	-	-	-	-
	Total Off Balance Sheet Liabilities	**114,648,734**	**114,048,269**	**507,667**	**92,798**	**-**	**-**
	Off Balance Sheet Asset and Liabilities Differences	**(114,648,734)**	**(114,048,269)**	**(507,667)**	**(92,798)**	**-**	**-**
	Differences [(IA - IB)+(IIA-IIB)]	**(55,268,828)**	**(42,965,400)**	**23,578,444**	**29,830,681**	**59,488,707**	**(125,201,260)**
	Cumulative Differences		**(42,965,400)**	**(19,386,956)**	**10,443,725**	**69,932,432**	**(55,268,828)**

Tabel 9.1.b. **Pengungkapan Profil Maturitas Rupiah - Bank secara Konsolidasi dengan Perusahaan Anak**

(in million Rupiah)

No.	Account	Balance	Period of December 31, 2014				
			Maturity				
			≤ 1 month	> 1 to 3 months	> 3 to 6 months	> 6 to 12 months	> 12 months
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
I.	**BALANCE SHEET**						
A.	**Asset**						
	1. Cash	18,803,034	18,803,034				
	2. Placement with Bank Indonesia	74,099,320	48,255,769	20,274,996	983,890	4,584,665	-
	3. Placement with other banks	2,916,843	2,429,043	449,500	38,300	-	-
	4. Marketable securities	36,940,027	4,563,957	810,351	2,618,946	6,294,511	22,652,263
	5. Loans	323,112,386	14,060,871	28,378,054	32,761,140	60,407,175	187,505,145
	6. Other receivables	36,922,176	24,729,037	2,911,043	795,103	1,200,700	7,286,293
	7. Others	6,152,760	6,152,760				
	Total Asset	**498,946,545**	**118,994,470**	**52,823,944**	**37,197,379**	**72,487,051**	**217,443,701**
B	**Liabilities**						
	1. Deposits from customer	412,632,592	56,868,196	2,752,557	677,669	562,275	351,771,896
	2. Liabilities with Bank Indonesia	577	-	-	-	-	577
	3. Liabilities with other banks	2,595,774	2,589,174	6,500	100	-	
	4. Securities issued	2,503,900	-	99,908	574,442	-	1,829,551
	5. Borrowings	1,928,203	-	-	311,111	788,347	828,745
	6. Other liabilities	347,176	101,607	155,520	90,050	-	-
	7. Others	9,809,900	9,809,900				
	Total Liabilities	**429,818,122**	**69,368,876**	**3,014,484**	**1,653,371**	**1,350,622**	**354,430,769**
	On Balance Sheet Asset and Liabilities Differences	**69,128,423**	**49,625,594**	**49,809,460**	**35,544,008**	**71,136,429**	**(136,987,068)**
II.	**OFF BALANCE SHEET**						
A.	**Off Balance Sheet Receivables**						
	1. Commitment	1,505,000	1,505,000	-	-	-	-
	2. Contingency	-	-				
	Total Administrative Account Receivable	**1,505,000**	**1,505,000**	**-**	**-**	**-**	**-**
B.	**Administrative Account Payable**						
	1. Commitment	116,564,879	115,976,726	588,073	-	**80**	-
	2. Contingency	-	-	-	-	-	-
	Total Administrative Account Payable	**116,564,879**	**115,976,726**	**588,073**	**-**	**80**	**-**
	Off Balance Sheet Asset and Liabilities Differences	**(115,059,879)**	**(114,471,726)**	**(588,073)**	**-**	**(80)**	**-**
	Differences [(IA - IB)+(IIA-IIB)]	**(45,931,456)**	**(64,846,132)**	**49,221,387**	**35,544,008**	**71,136,349**	**(136,987,068)**
	Cumulative Differences		**(64,846,132)**	**(15,624,745)**	**19,919,263**	**91,055,612**	**(45,931,456)**

Tabel 9.1.b. **Pengungkapan Profil Maturitas Rupiah - Bank secara Konsolidasi dengan Perusahaan Anak**

(in million Rupiah)

No,	Account	Balance	Period of December 31, 2013				
			Maturity				
			≤ 1 month	> 1 to 3 months	> 3 to 6 months	> 6 to 12 months	> 12 months
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
I.	**BALANCE SHEET**						
A.	**Asset**						
	1, Cash	15,506,347	15,506,347	-	-	-	-
	2, Placement with Bank Indonesia	78,736,708	74,215,193	781,926	1,505,382	2,234,207	-
	3, Placement with other banks	3,298,517	3,115,217	156,300	26,000	1,000	-
	4, Marketable securities	38,365,754	3,788,345	1,416,978	1,231,728	5,532,440	26,396,263
	5, Loans	293,998,813	18,911,813	25,127,061	28,417,030	52,550,825	168,992,084
	6, Other receivables	9,771,180	2,416,658	405,495	293,078	765,237	5,890,712
	7, Others	6,008,728	6,008,728	-	-	-	-
	Total Asset	**445,686,048**	**123,962,302**	**27,887,760**	**31,473,218**	**61,083,709**	**201,279,059**
B.	**Liabilities**						
	1, Deposits from customer	373,222,775	47,509,709	3,285,386	1,220,736	978,520	320,228,424
	2, Liabilities with Bank Indonesia	577	-	-	-	-	577
	3, Liabilities with other banks	1,752,176	1,724,576	27,500	100	-	-
	4, Securities issued	3,132,847	-	99,907	1,145,556	-	1,887,384
	5, Borrowings	500,000	500,000	-	-	-	-
	6, Other liabilities	272,827	184,211	51,120	37,496	-	-
	7, Others	5,071,492	5,071,492	-	-	-	-
	Total Liabilities	**383,952,693**	**54,989,988**	**3,463,912**	**2,403,887**	**978,520**	**322,116,385**
	On Balance Sheet Asset and Liabilities Differences	**61,733,355**	**68,972,313**	**24,423,848**	**29,069,330**	**60,105,189**	**(120,837,326)**
II.	**OFF BALANCE SHEET**						
A.	**Off Balance Sheet Receivables**						
	1, Commitment	910,000	910,000	-	-	-	-
	2, Contingency	-	-	-	-	-	-
	Total Administrative Account Receivable	**910,000**	**910,000**	**-**	**-**	**-**	**-**
B.	**Administrative Account Payable**						
	1, Commitment	114,690,966	114,090,501	507,667	92,798	-	-
	2, Contingency	-	-	-	-	-	-
	Total Administrative Account Payable	**114,690,966**	**114,090,501**	**507,667**	**92,798**	**-**	**-**
	Off Balance Sheet Asset and Liabilities Differences	**(113,780,966)**	**(113,180,501)**	**(507,667)**	**(92,798)**	**-**	**-**
	Differences [(IA - IB)+(IIA-IIB)]	**(52,047,611)**	**(44,208,188)**	**23,916,181**	**28,976,532**	**60,105,189**	**(120,837,326)**
	Cumulative Differences		**(44,208,188)**	**(20,292,006)**	**8,684,526**	**68,789,715**	**(52,047,611)**

Table 9.2.a. **Disclosure of Foreign Exchange Maturity Profile - Bank Only**

(in million Rupiah)

No.	Account	Balance	Period of December 31, 2014				
			Maturity				
			≤ 1 month	> 1 to 3 months	> 3 to 6 months	> 6 to 12 months	> 12 months
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
I.	**BALANCE SHEET**						
A.	**Assets**						
	1. Cash	773,014	773,014	-	-	-	-
	2. Placement with Bank Indonesia	6,155,345	6,155,345	-	-	-	-
	3. Placement with other banks	4,885,856	4,885,856	-	-	-	-
	4. Marketable securities	7,076,787	1,133,020	652,207	300,463	154,813	4,836,284
	5. Loans	23,389,579	2,286,310	5,795,917	2,436,927	3,642,855	9,227,569
	6. Other receivables	6,864,185	1,981,632	2,695,823	2,044,322	137,585	4,824
	7. Others	299,489	197,499	100,304	1,686	-	-
	Total Asset	**49,444,255**	**17,412,676**	**9,244,251**	**4,783,398**	**3,935,253**	**14,068,677**
B.	**Liabilities**						
	1. Deposits from customer	37,525,220	2,003,204	47,164	23,480	35,029	35,416,344
	2. Liabilities with Bank Indonesia	-	-	-	-	-	-
	3. Liabilities with other banks	1,158,486	1,158,486	-	-	-	-
	4. Securities issued	-	-	-	-	-	-
	5. Borrowings	743,457	743,457	-	-	-	-
	6. Other liabilities	4,477,867	1,782,467	1,876,297	676,694	137,585	4,824
	7. Others	370,909	370,909	-	-	-	-
	Total Liabilities	**44,275,939**	**6,058,523**	**1,923,460**	**700,174**	**172,614**	**35,421,168**
	On Balance Sheet Asset and Liabilities Differences	**5,168,316**	**11,354,153**	**7,320,791**	**4,083,224**	**3,762,639**	**(21,352,491)**
II.	**OFF BALANCE SHEET**						
A.	**Off Balance Sheet Receivables**						
	1. Commitment	2,294,439	2,023,207	271,232	-	-	-
	2. Contingency	-	-				
	Total Administrative Account Payable	**2,294,439**	**2,023,207**	**271,232**	**-**	**-**	**-**
B.	**Off Balance Sheet Liabilities**						
	1. Commitment	23,826,045	18,433,645	4,185,852	375,552	319,134	511,862
	2. Contingency	-	-	-	-	-	-
	Total Administrative Account Payable	**23,826,045**	**18,433,645**	**4,185,852**	**375,552**	**319,134**	**511,862**
	Off Balance Sheet Asset and Liabilities Differences	**(21,531,606)**	**(16,410,437)**	**(3,914,621)**	**(375,552)**	**(319,134)**	**(511,862)**
	Differences [(IA - IB)+(IIA-IIB)]	**(16,363,290)**	**(5,056,284)**	**3,406,170**	**3,707,672**	**3,443,505**	**(21,864,353)**
	Cumulative Differences		**(5,056,284)**	**(1,650,114)**	**2,057,558**	**5,501,063**	**(16,363,290)**

Table 9.2.a. **Disclosure of Foreign Exchange Maturity Profile - Bank Only**

(in million Rupiah)

No.	Account	Balance	Period of December 31, 2013				
			Maturity				
			≤ 1 month	> 1 to 3 months	> 3 to 6 months	> 6 to 12 months	> 12 months
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
I.	**BALANCE SHEET**						
A.	**Assets**						
	1. Cash	777,058	777,058	-	-	-	-
	2. Placement with Bank Indonesia	9,516,940	9,516,940	-	-	-	-
	3. Placement with other banks	3,783,387	3,783,387	-	-	-	-
	4. Marketable securities	8,472,924	448,383	3,275,047	1,374,652	-	3,374,842
	5. Loans	18,291,576	1,468,422	2,823,123	1,411,502	4,700,802	7,887,727
	6. Other receivables	5,869,626	2,367,164	2,568,875	833,158	68,440	31,989
	7. Others	236,621	236,621	-	-	-	-
	Total Asset	**46,948,132**	**18,597,975**	**8,667,045**	**3,619,312**	**4,769,242**	**11,294,558**
B.	**Liabilities**						
	1. Deposits from customer	37,957,771	2,863,567	52,623	22,563	31,971	34,987,047
	2. Liabilities with Bank Indonesia	-	-	-	-	-	-
	3. Liabilities with other banks	1,548,863	1,548,863	-	-	-	-
	4. Securities issued	-	-	-	-	-	-
	5. Borrowings	375	375	-	-	-	-
	6. Other liabilities	4,380,130	1,860,900	1,943,080	484,646	59,514	31,989
	7. Others	455,207	455,207	-	-	-	-
	Total Liabilities	**44,342,346**	**6,728,911**	**1,995,703**	**507,209**	**91,485**	**35,019,036**
	On Balance Sheet Asset and Liabilities Differences	**2,605,786**	**11,869,064**	**6,671,342**	**3,112,103**	**4,677,757**	**(23,724,478)**
II.	**OFF BALANCE SHEET**						
A.	**Off Balance Sheet Receivables**						
	1. Commitment	3,191,236	3,191,236	-	-	-	-
	2. Contingency	-	-	-	-	-	-
	Total Administrative Account Payable	**3,191,236**	**3,191,236**	**-**	**-**	**-**	**-**
B.	**Off Balance Sheet Liabilities**						
	1. Commitment	24,553,690	18,406,681	3,599,789	863,299	715,125	968,796
	2. Contingency	-	-	-	-	-	-
	Total Administrative Account Payable	**24,553,690**	**18,406,681**	**3,599,789**	**863,299**	**715,125**	**968,796**
	Off Balance Sheet Asset and Liabilities Differences	**(21,362,454)**	**(15,215,445)**	**(3,599,789)**	**(863,299)**	**(715,125)**	**(968,796)**
	Differences [(IA - IB)+(IIA-IIB)]	**(18,756,668)**	**(3,346,381)**	**3,071,553**	**2,248,804**	**3,962,632**	**(24,693,274)**
	Cumulative Differences		**(3,346,381)**	**(274,829)**	**1,973,975**	**5,936,606**	**(18,756,668)**

Table 9.2.b. **Disclosure of Foreign Exchange Maturity Profile - Bank Consolidated**

(in million Rupiah)

No.	Account	Balance	Period of December 31, 2014				
			Maturity				
			≤ 1 month	> 1 to 3 months	> 3 to 6 months	> 6 to 12 months	> 12 months
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
I.	**BALANCE SHEET**						
A.	**Assets**						
	1. Cash	774,537	774,537				
	2. Placement with Bank Indonesia	6,155,345	6,155,345				
	3. Placement with other banks	4,961,207	4,961,207	-	-	-	-
	4. Marketable securities	7,453,465	1,133,020	652,207	337,625	154,813	5,175,800
	5. Loans	23,450,925	2,286,310	5,795,917	2,436,927	3,642,855	9,288,915
	6. Other receivables	6,864,185	1,981,632	2,695,823	2,044,322	137,585	4,824
	7. Others	592,854	490,864	100,304	1,686		
	Total Asset	**50,252,518**	**17,782,915**	**9,244,251**	**4,820,560**	**3,935,253**	**14,469,539**
B.	**Liabilities**						
	1. Deposits from customer	37,522,494	2,000,478	47,164	23,480	35,029	35,416,344
	2. Liabilities with Bank Indonesia	-					
	3. Liabilities with other banks	1,158,486	1,158,486				
	4. Securities issued	-					
	5. Borrowings	1,152,162	743,457	-	-	408,705	-
	6. Other liabilities	4,477,867	1,782,467	1,876,297	676,694	137,585	4,824
	7. Others	373,889	373,889				
	Total Liabilities	**44,684,898**	**6,058,777**	**1,923,460**	**700,174**	**581,319**	**35,421,168**
	On Balance Sheet Asset and Liabilities Differences	**5,567,620**	**11,724,138**	**7,320,791**	**4,120,386**	**3,353,934**	**(20,951,629)**
II.	**OFF BALANCE SHEET**						
A.	**Off Balance Sheet Receivables**						
	1. Commitment	3,111,414	2,840,182	271,232	-	-	-
	2. Contingency	-	-				
	Total Administrative Account Payable	**3,111,414**	**2,840,182**	**271,232**	**-**	**-**	**-**
B.	**Off Balance Sheet Liabilities**						
	1. Commitment	23,826,045	18,433,645	4,185,852	375,552	319,134	511,862
	2. Contingency	-	-	-	-	-	-
	Total Administrative Account Payable	**23,826,045**	**18,433,645**	**4,185,852**	**375,552**	**319,134**	**511,862**
	Off Balance Sheet Asset and Liabilities Differences	**(20,714,631)**	**(15,593,462)**	**(3,914,621)**	**(375,552)**	**(319,134)**	**(511,862)**
	Differences [(IA - IB)+(IIA-IIB)]	**(15,147,011)**	**(3,869,324)**	**3,406,170**	**3,744,834**	**3,034,800**	**(21,463,491)**
	Cumulative Differences		**(3,869,324)**	**(463,154)**	**3,281,680**	**6,316,480**	**(15,147,011)**

Table 9.2.b. **Disclosure of Foreign Exchange Maturity Profile - Bank Consolidated**

(in million Rupiah)

No.	Account	Balance	Period of December 31, 2013				
			Maturity				
			≤ 1 month	> 1 to 3 months	> 3 to 6 months	> 6 to 12 months	> 12 months
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
I.	**BALANCE SHEET**						
A.	**Assets**						
	1. Cash	777,795	777,795	-	-	-	-
	2. Placement with Bank Indonesia	9,516,940	9,516,940	-	-	-	-
	3. Placement with other banks	3,919,056	3,885,454	16,677	16,925	-	-
	4. Marketable securities	8,835,615	448,383	3,335,992	1,466,955	-	3,584,285
	5. Loans	18,291,575	1,468,421	2,823,123	1,411,502	4,700,802	7,887,727
	6. Other receivables	5,869,626	2,367,164	2,568,875	833,158	68,440	31,989
	7. Others	243,856	243,856	-	-	-	-
	Total Asset	**47,454,462**	**18,708,012**	**8,744,667**	**3,728,540**	**4,769,242**	**11,504,001**
B.	**Liabilities**						
	1. Deposits from customer	37,957,035	2,862,831	52,623	22,563	31,971	34,987,047
	2. Liabilities with Bank Indonesia	-	-	-	-	-	-
	3. Liabilities with other banks	1,548,863	1,548,863	-	-	-	-
	4. Securities issued	-	-	-	-	-	-
	5. Borrowings	375	375	-	-	-	-
	6. Other liabilities	4,380,130	1,860,900	1,943,080	484,646	59,514	31,989
	7. Others	462,250	462,250	-	-	-	-
	Total Liabilities	**44,348,652**	**6,735,218**	**1,995,703**	**507,209**	**91,485**	**35,019,036**
	On Balance Sheet Asset and Liabilities Differences	**3,105,810**	**11,972,794**	**6,748,964**	**3,221,331**	**4,677,757**	**(23,515,035)**
II.	**OFF BALANCE SHEET**						
A.	**Off Balance Sheet Receivables**						
	1. Commitment	3,895,776	3,895,776	-	-	-	-
	2. Contingency	-	-				
	Total Administrative Account Payable	**3,895,776**	**3,895,776**	**-**	**-**	**-**	**-**
B.	**Off Balance Sheet Liabilities**						
	1. Commitment	24,553,691	18,406,682	3,599,789	863,299	715,125	968,796
	2. Contingency	-	-	-	-	-	-
	Total Administrative Account Payable	**24,553,691**	**18,406,682**	**3,599,789**	**863,299**	**715,125**	**968,796**
	Off Balance Sheet Asset and Liabilities Differences	**(20,657,915)**	**(14,510,906)**	**(3,599,789)**	**(863,299)**	**(715,125)**	**(968,796)**
	Differences [(IA - IB)+(IIA-IIB)]	**(17,552,105)**	**(2,538,112)**	**3,149,175**	**2,358,032**	**3,962,632**	**(24,483,831)**
	Cumulative Differences		**(2,538,112)**	**611,063**	**2,969,095**	**6,931,726**	**(17,552,105)**

BUSINESS SUPPORT

Human Resources

Number of Employees

22 thousand

Serving millions of customers across Indonesia

Developing a well-trained and dedicated employee base allows BCA to strengthen customer relationships through offering effective and timely solutions that meet customers' financial needs

Quality human resources are essential in maintaining BCA's competitive edge and supporting the Bank's business strategy. BCA focuses on enhancing the capability and skill base of human resources, both through ongoing professional training and by recruiting quality staffs. Accordingly, BCA has instituted a structured employee recruitment and competencies development program as well as a progressive career development program to better prepare staffs for future leadership and strategic positions.

Corporate culture is cultivated through a series of programs designed to internalize BCA's Vision, Mission and Core Values. A common culture is imperative for the Bank in order to ensure that the business of the Bank is carried out in line with the overall strategy and direction of BCA.

Maintaining a well-trained and dedicated employee base allows BCA to strengthen customer relationships by being able to offer effective and timely solutions that meet the customers' financial needs. The Bank's achievements in developing its human capital have made BCA one of the employers of choice in Indonesia and garnered public recognition, including from SWA Magazine, where the Bank received high praise in the 2014 HR Excellence Awards.

Training and Development

BCA offers various training and development programs designed to equip employees with the skill sets required to excel in today's financial world and to develop a shared culture in accordance with the Bank's core values. Employee training and development activities are primarily delivered at the BCA Learning Center.

Through a combination of in-house and external programs, BCA Learning Center focuses on programs related to banking operations, payment settlement services, credit and marketing, internal control and risk management in line with the overall strategic direction of the Bank. BCA Learning Center also considers the development of employees' soft skills to be as equally important as the development of technical job skills. To that end, BCA Learning Center offers various programs in leadership, personality development and coaching practice, as well as promoting membership in special interest clubs and activities.

Throughout 2014, 55,713 trainees participated in 1,785 classes for a total of 241,909 training days. In addition to face-to-face training, the Bank continues to develop technology-based learning programs to maximize efficiency and practicability. Since 2009, BCA has provided training through e-learning media, which increases accessibility for mass participants. E-learning materials are regularly enhanced and updated to assure that the material is always relevant and of high quality. Network capacity is continually upgraded to support these e-learning services for easier access at all branches, regional offices and headquarters with minimal time constraints. Moreover, the Bank uses interactive training methods, such as Video Based Training, which continues to grow and is attracting more and more participants in remote areas. The total number of e-learning participants in 2014 reached 18,443, a significant increase compared with 12,863 participants in 2013.

BCA continuously improves and refines programs, training materials and learning support facilities. In 2014, the Bank began a pilot project to introduce gamification, a learning process that makes use of interactive and entertaining educational games to develop both technical and soft skills. Results of the pilot project have proven gamification to be a very promising approach to training as it facilitates faster learning of the key concepts with high retention of material learned.

As a means for self-development, in 2014 the Bank hosted BCA Innovation Awards to facilitate employee innovation and self-expression. This event provided

an opportunity for employees at all levels to channel creative ideas in innovating and developing banking services and solutions and in improving internal processes.

Recruitment and Career Development

BCA understands that the development of well qualified human resources relies on an effective recruitment process that pays close attention to the specific needs of the organization. BCA is stepping up its efforts to recruit staffs who can meet the changing requirements for employee skills in an evolving market and to replace members of the workforce who retire or resign. In 2014, BCA recruited a total of 1,167 individuals as permanent staffs and accepted 3,429 people to work under Bakti BCA internship program on a contract basis as tellers and customer services.

In order to find and employ talented candidates, BCA continues to foster relationships with various educational institutions as a source of prospective candidates and actively works to improve its reputation as a leading choice employer in Indonesia. In 2014, the Bank organized several Job Fairs and Campus Hiring events, inviting students to visit the Bank and offering long-term internships for perspective hires. BCA also continues to expand its recruiting channel network in order to broaden the scope of hiring and deepen the pool of candidates by advertising in colleges and promoting online recruitment via karir.bca.co.id. BCA actively sponsors high-profile university events, such as the 5th annual PPM Regional Business Case Competition (RBCC), a case study on BCA held by PPM School of Management, involving master's students from 26 business schools and universities in Southeast Asia and China. The Bank will continue to support similar programs in its efforts to promote BCA as an employer of choice.

In 2014, the Bank hired approximately 366 graduates to participate in BCA's management development program or the BCA Development Program (BDP). Trainees must complete a comprehensive training program for a full year before being placed in various work units as account officers, relationship officers, branch operations staff, and in positions in regional offices and in the head office. This long-running program has been consistently implemented since 1991 with a number of successful BDP graduates now occupying important positions at the Bank.

To meet the manpower needs of commercial and SME lending, the Bank conducted the Account Officer program. Similar to BDP, Account Officer program's learning approach begins with one year comprehensive training program before placing candidates in various branches in their areas of origin as account officers. The aim of this program is to recruit and ultimately place well-trained employees in their home regions, where it is hoped they can contribute through their knowledge of both the business industry and the local culture.

In 2014, the Bank introduced a new program dedicated to creating a cadre of frontline customer service staffs, tellers and back office staffs. Throughout the year, a total of 205 people participated in this program consisting of 13 different groups. The program also includes training in customer relationship management, with the new role of relationship officer being developed to maximize customer engagement and maintain customer relationships and satisfaction.

BCA recognizes the regeneration process as an essential element in maintaining and developing the Bank's long-term competitive advantage. As such, BCA strives to offer ample opportunity for career training and to prepare the younger generation for greater responsibilities. The Bank regularly organizes career development programs to prepare employees for higher positions and to fulfill staffing needs in strategic position. High potential employees are identified through a scoring system designed to analyze the strengths and competencies of employees and implemented by a panel consisting of the department of Human Capital Management and related work units. These potential talents are then proposed as candidates for a tailored management succession plan at various levels in the organization. Through this program, the relevant work units along with the department of Human Capital Management then monitors and evaluates the performance of each candidate, as well as providing them with appropriate training and guidance. In 2014, 1,517 employees graduated from these targeted career development programs.

BCA also provides the opportunity for employees who have been placed in the talent pool to receive scholarships for master's degrees (S2) and to enroll in executive education programs in Singapore, China, Europe and the United States. BCA prioritizes internal resources development to fulfill staffing needs but also recruits external talents to balance overall human capital needs.

BCA continues to foster a culture of coaching in order to maximize employee potential. Since 2013, structured coaching activities have been conducted at every level of the organization and are assessed as part of the performance evaluation of the leaders of BCA. Through the coaching culture ambassador program, BCA selected 12 main branches heads as coaching ambassadors to convey the importance of effective coaching. These 12 main branches heads are representative of each regional office and are equipped with the knowledge and skills for effective coaching, which they can then put into practice in their units and pass on to other units and branches in their respective regions.

BCA implements an attractive rewards program and shows appreciation to employees in an effort to maintain and improve their performances based on the achievement of predetermined targets. Since 2012, a portion of employees' annual bonuses have been paid in the form of BCA shares acquired through the Indonesia Stock Exchange. The bonus shares are held for 3 years before the employee has the right to sell. The bonus shares scheme is designed to enhance the sense of belonging and community among the BCA family and ultimately is hoped to maintain employee loyalty throughout BCA.

Community of Practice & Team Engagement

As a learning organization, BCA continues to implement Knowledge Management programs designed to capture and disseminate the valuable experiences of individual employees to the broader BCA family. In 2009, BCA introduced the Community of Practice (COP) program which serves as a tool for employees to share their knowledge and expertise across work units. In addition, COP is also useful to facilitate interaction between team members to form a stronger unity and strengthen a BCA culture.

BCA also conducts Community of Practice amongst the senior leaders of the Bank. At this level, this program is useful for socializing updates from the various work units. COP also invites external speakers or experts from different backgrounds and with many experiences. Through the Community of Practice, it is hoped that BCA leaders can gain new knowledge and engage in social interaction, ultimately enhancing team engagement.

BCA, in collaboration with Gallup Polling Group (Gallup), conducts surveys on employee engagement at all levels. The Bank's first survey was conducted in 2011 and has been repeated on an annual basis. The surveys have continued to show improvement and positive results over the past four years. BCA believes that a strong culture of team engagement is essential to ensure the best service for customers and to support effective interaction among team members. BCA socializes team engagement through e-learning channels and provides a means for sharing as part of knowledge management.

Since 2013, the Gallup results, coaching activities and BCA's learning culture are used as performance indicators for middle to senior management. These programs have the main goal of maximizing employee satisfaction and ultimately enhancing employee retention.

The Bank endeavors to broaden horizons and expand BCA's knowledge sharing culture to its customers and the public via the Indonesia Knowledge Forum (IKF), which was first held in 2012. In 2014, the IKF presented the theme "Moving Our Nation to the Next Level", which introduced an innovative paradigm of leadership called 'technopreneurship'. The Forum invited as speakers individuals who have achieved success in various industries and from a wide variety of backgrounds. Speakers have included Mrs. Marie Elka Pangestu, a former Minister of Tourism and Creative Economy, and Mr. Ridwan Kamil, the Mayor of Bandung. Through experience sharing coupled with academic research, these forum activities offer added value for all participants, as well as the opportunity for BCA employees, customers and the general public to interact.

Work Life Balance

BCA believes that employees will be more productive when there is a well-maintained balance between work and personal life. To that end, the Bank offers a wide range of activities and training that not only meet the demands of employees' professional lives, but also satisfy their needs as individuals. BCA strives to provide a comfortable working environment and to foster a BCA family with maximum engagement by all staff.

BCA provides a variety of training programs to equip individual employees with skills and support as they enter into the various stages of life, such as 'Ring The Bell' training to encourage employees to plan for their retirement in the future, 'Beautiful Life & Counseling' to prepare employees for retirement, 'Rebuilding Passion & Productivity' to improve morale and productivity, and 'New Me' to encourage employees to recognize and develop their personal identities.

BCA is home to a wide variety of communities that facilitate employees' creativity and support their hobbies. Some of these communities include AsiaLens for photography enthusiasts, AsiaBike for those who like to cycle and AsiaFish for employees whose hobby is fishing. In addition, the Bank also organizes a variety of activities that support the physical health of employees, such as yoga, futsal, basketball and more. In the field of art, AsiaWangi is available to employees who are interested in preserving the culture of the Indonesian puppetry tradition, Wayang.

Going Forward

Looking to 2015 and beyond, the Bank will continue to develop its human capital and enhance employee engagement by seeking new programs and initiatives to create a positive and conducive working environment.

With comprehensive training programs and attention to work-life balance, the Bank aims to develop as an employer brand. BCA will benefit from this branding when approaching targeted universities to secure the highest quality new recruits to meet the Bank's ever changing staffing needs.

To support the growing needs for training, BCA is constructing a new training center, which is expected to be completed by mid-2015. The training center is designed to have comprehensive facilities including training classes, accommodation and conference rooms. Its modern design and suite of training facilities are based on the latest technology in order to ensure that it will be a valuable source of education to create reliable human resources for the Bank.

Employee by Organization Level

	2014	2013
Non Staff	1,701	1,803
Staff	16,718	15,648
Managers	3,672	3,487
Executives (Including Board of Commissioners and Directors)	70	75
Total	**22,161**	**21,013**

Employee by Seniority

	2014	2013
≤ 1 Year	2,033	1,525
> 1 – 5 Years	2,906	1,890
> 5 – 10 Years	986	909
> 10 – 15 Years	1,623	1,913
> 15 – 20 Years	6,188	6,445
> 20 Years	8,425	8,331
Total	**22,161**	**21,013**

Employee by Age

	2014	2013
≤ 25 Years	2,002	1,414
> 25 – 30 Years	2,990	2,150
> 30 – 35 Years	1,059	1,183
> 35 – 40 Years	3,128	3,762
> 40 – 45 Years	5,497	5,807
> 45 – 50 Years	5,008	4,674
> 50 Years	2,477	2,023
Total	**22,161**	**21,013**

Employee by Education Level

	2014	2013
Up to Senior High School	5,564	5,764
Diploma and Undergraduate	15,934	14,639
Graduate and Doctorate	663	610
Total	**22,161**	**21,013**

Employee by Status

	2014	2013
Permanent	21,077	20,235
Non Permanent*	1,084	778
Total	**22,161**	**21,013**

* Including contract, probation and trainee

Employee Training

	2014			2013		
	Number of Classes	Number of Days	Number of Participants	Number of Classes	Number of Days	Number of Participants
Managerial Leadership & Personal Development	730	123,163	25,035	763	75.961	28.140
Credit Management	84	12,805	2,825	171	9,427	3,496
Risk Management Certification Program	31	1,339	681	164	5,388	4,518
Sales	43	5,294	1,039	29	1,570	687
Service	9	1,710	468	44	2,416	2,129
Operations & IT	778	90,342	21,276	962	93,301	22,711
Other	110	7,256	4,389	40	2,632	2,339
Total	**1,785**	**241,909**	**55,713**	**2,173**	**190,695**	**64,020**

Employee Training Expenses (in million Rupiah)

	2014	2013
Employee Training Expenses	266,205	216,744

BUSINESS SUPPORT

Network and Operations

Number of ATMs

16,694

Contributed the highest number of transactions

BCA operates a multi-channel network consisting of a nationwide branch network and best in class electronic delivery channels

Service quality is essential to remaining at the forefront of an increasingly competitive banking industry. As such, the Bank continues to improve its systems, procedures and network reliability. To accomodate its growing customer base, the Bank further expanded its banking network including electronic delivery channels with the opening of new branches, Automated Teller Machine (ATM) and Electronic Data Capture (EDC) installments and additional banking services features. Network expansion requires an increasing number of qualified employees. BCA consistently enhance the skills of frontliners and business enablers to ensure the Bank's position as one of the leading banks in Indonesia.

While BCA still believes that expanding the physical branch network is important, the Bank is of the view that electronic banking will grow faster than branch banking and will become a core necessity in the years to come. In line with this concept, BCA has put increasing efforts into boosting electronic delivery channels in recent years and has been rewarded in the effort by seeing customer preference shift to increased usage of electronic delivery channels. The greater role of electronic banking translates to lower cost per transaction and minimizes the need for the rapid expansion of higher-cost traditional branches.

Focus on Customer Service

Services offered by BCA are constantly evolving in line with the needs and demands of the Bank's customers. To that end, efforts are directed towards developing employees in their ability to provide complete, efficient and timely banking solutions. In order to encourage the growth of a service culture at BCA, in 2010 BCA introduced the SMART SOLUTION program as an expansion of the SMART program established in 2001. "SMART" is an abbreviation of Sigap (active), Menarik (attractive), Antusias (enthusiastic), Ramah (friendly) and Teliti (accurate), while "SOLUTION" stands for Simak (attentive); Open-minded; Lengkap (comprehensive); Utamakan kebutuhan nasabah (prioritizing the needs of customers); Telling solutions; Inisiatif (initiative); and ON-time follow-up.

BCA regularly assesses customer satisfaction and measures service quality through annual Gallup Engagement Ratings which have continuously posted positive and improving results. As part of the SMART SOLUTION program, the Bank also organizes BCA Awards as a form of appreciation for the Bank's employees that recognized outstanding individuals as well as work units at headquarters, regional offices and branches with outstanding performance and services. In 2012, the Bank introduced the Relationship Officer (RO) concept to enhance the effectiveness of customer service at branches. The RO is intended to improve customer service in facilitating comprehensive solutions for customers.

The SMART SOLUTION program, RO initiatives and the Gallup periodic measurement of customer satisfaction reinforce the Bank's focus on service and sales.

As part of the Bank's commitment to maintain the highest standards in customer service, BCA manages an internationally recognized customer care helpline, HaloBCA, staffed with well trained operators standing by 24 hours a day. HaloBCA serves as a call and solution center to assist in product and service inquiries, technical support, and tailored product recommendations for each individual customer. As a demonstration of service excellence, HaloBCA received several national, regional and international awards in 2014. Awards received include the "The Best Mega Contact Center in the World" and "Top Ranking Performers - Asia Pacific 2014" from Contact Center World, as well as "The Best Contact Center Indonesia 2014" from Indonesia Contact Center Association (ICCA).

BCA is optimistic that these efforts will help the Bank to maintain and improve the quality of its services and financial solutions offered to customers.

Network Infrastructure Development

BCA operates a multi-channel network, consisting of branches and electronic delivery channels, to provide customers with flexibility in their transaction banking

activities. The Bank's varied network spans across the Indonesian archipelago, with main branches, sub-branches and cash offices to best meet the many and differing needs of customers. BCA's electronic delivery channels include ATMs, EDCs, internet banking and mobile banking. This multi-channel network is interconnected and fully integrated to maximize convenience for customers. In an effort to ensure security and a fast response time at all times, BCA integrates communication protocols and systems with redundancy backup through two complementary data centers in Jakarta. BCA also operates a disaster recovery center in Surabaya to minimize the risk of system failure.

To further extend the reach of its services, in 2014 the Bank opened 13 new branch offices and 34 cash offices. BCA also installed 2,646 ATMs. As of December 2014, the Bank operates a total of 1,111 branch offices (130 main branches, 838 sub branches and 143 cash offices), 16,694 ATMs and hundreds of thousands of EDC machines.

These additions to the network were placed in strategic locations such as trade centers, shopping centers and residential areas. To ensure each new location will operate efficiently and can accommodate growth in customer transactions, BCA conducts careful research and studies in demographic trends, branch concentration, market size and potential demand in that location. When there is an indication of increasing transaction volumes, BCA will consider upgrading the branch capacity or opening a sub-branch or cash offices to maintain transaction convenience. In addition, the Bank has embarked on a national program to renovate and improve existing branches to ensure a satisfying banking experience for customers.

While BCA continues to recognize the need to expand physical branches, the Bank believes that Indonesia will experience robust growth in electronic banking in the future. To support this growth, BCA has been investing aggressively in ATMs, IT infrastructure, internet banking, mobile banking, and data centers. These efforts have been supported by educating customers on the convenience and security of using these electronic channels. BCA is pleased to see that these efforts have been fruitful, with customer preference shifting to electronic channels thereby leading to less crowded branches and enhanced customer satisfaction. BCA has witnessed significant growth from electronic delivery channels to overall transaction volumes over the last several years. This trend reinforces BCA's strategy to emphasize network expansion of electronic delivery channels that have the added benefit to the Bank of lower cost per transaction when compared to traditional branches.

In this era of rapidly increasing use of electronic banking services, BCA is developing a new digital banking service outlet called myBCA (previously called Electronic Banking Center) with the theme "My Bank, My Way". MyBCA is currently available

in three shopping centers, Ciputra World and Grand City in Surabaya and Gandaria City in Jakarta. MyBCA evolved from the concept of traditional ATM centers, and presents new digital features including HaloBCA call center with video call features and Flazz card vending machine.

In 2014, the Bank continued to refine MyBCA services, including through the addition of video assistance for account openings for Tahapan Xpresi (savings accounts targeted for young people), credit card applications, KeyBCA token applications, and Xpresi passport card replacement requests. With the implementation of video banking machines, customers can now access banking services during the operating hours of the shopping centers where myBCA branches are located. The process of opening new accounts through Video Banking runs from data entry to the printing of the Xpresi passport card, which is available in a variety of designs. The Bank plans to add several myBCA services in selected malls throughout the country due to the positive customer reception of myBCA .

Supported by the scale of its business, the Bank is able to invest substantially in developing its multi-channel banking network to continuously improve the quality of services to its customers.

Process Efficiency

BCA consistently refines its processes and infrastructure and streamlines its various systems and procedures to support efficiency while operating within the limits of precautionary principles and industry regulations.

BCA has automated several systems in its branches, including the use of machines to increase the productivity and accuracy of teller services, such as teller-assisted machines. The Bank also start to automate customer data validation, particularly for opening new accounts, by utilizing access to the Government's electronic-based demographic data. These various automation measures are taken to improve efficiency and provide the best service to BCA customers while increasing employee productivity at the branches. Through automation and the use of technology, it is hoped that branch office staff will be more focused in providing solutions to BCA customers.

To minimize operational expenses at the branches, BCA continues to drive increasing usage of electronic delivery channels for customer transactions and various banking services. The Bank now provides a web-based system for the opening of savings accounts and applications for mortgages, vehicle loans and credit cards. This online system will improve efficiency by simplifying the mechanism of account openings and the mass processing of individual loans. Beginning in 2013, the Bank introduced Cash Recycling Machine (CRM) for more efficient cash handling operations. CRM allows for both deposits and withdrawals by recycling deposited cash for later withdrawals without the need to refill the machine with cash.

In 2014, the Bank continued to embark on major projects focused on efficiency. Ongoing initiatives include the development of Cash Processing Centers, the enhancement of Credit Service Centers, and the implementation of a continuous improvement culture. The Bank is committed to pursue efficiency and achieve higher quality of operations, which in turn enhance business quality.

Looking Ahead

BCA will continue to invest in developing infrastructure for the electronic and branch banking network. The Bank will also further diversify the forms and concepts of branches with branches tailored to meet the needs of target customers. On December 2014, BCA started two pilot projects to develop a new concept of smaller branches equipped with a set of electronic devices to complement the existing branch banking format.

With support from banking regulators and by taking advantage of the latest technological developments, the Bank is exploring opportunities to expand the scope of its services in the community to reach beyond the existing customer base. On this front, the Bank is developing agent-based branchless banking services in 2015.

The recruitment and development of relationship officers at branches will continue in 2015 in an effort to further enhance customer relationship management. The Bank believes that a close relationship with clients is the cornerstone to generating solid business and financial performance.

BUSINESS SUPPORT

Information Technology

Internet Banking Transaction Value

Rp 15 T/day

Dual mirroring world class data centers combined with a strong network handled high volume customer transactions

A reliable information technology infrastructure is a major prerequisite to support the rapidly increasing volume of customer transactions

As one of the leading transaction banks in Indonesia, it is crucial for the Bank to ensure that all banking services remain reliable, secure and recoverable at all times. To that end, BCA focuses on enhancing information technology infrastructure to keep pace with the Bank's growing transaction volume and recent developments in technology.

In line with an ever-changing technological infrastructure, BCA refined the Bank's system development process and the information technology organizational structure by combining several work units according to their primary functions. This reorganization is intended to provide more productive and responsive support for the needs of customers and of the Bank's business units.

BCA's focus on enhancing the capacity and the capability of its information technology will allow the Bank to maintain its core strength in transaction banking in an environment of changing customer behavior that is influenced by the rapid development in information and communication technology.

Solid Information Technology Infrastructure

A reliable information technology infrastructure is a major prerequisite to support the rapidly increasing volume of customer transactions.

In 2014, BCA rejuvenated the core network hardware, servers and other devices that had reached the end of their useful lives. The rejuvenation was also carried out for mainframe operating systems, databases and other servers that are no longer supported by the vendors. The capacity of the network and hardware that supports core banking system processes was also increased to aid in ongoing business development.

BCA implements high-capacity redundant communication systems to maintain the availability and reliability of the Bank's banking network nationwide. Network redundancy is an important aspect of the Bank's information technology systems in order to operate a reliable infrastructure network with real-time performance. Network redundancy is expected to mitigate system failures and allows the network to independently recover from equipment damage without system disruption or data loss.

As part of the redundancy policy, BCA manages two data centers in Jakarta. Each data center is capable of handling the entire volume of all customer transactions independently. The two data centers were designed to manage data redundancy for the purpose of maintaining business continuity in the event of a system failure at one of the locations.

In addition to these two data centers, the Bank also maintains a Disaster Recovery Center (DRC) in Surabaya. The DRC is designed to integrate fully with the two mirroring data centers. As a leading national transaction bank, BCA is committed to ensuring that the Bank is well prepared in the event of a disaster so that the BCA will remain operational with minimal downtime. Surabaya was selected as the location for the DRC and as a business continuity platform due to the relatively low natural disaster risk, infrastructure availability and the relatively high number of trained employees in Surabaya. The Surabaya DRC also serves as a test center for new products and services and has the capacity to be used as a third data center.

Increased Reliability of Banking Transactions

The enhancement of electronic banking services capability was one of top priorities for BCA in 2014. The electronic banking facilities were upgraded continuously throughout the year with new features added to increase convenience for customers in making transactions. Increased functionality and the refinement of multi-channel integration are viewed as important steps to entice customers to use the Bank's electronic channels rather than the branch network for their day-to-day transaction activities.

The speed and efficiency of making changes to ATM menus increased significantly with the implementation of a Multi-Vendor Application system that allows changes to be made once and deployed across ATMs of various brands. In 2014, functionality was added for customers to top up pre-paid Flazz card balances through ATM machines. Previously, balance top-ups could only be done through EDC machines at select merchants and BCA's branches. Through ATM machines as well as internet and mobile banking services, customers can now make payments for their insurance and pension fund plans to the government-controlled Social Security Agency (BPJS *Ketenagakerjaan*).

BCA added the "InfoBCA" feature to the mobile banking service. Info BCA provides promotional materials, credit card application forms as well as product and service information, including smart features to determine the location of the nearest branch and ATM, especially useful for customers who are on the go. In 2014, the Bank launched BCA Mobile application for Windows Mobile users in addition to the existing iOS, Blackberry and Android versions.

Features offered in the BCA internet and mobile banking services also continue to be enhanced to meet the growing needs of customers. The latest additions to the service include features for balance inquiry and accounts records for Customer Funds Accounts used for the sale and purchase of securities.

BCA manages its increasingly complex Information Technology (IT) platform using the Service Oriented Architecture (SOA) framework. SOA provides the architectural framework that classifies various programs and applications into systems running on IT middle-ware, which can then be used to create and replicate programs and new business applications. These programs and applications can be used in other business areas or implemented in other front-end distribution networks. SOA has proven to be an important element of the overall IT architecture as it reduces repetition in the design and programming process and minimizes errors in creating functionality for business purposes.

BCA will continue to be in the forefront of future developments and latest advancements in technology in order to fulfill the Bank's priority to remaining the leading transaction bank in Indonesia.

Promoting Customer Centricity

In line with the Bank's business strategy, BCA conducted ongoing systems development initiatives and work process enhancements in an effort to provide optimal support for improving the quality of service to customers. In recent years, the Bank has developed an integrated database system to further support customer-oriented business processes. The database is designed to integrate the continually growing transaction data storage with customer behavior analysis tools to better understand the needs of customers and thereby to enable the Bank to bundle product offerings and provide tailored financial solutions that fit the specific needs of customers.

The database supports the Single View Customer Relationship Management system, designed to facilitate interactions between relationship officers and customers by providing comprehensive information to offer the right financial solutions at every point of contact with customers.

Security a Priority

BCA endeavors to maximize the security of the banking system while still maintaining the comfort and convenience of customers in their transaction activities. The Bank realizes that threats to information systems come from various sources and in various forms. As such, information security systems are in place to protect both the customers and the internal operations of the Bank.

BCA proactively works to disseminate information to customers on the growing potential of cyber-crime. Cyber-crime has become a serious threat in the midst of the shifting customer preference towards internet based channels. The Bank also enhances the security of internet banking systems through SMS notification for transactions over a certain amount and for the registration of new transferee or payment recipients. In addition, BCA operates a system to detect malware on customers' devices as a further precaution against threats to online transactions.

In 2014, BCA implemented a security monitoring system to monitor suspicious and illegitimate transactions in order to prevent hacker attacks that could disrupt the Bank's systems and operations. Security devices owned by the Bank are continuously improved to further strengthen the security of the Bank's transactions and data. BCA has formed a special team to carry out preventive action against suspicious or dubious security activity.

In 2014 the Bank took steps to comply with credit card chip security standards by adopting the National Standard for Indonesia Chip Card Specification (NSICCS) introduced by Bank Indonesia.

Business Continuity Plan

To ensure banking services continue to run even in the worst of situations, BCA has developed a detailed business continuity plan that covers major business areas of the Bank. BCA consistently evaluates and updates the emergency guidelines and procedures at all operational levels to ensure business functions can withstand all eventualities. The Bank also regularly holds seminars, training and simulations to maintain readiness in the face of disaster and the possible emergence of other events that could disrupt business activities.

In 2014, the Bank continued to optimize its Secondary Operation Site, established for the Area Operations Centers located in the Regional Offices, to improve and ensure the readiness of Regional Offices to remain functional in the event of natural disasters or other disturbances.

BCA has established and implemented Command Centers at Surabaya DRC and in several locations in Jakarta that can serve as command centers in the event the head office is offline. In the event that a disruption impacts the Jakarta area, the Crisis Center in Surabaya DRC can be used as a back up headquarters for the crisis team.

The Bank plans to build a Secondary Operation Center in Surabaya for the head office operational unit. In addition, the Bank has conducted a review and comprehensive testing to ensure that all of BCA's highly critical business functions are available at Surabaya DRC.

Looking Ahead

In 2014, the Bank received the ISO 9001:2008 certification quality standard for the standardization of data center processes from SAI Global, one of Australia's leading management system certification body, and also received level three certification of Maturity Model Integration Capability (CMMI-Dev v1.3) for software system development. This stands as evidence of the Bank's commitment to quality control and standardization of processes and documentation.

BCA will continue to improve the capacity of information technology to facilitate convenience and efficiency in banking transactions as the value and frequency of transactions increases. The information technology infrastructure will continue to be improved in terms of system, network and data centers. These are important steps in the Bank's effort to ensure the security, availability, reliability and scalability of the Bank's information technology systems.

As part of the strategic plan for business development, BCA IT will continue to deliver an enhanced digital banking experience to provide comfort in financial transactions through IT initiatives. These initiatives include server-based e-money to attract young customers and automation of certain branch office services.

Currently the Bank is developing an agent-based branchless banking system. BCA believes that, with support from the latest technology, this service will allow BCA to extend its reach beyond the Bank's existing customer base, particularly in the field of payment settlement.

FINANCIAL REVIEW

Financial Review

Return on Equity

25.5%

Maintained healthy franchise, delivering value to all stakeholders

BCA's strong business performance led to greater profitability and solid ROA and ROE in recent years

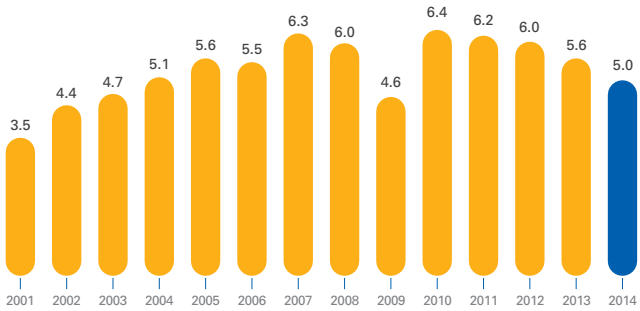
OVERVIEW OF INDONESIA'S MACRO ECONOMY IN 2014

Although economic growth in Indonesia slowed in 2014, the 5.0% growth rate was amongst the highest rates achieved by major economies in the world. This growth was realized against a backdrop of continued uncertainty in international markets and the global economy as well as during a period of political transition in Indonesia. Throughout the fluid and unpredictable environment experienced in 2013 and 2014, the government and regulators undertook prudent fiscal and monetary policies designed to maintain economic stability.

During 2014, the Eurozone continued to experience weak economic growth. In the mean time, the US economy has shown signs of recovery, although US monetary policy normalization remained uncertain. Global economic uncertainties have impacted growth in China's economy which has had a significant impact on the Asian region. Continued depressed pricing for Indonesia's main commodity exports and fluctuations in the Rupiah along with the rapid decline in international oil prices contributed to the uncertainty faced by Indonesia and world markets in 2014.

The Indonesian economy in 2014 entered a consolidation phase characterized by a slower growth rate than had been achieved in recent years. Indonesia's Gross Domestic Product growth was 5.0% in 2014, continuing a decreasing trend over the past 4 years. The growth rate was negatively impacted by the ongoing slump in the prices of Indonesia's leading export commodities and sluggish demand from Indonesia's major trading partners. The general election and the transition to the new administration predictably influenced the timing of investment and expansion decisions of the business community leading to a delay in new investment planning. However, it is also worth noting that the overall investment flow in 2014 remained resilient, particularly when compared to investment cycles in previous election periods. Investor confidence and steady domestic consumption continue to be the main drivers of economic growth in Indonesia.

Growth in Indonesia Gross Domestic Product (GDP) (%)



Source: Central Bureau of Statistics

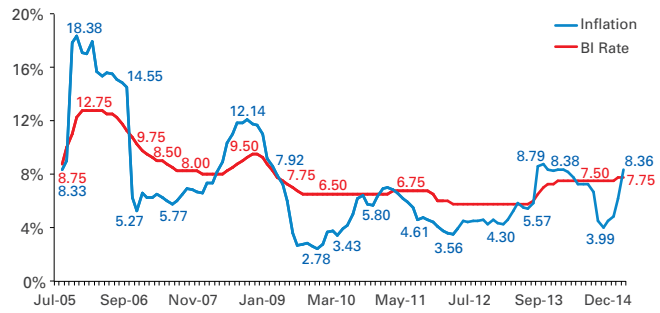
Weakened export earnings and the negative impact of increasing costs for oil and gas imports in 2014 put significant pressure on Indonesia's trade balance. This trade deficit impacted the current account which continued to run at a deficit of USD 26.2 billion, or 2.95% of the GDP in 2014.

Rupiah Exchange Rate against USD (in Rupiah)

Source: Bloomberg

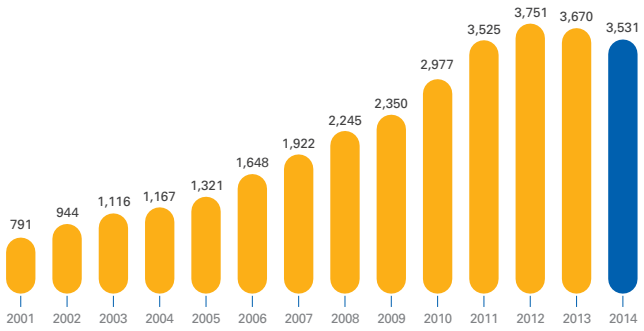
The effects of an increasing current account deficit, increased volatility in the flow of funds from global markets and domestic elections impacted the Rupiah versus US Dollar exchange rate. At year-end 2014, the Rupiah versus US Dollar exchange rate was Rp 12,388 per 1 US Dollar. This represents a depreciation of 1.8% when compared to the exchange rate position at the end of 2013 of Rp 12,171 per 1 US Dollar.

Inflation and BI Rates (%)



Source: Central Bureau of Statistics and Bank Indonesia

GDP per Capita (in USD)



Source: Central Bureau of Statistics

In November 2014, the new Government prudently reduced fuel subsidies in order to reduce the subsidy for fuel imports. This step was followed by Bank Indonesia increasing its benchmark interest rate by 25 bps to 7.75% to anticipate an expected inflationary spike resulting from the rising fuel price. Inflation at the end of 2014, as a result, was restrained at 8.4%. Taking advantage of the decline in world oil prices, at the end of 2014, the Government of Indonesia further removed fuel subsidies for gasoline, while maintaining a certain amount of subsidy for diesel fuel and kerosene. This timely reduction of subsidies is expected to redress the current account deficit as well as provide opportunity for the Government to develop infrastructure and thereby stimulating the Indonesian economy for sustainable future growth. Lower world major commodities prices have taken inflationary pressure off into certain extent. Bank Indonesia forecasts that inflation rate will hover around 3%-5% in 2015, lower than 2014's inflation.

While this consolidation phase of the Indonesian economy is expected to continue to 2015, in the longer run, the Indonesian economy, supported by strong macroeconomic management and a sound banking industry, remains poised to return to higher growth with increased investment in infrastructure and the recovery of global economic growth.

In a period of over a decade, GDP per capita has grown significantly. In 2014 GDP per capita stood at USD 3,531 per capita in US Dollar terms. This strong GDP per capita continues to play an important role in attracting capital investment and driving economic growth.

Overall, we expect the regulators and the Government to remain cautious and vigilant in assessing the possible market and economic impact of the Fed rates normalization and the continued negative impact of depressed pricing in commodity markets.

OVERVIEW OF INDONESIAN BANKING SECTOR PERFORMANCE IN 2014

Bank Indonesia and the Financial Services Authority proactively directed the growth of the banking industry towards a realistic and sustainable level by implementing prudent policies that addressed the economic challenges of 2014.

The total assets of the Indonesian banking sector grew by 13.3% to Rp 5,615 trillion with a sector Return on Assets (ROA) of 2.9% in 2014. The industry loan portfolio grew by 11.6% or Rp 381 trillion to Rp 3,674 trillion, of which 47.8% was working capital loans, while total consumer and investment loans contributed 27.6% and 24.6% to the total loan portfolio, respectively. Working capital loans amounted to Rp 1,757 trillion, an increase of 10.8% from the previous year, while consumer loans amounted to Rp 1,014 trillion, an increase of 11.6%, and investment loans amounted to Rp 903 trillion, an increase of 13.2% by the end of 2014.

Banking sector lending grew moderately with a slight increase in Non Performing Loans (NPL) amounting to 40 bps from 1.8% in 2013 to 2.2% by the end of 2014. This decline in credit quality was expected given the slower economic growth. The overall capital position of Indonesian banks remains strong with a Capital Adequacy Ratio (CAR) of 19.6% at the end of 2014, increasing by 150 bps compared to 18.1% at the end of 2013.

In terms of deposit taking, third party funds grew 12.3% and reached Rp 4,114 trillion per December 31, 2014 from Rp 3,664 trillion per December 31, 2013. The increase in third party funds was mainly supported by growth in time deposits with total time deposit funds growing by 20.9% to Rp 1,940 trillion by the end of 2014. Current Account and Savings Account (CASA) funds posted an increase of 5.1% and 5.9% and reached Rp 890 trillion and Rp 1,284 trillion, respectively.

Over the past several years with the exception of 2014, lending growth frequently exceeded third party funds growth, thereby leading to tighter overall liquidity in the Indonesian banking sector. In addition, third party funds posted a relatively lower 2014 growth, compared to several previous years. These conditions led to rise of the Loan to Deposit Ratio (LDR) in the national banking sector in the last few years.

Particularly in the first half of 2014, the tightening of liquidity in the Indonesian banking sector was reflected in increased competition in time deposits interest rates offered by banks. In response, on 30 September 2014, Indonesia Financial Services Authority took the initiative to set a maximum interest rate on time deposits to mitigate unhealthy competition. The regulators also actively managed lending growth to stabilize liquidity positions and prevent an overheating of the national economy. Overall liquidity showed some improvements towards the end of 2014 with the LDR easing to 89.4% as of December 2014, lower than the peak at 92.2% in July 2014.

Tight liquidity and increased deposit interest rates encouraged higher lending interest rates in the banking sector. Data from Bank Indonesia shows an increase in the weighted average interest rates on working capital loans of 70 bps to reach 12.8%, and increases in interest rates for investment loans of 60 bps, reaching 12.4% during 2014.

Indonesian Banking Sector Performance Highlights (in trillion Rupiah)

	2014	2013	Increase / (decrease)	
			Nominal	Percentage
Total Assets	5,615	4,954	661	13.3%
Loans	3,674	3,293	381	11.6%
Working Capital	1,757	1,586	171	10.8%
Investment	903	798	105	13.2%
Consumer	1,014	909	105	11.6%
Third Party Funds	4,114	3,664	450	12.3%
Current Accounts	890	847	43	5.1%
Savings Accounts	1,284	1,213	71	5.9%
Time Deposits	1,940	1,604	336	20.9%
Net Interest Income	274	243	31	12.8%
Other Operating Income	148	140	8	5.7%
Operating Expense	(279)	(251)	(28)	11.2%
Income Before Tax	144	137	7	5.1%
Net Income	112	107	5	4.7%
Net Interest Margin (NIM)	4.2%	4.9%	N.A	N.A
Return on Assets (ROA)	2.9%	3.1%	N.A	N.A
Operating Expenses to Operating Revenues (BOPO)	76.3%	74.1%	N.A	N.A
Loan to Deposit Ratio (LDR)	89.4%	89.7%	N.A	N.A
Non Performing Loans (NPL)	2.2%	1.8%	N.A	N.A
Capital Adequacy Ratio (CAR)	19.6%	18.1%	N.A	N.A
Number of Banks (Unit)	119	120	N.A	N.A

Source: Bank Indonesia / Indonesia Financial Services Authority

The banking sector booked total Operating Income increased 10.2% to Rp 422 trillion in 2014 from Rp 383 trillion in 2013. Net Interest Income and Other Operating Income in 2014 grew by 12.8% and 5.7% to Rp 274 trillion and Rp 148 trillion, respectively. With a higher cost of funds and Operating Expenses, industry-wide Net Income increased by 4.7% to Rp 112 trillion in 2014.

BCA is optimistic that regulators and the government will continue to promote a healthy banking industry as a solid platform for long-term economic growth. BCA will continue to be a major pillar of the Indonesian banking industry and will improve and expand its network in the years ahead to meet the needs of customers in accordance with BCA's commitment to always be by the customers' side.

OVERVIEW OF BCA FINANCIAL PERFORMANCE IN 2014

BCA recorded a positive business performance in the midst of economic uncertainty and the political transition period that took place in 2014. As a response to the challenges of the economic slowdown, BCA focused on the implementation of a prudent risk management posture in order to maintain quality loan growth as well as to assure a healthy capital and liquidity position.

BCA succeeded in maintaining a solid liquidity position with the support of the growth of third party funds of Rp 38.4 trillion, a 9.4% growth, to Rp 447.9 trillion as of year-end 2014. Supported by the strength of its transaction banking capability, BCA was able to generate stable, low cost funding resulting from the Bank's core strength in Current Accounts and Savings Accounts (CASA) transactions. The Bank also continued to promote transactions through low-cost electronic delivery channels. In 2014, CASA funds grew by 4.2% to Rp 336.4 trillion in an environment marked by unfavorable economic conditions and a slowdown in business activities. It is worth noting that such growth was achieved without any adjustment to CASA rates throughout the year. CASA funds represent a majority of third party funds accounting for some 75.1% of the total funding pool.

To maintain the Bank's solid liquidity position, BCA proactively increased funding from time deposits products by selectively increasing time deposits rates for selected deposit sizes and tenors. As a result of this proactive policy, time deposits grew significantly by 28.8% to Rp 111.5 trillion by the end of 2014.

As of December 31, 2014 the loan portfolio stood at Rp 346.6 trillion, growing Rp 34.3 trillion, or 11.0%, primarily driven by the growth of productive loans from the corporate and commercial lending segments. Prudent lending standards enabled the Bank to maintain a Non Performing Loans (NPL) ratio below 1% of the total loan portfolio of BCA. At the end of 2014, BCA's NPL ratio reached 0.6%, with the reserves to total NPL ratio amounting to 324.2%.

With a balance between the growth of the loan portfolio and third party funds, BCA managed the Loan to Deposit (LDR) ratio to a conservative 76.8% in a tightening liquidity environment. Short-term placements, excluding primary reserves, were recorded at Rp 63.9 trillion or 14.3% of the total third party funds at the end of December 2014. In addition, BCA's Capital Adequacy Ratio (CAR) stood at 16.9% at December 31, 2014, reinforcing BCA's solid capital position.

Overall, Net Interest Income increased by 21.2% to Rp 32.0 trillion, supported by the growth in the loan portfolio and favorable funding mix as well as a stronger Net Interest Margin (NIM). Operating Income other than Interest grew by 13.6% to Rp 9.0 trillion, supported by an increase in Fee and Commission Income of 15.5%. A solid increase in Operating Income supported growth in Net Income by 15.7% to Rp 16.5 trillion in 2014. BCA earnings outperformed the banking sector average in 2014. With this profitability, the Bank's Return on Assets (ROA) stood at 3.9% and Return on Equity (ROE) was recorded at 25.5%.

SUMMARY OF INCOME

Solid increase in Operating Income managed to support Net Income growth in 2014.

Net Interest Income (in billion Rupiah)

	2014	2013	Increase / (decrease)	
			Nominal	Percentage
Interest Income	**43,771**	**34,277**	**9,494**	**27.7%**
Loans	33,431	26,150	7,281	27.8%
Placements with Bank Indonesia and Other Banks	947	1,053	(106)	-10.1%
Securities (including Securities Purchased Under Agreements to Resell)	5,900	4,870	1,030	21.1%
Consumer Financing and Investment in Finance Leases	2,821	1,674	1,147	68.5%
Others	672	530	142	26.8%
Interest Expense	**11,744**	**7,852**	**3,892**	**49.6%**
Current Accounts	1,058	1,063	(5)	-0.5%
Savings Accounts	2,539	2,480	59	2.4%
Time Deposits	6,697	3,224	3,473	107.7%
Others	1,450	1,085	365	33.6%
Net Interest Income	**32,027**	**26,425**	**5,602**	**21.2%**

Interest Income from Investment Securities by Instrument Type (in billion Rupiah)

	2014	2013	Increase / (decrease)	
			Nominal	Percentage
Investment Securities	**3,425**	**3,201**	**224**	**7.0%**
Bank Indonesia Certificates	667	186	481	258.6%
Government Bonds	2,136	2,389	(253)	-10.6%
Others Securities	622	626	(4)	-0.6%
Securities Purchased Under Agreements to Resell	**2,475**	**1,669**	**806**	**48.3%**
Total Interest Income from Securities	**5,900**	**4,870**	**1,030**	**21.1%**

Interest Income

Interest Income grew by 27.7% or Rp 9.5 trillion to Rp 43.8 trillion in 2014. This growth came mainly from an increase in Interest Income from the loan portfolio which contributed 76.4% of the total growth of the Bank's Interest Income in 2014. Interest Income from the loan portfolio increased by 27.8% to Rp 33.4 trillion in 2014, driven by the growth of outstanding loans and interest rate increases. Since 2013, BCA's loan interest rates have increased in line with the interest movements in the market and tighter liquidity conditions.

Interest Income from Placements with Bank Indonesia and Other Banks decreased by 10.1% to Rp 947 billion in 2014 from Rp 1.1 trillion in 2013. This decrease was mainly due to a 24.6% decrease in the average outstanding balance of Placements with Bank Indonesia and Other Banks to Rp 19.2 trillion in 2014 from Rp 25.5 trillion in 2013. The decrease in the average outstanding balance resulted from a reallocation of funds placements to higher yielding instruments, from Bank Indonesia Term Deposits and Bank Indonesia Deposit Facilities to Bank Indonesia Certificates booked in Investment Securities.

Supported by higher average outstanding and an increase in yield, Interest Income from Securities (including Securities Purchased Under Agreements to Resell) increased by 21.1% to Rp 5.9 trillion at year end 2014.

Interest Income from Consumer Financing and Investment in Finance Leases grew by 68.5% to Rp 2.8 trillion by the end of 2014. This was due to the consolidation of Central Santosa Finance, a subsidiary of BCA and BCA Finance engaged in motorcycle financing, beginning January 2014. Excluding new contribution from Central Santosa Finance, Interest Income from Consumer Financing and Investment in Finance Leases increased by 11.9% to Rp 1.9 trillion by the end of 2014.

Interest Income from Consumer Financing and Investment in Finance Leases Excluding Central Santosa Finance Contribution (in billion Rupiah)

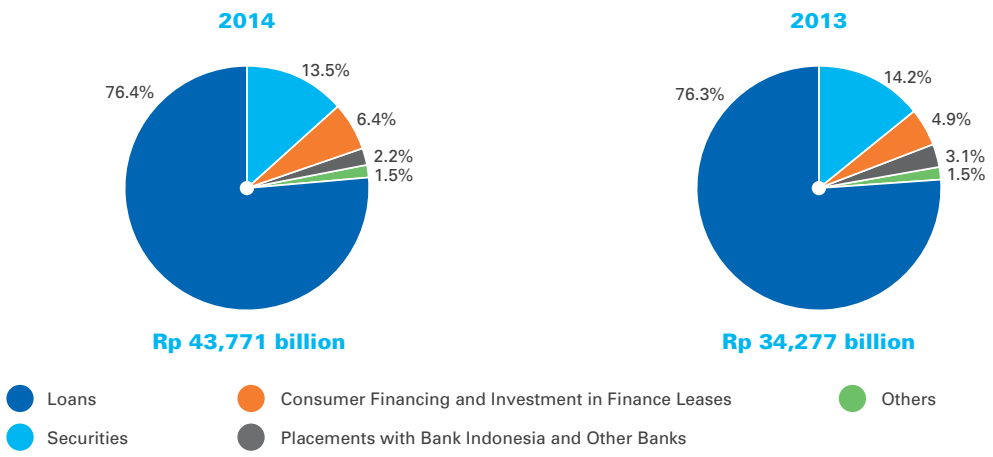
	2014	2013	Increase / (decrease)		Remark
			Nominal	Percentage	
Interest Income	1,874	1,674	200	11.9%	2014 figure excluded interest income contribution from Central Santosa Finance of Rp 947 billion. Central Santosa Finance was consolidated in January 2014.

The overall loan portfolio yield stood at 10.3% in 2014, an increase of 100 bps compared to 9.3% in 2013. Aside from the rising interest rates, the increase in loan yields was also supported by loan growth in the corporate and commercial segments. Overall yields on earning assets increased to 8.7% in 2014 from 7.8% in 2013 in line with the rising interest rates throughout 2014.

Earning Assets Yield

	2014	2013
Loans	10.3%	9.3%
Placement with Bank Indonesia and Other Banks	4.9%	4.1%
Securities (Including Securities Purchased Under Agreements to Resell)	6.3%	6.1%
Earning Assets	**8.7%**	**7.8%**

Composition of Interest Income



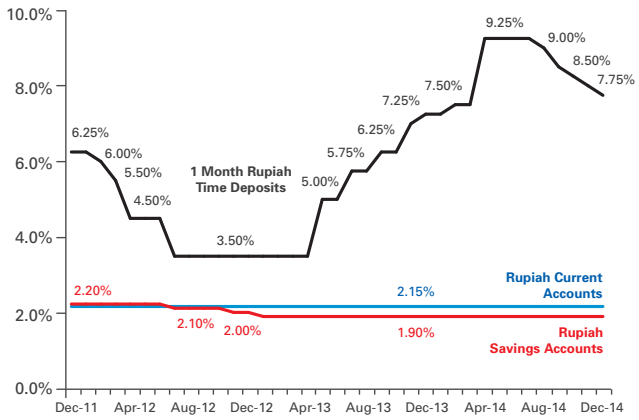
Interest Expense

In 2014, BCA's Interest Expense increased by 49.6% to Rp 11.7 trillion in 2014. To balance BCA's solid liquidity position, in 2014 BCA proactively raised time deposits products by increasing interest rates for time deposits over Rp 2 billion. The Bank's maximum time deposits interest rates reached its highest level in April 2014 at 9.25% p.a. Toward the end of 2014, in line with the improving banking sector liquidity, BCA lowered the maximum time deposits interest rates to 7.75% p.a. Throughout the year 2014, the Bank was able to maintain a relatively lower time deposits rate than market rates while keeping interest rates in accordance with the guidelines set by the Indonesia Deposit Insurance Corporation and the Indonesia Financial Services Authority.

In line with the growth of funds as well as the increase in time deposits rates, Time Deposits Interest Expense increased by 107.7% to Rp 6.7 trillion while Interest Expense on Current Accounts and Savings Accounts in 2014 were relatively stable at Rp 1.1 trillion and Rp 2.5 trillion, respectively. Other Interest Expenses increased by 33.6% to Rp 1.5 trillion mainly derived from Interest Expenses on working capital received by subsidiary entities and on government guarantee premium.

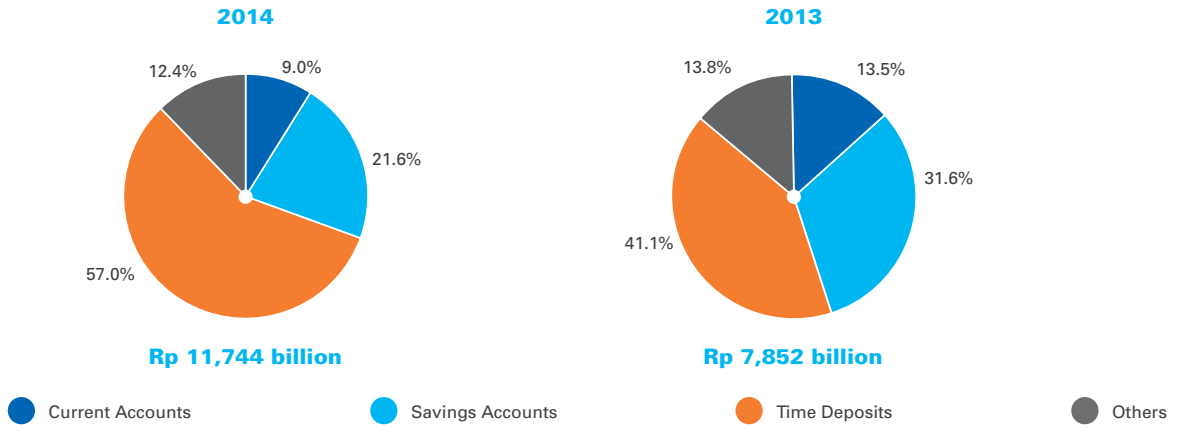
Cost of funds for time deposits increased by 260 bps to 6.90% in 2014 while cost of funds for current accounts and savings accounts remained stable at 0.99% and 1.16%, respectively. The overall cost of third party funds came to 2.61% in 2014, an increase of 66 bps from 1.95% in 2013.

Interest Rates Adjustment*



* Maximum interest rate offered

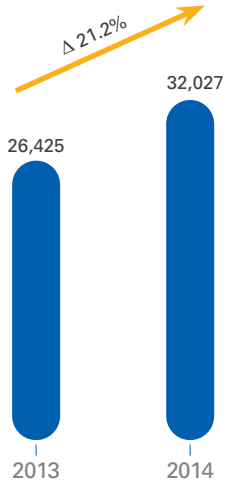
Composition of Interest Expense



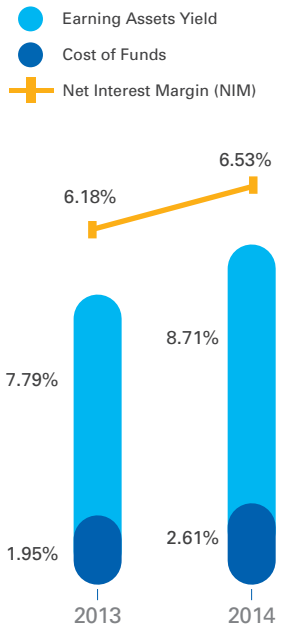
Net Interest Income and Net Interest Margin

The significant increase in Interest Income boosted the Bank's Net Interest Income by 21.2% or Rp 5.6 trillion, to reach Rp 32.0 trillion in 2014 compared to Rp 26.4 trillion in 2013. Accordingly, Net Interest Margin (NIM) increased by 30 bps to 6.5% in 2014 from 6.2% in the previous year supported by the various factors mentioned above.

Net Interest Income (in billion Rupiah)



Net Interest Margin - NIM (%, non consolidated)



Operating Income other than Interest

Operating Income other than Interest in 2014 grew by 13.6%, or Rp 1.1 trillion, to Rp 9.0 trillion, mainly supported by an increase in Fee and Commission Income. In 2014, Net Fee and Commission represented 80.7% of the Total Operating Income other than Interest while Net Trading Income accounted for 9.2% and Other Operating Income contributed 10.1% to the total Operating Income other than Interest.

Operating Income other than Interest (in billion Rupiah)

	2014	2013	Increase / (decrease)	
			Nominal	Percentage
Net Fee and Commission Income	7,285	6,310	975	15.5%
Net Trading Income	833	1,166	(333)	-28.6%
Other Operating Income	906	471	435	92.4%
Operating Income other than Interest	**9,024**	**7,947**	**1,077**	**13.6%**

Net Fee and Commission Income (in billion Rupiah)

	2014	2013	Increase / (decrease)	
			Nominal	Percentage
Deposits from customers*	2,367	2,116	251	11.9%
Loans receivable	1,094	926	168	18.1%
Payment settlement	1,339	1,173	166	14.2%
Credit cards	1,658	1,349	309	22.9%
Remittances, clearings, and collections	405	367	38	10.4%
Others	426	379	47	12.4%
Total	**7,289**	**6,310**	**979**	**15.5%**
Fee and commission expense	(4)	(0)	(4)	N.A
Net Fee and Commission Income	**7,285**	**6,310**	**975**	**15.5%**

* Mostly derived from monthly administration income from savings accounts

Net Fee and Commission Income grew by 15.5% to Rp 7.3 trillion in 2014, which mainly came from the increase in the monthly administration fee, fee and commission from loans and credit cards, and commissions on transaction banking services. Net Trading Income decreased by Rp 333 billion or 28.6% to Rp 833 billion due to the lower increase in the Gain on Spot and Derivative Transactions and Unrealized Gain from Fair Value of Financial Assets Held for Trading compared to the previous year.

Other Operating Income on Operating Income other than Interest increased significantly by 92.4% to Rp 906 billion, particularly from credit card penalties and the consolidation of income from BCA Insurance beginning in September 2013. Accordingly, Operating Income other than Interest increased 13.6% in 2014. Excluding contribution from BCA Insurance, Operating Income other than Interest increased 10.2% in 2014.

Operating Income other than Interest excluding contribution from BCA Insurance (in billion Rupiah)

	2014	2013	Increase / (decrease)		Remark
			Nominal	Percentage	
Operating Income other than Interest	8,638	7,841	797	10.2%	Excluding income contribution from BCA Insurance of Rp 386 billion in 2014 and Rp 106 billion in 2013. BCA Insurance was consolidated in September 2013.

Operating Expenses

BCA's Operating Expenses (non consolidated) were recorded at Rp 16.7 trillion in 2014, an increase of 19.7% compared to the previous year. The Cost Efficiency Ratio was recorded at 44.2% in 2014, slightly higher than 2013's 42.9%. On a consolidated basis, Operating Expenses increased by 25.1% to Rp 18.3 trillion in 2014. This difference was mainly due to the consolidation of the Operating Expenses of BCA Insurance and Central Santosa Finance.

Operational Expenses (in billion Rupiah)

	2014	2013	Increase / (decrease)	
			Nominal	Percentage
General and Administrative Expenses	8,932	7,386	1,546	20.9%
Personnel Expenses	8,671	6,865	1,806	26.3%
Others	704	380	324	85.3%
Total	**18,307**	**14,631**	**3,676**	**25.1%**

General and Administrative Expenses (in billion Rupiah)

	2014	2013	Increase / (decrease)	
			Nominal	Percentage
Office supplies	2,925	2,240	685	30.6%
Rental	1,248	1,116	132	11.8%
Depreciation and amortization	1,215	1,075	140	13.0%
Promotion	1,000	788	212	26.9%
Repair and maintenance	980	771	209	27.1%
Communication	512	394	118	29.9%
Professional fees	339	216	123	56.9%
Water, electricity and fuel	271	229	42	18.3%
Computer and software	109	138	(29)	-21.0%
Transportation	60	53	7	13.2%
Research and development	36	32	4	12.5%
Tax	41	29	12	41.4%
Insurance	21	22	(1)	-4.5%
Security	18	160	(142)	-88.8%
Others	157	123	34	27.6%
Total	**8,932**	**7,386**	**1,546**	**20.9%**

Number of Distribution Channels (units)

	2014	2013
Branches (including cash offices)	1,111	1,062
ATMs	16,694	14,048

General and Administrative Expenses increased by 20.9% to Rp 8.9 trillion in 2014. General and Administrative Expenses, non consolidated, increased by 17.7% to Rp 8.4 trillion, mainly coming from an increase in daily operational expenses, promotion, repair and maintenance, as well as depreciation and amortization expenses. These increases are in line with the expansion of the Bank's branch network and new investment in electronic channels along with the development of the capacity and the capability of information technology.

Personnel Expenses increased by 26.3% from Rp 6.9 trillion to Rp 8.7 trillion in 2014. Meanwhile, the Personnel Expenses of BCA, non consolidated, in the amount of Rp 7.9 trillion was an increase of 20.3%, in line with the increase in salaries and benefits, including the provision of bonuses and pension funds & benefits.

Operating Expenses Excluding Contribution from BCA Insurance and Central Santosa Finance (in billion Rupiah)

	2014	2013	Increase / (decrease)		Remark
			Nominal	Percentage	
Operating Expenses	17,417	14,522	2,895	19.9%	Excluding Operating Expenses contribution from Central Santosa Finance and BCA Insurance of Rp 890 billion in 2014 and Rp 109 billion in 2013, respectively. BCA Insurance was consolidated in September 2013 while Central Santosa Finance was consolidated in January 2014. Excluding all subsidiaries, BCA's Operating Expenses increased by 19.7%.

Allowance for Impairment Losses on Financial Assets

Allowance for Impairment Losses (CKPN) refers to the application of SFAS 50 and 55 regulations, in effect since January 1, 2010, assessed individually and collectively on the loan portfolio. Individual assessment is conducted on loans that have individually significant value and where there is objective evidence of impairment. The objective evidence covers breach of contract, including delayed payments by debtors, or a strong indication that the debtor will be unable to meet its obligations.

Individual assessment is performed to determine the best estimate of the present value of the cash flows expected to be received should the loan be deemed to be impaired. In estimating these cash flows, management makes judgments about the counterparty's financial condition and the net realizable value of any underlying collateral.

Collective assessment is conducted on loans that have no significant value individually, or on loans that have a significant value individually but no objective evidence of impairment. Based on these criteria, the collective assessment is conducted on: (a) loans for Small & Medium Enterprises (SME) and consumer loans including credit cards, and (b) loans to corporate and commercial segments classified as current and special mention loans.

The collective assessment of impairment allowances cover credit losses inherent in portfolios of receivables with similar economic characteristics when there is objective evidence to suggest that they contain impaired receivables but can not be identified individually.

In determining the need for making collective allowances, management considers factors such as credit quality, size of the portfolio, credit concentrations, and economic factors.

For the calculation of the collective impairment, BCA applies the following formula: Probability of Default x Loss Given Default x Amortized Cost[1].

By implementing the impairment losses on financial assets calculation method under SFAS 50 & 55, BCA made a Net Provision for Impairment Losses on Financial Assets of Rp 2.2 trillion in 2014, compared to Rp 2.0 trillion in 2013.

The higher allowance for impairment losses is in line with BCA's prudent risk management principles in establishing allowance, adjusted for management's judgment as to whether current economic and credit conditions.

Movement of Allowance for Impairment Losses on Financial Assets (in billion Rupiah)

	2014	2013
Beginning Balance	**(6,548)**	**(4,802)**
Starting Balance of Acquired Subsidiaries	(65)	-
(Addition) Reversal of Allowance During the Year	(2,239)	(2,016)
Assets Written-off During the Year	839	408
Recoveries on Assets Previously Written-off	(65)	(50)
Exchange Rate Differences	(21)	(88)
Ending Balance	**(8,099)**	**(6,548)**

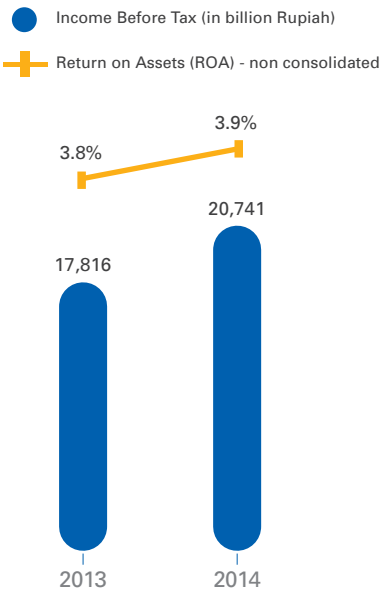
Income Before Tax

Income Before Tax was recorded at Rp 20.7 trillion in 2014, growing 16.4% from Rp 17.8 trillion in 2013. With the profitability growth higher than asset growth, the Return on Assets (ROA) increased to 3.9% in 2014 compared to 3.8% in 2013.

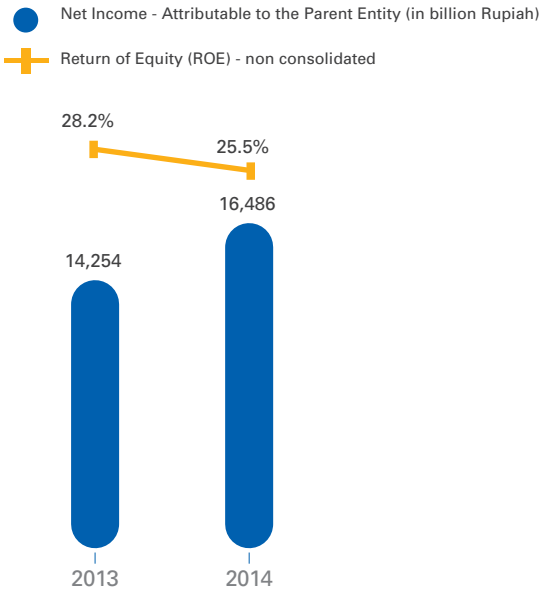
Net Income

BCA Net Income attributable to equity holders of the parent entity in 2014 was Rp 16.5 trillion, an increase of 15.7% compared to 2013 of Rp 14.3 trillion. The increase in Net Income led an increase in Earnings Per Share (EPS) to Rp 669 per share in 2014 compared to Rp 579 per share in 2013. The Return on Equity (ROE) came to 25.5% in 2014 compared to 28.2% in 2013. The lower ROE was due to BCA's strategy to strengthen capital including by lowering the dividend payout ratio to prepare the Bank for the implementation of the introduction of Basel III regulations in Indonesia.

Income Before Tax and ROA



Net Income and ROE



[1] **Probability of Default** is the probability of failure by debtors in meeting their obligations. **Loss Given Default** are levels of losses resulting from failure of debtors to meet their obligations. **Amortized Cost** is the carrying value of financial assets and amortized at cost.

Statements of Comprehensive Income

The major component of the Bank's Other Comprehensive Income is arising from Change in Fair Value of Available-for-Sale Financial Assets.

Statements of BCA Comprehensive Income for the year ending December 31, 2014 and December 31, 2013 are as follows:

Comprehensive Income (in billion Rupiah)

	2014	2013
Net Income	**16,512**	**14,256**
Other Comprehensive Income		
Foreign exchange differences arising from translation of foreign currency financial statements	7	88
Available-for-sale financial assets :		
Change in fair value - net	539	(1,781)
Income tax related to components of other comprehensive income	(135)	445
Others	2	(4)
Total Other Comprehensive Income, Net of Income Tax	**413**	**(1,252)**
Total Comprehensive Income	**16,925**	**13,004**
Net Income attributable to		
Equity holders of parent entity	**16,486**	**14,254**
Non-controlling interest	26	2
Comprehensive Income attributable to		
Equity holders of parent entity	**16,899**	**13,002**
Non-controlling interest	26	2
Earning per Share attributable to Equity Holders of The Parent Entity (in Rupiah)	**669**	**579**

The total Comprehensive Income attributable to equity holders of parent entity in 2014 grew by 30.0% to Rp 16.9 trillion compared to 2013 at Rp 13.0 trillion, influenced by Change in Fair Value - net on Available for Sale Financial Assets.

Change in Fair Value - net on Available for Sale Financial Assets in 2014 was recorded at Rp 539 billion. Accordingly, BCA recorded a Total Other Comprehensive Income of Rp 413 billion. In 2013 the Bank recorded a loss of Rp 1.8 trillion in Change in Fair Value - net on Available for Sale of Financial Assets, which impacted BCA's equity and led to the Bank recording total Other Comprehensive Income Expenses in the amount of Rp 1.3 trillion.

The positive contribution on Other Comprehensive Income in 2014 was mainly due to the decrease in interest rates which caused an increase in the fair value of securities recorded as Available for Sale Financial Assets. The placement of financial assets remained conservative and prudent by placing funds in sovereign securities instruments, particularly Government Bonds, which are considered risk-free investments in Indonesia. As of December 31, 2014, BCA has a portfolio of Financial Assets in the Available for Sale category - which are mostly Government Bonds with a fixed interest rate – in the amount of Rp 20.2 trillion, relatively stable compared to the previous year.

BALANCE SHEET

BCA managed to record quality loan growth, and maintained liquidity and sound capital positions.

ASSETS

As of December 31, 2014, BCA's total assets came to Rp 552.4 trillion, an increase of 11.3%, or Rp 56.1 trillion, from the previous year of Rp 496.3 trillion. The growth in total assets was supported by the increase in third party funds as well as growth in equity.

Total Assets

	2014		2013		Increase / (decrease)	
	billion Rupiah	% to Total Assets	billion Rupiah	% to Total Assets	billion Rupiah	Percentage
Cash and Current Accounts with Bank Indonesia	58,453	10.6%	51,553	10.4%	6,900	13.4%
Current Accounts with Other Banks	4,614	0.8%	3,447	0.7%	1,167	33.9%
Placements with Bank Indonesia and Other Banks	11,503	2.1%	12,254	2.5%	(751)	-6.1%
Financial Assets Held for Trading	1,672	0.3%	1,239	0.2%	433	34.9%
Acceptance Receivables	7,966	1.4%	6,524	1.3%	1,442	22.1%
Bills Receivable	3,228	0.6%	2,633	0.5%	595	22.6%
Securities Purchased under Agreements to Resell	26,289	4.8%	41,056	8.3%	(14,767)	-36.0%
Loans	346,563	62.7%	312,290	62.9%	34,273	11.0%
Consumer Financing Receivables and Investment in Finance Leases	7,344	1.3%	5,496	1.1%	1,848	33.6%
Assets related to Sharia Transactions	2,131	0.4%	1,422	0.3%	709	49.9%
Investment Securities	72,817	13.2%	49,155	9.9%	23,662	48.1%
Fixed Assets - net	8,845	1.6%	7,440	1.5%	1,405	18.9%
Allowance for Impairment Losses	(8,099)	-1.5%	(6,548)	-1.3%	(1,551)	23.7%
Other Assets	9,098	1.7%	8,344	1.7%	754	9.0%
Total Assets	**552,424**	**100.0%**	**496,305**	**100.0%**	**56,119**	**11.3%**
Total Earning Assets	**483,945**	**87.6%**	**435,309**	**87.7%**	**48,636**	**11.2%**

EARNING ASSETS

Earning assets increased by 11.2%, or Rp 48.6 trillion, to Rp 483.9 trillion in 2014 from the previous year of Rp 435.3 trillion, and accounted for 87.6% of total assets. The yield on earning assets increased to 8.7% in 2014 from 7.8% in 2013.

In absolute terms, the loan portfolio experienced the most significant nominal growth compared to other assets. At the end of 2014, the loan portfolio contributed 71.6% to total earning assets and represents the largest portion of earning asset instruments. At the end of 2014, the loan portfolio was recorded at Rp 346.6 trillion, an increase of Rp 34.3 trillion, or 11.0%, with the increase mainly deriving from the growth of investment and working capital loans disbursed to the corporate and commercial segments. Prudent lending practices have allowed the Bank to maintain the quality of the loan portfolio.

Aside from placing funds through lending, BCA also made fund placements in liquid and low-risks instruments in the form of Placements with Bank Indonesia and Other Banks, Investment Securities and Securities Purchased Under Agreements to Resell.

PLACEMENTS WITH BANK INDONESIA AND OTHER BANKS

At the end of 2014, the balance of Placements with Bank Indonesia and Other Banks was down by 6.1% to Rp 11.5 trillion. The portion of Placements with Bank Indonesia reached 71.6% of the total account while the balance was placement with other banks. Placements with Bank Indonesia were Bank Indonesia Deposit Facility instruments of Rp 6.1 trillion and Bank Indonesia Term Deposit instruments of Rp 2.1 trillion at the end of 2014.

SECURITIES PURCHASED UNDER AGREEMENT TO RESELL

Securities Purchased Under Agreement to Resell decreased by 36.0% to Rp 26.3 trillion in 2014 from Rp 41.1 trillion at the end of 2013. Of this amount, transactions of Securities Purchased Under Agreements to Resell with Bank Indonesia reached Rp 19.3 trillion, or 73.2% of the total while transactions of Securities Purchased Under Agreements to Resell with Other Banks amounted to Rp 7.0 trillion or 26.8% of the total.

In fourth quarter 2014, BCA reallocated large part of its short term placements from Securities Purchased Under Agreements to Resell to Bank Indonesia Certificates instruments (categorized Investment Securities) seeking for higher yield.

INVESTMENT SECURITIES

Investment Securities is the second largest component in the earning asset mix after the loan portfolio and stood at Rp 72.8 trillion in 2014, an increase of 48.1% or Rp 23.7 trillion from 2013. This significant increase was mainly derived from the growth of placement in Bank Indonesia Certificates. In 2014, Bank Indonesia Certificates in the category of Investment Securities increased 577.1% or Rp 26.9 trillion from Rp 4.7 trillion in 2013 to Rp 31.6 trillion in 2014.

Investment Securities are mostly Bank Indonesia Certificates and Government Bonds, each accounted for 43.4% and 39.8% of the total Investment Securities.

Investment Securities (in billion Rupiah)

	2014	2013	Increase/(decrease)		Composition	
			Nominal	Percentage	2014	2013
Bank Indonesia Certificates	31,581	4,664	26,917	577.1%	43.4%	9.5%
Government Bonds	29,018	34,345	(5,327)	-15.5%	39.8%	69.9%
Other Securities	12,218	10,146	2,072	20.4%	16.8%	20.6%
Total	**72,817**	**49,155**	**23,662**	**48.1%**	**100.0%**	**100.0%**

The portfolio of Government Bonds at the end of 2014 was recorded at Rp 29.0 trillion, a decrease of 15.5% compared to the previous year of Rp 34.3 trillion. The decline was mainly due to the maturing of Government Bonds in the amount of Rp 9.7 trillion in 2014. There are Rp 25.7 trillion or 88.6% of the total Government Bonds maturing within the next 5 years.

The majority of Government Bonds, totaling Rp 20.3 trillion, are held in the Available-for-Sale account and represent some 70.1% of the total portfolio. Government Bonds in the Held to Maturity account came to Rp 8.6 trillion, or 29.7% of the total portfolio, and Government Bonds for Trading was posted at Rp 73 billion, or 0.2% of the total portfolio in 2014.

As of December 31, 2014 fixed rate Government Bonds totaled Rp 26.7 trillion, or 91.9% of the total portfolio. Variable rate Government Bonds was recorded at Rp 2.3 trillion or 8.1% of the total portfolio.

Most Government Bonds are denominated in Rupiah, amounting to Rp 24.9 trillion or 85.9% of the total portfolio of Government Bonds held by BCA. The remaining Rp 4.1 trillion, or 14.1% of the Government Bonds, are denominated in US Dollars.

Government Bonds (in billion Rupiah)

Type of Bonds	2014	2013	Increase/(decrease)		Composition	
			Nominal	Percentage	2014	2013
Based on Purpose of Ownership	**29,018**	**34,345**	**(5,327)**	**-15.5%**	**100.0%**	**100.0%**
Trading	73	55	18	32.7%	0.2%	0.2%
Available for Sale	20,330	22,336	(2,006)	-9.0%	70.1%	65.0%
Held to Maturity	8,615	11,954	(3,339)	-27.9%	29.7%	34.8%
Based on Interest Rates	**29,018**	**34,345**	**(5,327)**	**-15.5%**	**100.0%**	**100.0%**
Fixed Rates	26,669	28,563	(1,894)	-6.6%	91.9%	83.2%
Variable Rates	2,349	5,782	(3,433)	-59.4%	8.1%	16.8%

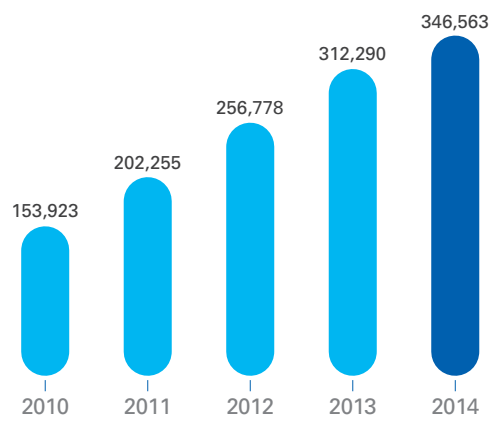
Government Bonds Maturity Profile (in billion Rupiah)

Type of Bonds (Based on Purpose of Ownership)	Carrying Value	Value of Government Bonds to Mature in										
		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2034
Trading	73	1	15	57	-	-	-	-	-	-	-	-
Available for Sale	20,330	4,135	3,028	4,709	6,249	585	686	354	152	432	-	-
Held to Maturity	8,615	2,487	1,890	1,823	300	436	1,496	-	8	120	36	19
Total	**29,018**	**6,623**	**4,933**	**6,589**	**6,549**	**1,021**	**2,182**	**354**	**160**	**552**	**36**	**19**

LOANS

The total loan portfolio grew by Rp 34.3 trillion, or 11.0%, to Rp 346.6 trillion as of December 31, 2014, with the growth primarily derived from growth in investment and working capital loans channeled into the corporate and commercial segments. Corporate loans grew by 16.9% to Rp 120.5 trillion while commercial loans increased by 13.5% to Rp 82.9 trillion. Loans to the SME and the consumer segments posted moderate growth of 3.6% and 6.1% to Rp 49.4 trillion and Rp 92.3 trillion, respectively. The Bank faces stiff competition in SME segment where all banks competes in SME, while the Bank pulled back on consumer lending in line with an overall slowdown in the broader Indonesian economy.

Growth of BCA's Loan Portfolio (in billion Rupiah)

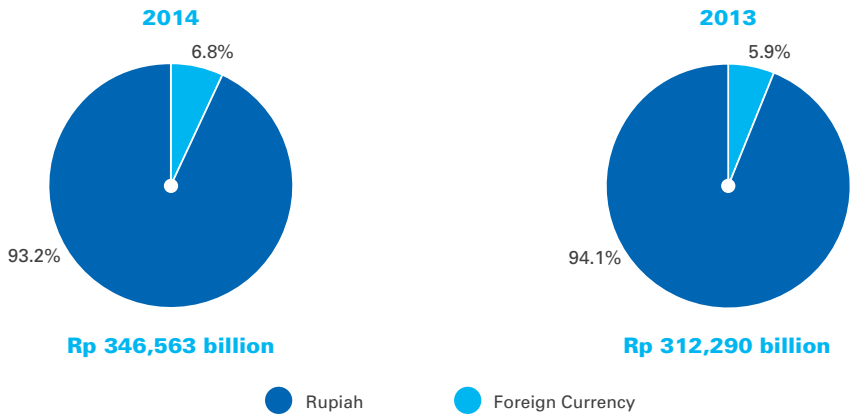


Loan Portfolio Denominated in Rupiah and Foreign Currencies

Loans disbursed by BCA are largely denominated in Rupiah representing 93.2% of the total loan portfolio. Foreign currency denominated loans contributed to 6.8% to the total loan portfolio. Rupiah denominated loans increased by 9.9% to Rp 323.1 trillion at the end of 2014.

Loans denominated in foreign currencies amounted to USD 1.9 billion at the end of 2014, compared to USD 1.5 billion the previous year. To minimize the exchange rate risk, lending in foreign currency is disbursed to borrowers who have a business with primary income in foreign currency.

Loan Composition based on Currency Denomination



Loan Portfolio based on Economic Sector

Based on the economic sector, the largest portions of the loan portfolio in 2014 were in the trading, restaurants and hotels and in the manufacturing sectors with each contributing 26.5% and 20.6% respectively to total loans. In absolute terms, these two sectors were also the major contributors to BCA's loan growth in 2014.

The trading, restaurants and hotels sector increased by 12.2% to Rp 91.9 trillion at the end of 2014 while the manufacturing sector grew by 13.7%, or Rp 8.6 trillion, to Rp 71.5 trillion. The 'Others' Category in the total loans composition, which amounted to 27.2% of the total loan portfolio, is primarily consumer loans.

Loan Composition based on Economic Sector

	2014		2013		Increase / (decrease)	
	billion Rupiah	Composition	billion Rupiah	Composition	billion Rupiah	Percentage
Manufacturing	71,509	20.6%	62,905	20.1%	8,604	13.7%
Business services	26,949	7.8%	26,587	8.5%	362	1.4%
Trading, restaurants and hotels	91,946	26.5%	81,969	26.2%	9,977	12.2%
Agriculture and agricultural facilities	16,220	4.7%	13,630	4.4%	2,590	19.0%
Construction	7,587	2.2%	5,854	1.9%	1,733	29.6%
Transportation, warehousing and communications	17,360	5.0%	19,235	6.2%	(1,875)	-9.7%
Social/public services	5,346	1.6%	5,148	1.7%	198	3.8%
Mining	7,380	2.1%	1,706	0.5%	5,674	332.6%
Electricity, gas and water	7,880	2.3%	6,156	2.0%	1,724	28.0%
Others	94,386	27.2%	89,100	28.5%	5,286	5.9%
Total	**346,563**	**100.0%**	**312,290**	**100.0%**	**34,273**	**11.0%**

Based on a different angle of analysis, by reorganizing the above sector exposure for a more specific breakdown, BCA's major exposure in business loan portfolio were in Plantation and Agriculture (6.9% of corporate, commercial & SME segments); Building Material and Other Construction Related (6.5%); Distributor, Wholesaler and Retailer (6.3%); Automotive and Transportation (6.2%) and Chemicals and Plastics (5.8%).

Top 10 Industry Sectors in Corporate, Commercial and SME Segment (based on the Bank's internal classification)*

	2014	2013
Plantation and Agriculture	6.9%	6.7%
Building Material and Other Construction Related	6.5%	6.2%
Distributor, Wholesaler and Retailer	6.3%	6.2%
Automotive and Transportation	6.2%	6.2%
Chemicals and Plastics	5.8%	5.7%
Transportation and Logistics	5.8%	6.9%
Food and Beverages	4.9%	4.6%
Textile and Garment	4.8%	5.2%
Tourism	4.7%	4.1%
Property and Construction	4.6%	4.4%
Total	**56.5%**	**56.2%**

* Excluding consumer loans and employee loans

Loan Portfolio based on Type of Loan

Loans for investment grew by 13.5% to Rp 95.1 trillion, while working capital loans increased by 12.4% to Rp 157.3 trillion in 2014. Meanwhile, consumer loans increased by 6.1% to reach Rp 92.3 trillion in 2014.

Working capital loans provided the largest contribution to the total loan portfolio at 45.4% in 2014, an increase compared to 44.8% in 2013. Investment loans accounted for 27.4% of the total loan portfolio, increasing from 26.8% in 2013. Meanwhile, the portion of consumer and employee loans was recorded at 26.6% and 0.6% of the total loan portfolio in 2014, respectively.

Loan Composition based on Type of Loan

	2014		2013		Increase / (decrease)	
	billion Rupiah	Composition	billion Rupiah	Composition	billion Rupiah	Percentage
Working capital	157,313	45.4%	139,940	44.8%	17,373	12.4%
Investment	95,079	27.4%	83,769	26.8%	11,310	13.5%
Consumer (including Credit Card)	92,277	26.6%	86,984	27.9%	5,293	6.1%
Employee	1,894	0.6%	1,597	0.5%	297	18.6%
Total	**346,563**	**100.0%**	**312,290**	**100.0%**	**34,273**	**11.0%**

Loan Receivables Collectability

BCA remains prudent in lending by prioritizing loan quality and taking into account the macroeconomic development as well as the conditions in each industry and borrowing segment. Business lending is focused on lending to selected entities that are experienced in their fields and, preferably, have been long standing customers of BCA with solid track records. In the consumer segment, BCA applies strict Loan to Value and repayment capacity guidelines on all consumer borrowing.

BCA's prudent lending policy is reflected in the Non Performing Loans (NPL) which is relatively low at 0.6% compared to the average national banking sector which stood at 2.2% in 2014. The provision to NPL ratio stood at 324.2% in 2014.

Loan Collectability* (non consolidated)

	2014		2013	
	billion Rupiah	% to Total Loans	billion Rupiah	% to Total Loans
Current	340,261	98.1%	307,408	98.4%
Special Mention	4,634	1.3%	3,599	1.2%
Performing Loans	**344,895**	**99.4%**	**311,007**	**99.6%**
Substandard	715	0.2%	243	0.1%
Doubtful	307	0.1%	301	0.1%
Loss	1,045	0.3%	829	0.2%
NPL	**2,067**	**0.6%**	**1,373**	**0.4%**
Total Loans	**346,962**	**100.0%**	**312,380**	**100.0%**
NPL Ratio – gross	0.6%	N.A	0.4%	N.A
NPL Ratio – net	0.2%	N.A	0.2%	N.A
Provision / NPL	324.2%	N.A	408.7%	N.A

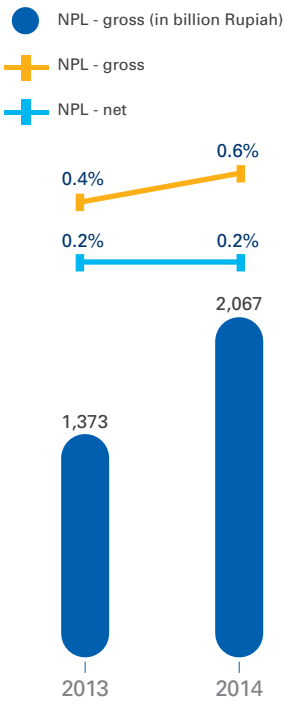
* Although allowance for impairment losses is not calculated based on collectability, the calculation remains necessary to determine the Capital Adequacy Ratio (CAR) according to Bank Indonesia Regulation

Compared to the end of 2013, there was a slight increase of 20 bps in NPL ratio mainly due to a downgrade of a previously restructured corporate loan.

BCA proactively managed the loan portfolio by performing stringent supervision and conducting stress tests on a regular basis. These steps are taken to anticipate the possibility of a direct or indirect impact on the quality of the loan portfolio that may be caused by conditions such as economic downturn, declining purchasing power of customers and fluctuations in the Rupiah exchange rate. With this preparation, BCA can quickly take corrective measures to mitigate the negative impacts that may occur in the loan portfolio.

As of December 31, 2014, non performing loans were mainly derived from the trading, restaurants and hotels sector contributing to Rp 675 billion, or 32.7% of the total non performing loans, followed by the construction sector which accounted for 20.3% or Rp 419 billion. These non performing loans are relatively low compared to the total loans in those sectors.

Non Performing Loans (NPL)
(non consolidated)



Allowance for Impairment Losses on Loans

The allowance for impairment losses on loans amounted to Rp 6.7 trillion as of December 31, 2014, an increase of 19.5% compared to 2013 at Rp 5.6 trillion. The formation of higher allowance for impairment losses on loans was in line with the Bank's prudence principle in forming additional reserves using the collective method of impairment and based on the significant increase in the loan portfolio in recent years as well as the economic slowdown since 2013. The ratio of allowance to non performing loans stood at 324.2% of total NPLs in the end of 2014.

Movement of Allowance for Impairment Losses on Loans Receivable (in billion Rupiah)

	2014	2013
Beginning Balance	**(5,611)**	**(4,017)**
Addition of allowance during the year	(1,686)	(1,856)
Loans written-off during the year*	656	386
Recoveries on loans previously written-off	(65)	(47)
Exchange rate differences	2	(77)
Ending Balance	**(6,704)**	**(5,611)**

* Loans written-off outside new business in 2-wheeler financing is in the amount of Rp 422 billion in 2014 and Rp 299 billion in 2013

Loans Written Off

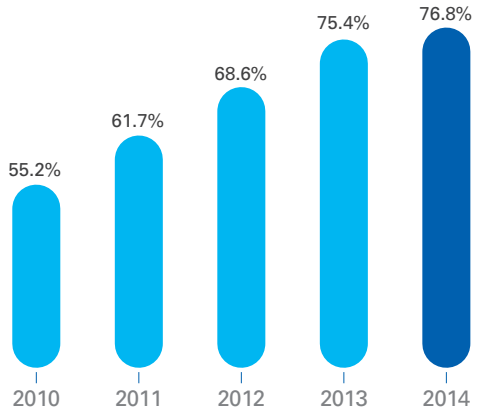
During 2014, the Bank has written-off loans in the amount of Rp 656 billion. Excluding new business in 2-wheeler financing, the total written-off loans stood at Rp 422 billion in 2014. Recoveries on loans previously written-off in 2014 amounted to Rp 65 billion.

Loans written-off on the average loan portfolio were recorded at 0.20% at the end of 2014, compared to 0.14% at the end of 2013.

Loans to Deposit Ratio (LDR)

BCA's LDR continued to increase in the past several years and reached 76.8% at the end of 2014 compared to 75.4% at the end of 2013, closer to the lower range set by regulator at 78%. BCA maintains LDR ratio at a healthy level and below the average of Indonesia banking industry.

LDR (non consolidated)



LIABILITIES

BCA's liabilities grew by 9.8%, or Rp 42.2 trillion, to Rp 474.5 trillion at the end of 2014. Third party funds contributed to 94.4% of BCA's total liabilities at the end of the 2014.

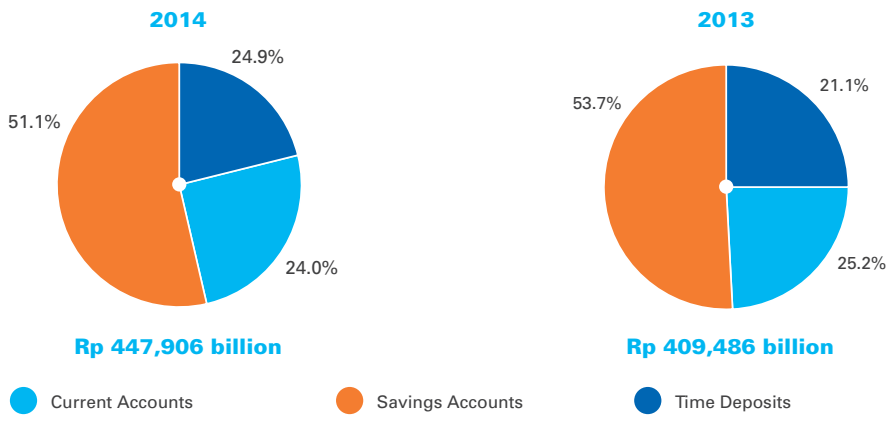
THIRD PARTY FUNDS

During a period of economic slowdown, BCA's solid funding position was successfully maintained with third party funds recorded at Rp 447.9 trillion at the end of 2014, an increase of 9.4% compared to the previous year.

Third Party Funds

	2014		2013		Increase / (decrease)		Average Interest Rates		
	billion Rupiah	Composition	billion Rupiah	Composition	billion Rupiah	Percentage	2014	2013	Increase / (decrease)
Current Accounts	**107,419**	**24.0%**	**103,157**	**25.2%**	**4,262**	**4.1%**			
Rupiah	90,500	20.2%	86,317	21.1%	4,183	4.8%	1.2%	1.2%	0.0%
Foreign Currency	16,919	3.8%	16,840	4.1%	79	0.5%	0.1%	0.1%	0.0%
Savings Accounts	**228,993**	**51.1%**	**219,738**	**53.7%**	**9,255**	**4.2%**			
Rupiah	216,034	48.2%	206,621	50.5%	9,413	4.6%	1.2%	1.2%	0.0%
Foreign Currency	12,959	2.9%	13,117	3.2%	(158)	-1.2%	0.2%	0.3%	-0.1%
Total Transactional Account Balance (CASA)	**336,412**	**75.1%**	**322,895**	**78.9%**	**13,517**	**4.2%**			
Time Deposits	**111,494**	**24.9%**	**86,591**	**21.1%**	**24,903**	**28.8%**			
Rupiah	103,849	23.2%	78,591	19.1%	25,258	32.1%	7.4%	4.7%	2.7%
Foreign Currency	7,645	1.7%	8,000	2.0%	(355)	-4.4%	0.4%	0.5%	-0.1%
Total Third Party Funds	**447,906**	**100.0%**	**409,486**	**100.0%**	**38,420**	**9.4%**			
Rupiah	410,383	91.6%	371,529	90.7%	38,854	10.5%	2.7%	1.9%	0.8%
Foreign Currency	37,523	8.4%	37,957	9.3%	(434)	-1.1%	0.2%	0.3%	-0.1%

Composition of Third Party Funds



Current Accounts and Savings Accounts (CASA)

Supported by BCA's preeminence as a transaction bank, the Bank maintained a solid liquidity position with low funding costs deriving from the transaction based Current Accounts and Savings Accounts (CASA). In 2014, BCA recorded CASA growth of 4.2% to Rp 336.4 trillion, achieved in a year marked by unfavorable economic conditions, slowing business activities and with no changes in CASA interest rates throughout the year. CASA funds were a major portion of third party funds, amounting to 75.1% of the total.

Current accounts increased by 4.1%, or Rp 4.3 trillion, to Rp 107.4 trillion in 2014, compared with Rp 103.2 trillion in 2013. Current accounts denominated in Rupiah accounted for 84.2% of total current account funds, while current accounts in foreign currencies made up the remaining 15.8%.

Savings account increased by Rp 9.3 trillion, or 4.2%, to Rp 229.0 trillion in 2014 from the previous year's position of Rp 219.7 trillion. Rupiah denominated savings accounts contributed 94.3% to the total savings accounts while savings accounts denominated in foreign currencies accounted for 5.7% of the total savings account funds in 2014.

Going forward, BCA is in a solid position to serve the growing number of customers transactions resulting from BCA's innovations as well as business improvements and economic growth in Indonesia. This will ultimately provide a solid platform for continued growth in CASA funds at BCA.

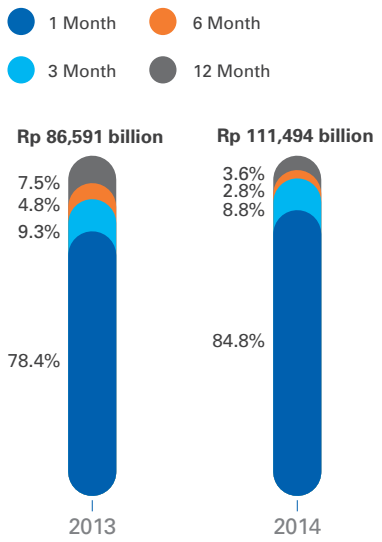
Time Deposits

To maintain overall strong liquidity position, BCA proactively raised rates on specific categories of time deposits, differentiated by the amount and tenor of the deposit. The Bank was able to maintain lower time deposits rates compared to the market in general while keeping interest rates in line with the guidelines established by the Indonesia Deposit Insurance Corporation and the Indonesia Financial Services Authority.

Time deposits grew by 28.8% to Rp 111.5 trillion at the end of 2014 from Rp 86.6 trillion at the end of 2013. The composition of time deposit funds denominated in Rupiah and foreign currencies were 93.1% and 6.9% respectively.

Time deposits are divided into 'buckets' based on currency, maturity periods and amounts. Maturities of time deposits range from a period of 1 month, 3 month, 6 month or 12 month.

Time Deposits based on Maturity Period



At the end of 2014, the majority of time deposits had a 1 month maturity with a total outstanding of Rp 94.5 trillion or 84.8% of total time deposits. 3 month time deposits were recorded at 8.8% or Rp 9.8 trillion while time deposits of 6 month represented at 2.8%, or Rp 3.2 trillion, and time deposits of 12 month were recorded at 3.6%, or Rp 4.0 trillion.

Debt Service Ability

Throughout 2014, BCA and its subsidiaries maintained a healthy financial position and fulfilled all financial obligations and payments on all interest and other amounts due. BCA as a parent company does not have bonds outstanding in 2014.

BCA's total third party funds amounted to Rp 447.9 trillion, or 94.4% of total liabilities, at the end of 2014. Deposits from Other Banks, Acceptance Payables, Debt Securities Issued and Borrowings were recorded at Rp 14.0 trillion, or 3.0% of the total liabilities at the end of 2014.

Summary of Liabilities (in billion Rupiah)

	2014	2013
Total Assets	**552,424**	**496,305**
Liabilities		
Third Party Funds	447,906	409,486
Current Accounts	107,419	103,157
Savings Accounts	228,993	219,738
Time Deposits	111,494	86,591
Deposits from Other Banks	3,754	3,301
Acceptance Payables	4,698	4,539
Debt Securities Issued	2,504	3,133
Borrowings	3,081	501
Other Liabilities*	12,560	11,378
Total Liabilities	**474,503**	**432,338**
Total Equity	**77,921**	**63,967**
Consolidated		
Liabilities to Equity Ratio	609.0%	675.9%
Liabilities to Assets Ratio	85.9%	87.1%
Non Consolidated		
Liabilities to Equity Ratio	613.5%	679.5%
Liabilities to Assets Ratio	86.0%	87.2%

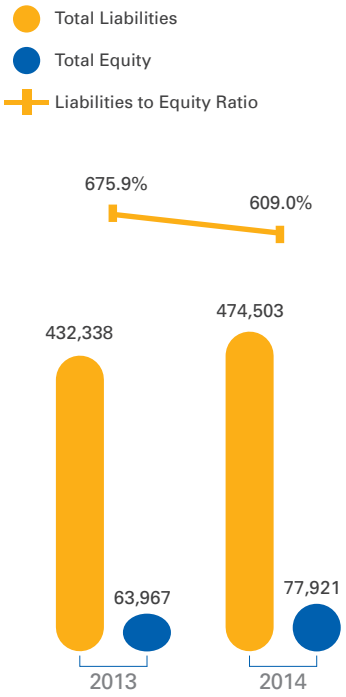
* Including temporary Syirkah deposits in the amount of Rp 1,952 billion in 2014 and Rp 1,444 billion in 2013.

Debt service ability improved in 2014 reflected in the improvement of the ratio of liabilities to equity and to total assets. As of the end of 2014, the ratio of Liabilities to Total Assets was 85.9%, compared to 87.1% at the end of 2013. Liabilities to Equity ratio was 609.0% at the end of 2014, compared to 675.9% at the end of 2013.

On a consolidated base, Debt Securities Issued came to Rp 2.5 trillion in 2014. These debt securities were primarily bonds issued by BCA Finance, a subsidiary of BCA engaged in 4-wheeler financing. As of the end of 2014, the Debt Securities Issued by BCA Finance totaled Rp 2.5 trillion, compared to Rp 3.1 trillion by the end of 2013. BCA Finance has a solid financial position reflected by the ratio of Liabilities to Assets of 74.9% and the ratio of Liabilities to Equity of 299.0%. BCA Finance's Bonds were rated idAAA by Pefindo and AAA(idn) by Fitch Ratings Indonesia at the end of 2014. In 2014 BCA Finance offered bonds coupon rate in the range of 9% - 10% for tenor between 1 - 3 years.

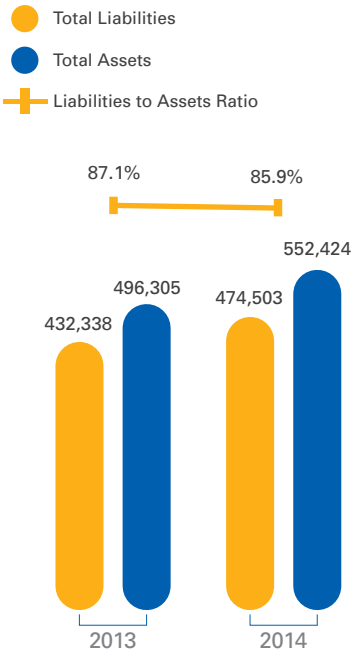
Liabilities to Equity Ratio

(consolidated - in billion Rupiah)



Liabilities to Assets

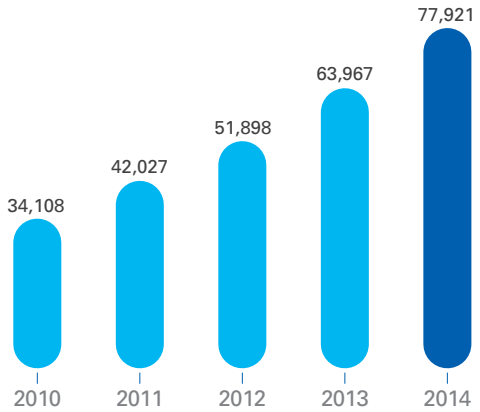
(consolidated - in billion Rupiah)



EQUITY

BCA's total equity in 2014 increased by 21.8%, or Rp 13.9 trillion, to Rp 77.9 trillion from Rp 64.0 trillion in 2013. The equity increase in 2014 was mainly supported by the increase in Net Income for the year. Higher accumulation of retained earnings combined with lower dividend payout ratio have promoted high growth in equity, and thereby resulting in a lower ROE.

Equity (in billion Rupiah)



CASH FLOW

Cash flow reports are prepared using the direct method by classifying cash flows into operating, investing, and financing activities. A more detailed cash flow can be seen in the Consolidated Cash Flow Report in the Audited Consolidated Financial Statements on pages 361-362.

Cash Flows (in billion Rupiah)

	2014	2013	Increase / (Decrease)
Cash Flows from Operating Activities	35,137	(4,190)	39,327
Cash Flows from Investing Activities	(25,054)	(4,612)	(20,442)
Cash Flows from Financing Activities	(2,743)	84	(2,827)
Net (Decrease) Increase in Cash and Cash Equivalents	7,340	(8,718)	16,058
Cash and Cash Equivalents, Beginning of Year	67,156	76,894	(9,738)
Effect of Foreign Exchange Rate Fluctuations on Cash and Cash Equivalents	(20)	(1,020)	1,000
Cash and Cash Equivalents, End of Year	74,476	67,156	7,320

Cash Flows from Operating Activities

BCA's net cash inflows generated from operations in 2014 amounted to Rp 35.1 trillion compared to use of cash of Rp 4.2 trillion in 2013. The major differences in cash flows from operating activities in 2014 compared to 2013 were:

- Cash inflows arising from operating activities were primarily derived from interest, fees and commissions and deposits from customers. In 2014 the Bank received net cash inflows from interest, fees and commissions amounting to Rp 50.3 trillion, compared to Rp 40.5 trillion in 2013. Net cash inflows generated from deposits from customers amounted to Rp 39.1 trillion in 2014 compared with Rp 47.1 trillion in 2013.
- Cash outflows from operating activities are primarily derived from lending activities, payment of interest, fees and commissions and other operating expenses. In 2014, the Bank recorded net cash outflows from lending activities of Rp 34.3 trillion, compared to Rp 52.1 trillion in 2013. The cash outflow from payment of interest, fees and commissions expenses totaled Rp 11.7 trillion in 2014 compared to Rp 7.8 trillion in 2013. Cash outflows from other operating expenses amounted to Rp 15.7 trillion in 2014 compared to Rp 12.7 trillion in 2013.
- Furthermore, movements of 'Securities Purchased Under Agreements to Resell' generated cash inflows of Rp 14.8 trillion compared to cash outflow of Rp 6.6 trillion in 2013.

Cash Flow from Investing Activities

Net cash outflows for investing activities during 2014 amounted to Rp 25.1 trillion, compared to Rp 4.6 trillion in 2013. The difference was mainly derived from cash outflows for acquisition of Investment Securities totaling Rp 49.7 trillion in 2014 from Rp 18.3 trillion in 2013. In addition, the Bank received cash inflows of Rp 27.3 trillion from proceeds from Investment Securities that had matured during the year compared to Rp 15.6 trillion in 2013. In 2014 cash used for acquisition of fixed assets totaled Rp 2.7 trillion, similar to 2013's Rp 2.9 trillion.

Cash Flow from Financing Activities

Net cash outflows for financing activities in 2014 amounted to Rp 2.7 trillion. In contrast, in 2013 the Bank recorded a net cash inflow of Rp 84 billion from financing activities. The difference in cash flow from financing activities was primarily due to decrease or increase in debt securities issued; an increase in borrowings; payment of cash dividends; as well as the sale of treasury stocks.

In 2014 the Bank recorded a decrease of Rp 629 billion in the debt securities issued compared to an increase of Rp 611 billion in 2013. There was a rise in net borrowings to Rp 908 billion in 2014 from Rp 373 billion in 2013. Cash used for dividends paid by the Bank in 2014 amounted to Rp 3.1 trillion, up from Rp 2.9 trillion in 2013. Furthermore, in 2013 the Bank recorded cash inflow from sales of treasury stock amounting to Rp 1.9 trillion from the sale of 198,781,000 treasury stocks previously owned by the Bank. With these sales, as of 2014, the Bank no longer holds treasury stocks.

With cash flow movements as highlighted above, BCA's cash and cash equivalent position at the end of 2014 recorded at Rp 74.5 trillion compared to Rp 67.2 trillion at the end of 2013.

FINANCIAL RATIOS

Financial Ratios (non consolidated)

	2014	2013	2012	2011	2010
Capital					
Capital Adequacy Ratio (CAR)	16.9%	15.7%	14.2%	12.7%	13.5%
CAR Tier 1	16.0%	14.8%	13.3%	11.6%	12.6%
CAR Tier 2	0.9%	0.9%	0.9%	1.1%	0.9%
Fixed Assets to Capital	21.2%	21.8%	24.0%	22.1%	24.4%
Earning Assets					
Non Performing Earning Assets and Non Earning Assets to Total Earning Assets and Non Earning Assets	0.5%	0.4%	0.3%	0.3%	0.4%
Non Performing Earning Assets to Total Earning Assets	0.6%	0.5%	0.4%	0.4%	0.5%
Impairment Provision on Earning Assets to Total Earning Assets	1.6%	1.5%	1.2%	1.4%	1.9%
NPL - gross	0.6%	0.4%	0.4%	0.5%	0.6%
NPL - net	0.2%	0.2%	0.2%	0.2%	0.2%
Rentability					
ROA	3.9%	3.8%	3.6%	3.8%	3.5%
ROE	25.5%	28.2%	30.4%	33.5%	33.3%
NIM	6.5%	6.2%	5.6%	5.7%	5.3%
Cost Efficiency Ratio	44.2%	42.9%	46.4%	47.2%	48.1%
Operating Expenses to Operating Revenues (BOPO)	62.4%	61.5%	62.4%	60.9%	65.1%
Liquidity					
LDR	76.8%	75.4%	68.6%	61.7%	55.2%
CASA (Current Accounts & Savings Accounts) Ratio	75.1%	78.9%	80.3%	77.0%	75.5%
Liabilities to Equity Ratio	613.5%	679.5%	763.9%	831.7%	879.8%
Liabilities to Assets Ratio	86.0%	87.2%	88.4%	89.3%	89.8%
Compliance					
Percentage of Violation of Legal Lending Limit					
a. Related Parties	0.0%	0.0%	0.0%	0.0%	0.0%
b. Non Related Parties	0.0%	0.0%	0.0%	0.0%	0.0%
Percentage Lending in Excess of Legal Lending Limit					
a. Related Parties	0.0%	0.0%	0.0%	0.0%	0.0%
b. Non Related Parties	0.0%	0.0%	0.0%	0.0%	0.0%
Minimum Reserve Requirement					
a. Primary Reserve Requirement - Rupiah	8.4%	8.3%	9.0%	9.9%	8.2%
b. Reserve Requirement - Foreign Currency	8.6%	8.5%	8.3%	8.5%	1.2%
Net Open Position (NOP)	0.6%	0.2%	0.9%	0.5%	1.0%

Solvability and Collectability

- **Capital Adequacy Ratio**

  On a consolidated basis, the Capital Adequacy Ratio (CAR), taking into account credit, market and operational risk, was recorded at 17.2% in 2014, an increase of 120 bps from 16.0% in 2013. The non consolidated CAR ratio was recorded at 16.9% in 2014, an increase of 120 bps from 15.7% in 2013. The increase in the CAR ratio reaffirms the strong capital position of BCA.

  In line with profitability growth, the Bank's core capital grew by 21.7%, reaching Rp 64.4 trillion at the end of 2014 (non consolidated) and accounted for 94.9% of BCA's total capital. Supplementary capital was recorded at Rp 3.5 trillion, or 5.1% of BCA's total capital. On a consolidated basis, BCA's core capital in 2014 was Rp 66.7 trillion and accounted for 94.0% of the total capital of BCA and supplementary capital amounted to Rp 4.2 trillion, or 6.0% of the total capital of BCA.

- **Non Performing Loans (NPL)**
  In an unfavorable economic environment, BCA proactively managed the loan portfolio to maintain the quality of the Bank's loans. At the end of 2014, the Bank's gross NPL ratio stood at 0.6%, better than the overall banking industry in Indonesia. The NPL ratio rose slightly compared to 0.4% in 2013. The increase in the NPL was mainly due to the downgrade of a previously restructured corporate loan. The low NPL ratio is consistent with BCA's commitment to implement the principle of prudence in lending, thus enabling BCA to book a quality loan growth.

Rentability

- **Return on Assets (ROA)**
  The Bank recorded a higher ROA ratio of 3.9% in 2014, an increase of 10 bps from 3.8% in 2013. The growth in operating income supported the growth of income that was greater than the growth rate of assets, resulting in an increase of the ROA ratio in 2014.

- **Return on Equity (ROE)**
  Although the Bank recorded higher ROA, ROE was recorded at 25.5%, down 270 bps from the 28.2% ROE posted in 2013. The higher accumulation of retained earnings combined with a lower dividend payout ratio have promoted growth in equity and thus, a lower ROE.

- **Net Interest Margin (NIM)**
  In 2014 the NIM ratio was recorded at 6.5% compared to 6.2% in 2013. The increase in yield and volume of earning assets offset the increase in cost of funds resulting in the Bank's NIM increasing by 30 bps in 2014.

- **Operating Expenses to Operating Revenues**
  In 2014 the BOPO ratio was relatively stable at 62.4%. The cost efficiency ratio stood at 44.2%, compared to 42.9% in the previous year.

Liquidity

- **Secondary Reserves**
  BCA remains committed to maintaining a sound liquidity position. BCA's solid funding sources are mostly comprised of CASA funds representing 75.1% of the total third party funds in 2014. The Bank routinely monitors liquidity and performs strict monitoring of secondary reserves. The liquidity buffer is maintained at a conservative level with secondary reserves recorded at Rp 63.9 trillion, or 14.3% of the total third party funds, at the end of 2014.

Secondary Reserves*

	2014		2013		Increase / (decrease)	
	billion Rupiah	Composition	billion Rupiah	Composition	billion Rupiah	Percentage
Securities Purchased under Agreements to Resell**	19,253	30.1%	38,882	68.5%	(19,629)	-50.5%
Bank Indonesia Certificates***	33,141	51.9%	5,619	9.9%	27,522	489.8%
Bank Indonesia Term Deposits	2,168	3.4%	5,477	9.7%	(3,309)	-60.4%
Bank Indonesia Deposit Facility	6,071	9.5%	3,007	5.3%	3,064	101.9%
Placement with Other Banks	3,264	5.1%	3,770	6.6%	(506)	-13.4%
Total Secondary Reserves	**63,897**	**100.0%**	**56,755**	**100.0%**	**7,142**	**12.6%**

* Internally, BCA defines placements in short-term instruments with risk-free or low-risk characteristic as the Bank's secondary reserves
** Consists of Securities Purchased Under Agreements to Resell from Bank Indonesia and excluding from other banks which amounted Rp 7.0 trillion in 2014 and Rp 2.2 trillion in 2013
*** For investment purpose stood at Rp 31.6 trillion in 2014 and Rp 4.7 trillion in 2013. As Financial Assets Held for Trading amounted to Rp 1.5 trillion in 2014 and Rp 0.9 trillion in 2013

Placements in the secondary reserves were largely placements with Bank Indonesia. The placement of funds was in the form of risk-free or low risk short-term placements. BCA's secondary reserves consist of Placements with Bank Indonesia and Other Banks, Securities Purchased Under Agreements to Resell with Bank Indonesia and Bank Indonesia Certificates.

Bank Indonesia Certificates and Securities Purchased Under Agreements to Resell with Bank Indonesia are a large part of the Bank's secondary reserves, amounting to 82.0% of the total. Placement allocation of secondary reserves considers issuer, tenor, yield and market availability.

Secondary reserves are deemed to be adequate to support the liquidity for BCA's banking activities in various scenarios under liquidity stress test conditions.

- **Loan to Deposit Ratio (LDR)**
  In 2014 the LDR of BCA was recorded at 76.8% compared to 75.4% in 2013, lower than the average banking sector LDR which came to 89.4%. BCA strives to achieve and maintains an optimal balance between its liquidity position and the growth of the Bank's lending.

TARGET ACHIEVEMENTS IN 2014

Although slightly lower than originally expected, BCA recorded positive lending growth of 11.0% in 2014. Throughout the year BCA focused on lending to existing high quality customers with proven ability to weather uncertain political and economic conditions. Overall, the corporate and commercial lending segments represented the biggest portion of the Bank's total loan growth in 2014. Loan growth was achieved without a material deterioration in asset quality, with the NPL ratio standing at 0.6% at year end 2014. BCA's NPL ratio compares favorably to the banking sector's 2.2% NPL ratio.

As a proactive move to anticipate a modest CASA growth rate, BCA proactively raised funds from time deposit products through a series of staged interest rate adjustments. As a result, BCA was able to record total third party funds of Rp 447.9 trillion at the end of 2014, a growth rate of 9.4%, well within the targeted range of 8-11% growth.

Steady growth in lending and in third party funds supported solid financial performance and profitability growth. Net interest income rose by 21.2% to Rp 32.0 trillion in 2014, compared with Rp 26.4 trillion in 2013, with a net interest margin of 6.5% compared with 6.2% in the previous year. Operating income other than interest grew by 13.6% to Rp 9.0 trillion during 2014. Cost efficiency ratio measured at 44.2% in 2014, slightly higher than 2013's 42.9%. BCA's overall net income grew by 15.7% to Rp 16.5 trillion by the end of 2014. The Bank generated sound returns throughout the year, with Return on Assets (ROA) and Return on Equity (ROE) of 3.9% and 25.5% respectively, exceeding the predetermined targets.

CAPITAL STRUCTURE AND MANAGEMENT CAPITAL STRUCTURE POLICY

Capital management policy aims to ensure that BCA has a strong capital base to support the Bank's current expansion strategy, assure sustainable growth in the future, in accordance with regulations.

A Capital Plan is prepared by the Board of Directors as part of the Bank's Business Plan and approved by the Board of Commissioners. This plan is expected to ensure the availability of sufficient capital and the maintenance of a healthy capital structure.

In 2014, all capital requirements were met through organic capital growth driven by BCA's solid profitability and a balanced dividend distribution policy based on a target level for capital.

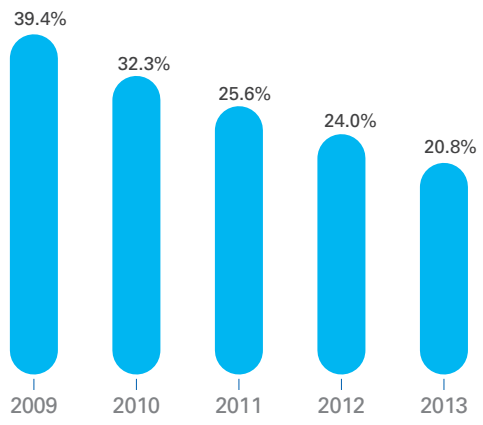
Dividend Policy

BCA determined the dividend payout ratio based on the Bank's profitability and capital needs for growth while taking into consideration the interests of the shareholders.

In the last few years BCA has gradually adjusted the dividend payout ratio to strengthen capital, particularly for supporting lending and new business lines as well as building capital in anticipation of the implementation of Basel III. Based on the results of the Annual General Meeting of Shareholders on April 7, 2014, the shareholders approved the net income allocation in 2013 with the provision of cash dividends in the amount of Rp 3.0 trillion or Rp 120 per share (paid through the interim dividend in the amount of Rp 45 per share on December 17, 2013 and a final dividend of Rp 75 per share paid on May 20, 2014). The most recent dividend payout ratio stood at 20.8%, payable from the net income in 2013. BCA distributed a portion of the 2014 net income with an interim dividend of Rp 50 per share paid on December 23, 2014.

BCA sets the appropriate dividend payout ratio annually to ensure that the retained earnings will be able to support the capital necessary to meet growth targets and manage risk. The amount of the dividend payout ratio is determined by taking into account the latest business developments, particularly in the achievement of loan targets, and the need to maintain adequate capital.

Dividend Payout Ratio



Capital Requirement of Subsidiaries

The capital requirements of BCA's subsidiaries are currently not significant compared to BCA's capital position. The subsidiaries are projected to grow gradually, allowing the Bank to monitor the risks periodically and enabling the Bank to comfortably meet the capital requirements of the subsidiaries.

In 2014, BCA provided a Rp 300 billion capital injection to BCA Syariah as approved by the Indonesia Financial Services Authority on June 18, 2014. Meanwhile, BCA and other shareholders also made a capital injection into Central Santosa Finance in the amount of Rp 200 billion overall, Rp 140 billion of which was contributed by BCA and BCA Finance as approved by the Indonesia Financial Services Authority on July 17, 2014. These capital injections are expected to accelerate developments at both companies.

Capital Structure Policy

BCA has a policy to maintain the capital structure and CAR at an adequate level to support business growth and to anticipate major risks, including but not limited to credit risk, market risk and operational risk that are inherent in the Bank's businesses. Tier I capital base accounted for 94.9% of total BCA's capital.

BCA's Capital Position

At the end of December 2014, the Capital Adequacy Ratio (CAR) was recorded at 16.9% (non consolidated), while the consolidated CAR was at 17.2%. Non consolidated core capital at the end of 2014 stood at Rp 64.4 trillion, representing 94.9% of BCA's total capital, while the non consolidated supplementary capital stood at Rp 3.5 trillion, or 5.1% of BCA's total capital.

Component of Capital (non consolidated - in billion Rupiah)

	2014	2013
Capital		
Tier 1 Capital	64,370	52,881
Tier 2 Capital	3,470	3,330
Total Capital	**67,840**	**56,211**
Risk Weighted Assets with:		
Credit Risk	349,021	314,382
Operational Risk	52,930	44,374
Market Risk	507	208
Capital Adequacy Ratio (CAR)		
Credit and Market Risk	19.4%	17.9%
Credit and Operational Risk	16.9%	15.7%
Credit, Operational and Market Risk	16.9%	15.7%

MATERIAL INFORMATION ABOUT INVESTMENT, EXPANSION, DIVESTMENT AND ACQUISITION

During 2014, there were no material transactions or activities related to investments, expansions, divestitures, or acquisitions.

In the second half of 2014, through the subsidiary BCA Sekuritas, BCA was granted the permission to develop a new life insurance subsidiary.

INFORMATION ON MATERIAL TRANSACTIONS WITH CONFLICTS OF INTEREST

During 2014, there were no transactions conducted by BCA that could be considered as transactions with conflict of interest.

In 2014, the Company engaged in several transactions with related parties, including lending and deposit taking from customers, the details of the amount and type of transaction as well as the nature of relationships with related parties can be viewed in the Consolidated Financial Statements which have been audited in Note No. 41.

PROVISION OF FUNDING, COMMITMENT AND OTHER FACILITIES THAT CAN BE EQUATED WITH THAT OF ANY COMPANY OR LEGAL ENTITY WHO IS WITHIN ONE BUSINESS GROUP WITH THE BANK TO DEBTORS WHO HAD OBTAINED PROVISION OF FUNDS FROM THE BANK

Combined facilities provided by the Bank and its subsidiaries to a debtor or debtor group amounted to Rp 130.2 trillion, or 37.6%, of the Bank's total outstanding loans as of 31 December 2014. The NPL of this loan portfolio was 1.2% in December 2014. The majority of combined lending facilities were loans from the Bank and its 4-wheeler financing subsidiary, BCA Finance, to the same borrowing party.

Combined Facilities provided by the Bank and its Subsidiaries (in billion Rupiah)

Collectability	Number of Debtors	Facilities at Subsidiaries				Facilities in BCA	Total Exposure
		BCA Finance	BCA Finance Limited	BCA Syariah	Central Santosa Finance		
Current	786,057	2,857	122	874	481	121,596	125,930
Special Mention	106,198	94	-	27	94	2,498	2,713
Substandard	4,203	3	37	-	4	514	558
Doubtful	5,493	1	-	-	5	80	86
Loss	14,889	14	-	1	13	885	913
Total	**916,840**	**2,969**	**159**	**902**	**597**	**125,573**	**130,200**

IMPACT OF CHANGES IN LAWS AND REGULATIONS

Since 2014, the banking industry has been under the supervision of the Indonesia Financial Services Authority (OJK). In the framework of integrated supervision, in 2014 OJK issued regulations to strengthen the integrated supervision of business groups. The regulation includes the Integrated Risk Management and Integrated Governance for Financial Conglomerates. These regulations are to be implemented in stages from 2014 to 2018, starting with reports on the designation of main entities, risk profile and GCG and ending with sanctions for banks that do not meet the regulations.

In addition to regulations on risk management and integrated governance, OJK also issued regulations for Branchless Banking. Branchless banking relies on the latest information technology advancements and is supported by both individual and institutional agents. This service aims to reach out to the previously unbanked population–communities that have thus far not enjoyed access to banking services. Services offered by branchless banking include savings, micro-credit, micro-insurance and e-money. In addition to these regulations, Bank Indonesia issued regulations relating to the provision of e-money services.

In 2012, Bank Indonesia issued a regulation regarding banks' participation in the financing of Indonesia's Micro, Small, and Medium Enterprises segment. This regulation is aimed to accelerate the development of inclusive financing services, in cooperation with the Micro, Small, and Medium Enterprises sector as one of economic pillars of the national economy. In accordance with Bank Indonesia's regulation, banks are required to provide Micro, Small, and Medium Enterprises loans equivalent to at least 20% of total loans. This percentage shall be reached gradually from 5% in 2015 to 20% in 2018.

In 2014, Bank Indonesia began enforcing rules to restrict the number of credit cards held by each customer. Bank Indonesia also issued regulations regarding the use of a 6-digit PIN for credit cards, which is to be applied gradually starting from January 1, 2015 and is targeted to be completed by June 20, 2020.

BCA believes that these regulations will have positive impacts to the banking sector. In the short to medium term, regulations related to the Branchless Banking initiatives and Micro, Small, and Medium Enterprises, are unlikely to contribute to profitability as the Bank will need to make investments and develop expertise in these new business areas. In the long run, the Bank believes that these initiatives will be beneficial for the development of the banking industry and will open up new areas of business.

CHANGES IN ACCOUNTING POLICIES

Standards issued but not yet effective

Certain new accounting standards have been issued but are not yet effective for the year ended 31 December 2014, and have not been applied in preparing these consolidated financial statements.

The following standards will become effective starting 1 January 2015 and relevant to the Bank and Subsidiaries:

a. SFAS No. 1 (2013 Revision), "Presentation of Financial Statements"
b. SFAS No. 4 (2013 Revision), "Separate Financial Statements"
c. SFAS No. 24 (2013 Revision), "Employee Benefits"
d. SFAS No. 46 (2014 Revision), "Income Taxes"
e. SFAS No. 48 (2014 Revision), "Impairment of Assets"
f. SFAS No. 50 (2014 Revision), "Financial Instruments: Presentation"
g. SFAS No. 55 (2014 Revision), "Financial Instruments: Recognition and Measurement"
h. SFAS No. 60 (2014 Revision), "Financial Instruments: Disclosures"
i. IFAS No. 26 (2014 Revision), "Reassessment of Embedded Derivatives"
j. SFAS No. 65, "Consolidated Financial Statements"
k. SFAS No. 67, "Disclosure of Interests in Other Entities"
l. SFAS No. 68, "Fair Value Measurement"

The Bank and Subsidiaries are still in process of analyzing the impact from adopting these standards.

PRIME LENDING RATE

In connection with the Regulation of Bank Indonesia No. 7/50/PBI/2005 on Transparency of Financial Condition, BCA has been transparent in providing Prime Lending Rate information to the public through publications on its website, in newspapers, and in the Annual Report. Prime Lending Rate publication enhances good corporate governance, and encourages healthy competition in the banking industry.

The Prime Lending Rate calculation is based on three components consisting of the cost of loanable funds; overhead costs incurred by the Bank in the lending process; and the profit margin determined for lending activities.

The following is a presentation of BCA's quarterly Prime Lending Rates in 2014. Detailed information on changes to the Prime Lending Rate is made available at branches and can be accessed from the Bank's website at www.bca.co.id, as well as through national daily newspapers.

Quarterly Prime Lending Rate in 2014 (effective % p.a)

End of Period	Prime Lending Rate Based on Loan Segment			
	Corporate Loan	Retail Loan	Consumer Loan	
			Mortgage	Non Mortgage
Quarter I	10.25	11.75	10.50	9.71
Quarter II	10.50	11.75	10.50	9.71
Quarter III	10.50	11.75	10.50	9.71
Quarter IV	10.50	11.75	10.50	9.71

Prime Lending Rate per Change (effective % p.a)

Month of Changes	Prime Lending Rate Based on Loan Segment			
	Corporate Loan	Retail Loan	Consumer Loan	
			Mortgage	Non Mortgage
January 2014	10.25	11.75	9.50	9.18
February 2014	10.25	11.75	10.50	9.71
May 2014	10.50	11.75	10.50	9.71

Note:
a. Prime Lending Rate is used as the basis for determining lending rates to be charged to the Bank's customers. The Prime Lending Rate does not include the estimated individual credit risk premium which depends on the Bank's risk assessment on each debtor or group of debtors. Therefore, the lending rate for each debtor might be different from the Prime Lending Rate.
b. Non-mortgage consumer loans do not include credit card and/or uncollateralized credit loans.
c. Non-mortgage consumer loans Prime Lending Rate is the Prime Lending Rate for vehicle loans provided to customers through a joint financing program with PT BCA Finance.
d. The Prime Lending Rate for mortgages is the variable rate (floating rate).

MATERIAL COMMITMENTS FOR CAPITAL EXPENDITURES AND REALIZATION IN 2013 AND 2014

In 2014 the Bank invested Rp 2.7 trillion in capital expenditure. This expense was primarily directed towards the expansion of the branch infrastructure, ATM and EDC networks, as well as information technology development. In 2014, 49 new branches (including cash offices) and 2,646 new ATMs were added to the network, and tens of thousands of new EDC machines were installed in various strategic locations throughout Indonesia. With these additions, as of end of the 2014, BCA operates 1,111 branches, 16,694 ATMs and hundreds of thousands of EDC machines. Investments in capital expenditure were financed from operational income retained from the previous year or from the current year.

Capital expenditure investment in 2014 was lower than in 2013, considering the significant investment in 2013 for the construction of the Surabaya Disaster Recovery Center.

With the capital expenditure investments made in 2014, the total gross fixed assets owned by the Bank were worth Rp 14.7 trillion at the end of 2014, an increase of 18.7% compared to Rp 12.4 trillion at the end of 2013.

In the future the Bank is committed to continuing to invest in the development of business networks and strengthening technology to better serve the various needs of the customers.

Capital Expenditures Investment (in billion Rupiah)

	2014	2013	Increase / (decrease)	
			Nominal	Percentage
Land	115	97	18	18.6%
Buildings	79	287	(208)	-72.5%
Office furnitures, fixtures and equipments	1,453	1,179	274	23.2%
Motor vehicles	9	11	(2)	-18.2%
Construction in progress	1,023	1,370	(347)	-25.3%
Leased assets	32	1	31	N.A
Total	**2,711**	**2,945**	**(234)**	**-7.9%**

MATERIAL INFORMATION AND FACTS THAT OCCURRED AFTER THE DATE OF ACCOUNTANTS' REPORT

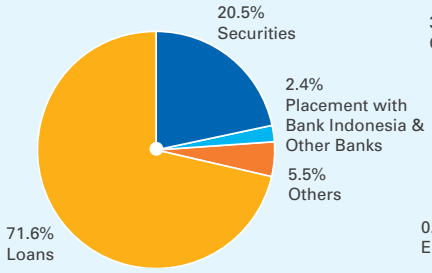
There were no significant events, information or material facts occurring after the reporting date of the accountant's report.

OVERVIEW OF BCA PERFORMANCE BY BUSINESS SEGMENTS

The following is a summary of overall performance by business segments. More comprehensive information can be found in the Business Review section of this report on page 46 – 69.

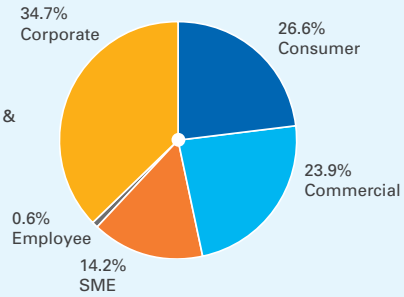
Composition of Earning Assets, Loans and Interest Income

Earning Assets Composition



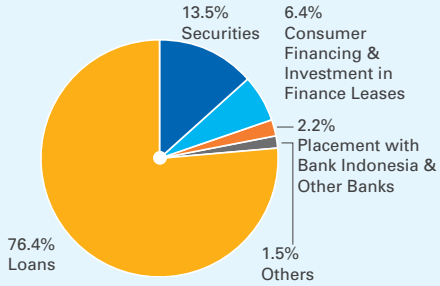
Rp 483.9 trillion

Loan Composition
(non consolidated)



Rp 347.0 trillion

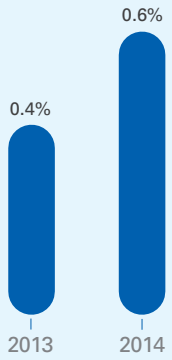
Interest Income Contribution



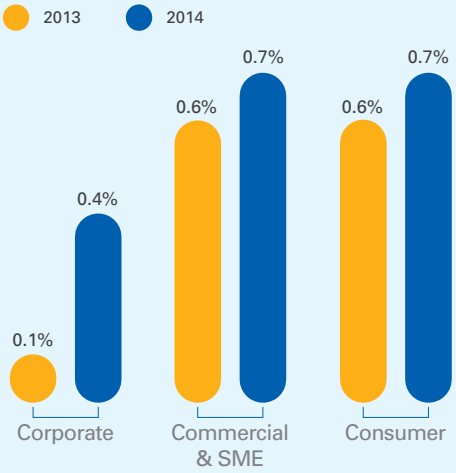
Rp 43.8 trillion

Credit Quality

Bankwide NPL Ratio

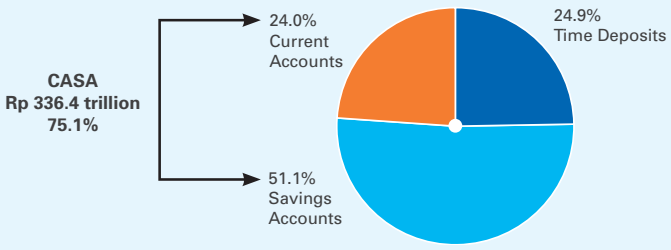


NPL Ratio by Segment



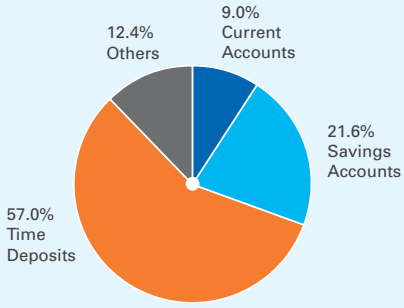
Composition of Third Party Funds and Interest Expense

Third Party Funds Composition



Rp 447.9 trillion

Interest Expense Breakdown



Rp 11.7 trillion

Branch Banking

Branch Banking business covers commercial and Small & Medium Enterprises (SME) lending, transaction banking services, as well as deposit taking activities. In 2014, commercial and SME lending provided the largest contribution to the overall loan portfolio. With uncertain economic conditions and a business slowdown over 2014, BCA maintained funding in transaction accounts (CASA) and posted increasing transaction volume. BCA took proactive steps to maintain a solid liquidity position by gathering funds from time deposits. As a result, third party funds increased by Rp 38.4 trillion or 9.4% to Rp 447.9 trillion in 2014 from Rp 409.5 trillion in 2013

Commercial and SME Banking

Commercial and SME lending represent a significant portion, 38.1%, of the Bank's overall loan portfolio. Commercial and SME lending recorded a growth of 13.5% to Rp 82.9 trillion and 3.6% to Rp 49.4 trillion by the end of 2014. Commercial lending accounted for 62.7% of the overall commercial and SME loan portfolio while SME lending accounted for 37.3%.

BCA continues to maintain asset quality with low NPLs at 0.7% for both Commercial & SME lending at year end 2014. BCA prioritizes lending to customers with a proven credit track record and those who have a long relationship with the BCA. The Bank also requires an adequate amount of solid collateral for the SME segment.

Micro, Small and Medium Enterprises Lending

Aside through branch banking, the framework adopted by BCA in distributing loans to micro, small and medium enterprises lending is by cooperating with partner institutions such as Rural Credit Banks and Cooperatives. On December 31, 2014, the micro, small and medium enterprises loan portfolio of BCA (as defined by Bank Indonesia) stood at Rp 30.0 trillion or 8.7% of the total BCA loan portfolio. Through BCA Syariah, BCA is also exploring a pilot project in micro SMEs Sharia financing.

Third Party Funds

BCA CASA funds grew 4.2% to Rp 336.4 trillion by the end of 2014 amid the challenging economic conditions. Increased CASA funds during the Eid 2014 holidays was an indicator that BCA transaction banking services remained a mainstay for the Indonesian people. BCA maintained its position as a leading transaction bank in Indonesia by continuously launching new innovative products, expanding the network and improving payment services. BCA's focus on service quality and customer convenience provides a solid foundation to facilitate both business and individual customers.

CASA is a major part of BCA's total third party funds representing 75.1% of third party funds at the end of 2014. Savings accounts funds contributed 68.1% to BCA CASA while the remaining 31.9% were from current accounts funds. Savings accounts funds grew 4.2% to Rp 229.0 trillion while current accounts grew 4.1% to Rp 107.4 trillion at the end of 2014.

BCA proactively raised funds from time deposits to support the Bank's solid liquidity position. In 2014, BCA selectively raised time deposits rates for certain time deposit categories while keeping rates well within the guidelines established by the Indonesia Deposit Insurance Corporation and the Indonesia Financial Services Authority. The Bank's strategy to gather funds through time deposits strengthened the overall third party funding position. Overall time deposits grew Rp 24.9 trillion, or 28.8% from 2013 to reach Rp 111.5 trillion in 2014.

Corporate Banking

Corporate loans recorded a growth of 16.9% to Rp 120.5 trillion over the course of the year accounting for 34.7% of the total loan portfolio in 2014. The disbursement of corporate loan is directed at quality customers who have established good relationships with the Bank.

Overall corporate loans are managed in a diversified portfolio with lending limits for each industry, group of debtors and business line exposure.

Customer demand for funding to support investment activity drove significant growth in investment loans during 2014. Investment loans in the corporate segment increased by 23.4% to Rp 63.7 trillion by the end of 2014. Realization of committed investment loans and new exposure to the leading state-owned enterprises contributed about half of the total growth in investment loans in the corporate segment in the corporate segment. Working capital loans in the corporate segment grew 10.4% to Rp 56.8 trillion by the end of 2014 from the previous year, which amounted to Rp 51.5 trillion.

Rupiah denominated loans contributed 84.3% of total corporate loans with growth of 14.1% to Rp 101.6 trillion at the end of 2014. Loans in foreign currency accounted for 15.7% of the total corporate loans. Loans denominated in foreign currencies amounted to USD 1.5 billion at the end of 2014 compared to USD 1.2 billion in the previous year. The low Corporate Banking NPL ratio at 0.4% experienced a slight increase when compared with the NPL ratio of 0.1% at the end of 2013. This increase is due to a downgrade of a previously restructured corporate loan. The overall loan quality of the corporate segment remained intact up to the end of 2014 with no indication of significant NPL formation.

Individual Banking

In 2014, BCA recorded a slower growth in Individual Banking business, including mortgages and vehicle loans. Overall consumer loans grew 6.1% to Rp 92.3 trillion in 2014, contributing 26.6% to BCA's total loan portfolio.

In the midst of unfavorable macroeconomic conditions, tighter banking regulations and higher interest rates, BCA took steps to adopt a more cautious policy in lending, including for consumer lending. These proactive measures were taken to ensure that lending is done prudently with the result reflected in the NPL ratio for consumer loans being maintained at a low level of 0.7%.

In 2014, mortgages grew by 3.2% to Rp 54.7 trillion, accounting for 59.2% of the total consumer loans. Vehicle loans increased by 8.3% to Rp 28.9 trillion, accounting for 31.3% of the total consumer loans. In the same period, credit cards lending outstanding grew 18.5% to Rp 8.8 trillion, accounting for 9.5% of the total consumer loans.

Consumer Loans (in billion Rupiah, non consolidated)

	2014	2013	Increase / (decrease)	
			Nominal	Percentage
Mortgages	54,652	52,949	1,703	3.2%
Vehicle Loans*	28,853	26,630	2,223	8.3%
Credit Cards	8,772	7,405	1,367	18.5%
Total	**92,277**	**86,984**	**5,293**	**6.1%**

* Including 2-wheeler financing of Rp 4.2 trillion in 2014 and Rp 3.3 trillion in 2013

MARKETING

BCA designs various marketing strategies to build awareness and capture customers interest with the goal to maintain the Bank's solid funding position and disseminate improvements of leading products and services to the market. BCA is implementing the 360° marketing communication approach, which provides various customer touch points through both conventional media and digital media.

The following are some of BCA's major events and headline campaigns in 2014.

Corporate Campaign

In 2014, BCA conducted a corporate branding campaign "Solusi Kemudahan Transaksi BCA" ("Hassle Free BCA Transactions") focusing on the individual segment. The campaign raised the message "*Hidup Lebih Lancar*, e-Banking BCA" ("Enjoy a Hassle Free Life, e-Banking BCA") where BCA highlighted a variety of solutions to make individual banking easier, such as BCA Mobile, KlikBCA, Flazz and other solutions.

Product Launch Campaign

In 2014 BCA launched myBCA, a BCA service concept of automated branch, available at 3 malls in Jakarta and Surabaya. Promoted with the theme "Bank dengan kendali penuh di tangan Anda" ("Bank with complete control in Your hands"), myBCA translates as "my bank my way", inviting customers to experience myBCA service.

Strategic Campaign

Several strategic campaigns conducted by BCA in 2014 were aimed at the mass segment and individual business as follows:

- **Mass individual.** BCA launched the Gebyar Tahapan BCA campaign through various promotional media with the campaign theme "Peluang dimana-mana" ("There's always a chance"). In addition, BCA organized local "culinary feast" events in 8 major cities across Indonesia. Gebyar Tahapan BCA is a lucky draw event on live TV that aims to increase the loyalty of Tahapan products customer with various rewards including a Grand Prize of a Mercedes-Benz S-Class.

  BCA also promoted m-BCA, BCA mobile banking services. With the theme "Transaksi m-BCA melimpah hadiah" ("Abundant Prizes From m-BCA Transaction"), this joint promotion between m-BCA and Telkomsel was directed exclusively for customers who transacted through m-BCA, offering points and rewarding monthly prizes for customers with the highest points.

- **Business Segment**. For individual entrepreneur customers, BCA offers various prize rewards in several trading areas with the main focus at Tanah Abang Jakarta, ITC Mangga Dua Jakarta, and Pasar Atom Surabaya as large trading centers. Communications were focused in their respective areas through outdoor media and point of sales promos.

Together these intensive and effective marketing activities successfully supported the Bank's business development in 2014 and boosted BCA as the 'Top of Mind' bank. As evidence of BCA's marketing success, in 2014 BCA received numerous awards from leading institutions including "Indonesia's Most Admired Companies" from Fortune Magazine and "Top Brand Award 2014" from Frontier Consulting Group and Marketing Magazine.

OVERVIEW OF SUBSIDIARY AND ASSOCIATED ENTITY PERFORMANCE

Subsidiaries owned directly or indirectly by BCA as of December 31, 2014 include:

PT BCA Finance

Established in 1981 and a subsidiary of BCA since 2001, BCA Finance, a BCA wholly owned subsidiary and a leading finance company in Indonesia, engages in 4-wheeler financing, both for new and used automobiles. In the midst of intense competition and during a consolidation phase in the financing industry, BCA Finance continued to implement strategies that promote the efficiency of operations, competitive interest rates, prudent risk management, and solid cooperation with business partners.

As of year end 2014, BCA Finance operates with the support of 3,102 employees and 58 branches in cities across Indonesia. BCA Finance branches synergize with the BCA branch network whereby branches work together in marketing and customer service.

BCA Finance manages a joint financing program with BCA in order to support a solid and stable funding position. Including the joint financing program, total assets under management of BCA Finance as of December 31, 2014 reached Rp 35.6 trillion, relatively stable compared with the previous year. Total 4-wheeler financing booked by BCA Finance reached Rp 5.2 trillion, relatively stable compared to the previous year. The net profit of BCA Finance reached Rp 1,001 billion, up 7.1% compared to the end of 2013 of Rp 935 billion.

BCA Finance Total Assets Under Management
(in billion Rupiah)

BCA Finance Net Profit
(in billion Rupiah)

PT Central Santosa Finance

PT Central Santosa Finance (CS Finance) was established in 2010 with a business focus on 2-wheeler financing. In January 2014, BCA signed a purchase agreement in order to acquire a 45% ownership of CS Finance. Following the acquisition, BCA has a 70% shareholding of CS Finance, both directly and indirectly.

In 2014, CS Finance continued to strengthen network infrastructure and develop human resources. In addition to the BCA network and CS Finance branch network, CS Finance established payment points in collaboration with other partners such as Alfamart and Lawson group in order to serve loan installment payments for 2-wheeler vehicles. As of the end of 2014, CS Finance had 78 branches in various parts of Java, Sumatra and others.

Like BCA Finance, CS Finance also established joint financing with BCA. Total assets under management at CS Finance at the end of 2014 increased 17.2% to Rp 5.7 trillion from Rp 4.9 trillion at the end of 2013. Total 2-wheeler financing booked by CS Finance reached Rp 2.0 trillion, up 7.5% from Rp 1.9 trillion in 2013. CS Finance recorded net profit of Rp 82 billion compared to Rp 87 billion in 2013.

PT Bank BCA Syariah

PT Bank BCA Syariah is a company engaged in Sharia banking. In 2009, BCA acquired an independent commercial bank, which was subsequently converted into a Sharia bank under the name BCA Syariah. BCA's direct and indirect ownership of BCA Syariah is 100%.

BCA Syariah facilitates the needs of customers for Sharia banking products in the field of payment settlement, funding and the provision of financing facilities for individuals and micro, small and medium size businesses. The main business targets of BCA Syariah are those who desire quality Sharia banking products and services supported by the ease of access and speed of transactions that the BCA Group can offer.

At the end of 2014, BCA Syariah had 45 branches in a network consisting of 8 main branches; 2 sub branches offices; 4 sub branches and 8 functional branches for micro business development; and 23 Sharia services units across Jakarta, Tangerang, Bogor, Depok, Bekasi, Surabaya, Semarang and Bandung. In order to create improved service efficiency, BCA Syariah utilizes BCA's transaction banking infrastructure such as the branch network, ATMs, and EDC machines.

BCA Syariah's total assets at the end of 2014 rose 46.7% to Rp 3.0 trillion from Rp 2.0 trillion at the end of 2013. By the end of 2014, BCA Syariah recorded growth in third party funds of 32.8% to Rp 2.2 trillion and increasing portfolio of Sharia financing by 49.9% to Rp 2.1 trillion. BCA Syariah recorded net profits of Rp 13.0 billion in 2014 compared to Rp 12.7 billion in 2013. Reliance on high-cost time deposit funding limited BCA Syariah's profitability.

BCA Syariah Performance (in billion Rupiah)

	2014	2013	Increase / (decrease)	
			Nominal	Percentage
Total Assets	2,994	2,041	953	46.7%
Sharia Financing	2,131	1,422	709	49.9%
Third Party Funds	2,249	1,694	555	32.8%
Net Profit	13.0	12.7	0.3	2.4%

PT BCA Sekuritas

BCA owns a 75% stake in PT BCA Sekuritas, a company engaged in securities brokerage and underwriting.

In 2014, BCA Sekuritas continued to strengthen its business infrastructure and operational systems. BCA Sekuritas has been recruiting experienced human resources and consistently enhancing its products and services. In 2014, BCA Sekuritas completed the implementation of a Business Continuity Plan to ensure the continuity of business development.

As of the end of 2014, total assets of PT BCA Sekuritas reached Rp 517.1 billion, an increase of 25.1% compared to 2013's total assets of Rp 413.4 billion. PT BCA Sekuritas recorded net profit of Rp 4.5 billion in 2014, decreasing from Rp 7.5 billion in 2013. This decline was due to doubled personnel cost in 2014 due to the recruitment of experienced professionals to manage the business.

PT Asuransi Umum BCA

PT Asuransi Umum BCA is engaged in the general insurance industry. BCA's direct and indirect ownership of BCA Insurance is 100%.

In 2014, BCA Insurance continued to expand its network coverage. In addition to Java and Bali, BCA Insurance is also expanding its network in Sumatra and Kalimantan. In 2014, BCA Insurance finished building a Data Recovery Center and Security Networking to strengthen the data backup system and improve network security. The synergy of BCA and BCA Insurance continues to be developed through marketing of general insurance products at BCA branches.

BCA Insurance has recorded an improving operating performance sustained by rising premium income. BCA Insurance works with BCA Finance's vehicle loans and BCA's mortgages businesses as a main source of business for BCA Insurance. BCA Insurance will continue to work together with BCA Individual Banking team to increase cross-selling efforts.

Total assets of BCA Insurance at the end of 2014 rose 57.4% to Rp 679.5 billion from Rp 431.7 billion at the end of 2013. Gross premium income rose 52.4% to Rp 319.5 billion at the end of 2014, compared to the end of 2013, which amounted to Rp 209.6 billion. Meanwhile, investment income grew by 113.8% compared to the previous year. BCA Insurance achieved a net profit of Rp 36.2 billion in 2014 compared to Rp 26.2 billion in 2013.

PT Asuransi Jiwa BCA

PT Asuransi Jiwa BCA (BCA Life) is a business entity that provides life insurance services. BCA Life is owned by BCA Sekuritas, which has a majority stake of 99% of the shares with the remaining owned by BCA Insurance.

Receiving the license of establishment and operation from Indonesia Financial Services Authority in July 2014, BCA Life commenced commercial operation in the fourth quarter of 2014. BCA Life will focus to provide protection insurance for BCA's consumer credits particularly on vehicle financings and mortgages in the early cycle of business development. BCA Life will grow its business scale in stages with focus on capital-light products. In 2015, BCA Life will lay emphasis on building its core operational system.

BCA Finance Limited

BCA Finance Limited is a company wholly owned by BCA and domiciled in Hong Kong. BCA Finance Limited is engaged in the remittance business and has a business license as a money lender.

As of the end of 2014, total assets of BCA Finance Limited reached Rp 446.5 billion, an increase of 0.4% compared to 2013, which amounted to Rp 444.9 billion. The decline in remittance business in line with the unfavorable global economic condition placed pressure on BCA Finance's profits in 2014. Meanwhile, in 2013 BCA Finance recorded an income tax restitution of Rp 10.9 billion. As a result of these factors, BCA Finance recorded a loss of Rp 2.8 billion in 2014, compared with a Rp 12.2 billion profit in 2013.

PROSPECTS AND STRATEGIC PRIORITIES IN 2015

Prospects for the Indonesian Economy and Banking Sector in 2015

The consolidation of the Indonesian economy is predicted to continue in 2015 with the Indonesian Government and Regulators continuing to lay the foundations for solid growth. Global and regional economic conditions, currently in the recovery phase, will impact the development of the domestic economy.

In 2015 the Indonesian banking sector is again expected to continue to grow moderately, when compared with the high growth cycle in the period 2010 - 2013. The potential for interest rate and currency volatility remains high in 2015 while liquidity trend requires close attention throughout the year.

Prudent banking direction and policy from the Indonesia Financial Services Authority and Bank Indonesia, as well as the strong capital of the national banking sector, have created solid banking conditions to face various economic challenges.

BCA expects that the regulators will take necessary steps to maintain Rupiah stability, manage current account deficit, and safeguard overall macro economy condition.

BCA Business Prospects and Strategic Priorities in 2015

Although faced with various challenges, BCA is optimistic that Indonesia will see a smooth transition period. The presidential elections and the transition to the new administration went smoothly with the election of Joko Widodo giving high confidence for businesses and consumers. The Bank believes that the solid base developed by Susilo Bambang Yudhoyono's administration and the new approaches offered by Joko Widodo's administration will open up new opportunities for businesses.

Overall, BCA sees the Indonesian economy and the banking sector on a solid footing to face a period of economic transition and consolidation in 2015. BCA supports the efforts of the Indonesia Financial Services Authority and Bank Indonesia to maintain national credit growth at sustainable levels and maintain a healthy capital and liquidity of the banking sector.

In the long run, BCA is optimistic about the prospects of the economy and banking in Indonesia. The growth of the middle class in Indonesia and infrastructure development will support domestic economic growth in the future.

Supported by sound capital and solid liquidity position, BCA is committed to continuing investments in 2015 in order to strengthen the Bank's franchise value. Strategic priorities in 2015 will remain directed at deepening customer relationships through enhanced payment settlement services, prudent lending, and new businesses development. Opportunities for lending and development of new businesses will optimize the Bank's preeminence as a transaction bank. Below is a further elaboration of the three major business objectives:

- **Enhancing Payment Settlement Services**
  BCA believes that excellence in payment settlement services will strengthen the long-term competitive advantage and will support the growth of the Bank's third party funds particularly in the stable CASA accounts.

  As such, BCA continues to improve the capability of payment settlement services, including through innovation and improvement of product features and services. BCA will follow, explore and apply the latest technological developments in line with the level of customer acceptance. On network expansion, the Bank will increase the number of branches and electronic delivery channels, supported by enhanced capability and capacity of information technology infrastructure. In addition, cash management capabilities will continue to be improved.

  BCA will continue to assess the development of the banking sector, in particular liquidity and CASA trends, with consideration to economic growth and business activities. If necessary, BCA can actively raise funds through time deposits products by adjusting interest rates. This is essential to maintaining third party funds and a strong and healthy liquidity position.

- **Lending**
  In developing the credit portfolio in the coming years, BCA will continue to implement ongoing policies while taking into account liquidity

and capital capacity, as well as monitoring macroeconomic developments accompanied by the implementation of a prudent and effective risk management regime.

In the short term, the Bank will prioritize lending to qualified customers and segments that can contribute to CASA and overall third-party funds growth. For business lending, the Bank will actively explore lending to sectors with broad value chains. For individual customer lending, the Bank believes that mortgages, vehicle loans, and credit card loans have great long term potential. Thus, although individual loans are expected to grow slower than loans in the business sector in short-medium term, BCA is committed to being a leader and maintaining a strategic presence in the market.

BCA sees that the lending activities play an important role in maintaining long-term relationships with customers. To that end, the Bank will continue to enhance lending infrastructure in the various segments both in branches and at headquarters in support of sustainable credit growth.

- **Business Development Through Subsidiaries**
  To meet the increasingly diverse needs of customers, BCA is developing a wide range of comprehensive financial products and services through new lines of businesses together with its subsidiaries in the field of vehicle financing, Sharia banking, securities, remittance, general insurance and life insurance.

  In general, the subsidiaries continued to grow and have begun showing positive results in recent years. In late 2014, BCA Life, providing life insurance products, began operations and will complete the Bank's financial products and solutions for customers. BCA Finance, an established subsidiary entity active in the 4-wheeler financing industry, consistently provides a significant contribution to BCA's profitability.

  In the coming years, the Bank will continue to support the growth of its subsidiaries and strengthen synergies with the Bank's main business lines in the field of payment settlement services and lending. BCA will provide capital support progressively in line with business growth of respective subsidiaries.

The Bank believes that the strategy and the policy will support BCA in strengthening the Bank's long-term competitive advantages. Consistent strategic moves are believed to be able to build a quality customer base amid rising competition of Indonesian banking industry.

Financial Projections in the 2015 Business Plan

For 2015, BCA has prepared financial performance targets in line with the outlook for moderate economic and banking growth. In determining the projections and budget preparation, the Bank assesses its previous performances as well as medium term business plan.

Observing the consolidation of the national economy that BCA believes will continue in 2015, BCA expects loan growth to be approximately 10%-12% with the largest contribution coming from corporate and commercial loans. The Bank believes the consumer loan portfolio will grow marginally. On the funding side, BCA targets growth in third party funds of approximately 8%-11%.

Organic capital growth will support the development of business activities in 2015. BCA will review the annual dividend payout ratio to maintain the capital needed to sustain assets growth targets, capital expenditures, activities of new businesses and upcoming Basel III requirements. ROA ratio will be maintained above 2.5%, and ROE ratio is targeted to be in a range of 20%-23% in 2015.

BCA will apply the principle of prudence in achieving the projections and budgets that have been prepared. BCA continues to observe the development of macroeconomic factors and national banking competition in 2015, and if necessary, BCA may take strategic steps to modify the business plan in accordance with the conditions and economic development, as well as other unforeseeable events that may occur,in order to optimize the interests of the Bank's stakeholders.

“BCA is committed to improving corporate governance as part of the BCA’s focus on delivering solid business growth and creating value for all stakeholders”

Corporate Governance

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Corporate Governance

Consistent implementation of Good Corporate Governance plays a vital role in maintaining the trust of shareholders and stakeholders of PT Bank Central Asia Tbk ("BCA"). Good Corporate Governance has become even more crucial with the increasing business risks and challenges faced by the banking industry.

INTRODUCTION

1. **Purpose of Good Corporate Governance Implementation**

   BCA understands that implementation of good corporate governance is imperative to maintaining the Company's business sustainability and maximize value in the long run. Implementation of good corporate governance in BCA is intended to:

   a. Support the vision of BCA to be "the Bank of choice and a major pillar of the Indonesian economy".

   b. Support the following missions of BCA:
      - Build centers of excellence in payment settlements and financial solutions for businesses and individuals.
      - Understand diverse customer needs and provide the right financial services to optimize customer satisfaction.
      - Enhance our corporate franchise and stakeholder value.

c. Give benefit and added value to the shareholders and stakeholders.
d. Sustain and increase sound and competitive business continuity.
e. Enhance the trust of investors in BCA.

2. References

BCA's policy for Good Corporate Governance is developed based on the following:

a. Regulation No. X.K.6 concerning Submission of the Annual Report of Issuers or Public Companies – Attachment of Chairman of the Capital Market and Financial Institution Supervisory Agency Decision No. Kep-431/BL/2012 dated 1 August 2012.
b. Criteria of Annual Report Award.
c. Regulation of Bank Indonesia (PBI) No. 8/4/PB1/2006 dated 30 January 2006 on The Implementation of Good Corporate Governance for Commercial Banks which has been amended by the Regulation of Bank Indonesia (PBI) No. 8/14/PB1/2006 dated 5 October 2006.
d. Bank Indonesia Circular Letter No. 15/15/DPNP dated 29 April 2013 on the implementation of Good Corporate Governance for Commercial Banks.
e. ASEAN Corporate Governance Scorecard.
f. The Indonesian Good Corporate Governance Roadmap issued by the Indonesia Financial Services Authority.

3. Statement of Corporate Governance Implementation Commitment

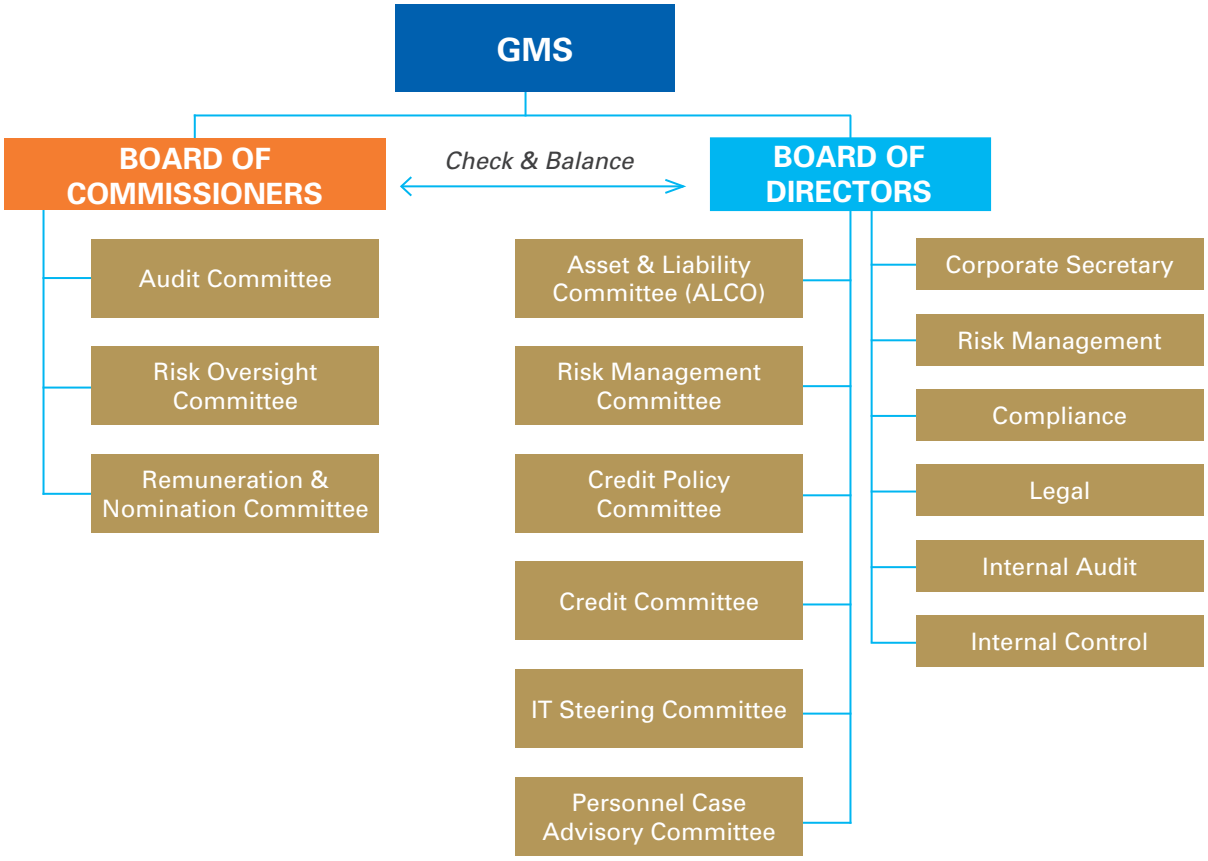
Implementation of GCG is a key factor in maintaining the trust of shareholders and stakeholders in BCA. It has become even more significant with the increasing business risk and challenges faced by the banking industry. Through the implementation of GCG principles, BCA will be able to maintain sound and competitive business continuity.

BCA is committed to continuously improve the implementation of good corporate governance principles in accordance with the provisions of the applicable legislation and the development of best corporate governance practices and the ASEAN Corporate Governance Scorecard.

4. Governance Structure

A clear division of tasks and responsibilities between different functions/work units within BCA reflects the application of checks and balances as well as a good internal control system.

BCA's Corporate Governance Structure



The BCA's structure of corporate governance consists of:

1. The General Meeting of Shareholders (GMS);
2. Board of Commissioners;
3. Board of Directors;
4. Committees under the Board of Commissioners: Audit Committee, Risk Oversight Committee, and Remuneration & Nomination Committee;
5. Executive Committees under the Board of Directors, which consist of the Asset & Liability Committee (ALCO), Risk Management Committee, Credit Policy Committee, Credit Committee, Information Technology Steering Committee, Personnel Case Advisory Committee;
6. Corporate Secretary;
7. Risk Management, Compliance, Legal, and Internal Audit work units.

The corporate governance structure allows BCA to carry out its duties and responsibilities according to the scope of duty, responsibility, and functions as stated in the applicable regulations.

5. Results of GCG Assessment

5.1. GCG Self Assessment Implementation

In 2014, BCA conducted its GCG self assessment review in accordance with the Regulations of Bank Indonesia and Bank Indonesia Circular Letter on GCG Implementation for Commercial Banks. The assessment falls into 3 (three) governance aspects, namely:

1. Governance Structure;
2. Governance Process; and
3. Governance Outcome.

The 3 aspects of Governance are implemented into 11 (eleven) Assessment Factors below:

1. Implementation of duties and responsibilities of the Board of Commissioners;
2. Implementation of duties and responsibilities of the Board of Directors;
3. Adequacy and implementation of duties of the Committees;
4. Handling conflict of interests;
5. Implementation of compliance function;
6. Implementation of internal audit function;
7. Implementation of external audit function;
8. Implementation of risk management, including the internal control system;
9. Funding to related party and large exposures;
10. Transparency of financial and non-financial condition of the Bank, GCG implementation report; and
11. The Bank's strategic plan.

Results of the Good Corporate Governance implementation self-assessment in the first and second half of 2014 is categorized under **"Rank 1" ("Very Good")**, both for Individual (BCA) and Consolidated (BCA and its subsidiary companies).

Results of the GCG Implementation Self-Assessment at BCA

	Rank	Rank Definition
Individual	1	Overall, implementation of Good Corporate Governance (GCG) by the Management of BCA is rated **excellent**. This is reflected in the fulfillment of GCG principles. Any remaining weaknesses, if any, in the implementation of GCG principles are generally considered not significant, and will be corrected by the Management of BCA.

Analysis
The self assessment on aspects of governance structure, governance process and governance output as applied to each of the GCG Implementation Assessment Factor can be summarized below: 1. The governance structure of all the GCG Implementation Assessment Factors is suitable and comprehensive. 2. The governance process in the GCG Implementation Assessment Factors is effective, supported by a suitable governance structure and infrastructure. 3. The governance output in the GCG Implementation Assessment Factors is of high-quality, resulting from governance processes that are effective with the support of a suitable governance structure and infrastructure.

5.2. Assessment of GCG Implementation by External Party

- To evaluate and measure the implementation of GCG in BCA, in 2014 BCA participated in the GCG research and ranking program in Indonesia – Corporate Governance Perception Index (CGPI) organized by The Indonesian Institute for Corporate Governance (IICG) in collaboration with SWA Magazine.

  The CGPI theme in 2014 is "GCG in the Perspective of a Learning Organization". The assessment consists of 4 (four) stages, as follows:
  a. Self assessment;
  b. Document assessment;
  c. Essay assessment;
  d. Observation.

  As a result of its participation in the program, BCA was awarded **"The Most Trusted Company" ("Highly Trusted")**, which is the highest valuation possible.

- In 2014, The Indonesian Institute for Corporate Directorship (IICD) performed an evaluation and ranking for 100 largest companies by market capitalization listed at the Indonesia Stock Exchange. In the 2014 IICD Conference and Corporate Governance Awards, BCA obtained an award under **"The Best Financial Sector"** category.

6. GCG Implementation Report

BCA's Good Corporate Governance Implementation Report in 2014 was prepared in accordance with Bank Indonesia Regulation No. 8/4/PBI/2006 dated 30 January 2006, as amended by Bank Indonesia Regulation No. 8/14/PBI/2006 dated 5 October 2006, and Circular Letter of Bank Indonesia No. 15/15/DPNP dated 29 April 2013 concerning the Implementation of Good Corporate Governance for Commercial Banks.

The BCA's Good Corporate Governance report has to cover at least the following:

1. Transparency of Good Corporate Governance Implementation as referred by point IX Circular Letter of Bank Indonesia No.15/15/DPNP dated 29 April 2013; and

2. GCG Implementation Self Assessment Report in accordance with the assessment period of Bank Soundness Level for the past 1 (one) year.

Transparency of Good Corporate Governance implementation includes:

A. GCG implementation disclosures include:
   1. Implementation of duties and responsibilities of the Board of Commissioners and Board of Directors.
   2. Adequacy and implementation of duties of the Committees.
   3. Implementation of compliance, internal audit, and external audit functions.
   4. Implementation of risk management, including the internal control system.
   5. Funding to related parties and large exposures.
   6. Strategic planning.
   7. Transparency of financial and non-financial conditions that have not been disclosed in other reports.
   8. Other information related to GCG.

B. Share ownership of the members of Board of Commissioners and Directors with an equity amount of 5% (five percent) or more, including the type and number of shares in:
   a. BCA;
   b. Other banks;
   c. Non Bank Financial Institutions; and
   d. other companies;
   domiciled in Indonesia or overseas.

C. Financial relationships and family relationships of members of the Board of Commissioners and Board of Directors with other members of the Board of Commissioners, Board of Directors and/or Controling Shareholders.
D. Remuneration package/policy and other facilities for the Board of Commissioners and Board of Directors.
E. Share Options.
F. Ratios of the highest to the lowest salary.
G. Frequency of Board of Commissioners meetings.
H. Number of internal frauds.
I. Legal issues.
J. Transactions with conflict of interest.
K. Shares and/or bond buy-back.
L. Provision of funds for social and/or political activities during the reporting period.

GENERAL MEETING OF SHAREHOLDERS

1. General Meeting of Shareholders

The General Meeting of Shareholders (GMS) is the highest Company organ, having a function as a forum for the shareholders to make decisions related to the Company. In the GMS, shareholders exercise their rights, express their opinions, and use their votes in the decision making process.

The GMS possesses exclusive authority not granted to the Board of Directors and the Board of Commissioners as stipulated in the Company's Articles of Association and the applicable regulations.

2. 2014 Annual General Meeting of Shareholders Procedure

The procedure of BCA's 2014 Annual General Meeting of Shareholders was as follows:

1. As a public company, in accordance with the Regulation No. IX.I.1 on Plan and Implementation of the General Meeting of Shareholders - Attachment of Decision of the Chairman of the Capital Market Supervisory Board No. Kep-60/PM/1996 dated 17 January 1996, firstly, BCA delivered the agenda of the 2014 Annual GMS in a clear and detailed manner to the Financial Services Authority (formerly the Capital Market Supervisory Board) no later than 7 (seven) days prior to the notification, as referred to in the letter No. 008/CRS/2014 dated 20 February 2014.

2. Before conducting the 2014 Annual GMS notification, BCA conveyed that the Annual GMS notification would be conducted, 14 (fourteen) days prior to the 2014 Annual GMS notification, excluding the date of notification and the date of the 2014 Annual GMS. The 2014 Annual GMS notification was published in Bisnis Indonesia, Suara Pembaruan and The Jakarta Post daily newspapers, all on 27 February 2014.

3. The 2014 Annual GMS notification was conducted by advertising in newspapers 21 (twenty one) days prior to the date of the 2014 Annual GMS, excluding the date of the notification and the date of the Annual GMS. The 2014 Annual GMS notification was published in Bisnis Indonesia, Suara Pembaruan and The Jakarta Post newspapers, all dated 14 March 2014.

4. Entitled to attend and vote in the 2014 Annual GMS are shareholders whose names are recorded in the Register of Shareholders, which was closed on the last working day of the Indonesia Stock Exchange before the advertised 2014 Annual GMS notification.

5. Each share issued has 1 (one) voting right unless the Articles of Association of BCA states otherwise.

6. After holding the GMS, BCA conveyed the results of the 2014 Annual GMS 2 (two) business days after the 2014 Annual GMS to the Financial Services Authority and the Indonesia Stock Exchange, and announced it to the public in Bisnis Indonesia, Suara Pembaruan and The Jakarta Post daily newspapers, all dated 10 April 2014.

3. Implementation of the 2014 Annual GMS

In 2014, BCA held the 2014 Annual GMS on 7 April 2014 at the Bali Room, Hotel Indonesia Kempinski, Jalan MH. Thamrin no. 1, Jakarta 10310.

The materials and agenda (including explanation of each agenda item) discussed in the Annual GMS had been available via the Corporate Secretary – BCA Head Office, and had been uploaded in the BCA website on the same date as the 2014 Annual GMS Notification.

4. Attendance of Management and Shareholders

The 2014 Annual GMS was attended by the President Commissioner and members of the Board of Commissioners; President Director, Deputy President Director, and all members of the Board of Directors, the Chairmen and members of Committees under the Board of Commissioners (Audit Committee, Remuneration & Nomination Committee and Risk Oversight Committee) as well as the shareholders or their proxies.

All members of the Board of Commissioners and the Board of Directors of BCA were present in the 2014 Annual GMS, as stated below:

Board of Commissioners

Name	Position
Ir. Djohan Emir Setijoso	President Commissioner
Tonny Kusnadi	Commissioner
Cyrillus Harinowo	Independent Commissioner, concurrently Chairman of the Risk Oversight Committee
Dr. Ir. Raden Pardede	Independent Commissioner, concurrently Chairman of the Remuneration and Nomination Committee
Sigit Pramono	Independent Commissioner, concurrently Chairman of the Audit Committee

Board of Directors	
Name	**Position**
Jahja Setiaatmadja	President Director
Eugene Keith Galbraith	Deputy President Director
Dhalia Mansor Ariotedjo	Director
Anthony Brent Elam	Director
Ir. Suwignyo Budiman	Director
Tan Ho Hien/Subur Tan	Director of Compliance
Renaldo Hector Barros*)	Director
Henry Koenaifi	Director
Armand Wahyudi Hartono	Director
Erwan Yuris Ang	Independent Director
Rudy Susanto**)	Director

*) Mr. Renaldo Hector Barros resigned as Director of BCA effectively starting 1 June 2014
**) Mr. Rudy Susanto effectively has become a Director of BCA starting 21 July 2014

The number of shares with voting rights represented at the 2014 Annual GMS was 21,774,660,084 shares or 88.317% of the total shares issued and paid up by the shareholders; therefore, the quorum provisions as stipulated in Article 23, paragraph 1 (a) of BCA's Articles of Association were met.

5. Chairman of the 2014 Annual GMS

The 2014 Annual GMS was chaired by Ir. Djohan Emir Setijoso as President Commissioner, in accordance with Article 22, paragraph 1 of BCA's Articles of Association.

6. Agenda of the 2014 Annual GMS

Agenda of the 2014 Annual GMS are as follows:

1. Approval of the Annual Report, including the Financial Statements of BCA and the Reports of the Supervisory Duties of the Board of Commissioners of BCA for the fiscal year ended on 31 December 2013 and to provide liability release and discharge (acquit et decharge) to members of the Board of Directors and Board of Commissioners of BCA for the actions of management and supervision conducted in the financial year ended 31 December 2013;
2. Determination of the utilization of BCA's profit for the financial year ended 31 December 2013;
3. Changes in the composition of members of the Board of Directors and/or Board of Commissioners;
4. Determination of salary or honorarium and other allowances for the members of the Board of Directors and Board of Commissioners;
5. Appointment of Registered Public Accountant to examine BCA's books for the financial year ended 31 December 2014;
6. Giving power and authority to the Directors to pay an interim dividend for the financial year ended 31 December 2014.

7. Mechanism of Votes Calculation in the 2014 Annual GMS

Each shareholder or the proxy of the shareholder have a right to ask and/or present opinions to the Chairman of the Annual GMS before a vote is held for each Annual GMS agenda item.

In any discussion of the agenda of the Annual GMS, the Chairman provides an opportunity for the shareholders or the proxies of the shareholders to ask questions before a vote is held.

Based on Article 23 clause 8 of BCA's Articles of Associations, any decisions concerning the submitted proposals in every Annual General Meeting (AGM) agenda will be made through deliberation. If no agreement is reached, the decision will be taken by voting.

Based on Article 23 clause 6 of BCA's Articles of Associations, voting on every proposal submitted in each Annual GMS will be conducted orally using pooling method, wherein the shareholders or proxies who do not agree or provide abstention will raise their hands to submit the ballot papers. The ballot papers are counted by PT Raya Saham Registra as BCA's Share Registrar and further be verified by a Notary as an independent party, in accordance with the Order of the 2014 Annual GMS.

8. 2014 Annual GMS Resolution and Realization

a. The First Agenda

I. Approving the Annual Report, including the Board of Commissioners' Report on its Supervisory Duties, for the financial year ended on 31 December 2013 as contained in the 2013 Annual Report;

II. Ratifying the Company's financial statements, which include the Balance Sheet and Profit and Loss Statement for the financial year ended 31 December 2013, as had been audited with unqualified opinion by the Public Accountant Firm of Siddharta & Widjaja, member of KPMG International, as evident in the Company's 2013 Annual Report;

III. Granting a release and discharge of liabilities (acquit et decharge) to members of the Company's Board of Directors and Board of Commissioners for their respective management and supervisory actions taken during the financial year ended 31 December 2013, to the extent that such actions were set out in the Company's Annual Report and Financial Statements for the financial year ended on 31 December 2013 and any relevant supporting documents thereof.

Result of the vote calculation of AGMS 2014 is as follows:

Approve	Disapprove	Abstain
21,764,183,384 (99.952%)	10,476,700	8,696,600

Realization description: Realized

Result of the vote calculation of AGMS 2013 is as follows:

Approve	Disapprove	Abstain
22,204,414,650 (99.98%)	1,050,000	1,470,000

Realization description: Realized

b. The Second Agenda

I. Resolving to accept that the Company's net income for the year ended on 31 December 2013, as set out in the Company's Balance Sheet and Profit and Loss Statement for the financial year ended on 31 December 2013, as audited by the Public Accountant Firm of Siddharta & Widjaja, member of KPMG International, amounted to Rp 14,253,831,087,099,- (fourteen trillion two hundred fifty-three billion eight hundred thirty one million eighty seven thousand ninety nine Rupiah) ("Net Income for 2013").

II. Resolving that the Company's Net Income for 2013, which amounted to Rp 14,253,831,087,099,- (fourteen trillion two hundred fifty-three billion eight hundred thirty one million eighty seven thousand ninety nine Rupiah), shall be appropriated as follows:

1. Rp 142,538,310,871,- (one hundred forty two billion five hundred thirty eight million three hundred and ten thousand eight hundred seventy-one Rupiah) shall be appropriated for a reserve fund;
2. Rp 2,958,601,200,000,- (two trillion nine hundred fifty eight billion six hundred and one million two hundred thousand Rupiah) or Rp 120,- (one hundred and twenty Rupiah) per share shall be distributed as cash dividends for the financial year ended on 31 December 2013 for the shareholders entitled to receive the cash dividends, the amount of which included the interim dividends amounted Rp 1,109,475,450,000,- (one trillion one hundred and nine billion four hundred seventy five million four hundred fifty thousand Rupiah) or Rp 45,- (forty five Rupiah) per share, which had been paid by BCA on 17 December 2013, so that the remaining amount of Rp 1,849,125,750,000,- (one trillion eight hundred forty nine billion one hundred twenty five million seven hundred fifty thousand Rupiah) or Rp 75,- (seventy five Rupiah) per share.

As regards the payment of dividends, the following terms and conditions shall apply:

(i) the remaining dividends for the financial year 2013 will be paid for each share issued by the Company recorded in the Company's Register of Shareholders as at the record date, which will be determined by the Board of Directors;

(ii) as regards such remaining dividends for the financial year 2013, the Board of Directors shall withhold tax thereon pursuant to the tax regulations in force;

(iii) the Board of Directors is granted the power of attorney and authority to determine matters concerning or relating to the payment of the remaining dividends for the financial year 2013, including (but not limited to):

(aa) determining the record date as referred to in clause (i), determining which shareholders are entitled to receive payments of the remaining dividends for the financial year 2013; and

(bb) determining the date of payment of the remaining dividends for the financial year 2013, in each case without prejudice to the regulations of the Stock Exchange where the Company's shares are listed;

3. With due observance of Regulation of Bank Indonesia number 8/4/PBI/2006 dated 30 January 2006 on the Implementation of Good Corporate Governance for Commercial Banks and its amendments in conjunction with Article 71 paragraph (1) of Law No. 40 of 2007 on Limited Liability Companies, and the consideration of the Board of Commissioners after taking into account the input from the Remuneration and Nomination Committee as evident in the letter of the Remuneration and Nomination Committee dated 4 March 2014 number 001/SK/KRE/2014, furthermore the 2014 Annual GMS has determined a maximum of Rp 213,807,466,306,- (two hundred thirteen billion eight hundred seven million four hundred sixty six thousand three hundred and six Rupiah) to be paid as tantieme to members of the Board of Commissioners and Board of Directors who served in the Company over the financial year 2013.
   - Granting power and authority to FARINDO INVESTMENTS (MAURITIUS) LIMITED, qualitate qua (qq) Mr. ROBERT BUDI HARTONO and Mr. BAMBANG HARTONO, as the majority shareholder of the Company for the time being, to determine the distribution of tantieme among the members of the Board of Commissioners and Board of Directors who served in the Company in and over the financial year 2013, including all matters related to such tantieme payment, provided that the amount of tantieme to be paid to the members of the Company's Board of Commissioners and Board of Directors is reported in the Annual Report for the financial year 2014;
4. The remaining amount of the Net Income for 2013 that has not been allocated for any specific use, in the amount of at least Rp 10,938,884,109,922,- (ten trillion nine hundred thirty eight billion eight hundred eighty four million one hundred and nine thousand nine hundred twenty two Rupiah) shall be determined as retained earnings.

III. Resolving that such power as described in point II number 2 and 3 above shall be effective as of the date on which the proposal put forward under this point is approved by the 2014 Annual GMS.

Result of the vote calculation of AGMS 2014 is as follows:

Approve	Disapprove	Abstain
21,728,246,371 (99.787%)	46,413,713	22,716,200

Realization description: Realized

Result of the vote calculation of AGMS 2013 is as follows:

Approve	Disapprove	Abstain
21,983,967,500 (98.99%)	41,958,350	181,008,800

Realization description: Realized

c. **The Third Agenda**

I. Resolving to accept the resignation of Mr. RENALDO HECTOR BARROS as a Director of BCA effectively starting 1 June 2014 and further give a liability release and discharge (acquit et decharge) to Mr. RENALDO HECTOR BARROS for any management actions conducted during his term of office, as long as the actions are recorded in the books and records of the Company;
Furthermore, we expressed our highest appreciation and thanked Mr. RENALDO HECTOR BARROS for his services while serving as a Director of BCA.

II. Resolving to appoint Mr. RUDY SUSANTO as a Director, effectively if and from the date the Indonesian Financial Services Authority gives its approval to the appointment or starting 1 June 2014, whichever is more recent.

III. Without reducing the independence of other members of the Board of Directors, the 2014 Annual GMS hereby appoint Mr. ERWAN YURIS ANG as an Independent Director at BCA as stipulated at Decision Letter of the Limited Liability Company in Indonesia Stock Exchange dated 20 January 2014 No. Kep-00001/BEI/01-2014 concerning Amendment to the Rule Number I-A concerning Listing of Shares (Stock) and Equity-Type Securities Other Than Stock Issued by the Listed Company, effective since the closing of the 2014 Annual GMS.

IV. Confirming that after the closing of the 2014 Annual GMS, the composition of members of the Board of Commissioners and Board of Directors are as follows:

Board of Commissioners

Position	Name
President Commissioner	Mr. Ir. DJOHAN EMIR SETIJOSO
Commissioner	Mr. TONNY KUSNADI
Independent Commissioner	Mr. CYRILLUS HARINOWO
Independent Commissioner	Mr. Doktor RADEN PARDEDE
Independent Commissioner	Mr. SIGIT PRAMONO

Board of Directors

Position	Name
President Director	Mr. JAHJA SETIAATMADJA
Deputy President Director	Mr. EUGENE KEITH GALBRAITH
Director	Mrs. DHALIA MANSOR ARIOTEDJO
Director	Mr. ANTHONY BRENT ELAM
Director	Mr. SUWIGNYO BUDIMAN
Director (concurrently Compliance Director)	Mr. TAN HO HIEN/SUBUR also known as SUBUR TAN
Director	Mr. RENALDO HECTOR BARROS
Director	Mr. HENRY KOENAIFI
Director	Mr. ARMAND WAHYUDI HARTONO
Independent Director	Mr. ERWAN YURIS ANG
Director	Mr. RUDY SUSANTO

Under condition that Mr. RENALDO HECTOR BARROS still held the position as a Director of BCA up to 31 May 2014; The appointment of Mr. RUDY SUSANTO as a Director of BCA is effective if and from the date the Indonesia Financial Services Authority gives its approval to the appointment or starting 1 June 2014, whichever is more recent, with the term of office until the closing of the 2016 Annual GMS of BCA.

V. Granting power and authority to the Board of Directors, with substitution right, to convey the decision regarding the composition of members of the Boards of Commissioners and Directors in deed before a Notary, including conveying the composition after obtaining the Letter of Approval from the Financial Services Authority concerning the decisions made in the 2014 Annual GMS above, and then forward the notification to the competent authority, and perform each and every act required in accordance with the decision and the applicable legislation.

VI. Confirming that the granting of authority as mentioned at point V of the decision is effective since the proposal submitted in this event is approved by the Annual GMS to be held in 2014.

Result of the vote calculation AGMS 2014 is as follows:

Approve	Disapprove	Abstain
19,532,964,933 (89.705%)	2,241,695,151	312,272,274

Realization description: Realized

d. The Fourth Agenda

I. (i) Granting full power and authority to FARINDO INVESTMENTS (MAURITIUS) LIMITED, qualitate qua (qq) Mr. ROBERT BUDI HARTONO and Mr. BAMBANG HARTONO, as the majority shareholder of the Company, to determine the amount of the honorarium and other benefits to be paid by the Company to the members of the Board of Commissioners who serve in the Company over the financial year 2014;

(ii) Granting full power and authority to the Company's Board of Commissioners to determine the amount of salary and other benefits to be paid by the Company to the members of the Board of Directors who serve in the Company over the financial year 2014.

In exercise of the power and authority mentioned above:

i. FARINDO INVESTMENTS (MAURITIUS) LIMITED, qualitate qua (qq) Mr. ROBERT BUDI HARTONO and Mr. BAMBANG HARTONO, as the majority shareholder of the Company for the time being, shall consider the recommendations of the Board of Commissioners, which shall consider the recommendations of the Remuneration and Nomination Committee;

ii. The Board of Commissioners shall consider the recommendations of the Remuneration and Nomination Committee;

II. Resolving that such power and authority as described in point I above shall be effective as of the date on which the proposal put forward under this point is accepted and approved by the 2014 Annual GMS;

III. The amount of salary or honorarium and benefits to be paid by the Company to the members of the Board of Directors and the Board of Commissioners who serve in the Company over the financial year 2014 shall be set out in the 2014 Annual Report.

Result of the vote calculation of AGMS 2014 is as follows:

Approve	Disapprove	Abstain
21,691,467,071 (99.618%)	83,193,013	47,879,987

Realization description: Realized

Result of the vote calculation of AGMS 2013 is as follows:

Approve	Disapprove	Abstain
22,162,038,800 (99.798%)	44,895,850	184,955,800

Realization description: Realized

e. The Fifth Agenda

I. Granting power and authority to the Board of Commissioners to appoint a Registered Public Accounting Firm with a global network of member firms (including a Registered Public Accountant from such Registered Public Accounting Firm) to audit the books and records of the Company for the financial year 2014 and to determine the amount of honorarium and other conditions in relation to the appointment of such Registered Public Accounting Firm with a global network of member firms (including a Registered Public Accountant from such Registered Public Accounting Firm) with due observance of the recommendations of the Audit Committee and the prevailing laws and regulations, among others regulations in the field of Capital Markets.

II. Resolving that such power and authority shall be effective as of the date on which the proposal put forward under this point is accepted and approved by the 2014 Annual GMS.

Result of the vote calculation of AGMS 2014 is as follows:

Approve	Disapprove	Abstain
21,657,650,132 (99.463%)	117,009,952	29,322,887

Realization description:

- The Board of Commissioners has appointed a Registered Public Accounting Firm, namely the **Public Accounting Office Siddharta & Widjaja (now Siddharta Widjaja & Rekan)**, a member of KPMG International (including the Registered Public Accountant, namely **Elisabeth Imelda** who is a member of the Registered Public Accounting Office) to audit the books of BCA for the 2014 financial year

Result of the vote calculation of AGMS 2013 is as follows:

Approve	Disapprove	Abstain
22,110,889,600 (99.567%)	96,045,050	184,955,800

Realization description:

- The Board of Commissioners has appointed a Registered Public Accounting Firm, namely the **Public Accounting Office Siddharta & Widjaja (now Siddharta Widjaja & Rekan)**, a member of KPMG International (including the Registered Public Accountant, namely **Elisabeth Imelda** who is a member of the Registered Public Accounting Office) to audit the books of BCA for the 2013 financial year

f. The Sixth Agenda

I. Granting power and authority to the Company's Board of Directors (with the approval of the Board of Commissioners), to the extent that the financial condition allows, to determine and pay interim dividends for the financial year ended on 31 December 2014, provided that to ensure compliance with Article 72 of Law No. II. 40 of 2007 on Limited Liability Companies, if the interim dividends shall be distributed, then the distribution must be made prior to the end of the financial year 2014 to the shareholders, including determining the form, amount and manner of payment of such interim dividends, without prejudice to the approval of any competent authorities and the prevailing laws and regulations.

II. Resolving that such power and authority shall be effective as of the date on which the proposal put forward under this point is accepted and approved by the 2014 Annual GMS.

Result of the vote calculation of AGMS 2014 is as follows:

Approve	Disapprove	Abstain
21,748,867,471 (99.882%)	25,792,613	22,716,200

Realization description:
- Interim dividend distribution for the 2014 financial year was conducted on 23 December 2014

Result of the vote calculation of AGMS 2013 is as follows:

Approve	Disapprove	Abstain
22,116,583,150 (99.59%)	27,776,000	625,716,500

Realization description:
- Interim dividend distribution for the 2013 financial year was conducted on 17 December 2013

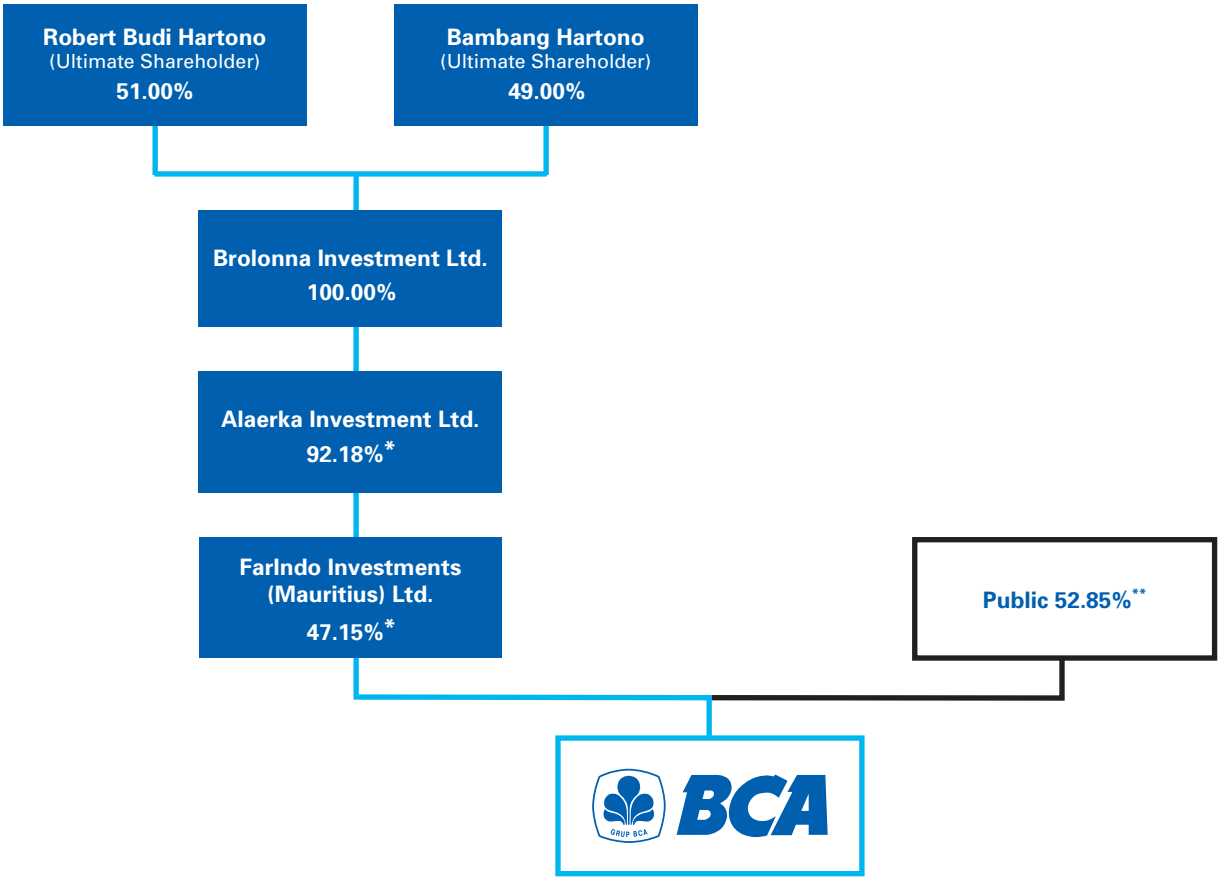
9. Statement Concerning the Unrealized GMS Resolution

There is no resolution of the 2014 GMS that has not been realized.

10. Major/Controlling Shareholders

The Major/Controlling Shareholders of BCA is **Farlndo Investments (Mauritius) Ltd**.

Below is an information diagram showing the Major/Controlling Shareholders of BCA (directly or indirectly):



Note:

Controlling Shareholders

Controlling Line

* Alaerka Investment Ltd. owns 92.18% shares in Farlndo Investments (Mauritius) Ltd. ("Farlndo"). Farlndo's Treasury Stocks accounts for the balance of 7.82%

** In the composition of shares held by the public, 2.45% of the shares are owned by parties affiliated with the Ultimate Shareholders, 0.02% are held by Mr. Robert Budi Hartono and 0.02% by Mr. Bambang Hartono

Board of Commissioners and Board of Directors owns 0.24% of the shares. Each public shareholders owns less than 5% of the shares

Shares owned by public also includes Anthony Salim's share ownership of 1.76%

THE BOARD OF COMMISSIONERS

The Board of Commissioners is the organ of the Company that has the primary duty to provide advice and oversee the policies of the Board of Directors in running the Company. The Board of Commissioners also has the duty of ensuring the implementation of GCG (Good Corporate Governance) principles in every business activity conducted by BCA at all the levels of the organization.

The Board of Commissioners conducts their duties and responsibilities independently.

1. Legal Reference

Based on Law No. 40 of 2007 on Limited Liability Companies, every company that is established in accordance to Indonesian law is required to form a Board of Commissioners. The Board of Commissioners supervises the management policies of BCA and the running of the management in general, both concerning the Company or the Company's business, as well as giving advice to the Board of Directors, which is done for the benefit of the Company in accordance with the Company's purposes and objectives.

2. Charter of the Board of Commissioners

The Board of Commissioners operates under a Code of Conduct (Board of Commissioners Charter) which covers:

- Composition and criteria of the Board of Commissioners;
- Independent Commissioners;
- Tenure of the Board of Commissioners;
- Dual positions of the Board of Commissioners;
- Obligations, Duties, Responsibilities and Authorities of the Board of Commissioners;
- Transparency and prohibitions of the Board of Commissioners;
- Orientation and training of the Board of Commissioners;
- Ethics and working hours of Board of Commissioners;
- Meetings of the Board of Commissioners.

The Board of Commissioners Charter is published in the GCG BCA Manual and can be viewed on BCA's website (www.bca.co.id) under Good Corporate Governance.

3. Duties and Responsibilities of the Board of Commissioners

The duties and responsibilities of the Board of Commissioners are as follows:

1. To supervise the management policies of BCA and the running of the management, and to provide advice to the Board of Directors. The supervision by the Board of Commissioners is in the interest of BCA and accordance with the purposes and objectives as stated in the Articles of Associations of BCA.
2. To ensure the implementation of GCG principles in any business activities of BCA at all levels of the organization.
3. To direct, monitor, and evaluate the implementation of BCA's strategic policies.
4. To ensure that the Board of Directors has taken follow-up actions on audit findings and heeded recommendations of the Internal Audit Division, External Auditor, monitoring reports of the authorities including but not limited to the Financial Services Authorities, Bank Indonesia, and/or the Indonesian Stock Exchange.
5. To inform Bank Indonesia/Financial Services Authorities no later than 7 (seven) working days of discovering violations of the laws and regulations in the field of finance and banking, or a condition or potential condition which may harm the business continuity of BCA.
6. To establish the:
   a. Audit Committee;
   b. Risk Oversight Committee; and
   c. Remuneration and Nomination Committee.

7. To ensure that the Committees formed by the Board of Commissioners perform their duties effectively.
8. To provide sufficient time to perform their duties and responsibilities in an optimal manner.
9. To organize periodic Board of Commissioners meetings, no less than 4 (four) times in one year. All members of the Board of Commissioners will attend the Board of Commissioners meetings physically at least 2 (two) times in one year.
10. To prepare the minutes of the Board of Commissioners meetings, signed by all members of the Board of Commissioners attending the Board of Commissioners meeting.
11. To distribute a copy of the minutes of the Board of Commissioners meeting to all members of the Board of Commissioners and related parties.
12. To submit a report on the monitoring tasks that were carried out during the previous financial year to the Annual GMS.

4. Authorities of the Board of Commissioners

The Board of Commissioners, among other tasks, is authorized:

1. To enter buildings or other places used or controlled by BCA.
2. To inspect all books, correspondence and other data.
3. To request explanation to the Board of Directors regarding any aspect of BCA.
4. Temporarily dismiss one or more members of the Board of Directors in the event the member of the Board of Directors' action contradicts the Articles of Association of BCA, is detrimental to BCA, is malpractice and/ or violates the applicable laws and regulations.
5. To evaluate and decide on requests of the Board of Directors relating to transactions that require the approval of the Board of Commissioners in accordance with the Articles of Association of BCA, among others:
   a. Lending money or providing credit or other banking facilities that resemble or result in loans:
      i. To related parties as stipulated in Bank Indonesia regulations concerning Lending Limit of Commercial Banks;
      ii. That exceed a certain amount which from time to time will be determined by the Board of Commissioners.
   b. Providing guarantees or underwriting of debt (borgtocht):
      i. To guarantee the payment obligations of related parties to other parties as stipulated in Bank Indonesia regulations concerning Lending Limit of Commercial Banks;
      ii. To guarantee the obligations of other parties for the amount that exceeds a certain amount which from time to time will be determined by the Board of Commissioners.
   c. Purchasing, or otherwise acquiring immovable property, except in order to implement what is established in point (q) paragraph 2 Article 3 of the Articles of Associations of BCA, namely in performing activities commonly conducted by a bank as long as not contrary to the prevailing laws and regulations, including, among other measures for restructuring or rescuing loans including collateral purchase, either all or in part, by auction or otherwise, in the event the debtor does not fulfill its obligations to the bank, with the provision that the collateral purchased shall then be disbursed;

d. Establishing a new company, conducting or releasing or reducing or increasing its equity capital, except:
   I. Increase in capital from stock dividends of BCA, or;
   II. Equity in order to rescue credit;
   by constantly taking into account the prevailing laws;
e. Borrowing money that is not included in point (a) paragraph 2 Article 3 of the Articles of Associations of BCA, namely collecting funds from the public through savings in the form of demand deposits, time deposits, certificates of deposit, savings and/or other equivalent forms;
f. Transferring or releasing BCA's right to collect amounts written off, either in part or in whole, the amount to be determined from time to time by the Board of Commissioners;
g. Selling or otherwise transferring or disposing or pledging/offering, property of BCA which is worth less than or equal to 1/2 (one half) of the total net assets of BCA as listed on the balance sheet of BCA, both in 1 (one) transaction or in multiple transactions which stand alone or are related to each other in 1 (one) fiscal year;
h. Taking legal actions or transactions that are strategic and can have a significant impact on the continuity of BCA's business, the type of legal action or transaction from time to time to be determined by the Board of Commissioners.

In carrying out its duties, responsibilities and authorities, the Board of Commissioners shall consider the Articles of Association of BCA, the Board of Commissioners Charter, and the prevailing legislation.

5. Number, Composition and Criteria of Members of the Board of Commissioners

As of 31 December 2014, the Board of Commissioners of BCA consisted of 5 (five) members, comprising of 1 (one) President Commissioner, 1 (one) Commissioner, and 3 (three) Independent Commissioners. The number of members in the Board of Commissioners does not exceed the number of members in the Board of Directors. The number of Independent Commissioners is 60% of the total number of members of the Board of Commissioners.

All members of the Board of Commissioners have passed the Fit and Proper Test and have obtained approval letters from Bank Indonesia and are domiciled in Indonesia.

The term of office of members of the Board of Commissioners is 5 (five) years. The term of office of Commissioners for the current period will expire at the conclusion of the 2016 BCA Annual GMS, without prejudice to the authority of the General Meeting of Shareholders to dismiss one or more members of the Board of Commissioners at any time before the term ends.

The general criteria in the selection of Commissioners, among others, are to:
a. Have expertise or experience in the field of his/ her responsibility;
b Have good leadership skills;
c. Have good reputation in performing his/ her previous assignments;
d. Have good character and morals;
e. Willing and able to conduct legal actions;
f. Have not been declared bankrupt or be a member of other Boards of Commissioners/ Directors found guilty of causing a company to go bankrupt within 5 (five) years prior to appointment;
g. Have not been convicted of committing a crime in the financial sector within 5 (five) years prior to appointment.

6. Composition of Members of the Board of Commissioners of BCA as of 31 December 2014

Based on the Deed of Minutes of the Annual General Meeting of Shareholders of PT Bank Asia Tbk No. 80 dated 14 August 2014, the composition of the Board of Commissioners of BCA is the following:

Position	Name
President Commissioner	Djohan Emir Setijoso
Commissioner	Tonny Kusnadi
Independent Commissioner	Cyrillus Harinowo
Independent Commissioner	Raden Pardede
Independent Commissioner	Sigit Pramono

Profiles of the members of BCA's Board of Commissioners are presented in the **Corporate Data** section, page 506 - 507 of this Annual Report.

7. Diversity in the Composition of Members of the Board of Commissioners

The composition of the Board of Commissioners of BCA reflects the diversity of its members, in terms of education, working experience, age and expertise, and each holds a high degree competence in favor of increasing the performance of the Company.

8. Nomination of Members of the Board of Commissioners

The Remuneration and Nomination Committee (KRN) recommends candidates for members of the Board of Commissioners to the Board of Commissioners. Furthermore, with regard to the recommendation of the KRN, the Board of Commissioners proposes the appointment of candidates for members of the Board of Commissioners to be submitted in the GMS. The GMS appoints candidates for the Board of Commissioners to be members of the Board of Commissioners, with regards to the recommendation of the Board of Commissioners.

9. Information concerning Independent Commissioner

a. Criteria of Independent Commissioner

- Does not have financial, management, share ownership, and/or family relationship with other members of the Board of Commissioners, Board of Directors, and/or Controlling Shareholders.
- Does not have any relationship with BCA that may affect his ability to act independently.

b. Statement of Independence of the Board of Commissioners

All members of the Board of Commissioners of BCA have no family connection to the second degree or financial relationships with fellow members of the Board of Commissioners, members of the Board of Directors and/or Controlling Shareholders, or a relationship with BCA that may affect their ability to act independently.

All Independent Commissioners do not have financial, management, stock ownership or family relationships with fellow members of the Board of Commissioners, members of the Board of Directors and/or Controlling Shareholders or a relationship with BCA which may affect their ability to act independently.

Name	Position	Family Relations With						Financial Relations With					
		Board of Commissioners		Board of Directors		Controlling Shareholders		Board of Commissioners		Board of Directors		Controlling Shareholders	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Djohan Emir Setijoso	President Commissioner	-	√	-	√	-	√	-	√	-	√	-	√
Tonny Kusnadi	Commissioner	-	√	-	√	-	√	-	√	-	√	-	√
Cyrillus Harinowo	Independent Commissioner	-	√	-	√	-	√	-	√	-	√	-	√
Raden Pardede	Independent Commissioner	-	√	-	√	-	√	-	√	-	√	-	√
Sigit Pramono	Independent Commissioner	-	√	-	√	-	√	-	√	-	√	-	√

10. Share Ownership of Members of the Board of Commissioners that amounts to 5% or more of the Paid-up Capital

Name	Share Ownership of the Members of the Board of Commissioners that amounts to 5% or more of the Paid-up Capital			
	BCA	Other Bank	Non-Bank Financial Institutions	Other Companies
Djohan Emir Setijoso	-	-	-	√
Tonny Kusnadi	-	-	-	√
Cyrillus Harinowo	-	-	-	-
Raden Pardede	-	-	-	√
Sigit Pramono	-	-	-	-

Description:
√ = Owns shares that amount to 5% (five percent) or more of the Paid-up Capital

11. Dual Functions of Members of the Board of Commissioners

Members of the Board of Commissioners do not hold dual positions except on matters set out by the Bank Indonesia Regulation on the Implementation of GCG for Commercial Banks, which restrict dual functions as a member of a Board of Commissioners, Board of Directors or Executive Officers:

a) at 1 (one) institution/company that is not a financial institution; or

b) in 1 (one) non-bank subsidiary controlled by the Bank in performing oversight functions.

Name	Position in BCA	Position in Other Banks	Position in Company/Institution	Business Area
Djohan Emir Setijoso	President Commissioner	-	-	-
Tonny Kusnadi	Commissioner	-	President Commissioner of PT Sarana Menara Nusantara	Telecommunications Tower Operator
Cyrillus Harinowo	Independent Commissioner	-	Independent Commissioner of PT Unilever Indonesia	Consumer Goods
Raden Pardede	Independent Commissioner	-	Independent Commissioner of PT Adaro Indonesia	Coal Mining
Sigit Pramono	Independent Commissioner	-	-	-

12. The Board of Commissioners Meetings, Joint Meetings and the Attendance of Members of the Board of Commissioners

The Board of Commissioners meeting schedule is set at the beginning of the year. Throughout 2014, the Board of Commissioners held 50 (fifty) meetings. BCA is in compliance with Bank Indonesia regulations regarding minimum mandatory Board meetings of 4 (four) times a year, with physical attendance of at least 2 (two) times a year.

Decision-making is conducted through consensus agreement. In the event consensus agreement does not occur, decision-making is carried out based on majority vote.

All decisions taken in the meeting of the Board of Commissioners shall be binding. Differences of opinion (dissenting opinions) that occur in the Board of Commissioners meetings shall be clearly stated in the minutes of the meeting along with the reasons for dissent.

Frequency and Attendance of the Board of Commissioners for 2014 are detailed in the following:

Name	Total Meetings	Attendance	Percentage
Djohan Emir Setijoso	50	46	92 %
Tonny Kusnadi	50	46	92 %
Cyrillus Harinowo	50	39	78 %
Raden Pardede	50	42	84 %
Sigit Pramono	50	48	96 %

The frequency of Joint Meetings between the Board of Commissioners and the Board of Directors and Attendance of Members of the Board of Commissioners during these joint meetings in 2014 is detailed in the following:

Name	Total Meetings	Attendance	Percentage
Djohan Emir Setijoso	15	14	93 %
Tonny Kusnadi	15	15	100 %
Cyrillus Harinowo	15	12	80 %
Raden Pardede	15	13	87 %
Sigit Pramono	15	13	87 %

13. Implementation of Duties of the Board of Commissioners

One of the duties and responsibilities of the Board of Commissioners is to provide advice to the Board of Directors for the benefit of the Company in accordance with the purposes and objectives of the Company.

In 2014, the advice and recommendations provided by the Board of Commissioners to the Board of Directors included:

1. **Relating to Business Management in general:**
   a. In consideration of the rapid development of BCA's business and the increase in the number of BCA's subsidiaries, it is necessary to develop a consolidated integrated risk control that is both effective and efficient while being in line with the prevailing rules and regulations.

b. Given the economic development at home and abroad that is not very conducive, the implementation of the program/business objectives carried in the Bank's Business Plan and Annual Budget Plan shall consider the prudential banking and compliance aspects, and socialize this to all branches and business units.
c. Capitalization will increasingly become a challenge in the coming years so good capital planning is required.

2. **Relating to Risk Management:**
   a. **Credit Risk**
      - A risk of high concentration of one group/specific industry in lending should be avoided.
      - In relation with the fluctuating Rupiah exchange rate, foreign currency loans must be monitored and reviewed if necessary.

   b. **Market Risk**
      In relation with the exchange rate fluctuations associated with the weakening of the Rupiah against the USD, Treasury shall manage the risk of the exchange rate and maintain the Net Open Position (NOP) of BCA at a solid position.

   c. **Liquidity Risk**
      Taking into account the tightening liquidity conditions, competition in getting the third party funds, as well as the high demand for credit, BCA's secondary reserves has to be adequate and LDR must be maintained at a predetermined range.

   d. **Operational Risk**
      In terms of operational risk, the security of information technology requires special attention in order to maintain BCA's excellence in transactional banking.

   e. **Reputation Risk**
      In the increasing light of interactive communication by the public through social media and BCA's role as a transaction bank, the monitoring and provision of a timely response is a must.

   f. **Strategic Risk**
      - It is necessary to develop a lean organization concept and planning for the availability of competent human resources in accordance with the requirements of BCA.
      - Anticipating the decline in the net interest margin of banks in the future, a fee-based income strategy should be prepared.

3. **Relating to Audit and Compliance:**
   a. A risk based approach becomes important to Internal Audit when conducting an assessment/audit function so that the Internal Audit is able to be more focused on high-risk problems or business units.
   b. Regulatory compliance needs to get special attention from all functions and levels, not only in terms of internal control and internal audit, but in order to mitigate starting from the front line.

14. The Board of Commissioners Performance Assessment

Board of Commissioners performance assessment is carried out once every year, by using performance appraisal indicators outlined below:

1. Contribution and support of the Board of Commissioners to implement the vision and mission of BCA in the current year's work program, by continuously adhering to the values of BCA.
2. Monitoring for the implementation of Good Corporate Governance.

The annual performance assessment of members of the Board of Commissioners is carried out by the Controlling Shareholders.

15. Procedure of Determining the Remuneration for the Board of Commissioners

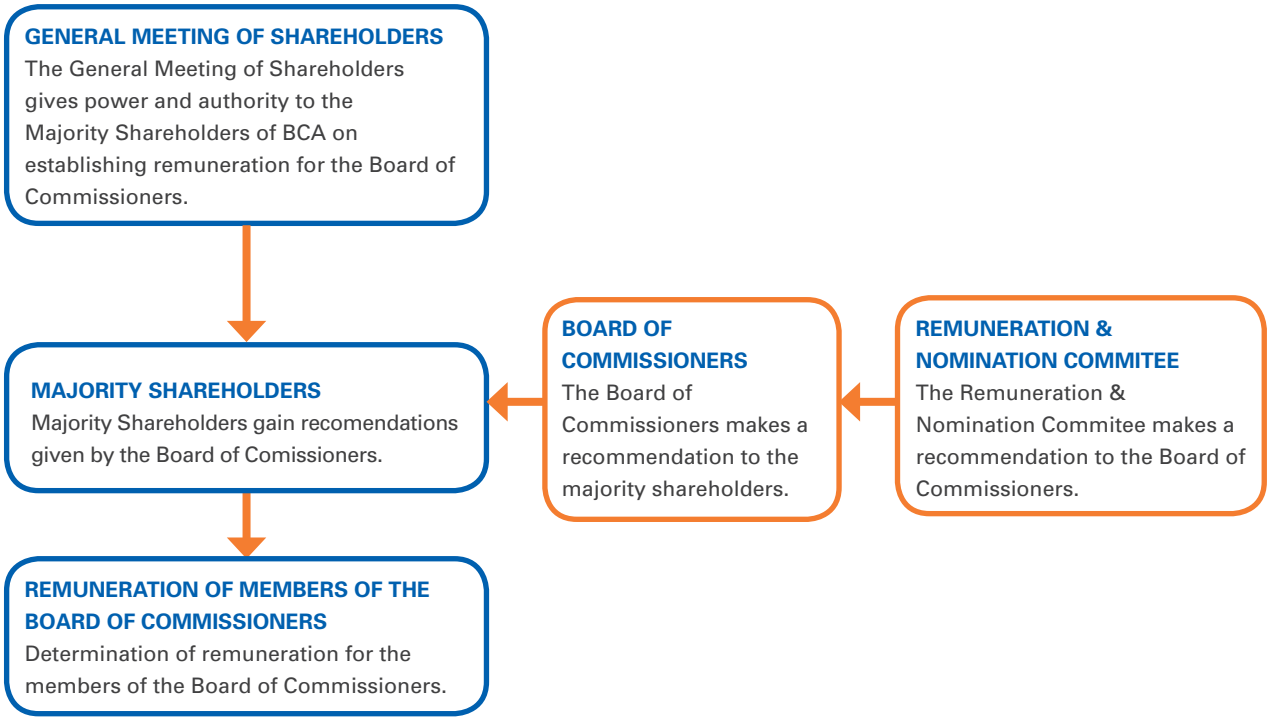
Based on the decision of the 2014 Annual GMS, the GMS has granted power and authority to the Controlling Shareholders to:

(i) determine the amount of honorarium and other benefits to the members of the Board of Commissioners;

(ii) determine the distribution of tantiem among the members of the Boards of Commissioners and Directors of BCA;

In exercising the power and authority, the Controlling Shareholders would take into consideration the recommendations of the Board of Commissioners, in which the Board of Commissioners will take into account the recommendation of the Remuneration and Nomination Committee.

Determination Procedure Scheme of Remuneration of Board of Commissioners



16. The Remuneration Structure of the Board of Commissioners

The Remuneration Structure that shows the components of remuneration and the nominal amount per component for all members of the Board of Commissioners for 2014 is as follows:

Type of Remuneration and Other Facilities	Amount Received in 1 Year	
	BOARD OF COMMISSIONERS	
	Persons	In Million Rupiah
1. Remuneration (salary, bonus, routine allowance, tantiem and other non-natura facilities)	5	71, 694
2. Other natura facilities:		
a. Business Travel Allowance	3	78
b. Health Benefits	5	544
c. Health & Golf Club Memberships	2	89
d. Option of purchasing service vehicles at the end of Leasing period	5	5,596
3. Benefit retirement (owned at the end of term)	5	USD 825,000
Total		**78,001 + USD 825,000**

The amount of remuneration received in cash during 2014 for each member of the Board of Commissioners for 1 (one) year is in excess of Rp 2 billion.

17. Orientation Programs for New Members of the Board of Commissioners

An orientation program is organized for new members of the Board of Commissioners, in order to assure that the new members are prepared as thoroughly as possible to carry out their relevant duties and responsibilities as a member of the Board of Commissioners.

The orientation program includes:

1. Information regarding BCA such as the vision, mission, strategy and medium and long term plans, performance, as well as finances of BCA.
2. Details of the duties and responsibilities as a member of the Board of Commissioners such as limits of authority, working time, the relationship with the Board of Directors, rules and regulations, and others.

Members of the Board of Commissioners who are participating in the orientation can:

a. Request presentations to obtain explanation of various aspects deemed necessary, involving the management under it.
b. Organize meetings with the Board of Directors to discuss issues in BCA or other information deemed necessary.
c. Conduct visits to various business locations of BCA with members of the Board of Directors/ Management.

18. Training Programs to Improve the Competence of Members of the Board of Commissioners

Training programs attended by members of the Board of Commissioners in 2014 are as follows:

Name	Training Program	Organizer	Location	Date
Djohan Emir Setijoso	Seminar on "Befriending With The Boom Bust Cycle"	Deposit Insurance Agency (LPS)	Jakarta	23 September
	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	9-10 October
	IBI Economic Outlook Seminar 2015	IBI	Jakarta	11 December
Tonny Kusnadi	e-Channel Trends 2014 by Sharing Vision	Sharing Vision	Bandung	27-28 February
	Seminar on "The application of FSA Regulation No. 1 / POJK.07 / 2013 on Consumer Protection in the Financial Services Sector, particularly with regard to Banking "	Banking Communications Compliance Director Forum (FKDKP)	Jakarta	11 September
	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	9-10 October
Cyrillus Harinowo	Economic Outlook in Political Year Seminar	BCA Pontianak	Pontianak	14 January
	Benchmarking Program SESPIBANK (60th batch)	Indonesian Banking Development Institute (LPPI)	Norway & Sweden	11-14 May
	Asean Global Leadership Program, California-USA, SRW&Co UC Berkeley	SRW&Co & UC Berkeley Executive Education	Berkeley, California, USA	15-20 June
	Seminar on "Strengthening the cooperation between Industry Participants and Qualified Business Schools as a Necessity"	MM FEB UGM Jakarta	Jakarta	17 September
	SESPIBANK (61st batch)	SESPIBANK	Jakarta	22 September
	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	9-10 October
	HIMIESPA UGM Internasional Seminar	Student Association of Economic Development Studies	Yogyakarta	15 November
	The Rise of The Consumer Class Indonesia 2015	Berita Satu Media	Jakarta	25 November
	Key Risk Management Challenges in 2015: "Preparing for Asia Economic Community - Ways to Strengthen Bank Competitiveness Yet Safeguarding Banks from Risks"	BARa	Bali	27-28 November
	National seminar of ASBANDA on "Role of the Board of Commissioners in Bank Risk Management & the Implementation ICAAP"	Indonesian Bank Association of Regional Development (ASBANDA)	Jakarta	16 December
Raden Pardede	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	9-10 October
Sigit Pramono	Executive International Conference: Key Risk Management Challenges 2014	BARa	Moscow	15-16 September
	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	9-10 October

THE BOARD OF DIRECTORS

The Board of Directors is tasked with carrying out the management of the Company in the interests and objectives of the Company in accordance with the purposes and objectives of the Company under the provisions of the Articles of Association and prevailing legislation.

1. Legal Reference

In reference to Law Number 40 Year 2007 regarding Limited Liability Companies, the Board of Directors means the organ of the Company that has the authority and full responsibility to manage the Company for the interest of the Company, in accordance with the purposes and objectives of the Company as well as to represent the Company, either in or out the court in accordance with the provisions of the Articles of Association.

2. Charter of the Board of Directors

The Board of Directors has a Board of Directors Charter that governs among others the folowing:

- Composition, Criteria, and Independency of the Board of Directors;
- Terms of office of the Board of Directors;
- Dual positions of the Board of Directors;
- Obligation, Duties, Responsibilities, and Authorities of the Board of Directors;
- Transparency and Prohibition for the Board of Directors;
- Orientation and Training for the Board of Directors;
- Ethics and Working Hours of the Board of Directors;
- Meetings of the Board of Directors.

The Guidelines and Code of Conduct of the Board of Directors is covered in the GCG Manual of BCA and can be viewed at BCA website (www.bca.co.id) under Good Corporate Governance section.

3. Duties and Responsibilities of the Board of Directors

Duties and responsibilities of the Board of Directors among others are:

a. To lead and manage BCA in accordance with BCA's aims and objectives.
b. To control, maintain and manage BCA's assets for BCA's benefits.
c. To create an internal control structure, to ensure implementation of the internal audit function at each management level and follow-up on Internal Audit findings in accordance with the policies or directives given by the Board of Commissioners.
d. To submit the Annual Work Plan including the Annual Budget to the Board of Commissioners for approval of the Board of Commissioners prior to the commencement of the forthcoming fiscal year, taking into account prevailing laws and regulations.
e. To implement the principles of good corporate governance in each of BCA's business activities at all organizational levels of BCA.
f. To prepare and maintain the Register of Shareholders, Special Register, Minutes of the General Meetings of Shareholders and Minutes of the Board of Directors' meetings.
g. To prepare the Annual Report and other financial documents of the Company as set forth in the prevailing legislations.
h. To follow-up on audit findings and recommendations of External Auditors and the results of monitoring activities by the Financial Services Authority, Bank Indonesia and/or other authorities, including but not limited to the Indonesia Stock Exchange.
i. To be accountable for the performance of its duties and responsibilities to the shareholders through the General Meeting of Shareholders.

4. Authorities of the Board of Directors

Authorities of the Board of Directors, among others are:

a. To act for and on behalf of BCA in and out of court on all matters and in any event, binding BCA with other parties and other parties with BCA, as well as carrying out all actions, both for management and ownership, with restrictions as listed in the Articles of Association of BCA.
b. For certain acts, the Board of Directors is entitled to appoint one or more persons with the authority and conditions determined by the Board of Directors in a special power of attorney.
c. To set policy in leading and managing BCA.
d. To set the rules of employment of BCA, including the determination of salary, pension or retirement benefits and other income for the employees of BCA, based on the prevailing legislation and/or decision of the General Meeting of Shareholders.
e. Appoint and dismiss employees of BCA under BCA's employment rules and regulations.
f. Arrange the handover of authority of the Board of Directors to represent BCA within and outside the Court to one or several members of the Board of Directors specifically appointed for that matter or to one or several employees of BCA, either alone or together with other persons or entities.
g. Execute other actions, both on management and ownership, in accordance with the provisions stipulated by the Board of Commissioners with regard to prevailing legislative provisions.

In carrying out its duties, responsibilities and authority, the Board of Directors shall take into account the Articles of Association of BCA and the Board of Directors Charter, as well as the prevailing laws and regulations.

5. Segregation of Duties and Responsibilities of the Board of Directors

Segregation of Duties and Responsibilities of the Board of Directors is as follows:

No.	Name	Position	Duties and Responsibilities	Alternate Director I	Alternate Director II
1.	Jahja Setiaatmadja	President Director (PD)	• Internal Audit • Corporate Secretary	WPD WPD	DMR DK
2.	Eugene Keith Galbraith#)	Deputy President Director (WPD)	• Finance & Planning	PD	DMR
3.	Dhalia Mansor Ariotedjo	Corporate Banking Director (DBK)	• Corporate Banking • Corporate Banking Branch • Treasury • International Banking • BCA Finance Ltd (Hongkong)*) • BCA Sekuritas*)	DBC DBC PD PD PD PD	DIV DIV WPD WPD DKR DKR
4.	Anthony Brent Elam^)	Risk Management Director (DMR)	• Risk Management • Credit Recovery • Enterprise Security	DWP DWP DIV	WPD WPD DOT

No.	Name	Position	Duties and Responsibilities	Alternate Director I	Alternate Director II
5.	Suwignyo Budiman	Retail & Commercial Banking Director (DBC)	• Retail & Commercial Banking • Cash Management • Transaction Services Development • BCA Syariah*) • BCA General Insurance (BCA Insurance)*)	DBK DBK DIV DIV DIV	DIV DIV DWP DWP DWP
6.	Subur Tan	Compliance Director (DK)	• Compliance • Legal • Human Capital Management • Learning & Development	DMR DMR DMR DMR	WPD WPD WPD WPD
7.	Henry Koenaifi	Individual Banking Director (DIV)	• Consumer Finance (Consumer Card, KPR, KKB)/Consumer Finance • Wealth Management • Individual Banking Marketing Support • Individual Banking Business Support • BCA Finance*) • Central Sentosa Finance*) • BCA Life Insurance*)	DBC DBC DBC DBC DBC DBC DBC	DBK DBK DBK DBK DBK DBK DBK
8.	Armand W. Hartono	Operational & Information Technology Director (DOT)	• Operation Strategy & Development • Domestic Payment Services • Electronic Banking Services • International Banking Services • Information Technology	DWP DWP DWP DWP DIV	DBC DBC DBC DBC DMR
9.	Erwan Yuris Ang	Regional & Branch Banking Director (DWP)	• Procurement & Facilities Management • Network Management & Regional Planning • Regional & Branch Operations**) • Credit Services	DOT DOT DOT DOT	DMR DMR DBC DBC
10.	Rudy Susanto	Credit Director (DKR)	• Credit Risk Analysis	DWP	WPD

Notes:
1. Alternate Directors report to the respective (functional) Director all actions/decisions made during the period of acting in place of the Director.
2. The management of Subsidiary Companies is undertaken to:
   #) Perform the overall monitoring and strategic alignment of the management of Subsidiary Companies.
   ^) Perform risk monitoring of Subsidiary Companies in line with consolidated risk management.
   *) Monitor the business progress of the Subsidiary Companies.
   Implementation of the above functions shall always consider the principles in Limited Liability Companies, wherein the Subsidiary Company is an independent/ separated legal entity.
   The Board of Directors and/or Commissioners of Subsidiary Companies are responsible to the GMS of the Subsidiary Company.
   The Parent Company as shareholder carries out its authorities and functions through the GMS held by the Subsidiary Company.
3. **) Daily implementation, development, and monitoring of regional and branch operations are carried out by the Regional and Branch Support Director.
   The Head of each Regional Office is responsible to the Board of Directors.

6. Number, Composition, and Criteria of Members of the Board of Directors

As of 31 December 2014, there were 10 (ten) members of the Board of Directors of BCA, comprising of 1 (one) President Director, 1 (one) Deputy President Director, concurrently 1 (one) Director of Compliance, and 7 (seven) Directors. The President Director is an independent party to the controlling shareholders.

All members of BCA's Board of Directors have passed the Fit and Proper Test and have acquired Approval Letters of Bank Indonesia/Indonesia Financial Services Authority. All members of the Board of Directors reside in Indonesia.

The term of office of members of the Board of Directors is 5 (five) years. The current period will expire at the conclusion of the 2016 BCA Annual GMS, without prejudice to the authority of the General Meeting of Shareholders to dismiss one or more members of the Board of Directors at any time before the term ends.

The general criteria in the selection of members of the Board of Directors are, among others, to:

1. Possess the expertise or experience in the field of his/ her responsibility;
2. Possess good leadership;
3. Possess good reputation in performing his/ her previous assignments;
4. Possess a good character and morals;
5. Be able to conduct legal actions;
6. Have not been declared bankrupt or become a member of the Board of Commissioners/ Directors who was found guilty of causing a company to go bankrupt within 5 (five) years prior to appointment;
7. Have not been convicted of committing a crime in the financial sector within 5 (five) years prior to the appointment.

7. Composition of Members of the Board of Directors of BCA as of 31 December 2014

Based on the Deed of Minutes of the Annual General Meeting of Shareholders of PT Bank Central Asia Tbk No. 80 dated 14 August 2014, composition of members of the Board of Directors of BCA is as follows:

Position	Name
President Director	Jahja Setiaatmadja
Deputy President Director	Eugene Keith Galbraith
Director	Dhalia Mansor Ariotedjo
Director	Anthony Brent Elam
Director	Suwignyo Budiman
Director (concurrently as Compliance Director)	Tan Ho Hien/Subur or Subur Tan
Director	Henry Koenaifi
Director	Armand Wahyudi Hartono
Independent Director	Erwan Yuris Ang
Director	Rudy Susanto

Profiles of members of the Board of Directors of BCA are presented at the **Corporate Data** section, page 508 - 511 of this Annual Report.

8. Diversity in the Composition of Members of the Board of Directors

The composition of the Board of Directors of BCA reflects the diversity of its members, in terms of education, working experience, age and expertise, and each holds a high degree competence in favor of increasing the performance of the Company.

9. Nomination of Members of the Board of Directors

The Remuneration and Nomination Committee (KRN) recommends candidates for members of the Board of Directors to the Board of Commissioners. After considering this recommendation, the Board of Commissioners proposes the Director candidate(s) for appointment at the GMS. The GMS appoints the candidate(s) as member(s) of the Board of Directors by considering the recommendation from the Board of Commissioners.

10. The Board of Directors Statement of Independence

The majority of members of the Board of Directors of BCA have no financial, management, stock ownership and family relationships with members of the Board of Commissioners, fellow members of the Board of Directors and/or Controlling Shareholders or relationship with BCA that may affect their ability to act independently.

Name	Position	Family Relationship with:						Financial Relationship with:					
		Board of Commissioners		Board of Directors		Controlling Shareholders		Board of Commissioners		Board of Directors		Controlling Shareholders	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Jahja Setiaatmadja	President Director	-	√	-	√	-	√	-	√	-	√	-	√
Eugene Keith Galbraith	Deputy President Director	-	√	-	√	-	√	-	√	-	√	-	√
Dhalia Mansor Ariotedjo	Director	-	√	-	√	-	√	-	√	-	√	-	√
Anthony Brent Elam	Director	-	√	-	√	-	√	-	√	-	√	-	√
Suwignyo Budiman	Director	-	√	-	√	-	√	-	√	-	√	-	√
Henry Koenaifi	Director	-	√	-	√	-	√	-	√	-	√	-	√
Tan Ho Hien/ Subur or Subur Tan	Director (Compliance Director)	-	√	-	√	-	√	-	√	-	√	-	√
Armand Wahyudi Hartono	Director	-	√	-	√	√	-	-	√	-	√	√	-
Erwan Yuris Ang	Independent Director	-	√	-	√	-	√	-	√	-	√	-	√
Rudy Susanto	Director	-	√	-	√	-	√	-	√	-	√	-	√

11. Share Ownership of Members of the Board of Directors that amounts to 5% or more of the Paid-up Capital

Name	Share ownership of members of the Board of Directors that Amounts to 5% or more of the paid up capital at:			
	BCA	Other Bank	Non-Bank Financial Institution	Other Companies
Jahja Setiaatmadja	-	-	-	√
Eugene Keith Galbraith	-	-	-	-
Dhalia M. Ariotedjo	-	-	-	-
Anthony Brent Elam	-	-	-	-
Suwignyo Budiman	-	-	-	-
Henry Koenaifi	-	-	-	-
Subur Tan	-	-	-	-
Armand W. Hartono	-	-	-	√
Erwan Yuris Ang	-	-	-	-
Rudy Susanto	-	-	-	-

Description :

√ = owns shares amounting to 5% (five percent) or more of the paid up capital

12. Dual Functions of Members of the Board of Directors

None of the Directors holds positions as a member of a board of commissioners, member of a board of directors, or executive officer at other banks, companies, and/or institutions.

Name	Position at BCA	Position at Other Bank	Position at Company/ Institution	Line of Business
Jahja Setiaatmadja	President Director	-	-	-
Eugene Keith Galbraith	Deputy President Director	-	-	-
Dhalia Mansor Ariotedjo	Director	-	-	-
Anthony Brent Elam	Director	-	-	-
Suwignyo Budiman	Director	-	-	-
Henry Koenaifi	Director	-	-	-
Tan Ho Hien/ Subur or Subur Tan	Director (concurrently serves as Compliance Director)	-	-	-
Armand Wahyudi Hartono	Director	-	-	-
Erwan Yuris Ang	Independent Director	-	-	-
Rudy Susanto	Director	-	-	-

13. The Board of Directors Meetings, Joint Meetings, and Attendance of Members of the Board of Directors

The Board of Directors meeting schedule is set at the beginning of the year. During 2014, the Board of Directors held 45 (forty five) meetings.

Decision-making is conducted through consensus agreement. In the event consensus agreement does not occur, decision-making is carried out based on majority vote.

All decisions taken in the meeting of the Board of Directors shall be binding. Differences of opinion (dissenting opinion) that occur in Board of Directors meetings shall be clearly stated in the minutes of the meeting along with the reasons for dissent.

The Board of Directors Meeting frequency and level of attendance in 2014 are as follows:

Name	Number of Meetings	Attendance	Percentage
Jahja Setiaatmadja	45	42	93 %
Eugene Keith Galbraith	45	36	80 %
Dhalia M. Ariotedjo	45	35	78 %
Anthony Brent Elam	45	36	80 %
Suwignyo Budiman	45	38	84 %
Subur Tan	45	39	87 %
Renaldo Hector Barros*	24	9	37.5%
Henry Koenaifi	45	37	82 %
Armand W. Hartono	45	35	78 %
Erwan Yuris Ang	45	35	78 %
Rudy Susanto**	17	14	82 %

* Mr. Renaldo Hector Barros resigned as Director of BCA effectively starting 1 June 2014
** Mr. Rudy Susanto effectively has become a Director of BCA starting 21 July 2014

The Board of Commissioners and Board of Directors Joint Meeting frequency and level of attendance of members of the Board of Directors at the Joint Meetings throughout 2014 are as follows:

Name	Number of Meetings	Attendance	Percentage
Jahja Setiaatmadja	15	11	73 %
Eugene Keith Galbraith	15	12	80 %
Dhalia M. Ariotedjo	15	10	67 %
Anthony Brent Elam	15	12	80 %
Suwignyo Budiman	15	11	73 %
Subur Tan	15	13	87 %
Renaldo Hector Barros*	8	2	25 %
Henry Koenaifi	15	14	93 %
Armand W. Hartono	15	10	67 %
Erwan Yuris Ang	15	11	73 %
Rudy Susanto**	7	5	71 %

* Mr. Renaldo Hector Barros resigned as Director of BCA effectively starting 1 June 2014
** Mr. Rudy Susanto effectively has become a Director of BCA starting 21 July 2014

14. The Board of Directors Performance Assessment

The Board of Directors performance assessment is carried out once every year. Performance appraisal of members of the Board of Directors is performed by carrying out self-assessment and reviewed by the President Commissioner/ Board of Commissioners.

In general, the basis of assessment of the members of the Board of Directors is as follows:

1. The performance of the Board of Directors in implementing the vision and mission of BCA in the work program of the current year, by adhering to the values of BCA.
2. The Good Corporate Governance implementation.

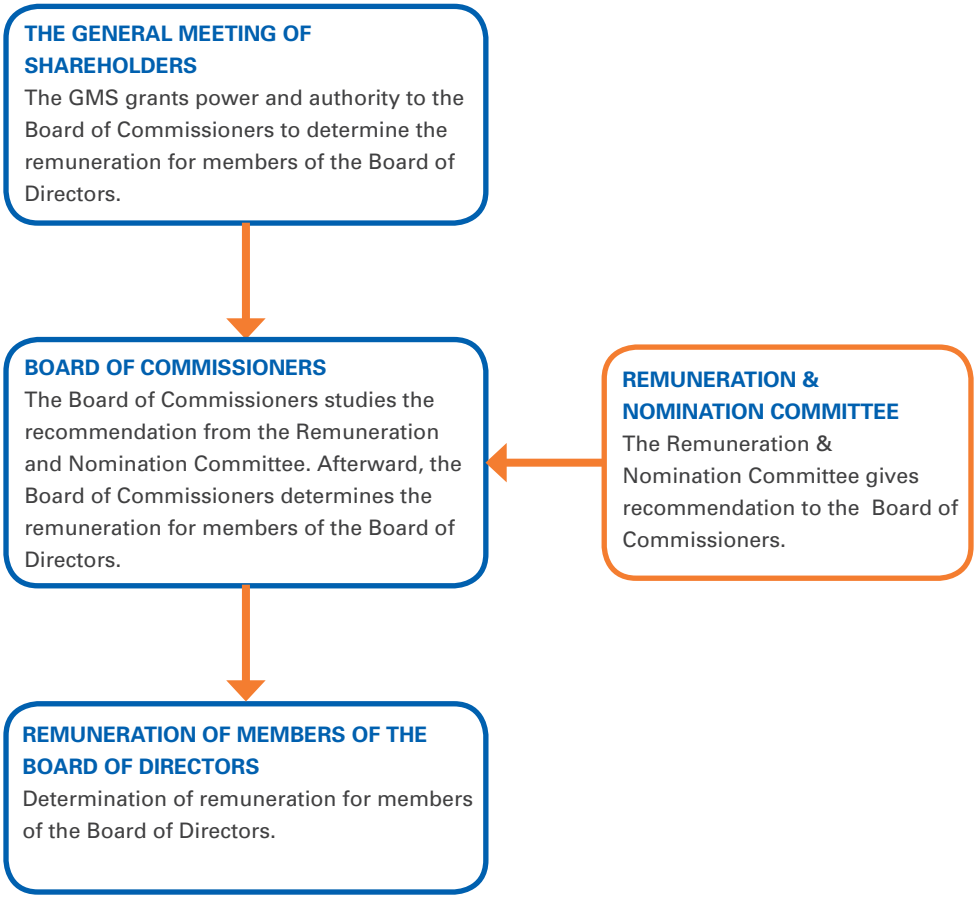
15. Procedure of Determining the Remuneration of the Board of Directors

Based on the decision of the 2014 Annual GMS, the GMS has granted the power and authority to:

i. The Board of Commissioners to determine the amount of salary and other benefits to members of the Board of Directors;
ii. The controlling shareholders to determine the distribution of tantiem among the members of the Boards of Commissioners and Directors of BCA.

In exercising its power and authority, the Board of Commissioners will consider the recommendation of the Remuneration and Nomination Committee.

Determination Procedure Scheme of Remuneration of the Board of Directors



16. Remuneration Structure of the Board of Directors

The Remuneration Structure showing the remuneration components and nominal value for each component for all members of the Board of Directors in 2014 is as follows:

Type of Remuneration and Other Facilities	Type of Remuneration and Other Facilities BOARD OF DIRECTORS	
	Person	In million Rupiah
1. Remuneration (salary, bonus, routine allowances, tantiem, and other non-natura facilities)	10	254,915
2. Other natura facilities:		
a. Business Travel Allowance	10	560
b. Health Benefits	10	1, 374
c. Health Club Membership	7	257
d. Option to buy service vehicle at the end of leasing period	10	15, 809
3. Benefit retirement (owned at the end of the duty)	10	USD 2,190,000
Total		**272,915 + USD 2,190,000**

The amount of remuneration for each member of the Board of Directors in 1 (one) year is above Rp 2 billion, received in cash throughout 2014.

Indicators for Implementing the Remuneration of the Board of Directors

The indicators for implementing the remuneration of the Board of Directors are as follows:

a. Individual performance of each member of the Board of Directors.
b. Financial performance and fulfillment of reserve fund as stated at the Limited Liability Company Law.
c. Fairness with peer group. Equality of position within BCA organization and with other similar banks in terms of assets and characteristics.
d. Consideration of BCA's long-term goals and strategies.

17. Orientation Program for New Members of the Board of Directors

An orientation program is organized for new Directors in order to help them in carrying out the relevant duties and responsibilities as a Director as well as possible.

The orientation program includes:

1. Information regarding BCA such as the vision, mission, medium and long term strategy and plans, performance, as well as financial aspects of BCA.
2. Understanding the duties and responsibilities as a member of the Board of Directors, limits of authority, working time, relationship with the Board of Commissioners, rules and regulations, etc.

Members of the Board of Directors who are participating in the orientation may do the following:

a. Request presentations to obtain explanation of various aspects deemed necessary, by involving the management under it.
b. Organize meetings with fellow members of the Board of Directors and the Board of Commissioners to discuss various issues in BCA or other information deemed necessary.
c. Conduct visits to several business locations/ branches of BCA with fellow members of the Board of Directors/ Management.

18. Training Programs to Enhance of Members of the Board of Directors

Training programs attended by Directors in 2014 are as follows:

Name	Training Program	Organizer	Location	Date
Jahja Setiaatmadja	Economic Prospect in the 2014 Political Year	Perbanas Jatim	Surabaya	22 January
	REFRESHMENT : Sound Strategy For Loan and Capital Planning in 2014	BARa	Bali	27-28 February
	Indonesian Banking Union National Seminar Theme: Strengthening the Welfare State Concept in the Economic Legal System in Indonesia	Indonesian Banking Union (IBU)	Jakarta	13 March
	The Future of Financial and Banking Group Seminar Theme: The Supervision Strategy of Parent Bank towards its Business Subsidiaries	Warta Ekonomi	Jakarta	14 April
	International Monetary Conference (IMC)	IMC	Munich, Germany	1-3 June
	IBEX Seminar Theme: Financial Deepening	PERBANAS	Jakarta	29 August
	The International Seminar held in accordance with the 19th Anniversary of LPS Theme: Befriending with the Boom Bust Cycle	LPS	Jakarta	23 September
	Business and Banking Forum Theme: Measuring Liquidity and Banking in Tight Monetary Situation	Bisnis Indonesia	Jakarta	24 September
	IBM Think Forum	IBM	New York, US	6-12 October
	Biz Brief Talkshow	MNC	Jakarta	27 October
	Forbes Global CEO Conference	FORBES	Singapore	28-29 October
	Capital Market Communities	BCA	London & Edinburgh	7-11 November
	Asia Banking CEO Roundtable	Temasek & SMBC	Tokyo, Japan	23-28 November
	Markplus Conference 2015, Theme: Cross & Up Selling Through CRM: BCA Case Study	Markplus Inc.	Jakarta	11 December

Name	Training Program	Organizer	Location	Date
Eugene Keith Galbraith	UBS Indonesia Conference 2014	UBS	Jakarta	26 February
	17 Annual Credit Suisse Asian Investment Conference	Credit Suisse	Hong Kong	24-25 March
	HSBC Indonesia Discovery Forum	HSBC	Jakarta	15 April
	Risk Management Refreshment Program: "Revamping The Capability in Loan Analysis: Revisit The Core Techniques in Loan Underwriting Methods"	BARa	Bandung	24-25 April
	Morgan Stanley Global Energing Market Conference	Morgan Stanley	New York	9-10 July
	CLSA Investors Forum 2014	CLSA	Hong Kong	17-19 September
	Euromoney Asia Bank Capital & Funding Summit 2014	Euromoney	Hong Kong	25 September
	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	9-10 October
	Indonesia Investor Conference 2014	Citigroup Securities Indonesia	Jakarta	15 October
	DB Access Indonesia Conference	Deutsche Bank	Jakarta	19 November
Dhalia M. Ariotedjo	The 2015 Economic Outlook Seminar	Perbanas	Jakarta	14 January
	Citibank Global Bank Conference	Citibank	Greece	12-14 May
	SIBOS Conference	SIBOS	Boston, USA	29 September–2 October
	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	9-10 October
	Payment Indonesia 2014 e-Commerce Edition	Transactives & Indonesia e-Commerce Ass.	Jakarta	18-19 November
Anthony Brent Elam	Tenth Asia - Pacific High Level on Banking Supervision.	Tenth Asia	Auckland	21-28 February
	The 2014 Financial Education Literacy	Indonesia Financial Services Authority (OJK)	Mataram, NTB	7-8 March
	Risk Management Refreshment Program: "Revamping The Capability in Loan Analysis: Revisit The Core Techniques in Loan Underwriting Methods"	BARa	Bandung	24-25 April
	Bank of America Merrill Lynch Cal GEMS Conference	Bank of America Merrill Lynch	California	4-5 June
	Executive Program On Insurance Capital & Risk Management	IIF	Zurich	24-27 June
	J.P Morgan's 18th Annual Asia Pacific Conference & ASEAN Forum	J.P Morgan	Boston & London	3-9 September
	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	10 October
	Risk Mind Asia Conference	Risk Mind Asia	Singapore	18 November

Name	Training Program	Organizer	Location	Date
Suwignyo Budiman	Risk Management Refreshment Program: "Understanding Banks Enterprise Risk Management to Comply With New Bank Indonesia Regulation, ICAAP & Basel III"	BARa	Bali	27-28 February
	UIB Asia's Market Seminar	UIB	Siem Reap, Cambodia	8-10 May
	Team Building Payment Bank	KSEI	Beijing	12-14 June
	Asean Global Leadership Development Program	AGLD	California, USA	15-20 June
	Capital Market Communities	BCA	London	7-11 November
	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	9-10 October
Subur Tan	Risk Management Refreshment Program: "Understanding Banks Enterprise Risk Management to Comply With New Bank Indonesia Regulation, ICAAP & Basel III"	BARa	Bali	27-28 February
	SIBOS Conference	SIBOS	Boston, USA	29 September–2 October
Renaldo H. Barros*	RSA Conference	RSA	San Francisco, USA	19-27 February
Henry Koenaifi	Risk Management Refreshment Program: "Understanding Banks Enterprise Risk Management to Comply With New Bank Indonesia Regulation, ICAAP & Basel III"	BARa	Bali	27-28 February
	Visa Executive Forum	VISA	Rio De Janeiro, Brazil	10-14 July
	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	9-10 October
Armand W. Hartono	Risk Management Refreshment Program: "Revamping The Capability in Loan Analysis: Revisit The Core Techniques in Loan Underwriting Methods"	BARa	Bandung	24-25 April
Erwan Yuris Ang	Wincor Nixdorft Symposium	Wincor Nixdorft	Germany	20-24 January
	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	9-10 October
Rudy Susanto**	Key Risk Management Challenges in 2015	BARa	Bali	27-28 November
	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	9-10 October

* Mr. Renaldo Hector Barros resigned as Director of BCA effectively starting 1 June 2014
** Mr. Rudy Susanto effectively has become a Director of BCA starting 21 July 2014

COMMITTEES UNDER THE BOARD OF COMMISSIONERS

THE AUDIT COMMITTEE

1. Main Duties

The Audit Committee was formed by, and is responsible to, the Board of Commissioners with the purpose of assisting the Board of Commissioners to support the effective implementation of the oversight/supervision duties and functions on matters related to financial reporting, internal control systems, the implementation of internal and external audits, implementation of good corporate governance (GCG), and compliance with applicable laws and regulations.

2. Legal Reference

The formation of Audit Committee is referring to:

- The Decision of Chairman of Bapepam-LK No.Kep-643/BL/2012 dated 7 December 2012 and Regulation Attachment No. IX.1.5 concerning Establishment and Work Guidelines of Audit Committee.
- Bank Indonesia Regulation No. 8/14/PBI/2006 dated October 5, 2006 as a subtitute of Bank Indonesia Regulation No. 8/4/PBI/2006 concerning Good Corporate Governance Implementation in Commercial Bank.
- Bank Indonesia Circular Letter No.15/15/DPNP dated April 29, 2013 concerning Good Corporate Governance Implementation in Commercial Bank.
- Articles of Association of PT. Bank Central Asia, Tbk No. 19 dated January 15, 2009 concerning Duties and Authorities of the Board of Commissioners.

3. Charter of the Audit Committee

BCA's Audit Committee Charter and the Code of Conduct have been adapted to adhere with the Bapepam-LK Regulation No.IX.I.5 on Establishment and Work Guidelines of Audit Committee mentioned above. The matters listed below fall under the scope of the Guidelines and Code of Conduct of the Audit Committee:

- Duties and Responsibilities;
- Authorities;
- Structure and Membership;
- Membership requirements;
- Term of Office;
- Work Mechanism;
- Meetings;
- Mechanism of Decision Making in Meetings;
- Minutes of Meetings;
- Reporting;
- The handling of complaints/reports regarding claims about infractions in financial reports.

The Audit Committee Charter and Code of Conduct have been uploaded to the BCA website (www.bca.co.id) under Good Corporate Governance.

4. Duties and Responsibilities of the Audit Committee

In carrying out its functions, the Audit Committee has the following duties and responsibilities:

1. Monitoring and evaluating the planning and implementation of audits as well as monitoring the follow-up actions of audit findings in order to assess the adequacy of internal controls, including the adequacy of the financial reporting process.
2. In order to carry out the above-stated duties and to provide recommendations to the Board of Commissioners, the Audit Committee conducts monitoring and evaluation on:
   a. The implementation of tasks by the Internal Audit Division (DAI).
   b. The compliance of audit implementation by the Public Accountant Office to the prevailing auditing standards.
   c. The compliance of Financial Statements with the prevailing accounting standards.
   d. Provide independent opinion in the event of disagreements between the management and the Public Accounting Office for services rendered.

e. The follow-up implementation by the Board of Directors on the findings of DAI, Public Accountants and Financial Service Authority supervision results.

3. Reviewing other financial information that will be issued by BCA to the public and/or to the Regulator documents such as projections, and other reports relating to the financial information of BCA.
4. Reviewing the compliance of BCA with laws and regulations in the field of banking, Capital Markets, and other legislation and provisions relating to the business activities of BCA.
5. Providing recommendations to the Board of Commissioners on the appointment of a Public Accounting Office, based on the independency, scope of the assignment, and fee to be submitted to the General Meeting of Shareholders.
6. Reviewing and reporting to the Board of Commissioners regarding complaints in relation to accounting and financial reporting processes of BCA.
7. Reviewing and providing advice to the Board of Commissioners in relation to potential conflict of interest at BCA.
8. Reviewing and monitoring of the implementation of effective and sustainable GCG.
9. Performing other tasks relevant to the functions of the Audit Committee at the request of the Board of Commissioners.

5. Authority

In performing its duties, the Audit Committee has the authority to carry out the following actions:

a. To access documents, data, and information regarding employees, funds, assets, and BCA's resources;
b. To communicate with employees, management and parties executing internal audit functions, risk management, and Public Accountants regarding the duties and responsibilities of the Audit Committeee;
c. If needed, to involve independent parties outside the members of the Audit Committee whose services are required in order to assist the Committee in carrying out its duties;
d. Other actions with authority granted by the Board of Commissioners.

6. Membership of the Audit Committee

The Audit Committee of BCA comprises 3 (three) members, consisting of a Chairman who is also an Independent Commissioner and 2 (two) Committee members who are Independent Parties.

One independent party is an expert in finance/accounting and the other independent party is an expert in the field of banking.

7. Membership Composition of the Audit Committee as of 31 December 2014

Name	Position
Sigit Pramono	Chairman (concurrently as Independent Commissioner)
Inawaty Handoyo	Member (Independent Party)
Ilham Ikhsan	Member (Independent Party)

Appointment of members of the Audit Committee is conducted by the Board of Directors through the Decision No. 103/SK/DIR/2011 dated 27 July 2011 based on the Board of Commissioners Meeting Decision No. 030/RR/KOM/2011 dated 23 June 2011.

Profiles of education, positions, and work experience of members of the Audit Committee can be viewed on the **Corporate Data** section, page 512 - 513 of this Annual Report.

8. Term of Office of the Audit Committee Members

The term of office of the Audit Committee members shall expire at the end of the term of the Audit Committee Chairman, who is also an Independent Commissioner. The Audit Committee term of office for this period will end at the close of the 2016 Annual GMS.

9. Independence and Requirements of the Audit Committee Members

All members of the Audit Committee are independent parties, not having financial, management, share ownership and/or family relationships with members of the Board of Commissioners, members of the Board of Directors and/or Controlling Shareholders or business relationships with BCA that may affect the ability to act independently.

Membership requirements that must be met by Audit Committee members are as follows:

1. Have good integrity, character, and morals;
2. Possess the ability, knowledge, and experience in accordance to his/her field of duties, as well as being able to communicate well;
3. Understand financial statements, the business of BCA as particularly related to services or business activities of BCA, audit processes, and legislation in the field of the capital markets as well as other relevant laws and legislation;
4. Willing to comply with BCA's Code of Ethics and the Audit Committee's Code of Conduct established by BCA;
5. Willing to continuously improve competence through education and training;
6. Have at least one member whose educational background and expertise is in accounting and/or finance;
7. Did not work in a Public Accountant Firm, Law Firm, Public Appraisal Service Office or other parties that provided assurance services, non-assurance services, appraisal services and/ or other advisory services to the Bank within the last 6 (six) months;
8. Had not worked or had the authority and responsibility for planning, directing, controlling, or supervising the activities of BCA in the prior 6 (six) months unless as an Independent Commissioner;
9. Not a member of a Board of Directors of other banks;
10. Does not have direct or indirect shareholdings in BCA;
11. In the case of members of the Audit Committee of BCA acquires shares either directly or indirectly as a result of a legal event, the shares shall be transferred to other parties within a maximum period of 6 (six) months after the shares were acquired;
12. Have no affiliation with fellow members of the Board of Commissioners, the Board of Directors or Controlling Shareholders of BCA;
13. Have no business relationship that is either directly or indirectly related to the business activities of BCA;
14. The Chairman of the Audit Committee may hold office as a Committee Chairman of only 1 (one) other committee in BCA;
15. Audit Committee members who are Independent Parties may hold more than one position as an Independent Party at other Committees in BCA, other banks, and/ or other companies, as long as he/she:
    a. meets all the required competencies;
    b. meets the independency criteria;
    c. is able to keep BCA matters confidential;
    d. observes the applicable Code of Conduct; and
    e. does not neglect implementation of duties and responsibilities as a member of the Committee.

10. Meetings of the Audit Committee

The Audit Committee holds at least 4 (four) meetings in one year as stipulated in the Audit Committee Charter and Code of Conduct. During 2014, the Audit Committee held 26 (twenty six) meetings.

Minutes of meetings are prepared for each Audit Committee Meeting, describing the date of meeting, attendance of the Audit Committee members, meeting agenda, and meeting materials.

Attendance of the members of the Audit Committee at the Audit Committee meetings during the year 2014 is as follows:

Name	Number of Meetings	Attendance	Percentage
Sigit Pramono	26	26	100 %
Inawaty Handoyo	26	26	100 %
Ilham Ikhsan	26	26	100 %

11. Reports on the Implementation of the Audit Committee Work Program in 2014

During 2014, BCA's Audit Committee accomplished the following:

1. Conducted meetings with the KAP Siddharta & Widjaja (now Siddharta Widjaja & Rekan), a member firm of KPMG International, to discuss the final audit results of BCA's Financial Statement for the 2013 fiscal year and its Management Letter.
2. Evaluated and approved the proposal for extending the contract with KAP Siddharta & Widjaja (now Siddharta Widjaja & Rekan), a member firm of KPMG International, which is affiliated with KPMG International in a Business Review Business Support Brief Letter to Shareholders and recommended it to the Board of Commissioners to perform the audit the BCA Financial Statements for financial year 2014.
3. Conducted meetings with KAP Siddharta & Widjaja (now Siddharta Widjaja & Rekan), a member firm of KPMG International, to discuss the plan and scope of the audit of BCA's Financial Statements for the 2014 fiscal year.
4. Conducted meetings with the Division of Finance and Planning to review the Financial Statements of BCA which will be published every quarter.
5. Assessed the analysis of financial realization against budget.
6. Conducted 8 (eight) meetings with the Internal Audit Division to:
   a) Evaluate the annual planning.
   b) Evaluate the implementation of internal audit each semester.
   c) Conduct discussions on audit results deemed significant.
7. Conducted 6 (six) visits to the Branch Office and Subsidiaries to attend internal audit exit meetings.
8. Reviewed reports of internal audit results (over 187 reports) and monitored follow-ups.
9. Assessed BCA compliance with prevailing legislation provisions in the field of banking through a review of the reports of compliance to the prudent banking principles as reported every quarter.
10. Assessed credit portfolio reports issued every semester.
11. Monitored the risk management implementation through quarterly reports of BCA's Risk Profile and monthly reports of the Operation Risk Management Information System (ORMIS).
12. Conducted discussions with related units to evaluate operational risk and internal control activities in strategic work units: Funding and Service Development, Wealth Management, Fianance and Corporate Planning, and Credit Services in order to provide an opinion to the Board of Commissioners regarding the adequacy of mitigation efforts for the various existing risks.
13. Conducted studies on:
    a. Results of the inspection conducted by the Financial Services Authority and follow-up actions.
    b. The Management Letter from KAP Siddharta & Widjaja (now Siddharta Widjaja & Rekan), a member firm of KPMG International, and its follow-ups.
14. Reported the results of reviews and routine evaluations to the Board of Commissioners on aspects such as governance, risk management, compliance and internal control on a quarterly basis.
15. Attended the GMS, Analyst Meetings, and BCA National Work Meetings in order to monitor the implementation of GCG.

THE RISK OVERSIGHT COMMITTEE

1. Main Duties

The Risk Oversight Committee was formed to ensure that the enterprise wide risk management framework provides adequate protection against all risks faced by the Bank.

2. Legal Reference

The Risk Oversight Committee was established through a Decision Letter issued by the Board of Commissioners No.033/SK/KOM/2007 dated 22 February 2007 on the Structure of the Risk Oversight Committee.

3. Guidelines and Code of Conduct of the Risk Oversight Committee

The Risk Oversight Committee adheres to the Risk Oversight Committee Charter and the Corporate Code of Conduct prepared to comply the Corporate with Bank Indonesia Regulation on the Implementation of Good Corporate Governance for Commercial Banks. The Risk Oversight Committee Charter and Code of Conduct are contained in the BCA GCG Manual and posted on the BCA website (www.bca.co.id).

The Risk Oversight Committee Charter and Code of Conduct covers:

- Structure and Membership;
- Duties and Responsibilities;
- Working Mechanism;
- Ethics and Work Hours;
- Committee Meetings.

4. Membership of the Risk Oversight Committee

BCA's Risk Oversight Committee comprises 3 (three) persons, consisting of a Chairman who is also an Independent Commissioner and 2 (two) independent parties.

An Independent Party who has an expertise in financial risk management and another one who has an expertise in financial and information technology risk.

5. Membership Composition of the Risk Oversight Committee as of 31 December 2014

Name	Position
Cyrillus Harinowo	Chairman (concurrently as Independent Commissioner)
Endang Swasthika Wibowo	Member (Independent Party)
Andreas E. Susetyo*	Member (Independent Party)

* Mr. Andreas E. Susetyo resigned as member of Risk Oversight Committee effectively starting 1 January 2015
Mr. Wimpie Rianto effectively has become a member of Risk Oversight Committee starting 1 February 2015

Appointment of members of the Risk Oversight Committee was formalized by the Board of Directors through Decision No.131A/SK/DIR/2012 dated 1 August 2012 and by the Board of Commissioners Decision No. 37A/RR/KOM/2012 dated 19 July 2012.

The educational and work experience profiles of the members of the Risk Oversight Committee can be viewed on the **Corporate Data section,** page 514 of this Annual Report.

6. Term of Duty of the Risk Oversight Committee Members

The term of office of the Risk Oversight Committee members will expire at the expiration of the term of office of Risk Oversight Committee Chairman, who is also an Independent Commissioner. The Risk Oversight Committee term of office for this period will be end at the close of the 2016 Annual GMS.

7. Independence and Requirements of the Risk Oversight Committee Members

All members of the Risk Oversight Committee are independent parties who do not have any financial, management, ownership of shares and/or family relationships with members of the Board of Commissioners, the Board of Directors and/or the Controlling Shareholders or business relationships with BCA that may affect their ability to act independently.

Requirements to be met by members of the Risk Oversight Committee of BCA are, among others, as follows:

1. High integrity, ability, knowledge, experience in accordance with their field of work, and the ability to communicate excellently;
2. At least one independent party has an educational background and expertise in finance;
3. At least one independent party has an educational background and expertise in risk management;
4. Has no affiliation with the Board of Commissioners, the Board of Directors, or the Controlling Shareholders of the Bank;
5. Has no business relationship, either directly or indirectly, related to the business activities of the Bank;
6. Not a member of a Risk Oversight Committee at any other company (issuers or public companies) during the same period.

8. Duties and Responsibilities of the Risk Oversight Committee

Duties and responsibilities of the Risk Oversight Committee, among others, are:

1. Assisting and making recommendations to the Board of Commissioners in order to improve oversight in implementation of tasks and responsibilities in risk management and to ensure that risk management policies are properly implemented.
2. In regard with the process to provide recommendation, the Risk Oversight Committee should:
   a. Evaluate the consistency between risk management policies and implementation.
   b. Monitor and evaluate the Risk Management Committee and the Risk Management Unit.

9. Meetings of the Risk Oversight Committee

Risk Oversight Committee meetings are held at least 4 (four) times a year as stipulated in the Risk Oversight Committee Charter and the Corporate Code of Conduct. In 2014, the Risk Oversight Committee held 9 (nine) meetings.

Minutes of meetings are prepared for each Risk Oversight meeting, describing the date of meeting, attendance of the Risk Oversight Committee members, meeting agenda, and main discussion.

Attendance of the members of the Risk Oversight Committee at the Risk Oversight Committee meetings during the year 2014 was as follows:

Name	Number of Meetings	Attendance	Percentage
Cyrillus Harinowo	9	9	100 %
Endang Swasthika Wibowo	9	9	100 %
Andreas E. Susetyo	9	7	78 %

10. Report of the Implementation of the Risk Oversight Committee Work Program in 2014

In 2014, the Risk Oversight Committee's work program was as follows:

1. Conducted:
   a. Monitoring of risk by reviewing and evaluating risk reports prepared by the risk control units. The Risk Oversight Committee gives opinions and recommendation in writing and can request further clarification or explanations through special meetings to discuss the topic.
   b. Reviewing the Quarterly Stress Test results.
   c. Monitoring of risks profile by a risk dashboard report to comply with the regulation.
   d. Reporting the progress of monitoring duties to the Board of Commissioners quarterly.
2. Conducted special monitoring on:
   a. Operational risks, particularly the risk of Information Technology (IT) to ensure that operational risks are under control implementation of Business Continuity Plan (BCP) and Crisis Management Protocol.
   b. Analysis the stress test specifically on the aspects of:
      - Liquidity risk based on various macro indicators scenarios and testing the resistance of liquidity reserves;
      - Credit risk including consumer credit, SME and Corporate credit;
      - Capital allocation and reserves to support economic conditions.
3. Evaluated the implementation of good corporate governance by reviewing the risk management documents of SKMR and the Risk Management Committee.
4. Provided recommendation to the Board of Commissioners on the implementation and development of the risk management process regarding:
   a. Business Continuity Planning and Crisis Management Protocol.
   b. Consumer Credit Risk on a national level.
   c. The targets of the SME credit program, by regulator corresponding with economic conditions and potential.
   d. The Implementation of integrated risk management and assessment mechanisms.
5. Ensured that BCA has an excellent infrastructure for controlling risk, therefore the evaluation are conducted by:
   a. Reviewing the rules and guidelines for risk management.
   b. Evaluating the risk methods, indicators and measurement.
6. Ensuring implementation of GCG by attending the General Meeting of Shareholders, Analyst Meetings and the Annual National Work Meeting.

THE REMUNERATION AND NOMINATION COMMITTEE

1. Main Duties

The Remuneration and Nomination Committee was formed to enhance the quality of top management through prescribed remuneration and nomination policies.

2. Legal Reference

The Remuneration and Nomination Committee was established by the Board of Commissioner Decision No. 118/SK/KOM/2007 dated May 30, 2007 regarding the structure of the Remuneration and Nomination Committee.

3. Guidelines and Code of Conduct of the Remuneration and Nomination Committee

The Remuneration and Nomination Committee has a Charter and Code of Conduct, prepared in accordance with regulations from the Bank of Indonesia and Circular Letters from Bank Indonesia regarding the Implementation of Good Corporate Governance for Banks. The Remuneration and Nomination Committee Charter and Code of Conduct were published in the BCA GCG Manual and on the BCA website (www.bca.co.id) under Good Corporate Governance.

The scope of the Remuneration and Nomination Charter and Code of Conduct covers the following:

- Structure and Membership;
- Duties and Responsibilities;
- Work Mechanisms;
- Ethics and Work Hours;
- Committee Meetings.

4. Membership of the Remuneration and Nomination Committee

BCA's Remuneration and Nomination Committee has 3 (three) members, comprising a Chairman who is also an Independent Commissioner and 2 (two) members, i.e. the President Commissioner and an Executive Officer in charge of the Human Capital Management (Human Resources) Division.

The Remuneration and Nomination Committee members have the knowledge of remuneration systems and/or nominations as well as of succession planning.

5. Membership Composition of the Remuneration and Nomination Committee as of 31 December 2014

Name	Position
Raden Pardede	Chairman (concurrently as Independent Commissioner)
Djohan Emir Setijoso	Member (concurrently as President Commissioner)
Lianawaty Suwono	Member (concurrently as the Head of Human Capital Management)

The appointment of members of the Remuneration and Nomination Committee is undertaken by the Board of Directors through Decision No. 123/SK/DIR/2011 dated 19 September 2011 and by decision of the Board of Commissioners No. 027A/RR/KOM/2011 dated 30 May 2011.

The education and work experience profiles of the members of the Remuneration and Nomination Committee can be viewed on the **Corporate Data** section, page 515 of this Annual Report.

6. Term of Office of the Remuneration and Nomination Committee Members

The term of office of the members of the Remuneration and Nomination Committee will expire at the expiration of the term of office of the Chairman of the Remuneration and Nomination Committee, who is also an Independent Commissioner. The term of office of the members of the Remuneration and Nomination Committee during this period will expire at the close of the Annual General Meeting 2016.

7. Independence and Requirements of the Remuneration and Nomination Committee Members

All members of the Remuneration and Nomination Committee are independent parties who do not have financial, management, share ownership and/or family relationships with any members of the Board of Commissioners, the Board of Directors and/or Controlling Shareholders or business relationships with the Bank that may affect their ability to act independently.

Requirements to be met as a member of the BCA Remuneration and Nomination Committee are, among others as follows:

1. Have high integrity, ability, knowledge, experience in accordance with their field of work and the ability to communicate well;
2. Have knowledge of remuneration and/or nomination systems;
3. Have no affiliation with members of the Board of Commissioners, the Board of Directors, or the Controlling Shareholder of the Bank;
4. Have no business relationship, either directly or indirectly, related to the business activities of the Bank.

8. Duties and Responsibilities of the Remuneration and Nomination Committee

Duties and Responsibilities of the Remuneration and Nomination Committee, among others, are:

1. To evaluate the remuneration and nomination policies of BCA.
2. To give recommendations to the Board of Commissioners on:
   a. Remuneration policy for the Board of Commissioners and Board of Directors to be submitted to the General Meeting of Shareholders of BCA.
   b. Remuneration policy for all Executive Officers and employees to be delivered by the Board of Commissioners to the Board of Directors.
3. To develop and recommend election systems and procedures and/or replacement of members of the Board of Commissioners and the Board of Directors to the Board of Commissioners, to be further submitted to the AGM.
4. To ensure that the remuneration policies of BCA are in compliance with the prevailing legislation.
5. To advise the Board of Commissioners regarding prospective members of the Board of Commissioners and /or prospective members of the Board of Directors to be submitted to the AGM.
6. To recommend independent parties as prospective members of the Audit Committee and the Risk Oversight Committee to the Board of Commissioners.
7. To assess the feasibility of the facilities policy provided to the Board of Commissioners and Board of Directors.
8. To carry out other duties assigned by the Board of Commissioners regarding remuneration and nomination in accordance with the applicable regulations.
9. To report the results of assessments and recommendations with respect to the duties of the Remuneration and Nomination Committee to the Board of Commissioners when required.

9. The Remuneration and Nomination Committee Meetings

The Remuneration and Nomination Committee holds meetings in accordance with BCA requirements, at least 1 (one) time a year as stipulated in the Guidelines and Code of Conduct of the Remuneration and Nomination Committee. During 2014, the Remuneration and Nomination Committee held 7 (seven) meetings.

Minutes of meetings are prepared for each Remuneration and Nomination Committee meeting, describing the date of meetings,

attendance of the Remuneration and Nomination Committee members, meeting agenda, and meeting materials.

10. Policy concerning the Succession of the Board of Directors

1. Develop and provide recommendations on system and procedure of selection and/or replacement of members of the Board of Commissioners and Board of Directors to the Board of Commissioners to be submitted to the GMS.
2. Provide recommendations on prospective members of the Board of Commissioners and/or Board of Directors to the Board of Commissioners to be submitted to the GMS.
3. In order to prepare the executives of BCA to gain a whole knowledge and experience as an official at the head or branch office, every executive will be rotated.

Attendance of the members of the Remuneration and Nomination Committee at the Remuneration and Nomination Committee meetings during the year 2014 was as follows:

Name	Number of meetings	Attendance	Percentage
Raden Pardede	7	7	100 %
D.E. Setijoso	7	7	100 %
Lianawaty Handoyo	7	7	100 %

11. Report on the Implementation of the Remuneration and Nomination Committee Work Program in 2014

During 2014 the Remuneration and Nomination Committee accomplished the following:

1. In order to prepare the executives of BCA to gain a complete knowledge and experience as officials at the Head Office or Branch Office(s), plans for several knowledge-enriching and cross-function placements have been run. The rotation of officials from the Head to Branch Offices and vice versa has been implemented at several levels. The Committee emphasizes the importance of supervising the execution of enrichment programs for more specialized work functions in Head Office with the aim of equipping Head Office officials with knowledge of actual conditions at Branch Offices so that when they return to their original posts they will have a better understanding of the needs of Branch Offices. Officials are then expected to make decisions, design systems and products, and carry out other duties that fulfill the needs of Branch Offices and customers more effectively.
2. Recommended to the Board of Commissioners the distribution of the tantiem of financial year 2013 to all members of the Board of Commissioners and management who held office during the 2013 financial year so that it may be delivered by the Board of Commissioners during the Annual General Meeting of Shareholders on 07 April 2014 for approval.
3. Recommended to the Board of Commissioners the nomination of a new member to the Board of Directors, Mr. Rudy Susanto, to be delivered during the Annual General Meeting of Shareholders on 07 April 2014 for approval.
4. Recommended to the Board of Commisioners a remuneration package for the Boards of Commissioners and Directors for the term of office of 2 (two) years, from 2014 to 2016, in accordance with decisions reached during the Annual General Meeting of

Shareholders PT Bank Central Asia on 12 May 2011 regarding the appointment of Boards of Commissioners and Directors members for the 2011-2014 period and the GMS and Extraordinary GMS decisions on 16 May 2012 regarding the change in term of office for members of the Boards of Commissioners and Directors from 3 (three) years to 5 (five) years, from 2011 to 2016.

5. Recommended to the Board of Commissioners the granting of a remuneration package to Mr. Renaldo Hector Barros for the term of office from January 2014 to May 2014 in accordance to GMS Decision on 07 April 2014 which approved the resignation of Mr. Renaldo Hector Barros, effective on 1 June 2014.
6. The Talent Mapping process as a part of the Talent Management process must always be consistent with the Company's business strategy. This must be reflected in the manpower planning process, which is the basis for recruitment and employee development strategies that are appropriate for business needs. The Talent Mapping process observes and records the work and potential of individuals in order to provide employees with placements and developments that suit their skills while still prioritizing the business needs of the Company. The aim of talent mapping is to place "the right talent in the right place at the right time" in order to produce optimal results for the Company's progress. The Committee recommended that the Board of Commissoners carries out the Board of Directors Panel consistently each year, keeping in mind that one of the sources of nominations for members of the Boards of Directors and Commissioners are from the internal officials of the Company.
7. In relation to Mr. Andreas Eddy Susetyo's resignation as a member of the Risk Oversight Committee as of 1 January 2015, the Remuneration and Nomination Committee recommended Mr. Wimpie Rianto as a Risk Oversight Committee member, replacing Mr. Andreas Eddy Susetyo.
8. Reviewed budget policies on salary raises in 2015 and budget allocated for bonuses in 2014 for BCA employees.

THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS

The Board of Directors is assisted by 6 (six) Executive Committees, which are in charge of providing an objective opinion to the Board of Directors and helping to systematically improve the effectiveness of the Board of Directors in performing their duties.

Executive Committee members are appointed by the Board of Directors. The Committees provide input based on their scope of duties and responsibilities.

Following are the 6 (six) Executive Committees under the Board of Directors:

1. Asset & Liability Committee (ALCO)
2. Risk Management Committee (KMR)
3. Credit Policy Committee (KKP)
4. Credit Committee (KK)
5. Information Technology Steering Committee (KPTI)
6. Personnel Case Advisory Committee (KPKK)

1. Asset & Liability Committee (ALCO)

The Asset & Liability Committee (ALCO) is a permanent committee under the Board of Directors with the mission of achieving an optimum level of profitability for BCA as well as ensuring that liquidity risk, interest rate risk and foreign exchange risk are controlled through the establishment of policies and strategies for Bank asset and liability management.

Main Functions of ALCO

- To establish and evaluate policies and liquidity management strategies to meet the liquidity needs of BCA in accordance with the applicable rules, including unexpected funds requirement, while minimizing idle funds.
- To establish and evaluate policies and strategies related to market risks, including interest rate risk and foreign exchange risk.
- To establish and evaluate pricing policies and strategies for products such as funding, credit, and inter-office accounts.
- To establish and evaluate policies and strategies for managing investment portfolio.
- To establish and evaluate policies and strategies for arranging the balance sheet structure by anticipating changes in interest rates to achieve an optimum net interest margin.

Authorities of ALCO

ALCO has the authority to take strategic decisions in the management of Bank assets and liabilities within parameters set by the Board of Directors and Board of Commissioners, such as:

- To establish deposit rates, savings, and checking account interest rates;
- To establish lending rates;
- To establish funding and investment strategies;
- To establish hedging strategy where necessary;
- To establish limits relating to liquidity risk, interest rate risk, and foreign exchange risk according to the overal risk management policy.

Membership of ALCO and Voting Right Status

Position	Filled By	Voting Right Status
Chairman (concurrently as Member)	President Director	Reserve Voting Rights
Member	• Deputy President Director • Corporate Banking Director • Risk Management Director • Director of Branch Banking • Individual Banking Director • Regional & Branch Banking Director • Credit Director • Head of Treasury Division • Head of International Banking Division • Head of Finance and Planning Division • Head of Corporate Banking dan Corporate Finance • Head of Retail and Commercial Banking • Head of Transaction Services Development • Head of Consumer Credit Business Unit • Head of Consumer Card Business Group • Head of Risk Management Unit	Reserve Voting Rights
Secretary	Senior Adviser at Risk Management Unit (SKMR) which covers the Asset Liability Management (ALM)	No Voting Rights

Duties and Liabilities of ALCO

ALCO, among other tasks, functions to establish the liquidity management policies and strategies to meet the liquidity needs of BCA and minimize idle funds. In addition, ALCO establishes policies and strategies related to market risk, pricing strategy and the structuring of the investment portfolio and balance sheet structuring strategies to anticipate market rate movements and to optimize the net interest margin (net interest margin - NIM). ALCO reports initiatives and activities through regular monthly meetings with special smaller meetings held to discuss specific issues.

Main Duties of ALCO Members

Voting ALCO members have main duties such as:

- To provide input to the ALCO Secretary for the preparation of the agenda and meeting materials.
- To provide input in the form of information and analysis on the ALCO meeting, regarding:
  - Methodology of product pricing and loan funds.
  - Methodology of measuring liquidity risk, interest rate risk and foreign exchange risk.
  - Determination of product price and loan funds.
  - The competitiveness of interest rates and loan and funding products.
  - Strategies of Bank competitors.
  - Constraints, if any, in the implementation of ALCO decisions.
  - The behavior of customers and market changes.

ALCO Meetings

- ALCO meetings are held as necessary and at least once every month.
- ALCO meetings are legitimate if attended by at least ½ (half) plus one of the members of ALCO including the Chairman or alternate, or attended by 5 (five) Directors, including the Chairman or alternate.

Decision Making

- Decision-making in relation with the use of ALCO authorities will only be taken through legitimate ALCO meeting decisions.
- ALCO meeting decisions are valid and binding if approved by half plus 1 (one) of the members with voting rights present.

Frequency and Attendance of the Board of Directors and Other ALCO Members in the 2014 ALCO Meetings

Name of Director	Number of Meetings	Attendance	Percentage
President Director (Jahja Setiaatmadja) *	12	11	92%
Deputy President Director (Eugene Keith Galbraith)	12	11	92%
Corporate Banking Director (Dhalia M. Ariotedjo)	12	9	75%
Risk Management Director (Anthony Brent Elam)	12	11	92%
Branch Banking Director (Suwignyo Budiman)	12	9	75%
Individual Banking Director (Henry Koenaifi)	12	10	83%
Regional and Branch Banking Director (Erwan Yuris Ang)	12	5	42%
Credit Director (Rudy Susanto) **	12	6	50%
Operations and Information Technology Director (Armand W. Hartono) ***	12	5	42%
Members Head of Division or Officials Representing:	**Number of Meetings**	**Attendance**	**Percentage**
Treasury Division	12	12	100%
International Banking Division	12	12	100%
Finance and Planning Division	12	11	92%
Corporate Banking and Corporate Finance Group	12	11	92%
Retail and Commercial Banking	12	8	67%
Fund Development and Services Division	12	11	92%
Credit Consumer Business Unit	12	11	92%
Consumer Card Business Group	12	4	33%
Risk Management Unit	12	12	100%

*) Chairman
**) Credit Director has become a member of ALCO since July 2014 formerly served as EVP
***) Operations and Information Technology Director is no longer a member of ALCO from August 2014

Notes:
Non-member Directors also attend the ALCO Meeting as resource persons.
In addition, units from Head Office, Regional or Branch Offices, as well as parties outside BCA may be invited as a resource person to provide input related to certain issues.

Accountability/Work Realization Reporting

Realization of the Committee's work is reported through:

- Minutes of regular meetings.
- Minutes of special meetings held to discuss specific issues.
- Data and information related to the areas covered.
- Notes and ALCO's opinion regarding the minutes of meetings and relevant data and information.

ALCO Activity/Work Realization Program in 2014

Throughout 2014, ALCO held 12 (twelve) meetings with the following agenda:

- Report of follow-ups of previous ALCO meeting decisions.
- Economic parameters including inflation rates, Bank Indonesia Term Deposit interest rates, yield curves of Rupiah and USD, Rupiah & USD market liquidity and exchange rate of Rupiah.
- Liquidity reserves comprising of Primary and Secondary Rupiah and Foreign Exchange Reserves, Rupiah and Foreign Exchange Fund Structure, Credit Projection, Liquidity Projection and losses due to liquidity risk.

- Interest rate risks, including Repricing Gap and Sensitivity Analysis, both for Rupiah and Foreign Exchange.
- Foreign Exchange Risk, in regard with development of the Net Open Position (NOP) and the related risks.
- Loan Portfolio, which comprises limit and outstanding loans and type of debtors.
- Yield and Cost of Fund of Rupiah and Foreign Exchange.
- Analysis of Assets/Liabilities Management.
- Development of Bank Funds to Total Banking.
- To discuss and decide on changes in interest rates for Funds and Loans, Prime Lending Rates and limits relating to the Asset Liability Management (ALM).
- To review the results of profit/loss simulation in accordance with the strategy applied by the ALM BCA.

2. Risk Management Committee

The Risk Management Committee (KMR) was established to ensure that the enterprise-wide risk management framework provides adequate protection against all risks faced by BCA.

Main Functions of KMR

- To develop policies, strategies, and guidelines for the implementation of enterprise-wide risk management.
- To improve the implementation of risk management based on the results of evaluations on the implementation process and effective risk management system.
- To determine matters related with business decisions that deviate from normal procedures (irregularities).

Authority of KMR

KMR has the authority to review and make recommendations on matters relating to risk management that need to be decided by the Board of Directors.

Membership of Risk Management Committee and Voting Rights Status

Position	Filled By	Voting Rights Status
Chairman (concurrently as Permanent Member)	Risk Management Director	Reserve Voting Rights
Permanent Members[1)]	• All members of the Board of Directors • Head of Compliance Unit • Credit Risk Analysis Group Head	
Non-permanent Members[2)]	• Executive Vice President of Information Technology • All Heads of Division/Unit/Group/Business Unit, outside the Permanent Members	
Secretary (concurrently permanent member)	Head of the Risk Management Unit/Alternates	

Notes:
1) If there is any concurrent position, the person only has the right of 1 (one) vote
2) Relevant with the topic discussed

Main Duties of KMR

- To provide input to the Secretary of KMR in form of topics and meeting materials to be discussed in the KMR meetings.
- To provide input in form of information and analysis related to topics to be discussed in the KMR meetings. Topics that can be discussed in the KMR meetings include:
  - Directions and targets of BCA in formulating policies, strategies, and guidelines for risk management, with recommendations for improvement or adjustment when necessary.
  - Assessment of the effectiveness of the implementation of the risk management framework.
  - The development and trend of the total risk exposure of BCA and propose an overall risk tolerance level (risk appetite).
  - Results of the review on total risk exposure faced by BCA and its possible impacts.
  - Assessment of BCA's capital adequacy and impact on capital/profitability of the Bank under different stress test scenarios.
  - Development of risk measurement methods including contingency plans for abnormal conditions (worst case scenarios) as well as other methods related with risk management.
  - Improvements/justifications associated with business decisions that deviate from normal procedures (irregularities).
  - Limit of authority, exposure, and the concentration of the loan portfolio as well as other parameters designed to limit risk.

KMR Meetings

Following are some provisions concerning the KMR meetings:

- KMR meetings are held as necessary, with a minimum of once in 3 (three) months or 4 (four) times in 1 (one) year.
- KMR meetings are legitimate if attended by at least 2/3 (two thirds) of the number of permanent members or ½ (half) of total number of permanent members but with the approval of all permanent members.

Decision Making

Following are provisions concerning decision making:

- Decision making related with the use of KMR authority will only be carried out through legitimate KMR meeting decisions.
- KMR meeting decisions are valid and binding if approved by more than half the number of present members.

Frequency and Attendance of the Board of Directors and Other KMR Members in the 2014

Name of Meeting Member	Number of Meetings	Attendance	Percentage
President Director (Jahja Setiaatmadja)	4	4	100%
Deputy President Director (Eugene Keith Galbraith)	4	2	50%
Director (Dhalia M. Ariotedjo)	4	1	25%
Risk Management Director (Anthony Brent Elam)[1)]	4	4	100%
Director (Suwignyo Budiman)	4	4	100%
Director (Subur Tan)	4	2	50%
Director (Henry Koenaifi)	4	2	50%
Director (Armand W. Hartono)	4	4	100%
Director Independent (Erwan Yuris Ang)	4	3	75%
Director (Rudy Susanto)[2)]	2	2	100%
Head of Compliance Unit	4	3	75%
Head of Credit Risk Analysis Group	4	4	100%

Name of Meeting Member	Number of Meetings	Attendance	Percentage
EVP of Credit Risk Analysis Group (GARK)/Head of Credit Risk Analysis Group (GARK)[3]	4	4	100%
Head of Risk Management Work Unit (Secretary)	4	4	100%
Head of Commercial Business and SME Division (Non permanent member)[4]	3	3	100%
Head of Enterprise Security Work Unit (Non permanent member)[4]	1	1	100%
Head of Internal Audit Division (Non permanent member)[4]	1	1	100%
Head of Treasury Division (Non permanent member)[4]	1	1	100%
Head of Corporate Planning Sub-Division (Non permanent member)[4]	1	1	100%
Head of Finance and Planning Division (Non permanent member)[4]	1	1	100%
Head of Credit Recovery (Non permanent member)[4]	1	1	100%

Notes:
1) Chairman
2) Mr. Rudy Susanto effectively has become a Director of BCA starting 21 July 2014
3) As of 21 Juli 2014, there is no longer an EVP GARK
4) Number of meetings for non permanent members correspond to invitation for respective topic

Accountability/Work Realization Reporting

Accountability and work realization of KMR are reported through the following:

- A written report on a regular basis at least once in 1 (one) year to the Board of Directors, regarding the results of regular KMR meetings.
- A written report to the Board of Directors concerning the results of special meetings held to discuss specific issues.
- Special reports or activity reports (if necessary).

KMR Activity and Work Program in 2014 and its Realization

Throughout 2014, KMR conducted 4 (four) meetings with the realization of KMR work program below:

- To inform about the condition of regions and branches NPL and Early Warning System/ EWS concept as a tool to monitor credit performances in branches.
- To inform about the application of behavior scoring for extending small business loans (KUK).
- To inform about the implementation of Basel III, such as Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR) and Leverage ratio.
- To conduct credit risk stress test and liquidity risk stress test.
- To conduct a review on the limit of USD secondary reserves.
- To inform about the calculation of cost of loanable funds (COLF) and overhead cost for funding.
- To inform about the OJK Regulations that will be applied regarding the Integrated Risk Management for Financial Conglomeration.
- To inform about the information security risk landscape.

3. Credit Policy Committee

The Credit Policy Committee (KKP) was established to direct the provision of loans through the credit policy formulation designed in order to achieve prudent lending targets.

Main Functions of KKP

- To assist the Board of Directors in formulating the credit policies, primarily with regard to the prudent lending principle.
- To monitor and evaluate the implementation of credit policies to be implemented consistently and consequently.
- To perform periodic reviews on BCA's Basic Credit Policy (KDPB).

- To monitor the progress and condition of the credit portfolio.
- To provide advice and steps to improve the results of monitoring and evaluation that have been done.

Authority of KKP

KKP has the authority to provide advice and improvement steps to the Board of Directors associated with the credit policy.

KKP Membership and Voting Rights

Position	Filled By	Voting Rights Status
Chairman (concurrently Member)	President Director	Reserve Voting Rights
Member[1]	• Deputy President Director • Risk Management Director • Credit Director • Compliance Director • Corporate Banking Director[2] • Retail & Commercial Banking Director[2] • Individual Banking Director[2] • Head of Credit Risk Analysis Group and/or Head of Retail and Commercial Banking and/or Head of Corporate Banking and Corporate Finance and/or Head of Consumer Credit Business Unit and/or Head of Consumer Card Business Group and/or Substitute Officer[2] • Head of Internal Audit Division or Substitute Officer	
Secretary (concurrently Member)	Head of Risk Management Unit or Substitute Officer	

Notes:
[1] Other Directors have the right to attend the KKP meetings, but without voting rights
[2] In accordance with the topics discussed

Main Duties of KKP Members

- To provide input to the Secretary of KKP in the preparation of meetings agenda and materials.
- To provide input in form of information and analysis at the KKP meetings in order to make a KKP decision regarding the following:
  - Development of credit policies (corporation, commercial, SME, KUK, consumer, and credit card) in accordance with the Bank's mission and business plan.
  - Compliance to the provisions of law in granting credit.
  - Overall development and quality of credit portfolio.
  - Proper implementation of loan approval authority.
  - Proper process of lending, development, and quality of loan given to related parties and certain large borrowers.
  - Proper implementation of the Legal Lending Limit (LLL).
  - Handling of Non-Performing Loans in accordance with the credit policies.
  - Adequacy on the allowance for Bank loan losses.
  - Results of oversight on the implementation of the Basic Credit Policy (KDPB).

KKP Meetings

Below are the provisions in KKP meetings.

- KKP meetings are held as necessary at a minimum of once within 1 (one) year.
- KKP meetings are valid if attended by at least 2/3 (two-thirds) of the number of members.

Decision Making

Following are the provisions in decision making.

- Decision making in regard with the use of KKP authority can be done through circulars to KKP members or a valid KKP meeting.
- A decision of KKP meeting is valid and binding if approved by more than half the number of present members.

Attendance of Members of the Board of Directors and Other KKP Members in 2014

Name	Number of Meetings	Attendance	Percentage	Description
President Director	2	1	50%	Business trip
Deputy President Director	2	0	0%	Business trip
Risk Management Director	2	2	100%	
Credit Director	2	2	100%	
Compliance Director	2	1	50%	Not yet a member of KKP at the first meeting (29 April 2014)
Corporate Banking Director[1)]	2	1	50%	Business trip
Retail & Commercial Banking Director[1)]	2	2	100%	
Individual Banking Director[1)]	2	NA	-	The topic was not related with Consumer Credit/ Consumer Card
Operational & Information Technology Director[2)]	2	1	50%	Business trip
Head of Analysis and Credit Risk Group or alternates[1)]	2	2	100%	
Head of Retail and Commercial Banking Division or alternates[1)]	2	1	50%	At the second meeting (23 October 2014), the topic was not related with Retail and Commercial Banking
Head of Corporate Banking and Corporate Finance Group or alternates[1)]	2	2	100%	
Head of Consumer Credit Business Unit or alternates[1)]	2	NA	-	The topic was not related with Consumer Credit policy
Head of Consumer Card Group or alternates[1)]	2	NA	-	The topic was not related with Consumer Card policy
Head of Internal Audit Division or alternates	2	2	100%	
Head of Risk Management Work Unit or alternates	2	2	100%	
Head of Compliance Work Unit or alternates	2	2	100%	

Note:
1) Relevant with the topic discussed
2) Non-member

Accountability/Work Realization Reporting

- A written report is submitted to the Board of Directors on a regular basis, with copies to the Board of Commissioners regarding the results of controling, monitoring, and evaluation of the Basic Bank Credit Policy (KDPB), as well as advice for necessary improvement.
- Other data and information related with the the results of controling, monitoring, and evaluation of activities.

KKP Work Program and Realization in 2014

1. To recommend some credit policies, namely:
   - Joint Facility (Multi Borrower)
   - Environmental Impact Assessment (AMDAL)
   - Clean Loan, as a follow-up of audit of the Bank of Indonesia.
2. To review the authority of Board of Directors and Board of Commissioners in deciding on loans.
3. To prepare the Accountability and Work Realization Report of the Credit Policy Committee and submit it to the Board of Directors with copies to the Board of Commissioners.

4. Credit Commitee

The mission of the Credit Committee (KK) is to assist the Board of Directors in making loan evaluations and/or loan approval decisions within the authorized limits set by the Board of Directors as stipulated in the Company's Articles of Association with regards to BCA's business development without abandoning the prudence principles.

Main Functions of the Credit Committee

- To provide credit guidance and to conduct a more intensive and comprehensive credit analysis when necessary.
- To provide decisions or recommendations on credit approval proposals submitted by the referral/propose associated with:
  - Large Loans
  - Specific Industries, and
  - Special requests from the Board of Directors.
- To coordinate with the Asset & Liability Committee (ALCO) on funding and adjustments of interest rates for corporate loans.

Levels of Credit Committee

In the implementation of its activities, the Credit Committee (KK) is arranged by loan category, namely:

1. Corporation Credit Committee.
2. Commercial Credit Committee.

Credit Committee Authority

The authority of the Credit Committee includes making credit decisions or providing recommendations for the draft of credit decisions, by referring to the provision concerning the Authority to Terminate Credit as contained in the Corporate Credit Policy Manual and Commercial Credit Policy Manual.

The following is the scope of authority vested in the Credit Committee:

- In terms of the magnitude of authority:
  The Credit Committee has the authority to terminate credit in accordance with the authorized maximum amounts specified for each type of borrower.
- In terms of the object of credit decisions:
  - Giving credit decisions for corporate and commercial categories above a certain value.
  - Providing a decision on proposed credit facilities.
  - Determining the take over/purchase of loans that have or have not been restructured from other financial institutions.

Membership and Voting Rights of Corporate Credit Committee

Position	Filled By	Voting Rights Status*)
Chairman (concurrently as Permanent Member)	Credit Director (DKR)	Reserve Voting Rights
Permanent Members	• President Director (PD) • Deputy President Director (WPD) • Corporate Banking Director (DBK)	
Non Permanent Members	• Other Directors with loan approval authority • Risk Management Director (DMR) **)	
Secretary (concurrently as Permanent Member)	Head of Credit Risk Analysis Group	No Voting Rights

*) Decision making through meetings conducted by voting mechanism
**) Has voting rights in the decision of loan restructuring, loan settlement and matters relating to risk management

Membership and Voting Rights of Commercial Credit Committee

Position	Filled By	Voting Rights Status*)
Chairman**) (concurrently as Permanent Member)	Head of Group Credit Risk Analysis based on the suitability with exposure of the commercial credit that is being handled	Reserves Voting Rights
Permanent Members	• Retail & Commercial Banking Director (DBC) • Credit Director (DKR) • Head of Regional Office	
Non Permanent Members	Risk Management Director (DMR) ***)	
Secretary (concurrently as Permanent Member)	Credit Adviser	No Voting Rights

*) Decision making through meetings conducted by voting mechanism
**) Duties of Committee Chairman may be alternated among Group Heads based on the relevant commercial loan exposure handled
***) Has voting rights in the decision of loan restructuring, loan settlement and matters relating to risk management

Main Duties of Credit Committee Members

- To provide direction for more comprehensive credit analysis of a specific credit when necessary, should information presented be insufficient for decision-making.
- To give consideration to draft decisions, proposals and recommendations submitted by the provider of recommendation/ proposer.
- To decide on credit based on professional skills in an honest, objective, accurate, and thorough fashion.
- To provide input to the Credit Committee Secretary regarding the meeting needs.

Credit Committee Meetings

The following are several provisions on Credit Committee Meetings:

- Credit Committee Meetings are held as necessary with at least 6 (six) meetings per year.
- Meetings can be held and declared as legitimate if attended by at least 3 (three) Permanent Members.
- Meetings can be conducted through teleconference.
- For the Corporate Credit Committee, the Compliance Director or his alternate shall attend every Credit Committee meeting.
- Commercial Credit Committee meetings can be done both at the Head Office and Regional Offices.
- Details of each Credit Committee meeting must be noted in minutes of meetings.

Decision Making

The following are provisions on decision making:

- Decision making on credit can be made via the approval for the draft decision, which is circulated in writing or approval confirmation via email (memo circulation) to the members of the Committee or through Credit Committee meetings. If a circulated draft decision is not approved by one member of the Committee, then the Secretary has to schedule a Credit Committee meeting immediately.
- For Corporation Credit Committee, if the credit decision that was taken at a Credit Committee meeting has not complied with the authority of the Board of Directors in a loan approval; therefore, the draft decision is circulated to seek credit approval from other Directors and/or Board of Commissioners.
- Monitoring and Resource Persons do not have voting rights in credit decisions.

Accountability of Credit Committee

Accountability of Credit Committee can be delivered through the minutes of Credit Committee meetings, circulated decision memoranda, and periodic Credit Committee reports.

Frequency and Attendance of Corporate Credit Committee Meetings in 2014

Name	Number of Meetings	Attendance	Percentage
President Director (Jahja Setiaatmadja)**	10	6	60 %
Deputy President Director (Eugene Keith Galbraith)**	10	8	80 %
Corporate Banking Director (Dhalia M. Ariotedjo)**	10	9	90 %
Risk Management Director (Anthony Brent Elam)***	10	8	80 %
Director (Suwignyo Budiman)***	10	5	50 %
Director (Subur Tan)***	10	4	40 %
Director (Henry Koenaifi)***	10	1	10 %
Director (Erwan Yuris Ang)***	10	2	20 %
Director Kredit (Rudy Susanto)*	10	10	100 %
Secretary (Head of GARK)**	10	10	100 %

* = Chairman and concurrently Permanent Member (effective as of 21 July 2014 serves as Credit Director, previously EVP)
** = Permanent Member
*** = Non Permanent Member

Frequency and Attendance of Commercial Credit Committee Meetings in 2014

Name	Number of Meetings	Attendance	Percentage
Retail & Commercial Banking Director (Suwignyo Budiman)**	5	4	80 %
Credit Director (Rudy Susanto)**	5	5	100 %
Head of Credit Risk Analysis Group*	5	5	100 %
Head of Regional Office**	5	5	100 %
Credit Advisor***	5	5	100 %

* = Chairman and concurrently Permanent Member
** = Permanent Member and previously EVP up to 20 July 2014
*** = Permanent Member
**** = Secretary

Activity/Realization of Work Program of Corporate Credit Committee and Commercial Credit Committee in 2014

In 2014, the Corporate Credit Committee held 10 (ten) meetings, while the Commercial Credit Committee held 5 (five) meetings.

5. Information Technology Steering Committee (KPTI)

KPTI was established to ensure the implementation of an information technology (IT) system is in line with BCA's strategy. The KPTI's mission is to improve the Company's competitive advantage through the utilization of appropriate IT functions.

Main Functions of KPTI

- Reviewing and recommending an IT strategic plan that is aligned with the business plan of BCA.
- Conducting regular evaluations for IT support for BCA's business activities.
- Ensuring that IT investments add value to BCA.

Information Techology Steering Committee Membership and Voting Rights

Position	Filled By	Voting Rights Status
Chairman (concurrently as a Member)	Operations and Information Technology Director	Reserve Voting Rights
Secretary (concurrently as a Member)	Head of IT Management Office	
Members	• Risk Management Director • Compliance Director • Regional & Support Branch Director • Executive Vice President of Information Technology (EVP TI) • Strategic Informastion Technology Group (GSIT) *): o Head of IT Management Office o Head of IT Infrastructure & Operation Management o Head of Core Application Management o Head of Delivery Channel & Middleware Application Management • Head of Enterprise Security Unit (SKES) • Head of Risk Management Unit • Head of Compliance Unit • Head of Operation Strategy & Development Division • Head of Primary User IT Work Unit **)	
	• Head of Internal Audit Division	No Voting Rights

*) GSIT only has 1 (one) voting right represented by the EVP IT
**) Participation in meetings depends on the meeting topics relevant to the work units concerned

Authority and Responsibility of KPTI

KPTI has the authority and responsibility as follows:

- To provide recommendations to the Board of Directors for the IT strategic plan in line with BCA's business activities and strategic plan.
- To review and make recommendations on the feasibility of IT investments that will contribute to the achievement of BCA's business objectives.
- To review and recommend strategic steps to minimize the risk of BCA's investments in IT sector.
- To review and provide recommendations on major IT policies and procedures.

KPTI Meetings

The following are several provisions on KPTI Meetings:

- KPTI Meetings are conducted as necessary at least 4 (four) times a year.
- KPTI meetings can only be conducted if attended by at least 2/3 (two thirds) of the members with voting rights.

Decision Making

The following are provisions in decision making:

- Decision-making in relation to KPTI authority can only be made from decisions of legitimate KPTI meetings.
- Decisions of KPTI meetings are valid and binding if approved by at least 1/2 (half) plus 1 (one) of the members with voting rights present.

Accountability/Work Realization Reporting

The work realization of KPTI is reported through minutes of KPTI meetings, with the provision as follows:

- Results of KPTI meetings must be written in minutes of meetings and well documented.
- Minutes of meetings are prepared by the Secretary of KPTI and signed by the Chairman of KPTI.

Frequency and Attendance of Information Technology Steering Committee Meetings in 2014

Name	Total Meetings	Attendance	Percentage
Information Technology and Operations Director/ Armand W. Hartono*	4	4	100%
Management Risk Director/Anthony Brent Elam	4	4	100%
Compliance Director (Subur Tan)	4	3	75%
Regional and Support Branch Director/Erwan Yuris Ang	4	4	100%
Executive Vice President of Information Technology#	4	4	100%
Strategic Informastion Technology Group (GSIT)**:			
o Head of IT Management Office	4	4	100%
o Head of Core Application Management	4	3	75%
o Head of Delivery Channel & Middleware Application Management	4	3	75%
Head of Enterprise Security Unit	4	3	75%
Head of Risk Management Unit ****	4	4	100%
Head of Compliance Unit ****	4	4	100%
Head of Operation Strategy & Development Division	4	4	100%
Head of Internal Audit Division***	4	4	100%

* = Chairman (up to 1 June 2014 the position was held by Renaldo Hector Baros)
** = GSIT only has 1 (one) voting right represented by the EVP IT
*** = Without voting rights and has been represented by his Appointee
**** = Represented by his Appointee
\# = Previously Head of Infrastructure & Service Delivery Management

Work Programs in 2014

- To provide recommendations to the Board of Directors regarding the IT strategic plan.
- To monitor the performance of Information Technology and its improvement efforts.
- To evaluate and monitor the application of IT in accordance with the business requirements of BCA.
- To ensure that IT investments deliver optimal investment value.
- To ensure the effectiveness of risk minimization on BCA IT investments.

Realization of Work in 2014

- To evaluate and monitor the implementation of strategic information technology (IT) projects as aligned with BCA business development and strategic corporate objectives.
- To evaluate the implementation of process and technology in IT project development.
- To monitor the use of the IT budget in 2014.
- To evaluate initiatives to support IT Cost Efficiency.
- To monitor and evaluate the IT human resource allocation in contributing to IT project implementation.
- To evaluate and approve the strategies of recruitment and regeneration of IT human resources.
- To assess and monitor the strategic steps to minimize the risk of IT investments.
- To review the methodology to support IT Agility in IT application and system development.

6. Personnel Case Advisory Committee

Personnel Case Advisory Committee (KPKK) was established with the mission to provide recommendations to the Board of Directors regarding the settlement of personnel cases based on the principles of justice and equality by analyzing cases of violations of policy and/or possible illegal activity undertaken by employees.

Main Functions of KPKK

- To review cases of violations and/or crimes committed by employees which require decision by the Board of Directors for follow-up settlement.
- To give consideration to the Board of Directors in determining follow-up settlement of cases of violations and/or crimes, which include the imposition of sanctions, revamping operational procedures and systems and processing legal cases if necessary.
- To periodically review the settlement of violations and/or crimes that were implemented by the Heads of Branch Offices and Regional Offices.
- To provide advice and guidance (if necessary) to branches and regions in handling cases of violations and/or crimes.

KPKK Authority

KPKK has the authority to make suggestions/recommendations to the Board of Directors concerning the settlement of violations and/or crimes committed by employees.

Membership and Voting Right of KPKK

Position	Filled By	Voting Rights Status
Chairman (concurrently as Member)	Head of Human Capital Management	Reserve Voting Rights
Permanent Members	• Head of Internal Audit Division • Head of Legal Group • Head of Operation Strategy & Development Division	
Non Permanent Members	Head of Network Management Unit and Regional Planning	
Secretary	Head of Sub – Division of Audit Branch	No Voting Rights

Main Duties of KPKK

KPKK members have voting rights, with the main tasks of providing analysis and consideration at meetings in order to formulate suggestions/ recommendations in regard with:

- Imposition of sanctions;
- Improving systems and operational procedures;
- Processing of legal cases.

KPKK members who are unable to attend the meeting can be represented by other officials (with a level equal to the Deputy Head or Division Head) appointed by the member concerned.

KPKK Meetings

The following are several provisions of KPKK Meetings:

- KPKK meetings are held as necessary.
- Voting rights are held by members.
- KPKK meetings are legitimate if attended by at least 2/3 (two thirds) of the number of members.

Decision Making

The following are several provisions of KPKK meetings and decision making:

- Decision-making in relation to the use of authority of the Committee can only be taken for decisions from legitimate KPKK meetings.
- Decisions of KPKK meetings can be in form of:
  - A recommendation to the Board of Directors agreed upon by all members, or
  - More than one recommendation (if concensus is not reached).

Accountability/Work Realization Reporting

Realization of KPKK work reported through:

- Minutes of KPKK regular meetings.
- Minutes of KPKK special meetings held to discuss specific issues.

Frequency and Attendance of the Board of Directors and Other KPKK Members in the 2014 KPKK Meetings

During 2014, KPKK conducted 4 (four) meetings and meeting attendance rate reached quorum. The Chairman and members of KPKK are Executive Officers under the Board of Directors.

The following is KPKK's member attendance in 2014

Name	Number of Meetings	Attendance	Percentage
Head of Human Capital Management Division *	4	4	100%
Head of Internal Audit Division	4	4	100%
Head of Legal Group	4	4	100%
Head of Operation Strategy & Development Division	4	3	75%
Head of Network Management Unit and Regional Planning	4	2	50%

* = Chairman

Realization of KPKK Work Programs in 2014

Throughout 2014, KPKK held 4 (four) meetings. Realization of the KPKK work program provided input in the form of information, analysis and judgment to make recommendations to the Board of Directors on several offenses committed by employees that required the Board's decision for follow-up settlement, including the imposition of sanctions and/or improvement of systems and operational procedures and/or processing of legal cases.

CORPORATE SECRETARY

The main responsibilities of the Corporate Secretary are to maintain the image and protect the interests of BCA by building communications and good relationships with the stakeholders, as well as to support the Board of Directors and Board of Commissioners in the management of the Company.

Position and Officer of Corporate Secretary

The Corporate Secretary is appointed by the Board of Directors and is responsible to the President Director. The position of the Corporate Secretary is equal to a Division Head.

Currently, Inge Setiawati occupies the position as Corporate Secretary and has served since August 1, 2011 according to the Decision of the Board of Directors 1289/SK/DHR/A/2011 dated August 1, 2011.

A history of education, occupation and work experience of the Corporate Secretary can be viewed on the **Corporate Data** section, page 516 of this Annual Report.

Duties and Responsibilities of Corporate Secretary

Duties and Responsibilities of the Corporate Secretary, among others, are as follows:

- Represent the Board of Directors in conjunction with both public and private agencies/institutions.
- Monitor compliance of BCA to the provisions of the laws and regulations applicable in the field of Capital Markets and the Stock Exchange.
- Support the implementation and enforcement of Good Corporate Governance in BCA.
- Manage and develop BCA's positive image through the development of internal and external relationships through public relations activities.
- Support adherence by the Board of Directors and Board of Commissioners to the Articles of Association and other regulations, among others the implementation of corporate actions.
- Monitor the activities of the corporate secretariat and protocol and correspondence relating to the Board of Directors and Board of Commissioners.
- Manage and monitor the implementation of corporate social responsibility (CSR), social awareness programs as well as BCA corporate sponsorship as efforts to provide guidance to stakeholders.
- Establish communication and good working relationships with internal and external parties and business partners.
- Oversee the development of regulations related to capital markets, good corporate governance and banking.
- Organize the GMS, corporate actions and public exposes (along with Investor Relations).
- Coordinate with related internal work units and external parties/agencies in an effort to facilitate corporate activities and increase the effectiveness of work procedures related to the activities of the Board of Directors, the Board of Commissioners, and Board of Commissioners Committees.
- Coordinate/monitor activities related to the receipt and delivery of corporate information as well as the implementation of Board of Directors and Board of Commissioners meetings.
- Provide services to stakeholders for information needed regarding the condition of BCA.
- Liaise between BCA and the Financial Services Authority, Indonesia Stock Exchange, other capital market authorities, and communities.
- Perform activities that support the implementation of transparency, especially regarding the performance of BCA through communication with related parties.

Brief Description of the Duties of Corporate Secretary in 2014

During 2014, the Corporate Secretary conducted the following activities:

1. Organized the Annual General Meeting of Shareholders 2014.
2. Conducted Self Assessments on the GCG Implementation in the First Half and Second Half of 2014.
3. Prepared GCG Implementation Report 2013.
4. Prepared Corporate Governance and Corporate Social Responsibility contained in the 2013 Annual Report.
5. Customized the implementation of corporate governance in accordance with the provisions of the ASEAN Corporate Governance Scorecard.
6. Organized BCA's 57th anniversary celebration in February 2014 involving athletes and employee athletes from various branches of BCA in Jakarta, Bogor, Depok, Tangerang, and Bekasi Region.
7. Carried out Public Expose (along with Investor Relations).
8. Organized quarterly Press Conferences & Analyst Meetings.
9. Organized National Meetings (along with other work units).
10. Developed and implemented the program of corporate social responsibility activities
11. Developed press releases related to BCA's performance and development.
12. Developed BCA corporate communications materials such as publications of BCA financial statements through the mass media, advertising in holidays, and others.
13. Developed and implemented BCA sponsorship activities in line with the policies of BCA.
14. Organized, developed and implemented several internal employee and customer relations events.
15. Developed means of communication and internal events, such as BCA birthday celebrations, BCA retired employees gathering, gatherings in the commemoration of Idul Fitri, Christmas and New Year.

Training Programs to Develop the Competence of Corporate Secretary

The Corporate Secretary attended the following training programs:

- WIKASATRIAN.
- ASEAN Global Leadership Development Program.
- Smart Solution CRS.
- In house Training ASEAN CG Scorecard.
- Overview of Law No. 21 year 2011 on the Financial Services Authority and Corporate Actions.
- Workshop on the Preparation of Annual Reports.
- "2nd The Real Corporate Social Responsibility" Seminar.

INVESTOR RELATIONS FUNCTION

The main task of Investor Relations is representing the Board of Directors in relation with investors, capital markets, and shareholders, including to:

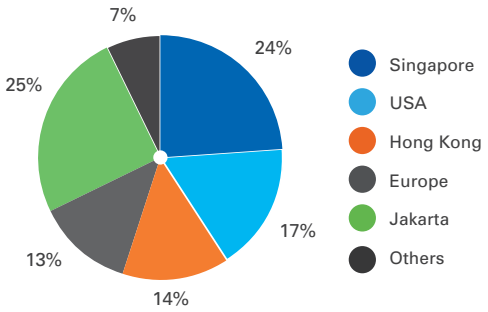
1. Formulate communication strategies specifically to investors, potential investors, analysts, fund-managers, and the capital markets in general.
2. Prepare materials and conduct road shows, analyst meetings, and conference calls.
3. Communicate various aspects related to BCA shares, performance and Financial Statements to parties such as fund-managers, investors, and potential investors.
4. Manage the relationships with the fund-managers, experts, and economists (especially in the stock market).
5. Periodically monitor and report the results of analysis on the performance and stock price of BCA.
6. Coordinate the preparation, publication and distribution of the Annual Report to investors/ analysts.
7. Provide data and financial information about BCA to investors and the capital markets.

BCA Investor Relations Activities in 2014 and 2013

	2014	2013
Analyst Meeting*)	5	5
Non-deal road show	2	1
Conferences**)	11	15
Investor Visits	193	171
Analyst/Investor calls	39	37
Total	250	229

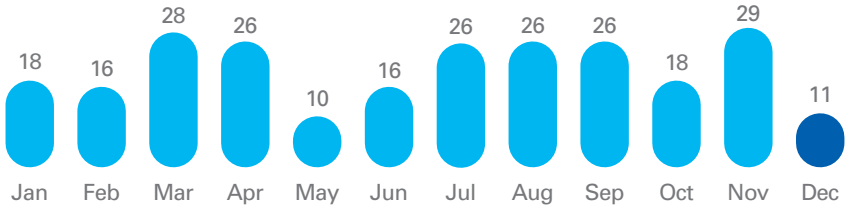
*) Including one Public Expose
**) Including 4 conferences in Jakarta in 2014 and 5 conferences in 2013

Investors/analysts conducting visits & calls: 457 people, with the composition based on the country of origin:



Note: *) Others come from: Malaysia, Japan, China, India, Thailand, Taiwan, Australia and United Arab Emirates

The Frequency of Monthly Investor Relations Activities in 2014



INTERNAL AUDIT DIVISION

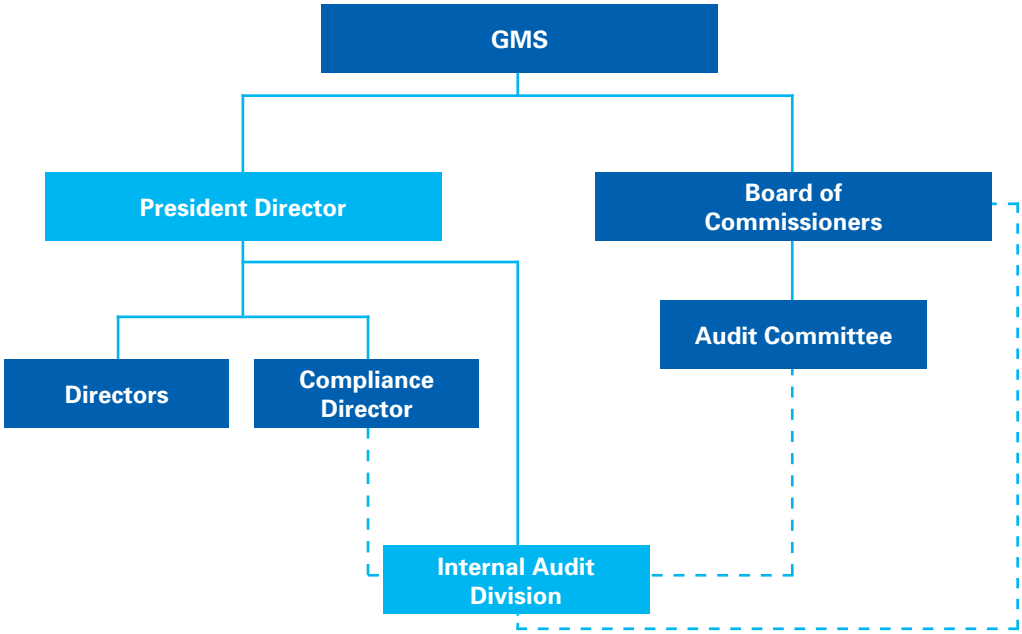
The Internal Audit Division was established to generate value and improve the operations of BCA through independent and objective evaluation of various aspect, of the operation of the Bank and consulting activities.

In performing its function, the Internal Audit Division evaluates the adequacy and effectiveness of risk management, internal control, and governance processes, and provides consulting services to BCA internal parties in need.

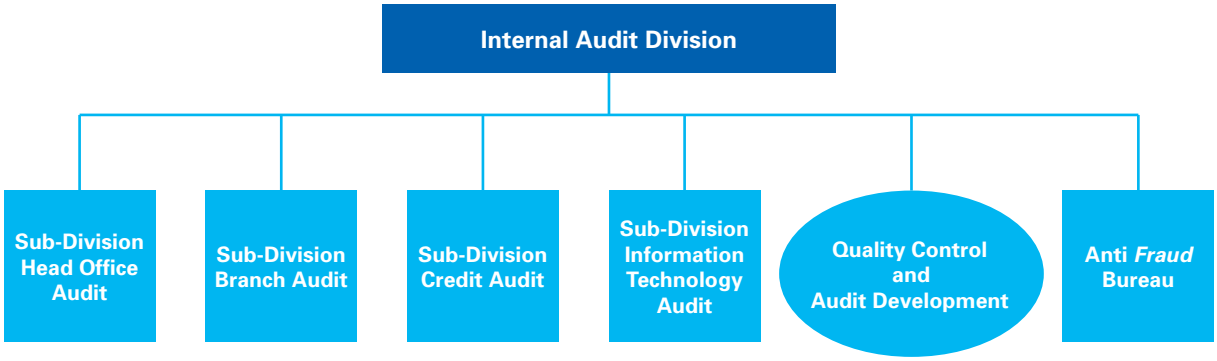
Structure and Position of Internal Audit Division

The Head of the Internal Audit Division is responsible to the President Director. Currently, the position of Internal Audit Division Head is occupied by Jacobus Sindu Adisuwono, as of November 1, 2008 as stated by the Decision of Employee Appointment No. 1390/SK/DHR/A/2008 dated October 24, 208 signed by the President Director and has been approved by the Board of Commissioners. He has strong experience in the field of internal audit and has obtained certifications in the internal audit profession, namely the Certified Internal Auditor (CIA) and Qualified Internal Auditor (QIA).

The Position of Internal Audit Division in BCA's Organizational Structure



Internal Audit Division Organization Chart



Duties and Responsibilities of the Internal Audit Division

1. Develop and implement a risk-based annual audit plan and report the realization of the plan.
2. Test and evaluate the risk management, internal control, and governance to assess its adequacy and effectiveness.
3. Carry out credit quality assessment.
4. Provide recommendations for improvements and objective information on the activities examined.
5. Carry out special investigations/ examinations upon request of the Board of Commissioners, Audit Committee, Board of Directors, work units or based on specific indications.
6. Monitor, analyze and report the implementation of follow-up by auditors based on the audit result recommendations.
7. Act as a consultant for BCA internal parties, especially concerning the internal audit scope of duties.
8. Compile a program to evaluate the quality of internal audit activities.

Implementation Standards

Activities of the Internal Audit Division are guided by the Internal Audit Division Work Manual and the Internal Audit Charter as set forth in Directors Decision No. 074A/SK/DIR/2012 dated April 30, 2012 which was prepared in accordance with the Standard Implementation of Internal Audit for Banks issued by Bank Indonesia and regulations on the Preparation and Formulation Guidelines of the Internal Audit Charter by Bapepam-LK. As a reference towards global best practices, the Internal Audit Division also uses the standards and the code of ethics issued by the Institute of Internal Auditors (IIA) as well as the Information System Audit & Control Association (ISACA).

The effectiveness of the Internal Audit Division and its compliance with Internal Audit Function Implementation Standards in Banking (SPFAIB) is reviewed by an independent external party at least once every 3 (three) years. The most recent review was undertaken at the end of 2013.

Scope

The scope of internal audit covers all the activities of the Branch Offices, Regional Offices, Divisions, Units and Head Office Business Units, Subsidiaries and BCA activities that are outsourced to third parties.

Independence

Internal Audit is independent from the operational work units. The Internal Audit Division Head reports directly to the President Director and can directly communicate with the Board of Commissioners and the Audit Committee. Internal Audit holds meetings with the President Director and Audit Committee every two months and with the Board of Commissioners every semester.

Appointment, replacement, or dismissal of the Head of Internal Audit Division is conducted by the President Director with the approval of the Board of Commissioners and is reported to the Financial Services Authority.

Number of Auditors in the Internal Audit Division

The Internal Audit Division is supported by 182 auditors (position as of December 31, 2014) with structure, experience, and diverse professional certification, as follows:

Position within the Bank:

- Head of Division — 1 person
- Deputy Head of Division — 3 persons
- Audit Adviser — 18 persons
- Senior Audit Officer — 30 persons
- Audit Officer — 43 persons
- Associate Audit Officer — 70 persons
- Assistant Audit Officer — 15 persons
- Senior Staff — 2 persons

Experience:

- 0 to < 3 years — 50 persons
- 3 to < 9 years — 58 persons
- 9 to < 15 years — 25 persons
- ≥ 15 years — 49 persons

Professional Certification:

1. Certified Internal Auditor — 1 person
2. Certified Information System Auditor — 4 persons
3. Certified Fraud Examiner — 3 persons
4. Qualified Internal Auditor — 41 persons
5. Certified Risk Management — 74 persons

Reporting

The Internal Audit Division submits reports to:

1. Board of Commissioners, the Audit Committee and Board of Directors consisting of:
   a. Audit Report
   b. Summary Report of the Audit Follow-up
   c. Report of Audit Realization
2. The Financial Services Authority concerning the implementation of the Internal Audit function which consists of:
   a. Report on the Implementation and the Fundamentals of Internal Audit
   b. Special reports on any findings of Internal Audit that may impact the business of the Bank.

c. Reports on external party's reviews, including opinions about the work of the Internal Audit Division and its adherence to the SPFAIB.

Activities of the Internal Audit Division in 2014

Internal Audit Division activities in 2014 focused on the following:

1. Renewed the Strategic Audit Plan 2015-2017 based on the Bank's Business Plan 2015-2017 and the expectations of the Board of Commissioners, Audit Committee and the Board of Directors.
2. Performed audits of the Branch Offices, Regional Offices, Divisions/Working Units at the head office and the subsidiaries based on the results of risk assessments.
3. Performed thematic audits on the implementation of Anti-Money Laundering – Prevention of Terrorism Financing and Corporate Social Responsibility.
4. Performed audits on the implementation of Internal Capital Adequacy Assessment Process (ICAAP), and the application of Card-Based Payment Instrument (APMK), in accordance to Bank Indonesia regulations.
5. Performed audits on outsourced activities, especially activities that support banking transactions, such as the management of ATM and EDC machines.
6. Performed audits on the core application, namely Deposit and Loan System.
7. Improved the effectiveness of methodology through the development and implementation of continuous auditing to support the role of audit as an early warning system.

Audit Plan Focus in 2015

1. The 2015 Audit will focus on:
   - IT Governance, in line with the increasing complexity of information technology applied.
   - Electronic channels, along with the increasing volume of transactions through e-channels.
   - Management of outsourcing, in connection with the increasing number of outsourced activities.
   - The process of SME, commercial, and corporate loans, to maintain good credit quality.
2. Carry out audits in Branch Offices, Regional Offices, Head Office Division/Working Units and Subsidiaries determined based on the results of risk assessments.
3. Develop Audit Management System to improve the efficiency and effectiveness of the internal audit management.
4. Develop and implement continuous auditing to support the audit's role as an early warning system.

PUBLIC ACCOUNTANT (EXTERNAL AUDIT)

In order to fulfill the implementation of External Audit functions in accordance with Bank Indonesia Regulation No. 14/14/PBI/2012 on Transparency and Publications of Bank Reports and Bank Indonesia Circular Letter No. 3/32/DPNP regarding the Relationship between Banks, the Office of Public Accountant and Bank Indonesia, BCA has implemented the following:

1. BCA Financial Statements have been audited by an independent, competent, professional, and objective Certified Public Accountant, who uses professional skills carefully and thoroughly (due professional care).
2. The Public Accountant appointed by BCA has conducted audits in accordance with professional standards, employment agreements, and the scope of the audit.
3. Based on the decision of the Annual General Meeting, the appointment of Public Accountant and the determination of fee have been conducted by the Board of Commissioners with consideration on the recommendation from the Audit Committee.
4. The appointment of the Public Accountant Firm has been conducted according to the applicable provisions, among others:
   - Is a Public Accountant Firm and Public Accountant (partner-in-charge) registered in the Financial Service Authority/Bank Indonesia. BCA only considers the 4 (four) largest Public

Accountant Firms registered in the Financial Service Authority/ Bank Indonesia.

- The Public Accountant Firm will not provide other services to BCA during the year in order to avoid the possibility of conflict of interest.
- The Public Accountant Firm provides audit services for no more than 5 (five) years in a row.

The Public Accountant Firm Siddharta & Widjaja, affiliated with KPMG International, was appointed as the auditor of BCA to audit its financial statements for the fiscal year ending December 31, 2014, with an estimated fee of USD 510,000 (excluding VAT).

5. BCA grants power to the Public Accountant Firm to submit audited financial statements (audit report) accompanied by a Management Letter to Bank Indonesia no later than 4 (four) months after the fiscal year.

Public Accountant firms and Certified Public Accountants who have audited the financial statements of BCA

	2014	2013	2012
Public Accountant Firm	Siddharta & Widjaja (now Siddharta Widjaja & Rekan)	Siddharta & Widjaja	Siddharta & Widjaja
Public Accountant	Elisabeth Imelda	Elisabeth Imelda	Elisabeth Imelda

COMPLIANCE FUNCTION

Given that the Bank is in an industry regulated and closely monitored, as well as the increasing complexity of the banking business, major impacts from risk exposure are faced by banks, one of which is compliance risk. To manage and mitigate compliance risk, BCA has appointed one of the members of the Board of Directors as the Director in charge of the compliance function. The Compliance Unit has been formed to assist the Director in charge of the compliance function.

The position of the Compliance Unit is equivalent to Divisions within the Head Office and is directly responsible to the Director in charge of the compliance function. The Compliance Unit is independent and free from the influence of other working units, as well as having direct access to the Director in charge of the compliance function. The Compliance Unit is responsible for the implementation of the compliance function as well as function as well for the implementation of provisions related to Anti-Money Laundering and Combating the Financing of Terrorism.

In order to ensure the implementation of the compliance function of BCA, the Board of Commissioners and Board of Directors conduct active monitoring of compliance. The active monitoring is conducted in the form of, among others, approval of policies and procedures, periodic reporting, demand of explanations, and meetings.

Compliance Activities during 2014

- Undertook measures to encourage the creation of Compliance Culture, among others:
  - Conducted socialization of regulations;
  - Implemented consultative functions related to the implementation of the applicable regulations;
  - Provided information on OJK and Bank Indonesia regulations, as well as other laws in the BCA portal site that can be accessed by employees;

- o Ensured the adjustment of internal regulations with the applicable regulations.
- Performed gap analysis and the impact of new provisions to the operations of BCA and the adjustment of manual as well as necessary internal policies and procedures.
- Performed compliance risk assessment and prepared quarterly compliance risk profile reports in order to minimize compliance risk.
- Conducted review and provide opinion on new products and activities plan to ensure that the new products and activities that will be produced in accordance with the applicable regulations.
- Approved the draft of internal regulations to be published.
- Assessed the compliance of corporate credit release.
- Tested the compliance of the implementation of the provisions in the branch offices, in cooperation with the Branch Internal Supervisor.
- Followed-up BCA's commitment to the OJK, Bank Indonesia and other regulators.
- Performed coordination in order to assess the Risk-based Bank Health Level.

Activities Related to the Application of Anti-Money Laundering and Prevention of Terrorism Financing (APU and PPT)

- Updated the Manual of Credit Card provisions related AML and PTF.
- Conducted review on the new products and activities plan to ensure compliance to the AML and PTF regulations.
- Monitored suspicious financial transactions using the Suspicious Transaction Identification Model (STIM) application.
- Reported suspicious financial transactions, cash transactions and financial transactions abroad to the Center of Financial Transaction Reports and Analysis Center (PPATK).
- Coordinated the implementation of customer data updating through the formulation of target and monitoring of the realization of the target.
- Completed the system to filter money transfer transactions which is part of the upgrading of the STIM application.
- Renewed OFAC List and UN List as terrorist database to filter customers and transactions.
- Conducted training and socialization of AML and PTF on an ongoing basis.
- Developed e-learning materials on the application of AML and PTF.
- Published a comic book on AML and PTF distributed to all branch offices as part of an effort to socialize.
- Tested the compliance on the application of AML and PTF in the branch offices in cooperation with the Branch Internal Supervisors.

Indicators of Compliance

Compliance indicators in 2014 are reported as:

- Capital Adequacy Ratio (CAR) including credit risk, market risk and operational risk was 16.88%, above the prevailing Bank Indonesia regulation of a minimum CAR of between 9% and less than 10% (CAR based on BCA's risk profile which is ranked as 2).
- NPL ratio (net) of 0.22%, well below the maximum allowed by Bank Indonesia regulation of 5%.
- The Bank did not exceed nor violate the Legal Lending Limit (LLL), either to related parties or to business groups.
- Accounted for Rupiah Account Mandatory Minimum (GWM) primary reserve of 8.36% and Secondary reserves of 20.74%, in conformity with the provisions of the Bank regarding primary Rupiah reserves.
- Foreign Currency Account Mandatory Minimum reserve of (GWM) 8.60%, in conformity with the provisions for a Foreign Exchange Bank for required reserve levels.
- Net Open Position (NOP) at 0.55%, within the Bank Indonesia regulation of 20% of capital.
- All commitments to the Financial Services Authority, Bank Indonesia and other supervising authorities were well fulfilled.

IMPLEMENTATION OF RISK MANAGEMENT

The Board of Commissioners and Board of Directors are responsible for the implementation of risk management and internal control systems in BCA. Application of risk management and internal control systems BCA include:

- Active supervision by the Board of Commissioners and the Board of Directors.
- Adequacy of policies, procedures and limits.
- Adequacy of the process of identification, measurement, monitoring and control of risk and the risk management information system.
- The system of internal controls.

BCA implements risk management and internal control systems which are effectively tailored to the goals and policies of the business, the size and complexity of the business activities of the Bank in accordance to the regulations of Bank Indonesia, the Financial Services Authority and with reference to best practices through the following actions:

1. Identifying and controlling all risks including those arising from new products or activities.

2. Establishing a Risk Oversight Committee tasked to ensure that the risk management framework provides adequate protection against all risks faced by BCA. The Risk Oversight Committee's main duty is to provide advice and professional opinion independently regarding the appropriateness of the policy and the implementation of the risk management policies to the Board of Commissioners, as well as monitor and evaluate the implementation by the Risk Management Committee (KMR) and the Risk Management Unit (SKMR).

3. Establishing the Risk Management Committee (KMR) with the main duty to develop policies, strategies and guidelines for risk management, to enhance the implementation of risk management based on the results of the evaluation of the implementation of effective risk management process and system while implementing on matters related to business decisions that deviate from normal procedures (irregularities).

4. Establishing the Risk Management Unit (SKMR) designed to ensure that the risks faced by BCA can be identified, measured, monitored, controlled, and properly reported through the appropriate application of the risk management framework.

5. Managing risks and ensuring the provision of policies and the establishment of risk limits that are supported by procedures, reports, and information systems to provide accurate and timely information and analysis to management, including the development of measures to deal with changes in market conditions.

6. Ensuring that work systems and procedures have been developed with consideration to operations and business as well as the level of risk that may exist in a respective work unit.

7. Ensuring that an internal control system has been applied properly according to the applicable provisions.

8. Monitoring BCA's conformity with sound banking principles according to the applicable regulations through the Compliance Unit.

9. Preparing quarterly Risk Profile and the Consolidated Risk Profile Reports and submitting these to the Financial Services Authority in a timely manner.

Based on the results of the assessment of BCA's risk profile, the composite risk of BCA is Low to Moderate, the result of the inherent risk assessment is Low to Moderate and quality of risk management is Satisfactory.

Implementation of Risk Management and Internal Control

Based on the results of the assessment of BCA's risk profile, BCA has a risk composite level of Low to Moderate. This result was achieved due to the implementation of a risk management that supports the effectiveness of Bank-wide risk-based supervision framework.

The assessment includes a review of the 8 (eight) major risks faced by BCA: credit risk, market risk, liquidity risk, operational risk, legal risk, reputation risk, strategic risk and compliance risk. BCA also has written policies and procedures to manage the risks inherent in the new products and new activities of BCA.

Risk Management System

In order to control risk, the Bank has implemented an integrated Risk Management Framework set forth in the Basic Policy on Risk Management (KDMR). The framework is used as an instrument for the determination of strategy, organization, policies and guidelines, as well as BCA's infrastructure to ensure that all risks faced by the Bank can be identified, measured, controlled and reported.

In order for the application of risk management to be carried out effectively and optimally, BCA has a Risk Management Committee that works to address issues of risk faced by the Bank as a whole and recommend risk management policies to the Board of Directors.

In addition to the above Committee, BCA has formed several other committees assigned to deal with specific risks, namely the Credit Policy Committee, the Credit Committee and the Asset and Liability Committee (ALCO).

BCA continues to do a thorough risk assessment on the proposed issuance of new products and activities according to the type of risk and as detailed in PBI No. 5/8/PBI/2003 dated May 19, 2003 and its amendments, among others, PBI No. 11/25/PBI/2009 dated July 1, 2009 and the SEBI No. 11/35/DPNP dated December 31, 2009.

The Types of Risk Managed by BCA consist of 8 (eight) as follows:

1. **Credit Risk**
   - Organization of credit continues to be refined based on the application of the "four eyes principle" whereby credit decisions are taken based on the consideration of both the business development and the credit risk analysis.
   - BCA has developed a Basic Bank Credit Policy (KDPB) that is continually refined in line with BCA's growth, Bank Indonesia Regulations, OJK Regulations and according to "International Best Practice".

- Refinement of credit risk management procedures and the system is conducted through the development of the "Loan Origination System" on loan processing (from start to finish) to allow an efficient and effective credit process. The development of a debtor risk profile measurement system continues to be improved in order to be applied as a whole, while the development of a credit database continues to be conducted and refined.
- To properly maintain credit quality, credit quality monitoring continues to be conducted on a regular basis, either by credit category (Corporate, Commercial, Small & Medium Enterprise (SME), Consumer and Credit Card) or on an overall loan portfolio basis.
- BCA has developed a credit risk management system by conducting a stress-testing analysis on the credit portfolio and monitoring the result. As a response to changing market conditions and economic volatility, it conducts the testing on a regular basis. Stress testing is beneficial to the Bank as a tool for estimating the impact of risk in "stressful conditions" so that the Bank can make appropriate strategies mitigating these risks as part of the implementation of the "contingency plan".
- In order to monitor and control credit risk that may occur in subsidiaries, BCA conducts monitoring of subsidiary credit risk on a regular basis, while ensuring that subsidiaries have sound and effective Credit Risk Management policies.

2. **Market Risk**
   - In managing foreign exchange risk, BCA centralizes the management of its net open position through the Treasury Division, which combines daily reports of net open positions from all branches. Each branch is required to cover their total foreign exchange risk at the end of each working day, although there is a maximum net open position limit for each branch depending on the volume of foreign exchange activity in the transacting branch. BCA creates a daily net open position report that combines the net open positions in the consolidated financial position statement and the administrative account (off-balance sheet accounts).
   - To measure foreign exchange risk, BCA uses the Value at Risk (VaR) methodology with Historical Simulation approach for internal reporting purposes, while to report BCA's compliance to the Minimum Capital Requirements the Bank uses Bank Indonesia's standard methodology.
   - The main components of the Bank's liabilities that are sensitive to the movements of interest rates is customer deposits, while BCA's sensitive assets are government bonds, securities, and loans. ALCO regularly monitors market developments and adjusts interest rates on deposits and loans.
   - BCA determines the interest rates on deposits based on market conditions and competition by monitoring the movement of the benchmark interest rate and the interest rates offered by other banks.

3. **Liquidity Risk**
   - BCA attaches great importance on the maintenance of adequate liquidity to meet its commitments to its customers and other parties within the framework of the provision of credit, repayment of customer deposits, and in meeting operational liquidity needs. The function of managing the overall bank liquidity is conducted by ALCO and implemented operationally by the Treasury Division.
   - Measurement and control of liquidity risk is conducted by monitoring the liquidity reserves and the Loan to Deposit Ratio (LDR), reviewing maturity profile analysis, preparing cash flow projections, and undertaking periodic stress tests to measure possible impact on the Bank's liquidity in extreme conditions. BCA also has a contingency funding plan to deal with extreme conditions.
   - BCA has followed the provisions related to liquidity as stipulated in Bank Indonesia Regulation which requires the Bank to maintain Rupiah liquidity (Statutory Reserves) on a daily basis, which consists of Primary GWM, and LDR GWM in Rupiah deposits at Bank Indonesia as well as secondary reserves consisting of SBI, SDBI, SUN, and excess reserves, and foreign currency reserve in the form of foreign currency current accounts in Bank Indonesia.

4. **Operational Risk**
   - The Basel II Accord requires a Bank to include operational risk as a component in the calculation of capital adequacy of a bank. In connection with this, BCA implemented Risk Control Self-Assessment (RCSA) in all branch/ regional offices followed by divisions or work units with high risks in the Head Office. One goal of the implementation of RCSA is to embed risk culture (the culture to manage risk) and increase risk awareness, which is a main requirement in risk management.
   - BCA maintains a database of cases/ losses related to operational risk occurring in all of the working units known as the Loss Event Database (LED). The LED is one of the means to record operational losses which will be used by the Bank to calculate capital charge and to continuously monitor cases that may lead to operational losses.

     The LED is also used by BCA to analyze cases or problems, so that corrective/ prevention actions can be taken to minimize/ mitigate operational risk losses that may occur in the Bank. BCA has implemented a Key Risk Indicator (KRI) identification system as an application used to provide indicators (early warning signs) on the possibility of an increased operational risk within a working unit.
   - BCA has calculated the Bank's minimum capital requirement for operational risk based on the Basic Indicator Approach, in accordance with the regulations of Bank Indonesia in relation to the inclusion of operational risk in the calculation of risk capital adequacy ratio (CAR) in addition to credit risk and market risk.

5. **Legal Risk**
   - Inherent legal risk is assessed based on the potential losses on court cases involving BCA and its subsidiaries, compared to BCA's capital and consolidated capital. The parameters used to calculate the potential losses of the cases in court proceedings are the basis of lawsuit (position case), the value of the case, and legal documentation.
   - In order to identify, measure, monitor and control legal risks, the Bank has established a Legal Group at Headquarters and legal units in most of the Regional Offices.

- In order to mitigate legal risks, the Legal Group has taken the following measures to:
  - Establish Legal Risk Management Policy, having internal regulations which govern the organizational structure and the job description of the Legal Group as well as establishing legal document standardization.
  - Organize legal communication forum to improve the competence of the legal staff.
  - Conduct socialization on the impacts of prevailing regulations on the banking activities of BCA and various modus operandi of banking felony as well as the legal handling guidelines for related branch or working unit officers.
  - Conduct legal defense on civil and criminal cases that involve the Bank which are currently in court proceedings, as well as monitoring the progress of the cases.
  - Develop a loan security strategy (in collaboration with other work units, among others the Credit Settlement Bureau) in relation to issues of non-performing loans.
  - Register with the authorized institutions the assets belonging to BCA, among others, intellectual property (HAKI) on banking products and services as well as the rights on BCA's land and buildings.
  - Monitor and conduct legal actions for violations of BCA's assets including violations on BCA's intellectual property (HAKI).
  - Monitor and analyze cases in court proceedings faced by BCA and its Subsidiaries.
  - Conduct an inventory, monitoring, analysis, and calculate loss potentials which may arise related to the occurring legal cases.

6. Reputation Risk

- Assessment of reputation risk is performed using parameters such as frequency of complaints and negative publicity as well as the achievement of complaint resolution. The assessment is compiled in a quarterly report of reputation risk profile.
- To manage and control reputation risk, the Bank is supported by Halo BCA (24-hour telephone hotline service for information, suggestions, and complaints).
- Reputation Risk management is carried out based on:
  - Bank Indonesia Regulation No. 7/7/PBI/2005 dated January 20, 2005 on the Settlement of Customer Complaints as amended by Bank Indonesia Regulation No. 10/10/PBI/2008 dated February 28, 2008.
  - Bank Indonesia Circular Letter No. 7/24/DPNP dated July 18, 2005 concerning Settlement of Customer Complaints as amended by Bank Indonesia Circular Letter No. 10/13/DPNP dated March 6, 2008.
  - Bank Indonesia Regulation No. 8/5/PBI/ 2006 dated January 30, 2006 on Banking Mediation.
  - Bank Indonesia Regulation No. 16/1/PBI/2014 dated January 16, 2014 on Payment System Service Consumer Protection.
  - Regulation of the Financial Services Authority No. 1/POJK.07/ 2013 dated July 26, 2013 on Financial Services Sector Consumer Protection.

7. **Strategic Risk**
   - Assessment of inherent strategic risk is performed using parameters such as the suitability between the strategy and the business environment, low-risk strategy versus high-risk strategy, the position of the Bank's business and the achievement of the Bank's Business Plan.
   - Assessment of the quality of strategic risk management is conducted by using parameters such as risk governance, the risk management framework, risk management processes, MIS and human resources, as well as the adequacy of the risk control system.

8. **Compliance Risk**
   - In accordance with the applicable Bank Indonesia provisions, BCA has appointed a member of the Board of Directors as the Director in charge of compliance. In the performance of duties, the Compliance Director is supported by the Compliance Unit which is responsible for managing BCA's compliance risk.
   - BCA has developed compliance policies and procedures. These policies address the process of adjusting applicable internal system of rules and regulations and communicating relevant provisions to employees in line with new Bank Indonesia or OJK guidelines. The Bank also has implemented compliance guidelines for the reviews of new products/activities, periodic compliance testing and training of employees and the issuance of monthly compliance reports to the Board of Directors and Board of Commissioners.
   - BCA has applied Bank Indonesia and international policies and regulations for Anti-Money Laundering and for Preventing the Financing of Terrorism. BCA has also developed applications to identify suspicious financial transactions in accordance with applicable regulations.

BCA's composite risk in the fourth quarter of 2014 was "Low to moderate", which was the result of an assessment of "Low to Moderate" inherent risk and the assessment of "Satisfactory" quality of risk management.

The composite risks of the 8 (eight) types of risk assessed are as follows:
- Risks with low composite risk are Market Risk, Liquidity Risk and Legal Risk.
- Risks with low to moderate composite risk are Credit Risk, Operational Risk, Reputation Risk, Strategic Risk and Compliance Risk.

BCA implemented effective and efficient risk management of its activities allowing the "low to moderate" composite risk level to be achieved.

The trend of inherent risks in the next quarter is to remain stable, since based on projection results, the Bank predicts that there will be no significant changes in inherent risks. The trend of the quality of risk management remains stable. These trends are attributable to the Bank's continuous improvement on the implementation of risk management in all of its activities so that the Bank is able to identify, measure, monitor, and control any existing risks.

INTERNAL CONTROL SYSTEM

BCA's internal control system includes 5 (five) components:

- Supervision by management and control culture.
- Identification and assessment of risk.
- Control activities and segregation of duties.
- Accounting, information, and communication systems.
- Monitoring and corrective actions against deviations from policy.

In addition, BCA has developed a business continuity plan and disaster recovery plan to speed up the recovery process in the event of a disaster and in order to have a backup system to prevent the failure of a high-risk venture.

All management and employees of BCA have a role and responsibility in improving the quality and implementation of the Bank's internal control system.

The parties involved and responsible for the implementation of the Bank's internal control system include the Board of Commissioners, the Audit Committee, the Board of Directors, the Internal Audit Division, officers and employees of BCA, Branch Internal Control, Regional Internal Control and Internal Control of Specified Work Unit at the Headquarters.

1. Internal control is implemented through:
   a. **Financial Control**, where:
      - BCA has established a Business Plan that details BCA's overall strategy, including business development direction.
      - The development of a strategy has taken into account the impacts on the Bank's capital, including projected capital and the Bank's CAR (Capital Adequacy Ratio).
      - Directors actively engage in discussions, providing input and monitoring internal conditions and external factors that directly or indirectly could affect the Bank's business strategy.
      - BCA has implemented financial control through the monitoring of efforts on the realization compared with the financial budget in a report that is generated periodically and delivered in time of need for follow-up from the Board of Directors.

   b. **Operational Control**, where:
      - BCA has completed the standard operating procedures/ work manuals detailing the work procedures of each banking operation transaction conducted in BCA related to new products and new activities, including the mitigation of the related operational risk. The creation of work procedures was performed by Division of Operations and Service Development (DPOL) and has been reviewed by a variety of related work units to ensure that the operational risks that may exist in such activities have been mitigated.
      - BCA imposed restrictions on the authority of officers through the establishment of limits in conducting transactions; and restrictions to the officers' access to IT and computer networks through use of user IDs and passwords as well as the installation finger scanners.
      - BCA has established a good organizational structure, equipped with monitoring units/control to support the operational control as in:
        - o Separation of functions that can give rise to conflict of interest.

- o Supervisor functions to oversee the daily implementation of internal control at the Branches.
- o PIC functions to periodically oversee the implementation of internal control at the Branches.
- o PKIW functions to oversee the implementation of internal control at the regional offices.
- o Internal control which functions to oversee the implementation of internal control in specific working units at the Head Office.
- o Risk Management Unit (SKMR), Legal Group, Compliance Unit (SKK).
- o DAI:
  - Independent from the risk taking unit.
  - Examines and assesses the adequacy/effectiveness of the system of internal control, risk management and corporate governance by performing an annual audit plan.

c. **Compliance to other laws and regulations, where:**

- BCA has a strong commitment to comply with the prevailing rules and regulations and takes steps to rectify shortcomings, if any.
- BCA has a Compliance Unit (SKK) that is independent from the operational units in carrying out compliance functions.
- Monthly compliance monitoring of BCA's Precautionary Provisions submitted to the Board of Commissioners and Board of Directors.
- BCA's risk management strategy has the policy to always comply with the applicable regulations and take proactive preventive action to prevent (ex-ante) in order to minimize the occurrence of violations and curative action (ex-post) in order to repair shortcomings.

2. BCA has implemented an effective internal control system which is adjusted with the goals, business polices, size and complexity of the Bank's business activities and based on the requirements and procedures as set out by Bank Indonesia Regulation as well as with reference to best practice through the following actions:
   - Determination of clear reporting lines and separation of functions between the operating units and work units carrying out control functions.
     Control functions are performed by the Risk Management Unit (SKMR), Law Group (GHK), Compliance Unit (SKK) and the Internal Audit Division (DAI).
   - The Internal Audit Division independently and objectively reviews BCA's procedures and operational activities periodically. The result of the review is presented in Audit Reports and Audit Follow-up Reports to the Board of Directors.
   - Branch Internal Oversight (PIC), Regional Office Internal Oversight (PIKW) and the Audit Division (DAI) have conducted evaluations on the implementation of the systems and procedures in BCA. The results of the evaluation from PIC, PIKW and DAI become the benchmark of compliance level of the working units to the system and procedures that have been established.

PREVENTION OF CORRUPTION

- **ANTI FRAUD POLICY AND PROCEDURE**

  Anti fraud policy reflects BCA's management commitment in preventing fraud by implementing an effective and continuous fraud control system. The fraud control system will guide the Bank in preventing fraud from occuring, as well as detecting and investigating it.

  Fraud is defined as any violation or neglect deliberately done to deceive, cheat, or manipulate the Bank, customers, or other parties that occur within the Bank and/or use the Bank facilities, which causes the Bank, customers, or other parties to suffer from loss, and/or the perpetrator of fraud to receive financial benefit either directly or indirectly.

  Actions considered as fraud are:
  1. Cheating;
  2. False representation;
  3. Misappropriation of assets;
  4. Breach of confidentiality.

  Background

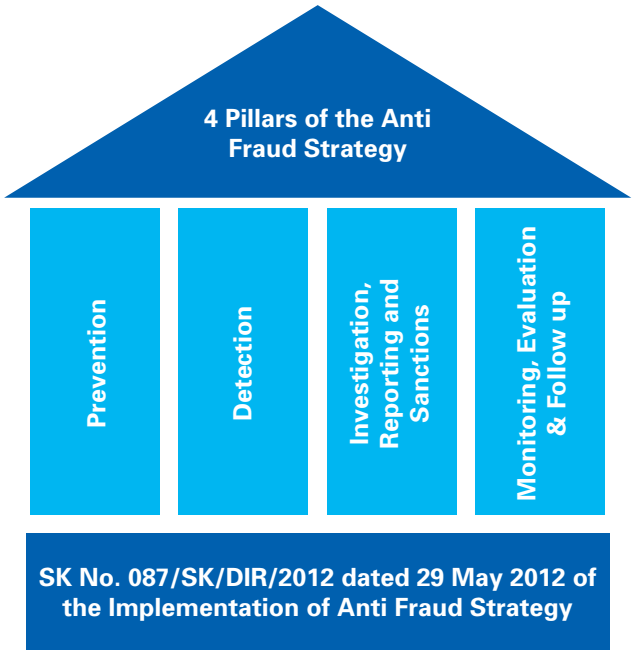
  Bank Indonesia Circular Letter No. 13/28/DPNP dated 9 December 2011 serves as a legal basis for implementing the anti fraud policy in BCA. The Circular Letter is meant to strengthen the Bank's internal control system and as a further implementation of Bank Indonesia Regulation (PBI) No.5/8/PBI/2003 dated 19 May 2003 concerning the Implementation of Risk Management for Commercial Bank.

  According to the Circular Letter, the Bank must have an effective anti fraud strategy and implement it, at least fulfilling the minimum Bank standard. The Bank shall take into account the following matters:
  a. internal and external conditions;
  b. business complexity;
  c. fraud potentiality, types, and risk; and
  d. adequacy of required resources.

  Purpose

  The purpose of anti fraud policy implementation in BCA is as follows:
  - To foster an anti fraud culture at all levels of BCA organization.
  - To increase awareness and concern toward fraud risk in the BCA's operations.
  - As a reminder for the BCA's operations officers to comply with the prevailing procedures and provisions.

The 4 Pillars of the Anti Fraud Strategy



The anti fraud strategy, which is implemented as a fraud control system, has 4 (four) pillars, as follows:

1. Prevention: covers the tools to mitigate the potential fraud risk, which at least includes anti fraud awareness, identification of insecurity, and the know your employee policy.
2. Detection: covers the tools to identify and find fraudulent activities in Bank operations, which at least includes whistleblowing policy and mechanism, surprise audits, and surveillance system.
3. Investigation, Reporting, and Sanctions: covers the tools to dig up information, reporting system, and imposition of sanctions for fraud occurring in Bank operations, which includes at least an investigation standard, reporting mechanism, and imposition of sanctions.
4. Monitoring, Evaluation, and Follow-up: covers the tools to monitor and evaluate fraud occurrence and necessary follow-up based on evaluation, which at least covers monitoring and evaluation of fraud and follow-up mechanism.

Role of Work Units

The work units play a vital role in anti fraud strategy, as described below:

1. Prevention
   a. To foster an anti fraud awareness to prevent fraud from happening.
   b. To identify risk of fraud attached to each activity that potentially detrimental to the Bank.
   c. To conduct various controlling efforts from Human Resources by recognizing and monitoring employees' character and behavior.
2. Detection
   a. To conduct examination or check ups, unbeknownst to the examinee.
   b. To conduct surprise audits to increase employees' awareness in performing their duties.
   c. To disclose fraud through the whistleblowing facility.
3. Investigation, Reporting, and Sanctions
   a. To collect evidence related to fraud.
   b. To report fraud to management and Bank Indonesia.
   c. To impose and implement sanctions to cause deterrent effect to any person considering committing fraud.

4. Monitoring, Evaluation, and Follow-Up
   a. To monitor follow-up actions in response to fraud.
   b. To perform evaluation on fraud in order to determine steps for improvement.
   c. To take necessary actions based on the results of evaluation to prevent the recurrence of similar fraud.

Implementation of Anti Fraud Efforts

Anti fraud efforts are carried out among others through the following:

1. Employee Awareness Program
   To increase employee awareness and alertness against the risk of fraud and to foster an anti-fraud culture within the Company through training/socialization at new employee education classes and coordination meetings as well as national or regional forums.
2. Identification of Insecurity
   The Bank officials identify insecurity or fraud potentiality in the work unit under their responsibility.
3. Know Your Employee
   To improve human resource policies related to the implementation of Know Your Employee starting from recruitment to existing employees in the work units.
4. Improvement of Supervision Effectiveness
   Supervision processes are very important in preventing the occurrence of fraud. By having a good supervision, each fraud effort can be recognized and prevented.

- **WHISTLEBLOWING SYSTEM**

In order to improve the effectiveness of the fraud control system and Good Corporate Governance by emphasizing the disclosure of complaints (reporting), formulation of a clear, understandable, and effectively implemented whistleblowing system is needed. Having this will promote encouragement and awareness by BCA's employees and officials to report actions of fraud, or violation of law, Company regulations, code of ethics, or conflict of interest in BCA.

The whistleblowing system (reporting of violations) is a communication facility for internal parties in BCA to report actions/conducts/events that are related with fraudulent actions, violation of law, BCA's Mutual Work Agreement, code of ethics, BCA's other internal policy, and/or conflict of interest carried out by BCA's internal staff.

A complaint shall be based on a good intention and not represent a personal grievance.

Below are the definitions and provisions related to the whistleblowing system.

Fraud

Fraud is any act of deviation or negligence deliberately conducted to trick, deceive, or manipulate BCA, customers, or other parties, which occurs within BCA and/or utilizes BCA's properties that causes BCA, customers, or other parties to suffer losses and/or give the perpetrators of fraud financial benefit either directly or indirectly.

Types of actions that are classified as fraud:

- Cheating;
- Scamming;
- Manipulation of assets;
- Information leakage;
- Banking criminal acts and other related actions.

Conflict of Interest

Conflict of Interest is a condition in which a BCA official in performing his duties and responsibilities has an interest other than official interests, either in relation with personal interest, family, or other parties' interest. This condition may cause the BCA official to lose his objectivity in making a decision and not fulfill policy according to the authority given by BCA.

Purpose of the Whistleblowing System

- As a facility for the Whistleblower to report fraud actions, violation of law, BCA's Mutual Work Agreement, code of ethics, BCA's other internal policy, and/or conflict of interest, without fear or worry because confidentiality is guaranteed.
- To have early detection and prevention of fraud.

Complaint Facilities

Following are the facility and address that can be used by the Whistleblower to submit complaints.

FACILITY	ADDRESS
E-mail	bcabersih@bca.co.id
SMS	0818-0818-1909
Direct Call	021-2358-8008
VSAT – Extension	VSAT 89000 Extension 22888
Letter	PO BOX 1189, JKS 12011

Things to be Completed by the Whistleblower

To facilitate and expedite the follow-up process, following are the things that shall be completed by the Whistleblower in submitting their complaints.

1. To give information regarding the Whistleblower's personal identification to facilitate communication with the Whistleblower, including at least:
   1.1. Name of Whistleblower (may be anonymous);
   1.2. Phone number/email address that can be contacted.
2. Shall give early indication that can be accounted for (3W & 1H), which covers:
   2.1. Issues that are reported (What);
   2.2. Parties involved (Who);
   2.3. Time of occurrence (When);
   2.4. How it occured (How).
3. The submitted report must be related with:
   3.1. Fraud;
   3.2. Violation of law;
   3.3. Violation of BCA's Mutual Work Agreement;
   3.4. Violation of Code of Ethics;
   3.5. Violation of BCA's other internal policies;
   3.6. Conflict of interest violation;
   3.7. Other similar things.

Protection for the Whistleblower

BCA will give protection to the Whistleblower provided that the report is proven true.

Protection for the whistleblower includes:

1. Guarantee of the confidentiality of identity of the Whistleblower and content of the submitted report;
2. Guarantee of protection from actions that may harm the Whistleblower;
3. Guarantee of protection from the possibility of threat, intimidation, punishment or inappropriate actions from the reported party.

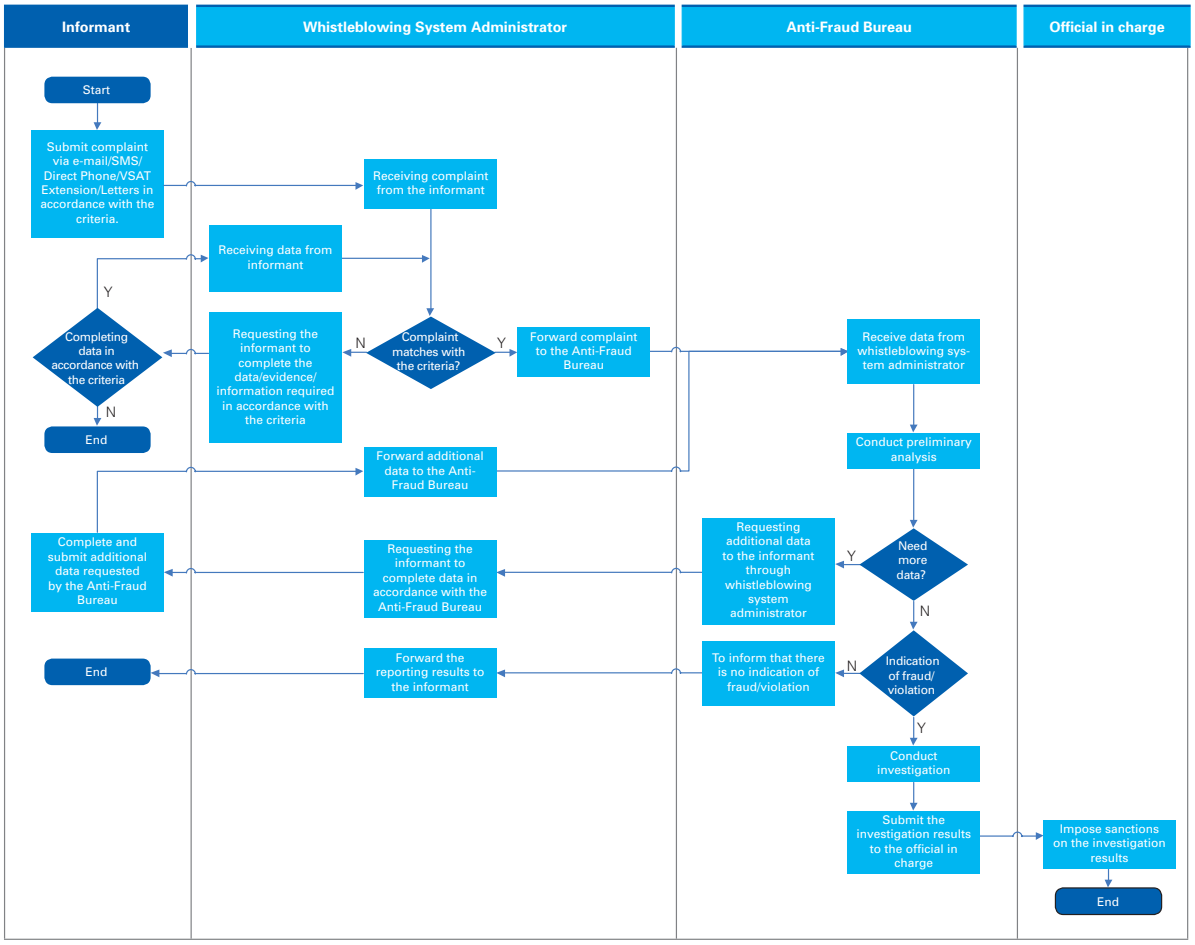
Handling Complaints

The internal team at BCA, which is determined by the management, will conduct follow-up of complaints thoroughly by referring to the provisions applicable in BCA and prevailing rules and regulations in Indonesia.

Provision of Sanctions

If the reported person is proven to have committed fraud/breach of trust, an authorized Bank officer shall impose sanctions in accordance with applicable regulations.

Processing Flow of Report Handling



Reporting Data

Recapitulation of incoming reports through the whistleblowing system is periodically submitted to the Board of Directors. As of December 31, 2014 there were 10 incoming complaints into the whistleblowing system with the following status:

Status	Total	Description
Open (in process)	2	Under investigation process
Closed (completed)	8	- Proven (1) - Not Proven (1) - Information/Complaints from Customers (4) - Incomplete data and the Reporter has not/could not provide additional information/data requested (2)

- **ANTI GRATUITY**

The trust of the public and market participants in the Bank is strongly influenced by the ethical behavior of all levels within the BCA: the Board of Commissioners, Board of Directors, the management as well as all employees. This trust is very important to build and maintain business relationships with customers and other third parties associated with the BCA.

In practice, the potential for the occurrence of a more personal relationship is quite significant; thus, the business relationship that occurs becomes mixed with personal relationship, resulting in a potential conflict between the Company's interests and personal interests.

In connection with this, to increase public trust and support the implementation of the principles of good corporate governance, the Board of Directors of BCA deems it necessary to establish provisions regarding conflicts of interest, intended to guide Bank employees as individuals in their dealings with customers, partners, and with fellow workers.

The purpose of this provision is intended to provide guidelines on reasonable, appropriate and reliable behavior for all ranks within the BCA in building relationships with customers, partners and co-workers, and is not intended to interfere in the personal lives of the BCA employees.

The provision stipulates, among others:

- All ranks within the BCA are prohibited from asking or accepting, allowing or agreeing to accept a gift or remuneration from a third party who obtains or attempts to obtain facilities from BCA in the form of credit facilities or other facilities related to the operational activities of BCA.
- All ranks within BCA are prohibited from asking or accepting, allowing or agreeing to accept a gift or remuneration from a third party who obtains or attempts to obtain employment or orders related to the procurement of goods and services from BCA.
- In terms of customers, partners, and other parties, giving gifts at certain times, such as the celebration of Idul Fitri or other celebrations, is prohibited if:
  - Due to the receipt of the gift, a negative impact and influence on BCA decision will occur, or
  - The price of the parcel is beyond a reasonable limit.

Thus BCA employees who receive such a gift must immediately return the gift with polite explanation that all ranks within the Bank are not allowed to accept gifts.

With regard to the above, and BCA's commitment in implementing good corporate governance, it is required:

1. All ranks within the Bank must know, understand and implement the provisions responsibly and without exceptions.
2. To support the implementation of the provisions, the Board of Commissioners, Directors and echelon 1 (S1) to the echelon 5 (S5) are required to make an annual statement containing all circumstances or situations that may lead to a conflict of interest.

Sanctions for Violations:

1. These provisions are binding and must be understood and implemented fully by all employees at all levels of the Bank as part of BCA's Banker's Code of Ethics and in order to support the implementation of the principles of good corporate governance.
2. In the event of violation or non-compliance with this policy, the offender may be subjected to sanctions in accordance with the degree of the offense.

As one of the efforts to prevent the occurrence of gratuities prohibited by the applicable legislation, the Board of Directors of the Bank in 2003 issued a decision that supports anti gratuity at all ranks of the Bank and it has become part of the culture of BCA to not accept gifts or benefits from customers, debtors, vendors, partners, business partners and other third parties for services provided by the employees of BCA in performing their duties.

- **INTERNAL FRAUD**

Internal fraud is the deviation/fraud committed by management, permanent and temporary employees related to the work processes and operational activities of BCA.

Throughout 2014, there were some internal frauds with nominal above Rp100 million (one hundred million rupiah). 2 (two) internal frauds were committed by permanent employees and 1 (one) by a temporary employee. The three cases have been solved internally in BCA.

Internal Fraud in 1 year	Number of cases conducted by:					
	Management		Permanent Employees		Temporary Employees	
	Prior Year	Current Year	Prior Year	Current Year	Prior Year	Current Year
Total Fraud	-	-	2	2	1	1
Resolved	-	-	2	2	-	1
In the process of internal settlement within BCA	-	-	-	-	-	-
Settlement has not been sought	-	-	-	-	-	-
Followed up through the legal process	-	-	-	-	1	-

TRANSACTIONS WITH CONFLICT OF INTEREST AND AFFILIATED TRANSACTIONS

BCA is committed to handling all transactions with conflict of interest by complying with applicable laws and regulations, among others, the regulations from Bank Indonesia and Bapepam-LK. To support this, BCA has internal policies regarding conflict of interest, among others, published in:

- BOD Decision No. 219/SK/DIR/2003 dated November 10, 2003 on the provisions related to conflict of interest.
- BOD Decision No. 137/SK/DIR/2008 dated September 26, 2008 on the provisions related to transactions with parties affiliated to BCA.
- BOD Decision on the provisions related to the procurement of goods/ services for logistics, and building including those related to Information Technology (IT) applicable at the Head Office, in all Regional Offices and Branch Offices of BCA.
- BCA's Articles of Association.
- BCA's Code of Ethics.
- The Code of Ethics of the Logistic and Building Division.
- Policy/internal memos related to Affiliation Transactions.
- BCA's Manual, among others, GCG Manual, the Manual of the Logistic and Building Division.

In order to prevent conflict of interest in the procurement of goods and/or services, procurement system conducted consists among others:

1. Centralized Procurement
   Procurement of logistics goods/services as well as building through the Logistics and Building Division - BCA Head Office;
2. Decentralized Procurement
   Procurement of logistics goods/services as well as building without going through the Logistics and Building Division - BCA Head Office, but is conducted by:
   - Head Office Work Unit located at the Branch, or
   - BCA Regional Office (for all main branches and sub-branches below).

BCA has an internal policy that requires all members of the Board of Commissioners, members of the Board of Directors and officials with the rank Echelon 1 (S1) to echelon 5 (S5) to make an annual statement (annual disclosure) that contains all the circumstances or situations that may lead to a conflict of interest, which is updated on a yearly basis.

In 2014, BCA did not have transactions containing conflict of interest.

Affiliated Transactions that occurred during 2014 are as follows:

No.	Type of Transactions	Affiliated Party	Value of Transaction	Reason and Explanation the Affiliated Transaction is Conducted
1	Room rent for the Analyst Meeting Quarter IV year 2013	PT Grand Indonesia	Rp 73,507,500,-	The location is close to the BCA office so as to facilitate the coordination of the event
2	Room rent for the 2014 General Meeting of Shareholders	PT Grand Indonesia	Rp 98,010,000,-	The location is close to the BCA office so as to facilitate the coordination of the event
3	Room rent for the Analyst Meeting Quarter I year 2014	PT Grand Indonesia	Rp 73,507,500,-	The location is close to the BCA office so as to facilitate the coordination of the event
4	Room rent for the Analyst Meeting Quarter IV year 2013	PT Grand Indonesia	Rp 73,507,500,-	The location is close to the BCA office so as to facilitate the coordination of the event
5	Room rent for the Lunch Together event	PT Grand Indonesia	Rp 79,000,000,-	The location is close to the BCA office so as to facilitate the coordination of the event
6	Room rent for the GCG Observation with the Indonesian Institute for Corporate Governance (IICG) and SWA Magazine	PT Grand Indonesia	Rp 12,251,250,-	The location is close to the BCA office so as to facilitate the coordination of the event
7	Room rent for the Analyst Meeting Quarter III year 2014	PT Grand Indonesia	Rp 73,507,500,-	The location is close to the BCA office so as to facilitate the coordination of the event

IMPORTANT CASES AND ADMINISTRATIVE SANCTIONS

The numbers of civil and criminal cases with the value above Rp 100,000,000 (one hundred million Rupiah) which have been resolved (having binding legal force) and which are still in the process of settlement as of December 31, 2014 are as follows:

Legal Cases	Civil Cases	Criminal Cases
Have been resolved (having binding legal force):		
• Rp 101 million – Rp 500 million	4	1
• Above Rp 500 million	1	1
Total	5	2
In the process of settlement:		
• Rp 101 million – Rp 500 million	47	1
• Above Rp 500 million	4	-
Total	51	1
Total Cases	56	3

During 2014, there were no important cases faced by BCA, BCA subsidiary entities, members of the Board of Commissioners and members of the Board of Directors during the period of this annual report, thus providing no effect on the BCA's financial condition.

During 2014 there were no material administrative sanctions, imposed by the authorities (the Financial Services Authority, Bank Indonesia, the Stock Exchange, and other authorities) to BCA, members of the Board of Commissioners, and the members of the Board of Directors.

ACCESS TO INFORMATION AND COMPANY DATA

Access to Information

BCA always facilitates stakeholder access to information and Bank data, among others, the financial condition of the Bank, products, and corporate actions. BCA also produces press releases that are published in print and electronic media.

For more information, please contact the following:

- Customers may contact the Call Center HaloBCA (021) 1500 888.
- Media may contact the Corporate Secretary or Public Relations through humas@bca.co.id
- Investors can contact Investor Relations via investor_relations@bca.co.id

Website and Social Media

Ease of Finding Information at BCA website

The roles of a website to meet the needs for banking information are increasing along with the fast development of digital era. A bank's website is currently required to be able to provide a full and complete information of all services rendered. Therefore, it is very important to have a clear and easy presentation of information for visitors in the website. The BCA website, www.bca.co.id provides easy, speedy and accurate solutions in presenting the banking information by utilizing a unique Platform Search Engine. The platform allows a very accurate display of search results and enables website users to directly feel the ease and speed in finding information. This feature further proves the existence of BCA to be "Always by Your Side!"

A dedicated website for BCA Priority customers

To give added value and facilitate the BCA Priority customers, in December 2014 BCA developed a special website for BCA Priority customers with address https://prioritas.bca.co.id. In this website, the customers can enjoy various interesting news, online Priority magazine, and ease of access through several media/gadgets such as PC, notebook, tablet, or smartphone in a display that is flexible and comfortable to read.

Social media

BCA is committed to providing useful information and interacting with its stakeholders using social media. The official social media accounts and activities of BCA can be accessed through www.bca.co.id/socialmedia.

List of BCA Press Releases in 2014

No.	Concern	Date
January		
1	BCA Extends Investment Loan to PT KAI	10
2	BCA Becomes Top 10 of Indonesia Most Valuable Brands	16
3	Bakti BCA Donates to Flood Victims through the Jakarta Red Cross	22
4	Bakti BCA Gives Lights of Hope for Manado	22
5	BCA Launches 2 New Features for Its EDC Machine: Dynamic Currency Conversion (DCC) and Acceptance of UnionPay Cards	23
6	Leading in Digital Channels, BCA Receives Award for Digital Brand of the Year 2013	30
February		
7	At the 57th anniversary celebration, BCA Strengthens its Commitment to Being "Always By Your Side"	01
8	BCA Supports OJK to Improve Financial Literacy in Indonesia	04
9	Excellent Service Award Affirms BCA's Top Service in Customer's Eyes	04
10	BCA Wins Top Brand Award 2014	05
11	BCA Provides Free Medical Care & Donates Blood in Bleberan Sub-district	10
12	BCA Products and Services Achieve Five Stars from GCSS Worldclass Quality Achievement	12
13	Jahja Setiaatmadja, Most Inspirational CEO 2014	14
14	BCA Delivers relief for Post-Flood Recovery in Manado.	19
15	BCA Celebrates 57th Anniversary: PORSENI BCA Aims at Mentally and Physically Healthy Employees	22
16	Train Tickets Available for Purchase through BCA KlikPay and BCA MIGS	24
17	BCA Celebrates 57th Anniversary: Bakti BCA Donates Cataract Surgery Equipment	25
18	BCA Proves Customer Loyalty by Winning IBLA Award for the 6th time	26
19	BCA Celebrates 57th Anniversary: Introducing Wayang to the Younger Generation, BCA Holds Wayang Enters Malls events	27
March		
20	BCA Celebrates 57th Anniversary: BCA Supports Teater Koma's Performance of "DEMONSTRAN" as an Effort to Preserve Performance Art	02
21	BCA Supports the Eradication of Cyber Crime	03
22	PT Bank Central Asia Tbk, Year 2013 Results: Sustaining Strong Performance	05
23	BCA Works with OJK in Educating Lombok Community on Banking Activities	08
24	BCA Supports UNICEF in Developing Children-Friendly Education	17
25	BCA Consistently Supports Orangutan Release at the Kehje Sewen Forest, East Kalimantan	20
26	Celebration of BCA's 57th Anniversary: Increasing Customer Engagement, BCA presents 2014 Gebyar BCA	22
27	Supporting Energy Conservation, BCA Once Again Participates in Earth Hour 2014	29

No.	Concern	Date
April		
28	BCA is included in The List of 2014 FIMAC Indonesia's Most Admired Companies	01
29	Maintaining Its Success, BCA Received the Asiamoney Award for the Fourth Time	02
30	Fulfilling Customers' Needs, BCA Won 6 Awards at the Contact Center Service Excellence Award	03
31	Focusing on Developing Retail Banking, BCA Was Named the Best Retail Bank in Indonesia for the Third Time	03
32	BCA Holds Annual General Meeting of Shareholders	07
33	Introducing Wayang to Students, BCA Presents Wayang for Student	15
34	BCA Credit Card names a leader in People of Solo and Jogja	16
35	Playing Golf for Charity in BCA Royale Open Tournament 2014	17
36	KPR BCA Won the 2014 iDea Award	17
37	Clarification on BCA's 1999 Taxation	22
38	PT Bank Central Asia Tbk, January - March 2014 Results: Recording Strong Performance	28
39	BCA Achieves WIMACO and WIMAC 2014	29
May		
40	Supporting Indonesian Badminton, BCA Signs a Memorandum of Understanding "BCA Indonesia Open MetLife BWF World Super Series Premier 2014" with PBSI	14
41	Support WHO Vision 2020: The Right to Sight, Bakti BCA Holds Free Cataract Surgery in Barabai	20
42	Supporting WHO Vision 2020: The Right to Sight, Bakti BCA Provides Free Cataract Surgery in Batam	24
43	Maintaining Accomplishment, Halo BCA Once again Achieves an Award in the event Best Contact Center Indonesia 2014	28
44	BCA Provides Scholarships and Laboratory for the Institutes of Al-Madinah Islamic Center to Help Indonesian Education Development	31
June		
45	BCA Indonesia Open 2014	02
46	Maintaining Reputations in the Eyes of Stakeholders, BCA Won Corporate Image Award 2014	04
47	BCA Achieves 5 Awards in Finance Asia Awards 2014	05
48	Receiving a Warm Welcome from Jazz Music Fans, BCA Once Again Presents Jazz Gunung 2014	05
49	Service Quality Award, Evidence of BCA's Service Quality	05
50	Preparing Professionals in the Banking Industry, BCA Develops a Banking Corner at the Faculty of Economics and Business UGM	06
51	BCA Preserves its Position as The Best Bank 2014	10
52	BCA Wins 3 Awards from Banking Service Excellence Award 2014	13
53	BCA and Aozora Signed MoU to Increase Cooperation	19
54	President Director of BCA Announced as Top Admired CEO 2014	20
55	Supporting Society's Healthy Living, BCA Organized 2014 Electro Run	21

No.	Concern	Date
56	BCA Supports UNIMA in Asia Pacific International Puppet and Shadow Art Week	23
57	BCA BLACK Credit Card, BCA's Innovation to Fulfill Customers' Needs	23
58	BCA Named as Best Public Company in Indonesia	25
59	Supporting Communities in Achieving Success, BCA Received the 2014 Social Business Innovation Award	26
60	Utilization of NIK, Demographic Data and Electronic Identity Card for Banking Services	26
July		
61	BCA Holds Outbound Tourism Training Program to Support Pindul Cave Tourism	01
62	BCA Offices Closed on Presidential Election Day	08
63	BCA Named as One of Indonesia's Top 100 Most Valuable Brands 2014	16
64	BCA Wins 'Best Bank in Indonesia' Award	17
65	BCA Supports Bazaar Art Jakarta 2014 as International Art Festival	17
66	BCA Provides Soft Skill Training Program on Tourism for Wukirsari Village	17
67	BCA Receives Infobank Award	18
68	PT Bank Central Asia Tbk, First Half 2014 Results: Recording Sustainable Performance	23
69	BCA Ready to Fulfill Customer's Needs during Idul Fitri	23
August		
70	BCA Invites 1.500 Students to Establishment Minibank BCA, Kidzania, to Introduce the Culture of Saving	11
71	BCA Educates Jambi through Financial Literacy Seminar, Workshop and Exhibition 2014	14
72	BCA on Forbes Global 2000 List, Marks Its Prestige on a Global Scale	19
73	Perbanas Invites the Public to Visit IBEX 2014	27
74	Targeting the People of Semarang, BCA Organizes Wayang Goes to Mall	28
75	In Order to Improve the Quality of Supported School Teachers, BCA Organized Creative & Innovative Learning Training	30
September		
76	BCA Visits Pilot Region for Child-Friendly School Program	01
77	BCA President Director Serves Customers on National Customer Day	04
78	BCA Receives Award from Warta Ekonomi - Living Legend Company & Everlasting Brand	04
79	Appreciates Loyal Customers, BCA Greets Customers in National Customer Day Parade.	07
80	Welcoming Indonesia Knowledge Forum III, BCA Once Again Holds Media Sharing	08
81	BCA Received Indonesia WOW Brand Awards 2014	11
82	BCA Holds BCA-SQ Travel Fair 2014, Invite Card Holders to go on Vacation and Travelling	12
83	BCA Achieves Two Awards in the Indonesian Best Brand Award (IBBA) 2014	17

No.	Concern	Date
84	Asiamoney Bestows Indonesia Large-Capital Corporate of the Year 2014 upon BCA and the Most Impressive Executive 2014 upon BCA President Director	25
85	Supporting SMEs Development, BCA Facilitates CSR Society Indonesia Comparative Study Visit to LPB Mitra Bersama Yogyakarta	26
86	BCA Supports the Rehabilitation of Sea Turtles Conservation Center Beach Forest in Collaboration with WWF Indonesia	30
87	Awarded as The Strongest Bank in Indonesia 2014 by The Asian Banker, BCA to Enter The Top 19 Strongest Bank in Euromoney Asia Pacific	30
October		
88	BCA is Appointed by the Government to Support the Sale of Indonesian Retail Government Bond (ORI) Serial 011 and Actively Taking Part in Save World's Water Movement	01
89	Supporting the Non-Cash National Movement, BCA's Flazz Card to be The Electronic Money Card for Commuter Line's Customer of E-Parking Resta	01
90	Improving Human Resource Quality, BCA holds Indonesia Knowledge Forum	09
91	Consistently Giving Added-Value to Customers, BCA is Awarded the Customer Service Championship Award 2014	09
92	Continuously Innovating, myBCA Improves Digital Banking Services for Busy Customers in Big Cities	11
93	BCA Re-demonstrates the Commitment to Support the Development of Tourism Village, BCA Provides Softskill Training for Village Officers in Pentingsari Tourism Village	14
94	For Financial Performance and Efficiency, BCA Receives the Indonesia Banking Award 2014	17
95	Supporting the Education and Quality Development of Indonesia's Human Resources, BCA Provides Scholarships to Students of ITB and Padjajaran University	21
96	In Continuation to Support Education and Quality Development of Indonesia's Human Resources, BCA Provides Scholarship for Students of Sam Ratulangi University	22
97	BCA Receives the Indonesia's Most Favorite Netizen Brand 2014 Award	22
98	BCA Receives Two Awards in Public Relations Event: PR of The Year Award 2014, Spokesperson of The Year 2014 and Indonesia Best Corporate Secretary Team	23
99	PT Bank Central Asia Tbk, First Nine Months 2014 Results: Recording Solid Performance	30
100	Continuously Providing Comfort in PBB Payment, BCA Continues the Cooperation with the Provincial Government of DKI Jakarta	31
November		
101	Finalists of The 5th PPM Regional Business Case Competition (RBCC) Visit Halo BCA	03
102	"BCA's Employer Branding: The Challenge Ahead" to be the Case Study of ASEAN and Chinese Students in The 5th PPM Regional Business Case Competition (RBCC)	04
103	Conserve Mangrove Forests in Jakarta, BCA Plants 55.000 Mangroves Altogether With Atma Jaya Catholic University of Indonesia	09
104	BCA's Digital Product Earns Digital Marketing Award for the Third Time	12

No.	Concern	Date
105	BCA Wins The Best Share of Voice Social Media, 3 of BCA's Product Receive Social Media Award 2014	12
106	BCA and American Express Announce the Acquirer Cooperation	12
107	Consistently Providing Best Service, BCA wins an award in the CFO Innovation Awards	13
108	Creating Synergy between Banking and Stock Exchange to Open Access for People to Invest	14
109	Proving to be the Best, Halo BCA is awarded The Best Mega Contact Center in The World 2014	14
110	BCA's Commitment to Aid Accomplished Students Brings Home Award at the Indonesia Social Responsibility Awards 2014	17
111	BCA Invited Painters with Mental Disabilities to Showcase their Work at ITB Art Fair 2014	23
112	BCA Signs a MOU with Public Bank Berhad to Strengthen Cooperation in Anticipation of AEC 2015	24
December		
113	BCA Wins HR Excellence Award 2014	01
114	BCA's Supports Indonesia WOW Concert	02
115	BCA is Ready to Support DKI Jakarta's Less Cash Society Program by Signing Payment Agreement with PD Pasar Jaya Tenants	08
116	BCA's Consistent Good Governance Leads BCA to Win Best Financial Sector Corporate Governance Award 2014	09
117	Jahja Setiaatmadja Wins Prestigious Indonesia Financial Figure Award	10
118	Jahja Setiaatmadja and BCA's Dedication Leads BCA to Win Indonesia Marketing Champion 2014	11
119	BCA Shows Its Support for Waste Management Program by Providing Waste Management Equipment to the Bandung Government	12
120	Bakti BCA Continues Its Commitment to Support Foster Schools Through Equipment Donation	17
121	Applying ISO 9001: 2008 Quality Management System, BCA Keeps Improving Its Information Technology Service Quality	17
122	BCA Supported Financial Market Festival 2014 for a Financially-Educated Indonesia	18
123	Continuing Its Support for Foster Schools, Bakti BCA Donated School Supporting Equipment - Lampung	18
124	Banjarnegara Landslide: Bakti BCA Delivers Reliefs to PMI	19
125	BCA Delivers Micro Financing at the Launching of Financial Market Festival at Jl Expo Kemayoran	20
126	Together Improving Indonesia's Financial Literacy, OJK Awarded BCA and Other Financial Institution	21
127	BCA Banking Services is Available for Christmas 2014 and New Year 2015	24

Correspondence with the Financial Services Authority (OJK) and the Indonesia Stock Exchange (IDX)

During 2014, BCA submitted 53 (fifty three) correspondences to the Financial Services Authority (OJK), among others:

No.	Date	Concern
1	13 January	Information Disclosure related to the Purchase of shares PT Central Santosa Finance
2	20 February	Submission of the Annual General Meeting of Shareholders Agenda of PT BCA Tbk
3	27 February	Submission of Proof of Advertisement of the Announcement to Shareholders on the Annual General Meeting of Shareholders of PT BCA Tbk
4	05 March	Submission of the Report related to Transactions with Transaction Value Not Exceeding 0.5% of the Bank's Fully Paid Capital and not exceeding Rp 5 Billion
5	06 March	Submission of the 2013 Annual Financial Statements (audited) of PT BCA Tbk
6	06 March	Submission of Proof of Advertisement of Condensed Financial Statements (audited) of PT BCA Tbk
7	13 March	Submission of the 2013 Annual Report of PT BCA Tbk
8	14 March	Submission of Proof of Advertisement of Announcement on the Annual General Meeting of Shareholders of PT BCA Tbk
9	14 March	Information Disclosure on the Publication of the Financial Report Summary of FarIndo Investment (Mauritius) Ltd's as of 31 December 2013 and 2012
10	17 March	Information Disclosure on Specific Shareholders (Raden Pardede)
11	18 March	Information Disclosure on Specific Shareholders (Raden Pardede)
12	20 March	Information Disclosure on Specific Shareholders (Sigit Pramono)
13	07 April	Submission of the Results of the Annual General Meeting of Shareholders of PT BCA Tbk
14	07 April	Submission of Report of Transactions with Transaction Value Not Exceeding 0.5% of the Bank's Fully Paid Capital and not exceeding Rp 5 Billion
15	07 April	Submission of Proof of Advertisement of Results of the 2014, Annual General Meeting of Shareholders of PT BCA Tbk and Proof of Advertisement of Announcement to the Shareholders regarding Dividends Distribution
16	28 April	Submission of Report of Transactions with Transaction Value Not Exceeding 0.5% of the Bank's Fully Paid Capital and not exceeding Rp 5 Billion
17	30 April	Submission of the Reports of GCG Implementation at PT BCA Tbk
18	09 May	Submission of the 2013 Annual Report of PT BCA Tbk
19	09 May	Submission of the Copy of the Minutes of the General Meeting of Shareholders of PT BCA Tbk
20	12 May	Report of Shareholding by member of the Board of Directors
21	12 May	Report of Shareholding by member of the Board of Commissioners
22	26 May	Submission of the 2013 Annual Report & Annual Financial Statements of Subsidiaries of PT BCA Tbk
23	05 June	Report of Shareholding by the Board of Directors
24	05 June	Information Disclosure concerning the Change of Composition of PT BCA Tbk Management
25	10 July	Additional Document Completion for Mr. Rudy Susanto
26	10 July	Information Disclosure on Specific Shareholders
27	21 July	Invitation to the Financial Literacy Exhibition
28	23 July	Submission of the 2014 Half-Year Financial Statements (unaudited) of PT BCA Tbk
29	23 July	Submission of Proof of Advertisement of the 2014 Half-Year Financial Statements Summary (unaudited) of PT BCA Tbk
30	23 July	Submission of Report of Transactions with Transaction Value Not Exceeding 0.5% of the Bank's Fully Paid Capital and not exceeding Rp 5 Billion
31	13 August	Information Disclosure on the Publication and Half-Yearly Financial Statements Summary of Farindo Investments (Mauritius) Ltd. as of 30 June 2014
32	14 August	Information Disclosure on Specific Shareholders

No.	Date	Concern
33	18 August	Information Disclosure on Specific Shareholders
34	27 August	Report on the plan to increase financial literacy to public, January – December 2014 period.
35	05 September	Information Disclosure on Specific Shareholders
36	08 September	Information Disclosure on Specific Shareholders
37	09 September	Information Disclosure on Specific Shareholders
38	10 September	Information Disclosure on Specific Shareholders
39	17 September	Information Disclosure on Specific Shareholders
40	23 September	Information Disclosure on Specific Shareholders
41	26 September	Information Disclosure on Specific Shareholders
42	29 September	Information Disclosure on Specific Shareholders
43	01 October	Submission of Report of Transactions with Transaction Value Not Exceeding 0.5% of the Bank's Fully Paid Capital and not exceeding Rp 5 Billion
44	06 October	Information Disclosure on Specific Shareholders
45	08 October	Information Disclosure on Specific Shareholders
46	10 October	Information Disclosure on Specific Shareholders
47	27 October	Submission of Report of Transactions with Transaction Value Not Exceeding 0.5% of the Bank's Fully Paid Capital and not exceeding Rp 5 Billion
48	31 October	Submission of Proof of Announcement of Quarterly Financial Statements Summary of PT BCA Tbk & Subsidiary Entities as of 30 September 2014
49	31 October	Submission of Report of Transactions with Transaction Value Not Exceeding 0.5% of the Bank's Fully Paid Capital and not exceeding Rp 5 Billion
50	11 November	Submission of Report of Transactions with Transaction Value Not Exceeding 0.5% of the Bank's Fully Paid Capital and not exceeding Rp 5 Billion
51	17 November	Submission of Advertisement Notice to Shareholders on Interim Cash Dividend Distribution for the 2014 Fiscal Year of PT BCA Tbk
52	21 November	Information Disclosure on Specific Shareholders
53	11 December	Information Disclosure on Specific Shareholders

During 2014, BCA submitted 11 (eleven) correspondences to the Indonesia Stock Exchange (BEI), among others:

No.	Date	Concern
1	05 March	Information on the Publication of the 2013 Financial Statements Summary (audited) of PT BCA Tbk
2	10 April	Report and Announcement of the Cash Dividends Distribution Schedule of PT BCA Tbk for 2013 Fiscal Year
3	23 April	Comments on the IDX Letter concerning the request for explanation (Mr. Hagus Susanto)
4	28 April	Information on the Publication of the 2014 First Quarter Financial Statements Summary
5	29 April	Submission of the 2014 First Quarter Financial Statements Summary (unaudited) and its Proof of Advertisement
6	21 July	Invitation to the Financial Literacy Exhibition
7	23 July	Information on the Publication of the 2014 Half-Year Financial Statements Summary (unaudited) of PT BCA Tbk
8	23 September	Submission of the Result of Implementation of the Issuer Presentation and Press Conference at the 2014 Investor Summit
9	30 October	Information on the Publication of the Third Quarter Financial Statements Summary (unaudited) of PT BCA Tbk
10	31 October	The 2014 Quarterly Financial Statements (unaudited) of PT BCA Tbk
11	17 November	Report on the Announcement of Schedule and Procedures of Interim Cash Dividends Distribution of PT BCA Tbk

Internal Communication

Internal communication plays a central role in building corporate character and culture as well as strengthening teamwork. Smooth, intensive and effective internal communications in disseminating Company information will accelerate processes and mechanisms in all of the lines of the Company. Therefore, the Company's overall performance is inseparable from the support of a good corporate internal communication.

The content of information and the choice of communication media are key to internal communications success. These complementary aspects merge allowing a flow of information to the employees that is easily digested and understood and then acted upon.

Internal Communication Media at BCA includes:

1. **Info BCA**
   InfoBCA is a monthly internal magazine that serves as a medium for education, socialization, entertainment, and as a means to share knowledge, experiences, and activities about BCA for all employees. InfoBCA magazine contains company information, products, services, networks, programs, awards, technology, activities in various business units and branches throughout Indonesia, subsidiaries entities, partners, management, economy, business and investment, education, health, culinary, book review, movies, music, tourism, learning and motivational modules and other useful information for employees. From time to time, InfoBCA publishes Special Editions containing information and activities related to services. InfoBCA is published in two versions, namely the printed version and the version of the e-magazine (can be downloaded through MyBCA).

2. **BCA Update**
   Leaflets on BCA's Financial Performance are published 4 times a year, or every quarter. The leaflet is delivered to all management, regional offices and branch offices as well as relevant institutions.

3. **MyBCA**
   MyBCA is an internet-based BCA internal communication media. This network is only accessible by internal parties of BCA using the facilities provided by the Company. MyBCA is managed jointly by the Information Technology Grup and Public Relations as well as various other work units at BCA headquarters. Each work unit has a dedicated portal that can be accessed via the main page of MyBCA. This internal website serves as a means to convey Company information and the programs of the related work units, product socialization, services, programs, education and learning facilities, as well as a variety of other important information. Through MyBCA, employees can also download data such as system applications, text, images and videos that are useful to support work activities. Furthermore, the functions of MyBCA has been developed for online human resources information and administration services such as medical expenses, filing leave, overtime, business travel, employee data, compensation, employee appraisals etc.

4. **Plasma TV**
   Plasma TV is an electronic-based internal communication media mounted in strategic places within BCA offices. This audiovisual electronic media broadcasts internal information about the Company, products, services, activities of the work units and other relevant information.

5. **Email**
   BCA also uses email for internal communication. BCA utilizes e-mail blasts to disseminate Company information, products, work programs or events, as well as other information. Another internal communication through email is the management forum.

6. **Microsoft Lync**
   Another internal communication media is the software-based internal communication facility, Microsoft Lync. Through Microsoft Lync, employees can send data or information via a PC and communicate with each other using chat facilities similar to those in modern gadgets. Microsoft Lync is tremendously useful, especially for matters that are urgent because the incoming message instantly appears on the screen along with the incoming message alert. Furthermore, the Microsoft Lync can be used to transmit large data or files.

7. **Internal Events**
   Internal communication is also facilitated through a variety of internal events, such as:
   a. BCA Anniversary;
   b. Analyst Meetings;
   c. Branch Openings;
   d. Lunch Together with Management;
   e. Gatherings: Christmas/New Year, Eid al Fitri, yearly recreation, gathering for Purnabhakti BCA, etc;
   f. National Work Meeting attended by Commissioners, Directors, Regional Heads, Division Heads, Deputy Division Heads, and Branch Managers;
   g. Coordination meetings, such as those in the regional offices, branches, etc
   h. Bakorseni;
   i. Knowledge sharing, such as the COP (community of practice).

8. **Corporate Identity Manual**
   Creating a manual for corporate display standardization with corporate materials such as:
   a. BCA Logo;
   b. Building Signage (Head Office, Regional Offices, and Branch Offices);
   c. Corporate materials: ID Card, name card, corporate advertisement, stationary, etc;
   d. BCA employee uniforms.

9. **Facebook Semua Beres**
   BCA uses Facebook as a means of internal communication with the name Facebook Semua Beres. BCA uses the Facebook social networking service for the means of sharing related to the Bank's performance, particularly with respect to the BCA solution or BCA value. BCA internal circles that have been registered are connected to each other and can exchange information and share experiences.

10. **HaloSDM**
    Call center service for BCA employees, which is a means of communication to bridge the information related to the provisions of HR. This facility is expected to provide an opportunity for each worker to better know, understand and follow the applicable provisions in BCA.

Bakorseni

Bakorseni stands for Coordinating Board of Sports, Arts and Education, as an informal forum set up to nurture and facilitate sports, arts and hobbies of BCA employees.

Bakorseni is based in Jakarta, assisted by the Regional Bakorseni (Bakorwil). The Head Office coordinates sports, arts and hobbies in the Regional Offices/Branches/ Work Units respectively.

The purpose of establishing Bakorseni, in addition to creating unity and intimacy, is also to develop potentials in the fields of arts, sports and hobbies as well as to create a work life balance, so that the lives of the employees are not only busied with work, but balanced by a variety of activities outside of work such as sports, arts or any other hobby; thus, productivity and work spirit of the employees are expected to increase.

The types of activities in Bakorseni include:
1. Sports: football, volleyball, indoor soccer, table tennis, tennis, basketball, badminton, bicycling, bowling, and others.
2. Arts: vocal group, choir, band, dance and puppet lovers.

3. Hobbies: photograpy, fishing, chess, diving (known as Asia Dive), hiking (known as Asia Hiking), and running (known as Asia Running).

Bakorseni holds a nationwide event once in every 3 (three) years called National Porseni, as well as a regional event in the Jabodetabek area every year. Meanwhile, outside the Jabodetabek area, Regional Porseni may be held once in every 1-2 years.

In practice, Bakorseni also coordinates with various internal work units of BCA and related institutions outside the Bank, either with banking institutions and organizations engaged in the field of sports, arts and those hobbies in the distribution of employees to various games or championships such as the Interbank Sports Week - organized by Bank Indonesia (PORBANK), or sporting events organized by the National Association of Private Banks (PERBANAS), as well as the Regional Banking Consultative Body (BMPD), and others.

Bakorseni activities during 2014:

1. Held the Porseni Jabodetabek for the commemoration of BCA's 57th Anniversary on February 22, 2014 in Soemantri Brodjonegoro Sports Stadium Jakarta, involving 585 athletes and 2,200 employees, from various branches of the Bank's Regional Offices and Jabodetabek Branch Offices.
2. Joined the Bankers Performance Competition 2014 organized jointly by Bank Indonesia, PERBANAS, Indonesian Bankers Association (IBI), ABISINDO and ASBANA.
3. BCA Futsal Team joined the Malindo Futsal Championship 2014 Tournament, and became the first winner in the championship.
4. Held a National Coordination Meeting attended by the management of National Bakorseni for the preparation of the National PORSENI to commemorate BCA's 58th Anniversary in 6-7 November 2014.
5. Conducted routine practices, activities with the community and Regional Porseni in the field of Sports at the Head Office and Regional Offices.
6. In the Field of Art, organized various friendship competitions, joined a variety of events carried out by institutions outside BCA and performed routine practice.
7. As regards to Hobbies, held a variety of seminars, competitions and routine activities.

CODE OF ETHICS

BCA Bankers Code of Ethics

BCA Bankers' Code of Ethics directs to:

1. Comply with and obey the existing laws and regulations.
2. Maintain BCA's reputation and safe keeping of BCA property.
3. Keep customer and BCA data confidential.
4. Have no personal conflict of interest with BCA or customers.
5. Record accurately all transactions in accordance with applicable regulations.
6. Maintain and cultivate a harmonious working environment and fair competition.
7. Not abuse position and authority for personal or family interests.
8. Not commit misconduct which can be detrimental to the profession image and the reputation of BCA in general.
9. Keep away from any form of gambling or speculative actions.
10. Constantly improve knowledge and insights, by following the developments in the banking industry in particular and the business world in general.

Socialization and the Establishment of Code of Ethics

Based on Board of Directors Decision No. 778/SK/DIR/95, the BCA Code of Ethics applies to members of the Board of Commissioners, Board of Directors, and employees of BCA. This Code of Ethics is issued in the form of a pocket book and distributed to all BCA employees. The employees sign a statement stating that they understand and promise to obey and execute the BCA Bankers' Code of Ethics as a guide to good behavior both inside and outside of work. Violations of the BCA Bankers' Code of Ethics may result in penalties in accordance with the prevailing regulations.

BCA Bankers' Code of Ethics is published in BCA's website Good Corporate Governance.

In addition to the Code of Ethics, the Board of Directors of the Bank also issued guidelines for the employees of BCA on how to deal with customers, partners, as well as with fellow employees through the Decision No. 219/SK/DIR/2003 dated November 10, 2003. The decision applies to all employees at all levels in the Bank, including members of the Board of Commissioners, the Board of Directors as well as all employees. The provisions and Code of Ethics are also contained in BCA's GCG Manual.

Efforts to Enforce the Code of Ethics and Sanctions for its Violations

- The Provisions and Code of Ethics are binding and must be understood and implemented in earnest by all employees at all levels in the Bank in order to support the implementation of good corporate governance principles.
- In the event of violation or non-compliance towards the provisions of the policy and code of ethics, the offender may be subjected to sanctions in accordance with the degree of the offense. The decision to be taken by BCA in connection with this case will be adapted to the type and seriousness of the violations and thorough evaluation of the individual who commits an offense.

CORPORATE CULTURE

Corporate Culture consists of the Vision, Mission and Values of BCA

BCA's Vision

To be the Bank of choice and a major pillar of the Indonesian economy.

BCA's Mission

- Build a superior institution in the field of payment settlement and financial solutions for businesses and individual customers.
- To understand diverse customer needs and provide the right financial services to optimize customer satisfaction.
- To enhance BCA's franchise value and stakeholders' value.

BCA's Values

1. **Customer Focus**
   Understanding, exploring and meeting the needs of the customer with the best way.

2. **Integrity**
   Honest, sincere, and straight. The Customer has a Bank that can be trusted. Trust is built through actions which reflect integrity and high business ethics consistently.

3. **Team Work**
   Team is a set of people who have distinctive affinity, commitment, ordinances, and synergy to achieve one goal.

4. **Continuous Pursuit of Excellence**
   Always do the best with the best way and quality.

Vision, Mission and Values of BCA

The Vision and Mission of BCA are established in order to provide a foundation, direction, and guidance to all employees at all levels within the Bank in performing the Company's activities.

The Values of BCA are established to provide a moral guide for all employees of BCA in achieving the Vision and Mission of the Company.

Socialization programs for the dissemination of BCA's Vision, Mission, and Values are conducted through:

1. Head Office, all Work Units (officials from echelon 1 to 3).
2. Coordination Meeting (Rakor)/Quality Meeting (QM) in all of the Regional Offices of BCA.
3. Career development programs (Management Development Program/MDP, Manager Development Program/P2M), specific forums, such as the Account Officer/AO Forum, and Special groups such as the Project Management Office/PMO.

Introduction to the culture of BCA is given at the induction program for all new employees. The introduction program includes the introduction of BCA's Vision, Mission and Values. Learning methods in the form of games is one effective way to introduce the vision, mission and values of the Company to the new employees who are generation Y.

The Vision, Mission, and Values of BCA are also disseminated through:

- Info BCA Bulletin (internal monthly magazine).
- Employees PC's screen saver and mouse pads.
- Internal training.
- Internal Culture Video Clip.
- BCA Handbook.
- Comic Book distributed to all employees.
- Games.
- Other media.

Understanding the Mission of BCA:

1. Build an institution that excels in the field of payment settlement and financial solutions for business and individual customers, means that BCA builds a superior institution for payment in all areas covering all payment activities in the banking business.
2. Understand diverse customer needs and provide the right financial services to optimize customer satisfaction, means that the Bank understands thoroughly the diverse needs of customers in accordance with the needs of customers.
3. Enhance BCA's corporate franchise and stakeholders' value, has a broad sense covering the totality of the value of the company both tangible and intangible values. Meanwhile the value for stakeholders reflects BCA's flexibility in accommodating the interests of various parties.

The vision and mission of BCA shall be reviewed and evaluated once every 5 years. In 2014, the vision and mission of BCA were evaluated by BCA's Board of Commissioners and Board of Directors. The evaluation by the Board of Commissioners and Board of Directors produced a conclusion that the Vision & Mission of BCA is still valid with the current conditions.

STOCK OPTION

In 2014, BCA did not have a Stock Option Program.

PROVISION OF FUNDS TO RELATED PARTIES AND LARGE EXPOSURES

BCA has a policy regarding the provision of funds to related parties and large exposures, as stipulated in the Credit Manual. Evaluation and update of the policies in the Credit Manual are performed regularly. Lending to related parties and large exposures to debtors are always conducted with respect to the precautionary principle, and in compliance with Bank Indonesia Regulations and other prevailing laws and regulations, among others concerning the aspect of Legal Lending Limit (LLL). In addition, lending to related parties should be decided by the Board of Commissioners independently.

Routine reporting of LLL to Bank Indonesia is conducted in a timely manner. Throughout 2014, there was no violation of or exceeding limits of LLL.

Provision of Funds to Related Parties and to Main Individual and Group Debtors (Large Exposures) in BCA during 2014

No.	Provision of Funds	Total	
		Debtor	Nominal (million Rp)
1.	To related parties	199	4,816,082
2.	To main debtors:		
	a. Individual	50	71,506,758
	b. Group	30	94,735,965

STRATEGIC PLAN

In anticipation of the dynamic changes in the external business environment, BCA continues to review its short, medium and long-term strategies in its strategic plan, as covered in the Bank Business Plan and the Annual Budget and Work Plan. The formulation of the Bank Business Plan is undertaken with reference to Bank Indonesia Regulation No. 12/21/PBI/2010 dated 19 October 2010 on Business Plan for Commercial Banks and the provisions on Bank Indonesia Circular Letter No. 12/27/DPNP dated 25 October 2010 on Business Plan for Commercial Banks.

As part of its policy direction and strategic initiatives towards its vision and mission statements, BCA has developed a number of business initiatives that are specifically designed to accommodate the growing and changing customer needs.

BCA Strategic Plan in 2015

Although faced with various challenges, BCA is optimistic that Indonesia will see a smooth transition period. The presidential elections and the transition to the new administration went smoothly with the election of Joko Widodo giving high confidence for businesses and consumers. The Bank believes that the solid base developed by Susilo Bambang Yudhoyono's administration and the new approaches offered by Joko Widodo's administration will open up new opportunities for businesses.

Overall, BCA sees the Indonesian economy and the banking sector on a solid footing to face a period of economic transition and consolidation in 2015. BCA supports the efforts of the Indonesia Financial Services Authority and Bank Indonesia to maintain national credit growth at sustainable levels and maintain a healthy capital and liquidity of the banking sector.

In the long run, BCA is optimistic about the prospects of the economy and banking in Indonesia. The growth of the middle class in Indonesia and infrastructure development will support domestic economic growth in the future.

Supported by sound capital and solid liquidity position, BCA is committed to continuing investments in 2015 in order to strengthen the Bank's franchise value. Strategic priorities in 2015 will remain directed at deepening customer relationships through enhanced payment settlement services, prudent lending, and new businesses development. Opportunities for lending and development of new businesses will optimize the Bank's preeminence as a transaction bank. Below is a further elaboration of the three major business objectives:

- **Enhanching Payment Settlement Services**

  BCA believes that excellence in payment settlement services will strengthen the long-term competitive advantage and will support the growth of the Bank's third party funds particularly in the stable CASA accounts.

  As such, BCA continues to improve the capability of payment settlement services, including through innovation and improvement of product features and services. BCA will follow, explore and apply the latest technological developments in line with the level of customer acceptance. On network expansion, the Bank will increase

the number of branches and electronic delivery channels, supported by enhanced capability and capacity of information technology infrastructure. In addition, cash management capabilities will continue to be improved.

BCA will continue to assess the development of the banking sector, in particular liquidity and CASA trends, with consideration to economic growth and business activities. If necessary, BCA can actively raise funds through time deposits products by adjusting interest rates. This is essential to maintaining third party funds and a strong and healthy liquidity position.

- **Lending**

  In developing the credit portfolio in the coming years, BCA will continue to implement ongoing policies while taking into account liquidity and capital capacity, as well as monitoring macroeconomic developments accompanied by the implementation of a prudent and effective risk management regime.

  In the short term, the Bank will prioritize lending to qualified customers and segments that can contribute to CASA and overall third-party funds growth. For business lending, the Bank will actively explore lending to sectors with broad value chains. For individual customer lending, the Bank believes that mortgages, vehicle loans, and credit card loans have great potential for growth in the long term. Thus, although individual loans are expected to grow slower than loans in the business sector. In short-medium term, BCA is committed to being a leader and maintaining a strategic presence in the market.

  BCA sees that the lending activities play an important role in maintaining long-term relationships with customers. To that end, the Bank will continue to enhance lending infrastructure in the various segments both in branches and at headquarters in support of sustainable credit growth.

- **Business Development Through Subsidiaries**

  To meet the increasingly diverse needs of customers, BCA is developing a wide range of comprehensive financial products and services through new lines of businesses together with its subsidiaries in the field of vehicle financing, Sharia banking, securities, remittance, general insurance and life insurance.

  In general, the subsidiaries continued to grow and have begun showing positive results in recent years. In late 2014, BCA Life, providing life insurance products, began operations and will complete the Bank's financial products and solutions for customers. BCA Finance, an established subsidiary entity active in the 4-wheeler financing industry, consistently provides a significant contribution to BCA's profitability.

  In the coming years, the Bank will continue to support the growth of its subsidiaries and strengthen synergies with the Bank's main business lines in the field of payment settlement services and lending. BCA will provide capital support progressively in line with business growth of respective subsidiaries.

The Bank believes that the strategy and the policy will support BCA in strengthening the Bank's long-term competitive advantages. Consistent strategic moves are believed to be able to build a quality customer base amid rising competition of Indonesian banking industry.

TRANSPARENCY OF BANK FINANCIAL AND NON FINANCIAL CONDITIONS NOT DISCLOSED IN OTHER REPORTS

Information on the financial conditions of BCA has been disclosed in a transparent manner in several reports, among others:

Transparency of Financial Conditions

1. **Annual Report,** which among others covers:
   a. Financial highlights including stock performance, reports of the Board of Commissioners and Board of Directors, Company profile, management analysis and discussion on business and financial performance, corporate governance, and corporate social responsibility.
   b. The Annual Financial Statements that have been audited by a Public Accountant and Public Accountant Firm that is registered at Bank Indonesia. The annual Financial Statements cover a period of 1 (one) fiscal year with comparison to the previous fiscal year.
   c. Statement of responsibilities of the Board of Commissioners and Board of Directors regarding the accuracy of the contents of the Annual Report. The statements are set forth in the statement letter, which is signed by all members of the Board of Commissioners and Board of Directors.

2. **Quarterly Published Financial Reports**
   BCA releases Quarterly Published Financial Reports in accordance with the prevailing regulations. The Published Financial Reports are signed by 2 (two) members of the Board of Directors. The Published Financial Reports are published in 3 (three) major daily newspapers, 2 (two) in Indonesian language and 1 (one) in English, which have a wide circulation in the location of BCA's Head Office.

3. **Monthly Published Financial Reports**
   BCA prepares and submits a monthly financial report in the Commercial Bank Monthly Report format in accordance with Bank Indonesia regulations. This report in turn forms the basis for Bank Indonesia to prepare the monthly financial reports for banks published on its website.

Transparency of Non-Financial Conditions

BCA provides clear, accurate and up-to-date information on its banking products. The information can be easily obtained by customers in the form of leaflets, brochures and other written materials in every BCA branch office in easily accessible locations, and/or in the form of electronic information provided through the hotline service/call center or website.

In addition, BCA also provides information on customer complaints and the settlement of disputes with customers in accordance with Bank Indonesia regulations concerning customer complaints and banking mediation.

In relation to the above, BCA has conducted the following:

1. Transparently published the financial and non-financial conditions to stakeholders, among others in the form of Periodic Financial Reports, and the submission of Routine Legal Lending Limit Reports to Bank Indonesia, Quarterly Published Financial Reports, as well as publishing on BCA's website in accordance with the prevailing regulations.
2. Prepared and presented reports in a manner, type and scope as stipulated in Bank Indonesia regulation on Transparency of Bank Financial Conditions.
3. Disclosed information regarding BCA's products in accordance with Bank Indonesia regulation on Transparency of Information of Banking Products and on Utilization of Customer's Personal Data.
4. Transparently disclosed information on the handling of customer complaints and the settlement of disputes with customers, in accordance with Bank Indonesia regulation on Customer Complaints and Banking Mediation.
5. Submitted Annual Reports to Bank Indonesia, other regulatory bodies, and other institutions as required by the relevant regulations or as deemed necessary.
6. Published the Ownership Structure in the Annual Report and the BCA website.

HIGHEST AND LOWEST SALARY RATIO

What is meant by salary is the employee's right received and expressed in the form of money as a reward from BCA as the employer to the employee which is determined and paid according to the employment contracts, agreements or laws, including benefits for employees and their families, for the tasks and/or services which has been conducted.

The following is the highest and lowest salary ratio in comparison scale

Ratio	Comparison Scale
Highest and lowest employee salary ratio	42.60
Highest and lowest Director salary ratio	2.88
Highest and lowest Commissioner salary ratio	1.63
The ratio of the highest Director salary and the highest employee salary	6.14

Salaries comparable in the salary ratio mentioned above, is the reward received by members of the Board of Commissioners, members of the Board of Directors and employees per month. What is meant by employee is permanent employee of BCA to executive.

SHARES BUY BACK

In 2014, there were no corporate actions of share repurchase (Shares Buy Back).

PROVISION OF FUNDS FOR SOCIAL ACTIVITIES

BCA actively contributes to the improvement of public welfare and environmental causes through various corporate social responsibility activities. Under the 'Bakti BCA' program.

Overall, BCA's social activities programs during 2014 were focused on 3 (three pillars), among others:

A. Smart Solution Pillar (*Pilar Solusi Cerdas*), which consists of:
   1. Non-degree Accounting Education Program (PPA)
   2. Non-degree Information Technology Education (PPTI)
   3. Bakti BCA Internship
   4. Integrated partner schools
   5. Bakti BCA Scholarship
   6. Banking education and partnership with other institutions in education, and charity/donation for other education institutions

B. Sinergy Solution Pillar (*Pilar Solusi Energi*), which consists of:
   1. Culture
   2. Health Area:
      a. Bakti BCA Cataract operations service
      b. Bakti BCA Blood Donor
      c. Bakti BCA Public Health Service Partnership
   3. Environmental Conservation area
   4. Bakti BCA Empathy Program in form of donation for natural disaster victims, and sports program

C. Excellent Business Solution Pillar (*Pilar Solusi Bisnis Unggul*), which consists of:
   1. Partnership with communities
   2. Business Development Institution

In addition to the programs mentioned above, BCA also participates in giving charity or donation to other social institutions.

The total funds distributed for BCA's social activities in 2014 is as explained in the chapter on Corporate Social Responsibility in this BCA Annual Report.

A full description of the Company's social responsibility activities throughout 2014 is reported in the chapter on Corporate Social Responsibility in this BCA Annual Report.

PROVISION OF FUNDS FOR POLITICAL ACTIVITIES

Similar to the prior years, during 2014 BCA did not provide funds for political activities.

CORPORATE SOCIAL RESPONSIBILITY

Play "Demonstran" by theater Koma

"BCA has undertaken a variety of CSR activities under Bakti BCA as a means to contribute to the welfare of society"

BCA is consistently developing corporate social responsibility (CSR) programs to increase its franchise and stakeholder values. Under Bakti BCA, and in line with the Bank's mission, BCA has undertook various CSR activities in 2014. BCA believes that through these undertakings, the Bank can contribute actively towards the welfare of society.

Bakti BCA is more than a charity program or an act of compliance. This program is developed with the concept of sustainability. BCA is committed to position CSR as an integral part of its business activities. Therefore, BCA's commitment to help promoting community empowerment and welfare is implied in each product and service.

BCA also has a determined commitment towards Occupational Health and Safety, since employees are the most important asset for the Bank. BCA understands that there is a strong correlation between employee performance and the growth of the Bank.

In addition, BCA acknowledges the importance of providing customer protection services. The Bank believes that a sustainable performance growth correlates to customers' trust in the Bank.

A. ENVIRONMENT

A.1. Policy

BCA's commitment to conserve and protect the environment is realized through a variety of environmental conservation activities.

The implementation of BCA policy to support the environmental conservation is realized in a variety of programs, one of which is under Bakti BCA program, Solusi Sinergi BCA. Thus, BCA cooperates with trusted institutions in handling various environmental issues. As an activity funder, the BCA environmental conservation programs are expected to deliver more effective results, higher impact, and sustainable.

A.2. Execution

BCA's environmental policy is evidenced by a number of activities:

1. Menara BCA - Green Building;
2. Earth Hour - participation;
3. Implementation and environmental support - Solusi Sinergi BCA.

A.2.1. Green Building

Menara BCA embodies BCA's commitment to the environment. This building is the first building in Indonesia to receive the Greenship EB Platinum award, the highest rating achievable in Greenship certification. Greenship certification is awarded by the Green Building Council of Indonesia (GBCI), an independent, non-profit institution and member of the World Green Building Council (WGBC) based in Toronto, Canada. Currently, only six buildings in Indonesia have received Greenship certification.

BCA supported the planting of 55,000 mangrove seedlings

BCA voluntarily undertook the process for Greenship certification in 2011 and is able to meet the stringent evaluation standards, with parameters comprising site suitability, energy efficiency and conservation, water conservation, material resources and material cycle, air quality and room comfort, with emphasis on energy efficiency and conservation.

Benchmarked against buildings of a similar size, Menara BCA has reduced electricity consumption by 35%, translating to a reduction in CO2 emissions of 6,360 tons per year. LED lighting also contributes substantially to the overall energy efficiency of the building, reducing luminous related electricity consumption by 70%, and with virtually no heat emitted from LED lights, the building benefits from less need for air conditioning. In addition, insulated window glazing reduces radiant heat without significantly reducing the light intensity. Besides Menara BCA, in 2014 a number of new KCU and KCP buildings have been equipped with LED lights, among others are: KCU Margonda, KCU Asia Medan, KCU Kota, KCP Sentral Cikini, KCP Taman Palem, KCP Kepa Duri, KCP Slompretan, KCP Buah Batu and KCP Padalarang.

In addition, BCA has applied the Printer Pooling Management (PPM) program, replacing all printers, copiers, scanners and faxes into a single device multi-function printer in order to reduce print costs up to15%, and paper use up to 11% and thus increase electricity use efficiency.

Power consumption is only one of the many parameters that had Menara BCA named as one of the most environmentally friendly buildings in Indonesia.

Going forward, the newly constructed KCU or KCP buildings will utilize more glass and will be constructed by observing the direction of sunlight in order to reduce the use of lights, and replacing or relocating light switches with sensors, while promoting rooftop gardens.

A.2.2. Earth Hour

Earth Hour, the global event organized by WWF, is held on the last Saturday of March of each year. Participants turn off all non-essential lighting for 1 hour, signaling an awareness of the need to take action to protect the environment and concern about climate change.

As in previous years, BCA participated in this event by turning off logos and non essential lighting for one hour, from 20:30 to 21:30 on March 23, 2014, in Menara BCA, and in all main branch offices and billboards across Indonesia.

A.2.3. Environment

Environmental preservation activities were carried out under "Solusi Sinergi BCA", which includes:

1. **Tree Planting Program**: BCA began actively supporting and collaborating with the WWF (World Wildlife Fund) Indonesia in 2010 through the NEWtrees WWF Indonesia program, a reforestation program organized by WWF-Indonesia. This reforestation program is aimed at addressing the issue of global warming and supporting environmental preservation efforts. It is a breakthrough undertaking to help reforest national parks and monitor the trees using geotag, in which each tree is labeled to indicate geographical position and monitor growth.

   Continuing its active participation in helping to manage the environment, in September 2014, BCA once again contributed to forest rehabilitation at the turtle conservation center at Pangumbahan, Ujung Genteng, Sukabumi Selatan, West Java, by planting 2,000 trees on 5 ha reserve designated for turtle conservation. The preservation of the forest will optimize and support turtle conservation efforts. The tree planting program is aligned with a larger Government tree planting program which seeks to ameliorate greenhouse gas emissions by 26% by 2020.

BCA participated in the making of biopores at the urban forest of Srengseng, West Jakarta

2. **Biopore, a means to preserve the environment**: In order to support the Ministry of Finance program, collaboration with the SBR 001 sales agency, BCA participated in the development of biopores in the urban forest at Srengseng, West Jakarta. The event was officially opened by the Minister of Finance of the Republic of Indonesia on October 2014, at the same time the ORI seri 011 was officially launched, under the environmental theme "Saving Ground Water".

3. **Mangrove Planting**: continuing a program first started in 2004, BCA again supported the mangrove seedling planting program. In November 2014, BCA supported the planting of 55,000 mangrove seedlings in the mangrove forest of Toll Sedyatmo, Pantai Indah Kapuk, Jakarta. Involved in this program were around 1,000 volunteers from many sections of society, the program was initiated by the Faculty of Economy of Unika Atma Jaya, Ministry of Marine & Fisheries of the Republic of Indonesia, the Marine & Fisheries Agency of DKI, and the Provincial Government of DKI Jakarta. Previously, BCA also supported mangrove planting activities on the north coast of Java, related to the sales of ORI 010.

4. **Orangutan Release Program**: BCA continued its support of the Orangutan Release Program undertaken by the Borneo Orangutan Survival Foundation (BOSF). This support is intended to support the Government's efforts to stabilize the orangutan population, which has declined to an alarming level, as outlined in the Orangutan Indonesia Conservation Strategies and Action Plan for 2007-2017. As in past years, in 2014 BCA continued to support the Orangutan reintroduction program by BOSF in Ketje Sewen forest, East Kalimantan.

BCA Director handed over waste processing machine

5. **Miscellaneous**: Under Bakti BCA, the Bank also supports the waste management program of Bandung, in the form of a waste processing machine donated to the city government of Bandung, symbolically handed over by a BCA Director in December 2014.

B. EMPLOYEE PROTECTION

B.1. Policy

Human capital is the major driving force behind a solid and profitable company. At BCA, every employee is a valuable asset and therefore Human Resources Management prioritizes comprehensive human capital development. BCA is committed to carrying out sustainable human resources development in order to improve the quality, competence and character, career and well-being of every employee as a means of fostering a sense of comfort and pride amongst employees. Management believes that it takes excellent human resources to deliver excellent outcomes.

For this reason, in addition to continuously developing human resources, BCA also strives to provide maximum protection for all employees to foster a safe and convenient working environment.

BCA has set a number of policies intended to assure the rights of each employee to workplace protection, including:

a. **Transparency of the Bank's strategic employment policy:** providing access for employees regarding the Bank's employment policies such as recruitment system, promotion system, and the remuneration system. This means that employees have to access the aforementioned policies including Decision and Circular Letters, Collective Labor Agreement (CLA), Website BCA, and intranet BCA (MyBCA).
b. **Collective Labor Agreement (CLA):** In line with BCA's commitment to nurture positive industrial relations, in April 2014, teams of negotiators from both management and unions formulated and reviewed the Collective Labor Agreement (CLA) of BCA for 2014 – 2016. In 28 May 2014, the BCA CLA 2014 - 2016 became effective. The negotiating team conducted dissemination activities about the content of the BCA CLA 2014 -2016 to all members of BCA, to ensure their understanding on the material contained in the CLA.
c. **Conducive working climate:** BCA strives to maintain a conducive working climate that supports the achievement of individual targets, unit targets and BCA targets in general. Management believes that achieving the best possible performance can only be realized in a conducive working environment built upon the implementation of a strong corporate culture as well as the vision and mission of the Bank. Such a conducive working climate can be realized by developing a healthy competitive performance culture through transparent and fair individual assessments and through periodic evaluations of unit performance.

d. **Opportunities for actualization of skills, competencies, talents and interests:** BCA provides employees with opportunities for actualization of their skills and competencies in support of meeting performance targets. In addition, they also have opportunities to develop their talents and interests outside their jobs through sports and art activities. BCA coordinates these activities through the Bakorseni (Sports and Arts Coordinating Board). The activities include AsiaBike (for bike enthusiast employee), AsiaLens (for photography enthusiast employee), AsiaWangi (for wayang enthusiast employee), AsiaDive (for diving enthusiast employee), and others.

e. **Disclosure of information to employees:** Information is disclosed as specifically related to the development of the Bank as well as other matters related to employment. To that end, BCA has developed a comprehensive internal communication mechanism with official correspondence in the form of circulars, email blasts, internal magazine (InfoBCA printed version as well as e-magazine), HaloSDM phone service, COP (community of practice), and many more. By the end of 2013, BCA developed a new platform for internal communication, using facebook and entitled "Facebook Group Semua Beres!".

f. **Clear and well-planned career development and training:** Every employee is entitled to a clear and well planned career development and training path, in accordance with an individual employee's and unit performance.

g. **Equal opportunity of employment:** BCA provides equal employment opportunities for all employees regardless of their ethnicity, religion, race, social class, and gender. To that end, the Bank's policy on employee deployment and placement is based on employee merits and competence.

h. **Compensation and benefit program:** providing competitive compensation and benefits.

B.2. Execution

B.2.1. Employee Health Care

As a company that pays attention to its employees' well being, BCA maintains employee compensation and benefits at a competitive level within the banking industry. Comprehensive health care provision, both preventive and curative, include inpatient facilities, outpatient facilities, maternity, eyeglasses, dental care, laboratory tests, medical check-up and pap-smears. With this comprehensive health care policy, BCA undertakes to safeguard the employees' well-being so that positive results will impact on the lives of employees as individuals, their families and as BCA employees.

The President Director of BCA at the closing ceremony of 2014 Porseni

One of the Porseni activities

Volley ball is one of the sports contested in BCA Porseni

In order to support the Government's program regarding public health services, BCA encourages its employees and their families to become participants of "BPJS Kesehatan", through collective enrolment, with a maximum coverage for 5 family members including the employee.

BCA actively disseminates healthy lifestyle and health awareness information as part of "Program Sehat Bersama BCA" launched in 2012. Continuing programs in 2014 include: facilitating employee sport activities under the coordination of Bakorseni BCA. In order to further motivate employees, on February 2014, to celebrate the anniversary of BCA, a number of sporting competitions were held with employee participants coming from head office and branch offices.

BCA organized health seminars for BCA employees. Topics covered in health seminars held in Jabodetabek during 2014 include: typhoid/dengue (January 2014); healthy diet to prevent cardiac diseases and cancer (June 2014); heart attack, sudden cardio death and cancer prevention (June 2014); becoming smart patient and choose drugs wisely (October 2014).

For areas outside Jabodetabek, the theme was hypertension and side complications. In addition, as a continuation of the lactation education program, BCA provides a lactation room at the head office, equipped with supporting facilities to help BCA female employees conduct exclusive breastfeeding for their children.

B.2.2. Employee Welfare

Improving employee welfare is an embodiment of BCA's commitment towards employees, whether in the form of periodic salary increases, employee or corporate performance bonus. In addition, in order to increase a sense of belonging by employees of the Bank, the Bank also provided an extra bonus. Shares were granted based on an employee's performance during the period January 1 until December 31, 2013, which was given on April 25, 2014 to 18,269 permanent employees for a total of 16,467,214 shares at an average pricing of Rp10,361.56 per share. This extra share bonus was locked up for three years to help build a sense of belonging at the Bank, a commitment by each individual.

B.2.3. Occupational Safety

In order to create a safe working environment at all of its offices, office interiors planning and layout development plans for offices and branches consider amongst other:

- Completeness and appropriateness of the facilities and working environment;
- Cleanliness;
- Harmonious interior layout;
- Proper placement of facilities;

- Completeness and appropriateness of security measures, etc.

B.2.4. Employee Turnover

A company's employee turnover rate reflects the nature of its human resources management. BCA is among a small group of banks in the Indonesian banking industry with a low employee turnover. This is testament to BCA's maintaining a conducive working atmosphere with high employee satisfaction.

In 2014, the number of permanent employees who resigned from BCA was 463, or 2.18% of BCA's total employees.

In general, BCA employees consider that working in BCA is not for the short term. They grow together with BCA. This encourages BCA employees to seek to contribute optimally for the progress of BCA. The details of employee data are as follows.

YEARS OF SERVICE	NUMBER OF EMPLOYEE	%
≤ 1 year	2,033	9.2 %
> 1 - 5 years	2,906	13.1 %
> 5 - 10 years	986	4.5 %
> 10 - 15 years	1,623	7.3 %
> 15 - 20 years	6,188	27.9 %
> 20 years	8,425	38.0 %
TOTAL*	**22,161**	**100.0%**

** including contract, probation and trainee*

B.2.5. BCA Day Care Program

Launched in 2010, BCA's Day Care program is designed for employees' children of elementary school age. The theme for 2014 was the Environment (Jabodetabek - Greater Jakarta) and the Benefit of Saving (non Jabodetabek - outside Greater Jakarta). The BCA Day Care program also indirectly supports the OJK's financial literacy program. The activities were designed to create a pleasant atmosphere filled with useful material to broaden the perspectives of participants.

In general, the activities were beneficial for employees and their children, as reflected in the number of participants. In 2014, the BCA Day Care program was attended by 448 children, and was held in four (4) locations in Jabodetabek (Greater Jakarta) and two (2) locations in non Jabodetabek (outside Greater Jakarta).

Participants of Day Care BCA.

LOCATION	THEME	NUMBER OF PARTICIPANT (CHILDREN)
Head Office	Together We Can, Together We Will	116
Regional Office IX		93
Regional Office X & XII		73 & 100
TOTAL JABODETABEK		**342**
Regional Office II – Semarang	1 Negeriku 1000 Impian	81
Regional Office IV – Makassar	Fresh & Fun	25
TOTAL NON JABODETABEK		**106**
TOTAL		**448**

C. SOCIAL DEVELOPMENT

C.1. Policy

As an integral part of the community, BCA is committed to always supporting the community and working together to increase public welfare. For that purpose, BCA has developed a variety of social programs under the umbrella Bakti BCA.

BCA CSR programs are conducted based on three (3) pillars:

1. BCA Smart Solution
2. BCA Synergy Solution
3. BCA Excellent Business Solution

C.2. Execution

C.2.1. BCA Smart Solution

BCA Smart Solution consists of education related programs under Bakti BCA. A wide variety of programs were developed by BCA as part of BCA's active role in supporting the development of education for the young generation in Indonesia, those who will continue the development of our nation. BCA believes that the quality of a country's people is the final determining factor for the successful development of a country as a highly educated young generation will allow Indonesia to better manage economic potential and abundant natural resources. Through BCA Smart Solution, BCA supports the efforts of improving the quality and competitive edge of Indonesian people, in particular the young generation, especially as we enter the coming Asean Economic Community (MEA).

BCA Smart Solution programs include:

C.2.1.A. Accounting Education Program (PPA) non Degree

The non-degree Accounting Education Program (PPA) is one of BCA's core education programs. Launched in 1996, the program aims to provide non-degree education, free of charge, to high school graduates or the equivalent who have strong academic credentials but who have financial constraints that hinder their ability to pursue higher education.

Apart from providing education in accounting and its application in the banking world, this education program is also designed to forge participants into individuals of honorable character. Hence, during the program, the participants also learn soft skills, such as leadership, teamwork, character building, grooming, and financial planning. The staff overseeing the program have to go the extra mile to better understand the personality of each student to be able to encourage the students to realize their best potential. The PPA Non-degree program also facilitates the development of students' interests in sports and arts.

PPA programs are supported by a quality teaching staff consisting of professional and experienced lecturers from leading universities in Indonesia. The program lasts for 30 months using a conditional knockout system with rigorous academic requirements. In addition to in-class activities, the students also undertake on the job training programs at BCA. Those who successfully complete this program are truly high-quality candidates, both academically and character-wise.

This program is provided free of charge and the participants receive pocket money and facilities, such as textbooks and medical examinations, in accordance with the Bank's policy. Participants are also given the opportunity to work at BCA, but have no obligation to do so upon completing the PPA program. In addition, PPA graduates may continue their study at a number of universities to obtain a Bachelor's degree in Accounting. Graduates who successfully pass the recruitment tests will be considered equal as S1 graduates.

BCA actively disseminates the PPA non-degree program through various channels such as the corporate website www.bca.co.id. By the end of 2014, the number of participants of PPA programs was 384 persons, comprising 9 batches (Batch 28-36). 83 participants successfully completed the program and 82 of them have chosen to join BCA as permanent employees in 2014.

PPTI participants

C.2.1.B. Information technology Education Program (PPTI) Non-degree

The rapid development of information technology and the increasing role of information technology in the modern banking industry have prompted an increasing need for human resources in the IT field, not only in terms of quantity, but also in terms of quality.

To keep abreast of the increasing human resource demand and inspired by the highly successful BCA PPA program, BCA created the BCA Non–Degree Information Technology Education Program (PPTI BCA) with the first class starting in 2013. This program is equivalent to a Bachelor's Degree provided free of charge for high school (SMA) and Vocational School (SMK) graduates who want to continue their education or develop skills in the field of information technology.

The education program, which lasts for 30 months, is presented by practitioners and lecturers from a number of leading universities in Indonesia. In addition to in-class activities, participants also have the opportunity for internships at Head Office units. The material provided in PPTI BCA Non-Degree is similar to that of a university's, but enriched with self-development material. Participants receive pocket money and facilities such as textbooks and medical examinations in accordance with the Bank's policy. Upon completing the program, participants will be offered an opportunity to join BCA as permanent employees as are required by the Bank.

To ensure the high quality of graduates, the program implements a conditional knockout system with rigorous academic requirements. Participants with less than a 2.75 GPA will be disqualified and dismissed from the program. The program was introduced in 2013 with 59 participants in two batches (Batches1-2).

C.2.1.C. Bakti BCA Apprentice Program

Introduced in 2012, the Bakti BCA Apprentice Program is a program for high school or university graduates who want to pursue a career in banking. This training and internship program lasts one year, providing participants with internship experience in banking operations and other knowledge. Participants will be mentored by BCA's senior employees as to where they will be placed.

Bakti BCA Apprentice Program provides interns with an opportunity to gain working experience as a CSO (Customer Service Officer) or Teller. Apprentices will undergo a series of training programs, including counting and sorting money training, product knowledge, identifying the authenticity of Rupiah, teller/CSO skill, mini-bank simulation, bank secrecy, and much more. Apart from skills and knowledge, trainees will also learn soft skills, such as motivation and self-grooming. After completing this program, those who perform well will be offered scholarships to continue their education.

By launching this program, BCA wishes to contribute more to the development of human resources, particularly in the banking and financial industries. The public has shown favourable interest on Bakti BCA Internship program. In 2014, there were 21,523 candidates submitted applications for the program, with 3,429 passing the test to become CSOs and tellers.

C.2.1.D. Integrated Bakti BCA

Integrated Bakti BCA is a CSR program aimed at helping with the development of educational infrastructure for elementary, junior and senior high school which have the potential to grow but lack economic support due to their surrounding conditions.

BCA provides aid in form of books, computer labs, classroom renovation, as well as teacher training. To date, BCA has provided assistance to 17 schools, ranging from elementary schools to senior high schools, in Gunung Kidul, Yogyakarta; Pringsewu, Lampung and Taktakan Serang, Banten.

Integrated Bakti BCA was introduced in 2000 in three districts, namely Ponjong, Semanu, and Karangmojo, in the area of Gunung Kidul, Wonosari, Yogyakarta. Subsequently, in 2003, Integrated Bakti BCA was held in Gadingrejo, Pringsewu, Lampung, and in 2007 in Taktakan, Serang. The program aims to improve access and quality of education in those districts.

BCA in collaboration with the expert on Creative & Innovative Learning, and BCA Learning Service, conducted a training of "Creative & Innovative Learning" for the school principals and teachers. The training was attended by 45 teachers, from 9 Elementary Schools under BCA patronage. BCA also provided other assistance, such as computers, infocus, screen port, and air conditioning, which were symbolically handed over by the heads of BCA branch offices to SDN 3 Semanu, SDN 2 Ponjong Yogyakarta, SDN 7 Pringsewu Lampung and SDN 1 and SDN 2 Taktakan Serang, in December 2014.

As a form of support for the financial literacy program, as well as for BCA to be closer to the younger generation, BCA also actively disseminates introductions to banking to students. The program is designed as an interactive program according to the age of the children. Activities include inviting 1,458 elementary school students and teachers to KidZania Jakarta, where children can learn about the functions and banking services while role-playing.

C.2.1.E. Bakti BCA Scholarship

Since 1999, BCA has sponsored the Bakti BCA Scholarship, a program for undergraduate students with good achievement but difficult financial background. The program is intended to motivate them in pursuing their studies and assisting them in completing their education. Bakti BCA scholarships cover tuition fee and/or pocket money.

BCA collaborates with a number of leading universities in Indonesia, such as UI, ITB, Unpad, IPB, Undip, UGM, Unbraw, ITS, Unair, Udayana, USU, and many more, BCA also collaborates with a number of

foundations such as the Paramadina Foundation, the Perbanas Foundation, Karya Salemba Empat Foundation, and STEKPI to provide educational scholarships to outstanding students.

In 2014, BCA continued the scholarship program for 486 students in the period of 2013 -2014, and 475 students for the period of 2014-2015. In facilitating these scholarships, BCA collaborates with 16 leading state universities in Indonesia.

To broaden the scope of the scholarship program, BCA has increased the funds allocated for Bakti BCA Scholarship, from Rp3.8 billion in 2013-2014 to Rp4.1 billion in 2014-2015. Scholarships were handed over symbolically by the Heads of BCA's Regional Office or Branch Office to the representatives of the scholarship recipient universities.

As illustration, symbolic handover ceremonies were conducted in September. Attending the ceremonies were the Head of Regional Office VIII to the Director of Student Affairs of UI, Depok; from the KPOW II to the Deputy Rector III of the University of Diponegoro, Semarang; from the KOC BCA Main Branch to Vice Rector of Academic & Student Affairs of IPB, Bogor. Symbolic handover ceremonies conducted in October 2014 included; from the Head of Regional Office III BCA to the Director of Student Affairs of Airlangga University and Chairman of LPPM ITS; from the Head of Regional Office VII BCA to the Expert Staff PR 3 of the University of Brawijaya, Malang; from the Head of Regional Office IV to the Deputy Rector III of University of Udayana, Bali; from the Head of Regional Office II BCA to the Director Student Affairs of UGM; from the Head of Regional Office I BCA to the Director of Student Affairs of ITB and to the Secretariat of Student Affairs and Alumni Relations Development Instititute of UNPAD; from the Head of BCA Manado Main Branch to the Rector of University of Sam Ratulangi, Manado; from the Head of BCA Makassar Main Branch to the Rector of University of Hasanuddin Makassar; from the Head of BCA

The Bakti BCA Scholarship

Palembang Main Branch to the Rector of University of Sriwijaya; from the Head of Regional Office V BCA to the Vice Rector of University of Sumatera Utara.

In order to broaden the perspectives of the scholarship recipients, BCA introduced several soft skill development programs at various universities. In April 2014, BCA held a seminar about "Presentation Techniques and Effective Communications" and in September 2014, BCA held a leadership seminar "Leading Through Action" at ITB, attended by almost 200 students. In Semarang, the same event was held at Undip in September 2014. In May 2014, BCA held a seminar at Student Center Campus C, University of Airlangga, "Preparing for the world of work, presentation techniques and effective communication", attended by students and scholarship recipients from ITS and Airlangga - Surabaya, and University of Brawijaya Malang. In November 2014, BCA invited around 100 scholarship recipients from ITB, IPB, UI and Unpad to get to know better the art of theater, by attending the backstage preparation and the performance Teater Koma, in Jakarta.

Bakti BCA Scholarship – Other Institutions: To support efforts to improve the quality of teachers and lecturers in social science, BCA continues providing scholarships for Master and Doctoral Degree levels, as developed by the Indonesian Scholarship and Research Support Foundation (ISRSF). Scholarship recipients have the opportunity to study at one of the universities in the United States of America. The program is intended to promote the development of science and the advancement of education in Indonesia. Continuing previous programs, in cooperation with the University of Paramadina and the STIE Perbanas, BCA once again provides scholarships to students at both institutions.

C.2.1.F. Educational Partnership

BCA's focus on education is reflected in a number of activities:

- **Banking Laboratory for Advocacy Program, Faculty of Economics and Business of University of Brawijaya, Malang:** after the facility was officially inaugurated in March 2012, BCA's support took form in facilitating those lecturers who had experience in the banking industry.
- **University of Gajah Mada, Yogyakarta:**
  - In June 2014: BCA symbolically handed over a donation to build a BCA Banking Corner at the Faculty of Economics and Business, UGM, Yogyakarta, by Cyrillus Harinowo (Independent Commissioner of BCA) to the Rector of UGM. The donation will help complete the learning facility at FEB UGM.
  - In order to develop UGM students' soft skills, and also complete the facility of the Faculty of Culture, UGM, during that occasion, BCA also symbolically handed over a donation for the room renovation of the music non degree program at Koesnadi Hardjoseomantri Cultural Center.
- **PPM School of Management:** BCA was the main sponsor of The 5th PPM Regional Case Competition (RBCC) initiated by PPM School of Management (June – November 2014). This management competition was attended by more than 73 teams from Indonesia and neighboring countries such as Malaysia, The Philippines, Singapore, and China, amongst others. The event was another form of support from BCA in the field of education, particularly in management, and is intended to promote the competence of the young generation in Indonesia. The Finalists of RBCC have the opportunity to learn about BCA banking solutions, such as contact center Halo BCA and IT BCA.
- **Faculty of Economics and Business, University of Diponegoro:** as continuing support from BCA, especially in the provision of facilities, in 2014, BCA again supported the provision of the Bloomberg facility. BCA also became the sponsor of "Diponegoro Entrepreneur Festival".
- **Faculty of Economics, University of Indonesia:** Once again, BCA became the sponsor for the 3rd Bachelor Journey (MJM/Master Journey Management), and the 7th Doctoral Journey (DJM/Doctoral Journey Management) 2014. A competition for doctoral and master degree students from various institutions and universities in Indonesia.
- **UNICEF:** BCA continues its support for UNICEF's Child Friendly Education. BCA's donation was symbolically handed over by the President Director of BCA, Mr. Jahja Setiaatmadja to the Head Representative of UNICEF Indonesia, Ms. Angela Kearney, on 17 March 2014. The donation was dedicated for the children of Wamena, Papua.

BCA Director handed over donation resulting from the sales of SR 006 to support the UNICEF child friendly education

- **Other Foundations or Institutions:** In order to support the efforts to improve the quality of education in Indonesia, BCA also donated to other institutions. The donation and educational funding for NU programs were used for the tutoring activities for high school graduates with challenging economic backgrounds. BCA also sponsored a number of activities carried out by some educational institutions including SMA Kanisius, SMA Al Azhar Bintaro, and others.

C.2.1.G. Education on Banking Solutions & Financial Literacy

To support the financial literacy program, BCA organizes several activities, among others:

- **Financial Literacy for schoolchildren:** Beginning in 2007, BCA has collaborated with KidZania in developing a means of banking education for children in the form of edutainment. The children can learn more about banking solutions, services and ATM functions, as well as get to know some of the professions in the banking industry.
- In addition, some of financial literacy related activities for school children were implemented through several other programs such as BCA Day Care (page 331), or educational program at schools in Jabodetabek (Greater Jakarta) area.
- BCA participated in educational activities using Si Molek, mobile financial literacy program initiated by OJK (Indonesia Financial Services Authority).

BCA participated in educational activities using Si Molek, mobile financial literacy program initiated by OJK (Indonesia Financial Services Authority)

Education banking services at KidZania Jakarta

Si Molek was launched in February 2014 in Pasar Tanah Abang, Jakarta. Under BCA coordination, this program was held in 14 cities, including Medan, Pekanbaru, Jakarta, Bandung, Cirebon, Semarang, Yogyakarta, Malang, Surabaya, Denpasar, Samarinda, Banjarmasin, Makassar, Manado. Si Molek roadshow was held from February 3 to 7, 2014.

- BCA also supports the Seminar and Workshop program initiated by OJK (Indonesia Financial Services Authority). These financial literacy education activities were in the form of exhibitions, seminars and other activities. Activities were carried out in several regions, such as: Lombok (March 2014), and Jambi (August 2014). In collaboration with other financial institutions, BCA participated in the launching of Microfinance Services in the fishing village of Karangsong, Indramayu, West Java, and Financial Market Festival lasted for two days, in Jakarta in December 2014.

BCA creates and publishes educational materials on BCA banking solutions through a variety of means, one of which is BCA News Rubric. In 2014, BCA entered into collaboration with other mass media such as Kompas, Pikiran Rakyat (PR), Jawa Pos,

Swa Magazine, Tempo Magazine, Kontan tabloid, Kompas.com, Kontan.co.id, Yahoo.co.id, PR online, detik.com mobile versi, Swa online, Tempo online, and various others.

C.2.2. BCA Synergy Solution

In collaboration with a number of institutions which have proven credibility and competence in the field of culture, health, environment, sports, and empathy, BCA organizes several activities under BCA Synergy Solution. The programs in 2014 are as follows:

1. Bakti BCA for Culture;
2. Bakti BCA for Health Care;
3. Bakti BCA for Environment;
4. Bakti BCA for Sports;
5. Empathy program.

C.2.2.A. Bakti BCA for Culture

Developing and preserving cultural heritage are essential components for the development of national human resources as a whole. BCA takes an active role in efforts to preserve and support the development of national culture, as embodied in the "BCA for Indonesian Shadow-Puppetry". This program was begun in 2012.

In 2014, BCA again conducted several activities as follows:

1. **WOW – World of Wayang:** BCA once again entered into collaboration with Pepadi and Kompas TV in developing a means to introduce and educate the youth about wayang tradition through television. WOW was aired for the first time in 2012 and was broadcast every Sunday afternoon on Kompas TV. In the long term the program is expected to foster pride and to motivate the youth to learn and develop wayang. In 2014, Season IV comprising 13 episodes was aired and part of Season V also comprising 13 episodes up to February 2015. The theme for 2014, among others: documentary of wayang as developed by young generation (Season IV), and Ramayana, the Love Epic (Season V), and many more.

One of the booths of wayang artisan during "Wayang Masuk Mall".

2. **Wayang for Students,** an educational program for students from elementary school until high-school that was held in Ubud, Bali. In collaboration with "Rumah Topeng & Wayang Setia Darma", on April 2014, BCA held a series of activities including wayang performances, seminars, and interactive activities. Visitors were entertained with sasak wayang, modern Balinese wayang, and electric wayang performed by famous "Dalang". The activities lasted for 3 days and were attended by 1,500 students and their teachers.

3. **Wayang Goes to Campus,** University of Indonesia: BCA supported the event as part of the efforts to develop a means for Indonesian cultural education aimed at the youth, particularly college students. The activities include an exhibition, seminar, and wayang performance.

4. **Education on the art of theater for the youth,** as part of the efforts to develop the art of theater in Indonesia. The program was conducted by inviting the youth to watch professional theater. During the occasion, the students were also given a chance to discuss with the artists and to observe backstage preparation. BCA invited scholarship recipients from UI, ITB, IPB, and Unpad to watch the play "Republik Cangik" in November 2014, and students from SMAN 3 Tatakan watch the play "Demonstran" in March 2014, both performed by Teater Koma.

5. **Wayang at the Mall:** a continuation of the 2013 program Wayang Goes to School which took place in Semarang, on August 2014 BCA once again held an educational program introducing wayang to the young generation in Semarang. On this occasion, BCA collaborated with the Provincial Government and radio JFM Semarang. This event was held in a mall in Semarang and lasted for 3 days. "Wayang Masuk Mal" involved participation from young artists, among others Woro Mustika Siwi, Jose Amadeus Krisna Fow, and students from a number of schools.
6. In November 2014, BCA supported the development and introduction of art 'brut', art works produced by artists with mental disorders. This even presented the artist Dwi Putro Mulyono, and was held in ITB Art Festival, Bandung.
7. Indonesia Cinema Development: BCA once again sponsored the "The 8th Annual Balinale International Film". This program was intended by the organizer as a means to develop cinema in Indonesia.
8. BCA was also active in supporting a number of institutions and organizations which have dedication and integrity in helping develop our culture. BCA's support may take the form of donation or sponsorship, among others are the publishing of "Bharatayudha" wayang-comic initiated by Unima Indonesia, "Festival Dalang Bocah" organized by Pepadi, the play by Theater Koma "Demonstran and Republik Cangik", "Wayang Kulit and Tari Jawa Klasik", leather art mission in Thailand. Pepadi, cultural mission of Senawangi in Indonesia Culture, Asean Puppetry Association 2014, "Wayang Orang Bharata", solo recital piano Indonesia, Theater Wayang Indonesia (Senawangi), the publishing of "Wayang Potehi of Java", art program at Salihara Community, and many more.

BCA Directors inaugurate "Wayang Masuk Mall".

C.2.2.B.Bakti BCA in Health

Public health is one of the essential factors in the development of a nation. Therefore, BCA actively participates in public health care activities. This CSR Program in the field of health includes the provision of affordable health care services for the underprivileged carried out in collaboration with institutions with proven competence and credibility in the field of health care services.

A number of CSR activities in the field of health in 2014 are as follows:

1. **Cataract Surgery**

   In collaboration with the Cataract Blindness Control unit of the Association of Indonesian Ophthalmologist (SPBK Perdami), BCA organized free cataract surgery for unprivileged people. This program has been implemented since 2001 with the objective of reducing the number of cataract sufferers, an illness that can lead to blindness, and thereby damaging people's productivity.

   This activity is aligned with the Government and WHO (World Health Organization) program of Vision 2020, the right to sight, a global initiative to reduce blindness in the world.

   In 2014, BCA organized cataract surgery in several regions including Klinik Nur Hikmah, Parung, Bogor; RS Qdar, Tangerang; RSUD H. Damanhuri, Barabai, kabupaten Hulu Sungai Tengah, Kalimantan Barat; RS Awal Bros, Batam, Isles of Riau; RSUD Larantuka, Flores Timur, Nusa Tenggara Timur. As of December 2014, a total of 434 surgeries have been performed in many regions in Indonesia.

2. **Duri Utara Health Care Clinic**
   Since 2012, BCA collaborates with the management of Duri Utara Clinic in facilitating affordable health care services for the underprivileged. This program is part of BCA's active participation in promoting access to health care services for the underprivileged.

   Coinciding with the 57th Anniversary of BCA in February 2014, BCA facilitated free health care services, in the form of pregnancy check-ups(USG) and laboratory access for people who reside in the vicinity of Duri Utara Clinic. In 2014, Duri Utara Clinic provided health care services including general medical consultation and medication, birth control, minor surgery or wound treatment, immunization for children, and vaccinations for adults.

3. **Bakti BCA Blood Donation:** BCA has collaborated with PMI in organizing blood donation programs since 1991. BCA actively organizes blood donation activities attended by employees and management of BCA. In general, blood donation drives are held 3 to 4 times a year, taking place at BCA head office and branch offices. In 2014, BCA donated 1,962 blood bags to PMI.

4. **Donating Equipment for Cataract Surgery:** Coinciding with BCA's 57th Anniversary in February 2014, BCA donated equipment for cataract surgery, namely one microscope to the administrator of SPBK Perdami, symbolically handed over by Jahja Setiaatmadja to Dr. Yeni Dwi Lestari SpM.

5. **Health Care Services at Desa Bleberan:** health care services took place on February 2014 at Desa Bleberan, Playen, Yogyakarta including for villagers a free health care service and medical check-up. In addition, BCA also facilitates blood donation activities in collaboration with local "karang taruna".

6. **Others:** BCA also gave donations to Maternity Hospital & Clinic Kudus. As part of its health education program, BCA gave donations or sponsorships to a number of institutions, among others Fun Walk for Eye Donor Awareness (Perkumpulan Penyantun Mata Tunanetra Indonesia (PPMI) and Bank Mata Indonesia), National Milk Day (Student Executive Board of Faculty of Animal and Agricultural Sciences Universitas Diponegoro), Alzheimer Awareness Program (Alzheimer Foundation - ALZI), and TBC Eradication program, amongst others.

C.2.2.C. Bakti BCA in Environment

Environmental preservation is one of the efforts to safeguard the ecosystem and to minimize environmental impacts. To that end, BCA entered into partnership with a number of institutions which have concern and capabilities to undertake a series of environmental activities, as described on page 325 in this report.

Participants of cataract surgery, a program held by BCA

BCA Director handed over apparatus for cataract surgery to SPBK Perdami

C.2.2.D. Bakti BCA in Sport

BCA also shows its concern to the development of sports in Indonesia and supports a number of sporting organizations. In 2014, BCA became the main sponsor for an international badminton competition, initiated by BWF (Badminton World Federation) in partnership with PBSI (Indonesian Badminton Federation), as well as other institutions, under the name of "BCA Indonesia Open (BIO) 2014". A Memorandum of Understanding between BCA and PBSI was signed in May 2014. The tournament lasted for 6 days (17 – 22 June 2014), at Istora Senayan, Jakarta. BIO 2014 was an annual badminton event in Indonesia that received good attention and response from badminton athletes and organizations worldwide. The mascot for this event was designed based on Indonesian culture. During the reception party, a booth was built to introduce the art of wayang during which athletes and officials can try to put on costumes or paint the wayang puppets.

BCA also supported or sponsored the Electro Run 2014 (June 2014), Boat Competition and many more. In addition to supporting national sport development, these programs are also intended as a healthy lifestyle campaign.

For the first time, BCA became the main sponsor for an international level badminton competition

BCA Director handed over donation for the victim of flood to PMI DKI Jakarta

C.2.2.E. Empathy

BCA is active in giving donations for victims of natural disasters. In 2014, Bakti BCA gave donations for natural disaster victims in many regions. Bakti BCA gave donations to victims of flooding in Manado, handed over in January and February 2014.

BCA collaborated with competent institutions in handling disaster relief effort. In January 2014, the Director of BCA symbolically handed over the donation for the victims of flooding in Jakarta, to the Head of PMI DKI Jakarta. In addition, the management and the employees of BCA also collected food, bottled water, and clothes under the coordination of branch offices, to be donated to the victims of floods in Jabodetabek. BCA also gave donations for victims of the flood in Purworejo, Gunung Sinabung in North Sumatra, Gunung Kelud in Central Java and victims of a landslide in Banjarnegara, Purwokerto.

C.2.2.F. Others

BCA gave donations for insitutions and organizations who conduct social activities in the interest of the general public, in line with the pillars of BCA's CSR activities. Donations were given in accordance with the needs of the institutions or organizations. As an illustration, in 2014, BCA gave donations to a number of social activities for children, donations for orphanages and the unprivileged, donation for Yayasan Pepabri, Corps Cacat Veteran RI, LVRI, Purnayuda, and many more.

C.2.3. BCA Excellent Business Solution

Community empowerment aims to create an environment whereby people can grow and progress independently. BCA supports the efforts of community empowerment through BCA Excellent Business Solution. This program was developed in line with BCA's advantage in payment systems.

Programs implemented under BCA Excellent Business Solution include:

1. Business Development Institution (LPB) Mitra Bersama;
2. Partnership with Community.

C.2.3.A. Business Development Institution (LPB) Mitra Bersama

Small and Medium Entrepreneurs (SMEs) play a major role in Indonesia and they have proven themselves resilient during times of crisis. SMEs provide jobs and business opportunities for millions of people and help strengthen the fundamentals of the Indonesian economy.

In 2009, in collaboration with two other prominent companies in Indonesia, PT Astra Internasional Tbk and PT Pertamina (Persero), BCA established the Business Development Institution (LPB) Mitra Bersama, with the objective, among others, of providing facilities for SMEs to develop sustainable and competitive businesses.

To help achieve the objectives of LPB Mitra Bersama, the founding corporations were assisted by Yayasan Dharma Bhakti Astra. To date, LPB Mitra Bersama has been established in several cities, such as Sidoarjo (East Java), Palembang (South Sumatera), Bukit Tinggi (West Sumatera), Yogyakarta and Pontianak.

The advocacy provided by LPB Mitra Bersama is provided through a number of programs including consultation and training (financial management for simple accounting, management, motorcycle workshop, waste management, packaging management, internet/website training, quality control training), marketing and promotion, introduction to banking and finance (banking products and services socialization), SME finance, network development, for instance SME meetings, bazaars, etc. The managers of LPB Mitra Bersama also collaborate with education institutes and local government to provide better services for SMEs.

To date, member of LPB Mitra Bersama include:

- LPB Mitra Bersama Sidoarjo, East Java: 560 SMEs in the field of handicrafts, repair shop, convection, motor cycle spare parts, other.
- LPB Mitra Bersama Palembang, South Sumatra: 138 SMEs in the field of natural-fibre fabrics, repair shop, other.
- LPB Bukit Tinggi, West Sumatera: 31 SMEs in the field of food products, embroidery, repair shop, other.
- LPB Mitra Bersama Yogyakarta 177 SMEs in the field of handicrafts, repair shop, food products, trading, other.
- LPB Mitra Bersama Pontianak : 114 SMEs in the field of food products, handicrafts, and repair shop.

To further promote the development of SMEs in different regions, LPB Mitra Bersama actively encourages collaboration with a number of educational institutions and related government agencies.

C.2.3.B. Partnership with Community

Forging partnerships with various communities is another of BCA's undertakings to further develop local potentials through which is expected to open new business and employment opportunities for local communities. These undertakings also aim to promote the well-being and independence of the community. Indirectly, it supports national economic development.

In 2014, BCA undertook the following programs:

a. **Bejiharjo Tourism Village - Paguyuban Wirawisata Gelaran**

Paguyuban Wirawisata Gelaran is a community initiated by Karang Taruna Gelaran II with full support from local community leaders. One of the programs developed by Paguyuban Wirawisata Gelaran is community empowerment, particularly the development of Desa Wisata Wirawisata Gua Pindul, at Bejiharjo Village, Gunung Kidul, Yogyakarta. This program is intended to assist in the development of the village with jobs and business opportunities for the youth and the local community.

BCA assists the efforts conducted by Karang Taruna Gelaran II Desa Bejiharjo since 2012 by installing BCA Electronic Data Capture (EDC) as an alternative payment facility for visitors of Gua Pindul. As continuation of BCA support, in order to develop human resource quality, in 2014, BCA focused its support on the development of soft skills for the administrator of the tourist village, among others, by providing experiential learning/outdoor training, which included development of promotion materials, development of games package and tools, training on the installation of the tools, and more. The training aims at developing and completing the existing facilities for water recreation. In addition, BCA also held training on service quality, knowledge of tourism, and online promotion and communication. The positive outcome resulted from this advocacy activities was evidenced by the increased income, which grew by more than 20 times when compared with income prior to BCA advocacy.

b. **Desa Bleberan:** Also known as Sri Getuk, this tourist village boasts mesmerizing scenery. To provide better access for visitors, on November 2014, BCA carried out training on the use and management of online promotional and communication tools.

c. **Desa Wukirsari**

The villagers at Desa Wukirsariin Imogiri, Bantul, were famous for their mastery of batik and wayang tatah sungging. Leveraging on this uniqueness, Desa Wukirsari has evolved to become a tourist village. Visitors are introduced to the art of wayang, the making of wayang and batik, and they can try to make kaing wayang or batik themselves, all while living in the Indonesian rural atmosphere. BCA assists by organizing a 2-day training event on skills and management of the tourist village, which includes a benchmarking study with other forms of tourism services. The training aims to broaden the perspective and improve the soft skills of the local community, especially in management, so that they can improve their service offerings to tourists visiting Wukirsari. In November 2014, the management of the tourist village was invited to attend training on managing online promotional and communication tools.

d. **Desa Penting Sari**

Desa Penting Sari, also known as Dewi Peri, is situated on the slope of Gunung Merapi, Cangkringan, Sleman, Yogyakarta. It has the potential to be developed as an eco-tourism village as well as cultural and farming tourist village. Tourists can live and experience rural living. BCA provides training for the management team of the village, related to the maintenance and management of facilities and HR. This 2-day training covered various subjects, among others, tourism industry and its management, excellent services, teamwork, and communication. BCA facilitated the trainees to conduct a benchmarking study at the excellent services at a hotel in Yogyakarta.

Experiential learning/outdoor training for the administrators of village under Bakti BCA patronage

C.3. Company Expenses for Social Activities

Bakti BCA	Amount (Rp)
BCA Smart Solution:	**23,167,045,010**
Bakti BCA Scholarship	4,343,106,273
PPA non-degree	11,334,872,248
PPTI non-degree	2,584,224,201
Education Partnership and Bakti BCA Integrated	4,904,842,288
BCA Synergy Solution:	**12,054,994,584**
Health	3,003,770,125
Culture	6,077,619,765
Environment	516,720,400
Sport	105,500,000
Empathy	1,407,658,032
Others	943,726,262
BCA Excellent Business Solution Community	**558,459,254**
Total	**35,780,498,848**

D. CUSTOMER PROTECTION

D.1. Policy

Playing a central role in collecting and distributing public funds, the banking industry relies heavily on public trust. That is why BCA constantly maintains customer trust by applying the principle of prudence and prioritizing customer safety and service. Optimally protecting customer interests is the key to building customer confidence within the banking system.

Customer protection also serves as embodiment of one of BCA's corporate values, namely customer focus. At BCA, business management is not merely seeking profitability but also seeks to provide banking solutions for customers, partners and the public. The development of banking solutions is oriented to customer needs and by paying attention to customer protection and safety, consistently performed.

D.2. Execution

D.2.1 Customer Education

Conducting customer education is one preventive tool to avoid fraudulent transactions or other forms of fraud. BCA consistently develops various educational programs related to transaction security when using BCA banking products and services, BCA customer education programs are carried out consistently and continuously in cooperation with mass media, both traditional media and online media, in the form of a rubric called "News BCA". The rubric is an educational tool for BCA banking solutions. Halo BCA 1500888 is also printed on the article as a solution center for BCA banking transaction.

The dissemination of Halo BCA numbers and procedures in respect to the safety and comfort of BCA customers, and the public, is done through www.bca.co.id website and twitter account Halo BCA as the main social media accounts.

In addition, BCA develops customer education channels through its official social media accounts:

Facebook Fan Page	www.facebook.com/XpresiBCA
	www.facebook.com/GoodLifeBCA
	www.facebook.com/BizGuideBCA
	www.facebook.com/BCAKlikPay
	www.facebook.com/KartuKreditBCA
Twitter	@XpresiBCA
	@GoodLifeBCA
	@BizGuideBCA
	@HaloBCA
	@BCAKlikPay
	@KartuKreditBCA
Youtube	www.youtube.com/solusiBCA
Mindtalk	#IdeaVolution
Kaskus	Bank Central Asia
Slideshare	www.slideshare.net/SolusiBCA

D.2.2. Customer Complaint Mechanisms

In line with BCA's commitment in protecting its customers, and in accordance with banking regulators and consumer protection institutions, BCA provides various channels of communication for customers to reach BCA. Customer input, either in the form of suggestions or criticisms, is valuable in the Bank's efforts to improve our services. BCA provides a number of communication channels as a means of support for customer protection, including:

- 24-hour Contact Center Halo BCA;
- email to halobca@bca.co.id;
- Face to face with BCA front liners.

BCA always pays attention to, and will follow up on, serious or valuable customer input or complaints. Solutions to problems will be followed through by the related branch, office or unit.

D.2.3. Halo BCA

BCA's 24-hour contact center service, Halo BCA 1500888, is a means for customers to communicate with BCA. Through this service, customers can obtain important information related to BCA products and services. Halo BCA also receives feedback and complaints from customers.

Halo BCA forwards customer complaints to the relevant parties and coordinates with related units or branches in order to provide solutions to the complaintants. BCA constantly works to improve the quality of Halo BCA staff by providing and updating product knowledge related to various BCA's banking solutions.

Throughout 2014, Halo BCA received 12,553,891 incoming calls including 696,439 (5,5%) customer complaints, with the rest of the calls (94.5%) about product or service inquiries. In general, complaints were resolved in accordance with BCA service level targets. As an illustration, in December 2014, complaint settlement reached 97.31% of the total complaints in that month.

D.2.4. Letters to the Editor

Letters to the editor in printed mass media are an important alternative source to get feedback from customers. BCA always responds to any input and complaints contained in letters to the editor through the Corporate Secretary's office. In responding and following up complaints from the printed mass media, the Corporate Secretary coordinates with Halo BCA or related unit/branch. In 2014, there were 143 instances of customer input submitted about BCA through letters to the editors in a number of printed media with all of them followed up or settled.

D.2.5. Social Network Media

BCA utilizes social networks to engage communicate with customer through social media platforms, such as Facebook, Twitter, Youtube, Mindtalk, Instagram, Kaskus and Slideshare. During 2014, @HaloBCA gets 60,749 mentions and 58,234 followers. Customer can submit their input through BCA official social media accounts as mentioned at www.bca.co.id/socialmedia and in this report page 345.

D.2.6. Customer Complaint Channels

BCA is active in educating customers on its communication channels through various promotional materials and other written materials (such as saving books, starter packs, etc.) by including information on how to contact BCA through contact center services - Halo BCA 1500888 or the BCA website www.bca.co.id. Many customers also use email to communicate with BCA. In 2014, there were 129,594 emails from customers, including inquiries on products or services, input, as well as issues related to the services provided by BCA.

Feedback on Customer Complaint

BCA always strives to give the best possible feedback to every complaint and input that come through various communication media.

D.2.7. Customer Complaint Handling

As part of its efforts in maintaining customer satisfaction and improving its services, BCA continues to pay attention to each customer's needs and aspirations. By opening channels to accommodate complaints and suggestions through various communication media, BCA strives to respond to incoming complaints and to provide solutions for customers.

Halo BCA has gained appreciation and achieved recognition from several national and international independent parties. Halo BCA received 107 awards in 2014 including ICCA (Indonesia Contact center Association), CCSL (Center for Customer Satisfaction & Loyalty), Perbanas, AFCAL (Asia Pacific Contact Association Leadership), CCW (Contact Center World).

D.2.8. Development of Customer Complaints Handling

BCA strives to provide the best services in order to deliver optimal benefits and added values for all stakeholders. In the future, BCA will continue to develop and improve procedures on handling complaints and suggestions.

D.2.9. Customer Service Improvement Program & Branch Network Development

BCA is committed to always providing the best services for customers. BCA continues to develop its branch network. In 2014, BCA increased the number of branches to 1,111 from 1,062 in 2013. Expansion of the BCA branch network was intended to deepen BCA's reach in various cities in Indonesia.

D.2.10. ATM Network Setup and Synergy

To improve its services, BCA always performs monitoring and analysis on its ATM network development and network synergy. This is done to provide the best services and the best banking solutions for customers and people.

D.2.11. Public Recognition

The implementation of BCA's commitment and excellent services is evidenced by various accolades from various independent institutions, local and abroad. In 2014, BCA received various awards as contained in this Annual Report, page 496-503. These accolades encourage BCA to constantly improve its services and procedures of receiving and responding complaints and inquiries from its customers.

Statement of the Board of Commissioners and the Board of Directors
Regarding Responsibility for the 2014 Annual Report of
PT Bank Central Asia Tbk

We, the undersigned, hereby declare that all information in the Annual Report of PT Bank Central Asia Tbk for the year 2014 has been presented in its entirety, and that we assume full responsibility for the accuracy of the contents of this Annual Report.

This statement is duly made in all integrity.

Jakarta, 16 March 2015

Board of Commissioners

Djohan Emir Setijoso
President Commissioner

Tonny Kusnadi
Commissioner

Cyrillus Harinowo
Independent Commissioner

Raden Pardede
Independent Commissioner

Sigit Pramono
Independent Commissioner

Board of Directors

Jahja Setiaatmadja
President Director

Eugene Keith Galbraith
Deputy President Director

Dhalia Mansor Ariotedjo
Director

Anthony Brent Elam
Director

Suwignyo Budiman
Director

Subur Tan
Director

Henry Koenaifi
Director

Armand Wahyudi Hartono
Director

Erwan Yuris Ang
Independent Director

Rudy Susanto
Director

PT BANK CENTRAL ASIA Tbk
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL
STATEMENTS
31 DECEMBER 2014

DIRECTORS' STATEMENT
REGARDING THE RESPONSIBILITY
FOR THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF AND FOR YEARS ENDED 31 DECEMBER 2014 AND 2013
PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

We, the undersigned:

1.	Name	: Jahja Setiaatmadja
	Office address	: Menara BCA Grand Indonesia Jl. M.H. Thamrin No. 1, Jakarta 10310
	Residential address	: Jl. Metro Kencana V/6 RT 001 RW 015, Pondok Pinang, Kebayoran Lama, Jakarta Selatan
	Telephone	: (021) 2358-8000
	Title	: President Director
2.	Name	: Eugene K. Galbraith
	Office address	: Menara BCA Grand Indonesia Jl. M.H. Thamrin No. 1, Jakarta 10310
	Residential address	: Jl. Metro Alam II TE 16, Pondok Indah Jakarta Selatan
	Telephone	: (021) 2358-8000
	Title	: Deputy President Director

declare that:

1. We are responsible for the preparation and presentation of the consolidated financial statements of PT Bank Central Asia Tbk and Subsidiaries;
2. The consolidated financial statements of PT Bank Central Asia Tbk and Subsidiaries have been prepared and presented in accordance with Indonesian Financial Accounting Standards;
3. a. All information in the consolidated financial statements of PT Bank Central Asia Tbk and Subsidiaries has been completely and correctly disclosed;

   b. The consolidated financial statements of PT Bank Central Asia Tbk and Subsidiaries do not contain misleading information and we have not omitted any information or facts that would be material to the consolidated financial statements;
4. We are responsible for the internal control of PT Bank Central Asia Tbk.

This statement is made truthfully.

For and on behalf of the Board of Directors

METERAI TEMPEL
6000
ENAM RIBU RUPIAH

Jahja Setiaatmadja
President Director

Eugene K. Galbraith
Deputy President Director

Jakarta, 16 February 2015

KPMG

Siddharta Widjaja & Rekan
Registered Public Accountants

33rd Floor Wisma GKBI
28, Jl. Jend. Sudirman
Jakarta 10210
Indonesia

Telephone +62 (0) 21 574 2333
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+62 (0) 21 574 2777

Independent Auditors' Report

No.: L.14 - 2318 - 15/II.16.003

The Shareholders,
The Board of Commissioners and Directors
PT Bank Central Asia Tbk:

We have audited the accompanying consolidated financial statements of PT Bank Central Asia Tbk and its subsidiaries, which comprise the consolidated statement of financial position as of 31 December 2014, the consolidated statements of comprehensive income, changes in equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Siddharta Widjaja & Rekan - Registered Public Accountants, an Indonesian partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

License No. : 916/KM.1/2014

KPMG

Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of PT Bank Central Asia Tbk and its subsidiaries as of 31 December 2014, and their consolidated financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

Other matter

Our audit of the accompanying consolidated financial statements of PT Bank Central Asia Tbk and its subsidiaries as of 31 December 2014, and for the year then ended, were performed for the purpose of forming an opinion on these consolidated financial statements taken as a whole. The accompanying financial information of PT Bank Central Asia Tbk (parent entity), which comprises the statement of financial position as of 31 December 2014, and the statements of comprehensive income, changes in equity, and cash flows for the year then ended (collectively referred to as the "Parent Entity Financial Information"), which is presented as a supplementary information to the accompanying consolidated financial statements, is presented for the purposes of additional analysis and is not a required part of the accompanying consolidated financial statements under Indonesian Financial Accounting Standards. The Parent Entity Financial Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the accompanying consolidated financial statements. The Parent Entity Financial Information has been subjected to the auditing procedures applied in the audit of the accompanying consolidated financial statements in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. In our opinion, the Parent Entity Financial Information is fairly stated, in all material respects, in relation to the accompanying consolidated financial statements taken as a whole.

Siddharta Widjaja & Rekan
Registered Public Accountants

Elisabeth Imelda, SE, M.Ak., CPA
Public Accountant License No. AP.0849

Jakarta, 16 February 2015.

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
31 DECEMBER 2014 AND 2013
(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	31 December 2014	31 December 2013
ASSETS			
Cash	2b,2i,5,32, 35,37	19,577,571	16,284,142
Current accounts with Bank Indonesia	2b,2i,2j,6, 32,35,37	38,875,175	35,269,077
Current accounts with other banks	2b,2i,2j,2v, 7,32,35,37	4,614,271	3,447,290
Placements with Bank Indonesia and other banks	2b,2i,2k,2v, 8,32,35,37	11,502,178	12,254,043
Financial assets held for trading	2i,2l,9,32, 35,37	1,672,222	1,238,564
Acceptance receivables - net of allowance for impairment losses of Rp 396,343 and Rp 89,740 as of 31 December 2014 and 2013	2i,2m,2v,10, 32,35,37	7,569,364	6,434,376
Bills receivable - net of allowance for impairment losses of Rp 1,286 and Rp 580 as of 31 December 2014 and 2013	2i,2v,32,35, 37	3,226,980	2,632,832
Securities purchased under agreements to resell	2i,2o,2v,11, 32,37	26,289,663	41,056,171
Loans receivable - net of allowance for impairment losses of Rp 6,704,242 and Rp 5,611,256 as of 31 December 2014 and 2013	2i,2n,2v,12, 32,35,37, 2aj,41		
Related parties		552,914	475,559
Third parties		339,306,154	306,203,573
Consumer financing receivables - net of allowance for impairment losses of Rp 201,062 and Rp 79,673 as of 31 December 2014 and 2013	2i,2p,2r,2v, 13,32,37	6,973,228	5,229,338
Investment in finance leases - net of allowance for impairment losses of Rp 3,204 and Rp 3,868 as of 31 December 2014 and 2013	2i,2q,2v,32, 37	166,888	182,544
Carry forward		460,326,608	430,707,509

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Continued)
31 DECEMBER 2014 AND 2013
(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	31 December 2014	31 December 2013
ASSETS			
Carried forward		460,326,608	430,707,509
Assets related to sharia transactions - net of allowance for impairment losses of Rp 19,088 and Rp 15,885 as of 31 December 2014 and 2013	2r	2,111,896	1,405,834
Investment securities - net of allowance for impairment losses of Rp 771,705 and Rp 747,057 as of 31 December 2014 and 2013	2i,2s,2v,14, 32,35,37	72,044,824	48,407,338
Fixed assets - net of accumulated depreciation of Rp 5,880,302 and Rp 4,962,996 as of 31 December 2014 and 2013	2t,2v,15	8,844,930	7,440,017
Deferred tax assets - net	2ah,17	1,962,039	1,779,493
Other assets - net of allowance for impairment losses of Rp 2,213 and Rp 158 as of 31 December 2014 and 2013	2f,2u,2v,2w		
Related party	2aj,41	280,227	293,197
Third parties		6,853,368	6,271,185
TOTAL ASSETS		**552,423,892**	**496,304,573**

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Continued)
31 DECEMBER 2014 AND 2013
(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	31 December 2014	31 December 2013
LIABILITIES AND EQUITY			
LIABILITIES			
Deposits from customers	2i,2x,16,32, 35,37		
Related parties	2aj,41	1,119,576	987,860
Third parties		446,786,180	408,497,903
Sharia deposits	2y	296,832	250,146
Deposits from other banks	2i,2x,16,32, 35,37	3,754,260	3,301,039
Financial liabilities held for trading	2i,2l,9,32, 35,37	14,702	113,516
Acceptance payables	2i,2m,10,32, 35,37	4,697,946	4,539,442
Debt securities issued	2i,2z,18,32, 37	2,503,900	3,132,847
Income tax liabilities	2ah,17	251,818	276,017
Borrowings	2i,19,32,35, 37	3,080,942	500,952
Obligation for post-employment benefits	2ag,33	3,784,402	3,525,834
Accruals and other liabilities	2aa	6,260,219	5,768,437
TOTAL LIABILITIES		472,550,777	430,893,993
Temporary *syirkah* deposits	2y	1,952,498	1,443,902

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Continued)
31 DECEMBER 2014 AND 2013
(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	31 December 2014	31 December 2013
EQUITY			
Equity attributable to equity holders of the parent entity			
Share capital - par value per share of Rp 62.50 (full amount) Authorized capital: 88,000,000,000 shares Issued and fully paid: 24,655,010,000 shares	1c,20	1,540,938	1,540,938
Additional paid-in capital	1c,2g,2ac,21	5,564,552	5,564,552
Differences from translation of foreign currency financial statements	2h	316,437	309,103
Unrealized losses on available-for-sale financial assets - net	2s,14	(74,572)	(478,631)
Retained earnings			
Appropriated	31	912,850	770,311
Unappropriated		69,419,160	56,157,717
Other equity components		3,721	1,613
Total equity attributable to equity holders of the parent entity		77,683,086	63,865,603
Non-controlling interest	1d,2e,40	237,531	101,075
TOTAL EQUITY		77,920,617	63,966,678
TOTAL LIABILITIES AND EQUITY		**552,423,892**	**496,304,573**

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED 31 DECEMBER 2014 AND 2013
(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	Year ended 31 December 2014	2013
OPERATING INCOME AND EXPENSES			
Interest and sharia income	2aj,2ad,23,41	43,771,256	34,277,149
Interest and sharia expenses	2aj,2ad,24,41, 42	(11,744,562)	(7,852,009)
Net interest and sharia income		32,026,694	26,425,140
Fee and commission income	2ae,25	7,289,551	6,309,874
Fee and commission expenses	2ae,25	(4,518)	(11)
Net fee and commission income		7,285,033	6,309,863
Net trading income	2af,26,42	832,916	1,166,271
Other operating income		906,027	470,940
Total operating income		41,050,670	34,372,214
Impairment losses on financial assets	2v,27	(2,239,578)	(2,015,678)
Other operating expenses			
Personnel expenses	2aj,2ag,28,33, 41	(8,670,906)	(6,864,614)
General and administrative expenses	2f,2aj,15,29, 41	(8,931,363)	(7,386,260)
Others		(704,050)	(380,588)
		(18,306,319)	(14,631,462)
Total operating expenses		(20,545,897)	(16,647,140)
NET OPERATING INCOME		20,504,773	17,725,074
NON-OPERATING INCOME - NET	2h,2p,2t,2u, 15,42	236,348	90,532
INCOME BEFORE TAX (Carry forward)		20,741,121	17,815,606

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Continued)
YEARS ENDED 31 DECEMBER 2014 AND 2013
(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	Year ended 31 December 2014	2013
INCOME BEFORE TAX (Carried forward)		20,741,121	17,815,606
INCOME TAX EXPENSE	2ah,17b		
Current		(4,548,974)	(3,973,278)
Deferred		319,523	413,911
		(4,229,451)	(3,559,367)
NET INCOME		16,511,670	14,256,239
OTHER COMPREHENSIVE INCOME			
Foreign exchange differences arising from translation of foreign currency financial statements	2h	7,334	87,415
Available-for-sale financial assets:	2s,14		
Changes in fair value - net		538,745	(1,780,934)
Income tax related to components of other comprehensive income	2ah	(134,686)	445,233
Others		2,108	(3,641)
OTHER COMPREHENSIVE INCOME, NET OF INCOME TAX		413,501	(1,251,927)
TOTAL COMPREHENSIVE INCOME		16,925,171	13,004,312
NET INCOME ATTRIBUTABLE TO:			
Equity holders of parent entity		16,485,858	14,253,831
Non-controlling interest	2e,40	25,812	2,408
		16,511,670	14,256,239
COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Equity holders of parent entity		16,899,359	13,001,904
Non-controlling interest	2e,40	25,812	2,408
		16,925,171	13,004,312
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT ENTITY (full amount of Rupiah)	2ab,30	669	579

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED 31 DECEMBER 2014 AND 2013
(Expressed in millions of Rupiah, unless otherwise stated)

		Year ended 31 December 2014									
		Attributable to equity holders of parent entity									
	Notes	Issued and fully paid-up capital	Additional paid-in capital	Differences from translation of foreign currency financial statements	Unrealized gains (losses) on available-for-sale financial assets - net	Retained earnings		Other equity components	Total equity attributable to equity holders of the parent entity	Non-controlling interest	Total equity
						Appropriated	Unappropriated				
Balance, 1 January 2014		1,540,938	5,564,552	309,103	(478,631)	770,311	56,157,717	1,613	63,865,603	101,075	63,966,678
Net income for the year		-	-	-	-	-	16,485,858	-	16,485,858	25,812	16,511,670
Differences from translation of foreign currency financial statements	2h	-	-	7,334	-	-	-	-	7,334	-	7,334
Unrealized gains on available-for-sale financial assets - net	2s,14	-	-	-	404,059	-	-	-	404,059	-	404,059
Other equity components		-	-	-	-	-	-	2,108	2,108	-	2,108
Total comprehensive income for the year		-	-	7,334	404,059	-	16,485,858	2,108	16,899,359	25,812	16,925,171
General reserve	31	-	-	-	-	142,539	(142,539)	-	-	-	-
Cash dividends	31	-	-	-	-	-	(3,081,876)	-	(3,081,876)	-	(3,081,876)
Additional paid-in capital of a Subsidiary	1d,40	-	-	-	-	-	-	-	-	60,000	60,000
Increase of non-controlling interest from acquisition of a Subsidiary in the current year	2e,40	-	-	-	-	-	-	-	-	50,644	50,644
Balance, 31 December 2014		**1,540,938**	**5,564,552**	**316,437**	**(74,572)**	**912,850**	**69,419,160**	**3,721**	**77,683,086**	**237,531**	**77,920,617**

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (Continued)
YEARS ENDED 31 DECEMBER 2014 AND 2013
(Expressed in millions of Rupiah, unless otherwise stated)

		Year ended 31 December 2013											
		Attributable to equity holders of parent entity											
	Notes	Issued and fully paid-up capital	Additional paid-in capital	Treasury stocks	Differences from translation of foreign currency financial statements	Unrealized gains (losses) on available-for-sale financial assets - net	Difference in value from restructuring transaction of entities under common control	Retained earnings		Other equity components	Total equity attributable to equity holders of the parent entity	Non-controlling interest	Total equity
								Appropriated	Unappropriated				
Balance, 1 January 2013		1,540,938	4,396,429	(617,589)	221,688	857,070	(111,193)	653,094	44,881,084	5,254	51,826,775	71,167	51,897,942
Effect of adoption of PSAK No. 38 (2012 Revision)	2g	-	(111,193)	-	-	-	111,193	-	-	-	-	-	-
Balance, 1 January 2013, after effect of adoption of PSAK No. 38 (2012 Revision)		1,540,938	4,285,236	(617,589)	221,688	857,070	-	653,094	44,881,084	5,254	51,826,775	71,167	51,897,942
Net income for the year		-	-	-	-	-	-	-	14,253,831	-	14,253,831	2,408	14,256,239
Differences from translation of foreign currency financial statements	2h	-	-	-	87,415	-	-	-	-	-	87,415	-	87,415
Unrealized losses on available-for-sale financial assets - net	2s	-	-	-	-	(1,335,701)	-	-	-	-	(1,335,701)	-	(1,335,701)
Other equity components		-	-	-	-	-	-	-	-	(3,641)	(3,641)	-	(3,641)
Total comprehensive income for the year		-	-	-	87,415	(1,335,701)	-	-	14,253,831	(3,641)	13,001,904	2,408	13,004,312
Difference in value from restructuring transaction of entities under common control	2g	-	(35,623)	-	-	-	-	-	-	-	(35,623)	-	(35,623)
General reserve	31	-	-	-	-	-	-	117,217	(117,217)	-	-	-	-
Cash dividends	31	-	-	-	-	-	-	-	(2,859,981)	-	(2,859,981)	-	(2,859,981)
Additional paid-in capital from treasury stock transactions	1c,2ac, 21	-	1,314,939	617,589	-	-	-	-	-	-	1,932,528	-	1,932,528
Additional paid-in capital of a Subsidiary	1d,2g, 40	-	-	-	-	-	-	-	-	-	-	27,500	27,500
Balance, 31 December 2013		**1,540,938**	**5,564,552**	**-**	**309,103**	**(478,631)**	**-**	**770,311**	**56,157,717**	**1,613**	**63,865,603**	**101,075**	**63,966,678**

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED 31 DECEMBER 2014 AND 2013
(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	Year ended 31 December 2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts of interest and sharia income, fees and commissions		50,279,319	40,463,212
Other operating income		1,061,919	612,641
Payments of interest and sharia expenses, fees and commissions		(11,653,738)	(7,790,809)
Payments of post-employment benefits	33	(1,084,181)	(234,193)
Loss from foreign exchange transactions - net		(813,189)	(11,224,484)
Other operating expenses		(15,724,334)	(12,749,715)
Non-operating income - net		231,491	75,980
Payment of tantiem to Board of Commissioners and Directors	31	(213,762)	(175,815)
Other increases/decreases affecting cash:			
Placements with Bank Indonesia and other banks - mature more than 3 months from the date of acquisition		3,621	1,364,963
Financial assets held for trading		(315,387)	282,823
Acceptance receivables		(1,441,591)	1,253,079
Bills receivable		(550,074)	(400,825)
Securities purchased under agreements to resell		14,766,508	(6,607,636)
Loans receivable		(34,315,786)	(52,130,025)
Consumer financing receivables		(94,995)	(757,831)
Investments in finance leases - net		16,320	(79,241)
Assets related to sharia transactions		(744,767)	(444,778)
Other assets		(62,881)	1,251,099
Deposits from customers		39,071,373	47,110,182
Sharia deposits		46,686	17,333
Deposits from other banks		473,331	1,249,964
Acceptance payables		158,504	(1,300,053)
Accruals and other liabilities		106,717	(476,714)
Temporary *syirkah* deposits		508,596	414,891
Net cash provided by (used in) operating activities before income tax		39,709,700	(275,952)
Payment of income tax		(4,573,173)	(3,913,875)
Net cash provided by (used in) operating activities		**35,136,527**	**(4,189,827)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Sale of investment securities		-	985,508
Acquisition of investment securities		(49,735,172)	(18,268,301)
Proceeds from investment securities that had matured during the year		27,283,429	15,556,338
Cash dividends received from investment in shares		1,430	1,305
Acquisition of a Subsidiary, net of cash and cash equivalents acquired	1d	47,693	26,574
Acquisition of fixed assets		(2,661,220)	(2,937,296)
Proceeds from sale of fixed assets		10,097	23,482
Net cash used in investing activities		**(25,053,743)**	**(4,612,390)**

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
YEARS ENDED 31 DECEMBER 2014 AND 2013
(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	Year ended 31 December 2014	2013
CASH FLOWS FROM FINANCING ACTIVITIES			
(Decrease) increase in debt securities issued		(628,946)	610,970
Increase in borrowings - net		907,514	372,934
Additional paid-in capital of a Subsidiary by non-controlling interest	40	60,000	27,500
Payment of cash dividends	31	(3,081,876)	(2,859,981)
Proceeds from sale of treasury stocks	1c	-	1,932,528
Net cash (used in) provided by financing activities		**(2,743,308)**	**83,951**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		7,339,476	(8,718,266)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR		67,156,327	76,894,602
EFFECT OF FOREIGN EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS		(19,908)	(1,020,009)
CASH AND CASH EQUIVALENTS, END OF YEAR		**74,475,895**	**67,156,327**
Cash and cash equivalents consist of:			
Cash	5	19,577,571	16,284,142
Current accounts with Bank Indonesia	6	38,875,175	35,269,077
Current accounts with other banks	7	4,614,271	3,447,290
Placements with Bank Indonesia and other banks - mature within 3 months or less from the date of acquisition	8	11,408,878	12,155,818
Total cash and cash equivalents		**74,475,895**	**67,156,327**

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

1. GENERAL

a. Establishment and general information of the Bank

PT Bank Central Asia Tbk (the "Bank") was established in the Republic of Indonesia based on the Notary Deed No. 38 of Raden Mas Soeprapto dated 10 August 1955 under the name of "N.V. Perseroan Dagang Dan Industrie Semarang Knitting Factory". This deed of establishment was approved by the Minister of Justice in its decision letter No. J.A.5/89/19 dated 10 October 1955 and was published in Supplement No. 595 to State Gazette of the Republic of Indonesia No. 62 dated 3 August 1956. The name of the Bank has been changed several times with the latest change was PT Bank Central Asia based on the Notary Deed No. 144 of Wargio Suhardjo, S.H., the substitute of notary public Ridwan Suselo, dated 21 May 1974.

The Bank's Articles of Association have been amended several times, including amendments in relation to the Initial Public Offering of the Bank's shares in May 2000, which among others, changed its status to a publicly-listed company and its name to PT Bank Central Asia Tbk. These amendments were made based on Notary Deed No. 62 of Hendra Karyadi, S.H., dated 29 December 1999, which was approved by the Minister of Justice in its decision letter No. C-21020 HT.01.04.TH.99 dated 31 December 1999 and published in Supplement No. 1871 to the State Gazette of the Republic of Indonesia No. 30 dated 14 April 2000.

The amendment made in relation to the issuance of new shares under the Management Stock Option Plan ("MSOP"), for which the options were exercised up to 31 December 2006, was made based on Notary Deed No. 1 of Hendra Karyadi, S.H., dated 9 January 2007. This deed was approved by the Minister of Justice and Human Rights under its decision letter No. W7-HT.01.04-797 dated 18 January 2007 and published in Supplement No. 185 to the State Gazette of the Republic of Indonesia No. 15 dated 20 February 2007.

The latest amendment to all articles in the Bank's Articles of Association was made based on Notary Deed No. 19 of Dr. Irawan Soerodjo, S.H., MSi., dated 15 January 2009. This deed was approved by the Minister of Justice and Human Rights in its decision letter No. AHU-12512.AH.01.02 dated 14 April 2009 and published in Supplement No. 12790 to the State Gazette of the Republic of Indonesia No. 38 dated 12 May 2009.

The Bank started its commercial operations in the banking business since 12 October 1956. According to Article 3 of the Bank's Articles of Association, the Bank operates as a commercial bank. The Bank is engaged in banking activities and other financial services in accordance with the prevailing regulations in Indonesia. The Bank obtained its license to conduct these activities under the Minister of Finance Decision Letter No. 42855/U.M.II dated 14 March 1957. The Bank obtained its license to engage in foreign exchange activities based on the Directors of Bank Indonesia Decision Letter No. 9/110/Kep/Dir/UD dated 28 March 1977.

The Bank is domiciled in Jakarta with its head office located at Jalan M.H. Thamrin No. 1. As of 31 December 2014 and 2013, the Bank had the following branches and representative offices:

	2014	2013
Domestic branches	968	953
Overseas representative offices	2	2
	970	955

1. GENERAL (Continued)

a. Establishment and general information of the Bank (continued)

The domestic branches are located in major business centers all over Indonesia. The overseas representative offices are located in Hong Kong and Singapore.

b. Recapitalization of the Bank

Based on the Indonesian Bank Restructuring Agency ("IBRA") Decision Letter No. 19/BPPN/1998 dated 28 May 1998, the IBRA took over the operations and management of the Bank. Accordingly, the Bank's status was changed into a Bank Taken Over ("BTO"). The Bank was determined as a participant of the bank recapitalization program under the Minister of Finance and the Governor of Bank Indonesia joint decision No. 117/KMK.017/1999 and No. 31/15/KEP/GBI dated 26 March 1999 regarding the implementation of the bank recapitalization program for Bank Taken Over.

In conjunction with the recapitalization program, on 28 May 1999 the Bank received a payment of Rp 60,877,000 from the Government of the Republic of Indonesia. This amount consisted of (i) the principal amount of loans granted to affiliated companies that were transferred to IBRA (consisting of Rp 47,751,000 transferred effectively on 21 September 1998 and Rp 4,975,000 transferred effectively on 26 April 1999), and (ii) accrued interest on the loans granted to affiliated companies calculated from their respective effective transfer dates up to 30 April 1999, amounted to Rp 8,771,000, minus (iii) the excess of outstanding Liquidity Support from Bank Indonesia (including interest) amounted to Rp 29,100,000 over the recapitalization payment from the government through IBRA of Rp 28,480,000. On the same date, the Bank used such proceeds to purchase newly issued government bonds of Rp 60,877,000 (consisted of fixed-rate government bonds amounted to Rp 2,752,000 and variable-rate government bonds amounted to Rp 58,125,000 through Bank Indonesia).

Pursuant to the Chairman of IBRA Decision Letter No. SK-501/BPPN/0400 dated 25 April 2000, IBRA returned the Bank to Bank Indonesia effective on that date. To fulfill the requirement of Bank Indonesia Regulation ("PBI") No. 2/11/PBI/2000 dated 31 March 2000, Bank Indonesia announced in its press release Peng. No. 2/4/Bgub dated 28 April 2000, that the recovery program including the restructuring of the Bank had been completed and the Bank had been returned to be under the supervision of Bank Indonesia.

c. Public offering of the Bank's shares

Based on the Letter of the Chairman of the Capital Market Supervisory Agency No. S-1037/PM/2000 dated 11 May 2000, the Bank through an Initial Public Offering, offered its 662,400,000 shares with a total par value of Rp 331,200 (offering price of Rp 1,400 (full amount) per share), which represents 22% (twenty two percent) of the issued and paid-up share capital, as part of the divestment of shares owned by the Republic of Indonesia as represented by IBRA. This public offering was registered at the Jakarta Stock Exchange and the Surabaya Stock Exchange on 31 May 2000 (both exchanges have been merged and now namely the Indonesia Stock Exchange).

1. GENERAL (Continued)

c. Public offering of the Bank's shares (continued)

The Bank's shareholders through the Extraordinary General Meeting of Shareholders ("EGMS") held on 12 April 2001 (with the minutes prepared by Notary Public Hendra Karyadi, S.H., in the Deed No. 25) resolved to conduct a stock split from Rp 500 (full amount) per share to Rp 250 (full amount) per share and to increase the issued shares through the issuance of 147,199,300 shares (or equivalent to 294,398,600 shares after the stock split) under the Management Stock Option Plan ("MSOP"). The stock split was made under the Notary Deed No. 30 of Hendra Karyadi, S.H., dated 12 April 2001, which was approved by the Minister of Justice and Human Rights on 18 April 2001.

Based on the Letter of the Chairman of the Capital Market Supervisory Agency No. S-1611/PM/2001 dated 29 June 2001, the Bank offered additional 588,800,000 shares with a total par value of Rp 147,200 (at an offering price of Rp 900 (full amount) per share), which represents 10% (ten percent) of the issued and paid-up share capital, as part of the divestment of shares owned by the Republic of Indonesia as represented by IBRA. This public offering was registered at the Jakarta Stock Exchange and the Surabaya Stock Exchange on 10 July 2001.

The Bank's shareholders through the Annual General Meeting of Shareholders ("AGMS") held on 6 May 2004 (with the minutes prepared by Notary Public Hendra Karyadi, S.H., in the Deed No. 16) approved the stock split from Rp 250 (full amount) per share to Rp 125 (full amount) per share. The stock split was made under the Notary Deed No. 40 of Hendra Karyadi, S.H., dated 18 May 2004, which was approved by the Minister of Justice and Human Rights on 26 May 2004.

EGMS held on 26 May 2005 (with the minutes prepared by Notary Public Hendra Karyadi, S.H., in the Deed No. 42) approved the buy back of the Bank's shares, provided that the buy back of shares has been approved by Bank Indonesia, whereby the number of shares to be bought back should not exceed 5% (five percent) of the Bank's total issued shares as of 31 December 2004, i.e. in total of 615,160,675 shares, and total fund to buy back the shares should not exceed Rp 2,153,060. With Letter No. 7/7/DPwB2/PwB24/Rahasia dated 16 November 2005, Bank Indonesia expressed no objection on the Bank's plan to buy back its shares.

EGMS held on 15 May 2007 (with the minutes prepared by notary public Hendra Karyadi, S.H., in the Deed No. 6) approved the buy back of the Bank's shares stage II, provided that the buy back of shares has been approved by Bank Indonesia and executed from time to time during the period of 18 months after the date of the meeting, whereby the number of shares to be bought back should not exceed 1% (one percent) of the Bank's total issued shares as of 27 April 2007 or in total of 123,275,050 shares and the total fund to buy back the shares should not exceed Rp 678,013. With Letter No. 9/160/DPB 3/TPB 3-2 dated 11 October 2007, the Bank received an approval from Bank Indonesia in relation to buy back of shares stage II.

EGMS held on 28 November 2007 (with the minutes prepared by Notary Public Hendra Karyadi, S.H., in the Deed No. 33), approved to conduct a stock split of the Bank's shares from Rp 125 (full amount) to Rp 62.50 (full amount) per share and therefore decided to amend note 1, note 2 and note 3 of Article 4 of the Bank's Articles of Association. The Amendments of the Bank's Articles of Association by the Deed of Notary Public Hendra Karyadi, S.H., dated 11 December 2007 were received and recorded by the Department of Law and Human Rights of the Republic of Indonesia by the Deed on the Receipt Report on the Amendment of the Articles of Association No. AHU-AH.01.10-0247 dated 3 January 2008.

1. GENERAL (Continued)

c. Public offering of the Bank's shares (continued)

Based on Letter No. 038/IQ-ECM/LTR/HFJ/XI/2008.TRIM dated 26 November 2008, the buy back of shares stage II for the period of 11 February 2008 to 13 November 2008 had been performed with the number shares bought back in total of 397,562 lot or 198,781,000 shares with the average acquisition cost of Rp 3,106.88 (full amount) per share. Therefore, total shares bought back as of 13 November 2008 were 289,767,000 shares with a total amount of Rp 808,585.

On 7 August 2012, the Bank sold 90,986,000 shares of its treasury stocks at Rp 7,700 (full amount) per share, with total net sales amounted to Rp 691,492. The difference between the acquisition costs and selling price of treasury stocks amounted to Rp 500,496 was recorded as "additional paid-in capital from treasury stock transactions", which is part of additional paid-in capital (see Note 21). As of 31 December 2012, total treasury stocks of the Bank were 198,781,000 shares with a total amount of Rp 617,589.

On 7 February 2013, the Bank sold 198,781,000 shares of its treasury stocks at Rp 9,900 (full amount) per share, with total net sales amounted to Rp 1,932,528. The difference between acquisition costs and selling price of treasury stocks amounted to Rp 1,314,939 was recorded as "additional paid-in capital from treasury stock transactions", which is part of additional paid-in capital (see Note 21). As of 31 December 2013, the Bank did not have any treasury stocks.

The majority shareholder of the Bank is FarIndo Investments (Mauritius) Ltd., which owned 47.15% of the Bank's issued and fully paid shares as of 31 December 2014. The ultimate shareholders of the parent entity of the Bank are Mr. Robert Budi Hartono and Mr. Bambang Hartono.

d. The Subsidiaries

The Subsidiaries, directly and indirectly owned by the Bank as of 31 December 2014 and 2013, were as follows:

Name of the Company	Year of Starting the Commercial Operation	Type of Business	Domicile	Percentage of Ownership		Total Assets	
				2014	2013	2014	2013
PT BCA Finance	1981	Consumer financing, finance lease, factoring	Jakarta	100%	100%	6,128,419	5,798,034
BCA Finance Limited	1975	Money lending	Hong Kong	100%	100%	446,534	444,850
PT Bank BCA Syariah	1991	Sharia banking	Jakarta	100%	100%	2,994,449	2,041,419
PT BCA Sekuritas	1990	Securities brokerage dealer, underwriter for issuance of securities, investment manager	Jakarta	75%	75%	517,085	413,449
PT Asuransi Umum BCA (formerly PT Central Sejahtera Insurance)	1988	General or loss insurance	Jakarta	100%	100%	679,454	431,686
PT Central Santosa Finance	2010	Factoring, consumer financing, finance lease and credit card	Jakarta	70%	-*)	2,301,642	-

*) Bank had indirect ownership of 25% (twenty five percent).

1. GENERAL (Continued)

d. The Subsidiaries (continued)

PT BCA Finance

PT BCA Finance, a company domiciled in Indonesia and located at Wisma BCA Pondok Indah, 2nd Floor, Jalan Metro Pondok Indah No. 10, South Jakarta, was established in 1981 under the name of PT Central Sari Metropolitan Leasing Corporation ("CSML"). At its inception, the shareholders of CSML were PT Bank Central Asia and Japan Leasing Corporation.

In 2001, PT Central Sari Metropolitan Leasing Corporation changed its name to PT Central Sari Finance ("CSF"), followed by changing in the composition of its shareholders, where PT Bank Central Asia Tbk became the majority shareholder, and changing of its business focus to motor vehicles financing activities, in particular for four wheels or more vehicles. Further, based on the Decision Letter of Minister of Law and Human Rights of the Republic of Indonesia No.C-08091 HT.01.04.TH.2005 dated 28 March 2005, PT Central Sari Finance's name was changed to PT BCA Finance.

BCA Finance Limited

BCA Finance Limited, a company domiciled in Hong Kong and located at Room 3211-3215, Jardine House, 1 Connaught Place, Central, Hong Kong, is engaged in money lending and has been operating commercially since 1975.

PT Bank BCA Syariah

PT Bank BCA Syariah (formerly PT Bank UIB), a company domiciled in Indonesia and located at Jalan Jatinegara Timur No. 72, East Jakarta, is engaged in banking activities and has been operating commercially since 1991.

Based on the Acquisition Deed No. 72 dated 12 June 2009 of Notary Public Dr. Irawan Soerodjo, SH., Msi., PT Bank Central Asia Tbk acquired 42,500 shares of PT Bank UIB or equivalent to 100% (one hundred percent) of ownership.

Based on the Deed of Resolutions in lieu of General Meeting of Shareholders of PT Bank UIB No. 49 of Notary Public Ny. Pudji Redjeki Irawati, S.H. dated 16 December 2009, PT Bank UIB changed its business activities to become sharia bank and changed its name to PT Bank BCA Syariah. The deed of amendment was approved by the Minister of Justice of the Republic of Indonesia in its Decision Letter No. AHU-01929.AH.01.02 dated 14 January 2010.

The change in business activities of the Subsidiary from conventional bank into sharia bank was approved by the Governor of Bank Indonesia through its Decision Letter No. 12/13/KEP.GBI/DpG/2010 dated 2 March 2010. Through this approval, on 5 April 2010, PT Bank BCA Syariah officially operated as a sharia bank.

1. GENERAL (Continued)

d. The Subsidiaries (continued)

PT Bank BCA Syariah (continued)

Based on the Deed of Resolution in lieu of General Meeting of Shareholders No. 73 dated 21 October 2010 of Notary Public Ny. Pudji Redjeki Irawati, S.H., to fulfill the requirements of Article 6 of Bank Indonesia Regulation No. 11/15/PBI/2009 regarding conversion of business activities from conventional bank to sharia bank, the Subsidiary presented its first financial statements as a sharia bank by presenting current and prior year income in nil balance. Considering this matter, the shareholders of the Subsidiary approved the utilization all of the Subsidiary's retained earnings as of 2 April 2010 of Rp 53,838 to be allocated as general reserve amounted to Rp 38 and to be converted as 53,800 new shares amounted to Rp 53,800. The deed of amendment was ratified by the Minister of Justice of the Republic of Indonesia in its Decision Letter No. AHU-01.10-30741 dated 1 December 2010. The deed had been reported by the Subsidiary to Bank Indonesia through its Letter No. 294/DIR/2010 dated 28 October 2010 and Letter No. 105/SKHS/2010 dated 9 December 2010. The approval from Bank Indonesia was obtained through its Letter No. 12/2564/DPBs dated 17 December 2010.

Total net assets acquired and goodwill arising from acquisition of the Subsidiary at the date of acquisition were as follows:

	Total
Purchase price	248,256
Deducted by: Fair value of the net assets of acquired Subsidiary	(110,864)
Goodwill	137,392

During 2014, there was an increase in share capital of PT Bank BCA Syariah amounted to Rp 300,000.

PT BCA Sekuritas

PT BCA Sekuritas (formerly PT Dinamika Usaha Jaya), a company domiciled in Indonesia and located at Menara BCA, Grand Indonesia, 41st Floor, Suite 4101, Jalan M.H. Thamrin No. 1, Jakarta, is engaged as securities broker, underwriter and investment manager since 1990.

Based on the Deed of Sale and Purchase Agreement No. 56 dated 15 September 2011, the Bank signed a sale and purchase agreement with the owner of PT Dinamika Usaha Jaya to acquire PT Dinamika Usaha Jaya. The purchase was approved by Bank Indonesia on 19 July 2011. This transaction was a transaction of entities under common control, such that it was recorded in accordance with Statement of Financial Accounting Standard ("PSAK") No. 38 (2012 Revision) under pooling-of-interests method.

On 2 October 2012, based on the Deed of Minutes of Extraordinary General Meeting of Shareholders of PT Dinamika Usaha Jaya No. 5 of Notary Public Dr. Irawan Soerodjo, S.H., Msi., PT Dinamika Usaha Jaya changed its name to PT BCA Sekuritas. This change was approved by the Minister of Law and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-54329.AH.01.02 dated 22 October 2012.

During 2013, there was an increase in share capital of PT BCA Sekuritas amounted to Rp 110,000.

1. GENERAL (Continued)

d. The Subsidiaries (continued)

PT Asuransi Umum BCA

PT Asuransi Umum BCA (formerly PT Central Sejahtera Insurance), a company domiciled in Indonesia and located at WTC Mangga Dua, 3Ard Floor, Block CL 003, Jalan Mangga Dua Raya Kav. 8, North Jakarta, is engaged in insurance activities, in particular in general or loss insurance activities.

PT Asuransi Umum BCA was established in 1988 under the name of PT Asuransi Ganesha Danamas. In 2006, PT Asuransi Ganesha Danamas changed its name to PT Transpacific General Insurance and later in 2011, the Subsidiary's name was changed to PT Central Sejahtera Insurance, following the change in the composition of its shareholders to Dana Pensiun BCA at 75% (seventy five percent) ownership and PT BCA Finance (Bank's Subsidiary) at 25% (twenty five percent) ownership.

Based on the Deed of Sale and Purchase Agreement No. 64 dated 28 June 2013, the Bank signed a sale and purchase agreement with the owner of PT Central Sejahtera Insurance to acquire 75% (seventy five percent) ownership of PT Central Sejahtera Insurance from Dana Pensiun BCA with acquisition cost of Rp 102,000. The purchase was approved by the Financial Services Authority ("OJK") through its Letter No. S-300/D.05/2013 on 23 July 2013 and Bank Indonesia through its Letter No. 15/62/DPB/PB3-7/Rahasia on 17 September 2013. This transaction was a business combination under common control transaction (see Note 2g), such that it was recorded in accordance with PSAK No. 38 (2012 Revision) under pooling-of-interests method.

On 5 December 2013, based on the Deed of Minutes of Extraordinary General Meeting of Shareholders of PT Central Sejahtera Insurance No. 7 of Notary Public Veronica Sandra Irawaty Purnadi, S.H., PT Central Sejahtera Insurance changed its name to PT Asuransi Umum BCA. This change was approved by the Minister of Law and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-64973.AH.01.02 dated 11 December 2013.

Total net assets acquired and goodwill arising from acquisition of the Subsidiary at the date of acquisition were as follows:

	Total
Purchase price	102,000
Deducted by: Fair value of the net assets of acquired Subsidiary	(76,798)
Goodwill	25,202

	Total
Cash paid on acquisition of Subsidiary, including transaction costs	102,000
Deducted by: Cash and cash equivalents of acquired Subsidiary	(128,574)
Net cash outflow on acquisition of PT Asuransi Umum BCA	(26,574)

1. GENERAL (Continued)

d. The Subsidiaries (continued)

PT Central Santosa Finance

PT Central Santosa Finance, a company domiciled in Indonesia and located at Gedung Wisma Antara, 18th Floor, Jalan Medan Merdeka Selatan No. 17, Central Jakarta, is engaged in factoring, consumer financing, finance lease and credit card.

Based on Deed of Sale and Purchase Agreement No. 10 dated 9 January 2014, the Bank signed a sale and a purchase agreement with the owner of PT Central Santosa Finance to acquire 45% (forty five percent) ownership of PT Central Santosa Finance with acquisition cost of Rp 70,110. The purchase was approved by Bank Indonesia through its letter No. 15/90/DPB3/PB 3-7/Rahasia on 27 December 2013.

Total net assets acquired and excess of fair value of net assets over purchase price arising of the subsidiary at the date of acquisition were as follow:

	Total
Purchase price	70,110
Deducted by: Fair value of the net assets of acquired Subsidiary	(75,966)
Excess of fair value of net assets over purchase price	(5,856)

	Total
Cash paid on acquisition of Subsidiary, including transaction costs	70,110
Deducted by: Cash and cash equivalents of acquired Subsidiary	(117,803)
Net cash outflow on acquisition of PT Central Santosa Finance	(47,693)

As of 31 December 2013, the Bank indirectly owned 25% (twenty five percent) ownership of PT Central Santosa Finance through its Subsidiary, PT BCA Finance, such that with this acquisition the Bank has 70% (seventy percent) ownership of PT Central Santosa Finance as of 31 December 2014.

During 2014, there was an increase in share capital of PT Central Santosa Finance amounted to Rp 200,000.

1. GENERAL (Continued)

e. Board of Commissioners and Directors

The composition of the Bank's management as of 31 December 2014 was as follows:

Board of Commissioners	
President Commissioner	Djohan Emir Setijoso
Commissioner	Tonny Kusnadi
Independent Commissioner	Cyrillus Harinowo
Independent Commissioner	Raden Pardede
Independent Commissioner	Sigit Pramono
Board of Directors	
President Director	Jahja Setiaatmadja
Deputy President Director	Eugene Keith Galbraith
Director	Dhalia Mansor Ariotedjo
Director	Anthony Brent Elam
Director	Suwignyo Budiman
Director	Tan Ho Hien/Subur Tan*)
Director	Henry koenaifi
Director	Armand Wahyudi Hartono
Director	Rudy Susanto
Independent Director	Erwan Yuris Ang

The composition of the Bank's management based on the Deed of Resolution No. 80 dated 14 August 2014 of Notary Public Dr. Irawan Soerodjo, S.H., Msi., notary in Jakarta.

The composition of the Bank's management as of 31 December 2013 was as follows:

Board of Commissioners	
President Commissioner	Djohan Emir Setijoso
Commissioner	Tonny Kusnadi
Independent Commissioner	Cyrillus Harinowo
Independent Commissioner	Raden Pardede
Independent Commissioner	Sigit Pramono
Board of Directors	
President Director	Jahja Setiaatmadja
Deputy President Director	Eugene Keith Galbraith
Director	Dhalia Mansor Ariotedjo
Director	Anthony Brent Elam
Director	Suwignyo Budiman
Director	Tan Ho Hien/Subur Tan*)
Director	Renaldo Hector Barros
Director	Henry Koenaifi
Director	Armand Wahyudi Hartono
Director	Erwan Yuris Ang

The composition of the Bank's management based on the Bank's Deed of Minutes of Extraordinary General Meeting of Shareholders No. 206 dated 16 May 2012 of Notary Public Dr. Irawan Soerodjo, S.H., Msi., notary in Jakarta.

*) Compliance Director

1. GENERAL (Continued)

f. Audit committee

The Bank's Audit Committee as of 31 December 2014 and 2013 consisted of:

Chairman	Sigit Pramono
Member	Inawaty Suwardi
Member	Ilham Ikhsan

g. Number of employees

As of 31 December 2014 and 2013, the Bank and Subsidiaries had 23,106 and 21,281 permanent employees.

Key management personnel of the Bank consists of members of Board of Commissioners and Board of Directors.

h. Changes of regulatory and supervisory in banking sector

Effective 31 December 2013, the regulatory and supervisory functions, duties and authorities in the banking sector has moved from Bank Indonesia to Otoritas Jasa Keuangan ("OJK").

i. Completion of the consolidated financial statements

The Bank's management is responsible for the preparation of these consolidated financial statements, which were authorized for issue on 16 February 2015.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In its accounting and financial reporting, the Bank and Subsidiaries adopt accounting policies in accordance with the Indonesian Financial Accounting Standard ("SAK"). The significant accounting policies, consistently applied in the preparation of the consolidated financial statements, were as follows:

a. Statement of compliance

The consolidated financial statements are prepared and presented in accordance with Indonesian SAK.

b. Basis for the preparation of the consolidated financial statements

These consolidated financial statements are presented in Rupiah, which is its functional currency. Except as otherwise stated, financial information presented has been rounded to the nearest million of Rupiah.

The consolidated financial statements have been prepared based on the accrual basis using the historical cost concept, unless otherwise specified.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Basis for the preparation of the consolidated financial statements (continued)

The consolidated statements of cash flows presented the changes in cash and cash equivalents from operating, investing and financing activities, and are prepared using the direct method. For the purpose of the presentation of the consolidated statements of cash flows, cash and cash equivalents consist of cash, current accounts with Bank Indonesia, current accounts with other banks, placements with Bank Indonesia and other banks that mature within three months from the date of acquisition, as long as they are not being pledged as collateral for borrowings nor restricted.

c. Use of judgments, estimates and assumptions

The preparation of consolidated financial statements in conformity with Indonesian SAK requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Although these estimates are based on management's best knowledge of current events and activities, actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have significant effect on the amount recognized in the consolidated financial statements are described in Note 4.

d. Changes in accounting policies

Standards issued but not yet effective

Certain new accounting standards have been issued but are not yet effective for the year ended 31 December 2014, and have not been applied in preparing these consolidated financial statements.

The following standards became effective starting 1 January 2015 and relevant to the Bank and Subsidiaries:

a. PSAK No. 1 (2013 Revision), "Presentation of Financial Statements"
b. PSAK No. 4 (2013 Revision), "Separate Financial Statements"
c. PSAK No. 24 (2013 Revision), "Employee Benefits"
d. PSAK No. 46 (2014 Revision), "Income Taxes"
e. PSAK No. 48 (2014 Revision), "Impairment of Assets"
f. PSAK No. 50 (2014 Revision), "Financial Instruments: Presentation"
g. PSAK No. 55 (2014 Revision), "Financial Instruments: Recognition and Measurement"

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Changes in accounting policy (continued)

Standard issued but not yet effective (continued)

h. PSAK No. 60 (2014 Revision), "Financial Instruments: Disclosures"

i. ISAK No. 26 (2014 Revision), "Reassessment of Embedded Derivatives"

j. PSAK No. 65, "Consolidated Financial Statements"

k. PSAK No. 67, "Disclosure of Interests in Other Entities"

l. PSAK No. 68, "Fair Value Measurement"

The Bank and Subsidiaries are still analyzing the impact from adopting these standards.

e. Basis of consolidation

The consolidated financial statements consist of financial statements of the Bank and Subsidiaries (PT BCA Finance, BCA Finance Limited, PT Bank BCA Syariah, PT BCA Sekuritas, PT Asuransi Umum BCA and PT Central Santosa Finance) controlled by the Bank. Control is presumed to exist when the Bank owns more than 50% (fifty percent) of the voting power of the Subsidiaries.

Control also exists when the Bank owns half or less of the voting power of the Subsidiaries when there is:

a. power over more than half of the voting rights by virtue of an agreement with other investors;
b. power to govern the financial and operating policies of the Subsidiary under a statute or an agreement;
c. power to appoint or remove the majority of the members of the board of directors or equivalent governing body and control of the Subsidiary is by that board or body; or
d. power to cast the majority of votes at meetings of the board of directors or equivalent governing body and control of the Subsidiary is by that board or body.

The financial statements of Subsidiaries are included in the consolidated financial statements since the date on which the Bank obtained control until the date such control ceases. The financial statements of Subsidiaries have been prepared using the same accounting policies with those implemented by the Bank for similar transactions and other events in similar circumstances, unless otherwise specified.

When control of an entity is obtained during the year, its results are included in the consolidated statements of comprehensive income from the date on which the control commences. Where control ceases during the year, its results are included in the consolidated financial statements for the part of the year during which control existed.

All significant balances, transactions, income and expenses with and between Subsidiaries are eliminated in preparing the consolidated financial statements such that the consolidated financial statements include only transactions and balances with third parties. Unrealized losses from transactions with and between Subsidiaries are eliminated, unless there is an indication of impairment that requires recognition in the consolidated financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Basis of consolidation (continued)

Changes affected the Bank's ownership interest and equity of Subsidiary that do not result in a loss of control are accounted for as equity transactions and presented as other equity components within equity in the consolidated statements of financial position.

Non-controlling interests are recognized on the date of business combination and subsequently adjusted to the portion of the changes in equity of Subsidiary.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from the equity attributable to the equity holders of the parent entity, and presented to the portion of Subsidiary's income for the year and equity attributable to the non-controlling interest based on percentage of ownership of the non-controlling interest on the Subsidiary.

If the Bank losses control of a Subsidiary, it:
- derecognizes the assets (including any goodwill) and liabilities of the Subsidiary;
- derecognizes the carrying amount of any non-controlling interests in the former Subsidiary;
- derecognizes the cumulative tranlastion differences recorded in equity, if any;
- recognizes the fair value of the consideration received;
- recognizes any investment retained in the former Subsidiary at its fair value;
- recognizes any differences occurred as gain or loss in the consolidated statement of comprehensive income; and
- reclassifies the Bank's part of component previously recognized as other comprehensive income to the consolidated statement of comprehensive income, or directly transferred to retained earnings.

f. Business combination

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured at the fair value of assets transferred, equity instruments issued, liabilities incurred or obtained and adjustment to the contingent purchase price, if any, at the date of acquisition and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. On the acquisition date, acquisition costs are expensed as incurred and included in the administrative expenses.

When acquiring a business, the Bank and Subsidiaries classified and designated financial assets acquired and financial liabilities obtained in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquirer remeasures its previously held equity interest at its acquisition-date fair value and recognizes the related gain or loss to the profit or loss.

Contingent consideration transferred by the acquirer is recognized at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration classified as assets or liabilities are recognized as gain or loss, or other comprehensive income in accordance with PSAK No. 55 (2011 Revision). If it is classified as equity, contingent consideration is not remeasured and the next adjustment will be accounted for in equity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Business combination (continued)

On the acquisition date, goodwill is initially measured at acqusition cost which represents the excess of the aggregate of consideration transferred and the amount of any non-controlling interest over the difference between the amounts of the identifiable assets acquired and the liabilities assumed. If the consideration is lower than the fair value of Subsidiary's net assets acquired, the difference is recognized in the profit or loss. Subsequent to initial recognition, goodwill is measured at its carrying amount less accumulated impairment losses.

g. Business combination of entities under common control

Business combination transactions of entities under common control, such as transfer of business in relation to reorganization of entities within the same business group, is not a change of ownership in terms of economic substance, therefore such transaction cannot generate any gains or losses for the group as a whole as well as the individual entity within the business group.

Business combination of entities under common control transactions, according to PSAK No. 38 (2012 Revision), "Business Combination under Common Control", is recognized at its carrying amount based on a pooling-of-interest method. Entity that receives the business and disposes the business recognizes the difference between the amounts transferred received and carrying amount arising from a business combination under common control transaction as part of equity in the additional paid-in capital account.

In accordance with transition requirement of PSAK No. 38 (2012 Revision), the balance of difference in value from restructuring transaction of entities under common control based on PSAK No. 38 (2004 Revision). "Accounting for Restructuring of Entities under Common Control", at the beginning of the implementation of this standard was disclosed in equity as part of additional paid-in capital account and shall not be recognized as realized profit or loss or reclassified into retained earnings in the future. The Bank and Subsidiary have reclassified the balance of difference in value from restructuring transactions of entities under common control as of 1 January 2013 amounted to Rp 111,193 to additional paid-in capital account.

h. Translation of transactions in foreign currencies

Bank and Subsidiaries domiciled in Indonesia maintained its accounting record in Rupiah. Transactions denominated in foreign currencies are translated into Rupiah at the exchange rates prevailing at the date of the transaction. At the reporting date, year-end balances of monetary assets and liabilities denominated in foreign currencies are translated into Rupiah at the exchange rates prevailing at the date of consolidated statements of financial position.

For consolidation purposes, foreign currency financial statements of the Bank's overseas Subsidiary are translated into Rupiah based on the following basis:

(1) Assets and liabilities, commitments and contingencies are translated using the Reuters spot rates at 16:00 WIB at the statement of financial position date.
(2) Income, expenses, gains and losses, represent the accumulated amount from monthly statement of comprehensive income during the year, are translated into Rupiah using the average Reuters middle rate for the respective month.
(3) Equity accounts are translated using historical rates.
(4) Statements of cash flows are translated using the Reuters spot rate at 16:00 WIB at the statement of financial position date, except for income statement accounts which are translated using the average middle rates and equity accounts which are translated using historical rates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Translation of transactions in foreign currencies (continued)

Differences arising from the above translation are presented as ”differences from translation of foreign currency financial statements” under the equity section of the consolidated statements of financial position.

Exchange gains and losses arising from transactions in foreign currencies and from the translation of monetary assets and liabilities in foreign currencies are recognized in the consolidated statements of comprehensive income for the year.

The foreign currency gain or loss on monetary assets and liabilities is the difference between amortized cost in Rupiah at the beginning of the year, adjusted for effective interest and payments during the year and the amortized cost in foreign currency translated into Rupiah at the exchange rate at the end of the year.

Summarized below are the major exchange rates as of 31 December 2014 and 2013, using Reuters middle rate at 16:00 WIB (full amount of Rupiah):

	Foreign currency	2014	2013
1	United States Dollar (USD)	12,385	12,170
1	Australian Dollar (AUD)	10,148	10,856
1	Singapore Dollar (SGD)	9,376	9,622
1	Hong Kong Dollar (HKD)	1,597	1,570
1	Great Britain Poundsterling (GBP)	19,288	20,111
100	Japanese Yen (JPY)	10,356	11,575
1	Euro (EUR)	15,053	16,759

i. Financial assets and liabilities

Financial assets of the Bank and Subsidiaries mainly consist of cash, current accounts with Bank Indonesia, current accounts with other banks, placements with Bank Indonesia and other banks, financial assets held for trading, acceptance receivables, bills receivable, securities purchased under agreements to resell, loans receivable, consumer financing receivables, net investment in finance leases and investment securities.

Financial liabilities of the Bank and Subsidiaries mainly consist of deposits from customers, deposits from other banks, financial liabilities held for trading, acceptance payables, debt securities issued and borrowings.

i.1. Classification

The Bank and Subsidiaries classify their financial assets in the following categories at initial recognition:

i. at fair value through profit or loss, which has 2 (two) sub-classifications, i.e. financial assets designated as such upon initial recognition and financial assets classified as held for trading;
ii. available-for-sale;
iii. held-to-maturity; and
iv. loans and receivables.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Financial assets and liabilities (continued)

i.1. Classification (continued)

Financial liabilities are classified into the following measurement categories at initial recognition:

i. at fair value through profit or loss, which has 2 (two) sub-classifications, i.e. those designated as such upon initial recognition and those classified as held for trading; and
ii. financial liabilities measured at amortized cost.

Held for trading are those financial assets and liabilities that the Bank and Subsidiaries acquire or incur principally for the purpose of selling or repurchasing in the near term, or hold as part of a certain financial instrument portfolio that is managed together for short-term profit or position taking.

Available-for-sale investments are non-derivative financial assets that are designated as available-for-sale or are not classified as another category of financial assets.

Held-to-maturity investments are non-derivative assets with fixed or determinable payments and fixed maturity that the Bank and Subsidiaries have the positive intent and ability to hold to maturity, and which are not designated at fair value through profit or loss or available-for-sale.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Bank and Subsidiaries do not intend to sell immediately or in the near term.

Financial liabilities measured at amortized cost consist of non-derivative financial liabilities that are not held for trading purpose and not designated at fair value through profit or loss.

i.2. Initial recognition

The Bank and Subsidiaries initially recognize loans receivable and deposits on the date of origination. Regular way purchases and sales of financial assets are recognized on the trade date at which the Bank and Subsidiaries commit to purchase or sell the asset. All other financial assets and liabilities are initially recognized on the trade date at which the Bank and Subsidiaries become a party to the contractual provisions of the instrument.

A financial asset or liability is initially measured at fair value plus (for an item not subsequently measured at fair value through profit and loss) transaction costs that are directly attributable to its acquisition or issue of financial liabilities.

The subsequent measurement of financial assets and liabilities depends on their classifications.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Financial assets and liabilities (continued)

i.2. Initial Recognition (continued)

Transaction costs include only those costs that are directly attributable to the acquisition of a financial asset or issuance of financial liability and they are incremental costs that would not have been incurred if the instrument had not been acquired or issued. In the case of financial assets, transaction costs are added to the amount recognized initially, while for financial liabilities, transaction costs are deducted from the amount of debt recognized initially. Such transaction costs are amortized over the life of the instruments based on the effective interest rate method and are recorded as part of interest income for transaction costs related to financial assets or interest expenses for transaction costs related to financial liabilities.

i.3. Derecognition

The Bank and Subsidiaries derecognize a financial asset when the contractual rights to the cash flows from the financial asset expire, or when the Bank and Subsidiaries transfer the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Bank and Subsidiaries is recognized as a separate asset or liability.

The Bank and Subsidiaries derecognize a financial liability when its contractual obligations are discharged, cancelled or expire.

In transactions in which the Bank and Subsidiaries neither retain nor transfer substantially all the risks and rewards of ownership of a financial asset, the Bank and Subsidiaries derecognize the asset if they do not retain control over the asset. The rights and obligations retained in the transfer are recognized separately as assets and liabilities as appropriate. In transfers in which control over the asset is retained, the Bank and Subsidiaries continue to recognize the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

The Bank and Subsidiaries write-off a financial asset and any related allowance for impairment losses, when the Bank and Subsidiaries determine that the financial asset is uncollectible. This determination is reached after considering information the occurrence of significant changes in the financial position of borrower/financial asset issuer such that the borrower/financial asset issuer can no longer pay the obligation, or that proceeds from collateral will not be sufficient to pay back the entire exposure.

i.4. Offsetting

Financial assets and liabilities are set-off and the net amount presented in the consolidated statements of financial position when, and only when, the Bank and Subsidiaries have a legal right to offset the recognized amounts and intend either to settle on a net basis or realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted by accounting standards.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Financial assets and liabilities (continued)

i.5. Amortized cost measurement

The amortized cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount and minus any reduction for impairment.

i.6. Fair value measurement

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction on the measurement date.

When available, the Bank and Subsidiaries measure the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis.

If a market for a financial instrument is not active, the Bank and Subsidiaries establish fair value using a valuation technique. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties and if available, reference to the current fair value of other instruments that are substantially the same, discounted cash flow analysis and option pricing models. The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Bank and Subsidiaries, incorporates all factors that market participants would consider in setting a price, and is consistent with accepted economic methodologies for pricing financial instruments. Inputs to valuation techniques reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument. The Bank and Subsidiaries calibrate valuation techniques and test them for validity using prices from observable current market transactions in the same instrument or based on other available observable market data.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price, i.e., the fair value of the consideration given or received, unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e., without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When the transaction price provides the best evidence of fair value at initial recognition, the financial instrument is initially measured at the transaction price and any difference between this price and the value initially obtained from a valuation model is subsequently recognized in the consolidated statements of comprehensive income depending on the individual facts and circumstances of the transaction but not later than when the valuation is supported wholly by observable market data or the transaction is closed out.

Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Bank and Subsidiaries and counterparty where appropriate. Estimated fair value obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties, to the extent that the Bank and Subsidiaries believe a third-party market participation would take them into account in pricing a transaction.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Financial assets and liabilities (continued)

i.6. Fair value measurement (continued)

Financial assets and long positions are measured at a bid price; financial liabilities and short positions are measured at an asking price. When the Bank and Subsidiaries have positions with offsetting risks, mid-market prices are used to measure the offsetting risk positions and a bid or asking price adjustment is applied only to the net open position as appropriate.

j. Current accounts with Bank Indonesia and other banks

Current accounts with Bank Indonesia and other banks are initially measured at fair value plus transaction costs that are directly attributable and incremental to the acquisition of those financial assets, and subsequently measured at their amortized costs using the effective interest method.

k. Placements with Bank Indonesia and other banks

Placements with Bank Indonesia and other banks are initially measured at fair value plus transaction costs that are directly attributable and incremental to the acquisition of those financial assets, and subsequently measured at their amortized costs using the effective interest method.

l. Financial assets and liabilities held for trading

Financial assets and liabilities held for trading are initially and subsequently recognized and measured at fair value in the consolidated statements of financial position, with transaction costs recognized in the current year profit or loss.

Financial assets and liabilities held for trading include all derivative instruments held by the Bank for trading, except for a derivative that is financial guarantee contract or a designated and effective hedging instrument.

All changes in fair value of financial assets and liabilities held for trading are recognized as part of net trading income in consolidated statements of comprehensive income. Gains or losses which are realized when the financial assets and liabilities held for trading are derecognized, are recognized in the current year consolidated statements of comprehensive income.

Financial assets and liabilities held for trading are not reclassified subsequent to their initial recognition, except that non-derivative trading assets, other than those designated at fair value through profit or loss upon initial recognition, may be reclassified out of the fair value through profit or loss (i.e., trading category) if they are no longer held for the purpose of being sold or repurchased in the near term and the following conditions are met:

- the financial asset would have met the definition of loans and receivables (if the financial asset had not been required to be classified as held for trading at initial recognition), then it may be reclassified if the Bank and Subsidiaries have the intention and ability to hold the financial asset for the foreseeable future or until maturity; or
- the financial asset would not have met the definition of loans and receivables, then it may be reclassified out of the trading category only in rare circumstances.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Acceptance receivables and payables

Acceptance receivables and payables are initially measured at fair value plus/minus transaction costs that are directly attributable and incremental to the acquisition/issue of those financial assets/liabilities, and subsequently measured at their amortized costs using the effective interest method. Acceptance receivables are presented net of allowance for impairment losses.

n. Loans receivable

Loans receivable are initially measured at fair value plus transaction costs that are directly attributable and incremental to the acquisition of those financial assets, and subsequently measured at their amortized costs using the effective interest method.

Syndicated, joint financing and channeling loans are stated at amortized cost in accordance with the portion of risks borne by the Bank.

The Bank and Subsidiaries account for troubled debt restructuring in accordance with the type of restructuring. In troubled debt restructuring which involves a modification of terms, reduction of portion of loan principal and/or combination of both, the Bank and Subsidiaries account for the effect of the restructuring prospectively and do not change the carrying value of receivables at the time of restructuring, unless the amount exceeds the present value of the total future cash receipts specified in the new terms. If the present value of the total future cash receipts specified in the new terms is lower than the recorded receivables balance prior to restructuring, the Bank and Subsidiaries should reduce the loan balance to the amount equal to the present value of the total future cash receipts. The amount of the reduction is recognized as individual impairment losses in the consolidated statement of comprehensive income for the year.

o. Securities purchased under agreements to resell

Securities purchased under agreements to resell (reverse repo) are presented as receivables and stated at the agreed resell price less the difference between the purchase price and the agreed resale price. The difference between the purchase price and the agreed resale price is amortized using the effective interest method as interest income over the years commencing from the acquisition date to the resell date.

p. Consumer financing receivables

Consumer financing receivables are stated at net of unamortized transaction cost (income), unearned consumer financing income and allowance for impairment losses on consumer financing receivables.

Unearned consumer financing income represents the difference between total installments to be received from the consumer and the principal amount financed, plus or deducted with the unamortized transaction cost (income), which will be recognized as income over the term of the contract using effective interest rate method of the related consumer financing receivable.

Unamortized transaction cost (income), are financing administration income and transaction expense which are incurred at the first time the financing agreement is signed and directly attributable to consumer financing.

Early termination of a contract is treated as a cancellation of an existing contract and the resulting gain is recognized in the current year profit or loss accounts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

p. Consumer financing receivables (continued)

Consumer financing receivables will be written-off when they are overdue for more than 150 days for four-wheeled motor vehicles and 180 days for two-wheeled motor vehicles, and based on management review of individual case.

Subsidiary has sharia financing with *murabahah* agreement.

Joint financing

All joint financing agreements entered by the Subsidiary are joint financing without recourse in which only the Subsidiary's financing portion of the total installments are recorded as consumer financing receivables in the consolidated statements of financial position (net approach). Consumer financing income is presented in the consolidated statements of comprehensive income after deducting the portions belong to other parties participated to these joint financing transactions.

Receivables from collateral vehicles reinforced

Receivables from collateral vehicles reinforced represent receivables derived from motor vehicle collaterals owned by customers for settlement of their consumer financing receivables, which is presented as part of consumer financing receivables.

In case of default, the consumer gives the right to the Subsidiaries to sell the motor vehicle collaterals or take any other actions to settle the outstanding receivables.

Consumers are entitled to the positive differences between the proceeds from sales of foreclosed collaterals and the outstanding consumer financing receivables. If the differences are negative, the resulting losses are charged to the current year profit or loss.

Expenses in relation with the acquisition and maintenance of receivables from collateral vehicles reinforced are charged to the profit or loss accounts when incurred.

q. Accounting for finance leases

Leases are classified as finance leases if such leases transfer substantially all the risks and rewards related to the ownership of the leased assets. Leases are classified as operating leases if the leases do not transfer substantially all the risks and rewards related to ownership of the leased assets.

Assets held under a finance lease are recognized in the consolidated statements of financial position at an amount equal to the net investment in the lease. Receipts from lease receivables are treated as repayments of principal and financing lease income. The recognition of finance lease income is based on a pattern reflecting a constant periodic rate of return on the Subsidiary's net investment as lessor in the finance lease.

r. Sharia transactions

Assets related to sharia transactions consist of *mudharabah* and *musyarakah* financing receivables, *ijarah* assets and receivables, and *murabahah* financing receivables.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

r. Sharia transactions (continued)

Murabahah is a financing agreement to sell or purchase of goods, in which the selling price equals to the cost of goods plus a pre-agreed profit margin and the seller should disclose its cost to the buyer. *Murabahah* financing is stated at balance of receivables less deferred margin and allowance for impairment losses.

Ijarah is a lease agreement for goods and/or services, including the right to use, between the owner of a leased object (lessor) and lessee, to generate income from the leased object. *Ijarah muntahiyah bittamlik* is a lease agreement between lessor and lessee to obtain income from the leased object with an option to transfer the ownership title of leased object through purchase/sale or as a gift (*hibah*) at certain period as agreed in the lease agreement (*akad*). *Ijarah muntahiyah bittamlik* assets are stated at the acquisition costs less accumulated depreciation. *Ijarah* receivable is recognized at maturity date based on unearned lease income and presented at net realizable value, i.e. balance of the receivables less allowance for impairment losses.

Mudharabah is an investment of funds from the owner of fund *(shahibul maal)* to a fund manager *(mudharib)* for a specific business activity, under a profit or revenue sharing agreement between the two parties at a pre-agreed ratio *(nisbah)*. *Mudharabah* financing is stated at financing balance less allowance for impairment losses.

Musyarakah is an investment of funds from the owners of funds to combine their funds for a specific business activity, for which the profits are shared based on a pre-agreed *nisbah*, while losses are borne proportionally by the fund owners.

Permanent *musyarakah* is a *musyarakah* for which the amount of funds contributed by each party is fixed until the end of the agreement. Declining *musyarakah (musyarakah mutanaqisha)* is *musyarakah* with a condition that the amount contributed by a party will be declining from time to time as it is transferred to another party, such that at the end of the agreement, the other party will fully own the business. *Musyarakah* financing is stated at financing balance less allowance for impairment losses.

The Subsidiary determines the allowance for impairment losses of sharia financing receivables in accordance with the quality of each financing receivable by referring to the requirements of Bank Indonesia, except for *murabahah* financing receivables for which the identification and measurement of impairment losses follows PSAK No. 55 (2011 Revision).

s. Investment securities

Investment securities are initially recognized at fair value plus transaction costs that are directly attributable and incremental to the acquisition of those financial assets, and subsequently measured in accordance with their classifications, either held-to-maturity or available-for-sale.

s.1. Held-to-maturity

Subsequent to initial recognition, held-to-maturity investments are carried at amortized cost using the effective interest method. Any sale or reclassification of a more than insignificant amount of held-to-maturity investments not close to their maturities would result in the reclassification of all held-to-maturity investments as available-for-sale, and prevent the Bank from classifying investment securities as held-to-maturity for the current and the following two financial years.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

s. Investment securities (continued)

s.2. Available-for-sale

After initial recognition, available-for-sale investments are carried at their fair values. Interest income is recognized in the consolidated statements of comprehensive income using the effective interest method. Foreign exchange gains or losses on available-for-sale debt securities investments are recognized in the current year profit or loss.

Other fair value changes are recognized directly in other comprehensive income until the investment is sold or impaired, where the cummulative gains and losses previously recognized in other comprehensive income are recycled to the the current year profit or loss based on a weighted average method.

t. Fixed assets

Fixed assets are initially recognized at cost. Cost includes its expenditures directly attributable to bring the assets for their intended use. Subsequent to initial measurement, fixed assets are measured using cost model, which is carried at cost less accumulated depreciation and accumulated impairment losses.

Costs relating to the acquisition of legal titles on the land rights are recognized as part of acquisition cost of land, while costs of extension or renewal of legal titles on the land rights are charged to the consolidated statement of comprehensive income as incurred because the amount is not significant.

Buildings are depreciated using the straight-line method over their estimated useful lives of 20 (twenty) years. Except for land which is not depreciated, other fixed assets are depreciated over their estimated useful lives ranging from 2 (two) to 8 (eight) years using the double-declining balance method for the Bank and PT BCA Finance, and straight-line method for other Subsidiaries. The effect of such different depreciation method is not material to the consolidated financial statements. For all fixed assets, the Bank and Subsidiaries have determined residual values to be “nil” for the calculation of depreciation.

Normal repair and maintenance expenses are charged to the consolidated statements of comprehensive income; while renovation and betterments, which are significant and prolong the useful life of assets, are capitalized to the respective fixed assets. The carrying amount and the related accumulated depreciation of fixed assets which are not utilized anymore or sold, are removed from the related group of assets, and the gains or losses are recognized as non-operating income or expense in the consolidated statements of comprehensive income.

Buildings under construction are stated at cost. The accumulated costs will be transferred to the buildings account when construction is completed and the buildings are ready for their intended use.

When assets are disposed, their carrying values and the related accumulated depreciation are eliminated from the consolidated statements of financial position, and the resulting gain or loss on the disposal of fixed assets is recognized in the consolidated statements of comprehensive income.

At each reporting date, residual value, useful life and depreciation method are reviewed, and if required, will be adjusted and applied in accordance with the requirement of prevailing PSAK.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

u. Foreclosed assets

Foreclosed assets acquired in conjunction with settlement of loans are initially recorded at the lower of carrying value of the related loans or net realizable value of the repossessed assets. Net realizable value is the fair value of the repossessed assets after deducting the estimated cost of disposal.

Subsequent to initial recognition, foreclosed assets are recorded at carrying amount or at fair value less cost to sell, whichever is lower. The excess between the carrying value and fair value less cost to sell is recognized as impairment losses in the consolidated statements of comprehensive income.

Foreclosed assets are not depreciated and expenses in relation with the acquisition and maintenance of those assets are charged as incurred.

The difference between the carrying value and the proceeds from the sale of foreclosed assets is recognized as gain or loss at the time of sale, and recognized as non-operating income or expense in the consolidated statements of comprehensive income.

Foreclosed assets are presented under “Other assets” in the consolidated statements of financial position.

v. Identification and measurement of impairment losses of assets

v.1. Financial assets

At each reporting date, the Bank and Subsidiaries assess whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. Financial assets are impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset, and that the loss event has an impact on the future cash flows on the asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a borrower, restructuring of a loan by the Bank and Subsidiaries on terms that the Bank and Subsidiaries would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, the disappearance of an active market for a security due to financial difficulties or other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group.

The Bank and Subsidiaries consider evidence of impairment for financial assets at both a specific asset and collective level. All individually significant financial assets are assessed for specific impairment.

All individually significant financial assets not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Financial assets that are not individually significant are collectively assessed for impairment by grouping together such financial assets with similar risk characteristics. Financial assets that are individually assessed for impairment and for individually assessed for impairment and for which an impairment loss is recognized are no longer included in a collective assessment of impairment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

v. Identification and measurement of impairment losses of assets (continued)

v.1. Financial assets (continued)

In assessing collective impairment, the Bank and Subsidiaries use statistical modeling of historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical modeling. Default rates, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure that they remain appropriate.

Impairment losses on financial assets carried at amortized cost are measured as the difference between the carrying amount of the financial assets and the present value of estimated future cash flows discounted at the financial assets' original effective interest rate. The calculation of the present value of the estimated future cash flows of a collateralized financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral. Losses are recognized in the consolidated statements of comprehensive income and reflected in an allowance account against financial assets carried at amortized cost. Interest on the impaired financial asset continues to be recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. When a subsequent event causes the amount of impairment loss to decrease, the impairment loss is reversed through the consolidated statements of comprehensive income.

Impairment losses on available-for-sale marketable securities are recognized by transferring the cumulative loss that has been recognized directly in other comprehensive income to profit or loss as a reclassification adjustment. The cumulative loss that is reclassified from other comprehensive income to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortization, and the current fair value, less any impairment loss previously recognized in the consolidated statements of comprehensive income. Changes in impairment provisions attributable to time value are reflected as a component of interest income.

If, in a subsequent period, the fair value of an impaired available-for-sale debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in the consolidated statements of comprehensive income, the impairment loss is reversed, with the amount of reversal recognized in the consolidated statements of comprehensive income.

If the terms of a loan, receivable or held-to maturity investment are renegotiated or otherwise modified because of financial difficulties of the borrower or issuer, impairment is measured using the original effective interest rate before the modification of terms.

v.2. Non-financial assets

The carrying amounts of the Bank and Subsidiaries' non-financial assets are reassessed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

For the purpose of impairment testing, non-financial assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that is largely independent of the cash inflows of other assets or cash generating units ("CGU").

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

v. Identification and measurement of impairment losses of assets (continued)

v.2. Non-financial assets (continued)

The recoverable amount of an asset or CGU is the greater of its fair value and its value in use less costs to sell. Value in use is calculated based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of a non-financial asset or CGU exceeds its recoverable amount.

Impairment losses recognized in prior periods are tested at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

An impairment loss in respect of goodwill is not reversed.

w. Intangible assets

Intangible assets consist of software and goodwill.

Software

Software is stated at cost less accumulated amortization and accumulated impairment losses. Subsequent expenditure, which are significant and increase the future economic benefit of assets, will be capitalized. Other expenditures are expensed as incurred. Amortization is recognized in the consolidated statements of comprehensive income using a double-declining balance method over the estimated useful economic life of 4 (four) years.

Goodwill

Goodwill represents the excess of the acquisition cost over the fair value of the net assets acquired at the date of acquisition of a Subsidiary. Goodwill is tested at each reporting date for impairment and carried at cost less accumulated impairment losses.

x. Deposits from customers and other banks

Deposits from customers and deposits from other banks are initially measured at fair value minus directly attributable transaction costs and subsequently measured at their amortized costs using the effective interest method.

y. Sharia and temporary *syirkah* deposits

Sharia deposits are deposits from third parties in form of *wadiah* demand deposits and *wadiah* savings. *Wadiah* demand deposits can be used as payment instrument, and can be withdrawn using cheque and payment slip. *Wadiah* demand deposits and *wadiah* savings are entitled to receive bonus in accordance with Subsidiary's policy. *Wadiah* demand deposits and *wadiah* savings are stated at the liabilities of the Subsidiary.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

y. Sharia and temporary *syirkah* deposits (continued)

Temporary *syirkah* deposit is an investment with *mudharabah mutlaqah* agreement, where the owner of funds (*shahibul maal*) gives flexibility to fund manager (*mudharib*/Subsidiary) in managing the investment with the purpose that the returns are to be shared based on a pre-agreed basis. Temporary *syirkah* deposits consist of *mudharabah* saving deposit and *mudharabah* time deposits. These funds obtained by sharia entity which has the right to manage and invest fund, according to sharia entity's policy or limitation from fund holders, whereby gains are to be shared based on the agreement. In case that the decrease of temporary *syirkah* deposits was caused by normal losses, and not caused by willful default, negligence or breach of the agreement, the sharia entity (Subsidiary) has no obligation to return or cover the fund losses or deficit.

Mudharabah saving deposits are deposits from third parties which are entitled to receive sharing revenue from Subsidiary for the utilization of the funds with a pre-agreed and approved *nisbah*. *Mudharabah* saving deposits are stated at the liabilities to customers.

Mudharabah time deposits are deposits from third parties which can only be withdrawn at a specific time based on the agreement between holder of *mudharabah* time deposits and the Subsidiary. *Mudharabah* time deposits are stated at nominal amount based on the agreement between holder of *mudharabah* time deposits and the Subsidiary.

The holder of temporary *syirkah* deposits receives sharing profit based on the pre-agreed *nisbah*.

z. Debt securities issued

Debt securities issued by Subsidiary which consists of medium-term notes payable and bonds payable, are classified as other financial liabilities measured at amortized cost. Issuance costs in connection with the issuance of debt securities are recognized as discounts and directly deducted from the proceeds of debt securities issued and amortized over the period of debt securities using the effective interest method.

aa. Provision

A provision is recognized if, as a result of a past event, the Bank and Subsidiaries have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the estimated future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

ab. Earning per share

Basic earnings per share is computed based on net income for the current year attributable to equity holders of the parent entity divided by the weighted average number of outstanding issued and fully paid-up common shares during the year after considering the treasury stocks.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

ab. Earning per share (continued)

As of 31 December 2014 and 2013, there were no instruments which could potentially result in the issuance of ordinary shares. Therefore, diluted earnings per share is equivalent to basic earnings per share.

ac. Treasury stocks

The Bank uses cost method in recording the treasury stocks. Treasury stocks are recorded at reacquisition cost and presented as a deduction of equity in the consolidated statement of financial position.

When treasury stocks are sold, the Bank recorded the difference between reacquisition price and selling price of treasury stocks as additional paid-in capital from treasury stock transaction as part of additional paid-in capital.

ad. Interest and sharia income and expenses

Interest income and expenses are recognized in the consolidated statements of comprehensive income using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or financial liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Bank and Subsidiaries estimate future cash flows by considering all contractual terms of the financial instrument but not future credit losses.

The calculation of the effective interest rate includes transaction costs (see Note 2i.2) and all fees and points paid or received that are an integral part of the effective interest rate.

Interest income and expenses presented in the consolidated statements of comprehensive income include:

- interest on financial assets and liabilities at amortized cost calculated on an effective interest method; and
- interest on available-for-sale investment securities calculated on an effective interest method.

Interest income on all trading financial assets are considered to be incidental to the Bank's trading operations and are presented as part of interest income.

Interest on the impaired financial asset continues to be recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Sharia income consist of income from *murabahah*, lease income from *ijarah*, sharing income from *mudharabah* and *musyarakah* financing.

Income from *murabahah* and lease income from *ijarah* are recognized during the lease *akad* period using accrual basis. Sharing income of *mudharabah* and *musyarakah* financing are recognized when received or in the period when the rights of sharing income arise in accordance with agreed sharing ratio *(nisbah).*

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

ad. Interest and sharia income and expenses (continued)

Sharia expenses consist of *mudharabah* expense and *wadiah* bonus expense. Sharia expenses consist of revenue sharing expense of third party funds with revenue sharing principle in accordance with agreed sharing ratio *(nisbah)* based on *wadiah, mudharabah mutlaqah* and *mudharabah muqayyadah* principles.

ae. Fees and commission income and expenses

Significant fees and commission income and expenses that are integral to the effective interest rate on a financial asset or liability are included in the measurement of the effective interest rate.

Other fees and commission income and expenses, including export import related fees, cash management fees, service fees and/or related to a specific period and the amount is significant, are recognized as unearned income/prepaid expenses and amortized based on the straight-line method over the terms of the related transactions; otherwise, they are directly recognized as the related services are performed. When a loan commitment is not expected to result in the draw-down of a loan, loan commitment fees are recognized on a straight-line method over the commitment period.

Other fees and commission expenses which are mainly related to inter-bank transaction fees are expensed as the services are received.

af. Net trading income

Net trading income comprises of net gains or losses related to financial assets and liabilities held for trading, and includes interest income and expenses from all financial instruments held for trading and all realized and unrealized fair value changes and foreign exchange differences.

ag. Obligation for post-employment benefits

The obligation for post-employment benefits is calculated at present value of estimated future benefits that the employees have earned in return for their services in the current and prior periods, deducted by any plan assets. The calculation is performed by an independent actuary using the projected-unit-credit method.

When the plan benefits change, the portion of increased or decreased benefits relating to past service by employees is charged or credited to the consolidated statement of comprehensive income on a straight-line method over the average service period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognized immediately in the consolidated statements of comprehensive income.

When the cumulative unrecognized actuarial gains or losses at the end of the previous reporting period exceed 10% (ten percent) of the present value of the defined benefits obligation, such gains or losses are recognized in profit or loss, on a straight-line basis over the estimated average remaining vesting period. Otherwise, the actuarial gains or losses are not recognized.

ah. Income taxes

Income tax expense comprises of current and deferred tax. Income tax expense is recognized in the consolidated statements of comprehensive income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

ah. Income taxes (continued)

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted as of the reporting date. This method also requires the recognition of future tax benefits, such as tax loss carry forwards, to the extent that realization of such benefits is probable.

Amendments to tax obligations are recorded when an assessment is received, or if objection and or appeal is applied, when the results of the objection or the appeal are determined.

ai. Operating segment

An operating segment is a component of the entity that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the entity's other components, whose operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. Segment results that are reported to the chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise of head office expenses, fixed assets, income tax assets/liabilities and current and deferred taxes.

The Bank and Subsidiaries manage their businesses and identify reporting segment based on geographic region and product. Several regions have similar characteristics, have been aggregated and evaluated regularly by management. Gain/loss from each segment is used to assess the performance of each segment.

aj. Related parties transaction

In these consolidated financial statements, the term related parties is used as defined in PSAK No. 7 (2010 Revision) regarding "Related Party Disclosures".

All significant transactions and balance of accounts with related parties, whether or not transacted at normal terms and conditions similar with those with non-related parties, are disclosed in the notes to the consolidated financial statements.

3. FINANCIAL RISK MANAGEMENT

a. Risk management framework

The Bank recognizes that in operating its business, there are inherent risks in its financial instruments, i.e. credit risk, liquidity risk, market risk which consists of foreign exchange risk and interest rate risk, and operational risk.

In order to control the risks, the Bank implemented an integrated Risk Management Framework which is stated in its Basic Policy of Risk Management. This framework is used as a tool for determining the strategies, organization, policies and guidances as well as the infrastructures of the Bank to ensure that all risks faced by the Bank can be properly identified, measured, controlled and reported.

To implement an effective risk management, the Bank has established a Risk Management Committee which functions are to address overall risk issues faced by the Bank and recommend risk management policies to the Board of Directors.

In addition, the Bank also has other committees which are responsible to handle specific risks, such as: Credit Policy Committee, Credit Committee and Asset and Liability Committee ("ALCO").

The Bank always conducts a thorough risk assessment on management plan to release new product or activity in accordance with the type of risk regulated by the prevailing Bank Indonesia Regulations ("PBI"), Otoritas Jasa Keuangan Regulation ("POJK") and other prevailing regulations.

b. Assets and liabilities risk management

ALCO is responsible for evaluating, recommending and establishing the Bank's funding and investing strategies. Included in the scope of ALCO activities are managing liquidity risk, interest rate risk and foreign exchange risk; minimizing funding cost and, at the same time, maintaining liquidity; and optimizing the Bank's interest income by allocating the funds to productive assets in a prudent manner.

ALCO is led by the President Director (concurrently as a member of ALCO), with other members consisting of 7 (seven) directors, Head of Treasury Division, Head of Finance and Planning Division, Head of Corporate Banking and Corporate Finance Group, Head of Small and Medium Enterprise Division, Head of Service and Fund Development Division, Head of International Banking Division, Head of Consumer Credit Business Unit, Head of Credit Card Business Unit and Head of Risk Management Unit.

The Bank's asset and liability management process begins with an assessment of economic parameters affecting the Bank, which primarily consist of inflation rate, market liquidity, yield curve, US Dollar-Rupiah exchange rate, and other macro economic factors. Liquidity risks, foreign currency exchange risks and interest rate risks are reviewed by the Risk Management Unit and reported to ALCO. ALCO then decides the pricing strategy for the interest rates on deposits and loans based on the conditions and competition in the market.

3. FINANCIAL RISK MANAGEMENT (Continued)

c. Credit risk management

The credit organization is continuously being improved with an emphasis on the four eyes principle, in which the credit decision is determined with the considerations of two functions, i.e. business development function and credit risk analysis function.

The Bank has Basic Policy of Bank's Credit which are continuously being improved, in line with the Bank's development, "PBI", "POJK" and in accordance with International Best Practices.

The improvement on procedures and credit risk management system are conducted through the development of Loan Origination System on credit management process workflows so that an effective and efficient credit process can be achieved. Risk profile measurement system is continuously being developed to determine the risk of debtor completely and correctly. The credit database development process is also continuously being conducted and improved.

The Credit Policy Committee is responsible for formulating credit policies, especially those relating to prudence principles in credit, monitoring and evaluating the implementation of credit policies so that it can be applied consistently and in accordance with credit policy, and give advice and corrective actions to resolve problems in the implementation.

The Credit Committee was established to assist Board of Directors in evaluating and/or providing credit decisions in accordance with their level of authorization through the Credit Committee Meeting or Directors' Circular Letter. The main functions of Credit Committee are as follows:

- providing further guidance if a thorough and comprehensive credit analysis is needed;
- making a decision or giving a recommendation on a credit proposal for big debtors and specific industries; and
- coordinating with ALCO, especially when it relates with sources of funding for credits.

The Bank has developed a debtor's risk rating system, which is known as the Internal Credit Risk Rating/Scoring System. The Internal Credit Risk Rating/Scoring System consists of 11 (eleven) categories of risk rating, from RR1 to RR10, and the worst is Loss. Debtor's risk rating provides an authorized officer with a valuable input for a better and more appropriate credit decision.

To maintain the credit quality, monitoring over credit quality is performed regularly on each credit category (Corporate, Commercial, Small & Medium Enterprise ("SME"), Consumer and Credit Card) as well as to overall credit portfolio.

The Bank developed a credit risk management tools through credit portfolio stress testing analysis and monitoring the results of such stress testing. Stress testing is used by the Bank as a tool to estimate the impact of stressful condition in order to enable the Bank creating appropriate strategies to mitigate the risks as part of its contingency plan implementation.

In order to monitor and control credit risk of the Subsidiaries, the Bank monitors the Subsidiaries' credit risk regularly, to ensure that the Subsidiaries have a good and effective Credit Risk Management Policy.

3. FINANCIAL RISK MANAGEMENT (Continued)

c. Credit risk management (continued)

i. Maximum exposure to credit risk

For financial assets recognized in the consolidated statements of financial position, the maximum exposure to credit risk generally equals their carrying amount. For guarantees and irrevocable Letters of Credit issued, the maximum exposure to credit risk is the maximum amount that the Bank would have to pay if the obligations of the guarantees and irrevocable Letters of Credit issued are called upon. For credit commitments, the maximum exposure to credit risk is the full amount of the unused committed loan facilities granted to customers.

The following table presents maximum exposure to credit risk of financial instruments in the consolidated statements of financial position and off-balance sheet accounts, without taking into account of any collateral held or other credit enhancements.

	31 December	
	2014	2013
Consolidated financial position:		
Current accounts with Bank Indonesia	38,875,175	35,269,077
Current accounts with other banks	4,614,271	3,447,290
Placements with Bank Indonesia and other banks	11,502,178	12,254,043
Financial assets held for trading	1,672,222	1,238,564
Acceptance receivables	7,569,364	6,434,376
Bills receivable	3,226,980	2,632,832
Securities purchased under agreements to resell	26,289,663	41,056,171
Loans receivable	339,859,068	306,679,132
Consumer financing receivables	6,973,228	5,229,338
Investment in finance leases	166,888	182,544
Investment securities	72,044,824	48,407,338
	512,793,861	462,830,705
Consolidated administrative account:		
Unused credit facilities to customers - committed	95,248,542	114,006,859
Unused credit facilities to other banks - committed	900,766	764,441
Irrevocable Letters of Credit issued	7,198,848	8,715,883
Bank guarantees issued to customers	10,720,350	10,684,072
	114,068,506	134,171,255
	626,862,367	597,001,960

ii. Concentration of credit risk analysis

The Bank encourages the diversification of its credit portfolio among a variety of geographic area, industries and products in order to minimize the credit risk.

The concentration of loans by type of loan, currency and economic sector is disclosed in Note 12.

3. FINANCIAL RISK MANAGEMENT (Continued)

c. Credit risk management (continued)

ii. Concentration of credit risk analysis (continued)

The following table presents concentration of credit risk of the Bank and Subsidiaries by counterparty, before deducted with allowance for impairment losses:

	31 December 2014				
	Corporates	Government and Bank Indonesia	Bank	Individual	Total
Consolidated financial position:					
Current accounts with Bank Indonesia	-	38,875,175	-	-	38,875,175
Current accounts with other banks	-	-	4,614,271	-	4,614,271
Placements with Bank Indonesia and other banks	-	8,238,400	3,263,778	-	11,502,178
Financial assets held for trading	13,978	1,633,073	25,171	-	1,672,222
Acceptance receivables	7,594,233	-	261,712	109,762	7,965,707
Bills receivable	180,976	-	3,047,290	-	3,228,266
Securities purchased under agreements to resell	-	19,253,398	7,036,265	-	26,289,663
Loans receivable	201,421,134	-	3,134,625	142,007,551	346,563,310
Consumer financing receivables	248,763	-	774	6,924,753	7,174,290
Investment in finance leases	151,030	-	-	19,062	170,092
Investment securities	9,075,645	61,082,529	2,658,355	-	72,816,529
Total	218,685,759	129,082,575	24,042,241	149,061,128	520,871,703
Less:					
Allowance for impairment losses					(8,077,842)
					512,793,861
Commitments and contingencies with credit risk:					
Unused credit facilities - committed	69,444,055	-	900,766	25,804,487	96,149,308
Irrevocable Letters of Credit issued	7,148,216	-	-	50,632	7,198,848
Bank guarantees issued to customers	8,162,903	-	1,155,182	1,402,265	10,720,350
	84,755,174	-	2,055,948	27,257,384	114,068,506

3. FINANCIAL RISK MANAGEMENT (Continued)

c. Credit risk management (continued)

ii. Concentration of credit risk analysis (continued)

	31 December 2013				
	Corporates	Government and Bank Indonesia	Bank	Individual	Total
Consolidated financial position:					
Current accounts with Bank Indonesia	-	35,269,077	-	-	35,269,077
Current accounts with other banks	-	-	3,447,290	-	3,447,290
Placements with Bank Indonesia and other banks	-	8,483,760	3,770,283	-	12,254,043
Financial assets held for trading	210,637	1,013,556	14,371	-	1,238,564
Acceptance receivables	6,169,228	-	291,328	63,560	6,524,116
Bills receivable	71,879	-	2,561,533	-	2,633,412
Securities purchased under agreements to resell	-	38,882,224	2,173,947	-	41,056,171
Loans receivable	175,178,501	-	3,795,695	133,316,192	312,290,388
Consumer financing receivables	238,561	-	1,281	5,069,169	5,309,011
Investment in finance leases	170,652	-	-	15,760	186,412
Investment securities	7,588,409	39,699,291	1,866,695	-	49,154,395
Total	189,627,867	123,347,908	17,922,423	138,464,681	469,362,879
Less:					
Allowance for impairment losses					(6,532,174)
					462,830,705
Commitments and contingencies with credit risk:					
Unused credit facilities - committed	71,367,703	-	764,441	42,639,156	114,771,300
Irrevocable Letters of Credit issued	8,634,698	-	-	81,185	8,715,883
Bank guarantees issued to customers	8,706,619	-	644,613	1,332,840	10,684,072
	88,709,020	-	1,409,054	44,053,181	134,171,255

3. FINANCIAL RISK MANAGEMENT (Continued)

c. Credit risk management (continued)

iii. Credit risk analysis

The following table presents individually impaired financial assets, financial assets that are not individually significant and collectively assessed for impairment, past due but not impaired financial assets and neither past due nor impaired financial assets.

	31 December 2014									
					Neither past due nor impaired					
		Past due but not impaired			Acceptance receivable, bills receivable and loans receivable					
	Individually impaired	1 - 30 days	30 - 60 days	60 - 90 days	High grade	Standard grade	Low grade	Other financial assets	Not individually significant and collectively assessed for impairment	Total
Loans and receivables:										
Current accounts with Bank Indonesia	-	-	-	-	-	-	-	38,875,175	-	38,875,175
Current accounts with other banks	-	-	-	-	-	-	-	4,614,271	-	4,614,271
Placements with Bank Indonesia and other banks	-	-	-	-	-	-	-	11,502,178	-	11,502,178
Acceptance receivables - net	-	-	-	-	7,551,411	-	17,953	-	-	7,569,364
Bills receivable - net	-	-	-	-	3,221,233	4,322	-	-	1,425	3,226,980
Securities purchased under agreement to resell	-	-	-	-	-	-	-	26,289,663	-	26,289,663
Loans receivable - net	183,723	144,518	39,565	2,990	158,736,692	34,705,841	617,752	-	145,427,987	339,859,068
Consumer financing receivables - net	-	-	-	-	-	-	-	-	6,973,228	6,973,228
Investment in finance leases - net	-	-	-	-	-	-	-	-	166,888	166,888
	183,723	144,518	39,565	2,990	169,509,336	34,710,163	635,705	81,281,287	152,569,528	439,076,815
Available-for-sale:										
Investment securities	21,095	-	-	-	-	-	-	60,538,155	-	60,559,250
	21,095	-	-	-	-	-	-	60,538,155	-	60,559,250
Held to maturity:										
Investment securities	46,971	-	-	-	-	-	-	11,438,603	-	11,485,574
	46,971	-	-	-	-	-	-	11,438,603	-	11,485,574
	251,789	144,518	39,565	2,990	169,509,336	34,710,163	635,705	153,258,045	152,569,528	511,121,639

3. FINANCIAL RISK MANAGEMENT (Continued)

c. Credit risk management (continued)

iii. Credit risk analysis (continued)

	31 December 2013								
		Past due but not impaired		Neither past due nor impaired				Not individually significant and collectively assessed for impairment	
				Acceptance receivables, bills receivable and loans receivable					
	Individually impaired	1 - 30 days	30 - 60 days	High grade	Standard grade	Low grade	Other financial assets		Total
Loans and receivables:									
Current accounts with Bank Indonesia	-	-	-	-	-	-	35,269,077	-	35,269,077
Current accounts with other banks	-	-	-	-	-	-	3,447,290	-	3,447,290
Placements with Bank Indonesia and other banks	-	-	-	-	-	-	12,254,043	-	12,254,043
Acceptance receivables - net	-	-	-	6,432,985	-	1,391	-	-	6,434,376
Bills receivable - net	-	-	-	2,632,832	-	-	-	-	2,632,832
Securities purchased under agreements to resell	-	-	-	-	-	-	41,056,171	-	41,056,171
Loans receivable - net	37,266	33,982	53,393	139,765,849	28,130,461	1,096,623	-	137,561,558	306,679,132
Consumer financing receivables - net	-	-	-	-	-	-	-	5,229,338	5,229,338
Investment in finance leases - net	-	-	-	-	-	-	-	182,544	182,544
	37,266	33,982	53,393	148,831,666	28,130,461	1,098,014	92,026,581	142,973,440	413,184,803
Available-for-sale:									
Investment securities	20,901	-	-	-	-	-	32,472,490	-	32,493,391
	20,901	-	-	-	-	-	32,472,490	-	32,493,391
Held to maturity:									
Investment securities	51,327	-	-	-	-	-	15,862,620	-	15,913,947
	51,327	-	-	-	-	-	15,862,620	-	15,913,947
	109,494	33,982	53,393	148,831,666	28,130,461	1,098,014	140,361,691	142,973,440	461,592,141

Individually impaired financial assets

Individually impaired financial assets are financial assets that are individually significant and there is objective evidence that impairment loss has incurred after initial recognition of the financial assets.

Based on the Bank's internal policy, loans that are determined to be individually significant are loans to corporate and commercial debtors.

3. FINANCIAL RISK MANAGEMENT (Continued)

c. Credit risk management (continued)

iii. Credit risk analysis (continued)

Financial assets those are not individually significant and assessed for collective impairment

Financial assets that are not individually significant consist of loans and receivables of the Bank and Subsidiaries to retail debtors, i.e. Small & Medium Enterprise ("SME") debtors, and debtors of consumer financing receivables (including the joint financing), mortgage and its housing renovation loans and credit card receivables.

The Bank and Subsidiaries determined that impairment losses of financial assets that are not individually significant are assessed collectively, by grouping those financial assets based on similar risk characteristics.

The carrying value of financial assets that are not individually significant and have been assessed for collective impairment, which have been past due for more than 90 (ninety) days as of 31 December 2014 and 2013 amounted to Rp 654,407 and Rp 549,457, respectively.

Past due but not impaired financial assets

Past due but not impaired financial assets are financial assets from corporate and commercial segment, for which contractual interest or principal payments are past due, but the Bank and Subsidiaries believes that individual impairment has not occured on the basis of the level of security/collateral available and/or the stage of collection of amounts owed to the Bank and Subsidiaries.

Neither past due nor impaired financial assets

Included in neither past due nor impaired financial assets are financial assets not impaired individually and have been grouped based on similar risk characteristics for the purpose of assessing its collective impairment for the incurred but not yet reported losses ("IBNR").

Based on its quality, neither past due nor impaired loans receivable, acceptance receivables, and bills receivable are classified into 3 categories, i.e. high grade, standard grade and low grade, in accordance with the Bank's internal estimate of each debtor's probability of default or certain portfolios that have been assessed against a range of qualitative and quantitative factors.

Loans receivable, acceptance receivables and bills receivable with risk rating of RR1 to RR7 are included in high grade category. Included in high grade category are loans to debtors which have strong capacity to repay all of its obligations in a timely manner, supported by strong fundamental factors and are not easily affected by unfavourable economic conditions.

3. FINANCIAL RISK MANAGEMENT (Continued)

c. Credit risk management (continued)

iii. Credit risk analysis (continued)

Neither past due nor impaired financial assets (continued)

Loans receivable, acceptance receivables and bills receivable with risk rating of RR8 to RR9 are included in standard grade category. Included in standard grade category are loans to debtors which considered to have sufficient capacity to repay its contractual interest and principal, but quite sensitive to unfavourable changes of economic conditions.

Loans receivable, acceptance receivables and bills receivable with risk rating RR10 and Loss are included in low grade category. Included in low grade category are loans to debtors with volatile repayment capacity, have poor fundamental factors and are easily affected by unfavourable economic conditions.

iv. Collateral

Collateral is held to mitigate credit risk exposures and risk mitigation policies determine the eligibility of collateral types that can be accepted by the Bank. The Bank differentiates collateral types based on its liquidity and existence into solid collateral and non-solid collateral. Solid collaterals are collaterals which have relatively high liquidity value and/or the existence is permanent (is not easily moved) i.e., cash collaterals and land/building, and therefore, the collaterals can be repossessed or taken over by the Bank when the loan to debtor/group debtor becomes non-performing. Non-solid collaterals are collaterals which have relatively low liquidity value and/or the existence is temporary (easily moveable) i.e., vehicles, machineries, inventories, receivables, etc. At the end of 2014 and 2013, the Bank held collaterals against loans receivables in the form of cash, properties, motor vehicles, guarantees, machineries, inventories, debt securities, etc.

The Bank's policy in connection with collateral as mitigation of credit risk depends on the credit category or facilities provided. For SME loans, all loans should be supported with collateral (collateral basis) whereby at least 50% (fifty percent) of it are solid collaterals. For corporate and commercial loans, the collateral values are determined based on the individual debtor credit worthiness. The collateral value is determined based on the appraisal value at the time of loan disbursement.

For mortgage facility ("KPR"), the Bank requires that all facilities should be supported by collaterals. The Bank applied the Loan-to-Value ("LTV") regulation gradually, starting from the first mortgage facility and so forth, in accordance with the rules imposed by the regulator. Value of the collateral for KPR is calculated based on the collateral value when credit is granted and renewed every 30 (thirty) months. For auto loan facility ("KKB"), the Bank requires that all facilities should be supported by collateral vehicles. The Bank applied the down payment rule, in accordance with the regulation imposed by the regulator.

Subsidiaries' consumer financing receivables are secured by the related certificates of ownership ("BPKB") of the vehicles being financed.

For foreign exchange transactions, either spot or forward, the Bank requires cash collaterals which is set at a certain percentage of facility provided. If the debtor has other credit facilities in the Bank, the debtor may use the collateral that has been given previously to be crossed with each other. The policy on percentage of the required collateral will be reviewed periodically, in line with the fluctuation and volatility of currency exchange rates.

3. FINANCIAL RISK MANAGEMENT (Continued)

c. Credit risk management (continued)

iv. Collateral (continued)

Details of financial and non-financial assets obtained by the Bank during the year by taking possession of collaterals held as security against financial assets as of 31 December 2014 and 2013, presented in other assets at the lower of carrying amount and net realizable value were as follows:

	31 December	
	2014	2013
Land	3,332	1,317
Building	68,618	48,811
Other commercial properties	16,443	16,023
Financial assets and other assets	-	1,550
Fair value	88,393	67,701

The Bank generally does not use non-cash collateral for its own operations. The Bank's policy is to realize collaterals which are repossessed as part of the settlement of credit.

v. Financial assets held for trading

As of 31 December 2014 and 2013, the Bank and Subsidiaries had financial assets held for trading at the fair value amounted to Rp 1,672,222 and Rp 1,238,564, respectively (see Note 9). Information on credit quality of the maximum exposure to credit risk of financial assets held for trading was as follows:

	31 December	
	2014	2013
Government securities:		
Investment grade	1,633,073	1,010,407
Corporate securities:		
Investment grade	1,008	191,000
Derivative assets:		
Government of Indonesia and Bank Indonesia as counterparties	-	3,150
Other banks as counterparties	24,657	6,944
Corporates as counterparties	10,967	15,506
Others	2,517	11,557
Fair value	1,672,222	1,238,564

3. FINANCIAL RISK MANAGEMENT (Continued)

c. Credit risk management (continued)

vi. Investment securities

As of 31 December 2014 and 2013, the Bank and Subsidiaries had investment securities at the carrying value amounted to Rp 72,044,824 and Rp 48,407,338, respectively (see Note 14). Information of credit quality on the maximum exposure to credit risk of investment securities was as follows:

	31 December	
	2014	2013
Government securities:		
Investment grade	60,526,034	39,699,292
Corporate securities:		
Investment grade	4,805,677	5,834,768
Non-investment grade	114,723	469,324
Others	6,598,390	2,403,954
Carrying amount	72,044,824	48,407,338

d. Liquidity risk management

The Bank emphasizes the importance of maintaining adequate liquidity to meet its commitments to its customers and other parties, whether in loans disbursement, repayment of customers' deposits or to meet operational liquidity requirements. The management of overall liquidity needs is overseen by ALCO, and operationally by the Treasury Division.

The Bank monitors its liquidity by maintaining sufficient liquid assets to repay the customers' deposits, and ensuring that total assets mature in each period is sufficient to cover total matured liabilities.

The Bank's liquid assets mainly consist of placements with Bank Indonesia and other banks, including current accounts with Bank Indonesia and other banks, and cash. If the Bank needs liquidity, the Bank can immediately draw down excess reserve funds over its minimum statutory reserve requirements in the current accounts with Bank Indonesia (*Giro Wajib Minimum* or "GWM"), sell the Certificates of Bank Indonesia ("SBI")/State Debentures ("SUN")/other government securities or sell SBI/SUN/other government securities under repurchase agreements, early redemption of BI term deposits or seek for borrowings from interbank money market in Indonesia. The Bank's primary reserve consists of the minimum statutory reserve requirements and cash held at branches.

In order to reduce risk of dependency to single funding, the Subsidiaries have diversified its funding resources. Besides capital and collection from customers, the Subsidiaries generate funding resources from bank loans and capital market, through bonds and medium-term notes issuance.

3. FINANCIAL RISK MANAGEMENT (Continued)

d. Liquidity risk management (continued)

The following table presents the contractual undiscounted cash flows of financial liabilities and administrative accounts of the Bank and Subsidiaries based on remaining period to contractual maturity as of 31 December 2014 and 2013:

	31 December 2014					
	Carrying amount	Gross nominal inflow/(outflow)	Up to 1 month	> 1 - 3 months	> 3 months - 1 year	> 1 - 5 years
Non-derivative financial liabilities						
Deposits from customers	(447,905,756)	(448,211,510)	(433,659,697)	(9,887,284)	(4,664,529)	-
Deposits from other banks	(3,754,260)	(3,754,449)	(3,747,849)	(6,500)	(100)	-
Acceptance payables	(4,697,946)	(4,697,946)	(1,854,715)	(2,011,009)	(827,398)	(4,824)
Debt securities issued	(2,503,900)	(2,520,134)	(16,234)	(99,908)	(574,442)	(1,829,550)
Borrowings	(3,080,942)	(3,090,520)	(753,612)	-	(1,508,163)	(828,745)
	(461,942,804)	(462,274,559)	(440,032,107)	(12,004,701)	(7,574,632)	(2,663,119)
Derivative financial liabilities						
Financial liabilities held for trading:	(14,702)					
Outflow		(2,382,685)	(1,997,606)	(385,079)	-	-
Inflow		2,369,983	1,989,193	380,790	-	-
	(14,702)	(12,702)	(8,413)	(4,289)	-	-
Administrative accounts						
Unused credit facilities to customers - committed	-	(95,248,542)	(95,248,542)	-	-	-
Unused credit facilities to other banks - committed	-	(900,766)	(900,766)	-	-	-
Irrevocable Letters of Credit issued	-	(7,198,848)	(2,580,667)	(3,420,735)	(685,584)	(511,862)
Bank guarantees issued to customers	-	(10,720,350)	(1,013,581)	(2,171,098)	(6,600,548)	(935,123)
	-	(114,068,506)	(99,743,556)	(5,591,833)	(7,286,132)	(1,446,985)
	(461,957,506)	(576,355,767)	(539,784,076)	(17,600,823)	(14,860,764)	(4,110,104)

3. FINANCIAL RISK MANAGEMENT (Continued)

d. Liquidity risk management (continued)

	31 December 2013					
	Carrying amount	Gross nominal inflow/(outflow)	Up to 1 month	> 1 - 3 months	> 3 months - 1 year	> 1 - 5 years
Non-derivative financial liabilities						
Deposits from customers	(409,485,763)	(409,696,240)	(394,305,170)	(8,406,984)	(6,984,086)	-
Deposits from other banks	(3,301,039)	(3,301,129)	(3,273,529)	(27,500)	(100)	-
Acceptance payables	(4,539,442)	(4,539,442)	(1,960,838)	(1,965,280)	(581,335)	(31,989)
Debt securities issued	(3,132,847)	(3,150,910)	(18,063)	-	(1,245,463)	(1,887,384)
Borrowings	(500,952)	(501,301)	(101,301)	(30,000)	(370,000)	-
	(420,960,043)	(421,189,022)	(399,658,901)	(10,429,764)	(9,180,984)	(1,919,373)
Derivative financial liabilities						
Financial liabilities held for trading:	(113,516)					
Outflow		(5,277,029)	(4,139,934)	(1,121,382)	(15,713)	-
Inflow		5,164,886	4,056,400	1,093,063	15,423	-
	(113,516)	(112,143)	(83,534)	(28,319)	(290)	-
Administrative accounts						
Unused credit facilities to customers - committed	-	(114,006,859)	(114,006,859)	-	-	-
Unused credit facilities to other banks - committed	-	(764,441)	(764,441)	-	-	-
Irrevocable Letters of Credit issued	-	(8,715,883)	(1,968,408)	(4,107,457)	(1,671,222)	(968,796)
Bank guarantees issued to customers	-	(10,684,072)	(1,912,984)	(2,071,346)	(5,880,803)	(818,939)
	-	(134,171,255)	(118,652,692)	(6,178,803)	(7,552,025)	(1,787,735)
	(421,073,559)	(555,472,420)	(518,395,127)	(16,636,886)	(16,733,299)	(3,707,108)

The above tables were prepared based on remaining contractual maturities of the financial liabilities and irrevocable Letters of Credit facility, while for issued guarantee contracts and unused committed credit facility were based on the their earliest possible contractual maturity. The Bank's and Subsidiaries' expected cash flows from these instruments vary significantly from the above analysis. For example, current accounts and saving accounts are expected to have a stable or increasing balance, or unused committed credit facility to customers/other banks are not all expected to be drawn down immediately.

The nominal inflow/(outflow) disclosed in the above table represents the contractual undiscounted cash flows relating to the principal and interest on the financial liabilities or commitments. The disclosure for derivatives show a gross inflow and outflow amount for derivatives that have simultaneous gross settlement (e.g., foreign currency forward).

Analysis on the maturity gap profile of financial assets and liabilities based on remaining contractual maturities as of 31 December 2014 and 2013 is disclosed in Note 37.

3. FINANCIAL RISK MANAGEMENT (Continued)

e. Market risk management

i. Foreign exchange risk

The Bank has conducted foreign currency trading in accordance with its internal policies and regulations from Bank Indonesia regarding Net Open Position ("NOP"). In managing its foreign exchange risk, the Bank centralizes the management of its NOP at the Treasury Division, which consolidates daily NOP reports from all branches. In general, each branch is required to square its foreign exchange risk at the end of each business day, although there is a NOP tolerance limit set for each branch depending on the volume of its foreign exchange activity. The Bank prepares its daily NOP report which combines the NOP from consolidated statements of financial position and from administrative accounts (off-balance sheet accounts).

The Bank's revenue from foreign currency trading is mainly obtained from customer-related transactions and sometimes the Bank has NOP in certain amount to fulfill the customer's needs, in accordance with Bank's internal guidelines. Trading for profit-taking purposes (proprietary trading) can only be performed for limited foreign currencies with small limits.

The Bank's foreign currency liabilities mainly consist of deposits and borrowings denominated in US Dollar. To comply with the NOP regulations, the Bank maintains its assets which consist of placement with other banks and loans receivable in USD.

For internal reporting purposes, the Bank measures its foreign exchange risk by using Value at Risk ("VaR") method which is based on Historical Simulation approach, while for the Minimum Capital Adequacy Ratio purposes, the Bank uses the Bank Indonesia's standard method.

Information of Bank's NOP as of 31 December 2014 and 2013 was disclosed in Note 38.

The Subsidiary has borrowings in foreign currency. The Subsidiary entered derivative contracts to manage its foreign exchange risk.

ii. Interest rate risk

The major component of the Bank's interest-rate-sensitive liabilities is customer deposits, while its interest-rate-sensitive assets are government bonds, investment securities and loans receivable. ALCO regularly monitors any development in the market and adjusts the interest rates of deposits and loans receivable accordingly.

The Bank uses earning approach and economic value approach to measure interest rate risk in the banking book. The earning approach uses accrual method to measure the sensitivity of Bank's Net Interest Income to changes in market interest rates. The economic value approach uses Duration method to measure the sensitivity of economic value of productive assets and interest bearing liabilities to changes in market interest rates. In the Duration method, the interest rate risk is defined as a decrease in fair value of all productive asset portfolio and interest bearing liabilities in the banking book due to movement in market interest rates.

The banking book consists of all financial assets/other positions that is not included in the trading book.

3. FINANCIAL RISK MANAGEMENT (Continued)

e. Market risk management (continued)

ii. Interest rate risk (continued)

The risk measurement is performed on Rupiah and USD and to be reported to ALCO. To measure interest rate risk on the trading book, the Bank uses VaR method with Historical Simulation approach for internal reporting purposes, while for the Minimum Capital Adequacy Ratio purpose, the Bank uses the Bank Indonesia's standard approach.

The Bank determines the interest rates on deposits from customers based on market condition and competitiveness by monitoring the fluctuations of the base rates and interest rates offerred by other banks for similar products. The interest rates on a deposit may vary and depend on maturity and size of the deposit. The interest rates for saving and current account are floating in nature and will be reviewed periodically based on market condition, while the interest rate for time deposit is fixed and depends on the maturity period. The interest rate for credit is determined by adding a certain margin on the Bank's cost of funds (including the cost of Minimum Reserve Requirements).

Cash flow interest rate risk is the risk that future cash flow from financial instruments fluctuates due to the movement in market interest rates. Fair value interest rate risk is the risk that the fair value of financial instruments fluctuates due to the movement in market interest rates. Bank has exposure to the volatility in market interest rates both to the fair value risk and cash flows risk. To mitigate this risk, the Board of Directors have set VaR limits for trading book, which are monitored by the Risk Management Unit on a daily basis.

The Subsidiary is exposed to interest rate risk arising from consumer financing receivables, factoring receivables, other receivables, the issuance of fixed rate bonds payable and medium-term notes payable. The Subsidiary manages the interest rate risk by diversifying its financing sources to find the most suitable fixed interest rate to minimize mismatch.

The table below summarizes the Bank and Subsidiaries' non-trading portfolios at carrying amounts, categorized by the earlier of contractual re-pricing or maturity dates:

	31 December 2014						
	Floating interest rate		Fixed interest rate				
	Less than 3 months	3 months - 1 year	Less than 3 months	3 months - 1 year	More than 1 years	Non-interest bearing	Total
Financial assets							
Current accounts with Bank Indonesia	13,042,187	-	-	-	-	25,832,988	38,875,175
Current accounts with other banks	4,614,271	-	-	-	-	-	4,614,271
Placements with Bank Indonesia and other banks	-	-	11,463,878	38,300	-	-	11,502,178
Acceptance receivables - net	1,307,500	1,433,572	-	-	-	4,828,292	7,569,364
Bills receivable - net	-	-	3,226,980	-	-	-	3,226,980
Securities purchased under agreements to resell	-	-	26,289,663	-	-	-	26,289,663
Loans receivable - net	248,580,638	21,381,017	-	-	69,897,413	-	339,859,068
Consumer financing receivables - net	-	-	359,257	1,131,306	5,482,665	-	6,973,228
Investment in finance leases - net	-	-	3,140	19,138	144,610	-	166,888
Investment securities - net	6,263,027	-	27,269,462	12,191,115	26,192,358	128,862	72,044,824
Total - carry forward	273,807,623	22,814,589	68,612,380	13,379,859	101,717,046	30,790,142	511,121,639

3. FINANCIAL RISK MANAGEMENT (Continued)

e. Market risk management (continued)

ii. Interest rate risk (continued)

	31 December 2014						
	Floating interest rate		Fixed interest rate				
	Less than 3 months	3 months - 1 year	Less than 3 months	3 months - 1 year	More than 1 year	Non-interest bearing	Total
Financial assets (continued)							
Total - carried forward	273,807,623	22,814,589	68,612,380	13,379,859	101,717,046	30,790,142	511,121,639
Financial liabilities							
Deposits from customers	(336,412,083)	-	(105,318,126)	(6,175,547)	-	-	(447,905,756)
Deposits from other banks	(3,751,760)	-	(2,500)	-	-	-	(3,754,260)
Acceptance payables	-	-	-	-	-	(4,697,946)	(4,697,946)
Debt securities issued	-	-	(99,907)	(574,442)	(1,829,551)	-	(2,503,900)
Borrowings	-	-	(1,622,989)	(550,240)	(907,713)	-	(3,080,942)
Total	(340,163,843)	-	(107,043,522)	(7,300,229)	(2,737,264)	(4,697,946)	(461,942,804)
Interest rate re-pricing gap	(66,356,220)	22,814,589	(38,431,142)	6,079,630	98,979,782	26,092,196	49,178,835

	31 December 2013						
	Floating interest rate		Fixed interest rate				
	Less than 3 months	3 months - 1 year	Less than 3 months	3 months - 1 year	More than 1 year	Non-interest bearing	Total
Financial assets							
Current accounts with Bank Indonesia	11,680,215	-	-	-	-	23,588,862	35,269,077
Current accounts with other banks	3,447,290	-	-	-	-	-	3,447,290
Placements with Bank Indonesia and other banks	-	-	12,210,118	43,925	-	-	12,254,043
Acceptance receivables - net	1,248,100	443,519	-	-	-	4,742,757	6,434,376
Bills receivable - net	-	-	2,632,832	-	-	-	2,632,832
Securities purchased under agreements to resell	-	-	41,056,171	-	-	-	41,056,171
Loans receivable - net	218,314,918	22,761,879	-	-	65,602,335	-	306,679,132
Consumer financing receivables - net	-	-	507,405	1,806,505	2,915,428	-	5,229,338
Investment in finance leases - net	-	-	16,826	75,985	89,733	-	182,544
Investment securities - net	8,200,746	-	5,930,007	7,595,083	26,513,953	167,549	48,407,338
Total - carry forward	242,891,269	23,205,398	62,353,359	9,521,498	95,121,449	28,499,168	461,592,141

3. FINANCIAL RISK MANAGEMENT (Continued)

e. Market risk management (continued)

ii. Interest rate risk (continued)

	31 December 2013						
	Floating interest rate		Fixed interest rate				
	Less than 3 months	3 months - 1 year	Less than 3 months	3 months - 1 year	More than 1 year	Non-interest bearing	Total
Financial assets (continued)							
Total - carried forward	242,891,269	23,205,398	62,353,359	9,521,498	95,121,449	28,499,168	461,592,141
Financial liabilities							
Deposits from customers	(322,894,397)	-	(78,771,356)	(7,820,010)	-	-	(409,485,763)
Deposits from other banks	(3,263,144)	-	(17,795)	(20,100)	-	-	(3,301,039)
Acceptance payables	-	-	-	-	-	(4,539,442)	(4,539,442)
Debt securities issued	-	-	(99,907)	(1,145,556)	(1,887,384)	-	(3,132,847)
Borrowings	-	-	(500,952)	-	-	-	(500,952)
Total	(326,157,541)	-	(79,390,010)	(8,985,666)	(1,887,384)	(4,539,442)	(420,960,043)
Interest rate re-pricing gap	(83,266,272)	23,205,398	(17,036,651)	535,832	93,234,065	23,959,726	40,632,098

Sensitivity analysis

Based on the re-pricing gap report, the Bank analyzes the sensitivity to 1% (one percent) parallel interest rate movement (increase or decrease), with the following assumptions:

- The movement in interest rate for assets is the same with the movement in interest rate for liabilities; and
- The movement is the same for every maturity period in the yield curve (paralel yield curve movement).

This sensitivity analysis is performed regularly at a monthly basis for ALCO purposes. The following table describes the sensitivity of a reasonably possible change in market interest rate, with all other variables held constant, to the net interest income:

	Year ended 31 December	
	2014	2013
Decrease in interest income due to 1% (one percent) parallel increase in interest rate	(809,089)	(762,220)
Increase in interest income due to 1% (one percent) parallel decrease in interest rate	809,089	762,220

Value at Risk ("VaR") analysis

The Bank uses Historical Simulation approach in calculating VaR. In the Historical Simulation approach, the simulation requires historical and current market data. By considering last year full year market data and observed relationships between different markets and prices, this approach generates a wide range of plausible future scenarios of market price movement. VaR is defined as the worst possibility of losses at 99% (ninety nine percent) confidence level.

3. FINANCIAL RISK MANAGEMENT (Continued)

e. Market risk management (continued)

Value at Risk ("VaR") analysis (continued)

The Bank uses VaR limits to monitor overall market risk and certain foreign exchange and interest rate risks. The VaR limits are subject to review and approval by management. VaR limits are allocated to trading portfolios. VaR is measured at least once a day. Daily reports of utilization of VaR limits are submitted to related business unit and Risk Management Unit, while the summary is submitted to management.

Although VaR is an important tool for measuring market risk, the assumptions on which the model is based give rise to some limitations, including the following:

- A 10 (ten) days holding period assumes that it is possible to hedge or dispose of positions within that period. This may not be the case for certain highly illiquid assets or in situations in which there is severe general market illiquidity.
- A 99% (ninety nine percent) confidence level does not reflect losses that may occur beyond this level. Even within the model used there is a one percent probability that losses could exceed the VaR.
- VaR is calculated on an end-of-day basis and does not reflect exposures that may arise on positions during the trading day.
- The use of historical data as a basis for determining the possible range of future outcomes may not always cover all possible scenarios, especially those of an exceptional nature.
- The VaR measure is dependent upon the Bank's position and the volatility of market prices. The VaR of an unchanged position reduces if market price volatility declines and vice versa.

The Bank validates the accuracy of VAR model by performing back-testing on the hypothetical profit or loss.

VaR positions during 2014 and 2013 were as follows:

	31 December			
	2014		2013	
	Foreign exchange	Interest rate	Foreign exchange	Interest rate
Average	14,606.05	7,363.59	28,165.30	8,355.18
Maximum	61,383.86	23,895.67	69,952.16	28,894.00
Minimum	1,414.31	1,979.88	350.04	3,785.73
As of 31 December	2,629.21	4,309.19	770.93	4,555.34

The limitations of the VaR methodology are recognized by supplementing VaR limits with other position and sensitivity limit structures, including limits to address potential concentration risks within each trading assets portfolio. In addition, the Bank uses stress testing to model the financial impact of a variety of exceptional market scenarios, such as non-parallel yield curves shifting and interest rates volatility.

3. FINANCIAL RISK MANAGEMENT (Continued)

e. Market risk management (continued)

Value at Risk ("VaR") analysis (continued)

The Bank monitors the sensitivity of fair value of available-for-sale securities to various standard and non-standard market scenarios, which was tested quarterly, covering parallel increase and decrease of 400 (four hundred) basis points (bps) in all yield curves. The table below describes the sensitivity of fair value of available-for-sale securities to these movements as of 31 December 2014 and 2013, and its impact to equity (in billions of Rupiah):

	31 December	
	2014	2013
Increase in fair value from securities due to 400 (four hundred) bps parallel decrease in yield curve	2,707	3,089
Decrease in fair value from securities due to 400 (four hundred) bps parallel increase in yield curve	(2,482)	(2,604)

f. Operational risk management

Risk and Control Self Assessment ("RCSA")

Basel Accord II requires Bank to include operational risk as one of the components in the calculation of the Bank's capital adequacy ratio. In accordance with Basel Accord II, in 2002, the Bank has started to implement Risk Self Assessment ("RSA") to all regional offices and branches, and all divisions in Head Office. One of the objectives of RSA is to disseminate the risk culture and to increase risk awareness which are the main conditions in managing those risks. By improving the risk culture, it is expected that the employees' risk control culture in their daily activities will increase.

In its implementation, RSA is continuously being improved with an aim to increase risk awareness in all business units. In 2006, the RSA was supplemented with control factors, and therefore its name was changed into RCSA. From 2007 to 2010, RCSA was implemented using sampling method based on certain criteria, especially for working units that are significantly exposed to operational risk.

Starting 2011, RCSA has been implemented in all business units in branches and Head Office that are significantly exposed to operational risk. The scale of impact and probability of event in RCSA have been re-evaluated and re-validated every year to provide the Bank with more appropriate and accurate risk levels for current business activities and risk profile of each working unit and the Bank as a whole. For the year 2014, the validation and review results of the impact and incurred possibility have been approved by management. The implementation of RCSA is on progress in all branches and regional offices and working units in Head Office that have significant operational risks.

Loss Event Database ("LED")

Bank has a database of cases or losses related to operational risks occurred in every working unit which is called Loss Event Database ("LED"). The objective of LED is to facilitate the Bank in recording and analyzing cases or problems faced by the Bank, thus preventive and corrective actions can be made for similar cases. The main purpose of LED is to minimize the Bank's potential losses from operational risks.

3. FINANCIAL RISK MANAGEMENT (Continued)

f. Operational risk management (continued)

Loss Event Database ("LED") (continued)

Further, LED is also used as a tool to summarize the loss data related to operational risks, which is used by Bank to allocate capital charge and to continuously monitor events that can give rise to Bank's operational losses. Currently, LED has been implemented in all regional offices, branches and working units in head office.

Key Risk Indicator ("KRI")

KRI is a method used to give indications (early warning sign) of the possibility of increasing operational risks in certain business unit. By the end of 2008, almost all branches had implemented the KRI method. In the early 2009, Bank enhanced KRI methodology by adding 7 (seven) new indicators. This enhancement is used to increase the risk awareness. Since mid 2009, all regional offices and branches have implemented the KRI methodology. In 2013, by considering the development of Bank's operational activities and to monitor the operational transactions effectively, therefore KRI was improved by using 6 (six) indicators in monitoring the operational risks.

Operational Risk Management Information System ("ORMIS")

ORMIS is a supporting application used in implementing RCSA, LED and KRI. Currently, all working units of the Bank have used the ORMIS in implementing RCSA, LED and KRI.

g. Consolidated risk management

In accordance with Bank Indonesia regulation No. 8/6/PBI/2006 dated 30 January 2006 regarding the Implementation of Consolidated Risk Management for Banks Performing Control of Subsidiaries, so that the Bank is required to implement a consolidated risk management.

Implementation of consolidated risk management in the Bank is performed based on Bank Indonesia regulation mentioned above, including:

- Active supervision of board of commissioners and directors;
- Adequate policies and procedures limits;
- Adequacy of identification, measurement, monitoring and risk control and risk management information system; and
- A comprehensive internal control.

By refering to the concept for implementation of consolidated risk management, the implementation of risk management framework in Subsidiaries has been indirectly monitored and examined by the Bank's management.

The Subsidiaries have implemented risk management in line with the implementation of risk management in the Bank (parent entity). Implementation of risk management in the Subsidiaries is aimed to increase competitiveness, as this is one of the Bank's efforts to comply with the international standards.

3. FINANCIAL RISK MANAGEMENT (Continued)

g. Consolidated risk management (continued)

The Bank has accounting information system and risk management system that can identify, measure and monitor the business risk of the Banks and Subsidiaries, in order to implement consolidated risk management effectively.

4. USE OF ESTIMATES AND JUDGMENT

This disclosure supplements the commentary on financial risk management (see Note 3).

a. Key sources of estimation uncertainty

a.1. Allowance for impairment losses of financial assets

Financial assets accounted for at amortized cost are evaluated for impairment on a basis described in Note 2v.

The specific counterparty component of the total allowances for impairment applies to claims evaluated individually for impairment and is based upon management's best estimate of the present value of the cash flows that are expected to be received. In estimating these cash flows, management makes judgments about the counterparty's financial situation and the net realizable value of any underlying collateral. Each impaired asset is assessed on its merits, and the workout strategy, and estimated cash flows considered recoverable are independently approved by the credit risk unit.

Collectively assessed impairment allowances cover credit losses inherent in portfolios of receivables with similar economic characteristics when there is an objective evidence to suggest that they contain impaired receivables, but the individual impaired items cannot yet be identified. In assessing the need for collective allowances, management considers factors such as credit quality, portfolio size, credit concentrations and economic factors. In order to estimate the required allowance, assumptions are made to define the way inherent losses are modeled and to determine the required input parameters, based on historical experiences and current economic conditions. The accuracy of the allowances depends on how well these estimated future cash flows for specific counterparty allowances and the model assumptions and parameters are used in determining collective allowances.

a.2. Determining fair values

In determining the fair value of financial assets and liabilities for which there is no observable market price, the Bank and Subsidiaries must use the valuation techniques as described in Note 2i.6. For financial instruments that trade infrequently and have little price transparency, fair value is less objective and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

4. USE OF ESTIMATES AND JUDGMENT (Continued)

b. Critical accounting judgments in applying the Bank and Subsidiaries' accounting policy

Critical accounting judgments made in applying the Bank and Subsidiaries' accounting policies include:

b.1. Valuation of financial instruments

The Bank and Subsidiaries' accounting policies on fair value measurements are discussed in Note 2i.6. The Bank and Subsidiaries measure fair values using the following hierarchy of methods:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Valuation techniques based on observable inputs. This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect difference between the instruments.

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices. For all other financial instruments, the Bank determines fair values using valuation techniques.

Valuation techniques include net present value and discounted cash flow models and comparison to similar instruments for which market observable prices exist. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other variables used in estimating discount rates, bond prices, foreign currency exchange rates and expected price volatilities and correlations.

The objective of these valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

4. USE OF ESTIMATES AND JUDGMENT (Continued)

b. Critical accounting judgments in applying the Bank and Subsidiaries' accounting policy (continued)

b.1. Valuation of financial instruments (continued)

The table below analyzes financial instruments measured at fair value by its level in the fair value hierarchy.

	31 December 2014		
	Level 1	Level 2	Total
Financial assets			
Held for trading			
Financial assets held for trading	1,635,590	1,008	1,636,598
Derivative assets	-	35,624	35,624
	1,635,590	36,632	1,672,222
Available-for-sale			
Investment securities	56,785,357	3,645,031	60,430,388
	58,420,947	3,681,663	62,102,610
Financial liabilities			
Held for trading			
Derivative liabilities	-	14,702	14,702

	31 December 2013		
	Level 1	Level 2	Total
Financial assets			
Held for trading			
Financial assets held for trading	1,021,964	191,000	1,212,964
Derivative assets	-	25,600	25,600
	1,021,964	216,600	1,238,564
Available-for-sale			
Investment securities	30,364,851	1,960,991	32,325,842
	31,386,815	2,177,591	33,564,406
Financial liabilities			
Held for trading			
Derivative liabilities	-	113,516	113,516

As of 31 December 2014 and 2013, available-for-sale investment securities excluded investment in shares amounted to Rp 128,862 and Rp 167,549, respectively, which were valued at cost, since the fair value cannot be measured reliably.

The Bank dan Subsidiaries did not have financial assets and liabilities measured at fair value which the measurements fall under level 3 (three) hierarchy.

4. USE OF ESTIMATES AND JUDGMENT (Continued)

b. Critical accounting judgments in applying the Bank and Subsidiaries' accounting policy (continued)

b.2. Financial asset and liability classification

The Bank and Subsidiaries' accounting policies provide scope for assets and liabilities to be designated on inception into different accounting categories in certain circumstances:

- In classifying financial assets and financial liabilities as "trading", the Bank and Subsidiaries have determined that it meets the description of trading assets as set out in Note 2i.1.
- In classifying financial assets as "held to maturity", the Bank and Subsidiaries have determined that the Bank and Subsidiaries have both the positive intention and ability to hold the assets until their maturity date as required (Note 2i.1).

5. CASH

	31 December	
	2014	2013
Rupiah	18,803,034	15,506,347
Foreign currencies	774,537	777,795
	19,577,571	16,284,142

The balance of cash in Rupiah includes cash in ATMs (Automatic Teller Machines) amounted to Rp 10,266,100 and Rp 7,716,103 as of 31 December 2014 and 2013, respectively.

6. CURRENT ACCOUNTS WITH BANK INDONESIA

	31 December	
	2014	2013
Rupiah	34,887,205	31,228,637
Foreign currencies	3,987,970	4,040,440
	38,875,175	35,269,077

Weighted average effective interest rates per annum of current accounts with Bank Indonesia denominated in Rupiah as of 31 December 2014 and 2013 were 1.69% and 1.62%, respectively.

6. CURRENT ACCOUNTS WITH BANK INDONESIA (Continued)

The balance of current accounts with Bank Indonesia is maintained to fulfill the Minimum Reserve Requirement from Bank Indonesia.

As of 31 December 2014 and 2013, the Bank's Primary Minimum Reserve Requirement, including Minimum Reserve Requirement on Loan-to-Deposit Ratio ("LDR"), was 8.36% and 8.30% for Rupiah currency, and 8.60% and 8.54% for foreign currencies, respectively. Secondary Minimum Reserve Requirement as of 31 December 2014 and 2013 was 20.74% and 20.45%, respectively, in form of Certificates of Bank Indonesia, government securities, sharia government securities and excess funds above the Minimum Reserve Requirement (excess reserve).

As of 31 December 2014 and 2013, the Bank fulfilled Bank Indonesia's regulation regarding the Statutory Reserve Requirement of Commercial Banks.

Information with regard to the classification and fair value of current accounts with Bank Indonesia is disclosed in Note 32. Information with regards to the maturity of current accounts with Bank Indonesia is disclosed in Note 37.

7. CURRENT ACCOUNTS WITH OTHER BANKS

	31 December	
	2014	2013
Rupiah	38,043	2,217
Foreign currencies	4,576,228	3,445,073
	4,614,271	3,447,290

Details of current accounts with other banks by counterparty as of 31 December 2014 and 2013 were as follows:

	31 December	
	2014	2013
Wells Fargo Bank, N.A.	1,146,076	618,616
JP Morgan Chase Bank	876,486	278,386
The Bank of New York Mellon Corporation	638,583	352,940
Standard Chartered Bank	254,514	321,366
Bank of China	191,466	178,355
Citibank, N.A.	185,144	137,959
Sumitomo Mitsui Banking Corp.	174,530	95,749
Oversea-Chinese Banking Corp. Ltd	146,839	178,011
United Overseas Bank Limited Co.	145,319	139,573
Bank of America, N.A.	141,696	127,767
DBS Bank	127,658	187,457
PT Bank Mandiri (Persero) Tbk	77,929	71,556
GBC International Bank	72,631	58,844
Barclays Bank	59,834	213,647
Royal Bank of Scotland	57,918	227,099
PT Bank Rabobank International Indonesia	37,507	1,346
Others	280,141	258,619
	4,614,271	3,447,290

7. CURRENT ACCOUNTS WITH OTHER BANKS (Continued)

As of 31 December 2014 and 2013, the Bank did not have balances of current accounts with other banks from related party.

Current accounts with foreign banks are placed in many countries.

Weighted average effective interest rates per annum of current accounts with other banks were as follows:

	Year ended 31 December	
	2014	2013
Rupiah	0.24%	0.82%
Foreign currencies	0.16%	0.16%

Management believes that the impairment losses of current accounts with other banks as of 31 December 2014 and 2013 were not required.

Information with regard to the classification and fair value of current accounts with other banks is disclosed in Note 32. Information with regards to the maturity of current accounts with other banks is disclosed in Note 37.

8. PLACEMENTS WITH BANK INDONESIA AND OTHER BANKS

Details of placements with Bank Indonesia and other banks by type and contractual period at initial placement were as follows:

	31 December 2014				
	Up to 1 month	> 1 - 3 months	> 3 - 6 months	> 6 - 12 months	Total
Bank Indonesia:					
Rupiah	6,071,025	-	-	-	6,071,025
Foreign currency	2,167,375	-	-	-	2,167,375
Call money:					
Rupiah	1,840,000	-	-	-	1,840,000
Foreign currencies	17,838	319,671	-	-	337,509
Time deposits:					
Rupiah	441,000	504,500	93,300	-	1,038,800
Foreign currencies	4,728	42,731	-	-	47,459
Others:					
Foreign currency	10	-	-	-	10
	10,541,976	866,902	93,300	-	11,502,178

8. PLACEMENTS WITH BANK INDONESIA AND OTHER BANKS (Continued)

	31 December 2013				
	Up to 1 month	> 1 - 3 months	> 3 - 6 months	> 6 - 12 months	Total
Bank Indonesia:					
Rupiah	3,007,260	-	-	-	3,007,260
Foreign currency	5,476,500	-	-	-	5,476,500
Call money:					
Rupiah	2,715,000	-	-	-	2,715,000
Foreign currencies	359,010	43,816	-	-	402,826
Time deposits:					
Rupiah	332,000	168,000	73,300	8,000	581,300
Foreign currencies	54,215	-	16,925	-	71,140
Others:					
Foreign currency	17	-	-	-	17
	11,944,002	211,816	90,225	8,000	12,254,043

Details of placements with Bank Indonesia and other banks by counterparty as of 31 December 2014 and 2013 were as follows:

	31 December	
	2014	2013
Bank Indonesia	8,238,400	8,483,760
PT Bank Pan Indonesia Tbk	500,000	650,000
PT Bank OCBC NISP Tbk	170,000	40,000
PT Bank DBS Indonesia	320,000	20,000
Deutshce Bank AG - Indonesia Branch	300,000	-
PT Bank Rabobank International Indonesia	200,000	10,000
PT Bank Pembangunan Daerah Jawa Barat & Banten Tbk	170,000	150,000
PT Bank Permata Tbk	185,228	66,490
PT Bank CTBC Indonesia	125,000	-
PT Bank UOB Indonesia	108,000	68,000
PT Bank Rakyat Indonesia Tbk	104,500	19,500
Standard Chartered Bank	100,000	400,000
PT Bank Pembangunan Daerah Jawa Tengah	100,000	100,000
Commonwealth Bank - Singapore	91,335	184,546
PT Bank Mandiri (Persero) Tbk	75,000	350,000
PT Bank Bukopin Tbk	50,000	350,000
PT Bank Pembangunan Daerah Riau Kepri	-	220,000
Royal Bank of Scotland	-	150,000
The Hongkong Shanghai Banking Corporation Ltd	-	100,000
Others	664,715	891,747
	11,502,178	12,254,043

As of 31 December 2014 and 2013, the Bank did not have balances of placements with other banks from related party.

Placements with foreign banks are placed in many countries.

8. PLACEMENTS WITH BANK INDONESIA AND OTHER BANKS (Continued)

Weighted average effective interest rates per annum of placements with Bank Indonesia and other banks were as follows:

	Year ended 31 December	
	2014	2013
Bank Indonesia and call money:		
Rupiah	5.88%	4.73%
Foreign currencies	0.35%	0.42%
Time deposits:		
Rupiah	7.96%	4.19%
Foreign currencies	2.75%	1.48%

The range of contractual interest rates of time deposits owned by the Bank in Rupiah currency were 5.50% - 11.00% and 3.75% - 11.00%, respectively, during the years ended 31 December 2014 and 2013, while the ranges of contractual interest rates of time deposits owned by the Bank in foreign currencies were 0.19% - 3.10% and 0.01% - 3.20%, respectively, during the years ended 31 December 2014 and 2013.

As of 31 December 2014, there were placements with Bank Indonesia and other banks amounted to Rp 20,000 which were used as collateral for securities trading transactions, while as 31 December 2013, there were no placements with Bank Indonesia and other banks which were used as collateral.

Management believes that the impairment losses of placements with Bank Indonesia and other banks as of 31 December 2014 and 2013 were not required.

Information with regard to the classification and fair value of placements with Bank Indonesia and other banks is disclosed in Note 32. Information with regard to the maturity of placements with Bank Indonesia and other banks is disclosed in Note 37.

9. FINANCIAL ASSETS AND LIABILITIES HELD FOR TRADING

Financial assets and liabilities held for trading consist of:

	31 December			
	2014		2013	
	Nominal value	Fair value	Nominal value	Fair value
Financial assets:				
Securities				
Government bonds	72,305	73,088	55,985	55,644
Certificates of Bank Indonesia	1,600,000	1,559,985	985,718	954,763
Corporate bonds	1,000	1,008	191,000	191,000
Shares	-	2,517	-	11,557
	1,673,305	1,636,598	1,232,703	1,212,964
Derivative assets				
Forward		10,600		14,482
Currency swap		24,314		10,730
Spot		710		388
		35,624		25,600
		1,672,222		1,238,564

9. FINANCIAL ASSETS AND LIABILITIES HELD FOR TRADING (Continued)

	31 December			
	2014		2013	
	Nominal value	Fair value	Nominal value	Fair value
Financial liabilities:				
Derivative liabilities				
Forward		5,901		32,643
Currency swap		7,379		79,268
Spot		1,422		1,605
		14,702		113,516

As of 31 December 2014 and 2013, the Bank and Subsidiaries did not have balances of financial assets and liabilities held for trading from and to related party.

During 2014 and 2013, there was no reclassification of financial instruments held for trading.

Information with regard to classification and fair value of financial assets and liabilities held for trading is disclosed in Note 32. Information with regard to the maturity of financial assets and liabilities held for trading is disclosed in Note 37.

10. ACCEPTANCE RECEIVABLES AND PAYABLES

a. The details of acceptance receivables

	31 December	
	2014	2013
Rupiah		
Non-bank debtors	1,022,216	587,568
Others banks	79,387	66,935
	1,101,603	654,503
Less:		
Allowance for impairment losses	(15,359)	(3,821)
	1,086,244	650,682
Foreign currencies		
Non-bank debtors	6,681,779	5,645,220
Others banks	182,325	224,393
	6,864,104	5,869,613
Less:		
Allowance for impairment losses	(380,984)	(85,919)
	6,483,120	5,783,694
Total acceptance receivables - net	7,569,364	6,434,376

10. ACCEPTANCE RECEIVABLES AND PAYABLES (Continued)

b. The details of acceptance payables

	31 December	
	2014	2013
Rupiah		
Non-bank debtors	125,891	100,694
Others banks	145,631	59,113
	271,522	159,807
Foreign currencies		
Non-bank debtors	190,897	277,658
Others banks	4,235,527	4,101,977
	4,426,424	4,379,635
Total acceptance payables	4,697,946	4,539,442

c. The movement of allowance for impairment losses of acceptance receivables

	Year ended 31 December 2014		
	Allowance for impairment losses		
	Rupiah	Foreign currencies	Total
Balance, beginning of year	(3,821)	(85,919)	(89,740)
Addition of allowance during the year	(11,538)	(295,258)	(306,796)
Exchange rate difference arising from allowance for impairment losses denominated in foreign currencies	-	193	193
Balance, end of year	(15,359)	(380,984)	(396,343)

	Year ended 31 December 2013		
	Allowance for impairment losses		
	Rupiah	Foreign currencies	Total
Balance, beginning of year	(3,014)	(58,810)	(61,824)
Addition of allowance during the year	(807)	(26,744)	(27,551)
Exchange rate difference arising from allowance for impairment losses denominated in foreign currencies	-	(365)	(365)
Balance, end of year	(3,821)	(85,919)	(89,740)

Management believes that the allowance for impairment losses provided was adequate to cover possible losses on uncollectible acceptance receivables.

As of 31 December 2014 and 2013, the Bank did not have balances of acceptance receivables and payables from and to related party.

10. ACCEPTANCE RECEIVABLES AND PAYABLES (Continued)

Information with regard to the classification and fair value of acceptance receivables and payables is disclosed in Note 32. Information with regard to the maturity of acceptance receivables and payables is disclosed in Note 37.

11. SECURITIES PURCHASED UNDER AGREEMENTS TO RESELL

This account represents receivables to Bank Indonesia and other banks for securities purchased with agreements to resell with details as follows:

	31 December 2014				
	Range of purchase date	Range of sale date	Resell price	Deferred interest income	Carrying value
Transactions with Bank Indonesia:					
Government bonds	13 Nov 14 - 29 Dec 14	5 Jan 15 - 18 Feb 15	18,310,430	(54,875)	18,255,555
Treasury bills	4 Dec 14 - 23 Dec 14	5 Jan 15 - 20 Jan 15	999,533	(1,690)	997,843
			19,309,963	(56,565)	19,253,398
Transactions with other banks:					
Government bonds	1 Dec 14 - 30 Dec 14	5 Jan 15 - 30 Jan 15	5,424,430	(20,118)	5,404,312
Certificate of Bank Indonesia	9 Dec 14 - 30 Dec 14	12 Jan 15 - 30 Jan 15	1,466,525	(3,517)	1,463,008
Treasury bills	30 Dec 14	30 Jan 15	169,843	(898)	168,945
			7,060,798	(24,533)	7,036,265
			26,370,761	(81,098)	26,289,663

	31 December 2013				
	Range of purchase date	Range of sale date	Resell price	Deferred interest income	Carrying value
Transactions with Bank Indonesia:					
Government bonds	10 Dec 13 - 30 Dec 13	2 Jan 14 - 21 Jan 14	38,921,796	(39,572)	38,882,224
Transactions with other banks:					
Government bonds	18 Dec 13 - 30 Dec 13	2 Jan 14 - 17 Jan 14	1,295,656	(2,416)	1,293,240
Certificate of Bank Indonesia	19 Dec 13 - 30 Dec 13	6 Jan 14 - 20 Jan 14	882,074	(1,367)	880,707
			2,177,730	(3,783)	2,173,947
			41,099,526	(43,355)	41,056,171

11. SECURITIES PURCHASED UNDER AGREEMENTS TO RESELL (Continued)

All securities purchased under agreements to resell as of 31 December 2014 and 2013 were government bonds denominated in Rupiah currency with investment grade ratings.

As of 31 December 2014 and 2013, the Bank did not have balances of securities purchased under agreements to resell with related party.

Management believes that the allowance for impairment losses of securities purchased under agreements to resell as of 31 December 2014 and 2013 were not required.

Weighted average effective interest rates per annum of securities purchased under agreements to resell for the years ended 31 December 2014 and 2013 were 6.25% and 5.33%, respectively.

Information with regard to the classification and fair value of securities purchased under agreements to resell is disclosed in Note 32. Information with regard to the maturity of securities purchased under agreements to resell is disclosed in Note 37.

12. LOANS RECEIVABLE

Loans receivable at amortized cost consisted of:

a. By type and currency

	31 December	
	2014	2013
Rupiah		
Related parties:		
Working capital	530,554	451,188
Investment	888	810
Consumer	22,268	23,708
	553,710	475,706
Third parties:		
Working capital	142,046,124	128,128,719
Investment	86,363,744	76,836,753
Consumer	83,482,281	79,554,845
Credit card	8,772,143	7,405,228
Employee loans	1,894,383	1,597,561
	322,558,675	293,523,106
	323,112,385	293,998,812
Foreign currencies		
Third parties:		
Working capital	14,735,947	11,359,931
Investment	8,714,978	6,931,645
	23,450,925	18,291,576
Total loans receivable	346,563,310	312,290,388
Less: Allowance for impairment losses		
Rupiah	(6,192,465)	(5,374,366)
Foreign currencies	(511,777)	(236,890)
	(6,704,242)	(5,611,256)
Total loans receivable - net	339,859,068	306,679,132

12. LOANS RECEIVABLE (Continued)

b. By economic sector and Bank Indonesia's collectibility

	31 December 2014						
	Pass	Special mention	Sub-standard	Doubtful	Loss	Allowance for impairment losses	Total
Rupiah							
Manufacturing	62,274,913	265,625	14,007	12,295	45,274	(934,863)	61,677,251
Business services	26,719,364	49,754	1,353	7,228	29,447	(172,175)	26,634,971
Trading, restaurants and hotels	85,827,540	594,883	112,239	69,136	419,948	(1,905,909)	85,117,837
Agriculture and agricultural facilities	14,789,725	15,089	5,672	-	10,666	(387,537)	14,433,615
Construction	7,071,134	77,830	384,353	4,022	30,831	(358,527)	7,209,643
Transportation, warehousing and communications	15,364,466	494,382	51,508	5,243	27,656	(751,821)	15,191,434
Social/public services	5,084,590	44,505	329	406	15,875	(103,445)	5,042,260
Mining	908,942	11,091	2,347	-	2,385	(45,174)	879,591
Electricity, gas and water	7,853,944	728	-	-	25,063	(27,616)	7,852,119
Others	90,667,784	3,046,966	143,859	134,858	393,130	(1,505,398)	92,881,199
	316,562,402	4,600,853	715,667	233,188	1,000,275	(6,192,465)	316,919,920
Foreign currencies							
Manufacturing	8,897,161	-	-	-	-	(247,038)	8,650,123
Business services	141,513	-	-	-	-	(1,624)	139,889
Trading, restaurants and hotels	4,848,386	30	-	73,780	-	(90,275)	4,831,921
Agriculture and agricultural facilities	1,399,373	-	-	-	-	(176)	1,399,179
Construction	18,717	-	-	-	-	(324)	18,393
Transportation, warehousing and communications	1,371,161	-	-	-	45,226	(150,295)	1,266,092
Social/public services	200,039	-	-	-	-	(3,845)	196,194
Mining	6,422,230	33,309	-	-	-	(18,200)	6,437,339
	23,298,580	33,339	-	73,780	45,226	(511,777)	22,939,148
Total	339,860,982	4,634,192	715,667	306,968	1,045,501	(6,704,242)	339,859,068

12. LOANS RECEIVABLE (Continued)

b. By economic sector and Bank Indonesia's collectability (continued)

	31 December 2013						
	Pass	Special mention	Sub-standard	Doubtful	Loss	Allowance for impairment losses	Total
Rupiah							
Manufacturing	52,282,886	82,489	20,995	12,096	57,849	(1,191,659)	51,264,656
Business services	26,166,761	107,453	809	12,448	27,003	(222,552)	26,091,922
Trading, restaurants and hotels	77,473,052	383,478	47,783	137,948	300,835	(2,011,193)	76,331,903
Agriculture and agricultural facilities	12,047,972	16,499	1,476	600	7,905	(172,294)	11,902,158
Construction	5,379,317	418,909	1,763	1,220	30,050	(228,410)	5,602,849
Transportation, warehousing and communications	17,418,465	40,698	50,415	2,908	72,162	(250,344)	17,334,304
Social/public services	4,985,924	23,646	1,502	-	3,190	(104,188)	4,910,074
Mining	1,119,851	2,413	1,756	100	71	(33,868)	1,090,323
Electricity, gas and water	6,127,778	19	-	-	28,528	(31,039)	6,125,286
Others	86,109,263	2,439,179	116,010	133,425	301,913	(1,128,819)	87,970,971
	289,111,269	3,514,783	242,509	300,745	829,506	(5,374,366)	288,624,446
Foreign currencies							
Manufacturing	10,446,923	2,077	-	-	-	(96,925)	10,352,075
Business services	272,300	-	-	-	-	(2,227)	270,073
Trading, restaurants and hotels	3,543,908	82,402	-	-	-	(73,462)	3,552,848
Agriculture and agricultural facilities	1,555,158	-	-	-	-	(654)	1,554,504
Construction	22,548	-	-	-	-	(208)	22,340
Transportation, warehousing and communications	1,650,769	-	-	-	-	(37,129)	1,613,640
Social/public services	133,541	-	-	-	-	(2,290)	131,251
Mining	581,950	-	-	-	-	(23,995)	557,955
	18,207,097	84,479	-	-	-	(236,890)	18,054,686
Total	307,318,366	3,599,262	242,509	300,745	829,506	(5,611,256)	306,679,132

12. LOANS RECEIVABLE (Continued)

c. By maturity

Loans receivable by maturity period based on loan agreements:

	31 December	
	2014	2013
Rupiah		
Up to 1 year	140,891,141	110,977,105
> 1 - 5 years	90,057,477	68,846,497
> 5 years	92,647,269	114,677,466
	323,595,887	294,501,068
Foreign currencies		
Up to 1 year	13,608,180	10,164,436
> 1 - 5 years	5,505,707	2,412,735
> 5 years	4,340,090	5,720,783
	23,453,977	18,297,954
Total loans receivable	347,049,864	312,799,022
Less:		
Deferred provision and commission income *)	(486,554)	(508,634)
Allowance for impairment losses	(6,704,242)	(5,611,256)
Total loans receivable - net	339,859,068	306,679,132

*) Deferred provision and commission income represent all provision, commissions and other fees received by the Bank on loan agreement, which are integral part of effective interest rate.

d. Syndicated loans

Syndicated loans represent loans provided to debtors under syndication agreements with other banks. Syndicated loans with risk sharing participation to the Bank's financing were as follows:

	31 December	
	2014	2013
Bank's participation as participant, ranged between 2.97% - 28.57% and 2.97% - 36.36%, respectively, for the years ended 31 December 2014 and 2013, with outstanding balance of Rp 5,567,115 and USD 71,563,428 as of 31 December 2014 (2013: Rp 5,940,709 and USD 62,022,450)	6,453,428	6,695,522
Bank's participation as arranger, ranged between 11.96% - 41.81% and 10.48% - 42.86%, respectively, for the years ended 31 December 2014 and 2013, with outstanding balance of Rp 5.337,955 and USD 180,647,994 as of 31 December 2014 (2013: Rp 2,340,596 and USD 43,840,771)	7,575,280	2,874,138
	14,028,708	9,569,660

12. LOANS RECEIVABLE (Continued)

e. Restructured loans

During the years ended 31 December 2014 and 2013, loan restructuring was conducted through modification of terms, reduction or extinguishment of a portion of loan balance and/or a combination of both. For restructured loans, the Bank did not have commitment to give additional loan facility.

f. The movement of allowance for impairment losses on loans receivable

	Year ended 31 December 2014						
	Collective impairment losses			Individual impairment losses			
	Rupiah	Foreign currencies	Sub-total	Rupiah	Foreign currencies	Sub-total	Total
Balance, beginning of year	(5,032,082)	(236,890)	(5,268,972)	(342,284)	-	(342,284)	(5,611,256)
Addition of allowance during the year *)	(1,085,106)	(191,784)	(1,276,890)	(324,180)	(85,033)	(409,213)	(1,686,103)
Loans written-off during the year	656,045	-	656,045	75	-	75	656,120
Recoveries on loans previously written-off	(64,933)	-	(64,933)	-	-	-	(64,933)
Exchange rate differences	-	3,908	3,908	-	(1,978)	(1,978)	1,930
Balance, end of year	(5,526,076)	(424,766)	(5,950,842)	(666,389)	(87,011)	(753,400)	(6,704,242)

	Year ended 31 December 2013						
	Collective impairment losses			Individual impairment losses			
	Rupiah	Foreign currencies	Sub-total	Rupiah	Foreign currencies	Sub-total	Total
Balance, beginning of year	(3,667,149)	(193,588)	(3,860,737)	(144,623)	(12,048)	(156,671)	(4,017,408)
(Addition) reversal of allowance during the year *)	(1,703,538)	32,807	(1,670,731)	(199,530)	14,369	(185,161)	(1,855,892)
Loans written-off during the year	384,517	-	384,517	1,995	-	1,995	386,512
Recoveries on loans previously written-off	(45,912)	-	(45,912)	(126)	(1,394)	(1,520)	(47,432)
Exchange rate differences	-	(76,109)	(76,109)	-	(927)	(927)	(77,036)
Balance, end of year	(5,032,082)	(236,890)	(5,268,972)	(342,284)	-	(342,284)	(5,611,256)

*) Including the reversal of discounted effect of allowance for impairment losses on financial assets for the years ended 31 December 2014 and 2013 amounted to Rp 4,433 and Rp 1,647, respectively (see Note 23).

Management believes that allowance for impairment losses provided was adequate to cover possible losses on uncollectible loans receivable. As of 31 December 2014 and 2013, allowance for collective impairment losses on loans receivable to related parties amounted to Rp 796 and Rp 147, respectively.

12. LOANS RECEIVABLE (Continued)

g. Joint financing

The Bank entered into joint financing agreements with several multi-finance companies for financing the purchase of vehicles. All risks from the loss arising from these joint financing facilities will be borne proportionally by both parties based on respective financing participation (without recourse). The Bank's portion of outstanding balance of joint financing receivable facilities as of 31 December 2014 and 2013 were Rp 33,630,725 and Rp 32,809,708, respectively.

h. Other significant information relating to loans receivable

As of 31 December 2014 and 2013, the Bank had no loans receivable which were pledged as collaterals.

Demand deposits, saving deposits and time deposits pledged as collateral for loans receivable amounted to Rp 10,002,728 and Rp 9,786,254, respectively as of 31 December 2014 and 2013 (see Note 16).

As of 31 December 2014 and 2013, the Bank, at individual level and at consolidated level, complied with Legal Lending Limit (LLL) requirements for both related parties and third parties.

Weighted average effective interest rates per annum of loans receivable were as follows:

	Year ended 31 December	
	2014	2013
Rupiah	10.70%	9.57%
Foreign currencies	4.49%	4.62%

Ratio of small business credits to loans receivable as of 31 December 2014 and 2013 was 0.66% and 0.79%, respectively.

The Bank's non-performing loans (classified as sub-standard, doubtful and loss) as of 31 December 2014 and 2013 amounted to Rp 2,067,459 and Rp 1,372,760, respectively.

As of 31 December 2014, the percentage of non-performing loan ("NPL") - gross and NPL - net was 0.60% and 0.22%, respectively, (2013: 0.44% and 0.19%), which was calculated based on prevailing Bank Indonesia Regulations.

Information with regard to the classification and fair value of loans receivable is disclosed in Note 32. Information with regard to the maturity of loan receivables is disclosed in Note 37. Information with regard to the details of loans receivable by geographic region is disclosed in Note 36.

13. CONSUMER FINANCING RECEIVABLES

The Subsidiaries' consumer financing receivables at amortized cost were as follows:

	31 December	
	2014	2013
Consumer financing receivables		
- Self-financing	5,368,285	4,420,514
- Share in joint financing with related parties without recourse	5,635,111	3,471,083
Unamortized transaction cost - net	(168,773)	(717,200)
Unrecognized consumer financing income	(3,660,333)	(1,865,386)
Consumer financing receivables, before allowance for impairment losses	7,174,290	5,309,011
Less:		
Allowance for impairment losses	(201,062)	(79,673)
Total consumer financing receivables - net	6,973,228	5,229,338

Contractual interest rates per annum for consumer financing during 2014 and 2013 were 7.04% - 38.53% and 7.04% - 24.00%, respectively.

The Subsidiaries extend consumer financing contracts for 4 (four) wheels vehicle with terms ranging from 1 (one) year to 6 (six) years, while consumer financing contracts for 2 (two) wheels vehicle ranging from 1 (one) year to 4 (four) years.

The movement in the allowance for impairment losses on consumer financing receivables were as follows:

	Year ended 31 December	
	2014	2013
Balance, beginning of year	(79,673)	(76,401)
Beginning balance of acquired subsidiary	(64,652)	-
Addition of allowance during the year	(239,989)	(18,848)
Written-off during the year	183,252	15,576
Balance, end of year	(201,062)	(79,673)

The collection of consumer financing receivables previously written-off amounted to Rp 8,015 and Rp 2,803 in 2014 and 2013, respectively.

As of 31 December 2014 and 2013 consumer financing receivables, before deduction of unearned income, amounted to Rp 3,219,018 and Rp 2,303,375, respectively, were pledged as collateral to short-term loans and overdraft, and debt securities issued.

The consumer financing receivables are secured by the related certificates of ownership ("BPKB") of the vehicles being financed by the Subsidiaries.

13. CONSUMER FINANCING RECEIVABLES (Continued)

Management believes that the allowance for impairment losses is adequate to cover possible losses arising from uncollectible consumer financing receivables.

Information with regard to the classification and fair value of consumer financing receivables is disclosed in 32. Information with regard to the maturity of consumer financing receivables is disclosed in Note 37.

14. INVESTMENT SECURITIES

The details of investment securities by type and currency as of 31 December 2014 and 2013 were as follows:

	31 December 2014				
Description	Nominal amount	Unamortized premium (discount)	Unrealized (loss) gain	Allowance for impairment losses	Total
Rupiah					
Held to maturity:					
Government bonds					
- Recapitalization	2,260,000	(906)	-	-	2,259,094
- Non-recapitalization	5,371,379	33,737	-	-	5,405,116
Corporate bonds	3,103,000	24,300	-	(300,654)	2,826,646
Available-for-sale:					
Certificates of Bank Indonesia	32,000,000	(427,607)	8,712	-	31,581,105
Government bonds					
- Recapitalization	90,000	(11)	(472)	-	89,517
- Non-recapitalization	17,602,773	317,483	(811,014)	-	17,109,242
Mutual fund units	3,355,536	-	558,880	-	3,914,416
Corporate bonds	2,759,000	2,082	(41,223)	(92,848)	2,627,011
Medium-term notes	500,000	(11)	1,277	-	501,266
Money market investment	540,000	(23,041)	(205)	-	516,754
Investment in shares	146,810	-	-	(17,948)	128,862
Others	20,000	105	(19,105)	(1,000)	-
	67,748,498	(73,869)	(303,150)	(412,450)	66,959,029
Foreign currencies					
Held to maturity:					
Government bonds, non-recapitalization	899,227	51,161	-	-	950,388
Medium-term notes	283,725	17,017	-	(256,412)	44,330
Available-for-sale:					
Government bonds, non-recapitalization	2,918,030	7,771	205,771	-	3,131,572
Corporate bonds	953,645	(3,231)	(2,050)	-	948,364
Medium-term notes	111,465	2,519	-	(102,843)	11,141
	5,166,092	75,237	203,721	(359,255)	5,085,795
Total investment securities	72,914,590	1,368	(99,429)	(771,705)	72,044,824

14. INVESTMENT SECURITIES (Continued)

Description	31 December 2013				
	Nominal amount	Unamortized premium (discount)	Unrealized gain (loss)	Allowance for impairment losses	Total
Rupiah					
Held to maturity:					
Government bonds					
- Recapitalization	4,277,978	(3,413)	-	-	4,274,565
- Non-recapitalization	5,539,138	66,418	-	-	5,605,556
Corporate bonds	4,204,000	5,469	-	(297,825)	3,911,644
Available-for-sale:					
Certificates of Bank Indonesia	4,777,897	(111,154)	(2,919)	-	4,663,824
Indonesia treasury bills	748,500	(3,191)	384	-	745,693
Government bonds					
- Recapitalization	1,520,000	13	(12,043)	-	1,507,970
- Non-recapitalization	17,693,470	438,881	(1,107,631)	-	17,024,720
Mutual fund units	1,713,250	-	523,155	-	2,236,405
Corporate bonds	2,135,000	2,149	(82,795)	(93,363)	1,960,991
Investment in shares	180,814	-	-	(13,265)	167,549
	42,790,047	395,172	(681,849)	(404,453)	42,098,917
Foreign currencies					
Held to maturity:					
Government bonds, non-recapitalization	2,068,916	4,918	-	-	2,073,834
Medium-term notes	292,085	(2,136)	-	(241,601)	48,348
Available-for-sale:					
Government bonds, non-recapitalization	3,766,737	(22,673)	59,066	-	3,803,130
Corporate bonds	389,440	(1,887)	(15,391)	-	372,162
Medium-term notes	109,530	2,420	-	(101,003)	10,947
	6,626,708	(19,358)	43,675	(342,604)	6,308,421
Total investment securities	49,416,755	375,814	(638,174)	(747,057)	48,407,338

As of 31 December 2014 and 2013, the Bank did not have investment securities pledged as collateral.

During the years ended 31 December 2014 and 2013, the Bank reclassified certain held to maturity investment securities to available-for-sale amounted to Rp 4,632,795 (fair value of Rp 4,648,498) and Rp 3,374,010 (fair value of Rp 3,452,746), respectively. Such reclassifications were made for investment closed to its maturity date (will be matured in less than six months) and fulfill the requirements of reclassification requirements in PSAK No. 55 (2011 Revision).

Management believes that changes of interest rate will have no significant impact to the fair value of those investment securities. The balance of available-for-sale securities reclassified from held to maturity as of 31 December 2014 and 2013 were Rp 1,602,044 and Rp 826,534, respectively.

14. INVESTMENT SECURITIES (Continued)

The details of government recapitalization bonds owned by the Bank as of 31 December 2014 and 2013 were as follows:

	31 December 2014				
	Nominal amount	Fair value	Maturity date	Frequency of interest payment	Carrying value
Held to maturity:					
VR0021 series	1,110,000	1,099,866	25 Nov 2015	3 months	1,109,122
VR0023 series	1,050,000	1,041,915	25 Oct 2016	3 months	1,051,239
VR0026 series	100,000	98,316	25 Jan 2018	3 months	98,733
	2,260,000	2,240,097			2,259,094
Available-for-sale:					
VR0020 series	70,000	69,671	25 Apr 2015	3 months	69,671
VR0023 series	20,000	19,846	25 Oct 2016	3 months	19,846
	90,000	89,517			89,517

	31 December 2013				
	Nominal amount	Fair value	Maturity date	Frequency of interest payment	Carrying value
Held to maturity:					
VR0019 series	1,947,978	1,932,511	25 Dec 2014	3 months	1,947,459
VR0020 series	70,000	69,486	25 Apr 2015	3 months	69,885
VR0021 series	1,110,000	1,101,331	25 Nov 2015	3 months	1,108,108
VR0023 series	1,050,000	1,043,732	25 Oct 2016	3 months	1,050,388
VR0026 series	100,000	99,657	25 Jan 2018	3 months	98,725
	4,277,978	4,246,717			4,274,565
Available-for-sale:					
VR0019 series	1,500,000	1,488,090	25 Dec 2014	3 months	1,488,090
VR0023 series	20,000	19,880	25 Oct 2016	3 months	19,880
	1,520,000	1,507,970			1,507,970

14. INVESTMENT SECURITIES (Continued)

The weighted average interest rates per annum for investment securities were as follows:

	Year ended 31 December			
	2014		2013	
	Rupiah (%)	Foreign currencies (%)	Rupiah (%)	Foreign currencies (%)
Held to maturity:				
Government bonds	7.65	5.54	7.48	7.73
Corporate bonds	9.36	-	9.69	-
Medium-term notes	-	2.58	-	8.80
Available-for-sale:				
Certificates of Bank Indonesia	6.73	-	5.39	-
Indonesia treasury bills	-	-	6.93	-
Government bonds	6.33	4.86	6.19	6.40
Corporate bonds	8.76	3.12	7.73	5.86
Zero coupon bonds	-	-	8.72	-
Medium-term notes	8.17	1.09	-	5.80

The movement of allowance for impairment losses of investment securities for the years ended 31 December 2014 and 2013 were as follows:

	Year ended 31 December 2014						
	Collective impairment losses			Individual impairment losses			
	Rupiah	Foreign currencies	Sub-total	Rupiah	Foreign currencies	Sub-total	Total
Balance, beginning of year	(21,311)	(80)	(21,391)	(383,142)	(342,524)	(725,666)	(747,057)
(Addition) reversal of allowance during the year *)	(4,651)	4	(4,647)	(3,346)	6,045	2,699	(1,948)
Exchange rate difference	-	(5)	(5)	-	(22,695)	(22,695)	(22,700)
Balance, end of year	(25,962)	(81)	(26,043)	(386,488)	(359,174)	(745,662)	(771,705)

	Year ended 31 December 2013						
	Collective impairment losses			Individual impairment losses			
	Rupiah	Foreign currencies	Sub-total	Rupiah	Foreign currencies	Sub-total	Total
Balance, beginning of year	(33,410)	(63)	(33,473)	(354,230)	(241,795)	(596,025)	(629,498)
(Addition) reversal of allowance during the year *)	12,099	103	12,202	(28,912)	(90,598)	(119,510)	(107,308)
Exchange rate difference	-	(120)	(120)	-	(10,131)	(10,131)	(10,251)
Balance, end of year	(21,311)	(80)	(21,391)	(383,142)	(342,524)	(725,666)	(747,057)

*) Including the reversal of discounted effect of impaired financial assets for the year ended 31 December 2014 and 2013 amounted to Rp 4,789 and Rp 9,594 (see Note 23).

Management believes that the balance of allowance for impairment losses provided was adequate to cover possible losses on uncollectible investment securities.

14. INVESTMENT SECURITIES (Continued)

The movement of unrealized gain (loss) from the change in fair value of available-for-sale investment securities were as follows:

	Year ended 31 December 2014		
	Rupiah	Foreign currencies	Total
Balance, beginning of year before deferred income tax	(681,849)	43,675	(638,174)
Addition of unrealized gain during the year - net	579,815	147,040	726,855
Realized gain from sale during the year - net	(201,117)	(19)	(201,136)
Exchange rate difference	-	13,026	13,026
Total before deferred income tax	(303,151)	203,722	(99,429)
Deferred income tax (Note 17)			24,857
Balance, end of year - net			(74,572)

	Year ended 31 December 2013		
	Rupiah	Foreign currencies	Total
Balance, beginning of year before deferred income tax	886,714	256,046	1,142,760
Addition of unrealized loss during the year - net	(1,489,261)	(228,868)	(1,718,129)
Realized gain from sale during the year - net	(79,302)	-	(79,302)
Exchange rate difference	-	16,497	16,497
Total before deferred income tax	(681,849)	43,675	(638,174)
Deferred income tax (Note 17)			159,543
Balance, end of year - net			(478,631)

14. INVESTMENT SECURITIES (Continued)

The following table represents the summary of ratings and credit rating companies of Bank's investment securities as of 31 December 2014 and 2013:

	31 December			
	2014		2013	
	Rating	Rated by	Rating	Rated by
Government of the Republic of Indonesia	BBB-	Fitch	BBB-	Fitch
Government of the United States of America	AAA	Fitch	-	-
Perum Pegadaian	AA+	Pefindo	AA+	Pefindo
PT Arpeni Ocean Line Tbk	D	Pefindo	D	Pefindo
PT Astra Sedaya Finance	AAA	Pefindo	AA+	Pefindo
PT Aneka Tambang Tbk	A	Pefindo	AA-	Pefindo
PT Bank CIMB Niaga Tbk	AAA	Pefindo	AAA	Pefindo
PT Bank ICBC Indonesia	F1+	Fitch	-	-
PT Bank Internasional Indonesia Tbk	AAA	Pefindo	AAA	Pefindo
PT Bank Jabar Banten Tbk	-	-	AA-	Pefindo
PT Bank Pan Indonesia Tbk	AA	Pefindo	AA	Pefindo
PT Bank Permata Tbk	AAA	Pefindo	AA+	Pefindo
PT Bank Rakyat Indonesia (Persero) Tbk	BBB-	Fitch	BBB-	Fitch
PT BPD Riau Kepri	A	Fitch	A	Fitch
PT Bank Tabungan Negara (Persero) Tbk	AA	Pefindo	AA	Pefindo
PT Bank Tabungan Pensiunan Nasional Tbk	AA	Fitch	AA-	Fitch
PT Berlian Laju Tanker Tbk	D	Pefindo	D	Pefindo
PT Express Transindo Utama	A	Pefindo	-	-
PT Fastfood Indonesia Tbk	AA	Pefindo	AA	Pefindo
PT Federal Internasional Finance	AAA	Pefindo	-	-
PT Indofood Sukses Makmur Tbk	AA+	Pefindo	AA+	Pefindo
PT Indosat Tbk	AAA	Pefindo	AA+	Pefindo
PT Japfa Comfeed Indonesia Tbk	A+	Pefindo	A+	Pefindo
PT Jasa Marga (Persero) Tbk	AA	Pefindo	AA	Pefindo
PT Lautan Luas Tbk	A-	Pefindo	A-	Pefindo
PT Medco Energi International Tbk	AA-	Pefindo	AA-	Pefindo
PT Nippon Indosari Corpindo	AA-	Pefindo	AA-	Pefindo
PT OCBC NISP Tbk	-	-	AAA	Pefindo
PT Oto Multiartha	-	-	AA	Pefindo
PT Pertamina (Persero)	BBB-	Fitch	BB+	Pefindo
PT Perusahaan Listrik Negara	AAA	Pefindo	AAA	Pefindo
PT Profesional Telekomunikasi Indonesia	AA-	Fitch	-	-
PT Telekomunikasi Indonesia (Persero) Tbk	AAA	Pefindo	AAA	Pefindo

Information with regard to the classification and fair value of investment securities is disclosed in Note 32. Information with regard to the maturity of investment securities is disclosed in Note 37.

15. FIXED ASSETS

Fixed assets consisted of:

	31 December 2014				
	Beginning balance	Additions**)	Deductions	Reclassifications	Ending balance
Acquisition cost/revaluation amount					
Direct ownership					
Land*)	2,500,051	114,702	(891)	87,607	2,701,469
Buildings*)	2,752,484	78,734	(4,526)	130,786	2,957,478
Office furnitures, fixtures and equipments*)	5,708,408	1,452,908	(166,872)	521	6,994,965
Motor vehicles	38,799	8,806	(3,700)	-	43,905
Construction in progress	1,374,759	1,023,110	(188,691)	(218,914)	1,990,264
Leased assets	28,512	32,423	(23,784)	-	37,151
Carry forward	12,403,013	2,710,683	(388,464)	-	14,725,232

*) Revalued in 1998 and 2000.
**) Included in the additions of fixed assets is the beginning balance of fixed assets from acquired Subsidiary (at cost of Rp 49,333 and accumulated depreciation of Rp 15,809).

15. FIXED ASSETS (Continued)

	31 December 2014				
	Beginning balance	Additions**)	Deductions	Reclassifications	Ending balance
Acquisition cost/revaluation amount					
Carried forward	12,403,013	2,710,683	(388,464)	-	14,725,232
Accumulated depreciation					
Direct ownership					
Buildings	(911,375)	(140,668)	2,060	-	(1,049,983)
Office furnitures, fixtures and equipments	(4,017,186)	(953,136)	164,254	-	(4,806,068)
Motor vehicles	(15,587)	(6,887)	2,642	-	(19,832)
Leased assets	(18,848)	(6,976)	21,405	-	(4,419)
	(4,962,996)	(1,107,667)	190,361	-	(5,880,302)
Net book value	7,440,017				8,844,930

	31 December 2013				
	Beginning balance	Additions***)	Deductions	Reclassifications	Ending balance
Acquisition cost/revaluation amount					
Direct ownership					
Land*)	2,354,674	96,472	(5,560)	54,465	2,500,051
Buildings*)	2,242,346	287,030	(9,282)	232,390	2,752,484
Office furnitures, fixtures and equipments*)	4,769,261	1,178,824	(240,518)	841	5,708,408
Motor vehicles	29,461	11,379	(2,041)	-	38,799
Construction in progress	1,195,970	1,369,671	(903,186)	(287,696)	1,374,759
Leased assets	28,653	1,329	(1,470)	-	28,512
	10,620,365	2,944,705	(1,162,057)	-	12,403,013
Accumulated depreciation					
Direct ownership					
Buildings	(795,371)	(122,440)	6,436	-	(911,375)
Office furnitures, fixtures and equipments	(3,396,690)	(857,722)	237,226	-	(4,017,186)
Motor vehicles	(11,345)	(5,840)	1,598	-	(15,587)
Leased assets	(10,334)	(9,983)	1,469	-	(18,848)
	(4,213,740)	(995,985)	246,729	-	(4,962,996)
Net book value	6,406,625				7,440,017

*) Revalued in 1998 and 2000.

**) Included in the additions of fixed assets is the beginning balance of fixed assets from acquired Subsidiary (at cost of Rp 49,333 and accumulated depreciation of Rp 15,809).

***) Included in the additions of fixed assets is the beginning balance of fixed assets from acquired Subsidiary (at cost of Rp 5,549 and accumulated depreciation of Rp 2,512).

15. FIXED ASSETS (Continued)

Revaluation of fixed assets

In accordance with Decree of Minister of Finance No. 384/KMK/04/1998 dated 14 August 1998, the Bank has revalued certain fixed assets on 31 December 1998. The revaluation of fixed assets was based on the appraisal report from PT Ujatek Baru dated 24 March 1999 which was determined using market data approach and resulted in fixed asset revaluation difference of Rp 1,043,470. Such fixed asset revaluation difference has been approved by the Jakarta Tamansari Tax Office with its letter No. KEP-2111/WPJ.05/KP.09/1999 dated 3 October 1999.

On 31 October 2000, the Bank revalued certain fixed assets amounted to Rp 141,127 in relation to the Bank's quasi-reorganization. The revaluation of fixed assets was based on the appraisal report from PT Ujatek Baru dated 20 December 2000 which was determined using market data approach.

The fixed asset revaluation difference in 2000 amounted to Rp 141,127 was approved by Listed Company Tax Office with its letter No. KEP-04/WPJ.06/KP.0404/2001 dated 15 June 2001. The fixed asset revaluation difference was allocated to additional paid-in capital due to quasi-reorganization amounted to Rp 124,690.

In 2008, the Bank and Subsidiaries chose the cost method as their accounting policy for fixed assets in accordance with PSAK No. 16 (2007 Revision), "Fixed Assets", and reclassified all remaining fixed asset revaluation difference of Rp 1,059,907 which was presented as part of equity in the consolidated statement of financial position to the consolidated retained earnings.

Other informations

As of 31 December 2014 and 2013, the Bank did not have any fixed assets pledged as collateral.

Depreciation charged to general and administrative expenses for the years ended 31 December 2014 and 2013 amounted to Rp 1,091,858 and Rp 993,473, respectively.

Gain on sale of fixed assets recognized as part of non-operating income, for the years ended 31 December 2014 and 2013, amounted to Rp 1,752 and Rp 14,016, respectively.

The Bank has insured its fixed assets (excluding land rights) to cover the possible losses from fire, theft and natural disaster with a total coverage of Rp 6,547,509 and USD 442,390,508 as of 31 December 2014, and Rp 4,525,887 and USD 331,396,788 as of 31 December 2013. Management believes that the insurance coverage is adequate to cover possible losses from such risks.

As of 31 December 2014 and 2013, the cost of fully depreciated fixed assets that are still in used amounted to Rp 2,474,588 and Rp 2,040,468, respectively.

No impairment losses on fixed assets existed during 2014 and 2013.

16. DEPOSITS FROM CUSTOMERS AND OTHER BANKS

a. Deposits from customers

	31 December					
	2014			2013		
	Rupiah	Foreign currencies	Total	Rupiah	Foreign currencies	Total
Demand deposits:						
Related parties	339,636	43,534	383,170	742,958	100,775	843,733
Third parties	90,161,026	16,875,149	107,036,175	85,573,482	16,739,591	102,313,073
	90,500,662	16,918,683	107,419,345	86,316,440	16,840,366	103,156,806
Savings:						
Related parties	47,186	30,433	77,619	19,424	14,375	33,799
Third parties:						
Tahapan	207,516,803	-	207,516,803	198,073,387	-	198,073,387
Tapres	7,553,505	-	7,553,505	7,867,172	-	7,867,172
Tabunganku	824,711	-	824,711	620,481	-	620,481
Tahapan Xpresi	91,563	-	91,563	40,385	-	40,385
BCA Dollar	-	12,928,538	12,928,538	-	13,102,367	13,102,367
	216,033,768	12,958,971	228,992,739	206,620,849	13,116,742	219,737,591
Time deposits:						
Related parties	646,485	12,302	658,787	104,120	6,208	110,328
Third parties	103,202,347	7,632,538	110,834,885	78,487,318	7,993,720	86,481,038
	103,848,832	7,644,840	111,493,672	78,591,438	7,999,928	86,591,366
Total deposits from customers	410,383,262	37,522,494	447,905,756	371,528,727	37,957,036	409,485,763

b. Deposits from other banks

	31 December					
	2014			2013		
	Rupiah	Foreign currencies	Total	Rupiah	Foreign currencies	Total
Demand deposits	2,548,550	1,158,486	3,707,036	1,714,281	1,548,863	3,263,144
Time deposits	47,224	-	47,224	37,895	-	37,895
Total deposits from other banks	2,595,774	1,158,486	3,754,260	1,752,176	1,548,863	3,301,039

As of 31 December 2014 and 2013, the Bank did not have balances of deposits from other banks from related party.

c. The weighted average effective interest rates per annum for deposits from customers and other banks were as follows:

	Year ended 31 December			
	2014		2013	
	Rupiah (%)	Foreign currencies (%)	Rupiah (%)	Foreign currencies (%)
Deposits from customers:				
Demand deposits	1.16	0.13	1.22	0.13
Savings	1.22	0.19	1.24	0.25
Time deposits	7.43	0.35	4.73	0.53
Deposits from other banks:				
Demand deposits	0.56	0.01	0.61	0.01
Interbank call money	5.90	0.78	-	-
Time deposits	5.88	-	3.54	-

16. DEPOSITS FROM CUSTOMERS AND OTHER BANKS (Continued)

d. Time deposits based on maturity period

	31 December					
	2014			2013		
	Rupiah	Foreign currencies	Total	Rupiah	Foreign currencies	Total
1 month	87,982,668	6,550,662	94,533,330	61,471,955	6,457,178	67,929,133
3 months	9,355,509	430,921	9,786,430	7,470,732	545,738	8,016,470
6 months	2,995,189	186,384	3,181,573	3,930,320	225,441	4,155,761
12 months	3,562,690	476,873	4,039,563	5,756,326	771,571	6,527,897
	103,896,056	7,644,840	111,540,896	78,629,333	7,999,928	86,629,261

e. Time deposits based on remaining period until maturity date

	31 December					
	2014			2013		
	Rupiah	Foreign currencies	Total	Rupiah	Foreign currencies	Total
Up to 1 month	90,269,393	6,713,090	96,982,483	64,517,547	6,693,044	71,210,591
> 1 - 3 months	9,466,671	427,113	9,893,784	7,830,258	604,226	8,434,484
> 3 - 6 months	2,228,195	203,290	2,431,485	3,186,426	237,636	3,424,062
> 6 - 12 months	1,931,797	301,347	2,233,144	3,095,102	465,022	3,560,124
	103,896,056	7,644,840	111,540,896	78,629,333	7,999,928	86,629,261

f. Deposits pledged as collateral to loans granted by the Bank as of 31 December 2014 and 2013 (see Note 12) were as follows:

	31 December	
	2014	2013
Demand deposits	840,196	537,992
Savings	1,155,326	742,268
Time deposits	8,007,206	8,505,994
	10,002,728	9,786,254

Information with regard to the classification and fair value of deposits from customers and other banks is disclosed in Note 32. Information with regard to the maturity of deposits from customers and other banks is disclosed in Note 37.

17. INCOME TAX

a. Current tax liabilities

	31 December	
	2014	2013
Bank	199,878	238,959
Subsidiaries	51,940	37,058
	251,818	276,017

17. INCOME TAX (Continued)

b. Tax expenses

	Year ended 31 December	
	2014	2013
Current tax:		
During the year		
Bank	4,146,813	3,658,727
Subsidiaries	402,161	314,551
	4,548,974	3,973,278
Deferred tax:		
Origination and reversal of temporary differences		
Bank	(290,644)	(399,542)
Subsidiaries	(28,879)	(14,369)
	(319,523)	(413,911)
	4,229,451	3,559,367

c. In accordance with Article 2 of Government Regulation No. 77/2013 regarding the Guidelines on the Implementation and Supervision on the Tariff Reduction for Domestic Tax Payers in the form of Public Companies, signed by President of Republic Indonesia on 21 November 2013, tax payers can receive a reduction of 5% (five percent) lower than income tax rate for a domestic tax payer as stipulated by Tax Law, if the company fulfilled the following criteria:

1. The public owned 40% (forty percent) or more of the total paid up shares and those shares are owned by at least 300 (three hundred) parties.
2. Each party can only own less than 5% (five percent) of total paid-up shares.
3. The tax payer should fulfill the above mentioned criteria at least within 6 (six) months (183 (one hundred and eighty three) calendar days) in 1 (one) fiscal year.

The tax payers should attach the declaration letter from Securities Administration Agency ("*Biro Administrasi Efek*") to the annual income tax return of the tax payers with the form X.H.1-2 as provided in Decision Letter of the Chairman of Capital Market and Financial Institution Supervisory Agency ("Bapepam-LK") No. KEP-669/BL/2012 dated 13 December 2012 for the respective fiscal year.

On 8 January 2015 and 2014, the Bank received a declaration letter from the Securities Administration Agency for the fulfillment of the above criteria for fiscal year 2014 and 2013, respectively.

17. INCOME TAX (Continued)

d. The reconciliation of consolidated accounting income before tax to taxable income of the Bank was as follows:

	Year ended 31 December	
	2014	2013
Consolidated accounting income before tax	20,741,121	17,815,606
Eliminations	585,104	1,083,182
Before eliminations	21,326,225	18,898,788
Subsidiaries' income before income tax	(1,507,075)	(1,270,296)
Accounting income before tax - Bank	19,819,150	17,628,492
Permanent differences:		
Employees' welfare	297,181	89,219
Rent income	(14,375)	(10,720)
Dividends from Subsidiaries	(551,499)	(1,070,581)
Other expenses which can not be added/deducted for tax calculation purposes - net	21,031	59,057
	(247,662)	(933,025)
Temporary differences:		
Obligation for post-employment benefits	237,162	665,149
Additional of impairment losses on financial assets	859,436	904 ,994
Additional (reversal) of impairment losses on non-financial assets	1,771	(510)
Unrealized (gain) loss of trading and available-for-sale investment securities	(518)	7,971
Accrued employees' benefits	64,725	20,563
	1,162,576	1,598,167
Taxable income	20,734,064	18,293,634

e. The reconciliation between consolidated accounting income before tax multiplied by the maximum tax rate and tax expense was as follows:

	Year ended 31 December	
	2014	2013
Consolidated accounting income before tax	20,741,121	17,815,606
Maximum tax rate	25%	25%
	5,185,280	4,453,902
Permanent differences at 25% - Bank	(61,916)	(233,256)
Income tax expense - Bank	5,123,364	4,220,646
Income tax expenses - Subsidiaries	142,790	253,403
	5,266,154	4,474,049
Adjustment of corporate income tax rate - Bank (Note 17c)	(1,036,703)	(914,682)
Tax expense - consolidated	4,229,451	3,559,367

17. INCOME TAX (Continued)

f. The calculation of current tax and income tax payable were as follows:

	2014	2013
Taxable income:		
Bank	20,734,064	18,293,634
Subsidiaries	1,507,075	1,258,204
	22,241,139	19,551,838
Current tax:		
Bank	4,146,813	3,658,727
Subsidiaries	402,161	314,551
	4,548,974	3,973,278
Prepaid taxes:		
Bank	(3,946,935)	(3,419,768)
Subsidiaries	(350,221)	(277,493)
	(4,297,156)	(3,697,261)
Income tax payable:		
Bank	199,878	238,960
Subsidiaries	51,940	37,057
	251,818	276,017

The calculation for 2014 corporate income tax is the calculation which will be reported when the Bank submits its 2014 annual corporate income tax return. The corporate income tax calculation for 2013 agreed with the 2013 Bank's annual tax return.

g. The items that gave rise to significant portion of deferred tax assets and liabilities as of 31 December 2014 and 2013 were as follows:

	31 December 2013	Recognized in current year profit or loss	Recognized in current year other comprehensive income	31 December 2014
Parent entity - Bank:				
Deferred tax assets:				
Obligation for post-employment benefits	876,038	59,291	-	935,329
Allowance for impairment losses of financial assets	652,662	214,859	-	867,521
Allowance for impairment losses of non-financial assets	85	442	-	527
Accrued employees' benefits	40,623	16,181	-	56,804
Unrealized loss on available-for-sale investment securities	154,730	-	(134,831)	19,899
	1,724,138	290,773	(134,831)	1,880,080
Deferred tax liability:				
Unrealized gain on trading securities	(3,107)	(129)	-	(3,236)
	(3,107)	(129)	-	(3,236)
Deferred tax assets - net - carry forward	1,721,031	290,644	(134,831)	1,876,844

17. INCOME TAX (Continued)

	31 December 2013	Recognized in current year profit or loss	Recognized in current year other comprehensive income	31 December 2014
Parent entity - Bank (continued):				
Deferred tax assets - net - carried forward	1,721,031	290,644	(134,831)	1,876,844
Subsidiaries:				
BCA Finance Limited	11,144	(11,144)	-	-
PT BCA Finance	20,482	(4,204)	163	16,441
PT BCA Sekuritas	6,107	(780)	-	5,327
PT BCA Syariah	7,497	(624)	145	7,018
PT Asuransi Umum BCA	13,232	1,130	-	14,362
PT Central Santosa Finance	-	42,047	-	42,047
Deferred tax assets - net	58,462	26,425	308	85,195
Total deferred tax assets - net	1,779,493	317,069	(134,523)	1,962,039

	31 December 2012	Recognized in profit or loss	Recognized in other comprehensive income	31 December 2013
Parent entity - Bank:				
Deferred tax assets:				
Obligation for post-employment benefits	709,751	166,287	-	876,038
Allowance for impairment losses of financial assets	426,414	226,248	-	652,662
Allowance for impairment losses of non-financial assets	212	(127)	-	85
Accrued employees' benefits	35,482	5,141	-	40,623
Unrealized loss on available-for-sale investment securities	-	-	154,730	154,730
	1,171,859	397,549	154,730	1,724,138
Deferred tax liabilities:				
Unrealized gain on available-for-sale investment securities	(289,317)	-	289,317	-
Unrealized gain on trading securities	(5,100)	1,993	-	(3,107)
	(294,417)	1,993	289,317	(3,107)
Deferred tax assets - net	877,442	399,542	444,047	1,721,031
Subsidiaries:				
BCA Finance Limited	8,815	2,329	-	11,144
PT BCA Finance	21,261	(779)	-	20,482
PT BCA Sekuritas	5,732	375	-	6,107
PT BCA Syariah	6,553	(3,869)	4,813	7,497
PT Asuransi Umum BCA	-	13,232	-	13,232
Deferred tax assets - net	42,361	11,288	4,813	58,462
Total deferred tax assets - net	919,803	410,830	448,860	1,779,493

17. INCOME TAX (Continued)

Included in total deferred tax asset and liability of the Bank and Subsidiaries was deferred tax asset and liability arising from unrealized (loss) gain from change in fair value of available-for-sale investment securities (see Note 14) amounted to Rp 19,899 and Rp 4,958 as of 31 December 2014, and Rp 154,730 and Rp 4,813 as of 31 December 2013.

Management believes that total deferred tax assets arising from temporary differences are probable to be realized in the future years.

h. Under the taxation laws of Indonesia, the Bank and its Subsidiaries in Indonesia calculate and submit/pay individual company tax return (submission of consolidated income tax computation is not allowed) on the basis of self-assessment. The tax authorities may assess or amend taxes within the statute of limitations, under prevailing regulations.

i. The Bank's 2008 taxes have been audited by tax authorities which resulted in tax underpayment of Rp 136,949. The Bank has paid the tax underpayment and filed an objection letter for certain part of tax audit result with an amount of Rp 120,170. On 9 and 10 September 2013, Directorate General of Tax ("DGT") approved parts of the objection for Value Added Tax ("VAT") and corporate income tax amounted to Rp 15,482, and has been transferred to the Bank on 24 October 2013. In relation with the objection result, the Bank submitted an appeal for the remaining amount of Rp 104,033 to the tax court.

18. DEBT SECURITIES ISSUED

Debt securities issued by PT BCA Finance, Subsidiary, were as follows:

	31 December	
	2014	2013
Bonds payable	2,090,458	2,839,428
Medium-term notes	413,442	293,419
	2,503,900	3,132,847

a. Bonds payable

As of 31 December 2014 and 2013, the outstanding balance of bonds payable related to bonds issued was as follows:

	31 December	
	2014	2013
Nominal value:		
BCA Finance Bonds III	-	100,000
BCA Finance Subordinated Bonds I	100,000	100,000
BCA Finance Bonds IV	100,000	300,000
BCA Finance Continuous Bonds I Batch I	850,000	1,050,000
BCA Finance Continuous Bonds I Batch II	550,000	1,297,000
BCA Finance Continuous Bonds I Batch III	495,000	-
Total - carry forward	2,095,000	2,847,000

18. DEBT SECURITIES ISSUED (Continued)

a. Bonds payable (continued)

	31 December	
	2014	2013
Total - carried forward	2,095,000	2,847,000
Less:		
Unamortized bonds issuance cost - net	(4,542)	(7,572)
Total - net	2,090,458	2,839,428
Amortization of costs charged to consolidated statement of comprehensive income	5,301	6,029

The bonds which will be due within 12 months amounted to Rp 675,000 and Rp 1,250,000 as of 31 December 2014 and 2013, respectively.

Information of bonds market value as of 31 December 2014 and 2013 was obtained from Indonesia Stock Exchange.

BCA Finance Bonds III ("Bonds III") Year 2010

Bonds III were offered at nominal value and listed in Indonesia Stock Exchange. Bonds III consist of Series A, B, C and D which mature on 23 June 2011, 23 March 2012, 23 March 2013 and 23 March 2014, respectively, with a fixed interest rate per annum at 8.65% - 10.95%. Interest will be paid on a quarterly basis based on interest rate at payment due date. The first interest payment was made on 23 June 2010 and the final payment will be due at the same time with the repayment of principal of each series of bonds.

The Subsidiary entered into a Trusteeship Agreement with PT Bank Mega Tbk (acts as the Bond's Trustee) for Bonds III Year 2010 based on the Trusteeship Agreement No. 31 dated 16 December 2009 which was made before Fathiah Helmi, S.H., notary in Jakarta. This agreement was amended as covered by Amendment I No. 11 dated 25 January 2010 and Amendment II No. 2 dated 4 March 2010.

Bonds III Series A, B, C and D were fully repaid on 23 June 2011, 23 March 2012, 23 March 2013 and 23 March 2014, respectively.

BCA Finance Subordinated Bonds I ("Subordinated Bonds I") Year 2010

Subordinated Bonds I were offered at nominal value and listed in Indonesia Stock Exchange. Subordinated Bonds I will mature on 23 March 2015 with a fixed interest rate per annum at 11.20%. Interest will be paid on a quarterly basis based on interest rate at payment due date. The first interest payment was made on 23 June 2010 and the final payment will be due at the same time with the repayment of principal of each series of bonds.

The Subsidiary entered into a Trusteeship Agreement with PT Bank Mega Tbk (acts as the Bond's Trustee) for Subordinated Bonds I Year 2010 based on the Trusteeship Agreement No. 34 dated 16 December 2009 which was made before Fathiah Helmi, S.H., notary in Jakarta. This agreement was amended as covered by Amendment I No. 13 dated 25 January 2010 and Amendment II No. 5 dated 4 March 2010.

18. DEBT SECURITIES ISSUED (Continued)

a. Bonds payable (continued)

BCA Finance Subordinated Bonds I ("Subordinated Bonds I") Year 2010 (continued)

As of 31 December 2014, Subordinated Bonds I was rated at $_{id}$AA+ by Pefindo and AA-(idn) by Fitch (2013: $_{id}$AA by Pefindo and AA-(idn) by Fitch).

BCA Finance Bonds IV ("Bonds IV") Year 2011

Bonds IV were offered at nominal value and listed in Indonesia Stock Exchange. Bonds IV consist of Series A, B, C, D and E which mature on 26 June 2012, 22 September 2012, 22 June 2013, 22 June 2014 and 22 June 2015, respectively, with a fixed interest rate per annum at 7.90% - 9.00%. Interest will be paid on a quarterly basis based on interest rate at payment due date. The first interest payment was made on 22 September 2011 and the final payment will be due at the same time with the repayment of principal of each series of bonds.

The Subsidiary entered into a Trusteeship Agreement with PT Bank Mega Tbk (acts as the Bond's Trustee) for Bonds IV Year 2011 based on the Trusteeship Agreement No. 10 dated 2 March 2011 which was made before Fathiah Helmi, S.H., notary in Jakarta. This agreement was amended as covered by Amendment I No. 52 dated 19 April 2011 and Amendment II No. 24 dated 9 June 2011.

Bonds IV Series A, B, C and D were fully repaid on 26 June 2012, 22 September 2012, 22 June 2013 and 22 June 2014, respectively.

As of 31 December 2014, Bonds IV was rated at $_{id}$AAA by Pefindo and AAA(idn) by Fitch (2013: $_{id}$AA+ by Pefindo and AAA(idn) by Fitch).

BCA Finance Continuous Bonds I Batch I ("Continuous Bonds I Batch I") Year 2012

Continuous Bonds I Batch I are offered at nominal value and listed in the Indonesia Stock Exchange. Continuous Bonds I Batch I consist of series A, B, C and D, which mature on 14 May 2013, 9 May 2014, 9 May 2015 and 9 May 2016, respectively, with a fixed interest rate per annum at 6.35% - 7.70%. Interest will be paid on a quarterly basis based on interest rate at payment due date. The first interest payment was made on 9 August 2012 and the final payment will be due at the same time with the repayment of principal of each series of bonds.

The Subsidiary entered into a Trusteeship Agreement with PT Bank Mega Tbk (acts as the Bond's Trustee) for Continuous Bonds I Batch I Year 2012 based on the Trusteeship Agreement No. 14 dated 5 March 2012 which was made before Satria Amiputra A., S.E., Ak., S.H., M.Ak., M.H., M.Kn., notary in Jakarta. This agreement was amended as covered by Amendment I No. 71 dated 28 March 2012 and Amendment II No. 66 dated 25 April 2012.

Continuous Bonds I Batch I Series A and B were fully repaid on 14 May 2013 and 9 May 2014, respectively.

As of 31 December 2014, Continuous Bonds I Batch I was rated at $_{id}$AAA by Pefindo and AAA(idn) by Fitch (2013: $_{id}$AA+ by Pefindo and AAA(idn) by Fitch).

18. DEBT SECURITIES ISSUED (Continued)

a. Bonds payable (continued)

BCA Finance Continuous Bonds I Batch II ("Continuous Bonds I Batch II") Year 2013

Continuous Bonds I Batch II are offered at nominal value and listed in the Indonesia Stock Exchange. Continuous Bonds I Batch II consist of series A, B and C, which mature on 24 June 2014, 14 June 2016 and 14 June 2017, respectively, with a fixed interest rate per annum at 6.50% - 7.60%. Interest will be paid on a quarterly basis based on interest rate at payment due date. The first interest payment was made on 14 September 2013 and the final payment will be due at the same time with the repayment of principal of each series of bonds.

The Subsidiary entered into a Trusteeship Agreement with PT Bank Mega Tbk (acts as the Bond's Trustee) for Continuous Bonds I Batch II Year 2013 based on the Trusteeship Agreement No.128 dated 23 May 2013 which was made before Satria Amiputra A., S.E., Ak., S.H., M.Ak., M.H., M.Kn, notary in Jakarta. This agreement was amended as covered by Amendment I No. 40 dated 7 June 2013.

Continuous Bonds I Batch II Series A was fully repaid on 24 June 2014.

As of 31 December 2014, Continuous Bonds I Batch II was rated at $_{id}$AAA by PT Pefindo and AAA(idn) by Fitch (2013: $_{id}$AA+ by Pefindo and AAA(idn) by Fitch).

BCA Finance Continuous Bonds I Batch III ("Continuous Bonds I Batch III") Year 2014

Continuous Bonds I Batch III are offered at nominal value and listed in the Indonesia Stock Exchange. Continuous Bonds I Batch III consist of series A and B, which mature on 7 April 2015 and 27 March 2017, respectively, with a fixed interest rate per annum at 9.00% - 10.00%. Interest will be paid on a quarterly basis based on interest rate at payment due date. The first interest payment was made on 27 June 2014 and the final payment will be due at the same time with the repayment of principal of each series of bonds.

The Subsidiary entered into a Trusteeship Agreement with PT Bank Mega Tbk (acts as the Bond's Trustee) for Continuous Bonds I Batch III Year 2014 based on the Trusteeship Agreement No. 9 dated 10 March 2014 which was made before Fatiah Helmi, S.H., notary in Jakarta.

As of 31 December 2014, Continuous Bonds I Batch III was rated at $_{id}$AAA by Pefindo and AAA(idn) by Fitch (2013: $_{id}$AA+ by Pefindo and AAA(idn) by Fitch).

18. DEBT SECURITIES ISSUED (Continued)

a. Bonds payable (continued)

All bonds, except Subordinated Bonds I, issued by the Subsidiary are collateralized by the fiduciary transfer of consumer financing receivables amounted to Rp 1,000,263 and Rp 1,387,211 as of 31 December 2014 and 2013. During the year that the bond principals are still outstanding, the Subsidiary is not allowed to, among others, transfer, pledge and/or mortgage any of the present or future assets of the Subsidiary, merge and/or consolidate business, take over business, make changes in the Articles of Association regarding the changes of the purpose and objective of the business and grant any credits to or make investments in other parties other than in the ordinary courses of the business.

Total principal and interest of bonds have been paid in accordance with the respective bonds' maturity date.

As of 31 December 2014, the Subsidiary was in compliance with covenants in relation to the bonds payable agreements and complied with all the requirements mentioned in Trusteeship Agreement.

b. Medium-Term Notes ("MTN")

As of 31 December 2014, the outstanding balance of MTN issued by PT BCA Finance, Subsidiary, was as follows:

	31 December 2014
Nominal value:	
Medium-Term Notes III	300,000
Medium-Term Notes IV	120,000
Less:	
Unamortized MTN issuance cost	(6,558)
Total - net	413,442

Medium-Term Notes III BCA Finance ("MTN III") Year 2013

In December 2013, the Subsidiary issued "MTN III Year 2013 with Fixed Interest Rates" with a nominal value of Rp 300,000, interest rate per annum at 8.20% and the maturity date on 4 December 2016. Interest will be paid on a semi-annual basis based on interest payment due date. The first interest payment was made on 4 June 2014 and the final payment along with the repayment of the principal of MTN III.

The Subsidiary assigned PT Nikko Securities Indonesia as monitoring, custodian and payment agent for the MTN III, as stated in the Notarial Deed No. 2 and 3, dated 2 December 2013 of Satria Amiputra A., S.E., Ak., S.H., M.Ak., M.H., M.Kn. The notarial deed provides several negative covenants to the Subsidiary, among other, collateral with fiduciary transfer of consumer financing receivables amounted to Rp 150,067 and Rp 150,075 as of 31 December 2014 and 2013, respectively.

18. DEBT SECURITIES ISSUED (Continued)

b. Medium-Term Notes ("MTN") (continued)

Medium-Term Notes III BCA Finance ("MTN III") Year 2013 (continued)

As of 31 December 2014 and 2013, the amortized issuance cost charged to the consolidated statements of comprehensive income amounted to Rp 2,054 and Rp 150, respectively while the unamortized portion amounted to Rp 4,520 and Rp 6,581, respectively was deducted from the total nominal value of MTN III.

Medium-Term Notes IV BCA Finance ("MTN IV") Year 2014

In March 2014, the Subsidiary issued "MTN IV Year 2014 with Fixed Interest Rates" with a nominal value of Rp 120,000, interest rate per annum at 7.94% and the maturity date on 18 March 2017. Interest will be paid on a semi-annual basis based on interest payment due date. The first interest payment was made on 18 September 2014 and the final payment along with the repayment of the principal of MTN IV.

The Subsidiary assigned PT Nikko Securities Indonesia as monitoring, custodian and payment agent for the MTN IV, as stated in the Notarial Deed No. 51, 52, 53 and 63, dated 14 March 2014 of Satria Amiputra A., S.E., Ak., S.H., M.Ak., M.H., M.Kn. The notarial deed provides several negative covenants to the Subsidiary, among other, collateral with fiduciary transfer of consumer financing receivables amounted to Rp 60,139 as of 31 December 2014.

As of 31 December 2014, the amortized issuance cost charged to the consolidated statements of comprehensive income amounted to Rp 641, while the unamortized portion amounted to Rp 2,038 was deducted from the total nominal value of MTN IV.

During the year that the bond principals are still outstanding, the Subsidiary is not allowed to, among others, transfer, pledge and/or mortgage any of the present or future assets of the Subsidiary, merge and/or consolidate business, take over business, make changes in the Articles of Association regarding the changes of the purpose and objective of the business and grant any credits to or make investments in other parties other than in the ordinary courses of the business.

As of 31 December 2014, the Subsidiary was in compliance with covenants in relation to the MTN III and MTN IV and complied with all the requirements mentioned in Trusteeship Agreement.

Information with regard to the classification and fair value of debt securities issued is disclosed in Note 32. Information with regard to the maturity of debt securities issued is disclosed in Note 37.

19. BORROWINGS

	31 December	
	2014	2013
(1) Liquidity loans from Bank Indonesia, Rupiah:		
Agriculture loans (*Kredit Usaha Tani*/"KUT"), due date between 13 March 2000 up to 22 September 2000, in the process of closing the agreement	577	577
(2) Borrowings from other banks:		
Rupiah:		
PT Bank Pan Indonesia Tbk	870,371	30,000
Sumitomo Mitsui Banking Corporation	300,000	-
PT Bank KEB Hana (previously PT Bank Hana)	270,454	-
PT Bank Victoria International Tbk	225,000	100,000
PT Bank CIMB Niaga Tbk	114,868	-
PT Bank UOB Indonesia	100,000	-
PT Bank CIMB Niaga Tbk - Unit Usaha Syariah	10,010	
PT Bank Sumitomo Mitsui Indonesia	-	290,000
The Hongkong and Shanghai Banking Corporation Ltd - Indonesia branch	-	50,000
PT Bank QNB Kesawan Tbk	-	30,000
	1,890,703	500,000
Foreign currencies:		
The Hongkong and Shanghai Banking Corporation Ltd - Indonesia branch	408,705	-
(3) Others:		
Rupiah	37,500	-
Foreign currencies	743,457	375
	3,080,942	500,952

The weighted average effective interest rates per annum for borrowings were as follows:

	Year ended 31 December	
	2014	2013
Rupiah	11.02%	4.53%
Foreign currencies	0.87%	-

As of 31 December 2014 and 2013, there were no borrowings from related party.

19. BORROWINGS (Continued)

(1) Rupiah liquidity loans from Bank Indonesia

Rupiah liquidity loans from Bank Indonesia represent credit facility obtained by the Bank as a national private bank in Indonesia, to be distributed to qualified Indonesian debtors under the loan facility program.

(2) Borrowings from other banks

Represent working capital loans of Subsidiaries. The details of borrowing facilities received as of 31 December 2014 and 2013 were as follows:

Bank	Total facility		Maturity date of facility	
	31 December		31 December	
	2014	2013	2014	2013
Rupiah:				
PT Bank Pan Indonesia Tbk	600,000	-	30 October 2015	-
	500,000	-	31 December 2016	-
	300,000	-	12 October 2016	-
	200,000	200,000	21 February 2015	21 November 2014
	200,000	-	28 November 2015	-
	100,000	-	19 July 2015	-
	100,000	-	4 May 2016	-
PT Bank Sumitomo Mitsui Indonesia	500,000	500,000	30 June 2015	30 June 2014
The Hongkong and Shanghai Banking Corporation Ltd - Indonesia branch	400,000	-	30 July 2015	-
PT Bank Tabungan Pensiunan Nasional Tbk	300,000	-	15 January 2015	-
PT Bank UOB Indonesia	250,000	250,000	8 September 2015	8 September 2014
PT Bank Victoria International Tbk	225,000	225,000	17 December 2015	17 December 2014
PT Bank KEB Hana (previously PT Bank Hana)	200,000	-	30 July 2017	-
	180,000	180,000	21 March 2015	21 March 2014
	100,000	-	15 December 2015	-
PT Bank QNB Kesawan Tbk	200,000	100,000	27 March 2015	27 March 2014
PT Bank CIMB Niaga Tbk	200,000	-	16 October 2016	-
PT Bank DBS Indonesia	100,000	100,000	10 March 2015	10 March 2014
PT Bank CIMB Niaga Tbk - Unit Usaha Syariah	100,000	-	10 June 2016	-
PT Bank Permata Tbk	75,000	75,000	17 February 2015	17 February 2014
Foreign currency (full amount):				
Standard Chartered Bank - Indonesia branch	USD 20,000,000	USD 20,000,000	30 September 2015	30 September 2014
The Bank of Tokyo Mitsubishi-UFJ, Ltd - Indonesia branch	USD 12,000,000	USD 12,000,000	14 September 2015	14 September 2014
The Hongkong and Shanghai Banking Corporation Ltd - Indonesia branch	-	USD 30,000,000	-	9 July 2014

19. BORROWINGS (Continued)

(2) Borrowings from other banks (continued)

As of 31 December 2014 and 2013, these bank loans were secured by consumer financing receivables amounted to Rp 2,008,549 and Rp 766,089, respectively (see Note 13).

All loan agreements include certain convenants which are normally required for such credit facilities, such as limitations to initiate merger or consolidation with other parties, obtain loans from other parties except loans obtained in the normal course of business, or changes its capital structure and/or Articles of Association without notification to/prior written approval from the creditors and maintenance of certain agreed financial ratios.

The range of contractual interest rates for borrowings from other banks was as follows:

	Year ended 31 December	
	2014	2013
Rupiah	7.41% - 11.25%	5.50% - 9.75%
Foreign currency	8.45% - 9.00%	-

(3) Others

As of 31 December 2014, the Bank received a Banker's Acceptance Funding from the Commerzbank AG amounted to Rp 743,100 (USD 60,000,000, in full amount) which will mature on 1 May 2015. This loan is collateralized by the Bank's export and import transaction documents and bears interest rate at 0.96%.

Information with regard to the classification and fair value of borrowings is disclosed in Note 32. Information with regard to the maturity of borrowings is disclosed in Note 37.

20. SHARE CAPITAL

The compositions of the Bank's share capital as of 31 December 2014 and 2013 (after stock split, see Note 1c) were as follows:

	31 December 2014		31 December 2013	
	Number of shares	Total par value	Number of shares	Total par value
Authorized capital at par value Rp 62.50 (full amount) per share	88,000,000,000	5,500,000	88,000,000,000	5,500,000
Unissued	(63,344,990,000)	(3,959,062)	(63,344,990,000)	(3,959,062)
Outstanding shares (issued and fully paid)	24,655,010,000	1,540,938	24,655,010,000	1,540,938

20. SHARE CAPITAL (Continued)

The composition of shareholders as of 31 December 2014 and 2013 was as follows:

	31 December 2014		
	Number of shares	Total par value	%
FarIndo Investments (Mauritius) Ltd. qualitate qua (qq) Mr. Robert Budi Hartono dan Mr. Bambang Hartono*)	11,625,990,000	726,624	47.16
Anthony Salim	434,079,976	27,130	1.76
Commissioners:			
Djohan Emir Setijoso	25,497,292	1,594	0.10
Tonny Kusnadi	255,215	16	0.00
Directors:			
Jahja Setiaatmadja	9,017,715	564	0.04
Eugene Keith Galbraith	907,126	57	0.00
Anthony Brent Elam	7,867,709	492	0.03
Dhalia Mansor Ariotedjo	4,478,163	280	0.02
Suwignyo Budiman	6,835,719	427	0.03
Subur Tan	2,750,814	172	0.01
Erwan Yuris Ang	1,135,145	71	0.01
Henry Koenaifi	502,809	31	0.00
Armand W. Hartono	498,895	31	0.00
Rudy Susanto	166,758	10	0.00
Public shareholders**)	12,535,026,664	783,439	50.84
	24,655,010,000	1,540,938	100.00

	31 December 2013		
	Number of shares	Total par value	%
FarIndo Investments (Mauritius) Ltd. qualitate qua (qq) Mr. Robert Budi Hartono and Mr. Bambang Hartono*)	11,625,990,000	726,624	47.15
Anthony Salim	434,079,976	27,130	1.76
Commissioners:			
Djohan Emir Setijoso	25,388,418	1,587	0.10
Tonny Kusnadi	168,123	11	0.00
Raden Pardede	168,123	11	0.00
Sigit Pramono	168,123	11	0.00
Directors:			
Jahja Setiaatmadja	9,539,703	596	0.04
Eugene Keith Galbraith	711,983	44	0.00
Anthony Brent Elam	8,191,278	512	0.03
Dhalia Mansor Ariotedjo	6,259,986	391	0.03
Suwignyo Budiman	6,659,288	416	0.03
Subur Tan	4,587,364	287	0.02
Renaldo Hector Barros	332,967	21	0.00
Erwan Yuris Ang	1,017,525	64	0.01
Henry Koenaifi	329,050	21	0.00
Armand W. Hartono	325,137	20	0.00
Public shareholders**)	12,531,092,956	783,192	50.83
	24,655,010,000	1,540,938	100.00

*) In accordance with Letter of Bank Indonesia No. 12/21/DPB3/TPB3-7 dated 25 February 2010.

**) In the public shareholders composition, there were 2.45% shares owned by parties affiliated with ultimate shareholders; 0.02% owned by Robert Budi Hartono and 0.02% owned by Bambang Hartono.

21. ADDITIONAL PAID-IN CAPITAL

Additional paid-in capital as of 31 December 2014 and 2013 consist of:

	31 December	
	2014	2013
Additional paid-in capital from share capital payments	29,453,007	29,453,007
Elimination of accumulated loss through quasi-reorganization on 31 October 2000*)	(25,853,162)	(25,853,162)
Additional paid-in capital from the exercise of stock options	296,088	296,088
Additional paid-in capital from treasury stock transactions (Note 1c)	1,815,435	1,815,435
Difference in values from business combination transaction of entities under common control (Note 2g)	(146,816)	(146,816)
	5,564,552	5,564,552

*) On 31 October 2000, the Bank adopted PSAK No. 51, "Accounting for Quasi-Reorganization" to achieve a "fresh start" reporting. Fresh start reporting requires the revaluation of all its assets and liabilities recorded by using the fair value and elimination of its accumulated deficit. Pursuant to the implementation of quasi-reorganization, the Bank's accumulated losses as of 31 October 2000 amounted to Rp 25,853,162 has been eliminated against the additional paid-in capital. The implementation of quasi-reorganization has been approved by Bank Indonesia through its Letter No. 3/165/DPwB2/IDWB2 dated 21 February 2001 and by the shareholders in their Extraordinary General Meeting of Shareholders on 12 April 2001 (the minutes of meeting prepared by Notary Hendra Karyadi, S.H., in Notary Deed No. 25).

22. COMMITMENTS AND CONTINGENCIES

As of 31 December 2014 and 2013, the Bank and Subsidiaries' commitments and contingencies were as follows:

		31 December			
		2014		2013	
	Type of currency	Amount in foreign currencies*)	Rupiah equivalent	Amount in foreign currencies*)	Rupiah equivalent
Commitments					
Committed receivables:					
Borrowing facilities received and unused	Rupiah	-	1,505,000	-	910,000
	USD	32,964,877	408,270	57,891,537	704,540
			1,913,270		1,614,540

*) In full amount.

22. COMMITMENTS AND CONTINGENCIES (Continued)

		31 December			
		2014		2013	
	Type of currency	Amount in foreign currencies*)	Rupiah equivalent	Amount in foreign currencies*)	Rupiah equivalent
Committed liabilities:					
Unused credit facilities to customers - committed	Rupiah	-	86,690,235	-	104,237,610
	USD	676,697,621	8,380,900	780,125,822	9,494,131
	Others, USD equivalent	14,324,350	177,407	22,606,242	275,118
			95,248,542		114,006,859
Unused credit facilities to other banks - committed	Rupiah	-	900,766	-	642,741
	USD	-	-	10,000,000	121,700
			900,766		764,441
Letters of Credit facilities granted to customers	Rupiah	-	760,010	-	777,653
	USD	461,537,820	5,716,146	575,763,758	7,007,045
	Others, USD equivalent	58,352,199	722,692	76,514,752	931,185
			7,198,848		8,715,883
			103,348,156		123,487,183
Contingencies					
Contingent receivables:					
Bank guarantees received	Rupiah	-	4,446	-	11,254
	USD	1,277,380	15,820	608,289	7,403
	Others, USD equivalent	243,090	3,011	336,391	4,094
			23,277		22,751
Interest receivables on non-performing loans	Rupiah	-	160,570	-	131,356
	USD	1,095,809	13,572	11,486	140
			174,142		131,496
			197,419		154,247
Contingent liabilities:					
Bank guarantees issued to customers	Rupiah	-	7,340,955	-	7,078,916
	USD	238,871,520	2,958,424	287,357,224	3,497,137
	Others, USD equivalent	33,990,371	420,971	8,875,852	108,019
			10,720,350		10,684,072

*) In full amount.

22. COMMITMENTS AND CONTINGENCIES (Continued)

Additional information

As of 31 December 2014 and 2013, the Bank had unused credit facilities to customers - uncommitted amounted to Rp 30,428,092 and Rp 10,754,092, respectively.

The Bank is a party to various unresolved legal actions, administrative proceedings, and claims in the ordinary course of its business. It is not possible to predict with certainty whether or not the Bank will be successful in any of these legal matters or, if not, what the impact might be. However, the Bank's management does not expect that the results in any of these proceedings will have a material adverse effect on the Bank's results of operations, financial position, or liquidity.

Commitments and contingencies from related parties are disclosed in Note 41.

23. INTEREST AND SHARIA INCOME

Interest and sharia income consist of:

	Year ended 31 December	
	2014	2013
Loans receivable	33,431,088	26,149,451
Placements with Bank Indonesia and other banks	946,479	1,052,570
Investment securities	3,425,457	3,201,670
Securities purchased under agreements to resell	2,475,169	1,668,908
Consumer financing and investment in finance lease	2,821,401	1,674,306
Sharia revenue sharing	222,966	156,566
Others	448,696	373,678
	43,771,256	34,277,149

Included in interest income from loans receivable and investment securities were interest from discounting of impaired financial assets for the year ended 31 December 2014 amounted to Rp 4,433 and Rp 4,789, respectively (2013: Rp 1,647 and Rp 9,594, respectively).

Interest income from loans receivable to related parties is disclosed in Note 41.

24. INTEREST AND SHARIA EXPENSES

Interest and sharia expenses consist of:

	Year ended 31 December	
	2014	2013
Deposits from customers	10,294,076	6,766,714
Deposits from other banks	14,321	10,305
Government guarantee premium	862,000	771,568
Debt securities issued	234,505	206,844
Borrowings	205,418	19,540
Sharia	134,242	77,038
	11,744,562	7,852,009

Interest and sharia expenses for deposits from related parties are disclosed in Note 41.

25. FEE AND COMMISSION INCOME - NET

Represent fee and commission income related to:

	Year ended 31 December	
	2014	2013
Deposits from customers	2,367,099	2,116,195
Loans receivable	1,093,838	925,642
Payment settlement	1,339,460	1,172,794
Credit cards	1,658,512	1,349,112
Remittance, clearing and collections	405,072	367,029
Others	425,570	379,102
Total	7,289,551	6,309,874
Fee and commission expenses	(4,518)	(11)
Fee and commission income - net	7,285,033	6,309,863

Fee and commission income from loans receivable were fee and commission income related to disbursement of loan facilities which were an integral part of effective interest rates.

26. NET TRADING INCOME

Net trading income consists of:

	Year ended 31 December	
	2014	2013
Interest income from financial assets held for trading	22,062	13,417
Unrealized gain from fair value of financial assets held for trading - net	179,157	224,661
Gain on sale of financial assets held for trading - net	312,112	105,603
Gain on spot and derivative transactions - net	319,585	822,590
	832,916	1,166,271

27. ADDITION OF IMPAIRMENT LOSSES ON FINANCIAL ASSETS - NET

	Year ended 31 December	
	2014	2013
Acceptance receivables	306,796	27,551
Loans receivable	1,686,103	1,855,892
Consumer financing receivables	239,989	16,045
Sharia financing	3,203	7,816
Investment securities	1,948	107,308
Others	1,539	1,066
	2,239,578	2,015,678

28. PERSONNEL EXPENSES

	Year ended 31 December	
	2014	2013
Salaries and wages	3,947,797	3,252,221
Employees' benefits and compensations	2,980,559	2,366,625
Post-employment benefits (Note 33)	1,335,510	904,718
Training	266,205	216,744
Pension plan contribution	140,835	124,306
	8,670,906	6,864,614

29. GENERAL AND ADMINISTRATIVE EXPENSES

	Year ended 31 December	
	2014	2013
Office supplies	2,925,035	2,239,958
Rental	1,248,019	1,115,934
Depreciation of fixed assets and amortization of intangible assets	1,215,241	1,075,336
Promotion	1,000,474	787,685
Repair and maintenance	979,933	771,285
Communication	511,532	394,167
Water, electricity and fuel	271,066	229,172
Professional fees	339,241	215,866
Security	17,689	160,096
Computer and software	108,454	137,982
Transportation	59,689	53,400
Research and development	36,142	32,103
Tax	40,726	29,203
Insurance	21,118	21,784
Others	157,004	122,289
	8,931,363	7,386,260

30. BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share are calculated based on the weighted average number of shares outstanding during the year, as follows:

	Year ended 31 December	
	2014	2013
Net income attributable to equity holder of the parent entity	16,485,858	14,253,831
Weighted average number of shares outstanding	24,655,010,000	24,634,859,597
Basic and diluted earnings per share attributable to equity holder of the parent entity (full amount of Rupiah)	669	579

As of 31 December 2014 and 2013, there were no instruments which can potentially be converted into common shares. Therefore, diluted earnings per share is equivalent to basic earnings per share.

31. APPROPRIATION OF NET INCOME

The Bank's Annual General Meeting of Shareholders on 7 April 2014 (the minutes was prepared by Notary Dr. Irawan Soerodjo, S.H., MSi., with Notary Deed No. 4) resolved the appropriation of 2013 net income, as follows:

a. Allocate 1% (one percent) of 2013 net income for general reserve amounted to Rp 142,539.

b. Distribute cash dividends amounted to Rp 2,958,601 (Rp 120 (full amount) per share) to shareholders who have the right to receive cash dividends. The actual cash dividends paid was Rp 1,849,126 (interim dividend for the year 2013 had been paid on 17 December 2013 amounted to Rp 1,109,475).

c. Determine tantiem for members of Board of Commissioners and Board of Directors on duty in the year 2013 with maximum amount of Rp 213,807 from the net income for the year 2013. The actual amount of tantiem paid was Rp 213,762.

d. Determine the remaining 2013 net income after dividends as unappropriated retained earnings.

The Bank's Annual General Meeting of Shareholders on 7 April 2014 also resolved the granting of power and authority to the Bank's Directors to pay interim dividend for the year 2014, where possible, by considering the financial condition of the Bank.

In accordance with the Board of Directors' Decision Letter dated 13 November 2014 No. 135/SK/DIR/2014 regarding the Distribution of Interim Dividend for the year 2014, the Board of Directors resolved that the Bank will pay interim dividends to shareholders from net income for the year 2014 amounted to Rp 50 (full amount) per share. The actual interim dividends paid amounted to Rp 1,232,750.

The Bank's Annual General Meeting of Shareholders on 6 May 2013 (the minutes was prepared by Notary Dr. Irawan Soerodjo, S.H., MSi., with Notary Deed No. 61) resolved the appropriation of 2012 net income, as follows:

a. Allocate 1% (one percent) of 2012 net income for general reserve amounted to Rp 117,217.

b. Distribute cash dividends amounted to Rp 2,814,352 (Rp 114.5 (full amount) per share), with estimated shares issued by the Bank (excluding treasury stocks) of 24,456,229,000 shares; the actual cash dividends paid was Rp 1,750,506 (interim dividend for the year 2012 had been paid on 20 December 2012 amounted to Rp 1,063,846).

c. Determine tantiem for members of Board of Commissioners and the Board of Directors on duty in the year 2012 with maximum amount of Rp 175,826 from the net income for the year 2012. The actual amount of tantiem paid was Rp 175,815.

d. Determine the remaining 2012 net income after dividends as unappropriated retained earnings.

The Bank's Annual General Meeting of Shareholders on 6 May 2013 also resolved the granting of power and authority to the Bank's Directors to pay interim dividend for the year 2013, where possible, by considering the financial condition of the Bank.

In accordance with of the Board of Directors' Decision Letter dated 7 November 2013 No. 149/SK/DIR/2013 regarding the Distribution of Interim Dividend for the year 2013, the Board of Directors resolved that the Bank will pay interim dividends to shareholders from net income for the year 2013 amounted to Rp 45 (full amount) per share. The actual interim dividends paid amounted to Rp 1,109,475.

32. FINANCIAL ASSETS AND LIABILITIES

Presented below is the comparison of the carrying amounts, as reported in the consolidated statements of financial position, and the fair value of all financial assets and liabilities.

In the following table, financial instruments have been allocated based on their classifications. The significant accounting policies in Note 2i.2 describe how the categories of the financial assets and liabilities are measured and how income and expenses, including fair value gains and losses (changes in fair value of financial instruments), are recognized.

Financial assets have been classified into trading, held to maturity, loans and receivables and available-for-sale financial assets. Financial liabilities have been classified into trading and other financial liabilities measured at amortized cost.

The fair values are based on relevant information available as of the consolidated statement of financial position date and have not been updated to reflect the changes in market condition after the date of consolidated statement of financial position.

The table below sets out the carrying amounts and fair values of the Bank and Subsidiaries' financial assets and liabilities as of 31 December 2014 and 2013:

	31 December 2014						
	Held for trading	Held to maturity	Loans and receivables	Available-for-sale	Other amortized cost	Total carrying amount	Fair value
Financial assets							
Cash	-	-	-	19,577,571	-	19,577,571	19,577,571
Current accounts with Bank Indonesia	-	-	38,875,175	-	-	38,875,175	38,875,175
Current accounts with other banks	-	-	4,614,271	-	-	4,614,271	4,614,271
Placements with Bank Indonesia and other banks	-	-	11,502,178	-	-	11,502,178	11,502,178
Financial assets held for trading	1,672,222	-	-	-	-	1,672,222	1,672,222
Acceptance receivables	-	-	7,569,364	-	-	7,569,364	7,569,364
Bills receivable	-	-	3,226,980	-	-	3,226,980	3,226,980
Securities purchased under agreements to resell	-	-	26,289,663	-	-	26,289,663	26,289,663
Loans receivable	-	-	339,859,068	-	-	339,859,068	339,511,937
Consumer financing receivables	-	-	6,973,228	-	-	6,973,228	6,851,999
Investment in finance leases	-	-	166,888	-	-	166,888	167,088
Investment securities	-	11,485,574	-	60,559,250	-	72,044,824	71,540,891
	1,672,222	11,485,574	439,076,815	80,136,821	-	532,371,432	531,399,339
Financial liabilities							
Deposits from customers	-	-	-	-	447,905,756	447,905,756	447,905,756
Deposits from other banks	-	-	-	-	3,754,260	3,754,260	3,754,260
Financial liabilities held for trading	14,702	-	-	-	-	14,702	14,702
Acceptance payables	-	-	-	-	4,697,946	4,697,946	4,697,946
Debt securities issued	-	-	-	-	2,503,900	2,503,900	2,546,137
Borrowings	-	-	-	-	3,080,942	3,080,942	3,059,125
	14,702	-	-	-	461,942,804	461,957,506	461,977,926

32. FINANCIAL ASSETS AND LIABILITIES (Continued)

	31 December 2013						
	Held for trading	Held to maturity	Loans and receivables	Available-for-sale	Other amortized cost	Total carrying amount	Fair value
Financial assets							
Cash	-	-	-	16,284,142	-	16,284,142	16,284,142
Current accounts with Bank Indonesia	-	-	35,269,077	-	-	35,269,077	35,269,077
Current accounts with other banks	-	-	3,447,290	-	-	3,447,290	3,447,290
Placements with Bank Indonesia and other banks	-	-	12,254,043	-	-	12,254,043	12,254,043
Financial assets held for trading	1,238,564	-	-	-	-	1,238,564	1,238,564
Acceptance receivables	-	-	6,434,376	-	-	6,434,376	6,434,376
Bills receivable	-	-	2,632,832	-	-	2,632,832	2,632,832
Securities purchased under agreements to resell	-	-	41,056,171	-	-	41,056,171	41,056,171
Loans receivable	-	-	306,679,132	-	-	306,679,132	307,632,845
Consumer financing receivables	-	-	5,229,338	-	-	5,229,338	4,966,729
Investment in finance leases	-	-	182,544	-	-	182,544	180,316
Investment securities	-	15,913,947	-	32,493,391	-	48,407,338	47,960,442
	1,238,564	15,913,947	413,184,803	48,777,533	-	479,114,847	479,356,827
Financial liabilities							
Deposits from customers	-	-	-	-	409,485,763	409,485,763	409,485,763
Deposits from other banks	-	-	-	-	3,301,039	3,301,039	3,301,039
Financial liabilities held for trading	113,516	-	-	-	-	113,516	113,516
Acceptance payables	-	-	-	-	4,539,442	4,539,442	4,539,442
Debt securities issued	-	-	-	-	3,132,847	3,132,847	3,077,685
Borrowings	-	-	-	-	500,952	500,952	500,952
	113,516	-	-	-	420,960,043	421,073,559	421,018,397

The fair value of securities classified as held for trading was based on quoted market prices.

The fair value of investment securities was determined based on quoted market price or broker/dealer quoted price. If the information is not available, the fair value is estimated using quoted market price for securities which have similar credit characteristics, maturity and yield.

The fair value of investment in unquoted equity shares was assessed based on acquisition cost since the fair value was not available, while investment in quoted shares was valued based on quoted market price.

The fair value of loans receivable, consumer financing receivables, finance leases, fund borrowings and debt securities issued was determined by using discounted cash flows at current market interest rate.

The fair value of financial assets and liabilities other than mentioned above approximates its carrying amount because significant amount of financial assets and liabilities are short-term in nature, and/or repriced frequently.

33. POST-EMPLOYMENT BENEFITS

In accordance with Law of the Republic of Indonesia No. 13/2003 relating to labor regulations, the Bank is required to provide post-employment benefits to its employees when their employments are terminated or when they retire. These benefits are primarily based on years of services and the employees' compensation at termination or retirement.

The Bank also had a defined contribution pension plan that covers all permanent employees who fulfilled the criteria determined by the Bank. This defined contribution pension plan is managed and administered by Dana Pensiun BCA which was established by the Bank to manage the assets, generate investment income and pay the post-employment benefits to the employees. The establishment of Dana Pensiun BCA had been ratified by the Minister of Finance of Republic of Indonesia in its Decision Letter No. KEP-020/KM.17/1995 dated 25 January 1995. The contribution to the pension plan is computed based on certain percentage of employees' basic salary, and the contribution from employees and the Bank are 3% (three percent) and 5% (five percent), respectively. Three percent of accumulated contribution from the Bank to the pension fund is used as a deduction of obligation for post-employment benefits.

During the year ended 31 December 2014, the Bank transferred part of its obligation for post-employment benefits to several insurance companies amounted to Rp 800,000, which was recorded as plan assets.

Employment benefits provided by the Bank consist of pension, post-employment healthcare benefits and other long-term compensations. The obligation for post-employment benefits was calculated by PT Sentra Jasa Aktuaria (Biro Pusat Akturia) as the Bank's independent actuary, using the projected-unit-credit method. The main assumptions used by independent actuary were as follows:

	31 December	
	2014	2013
Economic assumptions:		
Annual discount rate	8%	8.5%
Annual basic salary growth rate	10%	9%
Healthcare cost rate	10%	10%

The Bank's obligation for post-employment benefits for the years ended 31 December 2014 and 2013 was in accordance with the independent actuary reports dated 29 January 2015 and 2014, respectively.

a. **Obligation for post-employment benefits**

The obligation for post-employment benefits as of 31 December 2014 and 2013 was as follows:

	31 December			
	Defined benefit pension plan and other long-term compensations		Post-employment healthcare benefits	
	2014	2013	2014	2013
Present value of net obligation for post-employment benefits	7,261,955	5,545,079	211,003	138,092
Fair value of plan assets	(805,074)	-	-	-
Unrecognized actuarial losses	(2,613,040)	(1,851,829)	(52,149)	(1,535)
Unrecognized past service cost - non-vested	(249,583)	(311,021)	(11,797)	(14,633)
Net obligation for post employment benefits - Bank	3,549,258	3,382,229	147,057	121,924

33. POST-EMPLOYMENT BENEFITS (Continued)

a. **Obligation for post-employment benefits (continued)**

The Subsidiaries' obligation for post-employment benefits as of 31 December 2014 and 2013 recorded in the consolidated statements of financial position amounted to Rp 43,087 and Rp 21,681, respectively.

b. **Post-employment benefits expenses**

The post-employment benefits expenses recognized as part of personnel expenses in the consolidated statements of comprehensive income for the years ended 31 December 2014 and 2013 were as follows:

	Year ended 31 December			
	Defined benefit pension plan and other long-term compensations		Post-employment healthcare benefits	
	2014	2013	2014	2013
Current service cost	391,279	293,071	12,067	7,731
Past service cost	195,132	-	-	-
Interest expenses	471,332	328,600	11,738	10,471
Net actuarial losses recognized in the current year	121,154	168,303	9	3,427
Amortization of past service cost - non-vested	61,439	61,439	2,836	2,836
Benefits paid	49,242	17,866	1,410	-
Expense to be recognized in the current year - Bank	1,289,578	869,279	28,060	24,465

The Subsidiaries' post-employment benefits expenses for the years ended 31 December 2014 and 2013 recorded in the consolidated statements of comprehensive income amounted to Rp 17,872 and Rp 10,974, respectively.

c. **Movement of obligation for post-employment benefits**

	Year ended 31 December			
	Defined benefit pension plan and other long-term compensations		Post-employment healthcare benefits	
	2014	2013	2014	2013
Obligation for post-employment benefits, beginning of year - Bank	3,382,229	2,737,858	121,924	101,146
Post-employment benefits expenses for the year	1,289,578	869,279	28,060	24,465
Fund transferred	(800,000)	-	-	-
Payment of post-employment benefits for the year	(277,549)	(224,908)	(2,927)	(3,687)
Obligation for post-employment benefits, end of year - Bank	3,594,258	3,382,229	147,057	121,924

Total payment of employees' benefits by Subsidiaries for the years ended 31 December 2014 and 2013 amounted to Rp 3,705 and Rp 5,598, respectively.

33. POST-EMPLOYMENT BENEFITS (Continued)

d. **Changes of fair value asset program for post-employment program**

	31 December 2014
Fair value of plan assets, beginning of the year - Bank	-
Contribution by employer	800,000
Return on investment	5,074
Fair value of plan assets, end of the year - Bank	805,074

e. Changes in one point percentage of healthcare cost rate will have impacts as follows:

	31 December	
	2014	2013
Increase in one point percentage:		
Effect on current service cost and interest expenses	121	78
Effect on obligation for post-employment benefits	2,110	1,381
Decrease in one point percentage:		
Effect on current service cost and interest expenses	(121)	(78)
Effect on obligation for post-employment benefits	(2,110)	(1,381)

f. Historical information - Bank:

	31 December				
	2014	2013	2012	2011	2010
Defined benefits pension plan and other long-term compensation					
Present value of net obligation for post-employment benefits	7,261,955	5,545,079	5,476,672	4,327,317	3,225,305
Adjustment arising on plan liabilities	892,515	307,635	309,942	60,947	-
Post-employment healthcare benefits					
Present value of net obligation for post-employment benefits	211,003	138,092	174,521	125,152	97,596
Adjustment arising on plan liabilities	42,107	(15,348)	17,279	-	-

g. The Bank expects to pay Rp 163,584 in contribution to its defined contribution pension plan in 2015.

34. CUSTODIAL SERVICES

The Bank's Custodial Services Bureau obtained its license to provide custodial services from the Capital Market Supervisory Agency (Bapepam, currently Financial Services Authority or "OJK") under its Decision Letter No. KEP-148/PM/1991 dated 13 November 1991.

The services offered by the Bank's Custodial Services Bureau include safekeeping, settlement and transaction handling, income collection, proxy, corporate action, cash management, investment recording/reporting and tax reclamation.

As of 31 December 2014 and 2013, assets administered by the Bank's Custodial Services Bureau consist of shares, bonds, time deposits, certificate of deposits, commercial papers and other money market instruments amounted to Rp 26,544,714 and Rp 22,465,629, respectively.

35. MONETARY ASSETS AND LIABILITIES IN FOREIGN CURRENCIES

Balances of monetary assets and liabilities in foreign currencies were as follows:

	31 December			
	2014		2013	
	Foreign currencies (in thousand)	Rupiah equivalent	Foreign currencies (in thousand)	Rupiah equivalent
Monetary assets				
Cash				
US Dollar (USD)	43,832	542,855	38,711	471,115
Australian Dollar (AUD)	3,165	32,121	4,124	44,769
Singapore Dollar (SGD)	16,482	154,534	20,309	195,411
Hong Kong Dollar (HKD)	3,602	5,752	1,249	1,960
GB Poundsterling (GBP)	65	1,257	224	4,501
Japanese Yen (JPY)	67,234	6,963	109,006	12,617
Euro (EUR)	1,143	17,199	1,570	26,317
Others, USD equivalent	1,119	13,856	1,734	21,105
		774,537		777,795
Current accounts with Bank Indonesia				
US Dollar (USD)	322,000	3,987,970	332,000	4,040,440
Current accounts with other banks				
US Dollar (USD)	230,536	2,855,190	138,497	1,685,504
Australian Dollar (AUD)	2,670	27,091	2,929	31,796
Singapore Dollar (SGD)	43,668	409,441	48,623	467,852
Hong Kong Dollar (HKD)	12,194	19,473	20,726	32,531
GB Poundsterling (GBP)	1,494	28,816	1,889	37,996
Japanese Yen (JPY)	4,349,590	450,444	3,112,619	360,286
Euro (EUR)	41,533	625,216	39,656	664,610
Others, USD equivalent	12,964	160,557	13,517	164,498
		4,576,228		3,445,073
Placements with Bank Indonesia and other banks				
US Dollar (USD)	175,382	2,172,103	450,451	5,481,991
Australian Dollar (AUD)	31,500	319,671	32,500	352,809
Hong Kong Dollar (HKD)	37,934	60,579	73,705	115,683
		2,552,353		5,950,483
Financial assets held for trading				
US Dollar (USD)	2	20	1	13
Japanese Yen (JPY)	539	56	-	-
Singapore Dollar (SGD)	1	5	-	-
		81		13

35. MONETARY ASSETS AND LIABILITIES IN FOREIGN CURRENCIES (Continued)

	31 December			
	2014		2013	
	Foreign currencies (in thousand)	Rupiah equivalent	Foreign currencies (in thousand)	Rupiah equivalent
Monetary assets (continued)				
Acceptance receivables				
US Dollar (USD)	498,866	6,178,458	439,443	5,348,019
Singapore Dollar (SGD)	1,185	11,112	169	1,623
GB Poundsterling (GBP)	716	13,812	91	1,834
Japanese Yen (JPY)	668,174	69,196	1,125,044	130,224
Euro (EUR)	13,760	207,137	15,436	258,702
Others, USD equivalent	275	3,405	3,557	43,292
		6,483,120		5,783,694
Bills receivable - net				
US Dollar (USD)	160,917	1,992,954	178,994	2,178,362
Japanese Yen (JPY)	3,857	399	3,579	415
Euro (EUR)	915	13,777	312	5,234
		2,007,130		2,184,011
Loans receivable - net				
US Dollar (USD)	1,763,257	21,837,942	1,389,089	16,905,211
Singapore Dollar (SGD)	110,904	1,039,860	119,445	1,149,309
Euro (EUR)	-	-	10	166
Hong Kong Dollar (HKD)	38,414	61,346	-	-
		22,939,148		18,054,686
Investment securities - net				
US Dollar (USD)	386,568	4,787,645	494,469	6,017,691
Hong Kong Dollar (HKD)	186,696	298,150	185,233	290,730
		5,085,795		6,308,421
Monetary liabilities				
Deposits from customers				
US Dollar (USD)	2,768,456	34,287,325	2,829,878	34,439,616
Australian Dollar (AUD)	35,674	362,028	36,925	400,840
Singapore Dollar (SGD)	172,411	1,616,554	187,107	1,800,359
Hong Kong Dollar (HKD)	5,122	8,179	10,934	17,161
GB Poundsterling (GBP)	1,665	32,113	1,777	35,735
Japanese Yen (JPY)	4,226,931	437,741	3,140,891	363,558
Euro (EUR)	41,614	626,425	43,882	735,432
Others, USD equivalent	12,283	152,129	13,503	164,335
		37,522,494		37,957,036
Deposits from other banks				
US Dollar (USD)	93,309	1,155,637	126,810	1,543,280
Australian Dollar (AUD)	50	510		2,059
			190	
Singapore Dollar (SGD)	249	2,339	366	3,524
		1,158,486		1,548,863
Financial liabilities held for trading				
US Dollar (USD)	4	55	8	102
Singapore Dollar (SGD)	1	11	1	9
Hong Kong Dollar (HKD)	5	8	-	-
Japanese Yen (JPY)	240	25	814	94
Others, USD equivalent	0	3	24	292
		102		497

35. MONETARY ASSETS AND LIABILITIES IN FOREIGN CURRENCIES (Continued)

	31 December			
	2014		2013	
	Foreign currencies (in thousand)	Rupiah equivalent	Foreign currencies (in thousand)	Rupiah equivalent
Monetary liabilities (continued)				
Acceptance payables				
US Dollar (USD)	333,979	4,136,334	327,823	3,989,611
Singapore Dollar (SGD)	56	525	170	1,632
GB Poundsterling (GBP)	720	13,888	91	1,840
Japanese Yen (JPY)	683,776	70,812	1,104,910	127,893
Euro (EUR)	13,382	201,450	13,123	219,928
Others, USD equivalent	276	3,415	3,182	38,731
		4,426,424		4,379,635
Borrowings				
US Dollar (USD)	93,000	1,151,805	-	-
Others, USD equivalent	29	357	31	375
		1,152,162		375

36. OPERATING SEGMENTS

The Bank and Subsidiaries disclosed the financial information based on the geographic segments:

	Year ended 31 December 2014					
	Sumatera	Java	Kalimantan	East Indonesia	Overseas operation	Total
Interest and sharia income	2,703,425	38,476,462	941,568	1,632,561	17,240	43,771,256
Interest and sharia expenses	(807,305)	(10,092,338)	(296,837)	(548,082)	-	(11,744,562)
Net interest and sharia income	1,896,120	28,384,124	644,731	1,084,479	17,240	32,026,694
Net fee and commission income	490,596	6,355,521	145,262	289,912	3,742	7,285,033
Net trading income	8,789	793,062	3,619	27,446	-	832,916
Other operating income	18,871	865,465	6,766	14,590	335	906,027
Total segment income	2,414,376	36,398,172	800,378	1,416,427	21,317	41,050,670
Depreciation and amortization	(24,149)	(1,166,128)	(8,942)	(15,072)	(950)	(1,215,241)
Other material non-cash elements:						
(Addition) reversal of impairment on financial assets	(14,866)	(2,156,107)	(66,835)	8,372	(10,142)	(2,239,578)
Other operating expenses	(861,839)	(15,440,845)	(274,802)	(492,801)	(20,791)	(17,091,078)
Operating income (loss)	1,513,522	17,635,092	449,799	916,926	(10,566)	20,504,773
Non-operating income - net	31,017	190,901	5,859	3,163	5,408	236,348
Income (loss) before tax - carry forward	1,544,539	17,825,993	455,658	920,089	(5,158)	20,741,121

36. OPERATING SEGMENTS (Continued)

	Year ended 31 December 2014					
	Sumatera	Java	Kalimantan	East Indonesia	Overseas operation	Total
Income (loss) before tax - carried forward	1,544,539	17,825,993	455,658	920,089	(5,158)	20,741,121
Income tax expense						(4,229,451)
Net income (loss) for the year	1,544,539	17,825,993	455,658	920,089	(5,158)	16,511,670

	31 December 2014					
	Sumatera	Java	Kalimantan	East Indonesia	Overseas operation	Total
Assets	37,473,472	480,722,344	13,213,817	20,573,661	440,598	552,423,892
Liabilities	37,473,472	401,282,429	13,213,817	20,573,661	7,398	472,550,777
Loans receivable - net	18,411,131	302,606,906	5,994,586	12,785,099	61,346	339.859,068
Deposits from customers	36,955,745	378,244,680	13,130,896	19,574,435	-	447,905,756
Sharia deposits	-	296,832	-	-	-	296,832
Temporary *syirkah* deposits	-	1,952,498	-	-	-	1,952,498

	Year ended 31 December 2013					
	Sumatera	Java	Kalimantan	East Indonesia	Overseas operation	Total
Interest and sharia income	2,177,760	30,087,756	731,676	1,262,267	17,690	34,277,149
Interest and sharia expenses	(551,369)	(6,750,787)	(196,396)	(353,457)	-	(7,852,009)
Net interest and sharia income	1,626,391	23,336,969	535,280	908,810	17,690	26,425,140
Net fee and commission income	441,817	5,485,456	129,583	249,502	3,505	6,309,863
Net trading income	28,703	1,096,855	9,954	30,759	-	1,166,271
Other operating income	12,996	443,903	4,940	9,093	8	470,940
Total segment income	2,109,907	30,363,183	679,757	1,198,164	21,203	34,372,214
Depreciation and amortization	(20,314)	(1,033,239)	(7,740)	(13,421)	(622)	(1,075,336)
Other material non-cash elements:						
Addition of impairment on financial assets	(44,145)	(1,936,851)	(8,667)	(16,486)	(9,529)	(2,015,678)
Other operating expenses	(746,237)	(12,146,005)	(221,153)	(421,674)	(21,057)	(13,556,126)
Operating income (loss)	1,299,211	15,247,088	442,197	746,583	(10,005)	17,725,074
Non-operating income - net	15,934	50,225	14,405	3,260	6,708	90,532
Income (loss) before tax	1,315,145	15,297,313	456,602	749,843	(3,297)	17,815,606
Income tax expense						(3,559,367)
Net income (loss) for the year	1,315,145	15,297,313	456,602	749,843	(3,297)	14,256,239

36. OPERATING SEGMENTS (Continued)

	31 December 2013					
	Sumatera	Java	Kalimantan	East Indonesia	Overseas operation	Total
Assets	35,088,364	429,663,052	12,193,620	18,917,643	441,894	496,304,573
Liabilities	35,088,364	364,686,940	12,193,711	18,917,643	7,335	430,893,993
Loans receivable - net	19,070,403	270,419,973	5,817,939	11,370,817	-	306,679,132
Deposits from customers	34,088,431	345,231,847	12,141,768	18,023,717	-	409,485,763
Sharia deposits	-	250,146	-	-	-	250,146
Temporary *syirkah* deposits	-	1,443,902	-	-	-	1,443,902

Reporting of financial information based on products:

	2014			
	Loans	Treasury	Others	Total
Assets	339,859,068	158,245,316	54,319,508	552,423,892
Loans receivable - net	339,859,068	-	-	339,859,068
Interest and sharia income	33,431,088	7,295,801	3,044,637	43,771,256
Fee-based income	2,300,656	36,594	5,858,328	8,195,578

	2013			
	Loans	Treasury	Others	Total
Assets	306,679,132	144,305,315	45,320,126	496,304,573
Loans receivable - net	306,679,132	-	-	306,679,132
Interest and sharia income	26,149,451	6,296,826	1,830,872	34,277,149
Fee-based income	2,006,997	34,062	4,739,755	6,780,814

37. MATURITY GAP OF FINANCIAL ASSETS AND LIABILITIES

The following table summarizes the maturity gap profile of the Bank and Subsidiaries' financial assets and liabilities based on the remaining period until the contractual maturity date as of 31 December 2014 and 2013:

	31 December 2014						
	Up to 1 month	> 1 - 3 months	> 3 months - 1 year	> 1 - 5 years	More than 5 years	No contractual maturity	Total
Financial assets							
Cash	-	-	-	-	-	19,577,571	19,577,571
Current accounts with Bank Indonesia	12,480,562	-	-	-	-	26,394,613	38,875,175
Current accounts with other banks	4,614,271	-	-	-	-	-	4,614,271
Placements with Bank Indonesia and other banks	11,004,378	460,800	37,000	-	-	-	11,502,178
Financial assets held for trading	328,956	503,906	766,638	72,722	-	-	1,672,222
Acceptance receivables - net	2,195,351	3,293,293	2,075,922	4,798	-	-	7,569,364
Bills receivable - net	1,244,592	1,197,755	784,633	-	-	-	3,226,980
Carry forward	31,868,110	5,455,754	3,664,193	77,520	-	45,972,184	87,037,761

37. MATURITY GAP OF FINANCIAL ASSETS AND LIABILITIES (Continued)

	31 December 2014						
	Up to 1 month	> 1 - 3 months	> 3 months - 1 year	> 1 - 5 years	More than 5 years	No contractual maturity	Total
Financial assets (continued)							
Carried forward	31,868,110	5,455,754	3,664,193	77,520	-	45,972,184	87,037,761
Securities purchased under agreements to resell	24,256,328	2,033,335	-	-	-	-	26,289,663
Loans receivable	42,364,123	24,776,645	118,385,543	100,662,261	60,861,292	-	347,049,864
Less:							
Allowance for impairment losses	-	-	-	-	-	-	(7,190,796)
Consumer financing receivables - net	159,284	188,464	1,155,503	5,350,842	119,135	-	6,973,228
Investment in finance leases - net	7,666	2,013	19,905	137,304	-	-	166,888
Investment securities - net	10,997,503	21,022,252	12,422,974	23,772,330	3,700,903	128,862	72,044,824
	109,653,014	53,478,463	135,648,118	130,000,257	64,681,330	46,101,046	532,371,432
Financial liabilities							
Deposits from customers	(433,353,943)	(9,887,284)	(4,664,529)	-	-	-	(447,905,756)
Deposits from other banks	(3,747,660)	(6,500)	(100)	-	-	-	(3,754,260)
Financial liabilities held for trading	(10,626)	(4,076)	-	-	-	-	(14,702)
Acceptance payables	(1,854,715)	(2,011,009)	(827,398)	(4,824)	-	-	(4,697,946)
Debt securities issued	-	(99,908)	(574,442)	(1,829,550)	-	-	(2,503,900)
Borrowings	(744,034)	-	(1,508,163)	(828,745)	-	-	(3,080,942)
	(439,710,978)	(12,008,777)	(7,574,632)	(2,663,119)	-	-	(461,957,506)
Net position	(330,057,964)	41,469,686	128,073,486	127,337,138	64,681,330	46,101,046	70,413,926

	31 December 2013						
	Up to 1 month	> 1 - 3 months	> 3 months - 1 year	> 1 - 5 years	More than 5 years	No contractual maturity	Total
Financial assets							
Cash	-	-	-	-	-	16,284,142	16,284,142
Current accounts with Bank Indonesia	11,258,038	-	-	-	-	24,011,039	35,269,077
Current accounts with other banks	3,447,290	-	-	-	-	-	3,447,290
Placements with Bank Indonesia and other banks	12,037,141	172,977	43,925	-	-	-	12,254,043
Financial assets held for trading	35,050	185,324	773,626	244,564	-	-	1,238,564
Acceptance receivables - net	2,544,052	2,873,433	985,496	31,395	-	-	6,434,376
Bills receivable - net	724,052	1,469,515	171,807	267,458	-	-	2,632,832
Carry forward	30,045,623	4,701,249	1,974,854	543,417	-	40,295,181	77,560,324

37. MATURITY GAP FINANCIAL ASSETS AND LIABILITIES (Continued)

	31 December 2013						
	Up to 1 month	> 1 - 3 months	> 3 months - 1 year	> 1 - 5 years	More than 5 years	No contractual maturity	Total
Financial assets (continued)							
Carried forward	30,045,623	4,701,249	1,974,854	543,417	-	40,295,181	77,560,324
Securities purchased under agreements to resell	41,056,171	-	-	-	-	-	41,056,171
Loans receivable	20,888,868	27,950,184	87,080,159	111,949,909	64,929,902	-	312,799,022
Less:							
Allowance for impairment losses	-	-	-	-	-	-	(6,119,890)
Consumer financing receivables - net	8,147	44,951	621,939	4,343,965	210,336	-	5,229,338
Investment in finance leases - net	-	-	2,336	180,208	-	-	182,544
Investment securities - net	4,307,071	3,881,779	10,814,227	26,861,001	2,375,711	167,549	48,407,338
	96,305,880	36,578,163	100,493,515	143,878,500	67,515,949	40,462,730	479,114,847
Financial liabilities							
Deposits from customers	(394,094,693)	(8,406,984)	(6,984,086)	-	-	-	(409,485,763)
Deposits from other banks	(3,273,439)	(27,500)	(100)	-	-	-	(3,301,039)
Financial liabilities held for trading	(84,274)	(28,920)	(322)	-	-	-	(113,516)
Acceptance payables	(1,960,838)	(1,965,280)	(581,335)	(31,989)	-	-	(4,539,442)
Debt securities issued	-	-	(1,245,463)	(1,887,384)	-	-	(3,132,847)
Borrowings	(100,952)	(30,000)	(370,000)	-	-	-	(500,952)
	(399,514,196)	(10,458,684)	(9,181,306)	(1,919,373)	-	-	(421,073,559)
Net position	(303,208,316)	26,119,479	91,312,209	141,959,127	67,515,949	40,462,730	58,041,288

38. NET OPEN POSITION

The Bank's net foreign exchange positions (Net Open Position or "NOP") as of 31 December 2014 and 2013 were calculated based on prevailing Bank Indonesia Regulations. Based on those regulations, banks are required to maintain the NOP (including all domestic and overseas branches) at the maximum of 20% (twenty percent) of capital.

The aggregate NOP represents the sum of the absolute values of (i) the net difference between assets and liabilities denominated in each foreign currency and (ii) the net difference of receivables and liabilities of both commitments and contingencies recorded in the administrative account (administrative account transactions) denominated in each foreign currency, which are all stated in Rupiah. The statement of financial position NOP represents the sum of the net differences of assets and liabilities on the statement of financial position for each foreign currency, which are all stated in Rupiah.

38. NET OPEN POSITION (Continued)

The Bank's NOP as of 31 December 2014 and 2013 was as follows:

	31 December					
	2014			2013		
	NOP for statement of financial position (net difference between assets and liabilities)	Net difference between receivables and liabilities in administrative accounts	Overall NOP (absolute amount)	NOP for statement of financial position (net difference between assets and liabilities)	Net difference between receivables and liabilities in administrative accounts	Overall NOP (absolute amount)
USD	3,957,770	(4,297,487)	339,717	1,914,931	(1,826,622)	88,309
SGD	(11,187)	(963)	12,150	2,916	(4,134)	1,218
AUD	6,325	(4,059)	2,266	15,714	(9,770)	5,944
HKD	9,934	(7,985)	1,949	3,545	-	3,545
GBP	(3,985)	5,787	1,802	3,300	-	3,300
EUR	26,289	(22,579)	3,710	(11,744)	25,139	13,395
JPY	(10,576)	10,179	397	(4,291)	6,042	1,751
CAD	2,732	-	2,732	1,977	(239)	1,738
CHF	7,797	(3,129)	4,668	6,539	-	6,539
DKK	466	-	466	987	-	987
MYR	(350)	-	350	(375)	-	375
SAR	602	-	602	110	2,434	2,544
SEK	149	-	149	355	-	355
CNY	2,307	-	2,307	2,385	-	2,385
Others	3,341	-	3,341	6,537	(4,998)	1,539
Total	3,991,614		376,606	1,942,886		133,924
Total capital (Note 39)	67,840,206		67,840,206	56,211,433		56,211,433
Percentage of NOP to capital	5.88%		0.56%	3.46%		0.24%

39. CAPITAL MANAGEMENT

The primary objective of the Bank's capital management policy is to ensure that the Bank has a strong capital to support the Bank's current business expansion strategy and to sustain future development of the business, to meet regulatory capital adequacy requirements and also to ensure the efficiency of the Bank's capital structure.

The Bank prepares the Capital Plan based on assessment of and review over the capital situation in terms of the legal capital adequacy requirement, combined with current economic outlook assesment and the result of stress testing method. The Bank will continue to link financial goals and capital adequacy to risk appetite through the capital planning process and stress testing and assess the businesses based on Bank's capital and liquidity requirements.

The Bank's capital needs are also planned and discussed on a routine basis, supported by data analysis.

The Capital Plan is prepared by the Board of Directors as part of the Bank's Business Plan and approved by the Board of Commissioners. This plan is expected to ensure an adequate level of capital with an optimum capital structure.

39. CAPITAL MANAGEMENT (Continued)

Bank Indonesia Circular Letter No. 11/3/DPNP dated 27 January 2009 requires all banks in Indonesia with certain qualification to take into account operational risk in calculating the Capital Adequacy Ratio ("CAR") and must fulfill the CAR at a minimum of 8% (eight percent) by taking into account operational risk.

Bank Indonesia Regulation No. 8/6/PBI/2006 dated 30 January 2006 and Bank Indonesia Circular Letter No. 8/27/DPNP dated 27 November 2006 requires all banks to meet CAR requirements for the bank on an individual and consolidated basis. The calculation of minimum CAR on consolidated basis is performed by calculating capital and risk-weighted assets based on risks from consolidated financial statements as provided in the prevailing Bank Indonesia Regulations.

The Bank calculates its capital requirements based on prevailing Bank Indonesia Regulations where the regulatory capital is analyzed into two tiers:

- Tier 1 capital, which includes issued and fully paid-up capital, additional paid-in capital, general reserve, specific reserve, retained earnings and current year profit. Investment in shares (50%) and book value of goodwill is deducted from tier 1 capital.
- Tier 2 capital, which includes the revaluation of fixed assets and allowable general reserve for financial assets. Investment in shares (50%) is deducted from tier 2 capital.

The CARs as of 31 December 2014 and 2013 calculated in accordance with the prevailing Bank Indonesia Regulations with credit risk, market risk and operational risk were as follows:

Consolidated CAR

	31 December	
	2014	2013
Core capital		
Paid-up capital	1,540,938	1,540,938
Disclosed reserve		
Additional paid in capital - net	5,711,368	5,711,368
General reserve	912,850	770,311
Net income in previous years	50,257,392	39,636,841
Net income for the current year	8,074,187	6,921,115
Positive differences from financial statements translation	316,437	309,103
Regulatory allowance for losses of non-productive assets	(105,867)	(85,295)
Less:		
Goodwill	(93,885)	(93,885)
Investment in shares	(122,427)	(84,009)
Non-controlling interests	238,628	101,076
	66,729,621	54,727,563
Supplementary capital		
Upper tier 2		
Revaluation of fixed assets	476,958	476,958
General allowance for productive assets	3,876,945	3,484,253
Less:		
Investment in shares	(122,427)	(84,009)
	4,231,476	3,877,202
Total capital - carry forward	70,961,097	58,604,765

39. CAPITAL MANAGEMENT (Continued)

Consolidated CAR (continued)

	31 December	
	2014	2013
Total capital - carried forward	70,961,097	58,604,765
Risk Weighted Assets		
Credit risk	357,227,347	318,926,584
Market risk	235,863	846,188
Operational risk	54,202,668	45,737,501
Total Risk Weighted Assets	411,665,878	365,510,273
CAR	17.24%	16.03%

The Bank's CAR (parent entity only)

	31 December	
	2014	2013
Core capital		
Paid-up capital	1,540,938	1,540,938
Disclosed reserve		
Additional paid in capital - net	5,711,368	5,711,368
General reserve	912,850	770,311
Net income in previous years	49,261,568	38,516,218
Net income for the current year	7,836,169	6,984,883
Regulatory allowance for losses of non-productive assets	(105,867)	(85,295)
Less:		
Investment in shares	(786,918)	(556,864)
	64,370,108	52,881,559
Supplementary capital		
Upper tier 2		
Revaluation of fixed assets	476,958	476,958
General allowance for productive assets	3,780,059	3,409,779
Less:		
Investment in shares	(786,919)	(556,863)
	3,470,098	3,329,874
Total capital	67,840,206	56,211,433
Risk Weighted Assets		
Credit risk	349,020,747	314,381,804
Market risk	507,392	208,259
Operational risk	52,930,005	44,373,506
Total Risk Weighted Assets	402,458,144	358,963,569
CAR	16.86%	15.66%

In accordance with the above Bank Indonesia Regulation, CAR should be calculated without the impact of deferred tax.

40. NON-CONTROLLING INTEREST

The movement of non-controlling interest in net assets of Subsidiaries was as follows:

	Year ended 31 December	
	2014	2013
Balance, beginning of year	101,075	71,167
Additional paid-in capital of subsidiaries (Note 1d)	60,000	27,500
Share of non-controlling interest in the net profit of a Subsidiary in the current year	25,812	2,408
Increase of non-controlling interest from acquisition of a Subsidiary in the current year	50,644	-
Balance, end of year	237,531	101,075

41. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties	Nature of relationship	Nature of transaction
FarIndo Investments (Mauritius) Ltd	Shareholder	Deposits from customers
PT BCA Finance	Subsidiary	Loans receivable, deposits from customers, joint financing
BCA Finance Limited	Subsidiary	Other assets, deposits from customers
PT Bank BCA Syariah	Subsidiary	Current accounts with other banks, deposits from other banks
PT BCA Sekuritas	Subsidiary	Loans receivable, deposits from customers
PT Asuransi Umum BCA	Subsidiary	Deposits from customers
PT Central Santosa Finance	Subsidiary	Loans receivable, deposits from customers, joint financing
PT Asuransi Jiwa BCA	Associated entity	Deposits from customers
PT Adiwisesa Mandiri Building Product Indonesia	Owned by the same ultimate shareholder	Deposits from customers
PT Agra Bareksa Indonesia	Owned by the same ultimate shareholder	Deposits from customers
PT Angkasa Komunikasi Global Utama	Owned by the same ultimate shareholder	Deposits from customers
PT Bamboe Jaya Plantation	Owned by the same ultimate shareholder	Deposits from customers
PT Borneo Muria Plantation	Owned by the same ultimate shareholder	Deposits from customers
PT Bukit Muria Jaya Estate	Owned by the same ultimate shareholder	Deposits from customers
PT Bukit Muria Jaya	Owned by the same ultimate shareholder	Deposits from customers
PT Bukit Muria Jaya Karton	Owned by the same ultimate shareholder	Loans receivable
PT Caturguwiratna Sumapala	Owned by the same ultimate shareholder	Deposits from customers
PT Cipta Karya Bumi Indah	Owned by the same ultimate shareholder	Deposits from customers
Dana Pensiun BCA	Employer pension fund	Pension fund contribution, deposits from customers
PT Darta Media Indonesia	Owned by the same ultimate shareholder	Loans receivable, deposits from customers

41. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

Related parties	Nature of relationship	Nature of transaction
PT Daya Cipta Makmur	Owned by the same ultimate shareholder	Deposits from customers
PT Daya Maju Lestari	Owned by the same ultimate shareholder	Deposits from customers
PT Daya Sumber Makmur	Owned by the same ultimate shareholder	Deposits from customers
PT Djarum	Owned by the same ultimate shareholder	Loans receivable, deposits from customers
PT Ecogreen Oleochemicals	Owned by the same ultimate shareholder	Guarantees issued, Letter of Credit, deposits from customers
PT Energi Batu Hitam	Owned by the same ultimate shareholder	Deposits from customers
PT Fajar Surya Swadaya	Owned by the same ultimate shareholder	Deposits from customers
PT Gemilang Sawit Kencana	Owned by the same ultimate shareholder	Deposits from customers
PT Global Digital Niaga	Owned by the same ultimate shareholder	Loans receivable, deposits from customers
PT Graha Padma Internusa	Owned by the same ultimate shareholder	Deposits from customers
PT Grand Indonesia	Owned by the same ultimate shareholder	Loans receivable, other assets, deposits from customers, guarantees issued
PT Hartono Istana Teknologi	Owned by the same ultimate shareholder	Deposits from customers
PT Indo Paramita Sarana	Owned by the same ultimate shareholder	Deposits from customers
PT Intershop Prima Centre	Owned by the same ultimate shareholder	Deposits from customers
PT Kapuas Rimba Sejahtera	Owned by the same ultimate shareholder	Deposits from customers
PT Kumparan Kencana Electrindo	Owned by the same ultimate shareholder	Deposits from customers
PT Lingkarindah Plantation	Owned by the same ultimate shareholder	Deposits from customers
PT Lingkarmulia Indah	Owned by the same ultimate shareholder	Deposits from customers
PT Marga Sadhya Swasti	Owned by the same ultimate shareholder	Deposits from customers
PT Margo Hotel Development	Owned by the same ultimate shareholder	Deposits from customers
PT Margo Property Development	Owned by the same ultimate shareholder	Deposits from customers
PT Mediapura Digital Indonesia	Owned by the same ultimate shareholder	Deposits from customers
PT Merah Cipta Media	Owned by the same ultimate shareholder	Loans receivable, deposits from customers
PT Multigraha Lestari	Owned by the same ultimate shareholder	Deposits from customers

41. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

Related parties	Nature of relationship	Nature of transaction
PT Nagaraja Lestari	Owned by the same ultimate shareholder	Deposits from customers
PT Neka Boga Perisa	Owned by the same ultimate shareholder	Deposits from customers
PT Palma Asri Sejahtera	Owned by the same ultimate shareholder	Deposits from customers
PT Palma Megah Mulia	Owned by the same ultimate shareholder	Deposits from customers
PT Peniti Sungai Purun	Owned by the same ultimate shareholder	Deposits from customers
PT Poly Kapitalindo	Owned by the same ultimate shareholder	Loans receivable, deposits from customers
PT Polyvisi Rama Optik	Owned by the same ultimate shareholder	Deposits from customers
PT Profesional Telekomunikasi Indonesia	Owned by the same ultimate shareholder	Loans receivable, deposits from customers
PT Puri Dibya Property	Owned by the same ultimate shareholder	Deposits from customers
PT Sapta Adhikari Investama	Owned by the same ultimate shareholder	Deposits from customers
PT Sarana Kencana Mulya	Owned by the same ultimate shareholder	Deposits from customers
PT Sarana Menara Nusantara	Owned by the same ultimate shareholder	Deposits from customers
PT Silva Rimba Lestari	Owned by the same ultimate shareholder	Deposits from customers
PT Suarniaga Indonesia	Owned by the same ultimate shareholder	Deposits from customers
PT Supravisi Rama Optik Manufacturing	Owned by the same ultimate shareholder	Deposits from customers
PT Swarnadwipa Serdangjaya	Owned by the same ultimate shareholder	Deposits from customers
PT Tanjung Indah Plantation	Owned by the same ultimate shareholder	Deposits from customers
PT Tricipta Mandhala Gumilang	Owned by the same ultimate shareholder	Deposits from customers
PT Trigana Putra Mandiri	Owned by the same ultimate shareholder	Deposits from customers
PT Wana Hijau Pesaguan	Owned by the same ultimate shareholder	Deposits from customers
Key management personnel	Bank's Board of Commisioners and Board of Directors	Loans receivable, deposits from customers, employee benefits
The Bank's controlling individuals and their family members	Shareholder	Loans receivable, deposits from customers

In the normal course of business, the Bank has transactions with related parties due to their common ownership and/or management. All transactions with related parties are conducted with agreed terms and conditions.

41. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

The details of significant balances and transactions with related parties that were not consolidated as of 31 December 2014 and 2013, and for the years then ended were as follows:

	31 December			
	2014		2013	
	Amount	Percentage to total	Amount	Percentage to total
Loans receivable*) (Note 12)	553,710	0.16%	475,706	0.15%
Other assets**)	280,227	3.93%	293,197	4.47%
Deposits from customers (Note 16)	1,119,576	0.25%	987,860	0.24%
Unused credit facilities to customers (Note 22)	586,126	0.47%	171,904	0.15%
Letters of Credit facilities granted to customers (Note 22)	56,783	0.79%	23,439	0.27%
Bank guarantees issued to customers (Note 22)	49,881	0.47%	50,700	0.47%
Interest and sharia income (Note 23)	34,219	0.08%	31,168	0.09%
Interest and sharia expenses (Note 24)	22,368	0.19%	19,221	0.24%
Rental expenses (Note 29)	13,015	1.04%	13,015	1.17%
Contribution to pension plan (Note 28)	140,835	1.62%	124,306	1.81%

*) Before allowance for impairment losses.
**) Represent prepaid rental and security deposits to PT Grand Indonesia.

Compensations for key management personnel of the Bank (see Note 1g) were as follows:

	Year ended 31 December	
	2014	2013
Short-term employee benefits (including tantiem)	357,797	275,688
Long-term employee benefits	15,180	15,180
Total	372,977	290,868

Rental Agreement with PT Grand Indonesia

On 11 April 2006, the Bank signed a rental agreement with PT Grand Indonesia (a related party), in which the Bank agreed to lease, on a long-term basis, the office space from PT Grand Indonesia with a total area of 28,166.88 sqm at an amount of USD 35,631,103.20, including Value Added Tax ("VAT"), with an option to lease for long-term additional space of 3,264.80 sqm at an amount of USD 4,129,972, including VAT. This rental transaction had been approved by the Board of Directors and Shareholders in the Bank's Extraordinary General Meeting of Shareholders on 25 November 2005 (the minutes of meeting was prepared by Notary Hendra Karyadi, S.H., with Deed No. 11). This rental agreement started on 1 July 2007 and will end on 30 June 2035.

The Bank was required to pay an advance on 5 December 2005 amounted to USD 3,244,092.50, including VAT and ten installments of USD 3,238,701.07, including VAT, for a period of 15 April 2006 to 31 December 2006.

As of 31 December 2006, the Bank had paid USD 32,392,402.13, including VAT and it was recorded as other assets. On 2 January 2007, the Bank settled the payments (paid the tenth installment) amounted to USD 3,238,701.07, including VAT.

41. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

Rental Agreement with PT Grand Indonesia (continued)

On 29 June 2007, the Bank paid the lease for additional space in the 28th and 29th floors of 3,264.80 sqm amounted to USD 4,129,972, including VAT.

This agreement was notarized by Notary Hendra Karyadi, S.H., under Deed No. 14 dated 11 April 2006.

Starting May 2008, the Bank has calculated the amortization for those prepaid rental expenses. As of 31 December 2014 and 2013, amortization of prepaid rental expenses was Rp 86,765 and Rp 73,750, respectively, such that the remaining prepaid rental payment to PT Grand Indonesia as of 31 December 2014 and 2013 was Rp 277,649 and Rp 290,664, respectively, which was recorded as other assets.

On 24 October 2008, the Bank paid security deposits for additional space on the 30th and 31st floors of 3,854.92 sqm amounted to USD 208,165.68. This agreement was notarized in Deed No. 110 dated 22 May 2008 of Notary Dr. Irawan Soerodjo, S.H., MSi.

Rental payment for the 30th and 31st floors started on 1 August 2009, for which in accordance with the agreement between the Bank and PT Grand Indonesia, starting from the first rental payment date (1 August 2009), the Bank will make the rental payments on a quarterly basis until the lease expires.

42. RECLASSIFICATION OF ACCOUNTS

Certain accounts in the consolidated financial statements for the year ended 31 December 2013 have been reclassified to conform with the consolidated financial statements for the year ended 31 December 2014.

	Before reclassifications	Reclassifications	After reclassifications
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME			
Net trading income	519,864	646,407	1,166,271
Non-operating income - net	736,939	(646,407)	90,532

43. GOVERNMENT GUARANTEE SCHEME ON THE OBLIGATIONS OF DOMESTIC BANKS

Based on the Law No. 24 regarding Indonesia Deposit Insurance Corporation (*Lembaga Penjaminan Simpanan* or "LPS") dated 22 September 2004, effective 22 September 2005, the LPS was established to provide guarantee on certain obligations of commercial banks based on the prevailing guarantee schemes, in which the guarantee amount could be changed if certain prevailing criteria are met. The law was changed with the Government Regulation as the Replacement of Law No. 3 Year 2008, which was then changed to a law since 13 January 2009 i.e. the Republic of Indonesia Law No. 7 Year 2009.

Based on Government of Republic of Indonesia Regulation No. 66/2008 dated 13 October 2008 regarding the deposit amount guaranteed by LPS, on 31 December 2014 and 2013, the deposit amount guaranteed by LPS for every customer in a bank is at a maximum of Rp 2,000.

As of 31 December 2014 and 2013, the Bank was the participant of this guarantee scheme.

44. NEW REGULATIONS ISSUED

A new regulation have been issued in 2014 and 2013 which can bring significant impact to the Bank's business operations starting from 2014 to 2019:

- PBI No. 15/12/PBI/2013 dated 12 December 2013 regarding the CAR for Commercial Banks.

  Bank Indonesia requires banks to meet the CAR with the required minimum percentage in stages, as follows:

  2014

  - Common equity Tier 1 ratio at minimum of 4.50% from Risk Weighted Assets ("RWA"), both individually and at consolidated level.
  - Core capital ratio at minimum of 6.00% from RWA, both individually and at consolidated level.
  - The minimum requirement for common equity Tier 1 and core capital ratios are still using components as stated in Bank Indonesia Regulation No. 14/18/PBI/2012 regarding the CAR for Commercial Banks.

  2015

  - Common equity Tier 1 ratio at minimum of 4.50% from RWA, both individually and at consolidated level.
  - Core capital ratio at minimum of 6.00% from RWA, both individually and at consolidated level.
  - The minimum requirement for common equity Tier 1 and core capital ratios are using components as stated in Bank Indonesia Regulation No. 15/12/PBI/2013 regarding the CAR for Commercial Banks.

  2016

  - Common equity Tier 1 ratio at minimum of 4.50% from RWA, both individually and at consolidated level.
  - Core capital ratio at minimum of 6.00% from RWA, both individually and at consolidated level.
  - Capital Conservation Buffer ratio of 0.625% from RWA.
  - Countercyclical Buffer ratio determined by Bank Indonesia in the range of 0% - 2.50% from RWA *).
  - Capital Surcharge ratio for Domestic Systematically Important Bank (D-SIB) determined by authorized authority in the range of 1% - 2.50% from RWA for banks which are determined as having systemic impacts**).

*) Based on the development of Indonesia macroeconomic condition and Bank Indonesia assessment on this condition, Bank Indonesia could set:
1. different range of Countercyclical Buffer percentage from 0% - 2.50%;
2. implementation of Countercyclical Buffer which is earlier from the specified timeline.

**) The Authority could set the percentage of Capital Surcharge percentage for Domestic Systematically Important Bank (D-SIB) in the higher range of 1% - 2.50%.

44. NEW REGULATIONS ISSUED (Continued)

- PBI No. 15/12/PBI/2013 dated 12 December 2013 regarding the CAR for Commercial Banks (continued).

  2017

  - Common equity Tier 1 ratio at minimum of 4.50% from RWA, both individually and at consolidated level.
  - Core capital ratio at minimum of 6.00% from RWA, both individually and at consolidated level.
  - Capital Conservation Buffer ratio of 1.25% from RWA.
  - Countercyclical Buffer ratio determined by Bank Indonesia in the range of 0% - 2.50% from RWA *).
  - Capital Surcharge ratio for Domestic Systematically Important Bank (D-SIB) determined by authorized authority in the range of 1% - 2.50% from RWA for banks which are determined as having systemic impacts**).

  2018

  - Common equity Tier 1 ratio at minimum of 4.50% from RWA, both individually and at consolidated level.
  - Core capital ratio at minimum of 6.00% from RWA, both individually and at consolidated level.
  - Capital Conservation Buffer ratio of 1.875% from RWA.
  - Countercyclical Buffer ratio determined by Bank Indonesia in the range of 0% - 2.50% from RWA *).
  - Capital Surcharge ratio for Domestic Systematically Important Bank (D-SIB) determined by authorized authority in the range of 1% - 2.50% from RWA for banks which are determined as having systemic impacts**).

  2019

  - Common equity Tier 1 ratio at minimum of 4.50% from RWA, both individually and at consolidated level.
  - Core capital ratio at minimum of 6.00% from RWA, both individually and at consolidated level.
  - Capital Conservation Buffer ratio of 2.50% from RWA.
  - Countercyclical Buffer ratio determined by Bank Indonesia in the range of 0% - 2.50% from RWA *).
  - Capital Surcharge ratio for Domestic Systematically Important Bank (D-SIB) determined by authorized authority in the range of 1% - 2.50% from RWA for banks which are determined as having systemic impacts**).

*) Based on the development of Indonesia macroeconomic condition and Bank Indonesia assessment on this condition, Bank Indonesia could set:
1. different range of Countercyclical Buffer percentage from 0% - 2.50%;
2. implementation of Countercyclical Buffer which is earlier from the specified timeline.

**) The Authority could set the percentage of Capital Surcharge percentage for Domestic Systematically Important Bank (D-SIB) in the higher range of 1% - 2.50%.

44. NEW REGULATIONS ISSUED (Continued)

- PBI No. 15/12/PBI/2013 dated 12 December 2013 regarding the CAR for Commercial Banks (continued).

  The above CAR is in accordance with risk profile, which is determined as minimum as follows:

  - 8% of RWA for banks with risk profile rating of 1 (one).
  - 9% to less than 10% of RWA for banks with risk profile rating of 2 (two).
  - 10% to less than 11% of RWA for banks with risk profile rating of 3 (three).
  - 11% - 14% of RWA for banks with risk profile rating of 4 (four) or 5 (five).

- POJK No. 16/POJK.03/2014 dated 18 November 2014 regarding The Assessment of Asset Quality of Sharia Commercial Bank and Sharia Business Unit.

  - The bank is required to calculate and establish allowances ("PPA") for productive and non-productive assets. PPA is in the form of general and specific reserves for productive assets and spesific reserve for non-productive assets. Collaterals can be used as deduction in PPA calculation. At least, the collateral used as the deduction of PPA has to be assessed by an independent appraisal or bank internal appraisal. The collateral value shall not exceed the collateral binding value.

  - The bank is required to calculate and establish allowance for impairment losses ("CKPN") based on applicable financial accounting standards.

  - The bank is required to consider PPA for productive assets and allowance for impairment losses booked for the calculation of CAR. If the result of required PPA calculation for productive assets is higher than the allowance for impairment losses amount, the bank is required to calculate the difference between PPA calculation and the allowance for impairment losses as the deduction of capital in the CAR calculation. If the result of required PPA calculation for productive assets is equal or lower than the allowance for impairment losses amount, the Bank is not required to consider the exceed of PPA calculation in the CAR calculation.

  - The bank is required to implement the accounting treatment for restucturing of financing in accordance with the applicable financial accounting standards.

  - This POJK became effective on 1 January 2015.

- POJK No. 17/POJK.03/2014 dated 18 November 2014 regarding Implementation of Integrated Risk Management of Financial Conglomeration.

  - A Financial Conglomeration, which comprised of Financial Service Institutions ("LJK") that are managed under one group or conglomeration because of their relationships due to ownership and/or control, is required to implement a comprehensive and effective Integrated Risk Management. In implementing the Integrated Risk Management, Financial Conglomeration has a structure of a Principal Entity and subsidiaries, and/or affiliated entities as well as their subsidiaries.

44. NEW REGULATIONS ISSUED (Continued)

- POJK No. 17/POJK.03/2014 dated 18 November 2014 regarding Implementation of Integrated Risk Management of Financial Conglomeration (continued).
  - The implementation of Integrated Risk Management shall include at least:
    a. Monitoring by Directors and Board of Commissioners of the Principal Entity;
    b. Adequacy of policies, procedures and limit determination of Integrated Risk Management;
    c. Adequacy of integrated process on the identification, measurement, monitoring and control the risks, as well as Integrated Risk Management information systems; and
    d. Comprehensive internal control systems on the implementation of Integrated Risk Management.
  - The Principal Entity is required to establish an Integrated Risk Management Committee and Risk Management Working Unit and to prepare an integrated risk profile report on a semi-annual basis i.e., every end of June and December. The report is to be submitted to OJK at the latest by the 15th (fifteenth) of the second month after the end of the abovementioned month end.
  - The requirement to submit risk profile report will start for the first time for the reports as of the following position:
    a. June 2015, for Principal Entity that is a bank catagorized as BUKU 4;
    b. December 2015, for Principal Entity that are banks other than BUKU 4 and non-banks.
- POJK No. 18/POJK.03/2014 dated 19 November 2014 regarding Implementation of Integrated Governance of Financial Conglomeration.
  - The Principal Entity is required to implement an Integrated Governance. Such implementation at the minimum includes the requirements of Directors and Board of Commissioners of the Principal Entity, role and responsibility of Integrated Governance Committee, role and responsibility of integrated compliance working unit, role and responsibility of integrated internal audit working unit, implementation of integrated risk management, and the preparation and implementation of the Guidance of Integrated Governance. The Directors of the Principal Entities is required to ensure the implementation of the Integrated Governance in the Financial Conglomeration.
  - Principal Entity is required to submit the report on LJK that becomes the Principal Entity and LJK that becomes members of a Financial Conglomeration to OJK. The report is required to be submitted at the latest by the 20th (twentieth) working days after the formation of a new Financial Conglomeration, and includes the selection of the Principal Entity, changes to the Principal Entity, changes to members of Financial Conglomeration and/or the discharge of a Financial Conglomeration.
  - Reports regarding LJK that become Principal Entity and LJK that become members of a Financial Conglomeration should be submitted for the first time at the latest by 31 March 2015.

44. NEW REGULATIONS ISSUED (Continued)

- POJK No. 21/POJK.03/2014 dated 18 November 2014 regarding the CAR for Sharia Commercial Banks.
  - The bank is required to provide a minimum capital in accordance with its risk profile and calculated using the CAR. The required minimum CAR is determined as follows:
    a. 8% of RWA for banks with risk profile rating of 1 (one).
    b. 9% to less than 10% of RWA for banks with risk profile rating of 2 (two).
    c. 10% to less than 11% of RWA for banks with risk profile rating of 3 (three).
    d. 11% - 14% of RWA for banks with risk profile rating of 4 (four) or 5 (five).
  - OJK is authorized to determine the greater minimum capital than the abovementioned minimum capital when OJK assesses that the Bank is facing potential losses which requiring a greater capital. The calculation of CAR according to the risk profile is due for the first time using risk profile rating on December 2014.
  - This POJK became effective on 1 January 2015.
- POJK No. 30/POJK.03/2014 dated 19 November 2014 regarding Good Governance for Financing Company.
  - The financing company should follow the basic concepts of good corporate governance, including transparency, accountability, responsibility, independency and fairness. A guidance and standard operating procedures should be prepared to perform these principles. Besides, the main parties of financing company, i.e., controlling shareholder, directors, commissioners, expatriates and sharia supervisory board (if any) are required to complete the fit and proper test conducted by OJK before occupying the position.
  - A financing company with assets of more than Rp 200 billion should have at least 3 (three) directors, 2 (two) commissioners, 1 (one) Independent Commissioner, an Audit Committee, and a function that assists the Commissioner to monitor and ensure the effectiveness of internal control system and the implementation of internal and external auditors' duties. A financing company with assets of less than Rp 200 billion should have at least 2 (two) directors.
  - This POJK became effective on 1 January 2015.

The Bank and Subsidiaries are still in the process of analyzing the impact from adopting these regulations.

PT BANK CENTRAL ASIA Tbk

SUPPLEMENTARY INFORMATION
STATEMENTS OF FINANCIAL POSITION (PARENT ENTITY ONLY)
31 DECEMBER 2014 AND 2013
(Expressed in millions of Rupiah, unless otherwise stated)

The following supplementary financial information of PT Bank Central Asia Tbk (parent entity only) which exclude the balances of Subsidiaries, have been prepared and presented using the accounting policies that are consistent with those applied to the consolidated financial statements of the Bank and Subsidiaries, except for investments in Subsidiaries, which have been presented at cost.

	31 December	
	2014	**2013**
ASSETS		
Cash	19,564,217	16,273,604
Current accounts with Bank Indonesia	38,767,135	35,187,679
Current accounts with other banks	4,566,349	3,430,762
Placements with Bank Indonesia and other banks	9,806,171	11,298,869
Financial assets held for trading	1,669,705	1,035,791
Acceptance receivables - net of allowance for impairment losses of Rp 396,343 and Rp 89,740 as of 31 December 2014 and 2013	7,569,364	6,434,376
Bills receivable - net of allowance for impairment losses of Rp 1,286 and Rp 580 as of 31 December 2014 and 2013	3,226,980	2,632,832
Securities purchased under agreements to resell	26,289,663	41,056,171
Loans receivable - net of allowance for impairment losses of Rp 6,703,233 and Rp 5,610,545 as of 31 December 2014 and 2013		
Related parties	1,027,340	674,447
Third parties	339,231,697	306,095,154
Investment securities - net of allowance for impairment losses of Rp 674,229 and Rp 660,328 as of 31 December 2014 and 2013	71,512,942	47,829,262
Fixed assets - net of accumulated depreciation of Rp 5,759,794 and Rp 4,882,884 as of 31 December 2014 and 2013	8,648,481	7,365,886
Deferred tax assets - net	1,876,844	1,721,031
Investment in shares - net of allowance for impairment losses of Rp 17,948 and Rp 13,265 as of 31 December 2014 and 2013	1,702,476	1,238,849
Other assets - net of allowance for impairment losses of Rp 1,929 and Rp 158 as of 31 December 2014 and 2013	6,525,059	6,223,529
TOTAL ASSETS	**541,984,423**	**488,498,242**

PT BANK CENTRAL ASIA Tbk

SUPPLEMENTARY INFORMATION
STATEMENTS OF FINANCIAL POSITION (PARENT ENTITY ONLY) (Continued)
31 DECEMBER 2014 AND 2013
(Expressed in millions of Rupiah, unless otherwise stated)

The following supplementary financial information of PT Bank Central Asia Tbk (parent entity only) which exclude the balances of Subsidiaries, have been prepared and presented using the accounting policies that are consistent with those applied to the consolidated financial statements of the Bank and Subsidiaries, except for investments in Subsidiaries, which have been presented at cost.

	31 December	
	2014	**2013**
LIABILITIES AND EQUITY		
LIABILITIES		
Deposits from customers		
Related parties	1,155,405	1,015,661
Third parties	446,786,180	408,497,903
Deposits from other banks	3,752,681	3,303,929
Financial liabilities held for trading	14,702	113,516
Acceptance payables	4,697,946	4,539,442
Income tax liabilities	199,878	238,959
Borrowings	744,034	952
Obligation for post-employment benefits	3,741,315	3,504,153
Accruals and other liabilities	4,936,065	4,613,106
TOTAL LIABILITIES	466,028,206	425,827,621
EQUITY		
Share capital - par value per share of Rp 62.50 (full amount)		
Authorized capital: 88,000,000,000 shares		
Issued and fully paid: 24,655,010,000 shares	1,540,938	1,540,938
Additional paid-in capital	5,711,368	5,711,368
Unrealized losses on available-for-sale financial assets - net	(59,697)	(464,188)
Retained earnings		
Appropriated	912,850	770,311
Unappropriated	67,850,758	55,112,192
TOTAL EQUITY	75,956,217	62,670,621
TOTAL LIABILITIES AND EQUITY	**541,984,423**	**488,498,242**

PT BANK CENTRAL ASIA Tbk

SUPPLEMENTARY INFORMATION
STATEMENTS OF COMPREHENSIVE INCOME (PARENT ENTITY ONLY)
YEARS ENDED 31 DECEMBER 2014 AND 2013
(Expressed in millions of Rupiah, unless otherwise stated)

The following supplementary financial information of PT Bank Central Asia Tbk (parent entity only) which exclude the balances of Subsidiaries, have been prepared and presented using the accounting policies that are consistent with those applied to the consolidated financial statements of the Bank and Subsidiaries, except for investments in Subsidiaries, which have been presented at cost.

	Year ended 31 December	
	2014	**2013**
OPERATING INCOME AND EXPENSES		
Interest income	40,626,579	32,386,076
Interest expenses	(11,179,515)	(7,546,742)
Net interest income	29,447,064	24,839,334
Fee and commission income	7,205,951	6,236,680
Fee and commission expenses	(47)	(11)
Net fee and commission income	7,205,904	6,236,669
Net trading income	819,356	1,154,541
Other operating income	963,852	1,317,395
Total operating income	38,436,176	33,547,939
Impairment losses on financial assets	(1,986,568)	(1,981,430)
Other operating expenses		
Personnel expenses	(7,879,984)	(6,549,216)
General and administrative expenses	(8,373,293)	(7,112,797)
Others	(431,143)	(273,435)
	(16,684,420)	(13,935,448)
Total operating expenses	(18,670,988)	(15,916,878)
NET OPERATING INCOME	19,765,188	17,631,061
NON-OPERATING INCOME (EXPENSES) - NET	53,962	(2,569)
INCOME BEFORE TAX (Carry forward)	19,819,150	17,628,492

PT BANK CENTRAL ASIA Tbk

SUPPLEMENTARY INFORMATION
STATEMENTS OF COMPREHENSIVE INCOME (PARENT ENTITY ONLY) (Continued)
YEARS ENDED 31 DECEMBER 2014 AND 2013
(Expressed in millions of Rupiah, unless otherwise stated)

The following supplementary financial information of PT Bank Central Asia Tbk (parent entity only) which exclude the balances of Subsidiaries, have been prepared and presented using the accounting policies that are consistent with those applied to the consolidated financial statements of the Bank and Subsidiaries, except for investments in Subsidiaries, which have been presented at cost.

	Year ended 31 December	
	2014	**2013**
INCOME BEFORE TAX (Carried forward)	19,819,150	17,628,492
INCOME TAX EXPENSE		
Current	(4,146,813)	(3,658,727)
Deferred	290,644	399,542
	(3,856,169)	(3,259,185)
NET INCOME	15,962,981	14,369,307
OTHER COMPREHENSIVE INCOME		
Available-for-sale financial assets:		
Change in fair value - net	539,322	(1,776,187)
Income tax relating to components of other comprehensive income	(134,831)	444,047
OTHER COMPREHENSIVE INCOME, NET OF INCOME TAX	404,491	(1,332,140)
TOTAL COMPREHENSIVE INCOME	16,367,472	13,037,167
NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS OF PARENT ENTITY	15,962,981	14,369,307
COMPREHENSIVE INCOME ATTRIBUTABLE TO EQUITY HOLDERS OF PARENT ENTITY	16,367,472	13,037,167
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT ENTITY (full amount of Rupiah)	647	583

Appendix 3/1

PT BANK CENTRAL ASIA Tbk

SUPPLEMENTARY INFORMATION
STATEMENTS OF CHANGES IN EQUITY (PARENT ENTITY ONLY)
YEARS ENDED 31 DECEMBER 2014 AND 2013
(Expressed in millions of Rupiah, unless otherwise stated)

The following supplementary financial information of PT Bank Central Asia Tbk (parent entity only) which exclude the balances of Subsidiaries, have been prepared and presented using the accounting policies that are consistent with those applied to the consolidated financial statements of the Bank and Subsidiaries, except for investments in Subsidiaries, which have been presented at cost.

	Year ended 31 December 2014					
	Issued and fully paid-up capital	Additional paid-in capital	Unrealized (losses) gains on available-for-sale financial assets - net	Retained earnings		Total equity
				Appropriated	Unappropriated	
Balance, 31 December 2013	1,540,938	5,711,368	(464,188)	770,311	55,112,192	62,670,621
Net income for the year	-	-	-	-	15,962,981	15,962,981
Unrealized gain on available-for-sale financial assets - net	-	-	404,941	-	-	404,491
Total comprehensive income for the year	-	-	404,941	-	15,962,981	16,367,472
General reserve	-	-	-	142,539	(142,539)	-
Cash dividends	-	-	-	-	(3,081,876)	(3,081,876)
Balance, 31 December 2014	**1,540,938**	**5,711,368**	**(59,697)**	**912,850**	**67,850,758**	**75,956,217**

PT BANK CENTRAL ASIA Tbk

SUPPLEMENTARY INFORMATION
STATEMENTS OF CHANGES IN EQUITY (PARENT ENTITY ONLY) (Continued)
YEARS ENDED 31 DECEMBER 2014 AND 2013
(Expressed in millions of Rupiah, unless otherwise stated)

The following supplementary financial information of PT Bank Central Asia Tbk (parent entity only) which exclude the balances of Subsidiaries, have been prepared and presented using the accounting policies that are consistent with those applied to the consolidated financial statements of the Bank and Subsidiaries, except for investments in Subsidiaries, which have been presented at cost.

	Year ended 31 December 2013						
	Issued and fully paid-up capital	Additional paid-in capital	Treasury stocks	Unrealized (losses) gains on available-for-sale financial assets - net	Retained earnings		Total equity
					Appropriated	Unappropriated	
Balance, 31 December 2012	1,540,938	4,396,429	(617,589)	867,952	653,094	43,720,083	50,560,907
Net income for the year	-	-	-	-	-	14,369,307	14,369,307
Unrealized loss on available-for-sale financial assets - net	-	-	-	(1,332,140)	-	-	(1,332,140)
Total comprehensive income for the year	-	-	-	(1,332,140)	-	14,369,307	13,037,167
General reserve	-	-	-	-	117,217	(117,217)	-
Cash dividends	-	-	-	-	-	(2,859,981)	(2,859,981)
Additional paid-in capital from treasury stock transactions	-	1,314,939	617,589	-	-	-	1,932,528
Balance, 31 December 2013	**1,540,938**	**5,711,368**	**-**	**(464,188)**	**770,311**	**55,112,192**	**62,670,621**

PT BANK CENTRAL ASIA Tbk

SUPPLEMENTARY INFORMATION
STATEMENTS OF CASH FLOWS (PARENT ENTITY ONLY)
YEARS ENDED 31 DECEMBER 2014 AND 2013
(Expressed in millions of Rupiah, unless otherwise stated)

The following supplementary financial information of PT Bank Central Asia Tbk (parent entity only) which exclude the balances of Subsidiaries, have been prepared and presented using the accounting policies that are consistent with those applied to the consolidated financial statements of the Bank and Subsidiaries, except for investments in Subsidiaries, which have been presented at cost.

	Year ended 31 December	
	2014	**2013**
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts of interest, fees and commissions	47,043,811	38,492,089
Other operating income	416,977	248,571
Payments of interest, fees and commissions	(11,085,555)	(7,486,787)
Payments of post-employment benefits	(1,080,476)	(228,595)
Loss from foreign exchange transactions - net	(791,022)	(11,231,961)
Other operating expenses	(14,119,340)	(12,117,599)
Non-operating (expenses) income - net	55,324	(8,737)
Payment of tantiem to Board of Commissioners and Directors	(213,762)	(175,815)
Other increases/decreases affecting cash:		
Placements with Bank Indonesia and other banks - mature more than 3 months from the date of acquisition	(604,249)	1,243,822
Financial assets held for trading	(521,695)	437,458
Acceptance receivables	(1,441,591)	1,253,079
Bills receivable	(548,971)	(406,044)
Securities purchased under agreements to resell	14,766,508	(6,607,636)
Loans receivable	(34,627,564)	(52,284,094)
Other assets	40,824	1,346,617
Deposits from customers	39,079,448	47,134,242
Deposits from other banks	468,863	1,263,477
Acceptance payables	158,504	(1,300,053)
Accruals and other liabilities	356,095	(253,475)
Net cash provided by (used in) operating activities before income tax	37,352,129	(681,441)
Payment of income tax	(4,185,894)	(3,603,387)
Net cash provided by (used in) operating activities	**33,166,235**	**(4,284,828)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of investment securities	(49,580,981)	(17,288,211)
Proceeds from investment securities that had matured during the year	27,127,334	15,480,338
Cash dividends received from investment in shares	552,586	1,071,602
Acquisition of fixed assets	(2,538,509)	(2,903,790)
Acquisition of a Subsidiary	(70,110)	(102,000)
Proceeds from sale of fixed assets	7,953	22,850
Net cash used in investing activities	**(24,501,727)**	**(3,719,211)**

PT BANK CENTRAL ASIA Tbk

SUPPLEMENTARY INFORMATION
STATEMENTS OF CASH FLOWS (PARENT ENTITY ONLY) (Continued)
YEARS ENDED 31 DECEMBER 2014 AND 2013
(Expressed in millions of Rupiah, unless otherwise stated)

The following supplementary financial information of PT Bank Central Asia Tbk (parent entity only) which exclude the balances of Subsidiaries, have been prepared and presented using the accounting policies that are consistent with those applied to the consolidated financial statements of the Bank and Subsidiaries, except for investments in Subsidiaries, which have been presented at cost.

	Year ended 31 December	
	2014	**2013**
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in borrowings - net	743,082	(2,066)
Additional share capital payment of Subsidiaries	(390,000)	(82,500)
Payments of cash dividends	(3,081,876)	(2,859,981)
Proceeds from sale of treasury stocks	-	1,932,528
Net cash used in financing activities	**(2,728,794)**	**(1,012,019)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	5,935,714	(9,016,058)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	66,795,163	76,246,409
EFFECT OF FOREIGN EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS	(27,005)	(1,039,437)
CASH AND CASH EQUIVALENTS, END OF YEAR	**72,703,872**	**66,190,914**
Cash and cash equivalents consist of:		
Cash	19,564,217	16,273,604
Current accounts with Bank Indonesia	38,767,135	35,187,679
Current accounts with other banks	4,566,349	3,430,762
Placements with Bank Indonesia and other banks - mature within 3 months or less from the date of acquisition	9,806,171	11,298,869
Total cash and cash equivalents	**72,703,872**	**66,190,914**

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Corporate Data

Awards

1.

Brand Finance Indonesia
The Brand Finance Top 100 Indonesia Brands Report 2013
The Top 10 of Indonesia Most Valuable Brand

2.

Infobank Magazine
Infobank Digital Brand of The Year 2013
- Time Deposit (1st place)
- Vehicle Loan (1st place)
- Wealth Management (2nd place)
- Credit Card (2nd place)
- Mortgage (3rd place)
- E-money (3rd place)
- Debit Card (3rd place)
- Saving Accounts (3rd place)

3.

Bisnis Indonesia
Carre - Center for Customer
Excellent Service Experience Award (ESEA) 2014
"Excellent Performance" in Delivering Positive Customer Experience based on Mystery Shopping Research ESEI 2014 for Industry Category: Regular Banking

4.

Marketing Magazine
Frontier Consulting Group
Top Brand Award 2014
- Saving Account (1st place)
- Credit Card (1st place)
- Call Center (1st place)
- Mobile Banking (1st place)
- Internet Banking (1st place)
- Deposit Banking (1st place)
- Mortgage Loan (3rd place)

5.

SWA Magazine
MARS Indonesia
SWANETWORK
Global Customer Satisfaction Standard (GCSS) & Worldclass Quality Achievement (WQA) 2013
- BCA - 5 Star Quality Product
- World Class Quality Achievment 2013 - Credit Card

6.

Men's Obsession Magazine
Men's Obsession Awards 2014 & Men's Obsession Decade Awards 2004 - 2014
Jahja Setiaatmadja - Most Inspirational CEO

7.

Infobank Magazine
MarkPlus Insight
Marketeers Magazine
Indonesia Bank Loyalty Award (IBLA) 2014
- Saving Accounts for Conventional Banking with Assets > Rp100 trillion (1st place)
- Credit Card (1st place)

8.

Directorate General of Taxes - Ministry of Finance of Republic Indonesia

BCA awarded:

- Most Punctual Taxpayer in Tax Reporting and Payment (period 2012-2013)

9.

Venna Achievement Association
Inti Media

Figure Excellence Awards 2014

Jahja Setiaatmadja - Outstanding Figure of the Entrepreneur

10.

Fortune Indonesia Magazine - Hay Group International

Indonesia's Most Admired Companies (IMAC) 2014

- Most Admired Company in Financial Services (1st place)
- Most Admired Company in Cross Sector Industry (3rd place)

11.

Asiamoney Magazine

Asiamoney 25th Poll of Polls Award 2014 FX Poll 1991 - 2013

- Best Domestic FX Bank in Indonesia

Cash Management Poll 1999 - 2013

- Best Domestic Cash Management Bank 1999-2013 in Indonesia

12.

CCSL
Service Excellence Magazine

Contact Center Service Excellence Award

5 Exceptional Award:

- Platinum Credit Card
- Regular Credit Card
- Priority Banking
- Regular Banking
- Sharia Banking

1 Excellent Award:

- Email Center

13.

The Asian Banker

The International Excellence in Retail Financial Service Awards 2014

- Best Retail Bank in Indonesia

Awards

14.

Solo Pos
Harian Jogja
Opsi Jakarta
FISIP UNS Solo
Solo Best Brand Index (SBBI) & Jogja Best Brand Index (JBBI) 2014

- Category: Credit Card

15.

IDEA Magazine
Tabloid RUMAH
Kompas Gramedia
iDEA Rumah Award - Readers Choice 2014

- BCA for Categories Mortgage Provider Banks

16.

Warta Ekonomi Magazine
Indonesia Most Admired Companies (WIMACO) and CEO (WIMAC)

- BCA - Indonesia Most Admired Company (WIMACO) 2014 for Banking Category
- Jahja Setiaatmadja - Indonesia Most Admired CEO (WIMAC) 2014 for Banking Category

17.

Indonesia Contact Center Association (ICCA)
Indonesia Contact Center Award 2014

A. Individual Category :

1. The Best Agent Premium / VIP
2. The Best Agent Social Media
3. The Best Manager
4. The Best Leader Customer Service
5. The Best Telesales
6. The Best Trainer

Gold :

1. The Best Agent Inbound Reguler
2. The Best Back Office
3. The Best Customer Service
4. The Best IT Support
5. The Best Manager Customer Service
6. The Best Quality Assurance
7. The Best Supervisor
8. The Best Leader Customer Service
9. The Best Team Leader Inbound
10. The Best Team Leader Outbound
11. The Best Workforce Management

Silver :

1. The Best Regular Inbound Agent
2. The Best Premium/ VIP Agent
3. The Best Back Office
4. The Best Manager
5. The Best Quality Assurance
6. The Best Supervisor
7. The Best Outbound Team Leader
8. The Best Telemarketing
9. The Best Workforce Management

Bronze :

1. The Best Workforce Management

B. Corporate Category
Platinum

1. The Best Business Contribution
2. The Best Contact Center Operations
3. The Best HR Retention Program
4. The Best Technology Innovation
5. The Best Smart Team
6. The Best Creative Team
7. The Best Dancing

Silver :

1. The Best Writing

18.

Tempo Media Group
Frontier Consulting Group
Corporate Image Award 2014
The Best in Building and Managing Corporate Image for the Category National Bank with Assets > Rp250 trillion

19.

Finance Asia
Asia's Best Companies 2014 (Indonesia)

- Jahja Setiaatmadja - Best CEO (1st Place)
- BCA for category :
  - Best Managed Companies (2nd Place)
  - Best Corporate Governance (2nd Place)
  - Best Corporate Social Responsibility (6th Place)
  - Most Committed to a Strong Dividend Policy (4th Place)

20.

Service Excellence Magazine
Carre - CCSL
Service Quality Award 2014

BCA, for category :

- Regular Banking - Domestic (1st Place)
- Platinum Credit Card (1st Place)
- Regular Credit Card (2nd Place)

BCA Priority, for category :

- Priority Banking (2nd Place)

21.

Investor Magazine
Berita Satu - Media Holding
Investor Best Bank 2014

- The Best Bank in Indonesia for Category Commercial Bank with Asset > Rp100 trillion

22.

Infobank Magazine
MRI
Banking Service Excellence Award 2014

- Best Mobile Banking (1st Place)
- Best Internet Banking (2nd Place)
- Best Phone Banking Officer (3rd Place)

23.

Property & Bank Magazine
Indonesia Property & Bank Award (IPBA) 2014

Grand Award

- Jahja Setiaatmadja - TOP Admired CEO 2014 (Banking)

Best Performing Commercial Bank

- BCA - Retail Bank with the Best Technology in Indonesia

24.

SWA magazine
Onbee - Marketing Research
World of Mouth Marketing

Recommended Brand for Category Savings Accounts (1st Place)

25.

SWA Magazine
Stern & Co.
Swanetwork
SWA 100 : Wealth Added Creator Award 2014

- Indonesia Best Public Companies for Banks category (1st Place)
- Indonesia Best Overall Public Companies (4th Place)
- ASEAN Best Overall Public Companies (5th Place)

Based on WAI™ (Wealth Added Index) Method

Awards

26.

Warta Ekonomi Magazine
Social Business Innovation Award 2014
- Best Sustainable Bussines Innovation Company in Developing Tourism Village Programme

27.

SWA Magazine
Brand Finance Indonesia
SWA Network
Indonesia's Top 100 Most Valuable Brands 2014
- BCA is One of Indonesia's Top 100 Most Valuable Brands 2014

28.

Euromoney Magazine
Euromoney Awards for Excellence (Asia) 2014
- The Best Bank in Indonesia

29.

Infobank Magazine
Infobank Awards
- Received Predicate "Excellent Performance" for Financial Performance in 2013 for Category Banks Core Capital > Rp30 trillion

30.

FORBES
The Forbes Global 2000 Awards
- The World's Largest Public Companies 2014

31.

Warta Ekonomi Magazine
Living Legend Company and Everlasting Brand
- Awarded as Living Legend Company in 2014 in Indonesia

32.

MarkPlus. Inc
MarkPlus Insight
Indonesia WOW Brand Award 2014
- Silver Champion for Category Savings Accounts (BUKU IV)

33.

SWA Magazine
Marketing & Research (MARS)
Metro TV
SWANETWORK
The Indonesian Best Brand Award (IBBA) 2014
Best Brand Platinum for category:
- Savings Accounts
- Credit Card

For the Achievement of IBBA for 7 Consecutive Years (2008-2014)

34.

Asiamoney Magazine

Asiamoney Summer Awards Dinner - Cash Management Poll 2014

- Jahja Setiaatmadja - Most Impressive Executive 2014
- Indonesia's Large Cap Corporate of the year 2014
- Indonesia's Best Local Currency Cash Management Services
- Indonesia's 3rd Best Local Cash Management Bank in Medium & Large Size of Annual Turnover
- Indonesia's 3rd Best Overall Domestic Cash Management Services for Small Size of Annual Sales Turnover
- Indonesia's 3rd Best Overall Cross-Border Cash Management Services for Small & Medium Size of Annual Sales Turnover

35.

The Asian Banker

The Asian Banker Strongest Banks 2014

- The Strongest Bank in Indonesia 2014

36.

Tempo Newspaper
Indonesia Banking School

Indonesia Banking Award 2014

- Best Conventional Bank with Core Capital > Rp30 trillion (BUKU IV) (2nd Place)
- The Best Bank in Digital Services (3rd Place)

37.

PT Rintis Sejahtera

EFT Switching PRIMA

- Acquiring Bank With The Highest Transaction 2014 - Private Bank Category

38.

Carre Center for Customer Satisfaction and Loyalty (Carre CCSL)

The 10th National Customer Service Championship Award

1. Grand Champion (1st Place)
2. Manager (1st Place)
3. Relationship Service (1st Place)
4. Service Speech (1st Place)
5. Manager (2nd Place)
6. Supervisor (2nd Place)
7. Team Leader Contact Center (2nd Place)
8. Frontliner Contact Center (2nd Place)
9. Frontliner Walk In Center (2nd Place)
10. Relationship Service (2nd Place)
11. Service Speech (2nd Place)
12. Service Uniform Design (2nd Place)
13. CS Cheers (2nd Place)
14. Team Leader Contact Center (3rd Place)
15. Frontliner Contact Center (3rd Place)
16. Relationship Service (3rd Place)
17. Service Speech (3rd Place)
18. Service Uniform Design (3rd Place)
19. The Most Influential Manager
20. The Most Attentive Manager
21. The Most Attentive Supervisor
22. The Most Punctual Supervisor
23. The Most Attentive Team Leader
24. The Most Enthusiastic Team Leader
25. The Most Attentive Frontliner
26. The Most Passionate Frontliner
27. The Most Valuable Frontliner
28. The Most Dependable Relationship Service
29. The Most Charming Relationship Service
30. The Most Convincing Relationship Service

Awards

39.

Marketeers
MarkPlus Insight (OJK)
Indonesia's Most Favorite Netizen Brand 2014
Most Favorite Netizen Brand for the category:
- Savings Accounts
- KlikBCA (Internet Banking)

40.

Indonesia Financial Services Authority
Capital Market Awards 2014
Received Best Share Issuer Nominee Recipient - Market Capitalization > Rp10 trillion

41.

MIX Magazine
Indonesia PR of The Year 2014
- President Director of BCA, Jahja Setiaatmadja as Spoke Person of The Year 2014
- Corporate Secretariat Division as Indonesia Best Corporate Secretary Team

42.

MARKETING Magazine
Digital Marketing
Frontier
MediaWave
Social Media Award 2014
Received Best Share of Voice Social Media category:
- Credit Card (1st Place)
- Savings Accounts (1st Place)
- Mortgage (1st Place)

Digital Marketing (DM) Award 2014
The Best Digital Product category:
- ATM (1st Place)
- Internet Banking (1st Place)
- SMS Banking (1st Place)
- E-Wallet (1st Place)

The Best Website for Banking Category

43.

REKOR MURI
BCA Awarded:
Planting 55,000 Mangrove Trees at the Sedyatmo Highway Mangrove Forest Area, DKI Jakarta

44.

CFO Innovation Asia
CFO Innovation Awards 2014
The Best Indonesian Bank Provider of Cash Management Services

45.

The Contact Center World
Contact Center World 2014
6 Gold Medals :
- The Best Mega Contact Center
- The Best Self Service Technology
- The Best Project Manager
- The Best Sales Manager
- The Best Supervisor
- The Best Quality Auditor

3 Silver Medals :
- The Best Go Green Contact Center
- The Best Operational Manager
- The Best WFM Professional

3 Bronze Medals :
- The Best in Customer Service
- The Best Social Media
- The Best Cutomer Service Professional

46.

The La Tofi School of CSR
Indonesia Social Responsibility Award 2014
Good Company for the Bakti BCA Scholarships Program

47.

MIX Marketing Communication
Indonesia Most Experiental Brand Activation Award 2014
Is Awarded for BCA Electro Run as "The Best Running Activation" 2014

48.

SWA Magazine
FE UI Management Institute
HR Excellence Award 2014
For category:
- People Development (Excellence predicate)

49.

Bank Indonesia
Commercial Bank Monthly Report
- Best Rapporteur (1st Place)

50.

Indonesian Institute for Corporate Directorship (IICD)
Investor Magazine
IICD Corporate Governance Award 2014
Best Financial Sector

51.

Investor Magazine
Indonesian Financial Figures 2014
Jahja Setiaatmadja - Top National Banker

52.

MarkPlus, Inc
Indonesia Marketing Champion 2014
Jahja Setiaatmadja as Indonesia Marketing Champion 2014 (Category: Commercial Banking)

53.

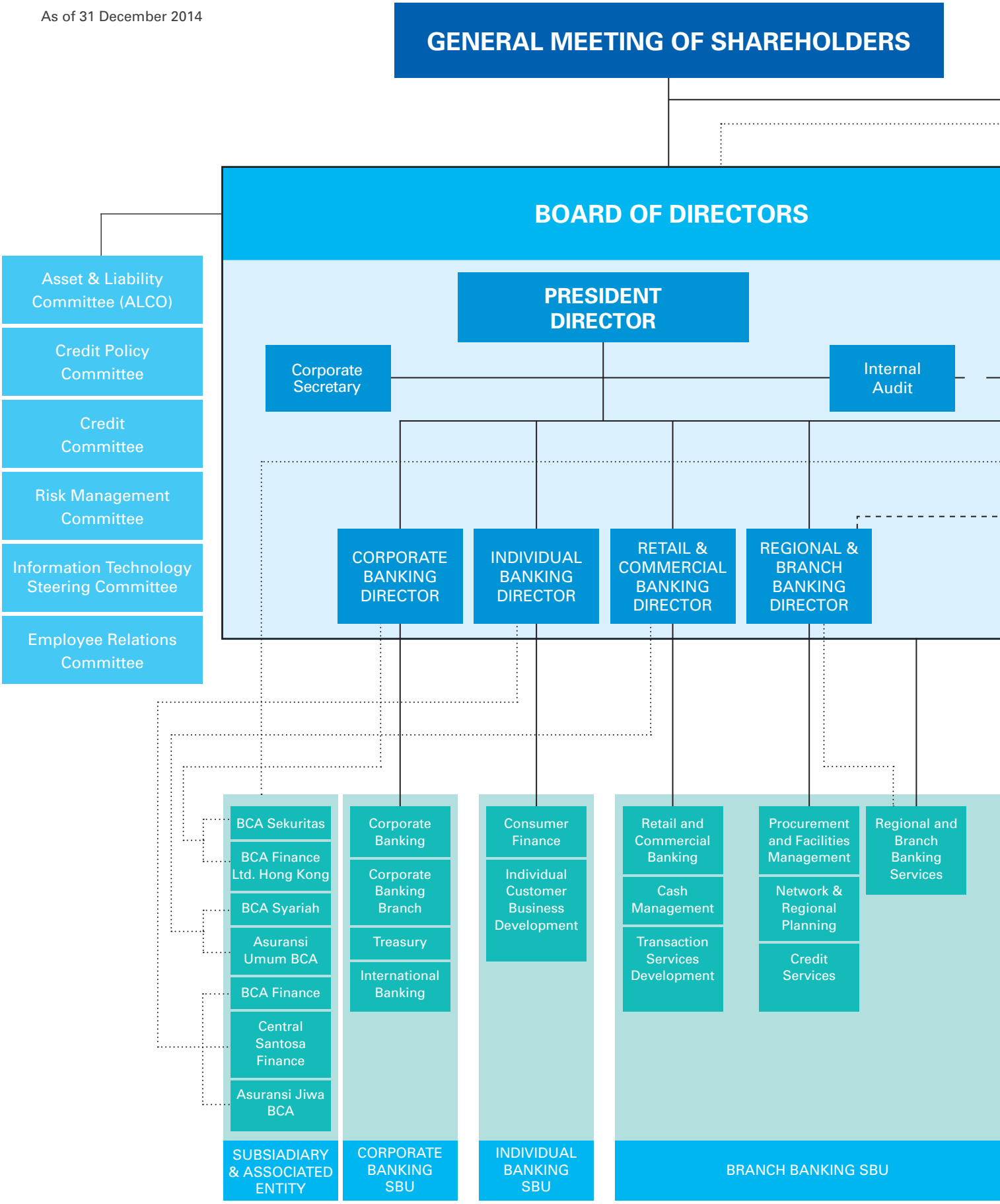
SWA Magazine
Indonesian Institute for Corporate Governance (IICG)
Indonesia Good Corporate Governance (IGCG) Award
BCA Awarded as:
- Most Trusted Company Based on Corporate Governance Perception Index (CGPI)
- Trusted Company based on Investors and Analysts's Assessment Survey

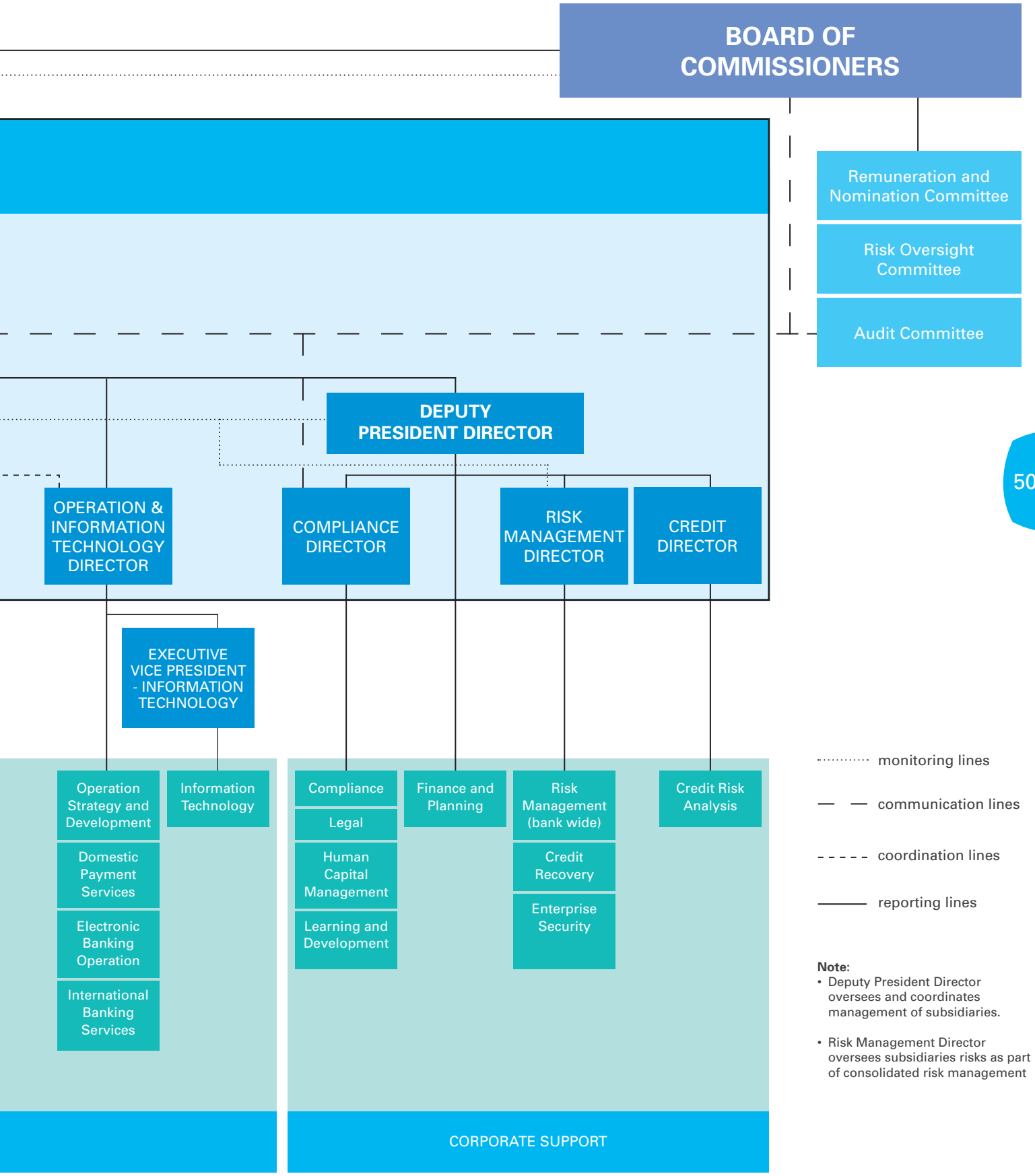
54.

Indonesia Financial Services Authority
Award given to BCA for the participation in the 2014 Financial Services Authority Literacy and Education activities

Organization Structure

As of 31 December 2014





Note:
- Deputy President Director oversees and coordinates management of subsidiaries.
- Risk Management Director oversees subsidiaries risks as part of consolidated risk management

Board of Commissioners Profile

Djohan Emir Setijoso
President Commissioner

Djohan Emir Setijoso (aged 73) has been the President Commissioner of BCA since August 25, 2011. Previously, he served as President Director of BCA from 1999 to 2011, with the latest responsibility for General Coordination, Internal Audit Division, Financial Control and Corporate Affairs. Prior to joining the Bank, he held various positions at Bank Rakyat Indonesia from 1965 to 1998 with the last position as Managing Director; and President Commissioner of Inter Pacific Bank from 1993 to 1998. Aside from serving as the President Commissioner of BCA, he is actively involved in various organizations, among others as a Member of the Daily Board of the Indonesian Employers Association (APINDO) and Honorary Board of the Indonesian Issuers Association (AEI) since 2011, and Member of the Advisory Board of the Indonesian Banks Association (Perbanas) since 2009. He graduated from the Bogor Institute of Agriculture.

Tonny Kusnadi
Commissioner

Tonny Kusnadi (aged 67) has been a Commissioner of BCA since June 25, 2003. Prior to joining BCA, he was a Director at PT Cipta Karya Bumi Indah, a property development and construction company, from 2001 to 2002, after previously serving as a Commissioner. His earlier managerial positions included President Director of PT Sarana Kencana Mulya, an electronic distributor, from 1999 to 2001 and Chief Manager of Corporate Banking for PT Bank Central Asia from 1992 to 1998. He was also a General Manager at PT Tamara Indah, an engineering and general supplier company, from 1988 until 1992 and General Manager at PT Indomobil, a leading Indonesian automotive company, in 1987. He graduated in Mechanical Engineering from the University of Brawijaya, Malang.

Cyrillus Harinowo
Independent Commissioner

Cyrillus Harinowo (aged 61) has been an Independent Commissioner since June 25, 2003. He also serves as Independent Commissioner of PT Unilever Indonesia Tbk since 2004. His experience includes twenty five years with Bank Indonesia serving as, among others, Director of the Money Market and Monetary Management Department from 1994 until 1998. He also served as an Alternate Executive Director and Technical Assistance Advisor for the Monetary and Exchange Affairs Department, International Monetary Fund (IMF), Washington from 1998 to 2003. He has experience as a delegation member in meetings for the Inter Governmental Group on Indonesia (IGGI), Consultative Group for Indonesia (CGI), IMF and World Bank. He has held several managerial positions in both governmental and non governmental institutions, and was Assistant to the Minister of Trade between 1988 and 1989. He is currently a lecturer at several major universities in Jakarta, as well as a speaker and article writer for domestic and international seminars and media. He has written books about Indonesia's public debt in 2002, the IMF in 2004, and "Musim Semi Perekonomian Indonesia" in 2005. He graduated in Accounting from Gadjah Mada University in 1977, holds a Master Degree in Development Economics, Centre for Development Economics, from Williams College, Massachusetts, 1981, and a PhD in Monetary and International Policy from Vanderbilt University, Nashville, Tennessee, USA (1985).

Sigit Pramono
Independent Commissioner

Sigit Pramono (aged 56) has been an Independent Commissioner of BCA since August 20, 2008. Prior to joining BCA, he was a President Director of Bank Negara Indonesia from 2003 to 2008. He also held various positions in banks and other financial institutions, including President Director of Bank Internasional Indonesia from 2002 to 2003, Senior Vice President of Credit Recovery at Bank Mandiri from 1999 to 2002, Head of Loan Workout Division of Bank Mandiri in 1999, Head of Loan Remedial Division Bank Exim from 1998 to 1999, Head of Loan Syndication Department Bank Exim from 1997 to 1998, Vice President Director of Merincorp (Merchant Investment Corporation) from 1992 to 1997, and Director of Exim Leasing from 1988 to 1992. He graduated in economics from Diponegoro University in 1983 and holds an MBA in International Business Management (1995) from Prasetiya Mulya Business School.

Raden Pardede
Independent Commissioner

Raden Pardede (aged 54) has been an Independent Commissioner of BCA since May 15, 2006 and a member of the Board of Commissioners since May 6, 2004. He also serves as Independent Commissioner of PT Adaro Energy Tbk. He was President Commissioner of the State Asset Management Company PPA, a post he held from 2008 to 2009, after serving as a Vice President Director of PPA from 2004 to 2008. He has served both in governmental and non-governmental institutions, including as Vice Chairman of the National Economic Committee from 2010 to 2014, Special Adviser to Minister of Finance from 2008 to 2010, Chairman of Indonesia Financial Stability System Forum from 2007 to 2009, Secretary of Financial Stability System Committee from 2008 to 2009, Chief of Financing for Indonesian Infrastructure Development from 2004 to 2005, Special Adviser to Coordinating Minister for Economic Affairs from 2004 to 2005, Executive Director of PT Danareksa from 2002 to 2004, Deputy Coordinator of the Assistance Team to the Minister of Finance Republic of Indonesia from 2000 to 2004, Chief Economist and Division Head at PT Danareksa from 1995 to 2002, Founder of Danareksa Research Institute in 1995, Consultant for the World Bank from 1994 to 1995, member of the planning staff in the Department of Industry Republic of Indonesia from 1985 to 1990, and Process Engineer at PT Pupuk Kujang Fertilizer Industry in 1985. He is also a guest lecturer at Bandung Institute of Technology, University of Indonesia and Prasetiya Mulya Business School. He graduated in Chemical Engineering from Bandung Institute of Technology (1984) and holds a PhD in Economics (1995) from Boston University, USA.

Board of Directors Profile

Jahja Setiaatmadja
President Director

Jahja Setiaatmadja (aged 59) has been the President Director of BCA since June 17, 2011. He is responsible for General Coordination, as well as oversight of the Internal Audit Division and Corporate Affairs. Previously, he served as Deputy President Director of BCA from 2005 to 2011, with the latest responsibility for the Branch Banking Business, Treasury Division, International Banking Division and Overseas Representative Offices. He was a Director of BCA from 1999 to 2005 and held a variety of managerial positions within the Bank from 1990. Prior to joining BCA, he was Finance Director of Indomobil, a leading Indonesian automotive company, from 1989 to 1990. He held several managerial positions at Indonesia's largest pharmaceutical company, Kalbe Farma, during the period of 1980 to 1989 including the position of Finance Director. He started his career as an accountant in 1979 at PriceWaterhouse. He graduated in Accounting from the University of Indonesia.

Eugene Keith Galbraith
Deputy President Director

Eugene Keith Galbraith (aged 62), has been the Deputy President Director of BCA since August 25, 2011 after serving as the President Commissioner from 2002 to 2011. He is responsible for general supervision of the Compliance Director, Chief Risk Officer and Credit Risk Management Director. He also oversees the Finance and Planning Division, as well as supervises and coordinates the management of all the subsidiaries. Prior to joining BCA, he served as Vice President Commissioner of PT Bank NISP Tbk from 2000 to 2006, Chairman of Asiawise.com from 1999 to 2001, Managing Director of ABN AMRO Asia from 1996 to 1998, and President Director of HG Asia Indonesia from 1990 until 1996. He also served as an advisor to the Indonesian Ministry of Finance from 1988 to 1990, and as an economic planning advisor in East Nusa Tenggara Province, Indonesia, from 1984 to 1988. He graduated in Philosophy in 1974, holds an M. Phil in Economic History (1978), and a PhD in Anthropology (1983) from Johns Hopkins University, USA.

Dhalia Mansor Ariotedjo
Director

Dhalia Mansor Ariotedjo (aged 57) was appointed as a Director of BCA on June 5, 2001. She is responsible for the Corporate Banking Division, Treasury Division, International Banking Division, and Overseas Representative Offices. She also supervises wholly-owned remittance subsidiary, BCA Finance Limited and the securities subsidiary, PT BCA Sekuritas. Prior to joining BCA, she served Citibank, N.A. in Kuala Lumpur and Jakarta, holding several managerial positions, during the period of 1982 to 1992. She worked at Chase Manhattan Jakarta during the period 1992 to 2001 and held various positions including Vice President of Investment Banking Group from 1998 to 2001, Vice President of Corporate Banking Group from 1996 until 1998, and Vice President Head of Financial Institution – Government Sector and Corporate Trust Department from 1992 to 1996. She holds an MBA in Finance from George Washington University, Washington DC, USA.

Anthony Brent Elam
Director

Anthony Brent Elam (aged 55) is the Chief Risk Officer of BCA and was appointed to the Board of Directors on May 20, 2002. He is responsible for Enterprise Wide Risk Management, Credit Recovery and Enterprise Security. He also oversees subsidiaries risks as part of the company's consolidated risk management. Prior to joining BCA, he served as Advisor to the Chairman of the Indonesian Bank Restructuring Agency (IBRA). He previously served as Advisor at PT Bahana Pembinaan Usaha Indonesia, a government-linked financial institution engaged in securities, asset management and venture capital, from 1996 to 2001, as Vice President at Dieng Djaya, a food processing company, from 1994 to 1996, and as Vice President of Citibank from 1986 until 1994. He is a graduate of Georgetown University and holds an MBA in Finance and International Business from New York University, USA.

Suwignyo Budiman
Director

Suwignyo Budiman (aged 64) has been a Director of BCA since May 20, 2002. He is responsible for Branch Banking, comprising the Retail and Commercial Banking Division, Transaction Services Development Division and Cash Management. He also supervises Sharia banking subsidiary, PT BCA Syariah and general insurance subsidiary, PT Asuransi Umum BCA – BCA Insurance (previously named PT Central Sejahtera Insurance). He started his career as a Systems Analyst at Bank Rakyat Indonesia (BRI) in 1975 and subsequently held various managerial positions including Head of the Technology Division from 1992 to 1995, special staff to the Board of Directors from 1995 to 1996, Head of Palembang Region from 1996 to 1998, and Head of the Operational Division from 1998 until 2000. His last position at BRI was Head of the Central Java Region. He was a member of the Proxy Team of the Board of Directors at BCA from May to July 1998. He holds an MBA degree from the University of Arizona, USA.

Subur Tan
Director

Subur Tan (aged 54) has been a Director of BCA since May 20, 2002. He is responsible for the Compliance, Legal, Human Capital Management Division, as well as Learning and Development Division. His BCA career began in 1986 and his managerial experience includes Head of Credit Department at Operational Head Office from 1991 to 1995, Head of Legal Bureau from 1995 until 1999, and Deputy Head of Legal Division from 1999 to 2000. Prior to being appointed to the Board of Directors, he was Head of BCA's Internal Legal Counsel. He completed the Notary Program at University of Indonesia Faculty of Law.

Henry Koenaifi
Director

Henry Koenaifi (aged 55), has been a Director of BCA since February 13, 2008. He is responsible for the Individual Banking Business, comprising mortgages, auto loans (four-wheeler and two-wheeler), credit cards, wealth management and BCA Prioritas (Priority Banking). He supervises wholly-owned four-wheeler financing subsidiary, PT BCA Finance, two-wheeler financing subsidiary, PT Central Santosa Finance (CS Finance), as well as life insurance subsidiary, PT Asuransi Jiwa BCA (BCA Life). Prior to being appointed to BCA's Board of Directors, he was the President Director of PT BCA Finance from 2000 to 2008. He was appointed by the Indonesian Bank Restructuring Agency (IBRA) as the Head of the Management Team of PT Bank Bali Tbk and as a member of the Managing Team of Bank Jaya from 1999 to 2000. He joined BCA in 1989 and has since held various managerial positions both at branches and at the head office. Before he began his career in the banking industry with BCA in 1989, he was with a global IT company, IBM, for six years. He graduated with a bachelor's degree in Civil Engineering from Parahyangan Catholic University in 1984 and continued his studies in Institut Pengembangan Manajemen Indonesia (IPMI) in 2000. He holds an MBA degree from Monash University, Melbourne, Australia in 2001.

Armand Wahyudi Hartono
Director

Armand Wahyudi Hartono (aged 39) was appointed as a Director of BCA on September 14, 2009. He is responsible for operation divisions including Domestic Payment Services, Electronic Banking Services, International Banking Services as well as Operation Strategy and Development. He is also in charge of Information Technology. He served as Head of Planning and Regional Development of BCA from 2004 to 2009. Prior to joining BCA, he held various managerial positions at PT Djarum from 1998 to 2004 including Finance Director, Deputy Purchasing Director and Head of Human Resources Department. He worked as an Analyst for Global Credit Research and Investment Banking of JP Morgan Singapore from 1997 to 1998. He is a graduate of University of California, San Diego (1996) and holds a Master of Science in Engineering Economic-System and Operation Research (1997) from Stanford University, USA.

Erwan Yuris Ang
Independent Director

Erwan Yuris Ang (aged 55) has been a Director of BCA since August 25, 2011 and appointed as an Independent Director of BCA since April 7, 2014. As the Regional and Branch Support Director, he monitors and supervises daily regional and branches operations. He is also in charge of branch support divisions including Logistic and Property, Network and Regional Planning, as well as Credit Services. Previously, he served as BCA's Head of Regional Office for Jakarta, Surabaya, Medan and Malang from 2000 to 2011. Prior to his appointment as a Regional Manager, he served as Branch Manager at BCA Bandung from 1995 to 2000 and at BCA Pekanbaru from 1989 to 1995. He was the Head of the Credit Department at BCA Pekanbaru from 1987 to 1989. He joined BCA in 1985 as a trainee in the Medan Branch. He holds a Bachelor of Laws degree from University Satyagama and obtained a master's degree in Business Law from Trisakti University.

Rudy Susanto
Director

Rudy Susanto (aged 52) was appointed to the Board of Directors on July 21, 2014. He is responsible for Credit Risk Analysis. He joined BCA in 2002 and has since held several managerial positions, including Executive Vice President of the Credit Risk Analysis Group (2011-2014), Head of the Credit Risk Analysis Group (2004-2011), and Head of the Credit Division (2002-2004). Prior to his employment at BCA, he was Head of the Loan Work Out II Division (2001-2002) and Senior Credit Officer (1999-2001) of the Indonesian Bank Restructuring Agency (IBRA). He also served as Vice President of Corporate Finance (1998-1999), Senior Manager of Corporate Finance (1996-1998), Manager of Corporate Finance (1995), and Assistant Manager of Corporate Finance (1994) of PT Bank LTCB Central Asia (a joint venture between the Long-Term Credit Bank of Japan Ltd. and PT Bank Central Asia Tbk). He started his career at PT Danamon Indonesia Tbk in 1992 as a trainee in the Credit Marketing Program. He graduated with a bachelor's degree in Civil Engineering from Tarumanagara University, and earned an MBA degree in Finance from the University of Tennessee, Knoxville, USA.

Audit Committee Profile

Sigit Pramono
Chairman

Sigit Pramono has assumed the position as Chairman of the Audit Committee of PT Bank Central Asia Tbk since 2011. He concurrently serves as Independent Commissioner. More detailed information can be found at the Board of Commissioners profile on page 507.

Inawaty Handoyo
Member

Inawaty Handoyo (aged 63) has been a member of the Audit Committee since November 25, 2008, following 28 years of excellent service at the Internal Audit Division. Prior to joining BCA, she served as Head of Finance at PT Naintex (1976–1980). At present, she remains a lecturer in auditing at Atma Jaya Catholic University and Internal Audit Education Institution (YPIA). In addition, she has been also a member of the Certification Council for Qualified Internal Auditor (DS-QIA) since 2007 and assessor for the banking internal auditor certification program conducted by the Banking Profession Certification Institution (LSPP) under the Indonesian Bankers Association (IBI). Since 2010, she has served as a consultant for several consulting projects held by the Consulting Division of the Internal Audit Education Institution (YPIA), particularly in the area of internal audit, risk management and governance. She holds five professional certifications in auditing, namely QIA (Qualified Internal Auditor), CIA (Certified Internal Auditor), CISA (Certified Information System Auditor), CFSA (Certified Financial Services Auditor), and CRMA (Certification in Risk Management Assurance). She earned a Bachelor's degree in Economics from Parahyangan Catholic University in Bandung with a Business/Management major (1976) and Accounting major (1979), and a Master's degree in Management from Prasetiya Mulya Business School Jakarta (2003).

Ilham Ikhsan
Member

Ilham Ikhsan (aged 64) has been a member of the Audit Committee since 23 June 2011. Prior to joining BCA, he served at Bank Indonesia for thirty years, most of which time was spent in the Banking Supervisory area. He was the Chief Representative of Bank Indonesia in Singapore (2002-2005) and his final position before retiring from Bank Indonesia was Director of Assets Recovery Special Unit (2005-2008). Leading up to his retirement, he was appointed Finance Director of Bank Indonesia Employee Welfare Foundation or YKK-BI (2008-2010). He graduated with a Bachelor's degree from the Department of Accountancy, Universitas Airlangga in 1978 and obtained his Master of Science degree in Economic Development and International Trade from Colorado State University, USA in 1984.

Risk Oversight Committee Profile

Cyrillus Harinowo
Chairman

Cyrillus Harinowo has assumed the position as Chairman of the Risk Oversight Committee of PT Bank Central Asia Tbk since 2011. He concurrently serves as Independent Commissioner. More detailed information can be found at the Board of Commissioners profile on page 506.

Andreas Eddy Susetyo
Member

Andreas Eddy Susetyo (aged 54) has been a member of the Risk Oversight Committee since July 21, 2008. Early in his career, he worked at several companies in the field of telecommunications and information technology, including PT Daeng Brothers, PT Swadharma Duta Data, and PT Mitra Info Konsultasi. In 1995, he joined Bank Niaga as Group Head of Information & Technology, and later served as Director in charge of Operations. He next served in Bank Mandiri in the period between 2000 and 2006 where he consecutively served as Head of Information Technology, Executive Vice President (EVP) – Information technology, and Senior EVP – Chief Technology Officer. Since 2006, he has served as member of The Asian Banker Technology Operation Council, and as Senior Advisor with several banks and other domestic and international financial institutions. He finished his Bachelor study at Institut Teknologi Sepuluh November Surabaya in 1984, and obtained a magister degree in Management from Prasetiya Mulya Business School in 1994.

Note: Andreas Eddy Susetyo's terms of office ended on January 1, 2015. He was then replaced by Wimpie Rianto.

Endang Swasthika Wibowo
Member

Endang Swasthika Wibowo (aged 53) has been a member of the Risk Oversight Committee since June 28, 2007. She is an academician and researcher in risk management, finance and banking. Previously, she served as Head of the Magister Management Program in Banking at ABFII Perbanas and Trainer of Risk Management (Certified GARP – BSMR), Head of Perbanas Research and Community Development Centre from 2000 to 2006, Advisor of Ecofinbank-Legislation Unit in the People's Representative Council from 2000 to 2005, Commissioner of PT Putera Lintas Kemas, Air Freight Forwarder Co from 2000 to 2004 and Head of Management Department, STIE Perbanas from 1990 to 1993. She graduated in Economics from Indonesian Islamic University, Yogyakarta in 1985 and received her Graduate Diploma in Banking & Finance (1996) as well as her Master Degree in Banking (1998) from Monash University, Australia.

Remuneration and Nomination Committee Profile

Raden Pardede
Chairman

Raden Pardede has assumed the position as Chairman of the Remuneration and Nomination Committee of PT Bank Central Asia Tbk since 2007. He concurrently serves as Independent Commissioner. More detailed information can be found at the Board of Commissioners Profile on page 507.

Djohan Emir Setijoso
Member

Djohan Emir Setijoso has assumed the position as a member of the Remuneration and Nomination Committee of PT Bank Central Asia Tbk since 2011. He concurrently serves as President Commissioner. More detailed information can be found at the Board of Commissioners Profile on page 506.

Lianawaty Suwono
Member

Lianawaty Suwono (aged 48) has been a member of the Remuneration and Nomination Committee since June 28, 2007. Her career in BCA started in 1991 as a management trainee in the Bank's Management Development Program before being assigned as a Business Analyst (1992-1996) in the Information System Division. She then held various managerial positions, such as Function Head of HR Operations Support (1996-1998), Head of HR Operation System and Support Bureau (1998-1999), Head of Management Development Program Bureau and Head of Career Development Bureau (1999-2000), Head of HR Resourcing and Development Bureau (2000-2002), Deputy of HR Division Head (2002-2006) and as BCA's Division Head of HR, that recently was renamed to Human Capital Management (2006-present). She graduated with a degree in Business Information Computing Systems from San Francisco State University, California, USA.

Corporate Secretary Profile

Inge Setiawati
Corporate Secretary

Inge Setiawati (aged 47) was appointed as the Corporate Secretary of BCA on August 1, 2011. Her career with BCA began in 1990 as a trainee in BCA's Management Development Program. She was then assigned as Head of the Export Import Unit at the Matraman Main Branch Office, Jakarta (1991-1992). Throughout her career, she has occupied a number of managerial positions in several branch offices of BCA, as Head of Sub Branch (1992-1994), Deputy Head of Main Branch (1995-1998), and Head of Main Branches (1998-2011). She obtained her Bachelor degree in Architecture from the Bandung Institute of Technology, and completed her Master degree in Financial Management at the Faculty of Economics, University of Indonesia. She has also received training in law, accounting and corporate secretarial practices.

Composition of The Board of Commissioners and Directors

As of 31 December 2014

Board of Commissioners	
Djohan Emir Setijoso	President Commissioner
Tonny Kusnadi	Commissioner
Sigit Pramono	Independent Commissioner
Cyrillus Harinowo	Independent Commissioner
Raden Pardede	Independent Commissioner

Board of Directors	
Jahja Setiaatmadja	President Director
Eugene Keith Galbraith	Deputy President Director
Dhalia Mansor Ariotedjo	Corporate Banking Director
Anthony Brent Elam	Risk Management Director
Suwignyo Budiman	Retail and Commercial Banking Director
Subur Tan	Compliance Director
Henry Koenaifi	Individual Banking Director
Armand Wahyudi Hartono	Operation and Information Technology Director
Erwan Yuris Ang	Regional and Branch Support Director (Independent Director)
Rudy Susanto	Credit Director

Senior Officers

As of 31 December 2014

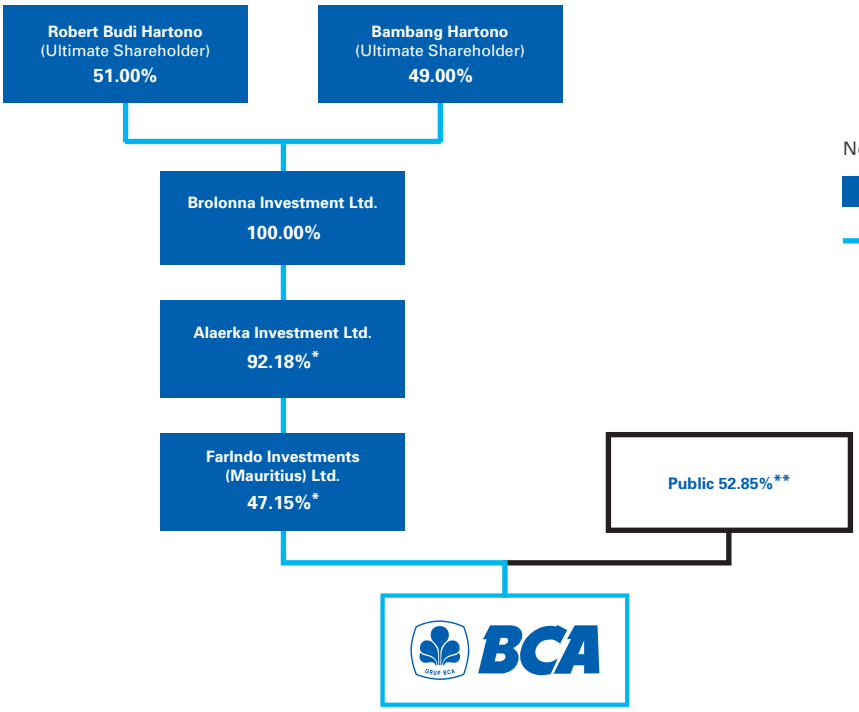
Name	Position
Gunawan Budi Santoso	Head of Regional Office I, Bandung
Ratna Yanti	Head of Regional Office II, Semarang
Freddy Suliman	Head of Regional Office III, Surabaya
Frengky Chandra Kusuma	Head of Regional Office IV, Denpasar
Ismail Basri	Head of Regional Office V, Medan
Darmawan	Head of Regional Office VI, Palembang
Iwan Senjaya	Head of Regional Office VII, Malang
Eva Agrayani Tjong	Head of Regional Office VIII, Pondok Indah, Jakarta
Susanto Angkawinata	Head of Regional Office IX, Matraman, Jakarta
Honggo Djojo	Head of Regional Office X, KPO Asemka, Jakarta
Liston Nainggolan	Head of Regional Office XI, Balikpapan
Haryono Wongsonegoro	Head of Regional Office XII, Wisma Asia, Jakarta
Antonius Widodo Mulyono	Division Head Commercial and SME Business
Arif Singgih Halim Wijaya	Head of Compliance
Budi Sutrisno	Division Head Logistic and Building
Chen Lin Andrew	Head of Credit Risk Analysis Group
Daniel Hendarto	Head of Network and Regional Planning
Deddy Muljadi Hendrawinata	Head of Credit Risk Analysis Group
Djulijanto Liong	Head of Credit Risk Analysis Group
Edmund Tondobala	Division Head International Banking
Eduard Guntoro Purba	Head of Risk Management
Edy Gunawan	Head of Credit Risk Analysis Group
Grace Putri Ayu Dewijany	Head of Credit Risk Analysis Group
Gunawan Prayogo	Head of Corporate Banking Group
Hermanto	Head of Legal Group
Herwandi Kuswanto	Division Head Individual Customer Business Development
Iman Sentosa	Head of Delivery Channel and Middleware Application Management
Ina Suwandi	Division Head Funding and Services Development
Inge Setiawati	Corporate Secretary
Jacobus Sindu Adisuwono	Division Head Internal Audit
Jip Tommy Sutanto	Head of Credit Services
Joanes Justira Gunawan	Head of Electronic Banking Services
Kho Vincentius Chandra Khosasih	Head of Core Application Management
Kristian Marbun	Head of Corporate Banking Group
Lanny Budiati	Head of Global Trade and Payment Services
Lay Susiana Santoso	Head of Corporate Finance Group
Lena Setiawati	Division Head Learning and Development
Lianawaty Suwono	Division Head Human Capital Management

Name	Position
Lilik Winarni	Division Head Operation Strategy and Development
Lim Handoyo	Head of Menara BCA Corporate Branch Office
Linus Ekabranko Windoe	Division Head Treasury
Lukman Hadiwijaya	Head of Enterprise Security
Mathilda Simon	Head of Consumer Credit
Mira Wibowo	Head of Marketing Consumer Card Group
Nur Hermawan Thendean	Executive Vice President Strategic Information Technology Group
Raymon Yonarto	Division Head Finance and Corporate Planning
Rickyadi Widjaja	Head of Credit Risk Analysis Group
Rusdianti Salim	Head of Cash Management
Santoso	Head of Consumer Card Business Services & Support Group
Sri Indrajanti Dewi	Head of Corporate Banking Group
Sunandar Suryajaya	Head of Domestic Payment Services
Sugito Lie	Head of Information Technology Management Office
Theresia Endang Ratnawati	Head of Legal Group
Tjahjadi Sufrapto	Head of Credit Risk Analysis Group
Wira Chandra	Head of Corporate Banking Group

Amendments of the Senior Officers from 31 December 2014 to 31 January 2015:
Niniek Surijanti Rahardja was appointed as the Head of Merchant Development Group & Consumer Card Functional Office on 1 January 2015

Shareholding Structure

Structure of Controlling Shareholders



Note :

Controlling Shareholders

Controlling Line

* Alaerka Investment Ltd. owns 92.18% shares in Farlndo Investments (Mauritius) Ltd. ("Farlndo"). Farlndo's Treasury Stocks accounts for the balance of 7.82%.

** In the composition of shares held by the public, 2.45% of the shares are owned by parties affiliated with the Ultimate Shareholders; 0.02% are held by Mr. Robert Budi Hartono and 0.02% by Mr. Bambang Hartono.

Board of Commissioners and Board of Directors owns 0.24% of the shares. Each of public shareholder owns less than 5% of the shares.

Shares owned by Public also includes Anthony Salim's share ownership of 1.76%.

Largest Shareholders

As of 31 December 2014

No	Shareholders	Number of Shares (in millions)	%
1	UOB Kay Hian Private Limited for Farlndo Investment	11,126.0	45.13
2	UBS AG Zurich CL Omnibus No.2-2049584015	1,200.0	4.87
3	UOB Kay Hian Nominees Pte Ltd for United Overseas Bank Limited (Account No.352-903-114-7)	1,154.3	4.68
4	HSBC-Singapore Branch Private Banking Division	864.7	3.51
5	LGT BK (Singapore) LTD/CLT TST AC Spore	741.2	3.01
6	GSI-73752	656.0	2.66
7	Credit Suisse AG Singapore Sub-Account Farlndo Investments (Mauritius) Limited 2023904005	500.0	2.03
8	Bank Julius Baer & Co Ltd, Singapore S/A Anthony Salim	434.1	1.76
9	Credit Suisse AG Singapore Trust Account Client PT Tricipta Mandhala Gumilang - 2023904042	262.7	1.07
10	Credit Suisse AG Singapore Trust Account Client PT Caturguwiratna Sumapala - 2023904041	252.4	1.02
11	Credit Suisse AG SG TR A/C CL Russel Inv Hldng Ltd-2023904150	248.5	1.01
12	BBH Boston S/A Vangrd Emg Mkts Stk Infd	230.8	0.94
13	GIC S/A Government of Singapore	230.6	0.94
14	Bank Julius Baer and Co Ltd, Singapore Branch	151.7	0.62
15	JPMCB Virtus Emerging Markets Opportunities Fund - 2157805248	130.4	0.53
16	PT Prudential Life Assurance-Ref	125.5	0.51
17	JP Morgan Chase Bank NA RE Non-Treaty Clients - 2157804006	124.4	0.50
18	BNYM SA/NV As Cust of Employees Provident Fund - 2039844119	123.2	0.50
19	BBH BOSTON S/A Matthews Pacific Tiger Fund	115.7	0.47
20	SSB OBIH S/A Ishares MSCI Emerging Markets ETF-2144609616	109.9	0.45

Source: Indonesian Central Securities Depository (KSEI)

Note:

Several of the listed institutions act as custodians for shareholders

FarIndo Investments (Mauritius) Limited & Subsidiaries Financial Statement

Consolidated Statement of Financial Position
As at 31 December 2014 and 2013

	31 December 2014 000 USD	31 December 2013 000 USD
ASSETS		
Current assets		
Cash	1,580,749	1,338,056
Current accounts with Bank Indonesia	3,138,892	2,898,034
Current accounts with other banks	552,717	423,094
Placements with Bank Indonesia and other banks	928,718	1,006,906
Financial assets held for trading	135,020	101,772
Bills receivable	260,556	216,338
Investment securities	5,817,103	3,977,596
Securities purchased under agreements to resell	2,122,702	3,373,555
Loans receivable	27,441,184	25,199,600
Assets related to sharia transactions	170,520	115,516
Investment in finance leases	13,475	14,999
Consumer financing receivables	563,038	429,691
Acceptance receivables	611,172	528,708
Deferred tax assets - net	158,421	146,220
Total current assets	**43,494,267**	**39,770,085**
Non-current assets		
Fixed assets	714,165	611,341
Goodwill on consolidation	26,026	26,026
Other assets	575,986	539,390
Total non-current assets	**1,316,177**	**1,176,757**
TOTAL ASSETS	**44,810,444**	**40,946,842**
LIABILITIES AND EQUITY		
Current liabilities		
Deposits from customers	36,127,538	33,610,720
Sharia deposits	23,967	20,554
Deposits from other banks	303,130	271,244
Financial liabilities held for trading	1,187	9,328
Acceptance payables	379,325	373,003
Debt securities issued	202,172	257,424
Income tax liabilities	20,332	22,680
Borrowings	248,764	41,163
Obligation for post-employment benefits	305,563	289,715
Accruals and other liabilities	505,468	473,997
Total current liabilities	**38,117,446**	**35,369,828**
Temporary syirkah deposits	**157,650**	**118,644**
Equity		
Stated capital	550,000	550,000
Treasury stock	(327,395)	(327,395)
Differences from translation of foreign currency financial statements	(819,515)	(767,250)
Unrealized gains/(losses) on available-for-sale financial assets	2,337	(13,180)
Retained earnings-Appropriated	44,509	39,035
Retained earnings-Unappropriated	3,787,041	3,215,908
Attributable to the owners of the parent	**3,236,977**	**2,697,118**
Non-controlling interests	**3,298,371**	**2,761,252**
Total Equity	**6,535,348**	**5,458,370**
TOTAL LIABILITIES AND EQUITY	**44,810,444**	**40,946,842**

Mauritius, 13 March 2015

Chandra Adisusanto
Director

Consolidated Statement of Profit or Loss And Other Comprehensive Income
For the years ended 31 December 2014 and 2013

	31 December 2014 000 USD	31 December 2013 000 USD
REVENUE		
Interest and sharia income	3,565,268	3,144,145
Fee and commission income	593,708	578,675
Net trading income	67,838	106,958
Other operating income	73,793	43,190
Non operating income	19,250	8,302
Total revenue	**4,319,857**	**3,881,270**
EXPENSES		
Personnel expenses	706,215	629,550
General and administrative expenses	728,564	678,589
Other operating expenses	57,942	42,954
Interest and sharia expense	956,553	720,104
Fee and commission expense	368	1
Impairment losses on financial assets	182,406	184,857
Total expenses	**2,632,048**	**2,256,055**
PROFIT BEFORE TAXATION	**1,687,809**	**1,625,215**
TAXATION		
Current	(370,498)	(364,387)
Deferred	26,024	37,960
PROFIT FOR THE YEAR	**1,343,335**	**1,298,788**
PROFIT FOR THE YEAR ATTRIBUTABLE TO :		
Equity holders of the parent entity	631,608	607,706
Non-controlling interests	711,727	691,082
	1,343,335	**1,298,788**
PROFIT FOR THE YEAR	**1,343,335**	**1,298,788**
OTHER COMPREHENSIVE INCOME :		
Foreign exchange differences from translation of foreign currency financial statements	(94,217)	(1,144,161)
Changes in available-for-sale financial assets-net	15,517	(57,757)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**1,264,635**	**96,870**
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO :		
Equity holders of the parent entity	594,859	46,305
Non-controlling interests	669,776	50,565
	1,264,635	**96,870**

Consolidated Commitments and Contingencies
As at 31 December 2014 and 2013

	31 December 2014 000 USD	31 December 2013 000 USD
COMMITMENTS		
Committed receivables:		
Borrowing facilities received and unused	154,483	132,666
Derivatives purchase position	218,259	262,221
	372,742	**394,887**
Committed liabilities:		
Unused credit facilities to customers		
- Committed	7,690,637	9,367,860
- Uncommitted	2,456,850	883,656
Unused credit facilities to other banks		
- Committed	72,731	62,814
Letters of Credit facilities granted to customers	581,255	716,178
Derivatives selling position	534,088	411,124
	11,335,561	**11,441,632**
CONTINGENCIES		
Contingent receivables:		
Bank guarantees received	1,879	1,869
Interest receivables on non-performing loans	14,061	10,805
	15,940	**12,674**
Contingent liabilities:		
Bank guarantees issued to customers	865,591	877,902
	865,591	**877,902**

Information on Subsidiaries and Associates

As of 31 December 2014

Company Name	Company Address	Share Ownership
PT BCA Finance	Wisma BCA Pondok Indah 2nd Floor, Jl. Metro Pondok Indah No. 10 Jakarta 12310 Telp : (021) 29973100	PT Bank Central Asia Tbk : 99.576% BCA Finance Limited : 0.424% Total : 100%
BCA Finance Limited	Unit 4707, 47/F, The Center, 99 Queen's Road Central, Hong Kong Telp : (852) 28474249	PT Bank Central Asia Tbk : 100%
PT Bank BCA Syariah	Jl. Jatinegara Timur No. 72 Jakarta 13310 Telp : (021) 8505030, 8505035, 8190072	PT Bank Central Asia Tbk : 99.99983% PT BCA Finance : 0.00017% Total : 100%
PT BCA Sekuritas	Menara BCA, Grand Indonesia 41th Floor, Suite 4101 Jl. M.H. Thamrin No. 1 Jakarta 10310 Telp : (021) 23587222	PT Bank Central Asia Tbk : 75% PT Poly Kapitalindo : 15% Chandra Adisusanto : 10% Total : 100%
PT Asuransi Umum BCA (BCA Insurance)	Gedung WTC Mangga Dua Lantai 3A Blok CL 003 Jalan Mangga Dua Raya Kav. 8 Jakarta 14430 Telp : (021) 29986200	PT Bank Central Asia Tbk : 75% PT BCA Finance : 25% Total : 100%
PT Central Santosa Finance	Gedung Wisma Antara 18th Floor Jl. Medan Merdeka Selatan No. 17 Jakarta 10110 Telp : (021) 29648200	PT Bank Central Asia Tbk : 45% PT BCA Finance : 25% PT Multikem Suplindo : 30% Total : 100%
PT Asuransi Jiwa BCA (BCA Life)	Chase Plaza 22nd Floor Jl. Jend. Sudirman Kav. 21 Jakarta 12920 Telp : (021) 29347977	PT BCA Sekuritas : 99.999% PT Asuransi Umum BCA : 0.001% Total : 100%

	Type of Business	Brief Profile	Operational Status
	Consumer Financing, Finance Leasing and Factoring	PT BCA Finance was established in 1981 and currently provides vehicle financing, particularly 4-wheeler or more. BCA become a major shareholder in 2001.	Operating
	Money Lending - Remittance	BCA Finance Limited was established in 1975, and currently holds a business license as a money lender with a focus in fund remittance services. BCA become a major shareholder in 1996.	Operating
	Sharia Banking	PT Bank BCA Syariah (formerly PT Bank UIB) was established in 1991 and currently operates as a sharia bank. BCA become a major shareholder in 2009.	Operating
	Securities Broker and Investment Bank	PT BCA Sekuritas (formerly PT Dinamika Usaha Jaya) was established in 1990 with business lines as securities brokerage and investment bank. BCA become a major shareholder in 2011.	Operating
	General Insurance	PT Asuransi Umum BCA (formerly PT Central Sejahtera Insurance) was established in 1988 as a general insurance company. BCA through PT BCA Finance held a 25% shares ownership in 2010 and increased its effective ownership to 100% in 2013.	Operating
	Consumer Financing, Factoring and Finance Leasing	PT Central Santosa Finance was established in 2010 and currently provides consumer financing, factoring and finance leasing business. BCA through PT BCA Finance held a 25% shares ownership in 2010 and increased its effective ownership to 70% in 2014.	Operating
	Life Insurance	PT Asuransi Jiwa BCA was established in 2013 as a life insurance company dan began its operation in 2014.	Operating

Products and Services

As of 31 December 2014

Products and Services	Description
Deposits Accounts	Tahapan
	Tahapan Gold
	TabunganKu
	Giro
	Tapres
	Deposito Berjangka
	BCA Dollar
	Tahapan Xpresi
Transaction Banking Services	Safe Deposit Box
	Transfer
	Remittance
	Collection and Clearing
	Bank Notes
	Traveller's Cheque
	Virtual Account
	Open Payment
	Auto Debit
	Payroll Services
	Cash Pick Up
	Modul Penerimaan Negara Generasi 2 (MPN G2) - tax payment with e-billing system
Electronic Banking	ATM BCA (multifunction, non cash and cash deposits)
	EDC BCA
	Debit BCA
	Tunai BCA
	Flazz
	Self Service Passbook Printer (SSPP)
	EDCBIZZ
	Internet Banking (KlikBCA Individual and KlikBCA Business)
	Mobile Banking (m-BCA)
	BCA KlikPay
	Call Center (Halo BCA)
	Phone Banking (BCA by Phone Business and BCA by Phone Priority)
	SMS Top Up
	BCA Mobile
	SMS BCA
	Push Notification Service by SMS / Email
	e-Tax (local tax payment: PPN, PPh, and others)
Cash Management Services	Payable Management / Disbursement
	Receivable Management / Collection (including B2B and B2C)
	Liquidity Management
Credit Cards	BCA Card
	BCA MasterCard
	BCA VISA
Bancassurance	Provisa Max / Provisa Platinum Max
	Provisa Syariah / Provisa Platinum Syariah
	Maxi Health
	Maxi Kid Investa
	Maxi Retirement
	Maxi Legacy

Products and Services	Description
Investment Products	BNP Paribas Ekuitas
	BNP Paribas Pesona
	Danareksa Gebyar Dana Likuid
	Danareksa Gebyar Indonesia II
	Danareksa Proteksi XII
	Nikko Gebyar Indonesia Dua
	Panin Gebyar Indonesia II
	Schroder Prestasi Gebyar Indonesia II
	Schroder Dana Terpadu II
	Schroder 90 Plus Equity Fund
	Schroder Dana Prestasi
	Schroder Dana Prestasi Plus
	Schroder Dana Mantap Plus II
	Schroder Syariah Balanced Fund
	BNP Paribas Prima USD
	Schroder USD Bond Fund
	Reksa Dana First State Indonesian Money Market Fund
	Reksa Dana Schroder Dana Likuid
	Reksa Dana BNP Paribas Spektra
	Reksa Dana Danareksa Mawar Konsumer 10
	Reksa Dana First State IndoEquity Sectoral Fund
	Reksa Dana Schroder Dana Istimewa
Credit Facilities	Mortgage Loan
	Vehicle Loan
	Working Capital Loan
	Syndication Loan
	Pre-Export Financing
	Trust Receipt
	Investment Loan
	Distributor Financing
	Supplier Financing
	Dealer Financing
	Warehouse Financing
	Showroom Financing
	Investment Financing
Bank Guarantees	Bid Bond
	Performance Bond
	Advance Payment Bond
	Import Duty Exemption and Refund Centre (P4BM)
Export Import Facilities	LC Issuance
	Trust Receipt
	Pre Export Financing
	LC Negotiation & Discounting
	Letter of Guarantee
	Documentary Collection
	Bank Guarantee
Foreign Exchange Facilities	Spot
	Forward
	Swap
	Other Derivatives

Branches

As of 31 December 2014

REGION I

Address :
Jln. Asia Afrika 122-124, 4th Fl.
Bandung 40261
Tel. (022) 4236303

Number of Branches :
11 Main Branches
64 Sub Branches
5 Cash Offices

Locations :

Bandung	Cirebon	Majalengka	Subang
Banjar	Garut	Ngamprah	Sukabumi
Ciamis	Indramayu	Purwakarta	Sumber
Cianjur	Karawang	Singaparna	Sumedang
Cimahi	Kuningan	Soreang	Tasikmalaya

REGION II

Address :
Jln. Pemuda 90-92, 4th Fl.
Semarang 50133
Tel. (024) 3550333

Number of Branches :
13 Main Branches
81 Sub Branches
14 Cash Offices

Locations :

Banjarnegara	Kebumen	Purwokerto	Tegal
Bantul	Kendal	Purworejo	Temanggung
Batang	Klaten	Rembang	Ungaran
Blora	Kudus	Salatiga	Wates
Boyolali	Magelang	Semarang	Wonogiri
Brebes	Mungkid	Slawi	Wonosari
Cilacap	Pati	Sleman	Wonosobo
Demak	Pekalongan	Solo	Yogyakarta
Jepara	Pemalang	Sragen	
Kajen	Purbalingga	Sukoharjo	
Karanganyar	Purwodadi	Surakarta	

REGION III

Address :
Jln. Raya Darmo 5, 6th Fl.
Surabaya 60265
Tel. (031) 5618921

Number of Branches :
13 Main Branches
86 Sub Branches
12 Cash Offices

Locations :

Bangkalan	Jombang	Pamekasan	Sumenep
Bojonegoro	Lamongan	Sampang	Surabaya
Gresik	Mojokerto	Sidoarjo	Tuban

REGION IV

Address :
Jln. Hasanudin 58
Denpasar 80119
Tel. (0361) 431012-14

Number of Branches :
13 Main Branches
53 Sub Branches
9 Cash Offices

Locations :

Ambon	Jayapura	Mengwi	Singaraja
Bau Bau	Kendari	Negara	Sorong
Bedugul	Kotamobagu	Palopo	Sungguminasa
Bitung	Kupang	Palu	Tabanan
Denpasar	Makassar	Pare Pare	Ternate
Gianyar	Manado	Praya	Timika
Gorontalo	Manokwari	Selong	Tomohon
Gowa	Mataram	Semarapura	Watampone

REGION V

Address :
Jln. Diponegoro 15, 5th Fl.
Medan 20112
Tel. (061) 4148800

Number of Branches :
13 Main Branches
55 Sub Branches
8 Cash Offices

Locations :

Banda Aceh	Bukittinggi	Medan	Sei Rampah
Bandar Seri Bentan	Dumai	Padang	Tanjung Balai
Batam	Karimun	Payakumbuh	Tanjung Balai Karimun
Bengkalis	Kisaran	Pekanbaru	Tanjung Pinang
Binjai	Lhokseumawe	Pematang Siantar	Tebing Tinggi
Bireuen	Lubuk Pakam	Rantau Prapat	Tembilahan

REGION VI

Address :
Jln. Kapten Rivai 22, 4th Fl.
Palembang 30129
Tel. (0711) 312244

Number of Branches :
9 Main Branches
39 Sub Branches
20 Cash Offices

Locations :

Bandar Lampung	Kepahiang	Mentok	Prambumulih
Bangko	Koba	Metro	Pringsewu
Baturaja	Kotabumi	Muara Bungo	Sekayu
Belitung Timur	Kuala Tungkal	Muara Enim	Sungai Liat
Bengkulu	Lahat	Pagar Alam	Tanjung Pandan
Curup	Lampung Selatan	Palembang	Toboali
Gunung Sugih	Lubuk Linggau	Pangkal Pinang	
Jambi	Menggala	Pangkalan Balai	

REGION VII

Address :
Jln. Jend.Basuki Rachmat 70-74, 3rd Fl.
Malang 65111
Tel. (0341) 364500

Number of Branches :
11 Main Branches
50 Sub Branches
11 Cash Offices

Locations :

Banyuwangi	Kediri	Malang	Probolinggo
Batu	Kepanjen	Mejayan	Situbondo
Blitar	Kraksaan	Nganjuk	Srengat
Bondowoso	Lumajang	Ngawi	Trenggalek
Jember	Madiun	Pasuruan	Tulungagung
Kanigoro	Magetan	Ponorogo	

REGION VIII

Address :
Wisma BCA Pondok Indah, 3rd Fl.
Jln. Metro Pondok Indah No.10
Jakarta 12310
Tel. (021) 29973488

Number of Branches :
9 Main Branches
95 Sub Branches
21 Cash Offices

Locations :

Cibinong	Depok	Purwakarta	Tangerang
Cikarang	Jakarta (Central, East, North, South)	Serang	Tangerang Selatan

REGION IX

Address :
Jln. Matraman Raya 14-16, 3rd Fl.
Jakarta 13150
Tel. (021) 8581259

Number of Branches :
11 Main Branches
101 Sub Branches
18 Cash Offices

Locations :

Bekasi	Cibinong	Jakarta (Central, East, North, South)	
Bogor	Cikarang	Karawang	

REGION X

Address :
Jln. Asemka 27-30, 6th Fl.
Jakarta 11110
Tel. (021) 6901771

Number of Branches :
7 Main Branches
73 Sub Branches
2 Cash Offices

Locations :

Jakarta (Barat, Pusat & Utara)			

REGION XI

Address :
Jln. Jend. Sudirman 139, 4th Fl.
Balikpapan 76112
Tel. (0542) 737133

Number of Branches :
7 Main Branches
33 Sub Branches
4 Cash Offices

Locations :

Balikpapan	Ketapang	Sambas	Tanjung Redeb
Banjar	Mempawah	Sampit	Tarakan
Banjarbaru	Palangkaraya	Sangatta	Tenggarong
Banjarmasin	Pangkalan Bun	Singkawang	
Batulicin	Pontianak	Sintang	
Bontang	Samarinda	Tanjung	

Branches *(continued)*

REGION XII			
Address : Wisma Asia, Lt.8. Jln. S. Parman kav.79 Jakarta 11420 Tel. (021) 5638888	**Number of Branches :** 12 Main Branches 108 Sub Branches 19 Cash Offices		
Locations :			
Cilegon	Pandeglang	Serang	Tangerang Selatan
Jakarta (Barat & Pusat)	Rangkasbitung	Tangerang	Tigaraksa

NON REGION OFFICE			
Address : Menara BCA, Grand Indonesia Lt. 28 Jakarta 10310 Tel. (021) 23588000	**Number of Branches :** 1 Main Branch		
Locations :			
Jakarta (Pusat)			

REPRESENTATIVE OFFICE			
Singapore	**Hong Kong**		
Address : 360 orchard road #06-06A International building Singapore 238869	**Address :** Suites 3211-3215 Jardine House 1 Connaught Place Central, Hong Kong		

Company General Information

Name
PT Bank Central Asia Tbk

Line of Business
Commercial Bank

Ownership
FarIndo Investments (Mauritius) Ltd
qualitate qua (qq) 47.15%
Anthony Salim 1.76%
Public 51.09%

Establishment
October 10, 1955

Legal Basis of Incorporation
Notary Deed No. 38 of Raden Mas Soeprapto
dated 10 August 1955.
Approved by the Minister of Justice in
Decision Letter
No. J.A.5/89/19 dated 10 October 1955

Stock Exchange
Shares of PT Bank Central Asia Tbk are listed and traded at the Indonesia Stock Exchange (IDX)

Listing Date
May 31, 2000

Share Code
BBCA

ISIN Code
ID1000109507

SWIFT Code
CENAIDJA

Total Employees
22,161

Headquarters:
Menara BCA
Grand Indonesia
Jl. M.H. Thamrin No. 1
Jakarta 10310
Phone (62-21) 2358 8000
Fax. (62-21) 2358 8300

Company Website:
www.bca.co.id
www.klikbca.com

Call Center:
Halo BCA
1500888

Corporate Secretary & Public Relations
Menara BCA
Grand Indonesia, 22th Floor
Jl. MH Thamrin No. 1
Jakarta 10310
Phone (62 21) 2358 8000
Fax. (62 21) 2358 8300
e-mail: humas@bca.co.id

Investor Relations
Menara BCA
Grand Indonesia, 20th Floor
Jl. M.H. Thamrin No. 1
Jakarta 10310
Phone (62 21) 2358 8000
Fax. (62 21) 2358 8339
e-mail: investor_relations@bca.co.id

Public Accountant
Siddharta Widjaja & Rekan
(a member firm of KPMG)
Wisma GKBI 28, 33rd Floor
Jl. Jend. Sudirman
Jakarta 10210, Indonesia
Phone (62 21) 574 2333
(62 21) 574 2888
Fax (62 21) 574 1777
(62 21) 574 2777

Rating Companies
Fitch Ratings Singapore Pte Ltd
6 Temasek Boulevard #35-04/05
Suntec Tower 4
Singapore
Phone (65) 6796 7200
Website: www.fitchratings.com

Moody's Singapore Pte Ltd
50 Raffles Place #23-06
Singapore Land Tower
Singapore 048623
Website: www.moodys.com

Share Registrar
PT. Raya Saham Registra
Gedung Plaza Sentral, 2nd Floor
Jl. Jend. Sudirman Kav. 47-48 Jakarta 12930
Phone (62 21) 2525666
Fax (62 21) 2525028
Website : www.registra.co.id

Cross Reference of Financial Services Authority-OJK

(formerly Bapepam-LK)

No. X.K.6: SUBMISSION OF ANNUAL REPORT OF PUBLICLY LISTED COMPANIES

FORM AND CONTENT OF THE ANNUAL REPORT	Page
A. General Provisions	
1) The Annual Report should contain:	
a. key financial highlight;	7, 18-21
b. report from the Board of Commissioners;	26-33
c. report from the Board of Directors;	34-43
d. company profile;	10-25, 363, 495-529
e. management discussion and analysis;	44-211
f. corporate governance;	212-323
g. corporate social responsibilities;	324-347
h. audited financial statements; and	349-494
i. statement that the Board of Commissioners and the Directors are fully responsible for the accuracy of the Annual Report.	348
2) The Annual Report must be in the Indonesian language. If the Annual Report is also presented in another language, either in the same or separate documents, the documents must contain the same material information. In cases where there is any different interpretation due to the transfer of language, the financial statements in the Indonesian language shall become the reference.	√
3) The Annual Report should be prepared in a form that is easy to read. Images, charts, tables, and diagrams are presented by mentioning the title and / or clear description.	√
4) The Annual Report must be printed on light colored paper of high quality, in A4 size, bound, and in a format that permits reproduction by photocopy.	√
B. Summary of Key Financial Highlights	7, 18-21
1) Summary of Key Financial Highlight is presented in comparison with previous 3 (three) fiscal years or since commencement of business of the company, at least contain:	18-21
a. revenue;	18
b. gross profit;	18
c. profit (loss);	18
d. total profit (loss) attributable to equity holders of parent entity and non controlling interest;	18
e. total comprehensive profit (loss);	18
f. total comprehensive profit (loss) attributable to equity holders of parent entity and non controlling interest;	18
g. earnings (loss) per share;	18
h. total assets;	18
i. total liabilities;	18
j. total equity;	18
k. profit (loss) to total assets ratio;	19
l. profit (loss) to equity ratio;	19
m. profit (loss) to income ratio;	19
n. current ratio;	19
o. liabilities to equity ratio;	19
p. liabilities to total assets ratio; and	19
q. other information and financial ratios relevant to the company and type of industry.	19
2) The Annual Report should contain information with respect to shares issued for quarterly in the last two (2) fiscal years (if any), at least covering:	22-24
a. number of outstanding shares;	23
b. market capitalization;	22
c. highest, lowest and closing share price; and	22
d. share volume.	22
3) In the event of corporate actions, including stock split, reverse stock, dividend, bonus share, and decrease in par value of shares, then the share price referred to in point 2), should be added with explanation on:	24
a. date of corporate action;	24
b. stock split ratio, reverse stock, dividend, bonus shares, and reduce par value of shares;	24
c. number of outstanding shares prior to and after corporate action; and	24
d. share price prior to and after corporate action.	24
4) In the event that the company's shares were temporarily suspended from trading during the year under review, then the Annual Report should contain explanation on the reason for the suspension.	n.a
5) In the event that the suspension as referred to in point 4) was still in effect until the date of the Annual Report, then the Issuer or the Public Company should also explain the corporate actions taken by the company in resolving the issue.	n.a

FORM AND CONTENT OF THE ANNUAL REPORT	Page
C. The Board of Commissioners Report	26-33
The Board of Commissioners Report should at least contain the following items:	
1) assessment on the performance of the Directors in managing the company;	28-29
2) view on the prospects of the company's business as established by the Directors; and	31
3) changes in the composition of the Board of Commissioners (if any).	30
D. The Directors Report	34-43
The Directors Report should at least contain the following items:	
1) the company's performance, i.e. strategic policies, comparison between achievement of results and targets, and challenges faced by the company;	36-40
2) business prospects;	42-43
3) implementation of Good Corporate Governance by the company; and	41
4) changes in the composition of the Directors (if any).	41
E. Company Profile	10-25, 363, 495-529
The Company Profile should at least contain the following:	
1) name, address, telephone, facsimile, email, website of the company and/or branch offices or representative office, which enable public to access information about the company;	529
2) brief history of the company;	12-13
3) line of business according to the latest Articles of Association, and types of products and/or services produced;	363, 524-525, 529
4) organization structure in chart form, at least one level below the Directors, with the names and titles;	504-505
5) vision and mission of the company;	10
6) the Board of Commissioners profiles include:	32, 224, 229, 237-243, 506-507
a. name;	32, 224, 229, 237-239, 243, 506-507
b. history of position, working experience, and legal basis for first appointment to the Issuer or Public company, as stated in the minutes of GMS resolutions;	506-507
c. history of education;	506-507
d. short description on the competency enhancement training programs for members of the Board of Commissioners during the year under review (if any); and	243
e. disclosure of affiliation with other members of the Board of Directors and Commissioners, and shareholders (if any);	238
7) the Directors profiles include:	245-250, 508-511, 238, 252-254
a. name and short description of duties and functions;	38, 39, 229, 244-246, 253-255, 508-511
b. history of position, working experience, and legal basis for first appointment to the Issuer or Public Company, as stated in the minutes of GMS resolutions;	508-511
c. history of education;	508-511
d. short description on the competency enhancement training programs for members of the Board of Commissioners during the year under review (if any); and	253-255
e. disclosure of affiliation with other members of the Board of Directors, and shareholders (if any);	248
8) in the event that there were changes in the composition of the Board of Commissioners and/or the Directors occurring between the period after year-end until the date the Annual Report submitted as refer to in point 1 letter a, then the last and the previous composition of the Board of Commissioners and/or the Directors shall be stated in the Annual Report;	n.a
9) number of employees and description of competence building during the year under review, for example education and training of employees;	156-161, 331
10) information on names of shareholders and ownership percentage at the end of the fiscal year, including:	23, 233, 238, 248, 520
a. shareholders having 5% (five percent) or more shares of Issuer or Public Company;	23, 233, 520
b. Commissioners and Directors who own shares of the Issuers or Public Company; and	23, 233, 238, 248
c. groups of public shareholders, or groups of shareholders, each with less than 5% ownership shares of the Issuers or Public Company;	23, 520
11) information on major shareholders and controlling shareholders the Issuers of Public Company, directly or indirectly, and also individual shareholders, presented in the form of scheme or diagram;	23, 233, 520

Cross Reference of Financial Services Authority-OJK

(formerly Bapepam-LK)

No. X.K.6: SUBMISSION OF ANNUAL REPORT OF PUBLICLY LISTED COMPANIES

FORM AND CONTENT OF THE ANNUAL REPORT	Page
12) name of subsidiaries, associated companies, joint venture controlled by Issuers or Public Company, with entity, percentage of stock ownership, business, and operating status of the company (if any). For subsidiaries, include the addresses;	522-523
13) chronology of share listing and changes in the number of shares from the beginning of listing up to the end of the financial year, and name of Stock Exchange where the company shares are listed;	22-25
14) chronology of securities listing and rating of the securities (if any);	24
15) name and address of the securities rating company (if any);	529
16) name and address of capital market supporting institutions and/or professionals. For professionals providing services regularly for the Issuer or Public Company, it is required to disclose the services, fees, and periods of assignment; and	287-288, 529
17) awards and certifications of national and international scale bestowed on the company during the last fiscal year (if any).	9, 496-503
F. **Management Discussion and Analysis** Annual Report should contain discussion and analysis on financial statements and other material information emphasizing material changes that occurred during the year under review, at least including:	44-69, 170-211
1) operational review per business segment, according to the type of industry of the Issuer or Public Company including:	46-69, 175-183, 203-205
a. production, including process, capacity, and growth;	46-69, 203-205
b. income; and	175-179, 203-205
c. profitability;	175-179, 203-205
2) comprehensive financial performance analysis which includes a comparison between the financial performance of the last 2 (two) fiscal years, and explanation on the causes and effects of such changes, among others concerning:	174-194
a. current assets, non-current assets, and total assets;	183-189
b. short term liabilities, long term liabilities, total liabilities;	190-193
c. equity;	193
d. sales/operating revenues, expenses and profit (loss), other comprehensive revenues, and total comprehensive profit (loss); and	175-182
e. cash flows;	193-194
3) debt service ability including the computation of relevant ratios;	191-192
4) loan collectability (receivable) , including the computation of the relevant ratios;	187-188
5) capital structure and management of capital structure policies;	198-199
6) discussion on material commitments for capital expenditures, including the explanation on the purpose of such ties, source of funds expected to fulfill the said commitment, currency of denomination, and steps taken by the company to protect the position of a related foreign currency against risks;	202
7) information and material facts that occurred after the date of the accountant's report (subsequent events);	202
8) information on company prospects in connection with industry, economy in general, accompanied with supporting quantitative data if there is a reliable data source;	31, 42-43, 210-211
9) comparison between target/projection at beginning of year and result (realization), concerning revenue, profit, capital structure, or others that deemed necessary for the company;	40, 197
10) target/projection at most for the next one year, concerning income, profit, capital structure, dividend policy, or others that deemed necessary for the company;	31, 42-43, 210-211
11) marketing aspects of the company's products and services, among others marketing strategy and market share;	206
12) Description regarding the dividend policy and the date and amount of cash dividend per share and amount of dividend per year as announced or paid during the past two (2) years;	24, 198
13) Use of proceeds from public offerings:	n.a
a. during the year under review, on which the Issuer has the obligation to report the realization of the use of proceeds, then the realization of the cumulative use of proceeds until the year end should be disclosed; and	n.a
b. in the event that there were changes in the use of proceeds as stipulated in Rule No. X.K.4, then Issuer should explain the said changes;	n.a
14) Material information, among others concerning investment, expansion, divestment, acquisition, debt / capital restructuring, transactions with related parties and transactions with conflict of interest that occurred during the year under review, among others include:	199
a. transaction date, value, and object;	√
b. names of transacting parties;	√
c. nature of related parties (if any);	√
d. description of the fairness of the transaction;	√
e. compliance with related rules and regulations;	√

FORM AND CONTENT OF THE ANNUAL REPORT	Page
15) changes in regulation which have a significant effect on the company and impacts on the company (if any);	200
16) changes in the accounting policy, rationale and impact on the financial statements (if any).	200
G. Corporate Governance	212-323
Corporate Governance contains short descriptions of at least the following items	
1) Board of Commissioners, including:	234-243
a. description of the responsibility of the Board of Commissioners;	234-236
b. disclosure of the procedure and basis determining remuneration, and amount of remuneration for members of the Board of Commissioners;	241-242
c. disclosure of the company's policy and its implementation, frequency of Board of Commissioners meetings including joint meetings with the Directors, and attendance of the members of Board of Commissioners in the meetings;	239
2) Directors, including:	244-254
a. scope of duties and responsibilities of each member of the Directors;	244-251
b. disclosure of the procedure and basis determining remuneration, and amount of remuneration for members of the Board of Directors, and the relation between remuneration and performance of the company;	250-252
c. disclosure of the company's policy and its implementation, frequency of Board of Directors meetings including joint meetings with the Board of Commissioners, and attendance of the members of Board of Directors in the meetings;	249-250
d. resolutions from the GMS of the previous fiscal year and its realization in the year under review, and explanation for the unrealized resolution; and	223-232
e. disclosure of company policy concerning assessment on the performance of the member of the Directors (if any);	250
3) Audit Committee, includes among others:	255-258, 514-515
a. name;	255-258, 514-515
b. history of position title, work experience and legal basis for appointment;	256, 512-513
c. history of education;	512-513
d. tenure of members of Audit Committee;	257
e. disclosure of independence of the members of the Audit Committee;	257-258
f. disclosure of the company's policy and its implementation, frequency of Audit Committee meetings, and attendance of the members of Audit Committee in the meetings;	258-259
g. brief report on the activities carried out by the Audit Committee during the year under review in accordance with the charter of the Audit Committee;	259
4) other committees owned by Issuer or Public Company supporting the functions and duties of the Board Directors and/or the Board of Commissioners, such as nomination and remuneration, including:	260-281
a. name;	259, 261, 514-515
b. history of position title, work experience and legal basis for appointment;	259, 261, 514-515
c. history of education;	514-515
d. tenure of members of the committee;	259, 263
e. disclosure of the company's policy concerning the independence of the committee;	259, 264
f. description of duties and responsibilities;	260-281
g. disclosure of the company's policy and its implementation, frequency of committee meetings, and attendance of the members of committee in the meetings;	260-281
h. brief report on the committee activities carried out during the year under review;	261, 264
5) description of tasks and function of the Corporate Secretary:	282-283, 516
a. name;	282, 516
b. history of position title, work experience and legal basis for appointment;	282, 516
c. history of education;	516
d. tenure of the corporate secretary;	282
e. brief report on Corporate Secretary activities carried out during the year under review;	283
6) description of the company's internal audit unit:	284-286
a. name;	284
b. history of position title, work experience and legal basis for appointment;	284
c. qualification/certification of internal audit professionals (if any);	284
d. structure or position of the internal audit unit;	285
e. duties and responsibilities of the internal audit unit according to the internal audit unit charter; and	284-285
f. brief report on the committee activities carried out during the year under review;	285
7) description of the company's internal control, at least contains:	296-297
a. financial and operational control, and compliance to the other prevailing rules;	296-297
b. review the effectiveness of internal control systems;	297

Cross Reference of Financial Services Authority-OJK

(formerly Bapepam-LK)

No. X.K.6: SUBMISSION OF ANNUAL REPORT OF PUBLICLY LISTED COMPANIES

FORM AND CONTENT OF THE ANNUAL REPORT	Page
8) risk management system implemented by the company, at least includes:	70-155, 290-291
a. general description about the company's risk management system;	70-155, 290-291
b. types of risk and the management; and	78-90, 290-295
c. review the effectiveness of the company's risk management system;	290, 295
9) important cases faced by the Issuer or Public Company, subsidiaries, current members of the Board of Commissioners and Directors, among others include:	305
a. substance of the case/claim;	305
b. status of settlement of case/claim; and	305
c. potential impacts on the financial condition of the company.	305
10) Information about administrative sanctions imposed to Issuer or Public Company, members of the Board of Commissioners and Directors, by the Capital Market Authority and other authorities during the last fiscal year (if any);	305
11) information about codes of conduct and corporate culture (if any) includes:	10, 11, 316-318
a. key points of the code of conduct;	316-318
b. key points of the corporate culture;	10, 11, 317-318
c. socialization of the code of conduct and enforcement; and	316-317
d. disclosure that the code of conduct is applicable for Board of Commissioners, Directors, and employees of the company;	317
12) description of employee or management stock ownership program of the Issuer or Public Company, among others are number, period, requirement for eligible employee and/or management, and exercised price (if any); and	318
13) description of whistleblowing system at the Issuer or Public Company in reporting violations that may adversely affect the company and stakeholders (if any), including:	300-302
a. mechanism for violation reporting;	301
b. protection for the whistleblower;	301
c. handling of violation reports;	301
d. unit responsible for handling of violation report; and	301
e. results from violation report handling.	302
H. Corporate Social Responsibility	324-347
1) discussion of corporate social responsibility covers policies, types of programs, and cost, among others related to:	
a. environment, such as the use of environmentally friendly materials and energy, recycling, and the company's waster treatment systems, the company's environmental certifications, and others;	325-328
b. employment practices, occupational health and safety, including gender equality and equal work opportunity, work and safety facilities, employee turnover, work incident rate, training, etc;	328-332
c. social and community development, such as the use of local work force, empowerment of local communities, aid for public social facilities, social donations, etc; and	332-344
d. consumer protection related activities, such as consumer health and safety, product information, facility for consumer complaints, number and resolution of consumer complaint cases, etc.	344-347
2) Issuers or the Public Company may impart information as referred to in point 1) in the Annual Report or in separate report submitted along with the Annual Report to Bapepam-LK, such as sustainability report, or corporate social responsibility report.	√
I. Audited Annual Financial Statements Audited Financial Statements included in Annual Report should be prepared in accordance with the Financial Accounting Standards in Indonesia and audited by an Accountant. The said financial statement should be included with statement of responsibility for Annual Report as stipulated in Rule No. VIII.G.11 or Rule No. X.E.1.	349-493
J . Board of Commissioners and Directors Signatures	348
1) Annual Report should be signed by all members of the current Board of Commissioners and Directors.	348
2) The signature as refer to in point 1) should be appended on separate sheet of the Annual Report, where the said sheet should contain a statement that all members of the Board of Commissioners and the Directors are fully responsible for the accuracy of the Annual Report, in accordance with the Form No. X.K.6-1 of the Attached Rules.	348
3) In the event that members of the Board of Commissioners or the Board of Director refused to sign the Annual Report, the said person should provide a written explanation in separate letter attached to the Annual Report.	n.a
4) In the event that a member of the Board of Commissioners and the Directors refused to sign the Annual Report and failed to provide written explanation, then a member of the Board of Commissioners or Directors who signed the Annual Report should provide a written explanation in a separate letter attached to the Annual Report.	n.a

Cross Reference of Bank Indonesia

Bank Indonesia Circular Letter No. 14/35/DPNP dated December 10, 2012

FORM AND CONTENT OF ANNUAL REPORT	Page
I. GENERAL	
1. The Publication of the Bank's Annual Report is intended to provide regular and comprehensive information on the condition of the Bank including its business development and performance, as well as that of its business group. All of the information is expected to enhance transparency of the Bank's financial condition to the public and maintain public trust of the banking institutions.	√
2. Besides being submitted to shareholders, Annual Report shall be submitted at least to Bank Indonesia and other institutions in the Bank's business development, such as the Indonesian Consumers Foundation (YLKI), Indonesian rating agencies, Indonesia banking associations, the Indonesian Banking Development Institute (LPPI), 2 (two) research institutes on the Economy and Finance; and 2 (two) economic and finance magazines. Specified certain annual reports are only required to be submitted to Bank Indonesia. The deadline for submission of Annual Reports and specified certain annual report is not later than 5 (five) months after the Fiscal Year end.	√
3. Annual Reports must be prepared for 1 (one) Fiscal Year and presented in comparation to at least 1 (one) previous Fiscal Year.	√
4. Annual Report should be presented in the Bank's website not later than 1 (one) working day after the deadline for submission of the Annual Report, and should be maintained in the Bank's website for at least 2 (two) consecutive reporting periods.	√
5. The Bank's Annual Report should be prepared in Bahasa Indonesia. In the event that the Annual Report is also made in a language other than in Bahasa Indonesia, in the same or a separate document, then the Annual Report referred to should contain the same information.	√
6. The currency used in the Annual Report is Rupiah.	√
II. SCOPE OF ANNUAL REPORT	
Annual Report should at least include:	
1. General Information	
General Information in Annual Report should at least encompass:	
a. management, covering the Board of Commissioners, Directors, and executive officers including their positions and CVs;	506-519
b. details on Shareholders, including the names and the number of shares;	23, 233, 520
c. Bank business development and Bank business group including data regarding:	
1. summary on important financial data should at least include distribution of net interest income, revenue, profit before tax, net profit, earnings per share, earning assets, third party funds, fund borrowings, cost of funds, capital, number of shares of issued and fully paid up capital;	7, 18-21, 23
2. financial ratios should be presented and should at least include financial ratios as stipulated in Bank Indonesia Regulation concerning Transparency of Financial Conditions of Banks.	19, 21, 195
d. strategy and management policy used in developing the Bank's business;	4-9, 27-69, 210-211, 319-320
e. management report providing information regarding Bank management by the Management in the framework of good corporate governance and should at least include:	
1. organization structure;	504-505
2. main activities;	44-69, 203-205
3. information technology;	166-169
4. type of product and services offered including micro, small and medium enterprise lending (UMKM);	44-69, 203-205, 524-525
5. interest rates of funds and provision of funds;	190, 201
6. economic development and market target;	171-174, 210-211
7. local and foreign network and business partners;	526-528
8. number, type and locations of offices;	17, 526-528
9. ownership of Directors, Commissioners and shareholders in the Bank business group;	23, 233, 238, 248, 520, 529
10. important changes occurring in the Bank and Bank business group during the year under review;	13, 26-43, 199-201, 366-370
11. forecasted important things that may happen in the future;	31, 42-43, 210-211
12. human resources, including the number, educational structure, training and development.	156-161,331
2. Annual Financial Statements	
The Annual Financial Statements should at least include the following points:	
a. Bank Audited Financial Statements consisting of:	349-493
1. Balance Sheet;	486-487
2. Comprehensive Statement of Income;	488-489

Cross Reference of Bank Indonesia

Bank Indonesia Circular Letter No. 14/35/DPNP dated December 10, 2012

FORM AND CONTENT OF ANNUAL REPORT	Page
3. Statement of Changes in Equity;	490-491
4. Statement of Cash Flows; and	492-493
5. Notes to the Financial Statements, including information on commitments and contingencies.	363-485
b. For Banks that own subsidiaries, aside from individual Financial Statements as referred to in letter a, Annual Financial Statements should also include Audited Consolidated Financial Statements by a Public Accountant, namely the consolidated Financial Statements of the Bank and its Subsidiaries, which consist of at least:	349-493
1. Balance Sheet;	353-356
2. Comprehensive Statement of Income;	357-358
3. Statement of Changes in Equity; and	359-360
4. Commitments and contingencies.	455-457
c. For Banks that are a part of a business group, aside from the report referred to in paragraphs a and b, the Bank is also required to submit the Annual Financial Statements consisting of:	521
1. Parent Company Financial Statements audited by Public Accountant, as a result of consolidation of all entities in the business group in compliance with the prevailing accounting standards, which at least includes:	521
a) Statement of Financial Position (Balance Sheet);	521
b) Comprehensive Income Statement;	521
c) Statement of Changes in Equity; and	521
d) Commitments and Contingencies.	521
2. Financial Holding Company Financial Statements, audited by a Public Accountant, as a result of consolidation of all entities in the finance group in accordance with applying accounting standards, and at least include:	521
a) Statement of Financial Position (Balance Sheet);	521
b) Comprehensive Income Statement;	521
c) Statement of Changes in Equity; and	521
d) Commitments and Contingencies.	521
In the event that the business group does not have a Holding/Parent Company in the Financial Sector then the financial statements presented are the Parent Company Financial Statements audited by a Public Accountant.	√
3. Opinion of Public Accountant. The opinion of Public Accountant contains among others the point of view of the Public Accountant on the financial statement as referred to in number 2.	351-352
4. Bank Capital, Risk Exposure and Risk Management Implementation Disclosure	77-155
a. capital disclosure and risk exposure and risk management implementation disclosure aims to enhance transparency to the public by determining minimum requirements of disclosure, so that the public can assess the risk profile and capital adequacy of the bank;	√
b. the Bank should have written policy approved by the Directors regarding the disclosures set forth in this number. The policies, among others, should be related to the content of disclosure to be reported and internal controls in the disclosure process;	√
c. disclosures were prepared in accordance with the guidelines as stated in the attachment, which form an integral part with this Circular Letter.	√
Disclosure of information as referred to in letter a, consists of:	
1. Capital Disclosures	77-78, 94, 473-475
Capital disclosures at least cover:	
1) Qualitative disclosures, among others information about:	77-78
a. Capital structure, covering explanation on the equity instruments issued by the Bank including: characteristics, duration of instrument, callable feature, features step-up, yield rate, and rating (if available), and	77-78
b. Capital adequacy, covering explanations on the approach used by the Bank in assessing capital adequacy to support current and future activities.	77-78
2) Quantitative disclosures covering capital structure of the Bank as referred to in Table 1.a and Table 1.b.	94, 473-475
2. Risk Exposure and Risk Management Disclosure at least include:	73-93
1) Disclosure on the Bank's Risk Management in general, including:	73-76
a) Active supervision by the Board of Commissioners and Directors;	73-74
b) Adequacy of risk management policies and procedures, and determination of risk management limits;	74

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c) Adequacy of risk identification, measurement, monitoring and mitigation processes, as well as the risk management information system;	75
d) Comprehensive internal control systems.	75
2) Disclosure on risk exposure and implementation of Bank Risk Management in particular, covering:	78-93, 94-155
a) Credit Risk, which includes:	78-82
1) General disclosure, which consists of:	78-82
a) Qualitative disclosures, which include, among others:	78-82
i. information regarding the application of credit risk management implementation, including:	78-82
i.1. credit risk management organization;	78-79
i.2. credit risk management strategies for activities that have a significant credit risk exposure;	79
i.3. credit concentration risk management policies, and	80
i.4. mechanism for credit risk measurement and control.	80
ii. definition of overdue receivables and impaired receivables, and	80
iii. description on the approach used for the Allowance for Impairment Losses (CKPN), individually and collectively, as well as the statistical methods used in the calculation of CKPN.	80-81
b) Quantitative disclosures, as referred to in Table 2.1.a through Table 2.6.b, which includes:	94-113
i. Disclosure of Net Receivables by Region, as shown in Table 2.1.a and Table2.1.b;	94-95
ii. Disclosure of Net Receivables by Contractual Maturity as shown in Table 2.2.a and Table 2.2.b;	96-97
iii. Disclosure of Net Receivables by Economic Sector as shown in Table 2.3.a and Table 2.3.b;	98-105
iv. Disclosure of Receivables and Provisioning by Region, as shown in Table 2.4.a and Table 2.4.b;	106-107
v. Disclosure of Receivables and Provisioning by Economic Sectors as shown in Table 2.5.a and Table 2.5.b; and	108-111
vi. Details of Movements of Allowances for Impairment Losses as shown in Table 2.6.a and Table 2.6.b.	112-113
2) Disclosure of Credit Risk using the Standardized Approach, which consists of:	81, 114-125
a) Qualitative disclosures, which includes:	81, 114-125
i. information regarding the use of rating the calculation of Risk Weighted Assets (RWA) for credit risk;	81
ii. category of portfolios that use the rating;	81, 114-121
iii. rating agency; and	81, 114-121
iv. disclosure of counter party credit risk, including types of mitigation instruments commonly accepted / delivered by the bank.	81, 122-125
b) Quantitative disclosure as referred to in Table 3.1.a through Table 3.2.c.2, which includes:	114-125
i. Disclosure of Net Receivables by Portfolio and Rating Category as shown in Table 3.1.a and Table 3.1.b; and	114-121
ii. Disclosure of counter party Credit Risk as shown in Table 3.2.a, Table 3.2.b.1, Table 3.2.b.2, Table 3.2.c.1, and Table 3.2.c.2.	122-125
3) Disclosure on Credit Risk Mitigation using the Standardized Approach, which consists of:	81-82
a) Qualitative disclosures, which includes:	81-82
i. information regarding the Bank's policy for the main types of collateral accepted;	81
ii. policies, procedures, and processes to assess and manage collateral;	81
iii. main warrantors/guarantors and their credit worthiness; and	81-82
iv. information on concentration level arising from the use of credit risk mitigation techniques.	81-82
b) Quantitative disclosure referred to in Table 4.1.a through Table 4.2.b, includes:	126-137
i. Disclosure of Net Receivables by Risk Weight after Credit Risk Mitigation as shown in Tables 4.1.a and Table 4.1.b; and	126-133

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ii. Disclosure of Net Receivables and Credit Risk Mitigation Techniques as shown in Table 4.2.a and Table 4.2.b.	134-137
4) Disclosure of Asset Securitization, which consists of:	n.a.
a) Qualitative disclosures, which include:	
i. general disclosure of risk management, which includes objective of asset securitization, the limit of asset securitization activities in transfering the Bank's credit risk to other party's over any transaction that underlay the asset securitization activities, the Bank's functions in asset securitization activities, and an explanation of the Bank's involvement in those functions;	
ii. summary of accounting policies for asset securitization activities, which include, transactions treated as sales or funding, recognition of gains from securitization activities, and assumptions used to assess the presence or absence of on-going involvement in the securitization activity, including changes from the previous period and the impact of those changes; and	
iii. names of the rating used in asset securitization activities and asset securitization exposures rated by the said agency.	
b) Quantitative disclosure, referred to in Table 5.1.a through Table 5.2.b, which includes:	
i. Securitization Transaction Disclosure as Table 5.1.a and Table 5.1.b; and	
ii. Securitization Transaction Activity Summary in which the Bank Acts as the Originator as in Table 5.2.a and Table 5.2.b.	
5) Quantitative disclosure of Credit Risk RWA Calculation using Standardized Approach referred to in Table 6.1.1 through Table 6.2.7.	138-144
b) Market Risk, which includes:	82-83
1) Standardized measurement method for market risk, comprised of:	82-83,144
a) Qualitative disclosures, which include:	82-83
i. information regarding the application of risk management including:	82-83
i.1. market risk management organization;	82
i.2. trading book and banking book portfolio management, as well as the valuation methodology used; and	83
i.3. market risk measurement mechanism for monitoring and periodic risk and for capital adequacy calculations, both on banking book and on trading book.	83
ii. coverage portfolio (trading and banking book) which were taken into account in the Minimum Capital Requirement (CAR); and	83
iii. measures and plans to anticipate market risk on foreign currency transactions, because of changes in exchange rates and of fluctuations of interest rates, including descriptions of all fundings and contracts without protection or hedging, and debts with floating rate or not determined in advance.	83
b) Quantitative disclosures, at least including market risk disclosures using standardized measurement methods as described in Table 7.1.	144
2) Internal model-based approach to market risk, which consists of:	83, 85, 145
a) Qualitative disclosures, which include:	83, 145
i. information regarding the risk management implementation, including:	83
i.1. market risk management organization;	83
i.2. trading book portfolio management and valuation methodologies used; and	83
i.3. market risk measurement mechanism for monitoring and periodic risk for capital adequacy calculation in the trading book.	83
ii. portfolio covered in the Internal Model approach and the valuation policies used for the calculation of the trading book positions;	83
iii. for each portfolio covered by the Internal Model approach, disclosure the model characteristics, description of stress testing for the portfolio and description of the approach used for backtesting/validating the accuracy and consistency of the Internal Models and the process of model development;	83

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iv. portfolio using Internal Models that have been approved by Bank Indonesia;	
v. the amount of frequency deviation between the Value at Risk (VaR) and the actual losses during the reporting period.	
b) Quantitative disclosure, at least including market risk disclosures using internal models (Value at Risk/VaR) as shown Table 7.2.a and Table 7.2.b.	145
c) Operational Risk, which includes:	84-85, 146-147
1) Qualitative disclosures, including: information on the risk management implementation for operational risk, including:	84-85
a) operational risk management organization;	84
b) the mechanism used by the bank identify and quantify operational risk; and	84-85
c) mechanism to mitigate operational risk.	85
2) Quantitative disclosure on operational risk, as described in Table 8.1.a and Table 8.1.b.	146-147
d) Liquidity Risk, which includes:	86-87, 148-155
1) Qualitative disclosures, including: information on the implementation of risk management for liquidity risk, including:	86-87
a) liquidity risk management organization;	86
b) early warning indicators of liquidity problems; and	86
c) the mechanisms of measurement and control liquidity risk.	86-87
2) Quantitative disclosures on liquidity risk, which at least includes:	148-155
a) Disclosure of Rupiah Maturity Profile as described in Table 9.1.a and Table 9.1.b; and	148-151
b) Disclosure of Foreign Exchange Maturity Profile as described in Table 9.2.a and Table 9.2.b.	152-155
e) Legal Risk, which contains qualitative disclosures about risk management for legal risks include the following:	87
1) legal risk management organization; and	87
2) legal risk control mechanisms.	87
f) Strategic Risk, revealed qualitative information regarding the implementation of strategic risk management including the following:	88
1) strategic risk management organization;	88
2) policy that allows banks to identify and respond to internal and external changes in the business environment; and	88
3) mechanisms to measure the progress of the business plan.	88
g) Compliance Risk, qualitative information about risk management for compliance risk including:	89-90
1) compliance risk management organization;	89-90
2) risk management strategies and the effectiveness of risk management for compliance risk, primarily for ensuring that the development of policies and procedures are in accordance with generally accepted standards, and prevailing rules and / or regulations; and	90
3) monitoring and controlling compliance risk.	90
h) Reputation Risk, qualitative information about risk management for reputation risk include:	88-89
1) organizational reputation risk management, including the implementation of reputation risk management by related units (Corporate Secretary, Public Relations, and the related business units);	88-89
2) policies and mechanisms to improve the quality of service to customers and other stakeholders to control reputation risk; and	89
3) reputation risk management in times of crisis.	89

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5. Transparency according to Quarterly Published Financial Statements.	
Annual Financial Statements referred to in 2.a and 2.b should be accompanied by all aspects of disclosure as required for the quarterly published financial statements.	349-493
Such disclosure shall at least include:	
a. spot and derivative transactions;	420-421
b. quantity and quality of earning assets and other information, among other things:	424-429, 476-480
1) provision of funds to related parties;	476-480
2) provision of funds to Micro, Small and Medium Enterprises (UMKM) debtors;	424-429
3) loans classified as special mention (including restructured loans and property loans); and	425-426
4) Allowance for Impairment Losses;	425-426
c. Bank financial ratios, among others:	429, 472-473
1) percentage of breaches or deviations from the established limit (BMPK); and	429
2) the ratio of the Net Open Position (NOP).	472-473
d. calculation of the Minimum Capital Requirement (CAR).	473-475
6. Disclosure aspects related to the Bank's Business Group should contain information related to the activities in the business group, which consists of:	23, 233, 363-370, 376, 392, 453-454, 476-480, 520
a. structure of the Bank business group, consisting of at least:	23, 233, 363-370, 453-454, 476-480, 520
1) business group structure, from the Bank, subsidiaries, affiliates, financial holding company, and/or parent company to the ultimate shareholder;	23, 233, 476-480, 520
2) structure of the management relationship in the Bank's business; and	363-370
3) shareholders acting on behalf of other shareholders (shareholders acting in concert). The definition of a shareholder acting on behalf of other shareholders is individual shareholders or companies / legal entities who have the common goal of controlling the Bank, based or not based on agreement.	453-454, 520
b. transactions between the Bank and related parties in the Bank's business group, taking into account the following matters:	376, 392, 476-480
1) information of transactions with related parties conducted by the Bank or any company or legal entity in the Bank business group working in the field of finance;	476-480
2) related party is party as stipulated in the applicable Statement of Financial Accountancy Standard (PSAK);	376, 392, 476-480
3) types of transactions with related party are, among others:	476-480
a) cross shareholders;	476-480
b) transactions from one business group acting for the interest of other business groups;	476-480
c) management of short term liquidity centralized in one business group;	476-480
d) provision of funds distributed or received by another company in one business group;	476-480
e) exposure to majority shareholder in the form of loans, commitments and contingencies; and	476-480
f) buying, selling and/or renting of assets with another company in a business group, including repurchase agreements.	476-480
c. funds provision, commitment or other equal facilities of each company or legal entity belonging to one business group with the Bank on a debtor already obtaining fund provisions from the Bank.	199
7. Disclosure in accordance with other Financial Accounting Standards on Disclosure Aspects as required by prevailing Financial Accounting Standards which has not been included in the numbers 1 through 6 above.	349-493
8. Other Information	
Other information coverage consists of:	
a. Bank assets as collateral;	429
b. other important transactions in significant quantities; and	n.a
c. information on important events after the date of the Public Accountant report (subsequent event).	202

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