



Maintaining a Solid Position

2015 Annual Report



BCA

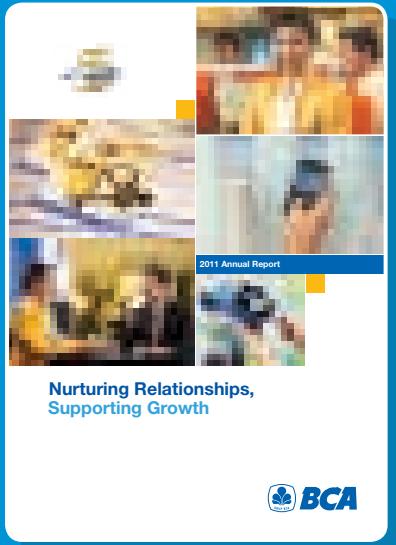
Always by your side

Theme Continuity

2011

Nurturing Relationships, Supporting Growth

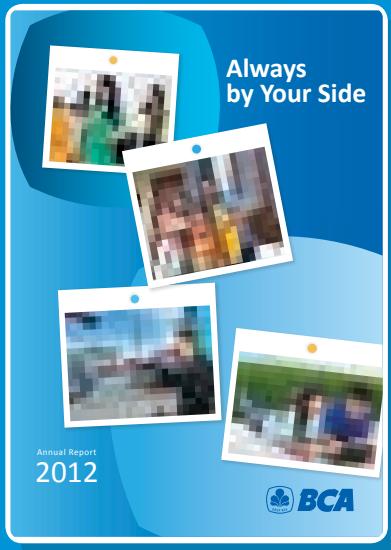
BCA's success in sustaining strong growth is the result of the dedication and hard work of all the Bank's employees and is underpinned by Indonesia's robust economic development. Leveraging off the core transaction banking business, BCA continues to expand lending and develop complementary business initiatives while continuously working to improve service quality. These efforts provide the framework for BCA to nurture relationships with existing clients and forge lasting relationships with new customers. With a reliable and secure banking platform and a wide array of financial service products, BCA is at the forefront in supporting the financial needs and contributing to the growth of our customers.



2012

Always by Your Side

Over the course of our 55 year history, BCA has provided quality financial solutions to our customers. Looking to the future, BCA will continue to nurture meaningful long-term relationships with our customers, our employees and all stakeholders, "Always by Your Side". As BCA evolves along with our loyal customers, our customers' sustainable growth becomes our sustainable growth.

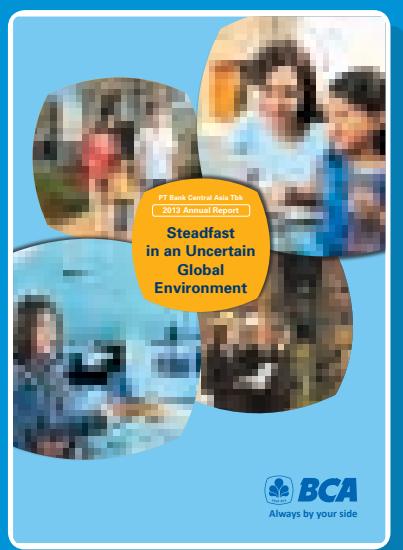


2013

Steadfast in an Uncertain Global Environment

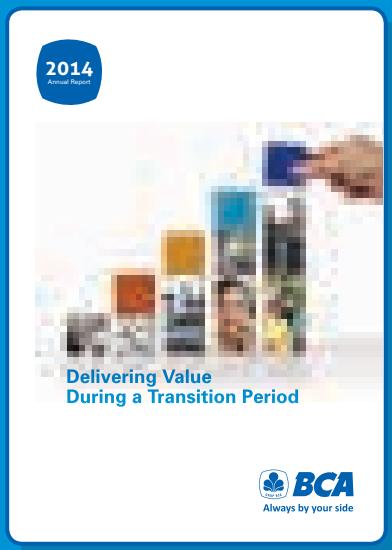
2013 was a challenging year for the Indonesian economy. In an environment of global economic uncertainty and slowing domestic economic growth, BCA leveraged off its solid financial position to support the financial needs of its customers and maintain its position as a leading transaction bank in Indonesia.

Customer satisfaction is at the heart of BCA's business strategy. The Bank understands the importance of standing by its customers especially during volatile economic periods. Lending prudence and understanding the needs of its customers were key to remaining steadfast in an uncertain global environment.



2014

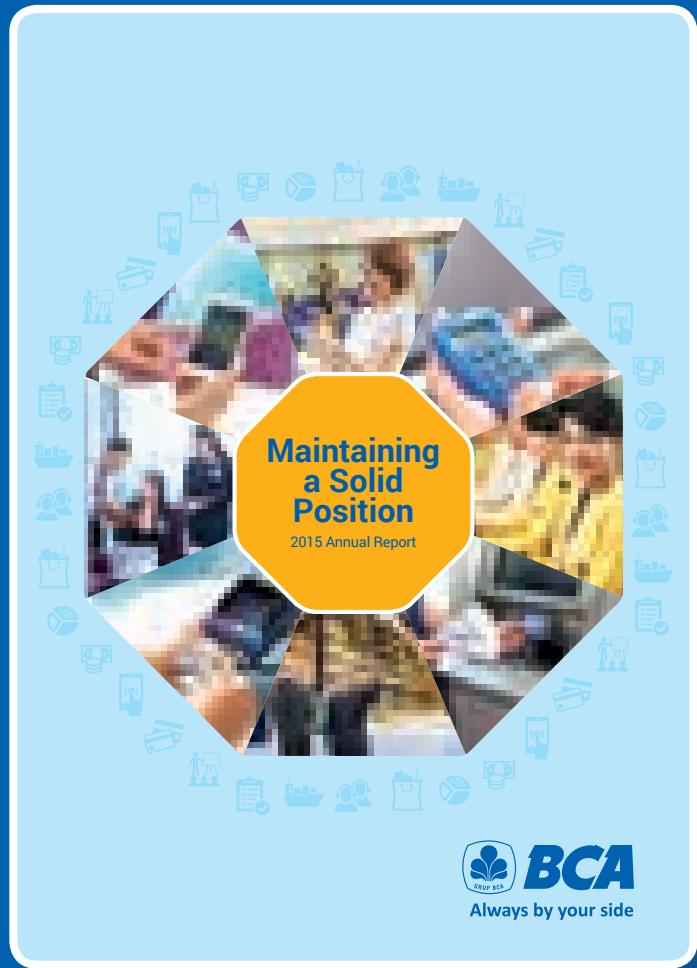
Delivering Value During a Transition Period



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 NPLs. BCA successfully maintained its solid performance and delivered value to its stakeholders throughout this transition year by boosting liquidity and maintaining prudential lending guidelines.



2015

Maintaining a Solid Position

Navigating Challenges, Capturing Opportunities

The Indonesian economy continued to be negatively impacted by a weak global economy and a variety of domestic macro-economic challenges. The relative slowdown in the domestic economy was reflected in the Indonesian banking industry with deterioration in loan quality and slower loan and third party funds growth.

BCA successfully maintained its solid position in 2015 by consistently implementing prudent policies focused on maintaining loan quality, a strong capital position, and a healthy liquidity position.

BCA's solid financial position allows the Bank to support its customers through all economic conditions while providing a strong base to capture business opportunities for future growth.

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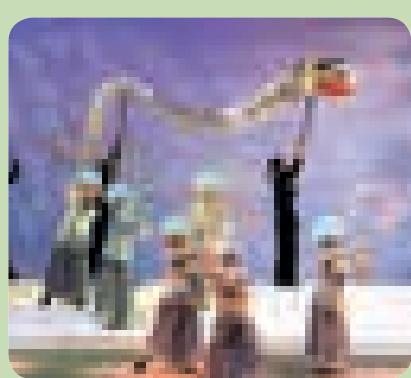
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Maintaining a Solid Position

2015 Annual Report

Maintaining a Solid Position

Navigating Challenges, Capturing Opportunities

The Indonesian economy continued to be negatively impacted by a weak global economy and a variety of domestic macro-economic challenges. The relative slowdown in the domestic economy was reflected in the Indonesian banking industry with deterioration in loan quality and slower loan and third party funds growth.

BCA successfully maintained its solid position in 2015 by consistently implementing prudent policies focused on maintaining loan quality, a strong capital position, and a healthy liquidity position.

Solid Financial Position

In 2015, BCA continued to post positive financial performance by promoting a prudent approach to business and taking proactive steps to manage and minimize risk exposure.

BCA's solid financial position allows the Bank to support its customers through all economic conditions while providing a strong base to capture business opportunities for future growth.





Quality Lending

By applying the principle of prudence, BCA was able to maintain NPL ratio at a low level of 0.7%.



Liquidity

The Bank's sound liquidity position was supported by stable and low-cost CASA funds as the main source of liquidity.



Capital Adequacy

The majority of BCA's capital base consists of Tier I capital, reflecting the Bank's solid capital structure.

Financial Summary*

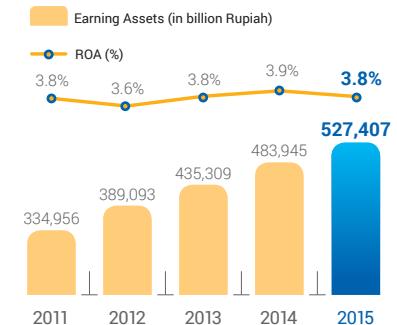
	2015	2014
Earnings (In billion Rupiah)		
Net Income**	18,019	16,486
Earning per Share (in Rupiah)	731	669
Net Interest Income	35,869	32,027
Operating Income other than Interest	12,007	9,346
Performance Measures (%)		
ROA	3.8	3.9
ROE	21.9	25.5
NIM	6.7	6.5
Liquidity (%)		
LCR	81.1	76.8
Efficiency (%)		
Cost Efficiency Ratio	46.5	44.2
Assets (%)		
Loan Growth	11.9	11.0
Earning Assets / Total Assets	88.7	87.5
NPL	0.7	0.6
Liabilities (%)		
Third Party Funds Growth	5.8	9.4
Current & Savings Accounts (CASA) to Total Third Party Funds	76.1	75.1
Capital Ratios (%)		
CAR	18.7	16.9
CAR (Tier 1)	17.8	16.0
CAR (Tier 2)	0.9	0.9
Share Price (in Rupiah)	13,300	13,125

* All financial ratios using parent company data

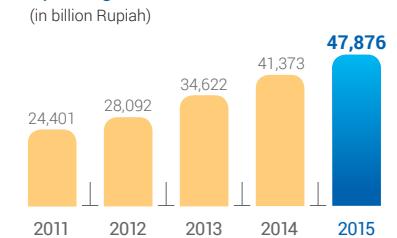
** Net Income attributable to equity holders of parent entity

Note: 5-year financial highlights is presented on page 22 – 25

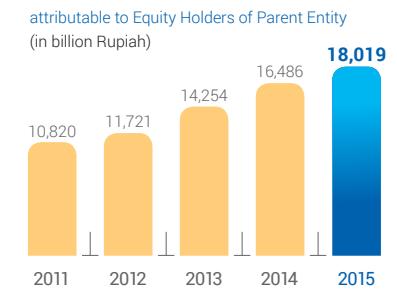
Earning Assets & ROA



Operating Income



Net Income



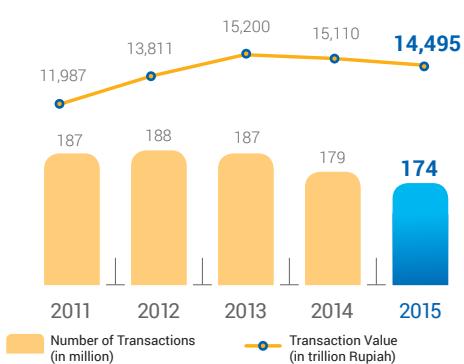
Customer Satisfaction

Solid relationships with customers is the cornerstone to BCA's business philosophy. The Bank is committed to offering financial solutions to meet the diverse financial needs of our customers and business partners.

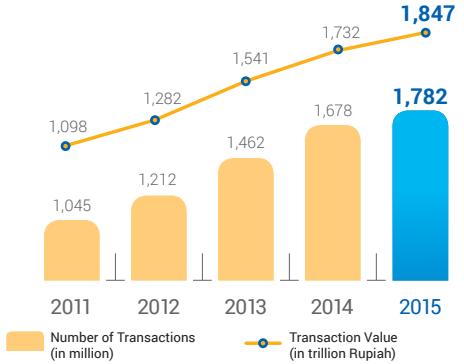
BCA has recorded strong growth in customer transactions and has been recognized both domestically and internationally for the quality of the Bank's products and services.



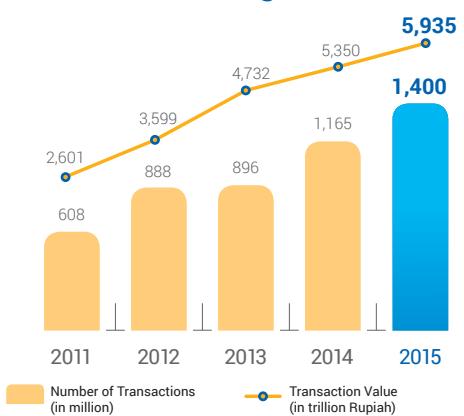
Branch



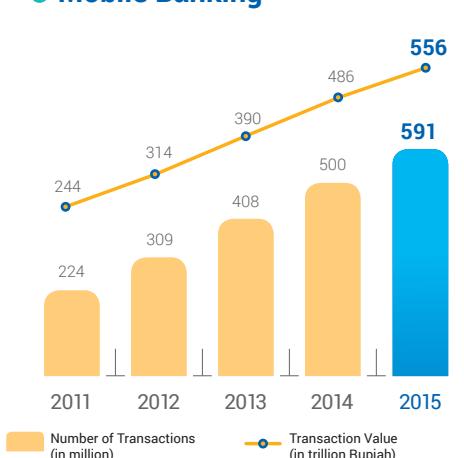
ATM



Internet Banking



Mobile Banking



The new smartphone application, '**Sakuku**' (My Pocket), was released for the convenience of the Bank's customers



In 2015, BCA was awarded "The Best Bank in Indonesia" by Euromoney and was amongst Asia's Best Companies as awarded by Finance Asia



The Bank received the Great Workplace Award 2015 from Gallup

Corporate Governance

The Board of Commissioners, the Board of Directors and BCA's workforce are committed to building an organization that is transparent, accountable, responsible, fair and independent. BCA's commitment to implementing good corporate governance has created a solid foundation for the continued growth of the Bank.



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BCA in Brief

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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

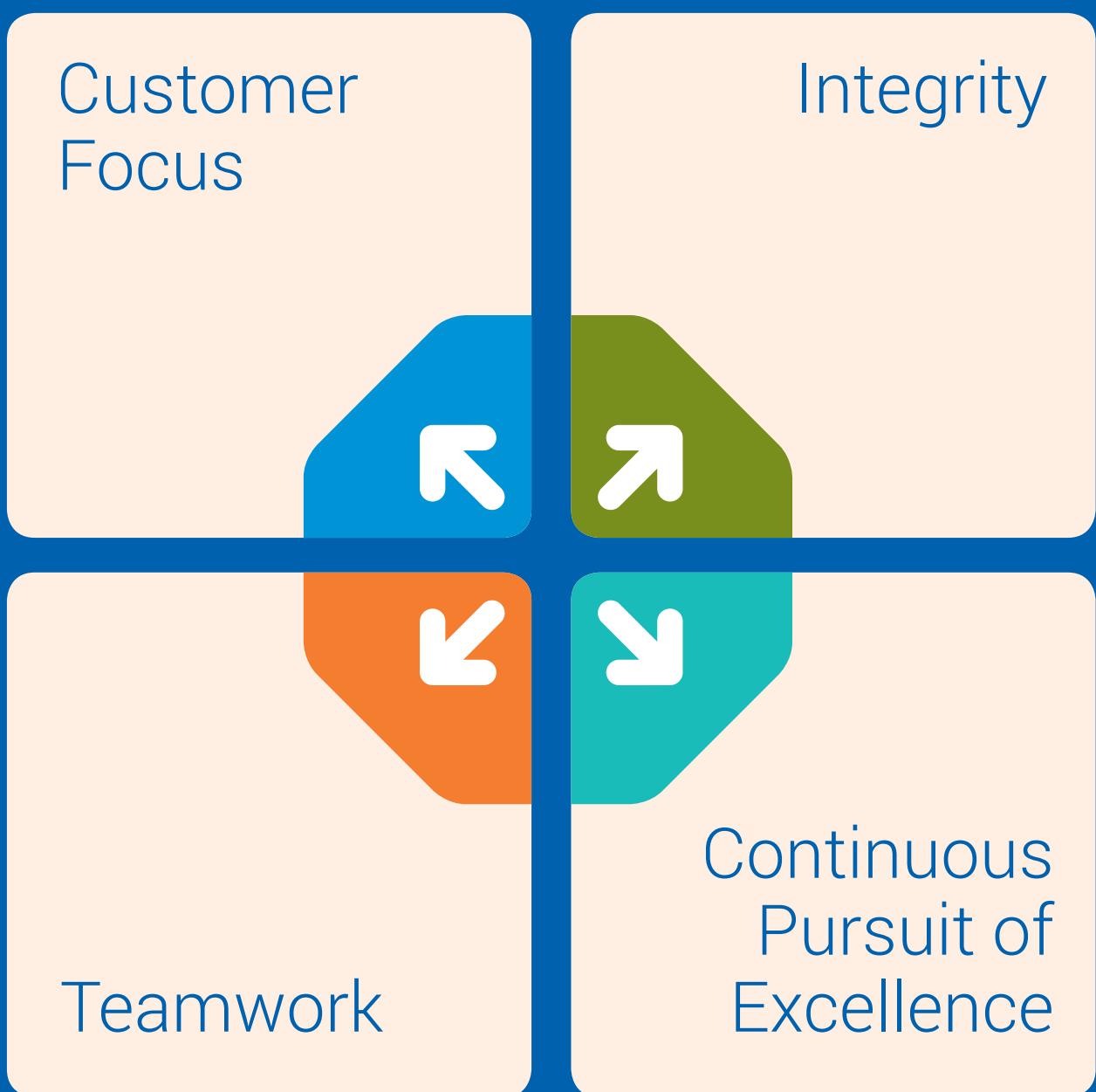
→ To understand diverse customer
needs and provide the right
financial services to optimize
customer satisfaction

→ 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



More detailed information of corporate culture can be found in the Corporate Governance section on pages 362 – 363.



Milestones

1957

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

1955

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

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.

Corporate actions

highlights in 2000-2005

2002

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

2004

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

Business development after 2000

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.

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.

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%.



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.

2015

BCA continues to develop transaction banking services with improvements to BCA's cash management services through the KlikBCA Integrated Business Solution internet banking platform.

BCA expands the Cash Recycling Machine ATM network in order to enhance long-term operational efficiency.

BCA launches 'Sakuku', an app based electronic wallet and financial transaction platform.

BCA strengthens the capital of the three subsidiaries, BCA Syariah, BCA Insurance and BCA Life, to support future development of the subsidiaries and in line with regulatory requirements.



Event Highlights 2015



January

26.01.2015

Flazz and JakCard Co-branding

Co-branding agreement allows JakCard from Bank DKI to use the Flazz BCA platform.



29.01.2015

Flazz BCA Becomes Jakarta's e-parking Card

BCA cooperates with the Transportation Agency of Jakarta to launch e-money payment for parking through Electronic Parking Terminals in Central Jakarta and Kelapa Gading.

February

26.02.2015

Flazz BCA and Bank Woori Saudara Co-branding

BCA Expands Flazz e-money services in a cooperation agreement between BCA and Bank Woori Saudara.

March

02.03.2015

BCA Appreciates Customers through "Gebyar BCA"

BCA conducts a series of events in appreciation of customers' loyalty through Gebyar BCA.



30.03.2015

BCA Launches Garuda Indonesia e-Commerce Ticket Purchase Facility

BCA and Garuda Indonesia sign an Agreement of Cooperation for air ticket payment via BCA credit and debit cards.



06.04.2015

BCA Launches LAKU Savings Accounts

BCA supports the financial inclusion program initiated by the Indonesian Financial Services Authority by launching LAKU in the village of Ngombak, Grobogan, Central Java.



20.04.2015

BCA Co-finances Construction of Soekarno-Hatta Airport Railway

BCA along with three national banks disbursed a Rp 2.1 trillion syndicated loan to finance the construction of the Central Jakarta light rail line to Soekarno-Hatta Airport.

February

17.02.2015

BCA Supports the Integrated State Revenue System

BCA participates in the launching of the 2nd Generation State Revenue Module for tax payment through BCA e-channel.

**09.04.2015****BCA Holds the Annual General Meeting of Shareholders**

BCA Annual General Meeting of Shareholders agrees on the disbursement of dividends amounting to Rp 3.6 trillion or Rp 148 per share.

Extraordinary General Meeting of Shareholders agrees to amend BCA's Articles of Association in accordance with existing regulations.

**June****2-7.06.2015****BCA Supports the 2015 Indonesian Open**

BCA supports the world-class BCA Indonesia Open Superseries Premier badminton tournament at Jakarta's Istora Senayan.

**July****10.07.2015**

BCA Appointed as Payment Bank for Indonesian Securities Central Custodian
BCA appointed as Administrating Bank for Customer Fund Account (RDB) for the Indonesian Securities Central Custodian for 2015–2019 to provide investors with a more convenient way to access information on securities portfolios through the BCA e-channel.

**May****21-23.05.2015****BCA Supports Gebyar Wayang UI 2015**

BCA is committed to preserving the art and culture of Indonesia through the Gebyar Wayang UI 2015 held by the Wayang Community of the University of Indonesia.

**27.05.2015****BCA - Royale Open Tournament 2015**

BCA supports the annual golf tournament, BCA - Royale Open Tournament 2015.

06.06.2015**BCA Holds the 2015 Electro Run**

The 5K night run race is held by BCA, Ismaya Live and Mesarace at Dunia Fantasi Taman Impian Jaya Ancol, Jakarta.

13.06.2015**Completion of Cipali Toll Road Syndicated Loan Led by BCA**

The President of Indonesia Mr. Joko Widodo inaugurates the 116.75 km long Cikopo-Palimanan (Cipali) toll road, costing Rp 12.5 trillion, with 70% of the total or Rp 8.8 trillion funded by syndicated loans led by BCA as lead arranger.

12-13.06.2015**BCA Holds the 2015 Jazz Gunung**

BCA supports the 7th annual "Jazz Gunung" taking place at Mount Bromo, Probolinggo, East Java.

29.07.2015**BCA Holds Analyst Meeting & Press Conference**

BCA holds a quarterly Analyst Meeting to provide an update on BCA performance in the first semester of 2015 for analysts and the media.



Event Highlights 2015 - continued



August

10.08.2015

BCA and Financial Services Authority Operate SiMOLEK in 15 Cities
To improve financial literacy and inclusion, BCA and the Indonesian Financial Services Authority (OJK) operate Financial Literacy Vehicles (SiMOLEK) in 15 cities across Indonesia, including Greater Jakarta, Bandung, Semarang, Yogyakarta, Surabaya, Medan, Samarinda, Makassar, Manado and Jayapura.



September

04.09.2015

BCA Celebrates National Customer Day
BCA Director, Mr. Armand W. Hartono visits KCU Pasar Baru and KCU Gajah Mada to greet customers.

21.09.2015

BCA Develops Tabungan SimPel in Support of Financial Literacy

BCA supports the efforts of the Indonesian Financial Services Authority (OJK) to encourage a culture of saving from an early age through "Simpanan Pelajar" (SimPel), a savings account for elementary and high school students.

BCA Named One of the Country's Best Treasury Bonds Agent

BCA recognized as one of the top bonds sales agents for SBR001 and ORI011 in 2014.

28.09.2015

BCA Launches Sakuku e-money

BCA launches a server-based electronic money product, "Sakuku", which can be accessed through a smartphone application and can be used for payment when shopping, buying phone credit and doing other banking transactions.

October

01.10.2015

MoU between BCA and Sriwijaya Air Group

BCA and PT Sriwijaya Air sign a cooperation agreement related to BCA's full support for payment services for ticket agencies that provide air tickets for Sriwijaya Air Group through KlikBCA Bisnis.

07-08.10.2015

BCA Holds Indonesia Knowledge Forum (IKF)

BCA holds the 4th Indonesia Knowledge Forum (IKF) with the theme "Moving Our Nation to the Next Level: Utilizing Knowledge for Sustainable Innovation Across Generations". IKF is an annual event held by BCA through the BCA Learning Service.

08.10.2015

BCA Partners with Garuda Indonesia

BCA and PT Garuda Indonesia (Persero) sign a partnership agreement on corporate sales and ticket payments via BCA's online payment system and corporate business accounts.

Wayang for Students

BCA supports the preservation of Indonesian wayang through the Wayang for Students program, titled "FUN-tastic Wayang", held in a number of schools in Semarang.

**27.10.2015****BCA Holds a Short Movie Competition**

BCA holds the "BCA Short Movie Awards (Shovia) 2015" under the theme of "*Indonesia Muda, Indonesia Kaya Budaya*". Before competing, participating students were invited to join workshops at several campuses.



November

13.11.2015**BCA Prepares Financing for the Development of Marine and Fishery Sector**

BCA fully supports the development of the marine and fisheries sector by participating in the program of JARING (Reach, Synergy, and Guidelines) aimed at increasing funding in the marine and fisheries sector, and to encourage the expansion of public access to the financial services sector

**16.11.2015****BCA Network Data Center Adopts ISO 9001:2008**

BCA receives the ISO 9001:2008 for Quality Management System for BCA Network Data Center.

21.11.2015**BCA Career Land Program Introduces the Banking Industry to University Students**

BCA holds a recruitment program to encourage students and top graduates from various universities to seek careers in the banking industry.

23.11.2015**Sustainable Finance Program to Strengthen BCA's Position in Sustainable Financing**

BCA is committed to implementing the principles of sustainable financing to integrate environmental, social, and governance aspects with banking. The Bank is involved in the pilot project, First Step to Implementing Sustainable Finance, organized by the Indonesian Financial Services Authority (OJK).

**25.11.2015****BCA Signs MoU with Hokkaido Bank**

BCA strengthens its expansion of banking services abroad through the signing of a memorandum of understanding with Hokkaido Bank, a Japanese regional bank.

30.11.2015**BCA and Ashmore Sign MoU on the Collaboration of Mutual Fund Marketing**

BCA market mutual funds in collaboration with PT Ashmore Asset Management Indonesia (Ashmore). This partnership reflects BCA's commitment to providing investment solutions to customers.



December

08-12.12.2015**BCA Supports e-shopping Carnival 2015**

BCA provides a total solution for online transaction services. Through the e-commerce carnival, BCA strengthens its position as an e-commerce acquiring bank in Indonesia.

21-12.12.2015**BCA and Indepay Launch Low-cost Payment Network**

BCA strengthens its branchless banking services as part of the Bank's Inclusive Finance (Laku Pandai) initiative through cooperation with Indepay Network.



Financial Highlights

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

(in billion Rupiah)	2015	2014	2013	2012	2011
Balance Sheets					
Total Assets	594,373	553,156	496,849	442,994	381,908
Total Earning Assets	527,407	483,945	435,309	389,093	334,956
Loans - gross	387,643	346,563	312,290	256,778	202,255
Loans - net	378,616	339,859	306,679	252,761	198,440
Securities (including Securities Purchased Under Agreements to Resell)	52,521	98,589	90,211	82,388	73,773
Placements with Bank Indonesia and Other Banks	56,259	12,020	12,254	28,802	43,010
Total Liabilities¹	504,748	477,430	434,517	391,096	339,881
Third Party Funds ²	473,666	447,906	409,486	370,274	323,428
Current Accounts	115,653	107,419	103,157	96,456	76,020
Savings Accounts	244,608	228,993	219,738	200,802	172,990
Time Deposits	113,405	111,494	86,591	73,016	74,418
Fund Borrowings ³	5,899	6,835	3,802	2,458	3,916
Debt Securities Issued ⁴	2,821	2,504	3,133	2,522	1,481
Total Equity	89,625	75,726	62,332	51,898	42,027
Total Liabilities and Equity	594,373	553,156	496,849	442,994	381,908
Comprehensive Income⁵					
Operating Income	47,876	41,373	34,622	28,092	24,401
Net Interest Income	35,869	32,027	26,425	21,238	18,054
Operating Income other than Interest	12,007	9,346	8,197	6,854	6,347
Impairment Losses on Financial Assets ⁶	(3,505)	(2,239)	(2,016)	(499)	161
Operating Expense	(21,714)	(18,393)	(14,790)	(12,907)	(10,943)
Income Before Tax	22,657	20,741	17,816	14,686	13,619
Net Income	18,036	16,512	14,256	11,718	10,818
Other Comprehensive Income (Expense)	(344)	(147)	(777)	(267)	(48)
Total Comprehensive Income	17,692	16,365	13,479	11,451	10,770
Net Income Attributable to:					
Equity Holders of Parent Entity	18,019	16,486	14,254	11,721	10,820
Non-Controlling Interest	17	26	2	(3)	(2)
Comprehensive Income Attributable to:					
Equity Holders of Parent Entity	17,674	16,339	13,477	11,454	10,772
Non-Controlling Interest	18	26	2	(3)	(2)
Earnings per Share (in Rupiah)	731	669	579	480	444

All numbers in this document use English notation.

In 2015, the Bank implemented PSAK 1 (2013 Revision), "Presentation of Financial Statements", such that for the comparative purposes, certain accounts in the consolidated statements of comprehensive income for the year ended December 31, 2014, 2013, 2012 and 2011 have been reclassified to conform with the presentation of accounts in the consolidated statements of comprehensive income for the year ended December 31, 2015. Non Operating account have been reclassified to Operating Income other than Interest and Operating Expenses.

1. Including temporary syirkah funds amounting to Rp 2,802 billion in 2015, Rp 1,952 billion in 2014, Rp 1,444 billion in 2013, Rp 1,029 billion in 2012 and Rp 716 billion in 2011.
2. Third party funds excluding deposits from other banks.
3. Fund borrowings including deposits from other banks.
4. The debt securities issued represent bonds and medium-term notes issued by BCA Finance, a subsidiary of the Bank that is engaged in 4-wheeler financing.
5. BCA Insurance was consolidated in September 2013 in line with the increase in the Bank's effective ownership to 100%, and CS Finance was consolidated in January 2014 after BCA's effective ownership increased to 70%
6. For 2011, 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).

	2015	2014	2013	2012	2011
Financial Ratios⁷					
Capital					
Capital Adequacy Ratio - (CAR) ⁸	18.7%	16.9%	15.7%	14.2%	12.7%
CAR Tier 1	17.8%	16.0%	14.8%	13.3%	11.6%
CAR Tier 2	0.9%	0.9%	0.9%	0.9%	1.1%
Fixed Assets to Capital	18.6%	21.2%	21.8%	24.0%	22.1%
Earning Assets					
Non Performing Earning Assets and Non Earning Assets to Total Earning Assets and Non Earning Assets	0.6%	0.5%	0.4%	0.3%	0.3%
Non Performing Earning Assets to Total Earning Assets	0.7%	0.6%	0.5%	0.4%	0.4%
Allowance Provision on Earning Assets to Total Earning Assets	2.0%	1.6%	1.5%	1.2%	1.4%
Non-Performing Loans (NPL) - gross ⁹	0.7%	0.6%	0.4%	0.4%	0.5%
Non-Performing Loans (NPL) - net	0.2%	0.2%	0.2%	0.2%	0.2%
Rentability					
Return on Assets (ROA) ¹⁰	3.8%	3.9%	3.8%	3.6%	3.8%
Return on Equity (ROE) ¹¹	21.9%	25.5%	28.2%	30.4%	33.5%
Net Interest Margin (NIM) ¹²	6.7%	6.5%	6.2%	5.6%	5.7%
Cost Efficiency Ratio	46.5%	44.2%	42.9%	46.4%	47.2%
Operating Expenses to Operating Revenues (BOPO)	63.2%	62.4%	61.5%	62.4%	60.9%
Liquidity					
Loan to Funding Ratio (LFR) ¹³	81.1%	76.8%	75.4%	68.6%	61.7%
Current Accounts and Savings Accounts (CASA) Ratio	76.1%	75.1%	78.9%	80.3%	77.0%
Liabilities to Equity Ratio	570.4%	635.8%	701.2%	763.9%	831.7%
Liabilities to Assets Ratio	85.1%	86.4%	87.5%	88.4%	89.3%
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	7.5%	8.4%	8.3%	9.0%	9.9%
b. Reserve Requirement - Foreign Currency	9.1%	8.6%	8.5%	8.3%	8.5%
Net Open Position (NOP)	0.4%	0.6%	0.2%	0.9%	0.5%
Other Key Indicators					
Number of Accounts (in thousands)	14,129	13,370	12,486	11,447	10,233
Number of Branches ¹⁴	1,182	1,111	1,062	1,011	942
Number of ATMs	17,081	16,694	14,048	12,026	8,578
Number of ATM Cards (in thousands)	13,090	12,429	11,639	10,674	9,620
Number of Credit Cards (in thousands)	2,748	2,583	2,458	2,357	2,062

7. Parent company only, financial ratios have been presented based on Circular Letter of Indonesia Financial Services Authority No.11/SEOJK.03/2015 dated April 17, 2015 concerning Transparency and Publication of Commercial Bank.

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 Capital).

12. Calculated from net interest income (expense) divided by average of earning assets.

13. Calculated from total loan portfolio to third party divided by total third party funds and securities that met certain criterias and issued by the Bank for funding purposes.

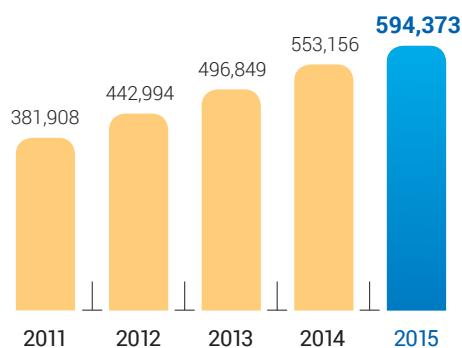
14. Including cash offices.



Financial Highlights - continued

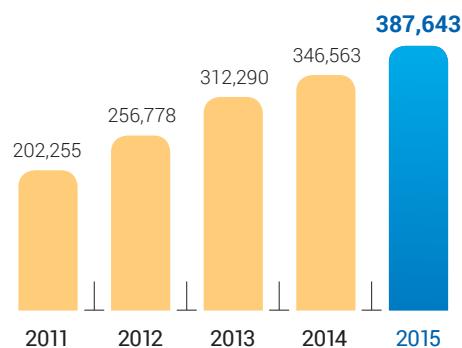
Total Assets

(in billion Rupiah)



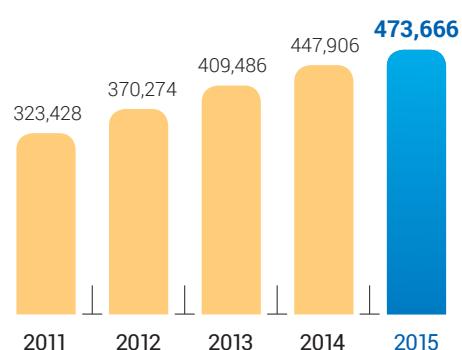
Loans - gross

(in billion Rupiah)



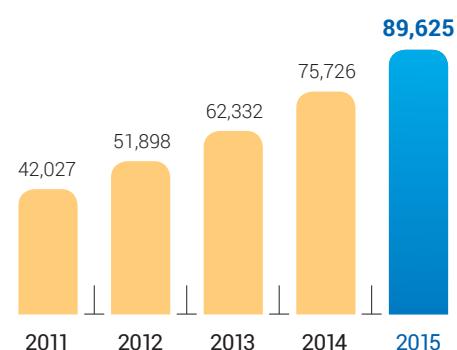
Third Party Funds

(in billion Rupiah)



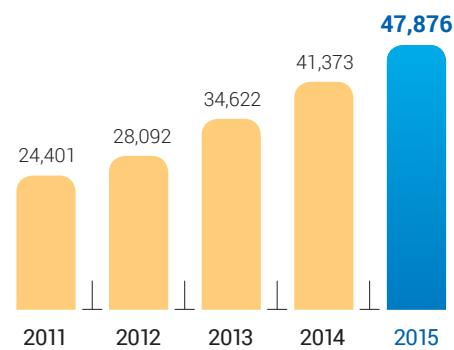
Total Equity

(in billion Rupiah)



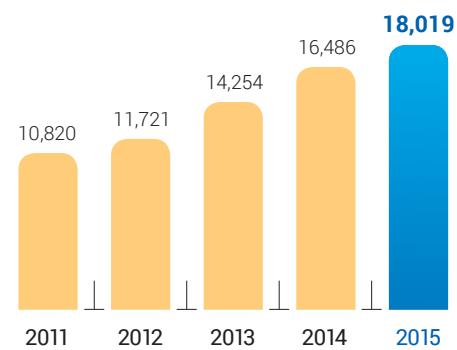
Operating Income

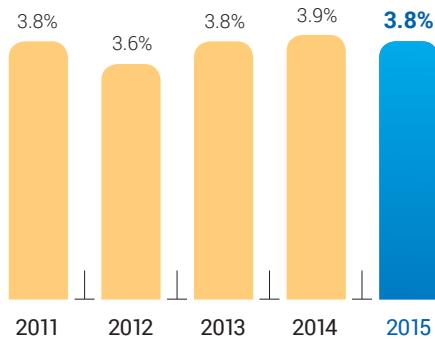
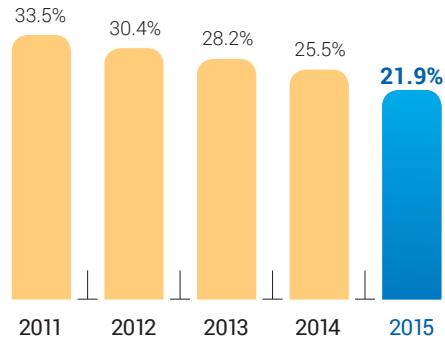
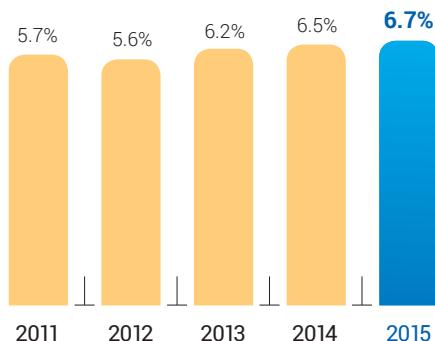
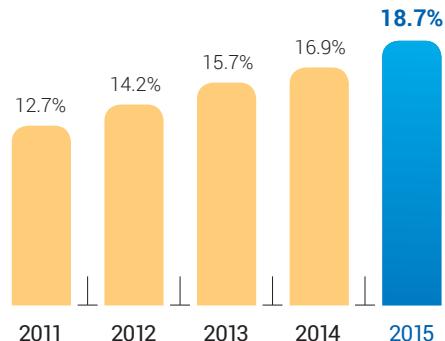
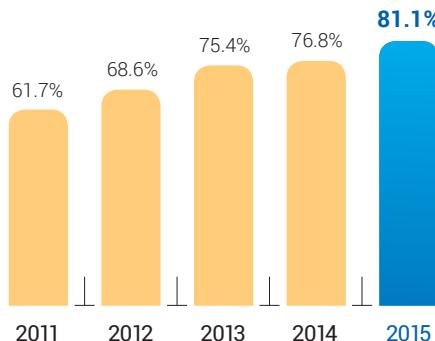
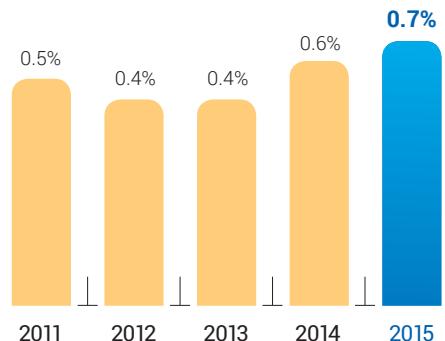
(in billion Rupiah)



Net Income

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

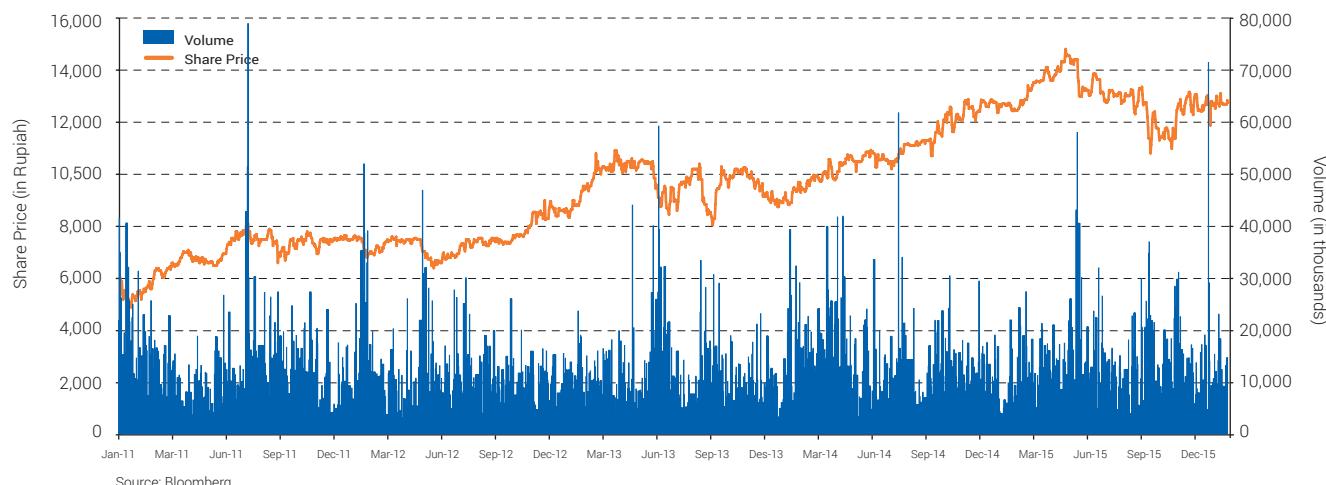


Return on Assets (ROA)**Return on Equity (ROE)****Net Interest Margin (NIM)****Capital Adequacy Ratio (CAR)****Loan to Funding Ratio (LFR)****Non-Performing Loans (NPL) - gross**



Stock Highlights

BCA Share Performance in 2011 – 2015



	2015	2014	2013	2012	2011
Highest Price (in Rupiah)	15,600	13,575	12,500	9,500	8,850
Lowest Price (in Rupiah)	11,000	9,250	8,450	6,750	5,300
Closing Price (in Rupiah)	13,300	13,125	9,600	9,100	8,000
Market Capitalization (in billion Rupiah)	327,912	323,597	236,688	224,361	197,240
Earnings per Share (in Rupiah)	731	669	579	480	444
Book Value per Share (in Rupiah)	3,625	3,151	2,592	2,124	1,725
P/E (x)	18.2	19.6	16.6	19.0	18.0
P/BV (x)	3.7	4.2	3.7	4.3	4.6

BCA Share Price, Volume and Market Capitalization in 2011 - 2015

Year	Quarter	Price			Transaction Volume (in thousands)	Market Capitalization (in billion Rupiah)
		Highest (in Rupiah)	Lowest (in Rupiah)	Closing (in Rupiah)		
2015	I	14,825	12,800	14,825	771,201	365,511
	II	15,600	12,900	13,500	977,269	332,843
	III	13,900	11,000	12,275	850,501	302,640
	IV	13,800	11,875	13,300	891,297	327,912
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

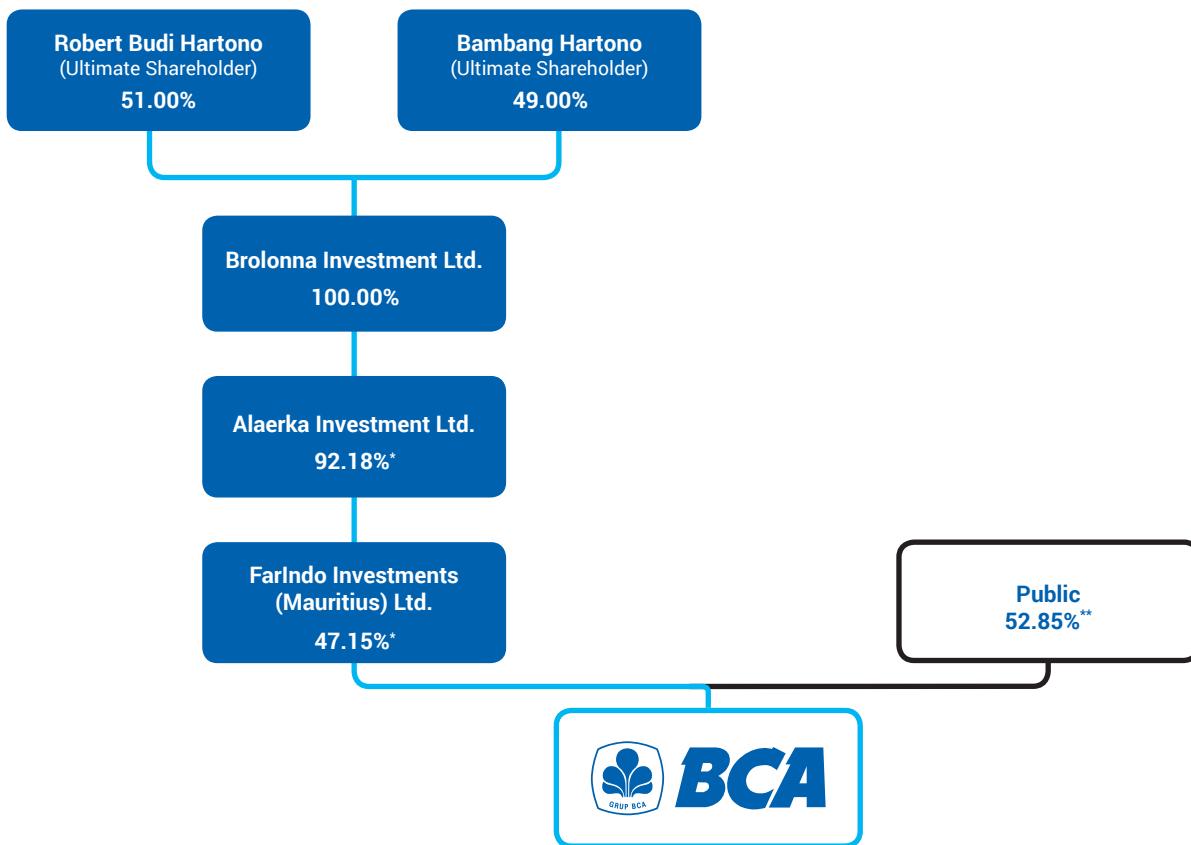
Source: Bloomberg

BCA Capital Structure in 2011 - 2015

	2015	2014	2013	2012	2011
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
Total par Value (in Rupiah)	-	-	-	12,423,812,500	18,110,437,500
Outstanding Shares					
Number of Shares	24,655,010,000	24,655,010,000	24,655,010,000	24,456,229,000	24,365,243,000
Total par Value (in Rupiah)	1,540,938,125,000	1,540,938,125,000	1,540,938,125,000	1,528,514,312,500	1,522,827,687,500

BCA Ultimate Shareholders

As of 31 December 2015



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, 2.96% 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 0.25% of the shares. Each 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 2011 – 2015

Dividend Year	2015	2014	2013	2012	2011
Earnings per Share (in Rupiah)	731	669	579	480	444
Cash Dividends per Share (in Rupiah)	N.A	148.0	120.0	114.5	113.5
Cash Dividends Amount (in Rupiah)	N.A	3,648,941,480,000	2,958,601,200,000	2,814,351,671,500	2,765,455,080,500
Interim Dividend (in Rupiah)	55.0	50.0	45.0	43.5	43.5
Cum Dividend for Trading in:					
Regular and Negotiated Market	12 Nov 2015	4 Dec 2014	28 Nov 2013	3 Dec 2012	6 Dec 2011
Cash Market	17 Nov 2015	9 Dec 2014	3 Dec 2013	6 Dec 2012	9 Dec 2011
Final Dividend (in Rupiah)	N.A	98.0	75.0	71.0	70.0
Cum Dividend for Trading in:					
Regular and Negotiated Market	N.A	16 Apr 2015	29 Apr 2014	28 May 2013	8 Jun 2012
Cash Market	N.A	21 Apr 2015	5 May 2014	31 May 2013	13 Jun 2012
Dividend Payout Ratio	N.A	22.1%	20.8%	24.0%	25.6%

BCA Dividends History*

Description	Amount per Share	Declared	Cum-Dividend	Recording Date	Payment Date	
2015 Interim	Rp 55.0	9 Nov 2015	Regular and Negotiation Market Cash Market	12 Nov 2015 17 Nov 2015	17 Nov 2015	9 Dec 2015
2014 Final	Rp 98.0	13 Apr 2015	Regular and Negotiation Market Cash Market	16 Apr 2015 21 Apr 2015	21 Apr 2015	13 May 2015
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 Aug 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

Bonds Highlights

No bonds or securities were issued by the Bank in 2015. However, on a consolidated basis, the Bank possesses obligations in the form of bonds issued by the subsidiary BCA Finance, which per December 31, 2015 was recorded at Rp 2.4 trillion. Information on bonds issued by BCA Finance can be found in the audited Consolidated Financial Statements on pages 494 - 497.



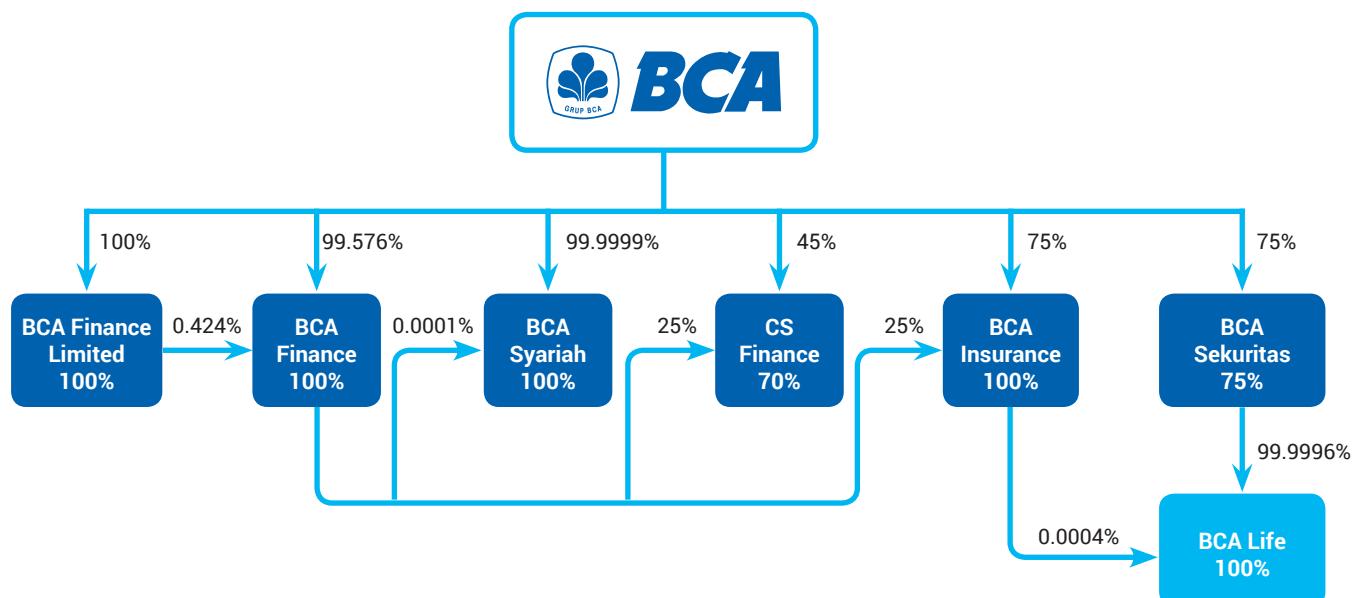
Group Structure

As of 31 December 2015

Subsidiaries Business

PT BCA Finance 	Investment financing, working capital financing, multipurpose financing, operating lease, other financing activities based on approval from authorized agency
BCA Finance Limited 	Money lending and remittance
PT Bank BCA Syariah 	Sharia Banking
PT BCA Sekuritas 	Securities brokerage dealer and underwriter for issuance of securities
PT Asuransi Umum BCA (BCA Insurance) 	General or loss insurance
PT Central Santosa Finance (CS Finance) 	Investment financing, working capital financing, multipurpose financing, operating lease, other financing activities based on approval from authorized agency
PT Asuransi Jiwa BCA (BCA Life) 	Life insurance

Subsidiary Ownership Structure



Notes: More detailed information on share ownership of subsidiaries can be found on pages 578 - 579

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Board of Commissioners' Supervisory Report

BCA successfully balanced short and long-term targets to achieve the Bank's strategic goals and in line with BCA's vision and mission

Dear respected Shareholders,

During 2015 the Board of Commissioners continued to actively perform its role of overseeing the Bank's management by the Board of Directors. We are pleased to report that the Bank achieved positive results during the year, despite the challenges faced by the domestic economy and the Indonesian banking sector. In an uncertain economic situation, BCA focused on quality loan growth and maintaining a solid liquidity position supported by a strong capital base.

Due to the unstable business environment, BCA assumed a more prudent posture in managing the Bank throughout 2015 and remained on track to achieve long-term strategic objectives. Open communication between the Board of Commissioners and the Board of Directors allowed for a single direction to be upheld in the resolution of the various issues faced by the Bank as well as for pursuing business opportunities.

BCA continuously improves upon operational efficiency and enhances the Bank's long-term capabilities in all lines of business and those of the subsidiaries. We are confident that these efforts will improve the quality of the services delivered to customers and have a positive effect on BCA's overall performance.

ECONOMIC REVIEW 2015

Indonesia has experienced a slowing economic cycle in recent years. Economic conditions and uncertainty in the global financial market provided a challenge for the national economy in the aftermath of the commodity boom and abundant foreign capital flows. The global economy

experienced lower than expected growth even with the various economic stimuli deployed in many developed countries. It is expected that the global economy will take several years to achieve the growth rates seen in the past.

The US economy was seen to improve as reflected in increased household spending and business investment as well as a recovery in the property sector. As a vote of confidence in the nation's economic future, the US Central Bank (The Fed) raised the Fed Funds Rate in December 2015 for the first time since the financial crisis. Nevertheless, with the downturn in export activities and the unstable pattern of consumption and unemployment rates in the US, the turnaround is still somewhat limited. Several delays in announcing the long-anticipated Fed Funds Rate hike amid concerns over the US economy and financial market generated uncertainty for market players. In 2015 the world's second largest economy, China, showed a downward trend as a result of weakening exports and concerns over the high level of debt against GDP. Concurrently, the economy in the Euro zone remains fragile despite signs of improvement driven by increasing domestic demand.

Overall, the world economy was marked by uncertainty and extreme volatility in 2015 with commodity prices under severe pressure and negatively impacting Indonesian commodity exports. These external factors were exacerbated by a relatively stagnant performance in the realization of foreign direct investment, Government spending and domestic consumption. As a result, economic growth in Indonesia was recorded at 4.8%, one of the lowest rates of the last 6 years.

A professional portrait of a middle-aged man with dark hair, wearing a dark suit, white shirt, and patterned blue tie. He is seated, leaning forward with his hands resting on a wooden surface, looking directly at the camera with a slight smile.

Djohan Emir Setijoso
President Commissioner



Since the fourth quarter of 2011, Indonesia's current account position has shifted from surplus to deficit. Bank Indonesia and the Indonesian Government continue to make efforts to dampen the magnitude of the current account deficit and managed to improve the deficit to 2.1% of GDP in 2015, compared to the previous year's 3.1% of GDP. This improvement was a result of Indonesia's trade surplus, as the decline in imports was greater than the decline in exports. However, the risk of an increasing current account deficit must be monitored should domestic economic growth accelerate, given the large dependence on imports for domestic consumption and imported capital goods and raw materials for various domestic manufacturing activities. The increase and the stability of investment flows will play an important role for the national economy in balancing the current account deficit.

The condition of the current account deficit and the high foreign currency demand for the payment of foreign debt has put pressure on the Rupiah against the US Dollar exchange rate. Furthermore, the uncertainty of the direction of the Fed Funds Rate has significantly added to the volatility of the domestic currency. The decision to increase the Fed Funds Rate in December 2015 provided the market with some indication of expected future Federal Reserve interest rate policy. The Chinese government's policy to devalue the Yuan also affected the exchange rates of Asian currencies, including the Rupiah. The Rupiah exchange rate reached its lowest point at Rp 14,693 / USD in September 2015. The value of the Rupiah depreciated 10.2% to Rp 13,788 / USD at the end of 2015 compared to Rp 12,388 / USD at the end of 2014.

Bank Indonesia and the Indonesian Government continued to take proactive steps to maintain the Rupiah at a rate that they believed to be consistent with economic fundamentals. Bank Indonesia held the BI Rate at 7.5% since February 2015 to the end of 2015 to maintain the stability of the Rupiah while simultaneously directing the current account deficit to a more healthy level.

The Government has also launched work programs and fiscal policy packages to encourage faster economic growth in the coming years. Notably, the Government implemented an energy subsidy reform; formulated programs to expedite

infrastructure projects; stimulated economic growth in areas outside Java through the establishment of Special Economic Zones; and improved the investment climate by accelerating the processes of obtaining tax allowances, tax holidays, investment permits and by setting-up a one-stop investment service desk.

Although faced with many challenges, we are optimistic for the long-term prospects of the Indonesian economy. We appreciate the Government and regulators' efforts to guide the Indonesian economy in the right direction. We see that the Indonesian public is generally optimistic on the long-term prospects of the Indonesian economy; there has, for example, been no panic buying of foreign currencies or moving funds offshore as happened in 1997-1998. Indonesia's economic growth is amongst the highest of the G-20 countries. Considering the largely productive population, the stability of the country's democracy and the abundance of natural resources, we believe that Indonesia has great long-term economic potential.

REVIEW OF THE INDONESIAN BANKING SECTOR

The Indonesian banking sector faced a slowdown in loan and third party funds growth during 2015 in line with the weakness in the overall Indonesian economy. Nationwide lending and third party funds grew 10.5% and 7.3% respectively, lower than the average 22.0% and 16.4% growth rates experienced from 2007-2012. Overall, the sluggish loan growth in the banking sector was evident across all lending segments with depressed business and consumer lending.

The slowing economic growth also had an impact on the Indonesian banking sector's Non-Performing Loans (NPL), resulting in an NPL ratio of 2.5% at year end 2015 compared to 2.2% in 2014, as well as an increase in bank restructured loans. Although higher than in the last couple of years, loan quality remained manageable with systemwide NPLs maintained below the regulator benchmark of 5%. Reforms introduced over the last several years and the implementation of a risk management culture in the national banking industry has been much more effective than the situation faced during the 1997/1998 crisis. We are certain that the industry is capable of overcoming the challenges faced by the national economy.

The industry experienced pressure in 2015 with regard to profitability, resulting from a slowdown in loan and third party funds growth, as well as rising costs of credit provisioning and operating expenses. Nevertheless, we see that the national banking industry is in a fairly solid condition, underpinned by a strong capital ratio and healthy liquidity. The national banking industry maintained a Capital Adequacy Ratio (CAR) of 21.4% and an adequate Loan to Deposit Ratio (LDR) of 92.1%. Furthermore, Bank Indonesia eased the regulation of Minimum Reserves Requirement to allow for more flexible liquidity reserves. At end of 2015 Bank Indonesia lowered Minimum Reserves Requirement from 8.0% to 7.5%.

ASSESSMENT OF THE PERFORMANCE OF THE BOARD OF DIRECTORS

Based on the supervision conducted throughout 2015, the Board of Commissioners reports that the Board of Directors performed its various functions well and that the steps taken by the Board of Directors were consistent with the expectations of the Board of Commissioners. The Board of Directors and the Board of Commissioners communicated actively regarding all actions taken to overcome various challenges faced by the Bank and to capture business opportunities that arose over the course of the year.

The Board of Directors has proactively prioritized quality loan growth, while maintaining a solid liquidity position and capital base. Long-term and short-term investments and initiatives continue to be applied to strengthen BCA's business capabilities and competitive advantages. BCA continued to develop transaction banking and loan products and services to meet market trends and the evolving needs of the customers. By balancing the focus on short-term and long-term targets, the Bank was able to achieve strategic goals in line with its vision and mission.

BCA was able to maintain excellence in transaction banking through ongoing investments in infrastructure, including expansion of the branch network and enhancement of electronic banking channels. As one of the leading commercial banks in Indonesia, BCA works to strategically expand its integrated multi-channel networks to capture business growth opportunities in promising regions throughout Indonesia. This strategy is intended to optimize customer convenience and provide a service that exceeds the high expectations of the Bank's large customer base.

BCA has recorded a fairly rapid growth in the volume of electronic banking transactions over the last few years. This growth continued into 2015. The role of electronic banking is becoming increasingly important and, in turn, strengthens the role of branch offices in providing integrated banking solutions. The Bank sees the shift in banking preferences amongst customers from branch-based banking models towards electronic banking as a positive movement. Aside from enhancing transaction convenience and customer satisfaction, the developments of electronic banking channels, particularly internet and mobile banking, have also improved the Bank's operational efficiency and resulted in a much lower cost per transaction compared to the cost of transactions conducted through the branch offices. BCA is confident that electronic banking will continue to grow and become a major focus of the Bank in the future.

The Board of Commissioners recognizes BCA's strong leading position in maintaining a solid balance sheet and profitability in 2015. Backed by the Bank's solid financial position, the Board of Commissioners supports the strategic steps taken by the Board of Directors in carrying out investments throughout 2015 and into the future with a view to increasing the franchise value of BCA transaction banking and developing long-term efficiency. Through its convenient, secure and reliable transaction channels, the Bank offers its customers well-established deposit services that ensure customer confidence and in turn secure a stable source of funding for the Bank. BCA's major advantage lies in its funding structure, which largely comprises low-cost and stable transactional accounts (Current Accounts and Savings Accounts - CASA). CASA funds remained the largest portion of the Bank's third party funds, ultimately providing the Bank with a competitive advantage in lending, particularly in determining lending rates.

The Bank's solid liquidity position enables BCA to disburse quality loans. The Bank prioritized lending to customers with good track records in order for the Bank to further establish its role as a reliable business partner. BCA made efforts to maintain lending activities in all segments in line with real demand in the market. In the second half of 2015, the Bank saw loan demand from the corporate sector increase rather significantly, in line with increasing business activities particularly prior to year end. Higher demand for corporate loans also resulted from the conversion of foreign currency



facilities from other banks into Rupiah credit facilities with BCA as corporate clients took steps to minimize the risk of fluctuating exchange rates. Requirements to comply with the Government's policy that all transactions in Indonesia shall be made in Rupiah further increased demand for Rupiah credit facilities.

In consumer loans, the Bank sought to capture opportunities in home and automobile financing through mortgages and vehicle loan facilities with competitive interest rates. This was done within prudent lending guidelines to assure that the quality of the consumer loan portfolio remained high.

Lending opportunities were taken with consideration to risk appetite and portfolio diversification across various industrial sectors and loan segments. BCA's total loan portfolio increased by 11.9% in 2015, driven by growth in the corporate loan portfolio of 17.2%, commercial & SME loans of 8.8%, and consumer loans of 8.9%. Overall, the Bank's asset quality has been maintained, with the NPL ratio recorded at 0.7%, far below the limit of 5% set by Bank Indonesia provisions and below the 2.5% average of the Indonesian banking industry. Nevertheless, in the short term, the Board remains cautious regarding the potential increase in delinquent loans at the Bank until the Indonesian economy is back on track.

In recent years the Bank has invested in and developed the business of its subsidiaries. In addition to the established 4-wheeler financing subsidiary BCA Finance, BCA currently has subsidiaries engaged in 2-wheeler financing; general insurance; life insurance; Sharia banking; remittance; and the securities businesses. Businesses through these subsidiaries are intended to complement the Bank's core business lines, as well as provide comprehensive financial solutions for customers, which in turn will further expand the banking business of BCA. We also expect that synergy between BCA and the subsidiaries will allow for increased fee-based income. The Board of Commissioners recognizes that the steady improvements in the scope and performance of the subsidiaries are in line with the Bank's strategic plan.

We are pleased to report that in 2015, several work programs as well as short-term and long-term initiatives implemented by the Board of Directors enabled the Bank to maintain loan quality and solid business performance and to record a

growth in Net Profit of 9.3% to Rp 18.0 trillion. The Capital Adequacy Ratio (CAR) stood at 18.7% while the Loan to Funding Ratio (LFR) was recorded at 81.1% at year-end 2015, both well within a healthy target range. Additionally, the Bank posted a Return on Assets (ROA) of 3.8% and Return on Equity (ROE) of 21.9%, with a manageable NPL ratio of 0.7%.

SUSTAINABLE DEVELOPMENT OF CORPORATE GOVERNANCE

The Board of Commissioners constantly oversees the implementation of Good Corporate Governance (GCG) at all levels within the organization by evaluating the results of GCG self-assessment and encouraging the improvement of GCG practices with reference to the applicable regulations as well as international best practices. The principles of transparency, accountability, responsibility, independence and fairness guide the Bank's business management. BCA believes that sound GCG is an important asset in fostering a solid and exceptional organizational culture to achieve sustainable business growth and deliver added value for its customers.

In 2015, in line with the regulations of the Indonesia Financial Services Authority, the Bank established the Integrated Corporate Governance Committee to assist the Board of Commissioners in evaluating the implementation of Corporate Governance through, among others, assessment of the adequacy of internal controls and integrated implementation of the Bank and the subsidiaries' compliance function.

The Integrated Corporate Governance Committee provides recommendations to the Board of Commissioners regarding improvements to the integrated corporate governance guidelines. BCA continued to enhance the duties and responsibilities of the relevant work units in the implementation of integrated corporate governance, auditing and risk management, as an essential part of ensuring alignment and synergy between BCA and its subsidiaries. This alignment is increasingly important as the subsidiaries businesses grow in size. The implementation of effective risk management and internal control plays an important role in the mitigation of the possible negative impacts arising from the different risks the subsidiaries face.

BCA regularly performs self-assessment of GCG implementation in accordance with Bank Indonesia Regulations. Self-assessment is intended to maintain and improve the quality of GCG implementation at BCA. We are pleased to report that the self-assessment results for the implementation of GCG at the Bank and the integrated corporate governance in 2015 delivered a composite rating of "Very Good". The Bank's commitment to GCG has received recognition in the form of awards from Indonesian Institute for Corporate Directorship (IICG) and SWA magazine as Indonesia's Most Trusted Company and an award from Finance Asia as one of the Best Corporate Governance companies in Indonesia. The Board of Commissioners is confident that BCA has a solid and effective corporate governance structure to provide support to the business development of BCA and the subsidiaries.

CHANGES TO THE COMPOSITION OF THE BOARD OF COMMISSIONERS

The Board of Commissioners consists of five members, three of whom are Independent Commissioners. With varied knowledge, experience and backgrounds, the Commissioners together make up a complete, solid and effective team in performing the role of supervising the Board of Directors in managing the Bank. In performing its duties, in 2015 the Board of Commissioners held 47 meetings throughout the year and 13 in conjunction with the Board of Directors.

In 2015 there were no changes to the composition of the membership of the Board of Commissioners.

PERFORMANCE REVIEW OF COMMITTEES UNDER THE BOARD OF COMMISSIONERS

In performing its duties and responsibilities, the Board of Commissioners was supported by the Audit Committee, Risk Oversight Committee, Remuneration and Nomination Committee, as well as the Integrated Corporate Governance Committee. These committees uphold the highest quality and standard of competencies.

The Audit Committee assists the Board of Commissioners in the effective implementation of the tasks and functions of supervision on matters related to financial reporting, internal control systems, internal and external audit, good corporate governance, as well as compliance with prevailing laws and

regulations. Throughout 2015, the Audit Committee held 20 meetings, 8 with the Audit Division, and reviewed 179 internal audit reports; the Risk Oversight Committee held 10 meetings to ensure that the risk management framework provided adequate protection against all risks faced by BCA; and the Remuneration and Nomination Committee held 4 meetings. The Remuneration and Nomination Committee was instrumental in evaluating the remuneration policy of the Board of Commissioners, Board of Directors, senior officers, and employees of the Bank as a whole. In 2015, the Integrated Corporate Governance Committee held 2 meetings in order to ensure sound implementation of good corporate governance at the Bank and its subsidiaries. The Board of Commissioners appreciates the support and efforts made by these four committees, allowing for effective supervision across all Bank businesses and subsidiaries.

CORPORATE SOCIAL RESPONSIBILITY

We recognize that the success of the Bank cannot be separated from the support of, and harmonious relationship with, the community. To that end, the Bank actively contributes to society through Corporate Social Responsibility (CSR) activities. BCA CSR programs are directed at education, health, sports, cultural and environmental preservation. To ensure the effective implementation of CSR programs, the Bank actively cooperates with leading institutions including the WWF, UNICEF, universities and the Indonesian Red Cross.

One of the programs actively run by the Bank in recent years is the preservation of *Wayang* (Indonesian puppets) as a cultural heritage. BCA cooperates with cultural preservation organizations to organize various activities under the theme, "BCA for Indonesian Wayang / BCA untuk Wayang Indonesia". A weekly program about Wayang has been sponsored by BCA and shown on a national television channel for the last three years.

Continuing from the previous year, the Bank was again the main sponsor for the Indonesian Open 2015, an international badminton tournament in the Superseries Premier category, as an ongoing effort to promote badminton as one of the staples of Indonesian sports culture.

The Bank will continue implementing CSR programs in the coming years as part of BCA's commitment to developing with the community.

**left to right***standing :***Sigit Pramono**
Independent Commissioner**Raden Pardede**
Independent Commissioner*seated :***Cyrillus Harinowo**
Independent Commissioner**Djohan Emir Setijoso**
President Commissioner**Tonny Kusnadi**
Commissioner

Board of Commissioners

BUSINESS PROSPECTS AS VIEWED BY THE BOARD OF COMMISSIONERS

We foresee that the challenges faced by the Indonesian economy will continue into 2016 as the global economy has yet to demonstrate signs of a solid recovery. Nevertheless, we remain optimistic that Indonesia has a strong foundation to face these global challenges. Programs and policies from the Government and regulators to overcome structural obstacles have so far aided the development of a more competitive national economy.

The Board of Commissioners approves of the steps taken by the Board of Directors to approach 2016 with cautious optimism and appreciates the efforts of the Board of Directors to further invest in banking infrastructure, particularly in electronic delivery channels and digital banking, the quality of human resources and development of the business platforms of the subsidiaries. The Bank will continue to work to improve good corporate governance, risk management and other internal procedures in 2016. The Board of Commissioners will consistently support the Bank's role of intermediation while always prioritizing the principles of caution and prudence in banking.

Overall, the Board of Commissioners is confident that the work plan prepared by the Board of Directors has considered many business opportunities and risks faced by the Bank.

We believe that the future prospects of the business and strategic plan being implemented by the Bank will guide BCA to be even stronger and more competitive in the years to come.

APPRECIATION TO ALL STAKEHOLDERS

On behalf of the Board of Commissioners, I wish to thank all shareholders, customers, business partners, staff and other stakeholders of BCA. The successes achieved by the Bank in 2015 could not have been realized without their ongoing support. The Board of Commissioners appreciates the hard work of and the effective management of the Bank by the Board of Directors, which maintained stability and strong financial performance throughout 2015. The Board of Commissioners also thanks the subsidiaries for their important role in the Bank's success and their contribution to the overall development of BCA.

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

We are confident that with the continued commitment of all stakeholders, BCA will continue to improve its performance and continue to provide value and benefits to the Bank's customers, shareholders and the people of Indonesia.

Jakarta, March 2016
On behalf of the Board of Commissioners,



Djohan Emir Setijoso
President Commissioner



Jahja Setiaatmadja
President Director

Report of the Board of Directors

BCA recorded positive business performance achieved by proactively managing the loan portfolio, maintaining loan quality, supporting the financing needs of quality customers, enhancing transaction banking capabilities, and continuing to develop the Bank's subsidiaries' businesses

Dear Stakeholders and valued Customers,

2015 was a year full of challenges for the Indonesian economy and banking industry. Nonetheless we are pleased to report that BCA successfully maintained a solid position in the market and captured a number of business opportunities throughout the year.

BCA's positive development was achieved by remaining focused on delivering consistency to customers, continuing to strengthen the Bank's transaction banking franchise and proactively maintaining loan quality.

The Bank promoted a prudent approach to business in the midst of uncertainty in the business environment, and took precautionary steps to manage and minimize risk exposure. By the end of the year, we recorded positive loan growth in all segments with a low Non-Performing Loans (NPL) ratio, and maintained a strong liquidity and capital position.

REVIEW OF THE INDONESIAN ECONOMY

A slowdown in the pace of Indonesia's economic activity continued into 2015, affected by the weakening global economy and various domestic macro challenges. In 2015, Indonesia recorded economic growth of 4.8%, marking the third consecutive year below 6% with continuing deceleration from 2014.

The weakening of economies in several countries with high nominal Gross Domestic Products (GDP) placed pressure on

Indonesia's export activities. The slow economic recovery of the US and the Euro region remains sub-optimal with the continued slow growth leading to uncertainty in the global economy despite the implementation of various economic stimulus programs. Furthermore, China's economy, which generally drives the economies of Asia, faced a structural economic slowdown with economic growth falling significantly from double digits in the previous decade to below 7% in 2015.

The slowdown of China, as one of the world's largest consumers of natural resource commodities, has had a negative impact on global commodity prices. The prices of Indonesia's export commodities, including palm oil, coal, crude oil, natural gas, nickel and copper, are at or are near their lowest levels in recent years. In addition, the instability of global capital flows has had considerable impact on Indonesia's macro-economic condition, particularly on the volatility of the Rupiah exchange rate and the interest rate environment in Indonesia.

From 2008 to 2012, global capital flows benefited developing countries, including Indonesia, in line with the stimuli implemented by the US Central Bank (The Fed) in an effort to spur the recovery in the American economy. These global capital flows supported Indonesia's economy and played an important role in countering the negative impacts of unstable commodity prices throughout that period. In 2013, however,



the movement of global capital flows to emerging markets began to fluctuate and reverse in line with the market's anticipation of The Fed's plans to normalize interest rates. In December 2015, The Fed began to raise short-term interest rates with an increase of 25 bps after a prolonged period of record-low interest rates. Pressure further increased when the Chinese monetary authority unexpectedly devalued the Yuan, resulting in increasing volatility in the Indonesian and global financial markets.

During 2015, the instability of global capital flows to Indonesia put pressure on the Rupiah exchange rate and led to stagnation in direct investment in Indonesia. These flows were exacerbated by structural issues first evident in 2012 that led to a shifting of a current account surplus into a substantial deficit as a result of the weakening exports of leading commodities and the high dependence of the national economy on imports and use of foreign services. The current account deficit added to the pressure on the Rupiah, which depreciated by 10.2% in 2015 and a total of 29.0% since the end of 2012.

In the Government sector, the realization of state expenditure in 2015 was lower than expected. After the national election in the second half of 2014, Joko Widodo's working cabinet needed some time to complete budget planning, implement a consolidation with the House of Representatives and spur realization of the state budget. Overall, political issues combined with overall macro-economic factors generated a less than conducive economic environment leading to weakening purchasing power and domestic spending and ultimately restricted the growth of Indonesia's GDP.

In response to the economic situation, the Indonesian Government took strategic steps to support the Indonesian economy and develop a solid foundation for long-term economic growth. Various work programs and a series of economic policy packages and new regulations were implemented in an attempt to stimulate the Indonesian economy. These economic packages focused on revising the fuel subsidy program, strategic infrastructure

development programs, the one-stop investment service, the one map policy to govern land and forest areas, special economic zones, and various stimulus programs for the Small & Medium Enterprise (SME) segment. In alignment with Government changes in policy, the Indonesian Financial Services Authority reviewed banks' work and budget plan and conducted proactive discussions with the banking sector with a view towards maintaining the balance between business growth and risk. Bank Indonesia carefully monitored the macro economic situation throughout the year and maintained the benchmark interest rate to better withstand uncertainty in global capital flows and to guide the current account deficit to a lower level while supporting liquidity by lowering the bank minimum reserve requirement. These prudent steps were taken by the Government and the financial regulators to help prevent economic and financial crisis while building a steady economic structure.

Overall, BCA sees that the Indonesian economy underwent challenging structural adjustments in 2014-2015. The Government policies are set to address the challenges. We remain optimistic for Indonesian long-term economic prospects. Human resources, with a large working-age population, abundant natural resources, a growing middle class, a stable political system and the various work programs and other efforts of the Government make Indonesia an attractive investment destination.

BCA PERFORMANCE IN 2015: FOCUS ON QUALITY

Slowing growth in loans and third party funds along with tightening competition and increasing non-performing loans had a notable influence on the Indonesian banking industry in 2015. In the midst of various challenges to the industry, BCA maintained its position as one of the leading banks in Indonesia, recording a positive performance and continuing to provide added value for shareholders. These results were achieved through the implementation of various work programs with the aim of maintaining loan quality, supporting the financing needs of quality customers, enhancing BCA's capabilities in transaction banking, and continuing to develop the subsidiaries' businesses.

Prudence in Lending

Although still within a manageable range, the overall loan quality within the banking sector deteriorated in 2015, especially in the sectors of mining commodities and their related sectors. In anticipation of deteriorating loan quality, and based on revised restructuring guidelines issued by the Indonesian Financial Services Authority, the Indonesian banking sector proactively restructured loans and boosted loan provisions for NPLs.

BCA applied a prudent approach to lending with the implementation of a sound credit risk management policy intended to maintain loan quality and minimize an increase in non-performing loans. Lending activities were particularly focused to meet real loan demand from quality customers with good track records across all of the Bank's loan segments.

The corporate segment continued to play an important role in driving the growth of the Bank's loan portfolio in 2015. The first semester saw sizeable loan repayments from several corporate customers in line with declining business activities. However, in the second half of the year, loan demand in the corporate sector grew substantially as business activities began to pick up with signs of higher domestic consumption towards the end of year. Additionally, in consideration of the higher foreign exchange risk, customers attempted to minimize exposure to foreign currency liabilities by converting foreign currency loans from other banks to BCA Rupiah loans. A Government regulation mandating that transactions within Indonesia be made in Rupiah contributed to the increase in Rupiah working capital needs.

In the consumer loan segment, in 2015, the Bank offered mortgage and vehicle financing with attractive interest rates to stimulate consumer loan growth while maintaining a tight risk management policy. These measured steps were taken based upon confidence in consumer loan quality due to the low and stable NPL ratio in this segment. Commercial & SME loans grew moderately in 2015, negatively impacted by conditions in the Indonesian economy. Prevention of deterioration in loan quality was a major focus of both the

business and risk sides of the Bank in the commercial loan segment.

BCA conducts intensive monitoring of the overall loan portfolio and takes proactive measures against any indications of declining loan quality. The early warning system is periodically strengthened to identify signs of weakening loan quality, enabling the Bank to take immediate preventive action if necessary. Early loan restructuring is applied as a preventive measure against those loans determined to have potential problems but which have prospect of quality improvement.

BCA's loan portfolio stood at Rp 387.6 trillion in 2015, a 11.9% growth mainly supported by lending in the corporate segment in the second half of 2015. Overall, at year end 2015, BCA maintained loan quality with the Bank's NPL ratio standing at 0.7%, below the industry average of 2.5%. In general, we recognize that non-performing loans are a lagging indicator and will likely increase in the near term, with the potential to put pressure on the Bank's performance, though the magnitude of any increase is expected to remain within a manageable range and within the Bank's risk appetite.

Developments in the Transaction Banking Franchise

Transaction banking is at the center of BCA's business activities. We continue to enhance the network and guard the Bank's reputation as one of the leading transaction banks in Indonesia. Convenience, safety and reliability of the Bank's transaction banking systems are essential in ensuring customer confidence.

BCA continues to enhance its multi-channel network capabilities through the rapid development of electronic banking platforms. In recent years, the Bank has encouraged increased use of internet banking and mobile banking solutions as a more convenient and easy-to-use channel compared to the branch or ATM networks. These efforts have seen positive results, with higher rates of increase in transaction volumes of internet banking and mobile banking than for branch offices and ATMs. The rapid technological

**left to right***standing :***Rudy Susanto**
Director**Armand Wahyudi Hartono**
Director*seated :***Subur Tan**
Director**Eugene Keith Galbraith**
Deputy President Director**Dhalia Mansor Ariotedjo**
Director

Board of Directors

*standing:***Henry Koenafi**
Director**Erwan Yuris Ang**
Independent Director*seated:***Suwignyo Budiman**
Director**Jahja Setiaatmadja**
President Director**Anthony Brent Elam**
Director



development of the internet and telecommunications, coupled with society's seamless adaptation to these advances, has been a catalyst to the Bank's success in this area. Mobile banking has delivered increasingly solid performance in recent years following the integration of 'KlikBCA', the Bank's internet banking platform, and 'm-BCA', the mobile banking service, through the smartphone app branding, 'BCA Mobile'. These developments are in line with the Bank's efforts to improve operational efficiency as the cost structure of internet and mobile banking are considerably lower than those of the branch offices or ATMs.

Nonetheless, the branch and ATM networks continue to play an important role within the Bank with transaction value through these channels remaining significant. BCA continues to improve service quality and expand its range in these two 'traditional' delivery channels. Currently, BCA operates 1,182 branches and 17,081 ATMs nation-wide, an increase of 25.5% and 99.1% respectively over the last 5 years.

Looking ahead, we expect that the multi-channel service approach supported by a traditional branch network and enhanced by digital banking channels will represent a major trend in banking. BCA understands that capability and capacity in the Bank's information technology infrastructure remains an essential foundation to the transition to the next phase of electronic banking at BCA. The Bank took active steps to capitalize on developing trends in digital banking and of dynamic technological developments during the year. In 2015, the Bank launched several new initiatives in electronic banking services, including 'Sakuku', a server-based electronic money product, as well as 'Laku' and 'Duitt', branchless banking services to attract customers outside of the existing customer base. Various measured investments were made in the banking network designed to achieve balance between the long-term benefits and the costs incurred.

BCA's sustained excellence in transaction banking has provided the Bank with a sustainable source of core funding through transaction-based Current Accounts and Savings

Accounts (CASA). Despite slowing economic growth, the Bank increased the overall CASA balance by 7.1% to Rp 360.3 trillion. CASA remains a major contributor to the Bank's funding base at 76.1% of total third party funds. We are pleased to report that BCA's transaction banking services remained robust, as reflected in the stable and sustainable CASA funds growth throughout 2015.

Development of Subsidiary Businesses

BCA's excellence in transaction banking services has procured a broad customer base for the Bank, which ultimately provides a solid foundation for the development of the Bank's core business as well as opportunities for the Bank to develop new financial products and services through its subsidiaries. Aside from BCA Finance, a 4-wheeler financing subsidiary, and BCA Finance Ltd., a remittance subsidiary, which have operated for over 15 years, the Bank has invested in several relatively new subsidiaries in order to offer a wider variety of financial services. These subsidiaries include general insurance, life insurance, securities, Sharia banking and 2-wheeler financing.

Overall, the development of BCA's subsidiaries made a positive contribution to the Bank's business performance. BCA Finance has grown into one of the largest 4-wheeler financing companies in Indonesia, and has contributed substantially to the Bank's profitability. The subsidiary BCA Syariah has also performed well and in 2015 entered into the BUKU II category of Sharia banking, having a capital of more than Rp 1 trillion. CS Finance, engaged in 2-wheeler financing, also showed positive business performance and continued to develop support systems and risk management capacity. BCA Sekuritas continuously strengthened its securities business foundation through the underwriting and brokerage businesses. The Bank's general insurance subsidiary, BCA Insurance, progressed nicely by increasing premium income and developing synergy with BCA's mortgage and vehicle financing products. BCA Life, which began operations in the fourth quarter of 2014, focused on setting up a solid base for operations and strengthening the business support systems for developing life insurance products.

BCA believes that there is considerable business potential for the subsidiaries to grow in their respective lines of business. In the coming years, the Bank will continue to support business growth and improve synergy between each of the subsidiaries and the main businesses of the Bank while taking into account the risks that may arise across the various markets where BCA is active.

CHALLENGES IN 2015 AND TARGETS VS REALIZATION

As mentioned above, the Indonesian economy and the banking industry faced a number of challenges in 2015. The profitability of the Indonesian banking industry came under pressure as a result of slowing growth in earning assets and third party funds as well as the declining loan quality. Nevertheless, we are pleased to report that the Bank recorded growth in Net Income of 9.3% to Rp 18.0 trillion in 2015 and generated a higher Return on Assets and Return on Equity than expected.

BCA's financial achievements are in line with the Bank's success in maintaining loan quality and its core business performance in 2015. BCA transaction banking provided sustainable funding from transaction accounts and secured a solid liquidity position thereby allowing the Bank to lower the maximum time deposit interest rates gradually throughout 2015 resulting in a decline in cost of funds.

Supported by loan growth and lower cost of funds, BCA's Net Interest Income increased 12.0% to Rp 35.9 trillion in 2015. The Bank also grew Operating Income other than Interest, both from transaction banking fee-based income and treasury activities in second half of 2015. To sustain profitability, further efforts were taken to maximize operational efficiency

and reduce the rate of growth in operating costs. However, BCA remain committed to investing in banking networks and information technology which represents a significant part of overall operating expenses. The weakening Rupiah exchange rate also contributed to the increased costs of the procurement of electronic networks and software, which are associated with the movements of US Dollar. Overall, the Bank posted a cost efficiency ratio at 46.5% in 2015, compared with 44.2% in 2014.

Closing the year, the Bank's loan portfolio was recorded at Rp 387.6 trillion, an increase of 11.9% for the year and within the growth target range of 10%–12%. Third party funds grew to Rp 473.7 trillion, an increase of 5.8% in 2015, below the growth target range of 8%–11%. In line with easing liquidity in the Indonesian banking sector and BCA's efforts to balance profitability, the Bank did not compete aggressively in time deposits taking, resulting in a lower level of total third party funds compared to the initial budget. Overall, the financial position of the Bank was well preserved. BCA recorded a low level of NPLs at 0.7%. The Loan to Funding Ratio (LFR) was maintained at a healthy 81.1%, slightly above the lower range recommended by the regulator. The Capital Adequacy Ratio (CAR) reached 18.7%, above the minimum regulation set by Bank Indonesia, and in position to comply with the potential revision of the regulatory benchmark based on the development of BASEL calculation methods.

**BCA Financial Highlights** (in billion Rupiah)

	2015	2014	Δ %
Total Assets	594,373	553,156	7.5%
Loans	387,643	346,563	11.9%
Third Party Funds	473,666	447,906	5.8%
Net Interest Income	35,869	32,027	12.0%
Operating Income other than Interest	12,007	9,346	28.5%
Operating Expenses	(21,714)	(18,393)	18.1%
Income Before Tax	22,657	20,741	9.2%
Net Income attributable to equity holders of parent entity	18,019	16,486	9.3%
EPS (in Rupiah)	731	669	9.3%

Key Financial Ratios (non consolidated)

	2015	2014	Δ bps
ROA	3.8%	3.9%	(10)
ROE	21.9%	25.5%	(360)
NIM	6.7%	6.5%	20
LFR	81.1%	76.8%	430
NPL	0.7%	0.6%	10
Cost Efficiency Ratio	46.5%	44.2%	230
CAR (credit, market and operational risk)	18.7%	16.9%	180

IMPROVING THE IMPLEMENTATION OF CORPORATE GOVERNANCE

BCA recognizes the importance of Good Corporate Governance in supporting business performance and providing added value for all stakeholders. The Board of Directors, the Board of Commissioners and BCA's workforce are committed to building an organization that is transparent, accountable, responsible, fair and independent.

BCA implements Good Corporate Governance with reference to prevailing laws and regulations. The practice of Good Corporate Governance continues to be refined in accordance with best practices, including the Indonesian Corporate Governance Road Map issued by the Indonesian Financial Services Authority and the ASEAN Corporate Governance Scorecard.

As an effort to continuously improve the Bank's corporate governance structure, and with reference to the Indonesian Financial Services Authority regulations, BCA as a financial conglomerate implemented an integrated corporate governance structure in 2015. The implementation includes

the formation of the Integrated Corporate Governance Committee, formulation of the Integrated Corporate Governance Manual, and adjustments to the duties and responsibilities of the Compliance Unit, the Risk Management Unit and the Internal Audit Division to account for integrated risks.

We are proud to report that the efforts of the Bank in implementing corporate governance have created a solid foundation for the continued growth of the organization. In addition, the public and professionals in the field have also shown appreciation and recognition of these efforts. This is reflected in the various awards received by BCA, amongst which are 'Top 10 Public Listed Companies' and 'The Best Responsibility of The Board' in the 7th IICD Corporate Governance Awards.

CHANGES TO THE BOARD OF DIRECTORS

The Board of Directors consists of 10 members who have individual job descriptions, duties and responsibilities. Effective communication and coordination is maintained between members of the Board of Directors in the

discussions of individual responsibilities and the overall business strategy. In carrying out its duties, in 2015 the Board of Directors held 40 meetings as decision-making mechanism and for the exchange of opinions among the members of the Board.

The Board of Directors performed their duties in implementing work programs in line with the vision and mission of the Bank and by adhering to the core values of the company. With reference to prudent corporate governance, the executive committees under the Board of Directors contributed proactively to the Bank management in accordance with their respective duties and responsibilities.

The composition of BCA's Board of Directors reflects the diversity of its members, be it in terms of education, work experience or expertise, with each member having the necessary competence to support the improvement of the company's performance.

We report that in 2015 there were no changes in the composition of the Board of Directors. Profiles of the Board members can be found in the Corporate Data section on pages 560-563 of this Annual Report.

PERFORMANCE ASSESSMENT OF COMMITTEES UNDER THE BOARD OF DIRECTORS

As of December 31, 2015, there were 7 Executive Committees assisting the Board of Directors including the Asset & Liability Committee (ALCO); Credit Policy Committee; Credit Committee; Risk Management Committee; Integrated Risk Management Committee; Information Technology Steering Committee; and the Personnel Case Advisory Committee.

We report that in 2015 these committees have performed well, giving valuable and objective guidance to the Board of Directors, which ultimately assists in the effective and systematic implementation of the duties of the Board of Directors.

The Asset & Liability Committee (ALCO) implemented the assets and liabilities strategy with a view to maintaining

the Bank's liquidity position while providing optimal levels of profitability for the Bank at a manageable level of risk. The Risk Management Committee has ensured that the risk management framework is capable of providing adequate protection against the risks faced by BCA.

The Credit Policy Committee has recommended several lending policies, including determining loan approval authority for corporate and commercial loans. The Credit Committee assisted the Board of Directors in evaluating credit applications in line with prevailing credit policies. The Information Technology Steering Committee has reviewed and made recommendations regarding the strategic plan for information technology in keeping with the Bank's business plan. The Personnel Case Advisory Committee has provided recommendations to the Board of Directors regarding settlement of employee breaches of policy cases while adhering to the principles of established fact, equality and fairness. The newly formed Integrated Risk Management Committee has been established to formulate the foundations of integrated risk management, including the completion of an integrated risk profile.

These committees carried out their duties and responsibilities in accordance with the authorities listed in the guidelines of each committee.

CORPORATE SOCIAL RESPONSIBILITY

As a responsible corporation, BCA ensures that the products and services offered by the Bank are beneficial to the wider community. We are proud of the Bank's efforts in facilitating the various banking service needs for the people of Indonesia.

As an integral part of the business operation, the Bank actively engages in Corporate Social Responsibility (CSR) activities. The Bank seeks to make a real contribution to Indonesian society through a variety of initiatives in the fields of education, health, as well as cultural and environmental preservation. In carrying out these initiatives, BCA collaborates with leading institutions, including WWF, UNICEF, the Indonesian Red Cross and several well-known universities in Indonesia.



In the field of education, BCA has developed various programs as a part of the Bank's active role in supporting the development of the education of Indonesia's youth, as the guardians of the nation's future progress. BCA believes that human capital is crucial for the successful development of the country and that a qualified and competent population has the potential to successfully manage Indonesia's natural resources and economy. As such, the Bank organized various educational programs in the fields of accounting and information technology, as well as the 'Magang Bakti BCA' program, through which BCA facilitates the development of human resources in banking by providing in-class and on-the-job training opportunities for qualified high school graduates from all over Indonesia.

BCA participated actively in facilitating public health services, including the development of affordable health services for the less fortunate. The Bank provides medical assistance programs by working with several agencies who have competence and credibility in their respective fields. In 2015, BCA organized cataract operations initiatives in various regions, donated apparatus for cataract surgery, and coordinated blood drives. Expanding the coverage of quality health services at affordable costs, BCA initiated partnership with Klinik Bakti Medika in Mangga Dua, North Jakarta, after previously working with Klinik Duri Utara in West Jakarta.

As a member of Indonesian society, BCA continuously plays an active role in efforts to preserve and support the development of the national culture. The Bank is active in the promotion of the Indonesian puppetry tradition, or Wayang, through the "BCA for Indonesian Wayang" program. Since 2012, a number of routine programs have been conducted, including 'World of Wayang' (WOW), an educational program on television; 'Wayang for Students', which focuses on educating middle school students; 'Wayang Goes to Campus' at the University of Indonesia; and 'Wayang Masuk Mal' at Grand Indonesia shopping mall in Jakarta.

Other BCA CSR programs focused on environmental sustainability with BCA continuing to participate in re-greening programs by planting mangrove trees in a number of areas across Indonesia. In 2015, BCA in cooperation with WWF Indonesia organized a mass plantation of 18,000 mangrove trees in nine regions across Indonesia, including Aceh, Lampung, Jakarta, Bali and West Kalimantan. In addition, the 'Green Building' concept is applied to the Bank's head office as one demonstration of the Bank's commitment to the preservation of the environment. The Bank has received external recognition for this initiative in the form of a Greenship EB Platinum certification from the Green Building Council of Indonesia.

Through various CSR programs in important fields in Indonesia, BCA, as an active member of society, aims to continue to grow its real contribution to the community.

PROSPECTS AND STRATEGY REVIEW FOR 2016

We expect that the Indonesian economy will continue to face various challenges and grow moderately in 2016. The uncertainty and stagnation of the economies of developed countries is expected to continue into 2016. China's economy, as the main engine driving the overall Asian economy, is still seeking a new balance. This indicates that the estimated probability of recovery in the prices of Indonesia's main commodity exports will remain low in 2016. Infrastructure development in Indonesia takes time to become fully functional but will provide benefits in the medium-long term. The effectiveness of government spending realization and the implementation of government policy packages will be catalyst to support the Indonesian economy in the coming year amid global economic uncertainty.

We recognize that economic conditions will have an impact on the performance of the banking sector, including BCA. Thus, entering 2016, we will continue to prioritize prudent policies and measures. We remain aware that the potential

increase in non-performing loans in the overall Indonesian banking sector could have a chain effect on BCA's loan quality, though the non-performing loans is expected to remain within the Bank's risk appetite.

We see that the interest income of the banking sector will perform modestly in line with the slowdown in the growth of loans and third party funds in the Indonesian banking sector, both of which are expected to grow moderately compared to previous years. To maintain performance, we will continue to implement cost efficiency programs and to explore alternative sources of operating income other than interest.

We believe that investments made to strengthen transaction banking capabilities and to improve lending infrastructure should not be interrupted, considering the long-term prospects of the Indonesian banking industry and anticipating the increased competition in the era of the ASEAN Economic Community and rapid digital evolution. The development of human resources and organizational alignment of all work

units and among the subsidiaries are essential to further reinforce BCA's position as a leading bank in Indonesia.

APPRECIATION TO ALL STAKEHOLDERS

We on the Board of Directors, and I believe all staff at BCA, recognize the importance of customers' trust in leading to the Bank's solid performance achievements in these uncertain times. It is preserving the trust and confidence of our valued customers that motivates BCA to remain committed to providing the best quality services and products possible for the benefit of our customers and all our stakeholders.

On behalf of the Board of Directors, I would like to express our gratitude to the Board of Commissioners for their consistent guidance and careful supervision, allowing the Bank to forge ahead with certainty and face challenges confidently.

Finally, 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 2016
On behalf of the Board of Directors,



Jahja Setiaatmadja
President Director



“BCA's positive financial performance was achieved by remaining focused on delivering consistent, high quality, financial services to customers and continuing to strengthen the Bank's transaction banking franchise **”**

**ROA
3.8%**

BCA recorded growth in Net Income of 9.3% to Rp 18.0 trillion in 2015 and generated healthy Return on Assets

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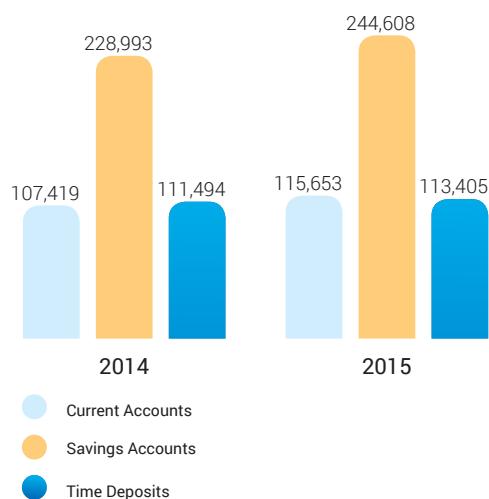
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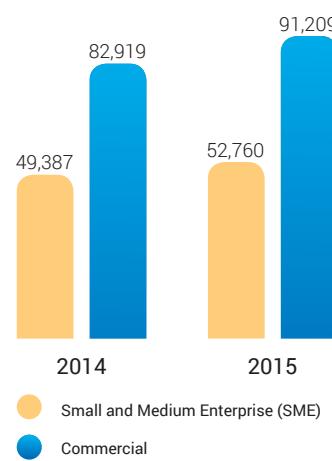
Business Review

Branch Banking

Third Party Funds
(in billion Rupiah)



Commercial and SME Loan Portfolio
(in billion Rupiah)



“ Branch Banking plays a strategic role in strengthening relationships between the Bank and its customers through the provision of transaction banking services and credit facilities to BCA's commercial and SME customers ”



Business Review

Branch Banking

BCA manages an extensive brick and mortar branch network that is interconnected online and is supported by a nationwide Automated Teller Machine (ATM) and Electronic Data Capture (EDC) electronic banking network. Strategic network expansion is undertaken to optimize customer convenience and capture business opportunities in promising areas throughout the country. Electronic delivery channels including internet banking and mobile banking have increased in importance to facilitate customer transactions in line with the rapid adaptation of the newest telecommunication and information technologies in Indonesia.

Utilizing its widespread branch network, strategically located in the main trading centers across Indonesia, BCA is well positioned to provide working capital and investment loan facilities to meet the financing needs of its customers in the commercial and Small & Medium Enterprises (SME) segment.

Through the provision of transaction banking services and credit facilities to commercial and SME customers, Branch Banking plays a strategic role in strengthening relationships between the Bank and its customers.

Transaction Banking

As one of the leading transaction banks in Indonesia, BCA manages more than 14 million customer accounts and processes an average of 11 million transactions per day. The vast transaction network is designed to meet the various financial needs of individual customers and companies through a wide range of high quality products and services.

BCA transaction banking is supported by a multi-channel network consisting of both branches and electronic delivery channels. Strategically BCA continues to expand its branch network in well-identified population and business centers across Indonesia. In order to provide flexibility to customers in their daily transactions, BCA continues to develop its

extensive electronic banking network of ATM, including Cash Recycling Machine (CRM); EDC machines for both credit and debit card sales; Flazz pre-paid card readers; and internet banking and mobile banking services. BCA aims to assure convenient, secure and reliable banking services for the customers through disciplined investment in banking infrastructure and electronic networks. This strategy is in line with the rapid development of communication and information technology as well as the middle-class adaptation of technology-based banking services in Indonesia.



Along with the development of new business areas, BCA continues to add new cash offices and ATMs in order to ensure convenient access to services for the Bank's customers with frequent cash transactions. In 2015 the Bank opened 71 new branch offices, including 54 cash offices, and added 387 ATMs. As of December 31, 2015, the Bank has a total of 1,182 branch offices consisting of 132 main branches, 853 sub-branches and 197 cash offices; 17,081 ATMs and hundreds of thousands of EDCs nationwide. In addition, the Bank continues to expand its service coverage by developing enhanced mobile banking transaction capabilities and by working with a network of modern retail stores to serve various customer transactions, such as cash withdrawals, known as Tunai BCA (BCA Cash).

BCA seeks to create value-added services to fulfil the needs of multiple customer segments. In addition to the regular branch banking services, BCA also provides priority banking services, BCA Prioritas, for individuals in the affluent segment and BCA Solitaire for high net-worth individuals. Weekend Banking service is available at shopping malls in several of Indonesia's major cities to serve customers who wish to make use of the Bank's services on the weekends. To accommodate the needs of small and medium-sized business customers, BCA operates BCABIZZ, an additional service offered in selected business centers. BCA headquarters coordinates with branch and regional offices to identify and serve customers in the corporate segment by providing tailored products and services to this highly diverse market.

BCA has seen customer preference shifting towards electronic banking channels in recent years. This shift has

resulted in shorter queues at the Bank's branches and has led to lower operational costs for handling transactions. The number of transactions through internet banking, mobile banking and ATMs have increased significantly from year to year. In 2015, internet banking showed the highest value of transactions among the electronic network with total transaction value reaching Rp 5,935 trillion, an increase of 10.9% from Rp 5,350 trillion in 2014. The number of customers accessing KlikBCA Individu and KlikBCA Bisnis services reached 4.8 million customers in 2015. The value of transactions through m-BCA reached Rp 556 trillion in 2015, up 14.4% over the previous year. The ATM network continues to be the most popular electronic delivery channel with the highest number of transactions, amounting to 1,782 million transactions in 2015, up from 1,678 million transactions in 2014, mostly related to cash withdrawals and account enquiries.

Number of Distribution Channels (unit)

	2015	2014
Number of Branches (including cash offices)	1,182	1,111
Number of ATMs	17,081	16,694

Delivery Channels Transactions

	2015	2014
Branch		
Number of Transactions (in million)	174	179
Transaction Value (in trillion Rupiah)	14,495	15,110
ATM		
Number of Transactions (in million)	1,782	1,678
Transaction Value (in trillion Rupiah)	1,847	1,732
Internet Banking		
Number of Transactions (in million)	1,400	1,165
Transaction Value (in trillion Rupiah)	5,935	5,350
Mobile Banking		
Number of Transactions (in million)	591	500
Transaction Value (in trillion Rupiah)	556	486



Business Review

Branch Banking

BCA seeks to capitalize on developments in information technology to strengthen its transaction banking business. In 2015, BCA launched 'Sakuku' (My Pocket), a server-based e-money service accessed through a smartphone application. 'Sakuku', which is targeted at the younger generation, can be used for online shopping payments, transfer and mobile phone credit purchases. BCA continues to develop 'Sakuku' and will add enhanced features to the application in 2016. In addition to 'Sakuku', and to better reach out to the lower middle class in Indonesia, BCA is developing branchless banking services through 'Laku' (a savings product with no administration fee) and 'Duitt' (an e-money service which uses a customer's mobile phone number as proof of ownership), with these services accessible via independent agents or through SMS.



Ongoing education for customers is necessary to raise awareness in the effective use of electronic banking services. BCA's call center is an essential part of the education and communication process to support the anytime and anywhere aspects of internet and mobile banking transactions. The BCA call center is designed to support customers should they require personal assistance in completing their transactions or have questions or complaints on BCA's services.

Continued development of BCA's branch services and electronic networks have secured the Bank's position as a leading transaction bank in Indonesia. Amid weakening



business activity, BCA maintained positive growth in Current Accounts and Savings Accounts (CASA) funds without increasing CASA account pricing. Total CASA funds grew by 7.1% to Rp 360.3 trillion at year end 2015 and represented 76.1% of the Bank's overall third party funds. Savings accounts composed 67.9% of total CASA funding and posted a positive growth of 6.8%, reaching Rp 244.6 trillion at year end 2015 while current accounts increased by 7.7% to Rp 115.7 trillion during the same period.

The Tahapan BCA savings product remains the Bank's customers' top choice and is an icon of BCA transaction banking. Tahapan BCA has developed over time in accordance with customer needs and segmentation, for example, Tahapan Gold is designed for business customers and Tahapan Xpresi is intended for the younger market. In line with the massive potential of Indonesia's productive population, Tahapan Xpresi aims to familiarize the young generation with transaction banking services and offers features tailored to this segment, such as a variety of ATM card designs. In 2015, BCA continued to develop and tailor special features for Tahapan Xpresi customers that cater specifically to the needs and lifestyle of young people.

In keeping with modern lifestyles, and to deepen customer relationships, BCA is proactive in digital marketing through social media as an effective alternative communication and educational network. Currently, BCA has several social media accounts that continue to receive positive response from customers.

Cash Management

Through cash management services, BCA facilitates transactions for companies from various industry sectors that make Business-to-Business (B2B) and Business-to-Consumer (B2C) transactions. Cash management services play a major role in facilitating the management of funds in business transactions, which in turn supports the raising of CASA funds.

BCA continues to develop cash management services to improve customer relationships and strengthen the Bank's core business in transaction banking. BCA's cash management services provide payment settlement solutions for effective cash management, supported by the latest technology, an extensive network, diverse products and excellent service. In 2015, the number of users of virtual accounts, one of the features of cash management, increased significantly to 1,700 companies in 2015 from 1,300 companies in 2014.

One focus of BCA cash management is to provide business communities with solutions for customers within their respective business chains and to help them connect with one another. Among others, the Bank manages the following communities: Capital Markets Community, Futures Market Community, Oil and Gas Community, Cement Community, Telecommunications Community and Modern Market Community. Various events are organized by BCA with a view to enhancing relationship banking with members of these communities, such as benchmarking trips, workshops, dissemination of the latest business solutions, capital market expos and business gatherings to increase the knowledge and experience of, and strengthen the relationships between, community members.

In the Oil and Gas Community, many public gas stations in Indonesia are BCA merchants that make payments to their principals through the BCA system. The Bank has developed an online tax payment service through KlikBCA Bisnis to better facilitate and track tax payment convenience for customers. In the Modern Market Community, BCA has developed a centralized service for franchisee account openings, resulting in the Bank managing more than 6,500

franchisee accounts in 2015. In line with the infrastructure improvement plan proposed by the Government, BCA cash management continues to develop specialized cash transaction services for the Transportation Community as one of Indonesia's promising growth businesses. In line with the increasing frequency of air travel, the Bank cooperated with a number of airlines to provide access to information and payment services for ticket agents through the use of 'KlikBCA Bisnis' internet banking. In the general public service area, BCA works with the government-controlled Social Security Agency (*BPJS Ketenagakerjaan*) to facilitate the payment of BPJS health insurance premiums from BCA corporate customers for their employees.

In 2015, the Bank continued to be one of five payment banks in the capital market by renewing the cooperation agreement between the Indonesian Central Securities Depository (KSEI) and BCA for the period 2015-2019. In the Capital Markets Community, the Bank has established a partnership for the opening of Investor Accounts with 84 securities companies, with a market share of Customer Funds Accounts reaching almost 50%, and a total of more than 180 thousand accounts currently being managed. In addition, BCA also enhanced investor convenience in their transactions and in the monitoring of investment funds through the introduction of the AKSes KSEI menu on the KlikBCA Individu platform.

BCA continues to be trusted as a Margin Funds Savings Bank and extended its cooperation with the Indonesian Derivatives Clearing House (KBI) for the period 2015-2018. In addition, BCA also participates in developing services to facilitate the settlement of online gold investment transactions initiated by KBI.

In 2015, the Bank completed development of the internet banking application, 'KlikBCA Bisnis Integrated Solution' which offers comprehensive corporate cash management products and services. With this new solution, BCA has a more advanced Host to Host system to facilitate customer transactions, particularly for customers with significant transaction intensity.



Business Review

Branch Banking

SME & Commercial

In 2015, the Commercial and SME loan portfolio grew 8.8% to Rp 144.0 trillion. In line with declining business activity over the last two years, commercial and SME lending posted a slower growth than in previous years. The slowdown in economic growth in 2015, characterized by a decrease in purchasing power, has correlated with slower growth in business revenue including for commercial and SME companies.

BCA continues to maintain its prudent lending policy with loans prioritized for borrowers who have solid financials and already have a good relationship with the Bank. The loan portfolio is closely monitored for each branch, region and industry sector. The increase in non-performing loans in the commercial segment, especially in the sea and river transportation industry, was foreseen, and the necessary steps were taken to mitigate the negative impact of deterioration in this sector. At the end of 2015, the Non-Performing Loans (NPL) ratio of the commercial and SME segment as a whole was at a relatively manageable level of 1.1%.

In the commercial banking segment, the Bank prioritizes services for mid-sized entities engaged in the trade, manufacturing and services industries by positioning itself as a trusted business partner that can offer end-to-end financial solutions for their businesses. BCA defines commercial loans as ranging from Rp 10 billion to Rp 350 billion with most of the Bank's commercial loan customers being regional business players in Indonesia. In 2015, the commercial loan portfolio grew 10.0% to Rp 91.2 trillion and contributed 63.4% to the Bank's total commercial and SME loan portfolio.

BCA utilizes Commercial Business Centers at the regional level to manage the customer base and the commercial loan portfolio. As of year end 2015, there were 14 Commercial Business Centers located in major trading centers across Indonesia, including Jakarta, Semarang, Bandung and Surabaya as well as in cities outside Java, such as Medan, Palembang, Makassar and Denpasar. The Commercial Business Centers allow BCA to provide better quality service and ease of access through account officers, who



are experienced in offering banking solutions that cater to the needs of commercial customers.

In the SME segment, the majority of BCA's SME customer base consist of family business owners, shopkeepers, restaurant owners, and small-scale factory owners. Defined as business loans with a value of up to Rp 10 billion, SME lending is done at the branch level and is supported by an online and centralized loan application scoring and risk management system. This approach allows for centralized control of risk while maximizing the potential of the Bank's network of branches that are strategically located in the trading centers of Indonesian cities. In addition, the Bank cooperates with several partner institutions, such as rural banks and cooperatives, to provide direct lending through channeling programs and indirect lending, in support of business development in the SME segment outside of the reach of the Bank's branch network. BCA also works closely with its subsidiary, BCA Syariah, in the development of products and services for micro, small and medium enterprise customers. BCA Syariah is strategically positioned to complement SME financing services. By the end of 2015, BCA's SME loans increased by 6.8% to Rp 52.8 trillion and contributed 36.6% to the total commercial and SME portfolio.

On an ongoing basis, Commercial and SME Banking works closely with BCA Corporate Banking to develop value chain business initiatives in various industries, such as the communities of capital markets, futures markets, oil and gas, cement, telecommunication, modern market, airline services and general public services. Recruitment of new account officers continued in 2015 to meet the increasing need for skilled human resources at BCA. The Bank also continued to train employees in order to enhance the quality of service and the ability of account officers in establishing effective relationships with customers; a skill that is much needed in an increasingly competitive environment.

Looking Forward

BCA understands the importance of CASA in sustaining a solid long-term funding structure. The Bank continues to enhance its payment settlement services to drive CASA growth through the development of a variety of payment settlement features, products and services.

BCA will continue to develop the Bank's branch network and expand electronic channel coverage supported by continuous improvements in the capacity and capabilities of BCA's information technology infrastructure. Internet banking and mobile banking will continue to be developed and improved in order to enhance operational efficiency in the future. Several new electronic banking initiatives that were launched in 2015 include 'Sakuku' (My Pocket) server-based e-money smartphone application, 'Laku' no-fee savings product, and 'Duitt' electronic money. In developing various business initiatives in the field of payment settlement services, BCA maintains its focus on ease, security, and convenience in customer transactions.

In the commercial and SME segment, the Bank will focus its lending to customers with strong business prospects and proven durability in uncertain economic conditions. BCA continues to improve lending facilities and infrastructure by strengthening the role of Commercial Business Centers in the regional offices and increasing the number of quality account officers and relationship officers through recruitment and training programs. The Bank also aims to improve the synergy of corporate – commercial and SME financing through value chain financing, both for distributor financing and supplier financing, and focuses on leading companies in growing industry sectors.

Leveraging off its extensive network and solid position in the field of transaction banking, BCA stands ready to meet the lending needs of commercial and SME customers, particularly when the Indonesian economy returns to faster growth.



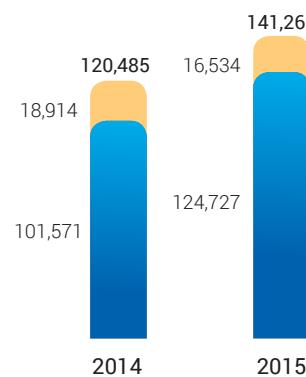
Business Review

Corporate Banking

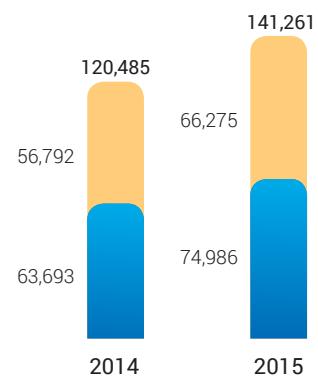


“BCA has developed and maintains strong relationships with corporate customers with the corporate segment representing the largest portion of BCA's overall loan portfolio**”**

Corporate Loan Portfolio
(in billion Rupiah)



Corporate Loan by Facilities
(in billion Rupiah)



● Rupiah ● Foreign Currencies

● Investment ● Working Capital

BCA Corporate Banking experienced a slowdown in loan demand and in the utilization of allocated credit lines during the first half of 2015 as a significant number of corporate customers saw lower growth in revenues. In the second half of 2015, demand for corporate loans began to show signs of growth based on a slight uptick in the economy and the realization of more aggressive Government expenditure as well as an increase in domestic consumption towards the end of the year. By the end of 2015, BCA's corporate loan portfolio stood at Rp 141.3 trillion, a growth of 17.2%. The growth in the corporate loan portfolio played an important role in leading the growth of the Bank's loan portfolio as a whole.

BCA maintained a prudent approach toward corporate lending by focusing on strengthening relationships with the Bank's quality customers with proven track records. Internal policies designed to maintain a diversified loan portfolio allowed the Bank to minimize risk exposure to the performance of any one given industry in 2015. These prudent lending policies enabled the Corporate Banking Group to maintain a high quality loan portfolio with a relatively low NPL in a difficult lending environment.

Healthy and Sustainable Growth

BCA has built and maintained a strong relationship with the corporate segment which has led to sustainable long-term growth of corporate lending as the major component in BCA's overall loan portfolio. Utilizing its strong liquidity position and solid capital base, the Bank is committed to supporting the needs of corporate customers through economic cycles while observing prudent lending principles. BCA prioritizes lending to qualified customers who have established good relationships with the Bank and are leading institutions in their respective industrial sectors.

Over a period of more than 10 years, BCA has built solid long-term relationships with corporate clients. As the business of corporate customers continues to expand, demands for loans and various corporate banking services also grow. This mutually beneficial relationship provides opportunities for the cross-selling of financial products and services,

such as treasury, trade finance and cash management, in addition to corporate lending. BCA's corporate customer base continued to expand, supported by several commercial loan customers migrating from commercial borrower status to corporate borrowing customers. By growing together and investing in long-term relationships, BCA is better able to understand the businesses and to more accurately measure the potential risk facing a business. The growing together strategy also allows for a sustainable and healthy growth in the corporate loan portfolio.

With the support of reliable and qualified Relationship Managers, BCA effectively provides the best quality of service to its corporate customers. The Bank classifies Relationship Managers into teams according to their expertise and assigns them to specific industrial sectors or groups of debtors. The Relationship Managers proactively establish communications with the Bank's customers and work to thoroughly understand customers and the factors that can impact each customer's business. This approach allows BCA to anticipate the specific needs of its customers and be able to act quickly if any difficulties, business or financial, are encountered by these customers. BCA continues to enhance its officers' credit risk management skill and industrial knowledge in its effort to achieve solid corporate banking performance.





Business Review

Corporate Banking

BCA has become one of the major corporate lending banks in Indonesia. In 2015, the corporate segment played an important role in driving the growth of the Bank's overall loan portfolio. Corporate loans grew 17.2% and stood at Rp 141.3 trillion at the end of 2015 with the majority of the growth coming during the second half of the year. A slight recovery in the economy owing to Government policy packages and increased Government expenditures as well as higher consumption towards the end of the year fueled corporate loan demand in the second half of 2015. The upturn was also encouraged by the need to convert foreign currency loans into Rupiah amid the weakening trend of the Rupiah and the greater need for Rupiah to comply with new Government regulation requiring all domestic transactions be made in Rupiah.

As of December 2015, working capital loans contributed 46.9% to the total corporate loan portfolio with investment loans making up 53.1% of the total. Working capital loans amounted to Rp 66.3 trillion as of 31 December 2015, growing 16.7%, while investment loans increased by 17.7% to Rp 75.0 trillion. Growth in investment loans usually indicates that demand for the Bank's other corporate banking products, both for lending and for financial transaction services, will increase in the future. The Bank will continue to leverage its lending position to further strengthen the Bank's liabilities side business.

Maintaining Loan Quality

BCA continues to maintain loan quality by closely monitoring the corporate loan portfolio through each step of the lending process, and ultimately repayment. Overall, the implementation of prudent risk management for each industry sector allows BCA to maintain the quality of its diversified corporate loan portfolio. BCA's corporate loan portfolio is well diversified with the largest exposures to the Plantation and Agriculture, Chemicals and Plastics, and Telecommunications industries. With the exception of the Plantation and Agriculture, each of those industries accounted for less than 10% of the total corporate portfolio. As of late 2015, the 10 largest corporate loans by industry sector contributed 61.3% to BCA's total corporate loan portfolio. The well-diversified portfolio avoids the risk of loan concentration.

BCA routinely undertakes a comprehensive industry analysis and monitors the overall loan portfolio carefully. As such, the Bank was able to develop the corporate loan portfolio while mitigating the risks faced by the banking industry due to weakness in certain industrial sectors. BCA proactively analyzes industry trends and takes steps to adjust the loan portfolio to minimize exposure to at-risk industries.

Top 10 Corporate Loan Portfolio by Industry Sectors

Industry Sector	2015	2014
Plantation and Agriculture	10.5%	11.2%
Chemicals and Plastics	7.8%	7.3%
Telecommunications	7.5%	5.5%
Power Generation	5.8%	6.3%
Transportation and Logistics	5.6%	5.9%
Tourism	5.5%	4.5%
Building Material and Other Construction Related	5.1%	4.3%
Consumer Financing	4.9%	5.7%
Food and Beverage	4.5%	4.6%
Property and Construction	4.1%	4.5%
Total	61.3%	59.8%

In recent years, the commodity sector has come under pressure due to lower global commodity prices in line with the economic slowdown in Europe and China. BCA has limited direct exposure to the coal mining sector, mostly due to the nature of the industry and the industry's demand for US Dollar lending. As a Rupiah bank, BCA limits overall US Dollar exposure and, as such, has minimized exposure to the mining sector.

Although BCA does not have direct exposure to the mining industry, the Bank has to be aware of the indirect impacts of the weakening coal and other commodity prices on business. For example, the shipping industry has experienced financial difficulties stemming from the declining volume of mining product transportation. BCA has proactively restructured loans and reduced exposure to this industry over the last couple of years. BCA's exposure to the sea and river transportation sector is manageable, amounting to Rp 2.2 trillion or 1.6% of the Bank's total corporate loan portfolio.

In recent years, BCA has had a moratorium on lending to the hotel industry in consideration of the rapid growth of new hotel developments in Indonesia and stiff competition in

the industry. Lending in this industry is limited to borrowers who are experienced in the field and have an established primary business with stable income as an alternative source of loan repayment, if necessary.

Loan disbursement in foreign currency is done by applying prudential standards designed to reduce the potential risk of fluctuations in the Rupiah exchange rate against the US Dollar. BCA has long implemented a policy of lending in US Dollar only to corporate customers whose revenues are mainly denominated in US Dollar. Furthermore, BCA implements a tight limit on overall US Dollar lending as the majority of Bank funding is in Rupiah. At the end of 2015 the corporate loan portfolio in foreign currencies was 11.7% of the total, with the majority being in Rupiah at 88.3%.

Through caution and prudence, the Bank has been able to maintain a relatively low Non-Performing Loans (NPL) ratio in corporate lending of 0.3% at the end of 2015, basically unchanged from the end of 2014. In an effort to pre-empt potential NPL, BCA was proactive in initiating discussions on loan restructuring by carefully monitoring the corporate loan portfolio.





Business Review

Corporate Banking

Syndicated Loans

The unfavorable economic condition in 2015 limited BCA's participation in syndicated lending, resulting in fewer loan disbursements when compared to 2014. However, the Bank acknowledges the importance in securing a position as one of the major players in syndicated loans in Indonesia for the longer term. Aside from providing interest income, BCA's active role in syndicated lending has opened the door to increased fee-based income, through cross-selling opportunities and relationship building.

BCA completed syndicated loans worth a total of Rp 25.9 trillion in 2015, down 42.8%, when compared to Rp 45.2 trillion in 2014. In 2015, the Bank's total participation in syndicated loans amounted to Rp 4.2 trillion, compared to Rp 7.7 trillion in the previous year. In syndications, BCA may act as a sole arranger or together as a facility agent, collateral agent, or escrow account agent, either to debtors or non-debtors.

Infrastructure financing is one source of demand for syndicated financing and is in line with the Government's plan to accelerate infrastructure development. Infrastructure syndicated loans in 2015 were distributed for the construction of railway infrastructure and facilities for a 36.3 km railroad line stretching from the center of Jakarta to the Soekarno-Hatta airport; and for business financing in the development of a telecommunications company and its subsidiaries. In addition, the Bank oversaw the full disbursement of a syndicated loan for the Cikopo-Palimanan (Cipali) toll road, construction of which was completed in 2015. The majority of the funding for this project was sourced from a syndication of 21 banks led by BCA.

In the private sector, BCA participated in syndicated financing to a leading poultry feed producer in Indonesia as well as to borrowers engaged in the consumer industry.

Owing to the active role played by the Bank in syndicated lending, according to data compiled by Bloomberg, BCA was recorded as one of the top ranked syndicated loan book runners in Indonesia in 2015. BCA was awarded 'Best

Project Finance Deal of the Year in Southeast Asia' from Alpha Southeast Asia magazine for the Jakarta-Soekarno Hatta Airport Railway Development syndicated loan project of Rp 2.1 trillion (USD 152 million), together with 3 other top banks as joint arrangers.

Community-Based Services

BCA actively lends along business value chains with focus on business community networks that connect corporate customers with commercial and SME customers. This community-based service provides lending facilities alongside cash management and other transaction services.

The Bank's cash management platform continues to be refined to improve BCA's ability to capture various value chain financing opportunities. In 2015, BCA developed an internet banking application, 'KlikBCA Bisnis Integrated Solution', which contains new modules to further complement corporate cash management services with a more holistic approach for corporate customers. Through cash management services, BCA offers ease for corporations and their suppliers in controlling daily payment settlements for a more efficient cash management process.

BCA continues to deepen cash management market penetration for corporate and commercial customers, as well as business communities by working to increase the customer base and loan portfolio within those communities.

With the weakening growth of interest income due to slowing loan growth, fee-based income plays a more critical role in sustaining the Bank's profitability. Cash management services are one source of fee-based income that the Bank expects to see grow in the future and that BCA believes will support the Bank's Current Accounts and Savings Accounts (CASA) position.

In 2015, BCA pursued opportunities in the transportation industry as one promising field for potential business. With the increasingly high demand for travel by air, the Bank understands the importance of providing ease of transactions for ticket agents offering flight bookings

and has developed specialized products to service this industry. In the oil and gas segment, the Bank continues to provide cash management services to the public gas station business chain. Most gas stations in Jakarta are now BCA merchants and make payments to principals through the Bank's system. Other communities that the Bank manages include the capital markets community, futures markets community, cement community, telecommunications community, fertilizers community and modern market community.

In order to enhance relationships with customers, the Bank organizes various business events, such as benchmarking trips, workshops, dissemination of information on the latest business solutions, capital market expos, and business gatherings, aimed at improving knowledge and experience, and strengthening the relationships between members within the community.

Looking Forward

BCA is optimistic about maintaining the quality of the loan portfolio, including in the corporate segment. We expect corporate loans will continue to be the main driver of the Bank's loan growth in 2016.

BCA aims to continue supporting quality corporate customers by always providing the best banking services. The Bank and its customers will continue to have common interests in growing together through this challenging period. As the Indonesian economy improves, BCA and its customers will benefit from the business scale developed.



Corporate banking will focus on improving the cooperation and synergy among the business units and BCA's subsidiaries in order to best meet the increasingly complex customer needs. Cooperation with foreign banks in the Asian region will continue to be expanded in order to capture the opportunities of rising inter-country transaction activities by providing trade finance, foreign currency and cash management services. Furthermore, through the referral of foreign banks, such as from Thailand, Japan, South Korea, Malaysia and the Philippines, BCA plans to explore opportunities for new loan demand from business groups of foreign investors who plan to invest directly in Indonesia.

Going forward, the Bank will remain committed to focusing on the needs of its corporate customers through the provision of quality financing and transaction banking services.





Business Review

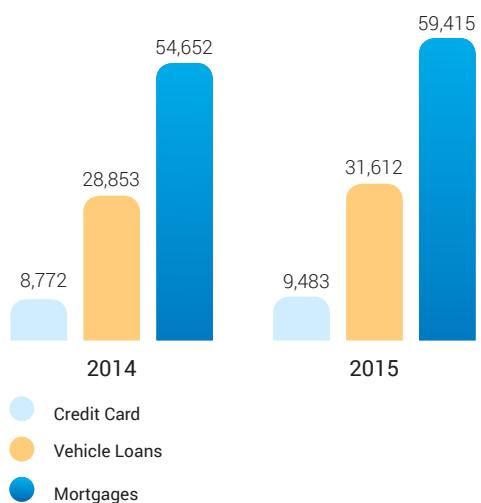
Individual Banking



Total Consumer Loans
(in billion Rupiah)



Consumer Loan Portfolio
(in billion Rupiah)



“ BCA reintroduced a number of attractive consumer products and programs in 2015 while maintaining a prudent approach to lending ”

Over the last two years the Individual Banking Group posted slower growth in line with the weakening performance of the property sector and drop in car sales in Indonesia. BCA continued to promote consumer lending by reintroducing a number of attractive consumer lending products and programs in 2015 while maintaining high lending standards.

BCA remains optimistic regarding the long-term business prospects for the Individual Banking Group. The increasing number of professionals and the emerging middle class will contribute to the growing need for consumer banking products, such as mortgages, vehicle loans, credit cards, insurance products & wealth management products and services, in the future.

BCA focuses on understanding the behavior and the needs of customers as the basis for product and service developments as well as for marketing and promotional activities. The Bank utilizes and continually improves IT infrastructure and systems, human resources, data analysis capabilities, and synergy between business units, all in order to better serve the Bank's customers.

Priority Banking And Wealth Management

In 1996, the Bank developed BCA Prioritas service and specialized branches to serve customers in the affluent segment. This customer segment has grown rapidly since that time and has had a tremendous impact on the acceptance of the Bank's individual banking products. In 2009, the Bank launched BCA Solitaire banking services for the high net-worth individuals.

To create value-added services that meet the needs of its customers, BCA Prioritas and BCA Solitaire offer ease and comfort in customers' transaction activities. BCA has added 8 Prioritas lounges, bringing the network to a total of 160 branches in 2015, all staffed with qualified relationship officers for first-class service. In 2015, the Bank opened its newest Solitaire lounge at Menara Satu Kelapa Gading in North Jakarta to complement the existing service provided at Menara BCA Grand Indonesia in Central Jakarta. The exclusive Solitaire service is supported by highly-trained staff who assist and provide personalized service to customers in managing their personal finances.

BCA offers comprehensive services and financial solutions for Solitaire and Prioritas customers, including premium transaction banking services, mortgages, car financing, safe deposit box services, bancassurance, wealth management solution, and premium credit cards. In partnership with reliable business partners, BCA Prioritas and BCA Solitaire also provides exclusive facilities and programs for clients in health care, education, travel and lifestyle.

BCA continues to develop new wealth management products and services to meet the evolving financial needs of Prioritas and Solitaire customers. These facilities enable the Bank to generate fee-based income while fulfilling customers' needs for insurance and various investment products including unit-linked insurance, mutual funds, Indonesian Retail Bonds, Sukuk Retail and Retail Savings Bonds.

Mortgages

The mortgage market in Indonesia remains untapped as evidenced by the low penetration rate of mortgages to Gross Domestic Product (GDP) and the relatively small number of BCA mortgage borrowers when compared with the Bank's total customer base. The Bank considers mortgages as a strategic product that will foster long-term relationships with customers and provides a platform for cross-selling other financial products to the mortgage borrower.

Since 2007, BCA's mortgage portfolio has grown by an average of 32% per year. The Bank distributes mortgages to quality borrowers and focuses on financing properties located in prime residential areas, allowing BCA to grow the mortgage portfolio while maintaining a low default risk. The high quality of mortgages is reflected in the low NPL ratio of 0.4%. The NPL ratio has been stable over a number of years.

In the last two years, the mortgage portfolio grew slower than in previous years. In 2014, BCA exercised prudence in lending to restrain the mortgage growth rate in anticipation of unforeseen risks amid the uncertain economic conditions. In 2015 lending was negatively impacted by a relatively weak property market in line with the overall slowdown in economic growth in Indonesia.



Business Review

Individual Banking

In a less buoyant market, the Bank continued to offer mortgage products with attractive interest rates in order to maintain BCA's strategic position in the market and sustain positive growth. In February 2015, BCA relaunched 'Fix & Cap' mortgage products with low interest rates (3 years at 8.88% fixed interest plus a maximum 2-year cap at 9.99%). The Bank also reduced interest rates by 50 bps on non 'Fix & Cap' mortgage products at the end of 2014 and maintained these rates throughout 2015. In addition, as one of the Bank's aspiration-based innovation efforts, in August 2015 the Bank extended the tenure of its Fix & Cap products by 1 year, bringing the total tenure to 6 years, compared to the previous tenure of 5 years. Stable core CASA funds allow BCA to offer these competitive products in Indonesia's mortgage market. The Bank continues to maintain its position as one of the leading mortgage providers in Indonesia. The Bank's mortgages increased by 8.7% to Rp 59.4 trillion in 2015 with a market share of 17.4%. Mortgage products represent the largest portion of the Bank's consumer loan portfolio. Bank Indonesia's decision to ease the maximum Loan to Value guidelines stimulated and supported the property and mortgage industries through challenging times in 2015.

In order to improve service levels for Bank customers, BCA introduced mortgage administration centers in several target cities over the past few years and will continue to open more centers as the market evolves. Additionally, to increase efficiency and convenience, the Bank uses an online mortgage application for customers through a web-based system which simplifies the mass processing of individual loans.

Appreciation for the Bank's commitment in mortgage financing is reflected in the various awards received during the year, including Top Brand Award for mortgage products from Frontier Consulting Group and Marketing Magazine.

Vehicle Financing

BCA manages car and motorcycle financing facilities through its subsidiaries, BCA Finance and Central Santosa Finance (CS Finance). Both BCA Finance and CS Finance manage vehicle financing through a joint financing scheme

with the major portion recorded directly on the Bank's balance sheet and the remaining recorded on the balance sheets of the two subsidiaries.

Car Financing

In 2015 BCA and BCA Finance continued to emphasize prudence in lending for car financing in the face of unfavorable economic conditions and decreasing consumer purchasing power. The automotive industry was under intense pressure in 2015, with new car sales totaling 1.0 million units, a decrease of 16.1% compared to the previous year.

Through a challenging 2015, BCA offered car financing products with competitive interest rates while remaining disciplined in maintaining collateral quality and a robust collection and auction process. The Bank implements a policy of high down payments and prioritizes financing for popular car models that have been widely accepted by the Indonesian automotive market. This policy has helped sustain a relatively low NPL ratio with a high recovery rate on foreclosures while supporting positive growth in the car financing portfolio.

BCA Finance relies on its quick and hassle-free lending process to improve its competitiveness and maintain high satisfaction levels that exceed customer expectations. In recent years, BCA Finance has developed a wide range of applications that take advantage of technological developments, such as mobile entry, mobile approval, mobile collection and others, to improve the processing efficiency of customer financing.



A number of exciting offers were made in 2015 to further enhance the Bank's competitiveness in the auto finance market. BCA Finance launched the *Kredit Keren Banget* program, a sweepstakes offering customers a chance to take home three cars if they win the lucky draw. The program received positive responses from customers and supports BCA Finance's financing activities in 2015. In addition, BCA Finance offered an extended tenure of up to 6 years for certain auto purchases. Through a variety of innovative product developments and attractive promotions, BCA Finance has maintained its position as the "top of mind" 4-wheeler financing provider in Indonesia.

These efforts proved effective in supporting growth in BCA's car loan portfolio. The number of new bookings in car sales financed by BCA and BCA Finance in 2015 increased by 11.4% reaching 178,667 units, an achievement when compared to the declining number of nationwide car sales. BCA Finance's share in the auto financing market increased to an estimated 13.2% in 2015, compared with an estimated 11.1% in 2014. The Rupiah value of new car loan bookings for BCA and BCA Finance increased by 16.6% reaching Rp 26.4 trillion in 2015. These sales contributed to the Bank's total car loan portfolio, including BCA Finance, of Rp 32.9 trillion at the end of 2015, up 10.6% compared to Rp 29.8 trillion at the end of 2014. At the end of 2015, the portion of the car loan portfolio recorded on BCA's balance sheet amounted to Rp 27.3 trillion.

BCA and BCA Finance work closely together to further strengthen business synergies. The joint financing scheme affords BCA Finance a funding structure that is strong and stable with low cost of funds. Marketing synergy through the Bank's branch network enables a solid and diversified customer base comprising existing BCA customers along with customer referrals from third party dealers. Synergy is also formed in the use of technology and operational systems, including the use of BCA payment platforms to manage billing for BCA Finance customers and the use of HaloBCA to assist BCA Finance customers.

[Motorcycle Financing](#)

CS Finance continuously strengthens its capacity and capability by developing promotion and marketing, network infrastructure, human resources, technology, and risk management.

CS Finance explored low-risk marketing strategies by offering motorcycle financing for BCA's customer base as well as through third party dealers in accordance with the predetermined criteria and standards. CS Finance also initiated exclusive partnership to provide motorcycle financing for one of the app-based courier service providers.

In 2015, 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 modern mini markets and post offices, to facilitate loan instalments for 2-wheeled vehicles.

In response to a weaker economy and higher-than-forecast NPLs, CS Finance curbed the growth of motorcycle loans and strengthened its branch collection teams throughout 2015. These efforts in handling non-performing loans began to show results as the NPL growth rate slowed in 2015.

CS Finance recorded new bookings of motorcycle financing, composite BCA & CS Finance of 368 thousand units in 2015, compared with 387 thousand units in 2014. The Rupiah value of these new bookings was Rp 4.6 trillion in 2015, compared to Rp 4.2 trillion in 2014, bringing the Bank's total motorcycle loan portfolio (including CS Finance) to Rp 6.4 trillion at the end of 2015, compared to Rp 6.2 trillion at the end of 2014. Total motorcycle financing was recorded at Rp 4.3 trillion on BCA's book at the end of 2015.



Business Review

Individual Banking

Credit Cards

Through a variety of credit card offers and attractive programs, the Bank secured its position as one of the leading credit card service providers in Indonesia. In 2015, BCA managed 2.7 million credit cards with total transaction value amounting to Rp 50.6 trillion, an increase of 9.7% from last year, and reached a market share of 18%. Outstanding credit card loans reached Rp 9.5 trillion at the end of 2015, an increase of 8.1% over the previous year. The growth in the value of transactions and outstanding credit cards was accompanied by well-maintained loan quality with a 1.4% NPL ratio.

BCA's strong performance in credit cards was achieved amid growing competition and more regulated environment such as restrictions on credit card ownership for specific segment. The Bank continuously promotes the BCA credit card and encourages its use as customers' primary card. Various credit card product and service developments have been enhanced to facilitate customers' lifestyle and consumption habits.

BCA is the only bank in Indonesia to have a 'private label' or 'proprietary card', the 'BCA Card', in addition to offering 'BCA Visa' and 'BCA MasterCard'. The 'BCA Card' is made available nationwide and also at various outlets in Singapore through cooperation with the NETS network. BCA works with various leading international networks for acquiring/acceptance of Visa, MasterCard, American Express (AMEX), JCB and China UnionPay International. Since November 2014, the Bank has been the single acquirer of AMEX cards in Indonesia to strengthen BCA's capability in serving overseas users. AMEX has more than 100 million card users spread across many countries. The collaboration between BCA and AMEX strengthens the market share of BCA Electronic Data Capture / Point-of-Sales (POS) terminals which are widespread throughout Indonesia.

BCA credit card business growth is supported by a strong brand image as well as product and service developments that not only fulfill customers' needs but also reflect the latest lifestyle trends based on customer segmentation. BCA has developed a wide range of credit card products that suit the specific needs of customers. The 'BCA Visa

and MasterCard Black Card' is intended to serve premium lifestyle for individual customers in the mass-affluent segment. The Bank has also developed co-branded credit cards in strategic alliances with various corporate partners. This includes the very popular 'BCA Singapore Airlines' card, a collaboration with Singapore Airlines to serve upper-middle class Bank customers.

To capture the growing opportunities in the Indonesian middle class market, the Bank continued long-term promotional programs with several strategic partners, such as Central Department Store, Starbucks Coffee, Cineplex 21, Haagen Dazs, amongst others. BCA in cooperation with such selected partners offers a variety of promotional programs, such as rebates, use of reward points and 0% installment plans. Promotional activities are also packaged in the form of special events, including the Travel Fair in collaboration with leading airlines such as Garuda Indonesia and Singapore Airlines.

BCA also aims to develop hardware, support systems and information technology infrastructure for added convenience and security in the use of credit cards. In the third quarter of 2015, the Bank implemented the PIN security system to its credit cards as an alternative to the conventional signature system.

In the field of e-commerce, the Bank seeks to build a network of cooperative partners in line with growing e-commerce technology and activities. E-commerce transactions through BCA experienced a significant rise in total value in 2015. The Bank works with various companies such as Visa, MasterCard, JCB, and AMEX, to facilitate e-commerce transactions and organize promotional programs and activities. In 2015, together with Garuda Indonesia, BCA offered customers 0% installment deals with a tenure of 3 and 6 months for every purchase of Garuda air travel tickets through the website using a BCA credit card. BCA also organized an e-Shopping Carnival program with several online merchants, offering discounts and cash backs for all cardholders of any banks. The programs aim to strengthen the Bank's position as an e-Commerce Acquiring Bank and broaden awareness of card payment solutions as one of the services available in the e-commerce industry.



In addition to credit cards and debit cards, BCA also offers the Flazz prepaid card as an alternative card payment solution. BCA continued efforts to expand the use of Flazz cards through cooperation with various partners in serving transactions of small nominal value, such as parking services, highways, fast food and beverage outlets, as well as mini markets. By 2015 there were 8.6 million Flazz cards in circulation.

The development of card payment systems within the mass transportation sector, such as Trans Jakarta, Jabodetabek (Greater Jakarta) Commuter Trains and others, have encouraged the use of the Flazz card. Regulators are actively campaigning for the National Non-Cash Movement, which further contributed to increased use of Flazz cards.

In 2015, the Bank began to cooperate with other banks in the issuance of co-branded Flazz cards. Customers of other banks can now make transactions using Flazz cards at all Flazz merchants and take advantage of the various attractive programs on offer, ultimately allowing the Bank to further expand the Flazz card customer base.

In recognition of the Bank's initiatives in product and service development, BCA credit card was awarded Top Brand Award 2015 from Marketing magazine & Frontier Consulting Group, and also Customer Loyalty Award as Net Promoter Leader 2015 from SWA magazine.

Looking Forward

The Individual Banking business has bright prospects and will be a focus of Bank activity in the future. The growing Indonesian middle class will generate an increased need for banking services, such as mortgages, vehicle loans, credit cards, bancassurance and other individual banking products. Supported by a solid network of branches and electronic banking as well as a wide range of products and services, the Bank is in a favorable position to capture any opportunities that arise.

Going forward, the Bank will continue to market individual banking products and services through improvements to customer analysis capabilities. The Customer Relationship Management system continues to be refined to better understand the behavior and needs of customers as the basis for determining product development strategy as well as marketing and promotional activities.

BCA will continue to strengthen synergies between the units, developing products and services to suit customers' needs, and implement human resources training and development programs designed to improve customer service.

Through the careful implementation of a well-balanced and focused strategy, BCA believes it will continue to provide the highest quality of products and services for individual banking customers.





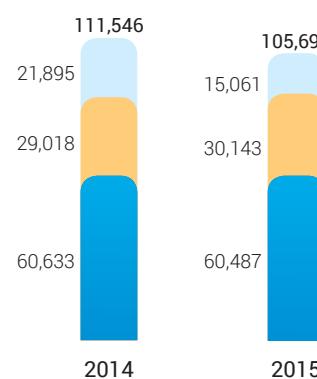
Business Review

Treasury and International Banking



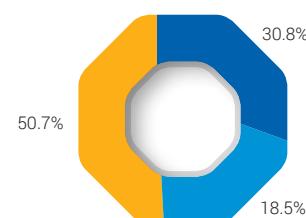
“ BCA Treasury works to manage the Bank's liquidity and to fulfill the foreign exchange and capital market needs of the Bank's customers. BCA International Banking delivers quality remittance and trade finance services to the Bank's diverse individual and business customer base **”**

Treasury Portfolio
(in billion Rupiah)



- Bank Indonesia Instruments
- Government Bonds
- Other Marketable Securities

Composition of Bank Indonesia Instruments
as of 31 December 2015



- Bank Indonesia Deposit Facilities
- Bank Indonesia Term Deposits
- Certificates of Bank Indonesia

TREASURY

During a period of high volatility in the financial markets in 2015, BCA Treasury stayed focused on managing the structure of the Bank's assets and liabilities, maintaining the Bank's liquidity position and prudently optimizing returns on liquid funds placement. BCA Treasury also continues to fulfill the needs of Bank customers for foreign exchange and capital market products and services.

Delivering Value amid Uncertainty

2015 was a challenging year for Indonesia's financial markets. The economic slowdown in the country as well as the uncertainty of global capital flows caused rapid and broad fluctuations in local financial markets. Indonesia's financial markets were dramatically impacted by foreign capital funds flows, a reflection of a dynamic recomposition of global financial portfolios.

The Rupiah exchange rate continued a downward trend throughout 2015, depreciating 10.2% from a year earlier, and following the global trend in which nearly all major currencies depreciated markedly against the US Dollar. The end-of-year increase in the US Federal Reserve's benchmark interest rate and the mid-year devaluation of the Yuan were major factors that had a negative impact on the volatility of the Rupiah. In addition, market perception of the health of Indonesia's economy is linked to Indonesia's current account deficit, which has been ongoing since 2012. On a positive note, while there was some pull-back in liquidity for US Dollar loans in domestic markets, Bank Indonesia statistics show US Dollar reserves at a healthy level equivalent to 7 months imports and 1 year of debt repayments. This provided some support for the Rupiah in financial markets. Finally, Indonesia's low inflation rate of 3.4% and moderate growth in Gross Domestic Product (GDP) at 4.8%, though lower than the past few years, were relatively positive points in a year of mixed macro-economic indicators.

In the midst of the volatile foreign exchange market, BCA Treasury remained correctly cautious in managing foreign exchange exposure by conservatively maintaining the foreign currency net open position. As of December 2015, the Bank recorded a net foreign exchange open position of 0.4%, below the maximum limit of 20% imposed by the regulators, signaling BCA's ability to sufficiently mitigate currency-related market risk.

Utilizing the Bank's solid liquidity position and the widening of the US Dollar - Rupiah swap market premium in 2015, BCA took the opportunity to place foreign currency funds with the Central Bank and simultaneously undertake hedging transactions (sell forward US Dollar) to mitigate foreign exchange risk. These opportunities were in line with the significant increase in market demand for Rupiah hedge transactions amid the substantial volatility of the Rupiah in the spot market. BCA obtained higher return from these transactions than other short-term placements, supporting an increase in overall Operating Income other than Interest. BCA recorded an Operating Income other than Interest of Rp 12.0 trillion in 2015, an increase of Rp 2.7 trillion or 28.5%. These measures also supported Bank Indonesia's efforts to strengthen the position of foreign exchange reserves as the main facilitator in the foreign exchange market.

Overall, the placement of short-term funds is managed carefully by maintaining a balance between returns and level of risk, whereby the majority of the Bank's liquidity reserves are placed in Bank Indonesia short-term instruments and Government Bonds. Most of these short-term instruments are in the form of Bank Indonesia Deposit Facilities, Bank Indonesia Term Deposits, and Certificates of Bank Indonesia. At the end of 2015, BCA Treasury managed investments worth Rp 105.7 trillion, down 5.2% from Rp 111.5 trillion in 2014. Treasury investments represent 22.3% of the Bank's total third party funds as of December 31, 2015.

Throughout 2015, BCA slowly reduced the overall cost of third party funds in line with BCA's solid liquidity position and ample liquidity in the Indonesian banking sector. The Bank gradually reduced time deposit interest rates beginning in August 2014 while also slightly reducing the interest rate on savings accounts, resulting in a 2015 year end cost of funds of 2.3% compared to 2.6% in 2014. The competitive cost of funds and the sustained earning asset yields generated a healthy margin for the Bank. BCA's Net Interest Margin stood at 6.7% in 2015, compared to 6.5% in 2014.



Business Review

Treasury and International Banking

Fulfilling Customers' Needs

BCA Treasury provides a wide range of foreign currency products and services along with bonds sales and custodian services to the Bank's diverse customer base. Services are provided to customers in all segments through cooperation with frontliners throughout the Bank's branch network.

In line with the decline of export and import activities in 2015, customers' foreign exchange transactions decreased to 632.0 thousand transactions compared to 673.2 thousand transactions in 2014. However, transaction value increased to USD 37.5 billion in 2015 from USD 36.8 billion in 2014. Amidst a highly volatile market, BCA Treasury continued to enhance marketing activities, including increased cooperation among the various work units in BCA. In addition, in order to improve the convenience and ease of foreign exchange transactions, BCA introduced a real-time exchange rate feature, e-Rate, that offers a more attractive rate for online foreign exchange transactions of specified amounts than over-the-counter rates. BCA continues to develop and improve the e-Rate product resulting in increased acceptance and use of e-Rate in 2015.

In the bonds market, BCA was once again trusted as one of the official selling agents for Government of Indonesia Retail (ORI) and Sukuk Retail (SR) bonds. During 2015, BCA Treasury sold Rp 1.3 trillion worth of SR007 and Rp 3.4 trillion of ORI012 on the primary market for a total of Rp 4.7 trillion in retail bonds sales in the primary market. Sales volume increased compared to 2014 with total sales of retail bonds in the primary market of Rp 4.3 trillion. The SR007 sales drive in 2015 were accompanied by the social event themed "*Bersama Sukuk Negara Ritel, Peduli Pendidikan Anak Bangsa*". Donations from Sukuk Retail Series SR007 selling agents were collected to fund the "*Gemari Buku*" program, a charity that provides books and teacher training for primary school students in remote areas in cooperation with *Dompet Dhuafa* foundation. In recognition of the Bank's achievement as an Indonesian government bonds selling agent, in 2015 the Bank received an award from the Ministry of Finance as one of the Best Selling Agents for SR006, SBR001 and ORI011.

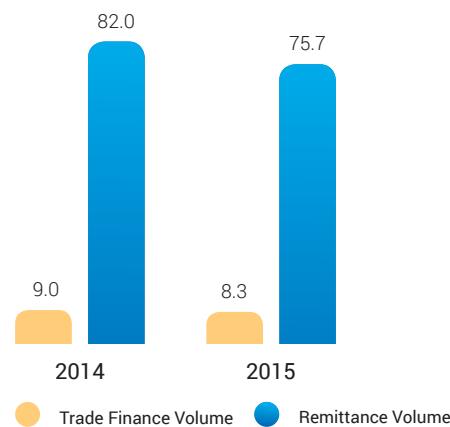
In addition to the bonds and foreign exchange products and services, the Bank also offers custodian services covering Mutual Funds Administration and Securities Custody. BCA Custodian ensures that assets administered are properly maintained and all rights of asset holders are fulfilled, such as the distribution of dividends and bond coupons. Total assets under custody of BCA Custodian as of December 31, 2015 amounted to equivalent Rp 37.0 trillion with more than 20 thousands securities accounts managed. Types of securities that can be administered by BCA Custodian include Time Deposits, Deposits on Call, Negotiable Certificate Deposit (NCD), Medium-Term Note (MTN), Corporate Bonds, Certificates of Bank Indonesia, Sharia Certificates of Bank Indonesia, Stocks and derivatives, Mutual Funds Unit and Asset Backed Securities. As part of the Bank's commitment to meet the needs of its customers, BCA Custodian provides safe-keeping of securities in foreign currencies. By 2015 BCA Custodian also enhanced systems to improve the quality of custodian services provided to customers.

INTERNATIONAL BANKING

Remittances

Weakening growth in the global economy furthered a decline in remittance transactions. In 2015, the Bank's remittance transaction volume stood at USD 75.7 billion, down 7.7% from the previous year's USD 82.0 billion. Nevertheless, the Bank continues to maintain its position as one of the largest remittance service providers in Indonesia.

International Banking Business Volume (in USD billion)



BCA constantly works to improve the quality of its services through innovation and by adding banking features that simplify customers' business transactions. BCA developed its remittance system and expanded its network coverage both domestically and through cooperation with remittance networks abroad. These efforts proved effective in driving the growth of remittance transactions made by migrant workers in 2015, with an increase of 24.4%. This significant rise, however, was offset by the drop in remittance transaction from corporations, ultimately bringing down the total number of remittance transactions by 6.0% compared to the previous year.

Since 2007, BCA has provided a means for workers to transfer funds through its web-based Financial Institution Remittance, or Fire Cash BCA, service. Fire Cash BCA is available in more than 100 countries around the world with focus on the popular destination countries for migrant workers. Through the addition of partners from countries with high numbers of Indonesian migrant workers and strengthened cooperation with domestic partners such as convenience stores, and with a view to better reaching the broader Indonesian society, the Bank expects to see continued long term growth of the remittance business.

Trade Finance

In 2015, BCA trade volume experienced a slight decrease from the previous year. This was a result of slowing economic growth in Indonesia as well as Indonesia's main trading partners, such as China, Japan and Europe. The falling prices of basic commodity exports, particularly coal, palm oil and rubber, further influenced the decrease in trade volume. BCA's total trade volume in 2015 was down 7.0% to USD 8.3 billion.

In addition the Bank also facilitated payments for Domestic Letters of Credit (SKBDN), which mainly come from the steel, coal, forestry, pharmaceutical, and chemical industries, reached to USD 2.1 billion in 2015.

In the midst of moderately unfavorable business conditions, BCA International Banking took the opportunity to improve operations through development efforts for the trade finance products and services and quality enhancement of human resources in order to accommodate the increasingly sophisticated and complex needs of the Bank's customers.



LOOKING FORWARD

Treasury and International Banking will continue to support the corporate, commercial & SME, and wealth management businesses, as well as improve product diversity and service quality. BCA will capture business opportunities from treasury and international trade transaction activities and expects stronger growth in these areas in 2016.

Going forward, BCA Treasury will continue to carry out its main functions of prudently managing the Bank's balance sheet and liquidity, while optimizing the profitability of the Bank's liquid funds management. BCA Treasury continues to observe the developments of the economy, market conditions and changes in Government policies, both to aid in capturing business opportunities and in mitigating market risk.

BCA International Banking will continue to enhance the infrastructure of remittance and trade services. The Bank aims to strengthen remittance services in the individual–retail sector through collaboration with 3rd parties, such as Regional Development Bank, Rural Bank and convenience stores. Welcoming the era of the ASEAN Economic Community, BCA International Banking seeks to establish effective working relationships with certain correspondent banks in ASEAN, building relationships beyond those already established in the general trade finance business.

Management Discussion and Analysis

Business Support

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Business Support

Risk Management



0.7%

**Non-Performing Loans
(NPL) ratio**

“ BCA focused on strengthening risk management capabilities and proactive risk management policies to mitigate credit risk, foreign exchange rate risk, liquidity risk, as well as cyber and operational risk ”



BCA stresses the importance of prudence in lending and the central role risk management plays in ensuring the sustainability of the Bank's business and financial performance. BCA realizes that there is an inherent risk in the banking business and in overall banking operations. To mitigate the varied risks faced by the Bank, BCA has implemented a "Comprehensive Risk Management Framework" which consists of strategy, organization, policies and procedures, and risk management infrastructure to ensure that all risks faced by the Bank or its subsidiaries can be identified, measured, monitored, controlled and reported correctly. In addition, to support the implementation of effective risk management, the Bank continues to develop risk management infrastructure with reference to applicable regulations and in adherence to international best practices.

FOCUS ON RISK MANAGEMENT 2015

In the midst of an unfavorable economic situation characterized by slowing economic growth and exchange rate volatility in 2015, BCA focused on strengthening risk management capabilities and responses particularly in regards to credit risk, foreign exchange rate risk, liquidity risk, and operational risk.

Credit Risk

The economic slowdown, marked by a decline in business sales turnover and purchasing power, has hampered bank lending and led to an increase in bank wide credit

risk. The increase in the Non-Performing Loan (NPL) ratio in the overall banking sector to 2.5% at the end of 2015 compared with 2.2% in 2014 is direct evidence of the increased credit risk in the banking system. In addition, the number of restructured loans has shown an upward trend among the national banks as more and more companies seek to reschedule financial payment obligations.

BCA continues to monitor economic developments that could potentially further increase the risk of future loan deterioration. BCA manages the quality of the loan portfolio through the application of prudent credit risk management as well as through the implementation of an early warning system to monitor changes in the debtor's ability to pay, allowing the Bank to take preventive restructuring or loan workout measures as early as possible.

Thanks to solid risk management, the Bank successfully closed 2015 with NPLs maintained at a low level of 0.7%. BCA continues to monitor loan quality through each step of the lending process, starting from customer selection through to loan repayment patterns. Overall, through the implementation of prudent risk management principles for every industry sector, the Bank is able to maintain a diversified and quality loan portfolio while avoiding credit concentration risk. At end of 2015, the 10 largest industrial sectors contribute 56.7% to the Bank's total business lending.

Top 10 Industry Sectors in Corporate, Commercial and SME Segment (based on the Bank's internal classification)*

	2015	2014
Building Material and Other Construction Related	7.1%	6.5%
Plantation and Agriculture	6.7%	6.9%
Automotive and Transportation	6.1%	6.2%
Distributor, Wholesaler and Retailer	6.1%	6.3%
Chemicals and Plastics	6.1%	5.8%
Transportation and Logistics	5.3%	5.8%
Tourism	5.1%	4.7%
Food and Beverages	4.9%	4.9%
Textile and Garment	4.7%	4.8%
Property and Construction	4.6%	4.6%
Total	56.7%	56.5%

* Excluding consumer loans and employee loans

In recent years, BCA has identified sectors that are likely to face pressure in line with the falling global demand for commodities. BCA does not have a credit appetite for mining commodity sectors, including coal, and has limited direct exposure to the overall sector.

In a year of extreme exchange rate volatility, the Bank maintained discipline in managing foreign currency exposure with a cap on overall USD lending and in adherence to Bank policy of issuing USD loans only to customers whose main business income is in USD.

Foreign Exchange Risk

In 2015, BCA was exposed to increased exchange rate risk as the result of the Rupiah's volatility against the USD. To mitigate exchange rate risk, the Bank has strictly monitored foreign currency transactions to make sure these transactions are in accordance with internal Bank policies as well as the Bank Indonesia Regulations concerning the Net Open Position (NOP). Management of foreign currency transactions is centralized under the Treasury Division with transactions made at the branch level monitored, recorded and reported to the central Treasury Division. Each branch is required to square the foreign exchange risk at the end of each working day with limited NOP tolerance in the branch network.

Amid the uncertainty of the foreign currency market, the Bank continued to apply the precautionary principle in managing foreign currency exposure by maintaining a conservative net open position. As of December 2015, the Bank recorded a net open position of 0.4%, far below the maximum limit of 20% imposed by the regulator, sufficiently mitigating foreign currency-related market risk.

Liquidity Risk

In 2015, the Indonesian banking industry, including BCA, exhibited a more robust liquidity situation than in 2014. BCA, however, remained cautious on the Bank's liquidity position due to economic uncertainty and the possibility of a negative impact on liquidity arising from external factors in the global financial markets.

Supported by the Bank's strong transaction banking business, BCA has a solid liquidity position sourced from the low-cost current accounts and savings accounts (CASA). CASA funds contributed 76.1% to the total third party funds of the Bank. In line with the decreasing liquidity risk, since April 2014 BCA has gradually lowered interest rates on Rupiah time deposits. At the end of 2015, the maximum interest rate on Rupiah time deposits stood at 5.75% compared to 7.75% at the end of 2014. The Bank's Loan to Funding Ratio closed the year at a healthy level of 81.1%.

In order to maintain an adequate position of third party funds as a whole, the Bank will continue to proactively review deposit interest rates and may adjust rates in line with internal Bank third party fund targets as a whole.

Operational Risk

Reliable and effective operational risk management is a key element in maintaining the position of BCA as a leading transaction bank in Indonesia. The Bank faces operational risks caused by human error and failures in the supervision of daily operational activities, including those that occur in the back office and branches, as well as fraud and other violations of established bank policy. BCA enhanced the Operational Risk Management Information System (ORMIS) in 2015 by implementing a web-based Key Risk Indicator application to provide early detection of operational risks. The ORMIS includes Risk Control Self-Assessment and Loss Event Databases which are designed to raise risk awareness and provide useful information to minimize operational risk.



To ensure that the Bank can serve banking transactions 24 hours a day without interruption, BCA runs two redundant data centers that are designed to assure business continuity in the event of a system failure at one of the two data center locations. In addition to these two mirroring data centers, the Bank maintains a Disaster

Recovery Center (DRC) in Surabaya. The Surabaya DRC continues to be developed as part of the Bank's Business Continuity Management and is intended to operate as a Crisis and Command Center in the case of disruptions or natural disasters in Jakarta that may result in the Jakarta-based data centers losing operational capacity.

INTEGRATED RISK MANAGEMENT

In accordance with Indonesia Financial Services Authority regulations regarding financial conglomerates, BCA has implemented an integrated risk management protocol designed to mitigate the risks faced by the Bank and its subsidiaries. BCA, as a financial conglomerate, monitors and manages ten types of integrated risks as described by the Financial Services Authority. These risks consist of eight types of risks that have been previously managed within the Bank's risk management process – credit, market, operational, liquidity, legal, strategic, reputation, and compliance risk – with the addition of inter-group transaction risk and insurance risk. The implementation of integrated risk management covers four main pillars and is briefly described in the chart below.

4 Pillars of Integrated Risk Management

1. Supervision of the Board of Commissioners and the Board of Directors of the Main Entity	<ul style="list-style-type: none"> • Ensure the implementation of Integrated Risk Management in accordance with the characteristics and complexity of the financial conglomerate.
2. Adequacy of policies and procedures, and determination of Integrated Risk Management limits	<ul style="list-style-type: none"> • Ensure the application of risk management at each of the subsidiaries.
3. Adequacy of identification, measurement, monitoring, and control of integrated risks, as well as the Integrated Risk Management information system	<ul style="list-style-type: none"> • Formulate policies and procedures, and limit determination of Integrated Risk Management of the Main Entity with consideration to risk appetite and risk tolerance.
4. Comprehensive internal control system concerning the implementation of Integrated Risk Management	<ul style="list-style-type: none"> • Implement an Integrated Risk Management System that generates reports or information concerning: <ul style="list-style-type: none"> - Risk Exposure - Compliance with the implementation of Integrated Risk Management and comparison to the existing policies and procedures - Compliance with regard to limit determination • Implement an Internal Control System to ensure: <ul style="list-style-type: none"> - compliance with internal policy and regulations, including prevailing legislation; - availability of financial and management information that is complete, accurate, appropriate and timely; - effectiveness of risk culture at the organization's overall financial conglomerate.

Further information concerning the implementation of integrated risk management can be found on pages 98–103.

INTERNAL CONTROL

Application of risk management and internal control systems is the responsibility of the management and all employees of the Bank. Risk awareness continues to be embedded at every level of the organization and is an integral part of the Bank's culture.

BCA applies three lines of defense for risk management. Risk management is carried at all levels of the organization and overseen by the Board of Commissioners and the Board of Directors. As the risk owner, all business units and support units serve as the First Line of Defense, managing the risks related to work units. The Risk Management and Compliance Unit serves as a Second Line of Defense that monitors the implementation of corporate risk management policies and guidelines. The Internal Audit Division is the Third Line of Defense in charge of providing independent assurance regarding the implementation of risk management at the Bank.

BCA AND SUBSIDIARIES RISK SELF-ASSESSMENT RESULTS

Based on BCA's self-assessment in 2015, the Bank's risk profile level as well as its integrated risk profile level were "low to moderate". The risk profile level is the result of an inherent risk assessment of "low to moderate" and a "satisfactory" implementation of risk management.

DISCLOSURE OF RISK MANAGEMENT

The disclosure of bank-wide risk management principles and risk exposure, including the Bank's capital position, are reported 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 Application of Risk Management

Guidelines for the implementation of the Bank's risk management policies 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 is summarized as follows:

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

1. In carrying out the risk management function, the Board of Commissioners has defined duties and responsibilities, including:
 - Approving policies that require the approval of the Board of Commissioners.
 - Evaluating the implementation of risk management policies and strategies.
 - Evaluating the accountability of the Board of Directors and providing guidance on improvements to the implementation of risk management policies including evaluating the implementation of risk management through reviewing regular reports from the Board of Directors and requesting clarification if there are any deviations on policies.
 - Approving transactions that require the approval of the Board of Commissioners.
2. In carrying out the risk management function, the Board of Directors has defined duties and responsibilities, including:
 - Evaluating and approving policies and methodologies used for the assessment of 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 and activities subject to risk as well as risk 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.
 - Enrolling all employees/officials in the Risk Management Certification program 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, the Remuneration and Nomination Committee, and Integrated Corporate Governance assist in the supervisory duties of the Board of Commissioners.
 - a. **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.
- d. **Integrated Corporate Governance Committee**, established to evaluate the implementation of Corporate Governance through, among others, assessment of the adequacy of internal controls and integrated implementation of the compliance function at the Bank and the subsidiaries.
- 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, 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. The Bank's 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 possible impact of the strategy 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 System

1. BCA's lending procedures and other operational procedures are clearly set forth in the operating manuals, job descriptions, policy decisions and management circulars.
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 a regular basis.

I.D. Comprehensive Internal Control System

1. The Bank's internal control systems policy comprises five components:
 - Management supervision and risk control culture
 - Risk identification and assessment
 - Risk control activities and segregation of duties
 - Accounting, information, and communication systems
 - Monitoring and corrective actions against deviations
2. The internal control systems are linked to each business or operational unit, and are considered the first line of defense for risk management. These units are charged with risk monitoring by their Internal Control Units at the branches, regional offices, and headquarters.

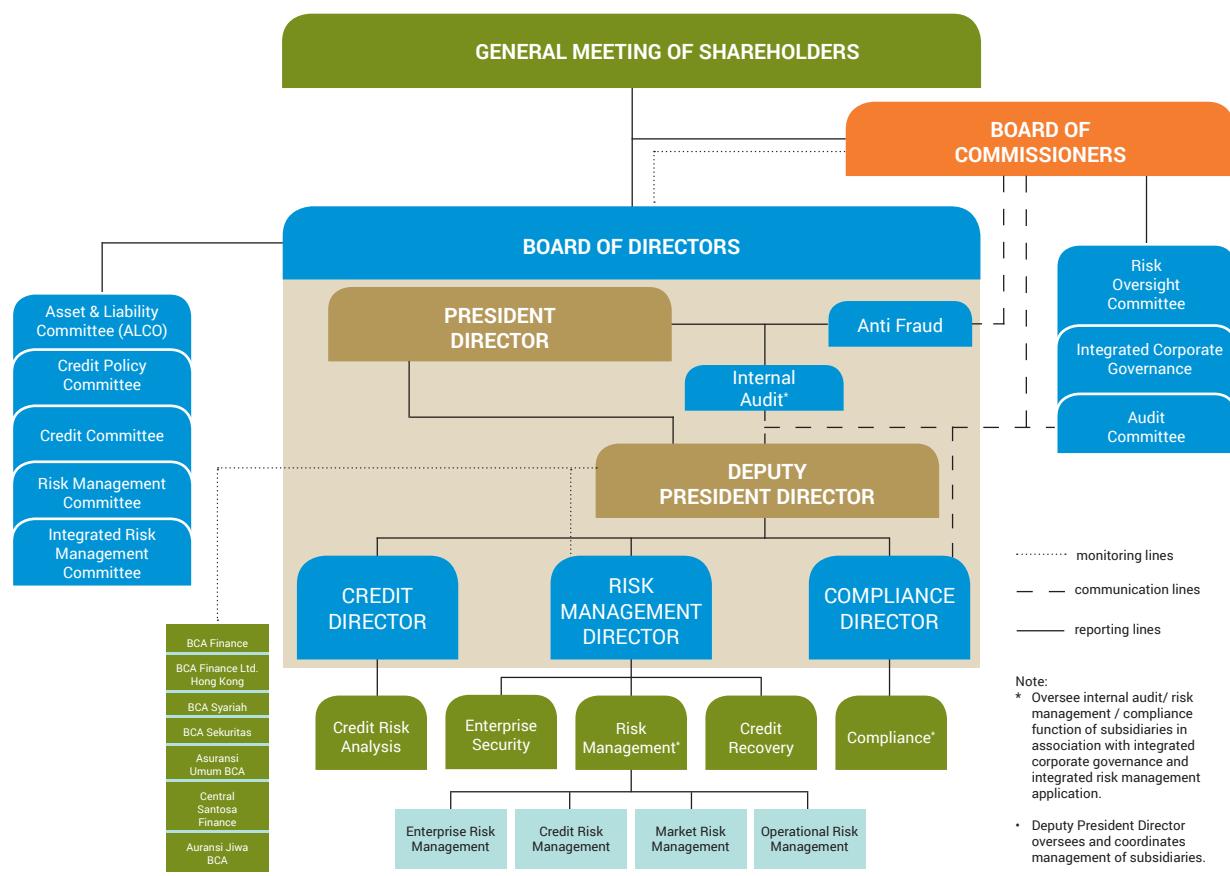
To support the implementation of risk management, the Bank has detailed risk management policies, procedures, and risk limits, and encourages a culture of compliance with regards to the applicable regulations. Internal control is conducted by the Risk Management Unit and Compliance Unit that together form the second line of risk management defense.

The adequacy and effectiveness of the internal control system is periodically reviewed by the Internal Audit Division, which is the third line of risk management defense, to ensure that internal controls have been implemented adequately.

3. 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



EFFECTIVENESS OF BANK RISK MANAGEMENT SYSTEMS

In evaluating the effectiveness of the Bank's risk management system, the Board of Commissioners and the Board of Directors are assisted by committees under the Board of Commissioners and under the Board of Directors. Committees under the Board of Commissioners are the Audit Committee, Risk Oversight Committee, Remuneration and Nomination Committee, and the Integrated Corporate Governance Committee. Committees under the Board of Directors are Asset & Liability Committee (ALCO), the Credit Policy Committee, Credit Committee, Risk Management Committee and Integrated Risk Management Committee.

These committees meet regularly to discuss and provide input and recommendations to the Board of Commissioners and the Board of Directors.

The Bank also evaluates both the policies and methodologies used in the assessments of various types of risk; in the development of different types of risk and possible impact; of the adequacy of policies, procedures and the determination of limits; of the adequacy of the processes of risk identification, measurement, monitoring and control; as well as in the effectiveness of the overall internal control system.

In order to maintain compliance with regulations and in consideration of operating conditions, the Bank conducts regular evaluation and updating of policies, procedures and risk management methodologies. Evaluation of the effectiveness of risk management is also done through regular reports submitted to the Board of Commissioners and the Board of Directors. These reports include, among others, Risk Management Policy Reports; Risk Profile Reports; and Risk Update Reports.

Implementation of Basel Accord

BCA continues to prepare for the Basel III framework on bank capital and liquidity standards by taking part in Bank Indonesia and Indonesia Financial Services Authority Quantitative Impact Studies (QIS) and the preparation for measuring the Liquidity Coverage Ratio (LCR) and Leverage Ratio standards planned for publication in 2015.

Risk Appetite

The Bank 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 business strategies and objectives.

Stress Test

BCA regularly performs stress testing for a variety of scenarios as well as for various factors and parameters that can impact risk.

Stress test scenarios consider several macroeconomic variables, such as the BI rate, inflation rates, GDP, exchange rates, fuel prices and others. The methodology used to carry out stress tests, in addition to using statistical models based on historical data, includes best judgment scenarios that take into account qualitative risk factors. Stress testing is carried out in order to see the impact of changes in macroeconomic factors on the level of NPL ratios, profitability, liquidity and capital.

The results of stress testing conducted by the Bank for credit, market and liquidity risks have been satisfactory, with the Bank's capital and liquidity being sufficient to anticipate estimated potential losses.

II. BCA capital

Capital Policy

Capital management policy aims to ensure that the Bank has strong capital to support the Bank's current business development strategy and ensure sustainable growth in the future. This policy is also established with consideration to the capital requirements set by regulators.

BCA has a capital plan drawn up by the Board of Directors as part of the Bank Business Plan and is approved by the Board of Commissioners. This plan is expected to ensure adequate capital and a healthy capital structure. The Bank's capital management plan also carefully considers the business development of the subsidiaries and their current and expected capital needs.

BCA continues to strengthen Tier I capital in preparation for the implementation of Basel III. In 2015, BCA capital requirements were met entirely from organic capital growth supported by the Bank's healthy profitability.

Adequacy of Capital and Dividend Policy

BCA has a sufficient level of consolidated capital with consolidated capital of 19.0% and above the minimum requirement according to the risk profile set by Bank Indonesia. This solid capital base will support the Bank's planned business expansion while providing the ability to anticipate risks that may be encountered.

In accordance with Bank Indonesia guidelines, BCA has conducted stress tests on a consolidated basis for credit risk, market risk and liquidity risk. The results show that the Bank's capital position is sufficient to cover potential losses arising from potential risks faced by the Bank and the subsidiaries.

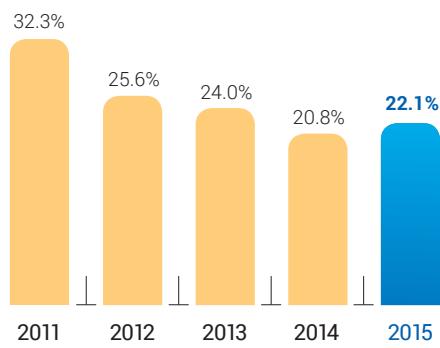
In managing capital, the Bank observes an impartial dividend policy where the determination of the dividend payout ratio is based on the Bank's profitability and the Bank's capital while also considering the interests of shareholders.

In recent years, BCA has gradually adjusted the dividend payout ratio to strengthen capital, particularly in support of lending activities and new business lines, as well as to establish capital in preparation for the implementation of Basel III.



For the latest dividend payment, based on the results of the General Meeting of Shareholders on April 9, 2015, the shareholders approved a cash dividend of Rp 3.6 trillion or Rp 148 per share (paid through an interim dividend of Rp 50 per share on December 23, 2014 and a final dividend of Rp 98 per share paid on May 13, 2015). The dividend distribution is equivalent to a dividend payout ratio of 22.1% and was paid out of net profit from 2014. The Bank distributed a portion of the 2015 net profit in the form of an interim dividend of Rp 55 per share paid on December 9, 2015.

Dividend Payout Ratio



Capital Needs Of Subsidiaries

The capital requirements of the Bank's subsidiaries are relatively insignificant compared to the Bank's capital position. The subsidiaries are projected to grow gradually, allowing the Bank to monitor risk on a periodic basis and to meet any capital requirements the subsidiaries may have.

In 2015, BCA with the other shareholders provided subordinated loans to BCA Sekuritas amounting to Rp 150 billion, with BCA's portion amounting to Rp 112.5 billion. These funds were used by BCA Sekuritas to make a capital injection with PT Asuransi Jiwa BCA ("BCA Life"). These measures were taken to support business development as well as strengthen the solvency level, Risk Based Capital - RBC requirements of BCA Life in accordance with relevant government regulations. These subordinated loans were approved by the Financial Services Authority ("OJK") on March 20, 2015.

BCA together with BCA Finance also made a capital injection to PT Asuransi Umum BCA ("BCA Insurance") in the amount of Rp 150 billion, with BCA contributing Rp 112.5 billion and BCA Finance contributing the remaining Rp 37.5 billion. The additional capital was used for business development, to strengthen capital and to maintain a healthy solvency level. This capital injection received approval from the OJK on June 26, 2015.

In addition, the Bank also made a capital injection of Rp 400 billion into BCA Syariah to strengthen the subsidiary's capital necessary to qualify for the Group of Business Activities, BUKU II classification for banks with capital above Rp 1 trillion, providing a stronger basis for developing products available only to Sharia banks falling under BUKU II category.

The capital injections and subordinated lending made by the Bank during 2015 are expected to support the business development of the subsidiaries, allowing BCA and its subsidiaries to offer comprehensive financial products and services that cater to the needs of customers while contributing to the profitability of the Bank.

BCA Capital Position

In 2015, the Bank-only capital adequacy ratio (CAR) came to 18.7%, an increase of 180 bps compared to the previous year's 16.9%, while the consolidated CAR amounted to 19.0%.

The Bank-only core capital at the end of 2015 reached Rp 83.7 trillion, 95.2% of the Bank's total capital, while the supplementary capital amounted to Rp 4.2 trillion, or 4.8%, of the total.

III. Disclosure of Risk Exposures and Implementation of Risk Management

Following is an overview 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 plans and oversees their realization; approves the Bank's Basic Credit Policy and seeks explanations from the Board of Directors should there be any deviations in loan disbursement from the established policy.
2. **The Board of Directors** is responsible for the preparation of credit plans and the formulation of credit policies; ensures the Bank's compliance with applicable statutory provisions and regulations relevant to the field of credit and credit policy; 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 certain credit applications, authority for credit recovery and provides advice from a risk management point of view on the feasibility or the suitability of credit applications with the Bank's overall risk appetite.
4. **Work Units** that perform functions related to credit risk management, the Business Unit and Credit Risk Analysis Unit, are 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 policies, conducting periodic credit policy reviews, monitoring 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 for credit analysis, providing decisions or recommendations on drafts of credit decisions associated with major debtors, specific industries or on special requests from the Board of Directors as well as coordinating with the Asset and Liability Committee (ALCO) in relation to the funding aspect of credit and corporate lending rate adjustments.
3. **Risk Management Committee** has the main function of developing policies, strategies and guidelines for risk management implementation; determining matters related to irregular business decisions; and enhancing 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 based on the Bank's risk appetite and risk tolerance. Risk management strategies are designed to ensure that the Bank's risk exposure is carefully managed in line with the credit policy, the Bank's internal procedures, laws and regulations, and other applicable provisions.

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 must be able to control 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 impact that may occur as a result 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 ability to manage the risks arising from both external and internal changes.
- Composition and diversification of the Bank's portfolio.

Credit Concentration Risk Management Policy

Portfolio management manages credit risk by determining risk concentration limits for, among others, industrial sector exposure, foreign exchange lending, and certain types of loans as well as both individual and business group exposures. Along with monitoring the development of the ratings database, technology, human resources, the Bank's complexity level, as well as 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 in line with risk appetite and risk tolerance parameters.

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 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 possible non-performing or potentially problematic loans and takes proactive steps to manage the loan portfolio in order to minimize the impact of non-performing loans on the overall 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 for either principal and/or interest. Impaired loans and receivables are those financial assets of significant individual value that have objective evidence of impairment that could negatively impact the performance 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 Formulation 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 impairment on an individual loan compares the contract value of expected cash flows from a loan to an expected impaired value of a loan based on an estimate of discounted cash flows from the loan using an Effective Interest Rate (EIR) and the amortized cost of the loan at the time an impairment event occurs. 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 as measured by 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 Measurement

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 outside third party ratings in the calculation of RWA credit risk is only 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 preferred type of collateral accepted to mitigate credit risk is 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.

When processing credit, the main guarantors/warrant providers are analyzed as a risk mitigant to the overall credit risk. Creditworthiness and security analysis is determined by applying the Four Eyes Principle, where credit decisions are determined by two independent parties, the business development unit and the credit risk analysis unit.

Credit mitigation techniques are focused on strong collateral coverage. To further mitigate bank-wide 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

Organization of Market Risk Management

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 as well as 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 and interest rate risks.
The Risk Management Unit	Supports ALCO in monitoring and measuring foreign exchange and interest rate risks.
Treasury Division	Manages the Bank's overall operations in foreign currency transactions, and interest rates on the trading book: <ul style="list-style-type: none"> - 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 as 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, Value at Risk measurements are taken on a daily basis 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 considers 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

Bank-wide implementation of Operational Risk Management includes:

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 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 the implementation 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 through coordination on operational risk events to SKMR.

Measurement and Identification of Operational Risk

Implemented in 2002, BCA applies a Risk Self-Assessment (RSA) methodology to identify and quantify operational risks across all work units in the Bank. The main function of the RSA is to cultivate a strong risk culture and increase risk awareness as an important element of 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 identified as having significant operational risks. In the RCSA methodology, branches and work units identify and measure operational risks inherent to their respective work or business units. Based on this process, and in coordination with the Risk Management Unit, the work units determine the controls that must be implemented in order to mitigate the identified risks. These risks are monitored and reported on a regular basis.

In addition to RCSA, BCA has implemented a Loss Event Database (LED) and Key Risk Indicator (KRI) system. KRI is a method used to provide an early warning signal in the event there is the possibility of increased operational risk within a specific work unit. KRI has been implemented in all regional offices and branches.



LED is designed to assist in recording and analyzing cases or events that could lead to an operational loss so that corrective action can be taken to avoid similar type events from occurring in the future. The purpose of the LED is to identify the source and minimize the possible 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 monitoring of events that could lead to further operational losses. LED has been implemented in all regional offices, branches and at the 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 tools:

- 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 Plans to ensure operational continuity in running the business and serving customers.
- Internal control system, which in practice applies the segregation of duties principle, the 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

As the largest private bank in Indonesia, BCA focuses on providing up-to-date banking products and activities that cater to customers' evolving needs.

New or enhanced products and banking activities are subject to a review process that takes into account the business strategy for the product as well as a review of the risks inherent in the product and mitigants to manage those risks. This process is designed to assure that new products or activities will not significantly change the risk profile of the Bank. Risk management principles for new products, activities and businesses are implemented based on internal regulations prepared in accordance with guidelines as of regulators. In 2015, the Bank introduced 'Sakuku' (My Pocket), a mobile-based banking and payment application that is expected to play a major role in future product development strategy.

The Bank actively supports the government program to promote the national cashless society movement (*Gerakan Nasional Non Tunai - GNNT*) and continues to work to increase the financial literacy of the Indonesian people. The products developed by BCA in support of the government programs include:

- Laku: A BCA product for OJK-sponsored branchless banking service for financial inclusion or *Laku Pandai* program;
- Duitt: A BCA product for the Bank Indonesia-sponsored Digital Financial Services program.

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 its authority and responsibility to the parties below:

Party	Authority and Responsibilities
ALCO	Determines policies and strategies regarding liquidity.
The Risk Management Unit	Supports ALCO in monitoring and calculating liquidity risks.
Treasury Division	Manages overall operational liquidity of the Bank: <ul style="list-style-type: none"> - 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 measurement is undertaken on an ongoing basis through the monitoring and reviewing of cash flow projections, maturity profile reports, liquidity ratio testing and stress test scenarios.

Liquidity risk management includes funding strategies that cover source diversification strategies and funding plans that are consistent with the characteristics and business plan of the Bank. Risk is monitored and mitigated through daily liquidity management reviews, policies for investment in high quality liquid assets, implementation of limits related to liquidity risks, as well as through maintaining robust contingency funding plans.

Proactive liquidity risk monitoring is conducted to ensure that, in the event of potential increases in liquidity risk, liquidity concerns can be readily mitigated by making adjustments to policy for liquidity risk management mechanisms to reduce pressure on liquidity.

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 strategies, alternative investments for funds owners, changes in customer behavior, changes in exchange rate and interest rate differentials with the Bank's main competitors may 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 within the framework of credit provision, repayment 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 previously 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 mitigates legal risks 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 arise from inaccuracy in management decisions and/or inappropriate implementation of strategic direction as well

as 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 as outlined in a 3-year business strategy (Bank Business Plan) blue print and a one-year business plan and budget (Annual Budget & Work Plan). The Bank Business Plan and the Annual Budget & Work Plan require the approval of the Board of Commissioners.

BCA's Corporate Planning Sub-Division is designed to support and monitor the formulation and the implementation of the Bank Business Plan and the Annual Budget & Work Plan by preparing regular reports comparing the business plan and budget with their realization, including conducting 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 both the external and internal economic 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.

The Bank's strategy is formulated with reference to Bank Indonesia and Indonesia Financial Services Authority regulations and other relevant provisions, as well as the potential impacts of strategic risk on the Bank's capital with regard to the Capital Adequacy Ratio (CAR) based on the risk appetite, risk tolerance and the capabilities of the Bank.

Measurement of the Bank's Business Plan Progress

To measure progress in achieving the business plan, the Bank conducts the following activities:

- 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 Mechanism 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 regulators.
- Monitoring of 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.

- Development of infrastructure, including the implementation of appropriate software and hardware; development and management of procedures; development of 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. Implementation of Crisis Management, which includes:
 - a. 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.
 - b. Crisis Management Team, responsible for coordinating the process of crisis management.
 - c. 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.
 - d. Crisis Management Guidelines, including emergency responses, to facilitate customer service and transactions in the event of a crisis or emergency situation.
2. Development of a business continuity plan and a disaster recovery plan, designed to speed up the recovery process in the event of a disaster.
3. Installation of 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 from the Bank's failure to comply with and/or implement the prevailing 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 on compliance risk. 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 as well as monitoring their implementation. The Compliance Unit is independent from other working units. The Compliance Director reports the results to the President Director which are then presented to the Board of Commissioners.

The Compliance Unit is also 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 takes steps to correct any weaknesses. This is in line with the Bank's compliance risk management strategy, which contains policies to always comply with the applicable regulations, foremost through proactive prevention (ex-ante) in order to minimize any occurrence of violations and through curative action (ex-post) as corrective measures.

Compliance Risk Monitoring and Control

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

- 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 implementation 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 diary as a means of monitoring commitment to comply with reporting duties to the regulators.
- Monitor suspicious financial transactions through the implementation of Anti Money Laundering protocols, which are regularly audited.

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. Application of Integrated Risk Management

In accordance with Indonesia Financial Services Authority Regulation No. 17/POJK.03/2014 dated November 18, 2014 and Indonesia Financial Services Authority Circular Letter No. 14/SEOJK.03/2015 on the Implementation of Integrated Risk Management for Financial Conglomerations, BCA has developed an Integrated Risk Management for Financial Conglomerates ("FC BCA") structure and policies for integrated risk management. Application of an Integrated Risk Management structure includes:

1. Active supervision of FC BCA by the Board of Directors and the Board of Commissioners of the Main Entity defined as BCA;

2. Adequacy of policies, procedures, and determination of limits for Integrated Risk Management;
3. Adequacy of identification, measurement, monitoring, and mitigation of integrated risk, as well as Integrated Risk Management information systems;
4. Comprehensive internal control system.

BCA has implemented Integrated Risk Management by:

1. Appointing the Director in charge of risk management at BCA as the Director in charge of Integrated Risk Management for the group with the function to implement Integrated Risk Management within the group.
2. Forming an Integrated Risk Management Committee to ensure that the risk management framework provides adequate integrated protection against all risks faced by the Bank and its subsidiaries.
3. Adjusting the organizational structure of the Risk Management Unit to ensure that the integrated risks faced by the Bank and its subsidiaries can be identified, measured, monitored, controlled and reported correctly through the implementation of an appropriate risk management framework.
4. Identifying the Main Entity and Subsidiaries included in the Financial Conglomerate for integrated risk management purposes.
5. Compiling and submitting Integrated Risk Profile Reports.
6. Finalizing the compilation of Basic Integrated Risk Management Policies for the implementation of Integrated Risk Management.

The Risk Management Unit is responsible for setting guidelines and monitoring the implementation of risk management by the Bank and its subsidiaries within FC BCA. In order to institute an overall integrated risk management culture, the Bank conducts socialization, coordination and communication activities between the various Bank business units and its subsidiaries.

The Integrated Risk Management Committee has the primary function of providing recommendations to the Board of Directors regarding the compilation of integrated risk management policies and the improvement of said policies based on the evaluation results of their implementation. In the early stages of its formulation, the Integrated Risk Management Committee has conducted meetings to establish the basis and ground rules for governing the committee, the Basic Integrated Risk Management Policy and the Integrated Risk Profile Reports.

FC BCA manages ten types of integrated risks as identified by the regulators. These risks include the eight types of risks that were previously managed within the Bank's risk management process with the addition of Inter-group Transaction Risk and Insurance risk.

Inter-group Transaction Risk

FC BCA conducts inter-group transactions in accordance with the principles of fairness and on an arms-length basis in adherence to prevailing regulations. All inter-group transactions are documented appropriately. Inter-group transactions currently do not have a material impact on the overall financial performance of the Group.

Insurance Risk

FC BCA also manages Insurance Risk through the Bank's subsidiaries active in the insurance industry. The Insurance Risk of FC BCA is considered to exhibit "low" inherent risk with "satisfactory" risk management implementation based on current regulatory guidelines.

Based on integrated risk assessment, FC BCA's capital is considered sufficient to cover potential losses that may arise or be faced by FC BCA in conducting the integrated businesses.



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 risk profile reports.
- Risk management processes are reflected in, among others, risk profile reports, monitoring reports and regular limit reviews.
- Reliability of information technology systems is reflected through the application of risk management to detect blacklisted customers and fraud and through Know Your Customer reports for the branches and headquarters, detection of fraud parameters and others.
- System integration will be realized through the work plan to redevelop RMIS.

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 & Guideline.
- 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 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 Risk Management Officer.

PT Bank 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 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 comprising:
 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 PT BCA Sekuritas from third parties.
- The Board of Commissioners ensures matters on Money Laundering and Terrorism Financing are discussed at the Board of the Directors and the Board of Commissioners meetings
- The Board of Directors makes decisions regarding internal policy.
- The Board of Directors signs all reports and submission of reports on company profile, which are submitted to the regulators.

Adequacy of Risk Management Policies and Procedures, and Determination of Risk Management Limits

- Policy 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.
- Policies derived from basic risk management policy.

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 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 Work Unit in accordance with Capital Market regulations.
- All policies are socialized to Heads of Division to be learned and implemented within their work units for each internal functions.



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 and Risk Oversight 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 the 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 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 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 acknowledges and signs all reports for the authorities.

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.

- Risk management processes are conducted and outlined in 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 supervision is conducted by the Internal Audit Work Unit.

PT Asuransi Jiwa 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:

- Risk Oversight Committee and Audit Committee at the level of the Board of Commissioners, and
- Product Development Committee, Investment Committee and Risk Management Committee 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 and its Implementation Guidelines for each type of risks, as defined in the 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



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, 2015				
		Net Receivables by Region				
		Sumatera	Java	Kalimantan	Eastern Indonesia	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Receivables on sovereigns	-	127,829,750	-	-	127,829,750
2	Receivables on public sector entities	-	17,403,885	-	-	17,403,885
3	Receivables on multilateral development banks and international institutions	-	-	-	-	-
4	Receivables on banks	31,993	24,351,808	9,348	48,922	24,442,071
5	Loans secured by residential property	1,240,934	24,179,629	566,513	1,141,664	27,128,740
6	Loans secured by commercial real estate	729,740	11,118,284	267,121	354,475	12,469,620
7	Employee/retired loans	-	-	-	-	-
8	Receivables on micro, small business & retail portfolio	2,696,806	49,856,909	637,536	1,310,441	54,501,692
9	Receivables on corporate	21,051,982	299,032,107	5,332,409	13,402,768	338,819,266
10	Past due receivables	93,630	622,200	34,888	48,533	799,251
11	Other assets	1,441,911	29,315,968	551,632	1,186,606	32,496,117
12	Exposures at Syariah based business activity unit (if any)	-	-	-	-	-
Total		27,286,996	583,710,540	7,399,447	17,493,409	635,890,392

(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

* The information is presented in accordance with Bank Indonesia Circular Letter No. 14/35/DNPN 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, 2015					
		Net Receivables by Region					
		Sumatera	Java	Kalimantan	Eastern Indonesia	Foreign Operation	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Receivables on sovereigns	-	127,830,289	-	-	333,519	128,163,808
2	Receivables on public sector entities	-	17,404,101	-	-	-	17,404,101
3	Receivables on multilateral development banks and international institutions	-	-	-	-	-	-
4	Receivables on banks	31,993	24,591,514	9,348	48,922	182,661	24,864,438
5	Loans secured by residential property	1,240,934	24,179,629	566,513	1,141,664	-	27,128,740
6	Loans secured by commercial real estate	729,740	11,118,284	267,121	354,475	-	12,469,620
7	Employee/retired loans	-	-	-	-	-	-
8	Receivables on micro, small business & retail portfolio	2,696,806	57,040,675	637,536	1,310,441	-	61,685,458
9	Receivables on corporate	21,051,982	299,265,958	5,332,409	13,402,768	163,954	339,217,071
10	Past due receivables	93,630	720,933	34,888	48,533	-	897,984
11	Other assets	1,441,911	29,685,526	551,632	1,186,606	7,935	32,873,610
12	Exposures at Syariah based business activity unit (if any)	-	5,091,382	-	-	-	5,091,382
Total		27,286,996	596,928,291	7,399,447	17,493,409	688,069	649,796,212

(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



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

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2015					
		Net Receivables by Contractual Maturity					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
1	Receivables on sovereigns	86,091,597	27,356,138	10,444,456	3,937,559	-	127,829,750
2	Receivables on public sector entities	1,515,059	1,474,194	427,214	181,546	13,805,872	17,403,885
3	Receivables on multilateral development banks and international institutions	-	-	-	-	-	-
4	Receivables on banks	15,879,473	3,230,762	812,301	251,486	4,268,049	24,442,071
5	Loans secured by residential property	610,508	4,329,751	6,395,742	15,700,250	92,489	27,128,740
6	Loans secured by commercial real estate	2,449,073	868,356	949,923	4,754,759	3,447,509	12,469,620
7	Employee/retired loans	-	-	-	-	-	-
8	Receivables on micro, small business & retail portfolio	6,598,473	23,631,196	14,716,163	8,208,804	1,347,056	54,501,692
9	Receivables on corporate	192,081,653	34,205,155	35,762,190	46,302,846	30,467,422	338,819,266
10	Past due receivables	324,175	126,980	65,880	110,979	171,237	799,251
11	Other assets	-	-	-	-	32,496,117	32,496,117
12	Exposures at Syariah based business activity unit (if any)	-	-	-	-	-	-
Total		305,550,011	95,222,532	69,573,869	79,448,229	86,095,751	635,890,392

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2014					
		Net Receivables by Contractual Maturity					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
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

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

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2015					
		Net Receivables by Contractual Maturity					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Receivables on sovereigns	86,092,136	27,356,138	10,444,456	4,271,078	-	128,163,808
2	Receivables on public sector entities	1,515,084	1,474,385	427,214	181,546	13,805,872	17,404,101
3	Receivables on multilateral development banks and international institutions	-	-	-	-	-	-
4	Receivables on banks	16,146,481	3,385,981	812,441	251,486	4,268,049	24,864,438
5	Loans secured by residential property	610,508	4,329,751	6,395,742	15,700,250	92,489	27,128,740
6	Loans secured by commercial real estate	2,449,073	868,356	949,923	4,754,759	3,447,509	12,469,620
7	Employee/retired loans	-	-	-	-	-	-
8	Receivables on micro, small business & retail portfolio	8,586,985	27,248,214	16,407,764	8,350,998	1,091,497	61,685,458
9	Receivables on corporate	192,282,260	34,307,389	35,856,135	46,303,865	30,467,422	339,217,071
10	Past due receivables	380,656	166,088	68,956	111,047	171,237	897,984
11	Other assets	3,667	564	-	-	32,869,379	32,873,610
12	Exposures at Syariah based business activity unit (if any)	3,102,563	56,470	673,617	454,150	804,582	5,091,382
Total		311,169,413	99,193,336	72,036,248	80,379,179	87,018,036	649,796,212

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2014					
		Net Receivables by Contractual Maturity					
(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



Tabel 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, 2015						
1	Agriculture, hunting and forestry	-	-	-	-	-
2	Fishery	-	-	-	-	-
3	Mining and quarrying	-	5,026,886	-	-	-
4	Manufacturing	-	-	-	-	-
5	Electricity, gas and water	-	8,024,929	-	-	-
6	Construction	-	402,251	-	-	-
7	Wholesale and retail trading	-	-	-	-	-
8	Hotel and food & beverage	-	-	-	-	-
9	Transportation, warehousing and communications	-	113,619	-	-	-
10	Financial intermediary	-	1,622,669	-	24,442,071	-
11	Real estate, rental and business services	-	-	-	-	-
12	Public administration, defense and compulsory social security	127,829,750	-	-	-	-
13	Education services	-	-	-	-	-
14	Human health and social work activities	-	-	-	-	-
15	Public, socio-culture, entertainment and other personal services	-	130,301	-	-	-
16	Activities of households as employers	-	-	-	-	-
17	International institution and other extra international agencies	-	-	-	-	-
18	Undefined activities	-	-	-	-	-
19	Non business field	-	-	-	-	27,128,740
20	Others	-	2,083,230	-	-	-
Total		127,829,750	17,403,885	-	24,442,071	27,128,740

(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)
-	-	70,322	19,501,646	25,996	-	-
-	-	18,407	689,843	3,126	-	-
-	-	19,906	889,030	2,296	-	-
-	-	452,809	98,861,575	62,792	-	-
-	-	5,009	634,511	60	-	-
191,324	-	161,022	8,938,919	20,202	-	-
-	-	2,418,929	106,295,957	311,359	-	-
-	-	93,099	15,444,635	5,587	-	-
-	-	159,632	22,364,039	86,100	80	-
-	-	14,869	9,362,496	-	175,491	-
12,278,296	-	142,864	4,298,105	31,556	-	-
-	-	6,906	3,470	3	-	-
-	-	19,048	1,074,201	2	-	-
-	-	45,215	1,689,317	486	-	-
-	-	235,599	2,528,587	5,530	-	-
-	-	-	-	-	-	-
-	-	195	-	-	-	-
-	-	-	11,051	-	-	-
-	-	41,979,132	24,141,116	179,932	-	-
-	-	8,658,729	22,090,768	64,224	32,320,546	-
12,469,620	-	54,501,692	338,819,266	799,251	32,496,117	-



Tabel 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	-



Tabel 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, 2015						
1	Agriculture, hunting and forestry	-	-	-	-	-
2	Fishery	-	-	-	-	-
3	Mining and quarrying	-	5,026,889	-	-	-
4	Manufacturing	-	-	-	-	-
5	Electricity, gas and water	-	8,024,929	-	-	-
6	Construction	-	402,251	-	-	-
7	Wholesale and retail trading	-	-	-	-	-
8	Hotel and food & beverage	-	-	-	-	-
9	Transportation, warehousing and communications	-	113,662	-	-	-
10	Financial intermediary	-	1,622,669	-	24,864,438	-
11	Real estate, rental and business services	-	170	-	-	-
12	Public administration, defense and compulsory social security	128,163,808	-	-	-	-
13	Education services	-	-	-	-	-
14	Human health and social work activities	-	-	-	-	-
15	Public, socio-culture, entertainment and other personal services	-	130,301	-	-	-
16	Activities of households as employers	-	-	-	-	-
17	International institution and other extra international agencies	-	-	-	-	-
18	Undefined activities	-	-	-	-	-
19	Non business field	-	-	-	-	27,128,740
20	Others	-	2,083,230	-	-	-
Total		128,163,808	17,404,101	-	24,864,438	27,128,740

(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)
-	-	264,247	19,541,401	28,289	-	342,691
-	-	50,819	698,209	3,355	-	67,692
-	-	146,150	946,143	3,385	-	4,370
-	-	1,205,162	99,076,820	67,669	-	647,075
-	-	5,009	634,803	60	-	1,007
191,324	-	167,523	8,939,959	23,240	-	58,599
-	-	3,094,026	106,627,548	315,318	-	506,231
-	-	159,409	15,462,098	6,111	-	11,340
-	-	299,863	22,432,627	87,256	80	341,801
-	-	626,989	8,757,158	364	401,881	747,861
12,278,296	-	380,767	4,438,871	32,905	-	368,179
-	-	324,659	9,263	1,349	-	1,172,111
-	-	337,412	1,081,613	859	-	2,978
-	-	188,077	1,706,375	1,230	-	519
-	-	358,697	2,553,255	6,312	-	8,493
-	-	1,961,497	-	73,329	-	-
-	-	195	-	-	-	-
-	-	1,667,838	78,414	2,797	-	-
-	-	41,979,409	24,141,600	179,932	-	-
-	-	8,467,710	22,090,914	64,224	32,471,649	810,435
12,469,620	-	61,685,458	339,217,071	897,984	32,873,610	5,091,382



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

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2015				
		Net Receivables by Region				
		Sumatera	Java	Kalimantan	Eastern Indonesia	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Receivables	22,117,001	528,659,667	6,477,817	14,870,683	572,125,168
2	Impaired receivables	36,236	2,027,028	140,091	40,107	2,243,462
	a. Non past due	1,199	136,873	35,868	9,824	183,764
	b. Past due	35,037	1,890,155	104,223	30,283	2,059,698
3	Allowance for impairment losses - Individual	30,997	1,832,181	117,683	35,260	2,016,121
4	Allowance for impairment losses - Collective	329,121	7,517,372	136,804	214,327	8,197,624
5	Written-off receivables	2,172	639,170	1,858	5,945	649,145

(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	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

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

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2015					
		Net Receivables by Region					
		Sumatera	Java	Kalimantan	Eastern Indonesia	Foreign Operation	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Receivables	22,117,001	536,009,043	6,477,817	14,870,683	750,495	580,225,039
2	Impaired Receivables	36,236	2,035,028	140,091	40,107	90,290	2,341,752
	a. Non Past Due	1,199	136,873	35,868	9,824	41,359	225,123
	b. Past Due	35,037	1,898,155	104,223	30,283	48,931	2,116,629
3	Allowance for Impairment Losses - Individual	30,997	1,840,181	117,683	35,260	90,290	2,114,411
4	Allowance for Impairment Losses - Collective	329,121	7,809,607	136,804	214,327	-	8,489,859
5	Written-off receivables	2,172	840,148	1,858	5,945	-	850,123

(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	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



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, 2015							
1	Agriculture, hunting and forestry	18,006,469	9,995	132,046	121,026	234,376	182
2	Fishery	605,428	-	-	-	12,974	-
3	Mining and quarrying	5,892,284	-	-	-	36,537	583
4	Manufacturing	85,233,335	50,145	163,067	174,303	1,250,839	5,458
5	Electricity, gas and water	8,396,619	19,821	600	19,246	6,897	-
6	Construction	8,651,567	-	-	-	236,765	392
7	Wholesale and retail trading	90,079,876	24,840	296,211	249,341	2,206,084	17,693
8	Hotel and food & beverage	13,732,323	9,324	40,263	45,952	266,601	1,192
9	Transportation, warehousing and communications	21,681,671	65,033	658,278	656,966	1,195,777	425
10	Financial intermediary	35,562,655	-	15,370	15,369	58,438	26
11	Real estate, rental and business services	14,291,603	-	8,752	8,504	501,409	1,673
12	Public administration, defense and compulsory social security	128,810,364	-	-	-	78	-
13	Education services	914,424	-	-	-	15,622	57
14	Human health and social work activities	1,468,765	-	-	-	61,528	108
15	Public, socio-culture, entertainment and other personal services	2,533,321	4,606	-	2,657	50,605	377
16	Activities of households as employee	-	-	-	-	-	-
17	International and other extra international institutions	194	-	-	-	1	-
18	Undefined activities	11,083	-	-	-	364	7,744
19	Non business field	93,295,022	-	-	-	1,198,184	357,411
20	Others	42,958,165	-	745,111	722,757	864,545	255,824
Total		572,125,168	183,764	2,059,698	2,016,121	8,197,624	649,145

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.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, 2015							
1	Agriculture, hunting and forestry	18,246,503	9,995	132,047	121,026	240,047	21,861
2	Fishery	646,887	-	-	-	13,644	246
3	Mining and quarrying	6,079,355	-	-	-	39,617	3,316
4	Manufacturing	86,216,580	50,145	163,067	174,303	1,267,270	20,365
5	Electricity, gas and water	8,396,911	19,821	600	19,247	6,906	1,162
6	Construction	8,662,465	-	-	-	236,902	6,072
7	Wholesale and retail trading	91,100,287	24,840	296,211	249,341	2,221,587	82,829
8	Hotel and food & beverage	13,817,518	9,324	40,263	45,952	267,963	1,584
9	Transportation, warehousing and communications	21,951,898	65,033	666,278	664,966	1,199,811	17,491
10	Financial intermediary	34,260,110	-	15,370	15,369	59,703	3,370
11	Real estate, rental and business services	14,674,336	-	8,752	8,504	510,233	28,271
12	Public administration, defense and compulsory social security	130,423,865	-	-	-	5,294	1,945
13	Education services	1,243,793	-	-	-	20,280	5,459
14	Human health and social work activities	1,630,915	-	-	-	63,894	1,071
15	Public, socio-culture, entertainment and other personal services	2,683,533	4,606	-	2,657	53,451	3,026
16	Activities of households as employee	2,082,781	-	-	-	203,527	26,986
17	International and other extra international institutions	194	-	-	-	1	203
18	Undefined activities	1,756,096	-	-	-	16,870	8,822
19	Non business field	93,295,783	-	-	-	1,198,268	357,449
20	Others	43,055,229	41,359	794,041	813,046	864,591	258,595
Total		580,225,039	225,123	2,116,629	2,114,411	8,489,859	850,123

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

(in million Rupiah)

No.	Description	Period of December 31, 2015	
		Allowance for Impairment Losses - Individual	Allowance for Impairment Losses - Collective
(1)	(2)	(3)	(4)
1	Beginning balance - allowance for impairment losses	1,419,534	6,375,434
2	Additional/reversal allowance for impairment losses during the year (Net)		
2.a	Additional allowance for impairment losses during the year	1,078,159	5,489,256
2.b	Reversal allowance for impairment losses during the year	(420,244)	(2,970,441)
3	Allowance for impairment losses used for written off receivables during the year	(109,729)	(789,468)
4	Other additional (reversal) of allowance during the year	48,401	93,497
Ending Balance - Allowance for Impairment Losses		2,016,121	8,198,278

(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

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

(in million Rupiah)

No.	Description	Period of December 31, 2015	
		Allowance for Impairment Losses - Individual	Allowance for Impairment Losses - Collective
(1)	(2)	(3)	(4)
1	Beginning balance - allowance for impairment losses	1,499,062	6,599,797
2	Additional/reversal allowance for impairment losses during the year (Net)		
2.a	Additional allowance for impairment losses during the year	1,088,065	5,869,451
2.b	Reversal allowance for impairment losses during the year	(420,244)	(3,032,125)
3	Allowance for impairment losses used for written off receivables during the year	(109,729)	(1,000,363)
4	Other additional (reversal) of allowance during the year	57,257	93,497
Ending Balance - Allowance for Impairment Losses		2,114,411	8,530,257

(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



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

No.	Portfolio Category	Long-Term Rating				
		Rating Company	AAA	AA+ to AA-	A+ to A-	BBB+ to BBB-
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Receivables on sovereigns		-	621,576	-	25,908,866
2	Receivables on public sector entities		8,755,222	3,029,901	250,980	-
3	Receivables on multilateral development banks and international institutions		-	-	-	-
4	Receivables on banks		5,649,678	5,788,565	4,180,807	380,882
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		6,976,717	3,399,602	3,296,087	72,686
10	Past due receivables					
11	Other assets					
12	Exposures at Syariah based business activity unit (if any)		-	-	-	-
Total			21,381,617	12,839,644	7,727,874	26,362,434

(in million Rupiah)

Period of December 31, 2015

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)
4,099,588	-	-	-	-	-	-	97,199,720	127,829,750
3,739,104	-	-	-	-	-	-	1,628,678	17,403,885
-	-	-	-	-	-	-	-	-
358,943	-	-	-	-	-	-	8,083,196	24,442,071
							27,128,740	27,128,740
							12,469,620	12,469,620
							-	-
							54,501,692	54,501,692
28,977	120,347	148,142	-	-	-	-	324,776,708	338,819,266
							799,251	799,251
							32,496,117	32,496,117
							-	-
8,226,612	120,347	148,142	-	-	-	-	559,083,722	635,890,392



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

No.	Portfolio Category	Long-Term Rating				
		Rating Company	AAA	AA+ to AA-	A+ to A-	BBB+ to BBB-
(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



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

No.	Portfolio Category	Long-Term Rating				
		Rating Company	AAA	AA+ to AA-	A+ to A-	BBB+ to BBB-
		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-
(1)	(2)	(3)	(4)	(5)	(6)	(7)
			-	621,576	-	25,908,866
1	Receivables on sovereigns					
2	Receivables on public sector entities		8,755,222	3,029,901	250,980	-
3	Receivables on multilateral development banks and international institutions		-	-	-	-
4	Receivables on banks		5,690,446	5,790,898	4,263,410	400,946
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		6,677,604	3,399,602	3,296,087	72,686
10	Past due receivables					
11	Other assets					
12	Exposures at Syariah based business activity unit (if any)		100,000	50,002	160,000	-
Total			21,223,272	12,891,979	7,970,477	26,382,498

(in million Rupiah)

Period of December 31, 2015

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)
4,099,588	-	-	-	-	-	-	97,533,778	128,163,808
3,739,104	-	-	-	-	-	-	1,628,894	17,404,101
-	-	-	-	-	-	-	-	-
452,722	-	-	-	-	-	-	8,266,016	24,864,438
							27,128,740	27,128,740
							12,469,620	12,469,620
							-	-
							61,685,458	61,685,458
28,977	120,347	148,142	-	-	-	-	325,473,626	339,217,071
							897,984	897,984
							32,873,610	32,873,610
-	21,788	-	-	-	-	-	4,759,592	5,091,382
8,320,391	142,135	148,142	-	-	-	-	572,717,318	649,796,212



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

No.	Portfolio Category	Long-Term Rating				
		Rating Company	AAA	AA+ to AA-	A+ to A-	BBB+ to BBB-
		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-
(1)	(2)	PT Pemeringkat Efek Indonesia	idAAA	idAA+ to idAA-	idA+ to idA-	id BBB+ to idBBB-
		(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



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

(in million Rupiah)

No.	Underlying Variables	Period of December 31, 2015						
		Notional Amount			Derivative Receivables	Derivative Liabilities	Net Receivables before CRM	CRM
		≤ 1 Year	> 1 Year - ≤ 5 Years	> 5 Years				
BANK ONLY								
1	Interest rate	-	-	-	-	-	-	-
2	Foreign exchange	29,305,003	-	-	252,051	74,234	545,100	-
3	Other	-	-	-	-	-	-	-
	Total	29,305,003	-	-	252,051	74,234	545,100	-
	Total	29,305,003	-	-	252,051	74,234	545,100	-
BANK CONSOLIDATED								
1	Interest rate	-	-	-	-	-	-	-
2	Foreign exchange	29,305,003	-	-	252,051	74,234	545,100	-
3	Equity	-	-	-	-	-	-	-
4	Gold	-	-	-	-	-	-	-
5	Metals other than gold	-	-	-	-	-	-	-
6	Other	-	-	-	-	-	-	-
	Total	29,305,003	-	-	252,051	74,234	545,100	-
	Total	29,305,003	-	-	252,051	74,234	545,100	-

(in million Rupiah)

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

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, 2015			
		Net Receivables	CRM Value	Net Receivables after CRM	Risk Weighted Asset after CRM
(1)	(2)	(3)	(4)	(5)	(6)
1	Receivables on sovereigns	-	-	-	-
2	Receivables on public sector entities	-	-	-	-
3	Receivables on multilateral development banks and international institutions	-	-	-	-
4	Receivables on banks	515,099	515,099	-	-
5	Receivables on micro, small business & retail portfolio	-	-	-	-
6	Receivables on corporate	-	-	-	-
7	Exposures at Syariah based business activity unit (if any)	-	-	-	-
Total		515,099	515,099	-	-

(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, 2015			
		Net Receivables	CRM Value	Net Receivables after CRM	Risk Weighted Asset after CRM
(1)	(2)	(3)	(4)	(5)	(6)
1	Receivables on sovereigns	-	-	-	-
2	Receivables on public sector entities	-	-	-	-
3	Receivables on multilateral development banks and international institutions	-	-	-	-
4	Receivables on banks	515,099	515,099	-	-
5	Receivables on micro, small business & retail portfolio	-	-	-	-
6	Receivables on corporate	-	-	-	-
7	Exposures at Syariah based business activity unit (if any)	-	-	-	-
Total		515,099	515,099	-	-

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 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	127,829,750	-	-
2	Receivables on public sector entities	-	11,423,340	-
3	Receivables on multilateral development banks and international institutions	-	-	-
4	Receivables on banks	1,977	20,051,975	-
5	Loans secured by residential property	-	-	15,764,295
6	Loans secured by commercial real estate	718,425	-	-
7	Employee/retired loans	-	-	-
8	Receivables on micro, small business & retail portfolio	370,232	-	-
9	Receivables on corporate	9,790,248	9,748,871	-
10	Past due receivable	16,192	-	-
11	Other assets	17,833,867	-	-
12	Exposures at Syariah based business activity unit (if any)	-	-	-
		Total Exposures - Balance Sheet	156,560,691	41,224,186
				15,764,295
B Off Balance Sheet Commitment/Contingency Receivables Exposures				
1	Receivables on sovereigns	-	-	-
2	Receivables on public sector entities	-	361,783	-
3	Receivables on multilateral development banks and international institutions	-	-	-
4	Receivables on banks	17,801	158,895	-
5	Loans secured by residential property	-	-	242,588
6	Loans secured by commercial real estate	54,666	-	-
7	Employee/retired loans	-	-	-
8	Receivables on micro, small business & retail portfolio	186,884	-	-
9	Receivables on corporate	2,123,994	664,325	-
10	Past due receivable	554	-	-
11	Exposures at Syariah based business activity unit (if any)	-	-	-
		Total Exposures - Off Balance Sheet	2,383,899	1,185,003
				242,588
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	-	158,429	-
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	-	158,429
				-

(in million Rupiah)

Period of December 31, 2015**Net Receivables after Calculation of Credit Risk Mitigation Impact**

	40%	45%	50%	75%	100%	150%	Others	RWA	Capital Charge
	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
-	-	-	-	-	-	-	-	-	-
-	-	1,879,383	-	-	3,739,104	-	-	6,963,464	557,077
-	-	-	-	-	-	-	-	-	-
-	-	2,967,674	-	-	-	-	-	5,494,231	439,539
11,119,124	-	-	-	-	-	-	-	9,965,153	797,212
-	-	-	-	-	9,791,827	-	-	9,791,827	783,346
-	-	-	-	-	-	-	-	-	-
-	-	-	53,389,807	-	-	-	-	40,042,355	3,203,388
-	-	3,980,920	-	-	264,504,230	218,052	-	268,771,542	21,501,723
-	-	-	-	-	66,548	715,957	-	1,140,484	91,239
-	-	-	-	-	14,258,325	403,925	-	14,864,213	1,189,137
-	-	-	-	-	-	-	-	-	-
11,119,124	-	8,827,977	53,389,807	292,360,034	1,337,934	-	357,033,269	28,562,661	
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	72,357	5,789
-	-	-	-	-	-	-	-	-	-
-	-	237,272	-	-	-	-	-	150,415	12,033
2,733	-	-	-	-	-	-	-	85,999	6,880
-	-	-	-	1,904,702	-	-	-	1,904,702	152,376
-	-	-	-	-	-	-	-	-	-
-	-	-	554,769	-	-	-	-	416,077	33,286
-	-	521,997	-	47,162,746	50,436	-	-	47,632,264	3,810,581
-	-	-	-	-	-	-	-	-	-
2,733	-	759,269	554,769	49,067,448	50,436	-	50,261,814	4,020,945	
-	-	-	-	-	-	-	-	-	-
-	-	275	-	-	-	-	-	138	11
-	-	-	-	-	-	-	-	-	-
-	-	319,644	-	13,305	-	-	-	204,813	16,385
-	-	-	-	-	-	-	-	-	-
-	-	-	-	53,447	-	-	-	53,447	4,276
-	-	-	-	-	-	-	-	-	-
-	-	319,919	-	66,752	-	-	258,398	20,672	



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
	40%	45%	50%	75%	100%	150%	Others	
	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
-	-	-	-	-	-	-		-
-	-	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.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	128,163,808	-	-
2	Receivables on public sector entities	-	11,423,340	-
3	Receivables on multilateral development banks and international institutions	-	-	-
4	Receivables on banks	1,977	20,369,120	-
5	Loans secured by residential property	-	-	15,764,295
6	Loans secured by commercial real estate	718,425	-	-
7	Employee/retired loans	-	-	-
8	Receivables on micro, small business & retail portfolio	370,232	-	-
9	Receivables on corporate	9,790,248	9,450,218	-
10	Past due receivables	16,192	-	-
11	Other assets	17,843,575	-	-
12	Exposures at Syariah based business activity unit (if any)	1,272,716	360,003	38,606
		Total Exposures - Balance Sheets	158,177,173	41,602,681
				15,802,901
B Off Balance Sheet Commitment/Contingency Receivables Exposures				
1	Receivables on sovereigns	-	-	-
2	Receivables on public sector entities	-	361,783	-
3	Receivables on multilateral development banks and international institutions	-	-	-
4	Receivables on banks	17,801	158,895	-
5	Loans secured by residential property	-	-	242,588
6	Loans secured by commercial real estate	54,666	-	-
7	Employee/retired loans	-	-	-
8	Receivables on micro, small business & retail portfolio	186,884	-	-
9	Receivables on corporate	2,123,994	663,865	-
10	Past due receivables	554	-	-
11	Exposures at Syariah based business activity unit (if any)	-	-	-
		Total Exposures - Off Balance Sheets	2,383,899	1,184,543
				242,588
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	-	169,493	-
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	-	169,493
				-

(in million Rupiah)

Period of December 31, 2015							RWA	Capital Charge	
	40%	45%	50%	75%	100%	150%	Others	(13)	(14)
	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
-	-	-	-	-	-	-		-	-
-	-	1,879,599		-	3,739,104			6,963,572	557,086
-	-	-	-	-	-	-		-	-
-	-	2,968,134		-	93,698			5,651,589	452,127
11,119,124	-	-	-	-	-	-		9,965,153	797,212
-	-	-	-	-	9,791,827			9,791,827	783,346
-	-	-	-	-	-	-		-	-
-	-	-	60,573,573		-	-		45,430,179	3,634,414
-	-	3,980,920		-	265,224,119	218,052		269,431,701	21,554,536
-	-	-	-	-	66,548	814,690		1,288,583	103,087
-	-	-	-	-	14,626,110	403,925		15,231,998	1,218,560
-	-	225,310		-	1,915,583	-	554,490	2,585,067	206,805
11,119,124	-	9,053,963	60,573,573	295,456,989	1,436,667	554,490	366,339,669	29,307,173	
-	-	-	-	-	-			-	-
-	-	-	-	-	-	-		72,357	5,789
-	-	-	-	-	-	-		-	-
-	-	237,272		-	-	-		150,415	12,033
2,733	-	-	-	-	1,904,702	-		85,999	6,880
-	-	-	-	-	-	-		1,904,702	152,376
-	-	-	554,769		-	-		-	-
-	-	521,997		-	47,139,775	50,436		416,077	33,286
-	-	-	-	-	-	-		47,609,201	3,808,736
-	-	724,674		-	-	-		-	-
2,733	-	1,483,943	554,769	49,044,477	50,436	-	50,601,088	4,048,087	
-	-	-	-	-	-			-	-
-	-	275		-	-	-		138	11
-	-	-	-	-	-	-		-	-
-	-	319,645		-	13,304	-		207,026	16,562
-	-	-	-	-	-	-		-	-
-	-	-	-	-	53,447	-		53,447	4,276
-	-	-	-	-	-	-		-	-
-	-	319,920		-	66,751	-	-	260,611	20,849



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	
	40%	45%	50%	75%	100%	150%	Others	(13)	(14)
	(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 4.2.a. Disclosure of Net Receivables and Credit Risk Mitigation Techniques - Bank Only

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2015					Unsecured Portion (8) = (3)- [(4)+(5)+(6)+(7)]
		Net Receivables (3)	Collateral (4)	Guarantee (5)	Credit Insurance (6)	Others (7)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) = (3)- [(4)+(5)+(6)+(7)]
A Balance Sheet Exposures							
1	Receivables on sovereigns	127,829,750	-	-	-		127,829,750
2	Receivables on public sector entities	17,041,827	-	-	-		17,041,827
3	Receivables on multilateral development banks and international institutions	-	-	-	-		-
4	Receivables on banks	23,021,626	1,977	-	-		23,019,649
5	Loans secured by residential property	26,883,419	-	-	-		26,883,419
6	Loans secured by commercial real estate	10,510,252	718,425	-	-		9,791,827
7	Employee/retired loans	-	-	-	-		-
8	Receivables on micro, small business & retail portfolio	53,760,039	370,232	-	-		53,389,807
9	Receivables on corporate	288,242,321	10,893,048	-	-		277,349,273
10	Past due receivables	798,697	16,192	-	-		782,505
11	Other assets	32,496,117	-	-	-		32,496,117
12	Exposures at Syariah based business activity unit (if any)	-	-	-	-		-
Total Exposures - Balance Sheet		580,584,048	11,999,874	-	-	-	568,584,174
B Off Balance Sheet Commitment/Contingency Receivables Exposures							
1	Receivables on sovereigns	-	-	-	-		-
2	Receivables on public sector entities	361,783	-	-	-		361,783
3	Receivables on multilateral development banks and international institutions	-	-	-	-		-
4	Receivables on banks	413,968	17,801	-	-		396,167
5	Loans secured by residential property	245,321	-	-	-		245,321
6	Loans secured by commercial real estate	1,959,368	54,666	-	-		1,904,702
7	Employee/retired loans	-	-	-	-		-
8	Receivables on micro, small business & retail portfolio	741,653	186,884	-	-		554,769
9	Receivables on corporate	50,523,498	2,264,909	-	-		48,258,589
10	Past due receivables	554	554	-	-		-
11	Exposures at Syariah based business activity unit (if any)	-	-	-	-		-
Total Exposures - Off Balance Sheets		54,246,145	2,524,814	-	-	-	51,721,331
C Counterparty Credit Risk Exposures							
1	Receivables on sovereigns	-	-	-	-		-
2	Receivables on public sector entities	275	-	-	-		275
3	Receivables on multilateral development banks and international institutions	-	-	-	-		-
4	Receivables on banks	1,006,477	515,099	-	-		491,378
5	Receivables on micro, small business & retail portfolio	-	-	-	-		-
6	Receivables on corporate	53,447	-	-	-		53,447
7	Exposures at Syariah based business activity unit (if any)	-	-	-	-		-
Total Exposures - Counterparty Credit Risk		1,060,199	515,099	-	-	-	545,100
Total (A+B+C)		635,890,392	15,039,787	-	-	-	620,850,605

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	Collateral	Guarantee	Credit Insurance	Others	Unsecured Portion
(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.b. Disclosure of Net Receivables and Credit Risk Mitigation Techniques - Bank Consolidated

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2015					Unsecured Portion
		Net Receivables	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	128,163,808	-	-	-	-	128,163,808
2	Receivables on public sector entities	17,042,043	-	-	-	-	17,042,043
3	Receivables on multilateral development banks and international institutions	-	-	-	-	-	-
4	Receivables on banks	23,432,929	1,977	-	-	-	23,430,952
5	Loans secured by residential property	26,883,419	-	-	-	-	26,883,419
6	Loans secured by commercial real estate	10,510,252	718,425	-	-	-	9,791,827
7	Employee/retired loans	-	-	-	-	-	-
8	Receivables on micro, small business & retail portfolio	60,943,805	370,232	-	-	-	60,573,573
9	Receivables on corporate	288,663,557	10,893,048	-	-	-	277,770,509
10	Past due receivables	897,430	16,192	-	-	-	881,238
11	Other assets	32,873,610	-	-	-	-	32,873,610
12	Exposures at Syariah based business activity unit (if any)	4,366,708	528,560	-	-	-	3,838,148
Total Exposures - Balance Sheet		593,777,561	12,528,434	-	-	-	581,249,127
B Off Balance Sheet Commitment/Contingency Receivables Exposures							
1	Receivables on sovereigns	-	-	-	-	-	-
2	Receivables on public sector entities	361,783	-	-	-	-	361,783
3	Receivables on multilateral development banks and international institutions	-	-	-	-	-	-
4	Receivables on banks	413,968	17,801	-	-	-	396,167
5	Loans secured by residential property	245,321	-	-	-	-	245,321
6	Loans secured by commercial real estate	1,959,368	54,666	-	-	-	1,904,702
7	Employee/retired loans	-	-	-	-	-	-
8	Receivables on micro, small business & retail portfolio	741,653	186,884	-	-	-	554,769
9	Receivables on corporate	50,500,067	2,264,909	-	-	-	48,235,158
10	Past due receivables	554	554	-	-	-	-
11	Exposures at Syariah based business activity unit (if any)	724,674	10,893	-	-	-	713,781
Total Exposures - Off Balance Sheets		54,947,388	2,535,707	-	-	-	52,411,681
C Counterparty Credit Risk Exposures							
1	Receivables on sovereigns	-	-	-	-	-	-
2	Receivables on public sector entities	275	-	-	-	-	275
3	Receivables on multilateral development banks and international institutions	-	-	-	-	-	-
4	Receivables on banks	1,017,541	515,099	-	-	-	502,442
5	Receivables on micro, small business & retail portfolio	-	-	-	-	-	-
6	Receivables on corporate	53,447	-	-	-	-	53,447
7	Exposures at Syariah based business activity unit (if any)	-	-	-	-	-	-
Total Exposures - Counterparty Credit Risk		1,071,263	515,099	-	-	-	556,164
Total (A+B+C)		649,796,212	15,579,240	-	-	-	634,216,972

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					Unsecured Portion
		Net Receivables	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 6.1.1. Disclosure of On Balance Sheet Assets Exposures - Bank Only

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2015		
		Net Receivables	RWA before CRM	RWA after CRM
(1)	(2)	(3)	(4)	(5)
1	Receivables on sovereigns	127,829,750	-	-
2	Receivables on public sector entities	17,041,827	6,963,464	6,963,464
3	Receivables on multilateral development banks and international institutions	-	-	-
4	Receivables on banks	23,021,626	5,495,220	5,494,231
5	Loans secured by residential property	26,883,419	9,965,153	9,965,153
6	Loans secured by commercial real estate	10,510,252	10,510,252	9,791,827
7	Employee/retired loans	-	-	-
8	Receivables on micro, small business & retail portfolio	53,760,039	40,320,029	40,042,355
9	Receivables on corporate	288,242,321	279,113,190	268,771,542
10	Past due receivable	798,697	1,164,772	1,140,484
11	Other assets	32,496,117	-	14,864,213
Total		580,584,048	353,532,080	357,033,269

(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

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

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2015		
		Net Receivables	RWA before CRM	RWA after CRM
(1)	(2)	(3)	(4)	(5)
1	Receivables on sovereigns	-	-	-
2	Receivables on public sector entities	361,783	72,357	72,357
3	Receivables on multilateral development banks and international institutions	-	-	-
4	Receivables on banks	413,968	159,316	150,415
5	Loans secured by residential property	245,321	85,999	85,999
6	Loans secured by commercial real estate	1,959,368	1,959,368	1,904,702
7	Employee/retired loans	-	-	-
8	Receivables on micro, small business & retail portfolio	741,653	556,240	416,077
9	Receivables on corporate	50,523,498	49,837,773	47,632,264
10	Past due receivable	-	831	-
Total		54,246,145	52,671,884	50,261,814

(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



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

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2015		
		Net Receivables	RWA before CRM	RWA after CRM
(1)	(2)	(3)	(4)	(5)
1	Receivables on sovereigns	-	-	-
2	Receivables on public sector entities	275	138	138
3	Receivables on multilateral development banks and international institutions	-	-	-
4	Receivables on banks	1,006,477	307,832	204,813
5	Receivables on micro, small business & retail portfolio	-	-	-
6	Receivables on corporate	53,447	53,447	53,447
Total		1,060,199	361,417	258,398

(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

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

(in million Rupiah)

TOTAL RISK WEIGHTED ASSETS CREDIT RISK		Period of December 31, 2015
TOTAL RISK WEIGHTED ASSETS CREDIT RISK		407,553,481
TOTAL CAPITAL CHARGE FACTOR		-

(in million Rupiah)

TOTAL RISK WEIGHTED ASSETS CREDIT RISK		Period of December 31, 2014
TOTAL RISK WEIGHTED ASSETS CREDIT RISK		349,020,747
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, 2015		
		Net Receivables	RWA before CRM	RWA after CRM
(1)	(2)	(3)	(4)	(5)
1	Receivables on sovereigns	128,163,808	-	-
2	Receivables on public sector entities	17,042,043	6,963,572	6,963,572
3	Receivables on multilateral development banks and international institutions	-	-	-
4	Receivables on banks	23,432,929	5,652,578	5,651,589
5	Loans secured by residential property	26,883,419	9,965,153	9,965,153
6	Loans secured by commercial real estate	10,510,252	10,510,252	9,791,827
7	Employee/retired loans	-	-	-
8	Receivables on micro, small business & retail portfolio	60,943,805	45,707,853	45,430,179
9	Receivables on corporate	288,663,557	279,773,349	269,431,701
10	Past due receivables	897,430	1,312,871	1,288,583
11	Other assets	32,873,610	-	15,231,998
Total		589,410,853	359,885,628	363,754,602

(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



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, 2015		
		Net Receivables	RWA before CRM	RWA after CRM
(1)	(2)	(3)	(4)	(5)
1	Receivables on sovereigns	-	-	-
2	Receivables on public sector entities	361,783	72,357	72,357
3	Receivables on multilateral development banks and international institutions	-	-	-
4	Receivables on banks	413,968	159,316	150,415
5	Loans secured by residential property	245,321	85,999	85,999
6	Loans secured by commercial real estate	1,959,368	1,959,368	1,904,702
7	Employee/retired loans	-	-	-
8	Receivables on micro, small business & retail portfolio	741,653	556,240	416,077
9	Receivables on corporate	50,500,067	49,814,710	47,609,201
10	Past due receivables	554	831	-
Total		54,222,714	52,648,821	50,238,751

(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

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

(in million Rupiah)

No.	Portfolio Category	Period of December 31, 2015		
		Net Receivables	RWA before CRM	RWA after CRM
(1)	(2)	(3)	(4)	(5)
1	Receivables on sovereigns	-	-	-
2	Receivables on public sector entities	275	138	138
3	Receivables on multilateral development banks and international institutions	-	-	-
4	Receivables on banks	1,017,541	310,045	207,026
5	Receivables on micro, small business & retail portfolio	-	-	-
6	Receivables on corporate	53,447	53,447	53,447
Total		1,071,263	363,630	260,611

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

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, 2015	
		Capital Deduction Factor	RWA
(1)	(2)	(3)	(4)
1	Total Exposure	-	2,947,404

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



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

(in million Rupiah)

		Period of December 31, 2015
TOTAL RISK WEIGHTED ASSETS CREDIT RISK		417,201,368
TOTAL CAPITAL CHARGE FACTOR		-

(in million Rupiah)

		Period of December 31, 2014
TOTAL RISK WEIGHTED ASSETS CREDIT RISK		357,227,347
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, 2015			
		Bank		Consolidated	
		Capital Charge	RWA	Capital Charge	RWA
(1)	(2)	(3)	(4)	(5)	(6)
1	Interest rate risk				
	a. Specific risk	-	-	65	813
	b. General risk	44,327	554,089	44,398	554,975
2	Foreign exchange risk	28,424	355,297	32,730	409,125
3	Equity risk				
	a. Specific risk			150	1,875
	b. General risk			150	1,875
4	Commodity risk			-	-
5	Option risk	-	-	-	-
	Total	72,751	909,386	77,493	968,663

(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

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, 2015			
		Average VaR	Maximum VaR	Minimum VaR	End of Period VaR
(1)	(2)	(3)	(4)	(5)	(6)
1.	Interest Rate Risk	12,832	29,566	2,952	17,688
2.	Foreign Exchange Risk	38,247	109,567	1,565	24,131
3.	Option Risk	-	-	-	-

(in million Rupiah)

No.	Type of Risk	Period of December 31, 2014			
		Average VaR	Maximum VaR	Minimum VaR	End of Period 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	-	-	-	-



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

(in million Rupiah)

No.	Indicator Approach	Period of December 31, 2015		
		Average Gross Income in the past 3 years	Capital Charge	RWA
(1)	(2)	(3)	(4)	(5)
1	Basic Indicator Approach	33,482,069	5,022,310	62,778,880
	Total	33,482,069	5,022,310	62,778,880

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

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	34,620,516	5,193,077	64,913,468
	Total	34,620,516	5,193,077	64,913,468

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



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, 2015				
			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	16,846,818	16,846,818	-	-	-	-	-
2. Placement with Bank Indonesia	70,801,385	65,409,265	1,882,810	3,030,160	479,150	-	-
3. Placement with other banks	5,470,675	4,045,156	371,079	819,220	235,220	-	-
4. Marketable securities	34,658,457	4,573,868	2,416,872	3,177,807	3,693,697	20,796,213	-
5. Loans	366,161,654	16,980,623	35,739,886	39,941,683	66,341,803	207,157,659	-
6. Other receivables	2,392,727	1,055,045	816,225	521,457	-	-	-
7. Others	7,011,988	7,011,988	-	-	-	-	-
Total Asset	503,343,704	115,922,763	41,226,872	47,490,327	70,749,870	227,953,872	
B Liabilities							
1. Deposits from customer	430,484,137	38,723,650	1,184,078	108,751	93,240	390,374,418	-
2. Liabilities with Bank Indonesia	577	-	-	-	-	-	577
3. Liabilities with other banks	2,703,794	2,699,194	4,500	100	-	-	-
4. Securities issued	-	-	-	-	-	-	-
5. Borrowings	-	-	-	-	-	-	-
6. Other liabilities	929,185	367,141	388,831	173,213	-	-	-
7. Others	12,669,873	12,669,873	-	-	-	-	-
Total Liabilities	446,787,566	54,459,858	1,577,409	282,064	93,240	390,374,995	
On Balance Sheet Asset and Liabilities Differences	56,556,138	61,462,905	39,649,463	47,208,263	70,656,630	(162,421,123)	
II. OFF BALANCE SHEET							
A. Off Balance Sheet Receivables							
1. Commitment	-	-	-	-	-	-	-
2. Contingency	-	-	-	-	-	-	-
Total Administrative Account Receivable	-	-	-	-	-	-	-
B. Off Balance Sheet Liabilities							
1. Commitment	125,809,503	125,226,415	463,044	120,044	-	-	-
2. Contingency	-	-	-	-	-	-	-
Total Off Balance Sheet Liabilities	125,809,503	125,226,415	463,044	120,044	-	-	-
Off Balance Sheet Asset and Liabilities Differences	(125,809,503)	(125,226,415)	(463,044)	(120,044)	-	-	-
Differences [(IA - IB)+(IIA-IIB)]	(69,253,365)	(63,763,510)	39,186,419	47,088,219	70,656,630	(162,421,123)	
Cumulative Differences	-	(63,763,510)	(24,577,091)	22,511,128	93,167,758	(69,253,365)	

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)



Tabel 9.1.b. Disclosure of Rupiah Maturity Profile - Consolidated

(in million Rupiah)							
No.	Account	Balance	Period of December 31, 2015				
			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	16,861,883	16,861,883	-	-	-	-	-
2. Placement with Bank Indonesia	71,757,886	66,365,766	1,882,810	3,030,160	479,150	-	-
3. Placement with other banks	6,699,131	4,717,312	771,379	955,220	255,220	-	-
4. Marketable securities	34,853,439	4,583,741	2,416,872	3,177,807	3,712,769	20,962,250	-
5. Loans	365,581,572	16,986,968	35,333,607	39,761,535	66,341,803	207,157,659	-
6. Other receivables	13,239,906	1,356,144	1,248,290	1,200,124	1,404,057	8,031,291	-
7. Others	7,679,661	7,679,661	-	-	-	-	-
Total Asset	516,673,478	118,551,475	41,652,958	48,124,846	72,192,999	236,151,200	
B Liabilities							
1. Deposits from customer	433,608,279	41,525,501	1,476,461	131,552	100,347	390,374,418	
2. Liabilities with Bank Indonesia	577	-	-	-	-	-	577
3. Liabilities with other banks	2,699,746	2,695,146	4,500	100	-	-	-
4. Securities issued	2,820,965	-	437,455	949,427	297,734	1,136,349	-
5. Borrowings	1,604,573	315,000	137,500	10,071	668,629	473,373	-
6. Other liabilities	929,432	367,388	388,831	173,213	-	-	-
7. Others	14,291,878	14,291,878	-	-	-	-	-
Total Liabilities	455,955,450	59,194,913	2,444,747	1,264,363	1,066,710	391,984,717	
On Balance Sheet Asset and Liabilities Differences							
	60,718,028	59,356,562	39,208,211	46,860,483	71,126,289	(155,833,517)	
II. OFF BALANCE SHEET							
A. Off Balance Sheet Receivables							
1. Commitment	2,710,000	2,710,000	-	-	-	-	-
2. Contingency	-	-	-	-	-	-	-
Total Administrative Account Receivable	2,710,000	2,710,000	-	-	-	-	-
B. Administrative Account Payable							
1. Commitment	126,304,550	125,721,462	463,044	120,044	-	-	-
2. Contingency	-	-	-	-	-	-	-
Total Administrative Account Payable	126,304,550	125,721,462	463,044	120,044	-	-	-
Off Balance Sheet Asset and Liabilities Differences							
	(123,594,550)	(123,011,462)	(463,044)	(120,044)	-	-	-
Differences [(IA - IB)+(IIA-IIB)]							
	(62,876,522)	(63,654,900)	38,745,167	46,740,439	71,126,289	(155,833,517)	
Cumulative Differences							
	-	(63,654,900)	(24,909,733)	21,830,706	92,956,995	(62,876,522)	

Tabel 9.1.b. Disclosure of Rupiah Maturity Profile - 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. 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)



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

(in million Rupiah)

No.	Account	Balance	Period of December 31, 2015				
			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	987,033	987,033	-	-	-	-	-
2. Placement with Bank Indonesia	26,503,602	23,074,239	-	3,429,363	-	-	-
3. Placement with other banks	8,644,662	8,463,155	181,507	-	-	-	-
4. Marketable securities	9,374,415	511,976	298,736	263,090	284,929	8,015,684	
5. Loans	21,846,073	1,034,672	4,285,425	2,845,716	4,608,353	9,071,907	
6. Other receivables	6,175,151	1,298,438	2,816,352	1,899,781	147,879	12,701	
7. Others	258,810	226,536	9,641	22,633	-	-	-
Total Asset	73,789,746	35,596,049	7,591,661	8,460,583	5,041,161	17,100,292	
B. Liabilities							
1. Deposits from customer	43,214,341	4,107,596	436,188	59,935	115,055	38,495,567	
2. Liabilities with Bank Indonesia	-	-	-	-	-	-	-
3. Liabilities with other banks	1,456,306	1,456,306	-	-	-	-	-
4. Securities issued	-	-	-	-	-	-	-
5. Borrowings	324	324	-	-	-	-	-
6. Other liabilities	3,664,608	979,571	1,760,050	764,407	147,879	12,701	
7. Others	263,835	263,835	-	-	-	-	-
Total Liabilities	48,599,414	6,807,632	2,196,238	824,342	262,934	38,508,268	
On Balance Sheet Asset and Liabilities Differences	25,190,332	28,788,417	5,395,423	7,636,241	4,778,227	(21,407,976)	
II. OFF BALANCE SHEET							
A. Off Balance Sheet Receivables							
1. Commitment	2,595,577	2,239,235	281,903	74,439	-	-	-
2. Contingency	-	-	-	-	-	-	-
Total Administrative Account Payable	2,595,577	2,239,235	281,903	74,439	-	-	
B. Off Balance Sheet Liabilities							
1. Commitment	45,080,407	32,342,957	12,049,684	598,125	87,785	1,856	
2. Contingency	-	-	-	-	-	-	-
Total Administrative Account Payable	45,080,407	32,342,957	12,049,684	598,125	87,785	1,856	
Off Balance Sheet Asset and Liabilities Differences	(42,484,830)	(30,103,722)	(11,767,781)	(523,686)	(87,785)	(1,856)	
Differences [(IA - IB)+(IIA-IIB)]	(17,294,498)	(1,315,305)	(6,372,358)	7,112,555	4,690,442	(21,409,832)	
Cumulative Differences	-	(1,315,305)	(7,687,663)	(575,108)	4,115,334	(17,294,498)	

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.b. Disclosure of Foreign Exchange Maturity Profile - Bank Consolidated

(in million Rupiah)

No.	Account	Balance	Period of December 31, 2015				
			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	987,577	987,577	-	-	-	-	-
2. Placement with Bank Indonesia	26,503,602	23,074,239	-	3,429,363	-	-	-
3. Placement with other banks	8,726,024	8,541,655	184,369	-	-	-	-
4. Marketable securities	9,835,843	578,142	306,835	280,167	284,929	8,385,770	
5. Loans	22,061,065	1,034,672	4,285,425	2,983,578	4,608,353	9,149,037	
6. Other receivables	6,175,151	1,298,438	2,816,352	1,899,781	147,879	12,701	
7. Others	261,611	229,337	9,641	22,633	-	-	-
Total Asset	74,550,873	35,744,060	7,602,622	8,615,522	5,041,161	17,547,508	
B. Liabilities							
1. Deposits from customer	43,212,009	4,105,264	436,188	59,935	115,055	38,495,567	
2. Liabilities with Bank Indonesia	-	-	-	-	-	-	-
3. Liabilities with other banks	1,456,307	1,456,307	-	-	-	-	-
4. Securities issued	-	-	-	-	-	-	-
5. Borrowings	138,187	324	-	137,863	-	-	-
6. Other liabilities	3,703,210	1,018,173	1,760,050	764,407	147,879	12,701	
7. Others	282,667	282,667	-	-	-	-	-
Total Liabilities	48,792,380	6,862,735	2,196,238	962,205	262,934	38,508,268	
On Balance Sheet Asset and Liabilities Differences	25,758,493	28,881,325	5,406,384	7,653,317	4,778,227	(20,960,760)	
II. OFF BALANCE SHEET							
A. Off Balance Sheet Receivables							
1. Commitment	3,312,258	3,030,355	281,903	-	-	-	-
2. Contingency	-	-	-	-	-	-	-
Total Administrative Account Payable	3,312,258	3,030,355	281,903	-	-	-	-
B. Off Balance Sheet Liabilities							
1. Commitment	45,080,407	32,342,957	12,049,684	598,125	87,785	1,856	
2. Contingency	-	-	-	-	-	-	-
Total Administrative Account Payable	45,080,407	32,342,957	12,049,684	598,125	87,785	1,856	
Off Balance Sheet Asset and Liabilities Differences	(41,768,149)	(29,312,602)	(11,767,781)	(598,125)	(87,785)	(1,856)	
Differences [(IA - IB)+(IIA-IIB)]	(16,009,656)	(431,277)	(6,361,397)	7,055,192	4,690,442	(20,962,616)	
Cumulative Differences	-	(431,277)	(6,792,674)	262,518	4,952,960	(16,009,656)	

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

(in million Rupiah)

No.	Account	Balance	Period of December 31, 2015				
			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-IIIB)]	(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)	



Business Support

Human Resources



24 Thousand
Number of Employees

“ BCA focuses on quality service with strong and well-trained human resources while maintaining the Bank's position as an employer of choice in Indonesia ”

BCA's achievements and successful implementation of the Bank's business strategy relies upon reliable and well-trained human resources. The contributions of the Bank's employees at all levels of the organization are the key to delivering quality services to the customers and maintaining the Bank's solid position amid tightening competition.

Through a combination of careful recruitment and comprehensive professional development programs, the Bank aims to enhance the skills and competencies of all staff and to prepare high performing individuals for future leadership roles.

BCA is committed to being an employer of choice. As a token of recognition of the Bank's commitment to providing a conducive and productive work environment, the Bank received Great Workplace Award from Gallup, a global performance-management consulting company, in 2015. Of the thousands of companies worldwide, only 5% or 40 companies received the award, and BCA was the first in Indonesia.

Training and Development

BCA continues to renew and develop Bank training programs for employees to remain in the forefront in a dynamic business environment. Throughout 2015, 60,263 employees attended 1,905 classes, completing a total of 248,368 training days. Training programs are designed to enhance skills and knowledge of staff across all Bank divisions including payment settlement services, credit services, marketing, risk management and internal control. In addition to in-house training, BCA provides opportunities for employees to attend external training programs in accordance with the specific requirements of the employee's area of expertise and in effort to provide a framework for enhancing or developing new skills.

To support the Bank's strategy in enhancing relationship banking, BCA holds ongoing training modules for the development of specialized staff who are instrumental in serving affluent and high net-worth individuals. The program is also designed for the development of customer service with extensive knowledge of the Bank's products and services to better provide information, solutions and financial services appropriate to the needs of customers. These development initiatives will allow the Bank to enhance the quality of customer service through the provision of comprehensive banking solutions.

In order to facilitate intranet training for employees, BCA continues to develop e-learning, a technology-based learning method easily accessible by all employees at all levels of the organization without the constraint of time or location. In 2015, the Bank enhanced its e-learning media by adding new modules relevant to banking trends and in line with ongoing business developments. The number of e-learning participants reached 19,653 in 2015 compared to 18,443 participants in 2014. In addition, the Bank continues to develop Video-Based Training capacity for a more interactive training experience.

To enrich the learning process, in 2014 BCA began introducing gamification into bank-wide training programs. This learning method makes use of educational games for a fun learning experience to ensure that the materials can be easily comprehended by the participants. This method is appropriate and preferred by the younger employees, who are generally millennial generation.

As part of employee self-development, in 2015 the Bank held the BCA Innovation Award program as a platform for employees to be creative in an effort to encourage innovation both in developing banking services and solutions and in improving internal processes. The innovation concepts were first delivered in a Community of Practice group discussion format—a forum for



Business Support

Human Resources

employees to share knowledge and expertise within their respective work units—in order to receive input from colleagues prior to submission of the innovation proposal to an independent jury for assessment. The Innovation Award program has proven quite positive in building employee engagement and enhancing the innovation process while generating ideas that have improved Bank efficiency.

In order to maximize managers' commitment to their teams, improvement of staff quality is one of the key performance indicators for measuring BCA division and group head managers. The key performance indicators are comprised of three aspects, namely individual development plan, coaching and encouraging a learning culture. The primary goal of this program is to maximize employee satisfaction and ultimately increase employee retention.

To support the Bank's growing training needs, a new training center is being developed and will become fully operational in 2016. This training center, the BCA Learning Institute, is designed to meet BCA's overall training needs and equipped with more than 70 modern class rooms, accommodations and group conference rooms. The modern design, the use of the latest technology, and virtual classrooms, are considered essential for BCA to continue improving human resources. The BCA Learning Institute also includes BCA gallery. This gallery is designed to tell the story of the Bank's journey and to introduce BCA's vision, mission and values as a part of the orientation of new Bank employees.

Recruitment and Career Building

Regeneration and succession are important factors in developing and maintaining superior human resources. This process begins with the selection of the best graduates from top universities both at home and from overseas. The BCA career website is an important medium that can be widely accessed by internal and external job seekers. In 2015, BCA recruited 2,535 new permanent employees and accepted 4,060 people to work as tellers and customer service officers through the Magang Bakti BCA apprenticeship program. Before being

placed in various work units, the new employees are first given thorough and intensive training through a variety of educational programs according to their specific needs.

In order to support BCA as a continuously growing organization, the Bank has conducted a management trainee program since 1990. The program, the BCA Development Program (BDP), focuses on the Bank's needs for skilled first-line managers. BDP participants receive both in-class and on-the-job training so that they receive theoretical and practice experience and can readily adapt to their work unit or branch placements upon completion of the program. The program is continuously evaluated and adapted to the dynamic and ever changing needs of the Bank.

In line with the development of the specific needs of the organization, BCA also recruits employees to be placed directly in special programs such as the Account Officer, Relationship Officer, Business Analyst, Frontliner, and Operation Support Staff Program.

In order to maintain the sustainability of employee regeneration, the Bank regularly organizes career development programs, aimed to prepare employees for career advancement and to meet the Bank's staffing needs in strategic positions. BCA uses a system of joint work unit and Human Capital Management Division assessment panels to identify the best quality employees for promotion. Selected employees will be enrolled in special education programs and upon completion, the employee's performance will be evaluated in preparation for continuing self-development programs and targeted promotion. In 2015, 301 employees completed the BCA career development program.

As the organization continues to grow, BCA continues to develop the quality of its employees at the management level. To that end, BCA runs enrichment programs for senior management officers to provide them with extensive knowledge and ability to meet the changing needs of the banking business. These programs give senior management the flexibility to occupy different positions within the organization.

At the branch level, there are two types of enrichment exchange programs. These exchange programs are the loan-related enrichment program for the Heads of Branch Operations who have yet to possess the necessary expertise or experience in lending and the operational enrichment program for the Heads of Branch Business Development who are not yet sufficiently experienced in the operational field. Through these exchange programs, Bank officials will be well prepared to become the head of strategic branches; positions that require comprehensive management and credit skills. In the head office, more specific enrichment programs cater directly to the needs of each unit. For example, treasury products and services enrichment program ensures that Corporate Business Group officials understand the business relationship between corporate banking and the treasury.

BCA implements an attractive rewards program as an appreciation to employees for maintaining and improving their performance. Remunerations and rewards are set 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 three years before the employee has the right to sell. The bonus shares scheme is designed to enhance the sense of belonging and ultimately it is hoped to maintain employee loyalty throughout the Bank.

Learning Organization

To ensure the availability of human resources who are ready and able to adapt rapidly to changes in the direction and development of the business, the Bank is committed to becoming a leading learning organization. A learning culture is developed through integrated training programs and has become ingrained in the Bank's culture. In recent years, the Bank has consistently developed an informal learning culture by encouraging self-learning through Community of Practice (COP), an expertise and knowledge sharing program. By regularly organizing COP meetings, work units are able to capture, own and disseminate knowledge as a valuable reference for any employees seeking such information.

In addition to being held in each work unit, COP is also made available for the senior leaders of the Bank. In this forum, BCA invites external speakers and experts to share their views on various topics and the latest practices in certain industries. This program is expected to provide insight to the necessary knowledge and skills for BCA senior officers who are involved in decision making that can impact the overall Bank. COP has also become a vehicle for the dissemination of the latest developments in various industries that the leaders of the BCA need to be aware of, such as developments in the banking industry and information on newly launched products and services.

In 2015, and in every year since 2012, BCA has held the Indonesia Knowledge Forum (IKF) as a medium for knowledge and experience sharing intended for the nation's youth. The theme for IKF 2015 was "Moving Our Nation to the Next Level - Utilizing Knowledge for Sustainable Innovation Across Generations". The theme discussed the outlook for Indonesia's economy from different perspectives, followed by a sharing session with the founders of creative industries. In 2015, the IKF was attended by approximately 1,100 participants from various circles of society: businessmen, students, customers and employees of the Bank.

Work-Life Balance

BCA is committed to ensuring job satisfaction among employees believing that efficiency is maximized when there is a well-maintained work-life balance. To that end, the Bank offers a wide range of activities and training that aim not only to enhance skills related to an employee's duties at the Bank, but also to satisfy their personal needs.

BCA provides a variety of training programs related to health, financial management, and child care, as well as training in preparation for retirement.

Various group activities, offered in support of employees' hobbies, are rapidly growing in participants and facilitate the ability of employees to pursue personal interests beyond their work life. These communities include



Business Support

Human Resources

photography, fishing, biking and hiking. BCA also provides a counselling service to support employees in finding solutions to problems in their personal lives.

Looking Forward

BCA will continue to foster their employees' development and building the competencies and capabilities required to face increasingly fierce competition in the banking industry. Employees are the Bank's main resource in staying a national banking leader amid growing competition. BCA believes in career development and training as essential elements to develop and retain a quality workforce.

BCA reviews competency mapping as a part of talent management for employee career development and works to develop individuals to meet leadership needs at various levels of the organization. As a step to improving comfort in the workplace, the Bank introduced the employee value proposition, which is a distinguishing

factor between BCA and other companies. The hallmarks of the employee value proposition are friendly work environment and continuous improvement to support a well-balanced life and career.

BCA continues to innovate and improve the various training programs offered by the Bank. To facilitate the learning process of the younger millennial generation, BCA is developing Mobile Learning BCA (Morning BCA) as an attractive and convenient learning channel. This learning mechanism is based on a cloud system that allows employees to access learning systems from outside the office at their convenience.

BCA will continue to maintain its position as an employer of choice in Indonesia. The BCA recruitment team makes use of attractive socialization programs and strengthens cooperation with universities throughout Indonesia in introducing and promoting a promising career with BCA. It is BCA's goal to attract the best talents in the country.

Employee by Organization Level

	2015	2014
Non Staff	1,522	1,701
Staff	18,548	16,718
Managers	3,840	3,672
Executives (Including the Board of Commissioners and Directors)	72	70
Total	23,982	22,161

Employee by Seniority

	2015	2014
≤ 1 Year	2,755	2,033
> 1 – 5 Years	4,360	2,906
> 5 – 10 Years	1,040	986
> 10 – 15 Years	937	1,623
> 15 – 20 Years	6,047	6,188
> 20 Years	8,843	8,425
Total	23,982	22,161

Employee by Age

	2015	2014
≤ 25 Years	2,960	2,002
> 25 – 30 Years	4,066	2,990
> 30 – 35 Years	1,211	1,059
> 35 – 40 Years	2,435	3,128
> 40 – 45 Years	5,071	5,497
> 45 – 50 Years	5,285	5,008
> 50 Years	2,954	2,477
Total	23,982	22,161

Employee by Education Level

	2015	2014
Up to Senior High School	5,399	5,564
Diploma and Undergraduate	17,871	15,934
Graduate and Doctorate	712	663
Total	23,982	22,161

Employee by Status

	2015	2014
Permanent	22,430	21,077
Non Permanent*	1,552	1,084
Total	23,982	22,161

* Including contract employee, probationary and trainee

Employee Training

	2015			2014		
	Number of Classes	Number of Days	Number of Participants	Number of Classes	Number of Days	Number of Participants
Managerial Leadership & Personal Development	838	129,219	25,737	730	123,163	25,035
Credit Management	72	9,549	3,356	84	12,805	2,825
Risk Management Certification Program	18	808	404	31	1,339	681
Sales	62	8,017	2,841	43	5,294	1,039
Service	19	2,179	742	9	1,710	468
Operations & Information Technology	803	91,183	23,531	778	90,342	21,276
Others	93	7,413	3,652	110	7,256	4,389
Total	1,905	248,368	60,263	1,785	241,909	55,713

Employee Training Expenses (in million Rupiah)

	2015	2014
Total Employee Training Expenses	256,472	266,205



Business Support

Network and Operations



“ BCA's multi-channel network consists of traditional branches and a wide array of electronic banking channels that provide flexibility for customers in their transaction activities ”



17,081

Number of ATMs

BCA consistently works to provide the highest quality service in order to improve customer satisfaction and loyalty in an increasingly competitive market. Quality is achieved through a harmonious blend between the reliability of the banking network and the competence of human resources, in particular the frontliners who interact directly with customers.

The Bank has developed a multi-channel network strategy consisting of the traditional brick and mortar branch network and increasingly through a wide array of electronic banking channels that provide flexibility for customers in their transaction activities. To ensure convenience and meet the growing demand for transaction banking services by the customers, the Bank has focused on expanding its branch network and electronic delivery channels, including Automated Teller Machine (ATM), Electronic Data Capture (EDC) machines and Flazz card readers, while continuing to develop and enhance its internet and mobile banking services. BCA consistently improves account service features through constant development and upgrades based on customers' needs. Quality service is further enhanced through employee development for comprehensive, efficient and timely banking solutions.

Customer transaction preferences are shifting toward electronic delivery channels. This trend is expected to accelerate and will require the Bank to continue to be innovative in developing and expanding digital banking channels in order to remain one of the leading banks in Indonesia and improve the efficiency and quality of its service.

Integrated Network Infrastructure

The Bank's ongoing success in running its core business as a payment settlement service provider is made possible by a nationwide network of branch offices and a wide nexus of electronic delivery channels. The various delivery channels are multiply connected with a wide array of payment settlement products and services.

In 2015, the Bank opened 71 new branches, consisting of 2 main branches, 15 sub branches and 54 cash offices. In order to further expand the Bank's reach, BCA also added 387 ATMs, including Cash Deposit Machine (CDM) and Cash Recycling Machine (CRM). As of December 2015, the Bank has a total 1,182 branches (132 main branches, 853 sub branches, 197 cash offices), 17,081 ATMs and hundreds of thousands of EDC machines. The extensive and interconnected network allows BCA to improve ease of access for Bank customers in their transaction activities.

Although electronic banking has rapidly grown in popularity, branches still remain prevalent as the Bank's primary transaction and payment channel, offering comfort and the knowledge of friendly, face-to-face customer interactions, in a society with a high volume of cash transactions. In addition to the conventional branch network, BCA offers branch services designed to facilitate the needs of specific customers, such as the Solitaire service for high net-worth individuals; Prioritas to serve affluent customers; BCABIZZ to facilitate the transactions of small-to-medium business customers; and Weekend Banking, which offers banking services on the weekends.

In expanding the branch network, the Bank prioritizes high-potential strategic locations, including shopping malls, business centers and residential areas, as well as traditional market areas in major cities. BCA continues to target, refine and renovate branch offices in order to deliver high quality transaction facilities based on the needs of the specific customer segments in each of the branch locations. BCA seeks to enhance the utilization of technology and automation, for example, through the introduction of teller-assisted cash counting machines operated by customers, at major high-volume branch offices designed to meet the demand for ease and speed of transactions while reducing operating costs. In order to improve service, BCA continuously explores options for developing a more efficient, smaller-sized, branch concept equipped with the latest electronic banking facilities.



Business Support

Network and Operations

To enable a more efficient management of cash handling and reduce the burden of dealing with cash at branch offices, BCA continues to refine and expand its Cash Recycling Machine (CRM) network. The CRM is a type of ATM that allows cash deposits and withdrawals to be completed in a single machine by reusing the deposited cash for subsequent withdrawals. The CRM reduces the need for machine visits to fill the machine with cash as with conventional ATMs. These CRMs are still in the early roll out stage and will continue to be improved with regard to efficiency and quality. While the CRM requires a relatively high initial investment compared to a conventional ATM, BCA will benefit from the CRM service in the longer as it offers increased operational efficiency, fewer machine visits and ultimately lower transaction costs, when compared to a conventional ATM or branch banking.

Continuity of service is the key to customer confidence. To ensure sound operation of the Bank's networks, delivery channels are supported by two data centers, each having the capacity and ability to handle the entire process of the Bank's customers' transactions. Both data

centers are designed to manage data redundancy, which is necessary to maintain business continuity. In addition to the two data centers, the Bank has set up a Disaster Recovery Center (DRC) in Surabaya, specifically designed to keep basic banking operations running in the event of force-majeure and to mitigate Bank operational risk.

Digital Technology, Internet and Social Media

We have seen the development of internet technology and mobile communications accelerate digitization and connectivity, thereby making possible alternative solutions for transactional and payment settlement banking services. Indonesia has witnessed increasing demand for alternative technology-based solutions, driven by the rapid adaptation by Indonesian society, especially the middle class, to the latest technologies.

In response to the increasing use of electronic banking in Indonesia, BCA continues to develop its internet banking and mobile banking platforms to be at the forefront of technology in Indonesia. BCA understands the needs of customers to make payments and other daily banking transactions through their mobile phones,



and is a pioneer in the provision of reliable mobile banking services in Indonesia. BCA introduced 'BCA Mobile', which combines the 'KlikBCA' internet banking service and the 'm-BCA' mobile banking service to allow for mobile-based transaction banking. BCA sees electronic banking as a single integrated network to complement branch services and support BCA's strategy in improving the network cost efficiency.

With growing customer needs for electronic banking services, BCA developed a new digital banking center known as MyBCA. The MyBCA service combines the conventional ATM center with new digital services including access to the HaloBCA call center equipped with video call features. Various innovative facilities are available at MyBCA locations, such as the ability to electronically open Tahapan Expresi savings accounts, and file credit card applications and new KeyBCA token requests, as well as automated Flazz card purchasing machines. To assist customers in using these services, MyBCA locations are staffed by reliable duty officers who are equipped with knowledge of BCA banking products and solutions. Launched in 2014, as of 31 December 2015 MyBCA is available at 7 shopping centers in Jakarta and Surabaya. We continue to receive positive responses from customers as we see increasing transactions through MyBCA.

Taking into consideration the latest lifestyle trends, BCA proactively interacts with customers through social media as an alternative communication and education channel. BCA expanded its digital marketing strategy by utilizing social media and is active through several social media accounts as a means of effective communication and dissemination of information. In late September 2015, BCA soft-launched 'Sakuku' (my pocket), a server-based e-money service based on a smartphone application. 'Sakuku' targets the younger generation and can be used for shopping payments, transfer, cash withdrawals, mobile phone top-ups and other banking transactions.

BCA is also developing branchless banking services 'Laku' and 'Duit' as part of the Smart Act (*Laku Panda*) and Digital Financial Services program encouraged by the Indonesian Financial Services Authority and Bank Indonesia. 'Laku', a savings product with no monthly administration fee, is intended to expand the scope of services to reach out to the lower middle-class market beyond the existing BCA customer base. *Duit Telepon* (Telephone Money or 'Duit') is an electronic money system that uses a customer's cellphone number to identify the account holder and was established to facilitate customer transactions without the need for a bank account. Similar to 'Laku', 'Duit' is also intended to reach out to the lower middle class. These two services are supported by a network of independent agents who are equipped with portable machines to process transactions for deposits, withdrawals, transfers, phone credit purchases and bill payments. Customers' account balances and bank statements can be retrieved through the agent or the customer's mobile phone via Short-Message-Services (SMS). 'Laku' and 'Duit' are in the early stages of development and are now only available in selected areas. Products and services will continue to be enhanced in accordance with the needs and transaction behavior of the customers.

Focus on Customer Service

To ensure the quality of services provided, BCA continuously develops the skills of employees, especially the frontliners who directly interact with customers. Frontliners are equipped with the knowledge and skills necessary to offer the Bank's products and services as well as banking solutions to meet customers' needs.

In line with the expansion of the Bank's customer-centric business model, BCA instills a service culture through its SMART SOLUTION program. The program has been running since 2010 and builds upon the earlier SMART program that was first implemented in 2001, ultimately securing BCA's position as one of the leading transaction banks in Indonesia. SMART, standing for *Sigap* (active),



Business Support

Network and Operations

Menarik (attractive), *Antusias* (enthusiastic), *Ramah* (friendly) and *Teliti* (thorough), focuses more on service excellence, while SMART SOLUTION, with SOLUTION standing for *Simak* (attentiveness); Open-mindedness; *Lengkap* (completeness); *Utamakan kebutuhan nasabah* (prioritization of customer needs); Telling solutions; *Inisiatif* (initiative); and ON-time follow up; focuses on the needs of customers and the delivery of superior financial solutions. More than just providing excellent service, through SMART SOLUTION, BCA can foster closer relationships with customers and enhance long-term customer engagement.

BCA continues to increase the number of frontline officers by recruiting university graduates and enrolling those students in various programs for front-line tellers and customer service officers. In addition, the Bank continued to increase the number of Relationship Officers (ROs), a role introduced in 2012, to improve the effectiveness of customer service in the branch offices. ROs are intended to improve customer service through the provision of comprehensive banking solutions for customers.

Along with the increasing use of the Bank's electronic transaction network, HaloBCA, the Bank's call and solution center, has become an integral driver of BCA's performance. Through this service, BCA provides timely and appropriate solutions for customers having difficulty in using new technologies in their transactions, thereby relieving the branch offices of this burden. HaloBCA agents are also trained in product and service knowledge, reducing a customers' need to visit a branch office.

Accessible 24 hours a day, HaloBCA provides technical assistance as well as detailed product and service information to guide customers in choosing the most suitable products and services for their needs. As proof of service excellence, in 2015 HaloBCA received several awards nationally, regionally, and internationally. The awards received include "The Best Mega Contact Center in the World" and "Top Ranking Performers - Asia Pacific 2015" of the Contact Center World and "The Best Contact Center Indonesia 2015" of Indonesia Contact Center Association (ICCA).

Looking Forward

Quality of service will be the differentiating factor as the level of competition in the Indonesian banking industry continues to grow. In order to maintain and improve service quality, the Bank will continue to innovate in various fields, including developments to the network as well as employees, especially those on the frontline, and improvements of the organizational structure.

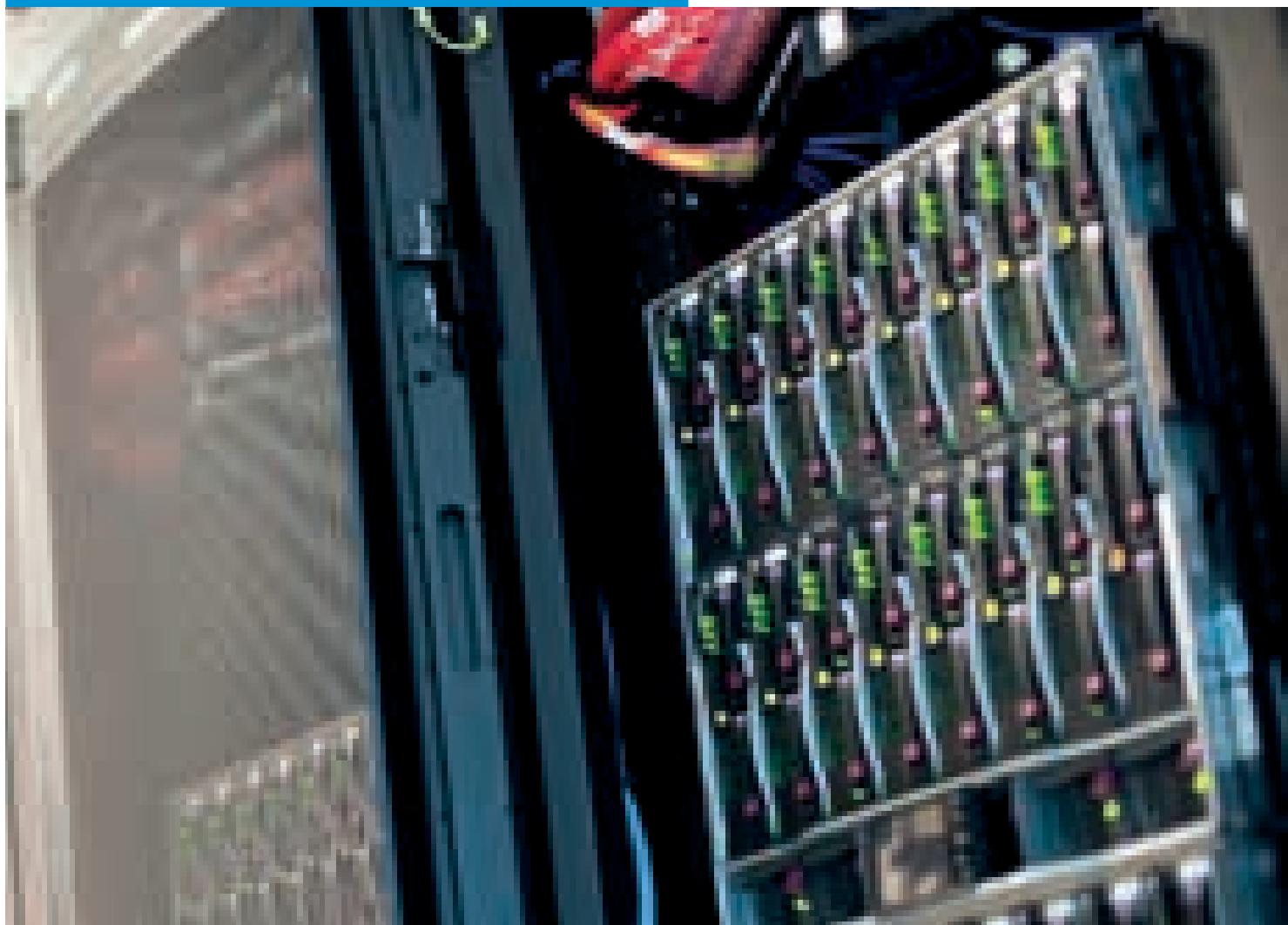
To facilitate the growing volume of customer transactions, the Bank will continue its network expansion, with both branch and electronic banking networks, while maintaining a balance between breadth of coverage and cost efficiency. BCA will invest in the development of digital banking and the enhancement of branch banking services, with additions to the branch network to be carried out selectively and focused on smaller branch formats equipped with electronic devices.

In order to enhance customer relationship management, the capability of human resources will be expanded so that frontliners will be well trained and able to provide the right financial solution for the Bank's customers. The recruitment of frontliners to meet the evolving needs of the branches will continue in 2016. We are constantly working to improve the organizational structure and key performance indicators (KPI) of frontliners in order to deepen customer relationships as the foundation for sustainable business growth in the future.

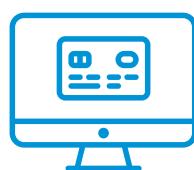


Business Support

Information Technology



“ BCA continues to develop the capacity and the capability of the Bank's information technology infrastructure for the ease, speed, convenience and security of financial services ”



Rp
16 Trillion/Day
Internet Banking Transaction Value

The implementation of a reliable Information Technology (IT) system is the key to providing payment settlement services and financial solutions that meet the varied financial needs of BCA's customers.

BCA continues to strengthen its information technology infrastructure to ensure that the Bank has the capacity and the capability to meet the growth in demand for banking services through both branch and electronic networks. Utilizing the latest developments in information technology, the Bank provides up-to-date solutions for customers with particular focus on enhancing online transactions as the new lifestyle standard amongst the middle class in urban areas. In this digital era, ease, speed, convenience and security in financial services have become an integral part of the banking industry.

To remain a leading transaction bank in Indonesia, BCA continues to develop and implement an innovative digital service strategy. In 2015, BCA invested in a number of information technology developments designed to bring the Bank's digital services to the next level by making use of the latest technology in order to provide the best products and services possible.

Information Technology Infrastructure

Solid information technology infrastructure is a major prerequisite for quality banking services in the digital age. In 2015 the Bank implemented a number of initiatives to strengthen infrastructure in support of customer transactions, including the rejuvenation of various information technology systems such as the core network system, the mainframe, database, and server. BCA also optimized and upgraded hardware and network capacity in anticipation of an increase in transaction volume.

To facilitate customer transactions through a multi-channel network, the Bank operates two mirrored data centers of international standards, each of which can be operated independently to ensure business continuity in the event of a system failure at one of the locations.

The two data centers are designed to manage data redundancy, with each having the capacity to handle the entire process of customer transactions. The data center is also equipped with several backup capacities.

Due to increasingly dense data traffic, both the complexity of the system and the information technology infrastructure can present a major constraint in operations and could potentially affect transaction service performance and lead to increased operational costs and risks. BCA routinely addresses these issues through ongoing IT infrastructure development, using new technologies to optimize operational and cost efficiency, while maintaining service quality for the Bank's customers.

Solutions for Customers

In this era of digital services, information technology plays an integral part in effectively facilitating convenience and efficient solutions for transaction banking customers.

To address the needs of corporate and commercial customers, BCA has developed 'KlikBCA Bisnis Integrated Solution', an innovative banking service that prioritizes payment settlement for business customers and the business community. Business banking customers are able to enjoy a faster payment process through 'KlikBCA Bisnis Integrated Solution', which is equipped with cash management features such as Account Services, Payment Management, Collection & Receivable Management and Supply Chain Management. These features will continue to be developed in line with the growing corporate and large commercial customer segments.

E-commerce business in Indonesia has experienced rapid growth in recent years. Customers benefit from e-commerce as it allows them to shop and obtain product and service information 24 hours a day. BCA sees this high and fast adoption rate of e-commerce as an opportunity to strengthen the transaction banking business, building on the Bank's core strength. As such, BCA continues



Business Support

Information Technology

to develop payment system platforms to better serve companies and users of e-commerce. The strategy to support e-commerce payment transactions as adopted by the Bank's information technology team is being realized through several technical initiatives, including the development of e-Commerce Gateway, Application Programming Interface (API) Gateway and Server-Based e-Money. Development of e-Commerce Gateway and API Gateway were designed to provide convenience for e-commerce providers to access BCA's network.

BCA IT also played a role in developing the innovative 'Sakuku' (My Pocket) platform, a server-based electronic money smartphone application targeted at the younger generation. Available for download on all operating systems of the latest smartphones, 'Sakuku' allows customers to make payments for in-store and online purchases, mobile credit top-up, transfer, cash withdrawals and other banking transactions.

In support of the Government's efforts to promote branchless banking, in 2015 BCA introduced the new 'Laku' and 'Duitt' mobile phone banking products. 'Duitt' is a server-based e-money product that uses customers' cellphone numbers for identification and as the account, while 'Laku' is an account-based product designed for lower-end mass market basic banking.

Strengthening IT Security Systems

Maintaining customer confidence and enabling transaction security are essential in the banking business. To that end, and in line with the rapid development of technology, BCA focuses on ensuring the Bank is properly protected against fraud in the financial industry by implementing world class security systems to prevent and detect suspicious transactions.

With the increasing use of banking transactions via the internet, the banking business is exposed to the threat of cyber-crime, including the theft and abuse of customer account information. The weakest point in online transactions through the internet is the computer/device used by the customer, which can be easily infiltrated by malware. To that end, the Bank has implemented a system to detect malware on customer-owned devices as a precaution against the threat to internet banking transactions. Furthermore, through various media, the Bank proactively educates customers on the importance of security while increasing awareness of the potential threat posed by cyber-crime. BCA continuously works to improve the security of its internet banking system, including the use of SMS notifications for transactions above a certain amount as well as the need to register new payment recipients.

In 2015, the Bank took several steps to strengthen BCA IT's security systems including the implementation of systems to detect transactions considered fraudulent (Transaction Fraud Control System), increased network security through Smart Firewall/Application-Based Security, and the use of an ID management system for managing all user IDs and access authorizations. In addition, the Bank upgraded several systems and security applications such as the antivirus and Intrusion Preventing System (IPS). IPS is a device used to monitor the network to detect suspicious activity and provides an early prevention measure against security threats.

Business Continuity

BCA has established a comprehensive business continuity plan to ensure that the main Bank operations remain functional even in the event of a force majeure. Under the coordination of the Enterprise Security Work Unit, BCA periodically reviews, evaluates and tests its business continuity systems, policies and procedures. BCA also regularly runs Business Impact Analyses by examining the transactions that are critical to the Bank and assuring that the Bank has multiple backup systems to support these transactions. From this analysis, the Bank can minimize possible down time for those operations in the event of a disaster and mitigate potential losses.

BCA has completed construction of the Secondary Work Place as an alternative work space for each regional office as well as the Secondary Operations Center as an alternative workplace for headquarters working units. These secondary centers are designed to maintain operations in the event of a disturbance at main sites. In 2015, the Bank continued to enhance the capabilities of the Command and Crisis Center in Surabaya as an alternative base of operations for top management and crisis teams in the event of a disruption in Jakarta. The Surabaya disaster recovery center is key to the smooth

operation of the Bank in the event of a catastrophic disruption of the two mirroring data centers in Jakarta.

Looking Forward

The Bank continues to develop the capabilities and capacity of IT systems in line with the business strategy and business developments of the Bank. BCA will continue to make measured investment in the field of information technology and digital banking to enhance the Bank's competitiveness and operational efficiency in an increasingly dynamic digital age. As such, BCA continues to improve IT infrastructure and will work to develop new competencies in cloud computing and big data, as well as data center reliability.

As one of the main factors supporting the Bank's business, information technology will continue to be integral to the development of the Bank's products and services in the coming years. BCA strives to be the leader in bringing the latest technology to Indonesia in order to exceed customer expectations and open new lines of business in this increasingly dynamic era of digital banking.

Management Discussion and Analysis

Financial Review

Financial Review



**Rp
474^T**

Third Party Funds

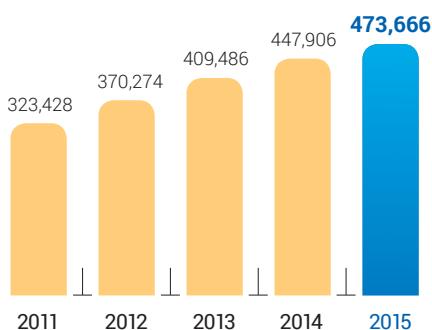
Current accounts and savings accounts represent 76.1% of the total

**Rp
388^T**

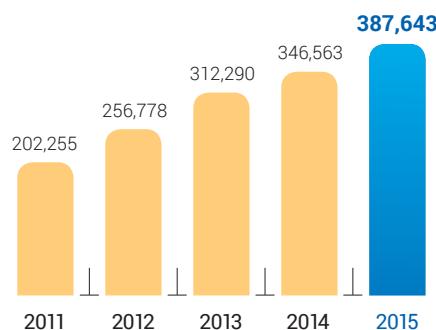
Total Loans

Quality loan growth with the NPL ratio maintained at a low 0.7%

Third Party Funds
(in billion Rupiah)



Loans - gross
(in billion Rupiah)



“ In 2015, BCA continued to post solid financial performance, driven by quality growth in lending and funding while maintaining healthy liquidity and capital positions ”



Financial Review

OVERVIEW OF INDONESIA'S MACRO ECONOMY IN 2015

The global economy experienced lower overall growth than expected in 2015 with most major economies suffering from a sluggish economic recovery. Despite the implementation of various economic stimuli, the economic recovery of the US remains relatively slow while the Euro region continues to exhibit signs of instability.

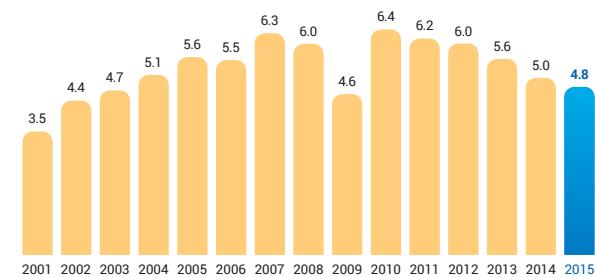
The global economy was further negatively impacted by a slowdown in the Chinese economy, the world's second largest economy, which saw slowing export activity and weakening investment flows following years of persistently high growth. Chinese economic growth in 2015 was at a level below 7%, significantly lower than the average growth rate of over 10% during the period 2006-2010.

Overall, an unstable and generally unfavorable global economy continues to place pressure on commodity prices, thus negatively impacting Indonesian export performance. The price of Indonesia's main export commodities, notably, natural gas, coal, palm oil, nickel, and copper dropped dramatically in the last few years. These commodity prices are still depressed and expected to remain in a downward cycle over the near to intermediate term.

In the global financial market, the quantitative easing in the United States and the Fed Funds Rate policy from the U.S. Federal Reserve, have triggered significant fluctuations in global capital flows to emerging markets, including Indonesia, in recent years. The rapid capital inflows to emerging markets from 2009-2013 helped support Indonesia's macroeconomics condition which saw growth of over 6% in the period of 2010-2012. With the conclusion of quantitative easing in 2014 and with the end of the Fed's record-low rates period in 2015, emerging markets, including Indonesia, faced the challenge of highly volatile and unstable global capital flows.

The end of the commodity cycle boom and volatile foreign capital flows were exacerbated by relative weakness in the realization of Government spending in 2015. These factors, in turn, negatively impacted domestic consumption, one of the main drivers of Indonesian economic growth. As a result, Indonesia's GDP growth in 2015 was recorded at 4.8%, the lowest in the last six years, although remaining amongst one of the highest growth rates in G-20 countries.

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

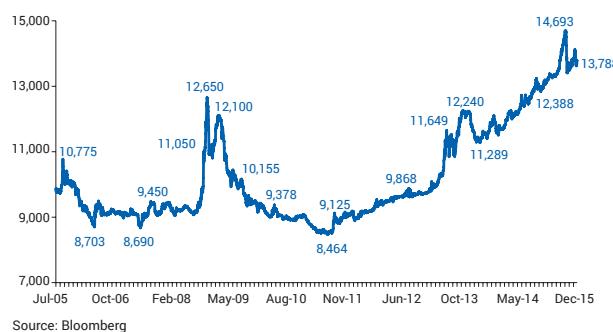


Source: Central Bureau of Statistics

One factor affecting the Indonesian macro economy has been the current account position which shifted from surplus to deficit since the fourth quarter of 2011 due to an overall decline in exports. Pressure on the current account deficit eased somewhat in 2015 with a decline in imports and a much reduced fuel subsidy. During the year, the trade balance saw a surplus of USD 7.5 billion with imports declining 19.9% and exports declining by 14.6% and leading to an improving current account deficit of 2.1% of GDP in 2015 as compared with 3.1% of GDP in 2014. However, the risk of an increasing current account deficit must be monitored should domestic economic growth accelerate, given the large dependence on imports for domestic consumption and for various domestic manufacturing activities which require imported capital goods and raw materials. Stability in investment flows will play an important role in the national economy in helping to balance the current account deficit.

The current account deficit and the high foreign currency demand for the payment of foreign debt has put pressure on the Rupiah exchange rate. In addition, the uncertainty of the direction of the Fed Funds Rate in 2015 significantly added to the volatility of the domestic currency. The weakening of the Rupiah against the US Dollar was concurrent with the weakening of the majority of currencies around the world as a result of the Fed policy. Uncertainty in the market was reduced once the Fed decided to increase the Fed Funds Rate by 25 bps in December 2015. The Rupiah exchange rate reached its lowest point at Rp 14,693 / USD in September 2015, a depreciation of 15.7% from the end of 2014. However, owing to the proactive efforts of the regulators to maintain the Rupiah at a rate consistent with economic fundamentals, the Rupiah exchange rate strengthened and closed the year at Rp 13,788 / USD as of December 31, 2015, 10.2% lower than the Rp 12,388 / USD recorded at the end of 2014.

Rupiah Exchange Rate against USD (in Rupiah)



In order to maintain the stability of the Rupiah while simultaneously directing the current account deficit to a more healthy level, Bank Indonesia held the benchmark BI rate at 7.5% from February 2015. At the end of 2015, Bank Indonesia lowered the Primary Reserves Requirement by 50 bps to 7.5% of total third party funds in order to loosen liquidity as a stimulus for the economy.

Inflationary pressure in Indonesia has diminished significantly in line with weaker domestic consumption, slower business growth and the fall in global commodity prices. The inflation rate in Indonesia closed the year at a level consistent with the inflation rate target set for 2015. The coordination between Bank Indonesia's monetary policy and government adjustments to the import policy of several main commodities aided considerably in controlling the level of inflation. The inflation rate for 2015 stood at 3.4%, compared with 8.4% in the previous year.

The downward movement of inflation and steady interest rates helped macro stability throughout 2015. As a result, the Indonesian public and businesses remain optimistic on the long-term prospects of the national economy.

Inflation and BI Rate (%)

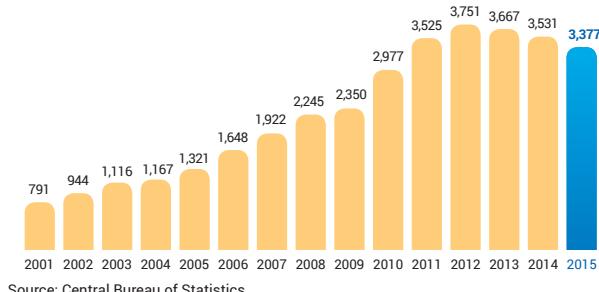


The Government has also launched work programs and fiscal policy packages to encourage near and intermediate term economic growth. The Government implemented energy subsidy reform, formulated programs to expedite infrastructure projects and improved the investment climate by accelerating the processes for obtaining tax allowances, tax holidays, investment permits, and by setting up a one-stop investment service desk.



BCA believes that the realization of Government spending and efforts to attract investment will continue to have positive effects in the near and intermediate term and will generate higher future economic growth. In the short term, the Indonesian economy will face further challenges in an environment of global economic instability, with Indonesian GDP predicted to grow moderately in 2016. In the long term, however, Indonesia possesses promising prospects. A large working-age population, a growing middle class, abundant natural resources and increasing investment in national infrastructure are considered key factors in supporting the Indonesian economy to maintain sustainable growth in the face of a challenging global economy.

GDP per Capita (in USD)



Source: Central Bureau of Statistics

OVERVIEW OF INDONESIAN BANKING SECTOR PERFORMANCE IN 2015

The Indonesian banking industry faced a slowdown in loan and third party funds growth during 2015. The industry also experienced pressure on profitability, mainly stemming from the rising costs of provisioning for non-performing and restructured loans, in line with declining nationwide business activity. Overall, banking industry remained in a good condition supported by a strong capital and healthy liquidity position with non-performing loans maintained at a tolerable level throughout 2015.

The Indonesia Financial Services Authority was proactive in directing the growth of the banking industry at a healthy and sustainable level through the implementation of balanced policies in response to the economic challenges faced in 2015. With consideration to both external and internal factors, Bank Indonesia carefully managed monetary policies, maintained conservative interest rates, and monitored liquidity by overseeing market conditions and an end-of-year easing of the Minimum Reserve Requirement.

In 2015 total assets of the Indonesian banking industry were recorded at Rp 6,133 trillion, up 9.2% with Return on Assets (ROA) of 2.3%. The sector's loan portfolio grew 10.5% to Rp 4,058 trillion at the end of 2015. Working capital loans stood at Rp 1,916 trillion, registering a 9.0% growth. Investment loans reached Rp 1,036 trillion, an increase of 14.7%. Consumer loans amounted to Rp 1,106 trillion at the end of 2015, up 9.1% from last year. This moderate growth was consistent with an economic growth rate of 4.8%. Overall, the banking sector's asset and loan growth in 2015 was lower than previous years CAGR of 16.5% and 22.0%, respectively, in 2007-2012.

Non-Performing Loans exhibited an increasing trend, reaching 2.5% at the end of 2015, compared with 2.2% at the end of 2014. The increase in the non-performing loan ratio was led by weakness in business related loans due to declining profitability of the business sector.

On the funding side, third party funds registered a 7.3% growth, reaching a total Rp 4,413 trillion in 2015 from Rp 4,114 trillion in 2014. Current accounts grew 11.0% to Rp 988 trillion from the previous year's Rp 890 trillion, while savings accounts grew 8.7% to Rp 1,396 trillion at the end of 2015 from Rp 1,284 trillion in 2014. Time deposits increased by 4.6% to Rp 2,030 trillion. The growth of third party funds was lower than in previous years with an average growth rate of 16.4% (CAGR 2007-2012). Loan to Deposit Ratio (LDR) of the banking sector stood at 92.1% in 2015.

Indonesian Banking Sector Performance Highlights (in trillion Rupiah)

	2015	2014	Increase / (decrease)	
			Nominal	Percentage
Total Assets	6,133	5,615	517	9.2%
Loans	4,058	3,674	384	10.5%
Working Capital	1,916	1,757	159	9.0%
Investment	1,036	903	133	14.7%
Consumer	1,106	1,014	92	9.1%
Third Party Funds	4,413	4,114	299	7.3%
Current Accounts	988	890	98	11.0%
Savings Accounts	1,396	1,284	112	8.7%
Time Deposits	2,030	1,940	89	4.6%
Net Interest Income	308	274	34	12.4%
Other Operating Income	110	102	8	7.8%
Operating Expense	(285)	(232)	(53)	22.8%
Income Before Tax	134	144	(10)	-6.9%
Net Income	105	112	(7)	-6.3%
Net Interest Margin (NIM)	5.4%	4.2%	N.A.	120 bps
Return on Assets (ROA)	2.3%	2.9%	N.A.	-60 bps
Operating Expenses to Operating Revenues (BOPO)	81.5%	76.3%	N.A.	520 bps
Loan to Deposit Ratio (LDR)	92.1%	89.4%	N.A.	270 bps
Non-Performing Loans (NPL)	2.5%	2.2%	N.A.	30 bps
Capital Adequacy Ratio (CAR)	21.4%	19.6%	N.A.	180 bps
Number of Banks (Unit)	118	119	(1)	-0.8%

Source: Indonesia Financial Services Authority (OJK)

The sector's Net Interest Income increased 12.4% to Rp 308 trillion in 2015 from Rp 274 trillion in 2014. Other Operating Income grew 7.8% to Rp 110 trillion. Operating Income as a total of Net Interest Income and Other Operating Income registered a 11.2% growth to reach Rp 418 trillion. Operating Expenses in the banking sector, which includes provisioning for Non-Performing Loans, saw a significant increase of 22.8% to Rp 285 trillion from Rp 232 trillion in the previous year. As such, Net Income of the sector in 2015 was down 6.3% to Rp 105 trillion. 2015 marks the first in the last 5 years that the national banking sector experienced a decline in Net Income.

The capital position of the Indonesian banking sector in 2015 was maintained at a solid position with a Capital Adequacy Ratio (CAR) of 21.4%, 180 bps higher than

the previous year's 19.6%. Changes in the recognition of current year's net income in the calculation of CAR has promoted growth in the CAR ratio. Since 2015, 100% of current year's Net Income is acknowledged as component of core capital, where previously only accounted for 50%. Furthermore, the asset revaluations conducted in 2015 and 2016 further reinforced the capital position of large-scale banks.

Going forward, BCA remains optimistic that the Government and regulators will continue to implement prudent monetary and fiscal policies. These efforts are expected to contribute to economic stability while supporting growth and stability within the Indonesian banking sector.



OVERVIEW OF BCA FINANCIAL PERFORMANCE IN 2015

In 2015, BCA continued to post a solid financial performance, driven by quality growth in lending and in funding, while maintaining healthy liquidity and capital positions.

As of 31 December 2015, the Bank's loan portfolio stood at Rp 387.6 trillion, an increase of 11.9%, with growth across all segments and in particular the corporate segment. The implementation of prudent lending principles allowed the Bank to maintain a low NPL ratio of 0.7% with a ratio of reserves to non-performing loans of 322.2%. BCA's capital position was maintained at a healthy level with a Capital Adequacy Ratio (CAR) of 18.7% as of 31 December 2015.

Transaction banking remains the Bank's core business, with transaction accounts, Current Accounts and Savings Accounts (CASA), as a main funding source contributing 76.1% of BCA's total third party funds. Despite an unfavorable economic environment and declining domestic business activity, the Bank grew CASA funds by 7.1% to Rp 360.3 trillion at 31 December 2015. The growth in CASA

funds was achieved with a slight reduction in savings interest rates by 20 bps, reflecting BCA's excellence in payment settlement services.

Time deposit funds increased 1.7% to Rp 113.4 trillion as of 31 December 2015 from Rp 111.5 trillion as of 31 December 2014. This increase was lower than in previous years and was in line with the Bank's gradual downward adjustment of time deposit interest rates throughout 2015. These adjustments, to a rate well below the average market time deposit rates, were designed to limit BCA's cost of funds while maintaining a target amount of time deposits. The Bank's total third party funds stood at Rp 473.7 trillion at year end 2015, a 5.8% increase year on year.

The Loan to Funding Ratio (LFR) increased to 81.1% at year end 2015 from 76.8% at year end 2014. Short-term placements of third party funds, excluding primary reserves, amounted to Rp 67.5 trillion or 14.2% of BCA's total third party funds at the end of December 2015. The short-term placements consist of placements with other banks and placements with Bank Indonesia including Bank Indonesia Deposit Facilities, Bank Indonesia Term Deposits and Certificates of Bank Indonesia.

SUMMARY OF INCOME

Growth in profitability was achieved while maintaining a balance between business growth and risk.

Net Interest Income (in billion Rupiah)

	2015	2014	Increase / (decrease)	
			Nominal	Percentage
Interest Income	47,082	43,771	3,311	7.6%
Loans	36,721	33,431	3,290	9.8%
Placements with Bank Indonesia and Other Banks	958	960	(2)	-0.2%
Securities (including Securities Purchased Under Agreements to Resell)	5,650	5,887	(237)	-4.0%
Consumer Financing and Investment in Finance Leases	2,870	2,821	49	1.7%
Others (Including Sharia revenue sharing)	883	672	211	31.4%
Interest Expense	11,213	11,744	(531)	-4.5%
Current Accounts	1,064	1,058	6	0.6%
Savings Accounts	2,341	2,539	(198)	-7.8%
Time Deposits	6,244	6,697	(453)	-6.8%
Others (Including Sharia expenses)	1,564	1,450	114	7.9%
Net Interest Income	35,869	32,027	3,842	12.0%

Net Interest Income grew 12.0% to Rp 35.9 trillion supported by growth in the loan portfolio and low cost CASA funding. Operating Income other than Interest increased 28.5% to Rp 12.0 trillion in 2015, supported by an increase in Fee and Commission Income and income from treasury swap transactions. In 2015, BCA recorded Net Income of Rp 18.0 trillion, an increase of 9.3% with a Return on Assets (ROA) of 3.8% and Return on Equity (ROE) of 21.9%.

Interest Income

BCA's Interest Income in 2015 saw a 7.6% increase, reaching Rp 47.1 trillion compared with Rp 43.8 trillion the previous year. This growth came mainly from an increase in Interest Income from the loan portfolio which made the largest contribution to the total growth of the Bank's Interest Income.

Interest Income from Loans. In 2015, Interest Income from the loan portfolio was recorded at Rp 36.7 trillion, a 9.8% growth driven by the increase in outstanding loans over the year. The overall loan portfolio yield was recorded at 10.5% in 2015, up slightly from 10.3% in 2014.

Interest Income from Placements with Bank Indonesia and Other Banks. In 2015, Interest Income from Placements with Bank Indonesia and Other Banks was relatively stable at Rp 958 billion. While there was an increase in the average volume of the Placements, the Bank posted declining yield thus limiting the growth of Interest Income from these investments. The yields on Placements with Bank Indonesia and Other Banks stood at 3.1% in 2015, lower than 4.9% recorded in 2014.

Interest Income from Securities. Total Interest Income from Securities (including Securities Purchased Under Agreements to Resell) fell 4.0% to Rp 5.7 trillion in 2015 due to a reduction in the total amount invested in these instruments. Interest Income from Investment Securities grew by 13.3% to Rp 3.9 trillion, supported by an increase in Interest Income from Certificates of Bank Indonesia in line with the higher average holdings of Certificates of Bank Indonesia. Interest Income from Securities Purchased Under Agreements to Resell declined by 27.9% to Rp 1.8 trillion based on reduced total holdings of these securities.

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

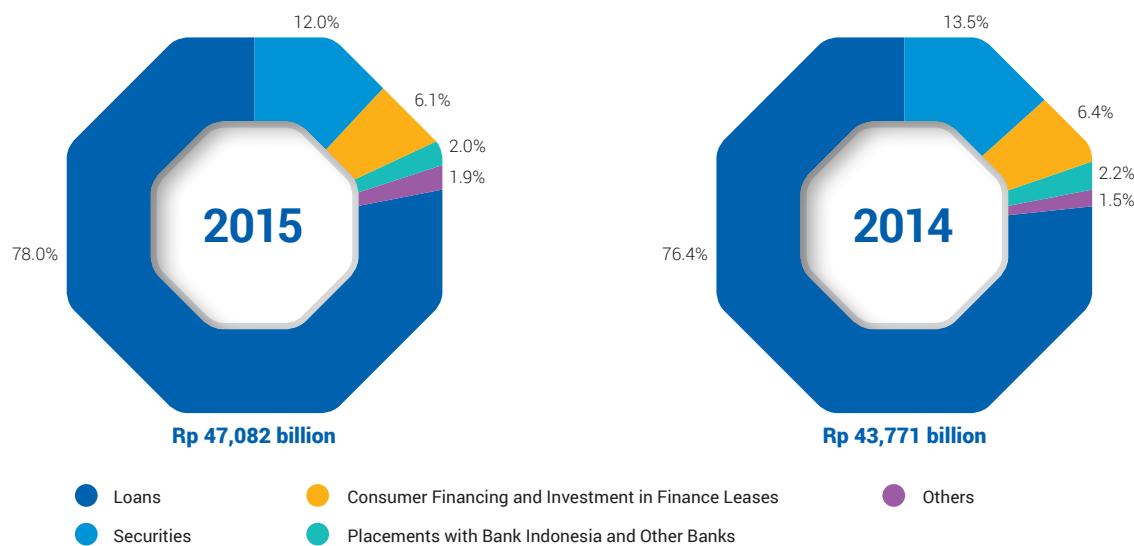
	2015	2014	Increase / (decrease)	
			Nominal	Percentage
Investment Securities				
Certificates of Bank Indonesia	3,865	3,412	453	13.3%
Government Bonds	1,296	667	629	94.3%
Other Securities	1,930	2,136	(206)	-9.6%
Securities Purchased Under Agreements to Resell	639	609	30	4.9%
Total Interest Income from Securities	1,785	2,475	(690)	-27.9%
	5,650	5,887	(237)	-4.0%

Interest Income from Consumer Financing and Investment in Finance Leases. Interest income from this account grew 1.7% to Rp 2.9 trillion in 2015. This income is generated by BCA Finance and Central Santosa Finance, BCA subsidiaries engaged in vehicle financing.

Other Interest Income. Other Interest Income rose 31.4% to Rp 883 billion in 2015 from Rp 672 billion in 2014. There was a 65.5% or Rp 146 billion increase to Rp 369 billion in Sharia revenue sharing in 2015.



Composition of Interest Income



Earning Assets Yield

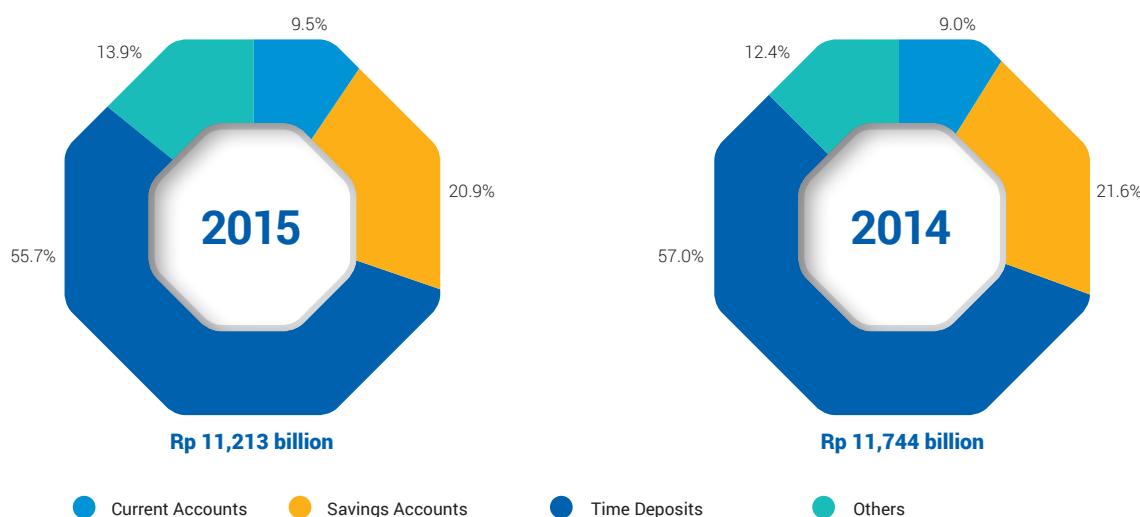
	2015	2014
Loans	10.5%	10.3%
Placement with Bank Indonesia and Other Banks	3.1%	4.9%
Securities (Including Securities Purchased Under Agreements to Resell)	6.1%	6.3%
Earning Assets	8.6%	8.7%

Interest Expense

Although third party funds grew by 5.8%, BCA's Interest Expenses in 2015 fell 4.5% to Rp 11.2 trillion. This was achieved through proactive steps taken by BCA to reduce interest rates in line with the easing liquidity in the Indonesian banking sector. Beginning August 2014 and continuing through 2015, BCA gradually reduced interest

rates on funding products, particularly time deposits. Taking into consideration the Bank's solid liquidity reserves position, BCA chose not to compete on interest rates but instead lowered time deposit rates to well below the rates set by the Indonesia Deposit Insurance Corporation.

Composition of Interest Expense



Interest Expense on Current Accounts was relatively stable at Rp 1.1 trillion in 2015. Interest Expenses on Savings Accounts decreased 7.8% to Rp 2.3 trillion from the previous year's Rp 2.5 trillion. The decrease was in line with the slight reduction on savings accounts interest rates in the first half of 2015.

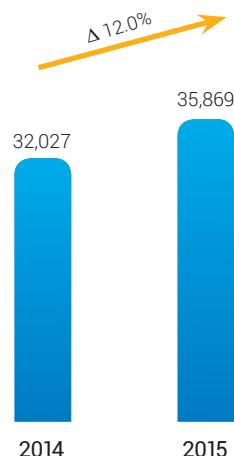
Time Deposit Interest Expense fell 6.8% to Rp 6.2 trillion in 2015 in line with the 200 bps decline in the Bank's average time deposit interest rate over the course of the year. Other Interest Expenses increased 7.9% to Rp 1.6 trillion in 2015, driven by an increase in Government guarantee premiums and Sharia expenses.

BCA's cost of funds declined by 30 bps to 2.3% in 2015, compared with 2.6% in 2014.

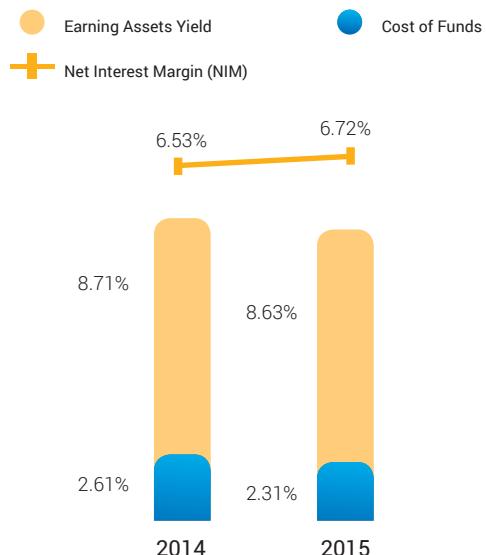
Net Interest Income and Net Interest Margin

The Bank's Net Interest Income increased 12.0% to Rp 35.9 trillion in 2015 from the previous year's Rp 32.0 trillion. Loan portfolio growth and lower cost of funds drove the increase in Net Interest Income. The Net Interest Margin (NIM) in 2015 was recorded at 6.7%, 20 bps higher than the previous year of 6.5%.

Net Interest Income (in billion Rupiah)



Net Interest Margin - NIM (%), non consolidated





Operating Income other than Interest

Operating Income other than Interest in 2015 grew 28.5% or Rp 2.7 trillion to Rp 12.0 trillion.

Operating Income other than Interest (in billion Rupiah)

	2015	2014	Increase / (decrease)	
			Nominal	Percentage
Net Fee and Commission Income	8,356	7,285	1,071	14.7%
Net Trading Income	2,107	836	1,271	152.0%
Other Operating Income	1,544	1,225	319	26.0%
Operating Income other than Interest	12,007	9,346	2,661	28.5%

Net Fee and Commission Income (in billion Rupiah)

	2015	2014	Increase / (decrease)	
			Nominal	Percentage
Deposits from customers*	2,578	2,367	211	8.9%
Loans receivable	1,231	1,094	137	12.5%
Payment settlement	1,395	1,339	56	4.2%
Credit cards	2,223	1,658	565	34.1%
Remittances, clearings, and collections	386	405	(19)	-4.7%
Others	547	426	121	28.4%
Total	8,360	7,289	1,071	14.7%
Fee and commission expense	(4)	(4)	0	0.0%
Net Fee and Commission Income	8,356	7,285	1,071	14.7%

* Mostly derived from monthly administration income from savings accounts

In 2015, Fee and Commission Income remained the major driver of the Bank's Operating Income other than Interest, contributing 69.6% of the total, while Trading Income and Other Operating Income each contributed 17.5% and 12.9% of the total Operating Income other than Interest.

Fee and Commission Income. In 2015, overall Fee and Commission Income increased 14.7% to Rp 8.4 trillion, mainly due to deposits from customers and administration fees from loans and credit cards.

The deposits from customers accounts, mostly consisting of monthly administration fees from savings accounts, grew 8.9% to Rp 2.6 trillion in 2015 in line with the increase in the number of customer accounts. In early 2016, BCA adjusted the monthly administration fee on savings accounts due to increasing investment and operating costs incurred in providing transaction services. Income from payment settlements increased 4.2% to Rp 1.4 trillion in 2015.

The increase in credit card transactions and network switching fees resulted in credit card administration fees of Rp 2.2 trillion, up 34.1% in 2015. In addition, there was a reclassification of income from international credit card network which drove growth in credit card income. Administration fee from loans stood at Rp 1.2 trillion, an increase of 12.5% from 2014.

Trading Income. Net Trading Income saw a significant increase of 152.0% to Rp 2.1 trillion owing to an increase in foreign currency swap transactions in the second semester of 2015. In 2015, BCA purchased and placed US Dollars with Bank Indonesia while simultaneously hedging the placement through the swap market via a sell forward of USD. Through these transactions, BCA benefited from the swap premium which generated higher returns than from regular short-term placements.

Other Operating Income. In 2015, the Bank's Other Operating Income increased by 26.0% to Rp 1.5 trillion, mainly supported by income from BCA's subsidiaries. BCA Insurance, BCA Finance and BCA Sekuritas respectively contributed 30.4%, 13.7% and 7.3% to the total Other Operating Income in 2015.

Operating Expenses

BCA's Operating Expenses posted a significant increase during the year in line with the network infrastructure expansion and service quality improvements. Operating Expenses grew by 18.1%, or Rp 3.3 trillion, to Rp 21.7 trillion from Rp 18.4 trillion in 2014. The Cost Efficiency Ratio in 2015 was recorded at 46.5% compared with 44.2% in 2014.

General and Administrative Expenses. In 2015, the Bank's General and Administrative Expenses increased 21.8% to Rp 10.9 trillion. The increase was consistent with the branch network and electronic channels expansion along with the development of the capacity and capability of information technology. In addition, the inflation rate and the weakening Rupiah exchange rate also contributed to the increase in BCA's General and Administrative Expenses in 2015.

Daily banking transaction expenses booked under Office Supplies grew 17.1% to Rp 3.4 trillion while Rental Expenses increased 12.9% to Rp 1.4 trillion in 2015. In line with the addition of fixed assets, particularly mainframe, ATMs and computers, Depreciation & Amortization Expenses posted

a growth of 27.8% to reach Rp 1.6 trillion while Repair & Maintenance Expenses rose 21.6% to Rp 1.2 trillion during the year. Communication Expenses reached Rp 754 billion, an increase of 47.3% in 2015, mainly owing to the change in the recording of expenses from overseas credit card transactions through VISA, Mastercard and AMEX networks. These expenses are now recorded on a gross basis in communication expense, whereas previously recorded on a net basis as a reduction to Fees and Commissions income. BCA recorded a moderate increase of Promotion Expenses of 8.7% to Rp 1.1 trillion in 2015, in line with the Bank's cost efficiency efforts. Furthermore, there was a significant rise in Tax Expenses of 522.0% to Rp 255 billion in 2015, mainly resulting from the recording of asset revaluation tax amounted to Rp 187 billion in December 2015.

Personnel Expenses. In 2015, Personnel Expenses came to Rp 9.7 trillion, a 12.2% increase over 2014. This increase is attributable to salary and benefits adjustments including the provision of bonuses, pension funds and other benefits. BCA adjusted salaries of staff in specific levels in the beginning of 2015 following the fuel subsidy cut in November 2014 after previously making salary adjustment in line with the increase in the national minimum wage. Expanding the overall workforce further contributed to the increased personnel expenses with the addition of more than 1,800 employees at the branch and regional offices, as well as the headquarter.

Operational Expenses (in billion Rupiah)

	2015	2014	Increase / (decrease)	
			Nominal	Percentage
General and Administrative Expenses	10,875	8,932	1,943	21.8%
Personnel Expenses	9,728	8,671	1,057	12.2%
Others	1,111	790	321	40.6%
Total	21,714	18,393	3,321	18.1%



General and Administrative Expenses (in billion Rupiah)

	2015	2014	Increase / (decrease)	
			Nominal	Percentage
Office supplies	3,425	2,925	500	17.1%
Depreciation and amortization	1,553	1,215	338	27.8%
Rental	1,409	1,248	161	12.9%
Repair and maintenance	1,192	980	212	21.6%
Promotion	1,087	1,000	87	8.7%
Communication	754	512	242	47.3%
Professional fees	401	339	62	18.3%
Water, electricity and fuel	291	271	20	7.4%
Tax	255	41	214	522.0%
Computer and software	129	109	20	18.3%
Transportation	62	60	2	3.3%
Insurance	33	21	12	57.1%
Research and development	27	36	(9)	-25.0%
Security	18	18	-	0.0%
Others	239	157	82	52.2%
Total	10,875	8,932	1,943	21.8%

Number of Employees and Distribution Channels

	2015	2014
Total Employees	23,982	22,161
Branches (including cash offices)	1,182	1,111
ATMs	17,081	16,694

Allowance for Impairment Losses on Financial Assets

In 2015, BCA allocated net Allowance for Impairment Losses on Financial Assets of Rp 3.5 trillion, an increase of 56.5% from the previous year. The higher Allowance for Impairment Losses on Financial Assets was in line with the Bank's prudent risk management and based on management's assessment of the current economic situation and loan conditions. In 2015, BCA anticipated loan deterioration of several of the Bank's corporate and commercial debtors with declining business performance particularly those engaged in the sea and river transportation businesses and other coal mining industry supporting businesses.

In 2015, BCA wrote-off assets in the amount of Rp 1.1 trillion, an increase from Rp 839 billion from the previous year, mainly as a result of declining loan quality in the credit card segment as well as 2-wheeler financing and commercial segments. With the formation of Allowance for Impairment Losses on Financial Assets and Assets Written-off, as of 31 December 2015, the Bank's Allowance for Impairment Losses reached Rp 10.6 trillion, up 31.4% compared to 31 December 2014.

Allowance for Impairment Losses on Financial Assets 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 estimate of the present value of the cash flows expected to be received should the loan depreciate or show signs of impairment. 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 Cost¹.

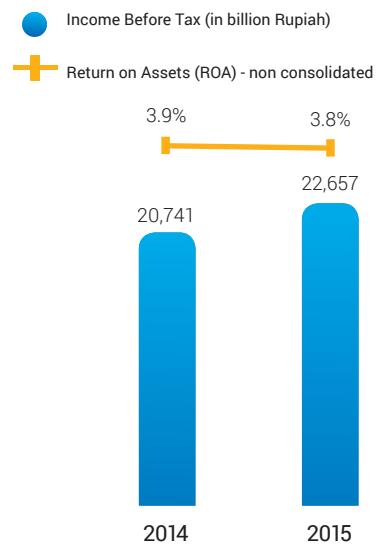
Movement of Allowance for Impairment Losses on Financial Assets (in billion Rupiah)

	2015	2014	Increase / (decrease)	
			Nominal	Percentage
Beginning Balance	8,099	6,548	1,551	23.7%
Starting Balance of Acquired Subsidiaries	-	65	(65)	N.A
Addition of Allowance During the Year	3,505	2,239	1,266	56.5%
Assets Written-off During the Year (-/-)	1,110	839	271	32.3%
Recoveries on Assets Previously Written-off	63	65	(2)	-3.1%
Exchange Rate Differences	88	21	67	319.0%
Ending Balance	10,645	8,099	2,546	31.4%

Income Before Tax

In 2015, Income Before Tax was recorded at Rp 22.7 trillion, up 9.2% from Rp 20.7 trillion in 2014. The increase in Income Before Tax, which is consistent with asset growth, led to the Bank recording a relatively stable Return on Assets (ROA) of 3.8%.

Income Before Tax and ROA



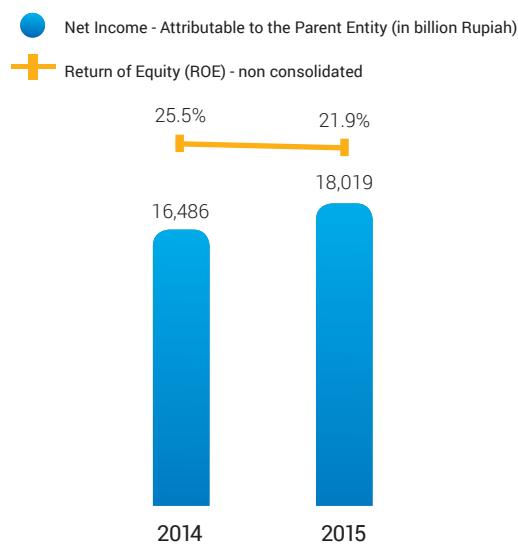
¹ **Probability of Default** is the probability of failure by debtors in meeting their obligations. **Loss Given Default** are levels of losses resulting from failure of debtors to meet their obligations. **Amortized Cost** is the carrying value of financial assets and amortized at cost.



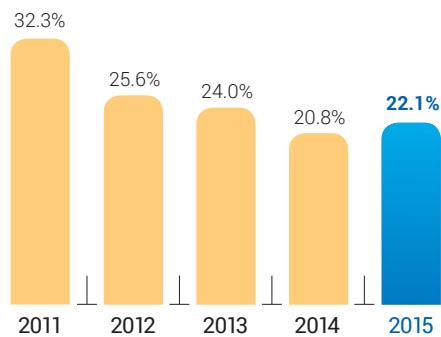
Net Income

BCA Net Income attributable to equity holders of the parent entity in 2015 was Rp 18.0 trillion, an increase of 9.3% from the previous year's Rp 16.5 trillion. Earnings Per Share (EPS) increased to Rp 731 per share in 2015 from Rp 669 per share in 2014. Return on Equity (ROE) stood at 21.9% in 2015, compared with 25.5% in 2014. This decrease was in line with the Bank's strategy to strengthen its capital position in support of ongoing business developments and to maintain the principle of prudence in preparation for the implementation of Basel III in Indonesia. In recent years, BCA has maintained a dividend payout ratio with a balance between capital needs and shareholders interests.

Net Income and ROE



Dividend Payout Ratio



Statements of Comprehensive Income

The Statements of Comprehensive Income is the change in equity during a certain period other than those changes resulting from transactions with owners in their capacity as owners.

At BCA, there are two main accounts that have significant impact on the Statements of Comprehensive Income. The first is the 'Unrealized (Losses) Gains' account as a result of mark-to-market financial assets assessment particularly on Government bonds in the 'Available-for-Sale' account. The second is the 'Remeasurements of Defined Benefit Liability' account as a result of actuarial calculation on obligations to the workforce.

The Total Comprehensive Income Attributable to Equity Holders of the Parent Entity in 2015 grew 8.2% to Rp 17.7 trillion from Rp 16.3 trillion in 2014. In 2015, Other Comprehensive Income saw a decrease and recorded a negative balance of Rp 344 billion, compared to a negative Rp 147 billion in 2014. The decrease was primarily caused by a Unrealized Losses for Available-for-Sale Financial Assets. This account declined by Rp 578 billion from a positive balance of Rp 539 billion in 2014, resulting in a loss of Rp 39 billion, in line with the decline in available-for-sale financial assets outstanding. As of 31 December 2015, the outstanding balance of available-for-sale financial assets was recorded at Rp 39.5 trillion, down 34.8% from Rp 60.6 trillion in 2014. Loss on Remeasurement of Defined Benefits Liability loss improved to Rp 490 billion in 2015 compared to Rp 747 billion in 2014 due to assumption adjustment used in the actuarial calculations.

Comprehensive Income (in billion Rupiah)

	2015	2014
Net Income	18,036	16,512
Other Comprehensive Income:		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit liability	(490)	(747)
Income tax	123	187
Items that will be reclassified to profit or loss		
Unrealized (losses) gains for available-for-sale financial assets	(39)	539
Income tax	10	(135)
Foreign exchange differences arising from translation of financial statements in foreign currency	49	7
Others	3	2
Total Other Comprehensive Income	(344)	(147)
Total Comprehensive Income	17,692	16,365
Net Income attributable to:		
Equity holders of parent entity	18,019	16,486
Non-controlling interest	17	26
Comprehensive Income attributable to:		
Equity holders of parent entity	17,674	16,339
Non-controlling interest	18	26
Earning per Share attributable to Equity Holders of The Parent Entity (in Rupiah)	731	669

BALANCE SHEET

In 2015, BCA recorded solid financial performance while maintaining loan quality and healthy liquidity and capital positions.

ASSETS

At the end of 2015, BCA recorded total assets of Rp 594.4 trillion, a 7.5% or Rp 41.2 trillion increase, from Rp 553.2 trillion in 2014. Steady asset growth solidified the Bank's position as the third largest bank by assets in Indonesia.

Total Assets

	2015		2014		Increase / (decrease)	
	billion Rupiah	% to Total Assets	billion Rupiah	% to Total Assets	billion Rupiah	Percentage
Earning Assets	527,407	88.7%	483,945	87.5%	43,462	9.0%
Placements with Bank Indonesia and Other Banks	56,259	9.5%	12,020	2.2%	44,239	368.0%
Securities Purchased under Agreements to Resell	515	0.1%	26,289	4.8%	(25,774)	-98.0%
Loans	387,643	65.2%	346,563	62.7%	41,080	11.9%
Consumer Financing and Investment in Finance Leases	7,872	1.3%	7,344	1.3%	528	7.2%
Investment Securities*	51,829	8.7%	72,153	13.0%	(20,324)	-28.2%
Others	23,289	3.9%	19,576	3.5%	3,713	19.0%
Non Earning Assets	66,966	11.3%	69,211	12.5%	(2,245)	-3.2%
Cash and Current Accounts with Bank Indonesia	55,624	9.4%	58,453	10.6%	(2,829)	-4.8%
Fixed Assets - net	9,712	1.6%	8,845	1.6%	867	9.8%
Allowance for Impairment Losses	(10,645)	-1.8%	(8,099)	-1.5%	(2,546)	31.4%
Others	12,275	2.1%	10,012	1.8%	2,263	22.6%
Total Assets	594,373	100.0%	553,156	100.0%	41,217	7.5%

* In audited Consolidated Financial Statements, Investment Securities (gross) was recorded at Rp 52,006 billion in 2015 and Rp 72,300 billion in 2014, including investment in shares amounting to Rp 177 billion in 2015 and Rp 147 billion in 2014



As of December 31 2015, earning assets increased 9.0% or Rp 43.5 trillion to Rp 527.4 trillion from Rp 483.9 trillion in the previous year. Earning assets represented 88.7% of total assets. Yields on earning assets in 2015 were relatively stable at 8.6%.

The loan portfolio is the largest component of earning assets representing 65.2% of total assets. The Bank's loan portfolio at the end of 2015 stood at Rp 387.6 trillion, an 11.9% increase, or Rp 41.0 trillion higher than the Rp 346.6 trillion posted in 2014.

In addition to lending, earning assets also consist of government bonds and funds placed in liquid and low-risk short term instruments in the form of placements with other banks and placements with Bank Indonesia including Bank Indonesia Deposit Facilities, Bank Indonesia Term Deposits, Certificates of Bank Indonesia and Securities Purchased Under Agreements to Resell.

CASH AND CURRENT ACCOUNTS WITH BANK INDONESIA

The largest component of non-earning assets is Cash and Current Accounts with Bank Indonesia, representing 9.4% of total assets. Cash is maintained at a defined level to meet customer transaction needs while Current Accounts with Bank Indonesia are maintained in accordance with reserve requirement regulations.

Cash and Current Accounts with Bank Indonesia in 2015 were recorded at Rp 55.6 trillion, down 4.8% from the previous year of Rp 58.5 trillion. The Cash balance stood at Rp 17.8 trillion and the Current Account with Bank Indonesia balance reached Rp 37.8 trillion. In 2015, BCA's Primary Reserve Requirement was recorded at 7.5% for Rupiah.

PLACEMENTS WITH BANK INDONESIA AND OTHER BANKS

At the end of 2015, Placements with Bank Indonesia and Other Banks amounted to Rp 56.3 trillion, a significant increase of 368.0% or Rp 44.2 trillion from the previous year's Rp 12.0 trillion. This increase was in line with placements of short-term Rupiah funds in Bank Indonesia Deposit Facilities and placements of US Dollar funds in Bank Indonesia Term Deposits. Bank Indonesia Deposit Facilities were registered

at Rp 30.7 trillion, up Rp 24.6 trillion from Rp 6.1 trillion in 2014, while Bank Indonesia Term Deposits in foreign currencies increased to Rp 18.6 trillion at the end of 2015 compared with Rp 2.2 trillion at the end of 2014.

Utilizing the Bank's solid liquidity position and the widening of the US Dollar swap market premium in 2015, BCA was active in purchasing and placing USD funds with Bank Indonesia. At the same time, BCA undertaking hedging transactions (sell forward US Dollar) to mitigate foreign exchange risk. Through spread swaps, these transactions offered a higher return than the Bank's short-term placements. The Bank saw these opportunities as consistent with the significant increase in demand for hedging transactions against the US Dollar amid the highly volatile Rupiah exchange rate in the spot market.

SECURITIES PURCHASED UNDER AGREEMENT TO RESELL

At the end of 2015, Securities Purchased under Agreement to Resell saw a significant decrease to Rp 0.5 trillion, dropping by 98.0% from Rp 26.3 trillion in 2014. This decline was the result of funding to meet the short-term liquidity needs of BCA and to support the USD swap program as discussed above.

INVESTMENT SECURITIES

Investment Securities stood at Rp 51.8 trillion at the end of 2015, compared with Rp 72.2 trillion in the previous year. The decrease was due to the Bank moving funds from Investment Securities to Placements with Bank Indonesia and Other Banks. Investment Securities mostly consist of Government Bonds, Rp 30.1 trillion, Certificates of Bank Indonesia, Rp 9.7 trillion, and Other Securities, Rp 12.0 trillion. Other Securities are mostly in the form of Corporate Bonds and Mutual Funds.

Investment Securities* (in billion Rupiah)

	2015	2014	Increase/(decrease)		Composition	
			Nominal	Percentage	2015	2014
Certificates of Bank Indonesia	9,736	31,581	(21,845)	-69.2%	18.8%	43.8%
Government Bonds	30,095	28,945	1,150	4.0%	58.1%	40.1%
Other Securities	11,998	11,627	371	3.2%	23.1%	16.1%
Total	51,829	72,153	(20,324)	-28.2%	100.0%	100.0%

* In audited Consolidated Financial Statements, Investment Securities (gross) was recorded at Rp 52,006 billion in 2015 and Rp 72,300 billion in 2014, including investment in shares amounting to Rp 177 billion in 2015 and Rp 147 billion in 2014

Total investments in Certificates of Bank Indonesia decreased 69.2% to Rp 9.7 trillion leading the overall decline in total placements in Investment Securities.

As of 31 December 2015, Government Bonds in Investment Securities amounted to Rp 30.1 trillion, up 4.0% from the previous year's Rp 28.9 trillion. This increase was attributed to the purchase of Government Bonds in 2015 to replace and anticipate the number of Government Bonds due to mature during the year.

The majority of Government Bonds, totaling Rp 20.4 trillion, are held in the Available-for-Sale account and represent 67.5% of the total portfolio. Government Bonds in the Held to Maturity account amounted to Rp 9.7 trillion, 32.3% of

the total, while Government Bonds for Trading stood at Rp 48 billion or 0.2% of the total at the end of 2015. There are Rp 24.7 trillion, or over 80%, of the total Government Bonds maturing within the next three years.

Of the total Government Bonds, Rp 29.0 trillion, or 96.1% of the total portfolio were fixed rate bonds while variable rate Government Bonds were recorded at Rp 1.1 trillion or 3.9% of the total.

Government Bonds are predominantly denominated in Rupiah, amounting to Rp 22.9 trillion or 76.0% of the total portfolio, with the remaining Rp 7.2 trillion, or 24.0% of the Government Bonds denominated in US Dollars.

Government Bonds (in billion Rupiah)

Type of Bonds	2015	2014	Increase/(decrease)		Composition	
			Nominal	Percentage	2015	2014
Based on Purpose of Ownership						
Trading	30,143	29,018	1,125	3.9%	100.0%	100.0%
Available for Sale	48	73	(25)	-34.2%	0.2%	0.2%
Held to Maturity	20,361	20,330	31	0.2%	67.5%	70.1%
	9,734	8,615	1,119	13.0%	32.3%	29.7%
Based on Interest Rates						
Fixed Rates	30,143	29,018	1,125	3.9%	100.0%	100.0%
Variable Rates	28,974	26,669	2,305	8.6%	96.1%	91.9%
	1,169	2,349	(1,180)	-50.2%	3.9%	8.1%

Government Bonds Maturity Profile (in billion Rupiah)

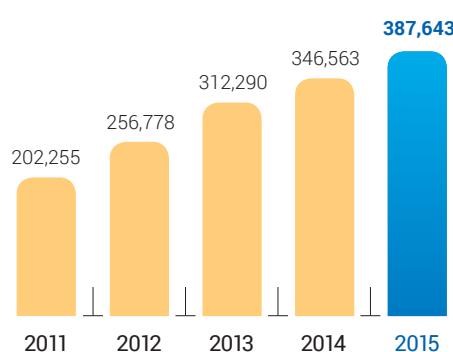
Type of Bonds	Carrying Value	Value of Government Bonds to Mature in										
		2016	2017	2018	2019	2020	2021	2022	2023	2024	2026	2034
Trading	48	-	15	31	-	-	-	1	-	-	1	-
Available for Sale	20,361	3,486	7,433	6,822	756	856	384	166	458	-	-	-
Held to Maturity	9,734	3,022	1,813	2,074	475	2,107	-	9	132	83	-	19
Total	30,143	6,508	9,261	8,927	1,231	2,963	384	176	590	83	1	19



LOANS

As of 31 December 2015, BCA's loan portfolio reached Rp 387.6 trillion, an 11.9% increase, led by corporate lending but with balanced growth across all other loan segments. At the end of 2015, corporate loans increased 17.2% to Rp 141.3 trillion. Commercial loans increased 10.0% to Rp 91.2 trillion while Small and Medium Enterprises (SME) lending rose 6.8% to Rp 52.8 trillion. The growth of the business loans was driven by improving economic conditions in the second half of 2015. The consumer loans increase of 8.9% to Rp 100.5 trillion in 2015 was driven by the Bank's competitive consumer loan products, primarily mortgage and 4-wheeler loans. Throughout 2015, BCA continued to focus lending on loan quality by prioritizing existing BCA customers with proven track records.

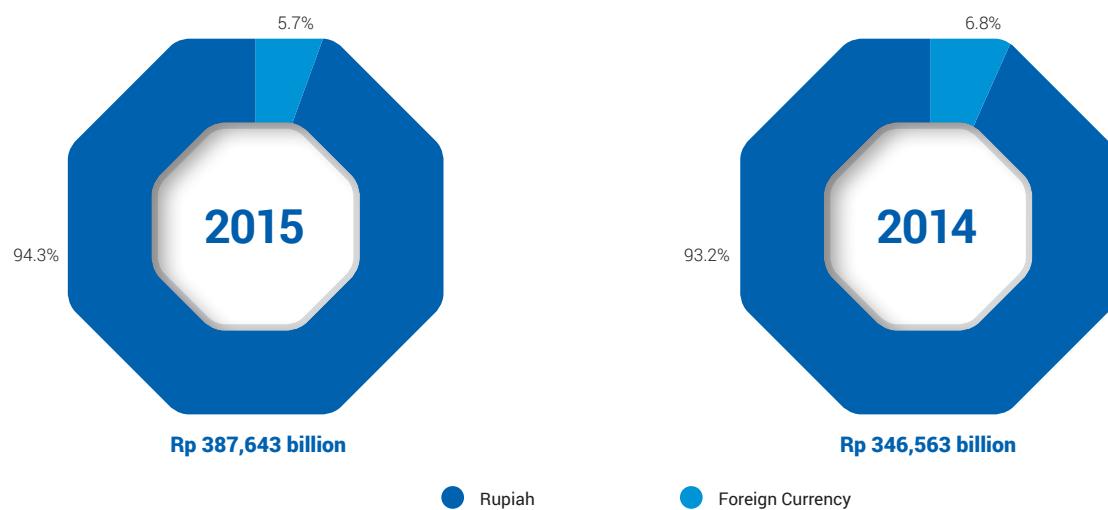
Growth of BCA's Loan Portfolio (in billion Rupiah)



Loan Portfolio Denominated in Rupiah and Foreign Currencies

In line with the largest composition of the Bank's strong Rupiah funding base and to minimize exchange rate risk, the majority of loans, 94.3%, disbursed by BCA are made in Rupiah with the remaining 5.7% denominated in foreign currencies. In 2015, Rupiah-denominated loans increased by 13.1% to Rp 365.6 trillion, while foreign currency loans dropped by 5.9% to Rp 22.0 trillion. On a US Dollar basis, lending in foreign currency fell 15.5% to USD 1.6 billion in 2015 from USD 1.9 billion in 2014.

Loan Composition based on Currency Denomination



Loan Portfolio based on Industrial Sector

BCA's loan portfolio was relatively well-spread across all industrial sectors thereby minimizing concentration risk. The Building Material and Other Construction Related industry represented 7.1% of business lending; with Plantation and

Agriculture at 6.7%; Automotive and Transportation at 6.1%; Distributor, Wholesaler, and Retailer at 6.1%; and Chemicals and Plastics at 6.1% of the total business lending portfolio.

Top 10 Industry Sectors in Corporate, Commercial and SME Segment (based on the Bank's internal classification)*

	2015	2014
Building Material and Other Construction Related	7.1%	6.5%
Plantation and Agriculture	6.7%	6.9%
Automotive and Transportation	6.1%	6.2%
Distributor, Wholesaler and Retailer	6.1%	6.3%
Chemicals and Plastics	6.1%	5.8%
Transportation and Logistics	5.3%	5.8%
Tourism	5.1%	4.7%
Food and Beverages	4.9%	4.9%
Textile and Garment	4.7%	4.8%
Property and Construction	4.6%	4.6%
Total	56.7%	56.5%

* Excluding consumer loans and employee loans

Note: For the purpose of analysis, the above loan categories are based on industry sectors used internally by BCA. In the note of audited Financial Statements, loan groupings are done with reference to Commercial Bank Report categories in accordance with regulations

Loan Portfolio based on Type of Loan

Working capital loans represented 45.9% of the total loan portfolio in 2015 with Investment and consumer loans making up 27.6% and 25.9% of the portfolio respectively at the end of 2015.

Working capital loans grew 13.0% or Rp 20.4 trillion to reach Rp 177.7 trillion in 2015. Investment loans grew 12.7% or Rp 12.1 trillion to Rp 107.1 trillion. At the end of 2015, consumer loans increased 8.9% to Rp 100.5 trillion.

Loan Composition based on Type of Loan

	2015		2014		Increase / (decrease)	
	billion Rupiah	Composition	billion Rupiah	Composition	billion Rupiah	Percentage
Working Capital	177,726	45.9%	157,313	45.4%	20,413	13.0%
Investment	107,139	27.6%	95,079	27.4%	12,060	12.7%
Consumer (including Credit Card)	100,510	25.9%	92,277	26.6%	8,233	8.9%
Employee	2,268	0.6%	1,894	0.6%	374	19.7%
Total	387,643	100.0%	346,563	100.0%	41,080	11.9%

Loan Receivables Collectability

Loan growth in 2015 was achieved with maintaining healthy loan quality. Amid the weakening Indonesian economy and increasing NPLs in the banking sector, BCA strengthened the Bank's prudent approach to lending by consistently monitoring business conditions and various other factors that can affect loan quality and the debtors' ability to repay

loans. Lending in 2015 was prioritized for customers who have developed good relationships with the Bank and have solid track records and business prospects. For consumer loans, BCA implemented strict Loan to Value and repayment capacity criteria for lending.



BCA's prudent lending guidelines have supported quality loan growth with the Bank's NPL ratio maintained at 0.7% in 2015, relatively lower than the banking sector's 2.5%. The provision for NPLs was recorded at 322.2% in 2015.

As expected, the slowing economy resulted in overall loan deterioration. In line with the condition of the Indonesian banking sector, in 2015 BCA saw signs of stress in the loan portfolio although still within set risk appetite limits.

Special Mention Loans. At the end of 2015, loans in the special mention category (collectability 2) came to Rp 6.3 trillion, growing 35.5% or Rp 1.6 trillion in 2015, mostly due to stress in the sea and river transportation industry which negatively impacted loan quality in the corporate and commercial loan portfolios. BCA continues to monitor the potential for further loan deterioration in this segment due to continued weakness in commodity prices and in particular in the coal mining. The Bank's exposure to this sector is relatively small at Rp 4.7 trillion or 1.2% of the total loan portfolio. In addition, there was a corporate customer engaged in the telecommunication industry that was classified as special mention in the fourth quarter of 2015.

Special mention consumer loans represent the largest portion at 49.1% of the Bank's total special mention loans, with 62.1% of the total being loans that are less than 30 days overdue for payment, and are recurring in nature every month. This, however, did not lead to loan deterioration or the downgrade to the non-performing loans category. Special Mention SME loans were relatively stable at Rp 0.8 trillion.

Total Non-Performing Loans stood at Rp 2.8 trillion, up Rp 734 billion or 35.5%. The increase was mostly due to stress in the sea and river transportation service industry as discussed above.

Loan Collectability* (non consolidated)

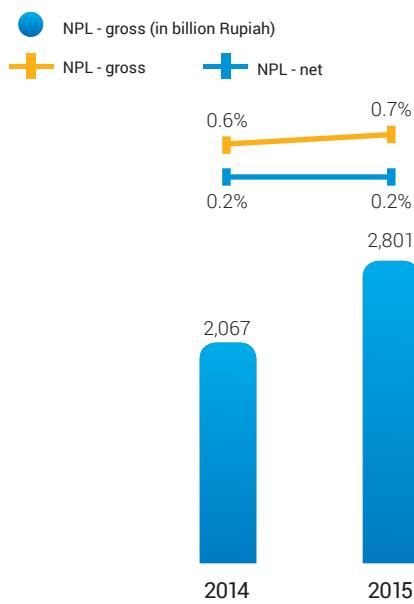
	2015		2014	
	billion Rupiah	% to Total Loans	billion Rupiah	% to Total Loans
Current	378,930	97.7%	340,261	98.1%
Special Mention	6,277	1.6%	4,634	1.3%
Performing Loan	385,207	99.3%	344,895	99.4%
Substandard	298	0.1%	715	0.2%
Doubtful	979	0.2%	307	0.1%
Loss	1,524	0.4%	1,045	0.3%
NPL	2,801	0.7%	2,067	0.6%
Total Loans	388,008	100.0%	346,962	100.0%
NPL Ratio – gross	0.7%	N.A.	0.6%	N.A.
NPL Ratio – net	0.2%	N.A.	0.2%	N.A.
Provision / NPL	322.2%	N.A.	324.2%	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

BCA proactively manages the loan portfolio through strict monitoring and regular stress testing of the portfolio. Proactive monitoring allows the Bank to anticipate and reduce the direct and indirect impact of the macro and micro economic condition on the quality of the loan portfolio.

In general, BCA's loan quality was maintained at a healthy level. The Bank will continue to carefully monitor the overall economy and individual debtors and sectors for possible increased delinquency in the future.

Non-Performing Loans (NPL) (non consolidated)



Restructured Loans

In accordance with Bank Indonesia Regulation No. 14/15/PBI/2012 concerning the assessment of asset quality of commercial banks, banks in Indonesia are permitted to restructure loans as a remedial action for debtors having difficulty in fulfilling their responsibility to repay a loan. This policy was revised in 2015 by the Indonesia Financial Services Authority easing guidelines on loan restructuring from requiring three pillars of analysis for restructuring, the industry sector, the company's condition and ability to repay, to just one criterion, ability to repay. The policy also allows banks to maintain restructured loans at a higher rating level than in the past.

In order to reduce the customers' financial pressure and with support from the regulators, BCA proactively restructured various loans that exhibited weakness with focus for restructuring on companies who show promising prospects but are currently experiencing difficulties in the midst of weakening economic growth.

In 2015, loans restructured by BCA amounted to Rp 3.1 trillion, 0.8% of the total loan portfolio. The majority of loan restructuring in 2015 was for loans in the current and special mention categories and was intended to assist debtors with signs of declining ability to repay and weakening business performance. Loans restructured in the corporate and commercial segments were primarily in the sea and river transportation services industry.

Restructured Loan Outstanding (non consolidated, in billions Rupiah)

	2015	2014	Increase / (decrease)	
			Nominal	Percentage
Current	2,085	152	1,933	1271.7%
Special Mention	576	378	198	52.4%
Performing Loan	2,661	530	2,131	402.1%
Substandard	2	486	(484)	-99.6%
Doubtful	65	43	22	51.2%
Loss	341	172	169	98.3%
NPL	408	701	(293)	-41.8%
Total Restructured Loans	3,069	1,231	1,838	149.3%
Total Loans Portfolio	387,643	346,563	41,080	11.9%
% Restructured Loans to Total Loans Portfolio	0.8%	0.4%	N.A	N.A



Allowance for Impairment Losses on Loans

In 2015, BCA determined allowance for impairment losses of Rp 3.1 trillion, an increase of 85.2% compared with Rp 1.7 trillion in 2014. As such, the total impairment allowance reached Rp 9.0 trillion as of December 31, 2015, up 34.7% from Rp 6.7 trillion in 2014. The impairment allowance provision to the NPL ratio in 2015 stood at a relatively stable level of 322.2%.

Movement of Allowance for Impairment Losses on Loans Receivable (in billion Rupiah)

	2015	2014	Increase / (decrease)	
			Nominal	Percentage
Beginning Balance	6,704	5,611	1,093	19.5%
Addition of allowance during the year	3,122	1,686	1,436	85.2%
Loans written-off during the year (-/-)	899	656	243	37.0%
Recoveries on loans previously written-off	63	65	(2)	-3.1%
Exchange rate differences	37	(2)	39	-19.5%
Ending Balance	9,027	6,704	2,323	34.7%

Loans Written Off

In 2015, the Bank wrote-off Rp 899 billion worth of loans compared with Rp 656 billion in 2014. The increase was primarily from loans written-off in the 2-wheeler financing of Rp 299 billion, credit card of Rp 295 billion and commercial

segment amounting to Rp 110 billion. The biggest portion of total loans written-off in 2015 was still for motorcycle financing and credit card lending consistent with the general practice in those industries.

Detail of Loans Written Off (in billion Rupiah)

	2015	2014	Increase / (decrease)	
			Nominal	Percentage
Corporate	-	-	-	N.A
Commercial	110	0	110	N.A
SME	38	26	12	46.9%
Consumer	751	630	121	19.2%
Mortgage	2	31	(29)	-93.5%
4 Wheeler	155	130	25	19.2%
2 Wheeler	299	232	67	28.9%
Credit Card	295	237	58	24.5%
Total	899	656	243	37.0%

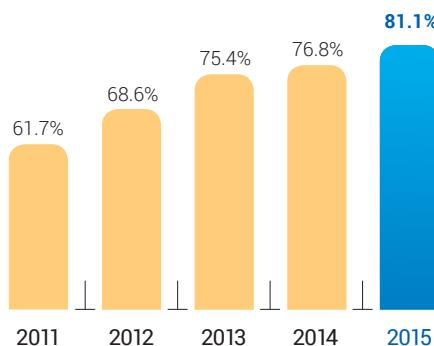
The ratio of loans written off against to outstanding loan portfolio stood at 0.23% at the end of 2015, compared with 0.20% the previous year.

Loan to Funding Ratio (LFR)

In 2015, the regulators applied a revised LFR ratio as a refinement of the LDR ratio used previously. The method for calculating LFR is similar to that for LDR but with the addition of certain Bank issued securities as a source of funding.

In 2015, in line with the higher loan growth compared to third party funds, BCA recorded an LFR of 81.1%, an increase of 430 bps from 76.8% in 2014. The Bank's LFR is in a healthy position and still affords BCA room to generate loan growth in the future.

LFR (non consolidated)



LIABILITIES

The Bank's liabilities grew 5.7% or Rp 27.3 trillion to Rp 504.7 trillion in 2015, compared with Rp 477.4 trillion in 2014, driven mainly by third party funds growth which represents 93.8% of the total liabilities.

Third Party Funds

BCA maintained a solid funding position, with third party funds standing at Rp 473.7 trillion in 2015, an increase of 5.8% or Rp 25.8 trillion from the previous year. This growth was mainly derived from transactional accounts or Current Accounts and Savings Accounts (CASA) accounts, which makes up the largest portion of the Bank's total third party funds at 76.1%. Time deposits funds contributed the remaining 23.9% of the total in 2015.

Third Party Funds

	2015		2014		Increase / (decrease)		Average Interest Rates		
	billion Rupiah	Composition	billion Rupiah	Composition	billion Rupiah	Percentage	2015	2014	Increase/ (decrease)
Current Accounts	115,653	24.5%	107,419	24.0%	8,234	7.7%			
Rupiah	96,919	20.5%	90,500	20.2%	6,419	7.1%	1.1%	1.2%	-0.1%
Foreign Currency	18,734	4.0%	16,919	3.8%	1,815	10.7%	0.1%	0.1%	0.0%
Savings Accounts	244,608	51.6%	228,993	51.1%	15,615	6.8%			
Rupiah	230,267	48.6%	216,034	48.2%	14,233	6.6%	1.1%	1.2%	-0.1%
Foreign Currency	14,341	3.0%	12,959	2.9%	1,382	10.7%	0.2%	0.2%	0.0%
Total Transactional Account Balance (CASA)	360,261	76.1%	336,412	75.1%	23,849	7.1%			
Time Deposits	113,405	23.9%	111,494	24.9%	1,911	1.7%			
Rupiah	103,269	21.8%	103,849	23.2%	(580)	-0.6%	6.2%	7.4%	-1.2%
Foreign Currency	10,136	2.1%	7,645	1.7%	2,491	32.6%	0.3%	0.4%	-0.1%
Total Third Party Funds	473,666	100.0%	447,906	100.0%	25,760	5.8%			
Rupiah	430,455	90.9%	410,383	91.6%	20,072	4.9%	2.3%	2.7%	-0.4%
Foreign Currency	43,211	9.1%	37,523	8.4%	5,688	15.2%	0.2%	0.2%	0.0%

Current Accounts and Savings Accounts (CASA)

BCA continues to strengthen its core business as one of the leading transaction service providers in Indonesia. BCA has developed various programs to improve ease of access for customers through the development of the branch network and the capacity and accessibility of an increasing variety of electronic delivery channels. These multi channel transaction banking services allow BCA to benefit from stable liquidity from low-cost CASA.

Backed by convenient, secure and reliable services, CASA funds saw a considerable growth of 7.1% to Rp 360.3 trillion at the end of 2015. This increase was achieved in the midst of an economic slowdown affecting CASA growth in the overall Indonesian banking sector.



Current accounts increased 7.7% or Rp 8.2 trillion to Rp 115.7 trillion compared with Rp 107.4 trillion in 2014. 83.8% of the total current accounts were denominated in Rupiah with the remaining 16.2% in foreign currencies.

Savings accounts saw a 6.8% or Rp 15.6 trillion growth to Rp 244.6 trillion in 2015 from Rp 229.0 trillion in 2014. 94.1% of the total savings accounts were in Rupiah, while foreign currency savings contributed the remaining 5.9%.

The increase in the volume of current accounts and savings accounts is a reflection of the Bank's proven excellence in transaction banking services. BCA will continue innovating to improve and enhance the quality of its services for customer convenience.

Time Deposits

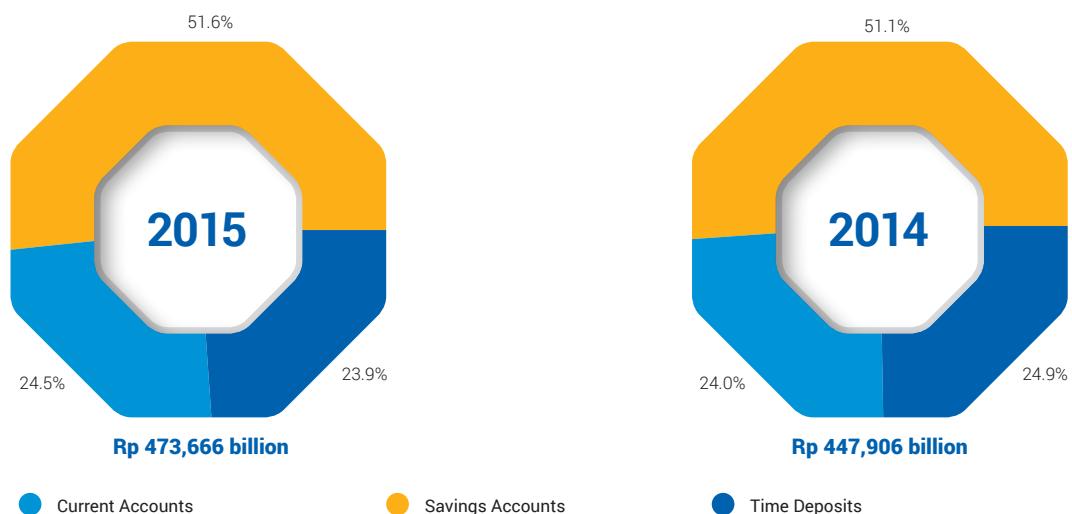
In 2015, time deposit funds were recorded at Rp 113.4 trillion, an increase of 1.7% from 2014. During the year, the Bank did not compete aggressively to raise time deposit funds as BCA's overall liquidity condition was sufficiently healthy. Over the course of the year BCA gradually reduced time deposit interest rates which led to an overall reduction in the Bank's cost of funds.

Time deposits are divided into 'buckets' based on currency, maturity periods and amounts. In 2015, time deposits denominated in Rupiah contributed 91.1% of total time deposits with the remaining 8.9% denominated in foreign currencies.

Maturity periods for time deposits are 1 month, 3 months, 6 months or 12 months. At the end of 2015, the majority of time deposits had a 1-month maturity with a total outstanding of Rp 96.8 trillion or 85.3% of total time deposits. 3-month time deposits were recorded at Rp 9.8 trillion or 8.6%, while time deposits of 6 months represented Rp 3.1 trillion or 2.7%, and 12-month time deposits were recorded at Rp 3.8 trillion or 3.4% of the overall outstanding at the end of 2015.

Based on the amounts of Rupiah time deposits, the majority at 66.1% were below Rp 2 billion, while the remaining 33.9% were Rupiah time deposits above Rp 2 billion. The maximum amount of time deposits insured by the Indonesia Deposit Insurance Corporation is Rp 2 billion. BCA has a well-diversified funding structure with a minimum level of funding concentration risk.

Composition of Third Party Funds



Debt Service Ability

Supported by a healthy financial position, BCA and its subsidiaries were able to fulfill their financial obligations throughout 2015. BCA as a parent company issued no bonds or other securities. The majority of payments on financial obligations took the form of interest payments on third party funds.

The Bank's total liabilities as of December 31, 2015 stood at Rp 504.8 trillion, an increase of 5.7% or Rp 27.4 trillion from Rp 477.4 trillion at end of 2014. Third party funds contributed 93.8% of BCA's total liabilities. Deposits from Other Banks, Acceptance Payables, Debt Securities Issued and Borrowings were recorded at Rp 13.1 trillion in 2015, dropping 6.7% from the previous year.

Summary of Liabilities (in billion Rupiah)

	2015	2014
Total Assets	594,373	553,156
Liabilities		
Third Party Funds	473,666	447,906
Current Accounts	115,653	107,419
Savings Accounts	244,608	228,993
Time Deposits	113,405	111,494
Deposits from Other Banks	4,156	3,754
Acceptance Payables	4,375	4,698
Debt Securities Issued	2,821	2,504
Borrowings	1,743	3,081
Other Liabilities	17,987	15,487
Total Liabilities	504,748	477,430
Total Equity	89,625	75,726
Consolidated		
Liabilities to Equity Ratio	563.2%	630.5%
Liabilities to Assets Ratio	84.9%	86.3%
Non Consolidated		
Liabilities to Equity Ratio	570.4%	635.8%
Liabilities to Assets Ratio	85.1%	86.4%

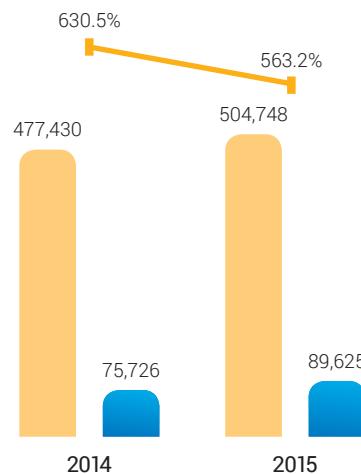
Debt service ability improved in 2015, reflected in the improvement of the ratio of Liabilities to Assets and to Equity. By the end of 2015, the ratio of Liabilities to Assets was 84.9%, lower than the previous year's 86.3%. The Liabilities to Equity ratio was 563.2% at the end of 2015, improved from 630.5% at the end of 2014. These lower ratios are a result of the Bank's higher growth in assets and equity compared with the growth in liabilities in 2015.

On a consolidated basis, Debt Securities Issued stood at Rp 2.8 trillion in 2015. These Debt Securities Issued were primarily bonds and medium term notes issued by BCA Finance, a subsidiary of the Bank engaged in 4-wheeler financing. At the end of 2015, outstanding bonds and medium term notes issued by BCA Finance amounted to Rp 2.4 trillion and Rp 0.4 trillion respectively. BCA Finance has a solid financial position as reflected in its Liabilities to Assets ratio of 67.9% and Liabilities to Equity ratio of 211.6%. BCA Finance's bonds were rated idAAA by Pefindo and AAA(idn) by Fitch Ratings Indonesia at the end of 2015. BCA Finance in 2015 offered bonds coupon rate in the range of 7.5 - 10.0% for tenure between 1 - 5 years.



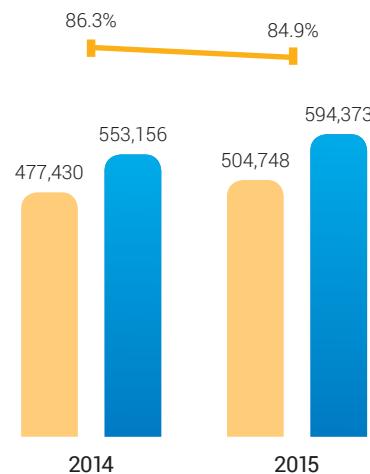
Liabilities to Equity Ratio (consolidated - in billion Rupiah)

● Total Liability ● Total Equity + Liabilities to Equity Ratio



Liabilities to Assets Ratio (consolidated - in billion Rupiah)

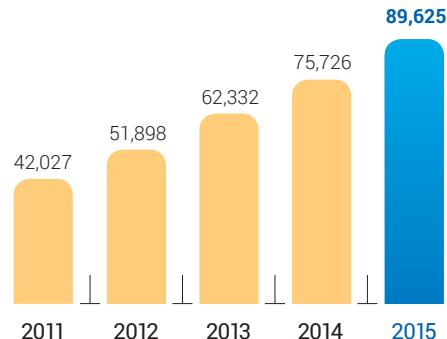
● Total Liabilities ● Total Assets + Liabilities to Assets Ratio



EQUITY

Total equity in 2015 was recorded at Rp 89.6 trillion, an 18.4% increase from the previous year's position. The increase in equity was consistent with the increase in Net Income for the year. Higher accumulation of retained earnings have promoted the high growth in equity, thereby resulting in a lower Return on Equity (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 407 - 408.

In 2015, the Bank's cash and cash equivalents position stood at Rp 118.7 trillion, an increase of Rp 44.2 trillion from Rp 74.5 trillion in 2014. Major cash flow items entries are further elaborated below.

Cash Flows (in billion Rupiah)

	2015	2014	Increase / (decrease)	
			Nominal	Percentage
Cash Flows from Operating Activities				
Receipts of interest and sharia income, fees and commissions	54,591	50,279	4,312	8.6%
Payment of interest and sharia expenses, fees and commissions	(11,321)	(11,654)	333	2.9%
Gain (loss) from foreign exchange transactions - net	2,405	(813)	3,218	395.8%
Other operating expenses	(19,161)	(15,808)	(3,353)	-21.2%
Securities purchased under agreements to resell	25,775	14,767	11,008	74.5%
Loans receivable	(39,703)	(34,316)	(5,387)	-15.7%
Deposits from customers	21,477	39,071	(17,594)	-45.0%
Others	(4,604)	(6,389)	1,785	27.9%
Cash Flows from Investing Activities	18,936	(25,054)	43,990	175.6%
Acquisition of investment securities	(60,322)	(49,082)	(11,240)	-22.9%
Proceeds from investment securities that had matured during the year	82,584	27,133	55,451	204.4%
Others	(3,326)	(3,105)	(221)	-7.1%
Cash Flows from Financing Activities	(4,754)	(2,743)	(2,011)	-73.3%
Increase (decrease) in borrowings - net	(1,338)	908	(2,246)	-247.4%
Payment of cash dividends	(3,772)	(3,082)	(690)	-22.4%
Others	356	(569)	925	162.6%
Net (Decrease) Increase in Cash and Cash Equivalents	43,641	7,340	36,301	494.6%
Cash and Cash Equivalents, Beginning of Year	74,476	67,156	7,320	10.9%
Effect of Foreign Exchange Rate Fluctuations on Cash and Cash Equivalents	544	(20)	564	2,820.0%
Cash and Cash Equivalents, End of Year	118,661	74,476	44,185	59.3%

Cash Flows from Operating Activities

BCA's cash inflows generated from operations in 2015 amounted to Rp 29.5 trillion compared to the previous year's Rp 35.1 trillion. Overall, the differences in cash flows from operating activities in 2015 compared to 2014 were:

- Cash inflows arising from operating activities were primarily derived from interest and sharia income, fees and commissions; sale of securities purchased under agreements to resell; as well as deposits from customers. In 2015, the Bank received cash inflows from interest and Sharia income, fees and commissions amounting to Rp 54.6 trillion compared to Rp 50.3 trillion the previous year.

In 2015 the sale of securities purchased under agreements to resell generated cash inflow of Rp 25.8 trillion, compared to 2014's Rp 14.8 trillion.

Cash inflows generated from deposits from customers in 2015 amounted to Rp 21.5 trillion compared with Rp 39.1 trillion in 2014.

- Cash outflows from operating activities are primarily derived from lending activities, payments of interest and Sharia expenses, fees and commissions, and other operating expenses. In 2015, the Bank recorded cash outflows from lending activities at Rp 39.7 trillion compared to the previous year's Rp 34.3 trillion. The cash outflow from payment of interest and Sharia expenses, fees and commissions totaled Rp 11.3 trillion in 2015, relatively the same compared with the previous year's Rp 11.7 trillion. Cash outflows from other operating expenses amounted to Rp 19.2 trillion in 2015, an increase from Rp 15.8 trillion in 2014.

Cash Flow from Investing Activities

Cash inflows from investing activities during 2015 amounted to Rp 18.9 trillion, in contrast, in 2014 the Bank recorded cash outflows for investing activities of Rp 25.1 trillion. The increase in cash inflows was mainly derived from proceeds from investment securities that had matured during the year, which amounted to Rp 82.6 trillion in 2015, up from Rp 27.1 trillion in 2014.



The Bank recorded cash outflows for the acquisition of investment securities amounting to Rp 60.3 trillion in 2015 compared with Rp 49.1 trillion in 2014.

Cash Flow from Financing Activities

Cash outflows for financing activities in 2015 amounted to Rp 4.8 trillion compared to the previous year's Rp 2.7 trillion.

The cash outflows were mainly for the payment of cash dividends on the Bank's profit in 2015 of Rp 3.8 trillion compared to the previous year's Rp 3.1 trillion. In addition, in 2015 the Bank recorded cash outflows amounting to Rp 1.3 trillion for the repayment of borrowings from other banks, in contrast, in 2014 the Bank recorded cash inflows for the activity of Rp 0.9 trillion.

FINANCIAL RATIOS

Financial Ratios (non consolidated)

	2015	2014	2013	2012	2011
Capital					
Capital Adequacy Ratio (CAR)	18.7%	16.9%	15.7%	14.2%	12.7%
CAR Tier 1	17.8%	16.0%	14.8%	13.3%	11.6%
CAR Tier 2	0.9%	0.9%	0.9%	0.9%	1.1%
Fixed Assets to Capital	18.6%	21.2%	21.8%	24.0%	22.1%
Earning Assets					
Non-Performing Earning Assets and Non Earning Assets to Total Earning Assets and Non Earning Assets	0.6%	0.5%	0.4%	0.3%	0.3%
Non-Performing Earning Assets to Total Earning Assets	0.7%	0.6%	0.5%	0.4%	0.4%
Impairment Provision on Earning Assets to Total Earning Assets	2.0%	1.6%	1.5%	1.2%	1.4%
NPL - gross	0.7%	0.6%	0.4%	0.4%	0.5%
NPL - net	0.2%	0.2%	0.2%	0.2%	0.2%
Rentability					
ROA	3.8%	3.9%	3.8%	3.6%	3.8%
ROE	21.9%	25.5%	28.2%	30.4%	33.5%
NIM	6.7%	6.5%	6.2%	5.6%	5.7%
Cost Efficiency Ratio	46.5%	44.2%	42.9%	46.4%	47.2%
Operating Expenses to Operating Revenues (BOPO)	63.2%	62.4%	61.5%	62.4%	60.9%
Liquidity					
LFR	81.1%	76.8%	75.4%	68.6%	61.7%
CASA (Current Accounts & Savings Accounts) Ratio	76.1%	75.1%	78.9%	80.3%	77.0%
Liabilities to Equity Ratio	570.4%	635.8%	701.2%	763.9%	831.7%
Liabilities to Assets Ratio	85.1%	86.4%	87.5%	88.4%	89.3%
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	7.5%	8.4%	8.3%	9.0%	9.9%
b. Reserve Requirement - Foreign Currency	9.1%	8.6%	8.5%	8.3%	8.5%
Net Open Position (NOP)	0.4%	0.6%	0.2%	0.9%	0.5%

Solvability and Collectability

- **Capital Adequacy Ratio (CAR)**

In 2015, the Bank continued to strengthen its capital position as reflected in the CAR, which stood at 18.7%, up 180 bps from 16.9% in 2014. The CAR takes into consideration credit, market and operational risk as well as changes to regulation, such that all of net income for the year is calculated as component of core capital in Tier I Capital. Previously, only 50% of the net income for the year was calculated as core capital.

In line with the change regulation and increased profitability, the Bank's non consolidated core capital grew by 30.0% to Rp 83.7 trillion, accounting for 95.2% of the total capital of the Bank by the end of 2015. Supplementary capital increased by 21.1% to Rp 4.2 trillion, accounting for 4.8% of the total capital. On a consolidated basis, the Bank's core capital in 2015 reached Rp 87.6 trillion and accounted for 95.3% of the Bank's total capital while supplementary capital stood at Rp 4.3 trillion or 4.7% of the Bank's total capital.

- **Non-Performing Loans (NPL)**

Owing to disciplined risk management and prudent lending, the Bank was able to maintain its gross NPL ratio at a low level of 0.7% at the end of 2015. This is a better NPL ratio than the average of the banking sector which stood at 2.5%. The Bank's net NPL ratio stood at 0.2% at the end of 2015. Although BCA maintained a low NPL ratio, BCA is anticipating the potential increase in NPL in the midst of an unfavorable economic condition. In 2015, BCA formed significant amount of loan provision, bringing the ratio of reserves to non-performing loans to 322.2% at the end of 2015.

Rentability

- **Return on Assets (ROA)**

The increase in operating income in 2015 supported a positive profit growth in line with asset growth. As such, the Bank was able to maintain an ROA of 3.8% in 2015, relatively similar to that of the previous year. The average ROA of the Indonesian banking sector decreased by 60 bps from 2.9% to 2.3% in 2015.

- **Return on Equity (ROE)**

In 2015, ROE stood at 21.9%, lower than in 2014 which amounted to 25.5%. The decline in ROE is in line with the Bank's strategic intention to strengthen its capital position in support of business development and in preparation for the implementation of Basel III in Indonesia. In recent years, the Bank has sought to adjust dividend payout ratio for a sound capital base.

- **Net Interest Margin (NIM)**

In 2015, BCA's NIM ratio increased to 6.7% from 6.5% in 2014. The growing loan portfolio and decreasing cost of funds resulted in a higher NIM ratio in 2015.

- **Operating Expenses to Operating Revenues (BOPO)**

In 2015, the BOPO ratio stood at 63.2% compared to 62.4% in the previous year, mainly due to an increase in operating expenses and allowance for impairment losses. The cost efficiency ratio stood at 46.5%, compared to the previous year's 44.2%.

Liquidity

- **Secondary Reserves**

In 2015, BCA maintained its liquidity position at a healthy level. The Bank's funding sources are mostly comprised of CASA funds, representing 76.1% of the total third party funds in 2015. The Bank regularly monitors liquidity and undertakes regular reviews of the secondary reserves as a liquidity buffer. Secondary reserves stood at Rp 67.5 trillion, or 14.2% of total third party funds at the end of 2015.



The secondary reserves were mostly placed in Bank Indonesia instruments. The placement of funds was in the form of low risk short-term placements. BCA's secondary reserves consist of Placements with Bank Indonesia (Deposit Facilities and Term Deposits) and Other Banks; Securities Purchased Under Agreements to Resell with Bank Indonesia; and Certificates of Bank Indonesia. Bank Indonesia Term Deposits and Deposit

Facilities, as well as Certificates of Bank Indonesia are a large part of the Bank's secondary reserves, amounting to 89.6% of the total. Placement allocation of secondary reserves considers issuer, tenure, yield and market availability.

The secondary reserves are deemed to be adequate to support liquidity for BCA's banking activities under various stress test scenarios.

Secondary Reserves*

	2015		2014		Increase / (decrease)	
	billion Rupiah	Composition	billion Rupiah	Composition	billion Rupiah	Percentage
Securities Purchased under Agreements to Resell**	-	-	19,253	29.9%	(19,253)	N.A
Certificates of Bank Indonesia***	11,214	16.6%	33,141	51.4%	(21,927)	-66.2%
Bank Indonesia Term Deposits	18,610	27.6%	2,168	3.4%	16,442	758.4%
Bank Indonesia Deposit Facility	30,663	45.4%	6,071	9.4%	24,592	405.1%
Placement with Other Banks	6,986	10.4%	3,781	5.9%	3,205	84.8%
Total Secondary Reserves	67,473	100.0%	64,414	100.0%	3,059	4.7%

* Internally, BCA defines placements in short-term instruments with 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 to Rp 0.5 trillion in 2015 and Rp 7.0 trillion in 2014

*** For investment purpose stood at Rp 9.7 trillion in 2015 and Rp 31.6 trillion in 2014. As Financial Assets Held for Trading amounted to Rp 1.5 trillion in 2015 and Rp 1.6 trillion in 2014

• Loan to Funding Ratio (LFR)

In 2015, regulator applied a revised LFR ratio calculation as a refinement of the LDR ratio calculation. The LFR includes eligible Bank issued securities in Rupiah or foreign currencies to obtain funding. BCA as a parent company does not issue securities to acquire funding so that the Bank's LFR is equal to its LDR. As at December 31, 2015 BCA recorded an LFR and LDR of 81.1%, lower than the average banking sector LDR which came to 92.1%. In the future, the Bank will continue to manage the balance between its liquidity position and loan growth.

TARGET ACHIEVEMENTS IN 2015

The Indonesian economy and the banking industry faced a number of challenges in 2015. The profitability of the Indonesian banking industry came under pressure as a result of slowing growth in earning assets and third party funds as well as the declining loan quality. Nevertheless, we are pleased to report that the Bank recorded growth in Net Income of 9.3% to Rp 18.0 trillion in 2015 and generated a higher Return on Assets and Return on Equity than expected.

BCA's financial achievements are in line with the Bank's success in maintaining loan quality and its core business performance in 2015. BCA transaction banking provided sustainable funding from transaction accounts and secured a solid liquidity position thereby allowing the Bank to lower the maximum time deposit interest rates gradually throughout 2015 resulting in a decline in cost of funds.

Supported by loan growth and lower cost of funds, BCA's Net Interest Income increased 12.0% to Rp 35.9 trillion in 2015. The Bank also grew Operating Income other than Interest, both from transaction banking fee-based income and treasury activities in second half of 2015. To sustain profitability, further efforts were taken to maximize operational efficiency and reduce the rate of growth in operating costs. However, BCA remain committed to investing in banking networks and information technology which represents a significant part of overall operating expenses. The weakening Rupiah exchange rate also contributed to the increased costs of the procurement of electronic networks and software, which are associated with the movements of US Dollar. Overall, the Bank posted a cost efficiency ratio at 46.5% in 2015, compared with 44.2% in 2014.

Closing the year, the Bank's loan portfolio was recorded at Rp 387.6 trillion, an increase of 11.9% for the year and within the growth target range of 10%-12%. Third party funds grew to Rp 473.7 trillion, an increase of 5.8% in 2015, below the growth target range of 8%-11%. In line with easing liquidity in the Indonesian banking sector and BCA's efforts to balance profitability, the Bank did not compete aggressively in time deposits taking, resulting in a lower level of total third party funds compared to the initial budget. Overall, the financial position of the Bank was well preserved. BCA recorded a low level of NPLs at 0.7%. The Loan to Funding Ratio (LFR) was maintained at a healthy 81.1%, slightly above the lower range recommended by the regulator. The Capital Adequacy Ratio (CAR) reached 18.7%, above the minimum regulation set by Bank Indonesia, and in position to comply with the potential revision of the regulatory benchmark based on the development of BASEL calculation methods.

CAPITAL STRUCTURE AND MANAGEMENT POLICY ON CAPITAL STRUCTURE

Capital Policy

Capital management policy aims to ensure that the Bank has strong capital to support the Bank's current business development strategy and ensure sustainable growth in the future. This policy is also established with consideration to the capital requirements set by regulators.

BCA has a capital plan drawn up by the Board of Directors as part of the Bank Business Plan and approved by the Board of Commissioners. This plan is expected to ensure adequate capital and a healthy capital structure. The Bank's capital management plan also carefully considers the business development of the subsidiaries and their current and expected capital needs.

BCA continues to strengthen Tier I capital in preparation for the implementation of Basel III. In 2015, BCA capital requirements were met entirely from organic capital growth supported by the Bank's healthy profitability.

Adequacy Of Capital And Dividend Policy

BCA has a sufficient level of capital with consolidated capital of 19.0%, comfortably above the minimum requirement according to the risk profile set by Bank Indonesia. This solid capital base will support the Bank's planned business expansion while providing the ability to anticipate risks that may be encountered.

In accordance with Bank Indonesia guidelines, BCA has conducted stress tests on a consolidated basis for credit risk, market risk and liquidity risk. The results show that the Bank's capital position is sufficient to cover potential losses arising from potential risks faced by the Bank and subsidiaries.

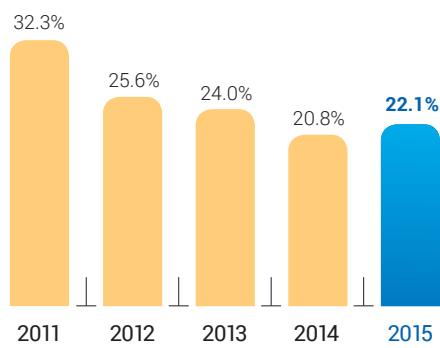


In managing capital, the Bank observes an impartial dividend policy where the determination of the dividend payout ratio is based on the Bank's profitability and the Bank's capital while also considering the interests of shareholders.

In recent years, BCA has gradually adjusted the dividend payout ratio to strengthen capital, particularly in support of lending activities and new business lines, as well as to establish capital in preparation for the implementation of Basel III.

For the latest dividend payment, based on the results of the General Meeting of Shareholders on April 9, 2015, the shareholders approved a cash dividend of Rp 3.6 trillion or Rp 148 per share (paid through an interim dividend of Rp 50 per share on December 23, 2014 and a final dividend of Rp 98 per share paid on May 13, 2015). The dividend distribution is equivalent to a dividend payout ratio of 22.1% and was paid out of net income from 2014. The Bank distributed a portion of the 2015 net income in the form of an interim dividend of Rp 55 per share paid on December 9, 2015.

Dividend Payout Ratio



Capital Requirement of Subsidiaries

The capital requirements of the Bank's subsidiaries are relatively insignificant compared to the Bank's capital position. The subsidiaries are projected to grow gradually, allowing the Bank to monitor risk on a periodic basis and to meet any capital requirements the subsidiaries may have.

In 2015, BCA with the other shareholders provided subordinated loans to BCA Sekuritas amounting to Rp 150 billion, with BCA's portion amounting to Rp 112.5 billion. These funds were used by BCA Sekuritas to make a capital injection with PT Asuransi Jiwa BCA ("BCA Life"). These measures were taken to support business development as well as strengthen the solvency level, Risk Based Capital - RBC requirements of BCA Life in accordance with relevant government regulations. These subordinated loans were approved by the Financial Services Authority ("OJK") on March 20, 2015.

BCA together with BCA Finance also made a capital injection to PT Asuransi Umum BCA ("BCA Insurance") in the amount of Rp 150 billion, with BCA contributing Rp 112.5 billion and BCA Finance contributing the remaining Rp 37.5 billion. The additional capital was used for business development, to strengthen capital and to maintain a healthy solvency level. This capital injection received approval from the OJK on June 26, 2015.

In addition, the Bank also made a capital injection of Rp 400 billion into BCA Syariah to strengthen the subsidiary's capital necessary to qualify for the Group of Business Activities, BUKU II classification for banks with capital above Rp 1 trillion, providing a stronger basis for developing products available only to Sharia banks falling under BUKU II category.

The capital injections and subordinated lending made by the Bank during 2015 are expected to support the business development of the subsidiaries, allowing BCA and its subsidiaries to offer comprehensive financial products and services that cater to the needs of customers while contributing to the profitability of the Bank.

BCA Capital Position

In 2015, the Bank only Capital Adequacy Ratio (CAR) came to 18.7%, an increase of 180 bps compared to the previous year's 16.9%, while the consolidated CAR amounted to 19.0%.

The Bank only core capital at the end of 2015 reached Rp 83.7 trillion, 95.2% of the Bank's total capital, while the supplementary capital amounted to Rp 4.2 trillion, or 4.8%, of the total.

Capital Components (non consolidated. in billion Rupiah)

	2015	2014
Capital		
Tier 1 Capital	83,684	64,370
Tier 2 Capital	4,203	3,470
Total Capital	87,887	67,840
Risk Weighted Assets with:		
Credit Risk	407,554	349,021
Operational Risk	62,779	52,930
Market Risk	909	507
Capital Adequacy Ratio (CAR):		
Credit and Market Risk	21.5%	19.4%
Credit and Operational Risk	18.7%	16.9%
Credit, Operational and Market Risk	18.7%	16.9%

MATERIAL INFORMATION ABOUT INVESTMENT, EXPANSION, DIVESTMENT AND ACQUISITION

During 2015, there were no material transactions or activities related to investments, expansions, divestures, or acquisitions.

INFORMATION ON MATERIAL TRANSACTIONS WITH CONFLICTS OF INTEREST

During 2015, there were no transactions conducted by BCA that could be considered as transactions with conflict of interest.

In 2015, the Bank engaged in several transactions with related parties (those who have a relationship by ownership and / or management), including lending and deposit taking from customers.

Details of Significant Balances and Transactions with Related Parties (non consolidated)

	2015		2014	
	billion Rupiah	Percentage to Total	billion Rupiah	Percentage to Total
Assets				
Loans receivable*	948	0.24%	554	0.16%
Other assets**	267	3.10%	280	3.93%
Liabilities				
Deposits from customers	1,227	0.26%	1,120	0.25%
Commitments and Contingencies				
Unused credit facilities to customers	196	0.14%	586	0.47%
Letters of Credit facilities granted to customers	3	0.06%	57	0.79%
Bank guarantees issued to customers	54	0.47%	50	0.47%
Income Statements				
Interest and sharia income	32	0.07%	34	0.08%
Interest and sharia expenses	19	0.17%	22	0.19%
Rental expenses	13	0.93%	13	1.04%
Contribution to pension plan	166	87.94%	141	100.00%

* Before allowance for impairment losses

** Represent prepaid rental and security deposits to PT Grand Indonesia

The details of amounts and types of transaction as well as the nature of relationships with related parties can be seen in the audited Consolidated Financial Statements at Note No. 41.



In 2015, BCA made capital injection to three of its subsidiaries:

- In 2015, BCA with the other shareholders provided subordinated loans to BCA Sekuritas amounting to Rp 150 billion, with BCA's portion amounting to Rp 112.5 billion. These funds were used by BCA Sekuritas to make a capital injection with BCA Life. These measures were taken to support business development as well as strengthen the solvency level, Risk Based Capital - RBC requirements of BCA Life in accordance with relevant government regulations. These subordinated loans were approved by the Financial Services Authority ("OJK") on March 20, 2015.
- BCA together with BCA Finance also made a capital injection to BCA Insurance in the amount of Rp 150 billion, with BCA contributing Rp 112.5 billion and BCA Finance contributing the remaining Rp 37.5 billion. The additional capital was used for business development, to strengthen capital and to maintain a healthy solvency level. This capital injection received approval from the OJK on June 26, 2015.

- In addition, the Bank also made a capital injection of Rp 400 billion into BCA Syariah to strengthen the subsidiary's capital necessary to qualify for the Group of Business Activities, BUKU II classification for banks with capital above Rp 1 trillion, providing a stronger basis for developing products available only to Sharia banks falling under BUKU II category.

GROUP-WIDE FUNDING, COMMITMENTS AND OTHER FACILITIES TO SINGULAR OUTSIDE DEBTOR

Combined facilities provided by the Bank and its subsidiaries to a single debtor or debtor group amounted to Rp 139.2 trillion, or 35.9% of the Bank's total outstanding loans as of 31 December 2015. The NPL of this loan portfolio was 1.0% as at year end December 2015. 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 Lending Facilities provided by the Bank and its Subsidiaries (in billion Rupiah, except number of debtors)

Collectability	Number of Debtors	Facilities at Subsidiaries				Facilities in BCA	Total Exposure
		BCA Finance	BCA Finance Limited	BCA Syariah	CS Finance		
Current	825,256	2,559	166	927	697	129,179	133,528
Special Mention	119,103	97	-	-	149	3,953	4,199
Substandard	5,376	4	-	-	7	94	105
Doubtful	6,494	2	-	-	9	99	110
Loss	13,865	14	41	8	18	1,144	1,225
Total	970,094	2,676	207	935	880	134,469	139,167

IMPACT OF CHANGES IN LAWS AND REGULATIONS

Until the end of 2015, there was a number of new regulations in place that may affect the business activities of the Bank and the subsidiaries. In accordance with Bank Indonesia Regulation No. 15/12/PBI/2013 as of December 12,

2013, banks were obligated to meet the minimum capital requirement in stages from 2014 until the year 2019. In 2015, banks were required to achieve:

- A minimum common equity ratio of 4.5% from Risk Weighted Assets (RWA) both on an individual and consolidated basis;
- A minimum core capital ratio of 6.0% from RWA both on an individual and consolidated basis.

BCA has met all the above requirements, with the Bank recording a core capital ratio of 17.8% (parent company) and 18.1% (consolidated) from risk weighted assets as of December 31, 2015. The Bank's entire core capital is common equity as BCA does not have additional core capital.

With regards to integrated monitoring, in 2014 the Indonesia Financial Services Authority (OJK) issued regulations to strengthen supervision of an integrated business group as stipulated in the OJK Regulation No. 17/POJK.03/2014 and OJK Regulation No. 18/POJK.03/2014 as of November 18, 2014. The regulation concerns Integrated Risk Management and Integrated Governance for Financial Conglomerates, applied in stages from 2014 to 2018.

In 2015, the Bank established the Integrated Governance Committee, which assists the Board of Commissioners in evaluating the implementation of Corporate Governance, among others through the assessment of the adequacy of internal controls and the implementation of the compliance function at the Bank and its subsidiaries with an integrated approach. In addition, BCA established the Integrated Risk Management Committee, which helps the Board of Directors in ensuring that the risk management framework provides adequate protection against risks faced by the Bank and its subsidiaries on an integrated basis.

In response to OJK's efforts to promote branchless banking, in accordance with OJK Regulation No. 19/POJK.03/2014 concerning Branchless Financial Services for Financial Inclusion (Laku Pandai), in 2014 the Bank launched 'Laku', a savings product with no administration costs, and 'Duit', an electronic money service that uses customer's mobile phone number as proof ownership and can be accessed through an independent agent or via Short-Message-Service (SMS).

Bank Indonesia in 2012 issued regulations on banks' participation in the provision of loan or financing for the development of Micro, Small and Medium Enterprises. According to the regulation, Micro, Small and Medium Enterprises Lines of Credit must account for at least 20% of the Bank's total loan or financing by 2018. This minimum limit is to be achieved gradually, with a minimum of 5% in 2015, 10% in 2016, 15% in 2017 and finally 20% in 2018 and beyond. In accordance with the provisions of Bank Indonesia, on December 31, 2015, BCA's Micro, Small and Medium

Enterprises loan portfolio (as defined by Bank Indonesia) amounted to Rp 46.6 trillion, or 12.0% of total Bank's total lending.

More detailed information on these new regulations can be found in the financial report notes No. 45 on pages 533 - 537.

CHANGES IN ACCOUNTING POLICIES

Standards, amendments and accounting interpretations effective on 1 January 2015

The following standards, amendments and accounting interpretations became effective on 1 January 2015 and are relevant to the Bank and Subsidiaries' consolidated financial statements:

- a. Statement on Financial Accounting Standards ("PSAK") No. 1 (2013 Revision), "Presentation of Financial Statements"
- b. PSAK No. 4 (2013 Revision), "Separate Financial Statements"
- c. PSAK No. 15 (2013 Revision), "Investment in Associates and Joint Ventures"
- d. PSAK No. 24 (2013 Revision), "Employee Benefits"
- e. PSAK No. 46 (2014 Revision), "Income Taxes"
- f. PSAK No. 48 (2014 Revision), "Impairment of Assets"
- g. PSAK No. 50 (2014 Revision), "Financial Instruments: Presentation"
- h. PSAK No. 55 (2014 Revision), "Financial Instruments: Recognition and Measurement"
- i. PSAK No. 60 (2014 Revision), "Financial Instruments: Disclosures"
- 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 have assessed that the adoption of the above mentioned accounting standards and interpretation do not have any significant impact to the consolidated financial statements with some exceptions as detailed in the audited Consolidated Financial Statements, note No.2.d.1 pages 419-420.



Accounting standards issued but not yet effective

Certain amendments and accounting interpretations have been issued but not yet effective for the year ended 31 December 2015, and have not been applied in preparing these consolidated financial statements. The following PSAK and ISAK ("Interpretations of Financial Accounting Standard"), which will become effective starting 1 January 2016 and 1 January 2017, may have a significant effect on the Bank and Subsidiaries' future financial statements, and may require retrospective application under PSAK No. 25, "Accounting Policies, Changes in Accounting Estimates and Errors":

- a. PSAK No. 1 (2015 Revision), "Presentation of Financial Statements"
- b. PSAK No. 4 (2015 Revision), "Separate Financial Statements"
- c. PSAK No. 5 (2015 Revision), "Operating Segment"
- d. PSAK No. 7 (2015 Revision), "Related Party Disclosures"
- e. PSAK No. 13 (2015 Revision), "Investment Property"
- f. PSAK No. 15 (2015 Revision), "Investment in Associates and Joint Ventures"
- g. PSAK No. 16 (2015 Revision), "Property, Plant and Equipment"
- h. PSAK No. 19 (2015 Revision), "Intangible Assets"
- i. PSAK No. 22 (2015 Revision), "Business Combination"
- j. PSAK No. 24 (2015 Revision), "Employee Benefits"
- k. PSAK No. 25 (2015 Revision), "Accounting Policies, Changes in Accounting Estimates and Errors"
- l. PSAK No. 53 (2015 Revision), "Share-based Payment"
- m. PSAK No. 65 (2015 Revision), "Consolidated Financial Statements"

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 (effective % p.a)

End of Period	Prime Lending Rate Based on Loan Segment			
	Corporate Loan	Retail Loan	Consumer Loan	
			Mortgage	Non Mortgage
Quarter IV - 2014	10.50	11.75	10.50	8.71
Quarter I - 2015	10.25	11.50	10.25	8.63
Quarter II - 2015	10.25	11.50	10.25	8.63
Quarter III - 2015	10.25	11.50	10.25	8.63
Quarter IV - 2015	10.25	11.50	10.25	8.63

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 2014 AND 2015

In 2015 the Bank invested Rp 2.5 trillion in capital expenditures, in which the Bank entered into agreements with vendors, including in terms of:

- Expansion of branch, ATM and EDC distribution network.
- The development of information technology infrastructure, including the purchase of hardware and software for mainframe needs, purchasing of licenses, firewall upgrades and storage increases.
- Additional tools and other office equipment for the operational needs of the Bank's branch network.

With capital expenditure investments in 2015, total Bank gross fixed assets reached Rp 16.8 trillion at the end of 2015, an increase of 13.8% compared to Rp 14.7 trillion at the end of 2014.

Going forward, the Bank is committed to continue investing in the development of business networks while utilizing technological developments to maintain excellence in transaction banking and provide quality services in accordance with increasingly diverse customer needs.

Capital Expenditures Investment (in billion Rupiah)

	2015	2014	Increase / (decrease)	
			Nominal	Percentase
Land	326	115	211	183.5%
Buildings	136	79	57	72.2%
Office furnitures, fixtures and equipments	1,283	1,453	(170)	-11.7%
Motor vehicles	7	9	(2)	-22.2%
Construction in progress	778	1,023	(245)	-23.9%
Leased assets	4	32	(28)	-87.5%
Total	2,534	2,711	(177)	-6.5%

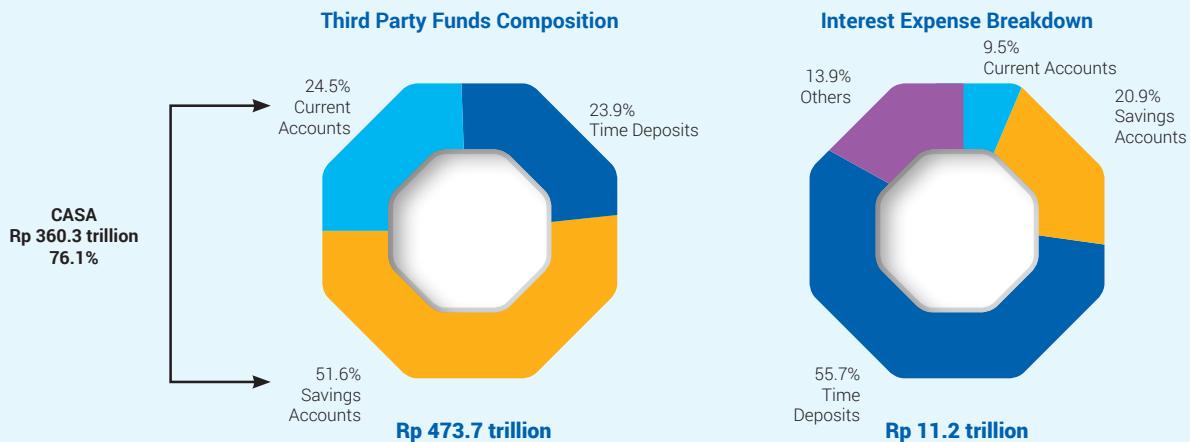
MATERIAL INFORMATION AND FACTS THAT OCCURRED AFTER THE DATE OF ACCOUNTANTS' REPORT

There were no significant events, information or material facts occurring after the reporting date of the accountant's report.

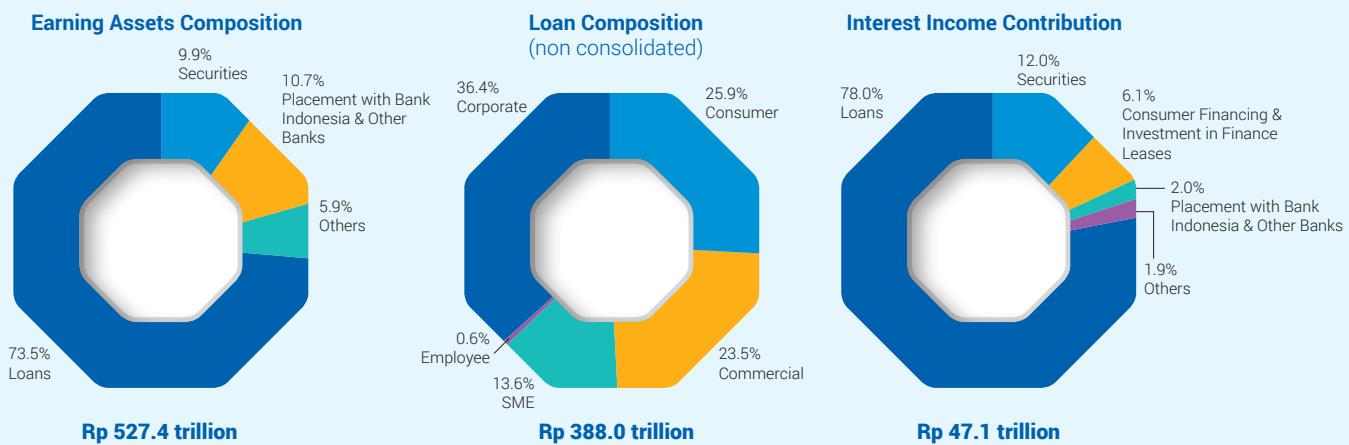


MANAGEMENT DISCUSSION AND ANALYSIS BY BUSINESS SEGMENT

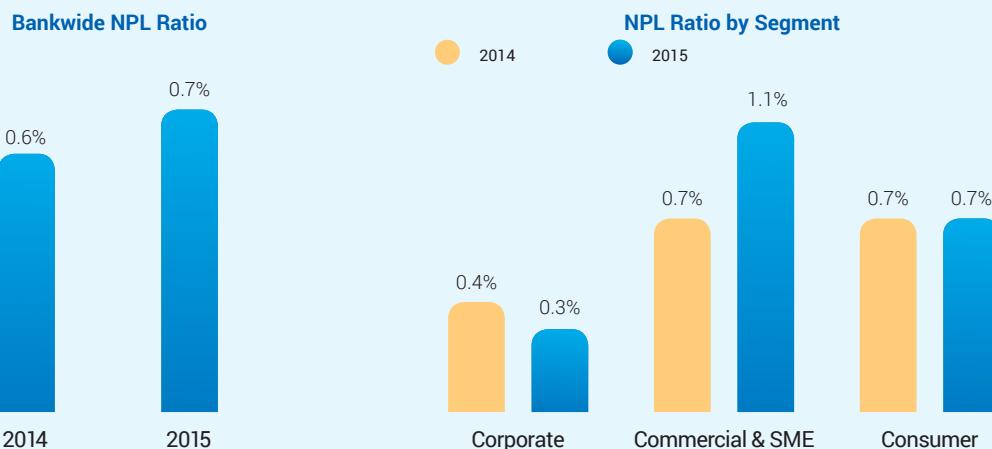
Composition of Third Party Funds and Interest Expense - as of December 31, 2015



Composition of Earning Assets, Loans and Interest Income - as of December 31, 2015



Credit Quality



Branch Banking

BCA manages an extensive brick and mortar branch network that is interconnected online and is supported by a multi-channel electronic banking network that consists of internet banking, mobile banking, Automated Teller Machine (ATM) and Electronic Data Capture (EDC). Internet banking and mobile banking have increased in importance to facilitate customer transactions in line with the rapid adoption of the newest telecommunication and information technologies in Indonesia. Reliable transaction banking services enable the Bank to maintain a strong presence in the CASA funds market which represent the largest portion of BCA's third party funds.

Along with its historical function to support the growth of third party funds, the Bank's widespread branch network is well positioned to service the working capital and investment loan needs of its customers in the commercial and Small & Medium Enterprises (SME) loan segments.

Third Party Funds

Development of branch services and electronic networks have secured the Bank's position as a leading transaction bank in Indonesia. Amid weakening business activity in 2015, BCA maintained growth in CASA funds. Total CASA funds grew by 7.1% to Rp 360.3 trillion at year-end 2015. Savings accounts composed 67.9% of total CASA funding and posted a positive growth of 6.8%, reaching Rp 244.6 trillion at year end 2015 while current accounts grew by 7.7% to Rp 115.7 trillion by the end of December 2015. CASA provides the greatest contribution to BCA's total third party funds, amounting to 76.1% at the end of 2015.

In 2015, BCA's time deposits amounted to Rp 113.4 trillion, up only 1.7%, a lower growth rate than in previous years. The Bank did not compete heavily to increase time deposit funds given the Bank's solid liquidity position. A slowdown in lending activities led to higher liquidity in the market and allowed the Bank to gradually lower the interest rate on Rupiah time deposits over the course of the year.

Commercial and SME Lending

The total commercial and Small & Medium Enterprise (SME) loan portfolio grew 8.8% to Rp 144.0 trillion by the end of 2015. Commercial and SME loans represent a significant portion, 37.1%, of total Bank lending.

In 2015, commercial loans grew 10.0% to Rp 91.2 trillion while SME loans increased by 6.8% to Rp 52.8 trillion. Commercial loans accounted for 63.4% of the total commercial & SME loan portfolio with SME loans making up the remaining 36.6%

BCA continues to maintain its prudent lending policy with loans prioritized for borrowers who have solid financials and already have a good relationship with the Bank. The loan portfolio is closely monitored for each branch, region and industry sector. At the end of 2015, the level of Non-Performing Loans (NPL) of the commercial and SME segment as a whole was at 1.1%.

Micro, Small and Medium Enterprises Lending

In addition to branch banking for Commercial and SME lending, BCA provided loans for Micro, Small and Medium Enterprises by working with several partner institutions, such as rural banks and cooperatives, to extend credit in this sector. Through these partnerships, the Bank can provide loans directly (through a channeling system) and indirectly to support business development in parts of the Micro, Small and Medium Enterprises segment unreachable by the Bank's branch network. In accordance with Bank Indonesia regulations, on December 31, 2015, the Bank's Micro, Small and Medium Enterprises loan portfolio (as defined by Bank Indonesia) amounted to Rp 46.6 trillion, or 12.0% of total Bank lending. Furthermore, through BCA Syariah, the Bank is exploring a pilot financing project for the Sharia micro-SME segment.



Corporate Banking

BCA Corporate Banking experienced a slowdown in loan demand and in the utilization of allocated credit lines during the first half of 2015. This was due to a significant number of corporate customers experiencing lower growth in revenues and need for credit in the first part of the year. In the second half of 2015, demand for corporate loans began to show signs of growth based on a slight uptick in the economy and the realization of more aggressive government expenditure as well as an increase in domestic consumption towards the end of the year. By the end of 2015, BCA's corporate loan portfolio stood at Rp 141.3 trillion, a growth of 17.2%. The growth in the corporate loan portfolio played an important role in leading the growth of the Bank's loan portfolio as a whole.

As of December 2015, working capital loans contributed 46.9% to the total corporate loan portfolio with investment loans making up 53.1% of the total. Working capital loans amounted to Rp 66.3 trillion per December 31, 2015, growing 16.7%, while investment loans increased by 17.7% to Rp 75.0 trillion.

Internal policies designed to maintain a diversified loan portfolio allowed the Bank to minimize risk exposure to the performance of any one given industry. These prudent lending policies enabled the Corporate Banking Group to maintain a high quality loan portfolio with a relatively low NPL of 0.3%, in a difficult lending environment.

Individual Banking

2015 saw a weakening demand for consumer loans in line with the weakening performance of the property sector and drop in car sales in Indonesia. BCA continued to promote consumer lending by reintroducing a number of attractive consumer lending products and programs in 2015 while maintaining high lending standards.

BCA maintained its position as one of the leading mortgage providers in Indonesia with a market share of 17.4%. BCA mortgages increased 8.7% to Rp 59.4 trillion representing 59.1% of total consumer loans at the end of 2015. Vehicle loans increased 9.6% to Rp 31.6 trillion, accounting for 31.5% of total consumer lending. In the same period, credit card outstanding grew 8.1% to Rp 9.5 trillion, representing 9.4% of total consumer loans. Overall, the Bank's total consumer lending reached Rp 100.5 trillion, an increase of 8.9% compared to the previous year.

Growth in consumer loans was achieved with well-maintained loan quality at a 0.7% NPL ratio. BCA provided mortgages to quality debtors and focused on properties in prime residential areas. As part of the Bank's risk management efforts, BCA offered vehicle loan products with competitive interest rates that require high down payments. Financing is prioritized for popular cars that have gained wide acceptance in the Indonesian automotive market.

Consumer Loans (in billion Rupiah, non consolidated)

	2015	2014	Increase / (decrease)	
			Nominal	Percentage
Mortgages	59,415	54,652	4,763	8.7%
Vehicle Loans*	31,612	28,853	2,759	9.6%
Credit Cards	9,483	8,772	711	8.1%
Total	100,510	92,277	8,233	8.9%

* Including 2-wheeler financing of Rp 4.3 trillion in 2015 and Rp 4.2 trillion in 2014

MARKETING

BCA designs various marketing strategies to build awareness and capture customer interest with the goal to maintain the Bank's solid funding position and disseminate improvements of its various products products and services to the market. BCA remains focused on strengthening the implementation of a 360⁰ marketing communication strategy, which identifies customer touch points through various conventional and digital communication channels.

BCA conducted several strategic campaigns in 2015 aimed at the mass segment and individual businesses. These campaigns can be summarized as follows:

- **Mass Individual.** BCA organized Gebyar Tahapan BCA (GTB) with the overarching theme "Gebyar Tahapan BCA is a Celebration". The theme positions GTB as a platform to celebrate a special moment, in particular winning one of the GTB prizes. This program is designed to show appreciation to customers in the form of sweepstakes, with a grand prize of 1 Mercedes Benz S Class as well as 10 Mercedes Benz C Class, and 500 motorcycles that were awarded over the period June 2015–September 2015. In 2015, the GTB program was held at branch offices in eight major cities with the experience of driving a Mercedes-Benz S Class using Augmented Reality technology. As part of the GTB, the Bank organized an "activation event" to encourage customers to use a variety of banking solutions offered by the Bank under the theme "Celebrate the Moment with Gebyar Tahapan BCA" held in Pekanbaru, Palembang, Yogyakarta, Balikpapan, and Makassar. GTB is aimed at the entire customer base across all segments and was broadcast on television to benefit from wide coverage, and was made available on alternative media, including internet.

In celebration of the Bank's anniversary in early 2015, BCA re-introduced the popular 'Fix and Cap' mortgage plan program with improved and more flexible terms and competitive interest rates. From August 2015 to December 2015, the tenure for the Fix & Cap program was extended from 5 years to 6 years.

In car financing, the Bank together with the Bank's subsidiary, BCA Finance, organized the "Kredit Keren Banget" program with the concept of "Finance 1 Car, Take Home 3" in 2015. By joining this program, customers who apply for a vehicle loan through BCA or BCA Finance were given the opportunity to earn regular rewards and the Grand Prize of a car. The program applied for new and used cars during the lucky draw period from May 2015 to October 2015.

In addition to both conventional and digital media communication, BCA also participated in the 'Gaikindo Indonesia Auto Show 2015' automotive event to strengthen customer awareness of the 'Kredit Keren Banget' program and provide an opportunity for customers to obtain complete information on the Bank's vehicle loan programs and facilities at the BCA booth.

To show appreciation for customer loyalty, Debit BCA held a joint promotion with several modern retailers in various locations in Indonesia. By shopping with these retailers using Debit BCA, customers had the chance to be rewarded by the Bank and the cooperating merchants with discounts and prizes.

BCA also held online shopping promotions in cooperation with reputable merchants. BCA organized the e-Shopping Carnival promotional program with several online merchants and offered customers discounts and cash back on online purchases through certain merchants using BCA credit cards. The Bank also organized the "BCA KlikPay Deal!" program with online merchants to offer products such as gadgets, fashion items, accessories and electronics at attractive prices.



- Business Segment.** High traffic trading areas were a major focus for the Bank's business segment. BCA organized a number of promotional activities with prize rewards in cooperation with large trading area managers in several high-potential regions across Indonesia.

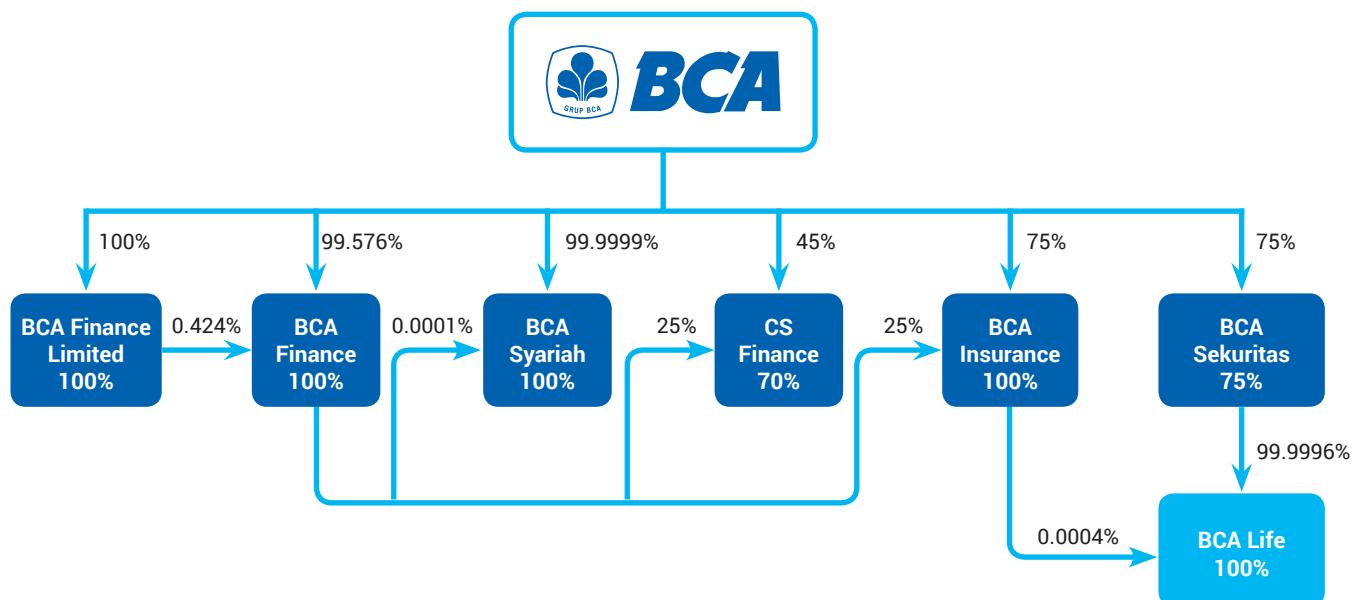
In 2015, the Bank launched a new product, 'Sakuku', an electronic money service that can be used to make transactions via a smartphone application, including payments for both online and physical merchants, mobile phone credits and other transactions. Sakuku is targeted at the youth market, with the opening theme "Make Hangouts More Fun!". It is expected that 'Sakuku' will become increasingly popular in the future.

Various marketing activities were carried out intensively and effectively to support the Bank's business development in 2015 and promote BCA as the top of mind brand in the eyes of customers and the public. In response to these brand strengthening activities, the Bank was considered one of the 50 best companies in Indonesia in the cross-industry category for the "Indonesia's Most Valuable Brand" award by the Millward Brown and Wira Pamungkas Pariwara research consulting firm. Based on the results of the assessment, the value of the BCA brand was estimated at Rp 136.9 trillion, approximately USD 9.9 billion, close to qualifying for the category of the top 100 companies with the highest international brand value. Accordingly, the Bank is expected to be the first strong Indonesian brand candidate to enter into BrandZ™ global ranking in 2016.

OVERVIEW OF SUBSIDIARY PERFORMANCE

BCA supports the business development of the subsidiaries to complement the Bank's core business lines by offering comprehensive financial solutions to the customers. Through synergy with the subsidiaries, BCA hopes to be able to promote fee-based income growth in the future.

As of December 31, 2015, BCA owns 6 direct subsidiaries and 1 indirect subsidiary, namely, PT BCA Finance ("BCA Finance"), BCA Finance Limited, PT Bank BCA Syariah ("BCA Syariah"), PT BCA Sekuritas ("BCA Sekuritas"), PT Asuransi Umum BCA ("BCA Insurance"), PT Central Santosa Finance ("CS Finance") and PT Asuransi Jiwa BCA ("BCA Life").



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 a weakening Indonesian economy and automotive industry, BCA Finance was able to maintain its lead in the 4-wheeler financing business. This achievement is due to the strategy implemented by BCA Finance which promotes operational efficiency, competitive interest rates, prudent risk management and solid cooperation with business partners.

At the end of 2015, BCA Finance operated with the support of 3,156 employees and 60 branches in cities across Indonesia. BCA Finance branches synergized with the BCA branch network whereby branches work together in marketing and customer service.

2015 saw a number of exciting promotions. BCA Finance launched the "Kredit Keren Banget" program, a lucky draw offering customers a chance to receive up to three cars if they win the lucky draw. The program received a positive

response from customers and supported BCA Finance's lending activities in 2015. In addition, BCA Finance offered an extended tenure of up to 6 years for certain auto purchases. Through a variety of innovative product developments and attractive promotions, BCA Finance has maintained its position as the "top of mind" 4-wheeler financing provider in Indonesia.

Through these efforts, BCA Finance was able to maintain solid financial and business performance. BCA Finance's total assets under management in 2015 amounted to Rp 38.2 trillion, growing 7.2% when compared with 2014's Rp 35.6 trillion. BCA Finance's net income in 2015 reached Rp 1,047 billion, a growth of 4.6% from Rp 1,001 billion in 2014.

In appreciation of the performance achieved in 2015, BCA Finance received a number of awards, including best car financing company from Marketing magazine, and placed third for financial institution digital brand in the category of financing company from Infobank magazine.

BCA Finance Total Assets Managed Assets
(in billion Rupiah)



BCA Finance Net Income
(in billion Rupiah)





PT Central Santosa Finance

CS Finance was established in 2010 with a business focus on 2-wheeler financing. CS Finance continuously strengthens its capacity and capability by developing promotion and marketing, network infrastructure, human resources, technology, and risk management.

CS Finance explored low-risk marketing strategies by offering motorcycle financing for BCA's customer base as well as through third party dealers in accordance with the predetermined criteria and standards. CS Finance also initiated exclusive partnership to provide motorcycle financing for one of the app-based courier service providers.

In 2015, 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 modern minimarkets and post offices, to facilitate loan installments for 2-wheeled vehicles. As of 31 December 2015, CS Finance has 76 branches across Java, Sumatra and other parts of Indonesia with the support of 6,868 employees.

In response to a weaker economy and higher-than-forecast NPLs, CS Finance curbed the growth of motorcycle loans and strengthened its branch collection teams throughout 2015. These efforts in handling non-performing loans began to show results as the NPL growth rate slowed in 2015.

In 2015, total assets under management at CS Finance reached Rp 5.9 trillion, an increase of 4.1% from Rp 5.7 trillion at the end of 2014. CS Finance recorded a net income of Rp 76.2 billion, compared to Rp 82.3 billion in 2014.

PT Bank BCA Syariah

BCA Syariah is a company engaged in Sharia banking. In 2009, BCA acquired a commercial bank which was subsequently converted into a Sharia bank under the name BCA Syariah.

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 SME customers. The main business targets of BCA Syariah are customers who require quality Sharia banking products and services supported by the ease of access and speed of transactions that the BCA Group can offer.

In 2015, BCA injected additional capital in BCA Syariah so that the bank could be classified as a BUKU II category Sharia bank. The requirement for BUKU II is having capital of more than Rp 1 trillion. As a BUKU II Sharia bank, BCA Syariah can further develop products and activities that are permitted only for Sharia banks falling under the BUKU II category.

BCA Syariah introduced several new products, including Student Savings (SimPel iB), BCA Syariah Virtual Accounts in cooperation with third parties, and was able to become an administrating bank for Customer Funds Accounts with the Indonesian Central Securities Depository (KSEI). These initiatives were intended to increase the range of products offered and to expand the customer base.

BCA Syariah serves customers through its network of 47 branches, including 24 Syariah Service Units spread throughout Greater Jakarta, Bandung, Semarang, Solo, Surabaya and Yogyakarta. The branch network is integrated with the BCA banking system, thus giving added value to BCA Syariah customers with the convenience of transacting through the BCA ATM and EDC machines, as well as access to the Halo BCA call centre.

BCA Syariah recorded growth in business performance in terms of assets, third party funds and financing. At the end of 2015, BCA Syariah's total assets grew by 45.3% to Rp 4.3 trillion from Rp 3.0 trillion. Third party funds grew by 39.2% to Rp 3.3 trillion from Rp 2.3 trillion, while Sharia financing portfolio increased by 39.6% to Rp 3.0 trillion from Rp 2.1 trillion. Growth in financing was accompanied by well-

maintained loan quality as reflected in the non performing financing ratio, which was relatively low at 0.7% at the end of 2015. Public recognition of BCA Syariah's achievements was reflected in the various awards received during the year, including for a 'very good' financial performance in 2014 from Infobank magazine's "The Best Sharia Finance Awards 2015".

BCA Syariah Performance (in billion Rupiah)

	2015	2014	Increase / (decrease)	
			Nominal	Percentage
Total Assets	4,350	2,994	1,356	45.3%
Sharia Financing	2,975	2,131	844	39.6%
Third Party Funds	3,255	2,339	916	39.2%
Net Income	23.4	13.0	10.4	80.0%

PT BCA Sekuritas

BCA Sekuritas is a company engaged in securities brokerage and underwriting.

BCA Sekuritas has been active in the fixed income market in Indonesia, ranked 8th by Bloomberg for Domestic Bonds in 2015 and leading the market for Negotiable Certificates of Deposit issuance.

In 2015 BCA Sekuritas launched a wide range of retail-oriented products and services, such as BCA Sekuritas Equity Smart Trading (BEST), a facility for online stock trading, margin trading, and Shares Savings Accounts (part of "Yuk Nabung Saham" program initiated by Indonesia Stock Exchange). BCA Sekuritas also maintains positive synergy with BCA's Wealth Management Unit to further expand the scope of its services for customers.

As of the end of 2015, total assets of BCA Sekuritas (parent company) reached Rp 593.5 billion, an increase of 25.0% compared to 2014's Rp 475.0 billion. Net income of BCA Sekuritas (parent company) amounting of Rp 4.4 billion in 2015, compared to Rp 9.6 billion in 2014.

PT Asuransi Umum BCA

In 2015, BCA Insurance cooperated with BCA Finance to conduct joint promotion at the two largest automotive events in Indonesia, the Gaikindo Indonesia International Auto Show (GIIAS) and the Indonesia International Auto Show (IIMS).

BCA Insurance continued to improve cooperation with both Authorized and independent repair shops as well as with Astra Daihatsu, which has an extensive network throughout Indonesia. To increase customer convenience when seeking vehicle repair services, BCA Insurance provides priority workshops that allow customers to drop off their vehicles without having to file damage claims in advance. BCA Insurance expanded its network of priority workshops to reach a total 3 priority workshops in the Greater Jakarta area, 3 in Bandung, and 4 in Surabaya. BCA Insurance also has a partnership to provide a free towing service for customers.

BCA Insurance's total assets at the end of 2015 rose 32.3% to Rp 898.6 billion, compared with Rp 679.5 billion in 2014. Gross premium income increased 12.9% to Rp 360.8 billion. Investment income grew by 38.4% from Rp 39.6 billion to Rp 54.8 billion in 2015. BCA Insurance recorded a net income of Rp 44.2 billion, an increase of 22.1% compared to Rp 36.2 billion in 2014.

BCA with BCA Finance also made a capital injection to BCA Insurance amounting to Rp 150 billion (BCA portion amounting to Rp 112.5 billion and BCA Finance portion amounting to Rp 37.5 billion), which was used for business development, to strengthen capital and to maintain a healthy solvency level.



In 2015, BCA Insurance earned a number of awards, including the best insurance company with assets between Rp 250 billion and Rp 1 trillion from Investor magazine's "Best Insurance Companies 2015" awards, and received acknowledgement for a 'very good' financial performance in 2014 from the "Infobank Insurance Awards 2015".

PT Asuransi Jiwa BCA

Supported by Indonesia's large productive population, the life insurance industry shows promising prospect. This is further confirmed by the relatively low penetration rate of the insurance industry in Indonesia by comparison to other ASEAN countries.

Receiving the license of establishment and operation from Indonesia Financial Services Authority in July 2014, PT Asuransi Jiwa BCA (BCA Life) commenced operations in the fourth quarter of 2014. In the beginning of the business development cycle, BCA Life focus on providing insurance protection for BCA consumer loan customers. BCA Life continues to build its operational system to support future business growth. As a growing new business, BCA Life posted a loss of Rp 38.3 billion in 2015. BCA Life received capital injection in the amount of Rp 150 billion in 2015, with BCA Sekuritas' portion amounting to Rp 112.5 billion. These funds were used to support business developments as well as to strengthen the solvency level, Risk Based Capital (RBC) requirement of BCA Life in accordance with relevant Government regulations.

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 carry out its role as a money lender.

Total assets of BCA Finance Limited in 2015 reached Rp 686.3 billion, an increase of 53.7% compared to Rp 446.5 billion in 2014. The net income of BCA Finance Limited in 2015 was Rp 4.4 billion in 2015, compared to a loss of Rp 2.8 billion in 2014.

PROSPECTS AND STRATEGIC PRIORITIES IN 2016

Prospects for the Indonesian Economy and Banking Sector in 2016

We expect that the Indonesian economy will continue to face challenges and to grow moderately in 2016. The uncertainty and stagnation of the economies of developed countries is expected to continue into 2016. China's economy, as the main engine driving the overall Asian economy, remains weak and is not expected to recover substantially in 2016. This indicates that the estimated probability of recovery in the prices of Indonesia's main commodity exports will remain low throughout 2016. The effectiveness of government spending realization and the implementation of government policy packages will be a catalyst to support the Indonesian economy in the coming year. Infrastructure development in Indonesia will gradually provide benefits in the medium-long term.

Uncertainty in international and domestic economic conditions will continue to have an impact on the performance of the Indonesian banking sector. Although loan is still expected to grow moderately, BCA sees that the banking liquidity has the potential of tightening in the coming years, in line with slower growth in the sector's third party funds, the increasing LDR position of the banking sector and the growing volume of Government bonds in the market. Bank Indonesia's policy in reducing Minimum Reserves Requirement regulation allowed the banking sector to meet its liquidity needs. With regards to loan quality, the Bank believes that non-performing loans in the banking sector have the potential to increase in the midst of a challenging national economy.

BCA Business Prospects and Strategic Priorities in 2016

BCA will continue to monitor the economic environment and its impact on the performance of the Indonesian banking sector. Entering 2016, BCA will continue to prioritize cautious policies and measures. The trend of increasing non-performing loans in the banking sector has the potential to lead to a multiplier effect

on the deterioration of loan quality for some of BCA's customers. To mitigate risk, the Bank will remain disciplined in applying prudent risk management principles, working to implement cost efficiency programs. BCA will continue to explore alternative sources of income other than interest income.

In general, the Bank assesses the Indonesian economy and banking industry as having a solid footing in the face of a slowing economic cycle. BCA continues to support the efforts of the Indonesia Financial Services Authority and Bank Indonesia in maintaining the balance of loan quality and sustainable national loan growth while also maintaining healthy capital and liquidity position. BCA is optimistic about the long-term prospects of the Indonesian economy and banking sector. The growth of the middle class in Indonesia and the infrastructure development programs proposed by the Government are expected to support domestic economic growth in the future.

Responding to the dynamic changes in the external environment, the Bank continuously examines business strategies both for the short, medium and long terms as outlined in the Bank's Strategic Plan in the form of the Bank Business Plan and the Annual Budget & Work Plan.

BCA believes that investments made to strengthen transaction banking capabilities and to improve lending infrastructure should not be interrupted considering the long-term prospects of the Indonesian banking industry and anticipating the increased competition in the era of the ASEAN Economic Community and rapid digital evolution. In addition to the strategic steps taken by the Bank, the development of human resources and organizational alignment of all work units, and with the subsidiaries, are essential to further reinforce BCA's position as a leading financial institution.

In 2016, the Bank is committed to continue investing in the Bank's franchise value. Strategic priorities in 2016 will remain focused on efforts to strengthen relationships with customers through enhanced payment settlement services, prudent lending, and development of new business lines through its subsidiaries. Below is a further elaboration of the three major business objectives:

- **Strengthening Payment Settlement Services**

BCA believes that the ease, convenience and security of transactions are fundamental factors that sustain the growth of the Bank's current accounts and savings accounts (CASA). BCA continues to develop its range of payment transaction products and services, as well as expanding the coverage of conventional and electronic banking and information technology infrastructure.

The Bank will increase the number of branches and electronic delivery channels in Indonesia supported by an enhancement in the capability and capacity of information technology infrastructure. BCA will explore and implement the latest technological developments into the Bank's payment settlement products and services in accordance with evolving customer needs and their acceptance level.

To maintain a solid liquidity position, the Bank will continue to assess developments and liquidity trends in the banking sector. CASA will remain the major source of liquidity. The Bank believes that BCA can actively raise funds through time deposits products by adjusting interest rates as needed. This is essential to maintain the position of third party funds as a whole.

- **Lending**

Through the economic slowdown, the Bank will continue to provide lending while focusing on healthy and real loan demand with a view that sustainable lending growth will strengthen relationships with quality customers.

Lending activities are planned upon a solid capital position and the implementation of prudent and effective risk management principles to manage the Non-Performing Loans (NPL) ratio. The increasing NPL trends signify higher risk for the national banks, including BCA. Therefore, the Bank prioritizes lending to customers who have a good track record in the corporate, commercial & SME and consumer segments. Asset quality will be an important factor for maintaining BCA's strategic position in the national banking industry and for maintaining sustainable long-term growth.



For the business segment, the Bank will actively explore lending to sectors with broad value chains. In the individual credit segment, the Bank believes that the mortgage, vehicle loans, and credit card financing have great potential for growth in the long term although individual lending is expected to grow slower than business lending in the short term. Nevertheless, the Bank remains committed to being at the forefront in consumer lending and continues to maintain a strategic presence in the individual credit market.

To support sustainable loan growth, the Bank will continue to enhance the credit infrastructure across all segments, both in branches and at head office.

- **Business Development among the Subsidiaries**

To meet the increasingly diverse needs of customers, the Bank has developed a comprehensive range of financial products and services through its business lines and the Bank's subsidiaries. Business development of the subsidiaries are focused on automotive financing, Sharia banking, securities, remittance, general insurance, and life insurance.

The subsidiaries continue to grow and have demonstrated positive business development in recent years. BCA Finance, a subsidiary engaged in car financing, consistently contributes significantly to the profitability of the Bank.

BCA will continue to build synergies between the Bank's main business and the subsidiaries, including cross selling between BCA consumer products and the insurance products of the subsidiaries, as well as joint financing activities with BCA Finance and CS Finance. BCA is committed to provide the necessary capital support to the subsidiaries in line with the business growth prospects of the subsidiaries. BCA expects the contribution of interest income and fee-based income from the subsidiaries will continue to increase going forward.

BCA believes that these strategies and policies will support the Bank in strengthening its long-term competitive advantages. Consistent strategy will build a quality customer base amid increasing competition in the Indonesian banking industry.

Financial Projections in the 2016 Business Plan

In setting the projections and preparations for the budget, BCA assesses the performance and achievements in the previous period and the near to intermediate term business plan. With the Indonesian economy expected to see moderate growth in 2016, BCA is targeting an average growth rate of credit volume in the range of 9–10%. We estimate that all segments will continue to grow, with the corporate segment contributing significantly to this growth. On the funding side, the Bank estimates approximately 5–7% growth in third party funds year on year.

BCA will review the annual dividend payout ratio to maintain the growth of capital necessary to sustain target asset growth, capital expenditures and new business activities. BCA projects organic growth of capital will support the development of business activities in 2016. The Bank seeks to achieve ROA of no lower than 2.5% and ROE in the range of 15–20%.

BCA will remain cautious in order to achieve the projections and budget that have been prepared. BCA continues to observe the development of macro-economic factors and the banking industry competition in 2016, and if necessary, the Bank may take strategic steps to adjust the business plan in order to protect the interests of stakeholders in the face of unexpected events that may arise.



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Corporate Governance



Consistent good corporate governance implementation carried out to maintain the trust of shareholders and stakeholders of PT Bank Central Asia Tbk ("BCA") has become even more crucial with the increasing business risks and challenges encountered by the banking industry in the era of ASEAN Economic Community.

INTRODUCTION

1. Purpose of Good Corporate Governance Implementation

BCA understands that implementation of good corporate governance is imperative to maintain 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 benefits and added value to the shareholders and stakeholders.
- d. Sustain and increase sound and competitive business continuity in the long run.
- 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 2015.
- 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.
- g. Financial Service Authority Regulation No.18/POJK.03/2014 dated 18 November 2014 on The Implementation of Good Corporate Governance for Financial Groups.

- h. Financial Service Authority Circular Letter No.15/SEOJK.03/2015 dated 25 May 2015 on The Implementation of Good Corporate Governance for Financial Groups.
- i. Financial Service Authority Regulation No.6/POJK.03/2015 dated 31 March 2015 on Transparency and Published Bank Reports.
- j. Financial Service Authority Circular Letter No.11/SEOJK.03/2015 dated 17 April 2015 on Transparency and Published Bank Reports.
- k. Financial Service Authority Regulation No.21/POJK.04/2015 dated 16 November 2015 on The Implementation of The Integrated Governance Guidelines for Listed Company.
- l. Financial Service Authority Circular Letter No.32/SEOJK.04/2015 dated 17 November 2015 on The Implementation of The Integrated Governance Guidelines for Listed Company.

3. Statement of Corporate Governance Implementation Commitment

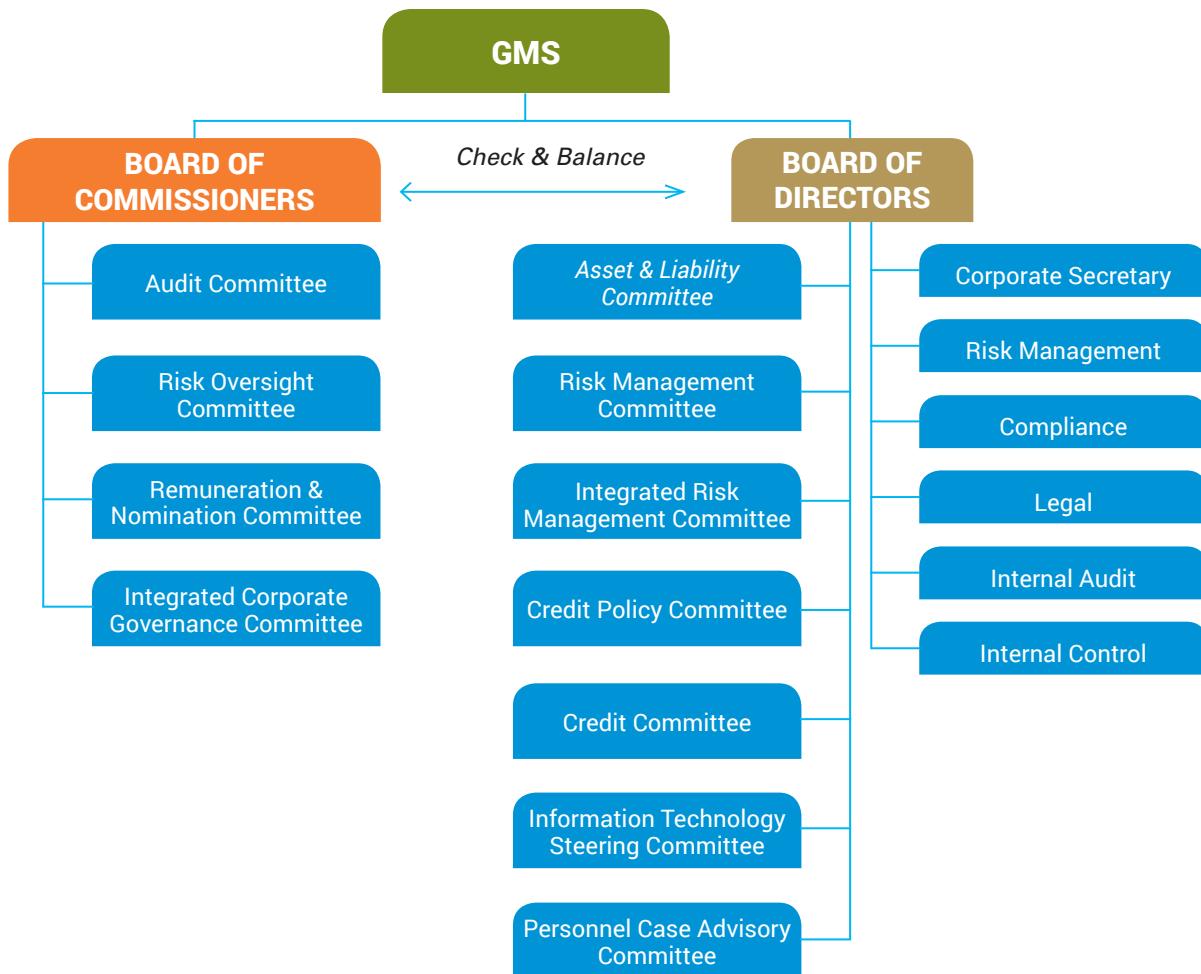
Implementation of GCG is a key factor in maintaining the trust of shareholders and stakeholders in BCA. It has become even more significant with the increasing business risk and challenges faced by the banking industry. Through the implementation of GCG principles, BCA will be able to maintain soundness and competitive business continuity.

BCA is committed to continuously improving the implementation of good corporate governance principles in accordance with the provisions of the applicable legislation and the development of best corporate governance practices, as well as 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 a checks and balances principle within 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; Integrated Corporate Governance Committee.
5. Executive Committees under the Board of Directors: Asset & Liability Committee (ALCO), Risk Management Committee, Integrated Risk Management Committee, Credit Policy

Committee, Credit Committee, Information Technology Steering Committee, Personnel Case Advisory Committee;

6. Corporate Secretary;
7. Risk Management, Compliance, Legal, Internal Audit work units and Internal Control.

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 2015, 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 evaluated in the 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 of 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 2015 is categorized under "**Rank 1**" ("**Very Good**").

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 . As reflected in the substantial implementation of GCG principles. Any remaining weaknesses in the implementation of GCG principles are either generally considered not significant or would soon be corrected by the Management of BCA.

Analysis

The analysis of 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 as per all the GCG Implementation Assessment Factors is more than adequate and comprehensive.
2. The governance process as per most of the GCG Implementation Assessment Factors is very effective, supported by a more than adequate governance structure and infrastructure.
3. The governance output as per most of the GCG Implementation Assessment Factors is of high-quality, resulting from governance processes that are mostly very effective with the support of a more than adequate governance structure and infrastructure.

5.2. Assessment of GCG Implementation by External Party

To evaluate and measure the implementation of GCG in BCA, in 2015 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 2015 is "Good Corporate Governance in the Perspective of Value Creation." 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 2015, The Indonesian Institute for Corporate Directorship (IICD) performed an evaluation and ranking for 100 largest listed companies by market capitalization listed at the Indonesia Stock Exchange. In the 2015 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 2015 was prepared in accordance with the Bank Indonesia Regulation No.8/4/PBI/2006 dated 30 January 2006, as amended by the 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 party and large exposure;
 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 Boards 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 Controlling 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 fraud cases.
- I. Legal issues.
- J. Transactions with conflict of interest.
- K. Share and/or bond buy-backs.
- L. Provision of funds for social and/or political activities during the reporting period.

IMPLEMENTATION OF INTEGRATED GOVERNANCE

In accordance with the issuance of Financial Services Authority Regulation Number 18/POJK.03/2014 dated 18 November 2014 concerning the Application of Integrated Governance for Financial Conglomerates, and Financial Services Authority Circular Letter Number 15/SEOJK.03/2015 dated 25 May 2015 concerning the Application of Integrated Governance for Financial Conglomerates, BCA has implemented integrated company governance system encompassing all subsidiary companies within the financial group in a comprehensive and effective manner, by applying the below principles:

1. Transparency: openness in conveying material and relevant information and in implementing the decision making process;
2. Accountability: clarity of functions and responsibility of the Bank's organs in order to have effective management;
3. Responsibility: Bank management complies with the applicable law and regulations and prudent banking principles;
4. Independency/professionalism: the Bank shall be managed in a professional manner, without succumbing to influence/pressure from any parties; and
5. Fairness: fair and equal in fulfilling shareholder rights in conformity with agreements and existing laws and regulations.

Implementation of Integrated Governance covers:

- a. Requirements for the Board of Directors and Board of Commissioners of the Group principal;
- b. Duties and responsibilities of the Board of Directors and Board of Commissioners of the Group Principal;
- c. Duties and responsibilities of the Integrated Governance Committee;
- d. Duties and responsibilities of the Integrated Compliance Work Unit;
- e. Duties and responsibilities of the Integrated Internal Audit Work Unit;
- f. Implementation of Integrated Risk Management; and
- g. Development and implementation of the Integrated Governance Guidelines.

Requirements for the Board of Directors and Board of Commissioners of Group Principal

Requirements for the Board of Directors of Group Principal:

1. Possess adequate knowledge about the Group Principal and Subsidiary Companies within the Financial Conglomerate. "Knowledge" refers, among others, to understanding the main business activity and main risks of Subsidiary Companies within the Financial Conglomerate.
2. Meet the requirements as referred to the Financial Services Authority Regulation No.33/POJK.04/2014 dated 8 December 2014 concerning the Board of Directors and Board of Commissioners of Issuers or Public Companies, as follows:
 - a. Having good character, morals, and integrity;
 - b. Capable of performing legal actions;
 - c. Within 5 (five) years before appointment and when in charge of the position:
 - i. Not been declared bankrupt;
 - ii. Not a member of a Board of Directors and/or Commissioners that was found guilty in causing a company to become bankrupt;
 - iii. Not been convicted of any criminal offense that is detrimental to the country's or financial sector's financial position; and

- iv. Not a member of a Board of Directors and/or Commissioners which during the terms of office:
 - a) Did not hold an AGMS;
 - b) His/her accountability as a member of the Board of Directors and/or Board of Commissioners was not accepted by the GMS or he/she did not submit his/her accountability as a member of the Board of Directors and/or Commissioners to the GMS; and
 - c) Had caused a company that obtained license, approval, or registration from the Financial Services Authority in not complying with its obligation to submit the annual report and/or financial report to the Financial Services Authority.
 - d. Has a commitment to comply with the law and regulations; and
 - e. Possesses knowledge and skill in the area required by the company.
3. Meet the integrity, competence, and financial reputation requirements as referred to the Bank Indonesia Regulation No.12/23/PBI/2010 dated 29 December 2010 concerning Fit and Proper Test, as follows:
- a. Integrity requirements:
 - i. Having a good character and morals, which among others are shown by complying to the applicable regulations, including not having been convicted for certain criminal offenses in the 20 (twenty) years before nomination;
 - ii. Having a commitment to comply with the prevailing law and regulations;
 - iii. Having a commitment towards development of sound banking operations;
 - iv. Is not on the Disqualified List (DTL);
 - v. Having a commitment not to conduct and/or repeat any actions as referred to Article 27 and Article 28. This applies to candidates of a Board of Directors who were on the Disqualified List in the Fit and Proper test, and had passed the sanction period as referred to Article 35 paragraph (1), Article 40 paragraph (4) point a and Article 40 paragraph (5) of the Bank Indonesia Regulation mentioned above.
 - b. Competence requirements:
 - i. Adequate knowledge in banking, relevant to his/her position;
 - ii. Experience and expertise in banking and/or finance;
 - iii. Capability to perform strategic management in developing a sound Bank.
 - c. Financial reputations:
 - i. Does not have bad debt; and
 - ii. Not been declared bankrupt or was a member of Board of Directors or Commissioners who was found guilty of causing a bankruptcy of a Financial Group in the 5 (five) years before nomination.
- Requirements for the Board of Commissioners of Group Principal:
1. Possess adequate knowledge on the Group Principal and Subsidiary Companies within the Financial Group. "Knowledge" refers, among others, to understanding the main business activities and main risks of Subsidiary Companies within the Financial Group.
 2. Meet the requirements as referred to in Financial Services Authority Regulation No.33/POJK.04/2014 dated 8 December 2014 concerning the Board of Directors and Board of Commissioners of Issuers or Public Companies, as follows:
 - a. Having good character, morals, and integrity;
 - b. Capable of performing legal actions;
 - c. Within 5 (five) years before appointment and when in charge of the position:
 - i. Not been declared bankrupt;
 - ii. Not a member of Board of Directors and/or Commissioners that was found guilty in causing a company to become bankrupt;
 - iii. Not having been convicted of any criminal offense that is detrimental to a country's or financial sector's financial position; and
 - iv. Not a member of the Board of Directors and/or Commissioners which during the terms of office:
 - a) Did not hold an AGMS;



- b) His/her accountability as a member of the Board of Directors and/or Commissioners was not accepted by the GMS or he/she did not submit his/her accountability as a member of the Board of Directors and/or Commissioners to the GMS; and
 - c) Had caused a company that obtained license, approval, or registration from the Financial Services Authority in not complying with its obligation to submit the annual report and/or financial report to the Financial Services Authority.
 - d. Has a commitment to comply with the law and regulations; and
 - e. Possesses knowledge and skill in the area required by the company.
3. Meet the integrity, competence, and financial reputation requirements as referred to the Bank Indonesia Regulation No.12/23/PBI/2010 dated 29 December 2010 concerning Fit and Proper Test, as follows:
- a. Integrity requirements:
 - i. Having a good character and morals, which among others are shown by complying to the applicable regulations, including not having been convicted of certain criminal offense in the 20 (twenty) years before nomination;
 - ii. Having a commitment to comply with the prevailing law and regulations;
 - iii. Having a commitment towards development of a sound banking operations;
 - iv. Is not on the Disqualified List (DTL);
 - v. Having a commitment not to conduct and/or repeat any actions as referred to Article 27 and Article 28. This applies to candidates of the Board of Directors who were in the Disqualified List in the Fit and Proper test, and had passed the sanction period as referred to Article 35 paragraph (1), Article 40 paragraph (4) point a and Article 40 paragraph (5) of the Bank Indonesia Regulation mentioned above.
 - b. Competence requirements:
 - i. Adequate knowledge in banking, relevant to his/her position;
 - ii. Experience and expertise in banking and/or finance;
 - c. Financial reputation:
 - i. Does not have bad debt; and
 - ii. Not having been declared bankrupt or a member of board of directors or commissioners who was found guilty of causing a bankruptcy of a limited liability companies in the 5 (five) years before the nomination.

Duties and Responsibilities of the Board of Directors and Board of Commissioners of the Group Principal

Duties and responsibilities of the Board of Directors of the Group Principal:

1. To ensure the implementation of Integrated Governance within the Financial Group.
2. In order to ensure the implementation of Integrated Governance above, the Board of Directors must at least:
 - a. Develop the Integrated Governance Guidelines;
 - b. Direct, monitor, and evaluate the implementation of the Integrated Governance Guidelines; and
 - c. Follow-up the direction or advise from the Board of Commissioners of the Group Principal for improving the Integrated Governance Guidelines.
3. To ensure that audit findings and recommendations from the Integrated Audit Work Unit, external auditor and the monitoring results of the Financial Services Authority and/or other authorities have been followed-up within the Financial Group.

Duties and responsibilities of the Board of Commissioners of the Group Principal:

1. To monitor the Integrated Governance implementation.
2. In order to monitor the implementation of the Integrated Governance referred above, must at least:
 - a. Monitor implementation of governance in each Financial Services Institution within the Financial Group in order to comply with the Integrated Governance Guidelines;

- b. Monitor implementation of duties and responsibilities of the Board of Directors of the Group Principal, and provide direction or advice to the Board of Directors of the Group Principal on the implementation of Integrated Governance Guidelines; and
- c. Evaluate the Integrated Governance Guidelines and give direction for improvements.
- 3. To conduct regular meetings at minimum 1 (once) each semester.
- 4. To present the meeting results in well-documented minutes of meetings and give clear explanation on any dissenting opinion occurring in the meetings, including the reasons.
- 5. To establish the Integrated Governance Committee.

Duties and Responsibilities of the Integrated Governance Committee

The Integrated Governance Committee was established based on the Decision Letter of the Board of Commissioners of BCA (Group Principal) No.037/SK/KOM/2015 dated 26 February 2015 concerning the Establishment of the Integrated Governance Committee.

The Integrated Governance Committee has Duties and Responsibilities to:

- a. Evaluate implementation of the Integrated Governance at least through assessment of internal control adequacy and implementation of integrated compliance function.
- b. Provide recommendation to Board of Commissioners of the Primary Entity for improvement of Integrated Governance Guidelines.
- c. Hold meeting at least 1 (one) time every semester, and contains the meeting result of Integrated Governance Committee, as well as set forth dissenting opinion occurs in the meeting explicitly in Minutes of Meeting attached by the reason of dissenting opinion.

Duties and Responsibilities of the Integrated Compliance Committee Work Unit

The Integrated Compliance Committee has duties and responsibilities, among others:

1. To monitor and evaluate the implementation of compliance function at each Subsidiary Company within the Financial Group.
2. To develop the methods and processes required in implementing the integrated compliance risk management.
3. To assess and develop the integrated compliance risk profile in order to apply integrated risk management.
4. To develop and submit the duty and responsibility implementation report of the integrated compliance work unit to the Compliance Director of the Group Principal. Further, the Compliance Director of the Group Principal will prepare and submit this report to the Board of Directors and Board of Commissioners of the Group Principal.

Duties and Responsibilities of the Integrated Internal Audit Work Unit

The Integrated Internal Audit Work Unit has duties and responsibilities, among others:

1. To assess the adequacy and effectiveness of the risk management process, internal control and governance of the Group Principal and Subsidiary Companies within the Financial Group, and give recommendations for improvement.
2. To monitor the implementation of internal audit in each Subsidiary Company within the Financial Group.
3. To monitor and evaluate the adequacy of follow-up improvements on audit results of the Group Principal and Subsidiary Companies, and report it to the Board of Directors, Board of Commissioners, and Audit Committee of the Group Principal.
4. To submit the integrated internal audit report to the Board of Directors, Board of Commissioners, and Audit Committee of the Group Principal.

Implementation of the Integrated Risk Management

Risk Management is a series of methodologies and procedures utilized to identify, measure, monitor, and control the risks that occur from all business activities of Subsidiary Companies. Integrated Risk Management is a series of methodologies and procedures utilized to identify, measure, monitor, and control the risks that occur from all business activities of Subsidiary Companies within a Financial Group in an integrated manner. A Financial



Group must implement the Integrated Risk Management effectively, according to the business characteristics and complexity of the Financial Group and by complying with provisions of the Financial Services Authority concerning the Application of Integrated Risk Management for Financial Conglomerates.

Development and Implementation of the Integrated Governance Guidelines

In accordance with the implementation of integrated governance with all of its Subsidiary Companies, BCA has carried out the following:

1. Develop the Integrated Governance Guidelines;
2. Established the Integrated Governance Committee;
3. Adjusted the structure of organization:
 - a. Compliance Work Unit, which covers integrated compliance;
 - b. Internal Audit Work Unit, which covers integrated internal audit;
 - c. Risk Management Work Unit, which covers integrated risk management;
4. To socialize the Integrated Governance Guidelines and implementation of Integrated Governance to the members of Integrated Governance Committee, work units related with Integrated Governance implementation, and all Subsidiary Companies.

The Integrated Governance Guidelines is a guide for BCA (as the Group Principal) and Subsidiary Companies within the Financial Group to have good implementation of integrated governance, thus encouraging quality improvement of integrated governance implementation.

The Integrated Governance Guidelines was prepared by the Board of Directors of BCA (Group Principal), and has been approved by the Board of Commissioner of BCA (Group Principal).

The Integrated Governance Guidelines must at least cover:

- a. Framework of Integrated Governance for Group Principal; and
- b. Framework of Governance for Subsidiary Companies within the Financial Group.

Development of Integrated Governance framework refers to the Financial Services Authority (OJK) Regulation No.18/POJK.03/2014 and the provisions applicable to each Subsidiary Company within the Financial Group.

The Board of Directors of BCA (Group Principal) has submitted the Integrated Governance Guidelines to the Board of Directors of Subsidiary Companies within the Financial Group, to serve as a guideline for Subsidiary Companies in developing the Governance Guidelines and implementing governance in each Subsidiary Company.

The Integrated Governance Framework for the Group Principal contains:

- a. Requirements of Board of Directors of the Group Principal and Board of Commissioners of the Group Principal;
- b. Duties and Responsibilities of Board of Directors of the Group Principal and Board of Commissioners of the Group Principal;
- c. Duties and Responsibilities of the Integrated Governance Committee;
- d. Duties and Responsibilities of Integrated Compliance Working Unit;
- e. Duties and Responsibilities of Integrated Internal Audit Working Unit; and
- f. Implementation of integrated risk management.

Framework of Integrated Governance for Subsidiary Companies covers, among others:

- a. Requirements for a candidate of the Board of Directors and Board of Commissioners;
- b. Requirements for a candidate of the Sharia Supervisory Board;
- c. Structure of the Board of Directors and Board of Commissioners;
- d. Structure of the Sharia Supervisory Board;
- e. Independence in the Board of Commissioners actions;
- f. Implementation of management functions by the Board of Directors;
- g. Implementation of supervisory functions by the Board of Commissioners;
- h. Implementation of supervisory functions by the Sharia Supervisory Board;

- i. Implementation of compliance and internal audit functions, and implementation of external audits;
- j. Implementation of risk management functions;
- k. Remuneration policy; and
- l. Handling conflict of interest.

Assessment of the Integrated Governance Implementation

In 2015, BCA performed Assessment on the Integrated Governance Implementation for Semester I and Semester II, in line with the Financial Services Authority Regulation No.18/POJK.03/2014 dated 18 November 2014 concerning the Application of Integrated Governance for Financial Conglomerates, and the Financial Services Authority Circular Letter No.15/SEOJK.03/2015 dated 25 May 2015 concerning the Application of Integrated Governance for Financial Groups. The assessment covers 3 (three) Integrated Governance aspects, namely Structure, Process, and Results of Integrated Governance.

Assessment on the Integrated Governance implementation covers at least 7 (seven) factors, as follows:

1. Implementation of duties and responsibilities of the Board of Directors of the Group Principal;
2. Implementation of duties and responsibilities of the Board of Commissioners of the Group Principal;
3. Duties and responsibilities of the Integrated Governance Committee;
4. Duties and responsibilities of the Integrated Compliance Work Unit;
5. Duties and responsibilities of the Integrated Internal Audit Work Unit;
6. Implementation of Integrated Risk Management;
7. Development and implementation of the Integrated Governance Guidelines.

Results of the Integrated Governance implementation assessment in the first and second half of 2015 is within category of **"Rank 1" ("Very Good")**.

Annual Report of the Integrated Governance Implementation

Annual Report of the Integrated Governance Implementation at least contains:

1. Self Assessment Report on the Integrated Governance Implementation for 1 (one) fiscal year;
2. Financial Conglomerate Structure;
3. Share ownership structure in Financial Conglomerate describing the parties who become shareholders of Financial Service Institution (Subsidiaries) in Financial Conglomerate up to the ultimate shareholders;
4. Management structure in the Primary Entity and LJK in Financial Conglomerate; and
5. Intra-group transaction policy which at least contains policy to identify, to manage and to mitigate intra-group transaction

In addition to contain information on the above mentioned matters, Annual Report on Integrated Governance Implementation also includes Report on Good Corporate Governance (GCG) Implementation as governed in provision applicable for commercial bank.



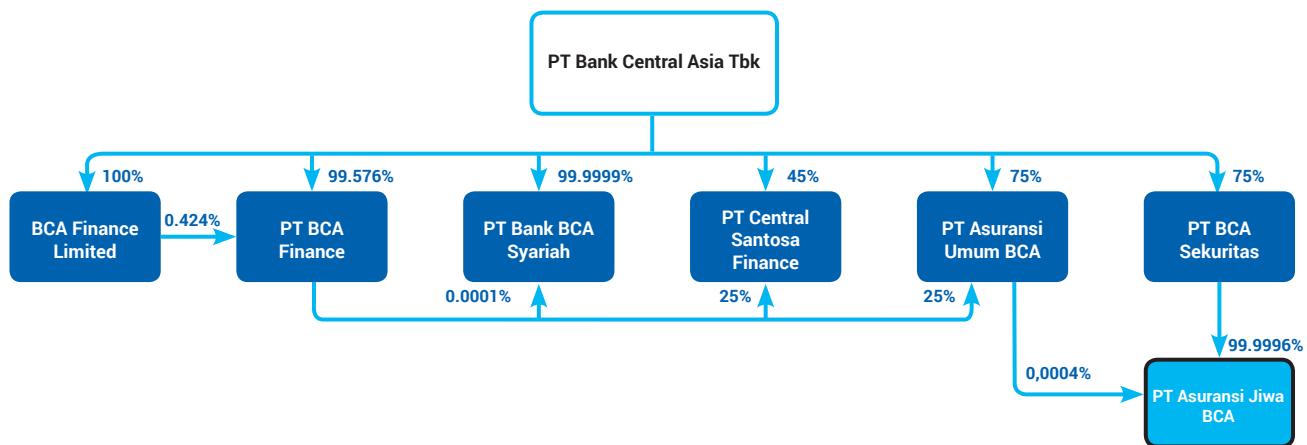
1. SELF-ASSESSMENT REPORT ON THE INTEGRATED GOVERNANCE IMPLEMENTATION FOR 1 (ONE) FISCAL YEAR

Group Principal : **PT Bank Central Asia Tbk**

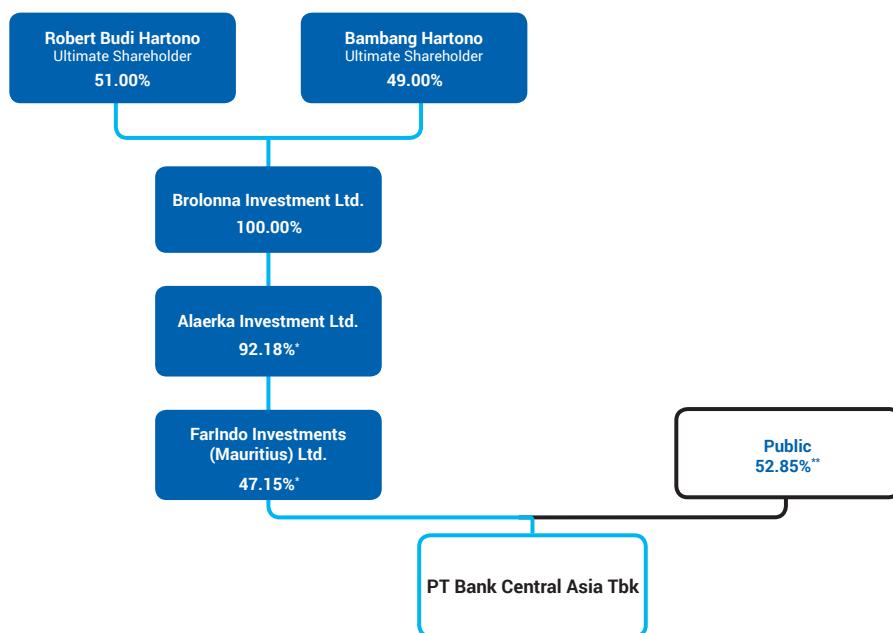
Report Position : 31 December 2015

Rank	Result of Self-Assessment On Integrated Governance Implementation
	Rating Definition
1	Financial Conglomerate has carried out the Integrated Governance implementation which generally was excellent . This is reflected from the very adequate fulfillment upon the implementation of Integrated Governance principle. If there is weakness in the Integrated Governance implementation, in general the weakness is not significant and can be promptly improved by the Primary Entity and/or Financial Service Institution (Subsidiaries) in Financial Conglomerate.
Analysis	
<p>Bases on the analysis on Self assessment towards the Integrated Governance Structure, Integrated Governance process, and the result on Integrated Governance to the respective assessment factor of the Integrated Governance implementation, it can be concluded as follows:</p> <ol style="list-style-type: none"> 1. Integrated Governance Structure based on the assessment result is completed. 2. Integrated Governance Process based on the assessment result is very effective supported by a complete structure. 3. Integrated Governance Result based on the assessment result is highly qualified which is generated from the aspect of Integrated Governance process which very effective supported by a complete structure. 	

2. FINANCIAL CONGLOMERATE STRUCTURE OF BCA



3. STRUCTURE OF SHARE OWNERSHIP IN FINANCIAL CONGLOMERATE DESCRIBING THE SHAREHOLDERS IN FINANCIAL SERVICE INSTITUTION (SUBSIDIARIES) IN FINANCIAL CONGLOMERATE UP TO THE ULTIMATE SHAREHOLDERS



Note:

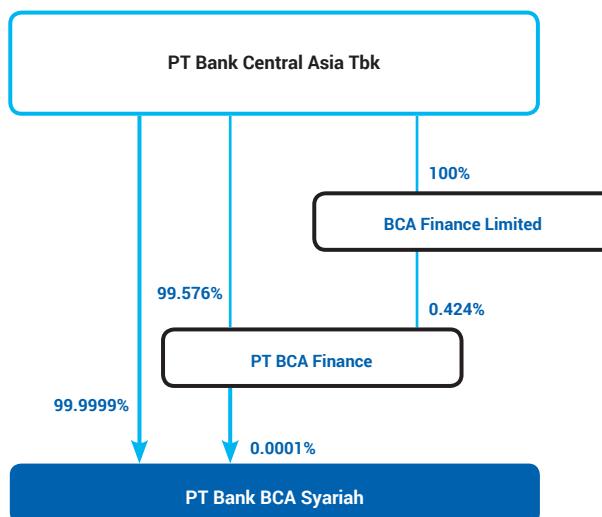
Controlling Shareholders
 Controlling Line

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

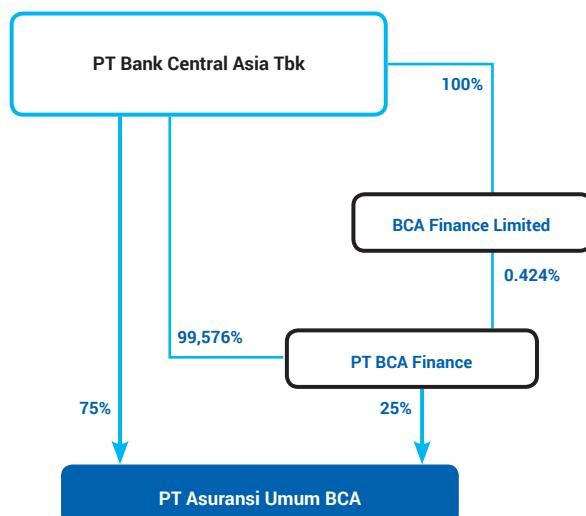
** In the composition of shares held by the public, 2.96% of the shares are owned by parties affiliated with the Ultimate Shareholders, 0.02% are held by Mr. Robert Budi Hartono and 0.02% by Mr. Bambang Hartono.

Board of Commissioners and Board of Directors owns 0.25% of the shares. Each of public shareholder owns less than 5% of the shares.

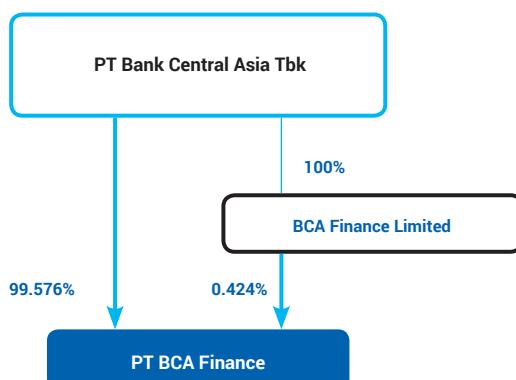
◆ STRUCTURE OF SHARE OWNERSHIP OF PT BANK BCA SYARIAH



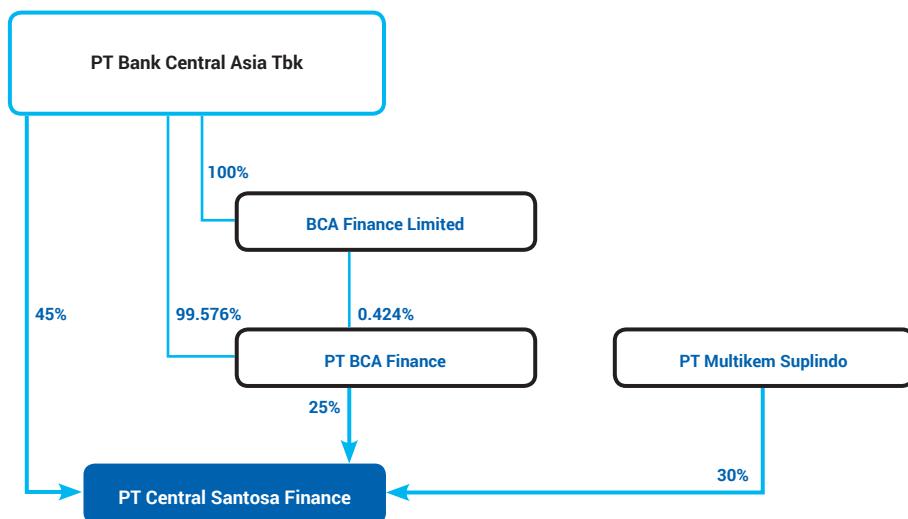
◆ STRUCTURE OF SHARE OWNERSHIP OF PT ASURANSI UMUM BCA



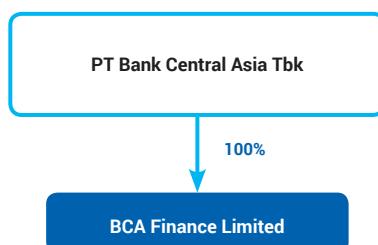
◆ STRUCTURE OF SHARE OWNERSHIP OF PT BCA FINANCE



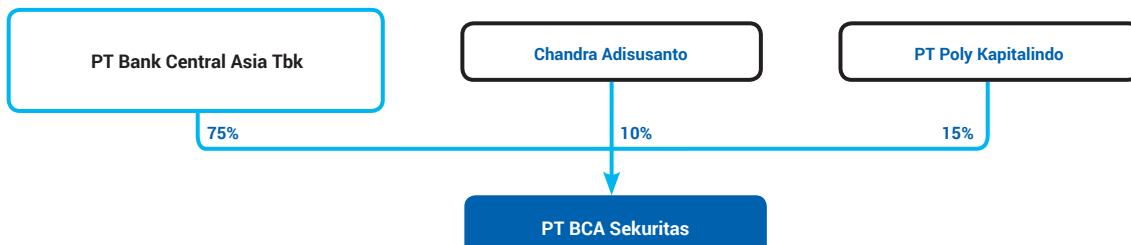
◆ STRUCTURE OF SHARE OWNERSHIP OF PT CENTRAL SANTOSA FINANCE



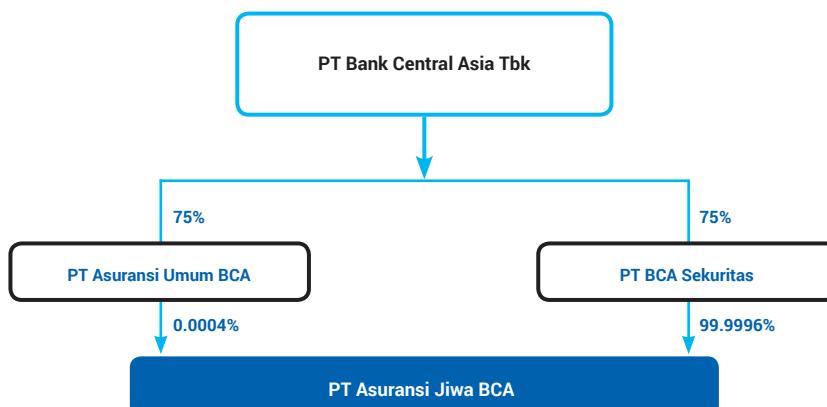
◆ STRUCTURE OF SHARE OWNERSHIP OF BCA FINANCE LIMITED



◆ STRUCTURE OF SHARE OWNERSHIP OF PT BCA SEKURITAS



◆ STRUCTURE OF SHARE OWNERSHIP OF PT ASURANSI JIWA BCA





4. MANAGEMENT STRUCTURE IN PRIMARY ENTITY (PT BANK CENTRAL ASIA Tbk) AND LJK (SUBSIDIARIES) IN FINANCIAL CONGLOMERATE

MANAGEMENT STRUCTURE OF PT BANK CENTRAL ASIA Tbk

Board of Commissioners	
Name	Position
Djohan Emir Setijoso	President Commissioner
Tonny Kusnadi	Commissioner
Cyrillus Harinowo	Independent Commissioner
Raden Pardede	Independent Commissioner
Sigit Pramono	Independent Commissioner

Board of Directors	
Name	Position
Jahja Setiaatmadja	President Director
Eugene Keith Galbraith	Deputy President Director
Dhalia Mansor Ariotedjo	Director
Anthony Brent Elam	Director
Suwignyo Budiman	Director
Tan Ho Hien/Subur atau Subur Tan	Compliance Director
Henry Koenafi	Director
Armand Wahyudi Hartono	Director
Erwan Yuris Ang	Independent Director
Rudy Susanto	Director

MANAGEMENT STRUCTURE OF PT BANK BCA SYARIAH

Board of Commissioners	
Name	Position
Iwan Kusumobagio	President Commissioner
Suyanto Sutjiadi	Independent Commissioner
Joni Handrijanto	Independent Commissioner

Board of Directors	
Name	Position
Yana Rosiana	President Director
John Kosasih	Vice President Director
Tantri Indrawati	Compliance Director

MANAGEMENT STRUCTURE OF PT BCA FINANCE

Board of Commissioners

Name	Position
Ricki Immanuel	President Commissioner
Adhi Gunawan Budirahardjo	Independent Commissioner

Board of Directors

Name	Position
Roni Haslim	President Director
Amirdin Halim	Director
Petrus Santoso Karim	Director
David Pangestu	Director

MANAGEMENT STRUCTURE OF PT CENTRAL SANTOSA FINANCE

Board of Commissioners

Name	Position
Roni Haslim	President Commissioner
Rudyanto Somawihardja	Commissioner
Hermanto	Commissioner

Board of Directors

Name	Position
David Hamdan	President Director
Senjaya Komala	Director
Adhi Purnama	Director

MANAGEMENT STRUCTURE OF PT ASURANSI UMUM BCA (BCA INSURANCE)

Board of Commissioners

Name	Position
Petrus Santoso Karim	President Commissioner
Edison Idrus	Independent Commissioner
Gustiono Kustianto	Independent Commissioner

Board of Directors

Name	Position
Gregorius Hariyanto	President Director
Hendro H. Wenan	Director
Hariyanto Djumali	Director
Harry Kaporo	Director



MANAGEMENT STRUCTURE OF PT BCA SEKURITAS

Board of Commissioners	
Name	Position
Ferdinandus Aming Santoso	President Commissioner
Linus Ekabranko Windoe	Commissioner
Deddy Muljadi Hendrawinata	Commissioner

Board of Directors	
Name	Position
Mardi Henko Sutanto	President Director
Imelda Arismunandar	Director

MANAGEMENT STRUCTURE OF PT ASURANSI JIWA BCA

Board of Commissioners	
Name	Position
Lianawaty Suwono	President Commissioner
Herwandi Kuswanto	Commissioner
Teguh Wiyono	Independent Commissioner
Pudjianto	Independent Commissioner

Board of Directors	
Name	Position
Christine Wahjuni Setyabudhi	President Director
Rio Winardi	Director
Yannes Chandra	Director
Honggo Djojo	Director

MANAGEMENT STRUCTURE OF BCA FINANCE LIMITED

Name	Position
Andy Kwok	Director
Edmund Tondobala	Director
Rudy Harjono	Director

5. POLICY OF INTRA-GROUP TRANSACTION CONTAINING THE POLICY TO IDENTIFY, MANAGE AND MITIGATE THE INTRA-GROUP TRANSACTIONS

Introduction

The relation of ownership and/or control in various sectors of financial service will affect the business continuity of financial service institution caused by risk exposures arising out directly or indirectly from subsidiaries' business activities which are incorporated in a financial conglomerate.

BCA as the Primary Entity of the BCA Financial Conglomerate is obliged to manage the risks of intra-group transactions and to carry out monitoring the intra-group transactions in an integrated manner.

Definition of Intra-Group Transaction Risk

Intra-group transaction risk is a risk due to reliance of an entity, either directly or indirectly, towards other entity within one financial conglomerate in order to fulfill its contractual obligation of written or unwritten agreement which is followed with fund transfer and/or not followed with fund transfer.

The Purpose of Intra-Group Transaction Risk Management

The main purposes of intra-group transaction risk management are:

1. To organize and supervise the intra-group transactions of Financial Conglomerate based on prudent principle.
2. To ensure that the risk management process can minimize the possibility of negative impact resulted by dependence of a Financial Service Institution either directly or indirectly towards other LJK within one Financial Conglomerate.

Type of Intra-Group Transaction

Risk of intra-group transaction, among others, may arise from:

1. Cross ownership between LJK and Financial Conglomerate.
2. Centralization of short term liquidity management.

3. Guarantee, loan, and commitment provided or acquired by a LJK from another LJK within Financial Conglomerate.
4. Exposure to the controlling shareholders, including loan exposure and off-balance sheet such as guarantee and commitment.
5. Asset purchase and sale to other LJK within one Financial Conglomerate.
6. Risk transfer through re-insurance.
7. Transaction to assign third party's risk exposure between LJKs within Financial Conglomerate.

Principles of Intra-Group Transaction Risk Management

In principles of intra-group transaction risk management, the Primary Entity is obliged to:

1. Have adequacy in risk management process including the overall intra-group transaction for Financial Conglomerate.
2. Carry out monitoring the intra-group transactions of Financial Conglomerate regularly and to prepare periodic report.
3. Encourage public disclosure related to the intra-group transactions.
4. Act as a liaison for members of Financial Conglomerate in ensuring important matters required to be noted and to act as a supervisor to consider the feasibility of intra-group transactions.
5. Consider adverse impact to be occur to the members of Conglomerate indirectly and to the entire Final Conglomerate from the intra-group transaction.

Scope of Policy of Intra-Group Transaction Risk Management

Implementation of intra-group risk management in Financial Conglomerate covers:

1. Supervision by Board of Commissioners and Board of Directors.
2. Adequacy of policy, procedure, and stipulation on intra-group transaction risk limits.
3. Adequacy on the process of identification, measurement, monitoring, and risk controlling as well as information system of intra-group transaction risk management.



4. A comprehensive internal controlling system towards the implementation of intra-group transaction risk management.

Supervision By Board of Commissioners and Board of Directors

Supervision by Board of Commissioners and Board of Directors is indispensable to ensure the implementation effectiveness of intra-group transaction risk management and conformity to the applicable provisions.

Authority and Responsibility of Board of Commissioners

The authorities and responsibilities of Board of Commissioners in the implementation of intra-group transaction risk management, are:

1. Approving the policy of intra-group transaction risk management.
2. Evaluating the Board of Directors' accountability and providing direction on improvement and implementation of the policy of intra-group transaction risk management.

Authority and Responsibility of Board of Directors

The authorities and responsibilities of Board of Directors in intra-group transaction risk management, are:

1. Comprehending the intra-group transaction risk attached to the financial conglomerate.
2. Preparing and determining the policy on intra-group transaction risk management.
3. Responsible for the implementation of intra-group transaction risk management.
4. Ensuring that each entity in the financial conglomerate implements the intra-group transaction risk management.
5. Monitoring the intra-group transaction risk regularly.
6. Developing risk culture as a part of the implementation of intra-group transaction risk management.
7. Ensuring that the implementation of intra-group transaction risk management is free of any conflict of interest between the financial conglomerate and the individual LJK.

Human Resources

In the framework of the responsibility implementation of HR-related risk management, the Board of Directors is required to ensure:

1. A clear determination of human resource qualification for every position level related to the implementation of intra-group transaction risk management.
2. Placement of competent officers and staff in working unit related to the implementation of intra-group transaction risk management.
3. Adequacy of human resources quantity and quality in understanding duties and responsibilities in the implementation of intra-group transaction risk management.
4. Capacity building of human resources among others through sustainable education and training programs.
5. Comprehension of the entire human resources towards strategies, risk level will be taken (risk appetite), risk tolerance, and risk management framework of the intra-group transactions.

Adequacy on Policy, Procedure, and Determination of Intra-Group Transaction Risk Limit

Policy, procedure, and determination of intra-group transaction risk limit refer to the policy, procedure and limit determination as contained in Basic Policy of Integrated Risk Management.

Risk Appetite and Risk Tolerance

Risk level of the intra-group transaction will be taken (risk appetite) and risk tolerance is described as follows:

1. The risk level of intra-group transaction which will be taken (risk appetite) is the risk available to be taken in order to achieve target in an integrated manner. The risk will be taken is reflected in business strategy and target.
2. Risk tolerance is the maximum risk level available to be taken.
3. The risk level which will be taken (risk appetite) and risk tolerance must be in line with business strategy, risk profile, and capital plan of the financial conglomerate.

Policy and Procedure

Several matters required to be noted in policy and procedure relating to intra-group transaction risk are:

1. The Financial Conglomerate's Policy must comply with the applicable regulations related to the intra-group transactions.
2. The Financial Conglomerate must ensure the fulfillment of arm's length principle (transaction fairness) related to the intra-group transaction.
3. Procedures of the intra-group transaction risk management at least include:
 - 3.1 Accountability and level of a clear authority delegation in the implementation of intra-group transaction risk management.
 - 3.2 Implementation of review towards the procedures regularly.
 - 3.3 Adequate procedure documentation, which are documentation in writing, complete, and easy to be carried out audit trail.

Risk Limit of Intra-Group Transaction

The Financial Conglomerate must ensure that determination of intra-group risk limit is in accordance with the regulatory provisions applicable.

Adequacy of Identification Process, Measurement, Monitoring, and Risk Control as well Information System of Intra-Group Transaction Risk Management

In the implementation of intra-group transaction risk management, the Primary Entity is obliged to carry out identification process, measurement, monitoring and risk control towards all significant risk factors in an integrated manner, and supported by information system of an adequate intra-group transaction risk management.

Identification of Intra-Group Transaction Risk

The identification of intra-group transaction risk is carried out through:

1. Identification on composition of intra-group transaction in the Financial Conglomerate.
2. Identification on documentation and transaction fairness.
3. Identification on other information.

Measurement of Intra-Group Transaction Risk

The measurement of intra-group transaction risk aims to rank the risk level of intra-group transaction of the financial conglomerate. In addition, the Primary Entity obliges to prepare risk profile of the intra-group transaction which is integrated to the members of the Financial Conglomerate.

The following is the measurements must be carried out to obtain risk profile of an integrated intra-group transaction

Measurement	Description	Measurement Results
Inherent Risk	<p>In determining the inherent risk level, the Primary Entity must make comprehensive analysis using the whole relevant quantitative and qualitative indicators. The indicators include 3 aspects:</p> <ol style="list-style-type: none"> 1. Composition of the intra-group transaction in the financial conglomerate. 2. Documentation and transaction fairness. 3. Other information. 	<ol style="list-style-type: none"> 1. Low 2. Low to Moderate 3. Moderate 4. Moderate to High 5. High
Quality of Risk Management Implementation	<p>Measurement of quality of the integrated risk management implementation includes 4 aspects:</p> <ol style="list-style-type: none"> 1. Supervision by Board of Commissioners and Board of Directors. 2. Adequacy of policy, procedure, and limit determination of the intra-group transaction. 3. Adequacy of process of identification, measurement, and risk control as well as information system of the intra-group transaction risk management. 4. A comprehensive internal control system towards the implementation of the intra-group transaction risk management. 	<ol style="list-style-type: none"> 1. Strong 2. Satisfactory 3. Fair 4. Marginal 5. Unsatisfactory



Risk Level Rating

Risk level rating is a combination of inherent risk measurement and measurement of risk management implementation.

Mapping of risk level rating of the intra-group transaction can be seen in the matrix below:

Assessment Result on Risk Level Rating		Quality Rating of Risk Management Implementation (KPMR)				
		Strong	Satisfactory	Fair	Marginal	Unsatisfactory
Inherent Risk Rating	Low	Low	Low	Low to Moderate	Moderate	Moderate
	Low to moderate	Low	Low to Moderate	Low to Moderate	Moderate	Moderate to High
	Moderate	Low to Moderate	Low to Moderate	Moderate	Moderate to High	Moderate to High
	Moderate to high	Low to Moderate	Moderate	Moderate to High	Moderate to High	High
	High	Moderate	Moderate	Moderate to High	High	High

Note:

Risk level assessment result can be seen in the Risk Management on page 336-341 of this BCA Annual Report.

Monitoring to The Intra-Group Transaction Risk

Monitoring to the intra-group transaction risk is carried out by taking into account of:

1. Parameters composition of the intra-group transaction risk in the integrated risk profile report.
2. Documentation completeness of the intra-group transaction.
3. Intra-group transaction reasonableness.
4. Other information related to the intra-group transaction.

Control on the Intra-Group Transaction Risk

Control on the intra-group transaction risk is carried out by ensuring:

1. Reasonableness of the intra-group transaction of the Financial Conglomerate.
2. Documentation for each intra-group transaction.
3. Each intra-group transaction must comply with the law/regulatory provisions applicable.

A Comprehensive Internal Control System Towards the Implementation of Intra-Group Transaction Risk Management

The internal control system for intra-group transaction risk refers to the internal control as contained in the Basic Policy of Integrated Risk Management.

Internal Control System

An effective implementation process of intra-group transaction risk management must be equipped with a comprehensive internal control system. An effective implementation of internal control system is expected to be able to maintain the assets of the financial conglomerate, to guarantee the availability of a reliable reporting, to improve compliance to the provisions as well as laws and regulations, and to mitigate the risk of losses, deviation and violation of circumspection aspect.

Information System of Intra-Group Transaction Risk Management

The information system of intra-group transaction risk management includes report on the intra-group transaction profile risk which constitutes a part of an integrated risk profile report.

The implementations of internal control system are as follows:

1. BCA is obliged to implement an effective internal control system on the intra-group transaction risk by referring to the policy and procedures have been set out.
2. The internal control system is prepared in order to ensure:
 - 2.1. The compliance to policy and internal terms as well as laws and regulations.
 - 2.2. The risk culture effectiveness in the Financial Conglomerate organization comprehensively to identify weakness and deviation early and to re-assess reasonableness of the policy and procedures available in the financial conglomerate in an ongoing basis.
3. Review towards measurement of the intra-group transaction risk, at least includes:
 - 3.1. Policy conformity, organization structure, resources allocation, process design of the intra-group transaction risk management, information system, and risk reporting in accordance with business requirements of the financial conglomerate, as well as development of regulation and best practice related to the intra-group transaction risk management.
 - 3.2. A complete and adequate documentation towards the coverage, operational procedure, audit findings, as well as the responds of the financial conglomerate management based on the audit results.

The full Annual Report on the Implementation of Integrated Governance of BCA Financial Conglomerate is made separately which constitutes an integral part of this Annual Report, and contained in BCA website.

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. 2015 Annual and Extraordinary General Meeting of Shareholders Procedure

The procedure of BCA's 2015 Annual and Extraordinary General Meeting of Shareholders was as follows:

1. As a public company, in accordance with Financial Service Authority Regulation No.32/ POJK.04/2014 dated 8 December 2014 on Plan and Implementation of the General Meeting of Shareholders of Public Company. BCA delivered the agenda of the 2015 Annual and Extraordinary GMS in a clear and detailed manner to the Financial Services Authority not later than 5 (five) working days prior to the notification, as referred to in the letter No.018/ CRS/2015 dated 23 February 2015.
2. Before conducting the 2015 Annual and Extraordinary GMS notification, BCA conveyed that the Annual GMS announcement would be conducted, 14 (fourteen) days prior to the 2015 Annual and Extraordinary GMS notification, excluding the date of announcement and the date of the 2015 Annual and Extraordinary GMS notification. The 2015 Annual and Extraordinary GMS announcement was published in Bisnis Indonesia, Suara Pembaruan and The Jakarta Post daily newspapers, all on 3 March 2015.
3. The 2015 Annual and Extraordinary GMS notification was conducted by advertising in newspapers 21 (twenty one) days prior to the date of the 2015 Annual and Extraordinary GMS, excluding the date of the notification and the date of the Annual GMS. The 2015 Annual and Extraordinary GMS notification was published in Bisnis Indonesia, Suara Pembaruan and The Jakarta Post newspapers, all dated 18 March 2015.
4. Entitled to attend and vote in the 2015 Annual and Extraordinary 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 and Extraordinary GMS notification.

5. Each share issued has 1 one (one) voting right unless the Articles of Association of BCA state otherwise.
6. After holding the GMS, BCA conveyed the results of the 2015 Annual and Extraordinary GMS 2 (two) business days after the 2015 Annual and Extraordinary 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 13 April 2015.

3. Implementation of the 2015 Annual and Extraordinary GMS

In 2015, BCA held the Annual and Extraordinary GMS on 9 April 2015 at the Grand Ballroom, Hotel

Indonesia Kempinski 11th, Jalan MH. Thamrin No. 1, Jakarta 10310.

The materials and agenda (including explanation of each agenda item) discussed in the Annual and Extraordinary GMS was available from the Corporate Secretary – BCA Head Office, and had been uploaded in the BCA website on the same date as the 2015 Annual and Extraordinary GMS Notification.

4. Attendance of Management and Shareholders

The 2015 Annual and Extraordinary GMS was attended by the President Commissioner and members of the Board of Commissioners, President Director, Vice 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 Board of Directors of BCA were present in the 2015 Annual and Extraordinary GMS, as stated below:

Board of Commissioners

Name	Position
Djohan Emir Setijoso	President Commissioner
Tonny Kusnadi	Commissioner
Cyrillus Harinowo	Independent Commissioner, concurrently Chairman of Audit Committee
Raden Pardede	Independent Commissioner, concurrently Chairman of Remuneration and Nomination Committee
Sigit Pramono	Independent Commissioner, concurrently Chairman of Risk Oversight Committee

Board of Directors

Name	Position
Jahja Setiaatmadja	President Director
Eugene Keith Galbraith	Deputy President Director
Dhalia Mansor Ariotedjo	Director
Anthony Brent Elam	Director
Suwignyo Budiman	Director
Tan Ho Hien/Subur Tan	Director of Compliance
Henry Koenaifi	Director
Armand Wahyudi Hartono	Director
Erwan Yuris Ang	Independent Director
Rudy Susanto	Director

The number of shares with voting rights represented at the 2015 Annual GMS was 21,601,309,793 shares or 87.614% 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.

The Extraordinary GMS was attended by shareholders representing 21,627,119,036 shares or 87.719% of the total BCA Issued shares with valid voting rights.

5. Chairman of the 2015 Annual and Extraordinary GMS

The 2015 Annual and Extraordinary 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 Annual GMS

• Agenda of the 2015 Annual GMS

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 2014 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 on 31 December 2014;
2. Determination of the utilization of BCA's profit for the financial year ended on 31 December 2014;
3. Determination of salary or honorarium and other allowances for the members of the Board of Directors and Board of Commissioners;
4. Appointment of Registered Public Accountant to examine BCA books for the financial year ended 31 December 2015;
5. Giving power and authority to the Directors to pay an interim dividend for the financial year ended 31 December 2015.

- Agenda of the 2015 Extraordinary GMS**

Approval on the Amendment and Restatement of BCA's Articles of Associations.

7. Mechanism of Vote Calculation in the 2015 Annual and Extraordinary GMS

Each shareholder or proxy of the shareholder has a right to ask and/or present opinions to the Chairman of the Annual and Extraordinary GMS before a vote is held for each Annual GMS agenda.

In any discussion of the agenda of the Annual and Extraordinary GMS, the Chairman of Annual GMS 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 AGM agenda item 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 2015 Annual and Extraordinary GMS.



8. 2015 Annual and Extraordinary GMS Resolution and Realization

2015 Annual GMS Resolution

First Agenda

	in 2014	in 2015
I	Approving the Annual Report, including the Board of Commissioners' Report on its Supervisory Duties for the financial years ended on 31 December 2013 as contains in the 2013 Annual Report;	Approving the Annual Report, including the Board of Commissioners' Report on its Supervisory Duties for the financial years ended on 31 December 2014 as contains in the 2014 Annual Report;
II	Ratifying the Financial Statements which include the Balance Sheet and Loss and Profit Statement for the financial year ended on 31 December 2013 as had been audited with unqualified opinion by the Public Accountant Firm Siddharta & Widjaja, member of KPMG International as evident in Company's 2013 Annual Report;	Ratifying the Financial Statements which include the Balance Sheet and Loss and Profit Statement for the financial year ended on 31 December 2014 as had been audited with unqualified opinion by the Public Accountant Firm Siddharta & Widjaja, member of KPMG International as evident in Company's 2014 Annual Report;
III	Granting release and discharge of responsibilities (acquit et decharge) to members of Board of Directors and Board of Commissioners for their respective management and supervisory actions during the financial year ended on 31 December 2013, to the extent that such actions were set out in Company's Annual Report and Financial Statements for the financial year ended on 31 December 2013 and any relevant supporting documents thereof.	Granting release and discharge of responsibilities (acquit et decharge) to members of Board of Directors and Board of Commissioners for their respective management and supervisory actions during the financial year ended on 31 December 2014, to the extent that such actions were set out in Company's Annual Report and Financial Statements for the financial year ended on 31 December 2014 and any relevant supporting documents thereof.

Result of the Vote Calculation of AGMS 2014 is as follows:

Approve	Disapprove	Abstain
21,755,486,784 (99.912%)	10,476,700 (0.048%)	8,696,000 0.040%

Realization description: Realized

Result of the Vote Calculation of AGMS 2015 is as follows:

Approve	Disapprove	Abstain
21,579,092,293 (99.897%)	-	22,217,500 (0.103%)

Realization description: Realized

Second Agenda

	in 2014	in 2015
I	Resolving to accept that the Balance Sheet and the Company's net income for the financial year ended on 31 December 2013, which had been audited by the Public Accountant Firm Siddharta & Widjaja, member of KPMG International, amounted to Rp 14,253,831,087,099 (fourteen trillion two hundred and fifty-three billion eight hundred and thirty-one million eighty-seven thousand ninety-nine Rupiah) ("Net Income for 2013").	Resolve to accept that the Balance Sheet and the Company's net income for the financial year ended on 31 December 2014, which had been audited by the Public Accountant Firm Siddharta, Widjaja & Partner, member of KPMG International, amounted to Rp 16,485,857,485,058 (sixteen trillion four hundred and fifty-five billion eight hundred and fifty-seven million four hundred and eighty-five thousand fifty-eight Rupiah) ("Net Income for 2014").

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| <p>II Resolving that the Company's Net Income for 2013 which amounted to Rp 14,253,831,087,099 (fourteen trillion two hundred and fifty-three billion eight hundred and thirty-one million eighty-seven thousand ninety-nine Rupiah) shall be appropriated as follows:</p> <ol style="list-style-type: none"> 1. Rp 142,538,310,871 (one hundred and forty-two billion five hundred thirty-eight million three hundred and ten thousand eight hundred seventy-one Rupiah) shall be appropriated for reserve fund. 2. Rp 2,958,601,200,000 (two trillion nine hundred and fifty-eight billion six hundred and one million two hundred thousand Rupiah) or Rp 120 (one hundred 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 to Rp 1,109,475,450,000 (one trillion one hundred and nine billion four hundred and seventy-five million four hundred and forty-five thousand Rupiah) or Rp 45 (forty-five Rupiah) 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 and forty-nine billion one hundred and twenty-five million seven hundred and fifty thousand Rupiah) or Rp 75 (seventy-five) per share. | <p>II Stipulate the use of Net Profit 2014, namely in the amount of Rp 16,485,857,485,058, (sixteen trillion four hundred and eighty-five billion eight hundred and fifty-seven million four hundred eighty-five thousand fifty-eight Rupiah) shall be appropriated as follows:</p> <ol style="list-style-type: none"> 1. Rp 164,858,574,851 (one hundred sixty-four billion eight hundred and fifty eight million five hundred and seventy-four thousand eight hundred and fifty-one Rupiah) shall be appropriated for reserve fund. 2. Rp 3,648,941,480,000 (two trillion six hundred forty-eight billion nine hundred and forty-one million four hundred and eighty thousand Rupiah) or Rp. 148,- (one hundred and forty eight Rupiah) per share shall be distributed as cash dividends for the financial year ended on 31 December 2014 to the shareholders entitled to receive the cash dividends, the amount of which included the interim dividends amounted to Rp. 1,232,750,500,000,- (one trillion two hundred thirty-two billion seven hundred fifty million five hundred thousand Rupiah) or Rp. 50,- (fifty Rupiah) per share which had been paid by BCA on 23 December 2014, so that the remaining amount of Rp. 2,416,190,980,000,- (two trillion four hundred and sixteen billion one hundred and nineteen million nine hundred and eighty thousand Rupiah) Rp. 98,- (ninety-eight Rupiah) per share. |
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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 on the recording date will be determined by the Board of Directors;
- (ii) as regards to payment of the remaining dividends for the financial year 2013, Board of Directors will withhold tax thereon pursuant to the tax regulations in force;
- (iii) Board of Directors is granted 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 recording date as referred to in clause (i) determining shareholders which entitled to receive payment of the remaining dividend for the financial year 2013; and
- (bb) determining the payment date of the remaining dividends for the financial year 2013, and other technical matters without prejudice to regulations of the Stock Exchange where the Company's shares are listed;

As regards the payment of dividends, the following terms and conditions shall apply:

- (i) the remaining dividend for the financial year 2014 will be paid for each share issued by the Company recorded in the Company's Register of Shareholders on the recording date will be determined by the Board of Directors;
- (ii) as regards to payment of the remaining dividends for the financial year 2014, Board of Directors will withhold tax thereon pursuant to the tax regulations in force;
- (iii) Board of Directors is granted power of attorney and authority to determine matters concerning or relating to the payment of the remaining dividends for the financial year 2014, including (but not limited to):
 - aa) determining the recording date as referred to in clause (i) determining shareholders which entitled to receive payment of the remaining dividends for the financial year 2014; and
 - (bb) determining the payment date of the remaining dividends for the financial year 2014, other technical matters without prejudice to 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 Januari 2006 on the Implementation of Good Corporate Governance for Public Bank and its amendments in conjunction to Article 71 paragraph 1 of Law Number 40 year 2007 regarding Limited Liability Company, and the consideration of the Board of Commissioners after taking into account of the Remuneration and Nomination Committee as evident in the letter of Remuneration and Nomination Committee dated 4 March 2014 number 001/SK/KRE/2014, furthermore the Annual GMS 2014 has determined of maximum Rp 213.807.466.306,- (two hundred and thirteen billion eight hundred and seven million four hundred and sixty-six thousand three hundred and six Rupiah) to be paid as tantieme to members of Board of Commissioners and Board of Directors who served in the company over the financial year 2013

granting power of attorney and authority to FARINDO INVESTMENTS (MAURITIUS) LIMITED, qualitate qua (q.q.) Mr. ROBERT BUDI HARTONO and Mr. BAMBANG HARTONO, as the controlling shareholders of the Company currently, to determine the mentioned tantieme distribution amongst the members of Board of Commissioners and Board of Directors who served over the financial year 2013, including all matters with respect to that tantieme payment, the provision of tantieme amount of which to be paid to Board of Commissioners and Board of Directors will be reported in the Annual Report for the financial year 2014.

3. A maximum amount of Rp 247,287,862,276,- (two hundred forty-seven billion two hundred eighty-seven million eight hundred and sixty-two thousand two hundred and seventy-six Rupiah) to be paid as tantieme for members of members of Board of Commissioners and Board of Directors who served in the company over the financial year 2014 has been reserved and spent amounted to Rp.227,217,855,000,- (two hundred and twenty-two billion two hundred and seventeen billion eight hundred and fifty-five thousand Rupiah) the use of Net Profit 2014 (two thousand and fourteen) required to be allocated for tantieme was maximum amounted to Rp.20,070,007,276,- (two billion seventy million seven thousand two hundred seventy-six rupiah)

granting power of attorney and authority to FARINDO INVESTMENTS (MAURITIUS) LIMITED, qualitate qua (q.q.) Mr. ROBERT BUDI HARTONO and Mr. BAMBANG HARTONO, as the controlling shareholders of the Company currently, to determine the mentioned tantieme distribution amongst the members of Board of Commissioners and Board of Directors who served over the financial year 2014 (two thousand and fourteen), by taking into account of this meeting's resolution and to determining the mentioned tantieme distribution amongst the members of Board of Commissioners and Board of Directors who served over the financial year 2014 (two thousand and fourteen), including all matters relating to payment of the tantieme, with provision of the amount of tantieme which will be paid to Board of Commissioners and Board of Directors will be reported in the Annual Report for the financial year 2015;

4. The remaining Net Profit 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 and thirty-eight billion eight hundred and eighty-four million one hundred and nine thousand nine hundred and twenty-two Rupiah) shall be determined as retained earnings.

III Resolving that such power as described in point II number 2 and 3 of this resolution shall be effective on the date on which the proposal put forward under this point is approved by the 2014 Annual GMS.

4. The remaining Net Profit for 2014 that has not allocated for specific use, shall be determined as retained earnings.

III Resolving that such power as described in point II number 2 and 3 of this resolution shall be effective on the date on which the proposal put forward under this point is approved by the 2015 Annual GMS.

Result of the Vote Calculation of the 2014 AGMS is as follows:

Approve	Disapprove	Abstain
21,705,530,171 (99.683%)	46,413,713 (0.213%)	22,716,200 (0.104%)

Description: Realized

Result of the Vote Calculation of the 2015 AGMS is as follows:

Approve	Disapprove	Abstain
21,506,661,207 (99.562%)	53,866,786 (0.249%)	40,781,800 (0.189%)

Description: Realized

The Third Agenda

in 2014

- I Resolving to accept the resignation of Mr. RENALDO HECTOR BARROS as the Company's Director which will be effective on 1 June 2014 and thereafter provide settlement and discharge of responsibilities (acquit et decharge) to RENALDO HECTOR BARROS for the administration actions carried out during his terms of office, to the extent that such actions recorded in the Company's books and records;

Subsequently, resolving to express the highest appreciation and to thank Mr. RENALDO HECTOR BARROS for his services while serving as Director of BCA.

- II Resolving to appoint Mr. RUDY SUSANTO as the Director, which is effective if and from the date the Indonesian Financial Service Authority gives its approval to the appointment or starting from 1 June 2014, whichever is more recent;
- III Without prejudice to the independence of other members of Board of Directors, the Annual GMS 2014 shall hereby to stipulate Mr. ERWAN YURIS ANG as the Independent Director of BCA pursuant to Decree of Limited Liability Company in the Indonesia Stock Exchange dated 20 January 2014 No.Kep-00001/BEI/01-2014 regarding Amendment to the Regulation I-A concerning Registration of Share and Equity Securities Other than Share Issued by a Registered 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 Board of Commissioners and Board of Directors are as follows:

Board of Commissioners

President Commissioner	:	Mr. Engineer DJOHAN EMIR SETIJOSO;
Commissioner	:	Mr. TONNY KUSNADI;
Independent Commissioner	:	Mr. CYRILLUS HARINOWO;
Independent Commissioner	:	Mr. Doctor RADEN PARDEDE;
Independent Commissioner	:	Mr. SIGIT PRAMONO;

Board of Directors

President Director	:	Mr. JAHJA SETIAATMADJA;
Vice 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 or called as SUBUR TAN;
Director	:	Mr. RENALDO HECTOR BARROS;
Director	:	Mr. HENRY KOENAFI
Director	:	Mr. ARMAND WAHYUDI HARTONO
Independent Director	:	Mr. ERWAN YURIS ANG
Director	:	Mr. RUDY SUSANTO



Under provision that Mr. RENALDO HECTOR BARROS is still held the position of 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 Indonesian Financial Service Authority gives its approval to the appointment or starting from 1 June 2014, whichever is more recent, with term of office until the closing of the 2016 Annual GMS of BCA.

- V Granting power of attorney and authority to the Board of Directors, with substitution rights, to contain a decision regarding composition of members of Board of Commissioners and Board of Directors as mentioned herein above in the deeds made before Notary, including to contain the composition of Board of Commissioners and Board of Directors after obtaining Approval from the Indonesia Financial Service Authority related to the 2014 GMS Resolution as mentioned herein above, and subsequently to deliver notice to the competent authority, and to carry out any and all actions required in accordance with the decision pursuant to and the applicable legislation.

- VI Confirming the granting of power of attorney in point V of this Decision effective since the proposal submitted in this is approved by the 2014 Annual GMS.

Result of the Vote Calculation of the 2014 AGMS is as follows:

Approve	Disapprove	Abstain
19,220,692,659 (88.271%)	2,241,695,151 (10.295%)	312,272,274 (1.434%)

Description: Realized

The Fourth Agenda		The Third Agenda	
in 2014		in 2015	
I	<ul style="list-style-type: none"> (i) Granting full power and authority to FARINDO INVESTMENTS (MAURITIUS) LIMITED, qualitate qua (q.q.) Mr. ROBERT BUDI HARTONO and Mr. BAMBANG HARTONO, as the Company's controlling shareholders, to determine the amount of honorarium and other allowances which will be paid by to the members of Board of Commissioners who serve in the Company over the financial year 2014; (ii) Granting full power and authority to the Board of Commissioners of BCA to determine the amount of salary and other allowances which will be paid by BCA to the members of Board of Directors who serve in the Company over the financial year 2014. 	<ul style="list-style-type: none"> (i) Granting full power and authority to FARINDO INVESTMENTS (MAURITIUS) LIMITED, qualitate qua (q.q.) Mr. ROBERT BUDI HARTONO and Mr. BAMBANG HARTONO, as the Company's controlling shareholders, to determine the amount of honorarium and other allowances which will be paid by to the members of Board of Commissioners who serve in the Company over the financial year 2015; (ii) Granting full power and authority to the Board of Commissioners of BCA to determine the amount of salary and other allowances which will be paid by BCA to the members of Board of Directors who serve in the Company over the financial year 2015. 	

In exercising the power and authority as above mentioned:

- i. FARINDO INVESTMENTS (MAURITIUS) LIMITED, qualitate qua (q.q.) Mr. ROBERT BUDI HARTONO and Mr. BAMBANG HARTONO, as the Company's controlling shareholders currently, shall consider the recommendation of the Board of Commissioners, which shall consider the recommendation of the Remuneration and Nomination Committee;
- ii. Board of Commissioners shall consider the recommendation of the Remuneration and Nomination Committee;

II Confirming the granting of power and authority as contained in point I of this decision is effective since the proposal submitted in this agenda is approved by the 2014 Annual GMS;

III The amount of salary and allowance which will be paid by BCA to the members of Board of Directors and Board of Commissioners who serve over the financial year 2014 shall be set out in the 2014 Annual Report.

In exercising the power and authority as above mentioned:

- i. FARINDO INVESTMENTS (MAURITIUS) LIMITED, qualitate qua (q.q.) Mr. ROBERT BUDI HARTONO and Mr. BAMBANG HARTONO, as the Company's controlling shareholders currently, shall consider the recommendation of the Board of Commissioners, which shall consider the recommendation of the Remuneration and Nomination Committee;
- ii. Board of Commissioners shall consider the recommendation of the Remuneration and Nomination Committee;

II Confirming the granting of power and authority as contained in point I of this decision is effective since the proposal submitted in this agenda is approved by the 2015 Annual GMS;

III The amount of salary and allowance which will be paid by BCA to the members of Board of Directors and Board of Commissioners who serve over the financial year 2014 shall be set out in the 2014 Annual Report.

Result of the Vote Calculation of the 2014 AGMS is as follows:

Approve	Disapprove	Abstain
21,643,58,084 (99.398%)	83,193,013 (0.382%)	47,879,987 (0.220%)

Description: Realized

Result of the Vote Calculation of the 2015 AGMS is as follows:

Approve	Disapprove	Abstain
21,195,994,420 (98.124%)	90,555,286 (0.419%)	314,760,087 (1.457%)

Description: Realized

The Fifth Agenda

in 2014

- I Granting power and authority to the Board of Commissioners to appoint a Registered Public Accountant Firm which has international reputation (including a Registered Public Accountant joined in such Registered Public Accountant Firm) which will audit books and records of BCA for the financial year ended on 31 December 2014 and to set out the amount of honorarium and other conditions regarding appointment of the Registered Public Accountant Firm which has international reputation (including a Registered Public Accountant joined in such Registered Public Accountant Firm) by considering the recommendation of the Audit Committee and the applicable legislation among other things is regulation in the field of Capital Market.
- II Confirming the granting of power and authority is effective since the proposal submitted in this agenda is approved by the 2014 Annual GMS;

The Fourth Agenda

in 2015

- I Granting power and authority to the Board of Commissioners to appoint a Registered Public Accountant Firm which has international reputation (including a Registered Public Accountant joined in such Registered Public Accountant Firm) which will audit books and records of BCA for the financial year ended on 31 December 2015 and to set out the amount of honorarium and other conditions regarding appointment of the Registered Public Accountant Firm which has international reputation (including a Registered Public Accountant joined in such Registered Public Accountant Firm) by considering the recommendation of the Audit Committee and the applicable legislation among other things is regulation in the field of Capital Market.
- II Confirming the granting of power and authority is effective since the proposal submitted in this agenda is approved by the 2015 Annual GMS;



Result of the Vote Calculation of the 2014 AGMS is as follows:

Approve	Disapprove	Abstain
21.628.327.245 (99,328%)	117.009.952 (0,537%)	29.322.887 (0,135%)

Description Realization:

Board of Commissioners has appointed a registered public accountant firm, namely the public accountant firm Siddharta & Widjaja (currently its name is Siddharta Widjaja & partner), member of KPMG international (including registered public accountant, namely Elisabeth Imelda who is joined in the Institute of Public Accountant of Indonesia which will audit the books and records of BCA for the financial year 2014.

Result of the Vote Calculation of the 2015 AGMS is as follows:

Approve	Disapprove	Abstain
21.227.905.982 (98,271%)	313.121.548 (1,45%)	60.282.263 (0,279%)

Description Realization:

Board of Commissioners has appointed a registered public accountant firm, namely Siddharta, Widjaja & Partner (including Registered Public Accountant, namely Kusumaningsih Angkawijaya who is joined in the Registered Public Accountant) which will audit the Company's bookkeeping for the financial year 2015.

The Sixth Agenda

in 2014

- I Granting power and authority to the Board of Directors of BCA (under the approval of the Board of Commissioners), if the Company's financial condition is possible, to determine and to pay interim dividends for the financial year ended on 31 December 2014, provided that, to comply with Article 72 of Law Number 40 year 2007 regarding Limited Liability Company, if the interim dividend will be distributed, then the distribution shall be performed prior to the expiration of the financial year 2014, to the shareholders, including to determine the form, amount and the payment method of such interim dividends, without prejudice to the competent authority and the applicable legislation.
- II Confirming the granting of power and authority is effective since the proposal submitted in this agenda is approved by the 2014 Annual GMS;

The Fifth Agenda

in 2015

- I Granting power and authority to the Board of Directors of BCA (under the approval of the Board of Commissioners), if the Company's financial condition is possible, to determine and to pay interim dividends for the financial year ended on 31 December 2015, provided that, to comply with Article 72 of Law Number 40 year 2007 regarding Limited Liability Company, if the interim dividend will be distributed, then the distribution shall be performed prior to the expiration of the financial year 2014, to the shareholders, including to determine the form, amount and the payment method of such interim dividends, without prejudice to the competent authority and the applicable legislation.
- II Confirming the granting of power and authority is effective since the proposal submitted in this agenda is approved by the 2015 Annual GMS;

Result of the Vote Calculation of the 2014 AGMS is as follows:

Approve	Disapprove	Abstain
21.726.151.271 (99,777%)	25.792.613 (0,119%)	22.716.200 (0,104%)

Description Realization:

The distribution of interim dividends for the financial year 2014 has been performed on 23 December 2014.

Result of the Vote Calculation of the 2015 AGMS is as follows:

Approve	Disapprove	Abstain
21.506.667.707 (99,562%)	53.860.286 (0,249%)	40.781.800 (0,189%)

Description Realization:

The distribution of interim dividends for the financial year 2015 has been performed on 8 December 2015.

- Resolution of the Extraordinary GMS**

The Extraordinary GMS produced the following resolutions:

1. Approving the amendment of:
 - a. Article 12 clause 3 c and g of BCA's Articles of Associations; and
 - b. Other articles in the BCA's Articles of Associations, in order to adjust with the regulations of Financial Services Authority concerning Plan and Implementation of Public Company's Annual General Meeting of Shareholders, and those concerning the Boards of Directors and Commissioners of Issuers or Public Companies.
2. Restatement of all articles in BCA's Articles of Association that are not changed, as currently stated in the State Gazette of Republic of Indonesia dated 12 May 2009 number 38, Addition number 12790 and the State Gazette of Republic of Indonesia dated 29 November 2013 number 96, Addition number 7583/L;

As stated in the Concept of Amendment and Restatement of Articles of Associations distributed to the shareholders or their represented proxies attending the GMS, a summary of which was conveyed during the GMS.

- Furthermore, granting power and authority to the Board of Directors of BCA, with

a substitution right, to take each and every necessary action in relation with this decision, included but not limited to expressing/stating the decision in form of notarial deeds, to amend and/or restate all provisions in Article 12 clause 3 c and g, and other articles in the BCA's Articles of Associations according to this decision (including to assert the composition of shareholders in the deed when necessary), as required by and according to the applicable regulations, to make or request to make and to sign the required deeds, letters, and documents, and to propose for approval and/or announce the GMS resolutions and/or amendment of BCA's Articles of Association to competent authorities, and to make amendment and/or addition in any form to gain approval and/or acceptance of the announcement, and to submit and sign all proposals and other documents, choose the location and conduct other necessary actions.

Calculation Result of Votes in 2015

Approve	Disapprove	Abstain
21,342,080,243 (98.682%)	253,161,206 (1.171%)	31,877,587 (0.147%)

Description Realization:

Amendment of Articles of Association of BCA has obtained approval from Minister of Law and Human Rights as expressed in Letter No. AHU.AH-AH.01.03.0926937 dated 23 April 2015)

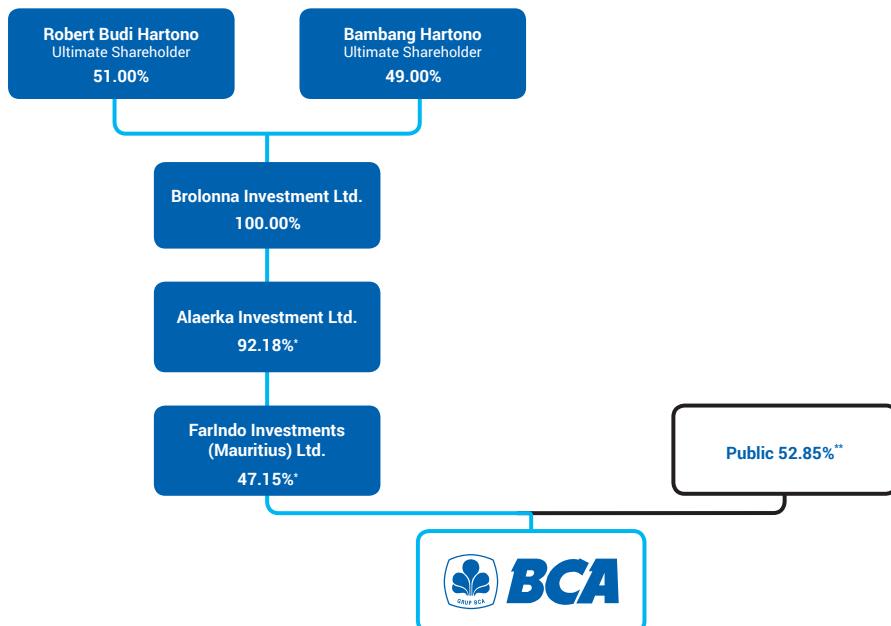
9. Statement Concerning the Unrealized GMS Resolution

There is no resolution of the 2015 GMS that has not been realized or has been delayed.

10. Major/Controlling Shareholders

The Major/Controlling Shareholder of BCA is **FarIndo Investments (Mauritius) Ltd.**

The following information diagram shows the Major/Controlling Shareholders of BCA, both direct and indirect, up to individual 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, 2.96% 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 members own 0.25% of the shares. Each public shareholder 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

- Law Number 40 Year 2007 regarding Limited Liability Companies.
- Financial Services Authority Regulation Number 33/POJK.04/2014 concerning the Board of Directors and Commissioners of Issuers or Public Companies.
- Bank Indonesia Regulation No.8/4/PBI/2006 dated 30 January 2006 concerning the Implementation of Good Corporate Governance For Commercial Bank as amended with Bank Indonesia Regulation No.8/14/PBI/2006 dated 5 October 2006.

- Bank Indonesia Circular Letter No.15/15/DPNP dated 29 April 2013 concerning the Implementation of Good Corporate Governance For Commercial Banks.
- Regulation of Financial Service Authority No. 18/POJK.03/2014 dated 18 November 2014 regarding Implementation of Integrated Governance for Financial Conglomerate.
- Financial Service Authority Circular Letter No.15/SEOJK.03/2015 dated 25 May 2015 on The Implementation of Good Corporate Governance for Financial Groups.

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 members of the Board of Commissioners;
- Independent Commissioners;
- Tenure of members of the Board of Commissioners;
- Dual positions of members of the Board of Commissioners;
- Obligations, Duties, Responsibilities and Authorities of the Board of Commissioners;
- Transparency and prohibitions for the Members of Board of Commissioners;
- Orientation Program and training of members 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 BCA's Articles of Associations.

2. To ensure the implementation of GCG principles in all BCA's business activities 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 Authority, Bank Indonesia, and/or the Indonesian Stock Exchange.
5. To inform Bank Indonesia/Financial Services Authority no later than 7 (seven) working days of discovering violations of the laws and regulations in the field of finance and banking, and a state or an indication of a state 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;
 - d. Integrated Governance 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 1 (one) times in 2 month. All members of the Board of Commissioners will attend the Board of Commissioners Meeting 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 Board of Commissioners meetings to all members of the Board of Commissioners and related parties.
12. To convene joint meeting of Board of Directors periodically at least 1 (one) time within 4 (four) months:
13. To submit a report on the monitoring tasks that have been carried out during the financial year prior 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 from 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 debt (*borgtocht*):
 - i. To guarantee the payment obligations of parties relating 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 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 $\frac{1}{2}$ (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 one (1) 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 their duties, responsibilities and authorities, the Board of Commissioners shall consider BCA's Articles of Association, the Board of Commissioners Charter, and prevailing legislation.

5. The Board of Commissioner Membership Number, Composition and Criteria

As of 31 December 2015, the Board of Commissioners of BCA consisted of 5 (five) members, comprising 1 (one) President Commissioner, 1 (one) Commissioner, and 3 (three) Independent Commissioners. The number of members of 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 BCA 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 Commissioners at any time before the term ends.

The general criteria in the selection of members of the Board of Commissioners, among others are to:

1. Meet the requirements as referred to in Financial Services Authority Regulation No.33/POJK.04/2014 dated 8 December 2014 concerning the Board of Directors and Board of Commissioners of Issuers or Public Companies, as follows:
 - a. Having good character, morals, and integrity;
 - b. Capable of performing legal actions;
 - c. Within 5 (five) years before appointment and when in charge of the position;

- (1) Not been declared bankrupt;
- (2) Not a member of Board of Directors and/or Commissioners that was found guilty in causing a company to become bankrupt;
- (3) Not having been convicted of any criminal offense that is detrimental to a country's or financial sector's financial position; and
- (4) Not a member of the Board of Directors and/or Commissioners which during the terms of office:
 - (a) Did not hold an AGMS;
 - (b) His/her accountability as a member of the Board of Directors and/or Commissioners was not accepted by the GMS or he/she did not submit his/her accountability as a member of the Board of Directors and/or Commissioners to the GMS; and
 - (c) Had caused a company that obtained license, approval, or registration from the Financial Services Authority in not complying with its obligation to submit the annual report and/or financial report to the Financial Services Authority.

- d. Has a commitment to comply with the law and regulations; and;
 - e. Possesses knowledge and skill in the area required by the company.
2. Meet the integrity, competence, and financial reputation requirements as referred to the Bank Indonesia Regulation No.12/23/PBI/2010 dated 29 December 2010 concerning Fit and Proper Test, as follows:



- a. Integrity requirements:
 - i. Having a good character and morals, which among others are shown by complying to the applicable regulations, including not having been convicted of certain criminal offense in the 20 (twenty) years before nomination;
 - ii. Having a commitment to comply with the prevailing law and regulations;
 - iii. Having a commitment towards development of a sound banking operations;
 - iv. Is not on the Disqualified List (DTL);
 - v. Having a commitment not to conduct and/or repeat any actions as referred to Article 27 and Article 28. This applies to candidates of the Board of Directors who were in the Disqualified
- b. Competence requirements:
 - i. Adequate knowledge in banking, relevant to his/her position;
 - ii. Experience and expertise in banking and/or finance;
- c. Financial reputation:
 - i. Does not have bad debt; and
 - ii. Not having been declared bankrupt or a member of Board of Directors or Commissioners who was found guilty of causing a bankruptcy of a Financial Conglomerate in the 5 (five) years before the nomination.

6. Composition of Members of the Board of Commissioners as of 31 December 2015

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:

Board of Commissioners	
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 558 - 559 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, both in terms of education, working experience, age, and expertise. Each members of Board of Commissioners holds a high degree of competence in favour 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 Commissioners and Independence of the Board of Commissioners

a. Criteria of Independent Commissioners

- 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.

In addition, pursuant to Regulation of Financial Service Authority Number 33/POJK.04/2014 regarding Board of Directors and Board of Commissioners of an Issuer or a Public Company, an Independent Commissioner must comply with the following requirement:

- a. not a person who works or has authority and responsibility to plan, to lead, to control, or to supervise BCA activities within the last 6 (six) years, except for re-assignment as an Independent Commissioner of BCA for the next period;
- b. does not have share either directly or indirectly in BCA;

- c. has not Affiliation relation with BCA, members of Board of Commissioners, members of Board of Directors, or primary shareholders of BCA; and
- d. has no either direct or indirect business relation related to BCA business activities.

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 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 or Controlling Shareholders, or relationships with BCA that may affect their ability to act independently.

All members of the Board of Commissioners of BCA is in compliance with financial Services Authority Regulating Number 33/POJK.04/2014 regarding Board of Directors and Board of Commissioners of an issuer or a Public Company.

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 the 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 at:			
	BCA	Other Bank	Non-Bank Institution	Other Companies
Djohan Emir Setijoso	-	-	-	✓
Tonny Kusnadi	-	-	-	✓
Cyrillus Harinowo	-	-	-	-
Raden Pardede	-	-	-	✓
Sigit Pramono	-	-	-	-

Description:
✓ = Owns shares that amounts to 5% (five percent) or more of the Paid-up Capital

11. Dual Functions of Members of the Board of Commissioners

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 restricts dual functions as a Commissioner, Director or Executive Officer:

- 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, Tbk	Telecommunications Tower Operator
Cyrillus Harinowo	Independent Commissioner	-	Independent Commissioner of PT Unilever Indonesia, Tbk	Consumer Goods
Raden Pardede	Independent Commissioner	-	Independent Commissioner of PT Adaro Energy, Tbk	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 2015, the Board of Commissioners held 60 (Sixty) meetings. The Board of Commissioners held 47 (forty seven) meetings and the frequency of Joint Meetings between the Board of Commissioners and the Board of Directors held 13 (thirteen).

BCA is in compliance with Bank Indonesia regulations and Financial Services Authority Regulation regarding minimum mandatory Board of Commissioners meetings and joint Meetings between the Board of Commissioners and the Board of Directors.

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 2015

Name	Total Meetings	Attendance	Percentage
Djohan Emir Setijoso	47	43	91%
Tonny Kusnadi	47	39	83%
Cyrillus Harinowo	47	43	91%
Raden Pardede	47	39	83%
Sigit Pramono	47	38	81%

Schedule and Agenda of Meetings of the Board of Commissioners in 2015

Month	Date	Several meeting agenda were:
January	14 (2x), 21, 29	In regards to business continuity - Discussion on banking landscape in Indonesia - Discussion on liquidity including BCA secondary reserves - Discussion on credit provision which is included in strategic transaction required to obtain approval from Board of Commissioners - Discussion with Board of Directors and Head of Working Units under its responsibility regularly - Discussion related to branchless banking
February	4 (2x), 11 (2x), 25 (3x)	
March	11, 18, 26	
April	1, 15, 22	
May	6, 20, 27	In regards to risk management - Discussion on risk appetite - Discussion on early warning indicators & contingency funding plan - Discussion on the evaluation of operational risk and internal control of working units - Discussion related to the industrial sectors required special attention. - Reporting from Risk Oversight Committee
June	3, 10, 17, 24	
July	1, 8, 14, 27	
August	5, 12 (2x), 19	
September	2, 10, 16, 23, 30	In regards to governance, internal control and compliance - Discussion on the IT Governance Review - Discussion related to the establishment of Integrated Governance Committee - Discussion on the Realization of Internal Audit Work on and the Work Plan of the current year - Reporting from the Audit Committee to Board of Commissioners - Discussion on the agenda related to the applications having conflict of interest with the members of Board of Commissioners
October	6, 21 (2x), 28	
November	5, 11, 18, 25	
December	2, 16	

The frequency of Joint Meetings between the Board of Commissioners and the Board of Directors and Attendance of Commissioners during this Joint Meetings in 2015

Name	Total Meetings	Attendance	Percentage
Djohan Emir Setijoso	13	13	100%
Tonny Kusnadi	13	10	77%
Cyrillus Harinowo	13	10	77%
Raden Pardede	13	7	54%
Sigit Pramono	13	12	92%



Schedule and Agenda of Joint Meetings of Board of Commissioners and Board of Directors which held during 2015

Month	Date	Several meeting agenda were :
January	14, 29	<ul style="list-style-type: none"> • Discussion on Bank Business Plan and Annual Work & Budget Plan
February	-	<ul style="list-style-type: none"> • Discussion on the proposal of profit allocation and the amount of interim dividend
March	4, 18, 26	<ul style="list-style-type: none"> • Discussion on the corporate action plan related to subsidiaries
April	27	<ul style="list-style-type: none"> • Discussion on Bank Publication Financial Statements
May	12	<ul style="list-style-type: none"> • Discussion on the Assessment of Bank Health Level
June	-	<ul style="list-style-type: none"> • Discussion on the Implementation of Anti-Money Laundering and the Terrorism Funding Prevention
July	27	<ul style="list-style-type: none"> • Discussion on the Implementation of Anti-Money Laundering and the Terrorism Funding Prevention
August	26	<ul style="list-style-type: none"> • Discussion on the Implementation of Anti-Money Laundering and the Terrorism Funding Prevention
September	-	
October	21	
November	5, 24	
December	22	

13. Implementation of Duties of the Board of Commissioners

One of duties and responsibilities of the Board of Commissioners is to provide suggestions to Board of Directors in accordance with the Company's aims and objectives. Given the increasing competitiveness in the Indonesian banking industry and to anticipate competitiveness from regional banks in response to the beginning of the ASEAN Economic Community, the Board of Commissioners has suggested the need for and benefits of sustaining and expanding BCA's talent-pool strengthening, infrastructure enhancement and efficiency improvement as part of a balanced and prudent business strategy and good implementation of risk management.

In regard to this matter, the following details were provided by Board of Commissioners to the Board of Directors within 2015:

1. Relating to Business Management in general:

- a. Developing strategies which are focused and effective in order to maintain the excellence of BCA in terms of Current Account, and Saving Account (CASA).

- b. Developing on products and services continuously to respond development of digital banking and its customers' evolving needs.
- c. Striving for quality credit growth and improving synergy with subsidiaries.
- d. Improving efficiency and control on the operational cost.
- e. Adjusting the recruitment strategy to obtain human resources that is reliable and competent, as well as improving the human resources quality through appropriate trainings.

2. Relating to Risk Management:

a. Credit Risk

In the condition of fluctuating rupiah and the commodity price which is kept depressed, Board of Directors should pay special attention to debtors who have foreign exchange in large amount or whose scope of businesses are affected due to the decline in commodity prices.

b. Liquidity Risk

Liquidity risk remains a major challenge for banking industry. In that regard, a good crisis management protocol is required so that all parties' the duties and responsibilities in each phase/contingency level becomes clear.

c. Operational Risk

Operational processes with a high risk of human error should be evaluated and mitigated by utilizing facilities already existing within systems.

d. Reputation Risk

- By the increasing risk of cyber crime, the security factor of internet & mobile banking is very important and accordingly, education and risk socialization to customers as the service users are required to be improved.
- By the growing of wealth management business, the impact of reputational risk that may occur , require attention.

e. Strategic Risk

In any condition of heightened uncertainty, BCA needs to also heighten diligence in identifying and mitigating risk.

3. Relating to Audit and Compliance

- Regulatory compliance is the responsibility of all working units and is carried out starting from the front liner up to the bank office.
- Improve the quality of internal control by adding aspect of IT general control review in the coverage of routine operational audit to branches.

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

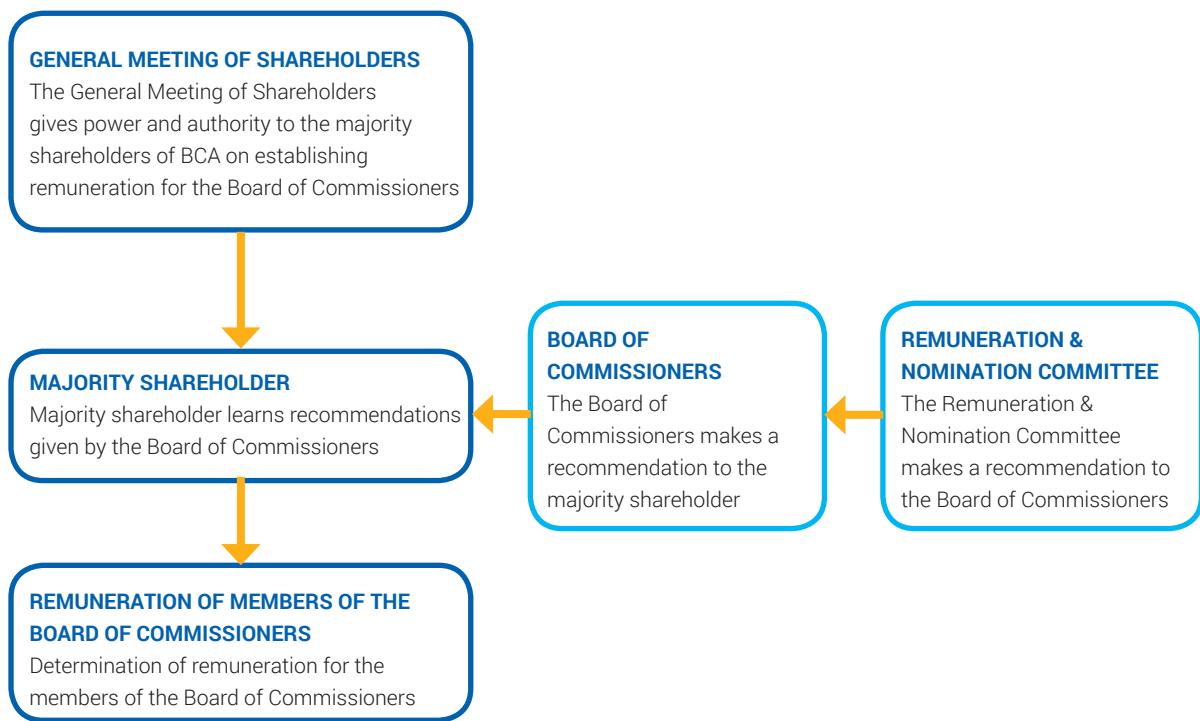
Based on the decision of the 2014 Annual GMS, the GMS has granted power and authority to the Controlling Shareholders to:

- (i) determine the amount of honorarium and other benefits to the members of the Board of Commissioners;
- (ii) determine the distribution of bonus 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 the Board of Commissioners



16. The Remuneration Structure of the Board of Commissioners

The Remuneration Structure showing the components of remuneration and the nominal amount per component for all Commissioners in 2015 is as follows:

Type of Remuneration and Other Facilities	Amount Received in 1 Year	
	Persons	In Million Rupiah
1. Remuneration (salary, bonus, routine allowance, tantiem and other non-natura facilities)	5	82.722
2. Other natura facilities:		
a. Business Remuneration Travel Allowance	3	73
b. Health Benefits	5	2.067
c. Health & Golf Club Memberships	1	34
d. Option of purchasing service vehicles at the end of Leasing period	5	707
3. Benefit retirement (owned at the end of term)	-	-
Total		85.603

The amount of remuneration received in cash during 2015 for each Commissioner 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 BCA business locations with members of the Board of Directors/ Management.

18. Training Programs to Enhance the Competence of Members of Board of Commissioners

Training programs attended by Member of the Board of Commissioners in 2015 are as follows:

Name	Training Program	Organizer	Location	Date
Djohan Emir Setijoso	Implementation of Risk Management & Integrated Governance for Financial Conglomerates in Indonesia	BSMR	Jakarta	26 January
	A Thorough Discussion on the Function and Role of Commissioners in Improving a Better Banking Performance and Generate Profit	BSMR	Jakarta	19 May
	Indonesia Financial & Economic Conference: Currency Wars: A New Monetary (dis) Order for The XXI Century	Bisnis Indonesia	Jakarta	28 May
	JP Morgan's Asia CEO-CFO Conference, New York Palace Hotel	JP Morgan	New York	1-2 September
	LPS Seminar : Managing Financial Turbulence	LPS	Jakarta	22 September
	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	7-8 October
Tonny Kusnadi	IIF Economic Advisory Committee Meeting	IIF	Singapore	19-20 November 2015
	Indonesia Financial & Economic Conference: Currency Wars: A New Monetary (dis) Order for The XXI Century	Bisnis Indonesia	Jakarta	28 May
	IBI: Symposium & Seminar Finance: "In Style Hongkong"	IBI	Jakarta	17 September
	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	7-8 October



Name	Training Program	Organizer	Location	Date
Cyrillus Harinowo	2015 IIF Asia Summit (Hosted: Institute of International Finance)	IIF	Jakarta	7 May
	Global Sustainable Finance Conference 2015	European Org. for Sustainable Dev.	Karlsruhe, Germany	11-12 June
	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	7-8 Oktober
Raden Pardede	Negotiation Strategies: Creating & Maximizing Value	Columbia Bussines School	New York	1-3 September
	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	7-8 October
Sigit Pramono	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	7-8 October
	MarkPlus Conference	MarkPlus	Jakarta	10 December

THE BOARD OF DIRECTORS

The Board of Directors is a company organ with the main task to carry out the management 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

- Law Number 40 Year 2007 regarding Limited Liability Companies.
- Financial Services Authority Regulation Number 33/POJK.04/2014 concerning the Board of Directors and Commissioners of Issuers or Public Companies.
- Bank Indonesia Regulation No.8/4/PBI/2006 dated 30 January 2006 concerning the Implementation of Good Corporate Governance For Commercial Bank as amended with Bank Indonesia Regulation No.8/14/PBI/2006 dated 5 October 2006.
- Bank Indonesia Circular Letter No.15/15/DPNP dated 29 April 2013 concerning the Implementation of Good Corporate Governance For Commercial Banks.
- Financial Services Authority Regulation Number 17/POJK.03/2014 concerning the Implementation of Risk Management for Financial Groups.
- Circular Letter of Financial Service Authority No.14/SEOJK.03/2015 dated 25 May 2015 regarding Implementation of Integrated Risk Management for Financial Conglomeracy.

- Regulation of Financial Service Authority No.18/POJK.03/2014 dated 18 November 2014 regarding Implementation of Integrated Governance For Financial Conglomeracy.
- Circular Letter of Financial Service Authority No.15/SEOJK.03/2015 dated 25 May 2015 regarding Implementation of Integrated Governance for Financial Conglomeracy.

2. Charter of the Board of Directors

The Board of Directors has a Board of Directors Charter that governs among others the following:

- Composition, Criteria, and Independency of member of the Board of Directors;
- Terms of office of members of the Board of Directors;
- Dual positions of members of the Board of Directors;
- Obligations, Duties, Responsibilities, and Authorities of the Board of Directors;
- Transparency and Prohibitions for the members of Board of Directors;
- Orientation and Training Program for the members of Board of Directors;
- Ethics and Working Hours of the Board of Directors;
- Meetings of the Board of Directors.

The Board of Directors Charter is covered in the GCG Manual of BCA and can be viewed at BCA website (www.bca.co.id) under the 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 establish the Risk Management Integrated Committee
- g. To carry out evaluation on performance of the committee established by Board of Directors, at the end of each fiscal year;
- h. To convene meeting of Board of Directors periodically, at least 1 (one) time within every month;
- i. To make minutes of Board of Directors' meeting, and signed by all members of Board of Directors attending the Board of Directors' meeting;
- j. To distribute copies of minutes of Board of Directors' meeting to all members of Board of Directors and the relevant parties;
- k. To convene meeting of Board of Directors and Board of Commissioners, at least 1 (one) time within 4 (four) months;
- l. To procure & keep Shareholders Registry, Special Registry, Minutes of General Meeting of Shareholders & Minutes Meeting of Board of Directors.
- m. To prepare the Annual Report and other financial documents of the Company as set forth in the prevailing legislation;

- n. 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;
- o. 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 (if any);
- e. To appoint and dismiss employees of BCA under BCA's employment rules and regulations.
- f. To 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. To 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 BCA's Articles of Association and 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)	<ul style="list-style-type: none"> • Internal Audit****) • Corporate Secretary • Anti Fraud 	WPD WPD WPD	DMR DK DMR
2.	Eugene Keith Galbraith	Deputy President Director (WPD)*)	• Finance & Planning	PD	DMR
3.	Dhalia Mansor Ariotedjo	Corporate Banking Director (DBK)**)	<ul style="list-style-type: none"> • 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 B. Elam	Risk Management Director (DMR)***)	<ul style="list-style-type: none"> • Risk Management****) • Credit Recovery • Enterprise Security 	DWP DWP DIV	WPD WPD DOT
5.	Suwignyo Budiman	Retail & Commercial Banking Director (DBC)**)	<ul style="list-style-type: none"> • Retail & Commercial Banking • Cash Management • Transaction Services Development • BCA Syariah • BCA General Insurance 	DBK DBK DIV DIV DIV	DIV DIV DWP DWP DWP
6.	Subur Tan	Compliance Director (DK)	<ul style="list-style-type: none"> • Compliance****) • Legal • Human Capital Management • Learning & Development 	DMR DMR DMR DMR	WPD WPD WPD WPD
7.	Henry Koenai	Individual Banking Director (DIV)**)	<ul style="list-style-type: none"> • Consumer Finance (Consumer Card, KPR, KKB) • Individual Customer Business Development • BCA Finance • Central Sentosa Finance 	DBC DBC DBC DBC	DBK DBK DBK DBK
8.	Armand W. Hartono	Operational & Information Technology Director (DOT)	<ul style="list-style-type: none"> • 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) [#]	<ul style="list-style-type: none"> • 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 Director reports 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 set as follows:

* To perform the overall monitoring and alignment of the management of Subsidiary Companies.

**) To monitor the business progress of Subsidiary Companies.

***) To perform the risk monitoring of Subsidiary Companies in order to have an integrated risk management.

****) To perform the monitoring of internal audit/risk management/compliance function at Subsidiary Companies in order to implement integrated corporate governance and risk management.

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. (#) The Regional and Branch Support Director is responsible for daily implementation, development and monitoring.
The Head of 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 2015, there were 10 (ten) members of the Board of Directors of BCA, comprising of 1 (one) President Director, 1 (one) Deputy President Director, 1 (one) Compliance Director, 1 (one) Independent Director, and 6 (six) Directors. 1 (one) member of the Board of Directors also serves as the Compliance Director. The President Director is an independent party to the controlling shareholders.

All Directors have passed the Fit and Proper Test and have acquired Approval Letters of Bank Indonesia/Indonesia Financial Services Authority. All Directors reside in Indonesia.

The term of office 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 Director at any time before the term ends.

The general criteria in the selection of Directors are, among others, to:

1. Comply with the requirement as referred to in Regulation of Financial Service Authority No.33/POJK.04/2014 dated 8 December 2014 regarding Board of Directors and Board of Commissioners of Issuer or Public Company, namely:
 - a. Having good character, morals, and integrity;
 - b. Capable of performing legal actions;
 - c. Within 5 (five) years before appointment and when in charge of the position:
 - i. Not been declared bankrupt;
 - ii. Not a member of Board of Directors and/or Commissioners that was found guilty in causing a company to become bankrupt;
 - iii. Not having been convicted of any criminal offense that is detrimental to a country's or financial sector's financial position; and

- iv. Not a member of the Board of Directors and/or Commissioners which during the terms of office:
 - a. Did not hold an AGMS;
 - b. His/her accountability as a member of the Board of Directors and/or Commissioners was not accepted by the GMS or he/she did not submit his/her accountability as a member of the Board of Directors and/or Commissioners to the GMS; and
 - c. Had caused a company that obtained license, approval, or registration from the Financial Services Authority in not complying with its obligation to submit the annual report and/or financial report to the Financial Services Authority.
- d. Has a commitment to comply with the law and regulations;
- e. Possesses knowledge and skill in the area required by the company.

2. Complies with the requirements of integrity, competency, and financial reputation as referred to in Regulation of Bank Indonesia No.12/23/PBI/2010 dated 29 December 2010 regarding Fit and Proper Test, namely:
 - a. Integrity requirements include:
 - i. Has good character and morals among others shown by the attitude to adhere the regulatory requirement, including never been convicted a specific crime within the last 20 (twenty) prior to nomination;
 - ii. Committed to comply with the applicable laws and regulations;
 - iii. Committed to the development of health Bank operations;
 - iv. not included in the Disqualified List (DTL);



- v. committed not to conduct and/or to repeat offenses and/or actions as referred to in Article 27 and Article 28, for candidates of Board of Directors who once had Disqualified predicate in a fit and proper test and have been undergoing a period of sanction as referred to in Article 35 paragraph (1), Article 40 paragraph (4) letter a and Article 40 paragraph (5) of Regulation of Bank Indonesia as mentioned here in above.
- b. Competency requirements include:
- knowledge in banking sector which is adequate and relevant to the position;
 - experience and expertise in banking sector and/or finance;
 - capability to perform strategic management in the framework of development of health Bank.
- c. Requirements of finance reputation include:
- has no bad credit; and
 - never been stated bankrupt or to Board of Commissioners who convicted to cause a company to be declared bankrupt, within the last 5 (five) years prior to the nomination.

7. Composition of BCA's Board of Directors as of 31 December 2015

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 membership 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 atau 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 Company Profile section, page 560 - 563 of this Annual Report.

8. Diversity in the Composition of Members of the Board of Directors

The composition of members of the Board of Commissioners of BCA reflects the diversity of its members, both in terms of education, working experience, age, gender, and expertise. Each member of Board of Directors holds a high degree of competence in favour 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 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 or 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 Koenafi	Director (concurrently as Compliance Director)	-	✓	-	✓	-	✓	-	✓	-	✓	-	✓
Tan Ho Hien/ Subur atau Subur Tan	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 of Director	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 Koenafi	-	-	-	-
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 another bank, company, and/or institution.

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 Koenafi	Director	-	-	-
Tan Ho Hien/ Subur atau 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 2015 the Board of Directors held 53 (Fifty Three) meetings, as many as the Board of Directors held 40 (Forty) meetings and the frequency of Joint Meetings between the Board of Directors and the Board of Commissioners held 13 (thirteen).

BCA is in compliance with Bank Indonesia regulations and Financial Services Authority Regulation regarding minimum mandatory Board of Directors

meetings and Joint Meetings between the Board of Directors and the Board of Commissioners.

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 2015 are as follows:

Name	Number of Meetings	Attendance	Percentage
Jahja Setiaatmadja	40	39	97%
Eugene Keith Galbraith*	40	23	57%
Dhalia M. Ariotedjo	40	33	82%
Anthony Brent Elam	40	32	80%
Suwignyo Budiman	40	38	95%
Subur Tan	40	37	92%
Henry Koenafi	40	36	90%
Armand W. Hartono	40	28	70%
Erwan Yuris Ang	40	33	82%
Rudy Susanto	40	35	87%

Description:

* = Undergoing on medical treatment overseas

The Agenda of Board of Directors' Meetings which held during 2015 were as follows:

Month	Date	Several meeting agenda :
January	15,22,27,29	<ul style="list-style-type: none"> 1. Business Continuity: <ul style="list-style-type: none"> • Regional Office Discussion: development of economic, business & performance. • Discussion and report of the Planning & Financial Division, were: <ul style="list-style-type: none"> - The 2016 budget process report (finalization of the RBB RKAT 2016 - 2018); - Approval on the Decree of Budget 2016 - Adjustment of the dividend amount distributed on the profit in 2014 • Discussion & report on working unit performance, among others Branch Banking working unit, Individual Banking working unit, Corporate Banking Group • Discussion on the development of BCA banking solution, among others: <ul style="list-style-type: none"> - Discussion on development of inclusive financial program & branchless banking "DUITT & Laku" - Development of "Sakuku" - Development of Klik BCA Bisnis Integrated Solution (IBS2) - Card product strategy: business progress & opportunities - CASA progress, management & position - Progress of life insurance business - Challenge & growth of fee base income - Business progress of acquiring consumer card - Development of deposit Tahapan - Security on internet banking transaction • Discussion on the organization development: <ul style="list-style-type: none"> - Approach on the "Scrum method" project management - Development on the trainee management (BDP) new concept - Employee value of BCA proposition - Organization of BCA career expo - Implementation of BCA Award, a series of activity for BCA Anniversary, BCA Annual Work Meeting - Report of the Gallup survey: team & customer engagement • Progress & opportunity on IT application, which includes: Big Data, cloud computing • Result of customer survey economic per semester • Assessment on the 2016 Branch Office Performance
February	5, 10, 17	
March	12,17,19,26	
April	2,14,16,30	
May	7, 12	
June	9, 16, 18, 25	
July	9, 30	
August	6, 11, 20	
September	3, 8, 10, 15, 17, 29	
October	1, 29	
November	5, 12, 24, 26	
December	15	<ul style="list-style-type: none"> 2. Governance risk management, internal control, and compliance: <ul style="list-style-type: none"> • Report on crisis incident management • New regulation regarding credit risk weigh • Membership of the integrated governance committee • Proposal on the authority change for credit determination



The Board of Commissioners and Board of Directors Joint Meeting frequency and level of attendance of Directors at the Joint Meetings throughout 2015 are as follows:

Name	Number of Meetings	Attendance	Percentage
Jahja Setiaatmadja	13	11	85%
Eugene Keith Galbraith*)	13	8	62%
Dhalia M. Ariotedjo	13	10	77%
Anthony Brent Elam	13	8	62%
Suwignyo Budiman	13	10	77%
Subur Tan	13	10	77%
Henry Koenaifi	13	7	54%
Armand W. Hartono	13	6	47%
Erwan Yuris Ang	13	9	70%
Rudy Susanto	13	13	100%

Description:

*) Undergoing on medical treatment overseas

Schedule and Agenda of Joint Meeting of Board of Directors and Board of Commissioners held during 2015 were as follows:

Month	Date	Several meeting agenda:
January	14, 29	• Discussion on Bank Business Plan and Annual Budget & Work Plan
February	-	• Discussion on the proposal of profit allocation and the amount of interim dividend
March	4, 18, 26	• Discussion on the corporate action plan related to subsidiaries
April	27	• Discussion on Bank Publication Financial Statements
May	12	• Discussion on the Assessment of Bank Health Level
June	-	• Discussion on the Implementation of Anti-Money Laundering and Terrorism Funding Prevention (APU & PPT)
July	27	
August	26	
September	-	
October	21	
November	5, 24	
December	22	

14. The Board of Directors Performance Assessment

The Board of Directors performance assessment is carried out once every year. Performance appraisal of Directors is performed by carrying out self-assessment and review 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 GCG implementation.

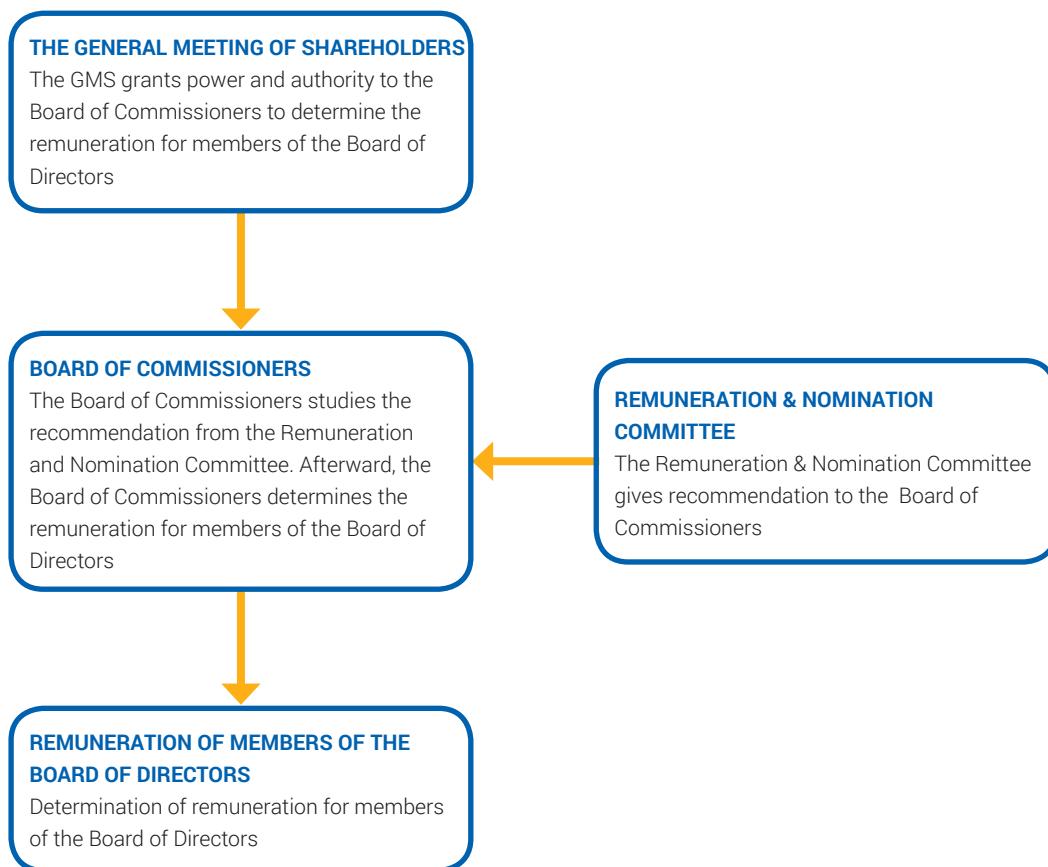
15. Procedure of Determining the Remuneration of the Board of Directors

Based on the decision of the 2015 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 for members of the Board of Directors;
- (ii) The controlling shareholders to determine the distribution of tantiem for Commissioners and Directors.

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 2015 is as follows:

Type of Remuneration and Other Facilities	Amount Received in 1 Year	
	BOARD OF DIRECTORS	
	Persons	In Million Rupiah
1. Remuneration (salary, bonus, routine allowances, tantiem, and other non-natura facilities)	10	293.210
2. Other natura facilities:		
a. Business Travel Allowance	10	659
b. Health Benefits	9	1.807
c. Health Club Membership	6	283 + USD 5.500
d. Option to buy service vehicle at the end of leasing period	10	1.979
3. Benefit retirement (owned at the end of the duty)	-	-
Total		297.938 + USD 5.500

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 2015.



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 Director.
- b. Financial performance and fulfillment of reserve fund as stated in 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. Training Programs for New Members of the Board of Directors

An orientation program is organized for new members of the Board of 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;
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.

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 Directors and with Commissioners to discuss various issues in BCA or other information deemed necessary.
- c. Conduct visits to several business locations/ branches of BCA with fellow Directors or Management.

18. Training Programs to Enhance the Competence of Members of the Board of Directors

Directors shall attend at least 1 (one) training program in a year to help them in carrying out their duties and responsibilities. Training programs attended by Directors in 2015 are as follows:

Name	Training Program	Organizer	Location	Date
Jahja Setiaatmadja	Speaker at MUNAS XV HIPMI. Theme: Young National Businessmen Responds toward Global Challenges	HIPMI	Bandung	12 January
	Speaker at the ISEI National Seminar. Theme: Infrastructure Financing Scheme Feasible for Banking	ISEI (Ikatan Sarjana Ekonomi Indonesia)	Jakarta	30 March
	IMC Meeting (Annual Meeting)	IMC (International Monetary Conference)	Toronto, Canada	31 May - 2 June
	Merrill Lynch Conference	Merrill Lynch	California, USA	3 - 5 June
	Speaker at the 33 rd Muktamar & Seminar 2015	PBNU	Jakarta	1 July
	Speaker at the Financial Authority's (OJK) Seminar. Theme: Let's Invest in Mutual Funds	OJK	Batam	4 September

Name	Training Program	Organizer	Location	Date
Jahja Setiaatmadja	Discussant at the IBEX Seminar. Theme: The New Wave of Banking Phenomenon	Perbanas	Jakarta	9 September
	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	7-8 October
	JCB World Conference	JCB	Bali	22 - 23 October
Eugene Keith Galbraith	Indonesia All Access	Nomura	Jakarta	21 January
	Non Deal Roadshow	Macquarie & Bahana - Daiwa	USA	20 February
	UBS Indonesia Conference	UBS	Jakarta	9 March
	Credit Suisse Conference	Credit Suisse	Hong Kong	23-25 March
	JP Morgan's Asia CEO-CFO Conference	JP Morgan	USA	30 Agt-4 September
	Indonesia Knowledge Forum	BCA Learning Center	Jakarta	8 October
	DB Access Indonesia Conference, Deutsche Bank	Deutsche Bank	Jakarta	3-4 November
	Economic Advisory Committee Meeting, IIF	IIF	Singapore	19-20 November
	Apac Financial Credit Suisse, Credit Suisse	Credit Suisse	Hong Kong	1-2 December
Dhalia M. Ariotedjo	Citibank Global Forum 2015	Citibank	Lisbon - Portugal	27-29 April
	Branchles Banking (Refreshment Manajemen Risiko)	IBI & LSPP	Jakarta	15 August
	SIBOS Conference	SIBOS	Singapore	14-15 October
Anthony Brent Elam	Workshop Credit "Credit Management Strategy During The Slow Down Economic Growth"	Lembaga Pengembangan Perbankan Indonesia (LPPI)	Bali	6-7 August
	BNP Paribas NDR	PNB Paribas	Hong Kong	15-16 September
	22 nd CSLA Investors' Forum	CSLA	Hong Kong	17-18 September
	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	7-8 October
	Annual Intel Security Conference	Intel	Las Vegas, USA	26-28 October
	14 th Morgan Stanley Annual Asia Pacific Summit	Morgan Stanley	Singapore	17-18 November
Suwignyo Budiman	Team Building Payment Bank KSEI 2015	KSEI	Osaka- Jepang	7-10 May
	Speaker in Discussion Forum 2015 regarding Evolution of Technology System and Banking Service in Digital Era	Infobank	Jakarta	16 September
	Speaker in SESPIBI Program, Batch XXXII year 2015 - Trend of National Payment System (Cash & Non-Cash)	Bank Indonesia	Jakarta	5 October
	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	7-8 October



Name	Training Program	Organizer	Location	Date
Subur Tan	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	7-8 October
	HR Technology Conference	HR Technology Conference	Las Vegas, USA	18-21 October
Henry Koenaifi	The Teradata Universe Conference	The Teradata	Amsterdam	19-22 April
	Asean Golbal Leadership Program	SRW & CO	California – USA	31 May- 5 June
	ALFI – NUS ke 1 (Asia Leader Financial Institution)	National University of Singapore (NUS)	Singapore	6-11 September
	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	7-8 October
	ALFI – NUS ke 2 (Asia Leader Financial Institution)	National University of Singapore (NUS)	Mumbai – India	7-8 December
Armand W. Hartono	The Teradata Universe Conference	The Teradata	Amsterdam	18-22 April
	Financial Literacy to Support Financial Inclusion	OJK	Nusa Dua, Bali	9-10 June
	IBM Connect Executive Xchange 2015	IBM Singapore	Singapore	1-3 September
	ALFI – NUS ke 1 (Asia Leader Financial Instituition)	National University of Singapore	Singapore	6-11 September
	Gartner Symposium IT Expo 2015	Gartner	Orlando, USA	4-8 October
	(Speaker) Theme: Opportunities and Challenges with Information Technology Implementation at Financial Services Industry in Facing Digital Economy	OJK	Jakarta	20 November
	ALFI – NUS ke 2 (Asia Leader Financial Institution)	National University of Singapore	Mumbai, India	7-8 December
	Operational Risk Management (Risk Management Refreshment Program)	IBI & LSPP	Bandung	28 March
Erwan Yuris Ang	Leader as Coach Updates	Principia	Jakarta	22 April
	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	7-8 October
	Leadership & Management	Corporate Coach Group	London	10-11 November
	Leadingself Contiusly	Principia	Jakarta	10 December
Rudy Susanto	Workshop Credit "Credit Management Strategy During The Slow-Down Economic Growth	Lembaga Pengembangan Perbankan Indoneisa (LPPI)	Bali	6-7 August
	Indonesia Knowledge Forum	BCA Learning Service	Jakarta	7-8 October
	The 11 th Indonesia Palm Oil Conference and 2016 Price Outlook (IPOC 2015)	GAPKI	Bali	26-27 November

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 effectiveness of 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 refers to:

- Decision of Chairman of Bapepam-LK No. Kep-643/BL/2012 dated 7 December 2012 and Attachment of Regulation No. IX.1.5 concerning Establishment and Work Guidelines of Audit Committee.
- Bank Indonesia Regulation No.8/14/PBI/2006 dated 5 October 2006 as a substitute 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 29 April 2013 concerning Good Corporate Governance Implementation in Commercial Bank.
- Articles of Association of PT. Bank Central Asia, Tbk No.171 dated 23 April 2015 concerning Duties and Authorities of the Board of Commissioners.

3. Charter of Audit Committee

BCA's Audit Committee Charter and 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;
- Work Hours;
- Meetings;
- Mechanism of Decision Making in Meeting;
- Minutes of Meeting;
- 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 function, 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. Providing 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 Services Authority (OJK) supervision results.



3. Reviewing other financial information that will be issued by BCA to the public and/ or 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 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 of the Audit Committee

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 Committee;
- 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 of 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 2015

Name	Position
Cyrillus Harinowo ^{*)}	Chairman (concurrently as Independent Commissioner)
Inawaty Handoyo	Member (Independent Party)
Ilham Ikhsan	Member (Independent Party)

^{*)} As of 1 July 2015, Chairman of Audit Committee is Mr. Cyrillus Harinowo, replacing Mr. Sigit Pramono

Appointment of members of the Audit Committee is conducted by the Board of Directors 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, was updated by Decree of Board of Directors No.094/SK/ DIR/2015 dated 30 June 2015 based on decision of Board of Commissioners' Meeting No.31/RR/ KOM/2015 dated 24 June 2015.

Profiles of education, positions, and work experience of members of the Audit Committee can be viewed in the Corporate Data section, page 564-565 of this Annual Report.

8. Term of Office of The Audit Committee Member

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 AGMS.

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 the 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 legislations;
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 2015, the Audit Committee held 20 (twenty) 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 Audit Committee meetings during 2015 is as follows:

Name	Number of Meetings	Attendance	Percentage
Cyrillus Harinowo ^{a)}	13	13	100
Sigit Pramono	7	7	100
Inawaty Handoyo	20	20	100
Ilham Ikhsan	20	20	100

^{a)} As of 1 July 2015, Chairman of Audit Committee is Mr. Cyrilus Harinowo, replacing Mr. Sigit Pramono

11. Reports on the Implementation of Audit Committee Work Program in 2015

During 2015, BCA's Audit Committee has accomplished the following:

1. Conducted meeting with the Public Accountant Firm (KAP) Siddharta Widjaja & Rekan, to discuss the final audit results of BCA's Financial Statement for the 2014 fiscal year and its Management Letter.
2. Evaluated and approved the proposal for extending the contract with KAP Siddharta Widjaja & Rekan, which is affiliated with KPMG International and recommended it to the Board of Commissioners to perform the audit for the BCA Financial Statements for financial year 2015.
3. Conducted meeting with KAP Siddharta Widjaja & Rekan to discuss the plan and scope of the audit of BCA's Financial Statements for the 2015 fiscal year.
4. Conducted meeting with the Division of Finance and Planning to review BCA's Financial Statements which will be published every quarter.
5. 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.
6. Conducted 7 (seven) visits to the Main Branch Office to attend internal audit exit meetings as part of process to assess the internal audit quality, as well as adequacy and effectiveness of internal control.

7. Conducted 8 (eight) visits to Subsidiary Branch Offices and 2 (two) Cash Offices to observe their activities as part of process to assess the adequacy and effectiveness of internal control.
8. Reviewed reports of internal audit results (179 reports) and monitored follow-ups.
9. Assessed BCA's compliance with prevailing legislation 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. Attended presentation on the audit results of IT Governance conducted by the Internal Audit Division assisted by a consultant from Asia Pacific Advisory Services Private Limited, Singapore. The presentation was also attended by the Board of Commissioners.
13. Conducted studies on:
 - a. Results of the examination conducted by the Financial Services Authority and follow-up actions.
 - b. Examination result of Bank Indonesia and the follow-up.
 - c. The management letter from KAP Siddharta Widjaja & Rekan and its follow-ups.
14. Reported the results of review and routine evaluation to the Board of Commissioners on aspects such as governance, risk management, compliance and control on a quarterly basis.

15. Discussed modes of external fraud, including those relating to cyber crime that occurred during 2015 and the next mitigation with the Risk Oversight Committee.
16. Attended the GMS, Analyst Meetings, and the 2016 BCA National Work Meetings in order to monitor the implementation of GCG.

- The Board of Commissioners Decision Letter No.033/SK/KOM/2007 dated 22 February 2007 on the Structure of the Risk Oversight Committee.

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 to the bank against all risks faced by the Bank.

2. Legal Reference

Establishment of the Risk Oversight Committee refers to:

- Bank Indonesia Regulation No.8/14/PBI/2006 dated 5 October 2006 on Amendments to Bank Indonesia Regulation No.8/4 PBI/2006 on Good Corporate Governance Implementation for Commercial Bank.
- Circular Letter of Bank Indonesia No.15/15/DPNP dated 29 April 2013 regarding Implementation of Good Corporate Governance for Public Bank.

3. Guidelines and Code of Conduct of the Risk Oversight Committee

The Risk Oversight Committee adheres to the Risk Oversight Committee Charter and Code of Conduct prepared in accordance 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.

One Independent Party has expertise in financial risk management and the other one has an expertise in finance.

5. Membership Composition of the Risk Oversight Committee as of 31 December 2015

Name	Position
Sigit Pramono*	Chairman (concurrently as Independent Commissioner)
Endang Swasthika Wibowo	Member (Independent Party)
Wimpie Rianto**	Member (Independent Party)

* Effective starting 1 July 2015, the Chairman of Risk Oversight Committee is Mr. Sigit Pramono replaced by Mr. Cyrillus Harinowo

** Effective starting 1 January 2015, Andreas E. Susetyo resigned as member of Risk Oversight Committee. Effective as of 1 February 2015, Mr. Wimpie Rianto is assigned as member of the Risk Oversight Committee to replace Mr. Andreas E. Susetyo

Appointment of members of the Risk Oversight Committee was formalized by the Board of Directors Decree No.001/SK/DIR/2015 dated 12 January 2015, based on decision of Board of Commissioners' meeting No.64/RR/KOM/2014 dated 10 December 2014, and updated by Decree of Board of Directors No.095/SK/DIR/2015 dated 30 June 2015 based on decision of Board of Commissioners' Meeting No.31/RR/KOM/2015 dated 24 June 2015.



The educational and work experience profiles of the members of the Risk Oversight Committee can be found in the Corporate Data section page 566 of this Annual Report.

6. Term of Office 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 end at the close of the 2016 AGMS.

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 the 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:

- a. High integrity, ability, knowledge, experience in accordance with their field of work, and the ability to communicate excellently;
- b. At least one independent party has an educational background and expertise in finance;
- c. At least one independent party has an educational background and expertise in the field of risk management;
- d. Has no affiliation with the Board of Commissioners, the Board of Directors, or the Controlling Shareholder of the Bank;

- e. Has no business relationship, either directly or indirectly, related to the business activities of the Bank;
- f. 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 on the consistency between risk management policies and policy implementation.
 - b. Monitor and evaluate the implementation of duties of the Risk Management Committee and the Risk Management Unit.

9. Meetings of the Risk Oversight Committee

The Risk Oversight Committee meetings are held at least 4 (four) times a year as stipulated in the Guidelines and Code of Conduct of the Risk Oversight Committee. In 2015, the Risk Oversight Committee held 10 (ten) 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 2015 is as follows:

Name	Number of Meetings	Attendance	Percentage
Sigit Pramono*)	5	5	100%
Cyrillus Harinowo	5	5	100%
Endang Swasthika Wibowo	10	10	100%
Wimpie Rianto**)	10	10	100%

*) Effective starting 1 July 2015, the Chairman of Risk Oversight Committee is Mr. Sigit Pramono replaced by Mr. Cyrilus Harinowo

**) Effective starting 1 January 2015, Andreas E. Susetyo resigned as member of Risk Oversight Committee. Effective as of 1 February 2015, Mr. Wimpie Rianto is assigned as member of the Risk Oversight Committee to replace Mr. Andreas E. Susetyo

10. Report of the Implementation of the Risk Oversight Committee Work Program in 2015

In 2015, 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 suggestions in writing and can request further clarification or explanations through special meetings to discuss the topic.
 - b. Evaluating the quarterly stress test results.
 - c. Monitoring of risk profiles by a periodic 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 BCA operational risks are under control. In addition, conducted evaluation on the Business Continuity Plan (BCP) and Crisis Management Protocol. Conducted monitoring on the implementation and control of operational risks, especially those related with fraud.
 - b. Analyze the stress test results 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 corporation credit.
 - Capital allocation and reserves to support various 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. Preparation for achieving the targets of the SME credit program, in line with economic conditions and potential.
 - d. Preparation for the implementation of integrated risk management and assessment mechanisms.
 5. Ensured that BCA has a good infrastructure for controlling risk; therefore evaluation is conducted by:
 - a. Reviewing the rules and guidelines for risk management.
 - b. Evaluating the methods, indicators and measurement of risk.
 6. Ensuring that GCG is well implemented 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:

- Bank Indonesia Regulation No.8/14/PBI/2006 dated 5 October 2006 as a subtitle of Bank Indonesia Regulation No.8/4/PBI/2006 concerning Good Corporate Governance Implementation in Commercial Bank.
- Circular Letter of Bank Indonesia No.15/15/DPNP dated 29 April 2013 regarding Implementation of Good Corporate Governance for Public Bank.
- Regulation of Financial Service Authority No.34/POJK.04/2014 dated 8 December 2014 regarding Nomination and Remuneration Committee of Issuer or Public Company.

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 of Indonesia regarding the

Implementation of Good Corporate Governance for Banks and Financial Services Authority Regulation No.34/POJK.04/2014 dated 8 December 2015 concerning the Remuneration and Nomination Committee of Issuers or Public Companies. The Remuneration and Nomination Committee Charter and Code of Conduct were published in the BCA GCG Manual and the BCA website (www.bca.co.id) under Good Corporate Governance.

The scope of the Remuneration and Nomination Guidelines and Code of Conduct covers the following:

- Structure and Membership;
- Duties and Responsibilities;
- Work Mechanisms;
- Ethics and Work Hours;
- Committee Meetings;
- Activity Reporting System;
- The Procedures for Replacement Members;
- Terms of office.

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 a 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 Nominations Committee as of 31 December 2015

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 Board of Directors Decision No.123/SK/DIR/2011 dated 19 September 2011 based on Decision of 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 in the Corporate Data section, page 567 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 2016 AGMS.

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 nominations system;
3. Have no affiliation with other member of the Board of Commissioners, the Board of Directors, or the Controlling Shareholder of BCA;

4. Have no business relationship, either directly or indirectly, related to the business activities of BCA

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 the 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 GMS.
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 Commissioners and /or prospective Directors to be submitted to the GMS.
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.



In addition, pursuant to the Regulation of Financial Service Authority No.34/POJK.04/2014 dated 8 December 2014 regarding Nomination and Remuneration Committee of Issuer or Public Company, The Remuneration and Nomination Committee has the following duties and responsibilities:

- a. Relating to Nomination function:
 1. Making recommendations to the Board of Commissioners on:
 - a) Composition of the Board of Directors and/or the Board of Commissioners;
 - b) Policies and criteria needed in nomination process; and
 - c) Performance evaluation policy of the Board of Directors and/or the Board of Commissioners.
 2. Assisting the Board of Commissioners to assessment the performance of the Board of Directors and the Board of Commissioners based on criteria as a evaluation;
 3. To give recommendations to the Board of Commissioners on developed the ability of the Board of Directors and/or the Board of Commissioners; and
 4. To advise prospective Directors and/or Commissioners to the Board of Commissioners to be submitted to the GMS.
- b. Relating to Remuneration function:
 1. Making recommendation to the Board of Commissioners on:
 - a) structure of remuneration;
 - b) Remuneration policy; and
 - c) Amount of remuneration.
 2. Assisting the Board of Commissioners to assessment the performance of the conformity of remuneration to each members of the Board of Directors and/or members of the Board of Commissioners.

9. The Remuneration and Nomination Committee Meetings

The Remuneration and Nomination Committee holds meetings in accordance with BCA requirements, at least 1 (one) time of 4 (four) months as stipulated in the Financial Services Authority Regulation No.34/POJK.04/2014 dated 8 December 2015 concerning the Remuneration and Nomination Committee of Issuers or Public Companies. During 2015, the Remuneration and Nomination Committee held 4 (four) 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.

Attendance of the members of the Remuneration and nomination Committee at the Remuneration and Nomination Committee meetings during the year 2015 is as follows:

Name	Number of Meetings	Attendance	Percentage
Raden Pardede	4	4	100%
Djohan Emir Setijoso	4	4	100%
Lianawaty Suwono	4	4	100%

10. Policy Concerning the Succession of the Board of Directors

1. Develop and provide recommendations on systems 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 broad knowledge and experience as an official at the head or branch office, every executive will be rotated.

11. Report on the Implementation of the Remuneration and Nomination Committee Work Program in 2015

During 2015 the Remuneration and Nomination Committee accomplished the following:

1. Recommended to the Board of Commissioners the distribution of tantiem of financial year 2014 to all members of the Board of Commissioners and Directors who held office during the 2014 financial year, to be delivered by the Board of Commissioners during the AGMS on 9 April 2015 for approval.
2. Recommended the change of office vehicles facility previously given in form of "company owned vehicles that are permitted to be used by members of the Board of Commissioners and Directors" to "Monthly Office Vehicle Allowance".
3. Updated the Remuneration Policy in relation with the Employee Expense Budget in 2016 and BPJS Health and Pension Insurance.
4. Recommended the improvement of the System and Procedure of Appointment and/or Replacement of Members of the Board of Commissioners and/or Directors to the Board of Commissioners.

THE INTEGRATED GOVERNANCE COMMITTEE

1. Main Duties

The Integrated Governance Committee was established and is responsible to the Board of Commissioners of BCA as the Main Entity within the Financial Conglomerate. The purpose is to assist BCA's Board of Commissioners in overseeing the application of Integrated Governance.

2. Legal Reference

Establishment of the Integrated Governance Committee refers to:

- Financial Services Authority Regulation No.18/POJK.03/2014 dated 18 November 2014 concerning the Application of Integrated Governance for Financial Conglomerates.
- Financial Services Authority Circular Letter No.15/SEOJK.03/2015 dated 25 May 2015 concerning the Application of Integrated Governance for Financial Conglomerates.

3. Charter of the Integrated Governance Committee

The Integrated Governance Committee has a Charter (Structure of the Integrated Governance Committee) developed according to the Financial Services Authority Regulation No.18/POJK.03/2014 dated 18 November 2014 concerning the Application of Integrated Governance for Financial Conglomerates.

The Charter (Structure of the Integrated Governance Committee) covers the following:

- Legal basis (reference);
- Position;
- Duties and Responsibilities;
- Composition of Membership;
- Number and Composition of Independent Commissioners;
- Terms of office;
- Work Mechanism;
- Committee Meetings;
- Reporting.



The Integrated Governance Committee Charter and Code of Conduct are contained in the BCA website (www.bca.co.id) under Good Corporate Governance.

4. Duties and Responsibilities of the Integrated Governance Committee

In performing its functions, the Integrated Governance Committee has the following duties and responsibilities:

- a. Evaluating the application of Integrated Governance, at minimum through assessing the adequacy of internal control and implementation of an integrated compliance function.
- b. Providing recommendation to the Board of Commissioners of BCA as the Main Entity

within the Financial Conglomerate to improve the Integrated Governance Guideline.

5. Membership of the Integrated Governance Committee

Membership of the Integrated Governance Committee at least must consist of:

- a. An Independent Commissioner of BCA (as Main Entity) as a Chairman;
- b. Independent Commissioners from Subsidiary Companies in the Financial Conglomerate as members;
- c. An Independent Party as a member; and
- d. Member of Sharia Supervisory Board from Financial Services Institution in the Financial Conglomerate, as a member.

6. Composition of the Integrated Governance Committee Membership

Based the Board of Decision No.106/ SK/DIR/2015 dated 30 July 2015, composition of the Integrated Governance Committee Membership is as follows:

Name	Position
Sigit Pramono	Chairman, concurrently as Independent Commissioner at BCA (Main Entity)
Adhi Gunawan Budirahardjo	Member (concurrently as Independent Commissioner of PT BCA Finance)
Gustiono Kustianto	Member (concurrently as Independent Commissioner of PT Asuransi Umum BCA)
Suyanto Sutjiadi	Member (concurrently as Independent Commissioner of PT Bank BCA Syariah)
Pudjianto	Member (concurrently as Independent Commissioner of PT Asuransi Jiwa BCA)
Inawaty Handoyo	Member, concurrently as Independent Party at BCA (Main Entity)
Sutedjo Prihatono	Member (concurrently member of Syariah Supervisory Board of PT Bank BCA Syariah)

Educational background, position and work experience of members of Integrated Governance Committee can be seen in the Company Data on page 568-570 of this BCA Annual Report.

7. Number and Composition of Independent Commissioners

The number and composition of Independent Commissioner as members of the Integrated Governance Committee depends on the needs of the Financial Conglomerate and the Integrated Governance Committee's efficiency and effectiveness in carrying out its duties, by taking into consideration the representation of each financial service provider within the Group.

8. Terms of Office of the Integrated Governance Committee Members

The terms of office of the Integrated Governance Committee members is the same as members of Board of Commissioners of BCA (as Main Entity), and can be reappointed for the next period.

Term of office of members of the Integrated Governance Committee in this period will be expired on the closing of the 2016 Annual GMS of BCA.

9. Work Mechanism

The work mechanism of the Integrated Governance Committee is as follows:

- a. Duties and responsibilities of the Integrated Governance Committee, among others, are carried out as decided through Integrated Governance Committee meetings.
- b. To ensure that duties are well implemented, the Integrated Governance Committee is assisted by a Committee Secretary to perform secretarial duties such as:
 - i. Arranging the schedule of meetings;
 - ii. Proposing and contacting interviewees when needed;
 - iii. Preparing and distributing invitation and materials for the meetings;
 - iv. Preparing and distributing the minutes of meetings.
- c. Whenever required, the Integrated Governance Committee may invite interviewees from members of the Board of Commissioners, Directors, or other internal and external parties of the Main Entity and the financial services providers within the financial conglomerate.

10. Meetings of the Integrated Governance Committee

Following are the arrangements in regard to meetings of the Integrated Governance Committee:

- a. Meetings of the Integrated Governance Committee are conducted based on the needs of the financial conglomerate, at least 1 (once) every semester.

- b. Meeting quorum of the Integrated Governance Committee occurs only if attended by more than $\frac{1}{2}$ (a half) of the number of its members.
- c. Meetings of the Integrated Governance Committee can be held through video-conference.
- d. Decision-making in the meetings of the Integrated Governance Committee is conducted through consensus agreement.
- e. In the event consensus agreement does not occur, decision-making is carried out based on majority vote.
- f. Chairman and members of the Integrated Governance Committee each have 1 (one) vote.
- g. Results of the meetings of the Integrated Governance Committee serve as recommendations that can be followed-up by the Board of Commissioners of the Main Entity and/or the financial service providers within the Financial Conglomerate.
- h. Minutes of meetings shall be made in each Integrated Governance Committee meeting, signed by all members of Integrated Governance Committee who attend, and be well documented. Differences of opinion (dissenting opinions) that occur in the meeting shall be clearly stated in the minutes of meeting along with the reasons for dissent.

During 2015, the Integrated Governance Committee held 2 (two) meetings.

Attendance of members of the Integrated Governance Committee in meetings in 2015 is as follows:

Name	Number of Meetings	Attendance	Percentage
Sigit Pramono	2	2	100%
Adhi Gunawan	2	1	50%
Gustiono Kustianto	2	1	50%
Suyanto Sutjiadi	2	1	50%
Pudjianto	2	2	100%
Inawaty Handoyo	2	2	100%
Sutedjo Prihatono	2	2	100%



11. Reports on the Implementation of the Integrated Governance Committee Work Program in 2015

In 2015, the Integrated Governance Committee carried out the following program:

- a. Reviewing the overall preparation of integrated governance application in BCA's financial group among Subsidiary Companies, including updating the compliance status of Subsidiary Companies toward applicable regulations for each Subsidiary Company.
- b. Reviewing the draft of a Self Assessment Report on the Application of Integrated Governance in Semester I and Semester II Year 2015.
- c. Updating the legal review on the application of integrated governance in financial conglomerates in relation with Limited Liability Company Law principles.
- d. Evaluating the application of integrated governance in financial conglomerates.
- e. Attending socialization of the integrated governance application and guidelines held by the National Committee of Governance Policy.

THE EXECUTIVE COMMITTEES OF THE BOARD OF DIRECTORS

The Board of Directors is assisted by 7 (seven) Executive Committees, which are in charge of providing objective opinions 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 7 (seven) Executive Committees under the Board of Directors:

1. Asset & Liability Committee (ALCO)
2. Risk Management Committee (KMR)
3. Integrated Risk Management Committee (KMRT)
4. Credit Policy Committee (KKP)
5. Credit Committee (KK)
6. Information Technology Steering Committee (KPTI)
7. Personnel Case Advisory Committee (KPKK)

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 is 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 requirements, 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 the investment portfolio.
- To establish and evaluate policies and strategies for arranging 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 overall 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
Members	<ul style="list-style-type: none"> • Deputy President Director • Corporate Banking Director • Risk Management Director • Retail and Commercial Banking Director • 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 Reserve Voting Rights
Secretary	Senior Adviser at Risk Management Unit (SKMR) which covers Asset Liability Management (ALM)	No Voting Rights

Duties and Liabilities of ALCO

ALCO, among others 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 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 meet quorum 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 2015 Meetings

Name of Director	Number of Meetings	Attendance	Percentage
President Director (Jahja Setiaatmadja)*)	12	12	100%
Deputy President Director (Eugene Keith Galbraith)**)	12	4	33%
Corporate Banking Director (Dhalia M. Ariotedjo)	12	9	75%
Risk Management Director (Anthony Brent Elam)	12	11	92%
Retail and Commercial Banking Director (Suwignyo Budiman)	12	9	75%
Individual Banking Director (Henry Koenaifi)	12	7	58%
Regional and Branch Banking Director (Erwan Yuris Ang)	12	6	50%
Credit Director (Rudy Susanto)	12	11	92%
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	10	83%
Corporate Banking dan Corporate Finance Group	12	11	92%
Retail and Commercial Banking Division	12	5	42%
Fund Development and Services Division	12	11	92%
Credit Consumer Business Unit	12	10	83%
Consumer Card Business Group	12	9	75%
Risk Management Unit	12	12	100%

*) = Chairman

**) = Undergoing on medical treatment overseas

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 2015

Throughout 2015, 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 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 simulations in accordance with the strategy applied by the ALM BCA.

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 the Integrated Risk Management Committee and Voting Rights

Position	Filled By	Voting Rights Status
Chairman (concurrently as Permanent Member)	Director who heads the integrated risk management function	Reserve Voting Rights
Permanent Member ¹⁾	<ul style="list-style-type: none"> • All members of the Board of Directors • Head of Compliance Unit • All Head of Division/Business Unit/Group/Work Units related with Subsidiary Companies, other than Permanent Members 	Reserve Voting Rights
Non-permanent Member ²⁾	<ol style="list-style-type: none"> 1. Executive Vice President of Information Technology 2. All Head of Division/Business Unit/Group/Work Units related with Subsidiary Companies, other than Permanent Members 	Reserve Voting Rights
Secretary (concurrently as permanent member)	Head of Risk Management Unit or Substitute Officer	Reserve Voting Rights

Notes:

¹⁾ If there is any concurrent position, the person only has the right of 1 (one) vote

²⁾ Relevant with the topics 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 scenario) as well as other methods related with risk management.

- Improvements/justifications associated with business decisions that deviate from normal procedures (irregularities).
- Limit of authority, exposures, 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 meet quorum 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 of KMR Meetings and Attendance of the Board of Directors and Other KMR Members in 2015

Name	Number of Meeting	Attendance	Percentage
President Director (Jahja Setiaatmadja)	4	4	100%
Deputy President Director (Eugene Keith Galbraith) ¹⁾	4	1	25%
Director (Dhalia M. Ariotedjo)	4	2	50%
Risk Management Director (Anthony Brent Elam) ¹⁾	4	4	100%
Director (Suwignyo Budiman)	4	2	50%
Director (Subur Tan)	4	4	100%
Director (Henry Koenafi)	4	3	75%
Director (Armand W. Hartono)	4	2	50%
Director (Erwan Yuris Ang)	4	3	75%
Director Rudy Susanto)	4	3	75%

Name	Number of Meeting	Attendance	Percentage
Head of Compliance Unit	4	3	75%
Head of Credit Risk Analysis Group (GARK)	4	4	100%
Head of Risk Management Work Unit (Secretary)	4	4	100%
Executive Vice President of Information Technology (Non-permanent member) ²⁾	1	1	100%
Head of Commercial Business and SME Division (Non-permanent member) ²⁾	1	1	100%
Head of Enterprise Security Work Unit (Non-permanent member) ²⁾	3	3	100%
Head of Consumer Card Services and Business Support (Non-permanent member) ²⁾	1	1	100%
Senior IT Adviser IT Infrastructure & Operation Management (Non-permanent member) ²⁾	1	1	100%
Head of Finance and Accounting Sub-Division (Non-permanent member) ²⁾	1	1	100%
Head of Operational and Service Sub-Division (Non-permanent member) ²⁾	1	1	100%

Notes:

¹⁾ Chairman

²⁾ Number of meetings for non-permanent members correspond to invitation for respective topic

³⁾ Undergoing on medical treatment overseas

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 2015 and its Realization

Throughout 2015, KMR conducted 4 (four) meetings with the realization of KMR work program below:

- To inform about the condition of BCA's credit portfolio and the causes of credit problem in SME.
- To inform about the stress test result on the weakening of Rupiah exchange rate to USD by implementing the credit, liquidity and market risks approach.

- To inform about the prevention mechanism for data loss that can be implemented by internal and external parties in form of Advance Persistent Threat/APT.
- To inform about the BCM (Business Continuity Management) and the Crisis Management Team organization structure.
- To give updates regarding the Integrated Risk Management application.
- To inform about the New Secondary Operation Center (SOC) and Alternate Network Solution (MBCA & WSA2).
- To inform about the projection of BCA's credit portfolio as of December 2015, which includes outstanding value, DPK and NPL.
- To inform about the current security condition at branches and efforts to improve security at BCA.
- To conduct review on the IDR and USD secondary reserves.
- To inform about the risks and accounting treatment for SWAP transactions.



INTEGRATED RISK MANAGEMENT COMMITTEE

The Integrated Risk Management Committee (KMRT) was established to ensure the risk management framework has provided an integrated and adequate coverage over all risks faced by BCA and Subsidiary Companies.

Main Function of KMRT

To give recommendation to the Board of Directors, which at least includes:

- Development of an integrated risk management policy.

- Improvements on the integrated risk management policy based on evaluation results.

Authority of KMRT

KMRT has authority to review and give recommendation on matters associated with the integrated risk management to be decided by the Board of Directors.

Membership of the Integrated Risk Management Committee and Voting Rights

Position	Filled By	Voting Rights Status
Chairman (concurrently as Permanent Member)	Director who heads the integrated risk management function	Reserve Voting Rights
Permanent Member ¹⁾	All members of the Board of Directors Head of Compliance Unit	Reserve Voting Rights
Non-permanent Member ²⁾	Executive Vice President of Information Technology All Head of Division/Business Unit/Group/Work Units related with Subsidiary Companies, other than Permanent Members	Reserve Voting Rights
1. Executive Officer ³⁾		
2. Directors at Subsidiary Companies [*]	Directors who represent or are appointed by the Subsidiary Company Note ^{*)} : Number and composition are determined according to the needs, efficiency and effectiveness of the KMRT's implementation of duties, by considering, among others, the representation of each financial provider.	Reserve Voting Rights
Secretary (concurrently as permanent member)	Head of Risk Management Unit or Substitute Officer	Reserve Voting Rights

Notes:

¹⁾ If there is any concurrent position, the person only has the right of 1 (one) vote.

²⁾ Relevant with the topics discussed.

³⁾ If the Head of Internal Audit Division attends the KMRT meeting, he/she does not have voting right.

Main Duties of Members of KMRT

- To provide recommendation to the Secretary of Committee regarding the topics and meeting materials to be discussed in the Committee meeting.
- To provide recommendation in form of information and analysis related with the topics discussed in the Committee meeting. The topics may cover, among others:
 - Direction and target of the Company in developing policy, strategy, and guidelines for the integrated risk management application, and its amendment when necessary.
 - Assessment on the effectiveness of the integrated risk management framework application.

- Report on the development and tendency of integrated risk exposure and recommendation on risk appetite and risk tolerance.
- The result of review on the total exposure of integrated risk and its impact.
- Assessment on the Bank's capital adequacy in handling the risk of loss incurred by using various stress test scenarios.
- Recommendation on developing risk measurement methods, contingency plans in the worst case scenario, and other methods in regard with the integrated risk management.
- Other matters that require justification as related with business decisions taken out of normal procedure (irregularities).

- Limit of authority, exposure, and credit portfolio concentration as well as other parameters to limit risks.
- Improvement of the integrated risk management both regularly and incidentally as a result of changes in internal and external conditions that may affect capital adequacy, risk profile, and ineffectiveness of the current integrated risk management application based on evaluation.

Meetings of KMRT

Following are some provisions regarding the meetings of KMRT:

- KMRT meetings are held as necessary, with a minimum of once in a semester.
- KMRT meetings meet quorum if attended by at least 51% (fifty one percent) of the number of permanent members.

Decision Making

Following are provisions concerning decision making:

- Decision making related with the use of the KMRT's authority will only be carried out through a legitimate KMRT meeting decisions.
- KMRT meeting decisions are valid and binding if approved by more than $\frac{1}{2}$ (half) the number of present members.

Frequency of KMRT Meetings and Attendance of the Board of Directors and Other KMRT Members in 2015

Name of Director	Number of Meeting	Attendance	Percentage
President Director (Jahja Setiaatmadja) ¹⁾	2	2	100%
Deputy President Director (Eugene Keith Galbraith) ¹⁾	2	-	-
Director (Dhalia M. Ariotedjo) ¹⁾	2	1	50%
Risk Management Director (Anthony Brent Elam) ^{#)}	2	2	100%
Director (Suwignyo Budiman) ¹⁾	2	2	100%
Director (Subur Tan) ¹⁾	2	2	100%
Director (Henry Koenai) ¹⁾	2	1	50%
Director (Armand W. Hartono) ¹⁾	2	-	-
Director (Erwan Yuris Ang) ¹⁾	2	1	50%
Director Rudy Susanto) ¹⁾	2	2	100%
Head of Compliance Unit ¹⁾	2	2	100%
Head of Risk Management Unit (Sekretaris)	2	2	100%
Head of Credit Risk Analysis Group (Non-permanent Member) ²⁾	1	1	100%
Head of Financial and Planning Division (Non-permanent Member) ²⁾	1	1	100%
Head of Internal Audit Division (Non-permanent Member) ²⁾	2	1	50%
Director of BCA Finance (Non-permanent Member) ²⁾	1	1	100%



Name of Director	Number of Meeting	Attendance	Percentage
Director of Central Santosa Finance (Non-permanent Member) ²⁾	2	2	100%
Director of BCA Syariah ((Non-permanent Member) ²⁾	1	1	100%
Director of BCA FL Hong Kong (Non-permanent Member) ²⁾	1	1	100%
Director of BCA Sekuritas (Non-permanent Member) ²⁾	1	1	100%
Director of BCA Insurance (Non-permanent Member) ²⁾	1	1	100%
Director of BCA Life (Non-permanent Member) ²⁾	1	1	100%

Notes:

^{a)} Chairman

^{b)} Undergoing on medical treatment overseas

^{c)} Permanent Member

^{d)} Number of meetings for non-permanent members correspond to invitation for respective topics

Accountability/Work Realization Reporting

Accountability and work realization of KMRT 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 KMRT 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).

KMRT Activity and its Realization

Throughout 2015, KMRT conducted 2 (two) meetings with the realization as follows:

- To give information related to:
 1. The Integrated Risk Management Committee (KMRT)
 - Background of KMRT formation
 - Structure of Authority of KMRT
 - KMRT Meetings
 - Authority and responsibility of KMRT
 2. Basic Policy of the Integrated Risk Management Committee (KDMRT)
 - Background of KDMRT development
 - Content of KDMRT
 3. Report on the Profile of Integrated Risk (LPRT)
 - Background of LPRT development
 - Type of risks in LPRT
 - Rank of LPRT's risk profile for semester I of 2015

- To inform about the strategy of PT Central Santosa Finance (CSF) in coping with economic slowdown, portfolio performance review, and asset recovery.

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 has 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
	• Deputy President Director	Reserve Voting Rights
	• Risk Management Director	Reserve Voting Rights
	• Credit Director	Reserve Voting Rights
	• Compliance Director	Reserve Voting Rights
	• Corporate Banking Director ²⁾	Reserve Voting Rights
	• Branch Director ²⁾	Reserve Voting Rights
	• Individual Banking Director ²⁾	Reserve Voting Rights
Anggota ¹⁾	• Head of Credit Risk Analysis Group and/or Head of Commercial Banking & SME 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⁾	Reserve Voting Rights
	• Head of Internal Audit Division or Substitute Officer	Reserve Voting Rights
Secretary (concurrently Member)	Head of Risk Management Unit or Substitute Officer	Reserve Voting Rights

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

The main duties of KKP members are, among others:

- 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 meet quorum 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 2015

Name	Number of Meeting	Attendance	Percentage	Description
President Director	1	1	100%	-
Deputy President Director	1	-	-	Business trip
Risk Management Director	1	1	100%	-
Credit Director	1	1	100%	-
Compliance Director	1	1	100%	-
Corporate Banking Director ¹⁾	1	1	100%	-
Retail & Commercial Banking Director ¹⁾	1	1	100%	-
Individual Banking Director ¹⁾	1	1	100%	-
Operational & Information Technology Director [*]	1	1	100%	-
Regional and Branch Support Director [*]	1	1	100%	-
Head of Analysis and Credit Risk Group or alternates ¹⁾	1	1	100%	-
Head of Commercial Banking and SME or alternates ¹⁾	1	1	100%	-
Head of Corporate Banking dan Corporate Finance or alternates ¹⁾	1	1	100%	-
Head of Consumer Credit Business Unit or alternates ¹⁾	1	NA	-	The topic was not related to Consumer Credit policy
Head of Consumer Card Group or alternates ⁽¹⁾	1	NA	-	The topic was not related to Consumer Card policy
Head of Internal Audit Division or alternates	1	1	100%	-
Head of Risk Management Work Unit or alternates	1	1	100%	-
Head of Compliance Work Unit or alternates	1	1	100%	-

Note:

¹⁾ relevant with the topic discussed

^{*}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 controlling, monitoring, and evaluating the Basic Bank Credit Policy (KDPB), as well as advice for necessary improvement.
- Other data and information related with the the results of controlling, monitoring, and evaluating of activities.

KKP Work Program and Realization in 2015

- To recommend the authority delegation policy in deciding the category of credit under Commercial and Corporation.
- 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.

CREDIT COMMITTEE

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/proposal 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.

Level of Credit Committee

In carrying out its duties, the Credit Committee is grouped under the following credit categories:

1. Corporate 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.

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)	Reserves Voting Rights
Permanent Members	<ul style="list-style-type: none"> • President Director (PD) • Deputy Director (WPD) • Corporate Banking Director (DBK) 	Reserves Voting Rights
Non Permanent Members	<ul style="list-style-type: none"> • Other Directors with loan approval authority • Risk Management Director (DMR)** 	Reserves Voting Rights
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 ^{a)}
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	<ul style="list-style-type: none"> • Retail & Commercial Banking Director (DBC) • Credit Director (DKR) • Head of Regional Office 	Reserves Voting Rights
Non Permanent Members	• Risk Management Director (DMR) ^{***)}	Reserves Voting Rights
Secretary (concurrently as Permanent Member)	Credit Adviser	No Voting Rights

Description:

^{a)} 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

The main duties of Credit Committee are stated below:

- To provide direction for more comprehensive credit analysis of 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 the 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 to meet quorum 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 the 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 the 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 the credit decision.

Accountability of Credit Committee

Accountability of Credit Committee can be delivered through the minutes of Credit Committee meeting, circulated decision memoranda, and periodic Credit Committee reports.

Meeting Frequency of Corporate Credit Committee And Presence Level of Board of Directors and Members of Corporate Credit Committee during 2015

Name of Director	Number of Meeting	Presence	Percentage
President Director (Jahja Setiaatmadja)**)	8	7	88%
Vice President Director (Eugene Keith Galbraith)**)	8	5	63%
Credit Director (Rudy Susanto)*)	8	8	100%
Corporation Business Director (Dhalia M. Ariotedjo)**)	8	7	88%
Risk Management Director (Anthony Brent Elam)***)	8	6	75%
Director (Suwignyo Budiman)****)	8	1	13%
Director (Erwan Yuris)***)	8	1	13%
Director (Henry Koenafi)****)	8	2	25%
Director (Subur Tan)****)	8	2	25%
Director (Armand W. Hartono)****)	8	1	13%

* Chairman concurrently Permanent Member

**) Permanent Member

***) Non-Permanent Member

****) Other Member of Board of Directors

Meeting Frequency of Commercial Credit Committee and Presence Level of Board of Directors and Members of Commercial Credit Committee during 2015

Name	Number of Meeting	Attendance	Percentage
Credit Director (Rudy Susanto)**)	8	8	100%
Branch Business Director (Suwignyo Budiman)**)	8	8	100%
Group Head of Commercial Credit Risk Analysis (Rickyadi Widjaja)*)	8	8	100%
Division Head of Small and Intermediate Business***)	8	3	38%
Head of Compliance Working Unit****)	8	3	38%
Head Area**)	8	8	100%

* Chairman concurrently Permanent Member

**) Permanent Member

***) Non-Permanent Member

****) Other Member of Board of Directors

Activity Realization of Work Program of Corporate Credit Committee and Commercial Credit Committee in 2015

In 2015, the Corporate Credit Committee held 8 (eight) meetings, and the Commercial Credit Committee held 8 (eight) meetings .

INFORMATION TECHNOLOGY STEERING COMMITTEE

KPTI was established to ensure the implementation of an information technology (IT) system is in line with BCA's strategy. 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 Technology Steering Committee Membership and Voting Rights

Position	Filled By	Voting Rights Status
Chairman (concurrently as a Member)	Operations and Information Technology Director	Reserves Voting Rights
Secretary (concurrently as a Member)	Head of IT Management Office	Reserves Voting Rights
	• Risk Management Director	Reserves Voting Rights
	• Compliance Director	Reserves Voting Rights
	• Regional & Branch Support Director	Reserves Voting Rights
	• Executive Vice President of Information Technology (EVP TI)	Reserves Voting Rights
	• Strategic Information Technology Group (GSIT)*: - Head of IT Management Office - Head of IT Infrastructure & Operation Management - Head of Core Application Management - Head of Delivery Channel & Middleware Application Management	Reserves Voting Rights
Members	• Head of Enterprise Security Unit (SKES)	Reserves Voting Rights
	• Head of Risk Management Unit	Reserves Voting Rights
	• Head of Compliance Unit	Reserves Voting Rights
	• Head of Operation Strategy & Development Division	Reserves Voting Rights
	• Head of Primary User IT Work Unit **)	Reserves Voting Rights
	• Head of Internal Audit Division	No Voting Rights

Note:

*) 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 for at least 4 (four) times a year.
- KPTI meetings meet quorum 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 ½ (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 meeting must be written in minutes of meetings and be well documented.
- Minutes of meetings are prepared by the Secretary of KPTI and signed by the Chairman of KPTI.

Frequency of Information Technology Steering Committee Meetings and Attendance of the Board of Directors and Other KPTI Members in 2015

Name	Number of Meeting	Attendance	Percentage
Director of Information Technology and Operations (Armand W. Hartono)*)	4	4	100%
Risk Management Director/(Anthony Brent Elam)	4	4	100%
Compliance Director (Subur Tan)	4	4	100%
Regional and Branch Support Director/(Erwan Yuris Ang)	4	4	100%
Executive Vice President of Information Technology	4	4	100%
Strategic Information Technology Group (GSIT)**:			
• Head of IT Management Office	4	4	100%
• Head of Core Application Management	4	3	75%
• Head of Delivery Channel & Middleware Application Management	4	2	50%
Head of Enterprise Security Unit	4	3	75%
Head of Risk Management Unit	4	4	100%
Head of Compliance Unit	4	3	75%
Head of Operation Strategy & Development Division	4	3	75%
Head of Internal Audit Division***)	4	4	100%

Note:

*) Chairman

**) GSIT only has 1 (one) voting right represented by the EVP IT

***) Without voting rights

Work Programs in 2015

- 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 2015

- To evaluate and monitor the implementation of strategic information technology (IT) projects aligned with strategic corporate objectives and BCA business direction.
- To evaluate the implementation of process and technology in IT project development.

- To review and to monitor strategic measures in minimizing the IT investment risk.
- To monitor the use of IT budget in 2015.
- To review and to evaluate new IT strategic projects, namely:
 - a. IT infrastructure development tu support e-commerce gateway
 - b. Consolidation of Subsidiary's IT infrastructure through utilization of private Cloud technology
- To evaluate and to monitor IT initiative which is carried out to support delivery of the IT strategic projects. The initiatives are:
 - a. One-vision project delivery priority.
 - b. Improving resource visibility to view a development team capacity.
 - c. Establishing a Scrum Team as well as 4DX implementation.
 - d. Establishing Testing Factory.
 - e. Strengthening capacity and capability of Business Analyst (BA).



- f. Establishing a team to develop Digital Banking.
- g. Establishing environment for multiple concurrent-development & testing.
- To monitor IT human resource allocation to establish a reliable and competent IT team.
- To evaluate and to provide guidance on the IT Strategic Plan proposal for 2016-2018 To monitor IT human resource allocation to establish a reliable and competent IT team.

PERSONNEL CASE ADVISORY COMMITTEE

The 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 Office.
- 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 of the Personnel Case Advisory Committee and Voting Rights

Position	Filled By	Voting Rights Status
Chairman (concurrently as Member)	Head of Human Capital Management	Reserves Voting Rights
Permanent Members	<ul style="list-style-type: none"> • Head of Internal Audit Division • Head of Legal Group • Head of Operation Strategy & Development Division 	Reserves Voting Rights
Non Permanent Members	• Head of Network Management Unit and Regional Planning	Reserves Voting Rights
Secretary	• Head of Branch Audit Subdivision	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 meet quorum 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 2015 KPKK Meetings

During 2015, KPKK conducted 10 (ten) meetings and meeting attendance rate has reached quorum. The Chairman and members of KPKK are Executive Officers under the Board of Directors.

The following is KPKK member attendance in 2015:

Name	Number of Meeting	Attendance	Percentage
Head of Human Capital Management Division [*]	10	10	100%
Head of Internal Audit Division ¹⁾	10	10	100%
Head of Legal Group ¹⁾	10	9	90%
Head of Operation Strategy & Development Services ¹⁾	10	5	50%
Head of Network Management Unit and Regional Planning ²⁾	10	6	60%

Note:

^{*} Chairman

¹⁾ Permanent Member

²⁾ Non-permanent Member

Realization of KPKK Work Program in 2015

Throughout 2015, KPKK held 10 (ten) meetings. Realization of the KPKK work program is to provide 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 Corporate Secretary is primarily responsible for maintaining the BCA image and safeguarding the best interests of BCA by fostering communication and good relations with stakeholders. Corporate Secretary is also responsible for supporting the Board of Directors and Board of Commissioners in running the Company. In addition, the Corporate Secretary performs the BCAs secretarial duties, manages public relations, ensures the Bank's compliance with industry and capital market authorities, and supports the implementation of GCG.

Position and Officer of Corporate Secretary

The Corporate Secretary is appointed and installed by the Board of Directors, and responsible to the President Director. The position of Corporate Secretary is at par with a Division Head.

BCA's incumbent Corporate Secretary is Inge Setiawati, who has been in office since 1 August 2011 pursuant to Board of Directors Decision No.1289/SK/DHR/A/2011 issued by the Board of Directors on 1 August 2011. Corporate Secretary domiciled in Indonesia.

The educational background and work experience of the Corporate Secretary is provided in the Corporate Data section on page 571 of this Annual Report.

Duties and Responsibilities of the Corporate Secretary

Duties and responsibilities of Corporate Secretary, among others, are as follows:

- Represent the Board of Directors in liaising with public and private agencies/institutions.
- Monitor BCA's compliance to the provisions of the laws and regulations applicable in the Capital Markets and Stock Exchange.
- Support the implementation and enforcement of Good Corporate Governance within BCA.
- Manage and develop BCA's positive image by fostering internal and external relations through public relations activities.
- In regard with Company operations, support adherence by the Board of Directors and Board of Commissioners to BCA's Articles of Association and other policies, among others in implementing corporate actions.
- Monitor activities under the corporate secretariat, protocol, correspondence and document-keeping related 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 in an effort to provide guidance to stakeholders.
- Establish communication and good relations with internal and external parties, and business partners.
- Remain updated on laws and regulations related to the capital market, good corporate governance and banking.
- Organize the GMS, corporate actions and public expose (together with Investor Relations).
- Coordinate with the relevant internal work units and external parties/institutions to facilitate corporate activities and boost work effectiveness related to activities carried out by the Board of Directors and Board of Commissioners, and Board of Commissioners' Committees.
- Coordinate/monitor activities associated with the receipt and delivery of corporate information and the convening of the Board of Directors and Board of Commissioners' meetings.
- Provide stakeholders with the necessary services for any information needed concerning BCA.
- Act as the contact person (liaison officer) between BCA and the Financial Services Authority (OJK), Indonesian Stock Exchange, other capital market authorities and the public.
- Perform activities that support the implementation of transparency, primarily related to BCA's performance through communication with relevant parties.

Overview of Duties Fulfilled by the Corporate Secretary in 2015

Throughout 2015, the Corporate Secretary carried out the following activities:

1. Organized the 2015 AGMS.
2. Conducted GCG Implementation self-assessment of BCA and integrated governance for the first and second semester of 2015.
3. Prepared the GCG Implementation Report for 2015.
4. Formulated "Corporate Governance" and "Corporate Social Responsibility" to be included in the 2015 Annual Report.
5. Developed implementing corporate governance according to the ASEAN Corporate Governance Scorecard.
6. Organized a sports and cultural event in celebration of BCA's 58th anniversary on February 2015 across Jakarta, Bogor, Depok, Tangerang and Bekasi that involved employees and public from various regions and BCA branches in Jakarta, Bogor, Depok, Tangerang and Bekasi.
7. Conducted Public Expose (together with Investor Relations).
8. Held press conferences and analyst meetings on a quarterly basis.
9. Convened the National Working Meeting (together with other work units).
10. Developed and implemented CSR programs and activities.
11. Prepared press releases on BCA's performance and progress.
12. Developed BCA's corporate communication materials such as publications of financial statements through the mass media, advertisements during national holidays, and others.
13. Developed and implemented BCA sponsorship activities in keeping with Company policies.
14. Developed means of communication and organized internal events, such as BCA's anniversary celebration, retired employee gatherings and social gatherings to celebrate Eid al-Fitr, Christmas and New Year.

Competency-Building Training Programs for Corporate Secretary

Training programs which the Corporate Secretary has participated in are as follows:

- Activation Strategy "Developing Your Communication Strategy"
- Indonesia Knowledge Forum
- ICSA "Socialization of the Financial Services Authority Regulation"
- ASEAN CG Scorecard In House Training
- Socialization of the Integrated Governance for Financial Conglomeration Guidelines
- Workshop on the Preparation of 2015 Sustainability Report
- BCA's Knowledge Sharing Open Source "A Corporate Heritage"

INVESTOR RELATIONS FUNCTIONS

The main Duty of Investor Relations in 2016

The main duty of Investor Relations is to represent the Board of Directors in liaising with investors, the capital markets (community) and shareholders, including to:

1. Formulate communication strategies, specifically toward investors, potential investors, analysts, fund managers and the capital markets in general.
2. Prepare the necessary materials and implement organize various activities such as road shows, analyst meetings and conference calls.
3. Communicate various matters related to BCA shares, performance, and Financial Statements to parties such as fund managers, investors and potential investors.
4. Manage the relationships with fund managers, experts and economists (specifically related to stocks).
5. Monitor and report the results of analysis on BCA's performance and stock prices on a periodic basis.
6. Coordinate the preparation, publication and distribution of the Annual Report to investors/ analysts.
7. Provide financial data and information for investors and the capital markets (community).

BCA Investor Relations Activities in 2015 and 2014

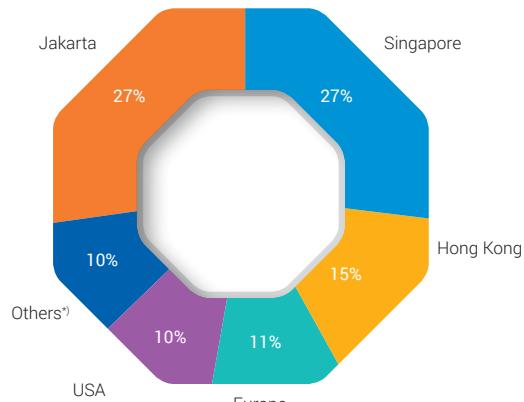
	2015	2014
Analyst Meeting ^{*)}	5	5
Non-deal road show	3	2
Conference ^{**)}	15	11
Investor visits	203	193
Conference call	33	39
Total	259	250

Description

^{*)} Including a public exposé

^{**) Including 8 conferences in Jakarta in 2015 and 4 conferences in 2014}

The number of investors/analysts conducting visits and calls totaled 479 people, with the following composition by country of origin:



Note:

^{*)} Others come from Japan, Malaysia, Thailand, Australia, Africa, South Korea & United Arab Emirates

The Frequency of Monthly Investor Relations Activities in 2015



INTERNAL AUDIT DIVISION

The Internal Audit Division was established to generate added value and improve BCA's operations through independent and objective audits to provide assurance as well as consulting activities.

In carrying out its functions, the Internal Audit Division assesses the adequacy and effectiveness of risk management, internal control and governance, and offers consultation internally within BCA for those requiring such services.

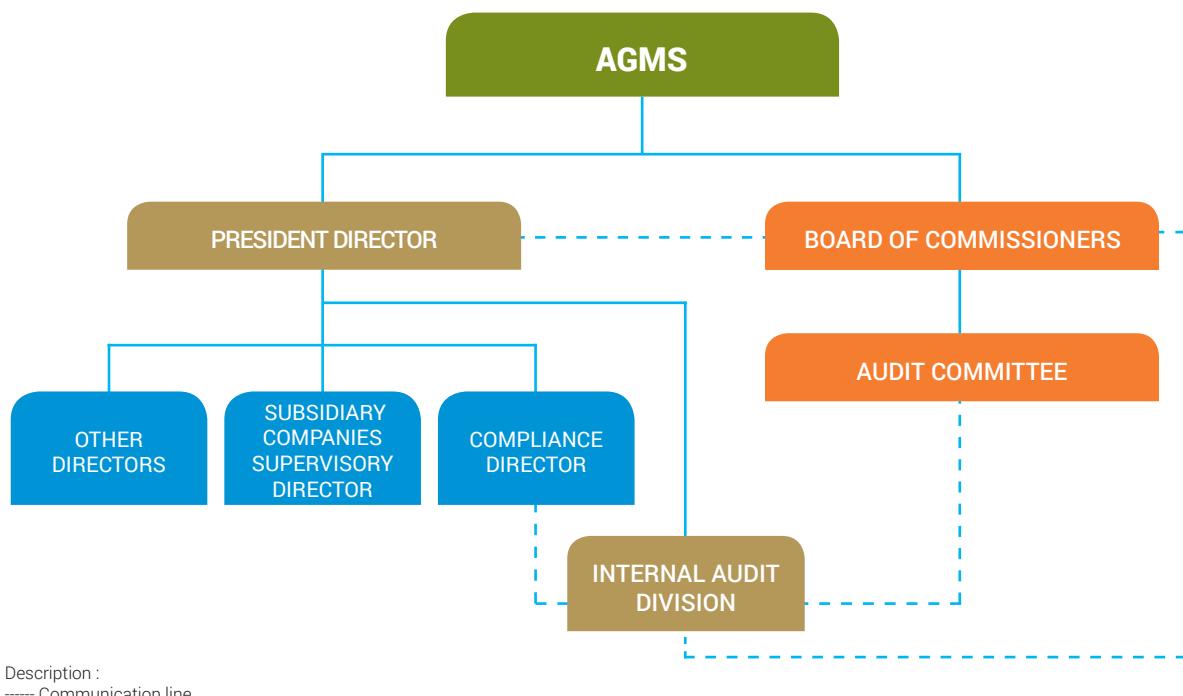
In line with the enactment of the Financial Services Authority Regulation POJK No.18/POJK.03/2014 concerning Application of Integrated Governance for Financial Conglomerates, the Internal Audit Division

also carries out the integrated internal audit functions to support the application of integrated governance for BCA as Financial Groups.

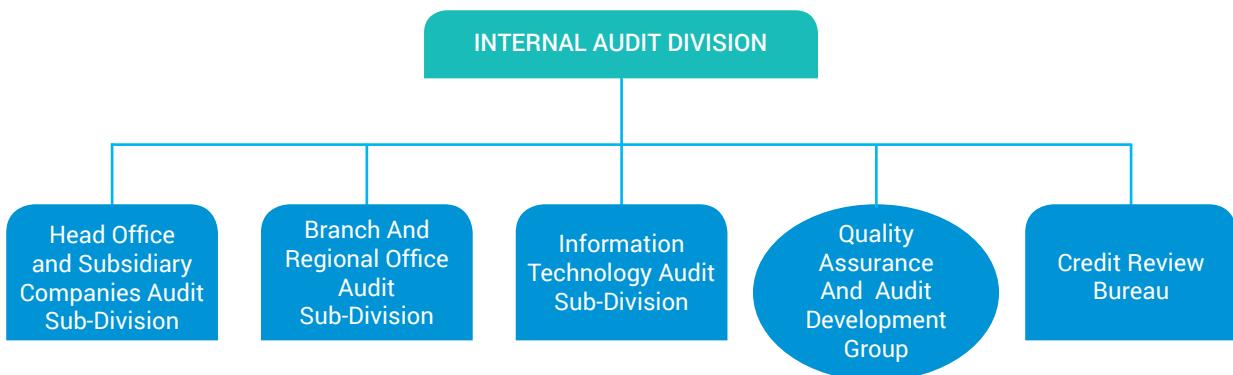
Structure and Position of Internal Audit Division

The Head of the Internal Audit Division is responsible to the President Director. Jacobus Sindu Adisuwono currently serves as the Division Head since 1 November 2008 in accordance to Directive No.1390/SK/DHR/A/2008 concerning the Appointment of Employees signed by the President Director on 24 October 2008, with approval from the Board of Commissioners. The Division Head has considerable experience in internal auditing and has earned certification for internal audit professionals, namely the Certified Internal Auditor (CIA) and Qualified Internal Auditor (QIA).

The Position of Internal Audit Division in BCA's Organizational Structure



Organizational Chart of Internal Audit Division





Duties and Responsibilities of the Internal Audit Division

1. Formulate and implement an annual risk-based audit plan and report on its realization.
2. Test and evaluate risk management, internal control and governance in order to assess its adequacy and effectiveness.
3. Conduct credit quality assessment.
4. Offer recommendations for improvements and objective information on audited activities.
5. Conduct special investigations/examinations at the request of the Board of Commissioners, Audit Committee, Board of Directors and work units or based on specific indications.
6. Monitor, analyze and report on follow-up actions which the auditee has undertaken as recommended according to audit results.
7. Act as consultant for BCA's internal parties in need of such services, primarily in regard to the Internal Audit Division's scope of duties.
8. Monitor the implementation of internal audit functions at each subsidiary company in order to perform the integrated internal audit functions.
9. Develop and submit the Integrated Internal Audit Reports.

Implementation Standards

Activities carried out by the Internal Audit Division refer to the Internal Audit Work Manual and Charter in accordance to the Board of Directors Decision Letter No. 074A/SK/DIR/2012 of 30 April 2012 which was issued in compliance with the Implementation Standard of the Banking Internal Audit Function established by Bank Indonesia and provisions on the Establishment and Guidelines for Formulating an Internal Audit Charter laid out by Batepam-LK. As a source of reference for global best practices, the Internal Audit Division also abides by the standards and code of ethics issued by the Institute of Internal Auditors (IIA) and the Information System Audit & Control Association (ISACA).

The effectiveness of the Internal Audit function and its compliance with the Implementation Standard of the Banking Internal Audit Function (SPFAIB) is reviewed by an independent external party at least every 3 (three) years. The most recent review was conducted by an external assessor in late 2013.

Scope

The scope of the internal audit covers the activities of all Branch Offices, Regional Offices, Divisions, Work Units and Business Units at the Head Office and Subsidiaries, and BCA activities outsourced to third parties.

Independence

The Internal Audit Division is independent to operational work units. The Division Head is accountable directly to the President Director and may communicate directly with the Board of Commissioners and Audit Committee.

The Internal Audit Division's meeting with the President Director and Audit Committee was held 8 (eight) times in 2015, while meetings with the Board of Commissioners are convened every semester.

The appointment, replacement and dismissal of the Internal Audit Division Head is done by the President Director upon approval by the Board of Commissioners, and reported to the Financial Services Authority.

Number of Auditors in the Internal Audit Division

The Internal Audit Division is supported by 185 auditors (as of 31 December 2015) with diverse position levels, experiences and professional certification, as provided below:

Job Position:

- | | | |
|---------------------------|---|-----------|
| • Division Head | : | 1 person |
| • Deputy Division Head | : | 4 person |
| • Audit Adviser | : | 17 person |
| • Senior Audit Officer | : | 25 person |
| • Audit Officer | : | 39 person |
| • Associate Audit Officer | : | 77 person |
| • Assistant Audit Officer | : | 10 person |
| • Senior Staff | : | 12 person |

Experience:

- | | | |
|-------------------|---|-----------|
| • 0 to < 3 years | : | 71 person |
| • 3 to < 9 years | : | 52 person |
| • 9 to < 15 years | : | 17 person |
| • ≥ 15 years | : | 45 person |

Professional Certification:

1. Qualified Internal Auditor : 29 persons
2. Certified Information System Auditor : 4 persons
3. Certified Internal Auditor : 1 person
4. Certified Fraud Examiners : 1 person

Reporting

The Internal Audit Division submits reports to the following:

1. Board of Commissioners, Audit Committee and Board of Directors, consisting of:
 - a. Audit Report.
 - b. Summary Report of Follow-Up to Audit Results.
 - c. Report of Audit Realization.
 - d. Integrated Internal Audit Report
2. The Financial Services Authority concerning the implementation of the Internal Audit function, which consists of:
 - a. Report on the Implementation and Fundamental Results of Internal Audit.
 - b. Special reports on any internal audit findings that may disrupt the sustainability of banking operations.
 - c. Report on external assessor's review that provides opinions on the work performance of the Internal Audit Division and its compliance with the Implementation Standard of the Internal Audit Function in Banking and improvements that may be made.

Internal Audit Division Activities in 2015

Activities carried out by the Internal Audit Division in 2015 focused on the following:

1. Renewal of the Strategic Audit Plan 2016-2018 by referring to the Bank's Business Plan for 2016-2018 and expectations of the Board of Commissioners, Audit Committee and Board of Directors expressed in various occasions.
2. Conducted an audit of Branch Offices, Regional Offices, Divisions/Work Units of the Head Office and Subsidiaries as determined according to the results of a risk assessment.

3. Conducted IT governance, in line with the increasing complexity of information technology being applied.
4. Performed an audit on Internet Banking and Mobile Banking processes in line with the increasing transaction volume carried through these delivery channels.
5. Conducted a thematic audit of Management of Outsourcing in line with the greater number of activities being outsourced.
6. Conducted an audit of the SME, commercial, and corporation credit processes in order to maintain high credit quality.
7. Enhanced the effectiveness of methodologies by developing and implementing continuous auditing to support the role of the audit process as an early warning system.

Focus of Audit Plan in 2016

1. In 2016, the audit process will focus on the following:
 - Implementation of consumer protection in compliance with the existing provisions from regulators.
 - Implementation of Branchless Banking, a new activity.
 - Implementation of Internal Control Over Financial Reporting in regard to Good Corporate Governance.
 - Internal control adequacy related to Automatic Teller Machines (ATM) due to incidents of external fraud at ATMs in Indonesia.
 - Implementation of the Internal Capital Adequacy Assessment Process (ICAAP) in compliance with Bank Indonesia regulation.
2. Performing audits of branch offices, regional offices, divisions/work units in the Head Office and Subsidiaries as determined according to the results of risk assessments.
3. Continue developing an Audit Management System for improving the efficiency and effectiveness of managing internal audit activities.
4. Developing and implementing continuous audits and analytical review to support the role of the audit mechanism as an early warning system.



PUBLIC ACCOUNTANT (EXTERNAL AUDIT)

In an effort to ensure that the External Audit function is implemented in compliance with the Financial Services Authority Regulation No. 6/POJK/2015 on Transparency and Publication of Bank Reports, and Bank Indonesia Circular Letter No. 3/32/DPNP on the Relationship between Banks, Public Accounting Firms and Bank Indonesia, BCA has undertaken the following measures:

1. BCA Financial Statements were audited by an independent, competent, and professional Public Accountant, who exercised due professional care.
 2. The Public Accountant appointed by BCA conducted the audit according to professional standards, the work agreement and scope of the audit function.
 3. In keeping with the resolution of the AGMS, the Board of Commissioners appointed the Public Accounting Firm and determined the fee involved by taking into account the recommendations provided by the Audit Committee.
 4. Appointment of the Public Accounting Firm had been conducted in accordance with applicable provisions, among others:
 - The Public Accounting Firm and Public Accountant (partner-in-charge) are registered with the Financial Services Authority/Bank Indonesia. BCA only took into consideration 4 (four) of the largest Public Accounting Firms registered with the Financial Services Authority/Bank Indonesia.
- The Public Accounting Firm does not provide other services to BCA for the year in question, preventing the likelihood of a conflict of interest.
 - The Public Accounting Firm only renders audit services for an audit period no longer than 5 (five) consecutive fiscal years.
- The Siddharta Widjaja & Rekan Public Accounting Firm in affiliation with KPMG International was appointed as BCA's auditor to conduct an audit of the Bank's financial statements for the fiscal year ending 31 December 2015, for an estimated fee of Rp 7,050,000,000 (excluding VAT).

5. BCA grants power to the Public Accounting Firm to submit the audited financial statements accompanied with a Management Letter to the Financial Services Authority no later than 3 (three) months after the fiscal year.

Public Accounting Firms and Public Accountants Who Have Audited BCA's Financial Statements

	2015	2014	2013	2012	2011
Public Accounting Firm	Siddharta Widjaja & Rekan	Siddharta Widjaja & Rekan	Siddharta & Widjaja	Siddharta & Widjaja	Purwantono, Suherman & Surja
Public Accountant	Kusumaningsih Angkawijaya	Elisabeth Imelda	Elisabeth Imelda	Elisabeth Imelda	Peter Surja

COMPLIANCE FUNCTION

BCA formed the compliance function to reflect its commitment to comply with the existing law and regulations. The compliance function in BCA acts as implementor and manager of compliance risks, and performs preventive supervisory duties. This has to be

done by BCA considering the Bank is an industry that is highly regulated and supervised by regulators. In addition, the increasing complexity of bank operations also creates significant impact on the risk exposure faced by the Bank, including compliance risks.

To manage and mitigate the compliance risks, BCA has appointed one Director as Compliance Director to oversee the compliance function. In carrying out these duties, BCA formed a Compliance Work Unit that is independent, separate and free from the influences of other work units.

The Compliance Work Unit is at the same level as Divisions at the Head Office and directly responsible to the Compliance Director. The Compliance Work Unit is also responsible for implementing policies related to compliance functions, as well as implementation of Anti-Money Laundering and Prevention of Terrorism Financing.

In order to ensure the implementation of BCA's compliance function, the Board of Directors and Board of Commissioners also perform active supervision in many forms, such as approval of policies and procedures, periodic reporting, requests for explanations, and meetings.

Compliance-Related Activities in 2015

Pursuant to Bank Indonesia Regulation No.13/2/PBI/2011 of 12 January 2011 on the Compliance Function of Commercial Banks, the Bank's compliance function covers actions aimed at:

1. Instilling a compliance culture at all organizational levels and business activities of the Bank.
2. Managing compliance risks facing the Bank.
3. Ensuring that the Bank's policies, provisions, systems, procedures and business activities are in conformity with Bank Indonesia policies and other applicable laws and regulations, including the Sharia Principle for Sharia-compliant Commercial Banks and Business Units.
4. Ensuring compliance of the Bank with the commitment made with the Bank of Indonesia and/or other supervisory authorities.

In fulfilling its function, the Compliance Work Unit undertakes preventive measures (ex-ante) to prevent violations as well as curative steps (ex-post) to ensure improvements.

The following activities were conducted by the Compliance Function in 2015:

1. In order to encourage the Compliance Culture to be formed:
 - Disseminated new provisions from regulators to other units.
 - Sensitized BCA employees and customers on relevant regulations.
 - Provided information on the Financial Services Authority and Bank Indonesia regulations and other laws and regulations in the BCA employee intranet.
 - Enrolled Compliance Unit personnel in various training sessions, seminars and sensitization events to improve quality, including their active participation in a working group known as the Communication Forum of Banking Compliance Directors (FKDKP) and in compliance certification programs held by the Banking Professional Certification Institute (LSPP).
 - Performed a consultative function in relation to the implementation of prevailing laws and regulations by offering advice/feedback to questions posed by work units or branches, and through e-mail, memorandums and discussions by phone or meetings.
2. In order to manage compliance risks and ensure that all policies, provisions, systems and procedures, and business operations carried out by the Bank are in conformity with the prevailing regulations:
 - Conducted a gap analysis and examined the impact of new policies on BCA operations.
 - Proposed adjustments to internal manuals, policies and procedures.
 - Reviewed and offered input on new products and activities in the pipeline to ensure that they conform to applicable laws and regulations.
 - Reviewed draft internal policies to be issued to ensure conformity of internal policies with existing laws and regulations.
 - To conduct study adherence to the release of the corporate credit.
 - Tested the level of compliance toward the implementation of policies by branch offices in cooperation with Branch Internal Supervisors.



- Updated the database of existing regulations.
 - Monitored the level of compliance with applicable policies related to practices and principles of prudent banking (KPMM, GWM, PDN, BMPK, NPL). Throughout 2015, in general, there were no violations of policies related to the principle of prudential banking.
 - Monitored the submission of reports to regulators.
 - Monitored the imposition of sanctions/penalties by regulators.
 - Assessed compliance risks and prepared a quarterly compliance risk profile report as part of an effort to effectively manage compliance risks.
 - Ensured operational preparedness for the opening, relocation and closing of offices through coordination with Network Management and Regional Planning Unit as coordinators, and reviewed submitted documents.
 - Coordinated with related units in performing the Risk-Based Soundness Level of the Bank.
3. To ensure the Bank's compliance with the commitments pledged to regulators:
- Monitored BCA's commitment to OJK, BI and other regulators, together with the Internal Audit Division (DAI).
 - Monitored and followed up on requests for data/information from OJK and BI relating banking supervision.
- In line with the implementation of POJK No.18/POJK.03/2014 dated 18 November 2014 on Integrated Governance for Financial Groups, the Compliance Work Unit included the Integrated and Corporate Compliance Aspect to be at least responsible for monitoring and evaluating the compliance function of each financial service provider within the Financial Group.
- In implementing its duties, Integrated Corporate Compliance has engaged in discussions on implementing the compliance function in each BCA subsidiary to gain a deeper understanding of the fulfillment of the compliance function in the respective subsidiary. Monitoring and evaluation is also conducted through reports submitted

by each subsidiary in a view to prepare the Integrated Risk Profile Report regarding compliance risks as a part of PT BCA Tbk's Integrated Risk Profile Report. This report was submitted in August 2015 for the first time. In addition, Integrated Corporate Compliance also handed in an Integrated Compliance Report to the Compliance Director.

Know Your Customer and the Supporting and Information in the Implementation of Anti-Money Laundering and Prevention of Terrorism Financing in 2015

Pursuant to Bank Indonesia Regulation No.14/27/PBI/2012 of 28 December 2012 concerning the Implementation of the Anti-Money Laundering and Counter Terrorist Financing (AML and CFT) Programs for commercial Banks, a special unit responsible for conducting the AML and CFT must undertake the following measures:

- a. Prepare and propose guidelines for implementing the AML and CFT programs to the board of directors.
- b. Ensure:
 - 1) the establishment of a support system for the AML and CFT programs;
 - 2) policies and procedures are in line with the latest developments in the AML and CFT areas, as well as the bank's product risks, activities and complexities of the banking business and transaction volume;
- c. Monitor:
 - 1) updates in customer profiles and transactions;
 - 2) that the bank has an effective communication mechanism in place in each work unit related to the special unit or to the officer responsible for implementing the AML and CFT programs while maintaining the confidentiality of information;
 - 3) relevant work units to ensure that they perform their duty of preparing reports on alleged Suspicious Financial Transactions to be submitted to the special unit or officer in charge of implementing the AML and CFT programs;
 - 4) the bank to ensure that it has identified high-risk areas related to the implementation of the AML and CFT programs by referring to applicable policies and adequate information.
- d. Coordinate and monitor the implementation of the AML and CFT policy with those relevant work units liaising with customers.

- e. Receive any report on potentially suspicious money transactions or red flags from those relevant work units liaising with customers and conduct an analysis of the report.
- f. Prepare reports on Suspicious Financial Transactions and other reports as laid out in laws related to the prevention and eradication of money laundering to be handed over to PPATK upon approval of the director overseeing the compliance function.
- g. Monitor, analyze and recommend any need for training on the AML and CFT program for bank employees.

In carrying out Bank functions in 2015, Know Your Customer activities included the following:

- Refined the Implementation Policy of the Anti-Money Laundering and Prevention of Terrorism Financing Programs of BCA that have been approved by the Board of Commissioners.
- Completed the system for filtering outgoing money transfers as part of an effort to improve the STIM application.
- Coordinated the updating of customer data by setting targets and monitoring their realization.
- Monitored dubious financial transactions by applying the Suspicious Transaction Identification Model (STIM).
- Reviewed plans for the launching of new products and activities to ensure they conform to AML and CFT regulations.
- Updated the OFAC List and UN List as a terrorist database to filter customers and transactions.
- Conducted a compliance test on the implementation of AML and CFT in branch offices in cooperation with the Branch Internal Supervisor.
- Reported suspicious financial transactions and cash transfer transactions from and to overseas to PPATK (Financial Transaction Reporting and Analysis Center).
- Conducted training and sensitization of AML and CFT in a continuous manner.
- Developed e-learning material on the implementation of AML and CFT.
- Distributed a comic book on AML and CFT to all branch offices and the head office as part of socialization efforts.

Indicators of Compliance in 2015

- The minimum Capital Adequacy Ratio (CAR), which includes credit, market, and operational risks, is 18.67% and is above the applicable regulation of 9% - 10% (the minimum CAR based on BCA's risk profile is in rank 2).
- The NPL ratio (net) is 0.22%, within the range of the applicable provision of 5% (net) maximum.
- There was no excess or violation to the maximum Legal Lending Limit either to related parties or business groups.
- Minimum Statutory Reserves in Rupiah – Main 7.54% and Secondary 7.44% already comply with the existing provision concerning Minimum Statutory Reserves in Rupiah.
- Minimum Statutory Reserves in Foreign Exchange at 9.12% already comply with the existing provision concerning Minimum Statutory Reserves in Foreign Exchange.
- Foreign Exchange position is 0.41%, significantly above the limit allowed by the regulatory provision of a maximum 20% of the capital.
- Commitments to the Financial Services Authority, Bank Indonesia and other authorities have been well-accomplished.

IMPLEMENTATION OF RISK MANAGEMENT

The Board of Commissioners and Board of Directors are responsible for implementing risk management and the internal control system within BCA. The implementation of risk management and the internal control system covers the following:

- Robust supervision by the Board of Commissioners and Board of Directors.
- Adequacy of policies, procedures and limit setting.
- Adequacy of the process of risk identification, measurement, monitoring and control, and the risk management information system.
- Internal control system.

BCA effectively applies risk management and the internal control system in keeping with business goals and policies, as well as BCA's business size and complexities by complying with the requirements and procedures set forth in regulations issued by Bank Indonesia (BI) and the Financial Services Authority (OJK), as well as referring to best practices through the following actions:



1. Identify and control all risks, including risks arising from new products and activities.
2. Establish a Risk Oversight Committee to ensure that the existing risk management framework provides adequate protection for all BCA risks, with the primary duty of offering recommendations and opinions in a professional and independent manner regarding the appropriateness of policies with the implementation of risk management policies to the Board of Commissioners, and monitoring and evaluating the duties carried out by the Risk Management Committee and Risk Management Unit.
3. Establish a Risk Management Committee with the primary responsibility of formulating risk management policies, strategies and implementation guidelines, improving the effective implementation of risk management based on results of the evaluation of the risk management process and system, and deciding on matters related to business decisions that deviate from normal procedures (irregularities).
4. Establish a Risk Management Unit (Integrated) to ensure that the risks facing the Bank and Subsidiaries are identified, measured, monitored, controlled and accurately reported in an integrated manner by applying the appropriate risk management framework.
5. Manage risks and make sure that the necessary policies and risk limit setting are in place and supported by procedures, reports and information systems that provide accurate and timely information and analysis to the management, including in determining the required measures in dealing with changes in market conditions.
6. Ensure that the existing work systems and procedures pay heed to operational and business dimensions as well as the level of risk that may occur in work units.
7. Ensure that the internal control system is implemented according to applicable policies.
8. Monitor BCA's compliance with principles applied for the management of a healthy bank in conformity with existing policies through the Compliance Unit.
9. Prepare the BCA Risk Profile Report on a quarterly basis and the Integrated Risk Profile Report every semester to be submitted to OJK in a timely fashion.

Risk Management System

In regard to risk control, BCA implements the Risk Management Framework in an integrated manner as embodied in the basic Risk Management Policy. The framework serves as a means for determining BCA strategies, organization, policies, guidelines and infrastructure to help ensure that all risks that BCA needs to deal with can be effectively identified, measured, controlled and reported.

In order for risk management to be implemented effectively and optimally, BCA has established a Risk Management Committee to comprehensively discuss risk-related issues and recommend risk management policies to the Board of Directors.

Apart from the Committee above, BCA has also formed several other Committees assigned to deal with more specific risks, among others the Credit Policy Committee, Credit Committee and Asset and Liability Committee (ALCO).

BCA consistently assesses risks in a comprehensive manner related to the planned launching of new products and activities according to the type of risk set forth in PBI No.5/8/PBI/2003 dated 19 May 2003 and its amendments, among others through PBI No.11/25/PBI/2009 of 1 July 2009 and SEBI No. 11/35/DPNP of 31 December 2009.

Managed risks

There are 8 (eight) types of risks that are being managed:

1. Credit Risk

- Credit organizations undergo continual improvements based on the "four eyes principle" whereby credit decisions are made according to two considerations: business development and credit risk analysis.
- BCA has established a basic Bank Lending Policy (KDPB) that is constantly refined in line with developments in BCA and regulations issued by Bank Indonesia and the Financial Services Authority, and according to international best practices.

- The credit risk management system and procedure is refined through the development of a Loan Origination System for the lending process (from start to finish) to ensure an effective and efficient credit process. A debtor risk profile assessment system is constantly improved to ensure its comprehensive implementation, as is the case for the development of a credit database.
- To maintain credit quality, it is necessary to regularly monitor the quality of loans, both by credit category (Corporate, Commercial, Small and Medium-Sized Enterprise/SME, Consumer and Credit Card) and credit portfolio as a whole.
- BCA has developed its credit risk management system through the stress testing of credit portfolios and monitoring the results of these stress tests. In responding to a changing market and economic turbulence, BCA periodically conducts stress testing. Stress testing is beneficial for the Bank as a tool for estimating the risk impact under stressful conditions which will help BCA devise the most appropriate risk mitigation strategy as part of implementing the contingency plan.
- In monitoring and controlling credit risks in subsidiaries, BCA regularly monitors the credit risks of its subsidiaries while ensuring that an effective Credit Risk Management Policy is in place in subsidiaries.

2. Market Risk

- In managing foreign exchange risks, BCA centralizes the management of its net open foreign exchange position at the Treasury Division, which consolidates daily reports of net open positions from all branches. Each branch is generally expected to cover its foreign exchange risks by the end of each working day, even though each branch has a tolerance limit for its net open position which depends on the volume of foreign exchange transactions at the respective branch. BCA prepares a daily net open position report that combines the net open positions in the consolidated statement of financial position and administrative accounts (off-balance sheet accounts).

- To measure foreign exchange risks, BCA adopts the Value at Risk (VaR) method with the Historical Simulation approach for internal reporting purposes, whereas for calculating provisions its minimum capital requirement BCA applies the Bank Indonesia standard method.
- A key component of BCA liabilities which are sensitive to interest rate movements is customer deposits, while BCA's interest-sensitive assets are government bonds, securities and loans. ALCO regularly keeps track of market developments and adjusts the interest rate of deposits and loans.
- BCA sets the deposit interest rate based on market condition and competition by monitoring the movement of the reference interest rate and the interest rates offered by competitor banks.

3. Liquidity Risk

- BCA places emphasis on maintaining adequate liquidity to fulfill its commitment to customers and other parties in regard to giving out loans, repaying customer deposits and meeting operational liquidity needs. Liquidity needs overall are managed by ALCO, while operationally this comes under the responsibility of the Treasury Division.
- Liquidity risks are measured and controlled by monitoring liquidity reserves and the Loan to Funding Ratio (LFR), analyzing the maturity profile, projecting cashflows and conducting stress tests on a regular basis to observe the impact towards BCA's liquidity under extreme conditions. BCA also follows a contingency funding plan in coping with such extreme situations. Furthermore, in accordance with OJK policies, BCA has conducted a trial run in calculating the Liquidity Coverage Ratio (LCR).
- BCA has complied with provisions related to liquidity as governed in the Bank Indonesia Regulation that makes it compulsory for banks to maintain the Rupiah liquidity (Statutory Reserves) on a daily basis, consisting of Primary Reserves and LFR-Statutory Reserves in the form of Rupiah deposits in Bank Indonesia, Secondary Reserves in the form of



SBI, SDBI, SUN and excess reserves, as well as foreign currency reserves in the form of foreign currency current accounts in Bank Indonesia.

4. Operational Risk

- Basel Accord II requires banks to include operational risks as a component in calculating their capital adequacy. In line with this, BCA implements the Risk Control Self Assessment (RCSA) in all branches/regional offices and in those divisions or work units which have been assessed to have significant operational risks by Head Office. One of the purposes of implementing RCSA is to instill a risk culture and build risk awareness which is a key requirement in risk management.
 - BCA also maintains a database of cases/losses related to operational risks that occur in all work units, known as Loss Event Database (LED). LED is mainly maintained as an instrument to record operational losses which BCA will use in calculating capital charge and regularly monitor events that may result in operational losses for BCA.
- In addition, BCA also applies LED to analyze cases or problems facing the bank in order to decide on the necessary improvement/preventive measures for minimizing/mitigating the risk of operational losses which may later arise. BCA implements Key Risk Indicator (KRI), which is an application that can help provide an indication (early warning sign) of the likelihood of increased operational risk in work units.
- BCA calculates the Bank's minimum capital requirement for operational risks based on the Basic Indicator Approach according to Bank Indonesia regulations related to the inclusion of operational risks into the calculation of the capital adequacy ratio (CAR), apart from credit risk and market risk.

5. Legal Risk

- Inherent legal risks are assessed according to the potential losses of court cases involving BCA and subsidiaries against the Bank's consolidated capital. The parameter for calculating potential losses from an ongoing court case is the basis

for the lawsuit (position case), value of court case and legal documentation.

- To identify, measure, monitor and control legal risks, BCA has established a Legal Group at the Head Office and legal units in most Regional Offices.
- In mitigating legal risks, the Legal Group has taken the following measures:
 - Developed the Legal Risk Management Policy with internal provisions on the organizational structure and job description of the Legal Group, and standardized the legal documents.
 - Held legal communication forums to build the competency of the legal staff.
 - Sensitized on the impact of new regulations on BCA's banking activities and the various modus operandi of banking crimes, and guidelines on handling such cases through the legal route, to branch officers and the relevant work unit.
 - Provided legal defense for ongoing criminal and civil cases involving the Bank, and monitored progress of the cases.
 - Formulated a loan security strategic plan (in cooperation with other work units, among others the Credit Settlement Bureau) related to non-performing loans.
 - Registered with the authorized body all assets owned by BCA, including intellectual property rights for BCA banking products and services, and the right to BCA land and buildings.
 - Monitored and took legal action on violations against BCA assets, including infringements of BCA's intellectual property rights.
 - Monitored and analyzed ongoing court cases faced by BCA and subsidiaries.
 - Conducted an inventory of, monitored, analyzed and calculated potential losses that may occur due to court cases.

6. Reputation Risk

- Reputation risks are assessed by using parameters such as the number of complaints and negative publicity, and complaints

resolution rate. The assessment is presented in the reputation risk profile report prepared on a quarterly basis.

- To manage and control reputation risks, BCA is supported by the Halo BCA Contact Center (24-hour hotline for information, suggestions and complaints).
- Reputation risks are managed according to the following policies:
 - PBI No.7/7/PBI/2005 dated 20 January 2005 on Customer Complaints Resolution as amended through PBI No.10/10/PBI/2008 of 28 February 2008.
 - SEBI No.7/24/DPNP dated 18 July 2005 on Customer Complaints Resolution as amended through SEBI No.10/13/DPNP of 6 March 2008.
 - PBI No.8/5/PBI/2006 dated 30 January 2006 on Banking Mediation as amended through PBI No.10/1/PBI/2008 of 28 February 2008.
 - PBI No.16/1/PBI/2014 dated 16 January 2014 on Consumer Protection Related to the Payment System Services.
 - POJK No.1/POJK.07/2013 dated 26 July 2013 on Consumer Protection Related to the Financial Service Sector.
 - SE OJK No.2/SEOJK.07/2014 dated 14 February 2014 on Consumer Complaint Services and Resolution for Financial Service Providers.

7. Strategic Risk

- Assessment of Inherent strategic risk is conducted by applying parameters such as the suitability of strategy with the business environment, low-risk and high-risk strategy, BCA's business position and the achievement of the Bank Business Plan.
- Assessment of the quality of strategic risk management implementation is conducted by applying parameters such as risk governance, risk management framework, risk management process, management information system, human resource and adequacy of the risk control system.

8. Compliance Risk

- Pursuant to Bank Indonesia Regulation, BCA has appointed a member of the Board of Directors as Director overseeing the compliance function. In implementing duties, the Compliance Director oversees the compliance function with assistance from the Compliance Unit responsible for managing BCA's compliance risks. The Compliance Unit is also in charge of implementing the Anti-Money Laundering (AML) and Prevention of Terrorism Financing (PTF) programs.
- In assessing inherent compliance risks, the parameters are the type and significance of violations that were committed, frequency of violations or compliance track record, and violation against policies related to specific financial transactions.
- BCA enforces compliance policies and procedures that among others govern on a process for the continual adjustment of internal policies and system with prevailing laws and regulations, communicates policies to relevant employees, reviews new products/activities, conducts periodic compliance tests, provides training for employees and prepares quarterly compliance reports for submission to the Board of Directors and Board of Commissioners.
- BCA has introduced and implemented AML and PTF programs. To help identify suspicious financial transactions, BCA has an application that is constantly improved to enhance its capacity.

In relation to the issuance of Regulation of Financial Service Authority No.17/POJK.03/2014 dated 18 November 2014 and Circular Letter of Financial Service Authority No.14/SEOJK.03/2015 regarding Implementation of Integrated Risk Management for Financial Conglomeracy, the Financial Conglomeracy of BCA in integrated manner manages 10 (ten) type of risks with additional 2 (two) risks as follows:

9. Intra-group Transaction Risk

- Assessment of inherent intra-group transaction risk is conducted by applying parameters such as intra-group transaction composition in the



- Financial Group, documentation and fairness of transactions and other information.
- Assessment of the quality of intra-group transaction risk management implementation is conducted by applying parameters such as risk governance, risk management framework, risk management process, MIS and HRD, and adequacy of risk management system.

10. Insurance Risk

- Assessment of inherent insurance risk is conducted by applying parameters such as technical risk, priority of insurance risk towards over all business lines, product risk bias and type of benefit, and reinsurance structure.
- Assessment of the quality of insurance risk management implementation is conducted by applying parameters such as risk governance, risk management framework, risk management process, MIS and HRD, and adequacy of risk management system.

BCA's Integrated Risk profile level in December 2015 is "low to moderate", which reflects a "low to moderate" level of inherent risk and "satisfactory" quality of risk management implementation.

The ranking of risk levels of the 10 (ten) types risk being assessed is as follows:

- Risks with "low" level of risk are Market Risk, Liquidity Risk, Legal Risk, Intra-Group Transaction Risk and Insurance Risk.
- Risks with "low to moderate" level of risk are Credit Risk, Operational Risk, Reputation Risk, Strategic Risk and Compliance Risk.

BCA's Integrated Risk "low to moderate" profile was accomplished because BCA and its Subsidiary Company are able to implement an effective and efficient risk management process in all corporate activities.

The inherent risks trend in the next period is stable because projections show that there will be no significant change to inherent risks.

Similarly, quality of risk management implementation in the future is stable as well. This is because BCA and

Subsidiary Company continually makes enhanced adjustments to the implementation of risk management for all activities which help the Company identify, measure, monitor and control each risk.

INTERNAL CONTROL SYSTEM

BCA's internal control system abides by Bank Indonesia Circular Letter No.5/22/DPNP on Guidelines for Internal Control Systems Standard for Commercial Banks dated 29 September 2003, and cover 5 (five) key components:

- Supervision by management and a control culture.
- Risk identification and assessment.
- Control activities and separation of functions.
- Accounting, information and communication systems.
- Monitoring activities and corrective measures for any irregularity.

The five components are in line with the Internal Control Integrated Framework developed by the Committee of Sponsoring Organization of the Treadway Commission (COSO).

Furthermore, BCA has established a business continuity plan and disaster recovery plan to expedite the recovery process in the event of a disaster, with a backup system for preventing high-risk business failures.

The management and employees of BCA play their roles and responsibility in improving the quality and implementation of BCA's internal control.

Parties involved and responsible for implementing BCA's internal control system among others are the Board of Commissioners, Audit Committee, Board of Directors, Internal Audit Division, BCA senior officers and employees, Branch Internal Supervisors, Internal Regional Office Supervisors and Specific Internal Work Unit Supervisors at Head Office.

Implementation of Internal Control

- Internal control is implemented as follows:
 - Financial Control**, whereby:
 - BCA has prepared a Bank Business Plan that discusses BCA strategies in overall which covers the direction of business development.

- Strategies are formulated by factoring in the impact towards BCA capital, among others capital projections and the minimum capital requirement.
 - The Board of Directors actively engages in discussions to offer input and monitor the internal situation, and keep track of external factors that directly or indirectly affect BCA's business strategy.
 - BCA has implemented a financial control process by monitoring realization against the financial budget in periodic reports and submitted when follow-up action from the Board of Directors is needed.
- b. **Operational Control**, whereby:
- BCA has completed standard operating procedure/work manuals that provide, in detail, the work procedure of each banking operational transaction that BCA undertakes in relation to new products and activities, including the relevant operational risk mitigation measures. The work procedure is developed by the Operational and Service Development and Strategy Division which has been reviewed by various relevant work units to ensure that operational risks that may arise have been effectively mitigated.
 - BCA confers limited powers on officers by imposing a transaction limit and restricted access to IT and computer networks through control of user ID and password, and installing fingerscanners.
 - BCA has established a sound organizational structure complete with supervisory/control units which further support operational control, as provided below:
 - o Separation of functions that may create conflict of interest.
 - o Supervisor oversees the implementation of internal controls in branches on a daily basis.
 - o PIC oversees the implementation of internal controls in branches on a periodic basis.
 - o PIKW (Regional Office Supervisor) oversees the implementation of internal controls in Regional Offices.
 - o Internal Supervisor oversees the implementation of internal controls in certain work units at Head Office.
 - o Risk Management Unit, Legal Group and Compliance Unit.
 - o Internal Audit Division:
 - Independent from the risk-taking unit.
 - Examines and assesses the adequacy/effectiveness of the internal control system, risk management and corporate governance by implementing the annual audit plan.
- c. **Compliance to other laws and regulations**, whereby:
- BCA stands firm in the commitment to comply with prevailing laws and regulations and take the necessary steps to improve weaknesses, if any.
 - BCA has established a Compliance Unit independent from operational units in implementing the compliance function.
 - A quarterly Compliance Monitoring Report is prepared related to BCA's Principle of Prudence, to be submitted to the Board of Commissioners and Board of Directors.
 - BCA's Compliance Risk Management Strategy involves the necessary policies to ensure compliance with applicable laws and regulations which means proactively taking preventive measures (ex-ante) to minimize the possibility of violations and curative actions (ex-post) for improvements.
2. BCA applies an effective inherent control system tailored to BCA business goals, policies, size and complexities in accordance to requirements and procedures set forth in the Bank Indonesia Regulation, and in reference to best practices through the following measures:



- Established clear reporting lines and separation of functions between operational units and units implementing the control function.
- The control function is implemented by the Risk Management Unit (SKMR), Legal Group (GHK), Compliance Unit (SKK), Credit Risk Analysis Group (GARK) and Internal Audit Division (DAI).
- DAI independently and objectively reviews BCA procedures and operational activities on a periodic basis. Review results are presented in the Audit Report and Audit Follow-Up Report to the Board of Directors.
- The Branch Internal Supervisor (PIC), Internal Regional Office Supervisor (PIKW) and DAI evaluate the implementation of BCA systems and procedures. Evaluation results from PIC, PIKW and DAI serve as benchmarks on the level of compliance of work units in existing systems and procedures.

CORRUPTION PREVENTION

• **Implementation Of Anti-Fraud Strategy**

The anti-fraud policy comprises part of BCA's management commitment in preventing fraud by applying an effective and ongoing fraud control system. The fraud control system guides the Bank in determining the necessary measures to prevent, detect, investigate and monitor fraud.

Fraud refers to any violation or act of omission committed willfully to deceive, dupe or manipulate the Bank, customers or other parties that takes place within the Bank and/or using Bank facilities and which causes the Bank, customers or other parties to incur losses, and/or fraud offenders gaining financial advantage or benefit either directly or indirectly.

Actions that constitute fraud are as follows:

1. Cheating.
2. Deception.
3. Asset misappropriation.
4. Breach of confidence.

Background

The legal basis for implementing an anti-fraud policy in BCA is BI Circular Letter No.13/28/DPNP of 9 December 2011. This Circular Letter was issued to help strengthen the internal control system of banking institutions, and for the further implementation of BI Regulation PBI No.5/8/PBI/2003 of 19 May 2003 on Risk Management for Commercial Banks.

Pursuant to the BI Circular Letter, banks are required to establish and apply an effective anti-fraud strategy that should at least fulfill a minimum standard, and should take into account the following matters:

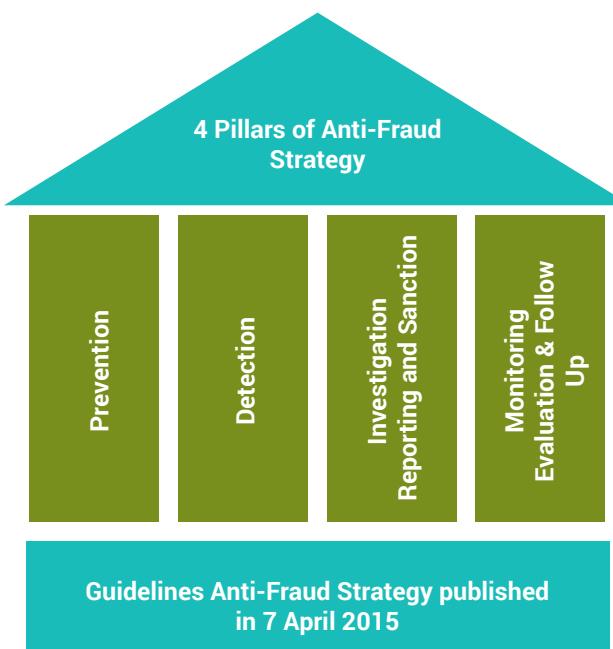
- a. Internal and external environment;
- b. Business complexities;
- c. Potentiality, type and risk of fraud; and
- d. Resource adequacy.

Purpose

An anti-fraud policy is implemented in BCA for the following purpose:

- To instill an anti-fraud culture in all BCA organizational levels.
- To raise awareness and concern over fraud risks in BCA operations.
- To serve as a reminder for BCA operational officers to comply with existing procedures and policies.

The 4 Pillars of Anti-Fraud Strategy



The implemented anti-fraud strategy is a fraud control system consisting of 4 (four) pillars:

1. Prevention:

Comprises methods for lowering the fraud risks from occurring, that should at least cover anti-fraud awareness, identification of vulnerabilities and know your employees.

2. Detection: Comprises methods to identify and detect fraud in Bank operations that should at least cover a whistleblowing mechanism, surprise audit and surveillance system.

3. Investigation, Reporting and Sanction:

Comprises methods to obtain information, implement a reporting system and impose sanctions for fraud in Bank operations that should at least cover investigation standards, reporting mechanism, and the imposition of sanctions.

4. Monitoring, Evaluation and Follow-up:

Comprises methods to monitor and evaluate fraud and the required follow-up action based on evaluation results that should at least cover monitoring and evaluation of fraud and the follow-up mechanism.



- Whistleblowing System**

The whistleblowing system is a means of internal communication for BCA to report on any action/behavior/incident related to fraud, violation of the law, BCA Collective Work Agreement, Code of Ethics and other BCA internal policies, and/or conflict of interest committed internally within BCA.

The lodging of a report must be done in good faith and not grounded on personal complaint, bad faith, or slander. The following provides the definitions and provisions related to the whistleblowing system.

Conflict of Interest

Conflict of interest refers to a situation where BCA personnel in the discharging of their duties and responsibilities have vested interests other than for the best interests of the Company, which could be a personal and family interest, or the interest of other parties that may compromise the person's objectivity in making decisions and policies according to the power and authority which BCA has vested in said person.

Purpose of the Whistleblowing System

- Confidentiality is assured as a means for a whistleblower to report a fraudulent act, as well as violation of the law, BCA Collective Work Agreement, Code of Ethics and other BCA internal policies, and/or conflict of interest, without any fear or worry.
- To ensure the early detection and prevention of fraud.

Complaint Mechanism

The following presents the methods and addresses that whistleblowers can use to initiate the disclosure process.

METHOD	ADDRESS/CONTACT
E-mail	bcabersih@bca.co.id
SMS	0818-0818-1909*
Telepon Direct	021-2358-8008
VSAT – Extension	VSAT 89000 Extension 22888
Mailcorrespondence	PO BOX 1189, JKS 12011

*This number can only be used for text messaging

Matters Required from the Whistleblower

To facilitate and speed up the follow-up process, the whistleblower needs to fulfill the following matters when filing a report.

- Provide personal information to facilitate communication with the whistleblower which should at least consist of the following:
 - Name of whistleblower (an anonymous name is allowed);
 - Phone number/email address which can be contacted.
- Provide an early indication which can be accounted for (3W & 1H) that consists of the following:
 - What is the complaint about;
 - Who is involved;
 - When did it happen;
 - How did it happen;
- The filed report should be related to the following:
 - Fraud;
 - Violation of the law;
 - Violation of the BCA Collective Work Agreement;
 - Breach of Code of Ethics;
 - Breach of other BCA internal policy;
 - Breach of the conflict of interest policy;
 - Other similar matters.

Whistleblower Protection

For reports that have been proven true, BCA shall provide protection for the whistleblower.

Whistleblower protection covers:

- Guarantee of confidentiality of the whistleblower's identity and content of report lodged by the whistleblower;
- Guarantee of protection against any act that may be harmful to the whistleblower;
- Guarantee of protection against the likelihood of a threat, intimidation, punishment or any other unpleasant act brought about by the alleged offender.

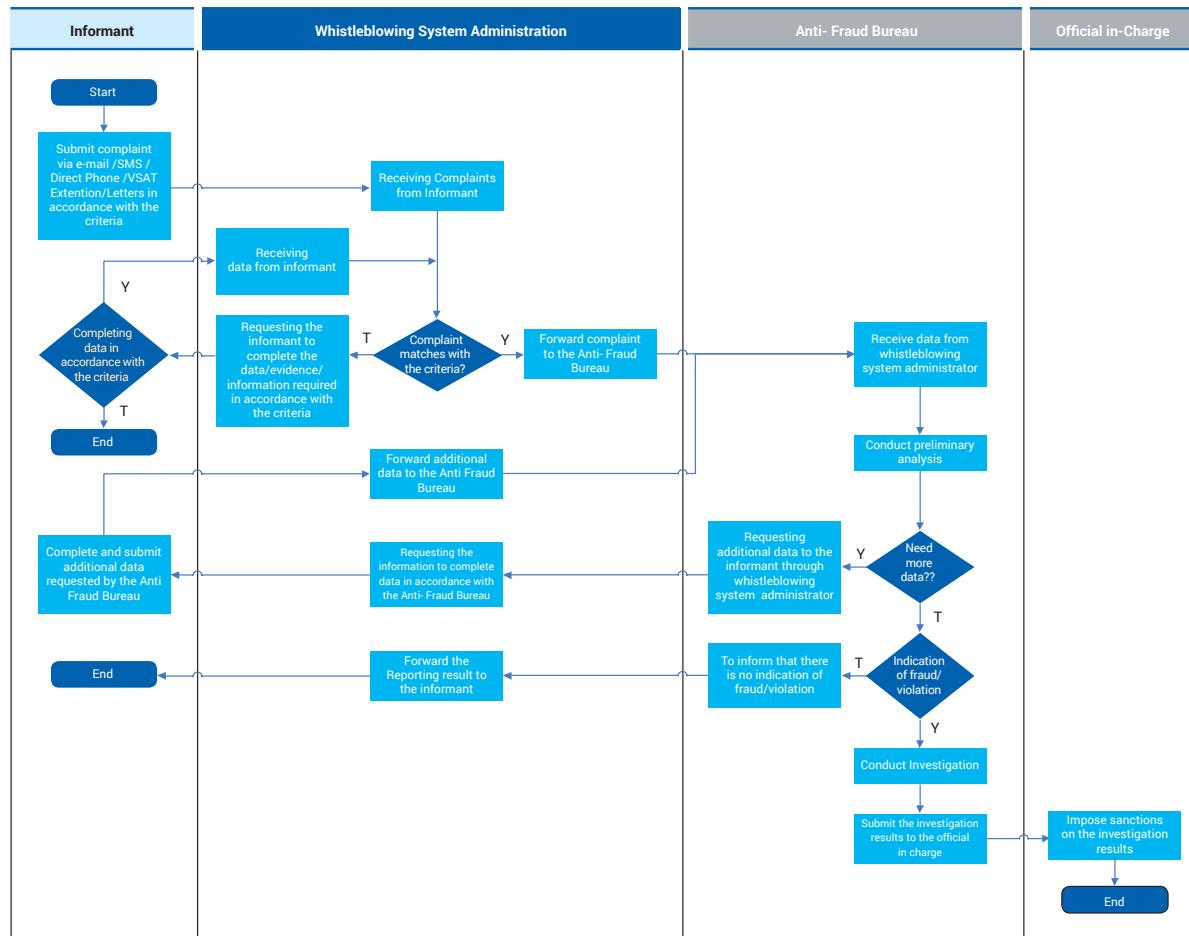
Complaint Handling

Follow-up to a complaint shall be handled thoroughly in compliance with BCA policies and prevailing laws and regulations in Indonesia by BCA's internal team assigned by BCA management.

Imposition of Sanctions

If the investigation process has proven that the alleged offender has committed fraud or wrongdoing, the authorized officer shall impose sanctions according to applicable policies.

Processing Flow of Report Handling



Whistleblowing Data

A recapitulation of incoming reports through the Whistleblowing System is submitted periodically to the Board of Directors. By 31 December 2015, a total of 18 (eighteen) complaints were lodged through the Whistleblowing System with the following status:

Status	Amount	Description
Open (on going)	2	In the middle of the investigation process
Closed (resolved)	16	<ul style="list-style-type: none"> - Proven (2) - Unproven (6) - Customer information/complaint (6) - Incomplete data and the whistleblower could not/has yet to provide the requested additional information/data (2)



- **Anti Gratuity**

The level of trust given to the Bank by the public and market players is highly influenced by the code of conduct of the Bank at all levels, beginning from the Board of Commissioners to the Board of Directors, management and all employees. This trust is critical to foster and maintain business relations with customers and other third parties related to BCA.

In practice, there is the potential for such relationships to incline toward more personal purposes where business ties intertwine with personal relations, causing professional and private interests to collide.

In an effort to build public trust and support the implementation of the principles of good corporate governance, BCA's Board of Directors finds it necessary to establish the necessary policy governing conflict of interest for the purpose of guiding the Bank's work force, as individuals, in interacting with customers, business partners and fellow coworkers.

This policy is intended to provide guidelines on reasonable and reliable conduct for all Bank employees in their dealings with customers, business partners and fellow coworkers, where personal interests must not be allowed to interfere with their professional conduct.

The policy above among others stipulates that:

- All Bank employees are prohibited from soliciting or accepting, allowing or approving the receipt of a gift or reward from a third party who has received or made an attempt to receive facilities from the Bank in the form of loans or other facilities associated with BCA's operational activities.
- All Bank employees are prohibited from soliciting or accepting, allowing or approving the receipt of a gift or reward from a third party who has secured or made an attempt to secure employment or an order associated with the procurement of goods or services from BCA.
- In regard to customers, business partners and other parties offering gifts during specific occasions, such as the Eid al-Fitr celebration or other celebrations, acceptance is prohibited if:

- receipt of the gift will lead to negative consequences and affect BCA decisions, and
- the gift costs greater than a reasonable amount

Any Bank personnel who accept a gift must immediately return it with a courteous explanation on company policy that prohibits the receipt of such gifts.

Concerning this issue and BCA's commitment to promote good corporate governance, all Bank personnel are required to:

1. Know, understand and implement the policy with full responsibility and without exception.
2. Support the implementation of the policy, whereby all members of the Board of Commissioners, Board of Directors as well as echelon 1 to V officials are required to make an annual disclosure of any situation or circumstances that may lead to conflict of interest.

Sanctions for Violations:

1. The policy is binding and must be seriously understood and implemented by all Bank employees as part of the BCA Code of Ethics for Bankers and to support the implementation of the principles of Good Corporate Governance.
2. Any violation or non-compliance with the policy will be liable to sanction according to the severity of the misconduct.

This is part of an effort to prevent gratuities, an act prohibited by existing laws and regulations. In line with this, BCA's Board of Directors since 2003 has issued a Directive to implement the anti-gratuity policy to be adhered to by all Bank personnel.

It has become a culture in BCA to refuse any gift or reward from customers, debtors, vendors, business associates and partners and other third parties for services rendered by BCA employees in carrying out their duties.

- Internal Fraud**

Internal fraud refers to any fraud/deception committed by management, and permanent and temporary employees related to BCA's work processes and operational activities.

In 2015, a number of internal fraud incidents for a nominal value of above IDR 100,000,000 (one hundred million rupiah), including 1 (one) case of internal fraud committed by permanent employees, and 5 (five) cases involving temporary employees.

Internal fraud in a year	Number of cases committed by:					
	Management		Permanent Employee		Temporary Employee	
	Previous year	Current year	Previous year	Current year	Previous year	Current year
Total Fraud	-	-	2	1	1	5
Resolved cases	-	-	2	1	1	-
Ongoing cases resolved internally within BCA	-	-	-	-	-	-
Cases yet to be resolved	-	-	-	-	-	-
Cases already followed-up through the legal process	-	-	-	-	-	-

TRANSACTIONS WITH CONFLICT OF INTEREST AND AFFILIATED TRANSACTIONS

BCA keeps by the commitment to deal with all transactions bearing an element of conflicting interests by complying with existing laws and regulations, among others those issued by Bank Indonesia and OJK. To this end, BCA has established internal policies on conflict of interest as governed in the following:

- Board of Directors Decision No.219/SK/DIR/2003 dated 10 November 2003 on Provisions Regarding Conflict of Interest.
- Board of Directors Decision No.137/SK/DIR/2008 dated 26 September 2008 on Provisions Regarding Transactions with Parties Affiliated to BCA.
- Board of Directors Decision on the Procurement of Logistics Goods/Services and Buildings, including related to Information Technology Applicable to the Head Office, and All BCA Regional and Branch Offices.
- BCA Articles of Association.
- BCA Code of Ethics.
- Code of Ethics of the Logistics and Building Division.
- Internal policies/memos on affiliated transactions.
- BCA manuals such as GCG Manual, Logistics and Building Division Manual.

To prevent conflict of interest from arising in decisions on the procurement of goods and/or services, the following measures on the procurement system were taken:

1. Centralized procurement
Logistics goods/services are procured through the Logistics and Building Division – BCA Head Office.
2. Decentralized Procurement
Logistics goods/services and buildings procured not through the Logistics and Building Division – BCA Head Office, but through the:
 - Head Office Work Unit in Branches, or
 - BCA Regional Office (for all Main Branch Offices and their Sub-Branch Offices).

BCA has also introduced internal policies that require all members of the Board of Commissioners and Board of Directors, and echelon 1 (S1) to 5(S5) officials to make an annual disclosure of any situation or circumstances that may lead to conflict of interest and which is updated on a yearly basis.

In 2015, BCA did not carry out any transaction with conflict of interest.


Affiliated transactions in 2015 are as follows:

No.	Type of Transaction	Affiliated Party	Transaction Value	Reason and Explanation for the Affiliated Transaction
1	The use of Service of Technical Assistance Programmer and IT Architect	PT Angkasa Komunikasi Global Utama	Rp 4,171,200,000,-	PT Angkasa Komunikasi Global Utama has an IT Architect who understands the structure of BCA's delivery channels and has experience in mobile and web programing
2	Room rent for Conducting the 2014 Forth Quarter Analyst Meeting	PT Grand Indonesia	Rp 87,120,000,-	Location of the room is near to the BCA headoffice, making coordination easier
3	Room rent for Conducting of the GMS of BCA of 2015	PT Grand Indonesia	Rp 145,200,000,-	Location of the room is near to the BCA headoffice, making coordination easier
4	Room rent for Conducting the 2015 First Quarter Analyst	PT Grand Indonesia	Rp 87,120,000,-	Location of the room is near to the BCA headoffice, making coordination easier
5	Provision of subordinated loans to PT BCA Sekuritas and Additional Capital in PT Asuransi Jiwa BCA by PT BCA Sekuritas	- PT BCA Sekuritas - PT Asuransi Jiwa BCA	Loans provided directly by BCA amounted to Rp 112,500,000,000,-	This is in line with BCA's efforts to strengthen relationships with its customers by providing more variety of financial solution products and services
6	Increase of paid up capital to PT Asuransi Umum BCA	- PT Asuransi Umum - PT BCA Finance	Portion of directly investment by BCA in the amount of Rp 112,500,000,000.	In line with its business growth, PT Asuransi Umum BCA is necessary to more strengthen the capitalization and to maintain solvency (Risk Based Capital) above minimum provision, namely as much as 120%
7	Long term rent of office space on the 33th floor, Gedung Menara BCA	PT Grand Indonesia	US\$ 32 per semi gross meter square per month + 10% VAT	Currently, BCA is renting office space at Gedung Menara BCA. Due to BCA's organization expansion, more office space is required.
8	Purchase of 10 kiosks at ITC Mangga Dua	Pension Fund of BCA	Rp 5,900,000,000,-	The location is utilized by BCA as a Supporting Branch, therefore enabling BCA to perform operational activities and receive assurance in continuing its future business activities there.
9	Room rent for Conducting the 2015 Second Quarter Analyst Meeting	PT Grand Indonesia	Rp 87,120,000,-	Location of the room is near to the BCA head office, making coordination easier
10	Increase of Paid-up Capital to BCA Syariah	PT Bank BCA Syariah	Rp 400,000,000,000,-	In line with BCA's strategic plan in strengthening relationship with its customers, BCA continues to provide more comprehensive financial products and services. Together with its Subsidiary and BCA Syariah, it plans to enter the BOOK II level in order to support a larger business activities development and increase its business scale.

No.	Type of Transaction	Affiliated Party	Transaction Value	Reason and Explanation for the Affiliated Transaction
11	Room rent for Conducting the 2015 Third Quarter Analyst Meeting	PT Grand Indonesia	Rp 87,120,000,-	Location of the room is near to the BCA head office, making coordination easier.
12	Room rent for Conducting of BCA National Working Meeting of 2016	PT Grand Indonesia	Rp 798,600,000,-	Location of the room is near to the BCA head office, making coordination easier.
13	Sale of land and building between BCA and PT Central Santosa Finance	PT Central Santosa Finane	Rp 13,401,000,000,-	The space is an idle property because it was not used as a branch network and therefore must be settled. By conducting sales, BCA can reduce the cost incurred.

SIGNIFICANT CASES AND ADMINISTRATIVE SANCTION

Civil and criminal cases for the value of over Rp 100,000,000 (one hundred million rupiah) which have been resolved (having permanent legal force) and which are in the process of settlement as of 31 December 2015 are as follows:

Legal Case	Civil Case	Criminal Case
Have been resolved (having permanent legal force):		
• Rp 101 million – Rp 500 million	6	1
• Rp 500 million above	2	-
Total	8	1
Still ongoing:		
• Rp 101 million – Rp 500 million	51	-
• Rp 500 million above	3	-
Total	54	-
Total Number of Cases	62	1

In 2015, there were no significant cases facing BCA and its subsidiaries, or members of its Board of Commissioners and Board of Directors in office for this reporting period, and consequently there is no effect on BCA's financial condition.

Throughout 2015 there were no material administrative sanctions imposed by authorities (Financial Services Authority, Bank Indonesia, Stock Exchange, and other authorities) on BCA, or members of the Board of Commissioners and Board of Directors.

ACCESS TO COMPANY DATA AND INFORMATION

Access to Information

BCA at all times strives to facilitate stakeholders in accessing Company data and information, including on the Company's financial situation as well as corporate products and actions. BCA also issues press releases and sends them out to the print and electronic media.



For more information, the following addresses can be contacted:

- Customers may contact Halo BCA Call Center (021) 500 888.
- The media may directly contact the Corporate Secretariat, Public Relations through humas@bca.co.id
- Investors may directly contact Investor Relations through investor_relations@bca.co.id

Website BCA

BCA's official website (www.bca.co.id) featuring a reliable search engine is intended to help existing and potential customers seek information on BCA products and services.

Furthermore, the BCA website makes available a wide range of interesting and worthwhile articles that provide pertinent information and tips on different needs according to the following categories: Personal & Family, Career & Profession, and Financial & Banking. BCA consistently works toward making its presence felt in society. "BCA, Always By Your Side."

Social Media BCA

In social media, netizens are increasingly being made aware of BCA's presence. BCA is active in different social media platforms such as Facebook, Twitter, Youtube, Kaskus and others. This year, BCA was seriously making itself known through Instagram and LinkedIn. This reflects BCA's earnestness in making its presence felt in society. BCA's official social media accounts and activities can all be accessed at www.bca.co.id/socialmedia

List of BCA Press Releases in 2015

In 2015, BCA has issued 150 (one hundred and fifty) press releases as provided below in detail:

No	Subject	Date
1	Six Banks Serve Payment of Electronic Parking	29 January
2	To encourage Improvement of 'Entrepreneur Capability In Facing Challenges', BCA Supported Conference of Endeavor Scale-Up 2.0	3 February
3	Series of Activity of the 58th Anniversary of BCA: BCA Conducted Eye Examination and Given Free Spectacles to BCA Partner School in Serang	4
4	Proofing the Commitment to Serve Customer, BCA Achieved ESEAward	10
5	Series of Activities of the 58th Anniversary of BCA: BCA Conducted Eye Examination and Given Free Spectacles to BCA Partner School in Lampung	10
6	BCA Achieved 8 Awards in Top Brand Award 2015 Event	10
7	BCA Supported MPN G-2 For Realization of Tax Revenue Integrated System	17
8	Series of Activities of the 58th Anniversary of BCA: BCA Officially Inaugurated the Bakti Medika Clinic and Held Free Medication	23
9	Expanding the Flazz Service, BCA Signed Co-branding Cooperation with Bank Woori Saudara	26
10	Series of Activities of the 58th Anniversary of BCA: Appreciating Employees, BCA Held Porseni 2015	26
11	Series of Activity of the 58th Anniversary of BCA: BCA Appreciates Customer Through Gebyar BCA	28

No	Subject	Date
12	Series of Activities of the 58th Anniversary of BCA: To Improve the Environment Awareness, BCA Educated Society at Car Free Day Jakarta	March 1
13	PT Bank Central Asia Tbk – Performance Result of 2014 Providing Value Added in the Middle of Business Uncertainty	5
14	Series of Activities of the 58th Anniversary of BCA: Donation of 13 Cataract Surgery Tools & 2 Biometri Tools to SPBK Perdami	6
15	To Improve Softskill of Scholarship Receivers, BCA Held Seminar in ITB, Bandung	14
16	Series of Activities of the 58th Anniversary of BCA: To preserve Environment, BCA Planted 18.000 Mangrove Trees in 9 Cities	18
17	Series of Activities of the 58th Anniversary of BCA: Caring of Public Health, BCA Held Free Medication in Partner Village, Yogyakarta	19
18	BCA Achieved Best Achiever Banking in Obsession Award 2015	19
19	BCA Achieved 8 Award Categories in Infobank Digital Awards 2015	26
20	Garuda Indonesia and BCA Signed Cooperation of E-commerce & Program Promosi	30
		April
21	To Keep on Providing Comfort in PBB Payment, BCA Continues a Cooperation with Government of South Tangerang City	2
22	To Support LAKU PANDAI BCA Launched LAKU in Grobogan, Jawa Tengah	6
23	BCA Held Annual and Extraordinary General Meeting of Shareholders	9
24	Series of Activities of the 58th Anniversary of BCA: BCA Held Seminar for Universitas Udayana Students, Bali	10
25	To improve Art and Culture Concept, BCA Invited Partner Students to Watch "Opera Ular Putih"	12
26	BCA Achieved 10 Awards in Contact Center Service Excellence Award (CCSEA) 2015	15
27	Series of Activities of the 58th Anniversary of BCA: BCA Continues on Planting Mangrove at Muara Kali Opak Yogyakarta	15
28	Series of Activities of the 58th Anniversary of BCA: BCA Continues on Planting Mangrove at Teluk Lamong Surabaya	17
29	Providing Support to Airport Quality Improvement, BCA Participated in Syndication Project of Soekarno-Hatta Airport Construction	20
30	To Increase the Use of Public Transportation, BCA Provided Tourism Bus to Government of Bandung City	20
31	To Support Entrepreneurship Improvement in Sidogiri, BCA Syariah Submitted Assistance to LAZ Sidogiri, Pasuruan	27
32	PT Bank Central Asia Tbk, January-March 2015 Results Announcement of BCA Maintaining focus in an Uncertain Environment	29
33	Series of Activities of the 58th Anniversary of BCA: BCA Continues on Planting Mangrove in Lamujung, Aceh Besar	29
34	Spoiling Consumer, Credit 1 Car at BCA Finance or KKB BCA Has Opportunity to Take Home 3 Cars	30



No	Subject	Date
		May
35	To Explore Science of Banking and Indonesian Economy, Students of Singapore Management University Visited BCA	5
36	To reduce Number of Cataract Patients, BCA Held Cataract Operation in South Kalimantan, Banjarmasin	7
37	Maintaining Service Quality, BCA Achieved WOW Service Excellence Award	8
38	BCA Held Training and Development to Scholarship Receivers of Brawijaya University & Airlangga University, Malang	9
39	Supporting SiMolek Operation, BCA and Other LJK Achieved Awards	12
40	Jahja Setiaatmadja Achieved the Most Innovative CEO in Indonesia Property & Bank Award 2015	21
41	Providing the Best Service, BCA Achieved Service Quality Award 2015	22
42	BCA Introduced Mascot of BCA Indonesia Open in Bandung, Bandung	24
43	BCA Indonesia Open 2015 Granted a Total Rp 10 Billion for the Champion	25
44	Jahja Setiaatmadja Achieved Best CEO Predicate in the Finance Asia Award Event: Asia's Best Companies 2015	26
45	Playing Golf and To Give Charity in BCA Royale Open Tournament 2015	27
46	Proofing its Service Quality, BCA Achieved 26 Medalions of Contact Center World Asia Pacific Region, Singapura	28
47	BCA Held Training and Development to Scholarship Receivers of Gadjah Mada University, Yogyakarta	30
		June
48	BCA Indonesia Open Superseries Premier 2015, Indonesian Athletes Are Ready To Show Their Abilities at Istora Jakarta	2
49	Providing the Best Service, BCA Received Award in Banking Service Excellence Award 2015	4
50	Again, Proofing its Service Quality, Halo BCA Once Again Achieved Award in The Best Contact Center Indonesia	4
51	Supporting Effort of Financial Literacy, BCA Held Education to Students and Families of TKI in Sukabumi	4
52	By inviting the People to Live in Healthy Life Style, Again BCA Stood as a Sponsor for Electro Run 2015	6
53	To Prevent Abrasion, BCA and WWF Indonesia Planted Mangrove in Bengkayang Coast , West Kalimantan	9
54	Creating Positive Working Culture and Environment, BCA Achieved Gallup Great Workplace Award	9
55	Maintaining Good Reputation to Stakeholders, BCA Achieved Corporate Image Award 2015	11
56	Six of BCA Products Become the Choice of Middle Up Class Society	11
57	Celebrating the 55th Fisherman Anniversary, BCA Held Cataract Operation in Sukabumi	12
58	Supporting Youth Creativity, BCA Held Short Movie Award	12
59	Developing Tourism Village, BCA Invited 2 Partner Villages to Carry Out Comparative Study To Pentingsari Village, Yogyakarta	12
60	Supporting Art Preservation, BCA Supported Jazz Gunung 2015, Probolinggo, East Java	12
61	Leading Syndication Credit of 21 Banks Amounting to Rp8,8 T - BCA Accomplished Financing of 116.75 Kilometers Cikopo - Palimanan Toll Road	13
62	Jahja Setiaatmadja Become One of the CEO Choice of Bisnis Indonesia Award	16
63	Again BCA Achieved Predicate as the Best Bank	16
64	Preventing Abrasion, BCA Continues on Mangrove Planting in Wringin Putih, Banyuwangi	24
65	Preventing Abrasion, Again BCA Planted Mangrove in Pejajaran, Bali	25

No	Subject	Date
		July
66	BCA Cooperated with BI and Other 13 Banks To Providing Cash for Lebaran Preparation -	6
67	BCA Signed Cooperation Agreement As the Payment Bank with Custodian of The Central Stock Exchange	10
68	58 Years in Serving Indonesian People, BCA Achieved the Predicate as the Living Legend Company	11
69	Again BCA was Recognized as the Best Bank in Euromoney Awards for Excellence 2015, Hong Kong	16
70	Assignment of Service of BCA Kuta, Bali	18
71	BCA is Ready to Fulfill Customers' Banking Needs at Idul Fitri	20
72	BCA Remained Provides Prime Service After Lebaran Holiday	20
73	Performance Result of January - June Period of 2015 to Retaining Focus in the Middle of Business Uncertainty	29
74	BCA Held Training to Management to the Batu Lonceng Tourism Villagem Bandung	30
75	Again, BCA Held Gebyar Tahapan BCA 2015, Yogyakarta	31
76	Again, BCA Held Gebyar Tahapan BCA 2015, Palembang	31
		August
77	Bright Performance, BCA Is Once More Included in Forbes Global 2000 Awards	6
78	BCA & Kidzania Jakarta Provided Education the Importance of Saving to Elementary School Students	10
79	Mutually with OJK, BCA Operated SiMOLEK in 15 Cities	3
80	Tahapan BCA Becomes the Most Frequently Discussed Saving Product	13
81	Having Maintained an Excellent Performance for More Than 15 Tahun, BCA Achieved Titanium Trophy	14
82	BCA Provided Assistance to BOS Foundation for Orangutan Release to Kehje Sewen Forrest, East Kalimantan	19
83	BCA Achieved the First Rank of the Most Valued Indonesian Company 2015 Version Millward Brown	19
84	Again, BCA Held Gebyar Tahapan BCA 2015	21
85	BCA Achieved Two Categories in Social Business Innovation Award upon the Awareness To Environment Through CSR Activity	25
86	Applying Good Corporate Governance Consistently, BCA Received ICGC Award 2015	26
87	Jahja Setiaatmadja Was Recognized as the Most Influenced Banking Figure in Golden Property Award 2015	26
88	Jahja Setiaatmadja Was Awarded as CEO of The Year in APTI II 2015	27
		September
89	IBEX 2015 was Again Presented and Become the Place of Banking and Regulation Exchange Idea	3
90	Appreciating Customer, Director of BCA Served Customer at the National Customer Day	4
91	Again, BCA Held Gebyar Tahapan BCA 2015, Makassar	4
92	Preparing College Students to Face Working World, BCA Held a Seminar at USU, Medan	5
93	Again BCA Enlivened the Sympathetic Parade of the National Customer Service	6
94	BCA Held Indonesia Knowledge Forum (IKF) IV 2015	7
95	Once Again, BCA Provided Support to UNICEF Through Donation of Children-Friendly Education in Papua	8



No	Subject	Date
96	Supporting the Improvement of Financial Literacy, BCA Participated to Develop Tabungan SimPel	8
97	BCA Submitted Aid of School Equipment to the Evacuees of Sinabung Mountain Eruption, Kabanjahe	10
98	Providing Product Quality, BCA Achieved Three Awards in Indonesia WOW Brand Award 2015	10
99	BCA is One of the Agent of the Best State Obligation Seller	21
100	BCA Achieved Second Rank for Finance Private Category - Listed in Annual Report Award 2014	22
101	Banking Innovation for Young Generation, BCA Launched Sakuku Product	28
October		
102	Klik BCA Business Presents Flight Comfort Jointly with Sriwijaya Air Group	1
103	Jahja Setiaatmadja Was Recognized as the Spoken Person of The Year 2015	1
104	Again, BCA Held Cataract Operation Mutually with SPBK - Perdamai in Sikka, NTT	3
105	Holding Forum IKF IV, BCA Opened Generation Cross Inspiration Class	7
106	"Become an Inspiring Teacher" - BCA Held Training to Teachers in Timika	7
107	Wayang Day On School "FUN-tastic Wayang", BCA Introduced Wayang to Students, Semarang	8
108	Improving Service to Customer, BCA Signed Ticket Payment Cooperation with Garuda Indonesia	8
109	Providing Qualified Service, Again, BCA Achieved Indonesia WOW Service Excellence Award 2015	9
110	Providing Suport of Qualified Education, BCA Donated Library Books, Manokwari	9
111	BCA Achieved The Strongest Bank by Balance Sheet in Indonesia in Asian Banker (AB) 500, Singapura	13
112	Introducing Indonesian Coffee with High Taste, BCA Supported the Series of Banyuwangi Festival, Banyuwangi	19
113	BCA Achieved 7 Awards in Digital Marketing & Social Media Award 2015	22
114	"Great Teacher Produces Great Students!" Through Teacher Training of BCA School Partner in Yogyakarta	23
115	BCA Held Cataract Operation in Mamuju to Reduce Number of Cataract Patients	27
116	Awarding of Short Film Competition of BCA Shovia 2015 to Indonesian College Students	27
117	January-September 2015 Results Announcement of BCA Maintaining Focus as Condition Evolve	28
118	To Bring Closer Society with Banking Service, BCA Launched Laku Pandai in Kuningan	30
November		
119	BCA Supported University Education Development through Scholarship Provision to USU Students, Medan	3
120	BCA Supported University Education Development through Scholarship Provision to UGM Students, Yogyakarta	5
121	BCA Achieved Two Awards in APBI 2015	5
122	BCA Supported University Education Development through Scholarship Provision to Students of Udayana University, Bali	5
123	Contributing in National Development, BCA Achieved the TOP Private Bank for Infrastructure Financing 2015	6
124	BCA Supported University Education Development through Scholarship Provision to Students of IPB, Bogor	6

No	Subject	Date
125	BCA Supported University Education Development through Scholarship Provision to Students of Brawijaya University, Malang	9
126	BCA Supported University Education Development through Scholarship Provision to Students of Diponegoro University, Semarang	10
127	Supporting Saving Culture in the Circle of Students, BCA and BCA Syariah Performed Activation to Tabungan SimPel & SimPel IB in Bandung	10
128	BCA Supported University Education Development through Scholarship Provision to Students of Sam Ratulangi University, Manado	12
129	BCA Preparing Finance for Maritime and Fishery Sector Development in Malang	13
130	Applying a Good Governance Company, Again, BCA Achieved Corporate Governance Award 2015	16
131	Applying ISO 9001: 2008 of Quality Management System, BCA Continues to Improve the Service Quality of Information Technology	16
132	Introducing Wayang to Students, BCA Held Wayang in Town: Journey in A Thousand Years	17
133	BCA Supported University Education Development through Scholarship Provision to Students of Unair and ITS, Surabaya	17
134	BCA Supported University Education Development through Scholarship Provision to Students of Unhas, Makassar	17
135	BCA Supported University Education Development through Scholarship Provision to Students of ITB and Unpad, Bandung	19
136	BCA Career Land Introduced Banking to College Students	21
137	Sustainable Finance Program Stabilized BCA in the Line of Sustainable Finance	23
138	Holding a Competition for Graduate Students, BCA Achieved Award in The 8th Indonesia Most Experiential Brand Activation 2015	25
139	Collaboration Expansion in Perfecture Hokkaido, BCA is Cooperating with The Hokkaido Bank, Ltd	25
140	Total Solution of Save and Trusted BCA Online Transaction Service through e-Shopping Carnival 2015	30
141	Providing Investment Solution for Customers, BCA Signed a Cooperation of Mutual Funds Seller Agent with Ashmore	30
December		
142	To Become an Ideal Leader, Jahja Setiaatmadja Achieved the Award of Indonesia Most Admired CEO 2015	7
143	President Director of BCA Jahja Setiaatmadja, is the Marketeer of the Years 2015	10
144	To Improve Tourism Potential, BCA Officially Inaugurate Pentingsari Tourism Village as a Partner Village, Yogyakarta	11
145	BCA Supported Development of Education Facility through Donation Submission for Repair Construction of the Central Library Building of UGM, Yogyakarta	11
146	President Director of BCA, Jahja Setiaatmadja was Again Recognized as the Top National Banker 2015	16
147	Obtaining Public Trust, BCA Achieved Award in the Indonesia Good Governance Award 2015	17
148	Spoiling Customers through Keren Banget Credit Program, BCA and BCA Finance Draw the Program Winners	21
149	To Strengthen the Branchless Banking Service, BCA and Indepay Launched Low-cost Payment Network	21
150	BCA is Ready to Fulfill Customers Needs During the National Holiday	22



Correspondence with the Financial Services Authority (OJK) and Indonesia Stock Exchange (IDX)

In 2015, BCA delivered of correspondence to OJK, including the following:

No.	Subject	Date
1	Information Disclosure on Certain Shareholders	27 January
2	Information Disclosure on Certain Shareholders	12 February
3	Information Disclosure on Certain Shareholders	13
4	Submission of Report in Relation to Transaction with Transaction Value Not More than 0.5% of Paid-Up Capital of the Company and not Larger than Rp 5 Billion	16
5	Information Disclosure on Certain Shareholders	17
6	Notification on Agenda of RUPST and RUPSLB of PT BCA Tbk of 2015	23
		March
7	Notification on Agenda of RUPST and RUPSLB of PT BCA Tbk of 2015	3
8	Submission of Report in Relation to Transaction with Transaction Value Not More than 0.5% of Paid-Up Capital of the Company and not Larger than Rp 5 Billion	5
9	Submission of Annual Financial Statement of 2014 of PT BCA Tbk (Audited)	6
10	Submission on Announcement Evidence of Annual Financial Statement of 2014 of PT BCA Tbk (Audited)	6
11	Information Disclosure on Certain Shareholders	9
12	Submission of Evidence of Summon of RUPST and RUPSLB of PT BCA Tbk	17
13	Submission of Evidence of Summon of RUPST and RUPSLB of PT BCA Tbk	18
14	Submission of Evidence of Summon of RUPST and RUPSLB of PT BCA Tbk (to DPB 3 - OJK)	19
15	Information Disclosure on Certain Shareholders	27
16	Submission of Financial Statement of 2014 of PT BCA Tbk (to DPB 3 – OJK)	31
17	Report Submission on GCG Implementation of PT BCA Tbk of 2014 (to DPB 3 – OJK)	31
		April
18	Submission of Announcement Evidence of Information Disclosure in Relation to Affiliation Transaction	1
19	Submission of Result of RUPST and RUPSLB of PT BCA Tbk	13
20	Submission of Announcement Evidence of Minutes of RUPST and RUPSLB of PT BCA Tbk	13
21	Submission of Announcement Evidence of Summary Minutes of RUPST and RUPSLB PT BCA Tbk (to DPB 3 – OJK)	13
22	Submission of Report in Relation to Transaction with Transaction Value Not More than 0.5% of Paid-Up Capital of the Company and not Larger than Rp 5 Billion	13
23	Submission of Report in Relation to Transaction with Transaction Value Not More than 0.5% of Paid-Up Capital of the Company and not Larger than Rp 5 Billion	29
24	Submission of Announcement Evidence of Summary of I Quarter Financial Statement of 2015 of PT BCA Tbk	30
25	Submission of Announcement Evidence of Summary of I Quarter Financial Statement of 2015 of PT BCA Tbk (to DPB 3 – OJK)	30

No.	Subject	Date
26	Submission of Annual Report of Subsidiary Entity of 2014 of PT BCA Tbk	30
27	Submission of Copy of Deed of Minutes of RUPST and RUPSLB of PT BCA Tbk (to DPB 3 – OJK)	30
28	Submission of Copy of Deed of Minutes of RUPST and RUPSLB of PT BCA Tbk	30
		May
29	Information Disclosure on Certain Shareholders	25
		July
30	Information Disclosure in Relation to Affiliation Transaction	2
31	Submission of Advertising Evidence in Relation to Information Disclosure in Relation to Affiliation Transaction	2
32	Information Disclosure in Relation to Affiliation Transaction	14
33	Submission of Report in Relation to Transaction with Transaction Value Not More than 0.5% of Paid-Up Capital of the Company and not Larger than Rp 5 Billion	29
34	Submission of Semi-Annual Financial Report of 2015 of PT BCA Tbk (Unaudited)	30
35	Submission of Announcement Evidence of Summary of Semi-Annual Financial Statement of 2015 of PT BCA Tbk (Unaudited)	30
36	Submission of Announcement Evidence of Summary of Semi-Annual Financial Statement of 2015 of PT BCA Tbk (Unaudited) (to DPB 3 – OJK)	30
		September
37	Information Disclosure in Relation to Affiliation Transaction	7
		October
38	Submission of III Quarter Financial Statement of 2015 of PT BCA Tbk (Unaudited) (to DPB 3 – OJK)	29
39	Submission of Announcement Evidence of Summary of III Quarter Financial Statement of 2015 of PT BCA Tbk (Unaudited)	29
40	Submission of Announcement Evidence of Summary of III Quarter Financial Statement of 2015 of PT BCA Tbk (Unaudited) (to DPB 3 – OJK)	29
41	Submission of Report in Relation to Transaction with Transaction Value Not More than 0.5% of Paid-Up Capital of the Company and not Larger than Rp 5 Billion	29
		November
42	Submission of Evidence of Notification Advertising to Shareholders on Distribution of Cash Interim Dividend of Fiscal Year 2015	9
43	Submission of Report on Education Plan to Improve Financial Literacy for Consumer and/or Society in the Period of January up to December 2016	19
		December
44	Submission of Report in Relation to Transaction with Transaction Value Not More than 0.5% of Paid-Up Capital of the Company and not Larger than Rp 5 Billion	1
45	Information Disclosure in Relation to Affiliation Transaction	21



Throughout 2015, BCA has delivered correspondences to BEI, several as follows:

No	Subject	Date
1	Information on Publication of Annual Financial Statement Summary of 2014 (Audited) of PT BCA Tbk	5 March
2	Report and Announcement of Schedule of Cash Dividend Distribution of Fiscal Year 2014 of PT BCA Tbk	13 April
3	Submission of Announcement Evidence on Schedule of Cash Dividend Distribution of Fiscal Year 2014	13 April
4	Information on Publication of Summary of I Quarter Financial Statement of 2015 of PT BCA Tbk	29 April
5	Submission of I Quarter Financial Statement of 2015 of PT BCA Tbk	30 April
6	Information on Publication of Summary of Semi-Annual Financial Statement of 2015 of PT BCA Tbk	29 July
7	Information on Publication of Summary of III Quarter Financial Statement of 2015 of PT BCA Tbk	28 October
8	Submission of III Quarter Financial Statement of 2015 of PT BCA Tbk	29 October
9	Report of Announcement on Schedule and Distribution Procedure of Cash Interim Dividend of Fiscal Year 2015	9 November
10	Submission of Implementation Result of Issuer Presentation and Press Release Presentation in the Investor Summit 2015 Event.	12 November

Internal Communications

Internal communication plays a central role in building corporate character and corporate culture, fostering solid team work. Smooth, intensive and effective internal communications in disseminating company information will accelerate processes and mechanisms at all organizational levels. In line with this, overall Company performance is inextricably linked to effective Company-wide internal communication support.

Information content and communication media are the keys to successful internal communication. Both components are complementary and together ensure that information reaches employees, is understandable and actionable.

With a sizeable work force dispersed across Indonesia, effective internal communication is key to making BCA's vision and mission real. BCA is therefore fully aware of the need for an accurately-targeted internal communication strategy which among other goals aims to cultivate a harmonious relationship with all employees.

Through smooth, intensive and effective internal communication for disseminating Company information, BCA can accelerate processes and mechanisms in all organizational levels.

Internal communication media in BCA, includes:

1. InfoBCA

InfoBCA is a monthly in-house magazine that functions as a media for education, sensitization, entertainment and the sharing of knowledge, experiences and company activities for all BCA employees.

Therefore, InfoBCA contains information on Company, products, services, networks, programs, awards and recognitions, technology, activities of all work units and branches spread across Indonesia, subsidiaries, knowledge resources(economy, business and investment, etc), learning and motivation modules and other useful information for employees.

From time to time, InfoBCA publishes Special Editions that feature information on service-related activities. To meet the needs of readers and BCA's employees, other than the printed edition, the magazine is also published in an e-magazine edition, which can be downloaded through MyBCA.

2. MyBCA

MyBCA is BCA's internet-based internal communication media. It is only accessible internally within BCA through Company-provided facilities.

MyBCA is managed by the Information Technology Group in cooperation with Public Relations and other work units at the Head Office. Each work unit maintains their own portal accessible through MyBCA's main page. This internal website functions as a medium for imparting information on the Company, work unit programs and other key information, building awareness on products, services, programs, educational and learning media, and other valuable information.

Employees can download various data such as application systems, texts, pictures and videos useful for supporting work-related activities. MyBCA's function has broadened to include online information and personnel administration services such as health expenses, request for leave, overtime, business trips, employee data, compensation, appraisal and others.

3. Plasma TV

To complete internal communication media, Plasma TVs are installed in strategic locations inside BCA office buildings or premises. This audio visual electronic media provides information on the Company, products, services, work unit activities and other important information.

4. Email

BCA also relies on email as an internal communication media. Email blasts are effective in spreading information on the Company, products, programs or events, and other information. Another of the many email internal communication facilities is the management communication forum.

5. Microsoft Lync

Another internal communication media is based on Software Microsoft Lync, which enables employees to send data or information from their respective personal computer (PC) and easily communicate with each other, as similar to the chatting feature in modern gadgets. Microsoft Lync is particularly useful for urgent matters because incoming messages instantly appear on screen with a message alert, along with the incoming message sign. In addition, the Microsoft Lync facility can be used for sending large files or data.

6. Internal Events

Internal communication is also built through a wide range of internal events, such as:

- a. BCA anniversary activities;
- b. Branch openings;
- c. Lunching Together with Management;
- d. Gatherings to celebrate, among others Christmas/New Year and Eid al-Fitr, annual recreational events and events dedicated to BCA retirees;
- e. National Working Meetings attended by the Board of Commissioners, Board of Directors, Regional Office Heads, Division Heads, Division Deputy Heads and Branch Heads;
- f. Coordination meetings, such as at the regional and branch levels;
- g. Sports, arts and cultural activities under Bakorseni;
- h. Knowledge sharing, such as COP (community of practice).

7. Corporate Identity Manual

This manual is internal guidance for BCA, specifically in using the corporate logo and other usage. This standardization applies at least to:

- a. BCA logo;
- b. Building signage (Head Office, Regional and Branch Offices);
- c. Corporate materials: ID cards, name cards, corporate advertisements, stationery and others;
- d. BCA employee uniforms.



8. Facebook Semua Beres

BCA makes the most of Facebook as a means of internal communication known as Facebook Semua Beres. As a social networking site, Facebook helps share information on BCA performance, specifically related to BCA solutions or values. Internal parties within BCA already registered are connected to each other and can exchange information and experiences.

9. HaloSDM

A call center for BCA employees creates a communication line on information related to human resource policies. This facility provides employees with the opportunity to better understand and comply with BCA policies.

Bakorseni

Bakorseni, standing for the Coordinating Body for Sports, Arts and Hobbies, is an informal forum with the purpose of encouraging BCA employees to develop their interest in sports, arts and hobbies.

The National Bakorseni is headquartered in Jakarta under the coordination of the Training and Learning Division (DPP), which in its daily operations is assisted by executives from the Head Office and Regional Bakorseni (BAKORWIL) to coordinate routine activities related to sports, arts and hobbies at the respective Regional/Branch Office/Work Unit.

Bakorseni was established to nurture a sense of togetherness and camaraderie, and to develop employee potential in sports, arts and hobbies, in order to create a work-life balance where employees are not only preoccupied with work but also have balance with activities outside of work such as in sports, arts or other hobbies. This is expected to boost productivity and employee spirit at work.

Types of Bakorseni activities:

1. Sports: football, volleyball, futsal, table tennis, tennis, basketball, badminton, cycling, bowling and others.
2. Arts: vocal group, choir singing, band, dance and shadow puppetry.
3. Hobbies: photography, fishing, chess.

Bakorseni organizes a national-scale activity known as National Porseni every 3 (three) years, and a regional event for the Jabodetabek area on a yearly basis. Outside of Jabodetabek, the Regional Porseni may be held every 1-2 years.

In its implementation, Bakorseni also coordinates with various BCA internal work units and relevant bodies outside of BCA, such as banking institutions and organizations dedicated to sports, arts and hobbies, for encouraging employees to compete in various competitions or championships such as the Inter-Bank Sports Week organized by Bank Indonesia (PORBANK) or other sports events held by the National Private Bank Association (PERBANAS) and the Regional Banking Consultative Board (BMPD).

Bakorseni Activities in 2015

1. Held the National Coordination Meeting attended by executives of National Bakorseni in preparation for National PORSENI to celebrate BCA's 58th.
2. Organized National Porseni as part of BCA's 58th anniversary celebration on 22 February 2015 at the Soemantri Brodjonegoro Sports Complex in Jakarta that involved 1,148 athletes and 3,000 employees from BCA Regional and Branch Offices across Indonesia.
3. Indonesia Wayang Seminar, held on 7 November 2015 at the Raden Saleh Cultural Center in Semarang, to commemorate 12 years of the Indonesian wayang puppetry declared by UNESCO as a World Heritage. Present at the event were experts and executives of national wayang organizations from Jakarta, Semarang and Jogjakarta.
4. In the field of sports, the Head Office and Regional Offices held regular training, joint community activities and the Regional PORSENI.
5. In regard to arts, several friendly competitions were held and members performed in events held by organizations outside of BCA, in addition to regular training.
6. In regard to hobbies, several seminars were held apart from training for competitions and regular activities.

CODE OF ETHICS

BCA Code of Ethics for Bankers

1. Comply with existing laws and regulations.
2. Maintain the good name and reputation of BCA and safeguard corporate assets.
3. Maintain the confidentiality of BCA and customer data.
4. Ensure that personal interests do not conflict with the interests of BCA or customers.
5. Accurately record all transactions according to applicable policies.
6. Nurture and maintain a harmonious working environment and healthy competition.
7. Will not abuse their position and powers for personal or family interests.
8. Will not commit an act of misconduct that may be harmful to their professional image and BCA's reputation in general.
9. Will shun all forms of gambling or speculation.
10. Will constantly build their knowledge and broaden their horizons by keeping abreast of developments in the banking industry in particular and the business world in general.

Sensitization and Enforcement of the Code of Ethics

Pursuant to the Direction of the Board of Directors No. 778/SK/DIR/95, BCA's Code of Ethics applies to members of the Board of Commissioners and Board of Directors, and BCA employees. The Code of Ethics is available in pocketbook form and has been distributed to all BCA employees. Employees sign a statement asserting that they understand and promise to observe and implement BCA's Code of Ethics to guide their conduct and behavior both inside and outside of work. Any breach to the Code of Ethics will be liable to sanctions according to existing policies.

BCA's Code of Ethics for Bankers is accessible at the Company website under Good Corporate Governance.

Apart from the Code of Ethics, BCA Board of Directors has issued a policy that guides employees when liaising with customers, business partners and fellow coworkers as laid down in Direction No.219/SK/DIR/2003

dated 10 November 2003. The Directive applies to all BCA employees, including members of the Board of Commissioners and Directors and all employees. The policy and Code of Ethics are also embodied in BCA's GCG Manual.

Enforcement of the Code of Ethics and Sanctions for Breach of the Code of Ethics

- The policy and Code of Ethics are binding in nature and must be understood and implemented in all earnestness by all BCA employees to support the fulfillment of GCG principles.
- In the event of a breach or non-compliance with provisions in the policy and Code of Ethics, the offender is liable to sanctions according to the severity of the wrongdoing. Any decision on this matter shall be made by BCA in proportion to the type and severity of the offense based on a comprehensive evaluation of the individual who has committed the act of misconduct.

In 2015, BCA did not introduce breach of the Code Ethics

CORPORATE CULTURE

Corporate Culture Consists of BCA Vision, Mission and Values.

BCA's Vision, Mission and Values are as follows:

BCA's Vision

To be the people's bank of choice and a key pillar of Indonesia's economy.

BCA's Mission

- To build an outstanding institution in the field of payment settlement and financial solution for business entities and individual customers.
- To understand the diverse needs of customers and offer the right financial services to generate optimal customer satisfaction.
- To increase BCA's franchise value and stakeholder value.



BCA's Values

1. Customer Focus

Understand, explore and fulfill customer needs in the best possible way.

2. Integrity

Honest, sincere and direct.

A Bank that customers can trust.

Trust is built through actions that reflect unquestionable integrity and business ethics.

3. Team Work

Team is a group of people with a special bond, commitment, approach and synergy aimed at achieving a shared goal.

4. Continuous Pursuit of Excellence

Consistently strives to offer the best through the best method with the highest quality.

BCA Vision, Mission and Values

The corporate vision and mission provide the platform, direction and guiding principles for all BCA employees in implementing Company activities.

Corporate values serve as the moral compass for all BCA employees in fulfilling the corporate vision and mission.

Efforts to build awareness on corporate vision, mission and values are through the following:

1. Head Office, all work units (participants represent echelon 1 to 3 officials).
2. Coordination Meeting/Quality Meeting (QM) across BCA Regional Offices.
3. Career Development Program (Management Development Program/MDP and Manager Development Program), special forums such as the Account Officer (AO) Forum, and specific groups such as Project Management Office/PMO.

BCA's corporate culture is introduced through the induction program for all new employees, specifically on the corporate vision, mission and values. Learning through games is an effective approach for communicating the corporate vision, mission and values to the new employees of Generation Y.

BCA's vision, mission and values are also sensitized through:

- InfoBCA bulletin (monthly in-house magazine);
- Employees' PC screen saver and mouse pad;
- In-house training;
- Internal culture video clip;
- BCA handbook;
- Comic book distributed to all employees;
- Games;
- Other media.

BCA mission statements are understood as below:

1. To build an outstanding institution in the field of payment settlement and financial solution for business entities and individual customers signifies that BCA aims to evolve into an exceptional payment institution in all sectors to cover all payment activities in the banking business.
2. To understand the diverse needs of customers and offer the right financial services to generate optimal customer satisfaction signifies that BCA is highly familiar with different customer needs and caters to these diverse needs.
3. To increase BCA's franchise value and stakeholder value denotes a broader meaning that covers corporate value in its totality, both tangible and intangible values. Stakeholder value on the other hand reflects BCA's flexibility in accommodating the interests of various parties.

BCA's vision and mission are evaluated at least every five years. In 2014, the corporate vision and mission statements were evaluated by BCA's Board of Commissioners and Board of Directors. Based on the evaluation, it was found that the stated vision and mission remains valid with the current situation.

STOCK OPTION

In 2015, BCA did not introduce a Stock Option Program.

PROVISION OF FUNDS TO RELATED PARTIES AND LARGE EXPOSURES

BCA has issued a policy on providing funds to related parties and large exposures as laid down in the Credit Manual. Evaluation and updates of policies in the Credit Manual are carried out on a periodic basis. Providing

funds to related parties or debtors in large amounts consistently adhere to the principle of prudence, and abide by Bank Indonesia policies and other applicable laws and regulations, including those related to the Legal Lending Limit (LLL). Furthermore, decisions concerning loans to related parties must be made by the Board of Commissioners in an independent manner.

The LLL is reported regularly to Bank Indonesia in a timely fashion. In 2015, there was no violation or exceeding of the LLL.

Provision of Funds to Related Parties and Main Individual and Group Debtors (Large Exposure) in BCA in 2015.

No	Provision of Funds	Amount	
		Debtor/Group	Nominal (Rp million)
1	To Related Parties	192	5,441,635
2	To Main Debtors:		
	a. Individual	50	80,709,227
	b. Group	30	113,032,306



STRATEGIC PLAN

To respond to dynamic changes in the external environment, BCA periodically re-examines short-term, middle-term and long-term business strategy as detailed in the Bank Business Plan (RBB) and Annual Work & Budget Plan (RKAT). BCA prepares strategic plans referring to Bank Indonesia Regulation No.12/21/PBI/2010 dated 19 October 2010 regarding Bank Business Plan, and to Bank Indonesia Circular Letter No.12/27/DPNP dated 25 October 2010 regarding Bank Business Plans.

As part of BCA policy direction and strategic measures in order to realise its vision and mission, BCA designs and develops business initiatives with an orientation to meet customers' growing and changing requirements.

BCA Strategic Plan 2016

Indonesia economy is estimated to continue through various challenges and grows moderately in 2016. BCA will continue to monitor the economic environment and its impact on the performance of the Indonesian banking sector. Entering 2016, BCA will continue to prioritize cautious policies and measures. The trend of increasing non-performing loans in the banking sector has the potential to lead to a multiplier effect on the deterioration of loan quality for some of BCA's customers. To mitigate risk, the Bank will remain disciplined in applying prudent risk management principles, working to implement cost efficiency programs. BCA will continue to explore alternative sources of income other than interest income.

In general, the Bank assesses the Indonesian economy and banking industry as having a solid footing in the face of a slowing economic cycle. BCA continues to support the efforts of the Indonesia Financial Services Authority and Bank Indonesia in maintaining the balance of loan quality and sustainable national loan growth while also maintaining healthy capital and liquidity position. BCA is optimistic about the long-term prospects of the Indonesian economy and banking sector. The growth of the middle class in Indonesia and the infrastructure development programs proposed by the Government are expected to support domestic economic growth in the future.

Responding to the dynamic changes in the external environment, the Bank continuously examines business strategies both for the short, medium and long terms as outlined in the Bank's Strategic Plan in the form of the Bank Business Plan and the Annual Budget & Work Plan.

BCA believes that investments made to strengthen transaction banking capabilities and to improve lending infrastructure should not be interrupted considering the long-term prospects of the Indonesian banking industry and anticipating the increased competition in the era of the ASEAN Economic Community and rapid digital evolution. In addition to the strategic steps taken by the Bank, the development of human resources and organizational alignment of all work units, and with the subsidiaries, are essential to further reinforce BCA's position as a leading financial institution.

In 2016, the Bank is committed to continue investing in the Bank's franchise value. Strategic priorities in 2016 will remain focused on efforts to strengthen relationships with customers through enhanced payment settlement services, prudent lending, and development of new business lines through its subsidiaries. Below is a further elaboration of the three major business objectives:

- **Strengthening Payment Settlement Services**

BCA believes that the ease, convenience and security of transactions are fundamental factors that sustain the growth of the Bank's current accounts and savings accounts (CASA). BCA continues to develop its range of payment transaction products and services, as well as expanding the coverage of conventional and electronic banking and information technology infrastructure.

The Bank will increase the number of branches and electronic delivery channels in Indonesia supported by an enhancement in the capability and capacity of information technology infrastructure. BCA will explore and implement the latest technological developments into the Bank's payment settlement products and services in accordance with evolving customer needs and their acceptance level.

To maintain a solid liquidity position, the Bank will continue to assess developments and liquidity trends in the banking sector. CASA will remain the major source of liquidity. The Bank believes that BCA can actively raise funds through time deposits products by adjusting interest rates as needed. This is essential to maintain the position of third party funds as a whole.

- Lending**

Through the economic slowdown, the Bank will continue to provide lending while focusing on healthy and real loan demand with a view that sustainable lending growth will strengthen relationships with quality customers.

Lending activities are planned upon a solid capital position and the implementation of prudent and effective risk management principles to manage the Non-Performing Loans (NPL) ratio. The increasing NPL trends signify higher risk for the national banks, including BCA. Therefore, the Bank prioritizes lending to customers who have a good track record in the corporate, commercial & SME and consumer segments. Asset quality will be an important factor for maintaining BCA's strategic position in the national banking industry and for maintaining sustainable long-term growth.

For the business segment, the Bank will actively explore lending to sectors with broad value chains. In the individual credit segment, the Bank believes that the mortgage, vehicle loans, and credit card financing have great potential for growth in the long term although individual lending is expected to grow slower than business lending in the short term. Nevertheless, the Bank remains committed to being at the forefront in consumer lending and continues to maintain a strategic presence in the individual credit market.

To support sustainable loan growth, the Bank will continue to enhance the credit infrastructure across all segments, both in branches and at head office.

- Business Development among the Subsidiaries**

To meet the increasingly diverse needs of customers, the Bank has developed a comprehensive range of financial products and services through the business lines of the Bank's subsidiaries. Business development of the subsidiaries are focused on automotive financing, Sharia banking, securities, remittance, general insurance, and life insurance.

The subsidiaries continue to grow and have demonstrated positive business development in recent years. BCA Finance, a subsidiary engaged in car financing, consistently contributes significantly to the profitability of the Bank.

BCA will continue to build synergies between the Bank's main business and the subsidiaries, including cross selling between BCA consumer products and the insurance products of the subsidiaries, as well as joint financing activities with BCA Finance and CS Finance. BCA is committed to provide the necessary capital support to the subsidiaries in line with the business growth prospects of the subsidiaries. BCA expects the contribution of interest income and fee-based income from the subsidiaries will continue to increase going forward.

BCA believes that these strategies and policies will support the Bank in strengthening its long-term competitive advantages. Consistent strategy will build a quality customer base amid increasing competition in the Indonesian banking industry.

TRANSPARENCY OF FINANCIAL AND NON-FINANCIAL CONDITION UNDISCLOSED IN OTHER REPORTS

Information on BCA's financial condition is disclosed explicitly and transparently in several reports, including the following:



Transparency of Financial Conditions

1. Annual Report

- a. Financial Highlights that include stock performance, reports from 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. Annual Financial Statement audited by a Public Accountant and Public Accounting Firm registered with Bank Indonesia. The Annual Financial Statement covers a period of 1 (one) fiscal year and is compared to the previous fiscal year, and the start of the earliest comparative year.
- c. Accountability statement of the Board of Commissioners and Board of Directors verifying the content of the Annual Report. The statement is delivered in writing and bears the signature of all members of the Board of Commissioners and Board of Directors.

2. Quarterly Published Financial Reports

BCA has made the necessary announcements on its Quarterly Financial Report in accordance with existing policies. The Published Financial Report is signed by 2 (two) members of BCA's Board of Directors. The announcement was featured in 2 (two) newspapers in the Indonesian language with widespread circulation in the place of domicile of BCA's Head Office.

3. Monthly Published Financial Reports

BCA publishes its Monthly Financial Report in a format laid out by the Financial Services Authority Regulation.

Transparency of Non-Financial Conditions

BCA discloses information on its products in an explicit, accurate and updated manner. Such information can be easily accessed by customers, among others in leaflets, brochures or other written materials in every BCA branch office in locations that customers can have easy access to, and/or in the form of electronic information made available through hotline service/call center or website.

In addition, BCA provides and communicates to customers on its customer complaints and dispute settlement mechanism in compliance with Bank Indonesia policy on customer complaints and banking mediation.

In view of the above, BCA has carried out the following measures:

1. Transparently publicized its financial and non-financial condition to stakeholders, among others through its Periodic Financial Reports, Routine Reporting of Legal Lending Limit to Bank Indonesia, Quarterly Published Financial Reports, and featured in BCA's official website according to existing policies.
2. Prepared and presented reports according to the procedure, type and scope set forth in the Bank Indonesia policy on the transparency of banks' financial condition.
3. Published information on BCA products in compliance with Bank Indonesia policy on the transparency of information on banking products and use of customers' personal data.
4. Provided customers with a customer complaint and dispute settlement mechanism according to Bank Indonesia policy on customer complaint and banking mediation.
5. Submitted the Annual Report to Bank Indonesia, regulators and other institutions as required or deemed necessary.
6. Disclosed information on the Ownership Structure in the Annual Report and BCA's website.

HIGHEST AND LOWEST SALARY RATIO

Salary refers to an employee's right that is received and expressed in the form of monetary compensation from BCA as the employer to the employee who is hired and

paid according to an employment contract, agreement or laws and regulations, including benefits for the employee and members of the family for the work and/or services rendered.

The highest and lowest salary ratio according to the comparative scale is as follows.

Ratio	Comparative Scale
Highest and lowest employee salary ratio	46,43
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 ratio	5,63

The remuneration being compared in the salary ratio above is the compensation received by members of the Board of Commissioners and Board of Directors, and employees on a monthly basis. Employees here refer to BCA's permanent employees up to the executive level.

SHARES BUY BACK

In 2015, BCA did not undertake the corporate action of repurchasing shares (share buy backs).

PROVISION OF FUNDS FOR SOCIAL ACTIVITIES

BCA actively contributes to increasing the welfare of communities and improving the environment through corporate social responsibility activities developed under the 'Bakti BCA' program.

Overall, BCA social activities throughout 2015 focused on 3 (three) key pillars:

- A. Pilar Solusi Cerdas (Smart Solution Pillar), are as follows:
 - 1. Non-Degree Accounting Education Program
 - 2. Non-Degree Information Technology Education Program
 - 3. Bakti BCA Internship
 - 4. Integrated Partner Schools
 - 5. Bakti BCA Scholarship
 - 6. Banking education and partnership with other institutions related to education, and contributions/donations to other educational institutions

B. Pilar Solusi Sinergi (Synergy Solution Pillar), are as follows:

- 1. Culture
- 2. Health
 - a. Cataract Surgical Services - Bakti BCA
 - b. Bakti BCA Blood Drives
 - c. Bakti BCA Public Health Service Partnership
- 3. Environmental Conservation
- 4. Bakti BCA Empathy Program in the form of donations for natural disaster victims and sports programs.

C. Pilar Solusi Bisnis Unggul (Outstanding Business Solution Pillar), as a follows:

- 1. Partnership with the community
- 2. Business Development Institute

Apart from the aforementioned programs, BCA also channels donations to other social organizations.

Total amount of funds that BCA has invested in social activities in 2015 is provided in the Chapter on Corporate Social Responsibility of this Annual Report.

Further information on the Company's social activities in 2015 is available in the Chapter on Corporate Social Responsibility of this Annual Report.



PROVISION OF FUNDS FOR POLITICAL ACTIVITIES

Similar to previous years, in 2015 BCA did not provide funds for political activities.

FULFILLING THE RECOMMENDED GCG CODE FOR PUBLIC COMPANIES

BCA has complied with both the recently enacted Financial Services Authority Regulation No 21/POJK.04/2015 dated November 16 regarding the Implementation of GCG Code for Public Companies and with the Financial Services Authority Circular Letter No.32/SEOJK.04/2015 regarding GCG Code for Public Companies, as presented in the table below:

RECOMMENDATION COMPLIANCE TABLE OF GOOD CORPORATE GOVERNANCE MANUAL

No.	Recommendation	Description
A	Relationship of Public Company with the Shareholders in ensuring the Shareholders' Rights	
	Principle 1	
	Improving the Value of General Meeting of Shareholders (GMS) Convention	
1.1	Public company has technical procedures for opened or closed voting that promote independency and shareholders' interest	comply
1.2	All Members of the Directors and Board of Commissioners are present at Annual GMS.	comply
1.3	Summary of GMS Minutes is available on public company's Website by no less than 1 (one) year	comply
	Principle 2	
	Improving Communication Quality of public company with Shareholders or Investors.	
2.1	Public company has a communication policy with shareholders or investors.	comply
2.2	Public company discloses its communication policy with shareholders investors in Website	comply
B	Board Of Commissioners' Function and Role	
	Principle 3	
	Strengthening the Membership and Composition of Board of Commissioners	
3.1	Determination of number of Board of Commissioners' member shall consider the condition of Public Company	comply
3.2	Determination of Composition of Board of Commissioners' member considers the variety of expertise, knowledge, and experiences required.	comply

No.	Recommendation	Description
Principle 4		
Improving the Quality of Job and Responsibility Performance of Board of Commissioners		
4.1	Board of Commissioners has self assessment policy to assess the performance of Board of Commissioners	comply
4.2	Self Assessment policy to assess the performance of Board of Commissioners id disclosed in Annual report of public company.	comply
4.3	The Board of Commissioners has a policy with respect to the resignation of the member of the Board of Commissioners if such member involved in financial crime	comply
4.4	Board of Commissioners or Committee that conduct Nomination and Remuneration function arrange succession policy in Nomination process of Directors member.	comply
C DIRECTORS' FUNCTION AND ROLE		
Principle 5		
Strengthening the Membership and Composition of the Board of Directors		
5.1	Determination of Number of Board of Directors' member considers the condition of public company and the effectiveness of decision-making.	comply
5.2	Determination of Board of Directors' member considers the variety of expertise, knowledge, and experiences required	comply
5.3	Member of Board of Directors who is liable for accounting or finance has accounting expertise and/o knowledge	comply
Principle 6		
Improving the Quality of Job and Responsibility Performance of Board of Directors		
6.1	Board of Directors has self assessment policy to assess performance of Directors.	comply
6.2	Self – assessment policy to assess the performance of Board of Directors is disclosed in Annual Report of public company	comply
6.3	Director have a policy related to resignation of Board of Directors' member if involved in financial crimes	comply
D PARTICIPATION OF STAKEHOLDERS		
Principle 7		
Improving corporate governance aspect through participation of stakeholders		
7.1	Public Company has a policy to prevent insider trading	comply
7.2	Public company has anti corruption and anti fraud policy	comply
7.3	Public company has policies concerning selection and capability improvement of suppliers and vendors	comply
7.4	Public company has a policy concerning the fulfillment of creditors' rights	comply
7.5	Public company has a policy of whistleblowing system	comply
7.6	Public company has long- term incentive policy for Directors and employees	comply



No.	Recommendation	Description
E	INFORMATION DISCLOSURE	
	Principle 8	
	Improving the Implementation of Information Disclosure	
8.1	Public Company takes benefits from application of a broader information technology other than website as information disclosure media	comply
8.2	Annual Report of public company discloses beneficial owner in share ownership of public company of at least 5% (five percent), other than disclosure of beneficial owner in share ownership of public company through major controlling shareholders	comply

Corporate Social Responsibility



Teater Koma performed "White Snake"

“BCA is committed to CSR philosophy as an integral part of the Bank's business activities,,



As a bank that has been serving the community since 1957, BCA is fully aware that its decisions impact not only on the economy but also on short term and long term social and environmental issues. To that end, BCA is committed to responsibly develop its business, among other ways, through its Corporate Social Responsibility, CSR, programs.

Besides being at times charitable, BCA's CSR programs are empowering, not only having members of the community as mere beneficiaries but instead actively encouraging participation in planning and implementing CSR programs.

BCA is committed to positioning its CSR philosophy and objectives as an integral part of its business activities. Therefore, BCA's commitment to help promote community empowerment and welfare is implied in each product and service.

Three Pillars of Bakti BCA Program

Under Bakti BCA, the Bank's CSR program is conducted on an ongoing basis and arranged into 3 (three) pillars: Smart Solution, Synergy Solution, and Excellent Business Solution.

The Bank developed the Smart Solution program to support the education of Indonesia's younger generation. Synergy Solution is a program in which the Bank synergizes with a number of credible and competent institutions in the field of culture, health, environment, sports, and empathy. Moreover, BCA strives to participate actively in supporting community empowerment to build communities with the ability to grow and progress independently through the Excellent Business Solution program.

Bakti BCA is a program developed by BCA which is implemented continuously in order to deliver sustainable benefits for the community.

BCA's CSR program also incorporates employee and customer protection services.

One of the Bank's undertakings related to environmental protection is the elimination of receipt issuance of the Bank's current Automated Teller Machine (ATM) for certain transactions. BCA also actively promotes the use of Flazz Card and online payment via e-channel and mobile banking in order to reduce paper usage. Moreover, BCA strives to improve the efficient use of electricity and water as one way to implement the concept of green building or green office.

BCA is committed to employee protection, demonstrated through a variety of policies to ensure the rights of each employee, such as:

1. Policy transparency;
2. Information disclosure;
3. Clear and systemized career path and development;
4. Compensation and benefits program; and
5. Equal employment opportunities for all employees regardless of their ethnicity, religion, race, class, and gender.

BCA continues to provide opportunity for the employees to actualize their expertise and competence in order to achieve work targets. Through the Sports and Arts Coordinating Board (Bakorseni), the Bank also provides opportunity for employees to develop their talents and interests outside of work, such as in sports and the arts.

In 2015, BCA became the only Indonesian company that received the Gallup Great Workplace Award due to the Bank's commitment in protecting and providing welfare for its employees. The award is initiated by Gallup, an international performance management consulting firm based in the USA. The award is given to companies with the ability to build positive and productive work environment, thus creating optimum company performance. Approximately, only 5% of the companies that meet the criteria received the award.

A. ENVIRONMENT

A.1. Policy

The Bank's business activities are not substantially related to the environment; nevertheless, the Bank realizes that its existence as a bank is inseparable from the environmental aspect. To that end, the Bank is committed to perform ongoing environmental conservation activities.

To support environmental conservation, BCA works with various institutions competent in handling environmental issues, one of which realized under the Bakti BCA program, namely BCA Synergy Solution. Through these partnerships, the Bank expects to provide a more effective and sustainable results which provides broad impact through its environmental conservation programs.

Although detailed calculations have not been made, the Bank is confident that its policy related to water and electricity savings applied in all of the work units in Indonesia is able to reduce the amount of water and energy consumption significantly.

Energy efficiency is realized through electricity consumption savings, limiting long distance business travel by utilizing teleconferencing and e-learning, efficiency in the use of fuel for transport and delivery services through the paperless banking initiative, both for the employees and customers. In addition, to fulfill the need of intranet for work communications throughout Indonesia, the Bank uses an online network connected via MyBCA portal.



 BCA supported the planting of 18,000 mangrove seedlings that was launched by WWF Indonesia

A.2. Execution

In general, the Bank's environmental policy is implemented and manifested through a number of activities, namely:

1. Menara BCA - Green Building.
2. Go Green program.
3. Earth Hour - Participation.
4. Implementation of environmental program – BCA Synergy Solution.

A.2.1. Green Building Menara BCA

BCA head quarter is on Menara BCA, located in Jalan M.H. Thamrin No. 1 Central Jakarta. Menara BCA is one of the first buildings in Indonesia to receive the Greenship EB Platinum award, the highest rating achievable in Green Building certification.

The 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.

Since 2011, Menara BCA has been able to meet the stringent evaluation standards of the certification process, with parameters comprising site suitability, energy efficiency and conservation, water conservation, material resources and material cycle, air quality and room comfort.

Power consumption is one of the parameters that had Menara BCA named as one of the most environmentally friendly buildings in Indonesia. Menara BCA is able to save





on electrical energy consumption by 35% or the equivalent to the reduction in emissions of carbon dioxide (CO₂) by 6,360 tons per year, compared to similar buildings.

The use of LED lighting also contributes substantially to energy efficiency by 70% and with virtually no heat emitted from LED lights, the building benefits from less need for air conditioning. In addition, the insulated glazing technology used in the outer windows of the building reduces radiant heat without significantly reducing the light intensity.

Moreover, the Bank's Corporate Secretary Division has begun to apply the routine of turning off lights during break time (12:00 until 13:00). Other divisions in Menara BCA will also perform this routine.

Electricity use efficiency is also conducted through the application of 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 to 15%, and paper use up to 11%.

A.2.2. Go Green Program

To support the Go Green program, the Company initiated several policies to be conducted by the Head Office and Branch Office. The policies cover fuel efficiency for transport, namely in the following way:

1. Reduce long-distance travel and instead perform teleconferences, e-learning, and provide vehicle sharing;
2. Reduce document delivery services and the use of paper through the paperless banking initiative;
3. Save electricity by using LED lights, raise the temperature on the air conditioner and turn off lights outside working hours; and
4. Water-saving campaign, and so forth.

Related to water efficiency, since 2013 the Bank has been using press faucets for its new buildings or renovated branch offices. This type of faucet uses an automatic stop-flow function so as to reduce the amount of water wasted. In addition, the bank applies a rainwater recycling system to water the plants in the Bintaro Main Branch Office (KCU Bintaro)

The Bank also continues the greenship program by adding more plants/ trees in the garden or on the building. In fact, Alam Sutra Main Branch Office already uses Green Wall. This main branch office also utilizes Solar panels to generate electricity for the lights in the parking area.

Since 2011, BCA's new buildings and renovated branch offices use LED lights. Meanwhile, in 2015, new buildings which use LED lights consist of KCU Kuta, KCU Dago, Soliter Kelapa Gading, KCP Kerobokan, KCP Teluk Betung, KCP Buah Batu, KCP Kartasura, KCP Katamso, KCP Singosaren, KCP Taman Kencana, KCP Padalarang, and KCP Kepa Duri.

In the future, the architectural design of the new buildings will mainly consist of glass with consideration on the direction of the sun, aiming to reduce the use of lights. In addition, placement of light switches will be carefully planned and light sensors will be added so as to adjust the level of light inside the room.

In addition to using LED lights, since 2014 the Bank has made efforts to save electricity by using Inverter Air Conditioner and environmentally friendly refrigerant (R32). Generally, inverter air conditioners use up to 30% lower power than conventional air conditioning because the unique way they work.

Throughout 2015, buildings with Inverter AC among others include KCU Borobudur, KCU Gang Tengah, KCU Panakkukang, KCU Sunter Mal, KCU Tulung Agung, KCU Pangkal Pinang, KCU Serpong, KCU Bukit Darmo, KCU Green Garden, KCU Pekalongan, KCP Citra Garden and KCP Taman Sari.



 The President Director of BCA during the mangrove planting

A.2.3. Earth Hour

Earth Hour is a global event organized by WWF signaling an awareness of the danger of climate change. Participants turn off all non-essential lighting for 1 hour, held on the last Saturday of March of each year.

In March 28, 2015, BCA participated in this event by turning off its logos and other outdoor lightings for one hour, from 20:30 to 21:30, in Menara BCA, and in all main and supporting branch offices and billboards across Indonesia.

A.2.4. Environmental Program

Environmental preservation activities were carried out under BCA Synergy Solution, which includes

- **Mangrove Planting**

In 2015, through Bakti BCA program, BCA in collaboration with WWF Indonesia planted 18,000 trees in ten regions in Indonesia namely: Lamujung (Aceh Besar), Tanggamus (Lampung), Hutan Mangrove Tol Sedyatmo, Pantai Indah Kapuk (Jakarta), Muara Gembong (Jawa Barat), Blanakan Subang (Jawa Barat), Muara Kali Opak (Yogyakarta), Teluk Lamong (Surabaya), Muncar (Banyuwangi), Buleleng (Bali), and Bengkayang (Kalimantan Barat). Mangrove tree planting is part of the NEWtrees program launched by the World Wide Fund for Nature (WWF) Indonesia.

Besides recovering the environment, planting mangroves can also encourage productive economic activities. As an example, the local community of Wringin Putih village, Muncar district, Banyuwangi process mangrove into chips, syrup, coffee, and tea.

According to data from The World Atlas of Mangroves 2010, Indonesia's mangrove area consists of 3 million hectares, or 20% of the world's mangrove forest area. Mangrove forests can prevent erosion, reduce the impact of tsunami as well as land salinization, and is primarily beneficial for 40% -50% of the Indonesian people who live in areas near the coast.

- **Orangutan Release Program**

Since 2012, BCA has been supporting activities signaling the awareness on the preservation of protected wildlife habitat. In 2015, BCA provided assistance to the Borneo Orangutan Survival (BOS) Foundation to release orangutans from Samboja Lestari Orangutan Reintroduction Center to Kehje Sewen Forest, Kalimantan Timur.

Orangutan (*pongo pygmaeus*) is a protected wildlife species which has an important function in the forest ecosystem, especially as an umbrella species. Currently the population of orangutans in Kalimantan is estimated to be 55,000. Forest land conversion, illegal logging, forest fires, poaching and illegal wildlife trading has caused the population of orangutan to decrease. To that end, BOS Foundation performs activities to rescue, rehabilitate, and release (reintroduction), as well as conserving the habitats of orangutans.

BCA's support is realized through a number of publications and educational activities on the conservation of the orangutan and its habitat. Events held included "BCA Green Stage" in March 2015 and "BCA Indonesian Open" in June 2015. In addition, the Bank also broadcasted a long duration orangutan conservation program in a LED Big Screen installed in Menara BCA Jakarta.



- **Turtles Conservation**

Worked together with the Banyuwangi Sea Turtle Foundation to perform the efforts to conserve turtles in Banyuwangi, on December 2015.

- **Coral Reefs Preservation**

In the sales of ORI1012, in cooperation with Yayasan Terangi which was designated by the Ministry of Finance to work with the banks selling ORI1012, BCA performed the efforts to preserve the coral reefs in Pulau Harapan, Kepulauan Seribu, on December 2015.

B. EMPLOYMENT & PROTECTION

B.1. Company Policy

At BCA, Human capital is the major driving force of the Company and has a central role in the management of the Company's other resources. At BCA, every employee is a valuable asset and therefore BCA strives to prioritize 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. Moreover, BCA also strives to provide maximum protection for all employees in the working environment.

Related to employee protection, BCA has set a number of policies intended to assure the rights of each employee, including:

- a. **Transparency of the Bank's strategic employment policy.**

BCA provides the facility for employees to access the Bank's employment policies such as the recruitment system, promotion system, and remuneration system. Employees can access online through BCA's intranet (MyBCA) and offline through Decision and Circular Letters, as well as the Collective Labor Agreement (CLA).

- b. **Disclosure of information to employees.** 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!"

- c. **Collective Labor Agreement (CLA).** In line with BCA's commitment to nurture positive industrial relations, by publishing the Collective Labour Agreement (CLA) formulated by the negotiating team and the union. CLA is updated every two years. In 2015, management used BCA CLA 2014-2016.

- d. **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.

- e. **Clear and well-planned career path and development.**

Every employee is entitled to a clear and well planned career path and development, in accordance to the achievement quality of individual and unit performance target.

- f. **Equal opportunity of employment.** BCA provides equal employment opportunities for all employees regardless of their ethnicity, religion, race, class, and gender. To that end, the Bank's policy on employee deployment and placement is based on employee merits and competence.
- g. **Opportunities for actualization of skills, competencies, talents and interests.** BCA provides employees with opportunities for actualization of their skills and competencies in order to support the fulfillment of performance targets. In addition, employees are also provided the 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 employees), AsiaLens (for photography enthusiast employees), AsiaWangi (for wayang enthusiast employees), AsiaHike (for hiking enthusiast employees), and others.

- h. **Compensation and benefit program.** BCA provides a competitive compensation and benefits program.

B.2. Execution

B.2.1. Employee Health Care

BCA is a company that pays attention to its employees' health and well-being. BCA strives to maintain its employee compensation and benefits at a competitive level within the banking industry.

BCA provides both preventive and curative health care facilities, among others vaccination, 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' wellbeing so that positive results will impact on the lives of employees as individuals, their families and as BCA employees.

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. Related to the program, throughout 2015, BCA facilitated various employee sport activities under the coordination of Bakorseni BCA. To celebrate the anniversary of BCA in February 2015, BCA held number of sporting competitions participated in by employees from the head office and branch offices.



 Volley ball tournament and vocal group competition, some of the event during the 2015 PORSENI BCA



In addition, BCA organized health seminars for BCA employees, namely Seminar on Cancer and Heart Disease (held in August and September 2015) for the areas outside Jabodetabek and Healthy Brain for Productivity (September 2015) for the area of Jabodetabek, Common Gastrointestinal and Lever Diseases dan When Do You Need Doctor's Help (December 2015).

BCA provides a lactation room in a number of its offices equipped with supporting facilities to help BCA female employees conduct exclusive breastfeeding for their children.

B.2.2. Employee Welfare

BCA's commitment to increase employee welfare is embodied through 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, 2014 and was given in April 25, 2015 to 19,238 permanent employees for a total of 12,935,369 shares at an average pricing of Rp14,309.86 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 to improve both individual and company performance.

B.2.3. Occupational Safety

BCA pays immense attention in creating a safe working environment at all of its offices through its office layout planning and development which considered among others:

- Completeness and appropriateness of the facilities and working environment;
- Cleanliness
- Harmonious interior layout
- Proper placement of facilities
- Completeness and appropriateness of security measures.



BOD and employees of BCA during BCA's 58th anniversary celebration

Periodically, the head office in Menara BCA holds an evacuation drill which is compulsory for all employees in order for them to know how to handle a fire or earthquake.

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.

As of December 2015, the number of permanent employees who resigned from BCA was 508, or 2.12% of BCA's total employees. The details of employee data are as follows.

Employee Turnover Based on Years of Service

Years of Service	Number of Employee	%
< 1 year	2,755	11.49
> 1 - 5 years	4,360	18.18
> 5 - 10 years	1,040	4.34
> 10 - 15 years	937	3.91
> 15 - 20 years	6,047	25.21
> 20 years	8,843	36.87
TOTAL	23,982	100.00

* including contract, probation and trainee. Data as of December 2015.

B.2.5. BCA Day Care Program

Launched in 2010, BCA's Day Care program is designed for employees' children of an elementary school age. In 2015, 494 children attended the BCA Day Care Program which was held in five (5) locations within Jabodetabek (Greater Jakarta) and two (2) locations in non Jabodetabek (outside Greater Jakarta).

BCA Day Care Program Based on the Location, Theme, and Number of Participants

Location	Theme	Number Of Participants (Children)
Head Office	Great Mind, Great Life	96
Regional Office VIII	Ready Future	81
Regional Office IX	Great Mind, Great Life	83
Regional Office X	Happy Day at Day Care BCA	56
Regional Office XII	Exploring the Nation	59
TOTAL JABODETABEK		375
Regional Office III	I'm a Great Artist	47
Regional Office VII	Creative Kids with BCA Regional Office VII Malang	72
TOTAL NON JABODETABEK		119
TOTAL		494



BCA Day Care Program



C. SOCIAL DEVELOPMENT

C.1. Company Policy

To maintain business continuity and maximize the Company's long term value, the Bank's CSR program is focused on social development as outlined in the Bakti BCA program through three main pillars, namely:

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 which aims to improve the quality and competitive edge of Indonesian people, in particular the young generation, especially as we enter the upcoming ASEAN Economic Community (AEC). Various educational programs are developed on an ongoing basis through BCA Smart Solution, among others:

1. Accounting Education Program (PPA) non-degree

The program which was launched in 1996 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.

The program lasts for 30 months using a conditional knockout system with rigorous academic requirements. In addition to in-class activities, the



PPTI Program

students also undertake on the job training programs at BCA. The participants will learn soft skills, such as leadership, teamwork, character building, grooming, and financial planning.

The program is supported by a qualified teaching staff consisting of professional and experienced lecturers from leading universities in Indonesia. The staffs 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.

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 2015, the number of participants of the PPA program was 387 persons, comprising 9 batches. 126 participants successfully completed the program and 125 of them have chosen to join BCA as permanent employees in 2015.

BCA actively disseminates the PPA non-degree program through various channels such as the corporate website www.bca.co.id.

2. Information Technology Education Program (PPTI) non-degree

To keep abreast of the increasing human resources demand and the development of Information Technology, since 2013 BCA held the non-degree Information Technology Education Program (PPTI BCA). This program which is equivalent to a bachelor's degree is provided for high school (SMA) and Vocational School (SMK) graduates who want to continue their education or develop their skills in the field of information technology. The material provided in PPTI BCA is similar to that of a university's, but enriched with self-development material.

The PPTI BCA program lasts for 30 months. 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. In addition to in-class activities, participants also have the opportunity to undertake on the job training programs at BCA Head Office.

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 (out of 4) will be disqualified and dismissed from the program. Furthermore, upon completion, participants will be offered by the Bank to work as employees of the Bank, if the company requires. In 2015, PPTI BCA was attended by 91 people, consisting of 3 classes.

3. Bakti BCA Internship Program

Introduced in 2002, the Bakti BCA Internship Program is designated for high school to university graduates. Participants will follow the training and internship program for one year, in which they will be provided with internship experience in banking operations and other knowledge.

Currently, Bakti BCA Internship Program provides interns with an opportunity to gain working experience as a CSO (Customer Service Officer) or Teller. Interns will undergo a series of training programs, including on how to count and sort money safely, identifying the authenticity of Rupiah, teller/CSO skills, product knowledge, mini-bank simulation, bank secrecy, and much more. In addition, trainees will also learn soft skills, such as motivation and self-grooming.

Furthermore, those who perform well will be offered scholarships to continue their education. Until now, the public has shown favorable interest on Bakti BCA

Internship program. As of December 2015, 45,588 candidates submitted applications for the program, with 10,598 passing the test to become CSOs and tellers.

4. Integrated Bakti BCA

Integrated Bakti BCA is a CSR program launched since 2000 and aimed to improve educational access and quality as well as support for the development of educational infrastructure for elementary, junior and senior high school. Activities undertaken include teacher training, to improve the quality of teaching, construction of computer laboratories, renovation of school facilities, donation of books and other supporting facilities such as infocus, LCD, air conditioning (AC).

Until now, BCA has provided assistance to 17 schools, ranging from elementary schools to senior high schools, in Gunung Kidul, Yogyakarta; Gadingrejo, Lampung and Taktakan Serang, Banten.

In October 2015, BCA in cooperation with Master's Hand provided training for 35 junior and high school teachers representing BCA's patronages in the area of Yogyakarta, namely SMPN 1 Ponjong, SMPN 1 Semanu, SMPN 1 Karangmojo, and SMAN 1 Karangmojo , with the theme "Great Teacher Great Student".

5. 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.

In 2015, BCA provided scholarships for 481 students in the period of 2014/2015 and 468 students in the period 2015/2016. In providing the scholarships, BCA collaborates with 14 universities in Indonesia, namely Universitas Indonesia (UI), Institut Teknologi Bandung (ITB), Universitas Padjadjaran (Unpad), Institut Pertanian Bogor (IPB), Universitas Diponegoro (Undip), Universitas Gadjah Mada (UGM), Institut Teknologi Sepuluh Nopember (ITS), Universitas Airlangga (Unair), Universitas Udayana (UD), Universitas Sumatera Utara (USU), Universitas Hasanuddin (UNHAS), Universitas Mulawarman (UNMUL), Universitas Brawijaya (UB), Universitas Samratulangi (UNSRAT). BCA also collaborates with a number of foundations such as the Paramadina Foundation, the Perbanas Foundation, Karya Salemba Empat Foundation, ISRF, Sanata Dharma and IKOPIN to provide educational scholarships to outstanding students.

To broaden scholars' horizons, BCA also facilitates the development of soft skills courses at several universities, such as: training, mentoring programs and seminars.

6. Educational Partnership

Related to educational partnerships, in 2015 BCA performed several activities, including:

- Gadjah Mada University, Yogyakarta.** BCA provides assistance for the program making of Massive Open Online Courses (MOOCs) namely a program of lectures transmitted online and executed with the principles of openness and each individual can

have access to the internet to absorb knowledge through online courses by the Faculty of Social and Political Sciences (FISIPOL) UGM. In addition, the Bank also provides assistance for the renovation of the central library building in UGM in order to strengthen the stability of the building against teknotik earthquakes, as well as renovation of the music chamber at the Koesnadi Hardjosoemantri Cultural Center used to complete the development of the soft skills of UGM students.

- University of Indonesia** In the Faculty of Economics (UI), BCA again sponsored the "The 4th Bachelor Journey, The 8th Master Journey, The 10th Doctoral Journey in Management 2015." A competition followed by master and doctoral students of management of various educational institutions and universities in Indonesia.
- PPM School of Management, Jakarta** BCA becomes the main sponsor of the 5th PPM Regional Case Competition (RBCC). More than 73 high school teams or universias in Indonesia, Singapore, Malaysia, the Philippines, China, etc participated in the competition.
- Diponegoro University Semarang.** BCA assisted the provision of Bloomberg in Faculty of Economics and Business (FEB) Undip, as well as became the sponsor of "Diponegoro Entrepreneur Festival".



Training for students who were recipient of Bakti BCA Scholarship



- **The United Nations Children's Fund (UNICEF).**

BCA again participated in the nation's education, one of which is realized by handing over the donation for Pendidikan Ramah Anak. In Pendidikan Ramah Anak, UNICEF and the BCA produced two innovative modules, namely safe and strong school modules which build resilient community.

- **Yayasan Djarum (Djarum Foundation)**

In order to develop the quality of human resources in Indonesia, BCA supports the Djarum Foundation to renovate the infrastructure facilities at SMK PGRI 1 Mejobo, Kudus and SMK Taman Siswa, Kudus.

7. Education on Banking Solutions & Financial Literacy

To support the financial literacy program, BCA organizes several activities, among others:

- **Financial literacy for school children.** 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. One of the activities carried out was inviting 1,500 students from SDN 1 Taktakan Serang, SDN 2 Taktakan Serang and also other elementary schools located around BCA's regional offices or branch offices in Jabodetabek.



 The hand over of books for the library of SDN 35 Nuni, Manokwari

- **Financial Literacy for the Families of Indonesian Workers.**

In May and June 2015, the Bank organized a financial literacy education program for the children and families of Indonesian migrant workers in Arjawinangun, Cirebon; Dukuh Jati, Indramayu and Sagaranen, Sukabumi. They learned simple financial management, such as savings. The Bank also socialized overseas remittance services.

- **Financial Literacy through the BCA Day Care Program.**

A number of activities related to financial literacy for school children are also performed through the BCA Day Care program which is given to the children of BCA employees.

- **Financial Literacy Education using the Financial Literacy Cars (SIMOLEK).**

In August 2015, the Bank participated in an educational activity initiated by the Financial Services Authority (FSA) using the financial literacy car (SIMOLEK). Financial Literacy Education such as the understanding of financial planning, introduction to FSA and BCA, products/ financial services (benefits, risks, rights and obligations) was performed in 17 cities.

- **Financial Literacy Education to Indonesian Migrant Workers in Hong Kong.**

In August 2015, the Bank participated in the financial education program held by the FSA for Indonesian workers in Hong Kong. This program was supported by the Indonesian Consulate General in Hong Kong, National Agency for the Placement and Protection of Indonesian Migrant Workers (BNP2TKI) and



 Banking education for Elementary School at KidZania



other financial services institutions. The purpose of the education is to provide understanding of financial management, introduction to FSA and LJK, financial products/ services (benefits, risks, rights and obligations) as well as entrepreneurship.

- **Financial Literacy Education through the development of the product Simpanan Pelajar (Simpel/ Simpel IB)** with the aim to improve the knowledge and understanding of students, parents and the school community regarding financial services, especially savings products.
- **Financial Literacy Education through the LAKU PANDAI** program endorsed by the FSA with the aim to provide the public with better understanding on the principles of financial management, public awareness on the function of savings as a means of preparation and realization of the family's future as well as awareness and insight on the differences of consumptive debt and productive debt.

BCA creates and publishes educational materials on BCA's banking solutions through a variety of means, one of which is BCA News Rubric. Throughout 2015, BCA entered into collaboration with other mass media to publish and manage the BCA News Rubric, such as with Kompas, Pikiran Rakyat, Jawa Pos News Network (JPNN), Swa Magazine, Tempo Magazine, Kontan tabloid, kompas.com, kontan.co.id, yahoo.co.id, Pikiran Rakyat online, detik.com mobile version, SWA online, and Tempo online, metrotvnews.com and various other.



An education on the financial literacy using Simpanan Pelajar (SimPel)

C.2.2. BCA Synergy Solution

BCA collaborates with a number of institutions which have proven credibility and competence in the field of culture, health, environment, sports, and empathy, to implement BCA Synergy Solution.

In 2015, the programs included:

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

BCA takes an active role in the efforts to preserve and support the development of the national culture. In 2015, BCA conducted several activities as follows:

1. Wayang

Since 2012, BCA formulated the program "BCA untuk Wayang Indonesia." Program BCA untuk Wayang Indonesia is performed through the following programs:

- **WOW – World of Wayang**

BCA in collaboration with Persatuan Pedalangan Indonesia (Pepadi) and Kompas TV, developed a means to introduce and educate the youth about the 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 Indonesian wayang.

- **Wayang for Students**

This activity is developed as an effort to promote and introduce wayang to the younger generation. In 2015, the wayang educational program was performed in SMP Pangudi Luhur Domenico Savio, Semarang with the play The Young Hero – Abhimanyu's Heroic Story watched by 400 students and 30 teachers and employees; SMP Negeri 18 Semarang with the play The Self Transformation – the story of Dewa Ruci with an audience of 750 students and 30 teachers and employees; as well as in SMP Kanisius St. Yoris, Semarang with the play Never Ending Love Story - The

story of Rama Sinta with an audience of 401 students and 25 teachers and employees. These respective activities were performed in one full day.

• **Wayang Goes to Campus**

BCA supports this event as an attempt to educate the younger generation, especially students. The activities are diverse, namely including exhibitions, seminars, and puppet shows. Wayang Goes to Campus was held in Indonesia University, on May 2015

• **Wayang in Town**

As a continuation of the program Wayang in Town, BCA re-develop an educational program related to the introduction of wayang to the younger generation, namely Wayang goes to the Mall in Galeri Indonesia Kaya, Grand Indonesia in November 17-18, 2015. At this event, the Bank invited to get to know more closely through puppet shows, talk shows, and competitions students from 20 middle and high schools in Jakarta.

2. Cultural Education

BCA also actively supports organizations with the dedication and integrity in the nation's cultural development, both in the form of donations and sponsorship. Among others, BCA in collaboration with Persatuan Pedalangan Indonesia (Pepadi), Unima Indonesia, and Teater Wayang Indonesia (Senawangi).

Bank invites high school students from Lampung, Serang and Yogyakarta to watch the performance of Teater Koma with the play "Ular Putih" (March 2015). In November 2015 the Bank again supported the performance of Teater Koma with the play "Kalau Penguasa Kacau (KPK)".

C.2.2.B. Bakti BCA in Health

BCA actively participates in public health care activities including the provision of affordable health care services for the underprivileged. BCA works together with several institutions with proven competence and credibility in the field of health care services.

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 as well as support the Government and WHO (World Health Organization) program of Vision 2020. *The Right to Sight*, a global initiative to reduce blindness in the world.

Throughout 2015, BCA organized 689 cataract surgeries in several regions including Ciledug, Tangerang, Banten; Pelabuhan Ratu, Sukabumi, Jawa Barat; Balangan, Kalimantan Selatan; Lela, Maumere, Flores; Sukadana, Lampung; Liwa, Lampung and Mamuju, Sulawesi Barat.



 The President Director of BCA during the event of Wayang in Town, attended by 600 students

2. Cataract Surgery Equipment Donation. Coinciding with BCA's 58th Anniversary, BCA donated 13 pieces of equipment for cataract surgery and two biometric tools to SPBK Perdami, symbolically handed over by President Director of BCA Jahja Setiaatmadja to Secretary General of Perdami M. Sidik.

3. Health Care Services. On BCA's 58th anniversary, the President Director of BCA Jahja Setiaatmadja inaugurated the Bakti Medika Clinic, located in Mangga Dua, Jakarta. In addition to providing free medical treatment at the Bakti Medika Clinic, BCA also provided free medical treatment for the community around Duri Utara Clinic, Jakarta Barat as well as in several villages as an appreciation to the people of Indonesia who have given their support and trust to BCA.

Since 2012, BCA has facilitated affordable health care services for the underprivileged, including general health consultation and treatment, family planning services, minor surgery/ handling and wound care, child immunization, adult vaccination.

In 2015, the number of patients in Duri Utara Clinic amounted to 10,335 patients and Medika Bakti Clinic 1,563 patients.

4. Free Eyeglasses. Through Bakti BCA program, BCA provided free eye examination and eyeglasses for the students in BCA's partner schools. The event was held simultaneously in Serang, Lampung and Yogyakarta.

5. Bakti BCA Blood Donation. Since 1991, BCA has collaborated with PMI in organizing blood donation programs 3 to 4 times a year, taking place at BCA head office and branch offices. In 2015, BCA donated 1,820 blood bags to PMI.

6. Others. Related to health education, BCA actively provided support both in the form of donations or sponsorships to a number of institutions, among others. Alzheimer Awareness Campaign (Alzheimer Foundation - ALZI), and TBC Eradication program, Rumah Sakit Pusat Angkatan Darat (RSPAD) Gatot Subroto and others.

C.2.2.C. Bakti BCA in the Environment

Environmental management is one way to preserve the natural ecosystem and reduce environmental damage. BCA collaborated with several organizations with environmental concerns and capabilities to carry out the following activities:

1. BCA works together with WWF to plant 18,000 mangrove trees at 10 locations.
2. BCA collaborates with BOSF to release orangutans in East Kalimantan.
3. BCA works with the Banyuwangi Sea Turtle Foundation to conserve turtles in Banyuwangi.



BOD handed over the donation for cataract surgery



Eye check up and free eye-glasses for student

- In the sales of ORI012, BCA cooperates with Yayasan Terangi appointed by the Ministry of Finance to conserve the coral reef in Pulau Harapan, Kepulauan Seribu.

C.2.2.D. Bakti BCA in Sports

In order to support the development of national sports and disseminate healthy lifestyles, since 2014 the Bank has signed a Memorandum of Understanding with the Indonesian Badminton Association (PBSI) to organize an international badminton competition. The annual competition was initiated by PBSI, Badminton World Federation (BWF), and several other institutions under the name BCA Indonesia Open (BIO).

In 2015, BCA again supported the world-class badminton tournament, BCA Indonesia Open Super series Premier (BIOSSP) which took place in Istora Senayan, Jakarta, on June 2 to 7, 2015.

On June 6, 2015, BCA together with Ismaya Live and Mesarace again organized a 5K race at night, titled Electro Run 2015 at Dunia Fantasi Taman Impian Jaya Ancol, Jakarta.

In addition, BCA also supports a variety of other sports activities in the form of donations or sponsorships, such as golf tournaments, and many more.

C.2.2.E. Empathy

Apart the above mentioned, BCA is also active in giving donations for victims of natural disasters, among others the flood in Bandung Selatan, Sinabung Mount Eruption in

Sumatera Utara and rehabilitation of Pasar Klewer, Solo after the fire.

C.2.2.F. Others

BCA gave donations for institutions and organizations who conduct social activities in the interest of the general public, in line with the pillars of BCA's CSR activities. In 2015, 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, and Purnayuda.

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:

- Business Development Institution (LPB) Mitra Bersama;
- 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 job opportunities for millions of people and help strengthen the fundamentals of the Indonesian economy.



 BIO's Mascots are in action during the 2015 BCA Indonesia Open



 BCA BoD opened the 2015 BIO



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 to provide 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, among others in providing consultation and training in financial management for simple accounting, packaging, website, quality control, etc; market introduction and development; introduction on banking or financial institutions, such as the socialization of banking products and services, SME financing; network development, for instance SME meetings, and bazaars.

Currently, branches/programs of LPB Mitra Bersama are in several cities:

- LPB Mitra Bersama Sidoarjo, East Java: 553 SMEs in the field of handicrafts, convection, repair shop, and motor cycle spare parts.
- LPB Mitra Bersama Palembang, South Sumatera: 166 SMEs in the field of culinary, natural-fibre fabrics, and repair shop.
- LPB Mitra Bersama Yogyakarta: 217 SMEs in the field of culinary, repair shop, and trading.
- LPB Mitra Bersama Pontianak, West Kalimantan: 130 SMEs in the field of culinary, handicrafts, and repair shop.

- LPB Mitra Bersama Bukittinggi, West Sumatera, since the beginning of 2015 has been able to establish independently and form Serba Usaha Jam Gadang Cooperative, with 30 member SMEs in the culinary field.

LPB Mitra Bersama actively encourages collaboration with a number of educational institutions and the local government as well as related agencies to provide more effective services to SMEs.

C.2.3.B. Partnership with the Community

BCA actively assists various communities to open new business and employment opportunities for the local communities. These undertakings also aim to promote the well-being and independence of the community, which would indirectly support the Indonesian economic development. Some programs are implemented, among others:

• Wirawisata Gua Pindul

Paguyuban Wirawisata Gelaran II is a community initiated by karang taruna (the youth organization), with the blessing of local community leaders, to develop Gua Pindul tourism which is located in the Village of Bejiharjo, Karangmojo sub-district, District of Gunung Kidul, Yogyakarta. This tourism village is expected to empower local communities with by opening jobs and business opportunities.

Since 2012, BCA actively supports the efforts of Karang Taruna Gelaran II Desa Bejiharjo by installing BCA's Electronic Data Capture (EDC) as an alternative



Gua Pindul tourism, Gunung Kidul



means of payment for the tourists visiting Gua Pindul. To achieve continuity of support, BCA trained the human resources of the tourism village with soft skills and improved their quality with a variety of trainings covering promotional materials, formulation of packages, and tool-making.

The training aims to further improve and complete the existing water attraction. BCA also organizes training related to the quality of services, tourism knowledge and how to use and manage their online promotion.

In addition, the Bank also helped the Paguyuban Wirawisata Gelaran II in developing the Early Childhood Education (ECD) infrastructure to provide early childhood education to children around the Bejiharjo village.

• Desa Wukirsari

Wukirsari Village is located in Imogiri and has evolved into a pioneering village for batik in the district of Bantul, where batik is a craft tradition handed down from generation to generation. Besides batik, this village is also well known for their tatang sunging (wayang made from leather) and other leather crafts. To improve the management of the tourism village, BCA organized a training on human resources skills. The training was equipped with a comparative study on tourism services.



 Carving Artisan from Desa Wukirsari

After receiving training on tourist village management, excellent service, and marketing via the internet, in mid-2015, the Bank provided funding for the construction of facilities and infrastructure development of the Wukirsari Tourism Village Wayang in the form of puppet pavilion.

• Desa Pentingsari

Penting Sari Tourism Village, 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. The training covered various subjects, among others, tourism industry and its management, excellent services, teamwork, and communication.

After training on the management of tourist village and excellent services, BCA also assisted Dewi Peri in the construction of the secretariat office of the village, renovated and built the pavilions used for guests, as well as established a "home production" used by housewives to produce a variety of snacks as souvenirs typical of Dewi Peri.

• Desa Tamansari

Tamansari Tourism Village is located in the district of Licin, Banyuwangi, in the slopes of Mount Ijen. The tourism potential of the area includes the life of the villagers such as farming; coffee, cloves, and chocolates plantations; sulfur mine; as well as the local culture, namely the Gandrung dance.

In June 2015, BCA provided training to the administrators of the Tamansari Tourism as a form of support to the development of the tourism industry through the development of rural tourism.

In 12 to 14 June 2015, the Bank invited several of the administrators of the Tamansari Tourism Village to conduct a comparative study at Pentingsari Tourism



Village, along with the administrators of the Batu Lonceng Tourism Village.

To complete the development of rural tourism program, the Bank provided funding infrastructure development for tourism village Tamansari's secretariat office, toilet, and joglo to receive travel guests. Tamansari Tourism Village development gains support from the Government of Licin sub district Banyuwangi, East Java.

- **Desa Wisata Batu Lonceng**

Batu Lonceng Tourism Village is located in the village of Sunten Jaya, Lembang district, Bandung Barat regency, West Java. In addition as one of the nature conservation in the form of springs for Cikapundung river, there are also sites such as the Batu Lonceng namely an inscriptions relics of the Pajajaran kingdom from around the 16th century.

In addition, the tourism potential of Kampung Batu Lonceng is the life of village community such as planting crops, coffee gardening, raising goats and cattle, camping ground, as well as the live at their homes. Some administrators of Batu Lonceng Tourism Village also participated and performed comparative studies at Pentingsari Tourism Village, Yogyakarta, along with the administrators of Tamansari Tourism Village, Banyuwangi.

In July 2015, BCA provided training for the management of Desa Wisata Batu Lonceng, Desa Sunten Jaya, District Lembang, Bandung Barat Regency, West Java. This is BCA's form of support towards the development of the tourism industry through the development of rural tourism.

In addition to providing training, the Bank also provided infrastructure in the form of computer equipment, office secretariat, toilet, and a center for guest reception.

In addition, the Bank also supports the activity "Hajat Lembur", a tradition of the community of Sunten Jaya Village in welcoming the Hijriah New Year. This is an annual event in Batu Lonceng Village, which displays local art both from Kabuyutan Batu Lonceng, as well as from other Kabuyutan in Bandung and the surrounding areas. This event is also supported and attended by local government officials of the West Bandung regency.

- **Assisting the Code Margonda Community**

The Code Margonda Community is a gathering place for activism, meeting, sharing, and workshops in Depok, West Java. It is an innovation that generates a stylish atmosphere for the cooperative work among members of the creative industry by bringing the values of the community into the process of business development.

The objective of co-working is to encourage collaboration and thus accelerate the achievement of economic growth, as well as the social and cultural development of Indonesia. Until now more than 18,000 people have visited the site and more than 1,300 events have been held with a focus on the development of SMEs and the increase of digital creative start-up incubation.

BCA Began to assist the Code Margonda Community by providing infrastructure support in the form of office support equipment at the co-working space of Code Margonda in Depok.

C.3. Company Expenses for Social Activities

Company Expenses for Social Activities

Bakti BCA	Total (in million Rupiah)
BCA Smart Solution:	
PPA/PPTI non degree	16,868
Bakti BCA Scholarship	5,274
Sekolah Binaan Bakti BCA	447
Kemitraan Pendidikan dan Bakti BCA Terintegrasi	14,978
Financial Literacy Education	2,934
BCA Synergy Solution:	
Health	4,066
Culture	6,003
Environment	2,325
Sports	950
Empathy	978
Others	2,728
BCA Excellent Business Solution Community	1,912
TOTAL	59,463

D. CUSTOMER PROTECTION

D.1. Company Policy

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 trust within the banking system in general.

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 to paying attention to customer protection and safety, consistently and continuously.



BCA BOD during Customer Day



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 among others through the rubric "Berita BCA" in cooperation with the mass media, both traditional media and online media. In the rubric, Halo BCA 1500888 is also well-informed 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 the Bank's website www.bca.co.id and twitter account @HaloBCA 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
LinkedIn	PT Bank Central Asia Tbk.
Instagram	GoodLife

D.2.2 Customer Complaint Mechanisms

BCA provides various channels of communication for customer complaints, namely Halo BCA contact center which provides services every day for 24 hours, non-stop. For BCA, suggestions and complaints of customers serve as valuable feedback, especially in order for BCA to strengthen and improve the quality of its services.

BCA provides a number of communication channels as a means of support for customer protection, including:

- 24 hours contact center Halo BCA 1500888
- E-mail at halobca@bca.co.id.
- Twitter @HaloBCA
- Face to face with BCA frontliners.



Call Center HaloBCA 1500888

D.2.3. Halo BCA

Halo BCA 1500888, is a means for customers to obtain important information related to BCA products and services. Halo BCA also receives feedback and complaints from customers.

During 2015, Halo BCA received 9,483,013 phone calls, where 9.5% or 896,459 calls were customer complaints and 24.3% or 2,305,628 calls were related to the customers' needs for information on BCA products and services. In 2015, 97.8% of the customer complaints were able to be solved according to the service level.

D.2.4. Letters to the Editor

BCA through the Corporate Secretary strives to respond to all inputs and customer complaints submitted via the Readers' Letters section in the printed media. Furthermore, the Company Secretary will coordinate with Halo BCA and related work units and branches to resolve the problems presented by the customer.

During 2015, there were 21 customer inputs conveyed to BCA delivered through the Readers' Letters section in several printed media. BCA was able to follow up or provide settlement solutions for 100% of the total inputs and complaints.

D.2.5. Social Network Media

BCA utilizes social networks to be closer and communicate with customers, namely through social media platforms, such as Facebook, Twitter, Youtube, Mindtalk, Instagram, Kaskus, LinkedIn and Slideshare.

During 2015, @HaloBCA Twitter account had 91,324 followers and receives received 83,542 mentions. Besides Twitter, customers can submit their inputs through BCA's official social media accounts as mentioned at www.bca.co.id/socialmedia or at page 393 of this book.

D.2.6. Sosialisasi Saluran Pengaduan Nasabah

Through a variety of promotional brochures and printed banking materials (savings book, product starter pack), the Bank actively educates about the Bank's means of communication, one of them by including information about the service contact center Halo BCA 1500888 and website www.bca.co.id.

In addition, customers can also use e-mail to communicate with BCA. In 2015, there were 167,967 e-mails from customers, namely on product or service information needs, inputs, as well as issues related to BCA services.

D.2.7. Customer Complaint Handling

Customer complaints communicated through a variety of communication media is always welcomed and responded to quickly and accurately by the branches, service offices or relevant work units. In addition, BCA continues to provide serious attention to all input and customer complaints and develop them into feedback for the Bank to enhance the Bank's services for all customers.

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. To that end, BCA will continue to develop and improve procedures on handling complaints and suggestions.

As the frontline in receiving suggestions and complaints from customers, BCA continually improves the quality of Halo BCA officers through trainings and product knowledge updates, especially due to BCA's diverse banking solutions.



D.2.9. Customer Service Improvement Program & Branch Network Development

BCA is committed to always provide the best services for customers. BCA continues to develop its branch network.

In 2015, BCA's has 1,182 branch offices, an increase of 92 branch offices compared to the end of 2014. Expansion of the BCA branch network is 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 in order to provide the best services and banking solutions for customers and the public in general.

D.2.11. Public Recognition

BCA's commitment and excellent services is evidenced by various honors from various independent institutions, both local and abroad.

In 2015, BCA received various awards among others from Indonesia Contact Center Association (ICCA), Center for Customer Satisfaction & Loyalty (CCSL), Perbanas, Asia Pacific Contact Association Leadership (APCAL), and Contact Center World (CCW).

These awards further encourages BCA to continue to refine its services by managing customer input so as to deliver the best banking solutions for our customers.

Statement of the Board of Commissioners and the Board of Directors Regarding Responsibility for the 2015 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 2015 has been presented in its entirety, and that we assume full responsibility for the accuracy of the contents of this Annual Report.

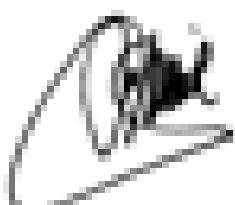
This statement is duly made in all integrity.

Jakarta, 14 March 2016

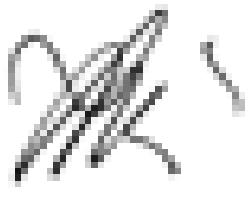
Board of Commissioners



Djohan Emir Setijoso
President Commissioner



Tonny Kusnadi
Commissioner



Cyrillus Harinowo
Independent Commissioner



Raden Pardede
Independent Commissioner



Sigit Pramono
Independent Commissioner

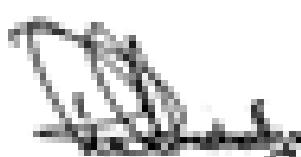
Board of Directors



Jahja Setiaatmadja
President Director



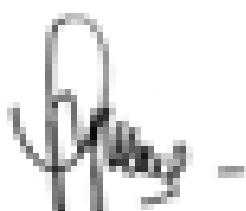
Eugene Keith Galbraith
Deputy President Director



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
The Year Ended 31 December 2015 and 2014**



**CONSOLIDATED STATEMENT
RELATING TO RESPONSIBILITY
FOR THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2011
PERSIANA COTTON, AND ITS SUBSIDIARIES**

We, the undersigned:

Name	Adijs Saputro
Other name	
Business address	Menara BCA Central Business Jl. MH. Thamrin No. 1, Jakarta Pusat Kode Pos 10110 Telp. (021) 504-0111 Postal, Pengayoman Lantai Jakarta Selatan Telp. (021) 504-0111 Fax. (021) 504-0111
Telephone	(021) 504-0111
Title	President Director
Name	Denggi R. Darmati
Other name	
Business address	Menara BCA Central Business Jl. MH. Thamrin No. 1, Jakarta Pusat Kode Pos 10110 Telp. (021) 504-0111 Postal, Pengayoman Lantai Jakarta Selatan Telp. (021) 504-0111 Fax. (021) 504-0111
Telephone	(021) 504-0111
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 The disclosures we have made in the consolidated financial statements of PT Bank Central Asia Tbk and Subsidiaries are complete and accurate.
 - b The consolidated financial statements of PT Bank Central Asia Tbk and Subsidiaries do not contain misleading material information and facts and no item has not received any information or basis other than the consolidated financial statements.
- 4 We are responsible for the internal control.
- 5 We are responsible for the compliance with laws and regulations.

This statement is made jointly.

For and on behalf of the Board of Directors

Adijs Saputro
President Director

Denggi R. Darmati
Deputy President Director

Jakarta, 10 February 2012



PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

31 DECEMBER 2015, 31 DECEMBER 2014^{*)} AND 1 JANUARY 2014/31 DECEMBER 2013^{*)}

(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	31 December 2015	31 December 2014 ^{*)}	1 January 2014/ 31 December 2013 ^{*)}
ASSETS				
Cash	2b,2i,5,32, 35,37	17,849,460	19,577,571	16,284,142
Current accounts with Bank Indonesia	2b,2i,2j,6, 32,35,37	37,774,577	38,875,175	35,269,077
Current accounts with other banks	2b,2i,2j,2v, 7,32,35,37	8,438,924	4,614,271	3,447,290
Placements with Bank Indonesia and other banks	2b,2i,2k,2v, 8,32,35,37, 43	56,259,099	12,018,932	12,254,043
Financial assets held for trading	2i,21,9,32, 35,37	1,783,792	1,672,222	1,238,564
Acceptance receivables - net of allowance for impairment losses of Rp 433,339 as of 31 December 2015 (31 December 2014: Rp 396,343 and 1 January 2014: Rp 89,740)	2i,2m,2v,10, 32,35,37	7,367,389	7,569,364	6,434,376
Bills receivable - net of allowance for impairment losses of Rp 858 as of 31 December 2015 (31 December 2014: Rp 1,286 and 1 January 2014: Rp 580)	2i,2v,32,35, 37	2,541,352	3,226,980	2,632,832
Securities purchased under agreements to resell	2i,2o,2v,11, 32,37	515,099	26,289,663	41,056,171
Loans receivable - net of allowance for impairment losses of Rp 9,026,345 as of 31 December 2015 (31 December 2014: Rp 6,704,242 and 1 January 2014: Rp 5,611,256)	2i,2n,2v,12, 32,35,37, 2aj,41	946,945	552,914	475,559
Related parties		377,669,347	339,306,154	306,203,573
Third parties				
Consumer financing receivables - net of allowance for impairment losses of Rp 286,019 as of 31 December 2015 (31 December 2014: Rp 201,062 and 1 January 2014: Rp 79,673)	2i,2p,2r,2v, 13,32,37	7,407,519	6,973,228	5,229,338
Investment in finance leases - net of allowance for impairment losses of Rp 5,046 as of 31 December 2015 (31 December 2014: Rp 3,204 and 1 January 2014: Rp 3,868)	2i,2q,2v,32, 37	173,120	166,888	182,544
Carry forward		518,726,623	460,843,362	430,707,509

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

^{*)} After restatement (Notes 2d and 42)

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Continued)
 31 DECEMBER 2015, 31 DECEMBER 2014^{*)} AND 1 JANUARY 2014/31 DECEMBER 2013^{*)}
 (Expressed in millions of Rupiah, unless otherwise stated)

	Notes	31 December 2015	31 December 2014 ^{*)}	31 December 2013 ^{*)}	1 January 2014/ 2013 ^{*)}
ASSETS					
Carried forward		518,726,623	460,843,362	430,707,509	
Assets related to sharia transactions - net of allowance for impairment losses of Rp 39,744 as of 31 December 2015 (31 December 2014: Rp 19,088 and 1 January 2014: Rp 15,885)	2r	2,935,731	2,111,896	1,405,834	
Investment securities - net of allowance for impairment losses of Rp 852,663 as of 31 December 2015 (31 December 2014: Rp 771,705 and 1 January 2014: Rp 747,057)	2i,2s,2v,14, 32,35,37,43	51,153,115	71,528,070	48,407,338	
Fixed assets - net of accumulated depreciation of Rp 7,045,485 as of 31 December 2015 (31 December 2014: Rp 5,880,302 and 1 January 2014: Rp 4,962,996)	2t,2v,15	9,712,021	8,844,930	7,440,017	
Deferred tax assets - net	2d,2ah,17,42	3,225,988	2,693,681	2,324,247	
Other assets - net of allowance for impairment losses of Rp 938 as of 31 December 2015 (31 December 2014: Rp 2,213 and 1 January 2014: Rp 158)	2f,2u,2v,2w 2aj,41	267,472 8,351,820	280,227 6,853,368	293,197 6,271,185	
TOTAL ASSETS		594,372,770	553,155,534	496,849,327	

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

^{*)} After restatement (Notes 2d and 42)



PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Continued)
 31 DECEMBER 2015, 31 DECEMBER 2014^{*)} AND 1 JANUARY 2014/31 DECEMBER 2013^{*)}
 (Expressed in millions of Rupiah, unless otherwise stated)

	Notes	31 December 2015	31 December 2014 ^{*)}	1 January 2014/ 31 December 2013 ^{*)}
LIABILITIES AND EQUITY				
LIABILITIES				
Deposits from customers	2i,2x,16,32, 35,37			
Related parties	2aj,41	1,227,133	1,119,576	987,860
Third parties		472,439,082	446,786,180	408,497,903
Sharia deposits	2y	351,667	296,832	250,146
Deposits from other banks	2i,2x,16,32, 35,37	4,156,053	3,754,260	3,301,039
Financial liabilities held for trading	2i,2l,9,32, 35,37	74,234	14,702	113,516
Acceptance payables	2i,2m,10,32, 35,37	4,374,939	4,697,946	4,539,442
Securities sold under agreements to repurchase	2i,2o,14,32, 35,37	38,602	-	-
Debt securities issued	2i,2z,18,32, 37	2,820,965	2,503,900	3,132,847
Income tax liabilities	2ah,17	251,091	251,818	276,017
Borrowings	2i,19,32,35, 37	1,743,337	3,080,942	500,952
Post-employment benefits obligation	2d,2ag,33,42	6,854,845	6,710,971	5,704,852
Accruals and other liabilities	2aa	7,613,476	6,260,219	5,768,437
TOTAL LIABILITIES		501,945,424	475,477,346	433,073,011
Temporary <i>syirkah</i> deposits	2y	2,802,406	1,952,498	1,443,902

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

^{*)} After restatement (Notes 2d and 42)

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Continued)
 31 DECEMBER 2015, 31 DECEMBER 2014^{*)} AND 1 JANUARY 2014/31 DECEMBER 2013^{*)}
 (Expressed in millions of Rupiah, unless otherwise stated)

	Notes	31 December 2015	31 December 2014 ^{*)}	31 December 2013 ^{*)}	1 January 2014/ 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	1,540,938	1,540,938
Additional paid-in capital	1c,2g,2ac,21	5,564,552	5,564,552	5,564,552	5,564,552
Foreign exchange differences arising from translation of financial statements in foreign currency	2h	365,031	316,437	309,103	
Unrealized losses on available-for-sale financial assets - net	2s,8,14	(103,499)	(74,572)	(478,631)	
Retained earnings					
Appropriated	31	1,077,708	912,850	770,311	
Unappropriated	2d,42	80,917,357	67,224,233	54,523,453	
Other equity components		7,334	3,721	1,613	
Total equity attributable to equity holders of the parent entity		89,369,421	75,488,159	62,231,339	
Non-controlling interest	1d,2e,40	255,519	237,531	101,075	
TOTAL EQUITY		89,624,940	75,725,690	62,332,414	
TOTAL LIABILITIES AND EQUITY		594,372,770	553,155,534	496,849,327	

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

^{*)} After restatement (Notes 2d and 42)



PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
YEARS ENDED 31 DECEMBER 2015 AND 2014^{*)}

(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	Year ended 31 December	
		2015	2014 ^{*)}
OPERATING INCOME AND EXPENSES			
Interest and sharia income	2ad,2aj,23,41	47,081,728	43,771,256
Interest and sharia expenses	2ad,2aj,24,41	(11,212,932)	(11,744,562)
Net interest and sharia income		35,868,796	32,026,694
Fee and commission income	2ae,25	8,359,919	7,289,551
Fee and commission expenses	2ae,25	(4,140)	(4,518)
Net fee and commission income		8,355,779	7,285,033
Net trading income	2af,26,43	2,107,067	836,021
Other operating income	43	1,544,530	1,224,961
Total operating income		47,876,172	41,372,709
Impairment losses on financial assets	2v,27	(3,504,995)	(2,239,578)
Other operating expenses			
Personnel expenses	2ag,2aj,28,33, 41	(9,728,509)	(8,670,906)
General and administrative expenses	2f,2aj,15,17k, 29,41	(10,874,770)	(8,931,363)
Others	43	(1,110,784)	(789,741)
		(21,714,063)	(18,392,010)
Total operating expenses		(25,219,058)	(20,631,588)
INCOME BEFORE TAX (Carry forward)		22,657,114	20,741,121

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

^{*)} After restatement (Notes 2d and 42)

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(Continued)

YEARS ENDED 31 DECEMBER 2015 AND 2014^{*)}

(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	Year ended 31 December	
		2015	2014^{*)}
INCOME BEFORE TAX (Carried forward)		22,657,114	20,741,121
INCOME TAX EXPENSE	2ah,17b		
Current		(5,021,659)	(4,548,974)
Deferred		400,313	319,523
		<u>(4,621,346)</u>	<u>(4,229,451)</u>
NET INCOME		<u>18,035,768</u>	<u>16,511,670</u>
OTHER COMPREHENSIVE INCOME, NET OF INCOME TAX:			
Items that will not be reclassified to profit or loss:			
Remeasurements of defined benefit liability	2d1,2ag,33,42	(490,057)	(747,551)
Income tax	2ah,42	122,514	186,888
		<u>(367,543)</u>	<u>(560,663)</u>
Items that will be reclassified to profit or loss:			
Unrealized (losses) gains on available-for-sale financial assets	2s,8,14	(38,570)	538,745
Income tax	2ah	9,643	(134,686)
		<u>(28,927)</u>	<u>404,059</u>
Unrealized (losses) gains on available-for-sale financial assets - net			
Foreign exchange differences arising from translation of financial statements in foreign currency	2h	48,594	7,334
Others		3,613	2,108
		<u>23,280</u>	<u>413,501</u>
OTHER COMPREHENSIVE INCOME, NET OF INCOME TAX		<u>(344,263)</u>	<u>(147,162)</u>
TOTAL COMPREHENSIVE INCOME		<u>17,691,505</u>	<u>16,364,508</u>
NET INCOME ATTRIBUTABLE TO:			
Equity holders of parent entity		18,018,653	16,485,858
Non-controlling interest	2e,40	17,115	25,812
		<u>18,035,768</u>	<u>16,511,670</u>
COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Equity holders of parent entity		17,673,517	16,338,696
Non-controlling interest	2e,40	17,988	25,812
		<u>17,691,505</u>	<u>16,364,508</u>
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT ENTITY (full amount of Rupiah)	2ab,30	<u>731</u>	<u>669</u>

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

^{*)} After restatement (Notes 2d and 42)

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED 31 DECEMBER 2015 AND 2014
(Expressed in millions of Rupiah, unless otherwise stated)

Year ended 31 December 2015

Attributable to equity holders of parent entity						
Notes	Issued and fully paid-up capital	Additional paid-in capital	Retained earnings			Total equity attributable to equity holders of the parent entity
			Unrealized losses on available-for-sale financial assets - net	Appropriated	Unappropriated ^{b)}	
Balance, 1 January 2015	1,540,938	5,564,552	316,437	(74,572)	912,850	67,224,233
Net income for the year	-	-	-	-	18,018,653	-
Foreign exchange differences arising from translation of financial statements in foreign currency	2h	-	48,594	-	-	48,594
Unrealized losses on available-for-sale financial assets - net	2s,14	-	-	(28,927)	-	-
Remeasurements of defined benefit liability - net	2d,33	-	-	-	(368,416)	-
Other equity components	-	-	-	-	-	3,613
Total comprehensive income for the year	-	-	48,594	(28,927)	-	17,650,237
General reserve	31	-	-	-	164,858	(164,858)
Cash dividends	31	-	-	-	(3,772,217)	-
Tantem of Board of Commissioners and Board of Directors	-	-	-	-	(20,038)	-
Balance, 31 December 2015	1,540,938	5,564,552	365,031	(103,499)	1,077,708	80,917,357
						7,334
						89,369,421
						255,519
						89,624,940

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

^{b)} Included in unappropriated retained earnings is remeasurements of defined benefit liability - net

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (Continued)
YEARS ENDED 31 DECEMBER 2015 AND 2014
(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	Foreign exchange differences arising from translation of financial statements in foreign currency	Retained earnings			Other equity components	Non-controlling interest	Total equity attributable to equity holders of the parent entity
				Unrealized (losses) gains on available-for-sale financial assets - net	Appropriated	Unappropriated ^{b)}			
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
Effect of adoption of PSAK No. 24 (2013 Revision), net of income tax	-	-	-	-	-	(1,634,264)	-	(1,634,264)	-
Balance as of 1 January 2014, after effect of adoption of PSAK No. 24 (2013 Revision)	1,540,938	5,564,552	309,103	(478,631)	770,311	54,523,453	1,613	62,231,339	101,075
Net income for the year	-	-	-	-	-	16,485,858	-	16,485,858	25,812
Foreign exchange differences arising from translation of financial statements in foreign currency	2h	-	-	7,334	-	-	-	-	7,334
Unrealized gains on available-for-sale financial assets - net	2s,14	-	-	-	404,059	-	-	-	404,059
Remeasurements of defined benefit liability - net	2d,33,42	-	-	-	-	(560,663)	-	(560,663)	-
Other equity components	-	-	-	7,334	404,059	-	2,108	2,108	-
Total comprehensive income for the year	31	-	-	-	-	15,925,195	2,108	16,338,696	25,812
General reserve	31	-	-	-	142,539	(142,539)	-	-	-
Cash dividends	31	-	-	-	-	(3,081,876)	-	(3,081,876)	-
Additional paid-in capital of a Subsidiary	1d,40	-	-	-	-	-	-	-	2,108
Income of non-controlling interest from acquisition of a Subsidiary in the current year	2e,40	-	-	-	-	-	-	-	(50,644)
Balance, 31 December 2014	1,540,938	5,564,552	316,437	(74,572)	912,850	67,224,233	3,721	75,488,159	237,531

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

^{b)}Included in unappropriated retained earnings is remeasurement of defined benefit liability - net



PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED 31 DECEMBER 2015 AND 2014
(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	Year ended 31 December	
		2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts of interest and sharia income, fees and commissions		54,590,864	50,279,319
Other operating income		1,532,994	1,376,956
Payments of interest and sharia expenses, fees and commissions		(11,320,613)	(11,653,738)
Payments of post-employment benefits	33	(1,427,104)	(1,084,181)
Gain (loss) from foreign exchange transactions - net		2,405,144	(813,189)
Other operating expenses		(19,160,735)	(15,807,880)
Payment of tantiem to Board of Commissioners and Board of Directors	31	(247,256)	(213,762)
Other increases/decreases affecting cash:			
Placements with Bank Indonesia and other banks - mature more than 3 (three) months from the date of acquisition		(22,155)	3,621
Financial assets held for trading		191,547	(315,387)
Acceptance receivables		164,979	(1,441,591)
Bills receivable		894,179	(550,074)
Securities purchased under agreements to resell		25,774,564	14,766,508
Loans receivable		(39,703,557)	(34,315,786)
Consumer financing receivables		(727,630)	(94,995)
Investments in finance leases - net		(8,074)	16,320
Assets related to sharia transactions		(898,909)	(744,767)
Other assets		(1,537,618)	(62,881)
Deposits from customers		21,477,153	39,071,373
Sharia deposits		54,835	46,686
Deposits from other banks		266,025	473,331
Acceptance payables		(323,007)	158,504
Accruals and other liabilities		1,655,877	106,717
Temporary syirkah deposits		849,908	508,596
Net cash provided by operating activities before income tax		34,481,411	39,709,700
Payment of income tax		(5,022,385)	(4,573,173)
Net cash provided by operating activities		29,459,026	35,136,527
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of investment securities		(60,322,065)	(49,081,566)
Proceeds from investment securities that matured during the year		82,584,300	27,133,429
Cash dividends received from investment in shares		1,575	1,430
Placements of certificate of deposits		(2,288,410)	(653,606)
Proceeds from certificate of deposits that matured during the year		1,485,000	150,000
Acquisition of a Subsidiary, net of cash and cash equivalents acquired	1d	-	47,693
Acquisition of fixed assets		(2,533,375)	(2,661,220)
Proceeds from sale of fixed assets		8,817	10,097
Net cash provided by (used in) investing activities		18,935,842	(25,053,743)

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 2015 AND 2014

(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	Year ended 31 December	
		2015	2014
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase (decrease) in debt securities issued		317,065	(628,946)
(Decrease) increase in borrowings - net		(1,337,605)	907,514
Additional paid-in capital of a Subsidiary by non-controlling interest	40	-	60,000
Payment of cash dividends	31	(3,772,217)	(3,081,876)
Increase in securities sold under agreements to repurchase		38,602	-
Net cash used in financing activities		(4,754,155)	(2,743,308)
NET INCREASE IN CASH AND CASH EQUIVALENTS			
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR		43,640,713	7,339,476
EFFECT OF FOREIGN EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS			
		74,475,895	67,156,327
		544,633	(19,908)
CASH AND CASH EQUIVALENTS, END OF YEAR		118,661,241	74,475,895
Cash and cash equivalents consist of:			
Cash	5	17,849,460	19,577,571
Current accounts with Bank Indonesia	6	37,774,577	38,875,175
Current accounts with other banks	7	8,438,924	4,614,271
Placements with Bank Indonesia and other banks - mature within 3 (three) months or less from the date of acquisition	8	54,598,280	11,408,878
Total cash and cash equivalents		118,661,241	74,475,895

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.



PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED 31 DECEMBER 2015 AND 2014**
(Expressed in millions of Rupiah, unless otherwise stated)

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 2015 and 2014, the Bank had the following branches and representative offices:

	2015	2014
Domestic branches	985	968
Overseas representative offices	2	2
	<hr/> <hr/> <hr/> 987	<hr/> <hr/> <hr/> 970

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED 31 DECEMBER 2015 AND 2014
(Expressed in millions of Rupiah, unless otherwise stated)**

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

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).



PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED 31 DECEMBER 2015 AND 2014**
(Expressed in millions of Rupiah, unless otherwise stated)

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 (eighteen) 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 Receipt Report of the Deed on Amendment of the Articles of Association No. AHU-AH.01.10-0247 dated 3 January 2008.

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED 31 DECEMBER 2015 AND 2014**
(Expressed in millions of Rupiah, unless otherwise stated)

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 of shares bought back in total of 397,562 lot or 198,781,000 shares at the average acquisition cost of Rp 3,106.88 (full amount) per share. Therefore, the 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 the 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 the acquisition costs and the 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 2015. 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 2015 and 2014, were as follows:

Name of the Company	Year of Starting the Commercial Operation	Type of Business	Domicile	Percentage of Ownership		Total Assets	
				2015	2014	2015	2014
PT BCA Finance	1981	Investment financing, working capital financing, multipurpose financing, operating lease, other financing activities based on approval from authorized agency	Jakarta	100%	100%	6,824,017	6,128,419
BCA Finance Limited	1975	Money lending and remittance	Hong Kong	100%	100%	686,293	446,534
PT Bank BCA Syariah	1991	Sharia banking	Jakarta	100%	100%	4,349,580	2,994,449
PT BCA Sekuritas	1990	Securities brokerage dealer and underwriter for issuance of securities	Jakarta	75%	75%	614,775	517,085
PT Asuransi Umum BCA	1988	General or loss insurance	Jakarta	100%	100%	898,627	679,454
PT Central Santosa Finance	2010	Investment financing, working capital financing, multipurpose financing, operating lease, other financing activities based on approval from authorized agency	Jakarta	70%	70%	2,106,872	2,301,642



PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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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 the change in the composition of its shareholders, where PT Bank Central Asia Tbk became the majority shareholder, and the change in its business focus to motor vehicles financing activities, particularly in 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 The Center, 47th Floor, Unit 4707, 99 Queen’s Road Central, Hong Kong (previously in Room 3211 - 3215, Jardine House, 1 Connaught Place, Central, Hong Kong), is engaged in money lending and remittance 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.

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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1. GENERAL (Continued)

d. The Subsidiaries (continued)

PT Bank BCA Syariah (continued)

The change in business activities of this 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.

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, PT Bank BCA Syariah 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 PT Bank BCA Syariah approved the utilization all of its 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 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 the acquisition of this subsidiary at the date of acquisition were as follows:

	<u>Total</u>
Purchase price	248,256
Deducted by: Fair value of the net assets of acquired Subsidiary	<u>(110,864)</u>
Goodwill	<u>137,392</u>

During 2015 and 2014, there was an increase in share capital of PT Bank BCA Syariah amounting to Rp 400,000 and Rp 300,000, respectively.

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 and underwriter 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; therefore, 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.



PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED 31 DECEMBER 2015 AND 2014**
(Expressed in millions of Rupiah, unless otherwise stated)

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, this subsidiary's name was changed to PT Central Sejahtera Insurance, following the change in the composition of its shareholders to Dana Pensiu 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 Pensiu 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); therefore, 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 the acquisition of this 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	<u>(76,798)</u>
Goodwill	<u>25,202</u>
	Total
Cash paid on acquisition of Subsidiary, including transaction costs	102,000
Deducted by: Cash and cash equivalents of acquired Subsidiary	<u>(128,574)</u>
Net cash outflow on acquisition of PT Asuransi Umum BCA	<u>(26,574)</u>

During 2015, there was an increase in share capital of PT Asurasi Umum BCA amounting to Rp 150,000.

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED 31 DECEMBER 2015 AND 2014**
(Expressed in millions of Rupiah, unless otherwise stated)

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 investment financing, working capital financing, multipurpose financing, operating lease, other financing activities based on approval from authorized agency.

Based on the 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 purchase price 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 from the acquisition at the date of acquisition were as follow:

	Total
Purchase price	70,110
Deducted by: Fair value of the net assets of the acquired subsidiary	<u>(75,966)</u>
Excess of fair value of net assets over purchase price	<u>(5,856)</u>
	Total
Cash paid on acquisition of subsidiary, including transaction costs	70,110
Deducted by: Cash and cash equivalents of acquired subsidiary	<u>(117,803)</u>
Net cash outflow on acquisition of PT Central Santosa Finance	<u>(47,693)</u>

Bank indirectly owned 25% (twenty five percent) ownership of PT Central Santosa Finance through its subsidiary, PT BCA Finance; consequently, with this acquisition, the Bank has 70% (seventy percent) ownership of PT Central Santosa Finance as of 31 December 2015 and 2014.

During 2014, there was an increase in share capital of PT Central Santosa Finance amounting to Rp 200,000.

e. Board of Commissioners and Board of Directors

The composition of the Bank's management as of 31 December 2015 and 2014 were as follows:

<u>Board of Commissioners</u>	
President Commissioner	Djohan Emir Setijoso
Commissioner	Tonny Kusnadi
Independent Commissioner	Cyrillus Harinowo
Independent Commissioner	Raden Pardede
Independent Commissioner	Sigit Pramono

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

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1. GENERAL (Continued)

e. Board of Commissioners and Board of Directors (continued)

The composition of the Bank's management as of 31 December 2015 and 2014 were as follows (continued):

<u>Board of Directors</u>	
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 Koenafi
Director	Armand Wahyudi Hartono
Independent Director	Erwan Yuris Ang
Director	Rudy Susanto

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.

*) Compliance Director

f. Audit committee

The Bank's Audit Committee as of 31 December 2015 and 2014 consisted of:

	2015	2014
Chairman	Cyrillus Harinowo	Sigit Pramono
Member	Inawaty Handoyo	Inawaty Handoyo
Member	Ilham Ikhsan	Ilham Ikhsan

g. Number of employees

As of 31 December 2015 and 2014, the Bank and Subsidiaries had 24,814 and 23,106 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 capital market and banking sectors

Effective 31 December 2012, the regulatory and supervisory function, duties and authority in the capital market sector moved from Bapepam-LK of the Ministry of Finance to the Capital Market Supervisory Department of OJK. Effective 31 December 2013, the regulatory and supervisory functions, duties and authority in the banking sector moved from Bank Indonesia to 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 2016.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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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 of the Bank and Subsidiaries, 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.

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 3 (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.



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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Changes in accounting policies

d.1. Standards, amendments and accounting interpretations effective on 1 January 2015

The following standards, amendments and accounting interpretations became effective on 1 January 2015 and are relevant to the Bank and Subsidiaries' consolidated financial statements:

- a. Statement on Financial Accounting Standards ("PSAK") No. 1 (2013 Revision), "Presentation of Financial Statements"
- b. PSAK No. 4 (2013 Revision), "Separate Financial Statements"
- c. PSAK No. 15 (2013 Revision), "Investment in Associates and Joint Ventures"
- d. PSAK No. 24 (2013 Revision), "Employee Benefits"
- e. PSAK No. 46 (2014 Revision), "Income Taxes"
- f. PSAK No. 48 (2014 Revision), "Impairment of Assets"
- g. PSAK No. 50 (2014 Revision), "Financial Instruments: Presentation"
- h. PSAK No. 55 (2014 Revision), "Financial Instruments: Recognition and Measurement"
- i. PSAK No. 60 (2014 Revision), "Financial Instruments: Disclosures"
- 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 have assessed that the adoption of the abovementioned accounting standards and interpretation other than specified below do not have any significant impact to the consolidated financial statements.

i. Presentation of items in other comprehensive income

In connection with the adoption of PSAK No. 1 (2013 Revision), "Presentation of Financial Statements", the Bank and Subsidiaries have modified the presentation of items of other comprehensive income in the statements of profit or loss and other comprehensive income, to present items that would be reclassified to profit or loss in the future separately from those that would never be reclassified to profit or loss. Comparative information has been re-presented using the same basis.

ii. Employee benefits

On 1 January 2015, the Bank and Subsidiaries adopted PSAK No. 24 (2013 Revision), "Employee Benefits" which introduces changes in the measurement, presentation and disclosure of defined benefits plan. The most significant impact from these changes is the acceleration of the recognition of past service cost. When the post-employment benefits change, the portion of increases or decreases on benefits which relates to past service of employee is recognized immediately to profit or loss.

This accounting policy also requires the Bank and Subsidiaries to recognize actuarial gains/losses in the period when such actuarial gains/losses occur as other comprehensive income, which presented as part of retained earnings.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Changes in accounting policies (continued)

d.1. Standards, amendments and accounting interpretations effective on 1 January 2015 (continued)

ii. Employee benefits (continued)

Remeasurements of the net defined benefit liability, which comprise actuarial gains/losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income. The Bank and Subsidiaries determine net interest expense (income) on net defined benefits obligation for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefits plan are recognized in profit or loss as personnel expenses.

Due to implementation of PSAK No. 24 (2013 Revision), the Bank and Subsidiaries recognized actuarial losses of defined benefits plan amounting to Rp 1,634,264 (net of income tax) as the adjustment of retained earnings as of 1 January 2014/31 December 2013. Since the impact is not material, the Bank and Subsidiaries do not restate the impact to 2014 profit or loss.

iii. Fair value measurement

On 1 January 2015, the Bank and Subsidiaries adopted PSAK No. 68, "Fair Value Measurement", which provides a single source of guidance on how to measure fair value but does not establish new requirements for when fair value is required. This standard provides a framework for determining fair value and clarifies the factors to be considered in estimating fair value. It introduces the use of an exit price in fair value measurement, as well as extensive disclosure requirements, particularly the inclusion of non-financial instruments into the fair value hierarchy disclosure. PSAK No. 68 is applied prospectively. The change had no significant impact on the measurements of the Bank and Subsidiaries' assets and liabilities. The Bank and Subsidiaries have included the new disclosures required under PSAK No. 68 in Notes 4b and 32 to the consolidated financial statements.

d.2. Accounting standards issued but not yet effective

Certain amendments and accounting interpretations have been issued but not yet effective for the year ended 31 December 2015, and have not been applied in preparing these consolidated financial statements. The following PSAK and ISAK ("Interpretations of Financial Accounting Standard"), which will become effective starting 1 January 2016 and 1 January 2017, may have a significant effect on the Bank and Subsidiaries' future financial statements, and may require retrospective application under PSAK No. 25, "Accounting Policies, Changes in Accounting Estimates and Errors":



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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Changes in accounting policies (continued)

d.2. Accounting standards issued but not yet effective (continued)

- a. PSAK No. 1 (2015 Revision), "Presentation of Financial Statements"
- b. PSAK No. 4 (2015 Revision), "Separate Financial Statements"
- c. PSAK No. 5 (2015 Revision), "Operating Segment"
- d. PSAK No. 7 (2015 Revision), "Related Party Disclosures"
- e. PSAK No. 13 (2015 Revision), "Investment Property"
- f. PSAK No. 15 (2015 Revision), "Investment in Associates and Joint Ventures"
- g. PSAK No. 16 (2015 Revision), "Property, Plant and Equipment"
- h. PSAK No. 19 (2015 Revision), "Intangible Assets"
- i. PSAK No. 22 (2015 Revision), "Business Combination"
- j. PSAK No. 24 (2015 Revision), "Employee Benefits"
- k. PSAK No. 25 (2015 Revision), "Accounting Policies, Changes in Accounting Estimates and Errors"
- l. PSAK No. 53 (2015 Revision), "Share-based Payment"
- m. PSAK No. 65 (2015 Revision), "Consolidated Financial Statements"
- n. PSAK No. 66 (2015 Revision), "Joint Arrangements"
- o. PSAK No. 67 (2015 Revision), "Disclosure of Interest in Other Entities"
- p. PSAK No. 68 (2015 Revision), "Fair Value Measurement"
- q. ISAK No. 30 (2015 Revision), "Levies"
- r. ISAK No. 31 (2015 Revision), "Interpretation of Scope PSAK No.13: Investment Property"

As of the issuance of these consolidated financial statements, the Bank and Subsidiaries have not determined the extent of retrospective impact, if any, that the future adoption of these standards will have on the Bank and Subsidiaries' consolidated financial position and operating results.

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.

Prior to 1 January 2015, control over a Subsidiary is presumed to exist where more than 50% (fifty percent) of the Subsidiary's voting power is directly or indirectly controlled by the Bank, or the Bank has the ability to control the financial and operating policies of a Subsidiary, or has the ability to remove or appoint majority of the Subsidiary's members of Board of Directors and Board of Commissioners, or can control the majority vote in meetings of Board of Directors or Board of Commissioners.

Starting 1 January 2015, control over a Subsidiary is presumed to exist if the Bank is exposed to, or has rights to, variable returns from its involvement with the Subsidiary and has the ability to affect those returns through its power over the Subsidiary. The Bank reassesses whether it has control if there are changes to one or more of the elements of the control, including circumstances in which the potential rights (e.g. those resulting from a lending relationship) become substantive and lead to the Bank having power over a Subsidiary.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Basis of consolidation (continued)

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 financial statements 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.

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 parent entity losses control of a Subsidiary, the parent entity:

- a. Derecognizes the assets and liabilities of the former Subsidiary from the consolidated statement of financial position.
- b. Recognizes any investment retained in the former Subsidiary at fair value on the date when control is lost and subsequently accounts for it and for any amounts owed by or to the former Subsidiary in accordance with the relevant financial accounting standard. That fair value is regarded as the fair value on initial recognition of a financial asset in accordance with PSAK No. 55 (2014 Revision), "Financial Instruments: Recognition and Measurement".
- c. Recognizes the gain or loss associated with the loss of control attributable to the former controlling interest.

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. Acquisition costs are expensed as incurred and included in the administrative expenses.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Business combination (continued)

On the acquisition date, the acquirer classified and designated identified assets acquired and liabilities assumed as required to apply other financial accounting standards. The acquirer made classification or the determination based on the contractual terms, economic circumstances, its operational or accounting policies and other related conditions as at the acquisition date.

On the acquisition date, goodwill is initially measured at acquisition cost, which represents the excess of the aggregate of consideration transferred and the amount of any non-controlling interest in the acquiree over the net of the amounts of the identifiable assets acquired and the liabilities assumed at the date of acquisition. 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 amounted Rp 111,193, 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.

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.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Translation of transactions in foreign currencies (continued)

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 profit or loss balance 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.

Differences arising from the above translation are presented as "Foreign exchange differences arising from translation of financial statements in foreign currency" 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 current year profit or loss.

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 2015 and 2014, using Reuters middle rate at 16:00 WIB (full amount of Rupiah):

	Foreign currency	2015	2014
1	United States Dollar (USD)	13,785	12,385
1	Australian Dollar (AUD)	10,084	10,148
1	Singapore Dollar (SGD)	9,759	9,376
1	Hong Kong Dollar (HKD)	1,779	1,597
1	Great Britain Poundsterling (GBP)	20,439	19,288
100	Japanese Yen (JPY)	11,452	10,356
1	Euro (EUR)	15,057	15,053

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, investment in finance leases and investment securities.



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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Financial assets and liabilities (continued)

Financial liabilities of the Bank and Subsidiaries mainly consist of deposits from customers, deposits from other banks, financial liabilities held for trading, acceptance payables, securities sold under agreements to repurchase, 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.

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.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Financial assets and liabilities (continued)

i.2. Initial recognition (continued)

A financial asset or liability is initially measured at fair value plus (for a financial instrument 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.

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.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Financial assets and liabilities (continued)

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.

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

Policy applicable from 1 January 2015

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal market or, in its absence, the most advantageous market to which the Bank and Subsidiaries have access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Bank and Subsidiaries measure the fair value of a financial instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Bank and Subsidiaries use valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price, i.e., the fair value of the consideration given or received. If the Bank and Subsidiaries determine that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Financial assets and liabilities (continued)

i.6. Fair value measurement (continued)

Policy applicable from 1 January 2015 (continued)

If an asset or a liability measured at fair value has a bid price and an ask price, then the Bank and Subsidiaries measure assets and long positions at a bid price and liabilities and short positions at an ask price.

Portfolios of financial assets and financial liabilities measured at fair value, that are exposed to market risk and credit risk that are managed by the Bank and Subsidiaries on the basis of the net exposure to either market or credit risk, are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for a particular risk exposure. Those portfolio-level adjustments are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

Policy applicable before 1 January 2015

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 the use of 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 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 profit or loss 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.



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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Financial assets and liabilities (continued)

i.6. Fair value measurement (continued)

Policy applicable before 1 January 2015 (continued)

Fair values reflect the credit risk of the instrument and include adjustments to take into account of the credit risk of the Bank and Subsidiaries and counterparty where appropriate. Estimated fair values obtained from models are adjusted for any other factors, such as 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.

Financial assets and long positions are measured at a bid price; financial liabilities and short positions are measured at an ask price. If 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.

k.1. Loan and Receivables

Placements with Bank Indonesia and other banks are subsequently measured at amortized costs using the effective interest method after initial recognition.

k.2. Available-for-sale

After initial recognition, available-for-sale placements with Bank Indonesia and other banks are carried at their fair values. Interest income is recognized in profit or loss using the effective interest method.

Other fair value changes are recognized directly in other comprehensive income until the placements are sold or impaired, where the cumulative gains and losses previously recognized in other comprehensive income are recycled to the current year profit or loss based on a weighted average 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.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Financial assets and liabilities held for trading (continued)

All changes in fair value of financial assets and liabilities held for trading are recognized as part of net trading income. Gains or losses which are realized when the financial assets and liabilities held for trading are derecognized, are recognized in the current year profit or loss.

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.

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 current year profit or loss.



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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. Securities purchased under agreements to resell and securities sold under agreements to repurchase

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.

Securities sold under agreements to repurchase (repo) are presented as liabilities and stated at the agreed repurchase price less the unamortized interest expense. Unamortized interest expense is a difference between selling price and agreed repurchase price and is recognized as interest expense during the period since the securities sold until repurchased. Sold securities are recorded as assets in the consolidated statements of financial position since the securities ownership remains substantially with the Bank as a seller.

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.

Consumer financing receivables will be written-off when they are overdue for more than 150 (one hundred and fifty) days for four-wheeled motor vehicles and 180 (one hundred and eighty) 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 profit or loss and other comprehensive income after deducting the portions belong to other parties participated to these joint financing transactions.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

p. Consumer financing receivables (continued)

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 Bank and 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.

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 muntahiyyah 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 muntahiyyah 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.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

r. Sharia transactions (continued)

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 (2014 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 2 (two) financial years.

s.2. Available-for-sale

After initial recognition, available-for-sale investments are carried at their fair values. Interest income is recognized in profit or loss 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 cumulative gains and losses previously recognized in other comprehensive income are recycled to 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.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

t. Fixed assets (continued)

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 profit or loss 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 current year profit or loss; 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 other operating income or expenses in the consolidated statements of profit or loss and other 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 current year profit or loss.

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.

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 and charged to the current year profit or loss.

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 other operating income or expense in the current year profit or loss.

Foreclosed assets are presented under “Other assets” in the consolidated statements of financial position.



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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 current year profit or loss and reflected in an allowance account against financial assets in the consolidated statements of financial position. 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 current year profit or loss.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

v. Identification and measurement of impairment losses of assets (continued)

v.1. Financial assets (continued)

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 profit or loss and other 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, the impairment loss is reversed with the amount of reversal recognized in the current year profit or loss.

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").

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.

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 profit or loss using a double-declining balance method over the estimated useful economic life of 4 (four) years.

Goodwill

Goodwill represents the excess of the aggregate of the consideration transferred and the amount of any non-controlling interest in the acquiree over the net of the amounts of the identifiable assets acquired and the liabilities assumed at the date of acquisition. 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 *wadiyah* demand deposits and *wadiyah* savings. *Wadiyah* demand deposits can be used as payment instrument, and can be withdrawn using cheque and payment slip. *Wadiyah* demand deposits and *wadiyah* savings are entitled to receive bonus in accordance with Subsidiary's policy. *Wadiyah* demand deposits and *wadiyah* savings are stated at the liabilities of the Subsidiary.

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.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

y. Sharia and temporary syirkah deposits (continued)

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.

As of 31 December 2015 and 2014, 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.



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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

ad. Interest and sharia income and expenses

Interest income and expenses are recognized in profit or loss 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 profit or loss and other 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 (rent)*, sharing income from *mudharabah* and *musyarakah* financing.

Income from *murabahah* and lease income from *ijarah (rent)* 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*).

Sharia expenses consist of *mudharabah* expense and *wadiyah* 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 *wadiyah*, *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.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

On 1 January 2015, the Bank and Subsidiaries adopted PSAK No. 24 (2013 Revision), "Employee Benefits" which introduces changes in the measurement, presentation and disclosure of defined benefits plan. The most significant impact from these changes is the acceleration of the recognition of past service cost. When the post-employment benefits change, the portion of increases or decreases on benefits which relates to past service of employee is recognized immediately to profit or loss.

This accounting policy requires the Bank and Subsidiaries to recognize actuarial gains/losses in the period when such actuarial gains/losses occur as other comprehensive income, which presented as part of retained earnings.

Remeasurements of the net defined benefit liability, which comprise actuarial gains/losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income. The Bank and Subsidiaries determine net interest expense (income) on net defined benefits obligation for the period by applying the discount used to measure the defined benefits obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefits plan are recognized in profit or loss as personnel expenses.

Prior to 1 January 2015, when the plan benefits change, the portion of the benefits that relate to past services by employees is charged or credited to the profit or loss on a straight-line method over the estimated average remaining vesting period. To the extent that the benefits vest immediately, the expense is recognized immediately in current year profit or loss. When the net 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 on the respective date, such actuarial gains/losses are recognized in profit or loss, on a straight-line basis over the estimated average remaining vesting period. Otherwise, the actuarial gains/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 profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income.



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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, and includes adjustments made to the previous years' income tax calculation, either to adjust them with the income tax reported in annual tax returns, or to record the correction based on tax assessment result.

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.

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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 those 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 Bank's infrastructures 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 whose functions are to address overall risk issues faced by the Bank and recommend risk management policies to the Board of Directors.

In addition to the above-mentioned committee, 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 risks 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 Commercials and SME 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.



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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 2 (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" which is a policy that regulates the workflow on loan origination process (end-to-end); to achieve an effective and efficient credit process. 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.

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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	
	2015	2014
Consolidated financial position:		
Current accounts with Bank Indonesia	37,774,577	38,875,175
Current accounts with other banks	8,438,924	4,614,271
Placements with Bank Indonesia and other banks	56,259,099	12,018,932
Financial assets held for trading	1,783,792	1,672,222
Acceptance receivables	7,367,389	7,569,364
Bills receivable	2,541,352	3,226,980
Securities purchased under agreements to resell	515,099	26,289,663
Loans receivable	378,616,292	339,859,068
Consumer financing receivables	7,407,519	6,973,228
Investment in finance leases	173,120	166,888
Investment securities	51,153,115	71,528,070
	552,030,278	512,793,861
Consolidated administrative account:		
Unused credit facilities to customers - committed	105,940,361	95,248,542
Unused credit facilities to other banks - committed	646,087	900,766
Irrevocable Letters of Credit issued	5,258,718	7,198,848
Bank guarantees issued to customers	11,526,909	10,720,350
	123,372,075	114,068,506
	675,402,353	626,862,367



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3. FINANCIAL RISK MANAGEMENT (Continued)

c. Credit risk management (continued)

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.

The following table presents concentration of credit risk of the Bank and Subsidiaries by counterparty:

	31 December 2015			
	Corporates	Government and Bank Indonesia	Bank	Individual
				Total
Consolidated financial position:				
Current accounts with Bank Indonesia	-	37,774,577	-	37,774,577
Current accounts with other banks	-	-	8,438,924	8,438,924
Placements with Bank Indonesia and other banks	-	49,272,868	6,986,231	56,259,099
Financial assets held for trading	35,064	1,525,873	222,855	1,783,792
Acceptance receivables	7,273,942	-	452,008	74,778
Bills receivable	154,653	-	2,387,557	2,542,210
Securities purchased under agreements to resell	-	-	515,099	515,099
Loans receivable	232,746,928	-	4,080,501	150,815,208
Consumer financing receivables	174,686	-	379	7,518,473
Investment in finance leases	140,964	-	-	37,202
Investment securities	8,325,285	41,569,236	2,111,257	52,005,778
Total	248,851,522	130,142,554	25,194,811	158,445,661
Less:				
Allowance for impairment losses				(10,604,270)
				552,030,278
Commitments and contingencies with credit risk:				
Unused credit facilities - committed	79,602,426	-	646,087	26,337,935
Irrevocable Letters of Credit issued	5,241,550	-	-	17,168
Bank guarantees issued to customers	9,783,522	-	369,404	1,373,983
	94,627,498	-	1,015,491	27,729,086
	=====	=====	=====	=====
				123,372,075

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3. FINANCIAL RISK MANAGEMENT (Continued)

c. Credit risk management (continued)

ii. Concentration of credit risk analysis (continued)

	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	3,780,532	-	12,018,932
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	2,141,601	-	72,299,775
Total	218,685,759	129,082,575	24,042,241	149,061,128	520,871,703
Less:					
Allowance for impairment losses					(8,077,842)
					<u>512,793,861</u>
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
	<u>84,755,174</u>	<u>-</u>	<u>2,055,948</u>	<u>27,257,384</u>	<u>114,068,506</u>

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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.

	Individually impaired	31 December 2015									
		Past due but not impaired			Neither past due nor impaired			Not individually significant and collectively assessed for impairment			
		1 - 30 days	31 - 60 days	61 - 90 days	Acceptance receivables, bills receivable and loans receivable	High grade	Standard grade	Low grade	Other financial assets		Total
Loans and receivables:											
Current accounts with Bank Indonesia	-	-	-	-	-	-	-	-	37,774,577	-	37,774,577
Current accounts with other banks	-	-	-	-	-	-	-	-	8,438,924	-	8,438,924
Placements with Bank Indonesia and other banks	-	-	-	-	-	-	-	-	56,259,099	-	56,259,099
Acceptance receivables - net	-	-	-	-	4,539,596	2,633,779	50,237	-	143,777	7,367,389	
Bills receivable - net	-	-	-	-	523,875	286,436	-	-	1,731,041	2,541,352	
Securities purchased under agreements to resell	-	-	-	-	-	-	-	-	515,099	-	515,099
Loans receivable - net	204,987	159,273	251,245	92,340	177,060,511	39,365,091	800,978	-	160,681,867	378,616,292	
Consumer financing receivables - net	-	-	-	-	-	-	-	-	-	7,407,519	7,407,519
Investment in finance leases - net	-	-	-	-	-	-	-	-	-	173,120	173,120
	204,987	159,273	251,245	92,340	182,123,982	42,285,306	851,215	102,987,699	170,137,324	499,093,371	
Available-for-sale:											
Investment securities - net	22,354	-	-	-	-	-	-	-	38,292,341	-	38,314,695
	22,354	-	-	-	-	-	-	-	38,292,341	-	38,314,695
Held-to-maturity:											
Investment securities - net	-	-	-	-	-	-	-	-	12,838,420	-	12,838,420
	-	-	-	-	-	-	-	-	12,838,420	-	12,838,420
	227,341	159,273	251,245	92,340	182,123,982	42,285,306	851,215	154,118,460	170,137,324	550,246,486	

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3. FINANCIAL RISK MANAGEMENT (Continued)

c. Credit risk management (continued)

iii. Credit risk analysis (continued)

	31 December 2014										
	Past due but not impaired			Acceptance receivables, bills receivable and loans receivable			Other financial assets			Not individually significant and collectively assessed for impairment	Total
	Individually impaired	1 - 30 days	31 - 60 days	61 - 90 days	High grade	Standard grade	Low grade				
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	-	-	-	-	-	-	-	12,018,932	-	12,018,932	
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 agreements 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	81,798,041	152,569,528	439,593,569	
Available-for-sale:											
Investment securities - net	21,095	-	-	-	-	-	-	60,021,401	-	60,042,496	
	21,095	-	-	-	-	-	-	60,021,401	-	60,042,496	
Held-to-maturity:											
Investment securities - net	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	



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3. FINANCIAL RISK MANAGEMENT (Continued)

c. Credit risk management (continued)

iii. Credit risk analysis (continued)

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.

Financial assets that 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, consumer financing receivables (including joint financing) debtors, mortgage and its housing renovation loans, vehicle 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 2015 and 2014 amounted to Rp 736,773 and Rp 654,407, 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 occurred 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 which are 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.

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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. As of 31 December 2015 and 2014, the Bank held collaterals against loans receivables in the form of cash, properties (land/building), 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 approval.

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 IDR currency to foreign currency exchange rate.



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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 2015 and 2014, presented in other assets at the lower of carrying amount and net realizable value, were as follows:

	31 December	
	2015	2014
Land	66,147	3,332
Building	234,486	68,618
Other commercial properties	15,967	16,443
Fair value	316,600	88,393

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 2015 and 2014, the Bank and Subsidiaries had financial assets held for trading at the fair value amounting to Rp 1,783,792 and Rp 1,672,222, 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	
	2015	2014
Government securities:		
Investment grade	1,525,873	1,633,073
Corporate securities:		
Investment grade	3,995	1,008
Derivative assets:		
Other banks as counterparties	221,968	24,657
Corporates as counterparties	30,083	10,967
Others	1,873	2,517
Fair value	1,783,792	1,672,222

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3. FINANCIAL RISK MANAGEMENT (Continued)

c. Credit risk management (continued)

vi. Investment securities

As of 31 December 2015 and 2014, the Bank and Subsidiaries had investment securities at the carrying value amounting to Rp 51,153,115 and Rp 71,528,070, respectively (see Note 14). Information of credit quality on the maximum exposure to credit risk of investment securities was as follows:

	31 December	
	2015	2014
Government securities:		
Investment grade	40,949,428	60,526,034
Corporate securities:		
Investment grade	5,155,802	4,805,677
Non-investment grade	124,180	114,723
Others	4,923,705	6,081,636
Carrying amount	51,153,115	71,528,070

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.

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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 2015 and 2014:

	31 December 2015					
	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	(473,666,215)	(473,868,836)	(460,719,243)	(8,686,867)	(4,462,726)	-
Deposits from other banks	(4,156,053)	(4,156,350)	(4,151,750)	(4,500)	(100)	-
Acceptance payables	(4,374,939)	(4,374,939)	(1,261,070)	(2,146,336)	(954,832)	(12,701)
Securities sold under agreements to repurchased	(38,602)	(38,736)	(38,736)	-	-	-
Debt securities issued	(2,820,965)	(2,917,745)	-	(486,071)	(1,357,987)	(1,073,687)
Borrowings	(1,743,337)	(1,747,448)	(320,012)	(137,500)	(816,563)	(473,373)
	<u>(486,800,111)</u>	<u>(487,104,054)</u>	<u>(466,490,811)</u>	<u>(11,461,274)</u>	<u>(7,592,208)</u>	<u>(1,559,761)</u>
Derivative financial liabilities						
Financial liabilities held for trading:	(74,234)					
Outflow		(9,854,440)	(8,493,605)	(1,206,036)	(154,799)	-
Inflow		9,823,649	8,458,817	1,212,409	152,423	-
	<u>(74,234)</u>	<u>(30,791)</u>	<u>(34,788)</u>	<u>6,373</u>	<u>(2,376)</u>	<u>-</u>
Administrative accounts						
Unused credit facilities to customers - committed	-	(105,940,361)	(105,940,361)	-	-	-
Unused credit facilities to other banks - committed	-	(646,087)	(646,087)	-	-	-
Irrevocable Letters of Credit issued	-	(5,258,718)	(2,055,812)	(2,737,750)	(463,300)	(1,856)
Bank guarantees issued to customers	-	(11,526,909)	(1,644,578)	(1,917,821)	(6,733,168)	(1,231,342)
	<u>-</u>	<u>(123,372,075)</u>	<u>(110,286,838)</u>	<u>(4,655,571)</u>	<u>(7,196,468)</u>	<u>(1,233,198)</u>
	<u>(486,874,345)</u>	<u>(610,506,920)</u>	<u>(576,812,437)</u>	<u>(16,110,472)</u>	<u>(14,791,052)</u>	<u>(2,792,959)</u>

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3. FINANCIAL RISK MANAGEMENT (Continued)

d. Liquidity risk management (continued)

	31 December 2014				
	Carrying amount	Gross nominal inflow/(outflow)	Up to 1 month	> 1 - 3 months	> 3 months - 1 year
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)
Debt securities issued	(2,503,900)	(2,520,135)	(16,234)	(99,908)	(574,442)
Borrowings	(3,080,942)	(3,090,520)	(753,612)	-	(1,508,163)
	<u>(461,942,804)</u>	<u>(462,274,559)</u>	<u>(440,032,107)</u>	<u>(12,004,701)</u>	<u>(7,574,632)</u>
					<u>(2,663,119)</u>
Derivative financial liabilities					
Financial liabilities held for trading:					
Outflow		(2,382,685)	(1,997,606)	(385,079)	-
Inflow		2,369,983	1,989,193	380,790	-
	<u>(14,702)</u>	<u>(12,702)</u>	<u>(8,413)</u>	<u>(4,289)</u>	<u>-</u>
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)
Bank guarantees issued to customers	-	(10,720,350)	(1,013,581)	(2,171,098)	(6,600,548)
	<u>-</u>	<u>(114,068,506)</u>	<u>(99,743,556)</u>	<u>(5,591,833)</u>	<u>(7,286,132)</u>
	<u>(461,957,506)</u>	<u>(576,355,767)</u>	<u>(539,784,076)</u>	<u>(17,600,823)</u>	<u>(14,860,764)</u>
					<u>(4,110,104)</u>

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 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 2015 and 2014 is disclosed in Note 37.

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3. FINANCIAL RISK MANAGEMENT (Continued)

e. Market risk management

i. Foreign exchange risk

The Bank conducts 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 the 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 placements 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 2015 and 2014 was disclosed in Note 38.

The Subsidiary has borrowings in foreign currency as of 31 December 2014. 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.

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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 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 offered 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' financial assets and liabilities (non-trading purposes) at carrying amounts, categorized by the earlier of contractual re-pricing or maturity dates:

	31 December 2015						
	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	10,994,823	-	-	-	-	26,779,754	37,774,577
Current accounts with other banks	8,438,924	-	-	-	-	-	8,438,924
Placements with Bank Indonesia and other banks	-	-	55,048,659	1,210,440	-	-	56,259,099
Acceptance receivables	-	21,321	-	-	-	7,346,068	7,367,389
Bills receivable	-	-	2,541,352	-	-	-	2,541,352
Securities purchased under agreements to resell	-	-	515,099	-	-	-	515,099
Loans receivable	281,358,274	26,759,475	-	-	70,498,543	-	378,616,292
Carry forward	300,792,021	26,780,796	58,105,110	1,210,440	70,498,543	34,278,997	491,512,732

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3. FINANCIAL RISK MANAGEMENT (Continued)

e. Market risk management (continued)

ii. Interest rate risk (continued)

	31 December 2015						
	Floating interest rate		Fixed interest rate			Non-interest bearing	Total
	Less than 3 months	3 months - 1 year	Less than 3 months	3 months - 1 year	More than 1 year		
Financial assets (continued)							
Carried forward	300,792,021	26,780,796	58,105,110	1,210,440	70,498,543	34,278,997	491,512,732
Consumer financing receivables	-	-	1,388,717	2,754,110	3,264,692	-	7,407,519
Investment in finance leases - net	-	-	30,669	73,634	68,817	-	173,120
Investment securities	5,115,983	-	4,538,697	12,318,456	29,026,804	153,175	51,153,115
Total	<u>305,908,004</u>	<u>26,780,796</u>	<u>64,063,193</u>	<u>16,356,640</u>	<u>102,858,856</u>	<u>34,278,997</u>	<u>550,246,486</u>
Financial liabilities							
Deposits from customers	(360,261,173)	-	(108,340,356)	(5,064,686)	-	-	(473,666,215)
Deposits from other banks	(4,114,411)	-	(41,542)	(100)	-	-	(4,156,053)
Acceptance payables	-	-	-	-	-	(4,374,939)	(4,374,939)
Securities sold under agreements to repurchased	-	-	(38,602)	-	-	-	(38,602)
Debt securities issued	-	-	(432,455)	(1,247,161)	(1,141,349)	-	(2,820,965)
Borrowings	-	-	(551,543)	(583,421)	(608,373)	-	(1,743,337)
Total	<u>(364,375,584)</u>	<u>-</u>	<u>(109,404,498)</u>	<u>(6,895,368)</u>	<u>(1,749,722)</u>	<u>(4,374,939)</u>	<u>(486,800,111)</u>
Interest rate re-pricing gap	<u>(58,467,580)</u>	<u>26,780,796</u>	<u>(45,341,305)</u>	<u>9,461,272</u>	<u>101,109,134</u>	<u>29,904,058</u>	<u>63,446,375</u>
31 December 2014							
	Floating interest rate		Fixed interest rate			Non-interest bearing	Total
	Less than 3 months	3 months - 1 year	Less than 3 months	3 months - 1 year	More than 1 years		
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	-	-	11,503,755	515,177	-	-	12,018,932
Acceptance receivables	1,307,500	1,433,572	-	-	-	4,828,292	7,569,364
Bills receivable	-	-	3,226,980	-	-	-	3,226,980
Securities purchased under agreements to resell	-	-	26,289,663	-	-	-	26,289,663
Loans receivable	248,580,638	21,381,017	-	-	69,897,413	-	339,859,068
Carry forward	<u>267,544,596</u>	<u>22,814,589</u>	<u>41,020,398</u>	<u>515,177</u>	<u>69,897,413</u>	<u>30,661,280</u>	<u>432,453,453</u>

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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)							
Carried forward	267,544,596	22,814,589	41,020,398	515,177	69,897,413	30,661,280	432,453,453
Consumer financing receivables	-	-	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	6,263,027	-	27,229,585	11,714,238	26,192,358	128,862	71,528,070
Total	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	-	-	(99,907)	(574,442)	(1,829,551)	(4,697,946)	(4,697,946)
Debt securities issued	-	-	(1,622,989)	(550,240)	(907,713)	-	(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

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 (parallel yield curve movement).

This sensitivity analysis is performed regularly on 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	
	2015	2014
Decrease in interest income due to 1% (one percent) parallel increase in interest rate	(801,952)	(809,089)
Increase in interest income due to 1% (one percent) parallel decrease in interest rate	801,952	809,089

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.



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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 2015 and 2014 were as follows:

	31 December			
	2015		2014	
	Foreign exchange	Interest rate	Foreign exchange	Interest rate
Average	38,246.75	12,831.74	14,606.05	7,363.59
Maximum	109,566.88	29,566.29	61,383.86	23,895.67
Minimum	1,564.56	2,951.97	1,414.31	1,979.88
As of 31 December	24,130.90	17,687.53	2,629.21	4,309.19

The Bank uses other sensitivity limit structures in order to mitigate VaR limitations, including limits to mitigate potential concentration risks in each trading assets portfolio. In addition, the Bank uses stress testing to measure the financial impact of a variety of exceptional market scenarios, such as non-parallel yield curves shifting and interest rates volatility.

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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 on a quarterly basis, covering parallel increase and decrease of 400 (four hundred) basis points (bps) in yield curves. The table below describes the sensitivity of fair value of available-for-sale securities to these movements as of 31 December 2015 and 2014, and its impact to equity (in billions of Rupiah):

	31 December	
	2015	2014
Increase in fair value of securities due to 400 (four hundred) bps parallel decrease in yield curve	1,573	2,707
Decrease in fair value of securities due to 400 (four hundred) bps parallel increase in yield curve	(1,506)	(2,482)

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 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 2015, 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.



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3. FINANCIAL RISK MANAGEMENT (Continued)

f. Operational risk management (continued)

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.

Further, LED is also used as a tool to summarize the loss data related to operational risks, which is used by the Bank to allocate capital charge and to continuously monitor events that can give rise to the 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, the 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 the 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 with Control over Subsidiaries, the Bank is required to implement a consolidated risk management.

Implementation of consolidated risk management in the Bank is performed based on the above-mentioned Bank Indonesia regulation, including:

- Active supervision of Board of Commissioners and Board of Directors;
- Adequate policies and procedures and setting limits;
- Adequacy of the process of identification, measurement, monitoring and risk control, as well as risk management information system; and
- A comprehensive internal control system.

By referring 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.

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3. FINANCIAL RISK MANAGEMENT (Continued)

g. Consolidated risk management (continued)

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.

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.

In accordance with Financial Services Authority Regulation ("POJK") No. 17/POJK.03/2014 dated 18 November 2014 regarding the Implementation of Integrated Risk Management for Financial Conglomeration, a financial conglomerate should implement a comprehensive and effective integrated risk management, in this case the Bank as the main entity is obliged to integrate the implementation of risk management within the financial conglomerate.

Referring to the implementation of integrated risk management concept, implementation of tasks and responsibilities of Integrated Risk Management Working Unit is one of the functions of the existing Risk Management Working Unit. In performing their duties, Integrated Risk Management Working Unit coordinates with working units that conduct Risk Management function on the respective Financial Service Institution ("LJK") in financial conglomerate.

The Bank as the main entity has submitted to OJK:

1. Reports regarding the main entity and LJK included as members of the financial conglomerate to the OJK.
2. Integrated Risk Profile Report.

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.



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4. USE OF ESTIMATES AND JUDGMENT (Continued)

a. Key sources of estimation uncertainty (continued)

a.1. Allowance for impairment losses of financial assets (continued)

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.

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.

Information regarding the fair value of financial instruments is disclosed in Note 32.

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 (see Note 2i.1).

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5. CASH

	31 December	
	2015	2014
Rupiah	16,861,883	18,803,034
Foreign currencies	987,577	774,537
	17,849,460	19,577,571

The balance of cash in Rupiah includes cash in ATMs (Automatic Teller Machines) amounting to Rp 9,903,585 and Rp 10,266,100 as of 31 December 2015 and 2014, respectively.

6. CURRENT ACCOUNTS WITH BANK INDONESIA

	31 December	
	2015	2014
Rupiah	33,310,088	34,887,205
Foreign currencies	4,464,489	3,987,970
	37,774,577	38,875,175

Weighted average effective interest rates per annum of current accounts with Bank Indonesia denominated in Rupiah as of 31 December 2015 and 2014 were 1.53% and 1.69%, respectively.

The balance of current accounts with Bank Indonesia is maintained to fulfill the Minimum Reserve Requirement from Bank Indonesia.

As of 31 December 2015 and 2014, the Bank's Primary Minimum Reserve Requirement for Rupiah currency was 7.54% and 8.36%, respectively, while the Bank's Primary Minimum Reserve Requirement for foreign currencies was 9.12% and 8.60%, respectively. Minimum Reserve Requirement LFR/Loan to Funding Ratio as of 31 December 2015 was 0% (31 December 2014: Minimum Reserve Requirement LDR/Loan to Deposit Ratio was 0.33%). Secondary Minimum Reserve Requirement was 7.44% and 20.74% as of 31 December 2015 and 2014, respectively, in the form of Certificates of Bank Indonesia, Certificates of Deposit of Bank Indonesia, Government Securities, Sharia Government Securities and excess funds above the Minimum Reserve Requirement (excess reserve).

As of 31 December 2015 and 2014, the Bank complied with Bank Indonesia's regulation regarding the Statutory Reserve Requirement of Commercial Banks.

Information on the classification and fair value of current accounts with Bank Indonesia is disclosed in Note 32. Information on the maturity of current accounts with Bank Indonesia is disclosed in Note 37.

7. CURRENT ACCOUNTS WITH OTHER BANKS

	31 December	
	2015	2014
Rupiah	53,312	38,043
Foreign currencies	8,385,612	4,576,228
	8,438,924	4,614,271



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7. CURRENT ACCOUNTS WITH OTHER BANKS (Continued)

Details of current accounts with other banks by counterparty as of 31 December 2015 and 2014 were as follows:

	31 December	
	2015	2014
Standard Chartered Bank	1,559,246	254,514
Wells Fargo Bank, N.A.	1,285,333	1,146,076
Citibank, N.A.	1,080,864	185,144
JP Morgan Chase Bank	983,787	876,486
Bank of America, N.A.	848,202	141,696
Oversea-Chinese Banking Corp. Ltd	415,118	146,839
The Bank of New York Mellon Corporation	410,358	638,583
PT Bank Mandiri (Persero) Tbk	292,228	77,929
Bank of China	209,048	191,466
DBS Bank	205,865	127,658
Barclays Bank	191,350	59,834
United Overseas Bank Limited Co.	152,632	145,319
ING Bank	124,140	36,995
GBC International Bank	95,432	72,631
Sumitomo Mitsui Banking Corp.	92,578	174,530
Euroclear Bank	83,062	15,522
The Hongkong and Shanghai Banking Corporation Ltd	55,470	17,473
PT Bank Rabobank International Indonesia	50,843	37,507
PT Bank Mizuho Indonesia	43,541	26,973
PT Bank ICBC Indonesia	41,306	19,625
Others	<u>218,521</u>	<u>221,471</u>
	<u>8,438,924</u>	<u>4,614,271</u>

As of 31 December 2015 and 2014, the Bank did not have balances of current accounts with other banks from related party.

Current accounts with foreign banks are placed in several countries.

Weighted average effective interest rates per annum of current accounts with other banks were as follows:

	Year ended 31 December	
	2015	2014
Rupiah	0.19%	0.24%
Foreign currencies	0.15%	0.16%

Management believes that the impairment losses of current accounts with other banks as of 31 December 2015 and 2014 were not necessary.

Information on the classification and fair value of current accounts with other banks is disclosed in Note 32. Information on the maturity of current accounts with other banks is disclosed in Note 37.

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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 2015					
	Up to 1 month	> 1 - 3 months	> 3 - 6 months	> 6 - 12 months	More than 12 months	Total
Bank Indonesia:						
Rupiah	30,663,118	-	-	-	-	30,663,118
Foreign currencies	18,609,750	-	-	-	-	18,609,750
Call money:						
Rupiah	4,045,000	-	-	-	-	4,045,000
Foreign currencies	-	282,345	-	-	-	282,345
Time deposits:						
Rupiah	520,500	419,500	171,300	64,000	-	1,175,300
Foreign currencies	4,944	53,111	-	-	-	58,055
Certificates of deposits:						
Rupiah	-	-	-	948,499	477,020	1,425,519
Others:						
Foreign currencies	12	-	-	-	-	12
	<u>53,843,324</u>	<u>754,956</u>	<u>171,300</u>	<u>1,012,499</u>	<u>477,020</u>	<u>56,259,099</u>

	31 December 2014					
	Up to 1 month	> 1 - 3 months	> 3 - 6 months	> 6 - 12 months	More than 12 months	Total
Bank Indonesia:						
Rupiah	6,071,025	-	-	-	-	6,071,025
Foreign currencies	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
Certificates of deposits:						
Rupiah	-	-	-	516,754	-	516,754
Others:						
Foreign currencies	10	-	-	-	-	10
	<u>10,541,976</u>	<u>866,902</u>	<u>93,300</u>	<u>516,754</u>	<u>-</u>	<u>12,018,932</u>



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8. PLACEMENTS WITH BANK INDONESIA AND OTHER BANKS (Continued)

Details of placements with Bank Indonesia and other banks by counterparty as of 31 December 2015 and 2014 were as follows:

	31 December	
	2015	2014
Bank Indonesia	49,272,868	8,238,400
PT Bank Mandiri (Persero) Tbk	1,324,036	75,000
PT Bank CIMB Niaga Tbk	576,240	7,000
PT Bank Pan Indonesia Tbk	500,000	590,000
Standard Chartered Bank - Indonesia	400,000	100,000
The Hongkong and Shanghai Banking Corporation Ltd	400,000	-
PT Bank ANZ Indonesia	398,300	8,300
PT Bank Pembangunan Daerah Riau Kepri	270,000	-
PT Bank Bukopin Tbk	239,500	-
PT Bank UOB Indonesia	222,500	108,000
PT Bank OCBC NISP Tbk	215,000	170,000
The Bank of Tokyo-Mitsubishi UFJ, Ltd - Jakarta Branch	203,180	-
The Bank of Tokyo-Mitsubishi - Singapore	181,507	-
PT Bank Rabobank International Indonesia	180,000	200,000
PT Bank Pembangunan Daerah Jawa Barat & Banten Tbk	170,000	170,000
PT Bank Tabungan Pensiunan Nasional Tbk	164,500	76,000
PT Bank Permata Tbk	143,219	185,228
PT Bank Nationalnobu Tbk	130,000	-
PT Bank DKI	130,000	-
PT Bank Commonwealth	124,063	179,769
Citibank, N.A.	110,000	-
PT Bank Maybank Indonesia Tbk (previously PT Bank International Indonesia Tbk)	106,000	54,500
PT Bank CTBC Indonesia	105,000	125,000
PT Bank Danamon Indonesia Tbk	105,000	120,000
Sumitomo Mitsui Banking Corporation - Singapore	100,838	71,038
PT Bank Muamalat Indonesia Tbk	100,000	20,000
Deutsche Bank AG - Indonesian Branch	-	300,000
PT Bank DBS Indonesia	-	320,000
PT Bank Rakyat Indonesia (Persero) Tbk	-	393,909
PT Bank KEB Hana Indonesia	-	138,911
Lainnya	<u>387,348</u>	<u>367,877</u>
	<u>56,259,099</u>	<u>12,018,932</u>

As of 31 December 2015 and 2014, the Bank and Subsidiaries did not have balances of placements with other banks from related party.

Placements with foreign banks are placed in many countries.

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8. PLACEMENTS WITH BANK INDONESIA AND OTHER BANKS (Continued)

The movement of unrealized gains (losses) from the change in fair value of available-for-sale placements with other banks were as follows:

	Year ended 31 December	
	2015	2014
Balance, beginning of year - before deferred income tax	(205)	-
Addition of unrealized gains (losses) during the year - net	817	(193)
Realized gains during the year - net	(67)	(12)
Total before deferred tax income	545	(205)
Deferred income tax (Note 17)	(136)	51
Balance, end of year - net	409	(154)

Weighted average effective interest rates per annum of placements with Bank Indonesia and other banks were as follows:

	Year ended 31 December	
	2015	2014
Bank Indonesia and call money:		
Rupiah	5.68%	5.88%
Foreign currencies	0.25%	0.35%
Time deposits:		
Rupiah	8.22%	7.96%
Foreign currencies	2.69%	2.75%
Certificates of deposits:		
Rupiah	8.43%	9.01%

The range of contractual interest rates of time deposits owned by the Bank in Rupiah currency were 5.00% - 10.50% and 5.50% - 11.00%, respectively, during the years ended 31 December 2015 and 2014, while the range of contractual interest rates of time deposits owned by the Bank in foreign currencies were 0.10% - 3.70% and 0.19% - 3.10%, respectively, during the years ended 31 December 2015 and 2014.

As of 31 December 2015, there were no placements with Bank Indonesia and other banks which were used as collateral for securities trading transactions, while as of 31 December 2014, there were placements with Bank Indonesia and other banks amounting to Rp 20,000 which were used as collateral for securities trading transactions.

Management believes that the impairment losses of placements with Bank Indonesia and other banks as of 31 December 2015 and 2014 were not necessary.

Information on the classification and fair value of placements with Bank Indonesia and other banks is disclosed in Note 32. Information on the maturity of placements with Bank Indonesia and other banks is disclosed in Note 37.



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9. FINANCIAL ASSETS AND LIABILITIES HELD FOR TRADING

Financial assets and liabilities held for trading consist of:

	31 December			
	2015		2014	
	Nominal value	Fair value	Nominal value	Fair value
Financial assets:				
Securities				
Government bonds	46,471	47,533	72,305	73,088
Certificates of Bank				
Indonesia	1,500,000	1,478,340	1,600,000	1,559,985
Corporate bonds	4,000	3,995	1,000	1,008
Shares	-	1,873	-	2,517
	<u>1,550,471</u>	<u>1,531,741</u>	<u>1,673,305</u>	<u>1,636,598</u>
Derivative assets				
Forward		28,464		10,600
Currency swap		223,076		24,314
Spot		511		710
		<u>252,051</u>		<u>35,624</u>
		<u>1,783,792</u>		<u>1,672,222</u>
Financial liabilities:				
Derivative liabilities				
Forward		10,945		5,901
Currency swap		62,377		7,379
Spot		912		1,422
		<u>74,234</u>		<u>14,702</u>

As of 31 December 2015 and 2014, the Bank and Subsidiaries did not have balances of financial assets and liabilities held for trading from and to related party.

During 2015 and 2014, there was no reclassification of financial instruments held for trading.

Information on the classification and fair value of financial assets and liabilities held for trading is disclosed in Note 32. Information on the maturity of financial assets and liabilities held for trading is disclosed in Note 37.

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10. ACCEPTANCE RECEIVABLES AND PAYABLES

a. The details of acceptance receivables

	31 December	
	2015	2014
Rupiah		
Non-bank debtors	1,366,354	1,022,216
Others banks	259,471	79,387
	<u>1,625,825</u>	<u>1,101,603</u>
Less:		
Allowance for impairment losses	(13,831)	(15,359)
	<u>1,611,994</u>	<u>1,086,244</u>
Foreign currencies		
Non-bank debtors	5,982,366	6,681,779
Others banks	192,537	182,325
	<u>6,174,903</u>	<u>6,864,104</u>
Less:		
Allowance for impairment losses	(419,508)	(380,984)
	<u>5,755,395</u>	<u>6,483,120</u>
Total acceptance receivables - net	<u>7,367,389</u>	<u>7,569,364</u>

b. The details of acceptance payables

	31 December	
	2015	2014
Rupiah		
Non-bank debtors	366,130	125,891
Others banks	402,559	145,631
	<u>768,689</u>	<u>271,522</u>
Foreign currencies		
Non-bank debtors	192,537	190,897
Others banks	3,413,713	4,235,527
	<u>3,606,250</u>	<u>4,426,424</u>
Total acceptance payables	<u>4,374,939</u>	<u>4,697,946</u>



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10. ACCEPTANCE RECEIVABLES AND PAYABLES (Continued)

- c. The movement of allowance for impairment losses of acceptance receivables

	Year ended 31 December 2015		
	Rupiah	Foreign currencies	Total
Balance, beginning of year	(15,359)	(380,984)	(396,343)
Reversal (addition) of allowance during the year	1,528	(38,387)	(36,859)
Exchange rate difference arising from allowance for impairment losses denominated in foreign currencies	-	(137)	(137)
Balance, end of year	<u>(13,831)</u>	<u>(419,508)</u>	<u>(433,339)</u>

	Year ended 31 December 2014		
	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	<u>(15,359)</u>	<u>(380,984)</u>	<u>(396,343)</u>

Management believes that the allowance for impairment losses provided was adequate to cover possible losses on uncollectible acceptance receivables.

As of 31 December 2015 and 2014, the Bank did not have balances of acceptance receivables and payables from and to related party.

Information on the classification and fair value of acceptance receivables and payables is disclosed in Note 32. Information on 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 2015				
	Purchase date	Sale date	Resell price	Deferred interest income	Carrying value
Transactions with other banks:					
Government bonds	21 Dec 2015	11 Jan 2016	516,326	(1,227)	515,099
			<u>516,326</u>	<u>(1,227)</u>	<u>515,099</u>

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11. SECURITIES PURCHASED UNDER AGREEMENTS TO RESELL (Continued)

			31 December 2014		
	Range of purchase date	Range of selling date	Resell price	Deferred interest income	Carrying value
Transactions with Bank Indonesia:					
Government bonds	13 Nov 2014 - 29 Dec 2014	5 Jan 2015 - 18 Feb 2015	18,310,430	(54,875)	18,255,555
Treasury bills	4 Dec 2014 - 23 Dec 2014	5 Jan 2015 - 20 Jan 2015	999,533	(1,690)	997,843
			19,309,963	(56,565)	19,253,398
Transactions with other banks:					
Government bonds	1 Dec 2014 - 30 Dec 2014	5 Jan 2015 - 30 Jan 2015	5,424,430	(20,118)	5,404,312
Certificate of Bank Indonesia	9 Dec 2014 - 30 Dec 2014	12 Jan 2015 - 30 Jan 2015	1,466,525	(3,517)	1,463,008
Treasury bills	30 Dec 2014	30 Jan 2015	169,843	(898)	168,945
			7,060,798	(24,533)	7,036,265
			26,370,761	(81,098)	26,289,663

All securities purchased under agreements to resell as of 31 December 2015 and 2014 were government bonds denominated in Rupiah currency with investment grade ratings.

As of 31 December 2015 and 2014, 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 2015 and 2014 were not necessary.

Weighted average effective interest rates per annum of securities purchased under agreements to resell for the years ended 31 December 2015 and 2014 were 6.08% and 6.25%, respectively.

Information on the classification and fair value of securities purchased under agreements to resell is disclosed in Note 32. Information on 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	
	2015	2014
Rupiah		
Related parties:		
Working capital	927,507	530,554
Investment	783	888
Consumer	19,711	22,268
	948,001	553,710
Third parties:		
Working capital	163,635,158	142,046,124
Investment	98,240,470	86,363,744
Consumer	91,007,227	83,482,281
Credit card	9,482,629	8,772,143
Employee loans	2,268,087	1,894,383
	364,633,571	322,558,675
Carry forward	365,581,572	323,112,385



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12. LOANS RECEIVABLE (Continued)

a. By type and currency (continued)

	31 December	
	2015	2014
Carried forward	<u>365,581,572</u>	<u>323,112,385</u>
<u>Foreign currencies</u>		
Third parties:		
Working capital	13,163,094	14,735,947
Investment	<u>8,897,971</u>	<u>8,714,978</u>
	<u>22,061,065</u>	<u>23,450,925</u>
Total loans receivable	387,642,637	346,563,310
Less: Allowance for impairment losses		
Rupiah	(8,402,762)	(6,192,465)
Foreign currencies	<u>(623,583)</u>	<u>(511,777)</u>
	<u>(9,026,345)</u>	<u>(6,704,242)</u>
Total loans receivable - net	<u>378,616,292</u>	<u>339,859,068</u>

b. By economic sector and Bank Indonesia's collectability

	31 December 2015						Allowance for impairment losses	Total
	Pass	Special mention	Sub-standard	Doubtful	Loss			
Rupiah								
Manufacturing	76,824,293	419,748	69,147	123,698	61,792	(1,351,191)	76,147,487	
Business services	26,963,468	239,346	73	10,177	58,397	(556,819)	26,714,642	
Trading, restaurants and hotels	96,277,099	1,422,107	54,920	92,064	576,298	(2,694,970)	95,727,518	
Agriculture and agricultural facilities	16,203,886	11,937	11	143,664	11,058	(222,459)	16,148,097	
Construction	8,451,614	139,381	6,566	1,056	26,761	(235,911)	8,389,467	
Transportation, warehousing and communications	19,627,546	623,943	2,552	256,576	263,961	(1,533,555)	19,241,023	
Social/public services	4,643,424	68,538	425	1,697	12,156	(127,479)	4,598,761	
Mining	623,698	79,456	178	1,356	1,955	(32,200)	674,443	
Electricity, gas and water	8,375,761	437	-	-	20,421	(26,143)	8,370,476	
Others	98,919,635	3,089,894	164,035	185,437	429,930	(1,622,035)	101,166,896	
	<u>356,910,424</u>	<u>6,094,787</u>	<u>297,907</u>	<u>815,725</u>	<u>1,462,729</u>	<u>(8,402,762)</u>	<u>357,178,810</u>	
Foreign currencies								
Manufacturing	7,759,818	688	-	-	-	(73,950)	7,686,556	
Business services	202,405	-	-	-	-	(2,648)	199,757	
Trading, restaurants and hotels	5,513,643	9,226	-	-	15,395	(73,678)	5,464,586	
Agriculture and agricultural facilities	2,241,341	-	-	-	-	(145,917)	2,095,424	
Construction	22,218	3,972	-	-	-	(855)	25,335	
Transportation, warehousing and communications	528,885	168,212	-	163,455	46,461	(319,188)	587,825	
Social/public services	199,705	-	-	-	-	(3,010)	196,695	
Mining	5,185,641	-	-	-	-	(4,337)	5,181,304	
	<u>21,653,656</u>	<u>182,098</u>	<u>-</u>	<u>163,455</u>	<u>61,856</u>	<u>(623,583)</u>	<u>21,437,482</u>	
Total	<u>378,564,080</u>	<u>6,276,885</u>	<u>297,907</u>	<u>979,180</u>	<u>1,524,585</u>	<u>(9,026,345)</u>	<u>378,616,292</u>	

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12. LOANS RECEIVABLE (Continued)

b. By economic sector and Bank Indonesia's collectability (continued)

	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
	<u>316,562,402</u>	<u>4,600,853</u>	<u>715,667</u>	<u>233,188</u>	<u>1,000,275</u>	<u>(6,192,465)</u>	<u>316,919,920</u>
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)	1,399,197
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
	<u>23,298,580</u>	<u>33,339</u>	<u>-</u>	<u>73,780</u>	<u>45,226</u>	<u>(511,777)</u>	<u>22,939,148</u>
Total	<u>339,860,982</u>	<u>4,634,192</u>	<u>715,667</u>	<u>306,968</u>	<u>1,045,501</u>	<u>(6,704,242)</u>	<u>339,859,068</u>



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12. LOANS RECEIVABLE (Continued)

c. By maturity

Loans receivable by maturity period based on loan agreements:

	31 December	
	2015	2014
Rupiah		
Up to 1 year	63,824,517	140,891,141
> 1 - 5 years	150,133,272	90,057,477
> 5 years	152,137,284	92,647,269
	366,095,073	323,595,887
Foreign currencies		
Up to 1 year	5,606,729	13,608,180
> 1 - 5 years	8,641,480	5,505,707
> 5 years	7,814,134	4,340,090
	22,062,343	23,453,977
Total loans receivable	388,157,416	347,049,864
Less:		
Deferred provision and commission income ^{*)}	(514,779)	(486,554)
Allowance for impairment losses	(9,026,345)	(6,704,242)
Total loans receivable - net	378,616,292	339,859,068

^{*)} Deferred provision and commission income represent all provisions, commissions and other fees received by the Bank on loan agreements, 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	
	2015	2014
Bank's participation as participant, ranged between 6.88% - 29.70% and 2.97% - 28.57%, respectively, for the years ended 31 December 2015 and 2014, with outstanding balance of Rp 5,055,152 and USD 88,555,599 as of 31 December 2015 (2014: Rp 5,567,115 and USD 71,563,428)	6,275,891	6,453,428
Bank's participation as arranger, ranged between 5.00% - 50.00% and 11.96% - 41.81%, respectively, for the years ended 31 December 2015 and 2014, with outstanding balance of Rp 9,658,446 and USD 145,974,808 as of 31 December 2015 (2014: Rp 5,337,955 and USD 180,647,994)	11,670,709	7,575,280
	17,946,600	14,028,708

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12. LOANS RECEIVABLE (Continued)

e. Restructured loans

During the years ended 31 December 2015 and 2014, 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 2015						
	Collective impairment losses			Individual impairment losses			
	Rupiah	Foreign currencies	Sub-total	Rupiah	Foreign currencies	Sub-total	Total
Balance, beginning of year	(5,526,076)	(424,766)	(5,950,842)	(666,389)	(87,011)	(753,400)	(6,704,242)
(Addition) reversal of allowance during the year	(2,516,530)	36,208	(2,480,322)	(530,287)	(111,259)	(641,546)	(3,121,868)
Loans written-off during the year	789,468	-	789,468	109,729	-	109,729	899,197
Recoveries on loans previously written-off	(62,677)	-	(62,677)	-	-	-	(62,677)
Exchange rate differences	-	(28,608)	(28,608)	-	(8,147)	(8,147)	(36,755)
Balance, end of year	<u>(7,315,815)</u>	<u>(417,166)</u>	<u>(7,732,981)</u>	<u>(1,086,947)</u>	<u>(206,417)</u>	<u>(1,293,364)</u>	<u>(9,026,345)</u>
Year ended 31 December 2014							
	Collective impairment losses			Individual impairment losses			
	Rupiah	Foreign currencies	Sub-total	Rupiah	Foreign currencies	Sub-total	Total
	(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	<u>(5,526,076)</u>	<u>(424,766)</u>	<u>(5,950,842)</u>	<u>(666,389)</u>	<u>(87,011)</u>	<u>(753,400)</u>	<u>(6,704,242)</u>

Management believes that allowance for impairment losses provided was adequate to cover possible losses on uncollectible loans receivable. As of 31 December 2015 and 2014, allowance for collective impairment losses on loans receivable to related parties amounted to Rp 1,056 and Rp 796, respectively.

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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 2015 and 2014 were Rp 35,762,472 and Rp 33,630,725, respectively.

h. Other significant information relating to loans receivable

As of 31 December 2015 and 2014, the Bank had no loans receivable which were pledged as collaterals.

Demand deposits, saving deposits and time deposits pledged as collateral for loans receivable amounting to Rp 10,700,349 and Rp 10,002,728, respectively, as of 31 December 2015 and 2014 (see Note 16).

As of 31 December 2015 and 2014, 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	
	2015	2014
Rupiah	10.86%	10.70%
Foreign currencies	4.14%	4.49%

Ratio of small business loans to loans receivable as of 31 December 2015 and 2014 was 1.18% and 0.66%, respectively.

The Bank's non-performing loans (classified as sub-standard, doubtful and loss) as of 31 December 2015 and 2014 amounting to Rp 2,801,255 and Rp 2,067,459, respectively.

As of 31 December 2015, the percentage of non-performing loan ("NPL") - gross and NPL - net was 0.72% and 0.22% (2014: 0.60% and 0.22%), respectively, which was calculated based on prevailing Bank Indonesia Regulations.

Information on the classification and fair value of loans receivable is disclosed in Note 32. Information on the maturity of loan receivables is disclosed in Note 37. Information on the details of loans receivable by geographic region is disclosed in Note 36.

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13. CONSUMER FINANCING RECEIVABLES

The Subsidiaries' consumer financing receivables at amortized cost were as follows:

	31 December	
	2015	2014
Consumer financing receivables		
- Self-financing	5,837,470	5,368,285
- Share in joint financing with related parties without recourse	6,001,423	5,635,111
Unamortized transaction cost - net	(143,223)	(168,773)
Unrecognized consumer financing income	(4,002,132)	(3,660,333)
Consumer financing receivables, before allowance for impairment losses	7,693,538	7,174,290
Less:		
Allowance for impairment losses	(286,019)	(201,062)
Total consumer financing receivables - net	7,407,519	6,973,228

Contractual interest rates per annum for consumer financing during 2015 and 2014 were 7.04% - 36.74% and 7.04% - 38.53%, respectively.

The Subsidiaries extend consumer financing contracts for 4 (four) wheel vehicles with terms ranging from 1 (one) year to 6 (six) years, while consumer financing contracts for 2 (two) wheel vehicles ranging from 1 (one) year to 4 (four) years.

The movement in the allowance for impairment losses on consumer financing receivables was as follows:

	31 December	
	2015	2014
Balance, beginning of year	(201,062)	(79,673)
Beginning balance of acquired Subsidiary	-	(64,652)
Addition of allowance during the year	(293,339)	(239,989)
Written-off during the year	208,382	183,252
Balance, end of year	(286,019)	(201,062)

The collection of consumer financing receivables previously written-off amounting to Rp 11,797 and Rp 8,015 in 2015 and 2014, respectively.

As of 31 December 2015 and 2014 consumer financing receivables, before deduction of unearned income, amounting to Rp 3,346,648 and Rp 3,219,018, respectively, were pledged as collateral to borrowings and overdraft, and debt securities issued.

The consumer financing receivables are secured by the related certificates of ownership ("BPKB") of the vehicles financed by the Subsidiaries.

Management believes that the allowance for impairment losses was adequate to cover possible losses arising from uncollectible consumer financing receivables.

Information on the classification and fair value of consumer financing receivables is disclosed in 32. Information on the maturity of consumer financing receivables is disclosed in Note 37.



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14. INVESTMENT SECURITIES

The details of investment securities by type and currency as of 31 December 2015 and 2014 were as follows:

Description	31 December 2015				Carrying value	
	Nominal amount	Unamortized premium (discount)	Unrealized (loss) gain	Allowance for impairment losses		
Rupiah						
Held-to-maturity:						
Government bonds						
- Recapitalization	1,150,000	(1,350)	-	-	1,148,650	
- Non-recapitalization	7,554,321	(15,806)	-	-	7,538,515	
Corporate bonds	2,649,000	69,697	-	(315,812)	2,402,885	
Treasury bills	672,000	(2,570)	-	-	669,430	
Asset-backed securities	4,509	(827)	-	-	3,682	
Available-for-sale:						
Certificates of Bank Indonesia	6,400,000	(93,434)	(226)	-	6,306,340	
Government bonds						
- Recapitalization	20,000	(2)	(136)	-	19,862	
- Non-recapitalization	14,688,405	192,757	(731,763)	-	14,149,399	
Mutual fund units	3,254,628	-	510,850	-	3,765,478	
Corporate bonds	2,290,500	2,697	(72,530)	(93,449)	2,127,218	
Medium-term notes	600,000	(339)	(7,191)	-	592,470	
Treasury bills	465,795	(13,942)	(2,867)	-	448,986	
Investment in shares	176,404	-	-	(23,229)	153,175	
Others	70,000	331	(12,331)	(8,500)	49,500	
	<u>39,995,562</u>	<u>137,212</u>	<u>(316,194)</u>	<u>(440,990)</u>	<u>39,375,590</u>	
Foreign currencies						
Held-to-maturity:						
Government bonds, non-recapitalization	1,000,803	46,442	-	-	1,047,245	
Medium-term notes	324,625	532	-	(297,144)	28,013	
Available-for-sale:						
Certificates of Bank Indonesia	3,446,250	(15,408)	(1,479)	-	3,429,363	
Government bonds, non-recapitalization	5,963,529	59,147	168,963	-	6,191,639	
Corporate bonds	1,061,445	(2,747)	10,166	-	1,068,864	
Medium-term notes	124,065	2,865	-	(114,529)	12,401	
	<u>11,920,717</u>	<u>90,831</u>	<u>177,650</u>	<u>(411,673)</u>	<u>11,777,525</u>	
Total investment securities	<u>51,916,279</u>	<u>228,043</u>	<u>(138,544)</u>	<u>(852,663)</u>	<u>51,153,115</u>	

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14. INVESTMENT SECURITIES (Continued)

Description	31 December 2014			
	Nominal amount	Unamortized premium (discount)	Unrealized (loss) gain	Allowance for impairment losses
Rupiah				
Held-to-maturity:				
Government bonds				
- Recapitalization	2,260,000	(906)	-	-
- Non-recapitalization	5,371,379	33,737	-	-
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	-
Government bonds				
- Recapitalization	90,000	(11)	(472)	-
- Non-recapitalization	17,602,773	317,483	(811,014)	-
Mutual fund units	3,355,536	-	558,880	-
Corporate bonds	2,759,000	2,082	(41,223)	(92,848)
Medium-term notes	500,000	(11)	1,277	-
Investment in shares	146,810	-	-	(17,948)
Others	20,000	105	(19,105)	(1,000)
	67,208,498	(50,828)	(302,945)	(412,450)
				66,442,275
Foreign currencies				
Held-to-maturity:				
Government bonds, non-recapitalization	899,227	51,161	-	-
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	-
Corporate bonds	953,645	(3,231)	(2,050)	-
Medium-term notes	111,465	2,519	-	(102,843)
	5,166,092	75,237	203,721	(359,255)
				5,085,795
Total investment securities	72,374,590	24,409	(99,224)	(771,705)
				71,528,070

As of 31 December 2015, investment securities includes government bonds with carrying value amounted to Rp 49,666 (nominal amount of Rp 48,252), which according to the agreements, the Bank is required to repurchase the respective government bonds on 7 January 2016 and 20 January 2016. Total liabilities at carrying value ("securities sold under agreements to repurchase") in the consolidated statement of financial position as of 31 December 2015 amounting to Rp 38,602.

As of 31 December 2015 and 2014, the Bank did not have investment securities pledged as collateral.



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14. INVESTMENT SECURITIES (Continued)

During the years ended 31 December 2015 and 2014, the Bank reclassified certain held-to-maturity investment securities to available-for-sale investment securities amounting to Rp 1,568,624 (fair value of Rp 1,562,972) and Rp 4,632,795 (fair value of Rp 4,648,498), 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 (2014 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 2015 and 2014 were Rp 459,560 and Rp 1,602,044, respectively.

The details of government recapitalization bonds owned by the Bank as of 31 December 2015 and 2014 were as follows:

	31 December 2015				
	Nominal amount	Fair value	Maturity date	Frequency of interest payment	
				Carrying value	
Held-to-maturity:					
VR0023 series	1,050,000	1,042,755	25 Oct 2016	3 months	1,050,068
VR0026 series	100,000	99,310	25 Jan 2018	3 months	98,582
	<u>1,150,000</u>	<u>1,142,065</u>			<u>1,148,650</u>
Available-for-sale:					
VR0023 series	20,000	19,862	25 Oct 2016	3 months	19,862
	<u>20,000</u>	<u>19,862</u>			<u>19,862</u>

	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
	<u>2,260,000</u>	<u>2,240,097</u>			<u>2,259,094</u>
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
	<u>90,000</u>	<u>89,517</u>			<u>89,517</u>

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14. INVESTMENT SECURITIES (Continued)

The weighted average effective interest rates per annum for investment securities were as follows:

	Year ended 31 December			
	2015		2014	
	Rupiah (%)	Foreign currencies (%)	Rupiah (%)	Foreign currencies (%)
Held-to-maturity:				
Government bonds	7.80	4.04	7.65	5.54
Corporate bonds	8.77	-	9.36	-
Medium-term notes	-	1.06	-	2.58
Treasury bills	6.57	-	-	-
Asset-backed security	10.10	-	-	-
Available-for-sale:				
Certificates of Bank Indonesia	6.54	0.76	6.73	-
Government bonds	6.26	3.81	6.33	4.86
Corporate bonds	9.12	2.85	8.76	3.12
Medium-term notes	9.40	1.13	8.17	1.09
Treasury bills	6.56	-	-	-

The movement of allowance for impairment losses of investment securities for the years ended 31 December 2015 and 2014 was as follows:

	Year ended 31 December 2015						
	Collective impairment losses			Individual impairment losses			
	Rupiah	Foreign currencies	Sub-total	Rupiah	Foreign currencies	Sub-total	Total
Balance, beginning of year	(25,962)	(81)	(26,043)	(386,488)	(359,174)	(745,662)	(771,705)
(Addition) reversal of allowance during the year	(5,573)	2	(5,571)	(22,966)	(3,309)	(26,275)	(31,846)
Exchange rate difference	-	(2)	(2)	-	(49,110)	(49,110)	(49,112)
Balance, end of year	<u>(31,535)</u>	<u>(81)</u>	<u>(31,616)</u>	<u>(409,454)</u>	<u>(411,593)</u>	<u>(821,047)</u>	<u>(852,663)</u>
Year ended 31 December 2014							
	Collective impairment losses			Individual impairment losses			
	Rupiah	Foreign currencies	Sub-total	Rupiah	Foreign currencies	Sub-total	Total
	(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	<u>(25,962)</u>	<u>(81)</u>	<u>(26,043)</u>	<u>(386,488)</u>	<u>(359,174)</u>	<u>(745,662)</u>	<u>(771,705)</u>

Management believes that the balance of allowance for impairment losses provided was adequate to cover possible losses on uncollectible investment securities.



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14. INVESTMENT SECURITIES (Continued)

The movement of unrealized gains (losses) from the change in fair value of available-for-sale investment securities were as follows:

	Year ended 31 December 2015		
	Rupiah	Foreign currencies	Total
Balance, beginning of year - before deferred income tax	(302,945)	203,721	(99,224)
Addition of unrealized gains (losses) during the year - net	273,103	(58,413)	214,690
Realized gains during the year - net	(286,352)	(16)	(286,368)
Exchange rate difference	-	32,358	32,358
Total before deferred income tax	(316,194)	177,650	(138,544)
Deferred income tax (Note 17)			34,636
Balance, end of year - net			(103,908)

	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 gains during the year - net	580,009	147,039	727,048
Realized gains during the year - net	(201,105)	(19)	(201,124)
Exchange rate difference	-	13,026	13,026
Total before deferred income tax	(302,945)	203,721	(99,224)
Deferred income tax (Note 17)			24,806
Balance, end of year - net			(74,418)

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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 2015 and 2014:

	31 December			
	2015	Rated by	2014	Rated by
	Rating		Rating	
Government of the Republic of Indonesia	BBB-	Fitch	BBB-	Fitch
Government of the United States of America	AAA	Fitch	AAA	Fitch
Perum Pegadaian	AA+	Pefindo	AA+	Pefindo
PT Arpeni Ocean Line Tbk	D	Pefindo	D	Pefindo
PT Astra Sedaya Finance	AAA	Pefindo	AAA	Pefindo
PT Aneka Tambang Tbk	A-	Pefindo	A	Pefindo
PT Bank CIMB Niaga Tbk	AAA	Pefindo	AAA	Pefindo
PT Bank ICBC Indonesia	-	-	FI+	Fitch
PT Bank Maybank Indonesia Tbk	AAA	Pefindo	AAA	Pefindo
PT Bank OCBC NISP Tbk	AAA	Pefindo	-	-
PT Bank Pan Indonesia Tbk	AA	Pefindo	AA	Pefindo
PT Bank Permata Tbk	AAA	Pefindo	AAA	Pefindo
PT Bank Rakyat Indonesia (Persero) Tbk	AAA	Pefindo	BBB-	Fitch
PT BPD Riau Kepri	A	Fitch	A	Fitch
PT Bank Sumitomo Mitsui Indonesia	AAA	Pefindo	-	-
PT Bank Tabungan Negara (Persero) Tbk	AA	Pefindo	AA	Pefindo
PT Bank Tabungan Pensiunan Nasional Tbk	AA+	Fitch	AA	Fitch
PT Bank UOB Indonesia Tbk	AAA	Fitch	-	-
PT Berlian Laju Tanker Tbk	D	Pefindo	D	Pefindo
PT Express Transindo Utama Tbk	A	Pefindo	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	AAA	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 Mandala Multifinance Tbk	A	Pefindo	-	-
PT Medco Energi International Tbk	A+	Pefindo	AA-	Pefindo
PT Nippon Indosari Corpindo	AA-	Pefindo	AA-	Pefindo
PT Perfamina (Persero)	BBB-	Fitch	BBB-	Fitch
PT Perusahaan Listrik Negara	AAA	Pefindo	AAA	Pefindo
PT Profesional Telekomunikasi Indonesia	AA+	Fitch	AA-	Fitch
PT Telekomunikasi Indonesia (Persero) Tbk	-	-	AAA	Pefindo

Information on the classification and fair value of investment securities is disclosed in Note 32.
Information on the maturity of investment securities is disclosed in Note 37.

15. FIXED ASSETS

Fixed assets consisted of:

	31 December 2015				
	Beginning balance	Additions	Deductions	Reclassifications	Ending balance
<u>Acquisition cost/revaluation amount</u>					
Direct ownership					
Land*)	2,701,469	326,026	(98,187)	284,605	3,213,913
Buildings*)	2,957,478	136,433	(2,463)	185,952	3,277,400
Office furniture, fixtures and equipments*)	6,994,965	1,282,755	(188,522)	5,290	8,094,488
Motor vehicles	43,905	6,810	(6,243)	-	44,472
Construction in progress	1,990,264	777,683	(172,023)	(475,847)	2,120,077
Leased assets	37,151	4,525	(34,520)	-	7,156
Carry forward	14,725,232	2,534,232	(501,958)	-	16,757,506

*) Revalued in 1998 and 2000.



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15. FIXED ASSETS (Continued)

	31 December 2015				
	Beginning balance	Additions	Deductions	Reclassifications	Ending balance
Carried forward	14,725,232	<u>2,534,232</u>	(501,958)	-	16,757,506
<u>Accumulated depreciation</u>					
Direct ownership					
Buildings	(1,049,983)	(151,499)	2,186	-	(1,199,296)
Office furnitures, fixtures and equipments	(4,806,068)	(1,201,790)	186,196	-	(5,821,662)
Motor vehicles	(19,832)	(6,694)	4,513	-	(22,013)
Leased assets	(4,419)	(3,856)	5,761	-	(2,514)
	<u>(5,880,302)</u>	<u>(1,363,839)</u>	<u>198,656</u>	<u>-</u>	<u>(7,045,485)</u>
Net book value	<u>8,844,930</u>				<u>9,712,021</u>
	31 December 2014				
	Beginning balance	Additions **)	Deductions	Reclassifications	Ending balance
<u>Acquisition cost/revaluation amount</u>					
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
	<u>12,403,013</u>	<u>2,710,683</u>	<u>(388,464)</u>	<u>-</u>	<u>14,725,232</u>
<u>Accumulated depreciation</u>					
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)
	<u>(4,962,996)</u>	<u>(1,107,667)</u>	<u>190,361</u>	<u>-</u>	<u>(5,880,302)</u>
Net book value	<u>7,440,017</u>				<u>8,844,930</u>

*) 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).

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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 amounting 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 amounting 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 amounting 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 retained earnings.

Other informations

As of 31 December 2015 and 2014, the Bank did not have any fixed assets pledged as collateral.

Depreciation charged to general and administrative expenses for the years ended 31 December 2015 and 2014 amounting to Rp 1,363,839 and Rp 1,091,858, respectively.

Gain on sale of fixed assets recognized as part of other operating income, for the years ended 31 December 2015 and 2014, amounting to Rp 4,354 and Rp 3,897, respectively.

Loss on sale of fixed assets recognized as part of other operating expenses, for the years ended 31 December 2015 and 2014, amounting to Rp 1,712 and Rp 2,145, 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 7,889,451 and USD 464,577,761 as of 31 December 2015, and Rp 6,547,509 and USD 442,390,508 as of 31 December 2014. Management believes that the insurance coverage is adequate to cover possible losses from such risks.

As of 31 December 2015 and 2014, the cost of fully depreciated fixed assets that are still in used amounting to Rp 3,056,167 and Rp 2,474,588, respectively.

No impairment losses on fixed assets existed during 2015 and 2014.

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16. DEPOSITS FROM CUSTOMERS AND OTHER BANKS

a. Deposits from customers

	31 December					
	2015			2014		
	Rupiah	Foreign currencies	Total	Rupiah	Foreign currencies	Total
Demand deposits:						
Related parties	462,023	524,579	986,602	339,636	43,534	383,170
Third parties	96,456,483	18,209,771	114,666,254	90,161,026	16,875,149	107,036,175
	<u>96,918,506</u>	<u>18,734,350</u>	<u>115,652,856</u>	<u>90,500,662</u>	<u>16,918,683</u>	<u>107,419,345</u>
Savings:						
Related parties	58,831	30,075	88,906	47,186	30,433	77,619
Third parties:						
Tahapan	221,467,709	-	221,467,709	207,516,803	-	207,516,803
Tapres	7,430,921	-	7,430,921	7,553,505	-	7,553,505
Tabunganku	1,101,370	-	1,101,370	824,711	-	824,711
Tahapan Xpresi	208,036	-	208,036	91,563	-	91,563
Simpanan Pelajar	239	-	239	-	-	-
BCA Dollar	-	14,311,136	14,311,136	-	12,928,538	12,928,538
	<u>230,267,106</u>	<u>14,341,211</u>	<u>244,608,317</u>	<u>216,033,768</u>	<u>12,958,971</u>	<u>228,992,739</u>
Time deposits:						
Related parties	138,512	13,113	151,625	646,485	12,302	658,787
Third parties	103,130,082	10,123,335	113,253,417	103,202,347	7,632,538	110,834,885
	<u>103,268,594</u>	<u>10,136,448</u>	<u>113,405,042</u>	<u>103,848,832</u>	<u>7,644,840</u>	<u>111,493,672</u>
Total deposits from customers	430,454,206	43,212,009	473,666,215	410,383,262	37,522,494	447,905,756

b. Deposits from other banks

	31 December					
	2015			2014		
	Rupiah	Foreign currencies	Total	Rupiah	Foreign currencies	Total
Demand deposits						
Interbank call money	2,648,104	1,456,307	4,104,411	2,548,550	1,158,486	3,707,036
Time deposits	10,000	-	10,000	-	-	-
	<u>41,642</u>	<u>-</u>	<u>41,642</u>	<u>47,224</u>	<u>-</u>	<u>47,224</u>
Total deposits from other banks	2,699,746	1,456,307	4,156,053	2,595,774	1,158,486	3,754,260

As of 31 December 2015 and 2014, 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			
	2015		2014	
	Rupiah (%)	Foreign currencies (%)	Rupiah (%)	Foreign currencies (%)
Deposits from customers:				
Demand deposits	1.08	0.12	1.16	0.13
Savings	1.07	0.16	1.22	0.19
Time deposits	6.16	0.29	7.43	0.35
Deposits from other banks:				
Demand deposits	0.54	0.01	0.56	0.01
Interbank call money	7.40	-	5.90	0.78
Time deposits	5.18	-	5.88	-

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16. DEPOSITS FROM CUSTOMERS AND OTHER BANKS (Continued)

- d. Time deposits based on maturity period

	31 December					
	2015			2014		
	Rupiah	Foreign currencies	Total	Rupiah	Foreign currencies	Total
1 month	87,933,555	8,874,795	96,808,350	87,982,668	6,550,662	94,533,330
3 months	9,268,012	485,850	9,753,862	9,355,509	430,921	9,786,430
6 months	2,872,648	220,425	3,093,073	2,995,189	186,384	3,181,573
12 months	3,236,021	555,378	3,791,399	3,562,690	476,873	4,039,563
	<u>103,310,236</u>	<u>10,136,448</u>	<u>113,446,684</u>	<u>103,896,056</u>	<u>7,644,840</u>	<u>111,540,896</u>

- e. Time deposits based on remaining period until maturity date

	31 December					
	2015			2014		
	Rupiah	Foreign currencies	Total	Rupiah	Foreign currencies	Total
Up to 1 month	91,211,736	9,080,755	100,292,491	90,269,393	6,713,090	96,982,483
> 1 - 3 months	8,215,902	475,465	8,691,367	9,466,671	427,113	9,893,784
> 3 - 6 months	2,182,913	237,143	2,420,056	2,228,195	203,290	2,431,485
> 6 - 12 months	1,699,685	343,085	2,042,770	1,931,797	301,347	2,233,144
	<u>103,310,236</u>	<u>10,136,448</u>	<u>113,446,684</u>	<u>103,896,056</u>	<u>7,644,840</u>	<u>111,540,896</u>

- f. Deposits pledged as collateral to loans granted by the Bank as of 31 December 2015 and 2014 (see Note 12) were as follows:

	31 December	
	2015	2014
Demand deposits	1,217,440	840,196
Savings	1,135,316	1,155,326
Time deposits	8,347,593	8,007,206
	<u>10,700,349</u>	<u>10,002,728</u>

Information on the classification and fair value of deposits from customers and other banks is disclosed in Note 32. Information on the maturity of deposits from customers and other banks is disclosed in Note 37.

17. INCOME TAX

- a. Current tax liabilities

	31 December	
	2015	2014
Bank	191,833	199,878
Subsidiaries	59,258	51,940
	<u>251,091</u>	<u>251,818</u>



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17. INCOME TAX (Continued)

b. Tax expenses

	Year ended 31 December	
	2015	2014
Current tax:		
Current year		
Bank	4,580,369	4,146,813
Subsidiaries	441,290	402,161
	<u>5,021,659</u>	<u>4,548,974</u>
Deferred tax:		
Origination and reversal of temporary differences		
Bank	(333,731)	(290,644)
Subsidiaries	(66,582)	(28,879)
	<u>(400,313)</u>	<u>(319,523)</u>
	<u>4,621,346</u>	<u>4,229,451</u>

- 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 the 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 13 January 2016 and 8 January 2015, the Bank received a declaration letter from the Securities Administration Agency for the fulfillment of the above criteria for fiscal year 2015 and 2014, respectively.

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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	
	2015	2014
Consolidated accounting income before tax	22,657,114	20,741,121
Eliminations	427,805	585,104
Before eliminations	<u>23,084,919</u>	<u>21,326,225</u>
Subsidiaries' income before income tax	(1,547,193)	(1,507,075)
Accounting income before tax - Bank	<u>21,537,726</u>	<u>19,819,150</u>
Permanent differences:		
Employees' welfare	305,330	297,181
Rent income	(30,232)	(14,375)
Dividends from Subsidiaries	(395,316)	(551,499)
Tax on revaluation of fixed assets	187,239	-
Other expenses which can not be added/deducted for tax calculation purposes - net	(37,825)	21,031
	<u>29,196</u>	<u>(247,662)</u>
Temporary differences:		
Obligation for post-employment benefits	(359,179)	237,162
Additional of impairment losses on financial assets	1,648,341	859,436
(Reversal) additional of impairment losses on non-financial assets	(1,274)	1,771
Accrued employees' benefits	44,105	64,725
Unrealized losses (gains) of trading and available-for-sale investment securities and placements with other banks	2,929	(518)
	<u>1,334,922</u>	<u>1,162,576</u>
Taxable income	<u>22,901,844</u>	<u>20,734,064</u>

- e. The reconciliation between consolidated accounting income before tax multiplied by the maximum tax rate and income tax expense was as follows:

	Year ended 31 December	
	2015	2014
Consolidated accounting income before tax	22,657,114	20,741,121
Maximum tax rate	25%	25%
	<u>5,664,279</u>	<u>5,185,280</u>
Permanent differences at 25% - Bank	7,299	(61,916)
Income tax expense - Bank	5,671,578	5,123,364
Income tax expenses - Subsidiaries	94,860	142,790
	<u>5,766,438</u>	<u>5,266,154</u>
Adjustment of corporate income tax rate - Bank (Note 17c)	(1,145,092)	(1,036,703)
Income tax expense - consolidated	<u>4,621,346</u>	<u>4,229,451</u>



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17. INCOME TAX (Continued)

- f. The calculation of current tax and income tax payable were as follows:

	2015	2014
Taxable income:		
Bank	22,901,844	20,734,064
Subsidiaries	<u>1,547,193</u>	<u>1,507,075</u>
	<u><u>24,449,037</u></u>	<u><u>22,241,139</u></u>
Current tax:		
Bank	4,580,369	4,146,813
Subsidiaries	<u>441,290</u>	<u>402,161</u>
	<u><u>5,021,659</u></u>	<u><u>4,548,974</u></u>
Prepaid taxes:		
Bank	(4,388,535)	(3,946,935)
Subsidiaries	<u>(382,033)</u>	<u>(350,221)</u>
	<u><u>(4,770,568)</u></u>	<u><u>(4,297,156)</u></u>
Income tax payable:		
Bank	191,833	199,878
Subsidiaries	<u>59,258</u>	<u>51,940</u>
	<u><u>251,091</u></u>	<u><u>251,818</u></u>

The calculation for 2015 corporate income tax is the calculation which will be reported when the Bank submits its 2015 annual corporate income tax return. The corporate income tax calculation for 2014 agreed with the 2014 Bank's annual corporate income tax return.

- g. The items that gave rise to significant portion of deferred tax assets and liabilities as of 31 December 2015 and 2014 were as follows:

	31 December 2014	Recognized in current year profit or loss	Recognized in current year other comprehensive income	31 December 2015
Parent entity - Bank:				
Deferred tax assets:				
Post-employment benefits obligation	935,329	(89,794)	-	845,535
Allowance for impairment losses of financial assets	867,521	412,085	-	1,279,606
Allowance for impairment losses of non-financial assets	527	(318)	-	209
Accrued employees' benefits	56,804	11,026	-	67,830
Unrealized loss on available-for- sale investment securities	19,899	-	11,518	31,417
Remeasurements of defined benefit liability	731,642	-	123,658	855,300
	<u>2,611,722</u>	<u>332,999</u>	<u>135,176</u>	<u>3,079,897</u>
Deferred tax liability:				
Unrealized gain on trading securities	(3,236)	732	-	(2,504)
	<u>(3,236)</u>	<u>732</u>	<u>-</u>	<u>(2,504)</u>
Deferred tax assets - net - carry forward	2,608,486	333,731	135,176	3,077,393

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17. INCOME TAX (Continued)

	31 December 2014	Recognized in current year profit or loss	Recognized in current year other comprehensive income	31 December 2015
Parent entity - Bank (continued):				
Deferred tax assets - net - carried forward	2,608,486	333,731	135,176	<u>3,077,393</u>
Subsidiaries:				
PT BCA Finance	16,441	4,946	(1,145)	20,242
PT BCA Sekuritas	5,327	16,674	(342)	21,659
PT BCA Syariah	7,018	1,586	(1,027)	7,577
PT Asuransi Umum BCA	14,362	6,703	16	21,081
PT Central Santosa Finance	42,047	36,673	(684)	78,036
Deferred tax assets - net	85,195	66,582	(3,182)	<u>148,595</u>
Total deferred tax assets - net	<u>2,693,681</u>	<u>400,313</u>	<u>131,994</u>	<u>3,225,988</u>
	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:				
Post-employment benefits obligation	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
Remeasurements of defined benefit liability	544,754	-	186,888	731,642
	<u>2,268,892</u>	<u>290,773</u>	<u>52,057</u>	<u>2,611,722</u>
Deferred tax liability:				
Unrealized gain on trading securities	<u>(3,107)</u>	<u>(129)</u>	<u>-</u>	<u>(3,236)</u>
	<u>(3,107)</u>	<u>(129)</u>	<u>-</u>	<u>(3,236)</u>
Deferred tax assets - net	<u>2,265,785</u>	<u>290,644</u>	<u>52,057</u>	<u>2,608,486</u>
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	<u>85,195</u>
Total deferred tax assets - net	<u>2,324,247</u>	<u>317,069</u>	<u>52,365</u>	<u>2,693,681</u>

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17. INCOME TAX (Continued)

Included in total deferred tax asset and liability of the Bank and Subsidiaries were deferred tax asset and liability arising from unrealized (loss) gain from change in fair value of available-for-sale investment securities (see Note 14) amounting to Rp 31,553 and Rp 3,083 as of 31 December 2015, and Rp 19,848 and Rp 4,958 as of 31 December 2014, respectively. Moreover, included in total deferred tax asset of the Bank and Subsidiaries was deferred tax asset arising from unrealized gain from change in fair value of available-for-sale placements with Bank Indonesia and other banks (see Note 8) amounting to Rp (136) and Rp 51 as of 31 December 2015 and 2014, respectively.

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. Under the taxation laws of Indonesia, the Bank and its Subsidiaries submit/pay the tax returns on the basis of self-assessment. The tax authorities may assess or amend taxes within the statute of limitations, under prevailing regulations.

The Bank and Subsidiaries' tax positions may be challenged by the tax authorities. Management vigorously defends the Bank and Subsidiaries' tax positions which are believed to be grounded on sound technical basis, in compliance with the tax regulations. Accordingly, management believes that the accruals for tax liabilities are adequate for all open tax years based on the assessment of various factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve judgement about future events. New information may become available that causes management to change its judgement regarding the adequacy of existing tax liabilities. Such changes to tax liabilities will impact tax expense in the period in which such determination is made.

- j. 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 at 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 amounting 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 104,039 to the Tax Court. On 21 May 2015, the Tax Court decided to grant only Rp 542. Based on the Tax Court decision, the Bank has requested a judicial review of the decision by the Tax Court to the Supreme Court on 11 August 2015 amounting to Rp 100,271, while the remaining amount of Rp 3,226 was accepted by the Bank.
- k. Other information

In 2015, the Bank has conducted a revaluation of fixed assets based on the Minister of Finance Regulation No. 191/PMK.01/2015 dated 20 October 2015 regarding Revaluation of Fixed Assets for Tax Purposes. In accordance with the regulation, the Bank submitted a request to obtain a tax incentive in the form of reduced tariff of final income tax at 3% (three percent) of fixed assets revaluation difference on tax basis.

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17. INCOME TAX (Continued)

k. Other information (continued)

In accordance with this regulation, revaluation can be performed for some or all tangible fixed assets. In 2015 the Bank has revalued its fixed assets in the form of land by using value as calculated by *Kantor Jasa Penilai Publik* ("KJPP") Antonius Setiady & Partners as follows:

Phase	Number of location which are revalued	Acquisition cost/book value of land	Book value after revaluation	Excess of revaluation	Final income tax rate	Final income tax
Phase 1	533	1,492,009	7,045,157	5,553,148	3%	166,595
Phase 2	11	426,964	1,115,106	688,142	3%	20,644
Total	544	1,918,973	8,160,263	6,241,290		187,239

For the phase 1 (one) of the revaluation, the Bank has obtained the Director General of Taxes Decision Letter No. KEP-2636/WPJ.19/2015 regarding "The Approval of the Revaluation of Fixed Assets for Taxation Purposes for Submission in 2015 and 2016" on 29 December 2015.

On 7 January 2016, the Bank has obtained the Director General of Taxes Decision Letter No. KEP-55/WPJ.19/2016 regarding "The Approval of the Revaluation of Fixed Assets for Taxation Purposes for Submission in 2015 and 2016" for phase 2 (two) revaluation.

The Bank has recorded a 3% (three percent) final income tax paid amounting to Rp 187,239 as part of general and administrative expenses in 2015.

18. DEBT SECURITIES ISSUED

Debt securities issued by PT BCA Finance, Subsidiary, were as follows:

	31 December	
	2015	2014
Bonds payable	2,404,394	2,090,458
Medium-term notes	416,571	413,442
	2,820,965	2,503,900



PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

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18. DEBT SECURITIES ISSUED (Continued)

a. Bonds payable

As of 31 December 2015 and 2014, the outstanding balance of bonds payable related to bonds issued was as follows:

	31 December	
	2015	2014
Nominal value:		
BCA Finance Subordinated Bonds I	-	100,000
BCA Finance Bonds IV	-	100,000
BCA Finance Continuous Bonds I Batch I	600,000	850,000
BCA Finance Continuous Bonds I Batch II	550,000	550,000
BCA Finance Continuous Bonds I Batch III	270,000	495,000
BCA Finance Continuous Bonds II Batch I	990,000	-
	<u>2,410,000</u>	<u>2,095,000</u>
Less:		
Deferred bonds issuance costs - net	<u>(5,606)</u>	<u>(4,542)</u>
Total - net	<u>2,404,394</u>	<u>2,090,458</u>
Amortization expense charged to profit or loss	<u>5,153</u>	<u>5,301</u>

BCA Finance Subordinated Bonds I ("Subordinated Bonds I") Year 2010

Subordinated Bonds I were offered at nominal value and listed in Indonesia Stock Exchange. Interest will be paid on a quarterly basis based on interest payment due date. The first interest payment was made on 23 June 2010 and the final interest payment will be 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 has been amended which was effected by Amendment I No. 13 dated 25 January 2010 and Amendment II No. 5 dated 4 March 2010.

Subordinated Bonds I was fully repaid on 23 March 2015.

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 payment due date. The first interest payment was made on 22 September 2011 and the final interest payment will be with the repayment of principal of each series of bonds.

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18. DEBT SECURITIES ISSUED (Continued)

a. Bonds payable (continued)

BCA Finance Bonds IV (“Bonds IV”) Year 2011 (continued)

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 has been amended which was effected by Amendment I No. 52 dated 19 April 2011 and Amendment II No. 24 dated 9 June 2011.

Bonds IV Series A, B, C, D and E were fully repaid on 26 June 2012, 22 September 2012, 22 June 2013, 22 June 2014 and 22 June 2015, respectively.

BCA Finance Continuous Bonds I Batch I (“Continuous Bonds I Batch I”) Year 2012

Continuous Bonds I Batch I were 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 payment due date. The first interest payment was made on 9 August 2012 and the final interest payment will be 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 has been amended which was effected 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, B and C were fully repaid on 14 May 2013, 9 May 2014 and 9 May 2015, respectively.

As of 31 December 2015, Continuous Bonds I Batch I was rated at ^{id}AAA by Pefindo and AAA(idn) by Fitch (2014: ^{id}AAA by Pefindo and AAA(idn) by Fitch).

BCA Finance Continuous Bonds I Batch II (“Continuous Bonds I Batch II”) Year 2013

Continuous Bonds I Batch II were 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 payment due date. The first interest payment was made on 14 September 2013 and the final interest payment will be 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 has been amended which was effected 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 2015, Continuous Bonds I Batch II was rated at ^{id}AAA by Pefindo and AAA(idn) by Fitch (2014: ^{id}AAA by Pefindo and AAA(idn) by Fitch).



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18. DEBT SECURITIES ISSUED (Continued)

a. Bonds payable (continued)

BCA Finance Continuous Bonds I Batch III (“Continuous Bonds I Batch III”) Year 2014

Continuous Bonds I Batch III were 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 interest payment will be 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 Fathiah Helmi, S.H., notary in Jakarta.

Continuous Bonds I Batch III Series A was fully repaid on 7 April 2015.

As of 31 December 2015, Continuous Bonds I Batch III was rated at ^{id}AAA by Pefindo and AAA(idn) by Fitch (2014: ^{id}AAA by Pefindo and AAA(idn) by Fitch).

BCA Finance Continuous Bonds II Batch I (“Continuous Bonds II Batch I”) Year 2015

Continuous Bonds II Batch I were offered at nominal value and listed in the Indonesia Stock Exchange. Continuous Bonds II Batch I consist of series A, B and C, which mature on 30 March 2016, 20 March 2017 and 20 March 2018, respectively, with a fixed interest rate per annum at 8.25% - 9.00%. Interest will be paid on a quarterly basis based on interest payment due date. The first interest payment was made on 20 June 2015 and the final interest payment will be 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 II Batch I Year 2015 based on the Trusteeship Agreement No. 12 dated 8 December 2014 which was made before Fathiah Helmi, S.H., notary in Jakarta.

As of 31 December 2015, Continuous Bonds II Batch I was rated at ^{id}AAA by Pefindo and AAA(idn) by Fitch.

All bonds, except Subordinated Bonds I, issued by the Subsidiary are collateralized by the fiduciary transfer of consumer financing receivables amounted to Rp 1,212,645 and Rp 1,000,263 as of 31 December 2015 and 2014. 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 2015 and 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.

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18. DEBT SECURITIES ISSUED (Continued)

b. Medium-Term Notes (“MTN”)

As of 31 December 2015 and 2014, the outstanding balance of MTN issued by PT BCA Finance, Subsidiary, was as follows:

	31 December	
	2015	2014
Nominal value:		
Medium-Term Notes III	300,000	300,000
Medium-Term Notes IV	120,000	120,000
Less:		
Deferred Medium-Term Notes issuance costs - net	(3,429)	(6,558)
Total - net	416,571	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 interest 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 amounting to Rp 150,029 and Rp 150,067 as of 31 December 2015 and 2014, respectively.

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 interest 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 amounting to Rp 60,032 and Rp 60,139 as of 31 December 2015 and 2014, respectively.

During the year that the Medium-Term Notes 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.



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18. DEBT SECURITIES ISSUED (Continued)

b. Medium-Term Notes (“MTN”) (continued)

As of 31 December 2015 and 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 on the classification and fair value of debt securities issued is disclosed in Note 32. Information on the maturity of debt securities issued is disclosed in Note 37.

19. BORROWINGS

	31 December	
	2015	2014
(1) Liquidity loans from Bank Indonesia, Rupiah:		
Agriculture loans (<i>Kredit Usaha Tani</i> / “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	815,130	870,371
PT Bank DKI	150,000	-
PT Bank Victoria International Tbk	195,000	225,000
PT Bank KEB Hana Indonesia (previously PT Bank Hana)	108,019	270,454
PT Bank Nationalnobu Tbk (Nobu Bank)	100,000	-
PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk	100,000	-
The Bank of Tokyo-Mitsubishi UFJ, Ltd - Jakarta Branch	50,000	-
PT Bank CIMB Niaga Tbk	48,534	114,868
PT Bank CIMB Niaga Tbk – Sharia Business Unit	389	10,010
PT Bank Sumitomo Mitsui Indonesia	-	300,000
PT Bank UOB Indonesia	-	100,000
	1,567,072	1,890,703
Foreign currencies:		
The Hongkong and Shanghai Banking Corporation Ltd - Indonesia Branch	-	408,705
(3) Others:		
Rupiah	37,500	37,500
Foreign currencies	138,188	743,457
	1,743,337	3,080,942

The weighted average effective interest rates per annum for borrowings were as follows:

	Year ended 31 December	
	2015	2014
Rupiah	10.65%	11.02%
Foreign currencies	0.80%	0.87%

As of 31 December 2015 and 2014, there were no borrowings from related party.

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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 2015 and 2014 were as follows:

Bank	Total facility		Maturity date of facility	
	31 December 2015	2014	31 December 2015	2014
Rupiah:				
PT Bank Sumitomo Mitsui Indonesia	800,000	500,000	30 December 2016	30 June 2015
PT Bank Pan Indonesia Tbk	600,000	600,000	31 January 2016	30 October 2015
	500,000	500,000	31 December 2016	31 December 2016
	300,000	300,000	12 October 2016	12 October 2016
	300,000	-	31 August 2018	-
	200,000	200,000	21 February 2016	21 February 2015
	100,000	100,000	4 May 2016	4 May 2016
	-	200,000	-	28 November 2015
	-	100,000	-	19 July 2015
The Hongkong and Shanghai Banking Corporation Ltd - Indonesia Branch	400,000	400,000	31 July 2016	31 July 2015
PT Bank Tabungan Pensiunan Nasional Tbk	300,000	300,000	16 June 2016	16 June 2015
PT Bank UOB Indonesia	250,000	250,000	8 September 2016	8 September 2015
PT Bank Victoria International Tbk	225,000	225,000	17 December 2016	17 December 2015
PT Bank KEB Hana Indonesia (previously PT Bank Hana)	200,000	200,000	30 July 2017	30 July 2017
	180,000	180,000	21 March 2016	21 March 2015
	100,000	100,000	15 December 2016	15 December 2015
PT Bank CIMB Niaga Tbk	200,000	200,000	16 October 2016	16 October 2016
PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk	200,000	-	15 December 2018	-
PT Bank DKI	150,000	-	28 December 2016	-
PT Bank DBS Indonesia	100,000	100,000	10 March 2016	10 March 2015
PT Bank CIMB Niaga Tbk - Sharia Business Unit	100,000	100,000	10 June 2016	10 June 2016
PT Bank Nationalnobu Tbk (Nobu Bank)	100,000	-	24 February 2016	-
PT Bank Permata Tbk	-	75,000	-	17 February 2015
PT Bank QNB Kesawan Tbk	-	200,000	-	27 March 2015
Foreign currencies (full amount):				
Standard Chartered Bank - Indonesia Branch	USD 20,000,000	USD 20,000,000	30 September 2016	30 September 2015
The Bank of Tokyo-Mitsubishi UFJ, Ltd - Jakarta Branch	USD 12,000,000	USD 12,000,000	14 September 2016	14 September 2015

As of 31 December 2015 and 2014, these bank loans were secured by consumer financing receivables amounting to Rp 1,923,942 and Rp 2,008,549, respectively (see Note 13).



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19. BORROWINGS (Continued)

(2) Borrowings from other banks (continued)

All loan agreements include certain covenants 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	
	2015	2014
Rupiah	7.91% - 11.25%	7.41% - 11.25%
Foreign currency	-	8.45% - 9.00%

(3) Others

In order to increase the paid-up capital of PT Asuransi Jiwa BCA ("BCA Life") conducted by PT BCA Sekuritas, Subsidiary, as of 31 December 2015 and 2014 there was a borrowings from related party to PT BCA Sekuritas amounting to Rp 37,500.

As of 31 December 2015, BCA Finance Limited, Subsidiary, received a Banker's Acceptance Funding from the CTBC Bank Co., Ltd., Singapore amounting to Rp 137,863 (USD 10,000,000, in full amount) which will mature on 3 June 2016. This loan is collateralized by export and import transaction documents and bears interest rate at 1.34%.

As of 31 December 2014, the Bank received a Banker's Acceptance Funding from the Commerzbank AG amounting 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 on the classification and fair value of borrowings is disclosed in Note 32. Information on the maturity of borrowings is disclosed in Note 37.

20. SHARE CAPITAL

The compositions of the Bank's share capital as of 31 December 2015 and 2014 (after stock split, see Note 1c) were as follows:

	31 December 2015		31 December 2014	
	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

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20. SHARE CAPITAL (Continued)

The composition of shareholders as of 31 December 2015 and 2014 was as follows:

	31 December 2015		
	Number of shares	Total par value	%
FarIndo Investments (Mauritius) Ltd. qualitate qua (qd) Mr. Robert Budi Hartono dan Mr. Bambang Hartono*)	11,625,990,000	726,624	47.15
Anthony Salim	434,079,976	27,130	1.76
Commissioners:			
Djohan Emir Setijoso	25,088,722	1,568	0.10
Tonny Kusnadi	328,353	20	0.00
Directors:			
Jahja Setiaatmadja	8,656,073	541	0.04
Eugene Keith Galbraith	907,126	57	0.01
Anthony Brent Elam	7,867,709	492	0.03
Dhalia Mansor Ariotedjo	4,339,592	271	0.02
Suwignyo Budiman	6,989,448	437	0.03
Subur Tan	2,927,872	183	0.01
Erwan Yuris Ang	1,135,145	71	0.01
Henry Koenafifi	651,880	41	0.00
Armand W. Hartono	649,518	41	0.00
Rudy Susanto	239,185	15	0.00
Public shareholders **)	12,535,159,401	783,447	50.84
	<u>24,655,010,000</u>	<u>1,540,938</u>	<u>100.00</u>
	31 December 2014		
	Number of shares	Total par value	%
FarIndo Investments (Mauritius) Ltd. qualitate qua (qd) Mr. Robert Budi Hartono dan Mr. Bambang Hartono*)	11,625,990,000	726,624	47.15
Anthony Salim	434,079,976	27,130	1.76
Commissioners:			
Djohan Emir Setijoso	25,497,292	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	0.01
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 Koenafifi	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
	<u>24,655,010,000</u>	<u>1,540,938</u>	<u>100.00</u>

*) In accordance with Letter of Bank Indonesia No. 12/21/DPB3/TPB3-7 dated 25 February 2010.

**) In the public shareholders composition, there were 2.96% and 2.45% shares owned by parties affiliated with ultimate shareholders as of 31 December 2015 and 2014, respectively; 0.02% owned by Mr. Robert Budi Hartono and 0.02% owned by Mr. Bambang Hartono.



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21. ADDITIONAL PAID-IN CAPITAL

Additional paid-in capital as of 31 December 2015 and 2014 consists of:

	31 December	
	2015	2014
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)
	<u>5,564,552</u>	<u>5,564,552</u>

^{*)} 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 2015 and 2014, the Bank and Subsidiaries' commitments and contingencies were as follows:

Type of currency	31 December			
	2015		2014	
	Amount in foreign currencies ^{*)}	Rupiah equivalent	Amount in foreign currencies ^{*)}	Rupiah equivalent
Commitments				
<u>Committed receivables:</u>				
Borrowing facilities received and unused	Rupiah USD	- 57,389,917	2,710,000 791,120 <u>3,501,120</u>	- 32,964,877 <u>1,913,270</u>

^{*)} In full amount.

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22. COMMITMENTS AND CONTINGENCIES (Continued)

Type of currency	31 December			
	2015		2014	
	Amount in foreign currencies ^{*)}	Rupiah equivalent	Amount in foreign currencies ^{*)}	Rupiah equivalent
Commitments (continued)				
Committed liabilities:				
Unused credit facilities to customers - committed	Rupiah USD Others, USD equivalent	761,266,640 7,022,866	95,349,490 96,810 <u>105,940,361</u>	- 676,697,621 14,324,350 <u>177,407</u> <u>95,248,542</u>
Unused credit facilities to other banks - committed	Rupiah	-	646,087	- 900,766
Irrevocable Letters of Credit facilities to customers	Rupiah USD Others, USD equivalent	290,732,369 29,279,658	847,352 4,007,746 403,620 <u>5,258,718</u> <u>111,845,166</u>	- 461,537,820 58,352,199 <u>722,692</u> <u>7,198,848</u> <u>103,348,156</u>
Contingencies				
Contingent receivables:				
Bank guarantees received	Rupiah USD Others, USD equivalent	- 3,119,530 218,450	436,877 43,003 3,011 <u>482,891</u>	- 1,277,380 243,090 <u>3,011</u> <u>23,277</u>
Interest receivables on non-performing loans	Rupiah USD	- 1,126,991	183,307 15,536 <u>198,843</u> 681,734	- 1,095,809 <u>13,572</u> <u>174,142</u> <u>197,419</u>
Contingent liabilities:				
Bank guarantees issued to customers	Rupiah USD Others, USD equivalent	- 217,134,991 8,424,304	8,417,574 2,993,206 116,129 <u>11,526,909</u>	- 238,871,520 33,990,371 <u>420,971</u> <u>10,720,350</u>

^{*)} In full amount.



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22. COMMITMENTS AND CONTINGENCIES (Continued)

Additional information

As of 31 December 2015 and 2014, the Bank had unused credit facilities to customers - uncommitted amounting to Rp 32,830,365 and Rp 30,428,092, 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	
	2015	2014
Loans receivable	36,721,014	33,431,088
Placements with Bank Indonesia and other banks	958,170	959,832
Investment securities	3,865,404	3,412,104
Securities purchased under agreements to resell	1,784,791	2,475,169
Consumer financing and investment in finance lease	2,870,032	2,821,401
Sharia revenue sharing	368,911	222,966
Others	513,406	448,696
	<u>47,081,728</u>	<u>43,771,256</u>

Included in interest income from loans receivable and investment securities were interest from the effect of discounting (unwinding interest) of impaired financial assets for the year ended 31 December 2015 amounting to Rp 4,279 and Rp 659, respectively (2014: Rp 4,433 and Rp 4,789, 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	
	2015	2014
Deposits from customers	9,648,420	10,294,076
Deposits from other banks	29,645	14,321
Government guarantee premium	932,388	862,000
Debt securities issued	234,247	234,505
Securities sold under agreements to repurchase	1,243	-
Borrowings	172,900	205,418
Sharia	194,089	134,242
	<u>11,212,932</u>	<u>11,744,562</u>

Interest and sharia expenses for deposits from related parties are disclosed in Note 41.

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25. FEE AND COMMISSION INCOME - NET

Represent fee and commission income related to:

	Year ended 31 December	
	2015	2014
Deposits from customers	2,577,581	2,367,099
Loans receivable	1,230,983	1,093,838
Payment settlement	1,395,136	1,339,460
Credit cards	2,223,423	1,658,512
Remittance, clearing and collections	385,834	405,072
Others	546,962	425,570
Total	<u>8,359,919</u>	<u>7,289,551</u>
Fee and commission expenses	(4,140)	(4,518)
Fee and commission income - net	<u>8,355,779</u>	<u>7,285,033</u>

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	
	2015	2014
Interest income from financial assets held for trading	22,861	22,062
Unrealized gain from fair value of financial assets held for trading - net	782,967	179,157
Gain on spot and derivative transactions - net	926,967	322,690
Gain on sale of financial assets held for trading - net	<u>374,272</u>	<u>312,112</u>
	<u>2,107,067</u>	<u>836,021</u>

27. ADDITION (REVERSAL) OF IMPAIRMENT LOSSES ON FINANCIAL ASSETS - NET

	Year ended 31 December	
	2015	2014
Acceptance receivables	36,859	306,796
Loans receivable	3,121,868	1,686,103
Consumer financing receivables	293,339	239,989
Sharia financing	23,169	3,203
Investment securities	31,846	1,948
Others	<u>(2,086)</u>	<u>1,539</u>
	<u>3,504,995</u>	<u>2,239,578</u>



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28. PERSONNEL EXPENSES

	Year ended 31 December	
	2015	2014
Salaries and wages	4,689,767	3,947,797
Employees' benefits and compensations	3,512,909	2,980,559
Post-employment benefits (Note 33)	1,080,431	1,335,510
Training	256,472	266,205
Pension plan contribution	188,930	140,835
	<u>9,728,509</u>	<u>8,670,906</u>

29. GENERAL AND ADMINISTRATIVE EXPENSES

	Year ended 31 December	
	2015	2014
Office supplies	3,424,895	2,925,035
Depreciation of fixed assets and amortization of intangible assets	1,552,591	1,215,241
Rental	1,408,688	1,248,019
Repair and maintenance	1,191,825	979,933
Promotion	1,086,816	1,000,474
Communication	754,283	511,532
Professional fees	401,205	339,241
Water, electricity and fuel	291,318	271,066
Tax	255,419	40,726
Computer and software	128,575	108,454
Transportation	61,639	59,689
Insurance	33,462	21,118
Research and development	26,716	36,142
Security	18,207	17,689
Others	239,131	157,004
	<u>10,874,770</u>	<u>8,931,363</u>

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	
	2015	2014
Net income attributable to equity holder of the parent entity	18,018,653	16,485,858
Weighted average number of outstanding shares	24,655,010,000	24,655,010,000
Basic and diluted earnings per share attributable to equity holder of the parent entity (full amount of Rupiah)	731	669

As of 31 December 2015 and 2014, there were no instruments which can potentially be converted into common shares. Therefore, diluted earnings per share is equivalent to basic earnings per share.

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31. APPROPRIATION OF NET INCOME

The Bank's Annual General Meeting of Shareholders on 9 April 2015 (the minutes was prepared by Notary Dr. Irawan Soerodjo, S.H., MSi., with Notary Deed No. 66) resolved the appropriation of 2014 net income, as follows:

- a. Allocate 1% (one percent) of 2014 net income for general reserve amounting to Rp 164,858.
- b. Distribute cash dividends amounting to Rp 3,648,941 (Rp 148 (full amount) per share) to shareholders who have the right to receive cash dividends. The actual cash dividends paid was Rp 2,416,191 (interim dividend for the year 2014 had been paid on 23 December 2014 amounting to Rp 1,232,750).
- c. Determine the tantiem for members of Board of Commissioners and Directors on duty in the year 2014 with a maximum amount of Rp 247,288 from the net income for the year 2014. The actual amount of tantiem paid was Rp 247,256.
- d. Determine the remaining 2014 net income after dividends as unappropriated retained earnings.

The Bank's Annual General Meeting of Shareholders on 9 April 2015 also resolved the granting of power and authority to the Bank's Directors to pay interim dividend for the year 2015, where possible, by considering the financial condition of the Bank.

In accordance with the Board of Directors' Decision Letter dated 5 November 2015 No. 154/SK/DIR/2015 regarding the Distribution of Interim Dividends for the year 2015, the Board of Directors resolved that the Bank will pay interim dividends to shareholders from net income for the year 2015 amounting to Rp 55 (full amount) per share. The actual interim dividends paid amounting to Rp 1,356,026.

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 amounting 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 amounting to Rp 1,109,475).
- c. Determine the tantiem for members of Board of Commissioners and Directors on duty in the year 2013 with a 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 Dividends 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 amounting to Rp 50 (full amount) per share. The actual interim dividends paid amounting to Rp 1,232,750.

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32. FINANCIAL INSTRUMENTS

Classification of financial assets and financial liabilities

Financial instruments have been classified based on their respective 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 held for trading, held to maturity, loans and receivables and available-for-sale. Financial liabilities have been classified into held-for-trading financial liabilities and financial liabilities measured at other amortized cost.

Valuation models of financial instruments

The Bank and Subsidiaries measure fair values using the following hierarchy of methods:

- Level 1: inputs that are quoted prices (unadjusted) in active markets for identical instruments that the Company can access at the measurement date.
- Level 2: inputs other than quoted prices included within level 1 that are observable either directly or indirectly. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are not active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Fair values of financial assets and financial liabilities that are traded in active market 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, comparison with similar instruments for which market observable prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free interest rates, benchmark interest rate, 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 valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The Bank and Subsidiaries use widely recognized valuation models for determining the fair values of common and more simple financial instruments, such as interest rate and currency swaps that used only observable market data and require little management judgement and estimation. Observable prices or model inputs are usually available in the market for listed debt securities and simple over-the-counter derivatives such as interest rate swaps. Availability of observable market prices and model inputs reduces the needs for management judgement and estimation and also reduces the uncertainty associated with determining fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

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32. FINANCIAL INSTRUMENTS (Continued)

Valuation Framework

Valuation of financial assets and financial liabilities are subject to an independent review from the business by Finance and Planning Division (“DKP”) and Risk Management Work Unit (“SKMR”). DKP is primarily responsible for ensuring that valuation adjustments have been properly accounted for. SKMR performs an independent price validation to ensure that the Bank and Subsidiaries use reliable market data from independent sources, e.g., traded prices and broker quotes.

Valuation model is proposed by SKMR and approved by the management. SKMR performs a periodic review of the feasibility of the market data sources used for valuation. The market data used for price validation may include those sourced from recent trade data involving external counterparties or third parties such as Bloomberg, Reuters, brokers and pricing providers. The market data used should be representative of the market as much as possible, which can evolve over time as markets and financial instruments develop. To determine the quality of the market data inputs, factors such as independence, relevance, reliability, availability of multiple data sources and methodology employed by the pricing providers are taken into consideration.

Valuation of financial instruments

Financial instruments measured at fair value

The following table sets out the carrying amounts and fair values of financial instruments of the Bank and Subsidiaries, measured at fair values, and their analysis by the level in the fair value hierarchy.

31 December 2015					
	Carrying amount		Fair value		
	Held for trading	Available-for-sale	Total	Level 1	Level 2
Financial assets					
Placements with Bank Indonesia and other banks	-	1,178,503	1,178,503	-	1,178,503
Financial assets held for trading	1,783,792	-	1,783,792	-	1,783,792
Investment securities	-	38,161,520	38,161,520	-	38,161,520
	1,783,792	39,340,023	41,123,815	-	41,123,815
Financial liabilities					
Financial liabilities held for trading	74,234	-	74,234	-	74,234
	74,234	-	74,234	-	74,234

31 December 2014					
	Carrying amount		Fair value		
	Held for trading	Available-for-sale	Total	Level 1	Level 2
Financial assets					
Placements with Bank Indonesia and other banks	-	516,754	516,754	-	516,754
Financial assets held for trading	1,672,222	-	1,672,222	1,635,590	36,632
Investment securities	-	59,913,634	59,913,634	56,785,357	3,128,277
	1,672,222	60,430,388	62,102,610	58,420,947	3,681,663
Financial liabilities					
Financial liabilities held for trading	14,702	-	14,702	-	14,702
	14,702	-	14,702	-	14,702



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32. FINANCIAL INSTRUMENTS (Continued)

Valuation of financial instruments (continued)

Financial instruments measured at fair value (continued)

Fair value of available-for-sale placements with Bank Indonesia and other banks was calculated using valuation techniques based on the Bank's internal model, which is a discounted cash flow method. Input used in the valuation techniques is market interest rate for money market instruments which have similar credit characteristics, maturity and yield.

As of 31 December 2015, the fair value of held for trading securities was based on market price issued by pricing provider (Indonesian Bond Pricing Agency/“IBPA”). If the information is not available, the fair value is estimated using the quoted market prices of securities which have similar credit characteristics, maturity and yield. As of 31 December 2014, the fair value of held for trading securities was based on quoted market price. If the information is not available, the fair value was estimated using the quoted market price of securities which have similar credit characteristics, maturity and yield.

As of 31 December 2015, the fair value of available-for-sale investment securities was based on market price issued by pricing provider (Indonesian Bond Pricing Agency/“IBPA”). If the information is not available, the fair value was estimated using the quoted market prices of securities which have similar credit characteristics, maturity and yield. As of 31 December 2014, the fair value of available-for-sale investment securities was based on market prices or brokers/dealers quoted price which is observable in the market. If the information is not available, the fair value was estimated using the quoted market prices of securities which have similar credit characteristics, maturity and yield.

As of 31 December 2015 and 2014, the fair value of available-for-sale investment securities did not include the fair value of investments in shares amounting to Rp 153,175 and Rp 128,862, respectively, which were valued at cost, since the fair value cannot be measured reliably.

The Bank and Subsidiaries did not have financial assets and financial liabilities measured at fair value which the measurements fall under level 3 (three) hierarchy.

Financial instruments not measured at fair value

The following table sets out the carrying amounts and fair values of financial instruments of the Bank and Subsidiaries, which are not measured at fair values and their analysis by the level in the fair value hierarchy.

	31 December 2015						
	Carrying amount			Fair value			
	Held-to-maturity	Loans and receivables	Other amortized cost	Total	Level 2	Level 3	Total
Financial assets							
Loans receivable	-	378,616,292	-	378,616,292	4,080,501	374,791,576	378,872,077
Consumer financing receivables	-	7,407,519	-	7,407,519	-	7,092,288	7,092,288
Investment in finance leases	-	173,120	-	173,120	-	173,822	173,822
Investment securities	12,838,420	-	-	12,838,420	11,992,230	-	11,992,230
	12,838,420	386,196,931	-	399,035,351	16,072,731	382,057,686	398,130,417
Financial liabilities							
Deposits from customers	-	-	473,666,215	473,666,215	473,666,215	-	473,666,215
Deposits from other banks	-	-	4,156,053	4,156,053	4,156,053	-	4,156,053
Debt securities issued	-	-	2,820,965	2,820,965	2,808,292	-	2,808,292
Borrowings	-	-	1,743,337	1,743,337	-	1,740,195	1,740,195
	-	482,386,570	482,386,570	480,630,560	1,740,195	482,370,755	

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32. FINANCIAL INSTRUMENTS (Continued)

Valuation of financial instruments (continued)

Financial instruments not measured at fair value (continued)

	31 December 2014					
	Held-to-maturity	Carrying amount		Fair value		
		Loans and receivables	Other amortized cost	Total	Level 2	Level 3
Financial assets						
Loans receivable	-	339,859,068	-	339,859,068	3,134,625	336,377,312
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	-	-	11,485,574	10,981,641	-
	<u>11,485,574</u>	<u>346,999,184</u>	<u>-</u>	<u>358,484,758</u>	<u>14,116,266</u>	<u>343,396,399</u>
						<u>357,512,665</u>
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	-
Debt securities issued	-	-	2,503,900	2,503,900	2,546,137	-
Borrowings	-	-	3,080,942	3,080,942	-	3,059,125
	<u>-</u>	<u>-</u>	<u>457,244,858</u>	<u>457,244,858</u>	<u>454,206,153</u>	<u>3,059,125</u>
						<u>457,265,278</u>

Majority of the financial instruments not measured at fair value are measured at amortized cost.

The following financial instruments are short-term financial instruments or financial instruments which are re-priced periodically to current market rates; therefore, the fair values of financial instruments are reasonable approximation of carrying value.

Financial assets:

- Cash
- Current accounts with Bank Indonesia
- Current accounts with other banks
- Placements with Bank Indonesia and other banks
- Acceptance receivables
- Bills receivables
- Securities purchased under agreements to resell

Financial liabilities:

- Securities sold under agreements to repurchase
- Acceptance payables

As of 31 December 2015 and 2014, the fair values of loans receivable, consumer financing receivables, investment in finance leases and borrowings were determined using discounted cash flows based on internal interest rate.

As of 31 December 2015 and 2014, the fair values of held-to-maturity securities and debt securities issued based on market prices issued by pricing provider (Indonesian Bond Pricing Agency/“IBPA”). If the information is not available, the fair values were estimated using quoted market prices of securities which have similar credit characteristics, maturity and yield.

As of 31 December 2015 and 2014, the fair values of deposits from customers and deposits from other banks are same with the carrying amount because they are payable on demand in nature.

The fair values calculated are for disclosure purposes only and do not have any impact on the Bank and Subsidiaries' reported financial performance or position. The fair values calculated by the Bank and Subsidiaries may be different from the actual amount that will be received/paid on the settlement or maturity of the financial instrument. As certain categories of financial instruments are not traded, there is management judgment involved in calculating their fair values.

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33. POST-EMPLOYMENT BENEFITS OBLIGATION

In accordance with Law of the Republic of Indonesia No. 13/2003 concerning Manpower, 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. These post-employment benefits are defined benefits program.

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 Pensium 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 Pensium 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, for which 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 against the post-employment benefits obligation in accordance with the manpower law.

During the year ended 31 December 2015 and 2014, the Bank provided some funds to support the fulfillment of its post-employment benefit obligations amounting to Rp 1,300,000 and Rp 800,000, respectively. These funds were placed in several insurance companies in the form of life insurance and saving plan program, which meet the criteria to be recorded as plan assets.

The defined benefit pension plan provides actuarial risk exposures to the Bank, e.g., investment risk, interest rate risk and inflation risk.

Post-employment benefits provided by the Bank consist of pension, other long-term compensations in the form of service award, and post-employment healthcare benefits. The post-employment benefits obligation as of 31 December 2015 and 2014 was calculated by PT Towers Watson Purbajaga and PT Sentra Jasa Aktuaria (Biro Pusat Aktuaria), respectively, as the Bank's independent actuary, using the projected-unit-credit method. The main assumptions used by independent actuary were as follows:

	31 December	
	2015	2014
Economic assumptions:		
Annual discount rate	8.75%	8%
Annual basic salary growth rate	10.00%	10.00%
Healthcare cost rate	10.00%	10.00%

The discount rate is used in determining the present value of the post-employment benefits obligation at valuation date. In general, the discount rate correlates with the yield on high quality government bonds that are traded in active capital markets at the reporting date.

The future basic salary growth assumption projects the post-employment benefits obligations starting from the valuation date through the normal retirement age. The basic salary growth rate is generally determined by applying inflation adjustment to payment scales and by taking into account of the years of service.

The Bank's obligation for post-employment benefits for the years ended 31 December 2015 and 2014 was in accordance with the independent actuary reports dated 28 January 2016 and 29 January 2015, respectively.

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33. POST-EMPLOYMENT BENEFITS OBLIGATION (Continued)

a. Post-employment benefits obligation

The post-employment benefits obligation as of 31 December 2015 and 2014 was as follows:

	31 December			
	Defined benefit pension plan and other long-term compensations		Post-employment healthcare benefits	
	2015	2014	2015	2014
Present value of net obligation for post-employment benefits	8,454,073	7,261,955	235,958	211,003
Fair value of plan assets	(1,886,693)	(805,074)	-	-
Net obligation for post-employment benefits - Bank	<u>6,567,380</u>	<u>6,456,881</u>	<u>235,958</u>	<u>211,103</u>

The Subsidiaries' obligation for post-employment benefits as of 31 December 2015 and 2014 recorded in the consolidated statements of financial position amounting to Rp 51,507 and Rp 43,087, respectively.

b. Movement of post-employment benefits obligation

	Year ended 31 December			
	Defined benefit pension plan and other long-term compensations		Post-employment healthcare benefits	
	2015	2014	2015	2014
Movement in the defined benefit obligation				
Defined benefit obligation, beginning of the year - Bank	6,456,881	5,545,079	211,003	138,092
Included in profit or loss				
Current service cost	473,947	391,279	13,417	12,067
Past service cost	-	195,132	-	-
Interest cost	516,550	471,332	16,880	11,738
Termination cost	39,843	49,242	-	1,410
Included in other comprehensive income				
Actuarial gains (losses) arising from:				
Financial assumptions changes	(442,626)	-	16,581	-
Experience adjustment	865,028	882,366	(15,214)	50,623
Return on plan assets excluding interest income	70,863	-	-	-
Others				
Fund placements in insurance companies (plan assets)	(1,300,000)	(800,000)	-	-
Benefits paid directly by the Bank	(113,106)	(277,549)	(6,709)	(2,927)
Post-employment benefits obligation, end of the year - Bank	<u>6,567,380</u>	<u>6,456,881</u>	<u>235,958</u>	<u>211,003</u>



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33. POST-EMPLOYMENT BENEFITS OBLIGATION (Continued)

b. Movement of obligation for post-employment benefits (continued)

The Subsidiaries' post-employment benefits expenses for the years ended 31 December 2015 and 2014 recorded in the profit or loss amounting to Rp 19,794 and Rp 17,872, respectively, while total payment of employees' benefits by Subsidiaries for the years ended 31 December 2015 and 2014 amounting to Rp 7,289 and Rp 3,705, respectively.

c. Changes of fair value asset program for post-employment program

	31 December	
	2015	2014
Fair value of plan assets, beginning of the year - Bank	805,074	-
Fund placements in insurance companies	1,300,000	800,000
Return on plan assets excluding interest income	(70,863)	5,074
Interest income on plan assets	64,406	-
Post-employment benefits paid	(211,924)	-
Fair value of plan assets, end of the year - Bank	1,886,693	805,074

d. Historical information - Bank:

	31 December				
	2015	2014	2013	2012	2011
Defined benefits pension plan and other long-term compensations					
Present value of post-employment benefits obligation	8,454,073	7,261,955	5,545,079	5,476,672	4,327,317
Adjustment on plan liabilities	(865,028)	(201,031)	307,635	309,942	60,947
Post-employment healthcare benefits					
Present value of post-employment benefits obligation	235,958	211,003	138,092	174,521	125,152
Adjustment on plan liabilities	15,215	34,239	(15,348)	17,279	-

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33. POST-EMPLOYMENT BENEFITS OBLIGATION (Continued)

e. Sensitivity analysis

Changes in 1 (one) percentage of actuarial assumptions will have the following impacts:

	31 December 2015					
	Defined benefit pension plan		Other long-term compensations		Post-employment healthcare benefits	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(401,085)	448,756	(194,605)	218,848	(18,839)	21,320
Basic salary rate (1% movement)	466,563	(424,840)	197,114	(179,472)	-	-
Healthcare cost rate (1% movement)	-	-	-	-	20,850	(18,787)

- f. The Bank expects to pay Rp 187,487 in contribution to its defined contribution pension plan in 2016.
- g. The weighted-average duration of the defined benefits obligation was 8 (eight) years as of 31 December 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 2015 and 2014, 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 amounting to Rp 27,073,511 and Rp 26,544,714, respectively.

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35. MONETARY ASSETS AND LIABILITIES IN FOREIGN CURRENCIES

Balances of monetary assets and liabilities in foreign currencies were as follows:

	31 December			
	2015		2014	
	Foreign currencies (in thousand)	Rupiah equivalent	Foreign currencies (in thousand)	Rupiah equivalent
Monetary assets				
Cash				
US Dollar (USD)	51,528	710,315	43,832	542,855
Australian Dollar (AUD)	6,903	69,613	3,165	32,121
Singapore Dollar (SGD)	11,588	113,084	16,482	154,534
Hong Kong Dollar (HKD)	3,941	7,010	3,602	5,752
GB Poundsterling (GBP)	174	3,546	65	1,257
Japanese Yen (JPY)	125,517	14,374	67,234	6,963
Euro (EUR)	3,000	45,171	1,143	17,199
Others, USD equivalent	1,775	24,464	1,119	13,856
	<u>987,577</u>	<u>987,577</u>	<u>774,537</u>	<u>774,537</u>
Current accounts with Bank Indonesia				
US Dollar (USD)	323,866	4,464,489	322,000	3,987,970
Current accounts with other banks				
US Dollar (USD)	475,524	6,555,101	230,536	2,855,190
Australian Dollar (AUD)	5,011	50,528	2,670	27,091
Singapore Dollar (SGD)	69,159	674,918	43,668	409,441
Hong Kong Dollar (HKD)	37,305	66,355	12,194	19,473
GB Poundsterling (GBP)	1,587	32,435	1,494	28,816
Japanese Yen (JPY)	1,904,723	218,129	4,349,590	450,444
Euro (EUR)	45,544	685,745	41,533	625,216
Others, USD equivalent	7,428	102,401	12,964	160,557
	<u>8,385,612</u>	<u>8,385,612</u>	<u>4,576,228</u>	<u>4,576,228</u>
Placements with Bank Indonesia and other banks				
US Dollar (USD)	1,350,560	18,617,469	175,382	2,172,103
Australian Dollar (AUD)	28,000	282,345	31,500	319,671
Hong Kong Dollar (HKD)	28,306	50,348	37,934	60,579
	<u>18,950,162</u>	<u>18,950,162</u>	<u>2,552,353</u>	<u>2,552,353</u>
Financial assets held for trading				
US Dollar (USD)	85	1,177	2	20
Singapore Dollar (SGD)	2	23	1	5
Japanese Yen (JPY)	29	3	539	56
Others, USD equivalent	7	100	-	-
	<u>1,303</u>	<u>1,303</u>	<u>81</u>	<u>81</u>

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35. MONETARY ASSETS AND LIABILITIES IN FOREIGN CURRENCIES (Continued)

	31 December			
	2015	Rupiah equivalent	2014	Rupiah equivalent
Monetary assets (continued)				
Acceptance receivables - net				
US Dollar (USD)	387,244	5,338,161	498,866	6,178,458
Singapore Dollar (SGD)	75	734	1,185	11,112
GB Poundsterling (GBP)	-	-	716	13,812
Japanese Yen (JPY)	680,536	77,935	668,174	69,196
Euro (EUR)	22,078	332,422	13,760	207,137
Others, USD equivalent	446	6,143	275	3,405
	5,755,395	5,755,395		6,483,120
Bills receivable - net				
US Dollar (USD)	60,652	836,093	160,917	1,992,954
Hong Kong Dollar (HKD)	23,844	42,412	-	-
GB Poundsterling (GBP)	183	3,749	-	-
Japanese Yen (JPY)	9,949	1,139	3,857	399
Euro (EUR)	915	13,783	915	13,777
Others, USD equivalent	12,834	176,919	-	-
	1,074,095	1,074,095		2,007,130
Loans receivable - net				
US Dollar (USD)	1,469,736	20,260,310	1,763,257	21,837,942
Singapore Dollar (SGD)	98,293	959,232	110,904	1,039,860
Hong Kong Dollar (HKD)	120,871	214,993	38,414	61,346
Euro (EUR)	196	2,947	-	-
	21,437,482	21,437,482		22,939,148
Investment securities - net				
US Dollar (USD)	830,526	11,448,798	386,568	4,787,645
Hong Kong Dollar (HKD)	184,813	328,727	186,696	298,150
	11,777,525	11,777,525		5,085,795
Monetary liabilities				
Deposits from customers				
US Dollar (USD)	2,866,124	39,509,526	2,768,456	34,287,325
Australian Dollar (AUD)	38,951	392,772	35,674	362,028
Singapore Dollar (SGD)	196,278	1,915,468	172,411	1,616,554
Hong Kong Dollar (HKD)	21,850	38,865	5,122	8,179
GB Poundsterling (GBP)	1,751	35,798	1,665	32,113
Japanese Yen (JPY)	2,127,280	243,616	4,226,931	437,741
Euro (EUR)	53,276	802,154	41,614	626,425
Others, USD equivalent	19,863	273,810	12,283	152,129
	43,212,009	43,212,009		37,522,494
Deposits from other banks				
US Dollar (USD)	105,204	1,450,240	93,309	1,155,637
Australian Dollar (AUD)	57	571	50	510
Singapore Dollar (SGD)	563	5,496	249	2,339
	1,456,307	1,456,307		1,158,486
Financial liabilities held for trading				
US Dollar (USD)	24	336	4	55
Singapore Dollar (SGD)	7	64	1	11
Hongkong Dollar (HKD)	9	16	5	8
Japanese Yen (JPY)	892	102	240	25
Others, USD equivalent	2	31	-	-
	549	549		99



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35. MONETARY ASSETS AND LIABILITIES IN FOREIGN CURRENCIES (Continued)

	31 December			
	2015		2014	
	Foreign currencies (in thousand)	Rupiah equivalent	Foreign currencies (in thousand)	Rupiah equivalent
Monetary liabilities (continued)				
Acceptance payables				
US Dollar (USD)	232,655	3,207,154	333,979	4,136,334
Singapore Dollar (SGD)	75	736	56	525
GB Poundsterling (GBP)	-	-	720	13,888
Japanese Yen (JPY)	592,852	67,893	683,776	70,812
Euro (EUR)	21,537	324,278	13,382	201,450
Others, USD equivalent	449	6,189	276	3,415
		<u>3,606,250</u>		<u>4,426,424</u>
Securities sold under agreement to repurchase				
Hong Kong Dollar (HKD)	21,702	38,602	-	-
Borrowing				
US Dollar (USD)	-	-	93,000	1,151,805
Hongkong Dollar (HKD)	77,508	137,864	-	-
Others, USD equivalent	23	324	29	357
		<u>138,188</u>		<u>1,152,162</u>

36. OPERATING SEGMENTS

The Bank and Subsidiaries disclosed the financial information based on the geographic segments:

	Year ended 31 December 2015					
	Sumatera	Java	Kalimantan	East Indonesia	Overseas operation	Total
Interest and sharia income	2,777,913	41,626,244	918,631	1,736,935	22,005	47,081,728
Interest and sharia expenses	(764,743)	(9,646,343)	(271,205)	(529,398)	(1,243)	(11,212,932)
Net interest and sharia income	2,013,170	31,979,901	647,426	1,207,537	20,762	35,868,796
Net fee and commission income	528,493	7,347,636	156,948	318,503	4,199	8,355,779
Net trading income	34,963	2,023,340	16,649	27,205	4,910	2,107,067
Other operating income	22,251	1,491,475	9,271	20,323	1,210	1,544,530
Total segment income	2,598,877	42,842,352	830,294	1,573,568	31,081	47,876,172
Depreciation and amortization	(24,881)	(1,499,702)	(11,418)	(15,764)	(826)	(1,552,591)
Other material non-cash elements:						
Addition of impairment on financial assets	(41,964)	(3,314,088)	(126,985)	(19,053)	(2,905)	(3,504,995)
Other operating expenses	(991,468)	(18,222,524)	(336,104)	(585,696)	(25,680)	(20,161,472)
Operating income	1,540,564	19,806,038	355,787	953,055	1,670	22,657,114
Income tax expense	-	-	-	-	-	(4,621,346)
Net income for the year	<u>1,540,564</u>	<u>19,806,038</u>	<u>355,787</u>	<u>953,055</u>	<u>1,670</u>	<u>18,035,768</u>

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36. OPERATING SEGMENTS (Continued)

	31 December 2015					
	Sumatera	Java	Kalimantan	East Indonesia	Overseas operation	Total
Assets	39,902,976	518,714,767	13,113,780	21,968,323	672,924	594,372,770
Liabilities	39,902,976	426,775,939	13,113,780	21,968,323	184,406	501,945,424
Loans receivable - net	20,465,271	338,355,325	5,828,107	13,752,596	214,993	378,616,292
Deposits from customers	39,284,790	400,441,170	13,067,341	20,872,914	-	473,666,215
Sharia deposits	-	351,667	-	-	-	351,667
Temporary <i>syirkah</i> deposits	-	2,802,406	-	-	-	2,802,406
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	<u>(807,305)</u>	<u>(10,092,338)</u>	<u>(296,837)</u>	<u>(548,082)</u>	<u>-</u>	<u>(11,744,562)</u>
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	38,333	753,179	9,142	29,964	5,403	836,021
Other operating income	<u>20,985</u>	<u>1,180,350</u>	<u>7,557</u>	<u>15,729</u>	<u>340</u>	<u>1,224,961</u>
Total segment income	2,446,034	36,673,174	806,692	1,420,084	26,725	41,372,709
Depreciation and amortization	<u>(24,149)</u>	<u>(1,166,128)</u>	<u>(8,942)</u>	<u>(15,072)</u>	<u>(950)</u>	<u>(1,215,241)</u>
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	<u>(862,480)</u>	<u>(15,524,947)</u>	<u>(275,257)</u>	<u>(493,294)</u>	<u>(20,791)</u>	<u>(17,176,769)</u>
Operating income (loss) before tax	1,544,539	17,825,992	455,658	920,090	(5,158)	20,741,121
Income tax expense	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,229,451)</u>
Net income (loss) for the year	<u>1,544,539</u>	<u>17,825,992</u>	<u>455,658</u>	<u>920,090</u>	<u>(5,158)</u>	<u>16,511,670</u>



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36. OPERATING SEGMENTS (Continued)

	31 December 2014					
	Sumatera	Java	Kalimantan	East Indonesia	Overseas operation	Total
Assets	37,473,472	481,453,986	13,213,817	20,573,661	440,598	553,155,534
Liabilities	37,473,472	404,208,998	13,213,817	20,573,661	7,398	475,477,346
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 <i>syirkah</i> deposits	-	1,952,498	-	-	-	1,952,498

Reporting of financial information based on products:

	2015			
	Loans	Treasury	Others	Total
Assets	378,616,292	158,465,958	57,290,520	594,372,770
Loans receivable - net	378,616,292	-	-	378,616,292
Interest and sharia income	36,721,015	7,490,682	2,870,032	47,081,729
Fee-based income	2,733,809	42,126	7,128,514	9,904,449

	2014			
	Loans	Treasury	Others	Total
Assets	339,859,068	158,245,316	55,051,150	553,155,534
Loans receivable - net	339,859,068	-	-	339,859,068
Interest and sharia income	33,431,088	7,518,767	2,821,401	43,771,256
Fee-based income	2,300,656	36,594	6,177,262	8,514,512

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 2015 and 2014:

	31 December 2015						Total
	Up to 1 month	> 1 - 3 months	> 3 months - 1 year	> 1 - 5 years	More than 5 years	No contractual maturity	
Financial assets							
Cash	-	-	-	-	-	17,849,460	17,849,460
Current accounts with Bank Indonesia	10,994,823	-	-	-	-	26,779,754	37,774,577
Current accounts with other banks	8,438,924	-	-	-	-	-	8,438,924
Placements with Bank Indonesia and other banks	54,092,911	955,748	1,210,440	-	-	-	56,259,099
Financial assets held for trading	110,351	1,330,920	291,228	49,745	1,548	-	1,783,792
Acceptance receivables - net	1,692,875	3,427,573	2,234,415	12,526	-	-	7,367,389
Bills receivable - net	891,050	1,069,224	581,078	-	-	-	2,541,352
Carry forward	76,220,934	6,783,465	4,317,161	62,271	1,548	44,629,214	132,014,593

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37. MATURITY GAP OF FINANCIAL ASSETS AND LIABILITIES (Continued)

	31 December 2015						Total
	Up to 1 month	> 1 - 3 months	> 3 months - 1 year	> 1 - 5 years	More than 5 years	No contractual maturity	
Financial assets (continued)							
Carried forward	76,220,934	6,783,465	4,317,161	62,271	1,548	44,629,214	132,014,593
Securities purchased under agreements to resell	515,099	-	-	-	-	-	515,099
Loans receivable	25,690,646	36,550,689	113,873,188	122,867,713	89,175,180	-	388,157,416
Less:							
Allowance for impairment losses	-	-	-	-	-	-	(9,541,124)
Consumer financing receivables - net	173,235	198,065	1,307,487	5,586,476	142,256	-	7,407,519
Investment in finance leases - net	12,231	1,537	17,823	141,529	-	-	173,120
Investment securities - net	6,648,148	2,427,914	13,398,318	26,897,298	1,628,262	153,175	51,153,115
	<u>109,260,293</u>	<u>45,961,670</u>	<u>132,913,977</u>	<u>155,555,287</u>	<u>90,947,246</u>	<u>44,782,389</u>	<u>569,879,738</u>
Financial liabilities							
Deposits from customers	(460,516,622)	(8,686,867)	(4,462,726)	-	-	-	(473,666,215)
Deposits from other banks	(4,151,453)	(4,500)	(100)	-	-	-	(4,156,053)
Financial liabilities held for trading	(61,539)	(10,193)	(2,502)	-	-	-	(74,234)
Acceptance payables	(1,261,070)	(2,146,336)	(954,832)	(12,701)	-	-	(4,374,939)
Securities sold under agreement to repurchase	(38,602)	-	-	-	-	-	(38,602)
Debt securities issued	-	(437,455)	(1,242,161)	(1,141,349)	-	-	(2,820,965)
Borrowings	(315,901)	(137,500)	(816,563)	(473,373)	-	-	(1,743,337)
	<u>(466,345,187)</u>	<u>(11,422,851)</u>	<u>(7,478,884)</u>	<u>(1,627,423)</u>	<u>-</u>	<u>-</u>	<u>(486,874,345)</u>
Net position	<u>(357,084,894)</u>	<u>34,538,819</u>	<u>125,435,093</u>	<u>153,927,864</u>	<u>90,947,246</u>	<u>44,782,389</u>	<u>83,005,393</u>
 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	11,044,256	460,800	513,876	-	-	-	12,018,932
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	31,907,988	5,455,754	4,141,069	77,520	-	45,972,184	87,554,515

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37. MATURITY GAP FINANCIAL ASSETS AND LIABILITIES (Continued)

	31 December 2014						Total
	Up to 1 month	> 1 - 3 months	> 3 months - 1 year	> 1 - 5 years	More than 5 years	No contractual maturity	
Financial assets (continued)							
Carried forward	31,907,988	5,455,754	4,141,069	77,520	-	45,972,184	87,554,515
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	10,957,625	21,022,252	11,946,098	23,772,330	3,700,903	128,862	71,528,070
	<u>109,653,014</u>	<u>53,478,463</u>	<u>135,648,118</u>	<u>130,000,257</u>	<u>64,681,330</u>	<u>46,101,046</u>	<u>532,371,432</u>
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)
	<u>(439,710,978)</u>	<u>(12,008,777)</u>	<u>(7,574,632)</u>	<u>(2,663,119)</u>	<u>-</u>	<u>-</u>	<u>(461,957,506)</u>
Net position	<u>(330,057,964)</u>	<u>41,469,686</u>	<u>128,073,486</u>	<u>127,337,138</u>	<u>64,681,330</u>	<u>46,101,046</u>	<u>70,413,926</u>

38. NET OPEN POSITION

The Bank's net foreign exchange positions (Net Open Position or "NOP") as of 31 December 2015 and 2014 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 NOP for statement of financial position 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.

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38. NET OPEN POSITION (Continued)

The Bank's NOP as of 31 December 2015 and 2014 was as follows:

	31 December					
	2015		2014		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	NOP for statement of financial position (net difference between assets and liabilities)	Net difference between receivables and liabilities in administrative accounts		
USD	24,046,557	(24,258,859)	212,302	3,957,770	(4,297,487)	339,717
SGD	(189,049)	79,269	109,780	(11,187)	(963)	12,150
AUD	1,326	4,739	6,065	6,325	(4,059)	2,266
HKD	22,423	(20,544)	1,879	9,934	(7,985)	1,949
GBP	(621)	2,044	1,423	(3,985)	5,787	1,802
EUR	(60,177)	69,261	9,084	26,289	(22,579)	3,710
JPY	(10,627)	13,424	2,797	(10,576)	10,179	397
CAD	4,004	(3,455)	549	2,732	-	2,732
CHF	7,081	(4,148)	2,933	7,797	(3,129)	4,668
DKK	1,583	(683)	900	466	-	466
MYR	(317)	-	317	(350)	-	350
SAR	1,388	-	1,388	602	-	602
SEK	556	-	556	149	-	149
CNY	(6,777)	6,993	216	2,307	-	2,307
Others	6,994	(1,889)	5,105	3,341	-	3,341
Total			355,294			376,606
Total capital (Note 39)			87,887,273			67,840,206
Percentage of NOP to capital			0.40%			0.56%

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 assessment 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.



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39. CAPITAL MANAGEMENT (Continued)

Bank Indonesia Regulation No. 15/12/PBI/2013 dated 12 December 2013 requires all banks in Indonesia to meet the Capital Adequacy Ratio (“CAR”) in accordance with the risk profile at a minimum of 10% (ten percent).

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 the CAR calculation.

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 (“RWA”) based on risks from consolidated financial statements as provided in the prevailing Bank Indonesia Regulations.

The Bank calculates its capital requirements based on the prevailing Bank Indonesia Regulations as of 31 December 2015, where the regulatory capital consisted of two tiers:

- Core Capital (Tier 1), which includes:
 1. Common Equity (CET 1), which includes issued and fully paid-up capital (after deduction of treasury stock), additional paid-up capital, allowable non-controlling interest and deductions from Common Equity.
 2. Additional Core Capital
- Supplementary Capital (Tier 2), which includes share investment or other allowable instruments, agio or disagio from supplementary capital issuance, required general allowance for productive assets (maximum of 1.25% RWA credit risk), specific reserve and deductions from tier 2 capital.

The CAR as of 31 December 2015 and 2014, calculated in accordance with the prevailing Bank Indonesia Regulations, taking into account the credit risk, market risk and operational risk, were as follows:

	31 December 2015		31 December 2014	
	Bank	Consolidated	Bank	Consolidated
I. Core Capital (Tier 1)	83,683,732	87,614,207	64,370,108	66,729,621
II. Supplementary Capital (Tier 2)	4,203,541	4,312,664	3,470,098	4,231,476
Total Capital	87,887,273	91,926,871	67,840,206	70,961,097
 Risk-Weighted Assets based on risk				
RWA Credit Risk	407,553,481	417,201,368	349,020,747	357,227,347
RWA Market Risk	909,386	968,663	52,930,005	54,202,668
RWA Operational Risk	62,778,880	64,913,468	507,392	235,863
Total RWA	471,241,747	483,083,499	402,458,144	411,665,878
 CAR in accordance with risk profile	9.99%	9.99%	9.99%	9.99%
CAR				
CET 1 ratio	17.76%	18.14%	15.99%	16.21%
Tier 1 ratio	17.76%	18.14%	15.99%	16.21%
Tier 2 ratio	0.89%	0.89%	0.87%	1.03%
Total Ratio	18.65%	19.03%	16.86%	17.24%

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40. NON-CONTROLLING INTEREST

The movement of non-controlling interest in net assets of Subsidiaries was as follows:

	Year ended 31 December	
	2015	2014
Balance, beginning of year	237,531	101,075
Additional paid-in capital of subsidiaries (Note 1d)	-	60,000
Share of non-controlling interest in the net profit of a Subsidiary in the current year	17,115	25,812
Increase of non-controlling interest from acquisition of a Subsidiary in the current year	-	50,644
Increase of non-controlling interest from Subsidiaries during the current year	873	-
Balance, end of year	<u>255,519</u>	<u>237,531</u>

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, deposits from customers
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
Dana Pensiun BCA	Employer pension fund	Pension fund contribution, 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 Andil Bangun Sekawan	Owned by the same ultimate shareholder	Deposits from customers
PT Angkasa Komunikasi Global Utama	Owned by the same ultimate shareholder	Deposits from customers



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41. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

Related parties	Nature of relationship	Nature of transaction
PT Arta Karya Adhiguna	Owned by the same ultimate shareholder	Deposits from customers
PT Bhumi Mahardika Jaya	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	Loans receivable, 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
PT Darta Media Indonesia	Owned by the same ultimate shareholder	Loans receivable, deposits from customers
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 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 Perkasa	Owned by the same ultimate shareholder	Deposits from customers
PT Fajar Surya Swadaya	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 Global Distribusi Nusantara	Owned by the same ultimate shareholder	Deposits from customers
PT Graha Padma Internusa	Owned by the same ultimate shareholder	Deposits from customers

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41. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

Related parties	Nature of relationship	Nature of transaction
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 Iforte Solusi Infotek	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 Center	Owned by the same ultimate shareholder	Deposits from customers
PT Kumparan Kencana Electrindo	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
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 Poly Kapitalindo	Owned by the same ultimate shareholder	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



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41. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

Related parties	Nature of relationship	Nature of transaction
PT Puri Zuqni	Owned by the same ultimate shareholder	Deposits from customers
PT Resinda Prima Entertema	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 Tricipta Mandhala Gumlilang	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 Commissioners 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

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41. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

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.

The details of significant balances and transactions with related parties that were not consolidated as of 31 December 2015 and 2014, and for the years then ended were as follows:

	31 December			
	2015	Percentage to total	2014	Percentage to total
	Amount		Amount	
Loans receivable*) (Note 12)	948,001	0.24%	553,710	0.16%
Other assets**) (Note 16)	267,472	3.10%	280,227	3.93%
Deposits from customers (Note 16)	1,227,133	0.26%	1,119,576	0.25%
Unused credit facilities to customers (Note 22)	195,539	0.14%	586,126	0.47%
Letters of Credit facilities to customers (Note 22)	2,969	0.06%	56,783	0.79%
Bank guarantees issued to customers (Note 22)	54,401	0.47%	49,881	0.47%
Interest and sharia income (Note 23)	32,026	0.07%	34,219	0.08%
Interest and sharia expenses (Note 24)	19,124	0.17%	22,368	0.19%
Rental expenses (Note 29)	13,047	0.93%	13,015	1.04%
Contribution to pension plan (Note 28)	166,151	87.94%	140,835	100.00%

*) 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	
	2015	2014
Short-term employee benefits (including tantiem)	388,774	357,797
Long-term employee benefits	31,264	15,180
Total	420,038	372,977

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 of USD 3,244,092.50 on 5 December 2005, including VAT and 10 (ten) installments of USD 3,238,701.07, including VAT, for the period of 15 April 2006 to 31 December 2006.



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41. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

Rental Agreement with PT Grand Indonesia (continued)

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) amounting to USD 3,238,701.07, including VAT.

On 29 June 2007, the Bank paid the lease for additional space in the 28th and 29th floors of 3,264.80 sqm at an amount of 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 2015 and 2014, amortization of prepaid rental expenses was Rp 98,727 and Rp 86,765, respectively, such that the remaining prepaid rental payment to PT Grand Indonesia as of 31 December 2015 and 2014 was Rp 264,602 and Rp 277,649, 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 at an amount of USD 208,165.68. This agreement was notarized in Deed No. 110 dated 22 May 2008 of Notary Dr. Irawan Soerodjo, S.H., M.Si.

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.

On 19 July 2011, the Bank paid security deposits for additional space on the 32nd floor of 1,932.04 sqm at an amount of USD 118,801.46. This agreement was notarized in Deed No. 32 dated 12 September 2011 of Notary Lim Robbyson Halim, S.H., M.H., replacement of Notary Dr. Irawan Soerodjo, S.H., M.Si., Notary in Jakarta.

Rental payment for the 32nd floor started on 1 September 2011, for which in accordance with the agreement between the Bank and PT Grand Indonesia, starting from the first rental payment date (1 September 2011), the Bank will make the rental payments on a quarterly basis until the lease expires.

On 22 June 2015, the Bank paid security deposits for additional space on the 33rd floor of 1,932.04 sqm at an amount of USD 231,844.80. This agreement was notarized in Deed No. 413 dated 30 June 2015 of Notary Dr. Irawan Soerodjo, S.H., M.Si., Notary in Jakarta.

Rental payment for the 33rd floor started on 1 September 2015, for which in accordance with the agreement between the Bank and PT Grand Indonesia, starting from the first rental payment date (1 September 2015), the Bank will make the rental payments on a quarterly basis until the lease expires.

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42. RESTATEMENT OF CONSOLIDATED FINANCIAL STATEMENTS

As explained in Notes 2d.1, the Bank restated its consolidated financial statements as of 1 January 2014/31 December 2013 due to the implementation of PSAK No. 24 (2013 Revision), "Employee Benefits". This change in accounting policy was applied retrospectively.

The effects of implementation of PSAK No. 24 (2013 Revision) to the beginning balance of consolidated statements of financial position as of 31 December 2014 and 1 January 2014/31 December 2013, and consolidated statements of profit or loss and other comprehensive income for the year ended 31 December 2014 were as follows:

	31 December 2014		
	Before restatement	Restatement	After restatement
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION			
ASSETS			
Deferred tax asset - net	1,962,039	731,642	2,693,681
LIABILITIES			
Obligation for post-employment benefits	3,784,402	2,926,569	6,710,971
EQUITY			
Retained earnings - unappropriated	69,419,160	(2,194,927)	67,224,233
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss:			
Remeasurements of defined benefit liability	-	(747,551)	(747,551)
Income tax	-	186,888	186,888

	1 January 2014/31 December 2013		
	Before restatement	Restatement	After restatement
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION			
ASSETS			
Deferred tax asset - net	1,779,493	544,754	2,324,247
LIABILITIES			
Obligation for post-employment benefits	3,525,834	2,179,018	5,704,852
EQUITY			
Retained earnings - unappropriated	56,157,717	(1,634,264)	54,523,453



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43. RECLASSIFICATION OF ACCOUNTS

Certain accounts in the consolidated financial statements for the year ended 31 December 2014 have been reclassified to conform with the consolidated financial statements for the year ended 31 December 2015.

	Before reclassifications	Reclassifications	After reclassifications
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION			
Placements with Bank Indonesia and other banks	11,502,178	516,754	12,018,932
Investment securities - net	72,044,824	(516,754)	71,528,070
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
Net trading income	832,916	3,105	836,021
Other operating income	906,027	318,934	1,224,961
Other operating expenses, other	(704,050)	(85,691)	(789,741)
Non-operating income - net	236,348	(236,348)	-

44. 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 Law of Republic of Indonesia 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 2015 and 2014, the deposit amount guaranteed by LPS for every customer in a bank is at a maximum of Rp 2,000.

As of 31 December 2015 and 2014, the Bank was the participant of this guarantee scheme.

45. NEW REGULATIONS ISSUED

New regulations which have been issued and will have significant impact to the Bank and Subsidiaries' business activities are as follows:

- 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 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.

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45. NEW REGULATIONS ISSUED (Continued)

- PBI No. 15/12/PBI/2013 dated 12 December 2013 regarding the CAR for Commercial Banks (continued).

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 Systemically 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 **).

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 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 D-SIB in the higher range of 1% - 2.50%.

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED 31 DECEMBER 2015 AND 2014
(Expressed in millions of Rupiah, unless otherwise specified)

45. NEW REGULATIONS ISSUED (Continued)

- PBI No. 15/12/PBI/2013 dated 12 December 2013 regarding the CAR for Commercial Banks (continued).

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 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 D-SIB determined by authorized authority in the range of 1% - 2.50% from RWA for banks which are determined as having systemic impacts **).

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).

*) 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 D-SIB in the higher range of 1% - 2.50%.

PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED 31 DECEMBER 2015 AND 2014**
(Expressed in millions of Rupiah, unless otherwise specified)

45. NEW REGULATIONS ISSUED (Continued)

- 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.
 - The implementation of Integrated Risk Management shall include at least:
 - a. Monitoring by Board of 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 categorized 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 18 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 Board 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.



PT BANK CENTRAL ASIA Tbk AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED 31 DECEMBER 2015 AND 2014
(Expressed in millions of Rupiah, unless otherwise specified)

45. NEW REGULATIONS ISSUED (Continued)

- 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.
- POJK No. 6/POJK.03/2015 dated 31 March 2015 regarding Transparency and Publication of the Bank's Reports.
 - To improve the transparency of financial conditions and inline with the implementation of Basel II and Basel III, the Bank is required to disclose the type of risks and potential losses, risk management practices applied, more detailed components of capital, as well as additional capital requirement on top of the capital ratio in accordance with Bank's risk profile report.
 - In quarterly publication report, banks included in "BUKU 3" and "BUKU 4" are required to disclose additional information about capital in accordance with the Composition of Capital Disclosure Requirements document issued by the Basel Committee on Banking Supervision that will be effective for statements of financial position for the end of December 2015.
 - This POJK became effective on 1 April 2015.

PT BANK CENTRAL ASIA Tbk

SUPPLEMENTARY INFORMATION

STATEMENTS OF FINANCIAL POSITION (PARENT ENTITY ONLY)

31 DECEMBER 2015, 31 DECEMBER 2014^{*)} AND 1 JANUARY 2014/31 DECEMBER 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 2015	31 December 2014 ^{*)}	1 January 2014/ 31 December 2013 ^{*)}
ASSETS			
Cash	17,833,851	19,564,217	16,273,604
Current accounts with Bank Indonesia	37,624,875	38,767,135	35,187,679
Current accounts with other banks	8,362,474	4,566,349	3,430,762
Placements with Bank Indonesia and other banks	54,218,932	10,322,925	11,298,869
Financial assets held for trading	1,777,924	1,669,705	1,035,791
Acceptance receivables - net of allowance for impairment losses of Rp 433,339 as of 31 December 2015 (31 December 2014: Rp 396,343 and 1 January 2014: Rp 89,740)	7,367,389	7,569,364	6,434,376
Bills receivable - net of allowance for impairment losses of Rp 858 as of 31 December 2015 (31 December 2014: Rp 1,286 and 1 January 2014: Rp 580)	2,498,940	3,226,980	2,632,832
Securities purchased under agreements to resell	515,099	26,289,663	41,056,171
Loans receivable - net of allowance for impairment losses of Rp 9,025,674 as of 31 December 2015 (31 December 2014: Rp 6,703,233 and 1 January 2014: Rp 5,610,545)	1,537,717	1,027,340	674,447
Related parties	377,444.335	339,231,697	306,095,154
Third parties			
Investment securities - net of allowance for impairment losses of Rp 730,645 as of 31 December 2015 (31 December 2014: Rp 674,229 and 1 January 2014: Rp 660,328)	50,490,598	70,996,188	47,829,262
Fixed assets - net of accumulated depreciation of Rp 6,895,790 as of 31 December 2015 (31 December 2014: Rp 5,759,794 and 1 January 2014: Rp 4,882,884)	9,409,581	8,648,481	7,365,886
Deferred tax assets - net	3,077,393	2,608,486	2,265,785
Investment in shares - net of allowance for impairment losses of Rp 23,229 as of 31 December 2015 (31 December 2014: Rp 17,948 and 1 January 2014: Rp 13,265)	2,239,289	1,702,476	1,238,849
Other assets - net of allowance for impairment losses of Rp 654 as of 31 December 2015 (31 December 2014: Rp 1,929 and 1 January 2014: Rp 158)	7,843,178	6,525,059	6,223,529
TOTAL ASSETS	582,241,575	542,716,065	489,042,996

^{*)} After restatement

PT BANK CENTRAL ASIA Tbk

SUPPLEMENTARY INFORMATION

STATEMENTS OF FINANCIAL POSITION (PARENT ENTITY ONLY) (Continued)

31 DECEMBER 2015, 31 DECEMBER 2014^{*)} AND 1 JANUARY 2014/31 DECEMBER 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 2015	31 December 2014 ^{*)}	1 January 2014/ 31 December 2013 ^{*)}
LIABILITIES AND EQUITY			
LIABILITIES			
Deposits from customers			
Related parties	1,259,396	1,155,405	1,015,661
Third parties	472,439,082	446,786,180	408,497,903
Deposits from other banks	4,160,101	3,752,681	3,303,929
Financial liabilities held for trading	74,234	14,702	113,516
Acceptance payables	4,374,939	4,697,946	4,539,442
Income tax liabilities	191,833	199,878	238,959
Borrowings	901	744,034	952
Post-employment benefits obligation	6,803,338	6,667,884	5,683,171
Accruals and other liabilities	<u>6,083,156</u>	<u>4,936,065</u>	<u>4,613,106</u>
TOTAL LIABILITIES	495,386,980	468,954,775	428,006,639
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	1,540,938
Additional paid-in capital	5,711,368	5,711,368	5,711,368
Unrealized losses on available-for-sale financial assets - net	(94,251)	(59,697)	(464,188)
Retained earnings			
Appropriated	1,077,708	912,850	770,311
Unappropriated	<u>78,618,832</u>	<u>65,655,831</u>	<u>53,477,928</u>
TOTAL EQUITY	86,854,595	73,761,290	61,036,357
TOTAL LIABILITIES AND EQUITY	<u>582,241,575</u>	<u>542,716,065</u>	<u>489,042,996</u>

^{*)} After restatement

PT BANK CENTRAL ASIA Tbk

SUPPLEMENTARY INFORMATION

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (PARENT ENTITY ONLY)

YEARS ENDED 31 DECEMBER 2015 AND 2014^{*)}

(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	
	2015	2014^{*)}
OPERATING INCOME AND EXPENSES		
Interest income	43,709,090	40,626,579
Interest expenses	(10,606,153)	(11,179,515)
Net interest income	33,102,937	29,447,064
Fee and commission income	8,215,760	7,205,951
Fee and commission expenses	(53)	(47)
Net fee and commission income	8,215,707	7,205,904
Net trading income	2,093,092	816,944
Other operating income	1,074,957	1,103,525
Total operating income	44,486,693	38,573,437
Impairment losses on financial assets	(3,176,730)	(1,986,568)
Other operating expenses		
Personnel expenses	(8,789,755)	(7,879,984)
General and administrative expenses	(10,242,442)	(8,373,293)
Others	(740,040)	(514,442)
	(19,772,237)	(16,767,719)
Total operating expenses	(22,948,967)	(18,754,287)
INCOME BEFORE TAX		
	21,537,726	19,819,150
INCOME TAX EXPENSE		
Current	(4,580,369)	(4,146,813)
Deferred	333,731	290,644
	(4,246,638)	(3,856,169)
NET INCOME (Carry forward)	17,291,088	15,962,981

^{*)} After restatement



PT BANK CENTRAL ASIA Tbk

SUPPLEMENTARY INFORMATION

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (PARENT ENTITY ONLY) (Continued)

YEARS ENDED 31 DECEMBER 2015 AND 2014^{*)}

(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	
	2015	2014 ^{*)}
NET INCOME (Carried forward)	<u>17,291,088</u>	<u>15,962,981</u>
OTHER COMPREHENSIVE INCOME, NET OF INCOME TAX:		
Items that will not be reclassified to profit or loss:		
Remeasurements of defined benefit liability	(494,632)	(747,551)
Income tax	123,658	186,888
	<u>(370,974)</u>	<u>(560,663)</u>
Items that will be reclassified to profit or loss:		
Unrealized (losses) gains on available-for-sale financial assets	(46,072)	539,322
Income tax	11,518	(134,831)
	<u>(34,554)</u>	<u>404,491</u>
OTHER COMPREHENSIVE INCOME, NET OF INCOME TAX	<u>(405,528)</u>	<u>(156,172)</u>
TOTAL COMPREHENSIVE INCOME	<u>16,885,560</u>	<u>15,806,809</u>
NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS OF PARENT ENTITY	<u>17,291,088</u>	<u>15,962,981</u>
COMPREHENSIVE INCOME ATTRIBUTABLE TO EQUITY HOLDERS OF PARENT ENTITY	<u>16,885,560</u>	<u>15,806,809</u>
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT ENTITY (full amount of Rupiah)	<u>701</u>	<u>647</u>

^{*)}After restatement

Appendix 3/1

PT BANK CENTRAL ASIA Tbk

**SUPPLEMENTARY INFORMATION
STATEMENTS OF CHANGES IN EQUITY (PARENT ENTITY ONLY)
YEARS ENDED 31 DECEMBER 2015 AND 2014**
(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 2015				
	Issued and fully paid-up capital	Additional paid-in capital	Unrealized losses on available-for-sale financial assets - net	Retained earnings Appropriated	Unappropriated ¹
Balance, 1 January 2015	1,540,938	5,711,368	(59,697)	912,850	65,655,831
Net income for the year	-	-	-	-	17,291,088
Unrealized gains on available-for-sale financial assets - net	-	-	(34,554)	-	-
Remeasurements of defined benefit liability - net	-	-	-	-	(370,974)
Total comprehensive income for the year	-	-	(34,554)	-	16,920,114
General reserve	-	-	-	164,858	(164,858)
Cash dividends	-	-	-	-	(3,772,217)
Tantiem of Board of Commissioners and Directors	-	-	-	-	(20,038)
Balance, 31 December 2015	1,540,938	5,711,368	(94,251)	1,077,708	78,618,832
					(20,038)
					86,854,595

¹Included in unappropriated retained earnings is remeasurements of defined benefit liability - net

Appendix 3/2

PT BANK CENTRAL ASIA Tbk

SUPPLEMENTARY INFORMATION
STATEMENTS OF CHANGES IN EQUITY (PARENT ENTITY ONLY) (Continued)

YEARS ENDED 31 DECEMBER 2015 AND 2014

(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	Appropriated	Unappropriated ¹	Total equity
Balance, 1 January 2014	1,540,938	5,711,368	(464,188)	770,311	55,112,192		62,670,621
Effect of adoption of PSAK No. 24 (2013 Revision), net of income tax	-	-	-	-	(1,634,264)		(1,634,264)
Balance per 1 January 2014, after effect of adoption of PSAK No. 24 (2013 Revision)	1,540,938	5,711,368	(464,188)	770,311	53,477,928		61,036,357
Net income for the year	-	-	-	-	15,962,981		15,962,981
Unrealized gains on available-for-sale financial assets - net	-	-	404,941	-	-		404,941
Remeasurements of defined benefit liability - net	-	-	-	-	(560,663)		(560,663)
Total comprehensive income for the year	-	-	404,941	-	15,402,318		15,806,809
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	65,655,831		73,761,290

¹ Included in unappropriated retained earnings is remeasurements of defined benefit liability - net

PT BANK CENTRAL ASIA Tbk

**SUPPLEMENTARY INFORMATION
STATEMENTS OF CASH FLOWS (PARENT ENTITY ONLY)
YEARS ENDED 31 DECEMBER 2015 AND 2014**
(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	
	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts of interest, fees and commissions	51,079,915	47,043,811
Other operating income	691,385	553,471
Payments of interest, fees and commissions	(10,715,985)	(11,085,555)
Payments of post-employment benefits	(1,419,815)	(1,080,476)
Loss from foreign exchange transactions - net	2,393,779	(791,022)
Other operating expenses	(17,320,840)	(14,200,510)
Payment of tantiem to Board of Commissioners and Board of Directors	(247,256)	(213,762)
Other increases/decreases affecting cash:		
Placements with Bank Indonesia and other banks - mature more than 3 (three) months from the date of acquisition	119,845	(604,249)
Financial assets held for trading	194,529	(521,695)
Acceptance receivables	164,979	(1,441,591)
Bills receivable	934,197	(548,971)
Securities purchased under agreements to resell	25,774,564	14,766,508
Loans receivable	(39,691,521)	(34,627,564)
Other assets	(1,420,687)	40,824
Deposits from customers	21,473,299	39,079,448
Deposits from other banks	271,651	468,863
Acceptance payables	(323,007)	158,504
Accruals and other liabilities	1,445,817	356,095
Net cash provided operating activities before income tax	33,404,849	37,352,129
Payment of income tax	(4,588,413)	(4,185,894)
Net cash provided by operating activities	28,816,436	33,166,235
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of investment securities	(60,138,509)	(48,927,375)
Proceeds from investment securities that matured during the year	82,487,716	26,977,334
Cash dividends received from investment in shares	396,846	552,586
Placements of certificate of deposits	(2,288,410)	(653,606)
Proceeds from certificate of deposits that matured during the year	1,485,000	150,000
Acquisition of fixed assets	(2,364,956)	(2,538,509)
Acquisition of a Subsidiary	-	(70,110)
Proceeds from sale of fixed assets	4,647	7,953
Net cash provided by (used in) investing activities	19,582,334	(24,501,727)



PT BANK CENTRAL ASIA Tbk

SUPPLEMENTARY INFORMATION
 STATEMENTS OF CASH FLOWS (PARENT ENTITY ONLY) (Continued)
 YEARS ENDED 31 DECEMBER 2015 AND 2014
 (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	
	2015	2014
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease) increase in borrowings - net	(743,133)	743,082
Additional share capital payment of Subsidiaries	(512,500)	(390,000)
Payments of cash dividends	(3,772,217)	(3,081,876)
Net cash used in financing activities	(5,027,850)	(2,728,794)
NET INCREASE IN CASH AND CASH EQUIVALENTS		
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	43,370,920	5,935,714
EFFECT OF FOREIGN EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS	72,703,872	66,795,163
	539,821	(27,005)
CASH AND CASH EQUIVALENTS, END OF YEAR	116,614,613	72,703,872
Cash and cash equivalents consist of:		
Cash	17,833,851	19,564,217
Current accounts with Bank Indonesia	37,624,875	38,767,135
Current accounts with other banks	8,362,474	4,566,349
Placements with Bank Indonesia and other banks - mature within 3 (three) months or less from the date of acquisition	52,793,413	9,806,171
Total cash and cash equivalents	116,614,613	72,703,872

Giddharta William R. Belan
Regional Public Accountant

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Independent Auditor's Report

File # 4-01-2000-000000000000

The Ministers,
The Board of Commissioners and Board of Directors
of the Peel Council Area Tax.

We have audited the consolidated financial statements of the Peel Council Area Tax and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2000, and the consolidated statement of revenue and other comprehensive income, changes in equity, and cash flows for the year then ended and those comprising a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and for presentation of these consolidated financial statements in accordance with the Canadian Financial Accounting Standards, and for such internal control as management determines is necessary to ensure the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

The responsibility is to express an opinion on these audited consolidated financial statements based on our audit. We conducted our audit in accordance with standards on auditing prescribed by the Canadian Institute of Certified Public Accountants. These standards require that we plan and perform the audit to obtain all the evidence we need in order to detect material misstatements in the financial statements under audit.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error or fraud. In testing those risk assessments, the auditor considers internal control relevant to the entity's preparation and the presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes assessing the appropriateness of accounting policies used and the reasonableness of 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.

Response

In our opinion, the consolidated financial statements presented below, in all material respects, give a true and fair view of the financial position of **XXXXX Group Limited** as at 31 December 2010 and its consolidated financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Other matters

The audit was performed for the purpose of issuing an opinion on the consolidated financial statements as a whole. The supplementary information included in Appendix 5 to 8, which comprises the statement of financial position (year ended 31 December 2010) and the related statement of comprehensive income, changed by equity, and cash flow for the year then ended, is presented for the purpose of additional analysis and is not a required part of the consolidated financial statements under International Financial Reporting Standards. Such information has been prepared by the audited group entity in the name of the consolidated financial statements and, in our opinion, is fairly stated in all material respects, in relation to the consolidated financial statements as a whole.

London, 20 February 2011
Ernst & Young LLP


Ernst & Young LLP
Chartered Accountants

London, 20 February 2011

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Awards

1.



Bisnis Indonesia
- Carre Center
Excellent Service Experience Award (ESEA)
Excellent
Category : Banking

2.



Marketing Magazine
- Frontier Consulting Group
Top Brand Award

- 1st Rank : Savings Accounts (Tahapan BCA)
- 1st Rank : Credit Card
- 1st Rank : Time Deposits
- 1st Rank : Mobile Banking
- 1st Rank : Internet Banking
- 1st Rank : Call Center
- 1st Rank : Prepaid Card (Flazz BCA)
- 2nd Rank : Mortgage

3.



SWA Magazine and Hachiko Net Promoter Customer Loyalty Award 2015
Category : savings accounts, credit card, housing loan, mobile banking, and internet banking

4.



Men's Obsession Magazine
Obsession Award

- Jahja Setiaatmadja named as the Best of The Best Individual Achievers
- Best Achiever Bank in the Private Sector

5.

InfoBank
InfoBank Digital Brand of The Year 2015

- Rank 1: Commercial Bank, Car Loan, and Credit Card
- Rank 2 : Savings Accounts, Debit Card, and Time Deposits

6.



Service Excellence Magazine & Carre CCSL
Contact Center Service Excellence Award (CCSEA) 2015
Rank I for the Category:

- Banking
- Credit Card
- Internet Banking
- ATM Service Center
- E-mail Center BFI

Rank II for:

- Priority Banking
- Platinum Credit Card
- Sharia Banking
- Social Media Center

Award for excellence.

7.



Warta Ekonomi
Indonesia's Most Admired Company

8.



Markplus Inc
WOW Service Excellence Award
Best Commercial Bank

**9.**
Business Continuity Management (BCM) Institute, Singapore
Business Resilience Award 2015

Business Resilience for services continuity through business cycles

12.**14.****10.**
Property & Bank Magazine, and Alliance of Independent Journalist (AJI)
Indonesia Property & Bank Award (IPBA) 2015

- Most Innovative CEO
President Director Mr. Jahja Setiaatmadja

Finance Asia
Asia's Best Companies 2015

- Best Financial Sector Company in Asia
- Best CEO (ranked 1st)
- Best Managed Company (ranked 2nd)
- Best Corporate Governance (ranked 3rd)
- Best Investor Relations (ranked 4th)

Indonesia Contact Center Association (ICCA)
'The Best Contact Center in Indonesia 2015
Grand Champion 1
Platinum

1. The Best Operation
2. The Best Technology Innovation
3. The Best Employee Engagement
4. The Best Singing
5. The Best Manager
6. The Best Manager Walk In
7. The Best Supervisor
8. The Best Workforce
9. The Best Desk Control
10. The Best Quality Assurance
11. The Best Back Office
12. The Best Agent Inbound
13. The Best Agent English
14. The Best Tele-sales

Gold

1. The Best Social Media
2. The Best Trainer
3. The Best Supervisor
4. The Best Team Leader Outbound
5. The Best Team Leader Walk In
6. The Best Back Office
7. The Best Agent Premium
8. The Best Agent Social Media
9. The Best Customer Service

Silver

1. The Best Smart Team Jamboree
2. The Best Trainer
3. The Best Team Leader Inbound
4. The Best Workforce
5. The Best Desk Control
6. The Best Agent Inbound
7. The Best Tele-sales
8. The Best Customer Service

Bronze

1. The Best Business Contribution
2. The Best Creative Team Jamboree
3. The Best Teamwork Jamboree
4. The Best Manager
5. The Best Team Leader Inbound
6. The Best Telemarketing

11.
Service Excellence Magazine & Carre CCSL
Service Quality Award 2015

Diamond rank for the category of:

- Priority Banking
- Commercial Banking - Domestic
- Platinum Credit Card
- Commercial Credit Card - Diamond
- Sharia Banking (BCA Syariah)

13.
Contact Center World Asia Pacific Region 2015
Indonesia Industry Champion Gold Medal:

- Best Mega Contact Center
- Outsourcing Partnership
- Technology Innovation
- Best in Customer Service
- Direct Response Campaign
- Operations Manager
- Project Manager
- Sales Manager
- Support Professional IT
- Quality Assurance
- Customer Service Professional

Silver Medal:

- Contact Center Design
- Self Service Technology
- Community Spirit
- Incentive Scheme
- Support Professional HR

Bronze Medal:

- Social Media
- Recruitment Campaign
- Green Contact Center
- Sales Campaign
- Outbond Campaign
- Help Desk
- Trainer
- Customer Service Professional

Awards - continued

15.



InfoBank

Banking Service Excellence Award 2015

- 2nd Best Internet Banking Commercial Bank
- 2nd Best Mobile Internet Commercial Bank
- 3rd Best e-Channel Commercial Bank
- 10th Best Overall Performance Commercial Bank

16.



Gallup

Gallup Great Workplace Award 2015

BCA is the first Indonesian company to receive this award.

17.



Tempo Media Group

Corporate Image Award 2015

'The Best Business Contribution'

18.

Warta Ekonomi

Indonesia Living Legend Companies Award 2015

Best Financial Performance

19.



SWA Magazine, MCI & Inventure

Consumers' Choice 2015

- Best Creative Team Jamboree
- Best Teamwork Jamboree
- Best Manager
- Best Team Leader Inbound
- Best Telemarketing
- Indonesia Middle-Class Brand Champion 2015: Prepaid Cards (Flazz BCA)

20.



Investor Magazine

Investor Best Banking 2015

- Commercial Bank with Assets above Rp 100 trillion

21.

Bisnis Indonesia

Bisnis Indonesia Award 2015

- Mr. Jahja Setiaatmadja named as the Best CEO

22.

SWA

ASEAN Best Public Companies & SWA 100: Best Wealth Creator 2015

- 3rd rank Indonesia's Best Public Companies (overall)
- 3rd rank ASEAN's Best Public Companies (overall)

23.



Euromoney Hongkong

Euromoney Awards For Excellence

Best Bank in Indonesia

**24.****Forbes****Forbes Global 2000**

The World's Biggest Public Companies 2015

28.**Warta Ekonomi****Social Business Innovation Award**

- Rank I for Banking Category
- Top 10 for All Industry Category

31.**Economic Review, Business Review, Woman Review, IPMI Business School****Anugerah Perusahaan Terbuka Indonesia II-2015 (APTI II-2015)**

CEO of The Year for Jahja Setiaatmadja

25.**Bisnis Indonesia****Bisnis Indonesia Award 2015**

#1 Most Recommended Brand - Savings Accounts

29.**Economic Review and IPMI International Business School****Indonesia Good Corporate Governance Award 2015**

Rank VI for Good Corporate Governance (GCG)

26.**InfoBank****InfoBank Awards 2015**

- 'Very Good Predicate' for Bank with Core Capital above Rp 30 trillion
- Titanium Trophy - 15 years performance excellence

30.**Indonesia Property Watch****Golden Property Award 2015**

- Best Supporting Bank for Property
- Jahja Setiaatmadja named as the Most Influential Person in Banking Industry

32.**Markplus Inc.****WOW Brand Award 2015**

- Rank I for Savings Accounts Category
- Rank I for Time Deposits Category
- Rank II for Credit Card Category for Commercial Bank Book IV

27.**WPP & Millward Brown****Top 50 Most Valuable Indonesian Brand**

Rank I for Cross Industry Category

Awards - continued

33.



MIX Magazine-Marketing Communication

PR of The Year Award 2015

CEO BCA Jahja Setiaatmadja named as PR People of The Year 2015 - Journalist Choice for the category of Spoke Person of The Year 2015

34.

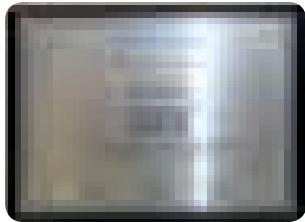


Markplus Insight & Marketeers WOW Service Excellence Award 2015

For the category of Commercial Bank (BOOK IV):

- The Best of Indonesia WOW Service Excellence Award 2015
- Gold Champion for the region of Sumatera and Java-Bali
- Silver Champion for region Kalimantan

35.



The Asian Banker

The Asian Banker 500

The Strongest Bank by Balance Sheet in Indonesia

36.



Financial Services (OJK) Awards

Annual Report Award (ARA) 2014

Rank II for the category of Private Finance - Listed

37.

Digital Marketing Magazine & Independent Survey Online Social Media & Digital Marketing Award 2015

- Great Performing Product for Banking, ATM, SMS Banking, Credit Card, e-wallet Flazz
- Great Performing Website for www.bca.co.id
- Social Media Marketing Award for Credit Card BCA

38.



BusinessNews Indonesia Magazine

TOP Infrastructure 2015

TOP Private Bank for Infrastructure Financing 2015

39.



Indonesian Institute for Corporate Directorship (IICD) and Investor Magazine

The 7th IICD Corporate Governance Award

- Top 10 Public Listed Companies
- Most Responsible Board

40.



MIX Magazine-Marketing Communication

The 8th Indonesia Most Experiential Brand Activation 2015

The 5th PPM Regional Business Case Competition - BCA's Employer Branding: The Challenge Ahead

**41.**

**Marketeers Magazine and
Indonesia Marketing Association
(IMA)**

**The 10th Annual MarkPlus
Conference 2015**

CEO BCA Jahja Setiaatmadja is granted 2 awards:

- Marketeers of the Year 2015
- Indonesia Marketing Champion 2015 for Commercial Banking

43.

**European Society for Quality
Research (ESQR)**

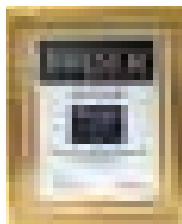
**International Diamond Prize for
Excellence in Quality 2015**

42.

**Warta Ekonomi Magazine
Indonesia Most Admired CEO 2015**

CEO BCA Jahja Setiaatmadja is named as:

- Top 10 Indonesia Most Admired CEO
- Indonesia Most Admired CEO for Banking Category

44.

Investor Magazine

**Investor Awards - Financial leader
Indonesia 2015**

Jahja Setiaatmadja as Top National Banker 2015

45.

**SWA Magazine and Indonesia
Institute for Corporate Governance
(IICG)**

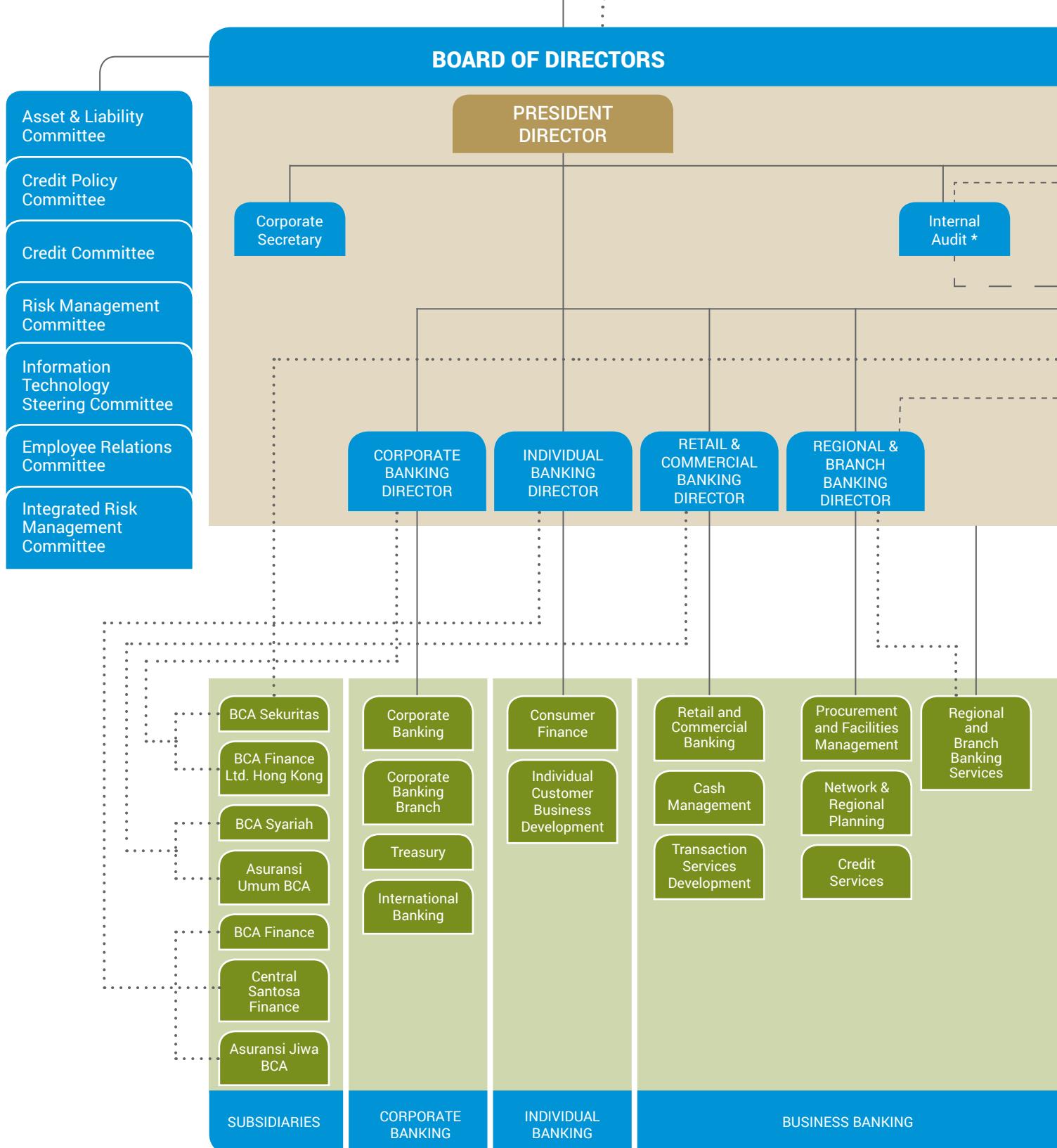
**Indonesia Good Governance Award
2015**

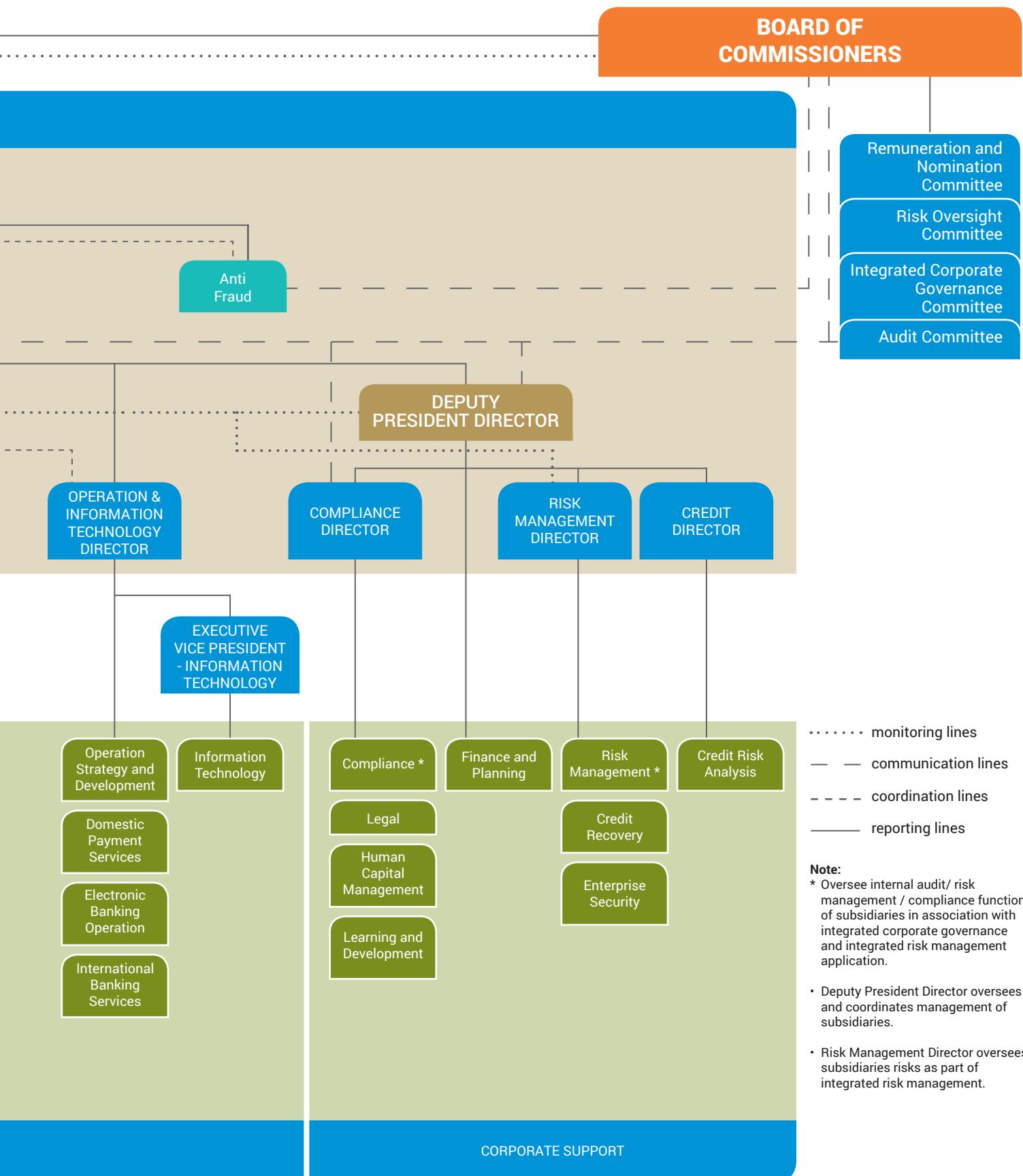
- Most Trusted Company Based on Corporate Governance Perception Index (CGPI)
- Trusted Company Based on Investors and Analysts' Assessment Survey

Organization Structure

GENERAL MEETING OF SHAREHOLDERS

As of 31 December 2015





Board of Commissioners Profile



Djohan Emir Setijoso
President Commissioner

Djohan Emir Setijoso (aged 74) domiciled in Indonesia, has been the President Commissioner of BCA since August 25, 2011, previously serving 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 BCA, Mr. Setijoso 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. Mr. Setijoso graduated from the Bogor Institute of Agriculture.



Tonny Kusnadi
Commissioner

Tonny Kusnadi (aged 68) domiciled in Indonesia, has been a Commissioner of BCA since June 25, 2003. Prior to joining BCA, Mr. Kusnadi 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 (1999-2001), Chief Manager of Corporate Banking for PT Bank Central Asia (1992-1998), General Manager at PT Tamara Indah, an engineering and general supplier company (1988-1992) and General Manager at PT Indomobil, a leading Indonesian automotive company, in 1987. Mr. Kusnadi holds a bachelor's degree in Mechanical Engineering from the University of Brawijaya, Malang.



Cyrillus Harinowo
Independent Commissioner

Cyrillus Harinowo (aged 62) domiciled in Indonesia, has been an Independent Commissioner of BCA since June 25, 2003, concurrently serving as Independent Commissioner of PT Unilever Indonesia Tbk since 2004. Prior to joining BCA, Mr. Harinowo had twenty five years with Bank Indonesia serving as, among others, Director of the Money Market and Monetary Management Department (1994-1998). He also served as an Alternate Executive Director and Technical Assistance Advisor for the Monetary and Exchange Affairs Department, International Monetary Fund (IMF), Washington (1998-2003). 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 (1988-1989). A lecturer at several major universities in Jakarta, speaker and article writer for domestic and international seminars and media. Mr. Harinowo has published books on Indonesia's public debt in 2002, the IMF in 2004, and the "Musim Semi Perekonomian Indonesia" in 2005. Mr. Harinowo graduated in Accounting from Gadjah Mada University in 1977, obtained a master's degree in Development Economics from the Centre for Development Economics, 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 57) domiciled in Indonesia, has been an Independent Commissioner of BCA since August 20, 2008. Prior to joining BCA, Mr. Pramono was 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 (2002-2003), Senior Vice President of Credit Recovery at Bank Mandiri (1999-2002), Head of Loan Workout Division at Bank Mandiri (1999), Head of Loan Remedial Division at Bank Exim (1998-1999), Head of Loan Syndication Department at Bank Exim (1997-1998), Vice President Director of Merincorp (Merchant Investment Corporation) (1992-1997), and Director of Exim Leasing (1988-1992). Mr. Pramono graduated from Diponegoro University with a bachelor's degree in Economics (1983) and obtained an MBA in International Business Management from Prasetiya Mulya Business School (1995).



Raden Pardede
Independent Commissioner

Raden Pardede (aged 55) domiciled in Indonesia, has been an Independent Commissioner of BCA since May 15, 2006, and a member of the Board of Commissioners since May 6, 2004, concurrently serving as Independent Commissioner of PT Adaro Energy Tbk. Mr. Pardede was President Commissioner of State Asset Management Company PPA (2008-2009), after serving as a Vice President Director of PPA (2004-2008). He served both in governmental and non-governmental institutions, including as Vice Chairman of the National Economic Committee (2010-2014), Special Adviser to Minister of Finance (2008-2010), Chairman of Indonesia Financial Stability System Forum (2007-2009), Secretary of Financial Stability System Committee (2008-2009), Chief of Financing for Indonesian Infrastructure Development (2004-2005), Special Adviser to Coordinating Minister for Economic Affairs (2004-2005), Executive Director of PT Danareksa (2002-2004), Deputy Coordinator of the Assistance Team to the Minister of Finance Republic of Indonesia (2000-2004), Chief Economist and Division Head at PT Danareksa (1995-2002), Founder of Danareksa Research Institute in 1995, Consultant to the World Bank (1994-1995), member of planning staff in the Department of Industry Republic of Indonesia (1985-1990), and Process Engineer at PT Pupuk Kujang Fertilizer Industry in 1985. Mr. Pardede is also a guest lecturer at Bandung Institute of Technology, University of Indonesia and Prasetiya Mulya Business School. Mr. Pardede graduated in Chemical Engineering from Bandung Institute of Technology (1984) and obtained a PhD in Economics (1995) from Boston University, USA.

Board of Directors Profile



Jahja Setiaatmadja
President Director

Jahja Setiaatmadja (aged 60) domiciled in Indonesia, has been the President Director of BCA since June 17, 2011 and is responsible for General Coordination, as well as oversight of the Internal Audit Division, Corporate Affairs and the Anti Fraud Bureau. Previously, Mr. Setiaatmadja served as Deputy President Director of BCA (2005-2011), with latest responsibility for the Branch Banking Business, Treasury Division, International Banking Division and Overseas Representative Offices. Mr. Setiaatmadja 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, Mr. Setiaatmadja was Finance Director of Indomobil, a leading Indonesian automotive company (1989-1990), in various managerial positions including Finance Director at Indonesia's largest pharmaceutical company, Kalbe Farma (1980-1989), and started his career as accountant at Price Waterhouse (1979). Mr. Setiaatmadja graduated with a bachelor's degree in Accounting from Universitas Indonesia.



Eugene Keith Galbraith
Deputy President Director

Eugene Keith Galbraith (aged 63) domiciled in Indonesia, has been the Deputy President Director of BCA since August 25, 2011 after serving as the President Commissioner from 2002 to 2011. Mr. Galbraith is responsible for general supervision of the Compliance Director, Chief Risk Officer and Credit Risk Management Director, also overseeing the Finance and Planning Division as well as supervising and coordinating management of the subsidiaries. Prior to joining BCA, Mr. Galbraith served as Vice President Commissioner of PT Bank NISP Tbk (2000-2006), Chairman of Asiawise.com (1999-2001), Managing Director of ABN AMRO Asia (1996-1998), and President Director of HG Asia Indonesia (1990-1996). He also served as an advisor to the Indonesian Ministry of Finance (1988-1990), and as economic planning advisor in East Nusa Tenggara Province, Indonesia (1984-1988). Mr. Galbraith graduated in Philosophy (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 58) domiciled in Indonesia, was appointed as a Director of BCA on June 5, 2001 and is responsible for the Corporate Banking Division, Treasury Division, International Banking Division, and Overseas Representative Offices. Mrs. Ariotedjo also supervises wholly-owned remittance subsidiary BCA Finance Limited and securities subsidiary PT BCA Sekuritas. Prior to joining BCA, Mrs. Ariotedjo held several positions with Citibank, N.A. in Kuala Lumpur and Jakarta (1982-1992), and afterwards at Chase Manhattan, Jakarta as Vice President of Investment Banking Group (1998-2001), as Vice President of Corporate Banking Group (1996-1998), and as Vice President Head of Financial Institution – Government Sector and Corporate Trust Department (1992-1996). Mrs. Ariotedjo holds an MBA in Finance from George Washington University, Washington DC, USA.



Anthony Brent Elam
Director

Anthony Brent Elam (aged 56) domiciled in Indonesia, is the Chief Risk Officer of BCA and was appointed to the Board of Directors on May 20, 2002. Mr. Elam is responsible for Enterprise Wide Risk Management, Credit Recovery and Enterprise Security, also overseeing subsidiaries' risks as part of the Bank's consolidated and integrated risk management. Prior to joining BCA, Mr. Elam served as Advisor to the Chairman of the Indonesian Bank Restructuring Agency (IBRA), previously served as Advisor at PT Bahana Pembinaan Usaha Indonesia, a government-linked financial institution engaged in securities, asset management and venture capital (1996-2001), as Vice President at Dieng Djaya, a food processing company (1994-1996), and as Vice President of Citibank (1986-1994). Mr. Elam 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 65) domiciled in Indonesia, has been a Director of BCA since May 20, 2002 and is responsible for Branch Banking, comprising the Retail and Commercial Banking Division, Transaction Services Development and Cash Management. Mr. Budiman also supervises Sharia banking subsidiary PT BCA Syariah and general insurance subsidiary PT Asuransi Umum BCA (BCA Insurance). Starting his career as Systems Analyst at Bank Rakyat Indonesia (BRI) in 1975, Mr. Budiman subsequently held various managerial positions including Head of the Technology Division (1992-1995), special staff to the Board of Directors (1995-1996), Head of Palembang Region (1996-1998), Head of the Operational Division (1998-2000) with his last position as 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. Mr. Budiman holds an MBA from the University of Arizona, USA.



Subur Tan
Director

Subur Tan (aged 55) domiciled in Indonesia, has been a Director of BCA since May 20, 2002 and is responsible for the Compliance, Legal, Human Capital Management and Learning and Development Divisions. Mr. Tan's career at BCA began in 1986 and his managerial experience includes Head of Credit Department at Operational Head Office (1991-1995), Head of Legal Bureau (1995-1999), and Deputy Head of Legal Division (1999-2000). Prior to being appointed to the Board of Directors, he was Head of BCA's Internal Legal Counsel. Mr. Tan completed the Notary Program at Universitas Indonesia Faculty of Law.



Henry Koenaifi
Director

Henry Koenaifi (aged 56) domiciled in Indonesia, has been a Director of BCA since February 13, 2008 and 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), supervising wholly-owned four-wheeler financing subsidiary PT BCA Finance, two-wheeler financing subsidiary PT Central Santosa Finance (CS Finance), and life insurance subsidiary PT Asuransi Jiwa BCA (BCA Life). Prior to being appointed to BCA's Board of Directors, Mr. Koenaifi was the President Director of PT BCA Finance from 2000 to 2008. 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. Mr. Koenaifi joined BCA in 1989 and has since held various managerial positions both at branches and at the head office. Before beginning his career in the banking industry with BCA in 1989, Mr. Koenaifi was with a global IT company, IBM, for six years. Mr. Koenaifi graduated with a bachelor's degree in Civil Engineering from Parahyangan Catholic University (1984), and continued his studies at the 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 40) domiciled in Indonesia, has served as a Director of BCA since September 14, 2009, and is responsible for operational divisions Domestic Payment Services, Electronic Banking Services, International Banking Services as well as Operation Strategy and Development. Mr. Hartono is also in charge of Information Technology. He served as Head of Planning and Regional Development of BCA (2004-2009). Prior to joining BCA, Mr. Hartono held various managerial positions at PT Djarum (1998-2004) including Finance Director, Deputy Purchasing Director and Head of Human Resources Department, previously also as an Analyst for Global Credit Research and Investment Banking at JP Morgan Singapore (1997-1998). Mr. Hartono is a graduate of the University of California, San Diego (1996) and holds a Master of Science degree in Engineering Economic-System and Operation Research from Stanford University, USA in 1997.



Erwan Yuris Ang
Independent Director

Erwan Yuris Ang (aged 56) domiciled in Indonesia, served as a Director of BCA since August 25, 2011, and was appointed as an Independent Director of BCA on April 7, 2014. As the Regional and Branch Support Director, Mr. Ang monitors and supervises daily regional and branches operations, and 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 (2000-2011). Prior to his appointment as a Regional Manager, he served as Branch Manager at BCA Bandung (1995-2000) and at BCA Pekanbaru (1989-1995), and Head of the Credit Department at BCA Pekanbaru (1987-1989). He joined BCA in 1985 as a trainee in the Medan branch. Mr. Ang holds a Bachelor of Laws degree from University Satyagama and obtained a master's degree in Business Law from Trisakti University.



Rudy Susanto
Director

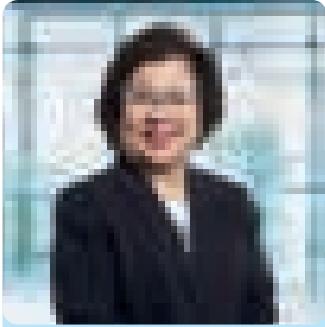
Rudy Susanto (aged 53) domiciled in Indonesia, has served as a Director of BCA since July 21, 2014, and is responsible for Credit Risk Analysis. Mr. Susanto joined BCA in 2002 and has since held several managerial positions, including Executive Vice President of the Credit Risk Analysis Group (2011-2014), Head of the Credit Risk Analysis Group (2004-2011), and Head of the Credit Division (2002-2004). Prior to joining BCA, Mr. Susanto was Head of the Loan Work Out II Division (2001-2002) and Senior Credit Officer (1999-2001) of the Indonesian Bank Restructuring Agency (IBRA). Mr. Susanto 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 (1992). Mr. Susanto graduated with a bachelor's degree in Civil Engineering from Tarumanagara University, and earned an MBA in Finance from the University of Tennessee, Knoxville, USA.

Audit Committee Profile



Cyrillus Harinowo
Chairman

Cyrillus Harinowo has assumed the position as Chairman of the Audit Committee of PT Bank Central Asia Tbk since 2015. He concurrently serves as Independent Commissioner. More detailed information can be found at the Board of Commissioners Profile on page 558.



Inawaty Handoyo
Member

Inawaty Handoyo (aged 64) domiciled in Indonesia, 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, Mrs. Handoyo served as Head of Finance at PT Naintex (1976–1980). At present, Mrs. Handoyo remains a lecturer in auditing at Atma Jaya Catholic University, Internal Audit Education Institution (YPIA), the Institute of Internal Auditors Indonesia and member of the Certification Council for Qualified Internal Auditor (DS-QIA) since 2007. Since 2010, has been involved 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. Mrs. Handoyo holds five professional certifications in auditing, namely QIA (Qualified Internal Auditor), CIA (Certified Internal Auditor), CISA (Certified Information System Auditor), CFSQA (Certified Financial Services Auditor), and CRMA (Certification in Risk Management Assurance). Mrs. Handoyo 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 65) domiciled in Indonesia, has been a member of the Audit Committee since June 23, 2011. Prior to joining BCA, Mr. Ikhsan served at Bank Indonesia for thirty years, most of which time was spent in the Banking Supervisory area, serving as 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). Following his retirement, he was appointed Finance Director of Bank Indonesia Employee Welfare Foundation or YKK-BI (2008-2010). Mr. Ikhsan 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



Sigit Pramono
Chairman

Sigit Pramono has assumed the position as Chairman of the Risk Oversight Committee of PT Bank Central Asia Tbk since 2015. He concurrently serves as Independent Commissioner. More detailed information can be found at the Board of Commissioners Profile on page 559.



Endang Swasthika Wibowo
Member

Endang Swasthika Wibowo (aged 54) domiciled in Indonesia, has been a member of the Risk Oversight Committee since June 28, 2007. Mrs. Wibowo 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, Trainer of Risk Management (Certified GARP – BSMR), Head of Perbanas Research and Community Development Centre (2000-2006), Advisor of Ecofinbank-Legislation Unit in the People's Representative Council (2000-2005), Commissioner of PT Putera Lintas Kemas, Air Freight Forwarder Co (2000-2004), and Head of Management Department, STIE Perbanas (1990-1993). Mrs. Wibowo graduated in Economics from Indonesian Islamic University, Yogyakarta in 1985 and received a Graduate Diploma in Banking & Finance (1996) and a master's degree in Banking from Monash University, Australia (1998).



Wimpie Rianto
Member

Wimpie Rianto (aged 68) domiciled in Indonesia, was appointed as a member of the Risk Oversight Committee on February 1, 2015. Mr. Rianto is a banking practitioner with extensive banking experience including in risk management. Mr. Rianto held a variety of managerial positions with BCA (1976-1994), then serving as Deputy President Director of Bank LTCB Central Asia (1994–1997) and President Director of Bank Yama (1997-1999) before rejoining BCA as Head of Risk Management and Compliance (1999-2002). Prior to being appointed to the Risk Oversight Committee, Mr. Rianto served as Compliance Director (2004-2007) and Independent Commissioner (2007-2014) of Bank Sinar Mas. Mr. Rianto earned a bachelor's degree in Economics from the Catholic University of Atmajaya (1972) and active in attending professional training and skills enhancement, among others in risk management, in Indonesia and abroad.



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 559.



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 558.



Lianawaty Suwono
Member

Lianawaty Suwono (aged 49) domiciled in Indonesia, has been a member of the Remuneration and Nomination Committee since June 28, 2007. Mrs. Suwono's career in BCA started in 1991 in the Bank's Management Development Program before being assigned as a Business Analyst in the Information System Division (1992-1996), after which holding various managerial positions: 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 Human Capital Management (2006-present). Mrs. Suwono graduated with a degree in Business Information Computing Systems from San Francisco State University, California, USA.

Profile of the Integrated Corporate Governance Committee

**Sigit Pramono**

Chairman (concurrently as Independent Commissioner of the Main Entity)

Sigit Pramono has served as the Chairman of Integrated Governance Committee of PT Bank Central Asia Tbk since 2015. Currently he also serves as Independent Commissioner and as Chairman of the Risk Oversight Committee. More information about him can be found at the Profile of Board of Commissioners on page 559.

**Adhi Gunawan Budirahardjo**

Member (concurrently as Independent Commissioner of PT BCA Finance)

Adhi Gunawan Budirahardjo (60 years) has served as member of the Integrated Governance Committee of BCA since 30 June 2015. Currently he also serves as Independent Commissioner of PT BCA Finance and Chairman of the Audit Committee of PT BCA Finance, since 1 July 2012. He had served as the Main Branch Manager Head of BCA (1991-2000), Head of Regional Office IV Denpasar, Bali (2000-2005), Head of Regional Office VII Malang, East Java (2005-2008), and Head of Regional Office IX Jakarta (2008-2011). He also had served as the Senior Advisor to Board of Directors of PT ACE Jaya Proteksi (2012-2014). He completed his Accounting education at Sekolah Tinggi Ilmu Ekonomi Indonesia, Jakarta.

**Gustiono Kustianto**

Member (concurrently as Independent Commissioner of PT Asuransi Umum BCA)

Gustiono Kustianto (62 years) has served as member of the Integrated Governance Committee of BCA since 30 June 2015. Currently he also serves as Independent Commissioner of PT Asuransi Umum BCA since 2011. Before joining BCA, (1979-2011), he had held various senior positions, both in financial and non-financial industries, among others as VP at Citibank N.A Jakarta, Director at PT Bank Tiara Asia Tbk (later merged to PT Bank Danamon Tbk), Division Head of Bank Restructuring Unit BPPN, as Vice President Director at PT Bank Internasional Indonesia (now PT Bank Maybank Indonesia Tbk), as Director at PT Tri Polya Indonesia Tbk (now PT Chandra Asri Petrochemical Tbk), as CFO at PT Broadband Multimedia Tbk (now PT First Media Tbk), and as President Director at PT Indonesia Air Transport Tbk. He earned an Engineering degree from the Civil Engineer Faculty of Universitas Kristen Petra, Surabaya (1979) and Master of Business Administration from the Institut Pengembangan Manajemen Indonesia (IPMI) in 1988.

**Suyanto Sutjiadi**

Member (concurrently
as Independent
Commissioner of PT Bank
BCA Syariah)

Suyanto Sutjiadi (61 years) has served as member of the Integrated Governance Committee of BCA since 30 June 2015, after working for 32 years at BCA and 3 years at BCA Syariah. He began his career at BCA Palembang as a clearing officer, in 1978. In 1983, he served at Bank Indonesia as BCA representative as the counterpart for Small Investment Credit (KIK) and Permanent Capital Credit (KMKP). A year later he served at Tabanas and Taska section. He had served as the Authorized Signer of BCA Palembang (1985-1986). Then consecutively from 1987-2004, he served as the Supporting Branch Office Head of Palembang, Branch Office Head BCA Pangkal Pinang, Branch Office Head Jambi, Branch Office Head Hayam Wuruk, Branch Office Head Gajah Mada, Branch Office Head Wisma Asia, and served as Head of Regional Office V Medan. He retired from BCA in 2010. In 2013 he was appointed as the Independent Commissioner of BCA Syariah. He earned a bachelor's degree in Economics from Universitas Sriwijaya, Palembang.

**Pudjianto**

Member (concurrently
as Independent
Commissioner of
PT Asuransi Jiwa BCA)

Pudjianto (59 years) has served as member of the Integrated Governance Committee of BCA since 30 July 2015. Currently he also serves as Independent Commissioner of PT Asuransi Jiwa BCA and Chairman of the Audit Committee of PT Asuransi Jiwa BCA, since November 2014. Before joining BCA, he developed his career at PT Asuransi Kesehatan Indonesia (Askes - Persero) for 31 years and at PT Asuransi Jiwa InHealth Indonesia for five years. He began his career at PT Askes, Jakarta, as staff in Finance Sector, in 1977. His career slowly increased by serving as Manager Assistant of Finance (1983-1987), Accounting Manager (1988-1999), and General Manager of Accounting (2000-2008). In 2009-2013, he held the position as Finance Director, Human Resources and General Affairs of PT Asuransi Jiwa InHealth Indonesia, Jakarta. He completed his bachelor's degree in Commercial Administration Department, Universitas Terbuka Jakarta, in 1990 and Post Graduate Education in Finance Management from Sekolah Tinggi Manajemen IMMI Jakarta, in 2002.



Inawaty Handoyo
(concurrently as
independent party of
the main entity)

Inawaty Handoyo (64 years) has served as member of the Integrated Governance Committee of BCA since 30 July 2015. Currently she also serves as Independent Party of the Main Entity and member of BCA Audit Committee. More information about her can be found at the Profile of the Audit Committee on page 564.



Sutedjo Prihatono
Member (concurrently
member of Syariah
Supervisory Board of
PT Bank BCA Syariah)

Sutedjo Prihatono (47 years) has served as member of the Integrated Governance Committee of BCA since 30 June 2015. Currently he also serves as the member of Syariah Supervisory Board of PT Bank BCA Syariah. Before joining BCA Syariah, he developed his career at PT Bank Muamalat Indonesia Tbk as Senior Corporate Banking (1993-2004), then he held the position as Director at Karim Business Consultant (2004-2014). In 2010-2015, he was appointed as member of the Audit Committee and Risk Oversight Committee at PT Bank BCA Syariah. He completed his bachelor's degree from Economics Faculty, Management Department, Universitas Krisnadwipayana (1993) and Master of Management from Binus Business School (2014).



Corporate Secretary Profile



Inge Setiawati
Corporate Secretary

Inge Setiawati (aged 48) domiciled in Indonesia 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, Mrs. Setiawati 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). Mrs. Setiawati earned a bachelor's degree in Architecture from the Bandung Institute of Technology, and completed her master's 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 2015

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 Koenafi	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 2015

Name	Position
Iwan Senjaya	Head of Regional Office I, Bandung
Gunawan Budi Santoso	Head of Regional Office II, Semarang
Ratna Yanti	Head of Regional Office III, Surabaya
Frengky Chandra Kusuma	Head of Regional Office IV, Denpasar
Lukman	Head of Regional Office V, Medan
Darmawan	Head of Regional Office VI, Palembang
Djoko Rosmiatiun Mijaata	Head of Regional Office VII, Malang
Haryono Wongsonegoro	Head of Regional Office VIII, Pondok Indah, Jakarta
Susanto Angkawinata	Head of Regional Office IX, Matraman, Jakarta
Eva Agrayani Tjong	Head of Regional Office X, KPO Asemka, Jakarta
Allan Sriwulandari	Head of Regional Office XI, Balikpapan
Freddy Suliman	Head of Regional Office XII, Wisma Asia, Jakarta
Arif Singgih Halim Wijaya	Head of Compliance
Deddy Mulyadi Hendrawinata	Head of Credit Risk Analysis Group
Djulijanto Liong	Head of Credit Risk Analysis Group
Edmund Tondobala	International Banking Division Head
Eduard Guntoro Purba	Head of Risk Management
Edy Gunawan	Head of Credit Risk Analysis Group
Grace Putri Aju Dewijany	Head of Credit Risk Analysis Group
Gunawan Prayogo	Head of Corporate Banking Group
Hendra Tanumihardja	Head of Network and Regional Planning
Hermanto	Head of Legal Group
Herwandi Kuswanto	Individual Customer Business Development Division Head
Iman Sentosa	Head of Delivery Channel and Middleware Application Management*
Ina Suwandi	Funding and Services Development Division Head
Inge Setiawati	Corporate Secretary
Jacobus Sindu Adisuwono	Internal Audit Division Head
Jip Tommy Sutanto	Head of Credit Services
Joanes Justira Gunawan	Head of Electronic Banking Services
Kho Vicentius Chandra Khosasih	Head of Core Application Management*
Kristian Marbun	Head of Corporate Banking Group
Lanny Budiatni	Head of Global Trade and Payment Services
Lay Susiana Santoso	Head of Corporate Finance Group
Lena Setiawati	Learning and Development Division Head
Lianawaty Suwono	Human Capital Management Division Head
Lilik Winarni	Operation Strategy and Development Division Head
Lim Handoyo	Head of Menara BCA Corporate Branch Office
Linus Ekabranko Windoe	Treasury Division Head
Liston Nainggolan	Commercial and SME Business Division Head
Lukman Hadiwijaya	Head of Enterprise Security
Mathilda Simon	Head of Consumer Credit
Mira Wibowo	Head of Marketing Consumer Card Group

Senior Officers - continued

Name	Position
Niniek Surijanti Rahardja	Head of Merchant Development Group & Consumer Card Functional Office
Nur Hermawan Thendean	Executive Vice President Strategic Information Technology Group
Ong Sukianto**	Logistic and Building Division Head (Interim)
Raymon Yonarto	Finance and Corporate Planning Division Head
Rickyadi Widjaja	Head of Credit Risk Analysis Group
Rusdianti Salim	Head of Cash Management
Santoso	Head of Consumer Card Business Services & Support Group
Soeni Atonie	Head of Anti Fraud Bureau
Sri Indrajanti Dewi	Head of Corporate Banking Group
Sugito Lie**	Head of Information Technology Management Office*
Sunandar Suryajaya	Head of Domestic Payment Services
Theresia Endang Ratnawati	Head of Legal Group
Tjahjadi Sufrapto	Head of Credit Risk Analysis Group
Widjaja Stephen	Head of Credit Risk Analysis Group
Wira Chandra	Head of Corporate Banking Group

* Responsible to Executive Vice President Strategic Information Technology Group

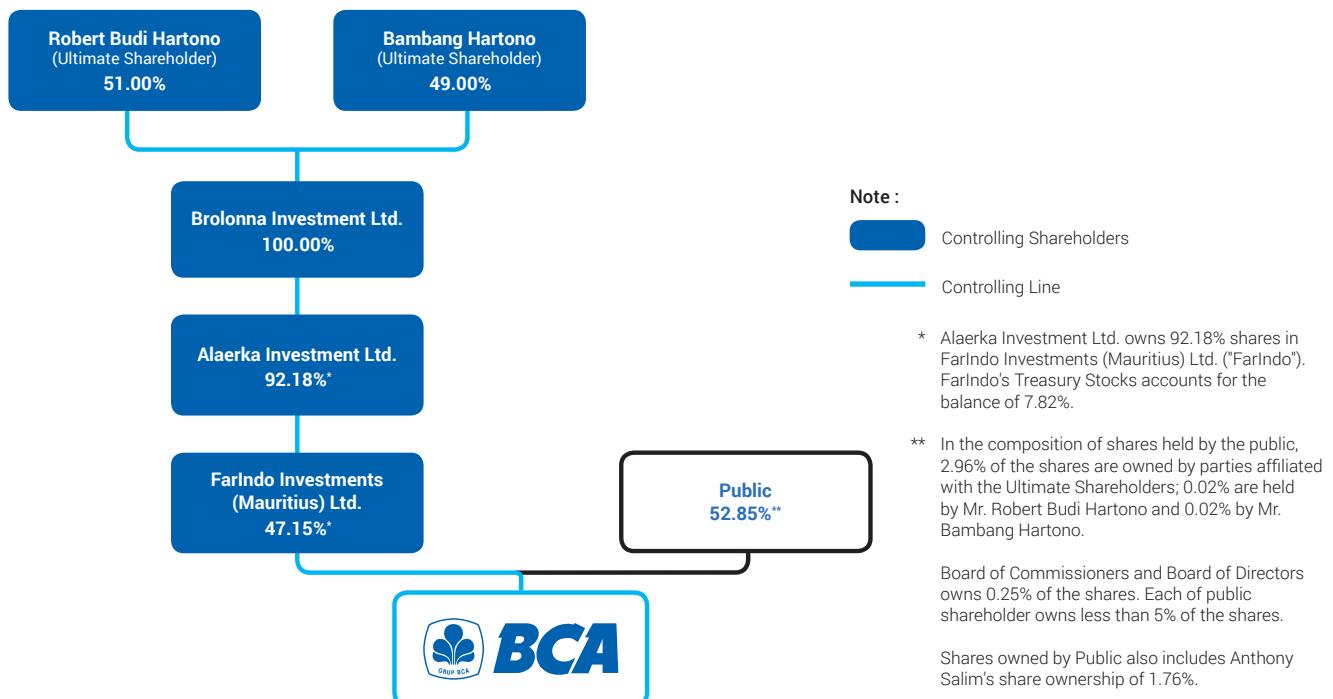
** There were changes of senior officers from 31 December 2015 to 31 January 2016. On 1 January 2016, Sugito Lie was appointed as Logistic and Building Division Head, replacing Budi Sutrisno who had retired and Ong Sukianto, the previous interim officer



Shareholding Structure

Structure of Controlling Shareholders

As of 31 December 2015



Largest Shareholders

As of 31 December 2015

No	Shareholders	Number of Shares (in millions)	%
1	UOB Kay Hian Private Limited for Farindo Investment	11,126.0	45.13
2	UBS AG Singapore Non-Treaty Omnibus Account - 2091144090	901.7	3.66
3	UOB Kay Hian Nominees Pte Ltd for United Overseas Bank Limited (Account No.352-903-114-7)	800.0	3.24
4	HSBC LTD-Singapore Branch Private Banking Division Account Clients	711.5	2.89
5	GSI - 73752	630.0	2.56
6	LGT BK (Singapore) LTD/CLT TST AC Spore	522.8	2.12
7	CS AG Singapore S/A Farindo Inv (Mauritius) Ltd - 2023904005	500.0	2.03
8	Bank Julius Baer & Co Ltd, Singapore S/A Anthony Salim	434.1	1.76
9	UOB Kay Hian Pte Ltd	354.3	1.44
10	BPJS Ketenagakerjaan - JHT	291.3	1.18
11	GIC S/A Government of Singapore	269.8	1.09
12	Bank Julius Baer and Co Ltd, Singapore Branch	266.0	1.08
13	Credit Suisse AG Singapore Trust Account Client PT Tricipita Mandhala Gumiwang - 2023904042	262.7	1.07
14	Credit Suisse AG Singapore Trust Account Client PT Caturguwiratna Sumapala - 2023904041	252.4	1.02
15	Credit Suisse AG SG TR A/C Russel Inv Hldng Ltd - 2023904150	248.5	1.01
16	BNYM SA/NV as Cust of Employees Provident FD Board - 2039844119	239.8	0.97
17	BBH Boston S/A Vangrd EMG MKTS STK INFID	200.5	0.81
18	JPMCB-Virtus Emerging Markets Opportunities Fund - 2157805248	175.9	0.71
19	PT. Prudential Life Assurance - REF	129.8	0.53
20	PT Farindo Investama Indonesia	125.8	0.51

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 2015 and 2014

	31 December 2015 000 USD	31 December 2014 000 USD
ASSETS		
Current assets		
Cash	1,294,846	1,580,749
Current accounts with Bank Indonesia	2,740,267	3,138,892
Current accounts with other banks	612,509	552,717
Placements with Bank Indonesia and other banks	4,081,182	970,442
Financial assets held for trading	129,401	135,020
Bills receivable	184,356	260,556
Investment securities	3,710,781	5,775,379
Securities purchased under agreements to resell	37,367	2,122,702
Loans receivable	27,598,797	27,441,184
Assets related to sharia transactions	212,966	170,520
Investment in finance leases	12,558	13,475
Consumer financing receivables	537,361	563,038
Acceptance receivables	534,450	611,172
Deferred tax assets - net	234,022	217,496
Total current assets	41,920,863	43,553,342
Non-current assets		
Fixed assets	704,535	714,165
Goodwill on consolidation	26,026	26,026
Other investments	94,752	-
Other assets	625,266	575,986
Total non-current assets	1,450,579	1,316,177
TOTAL ASSETS	43,371,442	44,869,519
LIABILITIES AND EQUITY		
Current liabilities		
Deposits from customers	34,324,234	36,127,538
Sharia deposits	25,511	23,967
Deposits from other banks	301,491	303,130
Financial liabilities held for trading	5,385	1,187
Acceptance payables	317,370	379,325
Liabilities on repurchase agreements	2,800	-
Debt securities issued	204,640	202,172
Income tax liabilities	18,215	20,332
Borrowings	126,466	248,764
Obligation for post-employment benefits	497,268	541,863
Accruals and other liabilities	552,325	505,468
Total current liabilities	36,375,705	38,353,746
Temporary syirkah deposits	203,294	157,650
Equity		
Stated capital	550,000	550,000
Treasury stock	(327,395)	(327,395)
Differences from translation of foreign currency financial statements	(1,169,426)	(819,329)
Unrealized gains/(losses) on available-for-sale financial assets	1,294	2,337
Retained earnings-Appropriated	50,449	44,509
Retained earnings-Unappropriated	4,274,073	3,703,294
Attributable to the owners of the parent	3,378,995	3,153,416
Non-controlling interests	3,413,448	3,204,707
Total Equity	6,792,443	6,358,123
TOTAL LIABILITIES AND EQUITY	43,371,442	44,869,519

Mauritius, 10 March 2016

Honky Hario
Director

Consolidated Statement of Profit or Loss And Other Comprehensive Income

For the years ended 31 December 2015 and 2014

	31 December 2015 000 USD	31 December 2014 000 USD
REVENUE		
Interest and sharia income	3,598,318	3,565,268
Fee and commission income	638,893	593,708
Net trading income	161,029	68,091
Other operating income	118,521	99,769
Total revenue	4,516,761	4,326,836
EXPENSES		
Personnel expenses	743,486	706,215
General and administrative expenses	832,328	728,564
Other operating expenses	88,870	64,921
Interest and sharia expense	856,647	956,553
Fee and commission expense	316	368
Impairment losses on financial assets	267,863	182,406
Total expenses	2,789,510	2,639,027
PROFIT BEFORE TAXATION	1,727,251	1,687,809
TAXATION		
Current	(383,772)	(370,498)
Deferred	30,593	26,024
PROFIT FOR THE YEAR	1,374,072	1,343,335
PROFIT FOR THE YEAR ATTRIBUTABLE TO :		
Equity holders of the parent entity	644,995	631,608
Non-controlling interests	729,077	711,727
1,374,072	1,343,335	
PROFIT FOR THE YEAR ATTRIBUTABLE TO :		
Equity holders of the parent entity	280,580	573,723
Non-controlling interests	361,909	645,851
642,489	1,219,574	
OTHER COMPREHENSIVE INCOME :		
<i>Items that will not be reclassified subsequently to profit or loss :</i>		
Remeasurements of post-employment benefit obligations	(37,452)	(60,885)
Income tax related to items that will not be reclassified subsequently to profit or loss	9,363	15,221
<i>Items that will be reclassified subsequently to profit or loss :</i>		
Exchange losses arising from translation of foreign currency financial statements	(702,452)	(93,614)
Changes in available-for-sale financial assets-net	(1,042)	15,517
OTHER COMPREHENSIVE LOSS	(731,583)	(123,761)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	642,489	1,219,574
CONSOLIDATED COMMITMENTS and Contingencies		
As at 31 December 2015 and 2014		
	31 December 2015 000 USD	31 December 2014 000 USD
COMMITMENTS		
<i>Committed receivables:</i>		
Borrowing facilities received and unused	253,980	154,483
Derivatives purchase position	188,290	218,259
	442,270	372,742
<i>Committed liabilities:</i>		
Unused credit facilities to customers		
- Committed	7,685,191	7,690,637
- Uncommitted	2,381,601	2,456,850
Unused credit facilities to other banks		
- Committed	46,869	72,731
- Letters of Credit facilities granted to customers	381,481	581,255
Derivatives selling position	1,937,572	534,088
	12,432,714	11,335,561
CONTINGENCIES		
<i>Contingent receivables:</i>		
Bank guarantees received	35,030	1,879
Interest receivables on non-performing loans	14,425	14,061
	49,455	15,940
<i>Contingent liabilities:</i>		
Bank guarantees issued to customers	836,192	865,591
	836,192	865,591



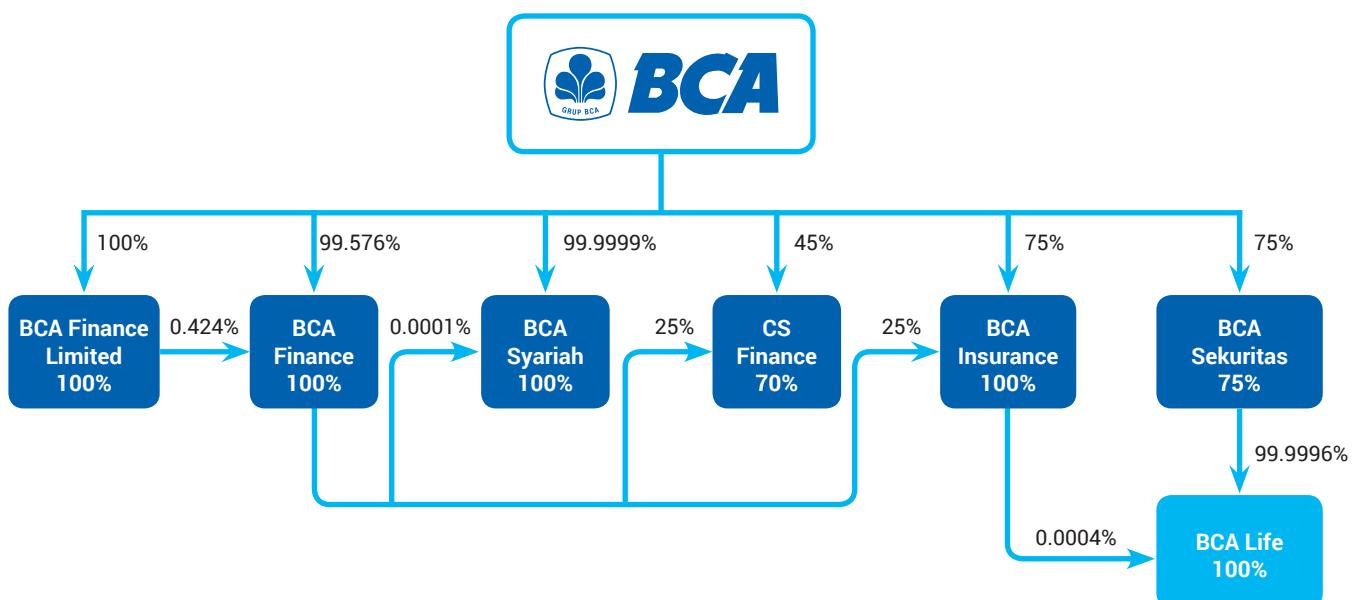
Group Structure

As of 31 December 2015

Subsidiaries Business

PT BCA Finance  BCAfinance	Investment financing, working capital financing, multipurpose financing, operating lease, other financing activities based on approval from authorized agency
BCA Finance Limited  BCAfi BCA Finance Limited	Money lending and remittance
PT Bank BCA Syariah  BCAsyariah	Sharia Banking
PT BCA Sekuritas  BCAsekuritas	Securities brokerage dealer and underwriter for issuance of securities
PT Asuransi Umum BCA (BCA Insurance)  BCAinsurance	General or loss insurance
PT Central Santosa Finance (CS Finance)  CSfinance	Investment financing, working capital financing, multipurpose financing, operating lease, other financing activities based on approval from authorized agency
PT Asuransi Jiwa BCA (BCA Life)  BCAlife	Life insurance

Subsidiary Ownership Structure



Information on Subsidiaries

As of 31 December 2015

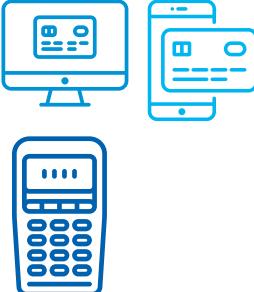
Company Name	Company Address	Share Ownership
PT BCA Finance	Wisma BCA Pondok Indah 2 nd Floor, Jl. Metro Pondok Indah No. 10 Jakarta 12310 Telp : (021) 29973100	PT Bank Central Asia Tbk : 99.576% BCA Finance Limited : 0.424% Total : 100%
BCA Finance Limited	Unit 4707, 47/F, The Center, 99 Queen's Road 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 : 99.9999% PT BCA Finance : 0.0001% Total : 100%
PT BCA Sekuritas	Menara BCA, Grand Indonesia 41 th 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 (CS Finance)	Gedung Wisma Antara 18 th 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 22 nd Floor Jl. Jend. Sudirman Kav. 21 Jakarta 12920 Telp : (021) 29347977	PT BCA Sekuritas : 99.9996% PT Asuransi Umum BCA : 0.0004% Total : 100%



Type of Business	Brief Profile	Operational Status
Investment Financing; Working Capital Financing; Multipurpose Financing Activities; Operating Lease; Other Financing Activities based on approval from authorized agency	PT BCA Finance was established in 1981 and currently provides vehicle financing, particularly 4-wheeler or more. BCA became a major shareholder in 2001.	Operating
Money Lending and Remittance	BCA Finance Limited was established in 1975, and currently holds a business license as a money lender with a focus on fund remittance services. BCA became 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 became a major shareholder in 2009.	Operating
Securities Brokerage Dealer and Underwriter for Issuance of Securities	PT BCA Sekuritas (formerly PT Dinamika Usaha Jaya) was established in 1990 with business lines as securities brokerage and investment bank. BCA became a major shareholder in 2011.	Operating
General or Loss 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 direct and indirect ownership to 100% in 2013.	Operating
Investment Financing; Working Capital Financing; Multipurpose Financing Activities; Operating Lease; Other Financing Activities based on approval from authorized agency	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 direct and indirect ownership to 70% in 2014.	Operating
Life Insurance	PT Asuransi Jiwa BCA was established in 2013 as a life insurance company and began its operation in 2014.	Operating

Products and Services

As of 31 December 2015

Products and Services	Description	Products and Services	Description
Deposits Accounts	Tahapan Tahapan Xpresi Tahapan Gold Tapres Simpanan Pelajar TabunganKu Laku BCA Dollar Deposito Berjangka Safe Deposit Box Transfer Remittance Collection and Clearing Bank Notes Travellers' 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 Custodian Services	Electronic Banking (continued)	SMS Top Up BCA Mobile SMS BCA Push Notification Service via SMS / Email e-Tax (local tax payment: PPn, PPh, and others) Sakuku Duitt Payable Management / Disbursement Receivable Management / Collection (including B2B & B2C) Liquidity Management
		Cash Management Services	
Transaction Banking Services	ATM BCA (multifunction, non cash and cash deposits) EDC BCA Debit BCA Tunai BCA Flazz Self Service Passbook Printer (SSPP) EDCBIZZ Internet Banking KlikBCA Individu - for individual customers needs KlikBCA Bisnis - for business needs KlikBCA Bisnis Integrated Solution - with a more complex features than KlikBCA Bisnis, for example, to accomodate supply chain services Mobile Banking (m-BCA) BCA KlikPay Call Center (Halo BCA) Phone Banking (BCA by Phone Business and BCA by Phone Priority)	Credit Cards	BCA Card BCA Mastercard BCA VISA Provisa Max Provisa Platinum Max Provisa Syariah Provisa Platinum Syariah Maxi Health Maxi Kid Investa Maxi Retirement Maxi Legacy Money Market Mutual Fund Danareksa Gebyar Dana Likuid First State Indonesian Money Market Fund Schroder Dana Likuid Protected Mutual Fund Batavia Proteksi Gebyar I Batavia Proteksi Gebyar II Danareksa Proteksi XII Fixed Income Mutual Fund (IDR) Danareksa Gebyar Indonesia II Nikko Gebyar Indonesia Dua Panin Gebyar Indonesia II Schroder Dana Mantap Plus II Schroder Prestasi Gebyar Indonesia II Fixed Income Mutual Fund (USD) BNP Paribas Prima USD Schroder USD Bond Fund
		Bancassurance Products	
Electronic Banking		Mutual Fund Investment Products	
			
			



Products and Services	Description	Products and Services	Description
Mutual Fund Investment Products (continued)	Hybrid Mutual Fund BNP Paribas Spektra Schroder Dana Terpadu II Schroder Syariah Balanced Fund Equity Mutual Fund Ashmore Dana Ekuitas Nusantara Ashmore Dana Progresif Nusantara BNP Paribas Ekuitas BNP Paribas Pesona BNP Paribas Pesona Syariah Danareksa Mawar Konsumen 10 First State IndoEquity Sectoral Fund Schroder 90 Plus Equity Fund Schroder Dana Istimewa Schroder Dana Prestasi Schroder Dana Prestasi Plus Obligasi Negara Ritel Sukuk Negara Ritel Savings Bond Retail Surat Utang Negara Fixed Rate Surat Utang Negara in USD	Export Import Facilities	Inward Documentary Collection LC Confirmation LC Discounting LC Forfaiting LC Issuance LC Negotiation Letter of Guarantee Outward Documentary Collection Pre-Export Financing (Export Loan) Trust Receipt
Fixed Income Investment Products		Local LC	Letter of Guarantee SKBDN Discounting SKBDN Forfaiting SKBDN Issuance Trust Receipt
Credit Facilities	  Mortgage 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	Foreign Exchange Facilities	Spot Forward Swap Other Derivatives
Standby LC / Bank Guarantees	 Advance Payment Guarantee Bid Guarantee Counter Guarantee Custom Guarantee (P4BM) Direct Pay Guarantee Financial Guarantee Maintenance Guarantee Payment Guarantee Performance Guarantee		

Branches

As of 31 December 2015

REGION I

Address :
Jln. Asia Afrika 122-124, 4th Fl.
Bandung 40261
Tel. (022) 4236303

Number of Branches :

11 Main Branches
67 Sub Branches
9 Cash Offices

Locations :

Bandung	Cirebon	Majalengka	Subang
Banjar	Garut	Ngamprah	Sukabumi
Ciamis	Indramayu	Purwakarta	Sumber
Cianjur	Karawang	Singaparna	Sumedang
Cimahi	Kuningan	Soreang	Tasikmalaya

Cirebon	Majalengka	Subang
Garut	Ngamprah	Sukabumi
Indramayu	Purwakarta	Sumber
Karawang	Singaparna	Sumedang
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
19 Cash Offices

Locations :

Bandarnegara	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	

Kebumen	Purwokerto	Tegal
Kendal	Purworejo	Temanggung
Klaten	Rembang	Ungaran
Kudus	Salatiga	Wates
Magelang	Semarang	Wonogiri
Mungkid	Slawi	Wonosari
Pati	Sleman	Wonosobo
Pekalongan	Solo	Yogyakarta
Pemalang	Sragen	
Purbalingga	Sukoharjo	
Purwodadi	Surakarta	

REGION III

Address :
Jln. Raya Darmo 5, 6th Fl.
Surabaya 60265
Tel. (031) 5618921

Number of Branches :

13 Main Branches
87 Sub Branches
23 Cash Offices

Locations :

Bangkalan	Jombang	Pamekasan	Sumenep
Bojonegoro	Lamongan	Sampang	Surabaya
Gresik	Mojokerto	Sidoarjo	Tuban

Jombang	Pamekasan	Sumenep
Lamongan	Sampang	Surabaya
Mojokerto	Sidoarjo	Tuban

REGION IV

Address :
Jln. Hasanudin 58
Denpasar 80119
Tel. (0361) 431012-14

Number of Branches :

13 Main Branches
58 Sub Branches
10 Cash Offices

Locations :

Ambon	Kendari	Negara	Sungguminasa
Badung	Kotamobagu	Palopo	Tabanan
Bau Bau	Kupang	Palu	Ternate
Bedugul	Luwuk	Pare Pare	Timika
Bitung	Makassar	Praya	Tomohon
Denpasar	Manado	Selong	Watampone
Gianyar	Manokwari	Semarapura	
Gorontalo	Mataram	Singaraja	
Jayapura	Mengwi	Sorong	

Kendari	Negara	Sungguminasa
Kotamobagu	Palopo	Tabanan
Kupang	Palu	Ternate
Luwuk	Pare Pare	Timika
Makassar	Praya	Tomohon
Manado	Selong	Watampone
Manokwari	Semarapura	
Mataram	Singaraja	
Mengwi	Sorong	

**REGION V**

Address :
Jln. Diponegoro 15, 5th Fl.
Medan 20112
Tel. (061) 4148800

Number of Branches :

13 Main Branches
55 Sub Branches
13 Cash Offices

Locations :

Banda Aceh	Bireuen	Medan	Sei Rampah
Bandar Seri Bentan	Bukittinggi	Padang	Tanjung Balai
Batam	Dumai	Payakumbuh	Tanjung Balai Karimun
Bengkalis	Kisaran	Pekanbaru	Tanjung Pinang
Binjai	Lhokseumawe	Pematang Siantar	Tebing Tinggi
Bintan	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
32 Cash Offices

Locations :

Bandar Lampung	Kepahiang	Menggala	Pangkalan Balai
Bangko	Koba	Mentok	Prambumulih
Baturaja	Kotabumi	Metro	Pringsewu
Belitung Timur	Kuala Tungkal	Muara Bungo	Sekayu
Bengkulu	Lahat	Muara Enim	Sungai Liat
Curup	Lampung Selatan	Pagar Alam	Tanjung Pandan
Gunung Sugih	Lubuk Linggau	Palembang	Tobolali
Jambi	Martapura	Pangkal Pinang	

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
16 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
93 Sub Branches
22 Cash Offices

Locations :

Bekasi	Depok	Purwakarta	Tangerang
Cibinong	Jakarta (Central, East, North & South)	Serang	Tangerang Selatan

Branches - continued

REGION IX

Address :
Jln. Matraman Raya 14-16, 3rd Fl.
Jakarta 13150
Tel. (021) 8581259

Number of Branches :
11 Main Branches
102 Sub Branches
22 Cash Offices

Locations :

Bekasi	Cibinong	Depok	Karawang
Bogor	Cikarang	Jakarta (Central, East, North & South)	

REGION X

Address :
Jln. Asemka 27-30, 6th Fl.
Jakarta 11110
Tel. (021) 6901771

Number of Branches :
8 Main Branches
72 Sub Branches
3 Cash Offices

Locations :

Jakarta (Central, North & West)	
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REGION XI

Address :
Jln. Jend. Sudirman 139, 4th Fl.
Balikpapan 76112
Tel. (0542) 737133

Number of Branches :
7 Main Branches
37 Sub Branches
6 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	

REGION XII

Address :
Wisma Asia, 8th Fl.
Jln. S. Parman kav.79
Jakarta 11420
Tel. (021) 5638888

Number of Branches :
12 Main Branches
112 Sub Branches
22 Cash Offices

Locations :

Cilegon	Pandeglang	Serang	Tangerang (South)
Jakarta (Central & West)	Rangkasbitung	Tangerang	Tigaraksa

NON REGION OFFICE

Address :
Menara BCA, Grand Indonesia 28th Fl.
Jl. M.H. Thamrin No. 1
Jakarta 10310
Tel. (021) 23588000

Number of Branches :
1 Main Branch

Locations :

Jakarta (Central)	
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REPRESENTATIVE OFFICE

Singapore

Address :
360 orchard road
#06-06A International building
Singapore 238869

Hong Kong

Address :
Suites 3211-3215
Jardine House
1 Connaught Place
Central, Hong kong



Business Line

Based on Article 3 of its Articles of Association, BCA as a Commercial Bank may engage the following business activities:

Core Business:

- a. to collect funds from the public in the form of deposits comprising of clearing account (*giro*), time deposit, deposit certificate (*sertifikat deposito*), savings account an/or any other form equivalent thereto;
- b. to provide credit facilities;
- c. to issue debt acknowledgment letters;
- d. to purchase, sell or guarantee, whether at its own risk or for the benefits of and at the request of its customers, the following:
 - i. Drafts, including drafts accepted by bank with a validity period not to exceed that in the normal practice for trading of such instruments;
 - ii. Debt acknowledgment letters and other commercial papers, with a validity period no to exceed that in the normal practice for trading such papers;
 - iii. State treasury notes and government guarantees;
 - iv. Certificates of Bank Indonesia (SBI)
 - v. Bonds;
 - vi. Commercial papers with a validity period in accordance with the prevailing laws and regulations;
 - vii. Other commercial papers with a validity period in accordance with the prevailing laws and regulations;
- e. to transfer funds, either for its own benefit or for the benefits of its customers;
- f. to place fund at, to borrow funds form, or to lend funds to other banks, whether by letters, telecommunication facilities, or bearer drafts, cheques or other media;
- g. to receive payments of receivables from commercial papers and make calculations with or among this parties;
- h. to provide safe deposit box for goods or valuable papers;
- i. to engage in custody activities for the benefit of any other party under a contract;
- j. to conduct a placement of fund from one customer to another customer in the form of commercial papers that are not registered on the Stock Exchange;
- k. to conduct factoring (*anjak piutang*), credit card and trusteeship services;
- l. to provide financing and/or conduct business activities under Syariah Law, through either the establishment of a subsidiary or formation of Syariah Business Unit in accordance with the rules and regulations stipulated by Bank Indonesia, or Indonesian Financial Services Authority or other authorized institutions;
- m. to carry out business activities in foreign currencies in accordance with the rules and regulations determines by determined by Bank Indonesia, or Indonesian Financial Services Authority or other authorized institutions;
- n. to conduct capital participation in banks or other financial companies, such as leasing companies, venture capital companies, securities companies, insurance companies, and a clearance, settlement and depository institutions, subject to rules and regulations stipulated by Bank Indonesia, or Indonesian Financial Services Authority or other authorized institutions;
- o. to conduct temporary capital participation for the purpose of dealing with credit failure, provided that such participation must be later withdrawn, subject to the regulations stipulated by Bank Indonesia, or Indonesian Financial Services Authority or other authorized institutions;
- p. to act as a founder (*pendiri*) or managing executive (*pengurus*) of pension funds in accordance with the existing regulations on pension funds;
- q. to conduct other activities generally conducted by banks to the extent permitted by the prevailing laws and regulations, including among others, any measures pertaining to restructuring or credit rescue, such as buying collateral, whether partially or wholly, at an auction or by other means, in the event that a debtor fails to fulfill its obligations to the bank, provided that such collateral must be cashed immediately.

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
23,982

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. M.H. 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;	9, 22-25
b. report from the Board of Commissioners;	32-39
c. report from the Board of Directors;	41-51
d. company profile;	13-30, 409-410, 549-586
e. management discussion and analysis;	53-231
f. corporate governance;	232-371
g. corporate social responsibilities;	372-395
h. audited financial statements; and	397-547
i. statement that the Board of Commissioners and the Directors are fully responsible for the accuracy of the Annual Report.	396
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	
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:	
a. revenue;	22, 24
b. gross profit;	22, 24
c. profit (loss);	22, 24
d. total profit (loss) attributable to equity holders of parent entity and non controlling interest;	22, 24
e. total comprehensive profit (loss);	22
f. total comprehensive profit (loss) attributable to equity holders of parent entity and non controlling interest;	22, 24
g. earnings (loss) per share;	22
h. total assets;	22, 24
i. total liabilities;	22
j. total equity;	22, 24
k. profit (loss) to total assets ratio;	23, 25
l. profit (loss) to equity ratio;	23, 25
m. profit (loss) to income ratio;	23
n. current ratio;	23, 25
o. liabilities to equity ratio;	23
p. liabilities to total assets ratio; and	23
q. other information and financial ratios relevant to the company and type of industry.	22-25
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:	
a. number of outstanding shares;	27
b. market capitalization;	26
c. highest, lowest and closing share price; and	26
d. share volume.	26
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:	
a. date of corporate action;	28
b. stock split ratio, reverse stock, dividend, bonus shares, and reduce par value of shares;	28
c. number of outstanding shares prior to and after corporate action; and	28
d. share price prior to and after corporate action.	28
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.

Cross Reference of Financial Services Authority-OJK

(formerly Batepam-LK)

No. X.K.6: SUBMISSION OF ANNUAL REPORT OF PUBLICLY LISTED COMPANIES

FORM AND CONTENT OF THE ANNUAL REPORT	Page
C. The Board of Commissioners Report	
The Board of Commissioners Report should at least contain the following items:	
1) assessment on the performance of the Directors in managing the company;	35-36
2) view on the prospects of the company's business as established by the Directors; and	39
3) changes in the composition of the Board of Commissioners (if any).	37
D. The Directors Report	
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;	42-48
2) business prospects;	50-51
3) implementation of Good Corporate Governance by the company; and	48
4) changes in the composition of the Directors (if any).	48-49
E. Company Profile	
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;	586
2) brief history of the company;	16-17
3) line of business according to the latest Articles of Association, and types of products and/or services produced;	409-410, 580-581, 585
4) organization structure in chart form, at least one level below the Directors, with the names and titles;	556-557
5) vision and mission of the company;	14
6) the Board of Commissioners profiles include:	276, 282-283, 558-559
a. name;	558-559
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;	558-559
c. history of education;	558-559
d. short description on the competency enhancement training programs for members of the Board of Commissioners during the year under review (if any); and	282-283
e. disclosure of affiliation with other members of the Board of Directors and Commissioners, and shareholders (if any);	276
7) the Directors profiles include:	288, 293-295, 560-563
a. name and short description of duties and functions;	283-285, 560-563
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;	560-563
c. history of education;	560-563
d. short description on the competency enhancement training programs for members of the Board of Commissioners during the year under review (if any); and	293-295
e. disclosure of affiliation with other members of the Board of Directors, and shareholders (if any);	288
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;	✓
9) number of employees and description of competence building during the year under review, for example education and training of employees;	166-171
10) information on names of shareholders and ownership percentage at the end of the fiscal year, including:	27, 30, 250, 271, 277, 288, 575
a. shareholders having 5% (five percent) or more shares of Issuer or Public Company;	27, 250, 271, 575
b. Commissioners and Directors who own shares of the Issuers or Public Company; and	277, 288
c. groups of public shareholders, or groups of shareholders, each with less than 5% ownership shares of the Issuers or Public Company;	575
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;	27, 250, 271, 575, 577
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;	30, 577-579
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;	28
14) chronology of securities listing and rating of the securities (if any);	28-29
15) name and address of the securities rating company (if any);	586

FORM AND CONTENT OF THE ANNUAL REPORT	Page
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	333, 586
17) awards and certifications of national and international scale bestowed on the company during the last fiscal year (if any).	11, 550-555
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:	
1) operational review per business segment, according to the type of industry of the Issuer or Public Company including:	53-77, 188-197, 220-222
a. production, including process, capacity, and growth;	53-77, 220-222
b. income; and	188-197, 220-222
c. profitability;	188-197, 220-222
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:	188-231
a. current assets, non-current, and total assets;	197-205
b. short term liabilities, long term liabilities, total liabilities;	205-208
c. equity;	208
d. sales/operating revenues, expenses and profit (loss), other comprehensive revenues, and total comprehensive profit (loss); and	188-197
e. cash flows;	208-210
3) debt service ability including the computation of relevant ratios;	207-208
4) loan collectability (receivable), including the computation of the relevant ratios;	201-203
5) capital structure and management of capital structure policies;	27, 213-215
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;	219
7) information and material facts that occurred after the date of the accountant's report (subsequent events);	219
8) information on company prospects in connection with industry, economy in general, accompanied with supporting quantitative data if there is a reliable data source;	39, 50-51, 228-231
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;	47, 212-213
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;	230-231
11) marketing aspects of the company's products and services, among others marketing strategy and market share;	223-224
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;	28-29, 213-214
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:	215-216
a. transaction date, value, and object;	n.a.
b. names of transacting parties;	n.a.
c. nature of related parties (if any);	n.a.
d. description of the fairness of the transaction;	n.a.
e. compliance with related rules and regulations;	n.a.
15) changes in regulation which have a significant effect on the company and impacts on the company (if any);	216-217
16) changes in the accounting policy, rationale and impact on the financial statements (if any).	217-218
G. Corporate Governance	238-371
Corporate Governance contains short descriptions of at least the following items	
1) Board of Commissioners, including:	271-283

Cross Reference of Financial Services Authority-OJK

(formerly Batepam-LK)

No. X.K.6: SUBMISSION OF ANNUAL REPORT OF PUBLICLY LISTED COMPANIES

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a. description of the responsibility of the Board of Commissioners;	279-280
b. disclosure of the procedure and basis determining remuneration, and amount of remuneration for members of the Board of Commissioners;	280-281
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;	277-279
2) Directors, including:	283-295
a. scope of duties and responsibilities of each member of the Directors;	285
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;	291-293
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;	289-291
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	260-270
e. disclosure of company policy concerning assessment on the performance of the member of the Directors (if any);	291
3) Audit Committee, includes among others:	296-300; 564-565
a. name;	564-565
b. history of position title, work experience and legal basis for appointment;	564-565
c. history of education;	564-565
d. tenure of members of Audit Committee;	566-570
e. disclosure of independence of the members of the Audit Committee;	298
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;	298-299
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;	299-300
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:	300-326; 566-570
a. name;	566-570
b. history of position title, work experience and legal basis for appointment;	566-570
c. history of education;	566-570
d. tenure of members of the committee;	301; 304; 307
e. disclosure of the company's policy concerning the independence of the committee;	301; 304; 307
f. description of duties and responsibilities;	301; 304-305; 307
g. disclosure of the company's policy and its implementation, frequency of committee meetings, and attendance of the members of committee in the meetings;	301-302; 305; 308
h. brief report on the committee activities carried out during the year under review;	302; 306; 309
5) description of tasks and function of the Corporate Secretary:	327-328; 571
a. name;	571
b. history of position title, work experience and legal basis for appointment;	571
c. history of education;	571
d. tenure of the corporate secretary;	327
e. brief report on Corporate Secretary activities carried out during the year under review;	328
6) description of the company's internal audit unit:	329-332
a. name;	329
b. history of position title, work experience and legal basis for appointment;	329
c. qualification/certification of internal audit professionals (if any);	329
d. structure or position of the internal audit unit;	330
e. duties and responsibilities of the internal audit unit according to the internal audit unit charter; and	331
f. brief report on the committee activities carried out during the year under review;	332
7) description of the company's internal control, at least contains:	341-343
a. financial and operational control, and compliance to the other prevailing rules;	341-342
b. review the effectiveness of internal control systems;	342-343
8) risk management system implemented by the company, at least includes:	79-165; 336-341
a. general description about the company's risk management system;	80; 336-341

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b. types of risk and the management; and	80-82; 337-341
c. review the effectiveness of the company's risk management system;	341
9) important cases faced by the Issuer or Public Company, subsidiaries, current members of the Board of Commissioners and Directors, among others include:	350
a. substance of the case/claim;	350
b. status of settlement of case/claim; and	350
c. potential impacts on the financial condition of the company.	350
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);	350
11) information about codes of conduct and corporate culture (if any) includes:	362-363
a. key points of the code of conduct;	362
b. key points of the corporate culture;	362-363
c. socialization of the code of conduct and enforcement; and	362
d. disclosure that the code of conduct is applicable for Board of Commissioners, Directors, and employees of the company;	362
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	28; 364
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:	345-346
a. mechanism for violation reporting;	345-346
b. protection for the whistleblower;	345
c. handling of violation reports;	346
d. unit responsible for handling of violation report; and	346
e. results from violation report handling.	346
H. Corporate Social Responsibility	372-395
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;	347-377
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;	377-380
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	381-392
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.	392-395
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 Baepam-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.	397-548
J . Board of Commissioners and Directors Signatures	
1) Annual Report should be signed by all members of the current Board of Commissioners and Directors.	396
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.	396
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 Financial Services Authority-OJK

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I. General Guidelines	
a. Annual Report presented individually and in consolidation with the subsidiaries in 1 (one) book.	397-547
b. For banks that do not have subsidiaries, consolidated column can be abolished.	n.a
c. Financial statements in annual report presented in comparison according to financial accounting standard.	✓
d. If there is a new accounting standard in reporting position, the comparison position refer to financial accounting standard about accounting policy, accounting estimation changes, and errors.	✓
e. 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, either on the same or a separate document, then the Annual Report referred to should contain the same information.	✓
f. Financial statements in annual report must be audited by Public Accountant and must state the Public Accountant office name, auditor's name and auditor's opinion.	✓
g. Annual Report should be presented in the Bank's website and reported to Financial Services Authorities.	http://www.bca.co.id/en/Tentang-BCA/Hubungan-Investor/Laporan-Tahunan
II. Scope of Annual Report	
a. General Information	
General Information in Annual Report should at least include:	
1. Management, covering the Board of Commissioners, Board of Directors, and executive officers including their positions and CVs;	558-574
2. Details on Shareholders, including the names and the number of shares;	27, 250, 271, 575
3. Bank business development and bank business group including Sharia Business Unit (if any) among other:	
a. 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; and	9, 22-27
b. Performance and financial ratios as presented in Quarterly Financial Statements.	23, 25, 210
4. Strategy and management policy used in developing the Bank's business, include Sharia Business Unit (if any);	7-12, 32-77, 365-366
5. Management report providing information regarding Bank management include Sharia Business Unit (if any) among other:	
a. Organization Structure	556-557
b. Main activities	55-77, 220-222
c. Information Technology	178-181
d. Type of product and services offered including micro, small and medium enterprise lending (UMKM);	55-77, 220-222, 580-581, 585
e. Interest rates of funds and provision of funds;	205, 218
f. Economic development and market target;	184-187; 228-231
g. Local and foreign network and business partners;	592-594
h. Number, type and locations of offices:	23, 592-594
i. Ownership of Board of Directors, Commissioners and shareholders in the bank business group;	27, 250, 271, 277, 288, 575
j. Important changes occurring in the bank and bank business group during the year under review;	17, 32-51, 216-217; 412-416
k. Forecasted important things that may happen in the future;	39, 50-51; 228-231
l. Human resources, including the number, educational structure, training and development;	166-171, 377-380
b. Annual Financial Statements	397-547
1. Individual Financial Report, consist of:	
a. Statement of Financial Position (Balance Sheet);	537-539
b. Statement of Income and Other Comprehensive Income;	540-541
c. Statement of Changes in Equity;	542-543
d. Statement of Cash Flows, and	544-545
e. Notes to the Financial Statements, including information on commitments and contingencies.	409-537
2. Consolidated Financial Statements of the Bank and its Subsidiaries, which consist of at least:	
a. Statement of Financial Position (Balance Sheet);	399-402
b. Statement of Income and Other Comprehensive Income;	403-404

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c. Statement of Changes in Equity; and	405-406
d. Statement of Commitment and Contingencies.	503-505
3. Financial statements for Banks that are a part of a business group.	
a. Banks that are a part of a business group, is also required to submit information consisting of:	
(1) Parent Company Consolidated Financial Statements includes financial report all entities in the group, in financial sector; or	576
(2) Parent Company Consolidated Financial Statements includes financial report all entities in the group, in financial and non financial sector.	576
b. Financial Statements as referred in point a, which at least includes:	
(1) Statement of Financial Position (Balance Sheet);	576
(2) Statement of Income and Other Comprehensive Income;	576
(3) Statement of Changes in Equity;	576
(4) Statement of Commitments and Contingencies	576
c. Financial Performance, consisting of:	
1) Calculation of Capital Adequacy Ratio (CAR).	87-88, 92, 211, 214-215, 336, 524-525
2) Quantity and quality of Earning Assets and Allowance for Impairment Losses (CKPN), which at least information grouping:	
a) Financial instruments;	511-512
b) Provision of funds to related parties;	364, 472, 526-531
c) Loans to Micro, Small and Medium Enterprises (SMEs) debtors;	217, 221, 477
d) Loans classified as special mention (including restructured loans and property loans), and	202-203, 476
e) Allowance for losses on assets (PPA) that should be maintained based on financial instruments	473-474
3) Bank financial ratios, among others:	
a) Capital Adequacy Ratio (CAR)	9, 23, 25, 210-211, 336, 524-525
b) Return on Asset (ROA);	9, 23, 25, 210-211
c) Return on Equity (ROE);	9, 23, 25, 210-211
d) Operating Expenses to Operating Income Ratio;	23, 210-211
e) Percentage of Violation and Lending in Excess of Legal Lending Limit; and	23, 210, 477
f) Net Open Position (NOP).	23, 210, 524-525
4) Spot and Derivative transactions;	469
d. Capital disclosure and risk management implementation, at least include information about risk profile and possible loss that may occur, taking into account the following matters:	
1) Capital disclosure and risk exposure disclosure and risk management implementation 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.	✓
2) The Bank should have written policy approved by the Board of Directors regarding the disclosures to be reported and internal controls in the disclosure process.	✓
3) Disclosure of capital and risk management implementation, among others:	
a) Capital Disclosure, at least cover:	89-91, 104, 524-525
i. Qualitative disclosures, among others information about:	
(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	89-91
(b) Capital adequacy, covering explanations on the approach used by the bank in assessing capital adequacy to support current and future activities.	89-91
ii. Quantitative disclosures covering capital structure of the Bank.	104, 524-525
b) Risk Exposure and Risk Management Disclosure at least include:	83-103
i. Disclosure on the bank's Risk Management in general, including:	
(a) Active supervision of the Board of Commissioners and the Board of Directors;	83-84
(b) Adequacy of Risk Management Policies and Procedures, and Determination of Risk Management Limits;	84-85
(c) Adequacy of Risk Identification, Measurement, Monitoring and Mitigation Processes As Well As Risk Management Information System; and	85

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(d) Comprehensive Internal Control System.	85
ii. Disclosure on risk exposure and implementation of bank Risk Management in particular, covering:	
(a) Credit Risk;	89-91
(b) Market Risk;	91-93
(c) Operational Risk;	93-94
(d) Liquidity Risk;	94-95
(e) Legal Risk;	95-96
(f) Strategic Risk	96-97
(g) Compliance Risk; and	97-98
(h) Reputation Risk.	97
iii. Disclosure of Credit Risk as referred to in point ii (a), which includes:	
(a) General Disclosure, consist of:	89-91
i) Qualitative Disclosure, among others:	
(i) Information regarding the application of credit risk Management including Credit risk management organization, Credit risk management strategies for activities that have a significant credit risk exposure, Credit concentration risk management policies and Mechanism for credit risk measurement and control.	89-91
(ii) Definition of overdue receivables and impaired receivables, and	90
(iii) Description on the approach used for the Allowance for Loan Impairment Losses (CKPN), individually and collectively, as well as the statistical methods used in the calculation of CKPN.	90
ii) Quantitative Disclosure, among others:	
(i) Disclosure on Net Receivables by Region;	104-105
(ii) Disclosure on Net Receivables by Contractual Maturity;	106-107
(iii) Disclosure on Net Receivables by Economic Sector;	108-115
(iv) Disclosure on Receivables and Provisioning by Region;	116-117
(v) Disclosure on Receivables and Provisioning by Economic Sectors; and	118-121
(vi) Details on Movements of Allowances for Impairment Losses.	122-123
(b) Disclosure of Credit Risk using the Standardized Approach, which consists of:	91, 124-135
i) Qualitative Disclosure, among others:	91, 124-135
(i) Information regarding the use rating in the calculation of Risk Weighted Assets (RWA) for credit risk;	91
(ii) Category of portfolios that use the rating;	91, 124-131
(iii) Rating agency; and	91, 124-131
(iv) Disclosure of counterparty credit risk, including types of mitigation instruments commonly accepted / delivered by the bank.	91, 132-134
ii) Quantitative Disclosure, among others:	124-135
(i) Disclosure of net receivables by Portfolio and Rating Category;	124-131
(ii) Disclosure on Counterparty Credit Risk	132-135
(c) Disclosure on Credit Risk Mitigation using the Standardized Approach	91
i) Qualitative Disclosure, among others:	91
(i) Information regarding the bank's policy for the main types of collateral accepted;	91
(ii) Policies, procedures, and processes to assess and manage collateral;	91
(iii) Main warrantors/guarantors and their credit worthiness; and	91
(iv) Information on concentration level arising from the use of credit risk mitigation techniques.	91
ii) Quantitative Disclosure, among others:	136-147
(i) Disclosure of net Receivables based on Risk Weighting after Credit Risk Mitigation;	136-143
(ii) Disclosure of net Receivables and Credit Risk Mitigation Techniques.	144-147
(d) Disclosure of Asset Securitization, which consists of:	
i) Qualitative Disclosure, among others:	
(i) General disclosure of risk management, which includes objective of asset securitization, the effectiveness of securitization activities in transferring 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 activity, and an explanation of the bank's involvement in those functions;	n.a

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(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.	n.a.
ii) Quantitative Disclosure, among others:	
(i) Securitization Transaction Disclosure; and	
(ii) Securitization Transaction Activity Summary in which the bank acts as the Originator.	
(e) Quantitative Disclosure of Credit Risk RWA Calculation using Standardized Approach	148-154
iv. Disclosure of Market Risk as referred to in point ii (b), which includes	91-93, 154
(a) Standardized measurement method for market risk, comprised of	91-93, 154
i) Qualitative Disclosure, among others:	91-93
(i) Information regarding the application of risk management Including Market risk management organization; trading book and banking book portfolio management, as well as the valuation methodology used; Market risk measurement mechanism for monitoring and periodic risk and for capital adequacy calculations, both on banking book and on trading book.	91-93
(ii) Trading book and banking book portfolio which were taken into account in the Capital Adequacy Ratio (CAR)	92
(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.	93
ii) Quantitative Disclosures, at least including: market risk disclosures using standardized measurement methods	154
(b) Internal model-based approach to market risk, which consists of:	91, 155
i) Qualitative Disclosure, among others:	92
(i) Information regarding the application of risk management Including Market risk management organization; trading book and banking book portfolio management, as well as the valuation methodology used; Market risk measurement mechanism for monitoring and periodic risk and for capital adequacy calculations, both on banking book and on trading book.	92
(ii) Trading and banking book portfolio which were taken into account in the Minimum Capital Requirement (CAR)	92
(iii) For each portfolio covered by the Internal Model approach, disclosure on 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	92
(iv) Portfolio using internal models that have been approved by Financial Service Authority; and	92
(v) The amount of frequency deviation between the Value at Risk (VaR) and the actual losses during the reporting period.	92
ii) Quantitative Disclosure, at least including market risk disclosures using internal models (Value at Risk/VaR)	155
v. Disclosure of Operational Risk as referred to in point ii (c), which includes	93-94, 156-157
(a) Qualitative Disclosures, including: information on the implementation of risk management for operational risk, including:	93-94
i) Operational risk management organization;	93-94
ii) The mechanism used by the bank to identify and quantify operational risk; and	93-94
iii) A mechanism to mitigate operational risk.	94
(b) Quantitative Disclosure on operational risk	156-157
vi. Disclosure of Liquidity Risk as referred to in point ii (d), which includes	94-95, 158-165
(a) Qualitative Disclosures, including: information on the implementation of risk management for liquidity risk, including:	94-95
i) Liquidity risk management organization;	94-95
ii) Early warning indicators of liquidity problems; and	95
iii) The mechanisms of measurement and control liquidity risk	95

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(b) Quantitative Disclosures on liquidity risk, which at least Includes:	158-165
i) Disclosure of Rupiah Maturity Profile	158-161
ii) Disclosure of Foreign Currency Maturity Profile	162-165
vii. Disclosure of Legal Risk as referred to in point ii (e), which includes qualitative disclosure about risk management for legal risks include the following:	95-96
(a) Legal risk management organization; and	95-96
(b) Legal risk control mechanisms.	96
viii. Disclosure of Strategic Risk as referred to in point ii (f), which includes qualitative disclosure about risk management for strategic risks include the following:	96-97
(a) Strategic risk management organization; and	96
(b) Policy that allows banks to identify and respond to internal and external changes in the business environment; and	96
(c) Mechanisms to measure the progress of the business plan.	97
ix. Disclosure of Compliance Risk as referred to in point ii (g), which includes qualitative disclosure about risk management for compliance risks include the following:	97-98
(a) Compliance risk management organization; and	98
(b) The effectiveness of risk management strategies and 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	98
(c) Monitoring and controlling compliance risk.	98
x. Disclosure of Reputation Risk as referred to in point ii (g), which includes qualitative disclosure about risk management for reputation risks include the following:	97
(a) Organizational reputation risk management, including the implementation of reputation risk management by related units (Corporate Secretary, Public Relations, and the related business units);	97
(b) Policies and mechanisms to improve the quality of service to customers and other stakeholders to control reputational risk; and	97
(c) Reputation risk management in times of crisis.	97
e. Spesific Disclosure of bank which become the part of Business Group and/or its subsidiaries, at least consisting of:	
1) Structure of the bank business group, consisting of at least:	27, 250, 271, 409-417, 501-502, 575
a) Business group structure, from the bank, subsidiaries, affiliates, financial holding company, and/or parent company to the ultimate shareholder;	27, 250, 271, 575
b) Structure of the management relationship in the bank's business, and	409-417
c) 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.	27, 250, 271, 501-502, 575
2) Transactions between the bank and related parties in the bank's business group, taking into account the following matters:	423, 441, 526-531
a) 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;	526-531
b) Related party is party as stipulated in the applicable Statement of Financial Accountancy Standard;	423, 441, 526-531
c) Types of transactions with related party are, among others:	526-531
i. Cross shareholders;	526-531
ii. Transactions from one business group acting for the interest of other business groups;	526-531
iii. Management of short term liquidity centralized in one business group;	526-531
iv. Provision of funds distributed or received by another company in one business group;	526-531
v. Exposure to majority shareholder in the form of loans, commitments and guarantees; and	526-531
vi. Buying or selling of assets with another company in a business group, including repurchase agreements.	526-531
3) Transactions with related parties which conduct by every entities in the bank's business group working in the field of finance	526-531
4) 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.	216
5) Consolidated capital disclosure, type of risk, allowance for loan losses, risk management, as referred in point d.	87-103, 213-216, 337-341

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f. Other disclosures in accordance with other Financial Accounting Standards which has not been included in point a through e above.	n.a.
g. Public Accountant's opinion on the financial statement which contains opinion of Financial Statements as referred in point b.	546-547
III. In preparing Annual Report, Bank referred to the Annual Report Formulation Guidelines for Conventional Banks which is part of Financial Services Authority Circular Letter.	✓
IV. Specific Report which is Submitted to Financial Services Authority on an Annual Basis for Banks that are a Part of a Business Group and/or that Own Subsidiaries About:	
a. Annual report of a Parent Entity that covers all entities in financial business groups or annual report of a Parent Entity that covers all entities in financial and non-financial business groups;	
b. Annual report of Controlling Shareholders with majority share ownership or annual report of entities which directly controls the Bank;	✓
c. Annual report of Subsidiaries; and	
d. Annual report of Head Office for branch offices located overseas.	

2015 Annual Report

Maintaining a Solid Position

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