

**PT Bank Rakyat Indonesia (Persero) Tbk
and its Subsidiaries**

Consolidated financial statements
as of June 30, 2016
and for the six-month period then ended
with independent auditors' report



PT BANK RAKYAT INDONESIA (PERSERO)

KANTOR PUSAT

Jalan Jenderal Sudirman No. 44 - 46 Tromol Pos 1094/1000 Jakarta 10210
 Telepon: 021 2510244, 2510254, 2510264, 2510269, 2510279
 Faksimili: 021 2500077 Kawat: KANPUSBRI
 Telex: 65293, 65456, 65459, 65461

**BOARD OF DIRECTORS' STATEMENT
 REGARDING
 THE RESPONSIBILITY FOR THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
 AS OF JUNE 30, 2016
 AND FOR THE PERIOD THEN ENDED
 PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND SUBSIDIARIES**

We, the undersigned:

1. Name : Asmawi Syam
 Office Address : Jl. Jenderal Sudirman No.44-46 Jakarta 10210
 Residential Address : Jl.Cilandak Dalam Raya No.4E Cilandak South Jakarta
 Telephone : 021 -5751756
 Title : President Director

2. Name : Haru Koesmahargyo
 Office Address : Jl. Jenderal Sudirman No. 44-46 Jakarta 10210
 Residential Address : Jl. Cempaka Lestari 4 Blok G/5 Lebak Bulus South Jakarta
 Telephone : 021 - 575 1751
 Title : Director

Declare that:

1. We are responsible for the preparation and the presentation of the consolidated financial statements of PT Bank Rakyat Indonesia (Persero) Tbk and Subsidiaries;
2. PT Bank Rakyat Indonesia (Persero) Tbk and Subsidiaries' consolidated financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards;
3. a. All information in the consolidated financial statements of PT Bank Rakyat Indonesia (Persero) Tbk and Subsidiaries has been disclosed in a complete and truthful manner;
 b. PT Bank Rakyat Indonesia (Persero) Tbk and Subsidiaries' consolidated financial statements do not contain any incorrect material information or facts, nor do they omit any material information or facts;
4. We are responsible for PT Bank Rakyat Indonesia (Persero) Tbk and Subsidiaries' internal control system.

This statement has been made truthfully.

Jakarta, Agustus 12, 2016
 For and on behalf of the Board of Directors


Asmawi Syam
 President Director


Haru Koesmahargyo
 Director

These consolidated financial statements are originally issued in the Indonesian language.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2016 AND FOR THE SIX-MONTH PERIOD THEN ENDED
WITH INDEPENDENT AUDITORS' REPORT**

Table of Contents

	Page
Independent Auditors' Report	
Consolidated Statement of Financial Position	1 - 4
Consolidated Statement of Profit or Loss and Other Comprehensive Income.....	5 - 7
Consolidated Statement of Changes in Equity.....	8 - 12
Consolidated Statement of Cash Flows	13 - 14
Notes to the Consolidated Financial Statements	15 - 260
Statement of Financial Position - Parent Entity	Appendix 1
Statement of Profit or Loss and Other Comprehensive Income - Parent Entity.....	Appendix 2
Statement of Changes in Equity - Parent Entity.....	Appendix 3
Statement of Cash Flows - Parent Entity.....	Appendix 4
Notes to the Financial Information - Parent Entity	Appendix 5



Purwantono, Sungkoro & Surja

Indonesia Stock Exchange Building
Tower 2, 7th Floor
Jl. Jend. Sudirman Kav. 52-53
Jakarta 12190, Indonesia

Tel: +62 21 5289 5000
Fax: +62 21 5289 4100
ey.com/id

This report is originally issued in the Indonesian language.

Independent Auditors' Report

Report No. RPC-2379/PSS/2016

The Shareholders, Boards of Commissioners and Directors PT Bank Rakyat Indonesia (Persero) Tbk

We have audited the accompanying consolidated financial statements of PT Bank Rakyat Indonesia (Persero) Tbk and its subsidiaries, which comprise the consolidated statement of financial position as of June 30, 2016, and the consolidated statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of such consolidated financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on such consolidated financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether such consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



This report is originally issued in the Indonesian language.

Independent Auditors' Report (continued)

Report No. RPC-2379/PSS/2016 (continued)

Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of PT Bank Rakyat Indonesia (Persero) Tbk and its subsidiaries as of June 30, 2016, and their consolidated financial performance and cash flows for the six-month period then ended, in accordance with Indonesian Financial Accounting Standards.

Other matter

Our audit of the accompanying consolidated financial statements of PT Bank Rakyat Indonesia (Persero) Tbk and its subsidiaries as of June 30, 2016 and for the six-month period then ended was performed for the purpose of forming an opinion on such consolidated financial statements taken as a whole. The accompanying financial information of PT Bank Rakyat Indonesia (Persero) Tbk (parent entity), which comprise the statement of financial position as of June 30, 2016, and the statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory information (collectively referred to as the "Parent Entity Financial Information"), which is presented as a supplementary information to the accompanying consolidated financial statements, is presented for the purpose of additional analysis and is not a required part of the accompanying consolidated financial statements under Indonesian Financial Accounting Standards. The Parent Entity Financial Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the accompanying consolidated financial statements. The Parent Entity Financial Information has been subjected to the auditing procedures applied in the audit of the accompanying consolidated financial statements in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. In our opinion, the Parent Entity Financial Information is fairly stated, in all material respects, in relation to the accompanying consolidated financial statements taken as a whole.

Purwantono, Sungkoro & Surja

Drs. Hari Purwantono
Public Accountant Registration No. AP.0684

August 12, 2016

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As of June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	June 30, 2016	December 31		
			2015	2014 ^{*)}	2013 ^{*)}
ASSETS					
Cash	2a,2c,3	34,201,718	28,771,635	22,469,167	19,171,778
Current Accounts With Bank Indonesia	2a,2c,2f,4	48,106,283	61,717,798	51,184,429	40,718,495
Current Accounts With Other Banks	2a,2c,2d,2e,2f,5,43	12,581,483	8,736,092	10,580,440	9,435,197
Allowance for impairment losses		-	-	-	(77)
		12,581,483	8,736,092	10,580,440	9,435,120
Placements With Bank Indonesia and Other Banks	2a,2c,2d,2e,2g,6,43	34,437,407	49,834,664	62,035,442	36,306,883
Securities	2a,2c,2d,2e,2h,7,43	126,112,585	124,891,293	84,168,460	42,674,437
Allowance for impairment losses		(42,798)	(17,746)	-	(772)
		126,069,787	124,873,547	84,168,460	42,673,665
Export Bills	2c,2d,2e,2i,8,43	7,887,140	7,280,883	10,527,985	8,926,072
Government Recapitalization Bonds	2c,2d,2h,9,43	3,816,931	3,815,958	4,303,596	4,511,419
Securities Purchased Under Agreement to Resell	2c,2d,2t,10,43	1,123,489	845,125	39,003,595	14,440,063
Derivatives Receivable	2c,2e,2aj,11	18,205	-	536	4,981
Loans	2a,2c,2d,2e,2j,12,43	597,744,828	564,480,538	495,097,288	434,316,466
Allowance for impairment losses		(20,746,668)	(17,162,183)	(15,886,145)	(15,171,736)
		576,998,160	547,318,355	479,211,143	419,144,730
Sharia Receivables and Financing	2d,2e,2k,13,43	17,831,322	16,614,006	15,599,553	14,028,390
Allowance for impairment losses		(417,971)	(352,252)	(276,650)	(246,360)
		17,413,351	16,261,754	15,322,903	13,782,030

*) As restated (Note 49)

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
As of June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	June 30, 2016	December 31		
			2015	2014 ^{*)}	2013 ^{*)}
ASSETS (continued)					
Acceptances Receivable	2c,2d,2e, 2l,14,43	4,430,286	5,163,471	6,525,688	3,679,684
Investment in Associated Entities	2c,2d,2e, 2m,15,43	283,167	269,130	251,573	222,851
Premises and Equipment	2n,2o,16				
Cost		30,671,888	14,687,468	11,583,301	8,817,641
Accumulated depreciation		(7,157,738)	(6,648,188)	(5,665,831)	(4,845,029)
Net book value		23,514,150	8,039,280	5,917,470	3,972,612
Deferred Tax Assets - net	2ak,37c,49	1,637,171	1,983,774	1,688,872	2,106,212
Other Assets - net	2c,2e,2o, 2p,2q,2ad, 17	15,324,201	13,514,846	8,792,891	7,004,038
TOTAL ASSETS		907,842,929	878,426,312	801,984,190	626,100,633

*) As restated (Note 49)

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
As of June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	June 30, 2016	December 31		
			2015	2014 ¹⁾	2013 ¹⁾
LIABILITIES AND EQUITY					
LIABILITIES					
Liabilities Due Immediately	2c,2r,18	6,064,171	5,138,562	7,043,772	5,065,527
Deposits From Customers	2c,2d,2s,43				
Demand Deposits	19	109,759,588	113,429,343	89,430,267	78,666,064
<i>Wadiah</i> Demand Deposits		1,486,185	937,745	621,913	670,887
Saving Deposits	20	264,448,054	268,058,865	232,722,519	210,234,683
<i>Wadiah</i> Saving Deposits		3,871,155	3,715,929	3,298,659	2,480,554
<i>Mudharabah</i> Saving Deposits		797,721	696,198	373,816	281,388
Time Deposits	21	289,396,277	267,884,404	283,457,544	201,585,766
<i>Mudharabah</i> Time Deposits		13,980,306	14,272,895	12,417,128	10,362,040
Total Deposits From Customers		683,739,286	668,995,379	622,321,846	504,281,382
Deposits From Other Banks and Financial Institutions	2c,2d,2s,22,43	6,379,043	11,165,073	8,655,392	3,691,220
Securities Sold Under Agreement to Repurchase	2c,2d,2t,7,23,43	9,498,253	11,377,958	15,456,701	-
Derivatives Payable	2c,2aj,7,11	382,022	445,753	717,523	1,565,102
Acceptances Payable	2c,2d,2l,14,43	4,430,286	5,163,471	6,525,688	3,679,684
Taxes Payable	2ak,37a	539,351	1,497,262	59,805	1,266,018
Marketable Securities Issued	2c,2u,24	18,899,507	10,521,103	8,257,990	6,023,133
Fund Borrowings	2c,2d,2v,25,43	27,727,090	35,480,358	24,986,862	9,084,913
Estimated Losses on Commitments and Contingencies	2d,2e,2an,26,43	1,325	1,242	398	223
Liabilities for Employee Benefits	2d,2ae,27,41,43,49	7,201,493	8,063,738	6,687,532	6,529,755
Other Liabilities	2c,2x,2y,2ad,28,44b	9,271,346	7,392,766	3,487,265	3,242,346
Subordinated Loans	2c,2w,29	45,924	56,468	77,582	2,097,024
TOTAL LIABILITIES		774,179,097	765,299,133	704,278,356	546,526,327

*) As restated (Note 49)

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
As of June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	June 30, 2016	December 31		
			2015	2014 ^{*)}	2013 ^{*)}
LIABILITIES AND EQUITY					
(continued)					
EQUITY					
Capital stock - par value Rp250 (full Rupiah) per share Authorized - 60,000,000,000 shares (consisting of 1 Series A Dwiwarna share and 59,999,999,999 Series B shares)					
Issued and fully paid capital - 24,669,162,000 shares (consisting of 1 Series A Dwiwarna share and 24,669,161,999 Series B shares)	1,30a	6,167,291	6,167,291	6,167,291	6,167,291
Additional paid-in capital	30b	2,773,858	2,773,858	2,773,858	2,773,858
Revaluation surplus arising from fixed assets - net	2n,16	13,824,692	-	-	-
Differences arising from the translation of foreign currency financial statements	2ai,30c	45,583	49,069	56,468	82,083
Unrealized gain (loss) on available for sale securities and Government Recapitalization Bonds - net of deferred tax	2h	930,613	(1,145,471)	(198,888)	(727,644)
Gain on remeasurement of defined benefit plans - net of deferred tax	2ae,49	738,534	541,468	124,147	375,345
Treasury Stock	1d	(2,418,948)	(2,286,375)	-	-
Retained earnings	30d				
Appropriated		18,115,741	18,115,741	15,449,160	11,005,528
Unappropriated	49	93,173,497	88,617,280	73,158,614	59,735,380
Total Retained Earnings		111,289,238	106,733,021	88,607,774	70,740,908
Total Equity Attributable to Equity Holders of the Parent Entity		133,350,861	112,832,861	97,530,650	79,411,841
Non-controlling interest	2b,49	312,971	294,318	175,184	162,465
TOTAL EQUITY		133,663,832	113,127,179	97,705,834	79,574,306
TOTAL LIABILITIES AND EQUITY		907,842,929	878,426,312	801,984,190	626,100,633

*) As restated (Note 49)

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
For the Six-month Period Ended June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	Six-month Period Ended June 30		Year Ended December 31		
		2016	2015 (Unaudited)	2015	2014 ¹⁾	2013 ¹⁾
INCOME AND EXPENSES FROM OPERATIONS						
Interest, Investment and Sharia Income						
Interest and investment	2z,31	45,450,666	40,343,305	83,007,745	73,065,777	57,720,831
Sharia income	2k,2ab	1,298,525	1,203,326	2,426,292	2,056,436	1,740,253
Total Interest, Investment and Sharia Income		46,749,191	41,546,631	85,434,037	75,122,213	59,461,084
Interest, Other Financing and Sharia Expense						
Interest and other financing expense	2z,32	(13,249,858)	(13,282,495)	(26,141,100)	(22,684,979)	(14,590,223)
Sharia expense	2ab	(515,979)	(487,925)	(1,013,170)	(994,824)	(764,590)
Total Interest, Other Financing and Sharia Expense		(13,765,837)	(13,770,420)	(27,154,270)	(23,679,803)	(15,354,813)
Interest and Sharia Income - net		32,983,354	27,776,211	58,279,767	51,442,410	44,106,271
Premium Income	2ac	1,212,775	-	-	-	-
Claim expense	2ac	(1,257,634)	-	-	-	-
Premium Income - net		(44,859)	-	-	-	-
Interest, Sharia, and Premium Income - net		32,938,495	27,776,211	58,279,767	51,442,410	44,106,271
Other Operating Income						
Other fees and commissions	2aa	4,143,440	3,546,346	7,355,973	6,072,460	4,862,438
Recovery of assets written-off		1,293,798	928,640	2,341,945	2,100,676	1,948,158
Gain on foreign exchange - net	2ah,2aj	-	313,395	467,167	237,304	477,524
Gain on sale of securities and Government Recapitalization Bonds - net	2h,7,9	291,707	27,681	86,485	121,575	78,252
Unrealized gain on changes in fair value of securities	2h,7,9	42,735	-	-	6,400	-
Others		2,279,413	918,446	2,157,471	760,725	982,087
Total Other Operating Income		8,051,093	5,734,508	12,409,041	9,299,140	8,348,459
Provision for impairment losses on financial assets - net	2e,33	(7,530,494)	(3,995,668)	(8,891,305)	(5,721,905)	(3,947,875)
(Provision for) reversal of allowance for estimated losses on commitments and contingencies - net	2an,26b	(83)	(138)	(844)	(175)	191
(Provision for) reversal of allowance for impairment losses on non-financial assets - net	2o	(28,765)	55	(8,056)	2,721	1,309

*) As restated (Note 49)

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME (continued)
For the Six-month Period Ended June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	Six-month Period Ended June 30		Year Ended December 31		
		2016	2015 (Unaudited)	2015	2014 ¹⁾	2013 ¹⁾
Other Operating Expenses						
Salaries and employee benefits	2d,2ae,34 41,43,49	(10,328,259)	(7,965,859)	(16,599,158)	(14,166,422)	(12,231,994)
General and administrative	2n,35	(5,577,580)	(4,757,138)	(10,380,547)	(9,184,155)	(7,518,886)
Premium paid to Government Guarantee Program	45	(639,884)	(690,380)	(1,296,475)	(1,030,657)	(911,957)
Unrealized loss on changes in fair value of securities	2h,7,9	-	(973)	(10,945)	-	(13,208)
Foreign currency transaction Losses - net	2ah,2aj	(256,028)	-	-	-	-
Others		(1,848,824)	(1,940,826)	(2,988,571)	(2,334,041)	(1,704,733)
Total Other Operating Expenses		(18,650,575)	(15,355,176)	(31,275,696)	(26,715,275)	(22,380,778)
OPERATING INCOME		14,779,671	14,159,792	30,512,907	28,306,916	26,127,577
NON OPERATING INCOME - NET	36	798,159	642,233	1,981,111	2,497,196	1,782,489
INCOME BEFORE TAX EXPENSE		15,577,830	14,802,025	32,494,018	30,804,112	27,910,066
TAX EXPENSE	2ak, 37b, 37c,49	(3,395,344)	(2,848,262)	(7,083,230)	(6,577,511)	(6,555,736)
INCOME FOR THE PERIOD/YEAR		12,182,486	11,953,763	25,410,788	24,226,601	21,354,330
Other comprehensive income:						
Item not to be reclassified to profit or loss						
Remeasurement on defined benefit plans		262,064	127,144	555,776	(334,977)	3,300,883
Income tax for item not to be reclassified to profit or loss		(556,351)	(31,786)	(138,944)	83,742	(825,221)
Revaluation surplus arising from fixed assets	16	14,315,527	-	-	-	-
Items to be reclassified to profit or loss						
Exchange rate differences on translation of foreign currency financial statements		(3,486)	(5,176)	(7,399)	(25,615)	37,171
Unrealized (loss) gain on available for sale securities and Government Recapitalization Bonds	2c	2,776,874	(367,247)	(1,264,123)	709,619	(1,966,470)
Income tax related to items to be reclassified to profit or loss		(686,550)	91,812	316,032	(177,850)	491,623
Other Comprehensive (Loss) Income For the Period/Year - After Tax		16,108,078	(185,253)	(538,658)	254,919	1,037,986
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR		28,290,564	11,768,510	24,872,130	24,481,520	22,392,316

*) As restated (Note 49)

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME (continued)
For the Six-month Period Ended June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

Notes	Six-month Period Ended June 30		Year Ended December 31		
	2016	2015 (Unaudited)	2015	2014 ^{*)}	2013 ^{*)}
INCOME FOR THE PERIOD/YEAR					
ATTRIBUTABLE TO:					
Equity holders of the					
Parent Entity	12,175,539	11,945,865	25,397,742	24,214,911	21,344,130
Non-controlling interest	6,947	7,898	13,046	11,690	10,200
TOTAL	12,182,486	11,953,763	25,410,788	24,226,601	21,354,330
TOTAL COMPREHENSIVE					
INCOME FOR THE PERIOD/YEAR					
ATTRIBUTABLE TO:					
Equity holders of the					
Parent Entity	28,269,895	11,760,754	24,861,081	24,466,854	22,387,732
Non-controlling interest	20,669	7,756	11,049	14,666	4,584
TOTAL	28,290,564	11,768,510	24,872,130	24,481,520	22,392,316
BASIC EARNINGS PER SHARE					
ATTRIBUTABLE TO EQUITY					
HOLDERS OF THE PARENT					
ENTITY (full Rupiah)	2ag,48	498.02	484.24	1,030.43	981.59
			865.22		

*) As restated (Note 49)

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the Six-month Period Ended June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

Notes	Issued and Fully Paid Capital	Additional Paid-in Capital	Differences Arising from the Translation of Foreign Currency Financial Statements	Unrealized Gain (Loss) on Available for Sale Securities and Government Recapitalization Bonds - Net of Deferred Tax	Gain on Remeasurement on Defined Benefit Plans - Net of Deferred Tax	Retained Earnings		Total Equity Attributable To Equity Holders of the Parent Entity	Non-controlling Interest	Total Equity	
						Appropriated	Unappropriated				
Balance as of December 31, 2012	6,167,291	2,773,858	44,912	740,459	(2,099,189)	8,412,595	46,667,643	62,707,569	73,893	62,781,462	
Income for the year	-	-	-	-	-	-	21,344,130	21,344,130	10,200	21,354,330	
Other comprehensive income	2ai,2h	-	-	37,171	(1,468,103)	2,474,534	-	-	1,043,602	(5,616)	1,037,986
Total comprehensive income for the year		-	-	37,171	(1,468,103)	2,474,534	-	21,344,130	22,387,732	4,584	22,392,316
Additional paid-in capital		-	-	-	-	-	-	-	87,495	87,495	
Distribution of income	30d	-	-	-	-	-	-	(5,556,285)	(5,556,285)	-	(5,556,285)
Dividends		-	-	-	-	-	-	(5,556,285)	(5,556,285)	-	(5,556,285)
Addition to general and specific reserves		-	-	-	-	-	2,592,933	(2,592,933)	-	-	
Impact of adjustment on the Implementation on SFAS No. 24 (Revised 2013)	49	-	-	-	-	-	-	(127,175)	(127,175)	(1,286)	(128,461)
Adjustment on non-controlling interest transaction		-	-	-	-	-	-	-	(2,221)	(2,221)	
Balance as of December 31, 2013	6,167,291	2,773,858	82,083	(727,644)	375,345	11,005,528	59,735,380	79,411,841	162,465	79,574,306	

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)
For the Six-month Period Ended June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

Notes	Issued and Fully Paid Capital	Additional Paid-in Capital	Differences Arising from the Translation of Foreign Currency Financial Statements	Unrealized Gain (Loss) on Available for Sale Securities and Government Recapitalization Bonds - Net of Deferred Tax	Gain on Remeasurement on Defined Benefit Plans - Net of Deferred Tax	Retained Earnings		Total Equity Attributable To Equity Holders of the Parent Entity	Non-controlling Interest	Total Equity
						Appropriated	Unappropriated			
Balance as of December 31, 2013	6,167,291	2,773,858	82,083	(727,644)	375,345	11,005,528	59,735,380	79,411,841	162,465	79,574,306
Income for the year	-	-	-	-	-	-	24,214,911	24,214,911	11,690	24,226,601
Other comprehensive income	2ai,2h	-	(25,615)	528,756	(251,198)	-	-	251,943	2,976	254,919
Total comprehensive income for the year	-	-	(25,615)	528,756	(251,198)	-	24,214,911	24,466,854	14,666	24,481,520
Distribution of income	30d	-	-	-	-	-	(6,348,045)	(6,348,045)	(2,217)	(6,350,262)
Dividends		-	-	-	-	-	(6,348,045)	(6,348,045)	(2,217)	(6,350,262)
Addition to general and specific reserves		-	-	-	-	4,443,632	(4,443,632)	-	270	270
Balance as of December 31, 2014	6,167,291	2,773,858	56,468	(198,888)	124,147	15,449,160	73,158,614	97,530,650	175,184	97,705,834

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)
For the Six-month Period Ended June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

Notes	Issued and Fully Paid Capital	Additional Paid-in Capital	Differences Arising from the Translation of Foreign Currency Financial Statements	Unrealized Loss on Available for Sale Securities and Government Recapitalization Bonds - Net of Deferred Tax	Gain on Remeasurement on Defined Benefit Plans - Net of Deferred Tax	Treasury Stocks	Retained Earnings		Total Equity Attributable To Equity Holders of the Parent Entity	Non-controlling Interest	Total Equity
							Appropriated	Unappropriated			
Balance as of December 31, 2014	6,167,291	2,773,858	56,468	(198,888)	124,147	-	15,449,160	73,158,614	97,530,650	175,184	97,705,834
Income for the year	-	-	-	-	-	-	-	25,397,742	25,397,742	13,046	25,410,788
Other comprehensive income	2ai,2h	-	(7,399)	(946,583)	417,321	-	-	-	(536,661)	(1,997)	(538,658)
Total comprehensive income for the year		-	(7,399)	(946,583)	417,321	-	-	25,397,742	24,861,081	11,049	24,872,130
Distribution of income	30d	-	-	-	-	-	-	(7,272,495)	(7,272,495)	(1,189)	(7,273,684)
Dividends		-	-	-	-	-	-	(7,272,495)	(7,272,495)	(1,189)	(7,273,684)
Addition to general and specific reserves		-	-	-	-	-	2,666,581	(2,666,581)	-	-	-
Changes in non-controlling interest from acquisition of BJS	1f	-	-	-	-	-	-	-	-	121,594	121,594
Effect of changes in non-controlling interest of BRI Agro	1f	-	-	-	-	-	-	-	-	(12,320)	(12,320)
Treasury Stock	1d	-	-	-	-	(2,286,375)	-	-	(2,286,375)	-	(2,286,375)
Balance as of December 31, 2015	6,167,291	2,773,858	49,069	(1,145,471)	541,468	(2,286,375)	18,115,741	88,617,280	112,832,861	294,318	113,127,179

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)
For the Six-month Period Ended June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	Issued and Fully Paid Capital	Additional Paid-in Capital	Differences Arising from the Translation of Foreign Currency Financial Statements	Unrealized Loss on Available for Sale Securities and Government Recapitalization Bonds - Net of Deferred Tax	Gain on Remeasurement on Defined Benefit Plans - Net of Deferred Tax	Retained Earnings		Total Equity Attributable To Equity Holders of the Parent Entity	Non-controlling Interest	Total Equity
							Appropriated	Unappropriated			
Balance as of December 31, 2014		6,167,291	2,773,858	56,468	(198,888)	124,147	15,449,160	73,158,614	97,530,650	175,184	97,705,834
Income for the six-month period		-	-	-	-	-	-	11,945,865	11,945,865	7,898	11,953,763
Other comprehensive income	2ai,2h	-	-	(5,176)	(275,182)	95,247	-	-	(185,111)	(142)	(185,253)
Total comprehensive income for the period		-	-	(5,176)	(275,182)	95,247	-	11,945,865	11,760,754	7,756	11,768,510
Distribution of income	30d	-	-	-	-	-	-	(7,272,495)	(7,272,495)	(1,189)	(7,273,684)
Dividends		-	-	-	-	-	-	(7,272,495)	(7,272,495)	(1,189)	(7,273,684)
Addition to general and specific reserves		-	-	-	-	-	2,666,581	(2,666,581)	-	-	-
Balance as of June 30, 2015 (Unaudited)		6,167,291	2,773,858	51,292	(474,070)	219,394	18,115,741	75,165,403	102,018,909	181,751	102,200,660

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)
For the Six-month Period Ended June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

Notes	Issued and Fully Paid Capital	Additional Paid-in Capital	Differences Arising from the Translation of Foreign Currency Financial Statements	Unrealized Gain (Loss) on Available for Sale Securities and Government Recapitalization Bonds - Net of Deferred Tax	Gain on Remeasurement on Defined Benefit Plans - Net of Deferred Tax	Treasury Stocks	Revaluation Surplus Arising from Fixed Assets - Net of Tax	Retained Earnings		Total Equity Attributable to Equity Holders of the Parent Entity	Non-controlling Interest	Total Equity
								Appropriated	Unappropriated			
Balance as of December 31, 2015	6,167,291	2,773,858	49,069	(1,145,471)	541,468	(2,286,375)	-	18,115,741	88,617,280	112,832,861	294,318	113,127,179
Income for the six-month period	-	-	-	-	-	-	-	-	12,175,539	12,175,539	6,947	12,182,486
Other comprehensive income	2ai,2h,16	-	(3,486)	2,076,084	197,066	-	13,824,692	-	-	16,094,356	13,722	16,108,078
Total comprehensive income for the period		-	(3,486)	2,076,084	197,066	-	13,824,692	-	12,175,539	28,269,895	20,669	28,290,564
Distribution of income Dividends	30d	-	-	-	-	-	-	-	(7,619,322)	(7,619,322)	(2,016)	(7,621,338)
Treasury Stock	1d	-	-	-	-	(132,573)	-	-	-	(132,573)	-	(132,573)
Balance as of June 30, 2016	6,167,291	2,773,858	45,583	930,613	738,534	(2,418,948)	13,824,692	18,115,741	93,173,497	133,350,861	312,971	133,663,832

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Six-month Period Ended June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

Notes	Six-month Period Ended June 30		Year Ended December 31		
	2016	2015 (Unaudited)	2015	2014 ¹⁾	2013 ¹⁾
CASH FLOWS FROM OPERATING ACTIVITIES					
Income received					
Interest and investment income	44,061,769	39,956,539	82,595,882	73,056,125	57,912,910
Sharia income	1,298,525	1,156,971	2,426,292	2,056,436	1,740,253
Premium income	1,212,775	-	-	-	-
Expenses paid					
Interest expense	(13,175,075)	(13,484,382)	(26,101,932)	(22,191,220)	(14,432,426)
Sharia expenses	(515,979)	(487,925)	(1,013,170)	(994,824)	(764,590)
Claim expenses	(1,257,634)	-	-	-	-
Recoveries of assets written-off	1,302,936	934,716	2,353,612	2,112,320	1,959,521
Other operating income	4,079,736	4,821,502	9,533,063	6,281,355	7,290,034
Other operating expenses	(14,393,392)	(12,004,721)	(25,782,430)	(23,967,573)	(18,427,953)
Non-operating income - net	1,451,825	636,225	1,959,483	2,483,137	1,674,296
Payment of income tax and tax bill	(5,100,528)	(3,398,437)	(7,000,011)	(7,605,809)	(5,374,029)
Cash flows before changes in operating assets and liabilities	18,964,958	18,130,488	38,970,789	31,229,947	31,578,016
Changes in operating assets and liabilities:					
(Increase) decrease in operating assets:					
Placements with Bank Indonesia and other banks	98,000	(1,250,000)	(100,000)	2,796	14,164,442
Securities and Government Recapitalization Bonds at fair value through profit or loss	272,004	(254,323)	(800,992)	882,059	(397,415)
Export bills	(606,257)	(2,701,875)	3,247,102	(1,601,913)	(2,991,300)
Securities purchased under agreement to resell	(278,364)	32,282,426	38,158,470	(24,563,532)	(4,889,542)
Loans	(37,099,848)	(16,913,207)	(77,198,420)	(66,400,256)	(87,876,065)
Sharia receivables and financing	(1,292,532)	(465,593)	(1,156,677)	(1,616,217)	(2,785,166)
Other assets	(3,974,653)	(3,261,008)	(2,388,153)	(1,127,506)	(931,788)
Increase (decrease) in operating liabilities:					
Liabilities due immediately	940,305	(1,192,647)	(1,899,903)	1,928,408	143,863
Deposits:					
Demand deposits	(3,669,755)	246,811	23,999,076	10,764,203	(385,250)
<i>Wadiah</i> demand deposits	548,440	556,960	315,832	(48,974)	(913)
Saving deposits	(3,610,811)	(10,974,926)	35,336,346	22,487,836	27,401,097
<i>Wadiah</i> saving deposits	155,226	(13,170)	417,270	818,105	792,076
<i>Mudharabah</i> saving deposits	101,523	111,557	322,382	92,428	86,103
Time deposits	21,511,873	(15,888,820)	(15,573,140)	81,871,778	24,318,529
<i>Mudharabah</i> time deposits	(292,589)	(56,406)	1,855,767	2,055,088	1,903,357
Deposits from other banks and financial institutions	(4,786,030)	6,984,116	2,509,681	4,964,172	912,602
Securities sold under agreement to repurchase	(1,879,705)	164,252	(4,434,003)	15,456,092	
Other liabilities	3,598,806	842,014	3,963,481	(1,371,878)	(1,533,102)
Net Cash Provided by Operating Activities	(11,299,409)	6,346,649	45,544,908	75,822,636	(490,456)

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
For the Six-month Period Ended June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

	Notes	Six-month Period Ended June 30		Year Ended December 31		
		2016	2015 (Unaudited)	2015	2014 ¹⁾	2013 ¹⁾
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds from sale of premises and equipment	36	4,335	6,008	21,628	14,059	108,193
Receipt of dividends	15	44	136	394	21	382
Acquisition of premises and equipment	16	(2,015,558)	(1,456,106)	(3,285,398)	(3,064,718)	(1,947,985)
Increase in available for sale and held to maturity securities and Government Recapitalization Bonds		3,337,349	(27,411,978)	(53,441,154)	(21,598,976)	(2,416,019)
Net Cash Used in Investing Activities		1,326,170	(28,861,940)	(56,704,530)	(24,649,614)	(4,255,429)
CASH FLOWS FROM FINANCING ACTIVITIES						
(Payments of) proceeds from fund borrowings		(8,457,910)	(16,664,881)	9,930,290	15,767,824	(1,803,842)
Purchase of Treasury Stock		(132,573)	-	(2,286,375)	-	-
Dividends paid		(7,619,323)	(7,272,495)	(7,273,684)	(6,350,262)	(5,556,285)
Payments of subordinated loans		(10,544)	(10,634)	(21,114)	(2,019,442)	(19,538)
Proceeds from marketable securities issued		8,641,832	858,313	1,455,207	2,106,529	4,800,584
Net Cash Provided by Financing Activities		(7,578,518)	(23,089,697)	1,804,324	9,504,649	(2,579,081)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(17,551,757)	(45,604,988)	(9,355,298)	60,677,671	(7,324,966)
EFFECT OF EXCHANGE RATE CHANGES ON FOREIGN CURRENCIES		(12,461)	8,296	12,800	2,775	4,369
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD/YEAR		163,388,757	172,731,255	172,731,255	112,050,809	119,371,406
CASH AND CASH EQUIVALENTS AT END OF PERIOD/YEAR		145,824,539	127,134,563	163,388,757	172,731,255	112,050,809
Cash and cash equivalents at end of period/year consist of:						
Cash	2a 3	34,201,718	19,140,980	28,771,635	22,469,167	19,171,778
Current accounts with Bank Indonesia	4	48,106,283	48,520,820	61,717,798	51,184,429	40,718,495
Current accounts with other banks	5	12,581,483	9,139,405	8,736,092	10,580,440	9,435,197
Placements with Bank Indonesia and other banks - maturing within three months or less since the acquisition date	6	34,435,407	39,142,593	49,734,664	62,035,442	36,304,087
Certificates of Bank Indonesia and Deposits Certificates of Bank Indonesia - maturing within three months or less since the acquisition date		16,499,648	11,190,765	14,428,568	26,461,777	6,421,252
Total Cash and Cash Equivalents		145,824,539	127,134,563	163,388,757	172,731,255	112,050,809

The accompanying notes to the consolidated financial statements form an integral part of these consolidated financial statements.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

1. GENERAL

a. Establishment

PT Bank Rakyat Indonesia (Persero) Tbk (hereinafter referred to as "BRI") was established and started its commercial operations on December 18, 1968 based on Law No. 21 year 1968. On April 29, 1992, based on the Government of the Republic of Indonesia (the "Government") Regulation No. 21 year 1992, the legal status of BRI was changed to a limited liability corporation (Persero). The change in the status of BRI to become a limited liability corporation was documented by notarial deed No. 133 dated July 31, 1992 of notary Muhani Salim, S.H. and was approved by the Ministry of Justice of the Republic of Indonesia in its Decision Letter No. C2-6584.HT.01.01.TH.92 dated August 12, 1992 and published in Supplement No. 3A of the Republic of Indonesia State Gazette No. 73 dated September 11, 1992. BRI's Articles of Association was then amended by notarial deed No. 7 dated September 4, 1998 of notary Imas Fatimah, S.H., pertaining to Article 2 on "Term of Corporate Establishment" and Article 3 on "Purpose, Objectives and Business Activities" to comply with the provisions of Law No. 1 year 1995 on "Limited Liability Company" that was approved by the Ministry of Justice of the Republic of Indonesia in its Decision Letter No. C2-24930.HT.01.04.TH.98 dated November 13, 1998 and was published in Supplement No. 7216 of the Republic of Indonesia State Gazette No. 86 dated October 26, 1999 and notarial deed No. 7 dated October 3, 2003 of notary Imas Fatimah, S.H., among others, regarding the Company's status and compliance with the Capital Market Laws which were approved by the Ministry of Justice and Human Rights of the Republic of Indonesia in its Decision Letter No. C-23726 HT.01.04.TH.2003 dated October 6, 2003 and published in Supplement No. 11053 of the Republic of Indonesia State Gazette No. 88 dated November 4, 2003.

Based on Bank Indonesia's Decision Letter No. 5/117/DPwB2/PWPwB24 dated October 15, 2003, regarding "SK appointment of BRI as a foreign exchange commercial bank", BRI has been designated as a foreign bank through Letter of Monetary Board No. SEKRBRI/328 dated September 25, 1956.

Based on notarial deed No. 51 dated May 26, 2008 of notary Fathiah Helmi, S.H., BRI amended its Articles of Association, among others, to comply with the provisions of Law No. 40 year 2007 on "Limited Liability Company" and Capital Market and Financial Institution Supervisory Agency's ("Bapepam-LK") Regulation, whose function has been transferred to the Financial Services Authority ("OJK") starting January 1, 2013, No. IX.J.I on "The Main Provisions of the Articles of Association of a Company that Conduct Public Offering of Shares and Public Company", which was approved by the Ministry of Laws and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-48353.AH.01.02.Year 2008, dated August 6, 2008 and was published in Supplement No. 23079 of the Republic of Indonesia State Gazette No. 68 dated August 25, 2009.

Subsequently, BRI's Articles of Association has been amended several times, the last amendment was documented in Deed No. 1 dated April 1, 2015, on the adjustment of the Articles of Association to align with the applicable OJK regulation, made by Notary Fathiah Helmi, S.H., and was accepted and recorded in the Legal Administration System in accordance with the Decree of the Ministry of Laws and Human Rights of the Republic of Indonesia No. AHU-AH.01.03-0054353 dated April 8, 2015. According to Article 3 of the Articles of Association of BRI, BRI's scope of business is to conduct business in the banking sector, in accordance with the prevailing law and regulations, by implementing the principles of Limited Liability Company.

BRI is owned by the Indonesian government as the majority shareholder.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

1. GENERAL (continued)

b. Recapitalization Program

In realization of the recapitalization program for commercial banks, set forth in Government Regulation No. 52 year 1999 regarding the Increase in Investments in Shares by the Republic of Indonesia in State-Owned Banks, BRI received all the recapitalization with a nominal amount of Rp29,149,000 in the form of Government Recapitalization Bonds issued in 2 (two) tranches at their nominal amounts of Rp20,404,300 on July 25, 2000 and Rp8,744,700 on October 31, 2000 (Note 9).

Furthermore, as stated in the Management Contract dated February 28, 2001 between the Republic of Indonesia as represented by the Government through the Ministry of Finance and BRI, the Government determined that the recapitalization requirement amount of BRI to achieve a minimum Capital Adequacy Ratio of 4% was Rp29,063,531. Therefore, BRI has returned the excess of recapitalization amounted to Rp85,469 in the form of Government Recapitalization Bonds to the Republic of Indonesia on November 5, 2001.

On September 30, 2003, the Ministry of Finance issued Decision Letter No. 427/KMK.02/2003 dated September 30, 2003 regarding the final amount and the implementation of the Government's rights as a result of the additional investment of the Republic of Indonesia in the capital of BRI under the recapitalization program for commercial banks. Based on this Decision Letter, the Ministry of Finance affirmed that the final recapitalization requirement of BRI amounted to Rp29,063,531.

c. Initial Public Offering of Shares and Stock Split

In relation to BRI's Initial Public Offering ("IPO") of shares, based on the registration statement dated October 31, 2003, the Government, acting through the Ministry of State-Owned Enterprises agreed to conduct an IPO of 3,811,765,000 Series B common shares of BRI, consisting of 2,047,060,000 Series B common shares owned by the Republic of Indonesia (divestment) and 1,764,705,000 new Series B common shares, together with over-subscription option shares and over-allotment option shares.

The IPO consists of the International Public Offering (under Rule 144A of the Securities Act and "S" Regulation) and the Indonesian Public Offering. BRI submitted its registration to Bapepam-LK and such registration statement became effective based on the Chairman of Bapepam-LK letter No. S-2646/PM/2003 dated October 31, 2003.

BRI's IPO of shares consists of 3,811,765,000 shares with a nominal value of Rp500 (full Rupiah) per share and with a selling price of Rp875 (full Rupiah) per share. Subsequently, 381,176,000 shares under the over-subscription option and 571,764,000 shares under the over-allotment option at a price of Rp875 (full Rupiah) per share were exercised on November 10, 2003 and December 3, 2003, respectively. After BRI's IPO and the exercise of the over-subscription option and the over-allotment option by underwriters, the Republic of Indonesia owns 59.50% of shares of BRI. On November 10, 2003, the above mentioned offered shares were initially traded at the Jakarta and Surabaya Stock Exchanges (currently the Indonesia Stock Exchange) and all shares of BRI have been simultaneously listed (Note 30b).

Based on the notarial deed No. 38, dated November 24, 2010, notary Fathiah Helmi, S.H., stock split was performed of Rp500 (full Rupiah) per share to Rp250 (full Rupiah) per share. The deed was received and recorded in the Legal Administration database System of the Ministry of Laws and Human Rights of the Republic of Indonesia in its letter No. AHU.AH.01.10-33481 dated

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

1. GENERAL (continued)

c. Initial Public Offering of Shares and Stock Split (continued)

December 29, 2010. Stock split was performed in 2011 and BRI schedule that the end of trading shares with a previous nominal value or Rp500 (full Rupiah) per share in Regular and Negotiation Market is on January 10, 2011 and the date of commencement of legitimate trade with the new nominal value or Rp250 (full Rupiah) per share is on January 11, 2011.

d. Treasury Stock

BRI through its letter No. R.224-DIR/DIS/09/2015 dated September 25, 2015 submitted a request for approval of BRI's stock repurchase to OJK as many as Rp5,000,000, and has been approved by OJK through its letter No. S-101/PB.31/2015 dated October 6, 2015. Furthermore, BRI submitted information disclosure to the Indonesia Stock Exchange in connection with the share repurchase plan for shares that had been issued and listed on the Stock Exchange as many as Rp2,500,000 through its letter No. B.696-DIR/SKP/10/2015 dated October 9, 2015. The buyback is carried out within a period of 3 months between October 12, 2015 until January 12, 2016. As of December 31, 2015 and January 12, 2016, BRI purchased 210,118,600 shares and 221,718,000 shares (nominal value of Rp250 per share) with acquisition cost of Rp2,286,375 and Rp2,418,948, respectively (Note 30a).

e. Structure and Management

BRI's head office is located at BRI I Building, Jl. Jenderal Sudirman Kav. 44-46, Jakarta.

As of June 30, 2016, December 31, 2015, 2014 and 2013, BRI has the following networks of working unit (unaudited):

	June 30, 2016	December 31		
		2015	2014	2013
Regional Offices	19	19	19	18
Head Inspection Office	1	1	1	1
Regional Inspection Offices	19	19	18	17
Domestic Branch Offices	462	462	457	449
Special Branch Office	1	1	1	1
Overseas Branch/Representative Offices	4	4	3	3
Sub-branch Offices	603	603	584	565
Cash Offices	985	983	971	950
BRI Unit	5,362	5,360	5,293	5,144
Teras	3,191	3,178	3,067	2,671
Floating Teras	1	1	-	-

As of June 30, 2016 and December 31, 2015 BRI has 2 (two) overseas branch offices located in the Cayman Islands and Singapore, 2 (two) representative offices located in New York and Hong Kong, and 4 (four) subsidiaries, namely PT Bank BRISyariah, PT Bank Rakyat Indonesia Agroniaga Tbk, BRI Remittance Co. Ltd. Hong Kong and PT Asuransi Jiwa Bringin Jiwa Sejahtera, while as of December 31, 2014 and 2013, BRI has 1 (one) overseas branch office located in the Cayman Islands, 2 (two) representative offices located in New York and Hong Kong, and 3 (three) subsidiaries, namely PT Bank BRISyariah, PT Bank Rakyat Indonesia Agroniaga Tbk and BRI Remittance Co. Ltd. Hong Kong.

Based on the accounting policies of BRI, the coverage of BRI's key management are boards of commissioners, directors, audit committee, remuneration committee, the head of divisions, head of internal audit and inspectors, head of regionals, head of special branch and head of branch. The number of BRI's employees as of June 30, 2016, December 31, 2015, 2014 and 2013 amounted to 57,623, 54,859, 48,814 and 41,841 employees (unaudited), respectively.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

1. GENERAL (continued)

e. Structure and Management (continued)

The composition of the Board of Commissioners of BRI as of June 30, 2016 appointed based on the minutes of BRI's Annual Shareholders' General Meeting held on March 23, 2016, as stated under the Notarial Deed No. 31 of Notary Fathiah Helmi, S. H., the composition as of December 31, 2015 appointed based on BRI's Extraordinary Shareholders' General Meeting held on August 12, 2015, as stated under the Notarial Deed No. 12 of Notary Fathiah Helmi, S.H., the composition as of December 31, 2014 appointed based on the minutes of BRI's Extraordinary Shareholders' General Meeting held on July 10, 2014, as stated under the Notarial Deed No. 10 of Notary Fathiah Helmi, S. H., while the composition of the Board of Commissioners of BRI as of December 31, 2013 appointed based on the minutes of BRI's Annual Shareholders' General Meeting held on March 28, 2012, as stated under the Notarial Deed No. 41 of Notary Fathiah Helmi, S.H., are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
President/Independent Commissioner	Mustafa Abubakar	Mustafa Abubakar	Bunasor Sanim	Bunasor Sanim
Vice President Commissioner	Gatot Trihargo	Gatot Trihargo	Mustafa Abubakar ^{*)}	Mustafa Abubakar ^{*)}
Independent Commissioner	Adhyaksa Dault	Adhyaksa Dault	Adhyaksa Dault	Adhyaksa Dault
Independent Commissioner	Ahmad Fuad	Ahmad Fuad	Ahmad Fuad	Ahmad Fuad
Independent Commissioner	A. Fuad Rahmany	A. Fuad Rahmany	Hermanto Siregar	Aviliani
Independent Commissioner	A. Sonny Keraf	A. Sonny Keraf	-	-
Commissioner	Vincentius Sonny	Vincentius Sonny	Vincentius Sonny	Vincentius Sonny
	Loho	Loho	Loho	Loho
Commissioner	Jeffry J. Wurangian	Jeffry J. Wurangian	Dwijanti	Hermanto Siregar
			Tjahjaningsih	
Commissioner	Mahmud ^{**)}	-	Heru Lelono	Heru Lelono

^{*)} Concurrently as Vice President Commissioner and Independent Commissioner

^{**)} Subject to approval from the Financial Services Authority on the Fit and Proper Test and to meeting the applicable laws and regulations.

The composition of the Board of Directors of BRI as of June 30, 2016 appointed based on the minutes of BRI's Annual Shareholders' General Meeting held on March 23, 2016, as stated under the Notarial Deed No. 31 of Notary Fathiah Helmi, S. H., the composition of the Board of Directors of BRI as of December 31, 2015 appointed based on the minutes of BRI's Extraordinary Shareholders' General Meeting held on August 12, 2015, as stated under the Notarial Deed No. 12 of Notary Fathiah Helmi, S. H., and the composition of the Board of Directors of BRI as of December 31, 2014 and 2013 appointed based on the minutes of BRI's Annual Shareholders' General Meeting held on March 28, 2012, as stated under the Notarial Deed No. 57 of Notary Fathiah Helmi, S.H., are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
President Director	Asmawi Syam	Asmawi Syam	Sofyan Basir	Sofyan Basir
Vice President Director	Sunarso	Sunarso	-	-
Director	Randi Anto	Randi Anto	Randi Anto	Randi Anto
Director	Haru Koesmahargyo	Haru Koesmahargyo	Achmad Baiquni	Achmad Baiquni
Director	Zulhelfi Abidin	Zulhelfi Abidin	Sarwono Sudarto	Sarwono Sudarto
Director	Susy Liestiowaty	Susy Liestiowaty	Lenny Sugihat	Lenny Sugihat
Director	Kuswiyoto	Kuswiyoto	Asmawi Syam	Asmawi Syam
Director	Sis Apik Wijayanto	Agus Toni Soetirto	Agus Toni Soetirto	Agus Toni Soetirto
Director	Donsuwan Simatupang	Donsuwan Simatupang	Sulaiman Arif Arianto	Sulaiman Arif Arianto
Director	Priyastomo	Gatot Mardiwasiso	Gatot Mardiwasiso	Gatot Mardiwasiso
Director	Mohammad Irfan	Mohammad Irfan	Djarot Kusumayakti	Djarot Kusumayakti
Director	-	-	Suprajarto	Suprajarto

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

1. GENERAL (continued)

e. Structure and Management (continued)

The composition of BRI's Audit Committee as of June 30, 2016 appointed based on BRI's Directors' Decision Letter No. Kep. 95-DIR/KPS/02/2016 dated February 1, 2016 and Commissioners' Decision Letter No. B.202-KOM/12/2015 dated December 30, 2015, as of December 31, 2015 appointed based on BRI's Directors' Decision Letter No. Kep. 281-DIR/KPS/06/2015 dated June 15, 2015 and Commissioners' Decision Letter No. B.43-KOM/04/2015 dated April 7, 2015, as of December 31, 2014 appointed based on BRI's Directors' Decision Letter No. Kep. 549-DIR/KPS/10/2014 dated October 7, 2014 and Commissioners' Decision Letter No. B.110-KOM/08/2014 dated August 20, 2014, and as of December 31, 2013 appointed based on BRI's Directors' Decision Letter No. Kep. 649-DIR/SDM/06/2012 dated June 29, 2012 and Commissioners' Decision Letter No. B.61-KOM/06/2012 dated June 1, 2012 are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
Chairman	A. Fuad Rahmany	A. Fuad Rahmany	Bunasor Sanim	Bunasor Sanim
Member	Adhyaksa Dault	Adhyaksa Dault	Adhyaksa Dault	Adhyaksa Dault
Member	A. Sonny Keraf	A. Sonny Keraf	Hermanto Siregar	Hermanto Siregar
Member	Syahrir Nasution	Syahrir Nasution	Syahrir Nasution	Syahrir Nasution
Member	Pamuji Gesang Raharjo	-	H. C. Royke Singgih	H. C. Royke Singgih
Member	I Gde Yadnya Kusuma	-	Dedi Budiman Hakim	Dedi Budiman Hakim
Member	-	-	-	Ahmad Fuad
Member	-	-	-	Vincentius Sonny Loho

As of June 30, 2016 and December 31, 2015, the Corporate Secretary of BRI is Hari Siaga Amijarso based on Directors' Decision Letter No. Kep. 887-DIR/KPS/12/2015 dated December 21, 2015. As of December 31, 2014 and 2013, the Corporate Secretaries of BRI are Budi Satria and Muhammad Ali, respectively, based on Directors' Decision Letter No. Kep. 250-DIR/KPS/05/2014 dated May 8, 2014 and Directors' Decision Letter No. Kep. 20-DIR/SDM/12/2009 dated January 14, 2010, respectively.

As of June 30, 2016 and December 31, 2015, the Internal Audit Task Force Head is Saptono Siwi, based on BRI's Director Decision Letter No. Kep. 626-DIR/KPS/10/2015 dated October 22, 2015. As of December 31, 2014 and 2013, the Internal Audit Task Force Head is Ali Mudin based on BRI's Director Decision Letter No. Kpts.18/Dir.01.03/VII/2011 dated July 5, 2011.

f. Subsidiaries

PT Bank BRISyariah

On June 29, 2007, BRI entered into a Sale and Purchase of Shares Agreement with the shareholders of PT Bank Jasa Arta ("BJA") to acquire 100% of BJA's shares at a purchase price of Rp61 billion. Based on BRI's Shareholders' Extraordinary General Meeting, as stated under the notarial deed No. 3 dated September 5, 2007 of notary Imas Fatimah, S.H., the shareholders approved the above acquisition of BJA and subsequently obtained the approval of Bank Indonesia, according to letters No. 9/188/GBI/DPIP/Rahasia dated December 18, 2007 and No. 9/1326/DPIP/Prz dated December 28, 2007. The acquisition was completed on December 19, 2007 based on Acquisition Deed No. 61 of notary Imas Fatimah, S.H., whereby BRI acquired 99.99875% of the issued shares of BJA and 0.00125% was granted to BRI's Employee Welfare Foundation (Yayasan Kesejahteraan Pekerja BRI).

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

1. GENERAL (continued)

f. Subsidiaries (continued)

PT Bank BRISyariah (continued)

Based on notarial deed No. 45 dated April 22, 2008 of notary Fathiah Helmi, S.H., the name BJA was changed into PT Bank Syariah BRI ("BSB"). Based on the Governor of Bank Indonesia's Decision Letter No. 10/67/KEP.GBI/DpG/2008 dated October 16, 2008, BSB obtained the approval to change its business activities from a conventional bank into a commercial bank that conducts business activities based on Sharia principles. Within 60 (sixty) days from the decision date, BSB was obliged to perform its business activities based on Sharia principles and within a maximum of 360 (three hundred sixty) days from the decision date, BSB was obliged to settle all its loan receivables and debtor or customer liabilities from the previous conventional banking activities.

On December 19, 2008, BRI has entered into a spin-off agreement to transfer the assets and liabilities of BRI's Sharia Business Unit ("UUS BRI") to BSB, based on notarial deed No. 27, dated December 19, 2008 on "The Spin-Off Agreement of BRI's Sharia Business Unit into PT Bank Syariah BRI" of notary Fathiah Helmi, S.H., with effective date on January 1, 2009. As a result of the spin-off as of the effective date:

1. All assets and liabilities of UUS BRI in possession of BRI by operation of law were transferred and become the rights, liabilities or expenditures to be operated under BSB's responsibility as the receiving entity.
2. All of the UUS BRI's operations, business and office activities by operation of law were transferred to and/or operated under BSB's benefit, loss and responsibility.
3. All of the UUS BRI's rights, claims, authorities and liabilities based on any agreements, actions or existing which were made, performed, or which occurred on or before the effective date of the spin-off including but not limited to the stated list of assets and liabilities of UUS BRI and all legal relations between UUS BRI and other parties by operation of law, have been transferred to and run or operated under BSB's benefit, loss and responsibility.

Based on BSB's Shareholders' Statements of Agreement as stated in notarial deed No. 18 of notary Fathiah Helmi, S.H., dated April 14, 2009, the name of PT Bank Syariah BRI was changed to PT Bank BRISyariah ("BRIS") as approved by the Governor of Bank Indonesia's Decision Letter No. 11/63/KEP.GBI/DpG/2009 dated December 15, 2009.

BRIS' Articles of Association has been amended several times. The latest amendment was documented in PT Bank BRISyariah's Shareholders' Statements of Agreement as stated in notarial deed No. 1 of notary Fathiah Helmi, S.H., dated August 4, 2015, notary in Jakarta, regarding the addition of the issued and fully paid capital. The amendment was accepted and recorded by the Ministry of Laws and Human Rights of the Republic of Indonesia Letter No. AHU-AH.01.03-0954202 dated August 4, 2015.

According to Article 3 of BRIS' latest Articles of Association, the scope of BRIS' business is to conduct banking business based on Sharia principles.

Total assets of BRIS as of June 30, 2016, December 31, 2015, 2014 and 2013, is amounted to Rp24,953,937, Rp24,245,788, Rp20,341,033 and Rp17,400,914 or 2.75%, 2.76%, 2.54% and 2.78%, respectively, of the consolidated total assets. Total fund management income for six-month period ended June 30, 2016 and 2015 and the year ended December 31, 2015, 2014 and 2013 amounted to Rp1,298,525, Rp1,203,326, Rp2,426,292, Rp2,056,602 and Rp1,737,511 or 2.69%, 2.90%, 2.84%, 2.74% and 2.92%, respectively, of total consolidated interest, sharia, and premium income.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

1. GENERAL (continued)

f. Subsidiaries (continued)

PT Bank BRISyariah (continued)

BRISyariah has 2,982, 2,997, 2,749 and 2,361 employees (unaudited) as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively.

BRISyariah's head office is located at Jl. Abdul Muis No. 2-4, Central Jakarta, and has 54 domestic branch offices and 206 sub-branch offices.

PT Bank Rakyat Indonesia Agroniaga Tbk (BRI Agro)

On August 19, 2010, BRI entered into Sale and Purchase of Shares Agreement (PPJB) with the Agricultural Estate Pension Fund (Dapenbun), as the owner of 95.96% shares of BRI Agro, to acquire the shares of BRI Agro with total nominal value of Rp330,296 for 3,030,239,023 shares at a price of Rp109 (full Rupiah) per share. After the acquisition, the shareholdings of BRI Agro's investors comprise of 76% by BRI, 14% by Dapenbun and 10% by the public.

The shareholders approved the acquisition of BRI Agro based on BRI's Shareholders' Extraordinary General Meeting according to notarial deed No. 37 dated November 24, 2010 of notary Fathiah Helmi, S.H. Bank Indonesia also granted approval of the acquisition in its Letter No. 13/19/GBI/DPIP/Rahasia dated February 16, 2011. The acquisition was completed on March 3, 2011 based on the notarial deed No. 14 of notary Fathiah Helmi, S.H., whereby BRI owned 88.65% of the total issued and fully paid shares of BRI Agro, as stated in notarial deed No. 68 dated December 29, 2009, of notary Rusnaldy, S.H. The above mentioned matter also considered the effects of Series I Warrants which are exercisable up to May 25, 2011.

In compliance with Bapepam-LK's Regulation No. IX.H.1, Attachment to Decision of Chairman of Bapepam-LK No. Kep-259/BL/2008 dated June 30, 2008 regarding "Public Company Takeovers", BRI, as the new controlling shareholder of BRI Agro, is required to conduct mandatory Tender Offer for the remaining BRI Agro's shares which are owned by the public. The Tender Offer statement became effective May 4, 2011 based on Chairman of Bapepam-LK's letter No. S-4985/BL/2011 and was announced on two daily newspapers, *Bisnis Indonesia* and *Investor Daily*, both on May 5, 2011. The Tender Offer period commenced on May 5, 2011 and concluded on May 24, 2011. On the closing date of the Tender Offer period, BRI acquired 113,326,500 additional shares (3.15% of the total shares of BRI Agro). The price used for the Tender Offer is at Rp182 (full Rupiah) per share.

On July 1, 2011, BRI enacted the sale of 256,375,502 shares to Dapenbun as a result of Dapenbun's exercise of its buy option at a price of Rp109 (full Rupiah) per share. Based on Bapepam-LK's Regulation No. IX.H.1, the re-transfer period of the Tender Offer is within a maximum period of 2 (two) years, however, in the case of BRI Agro, BRI shall meet the minimum public shareholding of 10% no later than May 24, 2013. This is in compliance with the letter received from the Indonesia Stock Exchange No. S-06472/BEI.PPJ/09-2011 dated September 23, 2011. As of December 31, 2011, total shares of BRI Agro which has been transferred back to the public comprised of 500,000 shares, reducing BRI's ownership to 79.78% while maintaining Dapenbun's ownership at 14%. During 2012 and 2013 there were no sale of shares occurred, whereas subsequently in 2014 there is a sale of 130,000 shares, thus, as of December 31, 2014, the required percentage of public ownership based on the Indonesia Stock Exchange Letter No. S-06472/BEI.PPJ/09-2011 dated September 23, 2011 of 10% by May 24, 2013 could not be met by BRI due to BRI Agro's inactive share prices in the stock market.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

1. GENERAL (continued)

f. Subsidiaries (continued)

PT Bank Rakyat Indonesia Agroniaga Tbk (BRI Agro) (continued)

Based on the notarial deed of Meeting Decision Statement No. 30 dated May 16, 2012 of notary Rusnaldy, S.H., PT Bank Agroniaga Tbk changed its name to PT Bank Rakyat Indonesia Agroniaga Tbk ("BRI Agro") and has been approved by Bank Indonesia on its Governor's Decision Letter No. 14/72/KEP.GBI/2012 dated October 10, 2012.

On May 10, 2013, BRI Agro submitted Registration Statement of Limited Public Offering IV ("PUT IV") to the Board of Commissioners of OJK in connection with the issuance of Preemptive Rights of 3,846,035,599 Common Shares with par value of Rp100 (full amount) per share. On June 26, 2013, the Board of Commissioners of OJK through its letter No. S-186/D.04/2013, approved the Statement of Registration for a Limited Public Offering IV, thus increasing the number of its issued capital stock by 3,832,685,599 shares.

As a results of PUT IV, BRI Agro's Articles of Association was amended as stated in notarial deed of Meeting Decision Statement No. 107 dated July 30, 2013, of Notary M. Nova Faisal, S.H., M.Kn, regarding the increase of issued and fully paid capital, increasing BRI's ownership to 80.43%, Dapenbun to 14.02% and the public to 5.55%. This amendment was approved by the Ministry of Laws and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-0074249.AH.01.09.Year 2013 dated August 1, 2013.

On May 11, 2015, BRI Agro submitted Registration Statement of Limited Public Offering V ("PUT V") to the Board of Commissioners of OJK in connection with the issuance of Preemptive Rights of 5,588,085,883 Common Shares with par value of Rp100 (full amount) per share. On June 17, 2015, the Board of Commissioners of OJK through its letter No. S-259/D.04/2015 notified BRI Agro that its Statement of Registration for a Limited Public Offering V has become effective, thus increasing the number of its issued capital stock by 4,028,934,521 shares.

As a results of PUT V, BRI Agro's Articles of Association was amended as stated in notarial deed of Meeting Decision Statement and Amendment of Articles of Association No. 68 dated July 14, 2015, of Notary M. Nova Faisal, S.H., M.Kn, regarding the increase of issued and fully paid capital, increasing BRI's ownership to 87.23%, Dapenbun to 9.10% and the public to 3.67%. This amendment was accepted and recorded by the Ministry of Laws and Human Rights of the Republic of Indonesia in its Acceptance Letter of PT Bank Rakyat Indonesia Agroniaga Tbk Articles of Association Amendment Notice No. AHU-AH.01.03-0951264 dated July 14, 2015.

Total assets of BRI Agro as of June 30, 2016, December 31, 2015, 2014 and 2013 amounted to Rp9,402,340, Rp8,361,735, Rp6,388,305 and Rp5,124,070 or 1.04%, 0.95%, 0.80% and 0.82%, respectively, of the consolidated total assets. Total interest income for the six-month period ended June 30, 2016 and the year ended December 31, 2015, 2014 and 2013 amounted to Rp441,649, Rp786,710, Rp598,344 and Rp420,623 or 0.91%, 0.92%, 0.80% and 0.71%, respectively, of the consolidated interest, sharia and premium income.

In accordance with Article 3 of its Articles of Association, BRI Agro's scope of business is to conduct commercial banking activities.

BRI Agro, based on Letter of Bank Indonesia No. 22/1037/UUps/Ps6D dated December 26, 1989, obtained its license as a Commercial Bank.

BRI Agro has 416, 398, 366 and 356 employees (unaudited) as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

1. GENERAL (continued)

f. Subsidiaries (continued)

PT Bank Rakyat Indonesia Agroniaga Tbk (BRI Agro) (continued)

BRI Agro's head office is located at BRI Agro Building, Jl. Warung Jati Barat No.139, Jakarta, and has 16 branch offices and 18 sub-branch offices.

BRI Remittance Co. Limited Hong Kong (BRI Remittance)

On December 16, 2011, BRI entered into the Instrument of Transfer and the Bought and Sold Notes to acquire 100% of BRIngin Remittance Co. Ltd. (BRC) Hong Kong shares (equivalent to 1,600,000 shares) at a purchase price of HKD1,911,270. This acquisition was legalized by the Inland Revenue Department (IRD) Hong Kong with stamp duty dated December 28, 2011 and approved by Bank Indonesia in its letter No. 13/32/DPB1/TPB1-3/Rahasia dated December 1, 2011.

According to the Annual General Meeting of BRIngin Remittance Co. Ltd. dated July 2, 2012, and the issuance of a Certificate of Change of Name No. 961091 dated October 11, 2012 by the Registrar of Companies Hong Kong Special Administrative Region, the name BRIngin Remittance Co. Ltd. was officially changed to BRI Remittance Co. Ltd. Hong Kong.

Total assets of BRI Remittance as of June 30, 2016, December 31, 2015, 2014 and 2013 amounted to Rp6,117 atau 0.0007%, Rp5,832 atau 0.0007%, Rp4,946 atau 0.0006%, dan Rp4,124 atau 0.0007%, respectively, of the consolidated total assets.

BRI Remittance's scope of business is to conduct commercial remittance activities.

BRI Remittance has 4 employees (unaudited) as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively.

BRI Remittance's head office is located at Lippo Centre, Tower II, 89 Queensway, Admiralty, Hong Kong.

PT Asuransi Jiwa Bringin Jiwa Sejahtera

On October 6, 2015, BRI has signed the Sale and Purchase of Shares Agreement with the shareholders of PT Asuransi Jiwa Bringin Jiwa Sejahtera ("BJS") to acquire 91.001% shares of BJS at a purchase price amounting to Rp1,626,643. Based on BRI's Extraordinary Shareholders' General Meeting in accordance with the Notarial Deed No. 14 dated December 14, 2015 of notary Fathiah Helmi, S.H., the shareholders have approved the acquisition of the BJS and has also received approval from OJK through its letter No. S-151/PB.31/2015 dated December 23, 2015. The acquisition was completed on December 29, 2015 based on Notarial Deed No. 41 of notary Fathiah Helmi, S.H. on the Acquisition of Shares in PT Asuransi Jiwa Bringin Jiwa Sejahtera, whereby BRI has 91.001% of the total issued shares of BJS and 8.999% of it submitted to the BRI Workers Welfare Foundation.

BJS' Articles of Association has been amended several times. The latest amendment was documented in Notarial Deed No. 15 dated July 13, 2015, of notary Yulizar Azhar S.H., M Hum., notary in South Jakarta, regarding the acquisition of shares, amendment to the Articles of Association and changes in the Company's Management. The amendment was accepted and recorded by the Ministry of Laws and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU.01.03-0956295 dated August 12, 2015.

According to Article 3 of BJS' latest Articles of Association, the scope of BJS' business is to conduct business in the life insurance sector.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

1. GENERAL (continued)

f. Subsidiaries (continued)

PT Asuransi Jiwa Bringin Jiwa Sejahtera (continued)

BJS received a license to open Sharia branch offices and units in accordance with the Decision Letter of the Ministry of Finance No. KEP-007/KM.6/2003 dated January 21, 2003.

Total assets of BJS as of June 30, 2016 and December 31, 2015 amounted to Rp5,617,937 or 0.62% and Rp5,038,764 or 0.57%, respectively, of the consolidated total assets. Total premium income for the six-month period ended June 30, 2016 amounted Rp1,570,400 or 3.25% of total consolidated interest income.

BJS has 396 and 388 employees (unaudited) as of June 30, 2016 and December 31, 2015.

BJS' head office is located at Graha Irama Building 15th floor Jl. H.R Rasuna Said Blok X-1 Kav 1 and 2, Jakarta, and has 7 regional offices with a total of as many as 34 conventional sales offices and 11 sharia unit sales offices.

2. SUMMARY OF ACCOUNTING POLICIES

a. Basis of preparation of the consolidated financial statements

Statement of Compliance

The consolidated financial statements as of and for the six-month period ended June 30, 2016 were prepared and presented in accordance with Indonesian Financial Accounting Standards, which includes the Statements and Interpretations issued by the Financial Accounting Standards Board of the Indonesian Institute of Accountants and Bapepam-LK's Regulation No. VIII.G.7, Appendix of the Decision of the Chairman of Bapepam-LK No. KEP-347/BL/2012 dated June 25, 2012 regarding the "Guidelines on Financial Statements Presentations and Disclosures for Issuers or Public Companies".

The consolidated financial statements have been prepared in accordance with SFAS No. 1 (Revised 2013), "Presentation of Financial Statements" effective since January 1, 2015.

BRIS (Subsidiary), which is engaged in banking activities based on Sharia principles, presents its financial statements according to SFAS No. 101 on "Sharia Financial Statements Presentation", SFAS No. 102 (Revised 2013) on "Accounting for *Murabahah*", SFAS No. 104 on "Accounting for *Istishna*", SFAS No. 105 on "Accounting for *Mudharabah*", SFAS No. 106 on "Accounting for *Musyarakah*" and SFAS No. 107 on "Accounting for *Ijarah*", which supersede SFAS No. 59 on "Accounting for Sharia Banking" associated with recognition, measurement, presentation and disclosure for the respective topics, SFAS No. 110 on "Accounting for *Sukuk*" and the Indonesia Sharia Banking Accounting Guidelines (PAPSI) issued by Bank Indonesia and Indonesian Institute of Accountants (IAI).

The consolidated financial statements have been prepared on a historical cost basis, except for some accounts that were assessed using another measurement basis as explained in the accounting policies of the account. The consolidated financial statements have been prepared on accrual basis, except for the revenue from *istishna* and the profit sharing from the *mudharabah* and *musyarakah* financing and the consolidated statement of cash flows.

The consolidated statement of cash flows has been prepared using the direct method with cash flows classified into operating, investing and financing activities. For purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash, current accounts with

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

a. Basis of preparation of the consolidated financial statements (continued)

Statement of Compliance (continued)

Bank Indonesia and current accounts with other banks, placements with Bank Indonesia and other banks, Certificates of Bank Indonesia and Deposits Certificates of Bank Indonesia maturing within 3 (three) months from the date of acquisition, provided they are neither pledged as collateral for fund borrowings nor restricted.

The presentation currency used in the consolidated financial statements is the Indonesian Rupiah (Rp). Unless otherwise stated, all figures presented in the consolidated financial statements are rounded off to millions of Rupiah.

b. Principles of Consolidation

The consolidated financial statements include the financial statements of BRI and its Subsidiaries whose majority shares are owned or controlled by BRI.

Where control over a subsidiary began or ceased during the year, the results of operations of a Subsidiary are included in the consolidated financial statements only from the date that control was acquired or up to the date that control has ceased.

Control is acquired when BRI is exposed, or has rights to variable returns from its involvement with a subsidiary and has the ability to affect those returns through its power over a subsidiary.

BRI controls a subsidiary if, and only if, BRI has the following:

- a) Power over a subsidiary (existing rights that provide the current ability to direct the relevant activities that significantly affect returns of a subsidiary).
- b) Exposure, or rights to variable returns from its involvement with a subsidiary.
- c) The ability to use its power over the subsidiary to affect BRI's returns.

All significant balances and transactions, including unrealized gains/losses are eliminated to reflect the consolidated financial position and results of operations of BRI and Subsidiaries as a single entity.

The consolidated financial statements are prepared using uniform accounting policies for transactions and events in similar circumstances. If the Subsidiaries' financial statements use accounting policies which are different from those adopted in the consolidated financial statements, appropriate adjustments are made to the Subsidiaries' financial statements.

The non-controlling interest represents the non-controlling shareholders' proportionate share in the net income and equity of the Subsidiaries based on the percentage of ownership of the non-controlling shareholders in the Subsidiaries.

c. Financial assets and financial liabilities

Financial assets consist of cash, current accounts with Bank Indonesia, current accounts with other banks, placements with Bank Indonesia and other banks, securities, export bills, Government Recapitalization Bonds, securities purchased under agreement to resell, derivatives receivable, loans, acceptances receivable, investment in entities at cost method and other assets.

Financial liabilities consist of liabilities due immediately, deposits from customers, deposits from other banks and financial institutions, securities sold under agreement to repurchase, derivatives payable, acceptances payable, marketable securities issued, fund borrowings, other liabilities and subordinated loans.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

c. Financial assets and financial liabilities (continued)

(i) Classification

BRI classifies its financial assets in the following categories at initial recognition:

- Financial assets held at fair value through profit or loss, which have 2 (two) sub-classifications, i.e. financial assets designated as such upon initial recognition and financial assets classified as held for trading;
- Loans and receivables;
- Held to maturity investments; and
- Available for sale investments

Financial liabilities are classified into the following categories at initial recognition:

- 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;
- Other financial liabilities that are not classified as financial liabilities at fair value through profit or loss are categorized and measured at amortized cost.

Classes of financial assets and liabilities at fair value through profit or loss consist of financial assets or liabilities held for trading which BRI acquires or incurs principally for the purpose of selling or repurchasing in the near term, or holds as part of a financial instrument portfolio that is managed together for short-term profit or position taking.

Loans and receivables are non-derivatives financial assets with fixed or determinable payments that are not quoted in an active market, other than:

- those that BRI intends to sell immediately or in the short term, which are classified as held for trading and those that BRI upon initial recognition designates as at fair value through profit or loss;
- those that BRI upon initial recognition designates as available for sale investments; or
- those for which BRI may not recover substantially all of its initial investment, other than because of loans and receivables deterioration, which classified as available for sale.

Held to maturity investments consist of quoted non-derivatives financial assets with fixed or determinable payments and fixed maturity that BRI has the positive intention and ability to hold to maturity. Investments intended to be held for an undetermined period are not included in this classification.

The available for sale investments consists of non-derivatives financial assets that are designated as available for sale or are not classified in one of the other categories of financial assets.

After initial recognition, available for sale investments are measured at fair value with gains or losses being recognized as part of equity until the investment is derecognized or until the investment is determined to be impaired at which time the cumulative gains or losses previously reported in equity is included in the consolidated statement of profit or loss and other comprehensive income. The effective yield and (where applicable) results of foreign exchange restatement for available for sale investments are reported in the consolidated statement of profit or loss and other comprehensive income.

Other financial liabilities pertain to financial liabilities that are neither held for trading nor designated at fair value through profit or loss upon recognition of the liability.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

c. Financial assets and financial liabilities (continued)

(ii) Initial recognition

- a. Purchase or sale of financial assets that requires delivery of assets within a time frame established by regulation or convention in the market (regular purchases) is recognized on the settlement date.
- b. Financial assets and financial liabilities are initially recognized at fair value. For those financial assets or financial liabilities not measured at fair value through profit or loss, the fair value includes directly attributable transaction costs. The subsequent measurement of financial assets and financial liabilities depends on their classification.

Transaction costs only include costs that are directly attributable to the acquisition of a financial asset or issuance of a financial liability and an additional charge that would not occur if the instrument is not acquired or issued. For financial assets, transaction costs are added to the amount recognized in the initial recognition of the asset, while for financial liabilities, transaction costs are deducted from the amount of debt recognized on initial recognition of a liability. The transaction costs are amortized over the terms of the instrument based on the effective interest rate method and recorded as part of interest income for transaction costs related to the asset or as part of interest expense for transaction costs related to financial liabilities.

BRI, upon initial recognition, may designate certain financial assets at fair value through profit or loss (fair value option). The fair value option is only applied when the following conditions are met:

- the application of the fair value option reduces or eliminates an accounting mismatch that would otherwise arise; or
- the financial assets are part of a portfolio of financial instruments, the risk of which are managed and reported to key management on a fair value basis; or
- the financial assets consist of a host contract and embedded derivatives that must be bifurcated.

The fair value option is applied to certain loans and receivables that are hedged with credit derivatives or interest rate swap, but for which the hedge accounting conditions are not fulfilled. Otherwise, the loans would be accounted for at amortized cost, while the derivatives are measured at fair value through profit or loss.

The fair value option is also applied to investment funds that are part of a portfolio managed on a fair value basis. Furthermore, the fair value option is applied to structured investments that include embedded derivatives.

(iii) Subsequent measurement

Available for sale financial assets and financial assets and liabilities at fair value through profit or loss are subsequently measured at fair value.

Loans and receivables, held to maturity investments and financial liabilities measured at amortized cost are measured at amortized cost using the effective interest rate method.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

c. Financial assets and financial liabilities (continued)

(iv) Derecognition

a. Financial assets are derecognized when:

- The contractual rights to receive cash flows from the financial assets have expired; or
- BRI has transferred its rights to receive cash flows from the financial assets or has assumed an obligation to pay the cash flows in full without material delay to a third party under a “pass-through” arrangement; and either (a) BRI has substantially transferred all the risks and rewards of the assets, or (b) BRI has neither transferred nor retained substantially all risks and rewards of the assets, but has transferred control of the assets.

When BRI has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of BRI’s continuing involvement in the asset.

Loans are written off when there is no realistic prospect of collection in the near future or the normal relationship between BRI and the debtors has ceased to exist. When a loan is deemed uncollectible, it is written off against the related allowance for impairment losses.

b. Financial liabilities are derecognized when they end, i.e. when the obligation under the liability is discharged, cancelled or expired.

Where an existing financial liability is replaced by another from the same creditor on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability and the difference in the respective carrying amounts is recognized in the consolidated statement of profit or loss and other comprehensive income.

(v) Income and expense recognition

a. Interest income and interest expense on available for sale assets and financial assets and liabilities measured at amortized cost, are recognized in the consolidated statement of profit or loss and other comprehensive income using the effective interest rate method.

b. Gains and losses arising from changes in the fair value of the financial assets and liabilities held at fair value through profit or loss are included in the consolidated statement of profit or loss and other comprehensive income.

Gains and losses arising from changes in the fair value of available for sale financial assets are recognized directly in equity, except for impairment losses and foreign exchange gains and losses, until the financial asset is derecognized or impaired.

When a financial asset is derecognized or impaired, the cumulative gains or losses previously recognized in equity should be reclassified to consolidated statement of profit or loss and other comprehensive income.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

c. Financial assets and financial liabilities (continued)

(vi) Reclassification of financial assets

BRI is not allowed to reclassify any financial instrument out of the fair value through profit or loss category, if upon initial recognition it was designated by BRI as measured at fair value through profit or loss.

BRI is not allowed to classify any financial assets as held to maturity investments, if the entity has, during the current financial year or during the 2 (two) preceding financial years, sold or reclassified a significant amount of held to maturity investments before maturity (more than an insignificant amount in relation to the total amount of held to maturity investments) other than sales or reclassifications that:

- a. are so close to maturity or the financial asset's repurchase date that changes in the market rate of interest would not have a significant effect on the financial asset's fair value;
- b. occur after BRI has collected substantially all of the original principal of the financial assets through scheduled payments or prepayments; or
- c. are attributable to an isolated event that is beyond BRI's control, is non-recurring and could not have been reasonably anticipated by BRI.

(vii) Offsetting

Financial assets and liabilities are offset and the net amount is presented in the consolidated statement of financial position if and only if, BRI has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted by the accounting standards.

(viii) 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 rate method of any difference between the initial amount recognized and the maturity amount, minus any reduction for impairment.

(ix) Fair value measurement

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.

The fair value measurement is based on the presumption that the transaction to sell an asset or paid to transfer a liability takes place either:

- In the principal market for the assets and liabilities; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when determining the price of the asset and liability assuming that market participants act in their own economic best interest.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

c. Financial assets and financial liabilities (continued)

(ix) Fair value measurement (continued)

A fair value measurement of non-financial assets considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to other market participants would use the asset in its highest and best use.

BRI and subsidiaries uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are classified within fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted (unadjusted) market prices in active markets for identical assets or liabilities accessible at the measurement date.
- Level 2: inputs other than quoted prices included in level 1 for the asset and liability, which is directly or indirectly observable.
- Level 3: unobservable inputs for the asset and liability.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, BRI determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the fair value disclosures purposes, BRI has determined classes of assets and liabilities based on the nature, characteristics, risks of the asset and liability, and the level of the fair value hierarchy (Note 39).

(x) *Sukuk* Financial Asset

Since January 1, 2016, at initial recognition, the Bank determines the classification of investments in *sukuk ijarah* and *mudharabah* either measured at cost, fair value through other comprehensive income or fair value through profit or loss.

Before January 1, 2016, at initial recognition, the Bank determines the classification of investments in *sukuk* either measured at cost or fair value through profit or loss.

Sukuk classifications are as follows:

- a. Measured at amortized cost
 - The investment is held in a business model whereby the primary goal is to obtain contractual cash flows and has contractual terms in determining the specific date of principal payments and or the results.
 - *Sukuk* acquisition cost includes transaction cost and the difference between the acquisition cost and the nominal value is amortized on a straight-line basis

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

c. Financial assets and financial liabilities (continued)

(x) *Sukuk* Financial Asset (continued)

Sukuk classifications are as follows (continued):

b. Measured at fair value through other comprehensive income

- The investment is held in a business model whereby the primary goal is to obtain contractual cash flows and to sell the Sukuk, and has contractual terms in determining the specific date of principal payments and or the results.
- Sukuk acquisition cost includes transaction cost and the difference between acquisition cost and the nominal value is amortized on a straight-line basis over the period of the sukuk and is recognized in profit or loss.
- Gain or loss from changes of fair value is recognized in other comprehensive income after considering unamortized difference of acquisition cost and nominal value and accumulated gain or loss of fair value which has previously recognized in other comprehensive income. When sukuk is derecognized, accumulated gain or loss which has previously recognized in other comprehensive income is reclassified to profit or loss.

c. Measured at fair value through profit or loss

Sukuk acquisition cost excludes transaction cost and the difference between fair value and the carrying value is recognized in profit or loss.

d. Transactions with related parties

BRI and Subsidiaries engage in transactions with related parties as defined in SFAS No. 7 (Revised 2010) on "Related Party Disclosures".

A party is considered a related party to BRI and Subsidiaries if:

- 1) directly or indirectly, through one or more intermediaries, a party (i) controls, or controlled by, or under common control with BRI and Subsidiaries; (ii) has an interest in BRI and Subsidiaries that provides significant influence on BRI and Subsidiaries or (iii) has joint control over BRI and Subsidiaries;
- 2) it is a member of the same group as BRI and Subsidiaries;
- 3) it is a joint venture of a third party in which BRI and Subsidiaries have ventured in;
- 4) it is a member of key management personnel in BRI and Subsidiaries;
- 5) it is a close family member of the individual described in clause (1) or (4);
- 6) it is an entity that is controlled, jointly controlled or significantly influenced by or for whom has significant voting rights in several entities, directly or indirectly, by the individual described in clause (4) or (5); and
- 7) it is a post-employment benefit plan for the employees benefit of either BRI and Subsidiaries or entities related to BRI and Subsidiaries.

Transactions with related parties are made on the same term and conditions as those transactions with third parties. All transaction done by BRI have complied with Bapepam-LK Regulation No. IX.E.1 regarding "The affiliate transactions and conflict of interest of certain transactions", at the time the transaction were made. All material transactions and balances with related parties are disclosed in the relevant notes to the consolidated financial statements and the details have been presented in Note 43 of the consolidated financial statements. Furthermore, material transactions and balances between BRI and Subsidiaries and the Government of the Republic of Indonesia (RI) and other entities related to the Government of the Republic of Indonesia are also disclosed in Note 43.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

e. Allowance for impairment losses on financial assets

On each consolidated statement of financial position reporting date, BRI assesses whether there is an objective evidence that financial assets not carried at fair value through profit or loss are impaired.

Financial assets are impaired when an objective evidence demonstrate 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 of the financial asset that can be estimated reliably.

The criteria used by the entity to determine the existence of an objective evidence of impairment loss include:

- a) significant financial difficulty of the issuer or obligor;
- b) a breach of contract, such as a default or delinquency in interest or principal payments;
- c) the creditor, for economic or legal reasons relating to the debtor's financial difficulty, grants the debtor a concession that the creditor would not otherwise consider;
- d) it becomes probable that the debtor will enter into bankruptcy or other financial reorganization;
- e) the disappearance of an active market for that financial asset because of financial difficulties; or
- f) observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:
 - 1) adverse changes in the payment status of debtors in the portfolio; and
 - 2) national or local economic conditions that correlate with defaults on the assets in the portfolio.

The estimated period between the occurrence of the event and identification of loss is determined by management for each identified portfolio. In general, the periods used vary between 3 (three) months and 12 (twelve) months; in exceptional cases, longer periods are warranted.

BRI first assesses whether an objective evidence of impairment exists individually for financial assets that are individually significant or collectively, for financial assets that are not individually significant. If BRI determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment.

Financial assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in the collective assesment of impairment.

BRI determines the loans to be evaluated for impairment through individual evaluation if one of the following criteria is met:

1. Loans which individually have significant value and an objective evidence of impairment;
2. Restructured loans which individually have significant value.

Based on the above criteria, BRI performs individual assessment for: (a) Corporate and middle loans with collectibility classification of substandard, doubtful and loss; or (b) Restructured corporate and middle loans.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

e. Allowance for impairment losses on financial assets (continued)

BRI determines loans to be evaluated for impairment through collective evaluation if one of the following criteria is met:

1. Loans which individually have significant value but there is no objective evidence of impairment;
2. Loans which individually have insignificant value;
3. Restructured loans which individually have insignificant value.

Based on the above criteria, BRI performs collective assessment for: (a) Corporate and middle loans with collectibility classification of current and special mention which have never been restructured; or (b) Retail and consumer loans.

Calculation of allowance for impairment losses on financial assets assessed collectively grouped based on similar credit risk characteristics and taking into account the loan segmentation based on historical loss experience and the possibility of failure (probability of default). Loans that have historical loss data and information that is categorized as a disaster prone areas by the Government of the Republic of Indonesia and supported by internal policies of BRI, the calculation of allowance for impairment losses is done by calculating the overall loss rate which include the actual loss rate plus the risk factors associated relevant based on a survey conducted periodically to external and internal parties of BRI.

BRI uses the migration analysis method, which is a statistical model analysis method to collectively assess allowance for impairment losses on loans. Under this method, BRI uses 3 (three) years moving average historical data to compute the Probability of Default (PD) and Loss of Given Default (LGD).

BRI uses the fair value of collateral as the basis for future cash flow if one of the following conditions is met:

1. Loans are collateral dependent, i.e. if the source of loans repayment is made only from the collateral;
2. Foreclosure of collateral is most likely to occur and supported by legally binding collateral agreement.

Impairment losses on financial assets carried at amortized cost are measured as the difference between the carrying amount of the financial assets and present value of estimated future cash flows discounted at the financial assets original effective interest rate. If loans or held to maturity securities and Government Recapitalization Bonds have a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

As a practical guideline, BRI may measure impairment on the basis of an instrument's fair value using an observable market price, 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, whether or not foreclosure is probable.

Losses are recognized in the consolidated statement of profit or loss and other comprehensive income and reflected in an allowance for impairment losses account against financial assets carried at amortized cost.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

e. Allowance for impairment losses on financial assets (continued)

Interest income on the impaired financial assets 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 previously recognized must be recovered and the recovery is stated in the consolidated statement of profit or loss and other comprehensive income.

For financial assets classified as available for sale, BRI assesses on each consolidated statement of financial position reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity instruments, a significant or prolonged decline in the fair value of the security below its cost is an objective evidence of impairment resulting in the recognition of an impairment loss. Impairment losses on available for sale marketable securities are recognized by transferring the cumulative loss that has been recognized directly in equity to the statement of profit or loss and other comprehensive income. The cumulative loss that has been removed from equity and recognized in the statement of profit or loss and other comprehensive income 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 statement of profit or loss and other comprehensive income.

Impairment losses recognized in the consolidated statement of profit or loss and other comprehensive income on available for sale equity instruments should not be recovered through a reversal of a previously recognized impairment loss in the current year consolidated statement of profit or loss and other comprehensive income.

If in a subsequent period, the fair value of debt instrument classified as available for sale securities increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in the consolidated statement of profit or loss and other comprehensive income, the impairment loss is reversed, with the amount of reversal recognized in the consolidated statement of profit or loss and other comprehensive income.

If the terms of the loans, receivables or held to maturity securities are renegotiated or otherwise modified because of financial difficulties of the debtor or issuer, impairment is measured using the original effective interest rate before the modification of terms.

If in the next period, the amount of allowance for impairment losses is decreased and the decrease can be related objectively to an event that occurred after the recognition of the impairment losses (i.e. upgrade debtor's or issuer's collectibility), the impairment loss that was previously recognized has to be reversed, by adjusting the allowance account. The reversal amount of financial assets is recognized in the current year consolidated statement of profit or loss and other comprehensive income.

The recoveries of written-off financial assets in the current year are credited by adjusting the allowance for impairment losses accounts. Recoveries of written-off loans from previous years are recorded as operating income other than interest income.

In connection with compliance to Bank Indonesia (OJK), BRI implemented Bank Indonesia Regulation No. 14/15/PBI/2012 dated October 24, 2012 on "Assessment of Commercial Bank Asset Quality" and OJK Regulation (POJK) No. 11/POJK.03/2015 dated August 21, 2015 on "Prudential Principle Provisions for Commercial Banks to Stimulate the National Economy" which applicable until August 24, 2017.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

e. Allowance for impairment losses on financial assets (continued)

BRI's subsidiary which is engaged in Sharia Banking (BRIS) applies the Financial Services Authority Regulation (POJK) No. 16/POJK.03/2014 dated November 18, 2014 on "Asset Quality Assessment for Sharia Commercial Banks and Business Unit" effective since January 1, 2015 and POJK No. 12/POJK.03/2015 dated August 21, 2015 on "Prudential Principle Provisions for Sharia Banks and Sharia Business Units to Stimulate the National Economy" which applicable until August 24, 2017. The assessment prior to January 1, 2015 using the PBI No.13/13/PBI/2011 dated March 24, 2011 on "Asset Quality Assessment for Sharia Commercial Banks and Sharia Business Unit".

The minimum allowance to be provided in accordance with Bank Indonesia (OJK) Regulation is as follows:

- a) 1% of earning assets classified as Current, excluding placements with Bank Indonesia, Government Bonds, other debt instruments issued by the Government of the Republic of Indonesia and earning assets secured by cash collateral;
- b) 5% of earning assets classified as Special Mention, net of deductible collateral;
- c) 15% of earning assets classified as Sub-standard, net of deductible collateral;
- d) 50% of earning assets classified as Doubtful, net of deductible collateral; and
- e) 100% of earning assets classified as Loss, net of deductible collateral.

The criterias for assessment of the value of collateral that can be deducted in the calculation of allowance for impairment losses are based on Bank Indonesia (OJK) Regulations.

f. Current accounts with Bank Indonesia and other banks

Current accounts with Bank Indonesia and other banks are stated at amortized cost using the effective interest rate method less allowance for impairment losses. The current accounts with Bank Indonesia and other banks are classified as loans and receivables.

g. Placements with Bank Indonesia and other banks

Placements with Bank Indonesia and other banks consist of placement in deposit facility of Bank Indonesia such as Deposit Facility, Term Deposit and Sharia Deposit Facility whereas placements with other banks represent placements of funds in the form of inter-bank call money and time deposits.

Placements with Bank Indonesia and other banks are stated at amortized cost using the effective interest rate method less allowance for impairment losses. Placements with Bank Indonesia and other banks are classified as loans and receivables.

h. Securities and Government Recapitalization Bonds

Securities consist of securities traded in the money and capital market such as Certificates of Bank Indonesia, Deposits Certificates of Bank Indonesia, Bank Indonesia Sharia Certificates, Government bonds, promissory notes, subordinated bonds, mutual fund units, Medium-Term Notes, U.S Treasury Bonds, Singapore Government Securities, Negotiable Certificate of Deposits, credit linked notes and bonds traded in the stock exchange.

Securities include bonds issued by the Government that are not related with the recapitalization program such as Government Debentures (Surat Utang Negara or SUN), Government Treasury Bills (Surat Perbendaharaan Negara or SPN) and Government bonds in foreign currency purchased from primary and secondary markets.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

h. Securities and Government Recapitalization Bonds (continued)

Government Recapitalization Bonds are bonds issued by the Government in connection with the recapitalization program for commercial banks which consist of bonds under BRI's recapitalization and Government Recapitalization Bonds purchased from the secondary market.

Securities and Government Recapitalization Bonds are initially measured at fair value. After the initial recognition, the securities and Government Recapitalization Bonds are recorded according to their category, i.e. as held to maturity, fair value through profit or loss or available for sale.

The value of securities and Government Recapitalization Bonds is stated based on the classification as follows:

- 1) Held to maturity securities and Government Recapitalization Bonds are carried at amortized cost using the effective interest rate method. BRI does not classify securities or Government Recapitalization Bonds as held to maturity financial assets if BRI has, during the current financial year or during the 2 (two) preceding financial years, sold or reclassified more than an insignificant amount of held to maturity securities or Government Recapitalization Bonds before maturity other than sales or reclassifications that are defined in SFAS No. 55 which is applicable in the relevant periods.
- 2) Securities and Government Recapitalization Bonds classified as fair value through profit or loss are stated at fair value. Gains and losses from changes in fair value of securities and Government Recapitalization Bonds are recognized in the consolidated statement of profit or loss and other comprehensive income.
- 3) Securities and Government Recapitalization Bonds classified as available for sale investments are stated at fair value. Interest income is recognized in the consolidated statement of profit or loss and other comprehensive income using the effective interest rate method. Foreign exchange gains or losses on available for sale securities and Government Recapitalization Bonds are recognized in the consolidated statement of profit or loss and other comprehensive income. Other fair value changes are recognized directly in equity until the securities and Government Recapitalization Bonds are sold or impaired, whereby the cumulative gains and losses previously recognized in equity are recognized in the consolidated statement of profit or loss and other comprehensive income.

i. Export bills

Export bills represent negotiated export bills that have been discounted and guaranteed by other banks. Export bills are stated at acquisition cost after deducting the discount and allowance for impairment losses. Export bills are classified as loans and receivables.

j. Loans

Loans represent the lending of money or equivalent receivables under contracts or borrowing and lending commitments with debtors, whereby the debtors are required to repay their debts with interest after a specified period of time.

Loans are initially measured at fair value plus transaction costs that are directly attributable and additional costs to obtain financial assets and after initial recognition, are measured at amortized cost based on the effective interest rate method less allowance for impairment losses.

Loans are classified as loans and receivables.

Loans extended under syndication agreements are recognized at the nominal amount to the extent of the risks, borne by BRI.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

j. Loans (continued)

Restructured loans are stated at the lower of carrying value on the date of restructuring or value of the future cash receipts after the restructuring. Losses resulting from the difference between the carrying value on the date of restructuring and the present value of future cash receipts after the restructuring is recognized in the consolidated statement of profit or loss and other comprehensive income. After the restructuring, all future cash receipts specified by the new terms are recorded as a return of principal loans and interest income in accordance with the terms of the restructuring.

Loans are written off when there is no realistic prospect of collections in the future and all collateral have been realized or foreclosed. When loans are deemed uncollectible, it is written off against the related allowance for impairment losses. Subsequent payment of loans written off are credited to the allowance of impairment losses in the consolidated statement of financial position.

k. Sharia receivables and financing

Financing/receivables based on Sharia principles is receivables from providing funds or other similar form of receivables arising from transactions carried out based on sale or purchase arrangements and profit sharing between BRIS and other parties for a certain period of time. Such receivables consist of receivables arising from *murabahah* transactions, *istishna* transactions and *Qardh* transactions, for financing consist of *mudharabah* and *musyarakah* financing.

Murabahah is a sale and purchase contract between the customer and BRIS, whereby BRIS finances the consumption, investment and working capital needs of the customer sold with a principle price plus a certain margin that is mutually informed and agreed. Repayment on this financing is made in installments within a specified period.

Murabahah receivables are initially measured at fair value plus direct attributable transaction costs and is an additional cost to obtain the respected financial assets and after the initial recognition are measured at amortized cost using the effective margin method less any allowance for impairment losses value.

Mudharabah financing is a joint financing made between BRIS as the owner of the funds (*shahibul maal*) and the customer as a business executor (*mudharib*) during a certain period. The profit sharing from the project or the business is determined in accordance with the mutually agreed *nisbah* (pre-determined ratio). On the statement of financial position date, *mudharabah* financing is stated at the outstanding financing balance less allowance for impairment losses which is provided based on the management's review of the financing quality.

Musyarakah is a partnership contract among fund's owners (*musyarakah* partners) to contribute funds and conduct a business on a joint basis through partnership with the profit sharing based on a predetermined ratio, while the losses are borne proportionally based on the capital contribution. On the statement of financial position date, *Musyarakah* financing is stated at the outstanding financing balance less allowance for impairment losses which is provided based on the management's review on the financing quality.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

k. Sharia receivables and financing (continued)

Istishna is a sale and purchase contract between *al-mustashni* (buyer) and *al-shani* (manufacturer also acting as the seller). Based on the contract, the buyer orders the manufacturer to produce or to supply *al-mashnu* (goods ordered) according to the specifications required by the buyer and to sell them at agreed price. *Istishna* receivables are stated at outstanding billings to final buyer less allowance for impairment losses. Deferred *istishna* margin is stated as contra account of *istishna* receivables.

Qardh is the provision of funds or equivalent claims based on agreement between the borrower and the lender that requires the borrower to repay the debts after a certain period of time. *Qardh* are stated at outstanding balance less allowance for impairment losses based on the management's review on the financing quality.

l. Acceptances receivable and payable

Acceptances receivable and payable represent letters of credit (L/C) transactions that have been accepted by the accepting bank.

Acceptances receivable and payable are stated at amortized cost. Acceptances receivable are stated net of allowance for impairment losses.

Acceptances receivable are classified as loans and receivables. Acceptances payable are classified as financial liabilities measured at amortized cost.

m. Investment in associated entities

BRI's investments in its associated companies are measured using the equity method. An associated entity is an entity in which BRI has significant influence or share ownership of more than 20% of the voting rights. The initial recognition of investments in associates are recognized at cost and the carrying amount is added or subtracted to recognize the BRI's portion of profit or loss of subsidiaries after the acquisition date. BRI's portion of profit or loss of subsidiaries are recognized in profit or loss of BRI. Receipt of distributions from subsidiaries reduce the carrying amount of the investment.

The consolidated statement of profit or loss and other comprehensive income reflects the share of the results of operations of the associated entities. Where there has been a change recognized directly in the equity of the associated entities, BRI recognizes its share of any such changes and discloses this, when applicable, in the consolidated statement of changes in equity. Unrealized gains and losses resulting from transactions between BRI and the associated entities are eliminated to the extent of BRI's interest in the associated entities.

After application of the equity method, BRI determines whether it is necessary to recognize an additional impairment loss on BRI's investment in its associated entities. BRI determines at each reporting date whether there is any objective evidence that the investment in the associated entities is impaired. If this is the case, BRI calculates the amount of impairment as the difference between the recoverable amount of the investment in associated entities and its carrying value, and recognizes the amount in the consolidated statement of profit or loss and other comprehensive income.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

m. Investment in associated entities (continued)

BRI's investment in its associated entities with no significant influence or share ownership under 20% are recorded in accordance with SFAS No. 55 (Revised 2014) and deducted by allowance for impairment losses.

n. Premises and equipment

Premises and equipment are initially recognized at cost, which comprises its purchase price and any costs directly attributable in bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent to initial recognition, premises and equipment (excluding landrights) are carried at cost less any subsequent accumulated depreciation and impairment losses.

Premises and equipment acquired in exchange for a non-monetary asset or for a combination of monetary and non-monetary assets are measured at fair values, unless:

- (i) the exchange transaction lacks commercial substance, or
- (ii) the fair value of neither the assets received nor the assets given up can be measured reliably.

Depreciation of an asset starts when it is available for use and is computed using the straight-line method based on the estimated economic useful lives of the assets as follows:

	<u>Years</u>
Buildings	15
Motor vehicles	5
Computers and machineries	3 - 5
Furniture and fixtures	5

The carrying amounts of premises and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be fully recoverable.

The carrying amount of an item of premises and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from the derecognition of the asset is directly included in the profit or loss for the year when the item is derecognized.

The asset residual values, useful lives and depreciation method are evaluated at each year end and adjusted prospectively if necessary.

Land are initially stated at cost and not depreciated. Subsequent to initial recognition, land is measured at fair value at the revaluation date less any subsequent accumulated impairment losses. Valuation of land are performed by appraisers with professional qualification, and is done in regular basis to ensure that the carrying amount does not differ materially from its fair value at the end of reporting period (Note 16).

Increase in the carrying amount arising from revaluation is recorded in "Fixed Asset Revaluation Surplus" and presented in other comprehensive income. However, the increase is recognized in profit or loss, up to the amount of impairment of the same assets due to revaluation previously recognised in profit or loss. A decrease in carrying value arising as a result of a revaluation should be recognised in profit or loss.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

n. Premises and equipment (continued)

Repairs and maintenance is charged to the operational as incurred. The cost of major renovation and restoration is capitalized to the carrying amount of the related premises and equipment when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset and is depreciated over the remaining useful life of the related asset.

Constructions in-progress are stated at cost, including capitalized borrowing costs and other charges incurred in connection with the financing of the said asset constructions. The accumulated costs will be reclassified to the appropriate "Premises and Equipment" account when the construction is completed and available for intended use. Assets under construction are not depreciated as these are not yet available for use.

The legal cost of land rights in the form of Business Usage Rights ("Hak Guna Usaha" or "HGU"), Building Usage Right ("Hak Guna Bangunan" or "HGB") and Usage Rights ("Hak Pakai" or "HP") when the land was initially acquired are recognized as part of the cost of the land under the "Premises and Equipment". The extension or the legal renewal costs of land rights were recognized as intangible assets and were amortized over the shorter of the rights' legal life and land's economic life.

o. Impairment of Non-Financial Assets

BRI assesses at each annual reporting period whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset (i.e. an intangible asset with an indefinite useful life, an intangible asset not yet available for use, or goodwill acquired in a business combination) is required, BRI makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses of continuing operations are recognized in the consolidated statement of profit or loss and other comprehensive income as "impairment losses". In assessing the value in use, the estimated net future cash flows are 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.

In determining fair value less costs of disposal, refer to SFAS No. 68, "Fair Value Measurements" (Note 2c).

Impairment losses of continuing operations, if any, are recognized in the consolidated statement of profit or loss and other comprehensive income under expense categories that are consistent with the functions of the impaired assets.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

p. Foreclosed collaterals

Foreclosed collaterals acquired in settlement of loans (included as part of "Other Assets") are recognized at net realizable values or loan outstanding amount, whichever is lower. Net realizable value is the fair value of the collateral after deducting the estimated costs of disposal. The excess in loan balances which has not been paid by debtors over the value of foreclosed collaterals is charged to allowance for possible losses on loans in the current year. The difference between the value of the collateral and the proceeds from sale thereof is recognized as a gain or loss at the time of sale of the collateral.

Management evaluates the value of foreclosed collaterals periodically. Allowance for losses foreclosed collaterals formed by impairment of foreclosed collaterals.

Reconditioning costs arising after foreclosure capitalized in the accounts of the foreclosed collaterals.

q. Prepaid expenses

Prepaid expenses are amortized over their useful lives using the straight line method.

r. Liabilities due immediately

Liabilities due immediately represent the liability of BRI to external parties which by nature should be paid immediately in accordance with the requirements in the agreement which have been previously determined. This account is classified as other financial liabilities and measured at amortized cost.

s. Deposits from customers and other banks and financial institutions

Demand deposits represent funds deposited by customers whereby the withdrawal can be done at any time by using a check, or through transfer with a bank draft or other forms of payment order. These demand deposits are stated at the amount due to the account holder.

Wadiah demand deposits represent third party funds which are available for withdrawal at any time and earn bonus based on BRIS' policy. *Wadiah* demand deposits are stated at the amount due to the account holder of the deposit in BRIS.

Saving deposits represent customers' funds which entitle the depositors to withdraw under certain agreed conditions. Deposits are stated at the amount due to the account holders.

Wadiah saving deposits represent funds deposited by customers in BRIS, whereby the deposits can be withdrawn any time and does not require BRIS to give interest unless in the form of bonus in a voluntary way. *Wadiah* saving deposits are stated at the amount due to the account holders.

Mudharabah saving deposits represent funds from third parties which earn bonus based on a predetermined and pre-agreed profit-sharing return ratio (nisbah) from income derived by BRIS from the use of such funds. *Mudharabah* saving deposits is stated at the customers' saving balance.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

s. Deposits from customers and other banks and financial institutions (continued)

Time deposits represent funds deposited by customers that can be withdrawn only at a certain point of time as stated in the contract between the depositor and BRI and BRI Agro. Time deposits are stated at the nominal amount provided in the certificates of deposits or at the amount stated in the agreement.

Mudharabah time deposits represent third party funds that can be withdrawn only at a certain point in time based on the agreement between the *mudharabah* time deposit holder and BRIS. *Mudharabah* time deposits are stated at the nominal amount as agreed by the deposit holder and BRIS.

Deposits from other banks and financial institutions consist of liabilities to other banks, either domestic or overseas, in the form of demand deposits, saving deposits, time deposits and inter-bank call money through the issuance of promissory notes with a term of up to 90 (ninety) days and stated at the amount due to banks and financial institutions.

Deposits from customers and other banks and financial institutions are classified as other financial liabilities measured at amortized cost using effective interest rate method except deposits and temporary *syirkah* funds which are stated at the BRI and its subsidiaries' payable amount to customers. Incremental costs directly attributable to the acquisition of deposits from customers are deducted from the amount of deposits.

t. Securities purchased under agreement to resell and securities sold under agreement to repurchase

Securities purchased under agreement to resell

Securities purchased under agreement to resell are presented as financial assets in the consolidated statement of financial position, at the resale price net of unamortized interest and net of allowance for impairment losses. The difference between the purchase price and the resale price is treated as unearned interest income (unamortized) and recognized as income over the period starting from when those securities are purchased until they are resold using effective interest rate method.

Securities purchased under agreement to resell are classified as loans and receivables.

Securities sold under agreement to repurchase

Securities sold under agreement to repurchase are presented as liabilities in the consolidated statement of financial position, at the repurchase price, net of unamortized prepaid interest. The difference between the selling price and the repurchase price is treated as prepaid interest and recognized as expense over the period starting from when those securities are sold until they are repurchased using effective interest rate method.

Securities sold under agreement to repurchase are classified as financial liabilities measured at amortized cost.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

u. Marketable securities issued

Marketable securities issued by BRI consist of Bonds, Medium-Term Notes (MTN) and Negotiable Certificate of Deposit (NCD).

The marketable securities issued are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method (EIR). Amortized cost is calculated by taking into account any discount or premium associated related to the initial recognition and transaction costs that are an integral part of the effective interest rate.

v. Borrowings

Borrowings represent funds received from other banks, Bank Indonesia or other parties with a repayment obligation based on borrowing agreements.

Borrowings are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method (EIR). Amortized cost is calculated by taking into account any discount or premium associated related to the initial recognition and transaction costs that are an integral part of the effective interest rate.

w. Subordinated loans

Subordinated loans are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method. Amortized cost is calculated by taking into account any discount or premium associated related to the initial recognition and transaction costs that are an integral part of the effective interest rate.

x. Provision

Provisions are recognized when BRI and Subsidiaries have a present obligation (legal or constructive) that, as a result of past events, the settlement of the liability is likely to result in an outflow of resources that contain economic benefits and a reliable estimate of the amount of the obligation can be made.

Provisions are reviewed at each reporting date and adjusted to reflect the best estimate of the present. If the outflow of resources to settle the obligation is most likely will not occur, the provision is reversed.

y. Provision for timely interest payment in BRI unit

On Time Interest Payment (Pembayaran Bunga Tepat Waktu or PBTW) represents incentives given to Micro Loans (Kredit Umum Pedesaan (Kupedes)) debtors who settled their loans according to the mutually agreed installment schedules. The amount of PBTW is 25% of the interest received from either Kupedes working capital loans or Kupedes investment loans. PBTW is recorded as a deduction from interest income on loans. BRI provided Allowance for On Time Interest Payment (CPBTW) for the PBTW and present it in "Other liabilities".

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

z. Interest income and interest expense

Interest income and expense for all interest bearing financial instruments are recognized in the consolidated statement of profit or loss and other comprehensive income using the effective interest rate method. The effective interest rate is the rate that precisely discounts the estimated future cash payments or receipts through the expected life of the financial instrument (or, wherever appropriate, a shorter period) to obtain the net carrying amount of the financial asset or financial liability.

When calculating the effective interest rate, BRI and BRI Agro estimates future cash flows considering all contractual terms of the financial instruments except future credit losses.

This calculation includes all commissions, provision fees and other forms received by the parties in the contract that are inseparable from the effective interest rate, transaction costs and all other premiums or discounts.

If the value of a financial asset or group of similar financial assets has decreased as a result of impairment losses, the interest income subsequently obtained is recognized based on the interest rate used to discount future cash flows in calculating impairment losses.

aa. Fees and commissions

Fees and commissions directly related to lending activities, or fees and commissions income related to a specific period, are amortized over the term of the contract using the effective interest rate method and classified as part of interest income in the consolidated statement of profit or loss and other comprehensive income.

Fees and commissions that are not related to the credit activity or a period of time and/or associated with the service provided, are recognized as revenue at the time of the transaction and recorded under other operating income.

ab. Sharia income and expense

Sharia income consists of income from *murabahah*, *istishna*, *ijarah* transactions and profit sharing from *mudharabah* and *musyarakah* financing.

Income from *ijarah* transactions is recognized using the accrual method. Income from *istishna* transactions and profit sharing from *mudharabah* and *musyarakah* financing are recognized when the cash installments are received. Expenses based on Sharia principles consist of *mudharabah* profit sharing expense and *wadiah* bonus expense.

Income from *murabahah* receivables is recognized using the effective margin method. Effective margin is the margin that precisely discounts the estimated future cash payments or receipts through the expected life of the *murabahah* receivables. When calculating the effective margin, BRIS estimates the future cash flows considering all contractual terms of the financial instrument, except future credit losses. This calculation includes all commissions, provision fees and other forms accepted by the parties in the contract that are an inseparable part of the effective margin, transaction costs and all other premiums or discounts.

Mudharabah and *musyarakah* income are recognized when cash is received or in a period where the right of revenue sharing is due based on agreed portion (*nisbah*).

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

ac. Premium income and claim expense

Premiums of short-term insurance contracts are recognized as income within the contract period based on the insurance coverage provided. Premiums of non short-term insurance contracts are recognized as income when due from policyholders. Premiums received prior to the issuance of insurance policies or premium due date is recorded as policyholders' deposit.

Premiums relating to investment contract and unbundled financial risk component of insurance contract are accounted as a deposit through the consolidated statement of financial position as an adjustment to the investment contract liabilities accounts.

Gross reinsurance premiums are recognized as expenses when payable or on the date in which the policy becomes effective.

Claims and benefits consist of approved claims. Claims and benefits are recognized as expense when the liabilities to cover claims are incurred. Reinsurance claims received from reinsurance companies are recognized and recorded as reinsurance claim in the same period the claim expenses are recognized.

Claims and benefits relating to investment contract and unbundled financial risk component of insurance contract are accounted as a withdrawal through the consolidated statement of financial position as an adjustment to the investment contract liabilities accounts.

ad. Insurance and investment contract liabilities and reinsurance

Insurance contract liabilities

a. Liabilities for future policy benefits

Liabilities for future policy benefits represent present value of estimated payments throughout the guaranteed benefits including all the embedded options available, the estimated present value of all handling costs incurred and also considering the future premium receipt. Liabilities for future policy benefits represent liabilities of non short-term insurance contracts.

Increase (decrease) in liability for future policy benefits is recognized as expense (income) in the profit or loss for the year. The liabilities are derecognized when the contract expires, is discharged or is cancelled.

b. Estimated claim liabilities

Estimated claim liabilities represents claims in process which are computed based on the estimated loss from claims that are still in process at consolidated statement of financial position date, including claims incurred but not yet reported ("IBNR").

The changes in estimated claim liabilities are recognized in the profit or loss for the year. The liabilities are derecognized when the contract expires, is discharged or is cancelled.

c. Unearned premium reserves

Unearned premium reserves represents part of the premiums already received but not yet earned, as the period of insurance covered extends beyond the end of the year. Unearned premium reserves represents liabilities of short-term insurance contract. Unearned premium reserves are calculated individually for each contract based on the insurance coverage provided during the insurance period or risk period consistent with the recognition of short-term insurance premium income.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

ad. Insurance and investment contract liabilities and reinsurance (continued)

Insurance contract liabilities (continued)

c. Unearned premium reserves (continued)

Increase (decrease) in unearned premium reserves is recognized as expense (income) in the profit or loss for the year. The liabilities are derecognized when the contract expires, is discharged or is cancelled.

Investment contract liabilities

Investment contract liabilities represent liabilities calculated on investment contract (including unbundled amount of financial risk component in insurance contract) using the valuation principle in accordance with SFAS No.55 (Revised 2014). Deposits and withdrawals related to the investment contract (including unbundled amount of financial risk component in insurance contract) are recorded directly as an adjustment to the investment contract liabilities in the consolidated statement of financial position and are not recognised as premium income in the profit or loss. Except for deposit and withdrawal, all changes in investment contract liabilities are recognized in the profit or loss for the year. The liabilities are derecognized when the contract expires, is discharged or is cancelled.

Reinsurance

BJS cedes insurance risk in the normal course of business for all of its businesses.

The benefits to which BJS is entitled under its reinsurance contracts held are recognized as reinsurance assets. These assets consist of receivables that are dependent on the expected claims and benefits arising under the related reinsurance contracts. As required by SFAS No. 62, reinsurance assets are not offset against the related insurance contract liabilities.

Reinsurance receivables are estimated in a manner consistent with settled claims associated with the reinsurer's policies and are in accordance with the related reinsurance contract.

BJS reinsured part of its total accepted risk to other insurance and reinsurance companies. The premium paid to the reinsurer on the reinsurer's share of the premium on prospective reinsurance transaction is recognized as reinsurance premium over the reinsurance contract period in proportion to the insurance coverage provided. A payment or obligation for retrospective transaction is recognized as reinsurance receivable from the reinsurer in the amount equivalent to the payment made or recorded liability in relation to the reinsurance contract.

Reinsurance assets include balances expected to be recovered from reinsurance companies for ceded liability for future policy benefits, ceded estimated claim liabilities, and ceded unearned premium reserves. Amounts recoverable from reinsurers are estimated in a manner consistent with the liability associated with the reinsured policy.

BJS presents separately reinsurance assets of future policy benefit liabilities, unearned premium reserves, and estimated claim liabilities.

A reinsurance asset is impaired if there is objective evidence, as a result of an event that occurred after initial recognition of the reinsurance asset, that BJS may not receive all amounts due to it under the terms of the contract, and the impact of the amounts that BJS will receive from the reinsurer can be reliably measured.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

ad. Insurance and investment contract liabilities and reinsurance (continued)

Reinsurance (continued)

If a reinsurance asset is impaired, BJS reduces the carrying amount and recognizes the impairment loss in the profit or loss for the period.

Reinsurance assets or liabilities are derecognized when the contractual rights are extinguished or expire or when the contract is transferred to another party.

ae. Employee benefits

Short-term employee benefits

Short-term employee benefits such as salaries, social security contributions, short-term leaves, bonuses and other non-monetary benefits are recognized during the period when services have been rendered. Short-term employee benefits are measured using undiscounted amounts.

Defined contribution plan

Contribution payable to the pension fund equivalent to a certain percentage of salaries for qualified employees under the BRI's defined contribution plan. The contribution is accrued and recognized as expense when services have been rendered by qualified employees and actual payments are deducted from the contribution payable. Contribution payable is measured using undiscounted amounts.

Defined benefit plan and other long-term employee benefits

The post-employment benefits and other long-term employee benefits such as gratuity for services and grand leaves are accrued and recognized as expense when services have been rendered by qualified employees. The benefits are determined based on BRI's regulations and the minimum requirements of Labor Law No. 13/2003.

The post-employment benefits and other long-term employee benefits are actuarially determined using the *Projected Unit Credit Method*.

Remeasurement of net defined benefit liabilities (assets), which is recognized as other comprehensive income, consist of:

- (i) Actuarial gains and losses.
- (ii) Return on plan assets, excluding amounts that included in net interest on liabilities (assets).
- (iii) The changes in the impact of the asset ceiling, excluding amounts that included in net interest on liabilities (assets).

Remeasurement of net defined benefit liabilities (assets), which is recognized as other comprehensive income are not reclassified to profit or loss in subsequent periods.

For other long-term employee benefits over the current service cost, net interest on net defined benefit liabilities (assets), and the remeasurement of net defined benefit liability (asset) obligations are recognized immediately in the current period consolidated statement of profit or loss and other comprehensive income.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

ae. Employee benefits (continued)

All past service costs are recognized as expense at the earlier date between the amendment or curtailment program occurs, and when the related restructuring or termination costs are recognized, therefore, unvested past service cost can no longer be deferred and recognized over the future vesting period.

af. Stock options

In connection with the IPO, BRI has granted stock options to Directors and employees of certain positions and levels based on criteria established by BRI. Cost of stock compensation at the issuance date is calculated using the fair value of the stock options and is recognized as part of "Salaries and Employee Benefits Expense" based on cliff-vesting scheme using the straight-line method over the vesting period. The accumulation of stock compensation cost is recognized as "Stock Options" in the equity.

The fair values of the stock options granted are calculated using the Black-Scholes option pricing model.

ag. Earnings per share

Basic earnings per share is calculated by dividing income for the period/year attributable to equity holders of the Parent Entity (BRI) by the weighted average number of issued and fully paid shares during the related year.

ah. Foreign currency transactions and balances

BRI and Subsidiaries maintains its accounting records in Indonesian Rupiah. Transactions in foreign currencies are recorded at the prevailing exchange rates at the time of the transactions. As of June 30, 2016 and December 31, 2015, 2014 and 2013, all foreign currency denominated monetary assets and liabilities are translated into Rupiah using the Reuters spot rates at 4.00 p.m. WIB (Western Indonesian Time). The resulting gains or losses are recognized in the current year consolidated statement of profit or loss and other comprehensive income.

The exchange rates used in the translation of foreign currency amounts into Rupiah are as follows (full Rupiah):

	December 31			
	June 30, 2016	2015	2014	2013
1 United States Dollar	13,212.50	13,785.00	12,385.00	12,170.00
1 Great Britain Pound Sterling	17,813.10	20,439.02	19,288.40	20,110.93
1 Japanese Yen	128.51	114.52	103.56	115.75
1 European Euro	14,692.96	15,056.67	15,053.35	16,759.31
1 Hong Kong Dollar	1,702.83	1,778.70	1,596.98	1,569.54
1 Saudi Arabian Riyal	3,523.01	3,672.48	3,299.59	3,244.81
1 Singapore Dollar	9,793.21	9,758.95	9,376.19	9,622.08
1 Malaysian Ringgit	3,277.32	3,210.67	3,542.12	3,715.47
1 Australian Dollar	9,833.41	10,083.73	10,148.27	10,855.65
1 Renminbi	1,987.98	2,122.85	1,995.62	2,010.28
1 Thailand Baht	375.73	381.97	376.56	371.15
1 Swiss Franc	13,504.89	13,919.33	12,515.80	13,674.16
1 Canadian Dollar	10,204.67	9,924.41	10,679.49	11,434.22
1 Bruneian Dollar	9,791.39	9,758.60	9,374.77	9,620.94
1 Danish Krone	1,975.32	2,017.77	2,021.96	2,246.78
1 South Korean Won	11.44	11.72	11.38	11.53
1 New Zealand Dollar	9,394.75	9,444.80	9,709.23	9,995.83
1 Papua New Guinean Kina	4,173.18	4,583.55	4,774.46	4,856.09
1 United Arab Emirates Dirham	3,597.69	3,753.06	3,371.90	3,313.50
1 Swedish Krona	1,558.77	1,641.11	1,604.61	1,897.39
1 Norwegian Krone	1,576.90	1,565.52	1,671.05	2,001.39
1 Indian Rupee	195.61	208.31	195.91	196.78

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

ai. Translation of the financial statements of Overseas Branch and Representative Offices

BRI has 2 (two) branch offices in Cayman Islands and Singapore, and 2 (two) representative offices located in New York and Hong Kong which are considered as separate foreign entities.

For consolidated financial statements purposes, all accounts of the overseas branch and representative offices are translated into Rupiah with the following exchange rates:

- Assets and liabilities, commitments and contingencies - using Reuters spot rates at 4.00 p.m. WIB at statement of financial position reporting date.
- Revenues, expenses, gains and losses - using the average middle rate during the month. The end of year balances consist of the sum of the translated monthly balances of revenues, expenses and profit and losses during the year.
- Equity - Capital Stock and Additional Paid-in Capital using historical rates.
- Statement of cash flows - using the spot rate published by Reuters at 4.00 p.m. WIB on statement of financial position reporting date, except for the profit and loss accounts which are translated at the average middle rates and equity accounts which are translated at the historical rates.

The resulting difference arising from the translation process on the above financial statements is included in equity as "Differences Arising From The Translation of Foreign Currency Financial Statements".

aj. Derivatives Instrument

Derivatives financial instruments are valued and recognized in the consolidated statement of financial position at fair value less allowance for impairment losses. Each derivatives contract is recorded as asset when the fair value is positive and as liability when the fair value is negative.

Derivatives receivable and payable are classified as financial assets and liabilities measured at fair value through profit or loss.

Gains or losses resulting from fair value changes are recognized in the consolidated statement of profit or loss and other comprehensive income.

The fair value of derivatives instruments is determined based on discounted cash flows and pricing models or quoted prices from brokers of other instruments with similar characteristics, which refers to SFAS 68: "Fair Value Measurement" (Note 2c).

ak. Taxation

Current tax expense is provided based on the estimated taxable income for the current year. Deferred tax assets and liabilities are recognized for temporary differences between the financial and the fiscal bases of assets and liabilities at each reporting date.

Deferred tax assets are recognized for all deductible temporary differences and carry forward of uncompensated tax losses to the extent that it is probable for temporary differences and carry forward of uncompensated tax losses to be utilized in deducting future taxable profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and is reduced when it is no longer probable that sufficient taxable profits will be available to compensate part or all of the benefit of the deferred tax assets.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

ak. Taxation (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply on the year when the asset is realized or the liability is settled based on tax laws that have been enacted or substantively enacted as at consolidated statement of financial position reporting date. The related tax effects of the provisions for and/or reversals of all temporary differences during the year, including the effect of change in tax rates, are recognized as "Income Tax Benefit (Expense), Deferred" and included in net profit or loss for the year, except to the extent that they relate to items previously charged or credited to equity.

Amendments to tax obligations are recorded when an assessment is received or, if an appeal is submitted by business unit, when the result of the appeal is determined.

For each of the consolidated entity, the tax effects on temporary differences and tax loss carry forward, which can individually be either asset or liability, are shown at the applicable net amounts.

Assets and liabilities on deferred tax and current tax can be offset if there is a legal enforceable right to offset.

al. Segment information

A segment is a distinguishable component of the business unit that is engaged either in providing certain products (business segment), or in providing products within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

Segment revenue, expenses, income, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. They are determined before intra-group balances and transactions are eliminated as part of consolidation process.

BRI and Subsidiaries presents segments operation based on BRI's internal consolidation report that is presented to the Board of Directors as the operational decision maker.

BRI has identified and disclosed financial information based on main business (business segment) classified into micro, retail, corporate, others and subsidiaries, including geographical segment.

A geographical segment is engaged in providing products or services within a particular economic environment with risks and different returns compared to other operating segments in other economic environments. BRI's geographical segment covers Indonesia, Asia and United States of America.

am. Use of significant accounting judgments, estimates and assumptions

The preparation of the BRI and Subsidiaries consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amounts of the asset and liability affected in future periods.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

am. Use of significant accounting judgments, estimates and assumptions (continued)

Judgments

The following judgments are made by management in the process of applying BRI and Subsidiaries' accounting policies that have the most significant effects on the amounts recognized in BRI and Subsidiaries' consolidated financial statements as follows:

Going concern

BRI's management has assessed the ability of BRI and Subsidiaries' ability to continue as going concerns and believes that BRI and Subsidiaries have the resources to continue their businesses in the future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt to the BRI's ability to continue as a going concern. Therefore, the consolidated financial statements have been prepared on going concern basis.

Classification of financial assets and financial liabilities

BRI and Subsidiaries determine the classifications of certain assets and liabilities as financial assets and financial liabilities by judging if they meet the definition set forth in SFAS No. 55 (Revised 2014). Accordingly, the financial assets and financial liabilities are accounted for in accordance with BRI and Subsidiaries' accounting policies disclosed in Note 2c.

Fair value of financial and non-financial instruments

All assets and liabilities in which fair value is measured or disclosed in the consolidated financial statements can be classified in fair value hierarchy levels, based on the lowest level of input that is significant on the overall fair value measurement:

- Level 1: quoted (unadjusted) market prices in active markets for identical assets or liabilities accessible at the measurement date.
- Level 2: inputs other than quoted prices included in Level 1 for the assets and liabilities, which is directly or indirectly observable.
- Level 3: unobservable inputs for the assets and liabilities.

Held to maturity classification

The securities under held to maturity classification requires significant judgment. In making this judgment, BRI and Subsidiaries evaluate their intention and ability to hold such investments to maturity. If BRI and Subsidiaries fail to keep these investments to maturity other than in certain specific circumstances, for example, selling an insignificant amount close to maturity, they will be required to reclassify the entire portfolio as available for sale securities. The available for sale securities would therefore be measured at fair value and not at amortized cost.

Contingencies

The management of BRI and Subsidiaries are currently involved in legal proceedings. The estimate of the probable cost for the resolution of claims has been developed in consultation with the aid of the legal counsel handling BRI and Subsidiaries defense in this matter and is based upon an analysis of potential results. Management does not believe that the outcome of this matter will affect the results of operations. It is probable, however, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of the strategies related to these proceedings.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

am. Use of significant accounting judgments, estimates and assumptions (continued)

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year as disclosed below. BRI and Subsidiaries based its assumptions and estimates on parameters available when the consolidated financial statements were prepared.

Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of BRI and Subsidiaries. Such changes are reflected in the assumptions when they occur.

Allowance for impairment losses on loans and Sharia financing/receivables

The management of BRI and Subsidiaries review its loan portfolio and financing/receivables to assess impairment on an annual basis by updating allowance for impairment losses made during the period as necessary based on the continuing analysis and monitoring of individual accounts by loan officers.

In determining whether an impairment loss should be provided in the consolidated statement of profit or loss and other comprehensive income, BRI and Subsidiaries assess for any observable data indicating the existence of measurable decrease in the estimated future cash flows from loan portfolio before the decrease is individually identified in the portfolio.

This evidence may include observable data indicating that there has been an adverse change in the payment status of group borrowers, or national or local economic conditions that correlate with breach on assets in group. BRI and Subsidiaries use estimates in the amount and timing of future cash flows when determining the level of allowance for losses required. Such estimates are based on assumptions of several factors and actual results may differ, resulting to future changes in the amount of allowance for losses.

Impairment of securities

BRI determines that securities are impaired based on the same criteria as financial assets carried at amortized cost.

Useful lives of premises and equipment

The management of BRI estimates the useful lives of premises and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of premises and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets. In addition, estimation of the useful lives of premises and equipment is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in the aforementioned factors. The amounts and timing of recorded expenses for any period are affected by changes of those factors and circumstances during recording. A reduction in the estimated useful lives of premises and equipment increases the recorded operating expenses.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

am. Use of significant accounting judgments, estimates and assumptions (continued)

Estimates and Assumptions (continued)

Impairment of non-financial assets

BRI and Subsidiaries assess impairment of non-financial assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The factors that considered important which may lead to impairment assessment are the following:

- a) significant underperformance relative towards expected historical or projected future operating results;
- b) significant changes in the manner of use of the acquired assets or the overall business strategy; and
- c) significant negative industry or economic trends.

The management of BRI and Subsidiaries recognizes an impairment loss whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher amount between fair value less costs of disposal and use of asset value (or cash-generating unit). Recoverable amounts are estimated for individual assets or, if not possible, for the cash-generating unit to which the asset belongs.

Recognition of deferred tax assets

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that the taxable income can be compensated against the losses. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable income together with tax planning strategies.

BRI reviews its deferred tax assets at each of the consolidated statement of financial position reporting date and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable income will be available to compensate part or all of the deferred tax assets.

Present value of employee benefit

The cost of defined pension plan and other post employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and disability rates. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

Estimated Claim Liability

Estimated claims liability represents amount set aside to provide for the outstanding and incurred claims arising from insurance policies in force. The Company's management judgment is required to determine the amount of estimated claims liability.

Liabilities for Future Policy Benefits

The Company records long-term insurance contract liabilities using method of present value of estimated payment of all benefit promised including all options available plus present value of all expenses incurred and has considered the future receipt of premium. The main assumption underlying this method is the Company's past claim experience and discount rate.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

an. Allowances for impairment losses on non-earning assets and commitments and contingencies

In accordance with Circular Letter of Bank Indonesia (BI) No. 13/658/DPNP/DPnP dated December 23, 2011, BRI and BRI Agro are no longer required to provide allowance for impairment losses on non-earning assets and administrative accounts (commitments and contingencies), but the management is required to continue calculating the allowance for impairment losses in accordance with the applicable accounting standards.

For non-earning assets, the management of BRI and BRI Agro determine the impairment losses at the lower amount between the carrying value and fair value after deducting cost of disposal.

For commitments and contingencies with credit risk, BRI and BRI Agro's management determine the impairment losses based on the difference between the carrying amount and the present value of the payment obligations that are expected to occur (when payment under the guarantee has become probable).

ao. Changes in accounting policies and disclosures

BRI and its subsidiaries have applied the following accounting standards starting on January 1, 2016, which are considered relevant to the consolidated financial statements, namely:

- Amendment SFAS 4, "Separate Financial Statements of Equity Method in Separate Financial Statements", allows the use of the equity method as a method of recording the investment in subsidiaries, joint ventures and associates in the separate financial statements of these entities.
- Amendment SFAS 15 "Investments in Associates and Joint Ventures on Investment Entities: Application Exception Consolidation", clarified in paragraph 36A of exceptions consolidation for investment entities when certain criteria are met.
- Amendment SFAS 16, "Acceptable amortization and depreciation method of fixed assets", added explanation for indication of technical or commercial obsolescence of an asset. Amendment SFAS 16 clarified that depreciation using income cash flow method is no longer viable.
- Amendment SFAS 19, "Intangible Assets on Clarification Method Received for Depreciation and Amortization", to provide clarification on the view that income can not become the basis for measurement of the usage of economic benefits from the use of intangible assets can be rebutted in certain limited circumstances.
- Amendment SFAS 24 "Employee Benefit: Defined Contribution Plans", simplify the accounting method for defined contribution plans for workers and third parties' contribution that does not rely on the total number of service years, for instance contribution plans that is measured using percentage of salary.
- Amendment SFAS 65, "Consolidated Financial Statements of Investment Entities: Application Exception Consolidation", that clarify the exception of consolidation for investment entities when certain criteria are met.
- Amendment of SFAS 67, "Disclosure of Interests in Other Entities of Investment Entities: Application Exception Consolidation", that clarify the exception of consolidation for investment entities when certain criteria are met.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (continued)

ao. Changes in accounting policies and disclosures (continued)

BRI and its subsidiaries have applied the following accounting standards starting on January 1, 2016, which are considered relevant to the consolidated financial statements, namely (continued):

- SFAS 5 (2015 Adaptation), "Operating Segments", added short disclosure on combined operating segment and economic indicators that have similar characteristics.
- SFAS 7 (2015 Adaptation), "Related Party Disclosure", added criteria of related parties and clarify disclosure for payables that are given to the management entity.
- SFAS 13 (2015 Adaptation), "Investment Property", clarified that SFAS 13 and SFAS 22 interplay. Entities can be referred to in SFAS 13 to differentiate between investment property and owner-occupied property. Entities may also be referred to in SFAS 22 as a guide whether the acquisition of an investment property is a business combination.
- SFAS 16 (2015 Adaptation), "Property, Plant and Equipment", have clarified in paragraph 35 relating revaluation model, that when an entity uses revaluation model, carrying amount of assets are presented in the revaluated value.
- SFAS 19 (2015 Adaptation), "Intangible Assets", clarified in paragraph 80 related to the revaluation model, that when an entity uses the revaluation model, the carrying amount of the asset is back on the revaluation amount.
- SFAS 22 (2015 Adaptation), "Business Combinations", to clarify the scope and the obligation to pay contingent consideration that meet the definition of financial instruments are recognized as financial liabilities or equity. IAS also resulted in adjustments to the impact of SFAS 55 "Financial Instruments: Recognition and Measurement" and SFAS 57 "Provisions, Contingent Liabilities and Contingent Assets".
- SFAS 25 (Adaptation 2015), "Accounting Policies, Changes in Accounting Estimates and Errors", given editorial correction to SFAS 25 paragraph 27 about limitation in applying retrospective application.
- SFAS 53 (2015 Adaptation), "Share-Based Payment", clarify definition of vesting conditions and separately define performance and service condition.
- SFAS 68 (2015 Adaptation), "Fair Value Measurement", clarified that portfolio exception, for companies that allow fair value measurement of asset group or liability group as net value, is to be applied for the whole contract (including non-financial contract) in the scope of SFAS 55.
- SFAS 110 (Revised 2015), "Sukuk Accounting", regulate recognition, measurement, presentation and disclosure or sukuk ijarah and sukuk mudharabah transaction, both as either buyer or seller.

The impact to the consolidated financial statements on the adoption of the accounting standards mentioned above has been disclosed in the relevant notes to the consolidated financial statements.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

3. CASH

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
Rupiah		33,409,844		28,186,685		22,036,125		18,775,487
Foreign currencies								
United States Dollar	26,993,563	356,653	17,232,365	237,548	19,046,358	235,889	15,234,745	185,407
Saudi Arabian Riyal	46,390,742	163,435	21,532,275	79,078	13,074,358	43,140	22,226,667	72,121
Singapore Dollar	8,933,654	87,489	8,788,995	85,771	3,814,003	35,761	2,887,148	27,780
Malaysian Ringgit	14,843,493	48,647	12,137,945	38,971	3,205,403	11,354	7,139,467	26,526
Australian Dollar	4,057,370	39,898	4,745,013	47,847	3,408,768	34,593	3,396,638	36,873
European Euro	2,104,408	30,920	2,208,753	33,256	2,002,633	30,146	1,541,528	25,835
Papua New Guinean Kina	4,083,962	17,043	355,486	1,629	330,624	1,579	75,060	365
Renminbi	6,851,760	13,621	12,894,640	27,373	7,963,732	15,892	1,678,716	3,375
Japanese Yen	83,594,402	10,742	107,975,654	12,365	100,414,900	10,399	88,974,900	10,299
United Arab Emirates Dirham	2,790,750	10,040	1,498,990	5,626	1,247,615	4,207	-	-
Hong Kong Dollar	1,952,341	3,325	1,792,237	3,188	1,488,100	2,376	1,505,130	2,362
Great Britain Pound Sterling	148,840	2,651	187,719	3,837	181,384	3,499	74,714	1,503
Thailand Baht	6,097,755	2,291	4,333,480	1,655	2,383,220	897	2,221,340	824
Bruneian Dollar	215,830	2,113	282,786	2,760	91,798	861	11,620	112
Swiss Franc	90,200	1,218	141,120	1,964	88,950	1,113	65,410	894
New Zealand Dollar	76,540	719	91,870	868	53,350	518	78,155	781
South Korean Won	54,124,271	619	51,743,811	607	32,140,000	366	68,568,000	791
Canadian Dollar	43,730	446	60,755	603	42,325	452	38,750	443
Indian Rupee	19,307	4	19,307	4	-	-	-	-
		791,874		584,950		433,042		396,291
Total		34,201,718		28,771,635		22,469,167		19,171,778

As of June 30, 2016, December 31, 2015, 2014 and 2013, balances denominated in Rupiah is inclusive of cash in the ATMs (Automated Teller Machines) amounted to Rp6,575,228, Rp9,054,533, Rp5,697,353 and Rp4,720,085, respectively.

4. CURRENT ACCOUNTS WITH BANK INDONESIA

Current accounts with Bank Indonesia consist of:

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
Rupiah		38,634,814		51,781,843		41,964,577		34,124,694
United States Dollar	716,856,701	9,471,469	720,780,213	9,935,955	744,436,980	9,219,852	541,807,803	6,593,801
Total		48,106,283		61,717,798		51,184,429		40,718,495

As of June 30, 2016, December 31, 2015 and 2014 and 2013 current accounts with Bank Indonesia based on Sharia banking principles amounted to Rp1,018,652, Rp997,139, Rp878,267 and Rp679,112, respectively.

Current accounts with Bank Indonesia are maintained to comply with Bank Indonesia's Minimum Legal Reserve Requirements (GWM).

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

4. CURRENT ACCOUNTS WITH BANK INDONESIA (continued)

As of June 30, 2016, December 31, 2015, 2014, and 2013, the GWM ratios of BRI (Parent Entity) (unaudited) are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
Primary GWM - Rupiah	6.54%	9.31%	8.07%	8.02%
Secondary GWM - Rupiah	10.96	14.10	13.85	8.40
Primary GWM - Foreign Currencies	8.02	8.43	8.00	8.00

The calculation of the GWM ratios as of June 30, 2016 is based on Bank Indonesia regulation (PBI) No. 18/3/PBI/2016 dated March 10, 2016, regarding "Third Amendment to Bank Indonesia regulation No. 15/15/PBI/2013 on GWM of Commercial Banks in Rupiah and Foreign Currency for Conventional Banking". The calculation of the GWM ratios as of December 31, 2015 is based on Bank Indonesia regulation (PBI) No. 17/21/PBI/2015 dated November 26, 2015, regarding "Second Amendment to Bank Indonesia regulation No. 15/15/PBI/2013 on GWM of Commercial Banks in Rupiah and Foreign Currency for Conventional Banking". The calculation of the GWM ratios as of December 31, 2014 and 2013 is based on Bank Indonesia regulation No. 15/15/PBI/2013 dated December 24, 2013, regarding "GWM of Commercial Banks in Rupiah and Foreign Currency for Conventional Banking".

As of June 30, 2016, December 31, 2015, 2014 and 2013, based on the above Bank Indonesia regulation, BRI is required to maintain minimum primary GMW in Rupiah of 6.5%, 7.5%, 8% and 8%, respectively, and in foreign currencies of 8%. And for secondary GWM in Rupiah of 4%, respectively.

BRI has complied with Bank Indonesia regulation regarding the minimum legal reserve requirement as of June 30, 2016, December 31, 2015, 2014 and 2013.

5. CURRENT ACCOUNTS WITH OTHER BANKS

a) By Currency:

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
Third parties								
<u>Rupiah</u>		45,761		97,449		18,100		9,093
Foreign currencies								
United States								
Dollar	427,198,043	5,644,354	270,217,641	3,724,950	628,729,988	7,786,821	452,562,200	5,507,682
European Euro	172,876,555	2,540,068	33,479,134	504,084	32,165,851	484,204	43,824,139	734,462
Saudi Arabian Riyal	587,367,985	2,069,300	11,964,329	43,939	49,154,228	162,189	25,320,262	82,160
Singapore Dollar	88,297,093	864,712	24,571,730	239,794	23,287,553	218,348	18,903,491	181,891
Renminbi	359,152,761	713,987	1,593,611,539	3,382,990	712,716,216	1,422,311	873,761,773	1,756,501
Japanese Yen	1,259,316,894	161,829	903,091,742	103,413	1,376,997,860	142,602	1,259,084,064	145,739
Hong Kong Dollar	91,980,905	156,628	55,503,846	98,725	15,901,669	25,395	63,659,364	99,916
United Arab Emirates Dirham	26,993,625	97,115	26,967,569	101,211	18,243,158	61,514	25,111,745	83,208
Great Britain Pound								
Sterling	4,909,007	87,445	5,429,297	110,970	2,572,756	49,624	5,575,667	112,132
Australian Dollar	7,586,866	74,605	14,747,424	148,709	10,382,378	105,363	48,462,724	526,094
Swiss Franc	2,369,428	31,999	3,255,641	45,316	4,262,251	53,345	4,272,851	58,428
New Zealand Dollar	2,900,912	27,253	2,672,833	25,244	434,966	4,223	1,151,474	11,510
Norwegian Krone	13,572,577	21,403	13,768,507	21,555	13,076,760	21,852	2,437,940	4,879
Canadian Dollar	1,982,670	20,232	1,736,245	17,231	1,169,065	12,485	412,728	4,719
Swedish Krona	3,187,541	4,968	1,255,222	2,060	1,250,243	2,006	3,339,004	6,335
		12,515,898		8,570,191		10,552,282		9,315,656
		12,561,659		8,667,640		10,570,382		9,324,749

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

5. CURRENT ACCOUNTS WITH OTHER BANKS (continued)

a) By Currency (continued):

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
<u>Related parties</u>								
<u>(Note 43)</u>								
Rupiah		5,824		3,566		2,238		3,126
<u>Foreign currencies</u>								
United States Dollar	680,047	8,985	4,706,990	64,886	631,383	7,820	511,171	6,221
Hong Kong Dollar	2,945,192	5,015		-		-	64,414,371	101,101
		14,000		64,886		7,820		107,322
		19,824		68,452		10,058		110,448
		12,581,483		8,736,092		10,580,440		9,435,197
Less: Allowance for Impairment losses		-		-		-		(77)
Total		12,581,483		8,736,092		10,580,440		9,435,120

b) By Bank:

	June 30, 2016	December 31		
		2015	2014	2013
<u>Third parties</u>				
<u>Rupiah</u>				
PT Bank Central Asia Tbk	30,522	40,680	14,008	6,874
PT Bank Danamon Indonesia Tbk	3,056	600	-	-
Others	12,183	56,169	4,092	2,219
	45,761	97,449	18,100	9,093
<u>Foreign currencies</u>				
JP Morgan Chase Bank, N.A.	3,379,287	1,657,543	3,726,622	2,286,308
ING Belgium N.V. Brussels	2,211,207	78,237	46,485	120,210
Al Rajhi Bank	2,069,292	43,939	162,189	67,769
Bank of America	763,325	844,719	1,135,525	822,611
Standard Chartered Bank	732,001	803,954	2,041,104	1,413,727
Oversea-Chinese Banking Corporation Ltd.	704,776	78,143	197,194	143,416
Bank of China, Ltd.	605,139	2,538,323	1,312,657	792,190
Commerzbank, A.G.	561,514	297,725	340,142	484,150
The Hong Kong and Shanghai Banking Corporation, Ltd.	466,525	435,263	622,375	577,174
The Bank of New York Mellon	227,142	38,193	29,294	41,822
Citibank, N.A.	146,930	285,021	40,266	91,251
PT Bank ICBC Indonesia	119,558	855,708	116,609	964,312
United Overseas Bank	110,557	215,268	-	-
The Bank Of Tokyo-Mitsubishi UFJ, Limited	99,798	79,734	36,019	112,426
Royal Bank of Scotland	62,031	23,673	106,578	158,716
Commonwealth Bank	40,855	95,524	70,559	379,394
Woori Bank Seoul	33,874	2,974	-	-
ANZ Banking Group Ltd.	33,750	53,185	34,804	146,700
PT Bank Central Asia Tbk	24,693	5,074	804	1,180
Others	123,644	137,991	533,056	712,300
	12,515,898	8,570,191	10,552,282	9,315,656
	12,561,659	8,667,640	10,570,382	9,324,749

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

5. CURRENT ACCOUNTS WITH OTHER BANKS (continued)

b) By Bank (continued):

	June 30, 2016	December 31		
		2015	2014	2013
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>				
PT Bank Mandiri (Persero) Tbk	4,650	2,078	1,795	2,646
PT Bank Negara Indonesia (Persero) Tbk	1,047	1,443	443	470
PT Bank Syariah Mandiri	66	-	-	-
PT Bank BNI Syariah	61	45	-	-
PT Bank Bukopin Tbk	-	-	-	10
	5,824	3,566	2,238	3,126
<u>Foreign currencies</u>				
PT Bank Mandiri (Persero) Tbk	8,230	1,496	7,768	6,215
PT Bank Negara Indonesia (Persero) Tbk	5,770	63,390	52	101,107
	14,000	64,886	7,820	107,322
	19,824	68,452	10,058	110,448
	12,581,483	8,736,092	10,580,440	9,435,197
Less: Allowance for impairment losses	-	-	-	(77)
Total	12,581,483	8,736,092	10,580,440	9,435,120

c) By Collectibility:

Current accounts with other banks as of June 30, 2016, December 31, 2015, 2014 and 2013 were classified as "Current".

d) Average annual interest rates:

	June 30, 2016	December 31		
		2015	2014	2013
Rupiah	0.47%	0.24%	0.09%	0.59%
United States Dollar	0.03	0.01	0.04	0.01

e) BRI assess allowance for impairment losses on current accounts with other banks on an individual basis using objective evidence.

Management believes that no allowance for impairment losses is necessary as of June 30, 2016, December 31, 2015, 2014 and 2013, because Management believes that current accounts with other banks are fully collectible, except for current accounts with other banks belonging to BRIS (subsidiary) on December 31, 2013 which was appraised using Bank Indonesia's collectibility guide.

As of June 30, 2016, December 31, 2015, 2014 and 2013, there are no current accounts with other banks used as collateral.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

6. PLACEMENTS WITH BANK INDONESIA AND OTHER BANKS

a) By Currency and Type:

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
<u>Third parties</u>								
<u>Rupiah</u>								
Bank Indonesia								
Deposit Facility		21,932,291		14,591,094		24,303,119		22,813,358
Sharia Deposit Facility		1,697,000		2,422,000		882,000		897,500
		<u>23,629,291</u>		<u>17,013,094</u>		<u>25,185,119</u>		<u>23,710,858</u>
<u>Inter-bank</u>								
call money								
PT Bank								
Sumitomo								
Mitsui								
Indonesia		435,000		-		50,000		-
PT BPD Jawa								
Barat dan								
Banten Tbk		250,000		200,000		150,000		120,000
PT BPD								
Kalimantan								
Timur		150,000		170,000		100,000		-
PT BPD Jambi		100,000		50,000		100,000		-
PT BPD								
Sumatera								
Selatan dan								
Bangka								
Belitung		100,000		-		20,000		-
PT Bank								
Maybank								
Indonesia Tbk		100,000		-		-		-
PT Bank DBS								
Indonesia		100,000		-		-		100,000
PT Bank								
Mega Tbk		90,000		100,000		200,000		320,000
PT Bank								
Sinarmas Tbk		60,000		80,000		70,000		20,000
PT Bank BNP								
Paribas								
Indonesia		50,000		100,000		-		95,000
PT BPD Sulawesi								
Tengah		50,000		50,000		-		-
PT Bank								
Tabungan								
Pensiunan								
Nasional Tbk		50,000		-		-		-
Deutsche								
Bank AG		50,000		-		-		-
PT Bank ICBC								
Indonesia		50,000		-		-		-
PT BPD Sumatera								
Barat								
(Bank Nagari)		50,000		-		-		25,000
PT Bank Capital								
Indonesia Tbk		50,000		-		-		-
PT Bank Ekonomi								
Raharja Tbk		25,000		-		-		-
PT Bank Victoria								
International Tbk		25,000		-		-		-
The Bank of								
Tokyo-Mitsubishi								
UFJ, Limited		-		1,250,000		-		-
PT Bank Aceh		-		400,000		200,000		-
PT Bank Pan								
Indonesia Tbk		-		390,000		200,000		260,000
The Hongkong								
and Shanghai								
Banking								
Corporation								
Limited		-		200,000		-		200,000
PT Bank CIMB								
Niaga Tbk		-		190,000		-		-
PT Bank ANZ								
Indonesia		-		150,000		50,000		-
PT OCBC								
NISP Tbk		-		150,000		500,000		-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

6. PLACEMENTS WITH BANK INDONESIA AND OTHER BANKS (continued)

a) By Currency and Type (continued):

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
<u>Third parties</u>								
<u>(continued)</u>								
<u>Rupiah</u>								
<u>(continued)</u>								
Inter-bank								
call money (continued)								
PT Bank DKI	-		100,000		100,000		100,000	
PT Bank UOB Indonesia	-		100,000		-		-	
PT BPD Maluku	-		50,000		50,000		-	
PT BPD Kalimantan Selatan	-		50,000		-		15,000	
Citibank, N.A.	-		-		250,000		250,000	
JP Morgan Chase Bank, N.A.	-		-		50,000		-	
PT Bank CTBC Indonesia	-		-		50,000		-	
PT BPD Jawa Tengah	-		-		50,000		-	
PT Bank Maybank Syariah Indonesia	-		-		35,000		-	
PT BPD Riau Kepri	-		-		25,000		25,000	
PT Bank Himpunan Saudara 1906 Tbk	-		-		-		89,040	
PT Bank Mestika Dharma Tbk	-		-		-		25,000	
PT BPD Sumatera Utara	-		-		-		25,000	
		1,785,000		3,780,000		2,250,000		1,669,040
Time Deposit								
PT Bank Tabungan Pensiunan Nasional Tbk		5,000		-		-		-
PT Bank Sahabat Sampoerna		2,000		-		-		-
The Hongkong and Shanghai Banking Corporation Limited		750		-		-		-
PT BPD Riau Kepri		-		-		45,000		-
		7,750		-		45,000		-
Other Placement (Banker's Acceptance)								
PT Bank Sumitomo Mitsui Indonesia		100,000		100,000		-		-
PT Bank Muamalat Indonesia		50,000		-		-		-
PT Bank BNP Paribas Indonesia		-		200,000		-		-
PT Bank ANZ Indonesia		-		140,000		-		-
		150,000		440,000		-		-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

6. PLACEMENTS WITH BANK INDONESIA AND OTHER BANKS (continued)

a) By Currency and Type (continued):

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
<u>Third parties</u>								
<u>(continued)</u>								
<u>United States</u>								
<u>Dollar</u>								
Bank Indonesia - Term Deposit	374,995,494	4,954,628	1,524,944,851	21,021,365	2,049,981,779	25,389,024	599,998,264	7,301,979
<u>Inter-bank</u>								
<u>call money</u>								
The Bank of New York Mellon	103,200,000	1,363,530	275,800,000	3,801,903	236,900,000	2,934,007	58,800,000	715,596
Wells Fargo Bank, N.A.	69,800,000	922,233	56,900,000	784,367	379,900,000	4,705,062	45,600,000	554,952
Citibank, N.A.	42,280,000	558,625	36,450,000	502,463	76,380,000	945,966	84,290,000	1,025,809
Federal Reserve Bank	14,236,699	188,102	-	-	-	-	-	-
PT Bank ANZ Indonesia	6,000,000	79,275	16,760,000	231,037	-	-	-	-
TD Bank, N.A.	1,326,018	17,520	75,452,619	1,040,114	21,012,591	260,241	-	-
The Hong Kong and Shanghai Banking Corporation Limited	-	-	-	-	195,476	2,421	-	-
PT Bank Capital Indonesia Tbk	-	-	-	-	2,000,000	24,770	-	-
Bank of China Limited	-	-	-	-	-	-	4,000,000	48,680
		3,129,285		6,359,884		8,872,467		2,345,037
<u>Time Deposits</u>								
TD Bank, N.A.	128,847	1,702	276,429	3,811	139,624	1,729	-	-
US Bank	1,836,152	24,260	1,724,986	23,779	169,839	2,103	229,732	2,796
		25,962		27,590		3,832		2,796
<u>Renminbi</u>								
<u>Inter-bank</u>								
<u>call money</u>								
PT Bank ICBC Indonesia	-	-	67,000,000	142,231	-	-	-	-
		33,681,916		48,784,164		61,745,442		35,029,710
<u>Related parties</u>								
<u>(Note 43)</u>								
<u>Rupiah</u>								
<u>Inter-bank</u>								
<u>call money</u>								
Lembaga Pembiayaan Ekspor Indonesia	-	400,000	-	400,000	-	160,000	-	400,000
PT Bank Tabungan Negara (Persero) Tbk	-	200,000	-	50,000	-	-	-	-
PT Bank Bukopin Tbk	-	130,000	-	50,000	-	100,000	-	210,000
PT Bank Mandiri (Persero) Tbk	-	-	-	400,000	-	-	-	-
PT Bank Negara Indonesia (Persero) Tbk	-	-	-	100,000	-	-	-	-
PT BTMU-BRI Finance	-	-	-	46,000	-	30,000	-	130,000
		730,000		1,046,000		290,000		740,000

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

6. PLACEMENTS WITH BANK INDONESIA AND OTHER BANKS (continued)

a) By Currency and Type (continued):

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
<u>Related parties</u>								
<u>(Note 43)</u>								
<u>(continued)</u>								
<u>Rupiah</u>								
<u>(continued)</u>								
Time Deposits								
PT Bank								
Tabungan								
Negara								
(Persero) Tbk								
	13,840		1,000		-		-	
PT Bank Bukopin Tbk	4,001		-		-		-	
PT Bank Mandiri								
(Persero) Tbk	3,950		-		-		-	
PT Bank BNI								
Syariah	2,000		2,000		-		-	
PT Bank Syariah								
Bukopin	1,700		-		-		-	
PT Bank Syariah								
Mandiri	-		1,500		-		-	
		25,491		4,500				
<u>United States</u>								
<u>Dollar</u>								
Inter-bank								
call money								
PT Bank Negara								
Indonesia								
(Persero) Tbk								
	-		-		-		44,139,117	537,173
		755,491		1,050,500		290,000		1,277,173
Total		34,437,407		49,834,664		62,035,442		36,306,883

b) By Time Period:

The classifications of placements based on their remaining period to maturity are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
<u>Third parties</u>				
<u>Rupiah</u>				
≤ 1 month	25,140,041	20,993,094	27,430,119	25,379,898
> 1 month - 3 months	432,000	140,000	50,000	-
> 3 months - 1 year	-	100,000	-	-
	25,572,041	21,233,094	27,480,119	25,379,898
<u>Foreign currencies</u>				
≤ 1 month	8,109,875	27,551,070	34,265,323	9,647,016
> 1 month - 3 months	-	-	-	-
> 3 months - 1 year	-	-	-	2,796
	8,109,875	27,551,070	34,265,323	9,649,812
	33,681,916	48,784,164	61,745,442	35,029,710
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>				
≤ 1 month	735,650	903,500	260,000	700,000
> 1 month - 3 months	17,841	147,000	30,000	40,000
> 3 months - 1 year	2,000	-	-	-
	755,491	1,050,500	290,000	740,000

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

6. PLACEMENTS WITH BANK INDONESIA AND OTHER BANKS (continued)

b) By Time Period (continued):

The classifications of placements based on their remaining period to maturity are as follows (continued):

	June 30, 2016	December 31		
		2015	2014	2013
<u>Related parties (Note 43) (continued)</u>				
<u>Foreign Currencies</u>				
≤ 1 month	-	-	-	537,173
	755,491	1,050,500	290,000	1,277,173
Total	34,437,407	49,834,664	62,035,442	36,306,883

c) By Collectibility:

All placements with Bank Indonesia and other banks were classified as "Current" as of June 30, 2016, December 31, 2015, 2014 and 2013.

d) The average annual interest rates:

	June 30, 2016	December 31		
		2015	2014	2013
<u>Rupiah</u>				
Deposit Facility	4.90%	5.53%	5.75%	4.92%
Inter-bank call money	5.51	7.39	6.43	5.81
Time Deposit	6.01	5.93	7.25	4.42
Other Placement (Banker's Acceptance)	9.70	8.77	-	-
<u>Foreign currencies</u>				
Term Deposit	0.38%	0.13%	0.10%	0.13%
Inter-bank call money	0.44	0.06	0.22	0.32
Time Deposit	0.16	0.05	0.08	0.02

BRI assessed placements with Bank Indonesia and other banks individually for impairment based on whether an objective evidence of impairment exists.

On June 30, 2016, December 31, 2015, 2014 and 2013, there were no placements with Bank Indonesia and other banks are impaired nor restricted.

Management believes that no allowance for impairment losses is necessary as of June 30, 2016, December 31, 2015, 2014 and 2013, because management believes that placements with Bank Indonesia and other banks are fully collectible.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES

a) By Purpose, Currency and Type:

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
Fair value through profit or loss								
Third parties								
Rupiah								
Deposits								
Certificates of Bank Indonesia		1,685,158		-		-		-
Mutual funds		207,752		113,025		11,560		10,702
Bonds		44,480		12,682		-		-
Subordinated bonds		19,672		-		-		-
Certificates of Bank Indonesia		-		-		-		87,424
Others		111,661		100,669		-		-
		<u>2,068,723</u>		<u>226,376</u>		<u>11,560</u>		<u>98,126</u>
United States Dollar								
Credit Linked Notes		-		-		-	55,000,000	669,350
Related parties (Note 43)								
Rupiah								
Government bonds Medium-Term Notes		147,666		274,693		101,425		131,035
Notes		-		56,198		-		-
Mutual funds		16,402		9,118		-		-
Bonds		11,053		5,409		-		-
Others		69,286		64,585		-		-
		<u>244,407</u>		<u>410,003</u>		<u>101,425</u>		<u>131,035</u>
United States Dollar								
Government bonds	2,072,204	27,379	21,110,337	291,006	1,239,968	15,357		-
Mutual funds	149,782	1,979	141,458	1,949		-		-
		<u>29,358</u>		<u>292,955</u>		<u>15,357</u>		<u>-</u>
		<u>2,342,488</u>		<u>929,334</u>		<u>128,342</u>		<u>898,511</u>
Available for sale								
Third parties								
Rupiah								
Certificates of Bank Indonesia		5,109,166		6,455,944		4,336,192		2,853,028
Deposits Certificates of Bank Indonesia		4,611,440		5,516,495		13,244,399		1,342,650
Bonds		1,486,704		648,015		199,520		25,487
Subordinated bonds		794,583		510,769		-		-
Mutual funds		414,137		1,323,167		138,017		75,013
Others		74,866		72,495		-		-
		<u>12,490,896</u>		<u>14,526,885</u>		<u>17,918,128</u>		<u>4,296,178</u>
United States Dollar								
Certificates of Bank Indonesia	345,800,114	4,568,884	99,206,021	1,367,555		-		-
Bonds	70,798,638	935,427	63,715,053	878,312	63,187,404	782,576	35,431,553	431,202
U.S Treasury Bonds	22,216,008	293,529	18,830,395	259,577	29,123,698	360,697	26,894,823	327,310
		<u>5,797,840</u>		<u>2,505,444</u>		<u>1,143,273</u>		<u>758,512</u>

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

a) By Purpose, Currency and Type (continued):

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
Available for sale (continued)								
<u>Third parties (continued)</u>								
<u>Singapore Dollar</u>								
Singapore Government Securities	13,187,001	129,143	22,632,262	220,867	-	-	-	-
Monetary Authority of Singapore (MAS) Bills	10,000,000	97,932	-	-	-	-	-	-
		227,075		220,867		-		-
<u>Related parties (Note 43)</u>								
<u>Rupiah</u>								
Government bonds		26,644,168		24,238,226		13,986,844		6,771,956
Bonds		1,971,126		1,171,001		285,835		186,764
Mutual funds		390,613		250,386		77,940		252,749
Medium-Term Notes		332,249		324,965		-		-
Subordinated bonds		3,044		3,067		-		-
Others		73,765		75,919		-		-
		29,414,965		26,063,564		14,350,619		7,211,469
<u>United States Dollar</u>								
Government bonds	1,230,254,834	16,254,742	1,135,153,863	15,648,096	498,267,017	6,171,037	251,828,595	3,064,754
Bonds	113,426,301	1,498,645	108,057,309	1,489,570	25,763,666	319,083	3,545,193	43,145
Mutual funds		-		-	3,024,304	37,456		-
		17,753,387		17,137,666		6,527,576		3,107,899
<u>European Euro</u>								
Government bonds	27,713,749	407,197	16,446,133	247,624	4,167,017	62,728	-	-
		66,091,360		60,702,050		40,002,324		15,374,058
Held to maturity								
<u>Third parties</u>								
<u>Rupiah</u>								
Bonds		1,567,668		1,633,889		1,229,190		934,425
Bank Indonesia Sharia Certificates (SBIS)		1,400,000		1,350,000		1,605,645		1,050,000
Certificates of Bank Indonesia		292,668		-		5,557,658		5,087,423
Medium-Term Notes		100,000		125,000		25,000		25,000
Negotiable Certificate of Deposits		95,360		187,394		92,209		-
Subordinated bonds		60,000		60,000		40,000		40,000
Deposits Certificates of Bank Indonesia		-		1,088,575		9,852,330		2,375,218
		3,515,696		4,444,858		18,402,032		9,512,066
<u>United States Dollar</u>								
Promissory Notes	2,000,000	26,425	2,000,000	27,570	4,000,000	49,540	7,000,000	85,190
Credit Linked Notes		-	51,096,844	704,370	52,198,627	646,480	291,162,942	3,543,453
Certificates of Bank Indonesia		-	49,775,190	686,151		-		-
		26,425		1,418,091		696,020		3,628,643

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

a) By Purpose, Currency and Type (continued):

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
Held to maturity (continued)								
Related parties (Note 43)								
Rupiah								
Government bonds		31,951,647		35,460,319		18,494,780		11,223,864
Bonds		2,796,981		2,979,508		859,560		839,553
Medium-Term Notes		114,573		164,443		139,202		25,000
Negotiable Certificate of Deposits		194,324		164,182		144,439		-
Subordinated bonds		83,969		84,906		-		-
		<u>35,141,494</u>		<u>38,853,358</u>		<u>19,637,981</u>		<u>12,088,417</u>
United States Dollar								
Government bonds	1,368,409,158	18,080,106	1,286,721,436	17,737,455	410,378,845	5,082,542	84,306,081	1,026,005
Bonds	55,844,238	737,842	55,250,925	761,634	17,700,363	219,219	12,057,272	146,737
		<u>18,817,948</u>		<u>18,499,089</u>		<u>5,301,761</u>		<u>1,172,742</u>
European Euro								
Government bonds	12,058,428	177,174	2,956,364	44,513		-		-
		<u>57,678,737</u>		<u>63,259,909</u>		<u>44,037,794</u>		<u>26,401,868</u>
Total		126,112,585		124,891,293		84,168,460		42,674,437
Less: Allowance for impairment		(42,798)		(17,746)		-		(772)
Net		<u>126,069,787</u>		<u>124,873,547</u>		<u>84,168,460</u>		<u>42,673,665</u>

b) By Collectibility:

As of June 30, 2016 and December 31, 2015, 2014 and 2013, all securities are classified as "Current", except for securities in subsidiary, BJS, amounting to Rp31,263 which includes Government bonds, corporate bonds and shares which were deposited at PT Andalan Artha Advisindo Sekuritas (AAA) in Custody of PT Bank DBS Indonesia which have been sold without notice to BJS, including Government bonds series RI0016 which already matured on January 15, 2016 amounted to Rp2,604. Currently this case is still in legal process.

In this regard, BJS management as of June 30, 2016 and December 31, 2015 has provided allowance for impairment losses amounting to Rp19,048 and Rp17,746, respectively.

Furthermore, as of June 30, 2016, there are securities in the form of Medium-Term Notes owned by BRI amounted to Rp175,000 with "Special Mention" collectibility, and owned by BRI Agro (subsidiaries) amounted to Rp15,000 with "Loss" collectibility. The management of BRI and BRI Agro has provided allowance for impairment losses amounting to Rp23,750.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

c) By Remaining Period to Maturity:

The classifications of securities based on their remaining period to maturity are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
<u>Third parties</u>				
<u>Rupiah</u>				
≤ 1 month	14,765,376	14,963,594	21,199,452	4,643,601
> 1 month - 3 months	450,000	1,571,743	6,262,113	1,958,854
> 3 months - 1 year	1,758,715	1,720,870	8,211,629	6,489,098
> 1 year	1,101,224	941,912	658,526	814,817
	18,075,315	19,198,119	36,331,720	13,906,370
<u>Foreign currencies</u>				
≤ 1 month	6,024,915	2,726,311	1,143,273	758,513
> 1 month - 3 months	-	-	-	2,733,930
> 3 months - 1 year	-	686,151	24,770	866,921
> 1 year	26,425	731,940	671,250	697,141
	6,051,340	4,144,402	1,839,293	5,056,505
	24,126,655	23,342,521	38,171,013	18,962,875
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>				
≤ 1 month	29,907,297	26,476,578	14,817,415	7,355,448
> 1 month - 3 months	1,838,072	2,669,743	864,179	22,126
> 3 months - 1 year	6,208,442	7,537,421	1,875,512	1,143,379
> 1 year	26,847,055	28,643,183	16,532,919	10,909,968
	64,800,866	65,326,925	34,090,025	19,430,921
<u>Foreign currencies</u>				
≤ 1 month	18,192,546	18,051,666	6,605,660	3,107,899
> 3 months - 1 year	1,487,922	-	290,172	-
> 1 year	17,504,596	18,170,181	5,011,590	1,172,742
	37,185,064	36,221,847	11,907,422	4,280,641
	101,985,930	101,548,772	45,997,447	23,711,562
Total	126,112,585	124,891,293	84,168,460	42,674,437
Less: Allowance for impairment losses	(42,798)	(17,746)	-	(772)
Net	126,069,787	124,873,547	84,168,460	42,673,665

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer:

d.1. Government Bonds

Government bonds represent bonds issued by the Government of a country in connection with the management of Government debentures portfolio such as Government Debentures (SUN), Government Treasury Bills (SPN) and Government bonds issued in foreign currencies which are obtained from the primary and secondary markets, including U.S Treasury Bonds and Singapore Government Securities. The details of Government bonds are as follows:

Series	Annual Interest Rate (%)	Maturity Date	Fair Value/Carrying Value			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
<u>Fair value through profit or loss</u>						
<u>Rupiah</u>						
FR0062	6.38	April 15, 2042	26,345	14,200	15,200	14,300
FR0064	6.13	May 15, 2028	26,702	23,700	24,930	23,288
FR0065	6.63	May 15, 2033	-	23,625	25,097	23,450
FR0068	8.38	March 15, 2034	4,913	-	-	18,969
FR0070	8.38	March 15, 2024	474	-	-	29,858
FR0071	9.00	March 15, 2029	-	-	31,091	-
FR0073	8.75	May 15, 2031	876	-	-	-
IFR0002	11.95	August 15, 2018	-	1,060	-	-
IFR0006	10.25	March 15, 2030	13,918	17,300	-	-
ORIO10	8.50	October 15, 2016	-	-	-	14,979
PBS004	6.10	February 15, 2037	70	-	-	-
PBS005	6.75	April 15, 2043	2,073	5,987	-	-
PBS006	8.25	September 15, 2020	1,531	5,660	-	-
PBS007	9.00	September 15, 2040	489	-	-	-
PBS008	7.00	June 15, 2016	-	49,917	-	-
PBS009	7.75	January 25, 2018	905	-	-	-
PBS011	8.75	August 15, 2023	2,269	-	-	-
PBS012	8.88	November 15, 2031	6,232	-	-	-
SR004	6.25	September 21, 2015	-	-	-	21
SR005	6.00	February 27, 2016	-	13,631	5,107	6,170
SR006	8.75	March 5, 2017	782	664	-	-
SR007	8.25	March 11, 2018	39,646	118,949	-	-
SR008	8.30	March 10, 2019	20,441	-	-	-
			147,666	274,693	101,425	131,035
<u>United States Dollar</u>						
INDOIS18	4.00	November 21, 2018	27,379	28,746	-	-
INDOIS25	4.33	May 28, 2025	-	262,260	-	-
RI0144	6.75	January 15, 2044	-	-	15,357	-
			27,379	291,006	15,357	-
			175,045	565,699	116,782	131,035
<u>Available for sale</u>						
<u>Rupiah</u>						
FR0027	9.50	June 15, 2015	-	-	549,598	242,391
FR0028	10.00	July 15, 2017	952,699	1,198,484	659,638	105,986
FR0030	10.75	May 15, 2016	-	1,007,414	1,040,120	-
FR0031	11.00	November 15, 2020	141,220	134,709	125,831	56,702
FR0034	12.80	June 15, 2021	444,455	384,615	-	-
FR0035	12.90	June 15, 2022	780,208	559,911	-	-
FR0036	11.50	September 15, 2019	3,912	3,783	-	-
FR0039	11.75	August 15, 2023	61,605	57,675	-	-
FR0040	11.00	September 15, 2025	654,472	455,084	435,870	419,232
FR0042	10.25	July 15, 2027	297,005	212,898	225,845	214,085
FR0043	10.25	July 15, 2022	267,553	203,281	-	-
FR0044	10.00	September 15, 2024	229,040	212,600	-	-
FR0045	9.75	May 15, 2037	-	10,457	11,200	10,471
FR0046	9.50	July 15, 2023	33,270	10,310	10,911	-
FR0047	10.00	February 15, 2028	249,416	180,277	191,406	181,043
FR0048	9.00	September 15, 2018	10,359	10,057	-	-
FR0050	10.50	July 15, 2038	31,428	28,023	29,818	28,049
FR0052	10.50	August 15, 2030	538,806	326,933	348,768	330,095
FR0053	8.25	July 15, 2021	2,630,215	1,654,130	450,917	335,164
FR0054	9.50	July 15, 2031	345,669	312,238	150,984	142,540
FR0055	7.38	September 15, 2016	219,703	397,359	344,002	216,315
FR0056	8.38	September 15, 2026	3,408,708	1,569,743	172,153	162,338
FR0057	9.50	May 15, 2041	57,885	51,355	54,584	51,103
FR0058	8.25	June 15, 2032	584,537	467,875	424,676	399,679

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.1. Government Bonds (continued)

Series	Annual Interest Rate (%)	Maturity Date	June 30, 2016	Fair Value/Carrying Value		
				December 31, 2015	December 31, 2014	December 31, 2013
<u>Available for sale</u>						
<u>(continued)</u>						
<u>Rupiah (continued)</u>						
FR0059	7.00	May 15, 2027	463,499	418,925	437,612	409,121
FR0060	6.25	April 15, 2017	434,630	732,539	632,020	442,243
FR0061	7.00	May 15, 2022	559,733	546,105	506,191	440,417
FR0062	6.38	April 15, 2042	335,715	294,142	312,988	291,270
FR0063	5.63	May 15, 2023	594,375	576,344	507,305	387,145
FR0064	6.13	May 15, 2028	602,990	540,185	535,532	499,417
FR0065	6.63	May 15, 2033	605,650	545,372	443,788	413,417
FR0066	5.25	May 15, 2018	607,197	629,059	622,454	262,507
FR0068	8.38	March 15, 2034	918,664	792,413	265,962	175,444
FR0069	7.88	April 15, 2019	1,787,623	1,988,752	721,692	65,320
FR0070	8.38	March 15, 2024	1,238,307	1,411,402	604,753	171,773
FR0071	9.00	March 15, 2029	483,977	614,504	461,588	120,089
FR0072	8.25	May 15, 2036	852,455	488,637	-	-
FR0073	8.75	May 15, 2031	1,013,245	397,692	-	-
IFR0002	11.95	August 15, 2018	1,082	-	-	-
IFR0006	10.25	March 15, 2030	7,531	-	-	-
ORI008	7.30	October 15, 2014	-	-	-	17,763
ORI009	6.25	October 15, 2015	-	-	104,414	26,045
ORI010	8.50	October 15, 2016	5,584	930,747	158,267	80,259
ORI011	8.50	October 15, 2017	1,338,155	2,352,526	951,141	-
ORI012	9.00	October 15, 2018	64,678	311,111	-	-
PBS004	6.10	February 15, 2037	712	-	-	-
PBS005	6.75	April 15, 2043	4,728	-	-	-
PBS006	8.25	September 15, 2020	694,703	-	-	-
PBS007	9.00	September 15, 2040	4,945	-	-	-
PBS009	7.75	January 25, 2018	219,783	-	-	-
PBS011	8.75	August 15, 2023	620,303	-	-	-
PBS012	8.88	November 15, 2031	252,149	-	-	-
SR006	8.75	March 5, 2017	1,274	-	-	-
SR007	8.25	March 11, 2018	23,760	-	-	-
SR008	8.30	March 10, 2019	462,986	-	-	-
SPN	various	various	501,570	1,218,560	1,494,816	74,533
			26,644,168	24,238,226	13,986,844	6,771,956

United States Dollar

RI0014	6.75	March 10, 2014	-	-	-	682,431
RI0014	10.38	May 4, 2014	-	-	-	37,667
RI0015	7.25	April 20, 2015	-	-	497,876	195,392
RI0016	7.50	January 15, 2016	-	286,911	245,381	80,565
RI0017	6.88	March 9, 2017	835,222	1,157,720	992,494	176,268
RI0018	6.88	January 17, 2018	1,047,228	1,929,241	1,084,498	150,416
RI0035	8.50	October 12, 2035	250,385	175,630	52,072	44,295
RI0037	6.63	February 17, 2037	147,452	101,320	188,805	184,961
RI0038	7.75	January 17, 2038	216,024	145,528	97,908	82,849
RI0124	5.88	January 15, 2024	298,085	257,913	13,893	-
RI0125	4.13	January 15, 2025	743,798	934,991	-	-
RI0126	4.75	January 8, 2026	535,304	571,009	-	-
RI0142	5.25	January 17, 2042	127,088	212,242	87,895	20,724
RI0144	6.75	January 15, 2044	-	14,799	-	-
RI0145	5.13	January 15, 2045	352,609	562,709	-	-
RI0146	5.95	January 8, 2046	-	13,596	-	-
RI0320	5.88	March 13, 2020	1,353,688	1,557,619	546,592	154,621
RI0422	3.75	April 25, 2022	1,175,011	1,193,348	207,506	164,321
RI0423	3.38	April 15, 2023	675,238	647,913	348,347	283,829
RI0443	4.63	April 15, 2043	656,967	896,127	471,969	309,994
RI0521	4.88	May 5, 2021	1,852,083	1,868,137	302,134	276,411
RI1023	5.38	October 17, 2023	416,656	366,998	94,364	36,331
RI190304	11.63	March 4, 2019	1,736,600	2,429,173	767,853	-
INDOIS18	4.00	November 21, 2018	373,542	-	-	-
INDOIS19S	6.13	March 15, 2019	158,600	-	-	-
INDOIS21	3.40	March 31, 2021	199,426	-	-	-
INDOIS21A	3.40	March 29, 2021	261,913	-	-	-
INDOIS22	3.30	November 21, 2022	211,392	-	-	-
INDOIS24	4.35	September 10, 2024	162,712	-	-	-
INDOIS25	4.33	May 28, 2025	435,311	-	-	-
INDOIS26	4.55	March 29, 2026	1,046,321	-	-	-
USDFR0001	3.50	May 15, 2017	325,462	325,172	171,450	183,679
USDFR0002	4.05	June 24, 2026	660,625	-	-	-
U.S Treasury Bond	various	various	293,529	259,577	360,697	327,310
			16,548,271	15,907,673	6,531,734	3,392,064

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.1. Government Bonds (continued)

Series	Annual Interest Rate (%)	Maturity Date	June 30, 2016	Fair Value/Carrying Value		
				December 31, 2015	December 31, 2014	December 31, 2013
<u>Available for sale</u>						
<u>(continued)</u>						
<u>European Euro</u>						
RIEUR0721	2.88	July 8, 2021	168,226	148,493	62,728	-
RIEUR0623	2.63	June 14, 2023	133,615	-	-	-
RIEUR0725	3.38	July 30, 2025	105,356	99,131	-	-
			407,197	247,624	62,728	-
<u>Singapore Dollar</u>						
SIGB 100119	1.63	October 1, 2019	99,205	29,259	-	-
SIGB 060125	2.38	June 1, 2025	-	191,608	-	-
SIGB 060126	2.13	June 1, 2026	29,938	-	-	-
			129,143	220,867	-	-
			43,728,779	40,614,390	20,581,306	10,164,020
<u>Held to maturity</u>						
<u>Rupiah</u>						
FR0026	11.00	October 15, 2014	-	-	-	156,670
FR0028	10.00	July 15, 2017	344,922	348,171	351,338	301,847
FR0030	10.75	May 15, 2016	-	243,314	252,000	32,381
FR0034	12.80	June 15, 2021	425,388	430,439	367,598	-
FR0035	12.90	June 15, 2022	57,256	57,264	-	-
FR0036	11.50	September 15, 2019	19,426	19,360	-	-
FR0038	11.60	August 15, 2018	18,521	18,667	-	-
FR0039	11.75	August 15, 2023	69,967	70,385	51,738	52,296
FR0040	11.00	September 15, 2025	75,240	75,392	56,765	57,123
FR0042	10.25	July 15, 2027	169,553	169,827	169,694	169,881
FR0043	10.25	July 15, 2022	689,273	688,969	524,732	523,620
FR0044	10.00	September 15, 2024	181,035	183,267	75,707	76,082
FR0045	9.75	May 15, 2037	234,850	234,754	224,329	224,164
FR0046	9.50	July 15, 2023	236,142	236,030	235,683	182,197
FR0047	10.00	February 15, 2028	396,625	397,461	380,563	381,298
FR0048	9.00	September 15, 2018	109,046	108,723	108,118	107,571
FR0050	10.50	July 15, 2038	68,574	68,566	68,552	68,539
FR0052	10.50	August 15, 2030	297,012	296,968	296,886	296,813
FR0053	8.25	July 15, 2021	1,378,133	1,161,690	590,824	590,392
FR0054	9.50	July 15, 2031	407,020	405,156	353,288	352,730
FR0055	7.38	September 15, 2016	1,453,866	1,455,833	837,452	656,387
FR0056	8.38	September 15, 2026	1,627,198	1,048,011	800,481	798,687
FR0058	8.25	June 15, 2032	545,760	547,064	548,448	550,097
FR0059	7.00	May 15, 2027	258,877	259,099	259,310	259,577
FR0060	6.25	April 15, 2017	602,030	601,749	600,274	321,533
FR0061	7.00	May 15, 2022	424,599	426,074	427,472	429,254
FR0062	6.38	April 15, 2042	66,509	66,554	66,568	66,586
FR0063	5.63	May 15, 2023	525,502	527,631	527,485	486,440
FR0064	6.13	May 15, 2028	147,376	147,273	147,240	147,199
FR0065	6.63	May 15, 2033	287,201	287,084	247,913	247,954
FR0066	5.25	May 15, 2018	278,411	276,593	273,759	119,554
FR0067	8.75	February 15, 2044	34,679	34,675	34,675	-
FR0068	8.38	March 15, 2034	713,713	713,645	432,358	142,889
FR0069	7.88	April 15, 2019	2,661,320	2,667,864	1,026,955	332,414
FR0070	8.38	March 15, 2024	1,286,928	1,288,114	1,026,284	416,094
FR0071	9.00	March 15, 2029	742,348	742,894	647,580	226,824
FR0072	8.25	May 15, 2036	212,173	56,728	-	-
FR0073	8.75	May 15, 2031	467,845	71,862	-	-
IFR0001	11.80	August 15, 2015	-	-	25,630	-
IFR0003	9.25	September 15, 2015	-	-	112,244	113,408
IFR0005	9.00	January 15, 2017	298,557	300,286	303,744	307,203
IFR0006	10.25	March 15, 2030	80,470	78,453	47,942	47,928
IFR0007	10.25	January 15, 2025	306,987	307,570	308,738	309,906
IFR0010	10.00	February 15, 2036	79,647	80,072	80,925	81,778
ORI008	7.30	October 15, 2014	-	-	-	3,458
ORI009	6.25	October 15, 2015	-	-	45,240	569
ORI010	8.50	October 15, 2016	1,735,509	1,744,718	371,155	12,650
ORI011	8.50	October 15, 2017	790,740	792,512	5	-
ORI0012	9.00	October 15, 2018	99,703	-	-	-
PBS001	4.45	February 15, 2018	214,881	213,927	212,014	210,101
PBS002	5.45	January 15, 2022	245,068	244,625	243,736	242,847
PBS003	6.00	January 15, 2027	266,074	265,628	262,423	243,510
PBS004	6.10	February 15, 2037	123,400	123,146	109,229	108,969
PBS005	6.75	April 15, 2043	96,750	96,228	78,600	4,821
PBS006	8.25	September 15, 2020	2,865,555	2,581,571	515,977	5,294

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.1. Government Bonds (continued)

Series	Annual Interest Rate (%)	Maturity Date	June 30, 2016	Fair Value/Carrying Value		
				December 31, 2015	December 31, 2014	December 31, 2013
<u>Held to maturity</u>						
<u>(continued)</u>						
<u>Rupiah (continued)</u>						
PBS007	9.00	September 15, 2040	30,231	30,256	-	-
PBS008	7.00	June 15, 2016	-	2,965,407	-	-
PBS009	7.75	January 25, 2018	2,207,603	1,982,030	-	-
PBS011	8.75	August 15, 2023	191,111	-	-	-
PBS012	8.88	November 15, 2031	44,894	-	-	-
SR003	8.15	February 23, 2014	-	-	-	22,126
SR004	6.25	September 21, 2015	-	-	109,939	13,732
SR005	6.00	February 27, 2016	-	1,605,014	707,603	81,322
SR006	8.75	March 5, 2017	2,928,422	2,940,235	509,099	-
SR007	8.25	March 11, 2018	1,566,690	1,563,194	-	-
SR008	8.30	March 10, 2019	2,127	-	-	-
SPN	various	various	262,910	1,112,297	2,438,468	639,149
			<u>31,951,647</u>	<u>35,460,319</u>	<u>18,494,780</u>	<u>11,223,864</u>
<u>United States Dollar</u>						
RI0015	7.25	April 20, 2015	-	-	290,171	70,134
RI0016	7.50	January 15, 2016	2,604	373,421	212,688	172,365
RI0017	6.88	March 9, 2017	505,045	539,409	271,350	-
RI0018	6.88	January 17, 2018	922,063	979,824	286,895	119,484
RI0035	8.50	October 12, 2035	56,497	59,214	-	-
RI0037	6.63	February 17, 2037	182,993	198,880	171,473	168,461
RI0124	5.88	January 15, 2024	256,390	267,736	184,806	-
RI0125	4.13	January 15, 2025	116,817	121,775	-	-
RI0126	4.75	January 8, 2026	460,682	480,535	-	-
RI0144	6.75	January 15, 2044	15,262	15,939	-	-
RI0145	5.13	January 15, 2045	13,066	13,631	-	-
RI0146	5.95	January 8, 2046	32,803	34,219	-	-
RI0320	5.88	March 13, 2020	491,047	508,767	160,735	90,531
RI0422	3.75	April 25, 2022	796,627	831,383	-	-
RI0423	3.38	April 15, 2023	98,627	102,765	-	-
RI0521	4.88	May 5, 2021	994,293	1,043,289	37,155	27,203
RI1023	5.38	October 17, 2023	265,930	235,277	-	-
RI190304	11.63	March 4, 2019	492,169	530,860	33,289	-
USDFR0001	3.50	May 15, 2017	448,407	470,080	195,540	134,427
USDFR0002	4.05	June 24, 2026	660,625	-	-	-
INDOIS18	4.00	November 21, 2018	3,195,725	3,298,068	772,382	60,850
INDOIS19s	6.13	March 15, 2019	3,950,541	4,154,911	2,334,436	182,550
INDOIS21	3.40	March 31, 2021	26,774	-	-	-
INDOIS21A	3.40	March 29, 2021	105,700	-	-	-
INDOIS22	3.30	November 21, 2022	1,651,576	1,619,728	82,082	-
INDOIS24	4.35	September 10, 2024	1,071,002	1,064,136	49,540	-
INDOIS25	4.33	May 28, 2025	863,743	793,608	-	-
INDOIS26	4.55	March 29, 2026	403,098	-	-	-
			<u>18,080,106</u>	<u>17,737,455</u>	<u>5,082,542</u>	<u>1,026,005</u>
<u>European Euro</u>						
RIEUR0725	3.38	July 30, 2025	43,470	44,513	-	-
RIEUR0721	2.88	July 8, 2021	90,031	-	-	-
RIEUR0623	2.63	June 14, 2023	43,673	-	-	-
			<u>177,174</u>	<u>44,513</u>	<u>-</u>	<u>-</u>
			<u>50,208,927</u>	<u>53,242,287</u>	<u>23,577,322</u>	<u>12,249,869</u>
Total			<u>94,112,751</u>	<u>94,422,376</u>	<u>44,275,410</u>	<u>22,544,924</u>

The market values of Government bonds classified as fair value through profit or loss and available for sale ranged from 81.14% to 143.50%, 71.00% to 125.68%, 76.00% to 139.00% and 70.97% to 144.12% as of June 30, 2016 and December 31, 2015, 2014 and 2013, respectively.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds

Issuer	Annual Interest Rate (%)	Maturity Date	Rating ^{*)}			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Fair value through profit or loss						
<u>Third parties</u>						
<u>Rupiah</u>						
PT Adira Dinamika Multi Finance Tbk						
<i>Berkelanjutan II Phase II Series C 2013</i>	11.00	October 24, 2018	idAAA	-	-	-
<i>Berkelanjutan II Phase I Series D 2013</i>	8.90	March 1, 2018	idAAA	-	-	-
PT Bumi Serpong Damai Tbk						
<i>Berkelanjutan I Phase II 2013</i>	8.38	June 5, 2018	idAA-	-	-	-
PT Indosat Tbk						
<i>Sukuk Ijarah IV Series B 2009</i>	11.75	December 8, 2016	idAAA(Sy)	idAAA(Sy)	-	-
<i>Sukuk Ijarah Berkelanjutan I Phase I Series C 2014</i>	10.50	December 12, 2021	-	idAAA(Sy)	-	-
<i>Berkelanjutan I Phase III Series D 2015</i>	11.20	December 8, 2025	idAAA	-	-	-
PT Mandala Multifinance Tbk						
<i>Berkelanjutan II Phase I Series C 2015</i>	11.50	May 8, 2018	idA	-	-	-
PT Bank Maybank Indonesia Tbk						
<i>Sukuk Mudharabah Berkelanjutan I Phase II 2016</i>	8.25	June 10, 2019	idAAA(Sy)	-	-	-
PT Bank Muamalat Indonesia Tbk						
<i>Subordinasi Mudharabah Berkelanjutan I Phase I 2012</i>	8.26	June 29, 2022	-	idA(Sy)	-	-
<i>Subordinasi Mudharabah Berkelanjutan I Phase II 2013</i>	9.60	March 28, 2023	idA-(Sy)	idA(Sy)	-	-
PT Surya Artha Nusantara Finance						
<i>Berkelanjutan II Phase I Series B 2016</i>	9.00	June 9, 2019	idAA-	-	-	-
PT SMART Tbk						
<i>Berkelanjutan I Phase I Series B 2012</i>	9.25	July 3, 2019	idAA-	-	-	-
PT Summarecon Agung Tbk						
<i>Berkelanjutan I Phase I 2013 Ijarah Berkelanjutan I Phase I 2013</i>	10.85	December 11, 2018	idA+	-	-	-
<i>Ijarah Berkelanjutan I Phase I 2013</i>	10.85	December 11, 2018	idA+(Sy)	idA+(Sy)	-	-
<i>Ijarah Berkelanjutan I Phase II 2014</i>	11.50	October 10, 2019	idA+(Sy)	idA+(Sy)	-	-
<u>Related parties (Note 43)</u>						
<u>Rupiah</u>						
PT Adhi Karya (Persero) Tbk						
<i>Mudharabah Berkelanjutan I Phase I 2012</i>	9.35	July 3, 2017	idA-(Sy)	idA(Sy)	-	-
<i>Mudharabah Berkelanjutan I Phase II 2013</i>	8.10	March 15, 2018	-	idA(Sy)	-	-
<i>Berkelanjutan I Phase I Series B 2012</i>	9.80	July 3, 2019	idA-	-	-	-
PT Pegadaian (Persero)						
<i>Berkelanjutan II Phase I Series D 2013</i>	8.00	July 9, 2020	idAA+	-	-	-
PT Perusahaan Listrik Negara (Persero)						
<i>Sukuk Ijarah V Series B 2010 Ijarah Berkelanjutan I Phase I 2013</i>	10.40	July 8, 2022	idAAA(Sy)	idAAA(Sy)	-	-
<i>Berkelanjutan I Phase I Series A 2013</i>	8.00	July 5, 2020	idAAA(Sy)	idAAA(Sy)	-	-
PT Waskita Karya (Persero) Tbk						
<i>Year 2012 Series B</i>	9.75	June 5, 2017	idA-	-	-	-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Rating *)			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Available for sale						
Third parties						
Rupiah						
PT Adira Dinamika Multi Finance Tbk						
Phase I Series C 2011	9.00	December 16, 2016	idAAA	idAAA	idAAA	-
Phase II Series B 2013	10.50	October 24, 2016	-	-	idAAA	-
Phase IV Series B 2014	10.50	November 12, 2017	idAAA	idAAA	idAAA	-
Phase II Series A 2015	8.75	September 5, 2016	idAAA	idAAA	-	-
Phase III Series A 2016	8.75	March 12, 2017	idAAA	-	-	-
Phase I Series D 2013	8.90	March 1, 2018	idAAA	-	-	-
Phase I Series A 2015 Series C 2013	9.50	June 30, 2018	idAAA	-	-	-
Phase I Series B 2015	11.00	October 24, 2018	idAAA	-	-	-
Phase II Series C 2015	10.25	June 30, 2020	idAAA	-	-	-
	10.25	August 25, 2020	idAAA	-	-	-
PT Astra Sedaya Finance						
Phase V Series A 2015	8.50	July 12, 2016	AAA***)	idAAA	-	-
Phase I Series C 2012	8.60	February 21, 2017	idAAA	idAAA	-	-
Phase III Series B 2014	10.50	April 4, 2017	idAAA	idAAA	-	-
Phase I Series A 2016	7.95	May 21, 2017	idAAA	-	-	-
Phase IV Series B 2014	10.50	October 29, 2017	AAA***)	idAAA	-	-
Phase II Series C 2013	9.75	November 26, 2017	idAAA	idAAA	-	-
Phase V Series B 2015	9.25	July 2, 2018	AAA***)	idAAA	-	-
Phase I Series B 2016	8.50	May 11, 2019	AAA***)	-	-	-
Phase II Series B 2013	9.50	November 26, 2016	-	-	idAAA	-
PT Bank CIMB Niaga Tbk						
Phase II Series C 2013	9.75	November 20, 2018	idAAA	idAAA	-	-
Phase I Series B 2012	7.75	October 30, 2017	idAAA	-	-	-
PT Bank Maybank Indonesia Tbk						
Phase I Series B 2011	8.75	December 6, 2016	idAA+	idAAA	-	-
Phase II Series B 2012	8.00	October 31, 2017	idAAA	-	-	-
Sukuk Mudharabah Phase II 2016	8.25	June 10, 2019	idAAA(Sy)	-	-	-
PT Bank OCBC NISP Tbk						
Phase I Series C 2013	7.40	February 19, 2016	-	idAAA	idAAA	-
Phase II Series B 2015	9.40	February 10, 2017	idAAA	idAAA	-	-
Phase II Series C 2015	9.80	February 10, 2018	idAAA	idAAA	-	-
Phase I Series C 2016	8.25	May 11, 2019	idAAA	-	-	-
PT Bank Pan Indonesia Tbk						
Series IV 2010	9.00	November 9, 2015	-	-	idAA	-
Phase I 2012	8.15	December 20, 2017	idAA	idAA	idAA	-
Phase I 2016	9.15	June 28, 2021	idAA	-	-	-
PT Bank Tabungan Pensiunan Nasional Tbk						
Phase I Series B 2011	9.90	June 28, 2016	-	AA+***)	-	-
Phase II Series A 2012	7.75	August 3, 2015	-	-	AA***)	-
Phase II Series B 2012	8.25	August 3, 2017	idAAA	AA+***)	-	-
Phase I Series B 2013	8.25	July 4, 2018	AAA***)	AA+***)	-	-
Phase III Series B 2013	8.25	March 5, 2018	AAA***)	AA+***)	-	-
PT Bank DKI						
Phase I 2016	8.70	June 30, 2021	A+(idn)***)	-	-	-
PT Bank Permata Tbk						
Phase I Series A 2013	10.00	January 3, 2015	-	-	idAAA	idAA+
PT SMART Tbk						
Phase I Series B 2012	9.25	July 3, 2019	idAA-	-	-	-
PT Bank UOB Indonesia						
Year 2015 Series B	9.40	April 1, 2018	AAA***)	AAA***)	-	-
Year 2015 Series C	9.60	April 1, 2020	AAA***)	-	-	-
PT BCA Finance						
Phase II Series B 2013	7.50	June 14, 2016	-	idAAA	idAAA	-
Phase II Series C 2013	7.60	June 14, 2017	idAAA	idAAA	-	-
Phase I Series C 2015	9.00	March 20, 2018	idAAA	idAAA	-	-
PT BFI Finance Indonesia Tbk						
Phase II Series A 2015	9.88	March 29, 2016	-	idA+	-	-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Rating ^{*)}			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Available for sale (continued)						
Third parties (continued)						
Rupiah (continued)						
PT BII Finance Center						
Series A 2013	7.75	June 19, 2016	-	AA+****)	AA+****)	-
Series B 2013	8.25	June 19, 2018	AA+****)	-	-	-
Phase I Series A 2015	10.35	November 12, 2018	AA+****)	-	-	-
PT Bumi Serpong Damai Tbk						
Phase II Year 2013	8.38	June 5, 2018	idAA-	idAA-	-	-
PT Federal International Finance						
Phase I Series C 2012	7.65	April 20, 2015	-	-	idAAA	-
Phase II Series A 2015	8.50	September 21, 2016	idAAA	idAAA	-	-
Phase III Series B 2016	9.15	April 5, 2019	idAAA	-	-	-
PT Indofood Sukses Makmur Tbk						
Bonds VI Year 2012	7.25	May 31, 2017	idAA+	idAA+	-	-
Bonds VII Year 2014	10.13	June 13, 2019	idAA+	-	-	-
PT Indosat Tbk						
Series B 2009	11.75	December 8, 2016	idAAA	idAAA	-	-
Series B 2012	8.88	June 27, 2022	idAAA	idAAA	-	-
Phase III Series D 2015	11.20	December 8, 2025	idAAA	idAAA	-	-
Phase II Series B 2015	9.25	June 4, 2018	idAAA	-	-	-
<i>Ijarah</i> Phase I Series C 2014	10.50	December 12, 2021	idAAA(Sy)	-	-	-
PT Mandala Multifinance Tbk						
Phase I Series C 2015	11.50	May 8, 2018	idA	idA	-	-
PT Bank Muamalat Indonesia Tbk						
Subordinated <i>Mudharabah</i>						
Phase II 2013	7.65	March 28, 2023	idA-(Sy)	-	-	-
PT Summarecon Agung Tbk						
Phase I Year 2013	10.85	December 11, 2018	idA+	idA+	-	-
Phase II Year 2014	11.50	October 10, 2019	idA+	-	idA+	-
<i>Ijarah</i> Phase II Year 2014	11.50	October 10, 2019	idA+(Sy)	-	-	-
PT Toyota Astra Financial Services						
Year 2013 Series B	7.60	May 17, 2016	-	-	AAA****)	-
Phase I Series B 2014	10.50	February 13, 2017	idAAA	-	-	-
Phase II Series B 2015	9.25	June 11, 2018	AA+****)	-	-	-
Phase III Series B 2015	9.50	November 6, 2018	AAA****)	-	-	-
Phase I Series B 2016	8.40	June 1, 2019	AAA****)	-	-	-
PT Wahana Ottomitra Multiartha Tbk						
Phase I Series B 2014	11.00	June 25, 2017	AA****)	AA****)	-	-
Phase II Series A 2014	10.25	December 15, 2015	-	-	AA****)	-
Phase IV Series A 2015	9.35	January 2, 2017	F1+****)	AA****)	-	-
Phase IV Series B 2015	10.80	December 22, 2018	AA****)	AA****)	-	-
United States Dollar						
Alcoa Inc.	5.72	February 23, 2019	-	-	-	Ba1**)
Alibaba	3.60	May 28, 2015	-	-	A+****)	-
Alibaba	3.60	November 28, 2024	A+****)	A1**)	-	-
AT&T Global	5.80	February 15, 2019	BB+****)	Baa1**)	A-****)	-
AT&T Global	4.45	May 15, 2021	A-****)	Baa1**)	A-****)	-
Apple Inc.	2.40	May 3, 2015	-	-	AA+****)	-
Apple Inc.	3.85	May 4, 2043	-	-	-	AA+****)
Bank of America	3.30	January 11, 2015	-	-	A****)	-
Bank of America	5.75	December 1, 2017	BBB+****)	Baa1**)	A****)	-
Bank of America	5.63	July 1, 2020	BBB+****)	Baa1**)	A****)	-
Bank of America	3.30	January 11, 2023	BBB+****)	Baa1**)	A****)	-
The Bank of Tokyo-Mitsubishi UFJ	3.75	March 10, 2015	-	-	A****)	-
BB&T Corp	1.45	October 3, 2016	-	-	A****)	-
BB&T Corp	3.63	September 16, 2025	A-****)	A2**)	-	-
Bed Bath & Beyond Inc.	3.75	January 17, 2015	-	-	A-****)	-
Bed Bath & Beyond Inc.	3.75	August 1, 2024	BBB+****)	Baa1**)	-	-
BerkshireHathway	1.60	May 15, 2017	AA****)	Aa2**)	AA****)	-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Rating ^{*)}			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Available for sale (continued)						
Third parties (continued)						
United States Dollar (continued)						
BHP Billiton Ltd.	3.25	November 21, 2021	A****)	A1**)	A+****)	-
Canadian Imperial Bank of Commerce	1.55	January 23, 2018	A+****)	Aa3**)	A+****)	-
Chevron Corporation	3.19	June 24, 2015	-	-	AA****)	-
Cisco Systems. Inc.	4.95	February 15, 2019	AA-****)	A1**)	AA-****)	-
Citigroup Inc.	4.45	January 10, 2017	-	Baa1**)	A-****)	-
Citigroup Inc.	3.75	June 16, 2024	BBB+****)	Baa1**)	-	-
Citigroup Inc.	2.65	October 26, 2020	BBB+****)	-	-	-
The Coca-Cola Company	5.35	November 15, 2017	-	-	AA****)	-
Colgate-Palmolive Company	1.95	February 1, 2015	-	-	AA-****)	-
Colgate-Palmolive Company	3.25	March 15, 2015	-	-	AA-****)	-
Comcast Corporation	5.70	May 15, 2018	A-****)	A3**)	A-****)	-
Comcast Corporation	2.85	January 15, 2023	A-****)	A3**)	A****)	-
ConocoPhillips Co.	5.63	October 15, 2016	-	-	A****)	-
ConocoPhillips Co.	3.35	November 14, 2024	A-****)	A2**)	-	-
CVS Health	5.75	June 1, 2017	-	Baa1**)	BBB+****)	-
CVS Health	2.75	December 1, 2022	BBB+****)	Baa1**)	BBB+****)	-
Darden Restaurants Inc.	4.50	October 15, 2021	-	-	-	Baa3**)
Discovery Communications. Inc.	3.25	April 1, 2023	-	-	BBB****)	-
Enterprise Products Partners L.P.	3.35	March 15, 2023	BBB+****)	Baa1**)	BBB+****)	-
Ford Motor Company	4.25	March 20, 2015	-	-	BBB-****)	-
Ford Motor Company	2.88	October 1, 2018	BBB****)	Baa3**)	BBB-****)	-
Ford Motor Company	4.25	September 20, 2022	BBB****)	Baa3**)	-	-
Freepport-McMoRan Inc.	4.55	November 14, 2024	BB****)	Baa3**)	-	-
General Electric	3.10	January 9, 2015	-	-	AA+****)	-
General Electric	5.63	September 15, 2017	-	-	AA+****)	-
General Electric	3.10	January 9, 2023	AA+****)	A1**)	-	A1**)
General Electric	3.37	November 15, 2025	AA+****)	A1**)	-	-
Goldman Sachs Group, Inc.	3.63	January 22, 2015	-	-	B****)	-
Goldman Sachs Group, Inc.	3.30	May 3, 2015	-	-	-	A****)
Goldman Sachs Group, Inc.	3.63	January 22, 2023	-	-	-	A****)
Goldman Sachs Group, Inc.	2.75	September 15, 2020	BBB+****)	A3**)	-	-
The Home Depot	5.40	March 1, 2016	-	-	A****)	-
The Home Depot	2.00	June 15, 2019	A****)	A2**)	-	-
Hewlett-Packard Company	4.30	June 1, 2021	-	-	-	Baa1**)
Indian Oil Corporation Ltd.	5.75	August 1, 2023	-	-	-	BBB-****)
International Business Machines Corporation	2.00	January 5, 2016	-	-	AA-****)	-
International Business Machines Corporation	1.13	February 6, 2018	AA-****)	Aa3**)	-	-
International Business Machines Corporation	3.63	February 12, 2024	AA-****)	Aa3**)	-	-
JPMorgan Chase & Co.	2.35	January 28, 2015	-	-	A****)	-
JPMorgan Chase & Co.	3.63	May 13, 2015	-	-	A****)	-
JPMorgan Chase & Co.	6.00	January 15, 2018	A-****)	A3**)	A****)	-
JPMorgan Chase & Co.	4.95	March 25, 2020	A-****)	A3**)	BB****)	-
JPMorgan Chase & Co.	2.35	January 23, 2025	-	A3**)	-	-
JPMorgan Chase & Co.	3.13	January 23, 2025	A-****)	A3**)	-	-
JPMorgan Chase & Co.	3.63	May 13, 2024	A-****)	-	-	-
Kinder Morgan Energy Partners LP	3.50	March 1, 2016	-	-	BBB-****)	-
Kinder Morgan Energy Partners LP	2.65	February 1, 2019	BBB-****)	Baa3**)	-	-
Kraft Foods Group, Inc.	4.13	February 9, 2016	-	-	BBB-****)	-
Kraft Foods Group, Inc.	5.00	June 4, 2042	-	-	-	Baa2**)
Macy's Inc.	3.63	June 1, 2015	-	-	BBB-****)	-
Macy's Inc.	3.63	June 1, 2024	BBB****)	Baa2**)	-	-
Bank Mizuho	3.50	March 21, 2023	-	-	-	A+****)
Morgan Stanley	3.75	February 25, 2015	-	-	B****)	-
Morgan Stanley	3.75	February 25, 2023	-	-	-	A-****)
Occidental Petroleum Corporation	1.75	February 15, 2017	-	A2**)	A****)	-
Oversea-Chinese Banking Corporation Limited	4.25	June 19, 2024	BBB+****)	AA-****)	-	-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Rating ^{*)}			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Available for sale (continued)						
Third parties (continued)						
United States Dollar (continued)						
PacificFirst Mortgage	2.95	February 1, 2022	A+****)	A1**)	A****)	-
PepsiCo Inc.	2.75	March 1, 2015	-	-	A****)	-
PepsiCo Inc.	2.75	March 1, 2023	A****)	A1**)	-	-
PepsiCo Inc.	3.10	July 17, 2022	A****)	-	-	-
Phillips66	2.95	May 1, 2017	BBB+****)	A3**)	BBB+****)	-
PNC Financial Services Group, Inc.	2.95	February 23, 2025	A****)	A2**)	-	-
Province of Ontario	4.40	April 14, 2020	A+****)	Aa2**)	AA-****)	-
Province of Quebec	2.75	August 25, 2021	A+****)	Aa2**)	A+****)	-
PT Medco Energi Internasional Tbk Phase I 2011	6.05	July 14, 2016	idA+	A+****)	idAA-	idAA-
Royal Bank of Canada	2.63	December 15, 2015	-	-	AA-****)	-
Royal Bank of Canada	2.63	March 15, 2019	AA-****)	Aa3**)	-	-
Royal Dutch Shell plc	2.13	May 11, 2020	A****)	Aa1**)	-	-
The Federal Home Loan Mortgage Corporation	3.75	March 27, 2019	AA+****)	Aaa****)	AAA+****)	-
The Federal Home Loan Mortgage Corporation	2.38	January 13, 2022	AA+****)	Aaa****)	AAA+****)	-
Toyota Motor Corporation	1.90	April 8, 2021	AA-****)	-	-	-
U.S. Bancorp	1.95	November 15, 2018	A+****)	A1**)	A+****)	-
Time Warner Inc.	3.55	June 1, 2024	BBB****)	Baa2**)	-	-
Verizon Communications	2.45	May 1, 2015	-	-	BBB+****)	-
Verizon Communications	3.65	September 14, 2018	BBB+****)	Baa1**)	BBB+****)	-
Verizon Communications	5.15	September 15, 2023	BBB+****)	Baa1**)	BBB+****)	-
Walgreen Company	3.10	March 15, 2015	-	-	BBB****)	-
Walgreen Company	3.10	September 15, 2022	BBB****)	Baa2**)	-	-
Wal-Mart Stores, Inc.	3.25	October 25, 2020	AA****)	Aa2**)	-	-
Wells Fargo & Company	2.10	May 8, 2017	-	A2**)	A+****)	-
Wells Fargo & Company	3.50	March 8, 2022	A****)	A2**)	A+****)	-
Wells Fargo & Company	2.60	July 22, 2020	A****)	-	-	-
Xerox Corporation Ltd.	3.80	May 15, 2015	-	-	BBB-****)	-
Xerox Corporation Ltd.	3.80	May 15, 2024	BBB-****)	Baa2**)	-	-
Related parties (Note 43)						
Rupiah						
Lembaga Pembiayaan Ekspor Indonesia						
Phase I Year 2010 Series D	10.00	July 8, 2017	idAAA	idAAA	idAAA	-
Phase I Series D 2014	9.75	June 5, 2019	idAAA	idAAA	-	-
Phase III Series B 2014	9.25	October 16, 2017	idAAA	idAAA	idAAA	-
Phase V Series B 2015	9.00	March 13, 2018	idAAA	idAAA	-	-
Phase VI Series B 2015	9.20	September 16, 2018	idAAA	idAAA	-	-
Phase VI Series C 2015	9.50	September 16, 2020	idAAA	idAAA	-	-
Phase V Series C 2015	9.50	March 13, 2020	idAAA	-	-	-
Phase I Series B 2016	8.20	June 8, 2019	idAAA	-	-	-
Phase I Series C 2016	8.70	June 8, 2021	idAAA	-	-	-
Phase VII Series C 2016	9.60	February 19, 2021	idAAA	-	-	-
Phase VII Series B 2016	9.25	February 19, 2019	idAAA	-	-	-
PT Adhi Karya (Persero) Tbk						
Phase I Series B 2012	9.80	July 3, 2019	idA-	idA	-	-
Phase II Series A 2013	8.10	March 15, 2018	idA-	idA	-	-
Phase II Series B 2013	8.50	March 15, 2020	idA-	-	-	-
Mudharabah Berkelanjutan I						
Phase II 2012	8.10	March 15, 2018	idA-(Sy)	-	-	-
PT Aneka Tambang (Persero) Tbk						
Phase I Series A 2011	8.38	December 14, 2018	idA-	idA-	-	-
Phase I Series B 2011	9.05	December 14, 2021	idA-	idA-	-	-
PT Angkasa Pura II (Persero) Year 2016 Series C						
Year 2016 Series C	9.00	June 30, 2026	idAAA	-	-	-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Rating ^{*)}			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Available for sale (continued)						
Related Parties (Note 43)						
(continued)						
Rupiah (continued)						
PT Bank Tabungan Negara (Persero) Tbk						
Series XII Year 2006	12.75	September 19, 2016	idAA+	idAA	idAA	-
Bonds XIV Year 2010	10.25	June 11, 2020	idAA+	idAA	-	-
Series XV Year 2011	9.50	June 28, 2021	idAA+	-	-	-
Phase II Year 2013	7.90	March 27, 2023	idAA+	idAA	-	-
Phase I Series A 2015	9.63	July 8, 2018	idAA+	idAA	-	-
Phase I Series B 2015	9.88	July 8, 2020	idAA+	idAA	-	-
Phase I Series C 2015	10.00	July 8, 2022	idAA+	idAA	-	-
PT Hutama Karya (Persero)						
Year 2013 Series C	9.50	June 28, 2020	idA-	-	-	-
PT Jasa Marga (Persero) Tbk						
Series XIII R	10.25	June 21, 2017	idAA	idAA	idAA	idAA
Series Q 2006	13.50	July 6, 2016	idAA	idAA	-	-
Series JM-10 Year 2010	9.35	October 12, 2020	idAA	idAA	-	-
Phase I Series S Series C 2013	8.90	September 27, 2018	idAA	idAA	-	-
Phase II Series T 2014	9.85	September 19, 2019	idAA	idAA	-	-
PT Mandiri Tunas Finance						
Phase I Series A 2013	7.75	June 5, 2016	-	idAA	-	-
Phase II Series A 2014	10.70	May 23, 2017	idAA	idAA	idAA	-
Phase II Series A 2016	8.95	June 1, 2019	idAA	-	-	-
Phase II Series B 2016	9.25	June 1, 2021	idAA	-	-	-
PT Pegadaian (Persero)						
Year 2003 Series X B	10.50	July 11, 2018	idAA+	-	-	-
Year 2006 Series XI A	13.10	May 23, 2016	-	idAA+	-	-
Series XII A	10.03	September 4, 2017	idAA+	-	-	-
Year 2007 Series B	8.00	September 4, 2017	idAA+	idAA+	idAA+	idAA+
Phase II Series D 2012	7.75	February 14, 2019	idAA+	idAA+	-	-
Phase I Series D 2013	8.00	July 9, 2020	idAA+	idAA+	-	-
Phase III Series B 2015	9.25	May 7, 2018	idAA+	idAA+	-	-
Phase III Series C 2015	9.50	May 7, 2020	idAA+	idAA+	-	-
PT Pembangunan Perumahan (Persero) Tbk						
Phase I Year 2013	8.38	March 19, 2018	idA	-	-	-
PT Permodalan Nasional Madani (Persero)						
Phase I Series B 2014	10.50	December 19, 2017	idA	idA	-	-
PT Perusahaan Listrik Negara (Persero)						
Year 2007 Series IX A	10.40	July 10, 2017	idAAA	idAAA	idAAA	idAAA
Year 2010 Series XI B	12.55	January 12, 2020	idAAA	idAAA	-	-
Year 2010 Series XII B	10.40	July 8, 2022	idAAA	idAAA	-	-
Phase II Series A 2013	9.00	December 10, 2018	idAAA	idAAA	-	-
Phase II Series B 2013	9.60	December 10, 2023	idAAA	idAAA	-	-
Phase I Series A 2013	8.00	July 5, 2020	idAAA	-	-	-
Ijarah Phase I Year 2013	8.00	July 5, 2020	idAAA(Sy)	-	-	-
PT Pupuk Indonesia (Persero)						
Year 2014 Series A	9.63	July 8, 2017	AAA***)	AAA***)	AAA***)	-
Year 2014 Series B	9.95	July 8, 2019	AAA***)	AAA***)	-	-
PT Sarana Multi Infrastruktur (Persero)						
Year 2014 Series A	9.60	June 11, 2017	idAAA	-	-	-
Year 2014 Series B	10.00	June 11, 2019	idAAA	idAA+	-	-
PT Sarana Multigriya Finansial (Persero)						
Phase II 2012 Berjamin Aset KPR Series C	7.55	April 25, 2017	AA***)	idAA+	idAA	-
Phase V Series A 2014	9.60	December 29, 2015	-	-	idAA	-
Phase V Series B 2014	10.00	December 16, 2017	idAA+	idAA+	-	-
Phase I Series B 2015	9.25	July 7, 2018	idAA+	idAA+	-	-
Phase IV Series A 2016	8.60	March 21, 2017	idAA+	-	-	-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Rating ^{*)}			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Available for sale (continued)						
Related Parties (Note 43)						
(continued)						
Rupiah (continued)						
PT Sarana Multigriya Finansial (Persero) (continued)						
Phase IV Series B 2016	9.13	March 11, 2019	idAA+	-	-	-
Phase V Series B 2016	8.20	June 17, 2019	idAA+	-	-	-
PT Telekomunikasi Indonesia (Persero) Tbk						
Phase I Series A 2015	9.93	June 23, 2022	idAAA	idAAA	-	-
PT Waskita Karya (Persero) Tbk						
Year 2012 Series B	9.75	June 5, 2017	idA-	idA	-	-
Phase II Series A 2015	10.40	October 16, 2018	idA-	idA	-	-
Phase II Series B 2015	11.10	October 16, 2020	idA-	idA	-	-
Phase I Year 2014	10.40	November 18, 2017	idA-	-	-	-
Phase I Year 2016	9.25	June 10, 2019	idA-	-	-	-
United States Dollar						
Lembaga Pembiayaan						
Ekspor Indonesia						
Year 2017	3.75	April 26, 2017	Baa3**)	Baa3**)	Baa3**)	-
PT Bank Negara Indonesia (Persero) Tbk						
Year 2017	4.13	April 27, 2017	Baa3**)	BB****)	BB****)	BB****)
PT Pelabuhan Indonesia II (Persero)						
Year 2025	4.25	May 5, 2025	Baa3**)	B1**)	-	-
PT Pelabuhan Indonesia III (Persero)						
Year 2024	4.88	October 1, 2024	Baa3**)	BB+****)	-	-
PT Pertamina (Persero)						
Year 2023	4.30	May 20, 2023	BB+****)	Baa3**)	-	-
Year 2043	4.13	May 20, 2043	-	-	C****)	Baa3**)
Year 2021	5.25	May 23, 2021	Baa3**)	Baa3**)	-	-
Year 2022	4.88	May 3, 2022	Baa3**)	Baa3**)	-	-
PT Perusahaan Gas						
Negara (Persero) Tbk						
Year 2024	5.13	May 16, 2024	BB+****)	Baa3**)	-	-
PT Perusahaan Listrik						
Negara (Persero)						
Year 2017	7.25	June 28, 2017	Baa3**)	BBB-****)	-	-
Year 2020	7.75	January 20, 2020	Baa3**)	BBB-****)	-	-
Year 2021	5.50	November 22, 2021	Baa3**)	BBB-****)	C****)	-
Year 2042	5.25	October 24, 2042	BBB****)	BBB****)	C****)	Baa3**)
Held to Maturity						
Third Parties						
Rupiah						
PT Adira Dinamika Multi Finance Tbk						
Phase I Series C 2011	9.00	December 16, 2016	idAAA	idAAA	idAAA	idAA+
Phase II Series C 2012	7.75	May 4, 2015	-	-	idAAA	-
Phase III Series B 2012	7.75	September 27, 2015	-	-	idAAA	-
Phase II Series A 2013	9.15	November 3, 2014	-	-	-	idAA+
Phase I Series B 2013	7.30	March 1, 2015	-	-	idAAA	-
Phase I Series C 2013	7.85	March 1, 2016	-	idAAA	idAAA	idAA+
Phase I Series D 2013	8.90	March 1, 2018	idAAA	idAAA	idAAA	idAA+
Phase III Series A 2014	9.60	May 24, 2015	-	-	idAAA	-
Phase IV Series A 2014	9.60	November 22, 2015	-	-	idAAA	-
Phase IV Series B 2014	10.50	November 12, 2017	idAAA	idAAA	idAAA	-
Sukuk Phase I Series C 2013	7.85	March 1, 2016	-	idAAA(Sy)	idAAA(Sy)	idAA+(Sy)
Sukuk Phase II Series A 2014	9.60	November 22, 2015	-	-	idAAA(Sy)	-
Sukuk Phase II Series B 2014	10.50	November 12, 2017	idAAA(Sy)	idAAA(Sy)	idAAA(Sy)	-
Sukuk Phase I Series A 2015	8.75	July 10, 2016	idAAA(Sy)	idAAA(Sy)	-	-
Phase I Series A 2015	9.50	June 30, 2018	idAAA	-	-	-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Rating ^{*)}			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Held to Maturity (continued)						
Third Parties (continued)						
Rupiah (continued)						
PT Agung Podomoro Land Tbk						
Series I A	10.00	August 25, 2014	-	-	-	idA
Series II Year 2012	9.38	August 15, 2017	idA-	idA	idA	idA
PT Astra Sedaya Finance						
Series XII C	9.70	February 25, 2014	-	-	-	idAA+
Series XII D 2011	10.00	February 25, 2015	-	-	idAAA	-
Phase I Series B 2012	8.00	February 21, 2015	-	-	idAAA	-
Phase I Series C 2012	8.60	February 21, 2017	idAAA	idAAA	-	-
Phase III Series B 2013	7.75	February 22, 2016	-	idAAA	-	-
Phase I Series C 2013	7.75	June 27, 2016	-	idAAA	idAAA	-
Phase II Series A 2013	8.75	December 6, 2014	-	-	-	idAA+
Phase II Series B 2013	9.50	November 26, 2016	idAAA	idAAA	idAAA	-
Phase III 2014	9.60	April 14, 2015	-	-	AAA***)	-
Phase IV Series B 2014	10.50	October 29, 2017	AAA***)	idAAA	-	-
Phase V Series A 2015	8.50	July 12, 2016	AAA***)	idAAA	-	-
Phase I Series B 2016	8.50	May 11, 2019	AAA***)	-	-	-
PT Bank CIMB Niaga Tbk						
Series B 2011	8.30	December 23, 2016	idAAA	idAAA	idAAA	idAAA
Phase I Series B 2012	7.75	October 30, 2017	idAAA	idAAA	idAAA	-
Phase II Series A 2013	8.75	November 20, 2015	-	-	idAAA	idAAA
Phase II Series B 2013	9.15	November 20, 2016	idAAA	idAAA	idAAA	-
Phase II Series C 2013	9.75	November 20, 2018	idAAA	idAAA	idAAA	idAAA
PT Bank Danamon						
Indonesia Tbk						
Series II B	9.00	December 9, 2015	-	-	AAA	idAA+
PT Bank DKI						
Series VI A	9.25	June 17, 2014	-	-	-	idA+
PT Bank Maybank						
Indonesia Tbk						
Phase I Series B 2011	8.75	December 6, 2016	idAAA	idAAA	idAAA	-
Phase II Series A 2012	7.60	October 31, 2015	-	-	idAAA	idAAA
Phase II Series B 2012	8.00	October 31, 2017	idAAA	idAAA	idAAA	idAAA
<i>Sukuk Mudharabah</i> Phase II Year 2016	8.25	June 10, 2019	idAAA	-	-	-
PT Bank Muamalat Indonesia Tbk						
Subordinated <i>Mudharabah Berkelanjutan</i> I Phase I 2012	8.26	June 29, 2022	idA-(Sy)	idA(Sy)	-	-
PT Bank OCBC NISP Tbk						
Phase I Series B 2013	6.90	February 19, 2015	-	-	idAAA	idAAA
Phase I Series C 2013	7.40	February 19, 2016	-	idAAA	idAAA	idAAA
Phase II Series A 2015	9.00	February 20, 2016	-	idAAA	-	-
Phase II Series C 2015	9.80	February 10, 2018	idAAA	idAAA	-	-
Phase I Series C 2016	8.25	May 11, 2019	idAAA	-	-	-
PT Bank Pan Indonesia Tbk						
Series III 2009	11.50	October 6, 2014	-	-	-	idAA
Series IV 2010	9.00	November 9, 2015	-	-	idAA	idAA
Phase I 2012	8.15	December 20, 2017	idAA	idAA	idAA	-
Phase I 2016	9.15	June 28, 2021	idAA	-	-	-
PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk						
Series VII A	9.20	February 9, 2014	-	-	-	idAA-
Series VII C 2011	10.40	February 9, 2018	idAA-	idAA-	-	-
PT Bank Permata Tbk						
Phase I Series A 2013	10.00	January 3, 2015	-	-	idAAA	idAA+
Phase I Series B 2013	10.50	December 24, 2016	idAAA	idAAA	idAAA	idAAA+

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Rating ^{*)}			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Held to Maturity (continued)						
Third Parties (continued)						
Rupiah (continued)						
PT Bank Sumut						
Series III Year 2011	10.13	July 5, 2016	idA	idA	idA	idA+
PT Bank Tabungan Pensiunan Nasional Tbk						
Series II B 2010	10.60	May 18, 2015	-	-	AA****)	-
Series III B 2010	9.20	December 22, 2015	-	-	AA****)	-
Phase I Series B 2011	9.90	June 28, 2016	-	AA+****)	-	-
Phase II Series A 2012	7.75	August 3, 2015	-	-	AA****)	AA-
Phase II Series B 2012	8.25	August 3, 2017	AAA****)	AA+****)	AA****)	AA-
Phase III Series B 2013	8.25	March 5, 2018	AAA****)	AA+****)	-	-
Phase III Series A 2013	7.65	March 5, 2016	-	AA+****)	-	-
PT Bank UOB Indonesia						
Series A 2015	8.60	April 11, 2016	-	AAA****)	-	-
Series B 2015	9.40	April 1, 2018	AAA****)	AAA****)	-	-
Series C 2015	9.60	April 1, 2020	AAA****)	-	-	-
PT BCA Finance						
Phase I Series D 2012	7.70	May 9, 2016	-	idAAA	-	-
Phase II Series B 2013	7.50	June 14, 2016	-	idAAA	idAAA	-
Phase III Series B 2014	10.00	March 27, 2017	idAAA	idAAA	-	-
Phase I Series A 2015	8.25	March 30, 2016	-	idAAA	-	-
Phase I Series C 2015	9.00	March 20, 2018	idAAA	idAAA	-	-
Phase I Series B 2015	8.50	March 20, 2017	idAAA	idAAA	-	-
PT BII Finance Center						
Series C 2012	8.00	June 7, 2016	-	AA+****)	-	-
Series A 2013	7.75	June 19, 2016	-	AA+****)	-	-
PT BPD Sumatera Barat (Bank Nagari)						
Series VI Year 2010	9.88	January 13, 2016	-	idA	idA	idA
Sukuk Mudharabah	10.99	January 8, 2021	idA(Sy)	-	-	-
PT Eagle High Plantation Tbk						
Series I 2010	10.68	November 16, 2015	-	-	BBB+	idBBB+
PT Federal International Finance						
Phase I Series C 2012	7.65	April 20, 2015	-	-	idAAA	idAA+
Phase II Series B 2013	7.75	April 4, 2016	-	idAAA	idAAA	idAA+
Phase II Series A	6.75	April 14, 2014	-	-	-	idAA+
Phase III Series A 2014	9.60	March 24, 2015	-	-	idAAA	-
Phase I Series A 2015	8.50	May 4, 2016	-	idAAA	-	-
PT Great River International Tbk						
Bonds I Year 2003	14.75	October 13, 2008	-	-	-	-
PT Indomobil Finance Indonesia						
Phase I Series C 2012	8.25	May 11, 2016	-	idA	-	-
Phase II Series B 2013	8.25	May 8, 2016	-	idA	-	-
Phase I Series A 2015	9.10	May 4, 2016	-	idA	-	-
PT Indosat Tbk						
Series V B 2007	10.65	May 29, 2017	idAAA	idAAA	-	-
Series VIII B 2012	8.88	June 27, 2022	idAAA	idAAA	-	-
Sukuk Ijarah Series IV B 2009	11.75	December 8, 2016	idAAA(Sy)	idAAA(Sy)	-	-
Sukuk Ijarah Series V 2012	8.63	June 27, 2019	idAAA(Sy)	idAAA(Sy)	-	-
Sukuk Ijarah Phase I						
Series C 2014	10.50	December 12, 2021	idAAA(Sy)	idAAA(Sy)	-	-
Sukuk Ijarah Phase III						
Series B 2015	11.20	December 8, 2025	AAA****)	idAAA(Sy)	-	-
Sukuk Ijarah IV A	11.25	December 8, 2014	-	-	-	idAA+(Sy)
PT Japfa Comfeed Indonesia Tbk						
Phase I 2012	9.90	January 12, 2017	idA	idA	idA+	idA+
PT Mayora Indah Tbk						
Sukuk Mudharabah II 2012	8.25	May 9, 2017	idAA-(Sy)	idAA-(Sy)	idAA-(Sy)	-
PT Salim Ivomas Pratama						
Sukuk Ijarah I	11.65	December 1, 2014	-	-	-	idAA
PT Summarecon Agung Tbk						
Sukuk Phase I 2013	10.85	December 11, 2018	idA+(Sy)	idA+(Sy)	-	-
Sukuk Phase II 2014	11.50	October 10, 2019	idA+(Sy)	idA+(Sy)	idA+(Sy)	-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Rating ^{*)}			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Held to Maturity (continued)						
Third Parties (continued)						
Rupiah (continued)						
PT Toyota Astra Financial Services						
Series III B 2013	7.60	May 17, 2016	-	idAA+	AAA***)	-
Phase I Series B 2016	8.40	June 1, 2019	AAA***)	-	-	-
PT Wahana Ottomitra Multiartha Tbk						
Series V D 2011	11.00	March 4, 2015	-	-	AA***)	-
Phase I Series A 2014	10.25	July 5, 2015	-	-	F1+***)	-
Phase II Series A 2014	10.25	December 15, 2015	-	-	AA***)	-
Phase II Series B 2014	11.25	December 5, 2017	AA***)	AA***)	-	-
Phase IV Series A 2015	9.35	January 2, 2017	F1+ ***)	AA***)	-	-
Phase I Series B 2016	9.50	June 24, 2019	AA***)	-	-	-
PT BFI Finance Indonesia Tbk						
Series I B 2013	8.50	February 19, 2015	-	-	A+***)	idA+
Phase I Series A 2014	10.50	March 17, 2015	-	-	F1***)	-
Related parties (Note 43)						
Rupiah						
Lembaga Pembiayaan						
Ekspor Indonesia						
Series A	7.00	December 20, 2014	-	-	-	idAAA
Series IV D 2009	12.75	June 18, 2016	-	idAAA	idAAA	-
Series I C 2010	9.60	July 8, 2015	-	-	idAAA	idAAA
Phase I Series D 2010	10.00	July 8, 2017	idAAA	idAAA	-	-
Series I B 2011	7.75	December 20, 2016	idAAA	idAAA	idAAA	idAAA
Phase II Series B 2012	6.50	November 27, 2015	-	-	idAAA	idAAA
Phase III Series B 2013	6.40	May 23, 2016	-	idAAA	idAAA	idAAA
Phase II Series C 2014	9.25	June 5, 2017	idAAA	idAAA	idAAA	-
Phase III Series A	6.15	June 2, 2014	-	-	-	idAAA
Phase III Series A 2014	8.25	October 26, 2015	-	-	idAAA	-
Phase III Series B 2014	9.25	October 16, 2017	idAAA	idAAA	idAAA	-
Phase III Series C 2014	9.75	October 16, 2019	idAAA	idAAA	idAAA	-
Phase V Series B 2015	9.00	March 13, 2018	idAAA	idAAA	-	-
Phase VI Series A 2015	8.40	September 26, 2016	idAAA	idAAA	-	-
Phase VI Series B 2015	9.20	September 16, 2018	idAAA	idAAA	-	-
Phase VI Series C 2015	9.50	September 16, 2020	idAAA	idAAA	-	-
Phase V Series C 2015	9.50	March 13, 2020	idAAA	-	-	-
PT Mandiri Tunas Finance						
Series VI D 2011	10.70	May 19, 2015	-	-	idAA	-
Phase II Series A 2014	10.70	May 23, 2017	idAA	idAA	idAA	-
Phase I Series A 2015	10.20	December 18, 2018	idAA	idAA	-	-
PT Adhi Karya (Persero) Tbk						
Phase I Series A 2012	9.35	July 3, 2017	idA-	idA	-	-
Phase I Series B 2012	9.80	July 3, 2019	idA-	idA	-	-
Sukuk Mudharabah Phase I						
Year 2012	9.35	July 3, 2017	idA-(Sy)	idA(Sy)	-	-
Sukuk Mudharabah Phase II						
Year 2013	8.10	March 15, 2018	idA-(Sy)	idA(Sy)	-	-
PT Aneka Tambang (Persero) Tbk						
Series I A	8.38	December 14, 2018	idA-	idA-	idA	idAA-
Series I B	9.05	December 14, 2021	idA-	idA-	idA	idAA-
PT Bank BNI Syariah						
Sukuk Mudharabah I 2015	9.10	May 26, 2018	idAA+ (Sy)	idAA+ (Sy)	-	-
PT Bank Tabungan						
Negara (Persero) Tbk						
Series XII	12.75	September 19, 2016	idAA+	idAA	idAA	-
Series XIII C	12.25	May 29, 2014	-	-	-	idAA
Series XIV	10.25	June 11, 2020	idAA+	idAA	idAA	idAA
Series XV	9.50	June 28, 2021	idAA+	idAA	idAA	idAA
Series I Phase I 2012	7.90	June 5, 2022	idAA+	idAA	idAA	idAA
Series I Phase II 2013	7.90	March 27, 2023	idAA+	idAA	idAA	idAA
Phase II Series A 2015	9.63	July 8, 2018	idAA+	idAA	-	-
Phase II Series B 2015	9.88	July 8, 2020	idAA+	idAA	-	-
Phase II Series C 2015	10.00	July 8, 2022	idAA+	idAA	-	-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Rating ^{*)}			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Held to Maturity (continued)						
Related parties (Note 43)						
(continued)						
Rupiah (continued)						
PT Danareksa (Persero)						
Series V B Year 2010	10.20	January 11, 2016	-	idA	-	-
PT Hutama Karya (Persero)						
Series C Year 2013	9.50	June 28, 2020	idA-	idA-	-	-
PT Jasa Marga (Persero) Tbk						
Series XII Q 2006	13.50	July 6, 2016	idAA	idAA	-	-
Series XIII R 2007	10.25	June 21, 2017	idAA	idAA	idAA	-
Series JM-10 Year 2010	9.35	October 12, 2020	idAA	idAA	-	-
Phase I Series B 2013	8.70	September 27, 2016	idAA	idAA	idAA	-
Phase II Series T 2014	9.85	September 19, 2019	idAA	idAA	-	-
Phase I Series S Series C 2013	8.90	September 27, 2018	idAA	-	-	-
PT Pegadaian (Persero)						
Series X B 2003	10.50	July 11, 2018	idAA+	idAA+	-	-
Series I A	7.50	October 11, 2014	-	-	-	idAA+
Series XI A 2006	13.10	May 23, 2016	-	idAA+	idAA+	idAA+
Series XII A 2007	10.03	September 4, 2017	idAA+	idAA+	idAA+	idAA+
Series XIII B 2009	12.65	July 1, 2017	idAA+	idAA+	idAA+	idAA+
Series XIII C 2009	12.88	July 1, 2019	idAA+	idAA+	-	-
Series C 2011	9.00	October 11, 2021	idAA+	idAA+	-	-
Phase II Series D 2012	7.75	February 14, 2019	idAA+	idAA+	-	-
Phase I Series B 2013	7.40	July 9, 2016	idAA+	idAA+	-	-
Phase II Series A 2014	8.65	July 21, 2015	-	-	idAA+	-
Phase II Series B 2014	9.35	July 11, 2017	idAA+	idAA+	idAA+	-
Phase II Series C 2014	9.75	July 11, 2019	idAA+	idAA+	-	-
Phase III Series A 2015	8.50	May 17, 2016	-	idAA+	-	-
Phase III Series B 2015	9.25	May 7, 2018	idAA+	idAA+	-	-
Phase III Series C 2015	9.50	May 7, 2020	idAA+	idAA+	-	-
PT Pembangunan Perumahan (Persero) Tbk						
Phase I Year 2013	8.38	March 19, 2018	idA	idA	-	-
PT Perkebunan Nusantara X (Persero)						
Year 2013	8.90	July 5, 2018	idBBB+	idBBB+	-	-
PT Perusahaan Listrik Negara (Persero)						
Series VIII A 2006	13.60	June 21, 2016	-	idAAA	idAAA	-
Series VIII B 2006	13.75	June 21, 2021	idAAA	idAAA	-	-
Series IX A 2007	10.40	July 10, 2017	idAAA	idAAA	idAAA	-
Series IX B 2007	10.90	July 10, 2022	idAAA	idAAA	-	-
Series XI A 2010	11.95	January 12, 2017	idAAA	idAAA	-	-
Series XI B 2010	12.55	January 12, 2020	idAAA	idAAA	-	-
Series XII A 2010	9.70	July 8, 2015	-	-	idAAA	-
Series XII B 2010	10.40	July 8, 2022	idAAA	idAAA	-	-
Phase I Series B 2013	8.25	July 5, 2023	idAAA	idAAA	-	-
Phase II Series A 2013	9.00	December 10, 2018	idAAA	idAAA	idAAA	-
Sukuk Ijarah IV A	11.95	January 12, 2017	idAAA(Sy)	idAAA(Sy)	idAAA(Sy)	idAAA
Sukuk Ijarah II 2007	10.40	July 10, 2017	idAAA(Sy)	idAAA(Sy)	-	-
Sukuk Ijarah IV B 2010	12.55	January 12, 2020	idAAA(Sy)	idAAA(Sy)	-	-
Sukuk Ijarah Series V B 2010	10.40	July 8, 2022	idAAA(Sy)	idAAA(Sy)	-	-
Sukuk Ijarah Phase I Year 2013	8.00	July 5, 2020	idAAA(Sy)	idAAA(Sy)	-	-
Sukuk Ijarah Phase II Series A 2013	9.00	December 10, 2018	idAAA(Sy)	idAAA(Sy)	-	-
Sukuk Ijarah Phase II Series B 2013	9.60	December 10, 2023	idAAA(Sy)	idAAA(Sy)	-	-
PT Pupuk Kalimantan Timur						
Sukuk Ijarah I Series II	10.75	December 4, 2014	-	-	-	idAA+(Sy)
Series II	10.75	December 4, 2014	-	-	-	idAA+

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Rating ^{*)}			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Held to Maturity (continued)						
Related parties (Note 43)						
(continued)						
Rupiah (continued)						
PT Pupuk Indonesia (Persero)						
Year 2014 Series A	9.63	July 8, 2017	AAA***)	AAA***)	AAA***)	-
Year 2014 Series B	9.95	July 8, 2019	AAA***)	AAA***)	-	-
PT Sarana Multi Infrastruktur (Persero)						
Series A Year 2014	9.60	June 11, 2017	idAAA	idAA+	-	-
Series B Year 2014	10.00	June 11, 2019	idAAA	idAA+	-	-
PT Sarana Multigriya Finansial (Persero)						
Phase I Series B 2012	7.50	December 27, 2017	idAA+	idAA+	idAA+	idAA
Phase III Series A 2014	9.10	April 7, 2015	-	-	idAA+	-
Phase III Series B 2014	10.00	March 27, 2017	idAA+	idAA+	idAA+	-
Phase V Series A 2014	9.60	December 29, 2015	-	-	idAA+	-
Phase V Series B 2014	10.00	December 16, 2017	idAA+	idAA+	idAA+	-
Phase I Series A 2015	8.60	July 17, 2016	idAA+	idAA+	-	-
Phase I Series B 2015	9.25	July 7, 2018	idAA+	idAA+	-	-
Phase II Year 2015	8.90	November 28, 2016	idAA+	idAA+	-	-
Phase III Year 2015	9.25	January 3, 2017	idAA+	idAA+	-	-
<i>Berjamin Aset Piutang KPR</i>						
Phase II Series B 2012	7.35	April 25, 2015	-	-	idAA	-
<i>Berjamin Aset Piutang KPR</i>						
Phase II Series C 2012	7.55	April 25, 2017	AA+****)	idAA+	-	-
PT Telekomunikasi Indonesia (Persero) Tbk						
Series B Year 2010	10.20	July 6, 2020	idAAA	idAAA	-	-
Phase I Series A 2015	9.93	June 23, 2022	idAAA	idAAA	-	-
Phase I Series D 2015	11.00	June 23, 2045	idAAA	idAAA	-	-
PT Waskita Karya (Persero) Tbk						
Year 2012 Series A	8.75	June 5, 2015	-	-	idA	idA
Year 2012 Series B	9.75	June 5, 2017	idA-	idA	-	-
United States Dollar						
Lembaga Pembiayaan Ekspor Indonesia						
Year 2017	3.75	April 26, 2017	Baa3**)	Baa3**)	Baa3**)	idAAA
PT Bank Negara Indonesia (Persero) Tbk						
Year 2017	4.13	April 27, 2017	Baa3**)	Baa3**)	BB****)	BB****)
PT Pelabuhan Indonesia III (Persero)						
Year 2025	4.88	October 1, 2024	Baa3**)	Baa3**)	-	-
PT Pelabuhan Indonesia II (Persero)						
Year 2025	4.25	May 5, 2025	Baa3**)	Baa3**)	-	-
PT Pertamina (Persero)						
Year 2023	4.30	May 20, 2023	Baa3**)	Baa3**)	-	-
Year 2041	6.50	May 27, 2041	idBBB-	BBB-****)	-	-
PT Perusahaan Gas Negara (Persero) Tbk						
Year 2024	5.13	May 16, 2024	Baa3**)	Baa3**)	-	-
PT Perusahaan Listrik Negara (Persero)						
Year 2020	7.75	January 20, 2020	Baa3**)	Baa3**)	-	-
Year 2021	5.50	November 22, 2021	Baa3**)	Baa3**)	-	-
Year 2042	5.25	October 24, 2042	idBBB-	BBB-****)	-	-

*) Based on ratings issued by PT Pemeringkat Efek Indonesia (Pefindo).

***) Based on ratings issued by Moody's.

****) Based on ratings issued by Fitch Ratings.

*****) Based on ratings issued by Standard & Poor.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Fair Value/Carrying Value			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Fair value through profit or loss						
<u>Third parties</u>						
<u>Rupiah</u>						
PT Adira Dinamika Multi Finance Tbk						
<i>Berkelanjutan</i> II Phase II Series C 2013	11.00	October 24, 2018	7,312	-	-	-
<i>Berkelanjutan</i> II Phase I Series D 2013	8.90	March 1, 2018	630	-	-	-
PT Bumi Serpong Damai Tbk						
<i>Berkelanjutan</i> I Phase II 2013	8.38	June 5, 2018	265	-	-	-
PT Indosat Tbk						
<i>Sukuk Ijarah</i> IV Series B 2009	11.75	December 8, 2016	1,017	1,018	-	-
<i>Sukuk Ijarah Berkelanjutan</i> I Phase I Series C 2014	10.50	December 12, 2021	-	701	-	-
<i>Berkelanjutan</i> I Phase III Series D 2015	11.20	December 8, 2025	460	-	-	-
PT Mandala Multifinance Tbk						
<i>Berkelanjutan</i> II Phase I Series C 2015	11.50	May 8, 2018	462	-	-	-
PT Bank Maybank Indonesia Tbk						
<i>Sukuk Mudharabah Berkelanjutan</i> I Phase II 2016	8.25	June 10, 2019	5,019	-	-	-
PT Bank Muamalat Indonesia Tbk						
Subordinated <i>Mudharabah Berkelanjutan</i> I Phase I 2012	8.26	June 29, 2022	-	823	-	-
Subordinated <i>Mudharabah Berkelanjutan</i> I Phase II 2013	9.60	March 28, 2023	4,732	6,104	-	-
PT Surya Artha Nusantara Finance						
<i>Berkelanjutan</i> II Phase I Series B 2016	9.00	June 9, 2019	20,115	-	-	-
PT SMART Tbk						
<i>Berkelanjutan</i> I Phase I Series B 2012	9.25	July 3, 2019	452	-	-	-
PT Summarecon Agung Tbk						
<i>Berkelanjutan</i> I Phase I 2013	10.85	December 11, 2018	742	-	-	-
<i>Ijarah Berkelanjutan</i> I Phase I 2013	10.85	December 11, 2018	1,015	994	-	-
<i>Ijarah Berkelanjutan</i> I Phase II 2014	11.50	March 10, 2019	2,259	3,042	-	-
			44,480	12,682	-	-
<u>Related parties (Note 43)</u>						
<u>Rupiah</u>						
PT Adhi Karya (Persero) Tbk						
<i>Mudharabah Berkelanjutan</i> I Phase I 2012	9.35	July 3, 2017	498	487	-	-
<i>Mudharabah Berkelanjutan</i> I Phase II 2013	8.10	March 15, 2018	-	1,588	-	-
<i>Berkelanjutan</i> I Phase I Series B 2012	9.80	July 3, 2019	88	-	-	-
PT Pegadaian (Persero)						
<i>Berkelanjutan</i> II Phase I Series D 2013	8.00	July 9, 2020	86	-	-	-
PT Perusahaan Listrik Negara (Persero)						
<i>Sukuk Ijarah</i> V Series B 2010	10.40	July 8, 2022	1,048	1,004	-	-
<i>Ijarah Berkelanjutan</i> I Phase I 2013	8.00	July 5, 2020	769	2,330	-	-
<i>Berkelanjutan</i> I Phase I Series A 2013	8.00	July 5, 2020	86	-	-	-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Fair Value/Carrying Value			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Fair value through profit or loss (continued)						
<u>Third parties (continued)</u>						
<u>Rupiah (continued)</u>						
PT Waskita Karya (Persero) Tbk						
Year 2012 Series B	9.75	June 5, 2017	8,478	-	-	-
			11,053	5,409	-	-
			55,533	18,091	-	-
Available for sale						
<u>Third parties</u>						
<u>Rupiah</u>						
PT Adira Dinamika Multi						
Finance Tbk						
Phase I Series C 2011	9.00	December 16, 2016	24,622	24,409	14,163	-
Phase II Series B 2013	10.50	October 24, 2016	-	-	3,983	-
Phase IV Series B 2014	10.50	November 12, 2017	25,555	25,380	25,154	-
Phase II Series A 2015	8.75	September 5, 2016	12,029	11,983	-	-
Phase III Series A 2016	8.75	March 12, 2017	20,088	-	-	-
Phase I Series D 2013	8.90	March 1, 2018	6,371	-	-	-
Phase I Series A 2015	9.50	June 30, 2018	10,189	-	-	-
Series C 2013	11.00	October 24, 2018	11,479	-	-	-
Phase I Series B 2015	10.25	June 30, 2020	20,710	-	-	-
Phase II Series C 2015	10.25	August 25, 2020	8,251	-	-	-
PT Astra Sedaya Finance						
Phase V Series A 2015	8.50	July 12, 2016	10,003	9,956	-	-
Phase I Series C 2012	8.60	February 21, 2017	5,031	4,955	-	-
Phase III Series B 2014	10.50	April 4, 2017	23,123	15,148	-	-
Phase I Series A 2016	7.95	May 21, 2017	7,003	-	-	-
Phase IV Series B 2014	10.50	October 29, 2017	68,783	58,026	-	-
Phase II Series C 2013	9.75	November 26, 2017	25,483	9,988	-	-
Phase V Series B 2015	9.25	July 2, 2018	75,896	27,824	-	-
Phase I Series B 2016	8.50	May 11, 2019	27,000	-	-	-
Phase II Series B 2013	9.50	November 26, 2016	-	-	6,991	-
PT Bank CIMB Niaga Tbk						
Phase II Series C 2013	9.75	November 20, 2018	20,296	9,868	-	-
Phase I Series B 2012	7.75	October 30, 2017	13,919	-	-	-
PT Bank Maybank						
Indonesia Tbk						
Phase I Series B 2011	8.75	December 6, 2016	26,133	25,865	-	-
Phase II Series B 2012	8.00	October 31, 2017	1,990	-	-	-
<i>Sukuk Mudharabah</i>						
Phase II 2016	8.25	June 10, 2019	80,201	-	-	-
PT Bank OCBC NISP Tbk						
Phase I Series C 2013	7.40	February 19, 2016	-	11,976	11,760	-
Phase II Series B 2015	9.40	February 10, 2017	25,220	24,992	-	-
Phase II Series C 2015	9.80	February 10, 2018	88,386	23,864	-	-
Phase I Series C 2016	8.25	May 11, 2019	109,670	-	-	-
PT Bank Pan Indonesia Tbk						
Series IV 2010	9.00	November 9, 2015	-	-	11,967	-
Phase I 2012	8.15	December 20, 2017	39,616	33,568	33,439	-
Phase I 2016	9.15	June 28, 2021	120,288	-	-	-
PT Bank Tabungan Pensiunan						
Nasional Tbk						
Phase I Series B 2011	9.90	June 28, 2016	-	10,004	-	-
Phase II Series A 2012	7.75	August 3, 2015	-	-	7,937	-
Phase II Series B 2012	8.25	August 3, 2017	32,102	24,600	-	-
Phase I Series B 2013	8.25	July 4, 2018	14,829	9,514	-	-
Phase III Series B 2013	8.25	March 5, 2018	18,043	4,791	-	-
PT Bank DKI						
Phase I 2016	8.70	June 30, 2021	35,000	-	-	-
PT Bank Permata Tbk						
Phase I Series A 2013	10.00	January 3, 2015	-	-	25,001	25,487

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Fair Value/Carrying Value			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Available for sale (continued)						
<u>Third parties (continued)</u>						
<u>Rupiah (continued)</u>						
PT SMART Tbk						
Phase I Series B 2012	9.25	July 3, 2019	4,574	-	-	-
PT Bank UOB Indonesia						
Year 2015 Series B	9.40	April 1, 2018	38,543	24,710	-	-
Year 2015 Series C	9.60	April 1, 2020	8,100	-	-	-
PT BCA Finance						
Phase II Series B 2013	7.50	June 14, 2016	-	19,844	9,775	-
Phase II Series C 2013	7.60	June 14, 2017	5,005	4,846	-	-
Phase I Series C 2015	9.00	March 20, 2018	59,366	48,975	-	-
PT BFI Finance Indonesia Tbk						
Phase II Series A 2015	9.88	March 29, 2016	-	19,002	-	-
PT BII Finance Center						
Series A 2013	7.75	June 19, 2016	-	29,787	9,692	-
Series B 2013	8.25	June 19, 2018	4,942	-	-	-
Phase I Series A 2015	10.35	November 12, 2018	30,807	-	-	-
PT Bumi Serpong Damai Tbk						
Phase II Year 2013	8.38	June 5, 2018	2,681	2,839	-	-
PT Federal International Finance						
Phase I Series C 2012	7.65	April 20, 2015	-	-	4,984	-
Phase II Series A 2015	8.50	September 21, 2016	30,066	30,000	-	-
Phase III Series B 2016	9.15	April 5, 2019	30,000	-	-	-
PT Indofood Sukses Makmur Tbk						
Bonds VI Year 2012	7.25	May 31, 2017	2,989	2,897	-	-
Bonds VII Year 2014	10.13	June 13, 2019	5,176	-	-	-
PT Indosat Tbk						
Series B 2009	11.75	December 8, 2016	1,017	1,022	-	-
Series B 2012	8.88	June 27, 2022	14,055	26,800	-	-
Phase III Series D 2015	11.20	December 8, 2025	21,523	19,649	-	-
Phase II Series B 2015	9.25	June 4, 2018	5,052	-	-	-
<i>Ijarah</i> Phase I Series C 2014	10.50	December 12, 2021	735	-	-	-
PT Mandala Multifinance Tbk						
Phase I Series C 2015	11.50	May 8, 2018	4,668	4,967	-	-
PT Bank Muamalat Indonesia Tbk						
Subordinated <i>Mudharabah</i>						
Phase II 2013	7.65	March 28, 2023	5,074	-	-	-
PT Summarecon Agung Tbk						
Phase I Year 2013	10.85	December 11, 2018	7,506	7,945	-	-
Phase II Year 2014	11.50	October 10, 2019	22,794	-	10,114	-
<i>Ijarah</i> Phase II Year 2014	11.50	October 10, 2019	18,479	-	-	-
PT Toyota Astra Financial Services						
Year 2013 Series B	7.60	May 17, 2016	-	-	14,568	-
Phase I Series B 2014	10.50	February 13, 2017	10,156	-	-	-
Phase II Series B 2015	9.25	June 11, 2018	65,449	-	-	-
Phase III Series B 2015	9.50	November 6, 2018	5,055	-	-	-
Phase I Series B 2016	8.40	June 1, 2019	37,096	-	-	-
PT Wahana Ottomitra Multiartha Tbk						
Phase I Series B 2014	11.00	June 25, 2017	3,065	3,028	-	-
Phase II Series A 2014	10.25	December 15, 2015	-	-	9,992	-
Phase IV Series A 2015	9.35	January 2, 2017	25,135	24,993	-	-
Phase IV Series B 2015	10.80	December 22, 2018	10,287	10,000	-	-
			1,486,704	648,015	199,520	25,487
<u>United States Dollar</u>						
Alcoa Inc.	5.72	February 23, 2019	-	-	-	12,988
Alibaba	3.60	May 28, 2015	-	-	61,730	-
Alibaba	3.60	November 28, 2024	67,164	66,388	-	-
AT&T Global	5.80	February 15, 2019	4,950	4,179	4,005	-
AT&T Global	4.45	May 15, 2021	3,888	3,297	3,060	-
Apple Inc.	2.40	May 3, 2015	-	-	36,231	-
Apple Inc.	3.85	May 4, 2043	-	-	-	20,534

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Fair Value/Carrying Value			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Available for sale (continued)						
Third parties (continued)						
United States Dollar (continued)						
Bank of America	3.30	January 11, 2015	-	-	12,382	-
Bank of America	5.75	December 1, 2017	2,054	1,769	1,710	-
Bank of America	5.63	July 1, 2020	3,002	2,600	2,398	-
Bank of America	3.30	January 11, 2023	4,792	4,003	3,646	-
The Bank of Tokyo-Mitsubishi UFJ	3.75	March 10, 2015	-	-	6,433	-
BB&T Corp	1.45	October 3, 2016	-	-	4,672	-
BB&T Corp	3.63	September 16, 2025	4,240	3,486	-	-
Bed Bath & Beyond Inc.	3.75	January 17, 2015	-	-	38,085	-
Bed Bath & Beyond Inc.	3.75	August 1, 2024	39,951	40,921	-	-
BerkshireHathway	1.60	May 15, 2017	8,194	7,140	6,492	-
BHP Billiton Ltd.	3.25	November 21, 2021	4,067	3,103	3,131	-
Canadian Imperial Bank of Commerce	1.55	January 23, 2018	7,126	6,174	5,603	-
Chevron Corporation	3.19	June 24, 2015	-	-	12,651	-
Cisco Systems. Inc.	4.95	February 15, 2019	5,391	4,591	4,345	-
Citigroup Inc.	4.45	January 10, 2017	-	4,887	4,581	-
Citigroup Inc.	3.75	June 16, 2024	5,816	3,325	-	-
Citigroup Inc.	2.65	October 26, 2020	4,076	-	-	-
The Coca-Cola Company	5.35	November 15, 2017	-	-	6,589	-
Colgate-Palmolive Company	1.95	February 1, 2015	-	-	11,772	-
Colgate-Palmolive Company	3.25	March 15, 2015	-	-	12,809	-
Comcast Corporation	5.70	May 15, 2018	3,832	3,389	3,135	-
Comcast Corporation	2.85	January 15, 2023	4,513	3,693	3,380	-
ConocoPhillips Co.	5.63	October 15, 2016	-	-	5,683	-
ConocoPhillips Co.	3.35	November 15, 2024	4,028	3,121	-	-
CVS Health	5.75	June 1, 2017	-	1,678	1,640	-
CVS Health	2.75	December 1, 2022	1,008	804	783	-
Darden Restaurants Inc.	4.50	October 15, 2021	-	-	-	12,048
Discovery Communications. Inc.	3.25	April 1, 2023	-	-	1,501	-
Enterprise Products Partners L.P.	3.35	March 15, 2023	4,053	3,050	3,059	-
Ford Motor Company	4.25	March 20, 2015	-	-	13,178	-
Ford Motor Company	2.88	October 1, 2018	6,458	5,450	5,036	-
Ford Motor Company	4.25	September 20, 2022	14,129	14,208	-	-
Freeport-McMoRan Inc.	4.55	November 14, 2024	111,315	81,406	-	-
General Electric	3.10	January 9, 2015	-	-	63,318	-
General Electric	5.63	September 15, 2017	-	-	10,785	-
General Electric	3.10	January 9, 2023	70,291	68,925	-	81,137
General Electric	3.37	November 15, 2025	4,153	3,403	-	-
Goldman Sachs Group, Inc.	3.63	January 22, 2015	-	-	25,074	-
Goldman Sachs Group, Inc.	3.30	May 3, 2015	-	-	-	25,273
Goldman Sachs Group, Inc.	3.63	January 22, 2023	-	-	-	11,937
Goldman Sachs Group, Inc.	2.75	September 15, 2020	3,476	3,015	-	-
The Home Depot	5.40	March 1, 2016	-	-	6,013	-
The Home Depot	2.00	June 15, 2019	5,896	5,006	-	-
Hewlett-Packard Company	4.30	June 1, 2021	-	-	-	25,310
Indian Oil Corporation Ltd.	5.75	August 1, 2023	-	-	-	23,645
International Business Machines Corporation	2.00	January 5, 2016	-	-	3,330	-
International Business Machines Corporation	1.13	February 6, 2018	8,659	7,393	-	-
International Business Machines Corporation	3.63	February 12, 2024	4,201	3,423	-	-
JPMorgan Chase & Co.	2.35	January 28, 2015	-	-	12,452	-
JPMorgan Chase & Co.	3.63	May 13, 2015	-	-	25,406	-
JPMorgan Chase & Co.	6.00	January 15, 2018	8,547	7,590	7,142	-
JPMorgan Chase & Co.	4.95	March 25, 2020	3,970	3,285	3,075	-
JPMorgan Chase & Co.	2.35	January 23, 2025	-	27,974	-	-
JPMorgan Chase & Co.	3.13	January 23, 2025	67,036	67,420	-	-
JPMorgan Chase & Co.	3.63	May 13, 2024	27,853	-	-	-
Kinder Morgan Energy Partners LP	3.50	March 1, 2016	-	-	6,383	-
Kinder Morgan Energy Partners LP	2.65	February 1, 2019	5,816	4,711	-	-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Fair Value/Carrying Value			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Available for sale (continued)						
<u>Third parties (continued)</u>						
<u>United States Dollar (continued)</u>						
Kraft Foods Group, Inc.	4.13	February 9, 2016	-	-	6,594	-
Kraft Foods Group, Inc.	5.00	June 4, 2042	-	-	-	24,462
Macy's Inc.	3.63	June 1, 2015	-	-	25,107	-
Macy's Inc.	3.63	June 1, 2024	25,866	25,883	-	-
Bank Mizuho	3.50	March 21, 2023	-	-	-	34,971
Morgan Stanley	3.75	February 25, 2015	-	-	12,765	-
Morgan Stanley	3.75	February 25, 2023	-	-	-	35,599
Occidental Petroleum Corporation	1.75	February 15, 2017	-	3,453	3,237	-
Oversea-Chinese Banking Corporation Limited	4.25	June 19, 2024	55,350	56,342	-	-
PacificFirst Mortgage	2.95	February 1, 2022	4,137	3,467	3,197	-
PepsiCo Inc.	2.75	March 1, 2015	-	-	24,471	-
PepsiCo Inc.	2.75	March 1, 2023	27,557	26,812	-	-
PepsiCo Inc.	3.10	July 17, 2022	1,095	-	-	-
Phillips66	2.95	May 1, 2017	3,874	3,353	3,132	-
PNC Financial Services Group, Inc.	2.95	February 23, 2025	4,091	3,263	-	-
Province of Ontario	4.40	April 14, 2020	13,177	11,365	10,459	-
Province of Quebec	2.75	August 25, 2021	7,047	5,780	5,363	-
PT Medco Energi Internasional Tbk						
Phase I 2011	6.05	July 14, 2016	131,795	138,181	124,960	123,298
Royal Bank of Canada	2.63	December 15, 2015	-	-	7,571	-
Royal Bank of Canada	2.63	March 15, 2019	9,644	8,148	-	-
Royal Dutch Shell plc	2.13	May 11, 2020	4,004	3,318	-	-
The Federal Home Loan Mortgage Corporation	3.75	March 27, 2019	20,425	17,483	16,158	-
The Federal Home Loan Mortgage Corporation	2.38	January 13, 2022	8,650	7,186	6,497	-
Toyota Motor Corporation	1.90	April 8, 2021	4,077	-	-	-
U.S. Bancorp	1.95	November 15, 2018	4,000	3,396	3,102	-
Time Warner Inc.	3.55	June 1, 2024	2,068	1,620	-	-
Verizon Communications	2.45	May 1, 2015	-	-	11,684	-
Verizon Communications	3.65	September 14, 2018	4,626	3,954	3,726	-
Verizon Communications	5.15	September 15, 2023	2,919	2,345	2,189	-
Walgreen Company	3.10	March 15, 2015	-	-	24,498	-
Walgreen Company	3.10	September 15, 2022	27,173	27,325	-	-
Wal-Mart Stores, Inc.	3.25	October 25, 2020	4,126	3,482	-	-
Wells Fargo & Company	2.10	May 8, 2017	-	3,550	3,294	-
Wells Fargo & Company	3.50	March 8, 2022	5,662	4,680	4,280	-
Wells Fargo & Company	2.60	July 22, 2020	4,145	-	-	-
Xerox Corporation Ltd.	3.80	May 15, 2015	-	-	37,594	-
Xerox Corporation Ltd.	3.80	May 15, 2024	35,974	39,119	-	-
			935,427	878,312	782,576	431,202
<u>Related parties (Note 43)</u>						
<u>Rupiah</u>						
<u>Lembaga Pembiayaan Ekspor</u>						
<u>Indonesia</u>						
Phase I Year 2010 Series D	10.00	July 8, 2017	5,079	5,004	5,033	-
Phase I Series D 2014	9.75	June 5, 2019	10,174	9,960	-	-
Phase III Series B 2014	9.25	October 16, 2017	10,170	9,918	9,971	-
Phase V Series B 2015	9.00	March 13, 2018	62,719	59,298	-	-
Phase VI Series B 2015	9.20	September 16, 2018	25,140	24,382	-	-
Phase VI Series C 2015	9.50	September 16, 2020	55,577	48,300	-	-
Phase V Series C 2015	9.50	March 13, 2020	36,155	-	-	-
Phase I Series B 2016	8.20	June 8, 2019	73,080	-	-	-
Phase I Series C 2016	8.70	June 8, 2021	85,354	-	-	-
Phase VII Series C 2016	9.60	February 19, 2021	20,818	-	-	-
Phase VII Series B 2016	9.25	February 19, 2019	76,868	-	-	-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Fair Value/Carrying Value			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Available for sale (continued)						
<u>Related parties (Note 43)</u>						
<u>(continued)</u>						
<u>Rupiah (continued)</u>						
PT Adhi Karya (Persero) Tbk						
Phase I Series B 2012	9.80	July 3, 2019	894	941	-	-
Phase II Series A 2013	8.10	March 15, 2018	7,754	7,468	-	-
Phase II Series B 2013	8.50	March 15, 2020	9,510	-	-	-
<i>Mudharabah Berkelanjutan I</i>						
Phase II 2012	8.10	March 15, 2018	1,651	-	-	-
PT Aneka Tambang (Persero) Tbk						
Phase I Series A 2011	8.38	December 14, 2018	1,918	1,821	-	-
Phase I Series B 2011	9.05	December 14, 2021	29,919	28,040	-	-
PT Angkasa Pura II (Persero)						
Year 2016 Series C	9.00	June 30, 2026	13,000	-	-	-
PT Bank Tabungan Negara (Persero) Tbk						
Series XII Year 2006	12.75	September 19, 2016	22,218	22,565	7,323	-
Bonds XIV Year 2010	10.25	June 11, 2020	50,060	36,523	-	-
Series XV Year 2011	9.50	June 28, 2021	20,232	-	-	-
Phase II Year 2013	7.90	March 27, 2023	18,406	16,840	-	-
Phase I Series A 2015	9.63	July 8, 2018	35,578	24,465	-	-
Phase I Series B 2015	9.88	July 8, 2020	30,561	28,830	-	-
Phase I Series C 2015	10.00	July 8, 2022	10,225	9,498	-	-
PT Hutama Karya (Persero)						
Year 2013 Series C	9.50	June 28, 2020	24,066	-	-	-
PT Jasa Marga (Persero) Tbk						
Series XIII R	10.25	June 21, 2017	163,328	161,904	101,765	99,977
Series Q 2006	13.50	July 6, 2016	35,011	35,707	-	-
Series JM-10 Year 2010	9.35	October 12, 2020	18,411	17,593	-	-
Phase I Series S Series C 2013	8.90	September 27, 2018	61,647	37,426	-	-
Phase II Series T 2014	9.85	September 19, 2019	35,480	24,217	-	-
PT Mandiri Tunas Finance						
Phase I Series A 2013	7.75	June 5, 2016	-	3,721	-	-
Phase II Series A 2014	10.70	May 23, 2017	72,264	71,050	25,297	-
Phase II Series A 2016	8.95	June 1, 2019	5,062	-	-	-
Phase II Series B 2016	9.25	June 1, 2021	50,472	-	-	-
PT Pegadaian (Persero)						
Year 2003 Series X B	10.50	July 11, 2018	1,029	-	-	-
Year 2006 Series XI A	13.10	May 23, 2016	-	6,081	-	-
Series XII A	10.03	September 4, 2017	4,060	-	-	-
Year 2007 Series B	8.00	September 4, 2017	10,145	13,944	10,073	9,929
Phase II Series D 2012	7.75	February 14, 2019	6,779	2,778	-	-
Phase I Series D 2013	8.00	July 9, 2020	3,741	2,992	-	-
Phase III Series B 2015	9.25	May 7, 2018	58,075	43,063	-	-
Phase III Series C 2015	9.50	May 7, 2020	26,174	25,922	-	-
PT Pembangunan Perumahan (Persero) Tbk						
Phase I Year 2013	8.38	March 19, 2018	18,601	-	-	-
PT Permodalan Nasional Madani (Persero)						
Phase I Series B 2014	10.50	December 19, 2017	8,076	7,862	-	-
PT Perusahaan Listrik Negara (Persero)						
Year 2007 Series IX A	10.40	July 10, 2017	77,497	76,479	77,476	76,858
Year 2010 Series XI B	12.55	January 12, 2020	8,818	8,556	-	-
Year 2010 Series XII B	10.40	July 8, 2022	36,688	34,830	-	-
Phase II Series A 2013	9.00	December 10, 2018	10,010	4,867	-	-
Phase II Series B 2013	9.60	December 10, 2023	10,072	4,748	-	-
Phase I Series A 2013	8.00	July 5, 2020	874	-	-	-
<i>Ijarah</i> Phase I Year 2013	8.00	July 5, 2020	1,681	-	-	-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Fair Value/Carrying Value			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Available for sale (continued)						
<u>Related parties (Note 43)</u>						
<u>(continued)</u>						
<u>Rupiah (continued)</u>						
PT Pupuk Indonesia (Persero)						
Year 2014 Series A	9.63	July 8, 2017	35,427	34,885	33,185	-
Year 2014 Series B	9.95	July 8, 2019	50,682	11,003	-	-
PT Sarana Multi Infrastruktur (Persero)						
Year 2014 Series A	9.60	June 11, 2017	10,116	-	-	-
Year 2014 Series B	10.00	June 11, 2019	43,008	19,787	-	-
PT Sarana Multigriya Finansial (Persero)						
Phase II 2012 <i>Berjamin Aset KPR</i> Series C	7.55	April 25, 2017	5,965	5,813	5,713	-
Phase V Series A 2014	9.60	December 29, 2015	-	-	9,999	-
Phase V Series B 2014	10.00	December 16, 2017	14,255	13,882	-	-
Phase I Series B 2015	9.25	July 7, 2018	30,156	29,190	-	-
Phase IV Series A 2016	8.60	March 21, 2017	10,025	-	-	-
Phase IV Series B 2016	9.13	March 11, 2019	10,998	-	-	-
Phase V Series B 2016	8.20	June 17, 2019	19,998	-	-	-
PT Telekomunikasi Indonesia (Persero) Tbk						
Phase I Series A 2015	9.93	June 23, 2022	51,195	50,260	-	-
PT Waskita Karya (Persero) Tbk						
Year 2012 Series B	9.75	June 5, 2017	61,746	67,466	-	-
Phase I Series A 2015	10.40	October 16, 2018	3,005	2,992	-	-
Phase II Series B 2015	11.10	October 16, 2020	108,354	18,130	-	-
Phase I Year 2014	10.40	November 18, 2017	8,042	-	-	-
Phase I Year 2016	9.25	June 10, 2019	47,033	-	-	-
			1,971,126	1,171,001	285,835	186,764
<u>United States Dollar</u>						
Lembaga Pembiayaan Ekspor Indonesia						
Year 2017	3.75	April 26, 2017	133,609	139,279	50,579	-
PT Bank Negara Indonesia (Persero) Tbk						
Year 2017	4.13	April 27, 2017	462,836	480,160	127,138	24,344
PT Pelabuhan Indonesia II (Persero)						
Year 2025	4.25	May 5, 2025	209,752	196,548	-	-
PT Pelabuhan Indonesia III (Persero)						
Year 2024	4.88	October 1, 2024	79,849	76,085	-	-
PT Pertamina (Persero)						
Year 2023	4.30	May 20, 2023	167,779	157,193	-	-
Year 2043	4.13	May 20, 2043	-	-	59,526	9,695
Year 2021	5.25	May 23, 2021	28,275	27,405	-	-
Year 2022	4.88	May 3, 2022	98,030	93,616	-	-
PT Perusahaan Gas Negara (Persero) Tbk						
Year 2024	5.13	May 16, 2024	83,140	79,908	-	-
PT Perusahaan Listrik Negara (Persero)						
Year 2017	7.25	June 28, 2017	24,948	26,269	-	-
Year 2020	7.75	January 20, 2020	8,692	8,909	-	-
Year 2021	5.50	November 22, 2021	123,955	136,052	13,024	-
Year 2042	5.25	October 24, 2042	77,780	68,146	68,816	9,106
			1,498,645	1,489,570	319,083	43,145
			5,891,902	4,186,898	1,587,014	686,598

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Fair Value/Carrying Value			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Held to Maturity						
Third Parties						
Rupiah						
PT Adira Dinamika Multi Finance Tbk						
Phase I Series C 2011	9.00	December 16, 2016	19,495	19,490	4,007	4,009
Phase II Series C 2012	7.75	May 4, 2015	-	-	17,907	-
Phase III Series B 2012	7.75	September 27, 2015	-	-	10,250	-
Phase II Series A 2013	9.15	November 3, 2014	-	-	-	5,012
Phase I Series B 2013	7.30	March 1, 2015	-	-	4,924	-
Phase I Series C 2013	7.85	March 1, 2016	-	15,000	15,000	15,000
Phase I Series D 2013	8.90	March 1, 2018	9,935	9,918	9,885	9,856
Phase III Series A 2014	9.60	24 May 2015	-	-	20,000	-
Phase IV Series A 2014	9.60	November 22, 2015	-	-	25,000	-
Phase IV Series B 2014	10.50	November 12, 2017	56,106	50,000	50,000	-
Sukuk Phase I Series C 2013	7.85	March 1, 2016	-	15,000	15,000	15,000
Sukuk Phase II Series A 2014	9.60	November 22, 2015	-	-	10,000	-
Sukuk Phase II Series B 2014	10.50	November 12, 2017	20,000	20,000	20,000	-
Sukuk Phase I Series A 2015	8.75	July 10, 2016	100,000	100,000	-	-
Phase I Series A 2015	9.50	June 30, 2018	10,076	-	-	-
PT Agung Podomoro Land Tbk						
Series I A	10.00	August 25, 2014	-	-	-	6,000
Series II Year 2012	9.38	August 15, 2017	10,000	10,000	10,000	10,000
PT Astra Sedaya Finance						
Series XII C	9.70	February 25, 2014	-	-	-	50,000
Series XII D 2011	10.00	February 25, 2015	-	-	6,736	-
Phase I Series B 2012	8.00	February 21, 2015	-	-	7,994	-
Phase I Series C 2012	8.60	February 21, 2017	4,490	4,483	-	-
Phase II Series A 2013	8.75	December 6, 2014	-	-	-	50,000
Phase III Series B 2013	7.75	February 22, 2016	-	39,939	-	-
Phase I Series C 2013	7.75	June 27, 2016	-	10,087	9,929	-
Phase II Series B 2013	9.50	November 26, 2016	5,012	5,011	5,010	-
Phase III 2014	9.60	April 14, 2015	-	-	20,000	-
Phase IV Series B 2014	10.50	October 29, 2017	6,694	6,727	-	-
Phase V Series A 2015	8.50	July 12, 2016	20,000	20,000	-	-
Phase I Series B 2016	8.50	May 11, 2019	24,000	-	-	-
PT Bank CIMB Niaga Tbk						
Series B 2011	8.30	December 23, 2016	43,947	43,895	43,797	30,000
Phase I Series B 2012	7.75	October 30, 2017	35,664	35,377	29,982	-
Phase II Series A 2013	8.75	November 20, 2015	-	-	65,706	40,000
Phase II Series B 2013	9.15	November 20, 2016	6,901	6,902	6,905	-
Phase II Series C 2013	9.75	November 20, 2018	51,305	36,037	30,000	30,000
PT Bank Danamon Indonesia Tbk						
Series II B	9.00	December 9, 2015	-	-	121,714	81,292
PT Bank DKI						
Series VI A	9.25	June 17, 2014	-	-	-	17,000
PT Bank Maybank Indonesia Tbk						
Phase I Series B 2011	8.75	December 6, 2016	84,921	84,908	8,956	-
Phase II Series A 2012	7.60	October 31, 2015	-	-	25,000	25,000
Phase II Series B 2012	8.00	October 31, 2017	27,405	27,339	19,812	15,000
Sukuk Mudharabah Phase II Year 2016	8.25	June 10, 2019	125,000	-	-	-
PT Bank Muamalat Indonesia Tbk Subordinated Mudharabah Berkelanjutan I Phase I 2012	8.26	June 29, 2022	4,062	4,068	-	-
PT Bank OCBC NISP Tbk						
Phase I Series B 2013	6.90	February 19, 2015	-	-	17,962	4,980
Phase I Series C 2013	7.40	February 19, 2016	-	44,921	44,370	34,256
Phase II Series A 2015	9.00	February 20, 2016	-	68,010	-	-
Phase II Series C 2015	9.80	February 10, 2018	35,029	35,035	-	-
Phase I Series C 2016	8.25	May 11, 2019	80,000	-	-	-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Fair Value/Carrying Value			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Held to Maturity (continued)						
Third Parties (continued)						
Rupiah (continued)						
PT Bank Pan Indonesia Tbk						
Series III 2009	11.50	October 6, 2014	-	-	-	26,595
Series IV 2010	9.00	November 9, 2015	-	-	20,967	9,995
Phase I 2012	8.15	December 20, 2017	9,819	9,763	4,801	-
Phase I 2016	9.15	June 28, 2021	135,000	-	-	-
PT Bank Pembangunan Daerah Jawa Barat dan Banten Tbk						
Series VII A	9.20	February 9, 2014	-	-	-	20,000
Series VII C 2011	10.40	February 9, 2018	1,031	1,039	-	-
PT Bank Permata Tbk						
Phase I Series A 2013	10.00	January 3, 2015	-	-	50,000	50,000
Phase I Series B 2013	10.50	December 24, 2016	32,033	32,065	30,065	25,000
PT Bank Sumut						
Series III Year 2011	10.13	July 5, 2016	10,000	10,000	10,000	10,000
PT Bank Tabungan Pensiunan Nasional Tbk						
Series II B 2010	10.60	May 18, 2015	-	-	15,078	-
Series III B 2010	9.20	December 22, 2015	-	-	1,488	-
Phase I Series B 2011	9.90	June 28, 2016	-	15,074	-	-
Phase II Series A 2012	7.75	August 3, 2015	-	-	30,000	30,000
Phase II Series B 2012	8.25	August 3, 2017	22,992	20,981	20,000	20,000
Phase III Series B 2013	8.25	March 5, 2018	5,871	5,837	-	-
Phase III Series A 2013	7.65	March 5, 2016	-	12,479	-	-
PT Bank UOB Indonesia						
Series A 2015	8.60	April 11, 2016	-	30,015	-	-
Series B 2015	9.40	April 1, 2018	45,132	45,193	-	-
Series C 2015	9.60	April 1, 2020	10,308	-	-	-
PT BCA Finance						
Phase I Series D 2012	7.70	May 9, 2016	-	15,858	-	-
Phase II Series B 2013	7.50	June 14, 2016	-	36,481	9,765	-
Phase III Series B 2014	10.00	March 27, 2017	56,394	56,712	-	-
Phase I Series A 2015	8.25	March 30, 2016	-	20,002	-	-
Phase I Series C 2015	9.00	March 20, 2018	72,015	65,000	-	-
Phase I Series B 2015	8.50	March 20, 2017	9,962	9,937	-	-
PT BII Finance Center						
Series C 2012	8.00	June 7, 2016	-	4,982	-	-
Series A 2013	7.75	June 19, 2016	-	39,772	-	-
PT BPD Sumatera Barat (Bank Nagari)						
Series VI Year 2010	9.88	January 13, 2016	-	10,000	10,000	10,000
Sukuk Mudharabah	10.99	January 8, 2021	10,000	-	-	-
PT Eagle High Plantation Tbk						
Series I 2010	10.68	November 16, 2015	-	-	25,000	25,000
PT Federal International Finance						
Phase I Series C 2012	7.65	April 20, 2015	-	-	33,849	29,430
Phase II Series B 2013	7.75	April 4, 2016	-	28,654	10,000	10,000
Phase II Series A	6.75	April 14, 2014	-	-	-	10,000
Phase III Series A 2014	9.60	March 24, 2015	-	-	1,002	-
Phase I Series A 2015	8.50	May 4, 2016	-	40,000	-	-
PT Great River International Tbk						
Bonds I Year 2003	14.75	October 13, 2008	758	758	-	-
PT Indomobil Finance Indonesia						
Phase I Series C 2012	8.25	May 11, 2016	-	3,980	-	-
Phase II Series B 2013	8.25	May 8, 2016	-	8,974	-	-
Phase I Series A 2015	9.10	May 4, 2016	-	37,000	-	-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Fair Value/Carrying Value			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Held to maturity (continued)						
Third parties (continued)						
Rupiah (continued)						
PT Indosat Tbk						
Series V B 2007	10.65	May 29, 2017	8,035	8,051	-	-
Series VIII B 2012	8.88	June 27, 2022	64,344	64,433	-	-
Sukuk Ijarah Series IV B 2009	11.75	December 8, 2016	3,038	3,076	-	-
Sukuk Ijarah Series V 2012	8.63	June 27, 2019	22,163	22,190	-	-
Sukuk Ijarah Phase I						
Series C 2014	10.50	December 12, 2021	14,461	14,476	-	-
Sukuk Ijarah Phase III						
Series B 2015	11.20	December 8, 2025	10,000	10,000	-	-
Sukuk Ijarah IV A	11.25	December 8, 2014	-	-	-	16,000
PT Japfa Comfeed Indonesia Tbk						
Phase I 2012	9.90	January 12, 2017	150,000	150,000	150,000	150,000
PT Mayora Indah Tbk						
Sukuk Mudharabah II 2012	8.25	May 9, 2017	6,459	6,443	6,387	-
PT Salim Ivomas Pratama						
Sukuk Ijarah I	11.65	December 1, 2014	-	-	-	25,000
PT Summarecon Agung Tbk						
Sukuk Phase I 2013	10.85	December 11, 2018	12,725	12,760	-	-
Sukuk Phase II 2014	11.50	October 10, 2019	10,000	10,000	10,000	-
PT Toyota Astra Financial Services						
Series III B 2013	7.60	May 17, 2016	-	29,643	9,856	-
Phase I Series B 2016	8.40	June 1, 2019	33,000	-	-	-
PT Wahana Ottomitra Multiartha Tbk						
Series V D 2011	11.00	March 4, 2015	-	-	17,072	-
Phase I Series A 2014	10.25	July 5, 2015	-	-	3,014	-
Phase II Series A 2014	10.25	December 15, 2015	-	-	40,000	-
Phase II Series B 2014	11.25	December 5, 2017	5,086	5,114	-	-
Phase IV Series A 2015	9.35	January 2, 2017	25,000	25,000	-	-
Phase I Series B 2016	9.50	June 24, 2019	2,000	-	-	-
PT BFI Finance Indonesia Tbk						
Series I B 2013	8.50	February 19, 2015	-	-	25,000	25,000
Phase I Series A 2014	10.50	March 17, 2015	-	-	20,000	-
			1,567,668	1,633,889	1,229,190	934,425
Related parties (Note 43)						
Rupiah						
Lembaga Pembiayaan						
Ekspor Indonesia						
Series A	7.00	December 20, 2014	-	-	-	37,000
Series IV D 2009	12.75	June 18, 2016	-	1,944	983	-
Series I C 2010	9.60	July 8, 2015	-	-	20,000	20,000
Phase I Series D 2010	10.00	July 8, 2017	2,000	2,000	-	-
Series I B 2011	7.75	December 20, 2016	38,000	38,000	38,000	38,000
Phase II Series B 2012	6.50	November 27, 2015	-	-	25,000	25,000
Phase III Series B 2013	6.40	May 23, 2016	-	74,861	60,000	60,000
Phase II Series C 2014	9.25	June 5, 2017	29,992	30,762	20,679	-
Phase III Series A	6.15	June 2, 2014	-	-	-	60,000
Phase III Series A 2014	8.25	October 26, 2015	-	-	10,000	-
Phase III Series B 2014	9.25	October 16, 2017	16,003	16,003	16,003	-
Phase III Series C 2014	9.75	October 16, 2019	20,000	20,000	20,000	-
Phase V Series B 2015	9.00	March 13, 2018	50,000	49,998	-	-
Phase VI Series A 2015	8.40	September 26, 2016	50,000	49,998	-	-
Phase VI Series B 2015	9.20	September 16, 2018	75,000	74,997	-	-
Phase VI Series C 2015	9.50	September 16, 2020	105,000	104,996	-	-
Phase V Series C 2015	9.50	March 13, 2020	10,311	-	-	-
PT Mandiri Tunas Finance						
Series VI D 2011	10.70	May 19, 2015	-	-	7,044	-
Phase II Series A 2014	10.70	May 23, 2017	34,168	34,256	20,000	-
Phase I Series A 2015	10.20	December 18, 2018	90,000	90,000	-	-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Fair Value/Carrying Value			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Held to maturity (continued)						
Related parties (Note 43)						
(continued)						
Rupiah (continued)						
PT Adhi Karya (Persero) Tbk						
Phase I Series A 2012	9.35	July 3, 2017	2,014	2,020	-	-
Phase I Series B 2012	9.80	July 3, 2019	11,048	11,054	-	-
Sukuk Mudharabah Phase I Year 2012	9.35	July 3, 2017	4,020	4,029	-	-
Sukuk Mudharabah Phase II Year 2013	8.10	March 15, 2018	298	297	-	-
PT Aneka Tambang (Persero) Tbk						
Series I A	8.38	December 14, 2018	20,000	20,000	20,000	20,000
Series I B	9.05	December 14, 2021	75,000	75,000	75,000	75,000
PT Bank BNI Syariah						
Sukuk Mudharabah I 2015	9.10	May 26, 2018	51,036	51,046	-	-
PT Bank Tabungan Negara (Persero) Tbk						
Series XII	12.75	September 19, 2016	86,711	67,703	2,082	-
Series XIII C	12.25	May 29, 2014	-	-	-	3,046
Series XIV	10.25	June 11, 2020	79,628	76,198	30,000	30,000
Series XV	9.50	June 28, 2021	50,000	50,000	50,000	50,000
Series I Phase I 2012	7.90	June 5, 2022	25,000	25,000	25,000	25,000
Series I Phase II 2013	7.90	March 27, 2023	49,682	49,512	34,021	33,872
Phase II Series A 2015	9.63	July 8, 2018	35,040	35,048	-	-
Phase II Series B 2015	9.88	July 8, 2020	32,000	32,000	-	-
Phase II Series C 2015	10.00	July 8, 2022	55,000	55,000	-	-
PT Danareksa (Persero)						
Series V B Year 2010	10.20	January 11, 2016	-	3,012	-	-
PT Hutama Karya (Persero)						
Series C Year 2013	9.50	June 28, 2020	10,000	10,000	-	-
PT Jasa Marga (Persero) Tbk						
Series XII Q 2006	13.50	July 6, 2016	76,050	72,734	-	-
Series XIII R 2007	10.25	June 21, 2017	67,642	44,465	14,213	-
Series JM-10 Year 2010	9.35	October 12, 2020	57,755	57,825	-	-
Phase I Series B 2013	8.70	September 27, 2016	9,984	9,952	9,892	-
Phase II Series T 2014	9.85	September 19, 2019	41,510	41,576	-	-
Phase I Series S Series C 2013	8.90	September 27, 2018	5,971	-	-	-
PT Pegadaian (Persero)						
Series X B 2003	10.50	July 11, 2018	5,097	5,117	-	-
Series I A	7.50	October 11, 2014	-	-	-	247,000
Series XI A 2006	13.10	May 23, 2016	-	90,176	35,730	19,616
Series XII A 2007	10.03	September 4, 2017	46,291	40,300	11,101	6,101
Series XIII B 2009	12.65	July 1, 2017	5,106	3,044	1,071	1,094
Series XIII C 2009	12.88	July 1, 2019	2,000	2,000	-	-
Series C 2011	9.00	October 11, 2021	4,130	4,139	-	-
Phase II Series D 2012	7.75	February 14, 2019	1,926	1,914	-	-
Phase I Series B 2013	7.40	July 9, 2016	1,999	1,986	-	-
Phase II Series A 2014	8.65	July 21, 2015	-	-	77,030	-
Phase II Series B 2014	9.35	July 11, 2017	85,051	85,075	65,079	-
Phase II Series C 2014	9.75	July 11, 2019	1,006	1,007	-	-
Phase III Series A 2015	8.50	May 17, 2016	-	81,040	-	-
Phase III Series B 2015	9.25	May 7, 2018	269,018	269,024	-	-
Phase III Series C 2015	9.50	May 7, 2020	45,056	45,062	-	-
PT Pembangunan Perumahan (Persero) Tbk						
Phase I Year 2013	8.38	March 19, 2018	9,639	9,546	-	-
PT Perkebunan Nusantara X (Persero)						
Year 2013	8.90	July 5, 2018	10,000	10,000	-	-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Fair Value/Carrying Value			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Held to maturity (continued)						
Related parties (Note 43)						
(continued)						
Rupiah (continued)						
PT Perusahaan Listrik Negara (Persero)						
Series VIII A 2006	13.60	June 21, 2016	-	8,106	5,316	-
Series VIII B 2006	13.75	June 21, 2021	2,000	2,000	-	-
Series IX A 2007	10.40	July 10, 2017	24,069	24,103	20,153	-
Series IX B 2007	10.90	July 10, 2022	18,580	18,614	-	-
Series XI A 2010	11.95	January 12, 2017	1,000	2,000	-	-
Series XI B 2010	12.55	January 12, 2020	1,000	1,000	-	-
Series XII A 2010	9.70	July 8, 2015	-	-	10,037	-
Series XII B 2010	10.40	July 8, 2022	3,000	3,000	-	-
Phase I Series B 2013	8.25	July 5, 2023	5,000	5,000	-	-
Phase II Series A 2013	9.00	December 10, 2018	14,918	14,893	9,876	-
Sukuk Ijarah IV A	11.95	January 12, 2017	11,000	10,000	10,000	10,000
Sukuk Ijarah II 2007	10.40	July 10, 2017	4,070	4,104	-	-
Sukuk Ijarah IV B 2010	12.55	January 12, 2020	1,000	1,000	-	-
Sukuk Ijarah Series V B 2010	10.40	July 8, 2022	7,000	7,000	-	-
Sukuk Ijarah Phase I Year 2013	8.00	July 5, 2020	2,450	2,450	-	-
Sukuk Ijarah Phase II Series A 2013	9.00	December 10, 2018	5,000	5,000	-	-
Sukuk Ijarah Phase II Series B 2013	9.60	December 10, 2023	5,000	5,000	-	-
PT Pupuk Kalimantan Timur						
Sukuk Ijarah I Series II	10.75	December 4, 2014	-	-	-	25,000
Series II	10.75	December 4, 2014	-	-	-	10,000
PT Pupuk Indonesia (Persero)						
Year 2014 Series A	9.63	July 8, 2017	75,759	74,363	22,112	-
Year 2014 Series B	9.95	July 8, 2019	40,441	40,503	-	-
PT Sarana Multi Infrastruktur (Persero)						
Series A Year 2014	9.60	June 11, 2017	13,032	13,048	-	-
Series B Year 2014	10.00	June 11, 2019	16,193	16,220	-	-
PT Sarana Multigriya Finansial (Persero)						
Phase I Series B 2012	7.50	December 27, 2017	19,510	19,360	19,080	18,824
Phase III Series A 2014	9.10	April 7, 2015	-	-	5,026	-
Phase III Series B 2014	10.00	March 27, 2017	10,024	10,040	10,069	-
Phase V Series A 2014	9.60	December 29, 2015	-	-	20,000	-
Phase V Series B 2014	10.00	December 16, 2017	26,159	26,209	10,000	-
Phase I Series A 2015	8.60	July 17, 2016	119,999	119,990	-	-
Phase I Series B 2015	9.25	July 7, 2018	30,000	30,000	-	-
Phase II Year 2015	8.90	November 28, 2016	150,000	150,000	-	-
Phase III Year 2015	9.25	January 3, 2017	50,000	50,000	-	-
Berjamin Aset Piutang KPR Phase II Series B 2012	7.35	April 25, 2015	-	-	4,963	-
Berjamin Aset Piutang KPR Phase II Series C 2012	7.55	April 25, 2017	2,962	2,940	-	-
PT Telekomunikasi Indonesia (Persero) Tbk						
Series B Year 2010	10.20	July 6, 2020	37,215	37,334	-	-
Phase I Series A 2015	9.93	June 23, 2022	190,000	190,000	-	-
Phase I Series D 2015	11.00	June 23, 2045	5,169	5,170	-	-
PT Waskita Karya (Persero) Tbk						
Year 2012 Series A	8.75	June 5, 2015	-	-	25,000	25,000
Year 2012 Series B	9.75	June 5, 2017	53,249	50,345	-	-
			<u>2,796,981</u>	<u>2,979,508</u>	<u>859,560</u>	<u>839,553</u>

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.2. Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Fair Value/Carrying Value			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Held to Maturity (continued)						
<u>Related parties (Note 43)</u>						
<u>(continued)</u>						
<u>United States Dollar</u>						
Lembaga Pembiayaan Ekspor Indonesia						
Year 2017	3.75	April 26, 2017	150,132	157,161	90,973	64,360
PT Bank Negara Indonesia (Persero) Tbk						
Year 2017	4.13	April 27, 2017	384,337	403,587	128,246	82,377
PT Pelabuhan Indonesia III (Persero)						
Year 2025	4.88	October 1, 2024	21,353	22,320	-	-
PT Pelabuhan Indonesia II (Persero)						
Year 2025	4.25	May 5, 2025	33,864	35,217	-	-
PT Pertamina (Persero)						
Year 2023	4.30	May 20, 2023	27,624	28,731	-	-
Year 2041	6.50	May 27, 2041	6,890	6,890	-	-
PT Perusahaan Gas Negara (Persero) Tbk						
Year 2024	5.13	May 16, 2024	52,148	43,597	-	-
PT Perusahaan Listrik Negara (Persero)						
Year 2020	7.75	January 20, 2020	11,740	12,407	-	-
Year 2021	5.50	November 22, 2021	42,931	44,901	-	-
Year 2042	5.25	October 24, 2042	6,823	6,823	-	-
			737,842	761,634	219,219	146,737
			5,102,491	5,375,031	2,307,969	1,920,715
Total			11,049,926	9,580,020	3,894,983	2,607,313

d.3. Mutual funds

	June 30, 2016	December 31		
		2015	2014	2013
<u>Third parties</u>				
<u>Rupiah</u>				
PT Danareksa Investment Management	292,340	180,023	-	-
PT Insight Investments Management	93,983	149,647	-	-
PT Schroder Investment Management Indonesia	76,837	39,404	-	-
PT Trimegah Asset Management	72,936	74,511	-	-
PT Sinarmas Asset Management	69,765	58,437	-	-
PT Mandiri Manajemen Investasi	51,191	26,240	25,928	-
PT BNI Asset Management	50,013	50,312	52,012	252,749
PT Maybank Asset Management	44,722	-	-	-
PT BNP Paribas Investment Partners	40,875	37,221	-	-
PT Mega Capital Investama	31,898	35,168	84,601	-
PT Syailendra Capital	33,495	25,316	-	-
PT CIMB Principal Asset Management	37,488	24,009	11,560	10,702
PT Batavia Prosperindo Aset Manajemen	28,355	440,995	-	-
PT RHB Asset Management Indonesia	28,234	37,994	53,416	75,013
PT Samuel Aset Manajemen	28,073	23,513	-	-
PT Manulife Aset Manajemen Indonesia	17,188	15,300	-	-
PT Mega Asset Management	10,390	12,040	-	-
PT Bahana TCW Investment Management	10,131	458,541	-	-
PT PNM Investment Management	3,340	2,929	-	-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.3. Mutual funds (continued)

	June 30, 2016	December 31		
		2015	2014	2013
<u>Third parties (continued)</u>				
<u>Rupiah (continued)</u>				
PT Pratama Capital Assets Management	1,906	1,683	-	-
PT Kresna Asset Management	1,735	1,019	-	-
PT Henan Putihrai Asset Management	1,516	-	-	-
PT Panin Asset Management	1,024	984	-	-
PT MNC Asset Management	1,019	-	-	-
PT Indo Premier Investment Management	450	410	-	-
	1,028,904	1,695,696	227,517	338,464
<u>United States Dollar</u>				
PT Danareksa Investment Management	1,979	1,949	-	-
PT BNI Asset Management	-	-	37,456	-
	1,979	1,949	37,456	-
Total	1,030,883	1,697,645	264,973	338,464

d.4. Negotiable Certificate of Deposits (NCD)

Issuer	Nominal Value	Annual Interest Rate (%)	Maturity Date	Carrying Value			
				June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
<u>Held to maturity</u>							
<u>Third parties</u>							
<u>Rupiah</u>							
PT Bank CIMB Niaga Tbk							
II Year 2016 Series B	50,000	7.60	January 13, 2017	48,009	-	-	-
II Year 2016 Series C	50,000	7.80	March 16, 2017	47,351	-	-	-
PT Bank Maybank Indonesia Tbk							
Year 2015 Series A	100,000	8.70	March 23, 2016	-	98,119	-	-
Year 2014 Series B	100,000	9.60	November 17, 2015	-	-	92,209	-
PT Bank Commonwealth							
Phase IV Series A Year 2015	90,000	8.40	February 5, 2016	-	89,275	-	-
				95,360	187,394	92,209	-
<u>Pihak Berelasi (Note 43)</u>							
<u>Rupiah</u>							
PT Bank Tabungan Negara (Persero) Tbk							
Year 2014 Series A	150,000	9.00	June 4, 2015	-	-	144,439	-
Phase II Year 2015 Series II B	10,000	9.00	May 2, 2016	-	9,702	-	-
Phase II Year 2015 Series II C	10,000	9.25	October 31, 2016	9,692	9,271	-	-
Phase I Year 2016	100,000	6.85	September 9, 2016	98,672	-	-	-
PT Bank Mandiri (Persero) Tbk							
Phase I Year 2015 Series C	150,000	8.50	May 26, 2016	-	145,209	-	-
PT Bank Negara Indonesia Persero (Tbk)							
Year 2016 Series E	100,000	8.25	June 15, 2018	85,960	-	-	-
				194,324	164,182	144,439	-
Total				289,684	351,576	236,648	-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.5. Promissory Notes

Issuer	Annual Interest Rate (%)	Maturity Date	Rating			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Held to maturity						
<u>Third parties</u>						
<u>United States Dollar</u>						
Morgan Stanley	4.00	August 31, 2017	A-****)	A-****)	A-****)	A-****)
Morgan Stanley	4.50	August 31, 2015	-	-	A-****)	A-****)
Verizon	1.80	March 28, 2014	-	-	-	A-****)
Carrying Value						
Issuer	Annual Interest Rate (%)	Maturity Date	June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Held to maturity						
<u>Third parties</u>						
<u>United States Dollar</u>						
Morgan Stanley	4.00	August 31, 2017	26,425	27,570	24,770	24,340
Morgan Stanley	4.50	August 31, 2015	-	-	24,770	24,340
Verizon	1.80	March 28, 2014	-	-	-	36,510
Total			26,425	27,570	49,540	85,190

****) Based on ratings issued by Standard & Poor.

d.6. Subordinated Bonds

Issuer	Annual Interest Rate (%)	Maturity Date	Rating*)			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Fair Value Through Profit or Loss						
<u>Third parties</u>						
<u>Rupiah</u>						
PT Bank Maybank Indonesia Tbk						
<i>Berkelanjutan I Phase II Year 2012</i>	9.25	October 31, 2019	idAA+	-	-	-
<i>Berkelanjutan II Phase II Year 2015</i>	9.63	June 10, 2023	idAA	-	-	-
<i>Berkelanjutan II Phase II Year 2016</i>	9.63	June 10, 2023	AA(idn)****)	-	-	-
PT Bank Pan Indonesia Tbk Series III Year 2010	10.50	November 9, 2017	idAA-	-	-	-
<i>Berkelanjutan I Phase I Year 2012</i>	7.99	December 20, 2019	idAA	-	-	-
PT Bank CIMB Niaga Tbk Series I Year 2010	11.30	July 8, 2017	AA(idn)****)	-	-	-
Series II Year 2010	9.22	December 23, 2020	AA(idn)****)	-	-	-
PT Bank Bukopin Tbk Series I Phase I Year 2012	9.25	March 6, 2019	idA	-	-	-
PT Bank Permata Tbk Series II Year 2011	11.00	June 28, 2018	idAA+	-	-	-
Series I Phase I Year 2012	8.90	June 15, 2019	idAA+	-	-	-
Series I Phase II Year 2012	9.40	December 19, 2019	idAA+	-	-	-
Available for sale						
<u>Third parties</u>						
<u>Rupiah</u>						
PT Bank Pan Indonesia Tbk Series III Year 2010	10.50	November 9, 2017	idAA-	idAA-	-	-
Phase I Year 2012	9.40	December 20, 2019	idAA-	idAA-	-	-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.6. Subordinated Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Rating*)			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Available for sale (continued)						
<u>Third parties (continued)</u>						
<u>Rupiah (continued)</u>						
PT Bank UOB Indonesia Series I Year 2014	11.35	May 28, 2021	AA(idn)****)	AA(idn)****)	-	-
PT Bank Maybank Indonesia Tbk Phase I Year 2011	10.00	December 6, 2018	idAA+	AA(idn)****)	-	-
PT Bank Maybank Indonesia Tbk Phase II Year 2012	9.25	October 31, 2019	idAA+	AA(idn)****)	-	-
PT Bank Maybank Indonesia Tbk Series I Year 2011	10.75	May 19, 2018	idAA+	AA(idn)****)	-	-
PT Bank Maybank Indonesia Tbk Berkelanjutan II Phase I Year 2014	11.35	July 8, 2021	idAA	-	-	-
PT Bank Maybank Indonesia Tbk Berkelanjutan II Phase II Year 2016	9.63	June 10, 2023	AA(idn)****)	-	-	-
PT Bank Permata Tbk Phase II Year 2012	9.40	December 19, 2019	idAA+	idAA+	-	-
PT Bank Permata Tbk Series II Year 2011	11.00	June 28, 2018	idAA+	idAA+	-	-
PT Bank Permata Tbk Berkelanjutan I Phase I Year 2012	8.90	June 15, 2019	idAA+	-	-	-
PT Bank Permata Tbk Berkelanjutan II Phase I Year 2013	12.00	December 24, 2020	idAA+	-	-	-
PT Bank Permata Tbk Berkelanjutan II Phase II Year 2014	11.75	October 24, 2021	idAA	-	-	-
PT Bank Permata Tbk Berkelanjutan II Phase II Year 2014	11.75	October 24, 2021	idAA	-	-	-
PT Bank Bukopin Tbk Berkelanjutan I Phase I Year 2012	9.25	March 6, 2019	idA	-	-	-
PT Bank CIMB Niaga Tbk Series I Year 2010	11.30	July 8, 2017	AA(idn)****)	AA(idn)****)	-	-
PT Bank CIMB Niaga Tbk Series II Year 2010	10.85	December 23, 2020	AA(idn)****)	AA(idn)****)	-	-
PT Bank Muamalat Indonesia Tbk Mudharabah Berkelanjutan I Year 2012	11.17	June 29, 2022	idA-(sy)	-	-	-
PT Bank Muamalat Indonesia Tbk Mudharabah Berkelanjutan I Phase II Year 2013	9.60	March 28, 2023	idA-(sy)	-	-	-
<u>Related parties (Note 43)</u>						
<u>Rupiah</u>						
PT Bank Mandiri (Persero) Tbk Series I Year 2009	11.85	December 11, 2016	idAA+	idAA+	-	-
Held to maturity						
<u>Third parties</u>						
<u>Rupiah</u>						
PT Bank OCBC NISP Tbk Series III	11.35	June 30, 2017	AA****)	AAA****)	AA****)	idAAA
PT Bank Permata Tbk Phase II Year 2012	9.40	December 19, 2019	idAA+	idAA+	-	-
<u>Related parties (Note 43)</u>						
<u>Rupiah</u>						
PT Bank Mandiri (Persero) Tbk Series I Year 2009	11.85	December 11, 2016	idAA+	idAA+	-	-

*) Based on ratings issued by PT Pemeringkat Efek Indonesia (Pefindo).

****) Based on ratings issued by Fitch Ratings.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.6. Subordinated Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Carrying Value			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
<u>Fair Value Through Profit or Loss</u>						
<u>Third parties</u>						
<u>Rupiah</u>						
PT Bank Maybank Indonesia Tbk						
<i>Berkelanjutan I</i> Phase II Year 2012	9.25	October 31, 2019	181	-	-	-
<i>Berkelanjutan II</i> Phase II Year 2015	9.63	June 10, 2023	8,044	-	-	-
<i>Berkelanjutan II</i> Phase II Year 2016	9.63	June 10, 2023	905	-	-	-
PT Bank Pan Indonesia Tbk Series III Year 2010	10.50	November 9, 2017	3,908	-	-	-
<i>Berkelanjutan I</i> Phase I Year 2012	7.99	December 20, 2019	1,970	-	-	-
PT Bank CIMB Niaga Tbk Series I Year 2010	11.30	July 8, 2017	1,014	-	-	-
Series II Year 2010	9.22	December 23, 2020	1,477	-	-	-
PT Bank Bukopin Tbk Series I Phase I Year 2012	9.25	March 6, 2019	88	-	-	-
PT Bank Permata Tbk Series II Year 2011	11.00	June 28, 2018	1,180	-	-	-
Series I Phase I Year 2012	8.90	June 15, 2019	452	-	-	-
Series I Phase II Year 2012	9.40	December 19, 2019	453	-	-	-
			19,672	-	-	-
<u>Available for sale</u>						
<u>Third parties</u>						
<u>Rupiah</u>						
PT Bank Pan Indonesia Tbk Series III Year 2010	10.50	November 9, 2017	139,238	141,850	-	-
Phase I Year 2012	9.40	December 20, 2019	89,122	87,541	-	-
PT Bank UOB Indonesia Series I Year 2014	11.35	May 28, 2021	30,043	13,166	-	-
PT Bank Maybank Indonesia Tbk Phase I Year 2011	10.00	December 6, 2018	15,905	15,298	-	-
Phase II Year 2012	9.25	October 31, 2019	64,169	39,840	-	-
Series I Year 2011	10.75	May 19, 2018	50,567	25,887	-	-
<i>Berkelanjutan II</i> Phase I Year 2014	11.35	July 8, 2021	32,058	-	-	-
<i>Berkelanjutan II</i> Phase II Year 2016	9.63	June 10, 2023	9,150	-	-	-
PT Bank Permata Tbk Phase II Year 2012	9.40	December 19, 2019	130,468	98,398	-	-
Series II Year 2011	11.00	June 28, 2018	56,206	53,972	-	-
<i>Berkelanjutan I</i> Phase I Year 2012	8.90	June 15, 2019	4,572	-	-	-
<i>Berkelanjutan II</i> Phase I Year 2013	12.00	December 24, 2020	5,445	-	-	-
<i>Berkelanjutan II</i> Phase II Year 2014	11.75	October 24, 2021	5,463	-	-	-
<i>Berkelanjutan II</i> Phase II Year 2014	11.75	October 24, 2021	32,778	-	-	-
PT Bank Bukopin Tbk <i>Berkelanjutan I</i> Phase I Year 2012	9.25	March 6, 2019	889	-	-	-
PT Bank CIMB Niaga Tbk Series I Year 2010	11.30	July 8, 2017	18,452	19,001	-	-
Series II Year 2010	10.85	December 23, 2020	107,335	15,816	-	-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.6. Subordinated Bonds (continued)

Issuer	Annual Interest Rate (%)	Maturity Date	Carrying Value			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Available for sale (continued)						
<u>Third parties (continued)</u>						
<u>Rupiah (continued)</u>						
PT Bank Muamalat Indonesia Tbk Mudharabah Berkelanjutan I Year 2012	11.17	June 29, 2022	881	-	-	-
Mudharabah Berkelanjutan I Phase II Year 2013	9.60	March 28, 2023	1,842	-	-	-
			<u>794,583</u>	<u>510,769</u>	<u>-</u>	<u>-</u>
<u>Related parties (Note 43)</u>						
<u>Rupiah</u>						
PT Bank Mandiri (Persero) Tbk Series I Year 2009	11.85	December 11, 2016	3,044	3,067	-	-
			<u>797,627</u>	<u>513,836</u>	<u>-</u>	<u>-</u>
Held to maturity						
<u>Third parties</u>						
<u>Rupiah</u>						
PT Bank OCBC NISP Tbk Series III	11.35	June 30, 2017	40,000	40,000	40,000	40,000
PT Bank Permata Tbk Phase II Year 2012	9.40	December 19, 2019	20,000	20,000	-	-
			<u>60,000</u>	<u>60,000</u>	<u>40,000</u>	<u>40,000</u>
<u>Related parties (Note 43)</u>						
<u>Rupiah</u>						
PT Bank Mandiri (Persero) Tbk Series I Year 2009	11.85	December 11, 2016	83,969	84,906	-	-
			<u>143,969</u>	<u>144,906</u>	<u>40,000</u>	<u>40,000</u>
Total			<u>961,268</u>	<u>658,742</u>	<u>40,000</u>	<u>40,000</u>

d.7. Medium-Term Notes (MTN)

Issuer	Nominal Value	Annual Interest Rate (%)	Maturity Date	Carrying Value			
				June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Fair value through profit or loss							
<u>Related parties (Note 43)</u>							
<u>Rupiah</u>							
PT Bank Syariah Mandiri Phase III Year 2011	59,000	8.77*)	December 19, 2021	-	56,198	-	-
				<u>-</u>	<u>56,198</u>	<u>-</u>	<u>-</u>
Available for sale							
<u>Related parties (Note 43)</u>							
<u>Rupiah</u>							
PT Perkebunan Nusantara II (Persero) Series VII Year 2015	175,000	11.50 ³⁾	November 30, 2016	175,823	174,965	-	-
PT Perkebunan Nusantara III (Persero)	150,000	10.00 ³⁾	December 21, 2018	156,426	150,000	-	-
				<u>332,249</u>	<u>324,965</u>	<u>-</u>	<u>-</u>

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.7. Medium-Term Notes (MTN) (continued)

Issuer	Nominal Value	Annual Interest Rate (%)	Maturity Date	Carrying Value			
				June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Held to maturity							
<u>Third parties</u>							
<u>Rupiah</u>							
PT Bank Sumitomo Mitsui Indonesia I Year 2015	100,000	9.85 ^{*)}	February 3, 2018	100,000	100,000	-	-
PT Bank OCBC NISP Tbk Series I Year 2013	25,000	7.00 ^{*)}	April 18, 2016	-	25,000	25,000	25,000
				<u>100,000</u>	<u>125,000</u>	<u>25,000</u>	<u>25,000</u>
<u>Related parties (Note 43)</u>							
<u>Rupiah</u>							
PT Wijaya Karya (Persero) Tbk Series II Year 2014	99,200	9.80 ^{*)}	December 24, 2017	99,573	99,443	99,202	-
PT Sarana Multi Infrastruktur (Persero) Year 2015	50,000	9.50 ^{*)}	March 14, 2016	-	50,000	-	-
PT Perkebunan Nusantara II (Persero) Ijarah Year 2014	15,000	13.00 ^{*)}	November 28, 2016	15,000	15,000	15,000	-
PT Perkebunan Nusantara III (Persero) Series B Year 2010	25,000	9.75 ^{*)}	November 22, 2015	-	-	25,000	25,000
				<u>114,573</u>	<u>164,443</u>	<u>139,202</u>	<u>25,000</u>
				<u>214,573</u>	<u>289,443</u>	<u>164,202</u>	<u>50,000</u>
Total				<u>546,822</u>	<u>670,606</u>	<u>164,202</u>	<u>50,000</u>

*) Interest received every 3 (three) months

d.8. Credit Linked Notes (CLN)

As of December 31, 2015, 2014 and 2013, the balances of securities in the form of CLN are as follows:

Issuer	Effective Date	Maturity Date	Annual Interest Rate	December 31, 2015	
				Nominal Value (United States Dollar) (Full Amount)	Carrying Value
Held to maturity					
<u>Third parties</u>					
<u>United States Dollar</u>					
Credit Suisse International	October 20, 2011	December 20, 2016	LIBOR ^{*)} + 2.95%	50,000,000	704,370
Total					<u>704,370</u>

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.8. Credit Linked Notes (CLN) (continued)

As of December 31, 2015, 2014 and 2013, the balances of securities in the form of CLN are as follows (continued):

December 31, 2014					
Issuer	Effective Date	Maturity Date	Annual Interest Rate	Nominal Value (United States Dollar) (Full Amount)	Carrying Value
Held to maturity					
<u>Third parties</u>					
<u>United States Dollar</u>					
Credit Suisse International	October 20, 2011	December 20, 2016	LIBOR ^{*)} + 2.95%	50,000,000	646,480
Total					646,480
December 31, 2013					
Issuer	Effective Date	Maturity Date	Annual Interest Rate	Nominal Value (United States Dollar) (Full Amount)	Carrying Value
Fair value through profit or loss					
<u>Third parties</u>					
<u>United States Dollar</u>					
Standard Chartered Bank	March 14, 2011	March 20, 2014	3.05%	25,000,000	304,250
The Royal Bank of Scotland	April 6, 2011	March 20, 2014	LIBOR ^{**)} + 2%	30,000,000	365,100
				55,000,000	669,350
Held to maturity					
<u>Third parties</u>					
<u>United States Dollar</u>					
Credit Suisse International	October 20, 2011	December 20, 2016	LIBOR ^{*)} + 2.95%	50,000,000	648,462
Standard Chartered Bank	February 11, 2009	March 20, 2014	LIBOR ^{**)} + 1.50%	90,000,000	1,105,834
The Hong Kong and Shanghai Banking Corporation Limited	April 28, 2009	June 20, 2014	LIBOR ^{**)} + 1.50%	70,000,000	866,921
The Royal Bank of Scotland	January 14, 2009	March 20, 2014	LIBOR ^{**)} + 2.80%	50,000,000	615,003
The Royal Bank of Scotland	February 10, 2009	March 20, 2014	LIBOR ^{**)} + 1.10%	25,000,000	307,233
				285,000,000	3,543,453
Total					4,212,803

*) 6 (six) months USD LIBOR.

***) 3 (three) months USD LIBOR.

CLN represents a debt security where the coupon payments and principal repayment are linked to credit default event of the Republic of Indonesia (reference entity). BRI will receive all interest payments and full principal repayment if there is no credit default event. If credit default event occurs to the reference entity, the issuers will settle the CLN with bonds issued by the reference entity or cash at a certain amount. Credit default events that can occur to the reference entity among others are (i) failure to pay any matured obligation, (ii) repudiation/moratorium and (iii) restructuring in which the payment terms are unfavorable to the creditors.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

d) By Type and Issuer (continued):

d.8. Credit Linked Notes (CLN) (continued)

The embedded credit default swaps as of December 31, 2015, 2014 and 2013 have liability fair values amounted to USD580,763, USD994,218 and USD3,225,160 (equivalent to Rp8,006, Rp12,313 and Rp39,250), respectively, which were recognized as derivatives payable in the consolidated statement of financial position (Note 11). The net gain from the changes in fair value of the embedded credit default swaps recognized as income for the year ended December 31, 2015, 2014 and 2013, amounted to USD413,455 (equivalent to Rp5,699) and USD2,230,942 (equivalent to Rp27,630) and USD2,166,975 (equivalent to Rp26,372), respectively.

As of December 31, 2013 BRI recognized net unrealized gains from increase in fair value of CLN classified as "fair value through profit or loss" amounted to USD404,078 (equivalent to Rp4,918) which was recorded in the consolidated statements of financial position as derivatives receivable (Note 11) and consolidated statements of profit or loss and other comprehensive income as unrealized gain from changes in fair value of securities and Government Recapitalization Bonds.

e) Movement of Allowance for Impairment Losses

	June 30, 2016	December 31		
		2015*)	2014	2013
Beginning balance	17,746	-	772	760
Provision for (reversal of) impairment losses (Note 33)	25,052	-	(772)	12
Ending balance	42,798	17,746	-	772

*) Allowance for impairment losses of Subsidiary (BJS) which was effectively acquired by BRI on December 29, 2015.

BRI assessed individually for impairment based on whether an objective evidence of impairment exists.

Management believes that the allowance for impairment losses as of June 30, 2016 and December 31, 2015 is adequate and no allowance for impairment losses is necessary as of December 31, 2014 because management believes that securities are fully collectible. The minimum allowance for impairment losses on securities based on Bank Indonesia regulations amounted to Rp772 as of December 31, 2013.

f) The average annual interest rates:

	June 30, 2016	December 31		
		2015	2014	2013
Rupiah	8.62%	8.51%	8.27%	7.24%
United States Dollar	5.05	5.13	5.70	4.07
European Euro	2.92	3.08	2.88	-
Singapore Dollar	3.61	2.25	-	-

g) BRI recognized unrealized loss - net from changes in fair value of securities classified as "Fair Value through Profit or Loss" amounted to RpNil, Rp973, Rp10,945, RpNil and Rp21,820 for the six-month period ended June 30, 2016 and 2015 and year ended December 31, 2015, 2014 and 2013, respectively, which are recorded under "Unrealized loss from changes in fair value of securities" in the consolidated statement of profit or loss and other comprehensive income.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

7. SECURITIES (continued)

- h) BRI recognized unrealized gain - net from changes in fair value of securities classified as "Fair Value through Profit or Loss" amounted to Rp42,375, RpNil, RpNil, Rp6,400 and RpNil for the six-month period ended June 30, 2016 and 2015 and year ended December 31, 2015, 2014 and 2013, respectively, which are recorded under "Unrealized gain from changes in fair value of securities in the consolidated statement of profit or loss and other comprehensive income.
- i) BRI recognized net gain resulting from the sale of securities amounted to Rp291,707, Rp27,681, Rp86,485, Rp121,575 and Rp78,252, for the six-month period ended June 30, 2016 and 2015 and year ended December 31, 2015, 2014 and 2013, respectively, which are recorded under "Gain on sale of securities and Government Recapitalization Bonds - net" in the consolidated statement of profit or loss and other comprehensive income.
- j) As of June 30, 2016, December 31, 2015, 2014 and 2013, securities with nominal value of Rp11,170,458, Rp14,562,910, Rp15,884,371, and RpNil was sold under agreement to repurchase (Note 23).

8. EXPORT BILLS

- a) By Type and Currency:

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
<u>Third parties</u>								
<u>Rupiah</u>								
Domestic								
Documentary								
Letters of Credit								
		5,263,756		3,945,153		1,308,275		932,062
Export Bills		503,794		343,119		68,720		114,289
		<u>5,767,550</u>		<u>4,288,272</u>		<u>1,376,995</u>		<u>1,046,351</u>
<u>Foreign Currencies</u>								
Domestic								
Documentary								
Letters of Credit								
United States Dollar	168,596	2,228	314,985	4,342	190,707,501	2,361,912		-
Export Bills								
Renminbi	775,735,042	1,542,142	1,028,573,239	2,183,502	2,689,736,332	5,367,691	3,234,176,175	6,501,583
United States Dollar	32,070,323	423,729	40,470,700	557,889	99,281,769	1,229,605	66,388,123	807,943
Japanese Yen	400,272,320	51,437	310,742,325	35,585	319,945,894	33,134	1,036,368,866	119,960
European Euro	2,806,619	41,237	3,845,144	57,895	3,651,370	54,965	2,476,401	41,503
Great Britain Pound								
Sterling	1,289,024	22,961	1,443,713	29,508	2,316,198	44,676	2,265,458	45,560
Singapore Dollar		-	46,772	456	114,066	1,070	545,412	5,248
Hong kong Dollar		-		-	6,176,845	9,864	73,008,995	114,591
United Arab Emirates Dirham		-		-	221,126	746	8,740,469	28,962
Australian Dollar		-		-	50,690	514	108,326	1,176
Saudi Arabian Riyal		-		-		-	1,713,915	5,561
		<u>2,083,734</u>		<u>2,869,177</u>		<u>9,104,177</u>		<u>7,672,087</u>
		<u>7,851,284</u>		<u>7,157,449</u>		<u>10,481,172</u>		<u>8,718,438</u>

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

8. EXPORT BILLS (continued)

a) By Type and Currency (continued):

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
<u>Related parties (Note 43)</u>								
<u>Rupiah</u>								
Domestic								
Documentary								
Letters of Credit		34,709		122,613		20,977		175,326
Export Bills		432		-		1,354		-
		<u>35,141</u>		<u>122,613</u>		<u>22,331</u>		<u>175,326</u>
<u>Foreign Currency</u>								
<u>United States Dollar</u>								
Domestic								
Documentary								
Letters of Credit		-	35,429	488		-		-
Export Bills	54,105	715	24,181	333	1,976,754	24,482	2,654,727	32,308
		<u>715</u>		<u>821</u>		<u>24,482</u>		<u>32,308</u>
		<u>35,856</u>		<u>123,434</u>		<u>46,813</u>		<u>207,634</u>
Total		<u>7,887,140</u>		<u>7,280,883</u>		<u>10,527,985</u>		<u>8,926,072</u>

b) By Collectibility:

All export bills were classified as "Current" as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively.

c) By Period:

The classification of export bills based on their remaining period to maturity are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
<u>Third parties</u>				
≤ 1 month	872,658	1,595,957	1,260,187	928,943
> 1 month - 3 months	1,600,138	3,081,075	3,132,221	1,079,390
> 3 months - 1 year	5,378,488	2,480,417	6,088,764	6,710,105
	<u>7,851,284</u>	<u>7,157,449</u>	<u>10,481,172</u>	<u>8,718,438</u>
<u>Related parties (Note 43)</u>				
≤ 1 month	822	31,868	18,208	207,634
> 1 month - 3 months	22,105	73,775	28,605	-
> 3 months - 1 year	12,929	17,791	-	-
	<u>35,856</u>	<u>123,434</u>	<u>46,813</u>	<u>207,634</u>
Total	<u>7,887,140</u>	<u>7,280,883</u>	<u>10,527,985</u>	<u>8,926,072</u>

BRI assessed individually for allowance for impairment losses on export bills based on whether an objective evidence of impairment exists.

Management believes that no allowance for impairment losses is necessary as of June 30, 2016, December 31, 2015, 2014 and 2013 because management believes that export bills are fully collectible.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

9. GOVERNMENT RECAPITALIZATION BONDS

This account represents bonds issued by the Government related to BRI's recapitalization program and Government Recapitalization Bonds purchased from the secondary market.

In connection with the recapitalization program, BRI received bonds issued by the Government at a nominal amount of Rp29,149,000 in 2 (two) tranches, at nominal amounts of Rp20,404,300 on July 25, 2000 and Rp8,744,700 on October 31, 2000, all of which earn interest at a fixed rate (Note 1b). In accordance with the letter of the Ministry of Finance of the Republic of Indonesia No. S-84/MK.01/ 2002 dated March 26, 2002 on "Conversion Implementation of Series FR Bonds into Series VR Bonds", on March 26, 2002 BRI partially redeem fixed rate Government bonds with a variable interest rate Government bonds.

a) By Ownership Purpose and Remaining Period to Maturity:

	June 30, 2016	December 31		
		2015	2014	2013
Fair value through profit or loss				
≤ 1 month	-	-	-	199,314
Available for sale				
≤ 1 month	716,931	715,958	703,596	712,105
Held to maturity				
≤ 1 year	500,000	500,000	500,000	-
> 1 year - 5 years	2,600,000	2,600,000	2,000,000	2,125,000
> 5 years - 10 years	-	-	1,100,000	1,475,000
	3,100,000	3,100,000	3,600,000	3,600,000
Total	3,816,931	3,815,958	4,303,596	4,511,419

b) By Classification and Type:

Series	Annual Interest Rate (%)	Maturity Date	Fair Value/Carrying Value			
			June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Fair value through profit or loss						
VR0026	SPN 3 months	January 25, 2018	-	-	-	199,314
Available for sale						
VR0027	SPN 3 months	July 25, 2018	447,525	447,178	440,370	444,748
VR0031	SPN 3 months	July 25, 2020	269,406	268,780	263,226	267,357
			716,931	715,958	703,596	712,105
Held to maturity						
VR0020	SPN 3 months	April 25, 2015	-	-	250,000	250,000
VR0021	SPN 3 months	November 25, 2015	-	-	250,000	250,000
VR0023	SPN 3 months	October 25, 2016	500,000	500,000	500,000	500,000
VR0026	SPN 3 months	January 25, 2018	375,000	375,000	375,000	375,000
VR0027	SPN 3 months	July 25, 2018	375,000	375,000	375,000	375,000
VR0028	SPN 3 months	August 25, 2018	375,000	375,000	375,000	375,000
VR0029	SPN 3 months	August 25, 2019	375,000	375,000	375,000	375,000
VR0031	SPN 3 months	July 25, 2020	1,100,000	1,100,000	1,100,000	1,100,000
			3,100,000	3,100,000	3,600,000	3,600,000
Total			3,816,931	3,815,958	4,303,596	4,511,419

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

9. GOVERNMENT RECAPITALIZATION BONDS (continued)

c) Other Significant Information:

The schedule of interest payment for Government Recapitalization bonds is every 3 (three) months.

The market values of Government Recapitalization Bonds classified under "Available for sale" ranged from 99.45% to 99.78%, 99.37% to 99.55%, 97.49% to 97.86% and 98.83% to 99.02% as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively.

BRI recognized unrealized gain in the value of "Fair value through profit or loss" Government Recapitalization Bonds amounted to RpNil, RpNil, RpNil, RpNil and Rp3,694 for the six-month period ended June 30, 2016 and 2015 and year ended December 31, 2015, 2014 and 2013, which are recorded under "Unrealized gain from changes in fair value of securities and Government Recapitalization Bonds - net" in the consolidated statements of profit or loss and other comprehensive income.

10. SECURITIES PURCHASED UNDER AGREEMENT TO RESELL

Securities purchased under agreement to resell as of June 30, 2016, December 31, 2015, 2014 and 2013 consist of:

June 30, 2016					
	Annual Interest Rate (%)	Purchase Date	Resell Date	Nominal Amount	Resell Price-Net
<u>Third parties</u>					
<u>Rupiah</u>					
Bank Indonesia					
Government Bonds					
FR0059	5.45	June 17, 2016	July 1, 2016	450,719	451,605
PT Bank Pan Indonesia Tbk					
Certificates Bank Indonesia					
IDSD13071698C	6.20	June 30, 2016	July 11, 2016	448,995	448,995
IDSD24081691C	6.20	June 30, 2016	July 11, 2016	222,889	222,889
				671,884	671,884
Total				1,122,603	1,123,489
December 31, 2015					
	Annual Interest Rate (%)	Purchase Date	Resell Date	Nominal Amount	Resell Price-Net
<u>Third party</u>					
<u>Rupiah</u>					
PT BPD Jawa Barat dan Banten Tbk					
Deposits Certificates of Bank Indonesia					
IDSD03021691C	10.00	December 30, 2015	January 6, 2016	47,177	47,190
IDSD150116273S	10.00	December 30, 2015	January 6, 2016	236,755	236,821
IDSD190216273S	10.00	December 30, 2015	January 6, 2016	94,095	94,122
				378,027	378,133

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

10. SECURITIES PURCHASED UNDER AGREEMENT TO RESELL (continued)

Securities purchased under agreement to resell as of June 30, 2016, December 31, 2015, 2014 and 2013 consist of (continued):

December 31, 2015					
	Annual Interest Rate (%)	Purchase Date	Resell Date	Nominal Amount	Resell Price-Net
<u>Related party (Note 43)</u>					
<u>Rupiah</u>					
PT Bank Mandiri (Persero) Tbk					
Certificates of Bank Indonesia					
IDBI200516273C	10.00	December 29, 2015	January 6, 2016	185,039	185,141
Deposits Certificates of Bank Indonesia					
IDSD020316182S	10.00	December 29, 2015	January 6, 2016	281,695	281,851
				466,734	466,992
Total				844,761	845,125

December 31, 2014					
	Annual Interest Rate (%)	Purchase Date	Resell Date	Nominal Amount	Resell Price-Net
<u>Third parties</u>					
<u>Rupiah</u>					
Bank Indonesia					
Government Bonds					
Series FR0031	6.00	December 10, 2014	January 7, 2015	55,318	55,512
Series FR0034	6.28	December 3, 2014	January 28, 2015	456,153	458,382
Series FR0036	6.28	December 3, 2014	January 28, 2015	617,555	620,571
Series FR0040	6.01	December 29, 2014	January 26, 2015	2,330,658	2,331,437
Series FR0043	6.01	December 23, 2014	January 20, 2015	2,226,148	2,229,121
Series FR0043	6.29	December 24, 2014	February 18, 2015	313,488	313,872
Series FR0044	6.01	December 29, 2014	January 26, 2015	33,205	33,216
Series FR0046	6.01	December 17, 2014	January 14, 2015	945,591	947,801
Series FR0047	6.02	December 4, 2014	January 5, 2015	4,652,818	4,673,826
Series FR0047	6.02	December 5, 2014	January 6, 2015	468,851	470,889
Series FR0047	6.00	December 9, 2014	January 6, 2015	1,323,130	1,327,981
Series FR0052	6.27	December 11, 2014	February 5, 2015	1,027,646	1,031,225
Series FR0052	6.01	December 22, 2014	January 19, 2015	578,491	579,361
Series FR0053	6.00	December 12, 2014	January 8, 2015	922,096	925,016
Series FR0057	6.30	November 13, 2014	January 8, 2015	357,376	360,378
Series FR0058	6.29	November 24, 2014	January 19, 2015	981,686	988,032
Series FR0061	6.30	November 17, 2014	January 12, 2015	218,869	220,554
Series FR0061	6.00	December 16, 2014	January 13, 2015	885,924	888,139
Series FR0061	6.01	December 16, 2014	January 13, 2015	442,962	444,071
Series FR0063	6.29	December 24, 2014	February 18, 2015	1,397,230	1,398,939
Series FR0064	6.02	December 5, 2014	January 6, 2015	845,915	849,593
Series FR0064	6.01	December 8, 2014	January 6, 2015	614,081	616,438
Series FR0064	6.00	December 9, 2014	January 6, 2015	1,653,172	1,659,233
Series FR0064	6.00	December 10, 2014	January 7, 2015	35,295	35,419
Series FR0066	6.02	December 2, 2014	January 2, 2015	3,644,826	3,662,501
Series FR0069	6.27	December 3, 2014	January 28, 2015	1,062,033	1,067,212
Series FR0069	6.01	December 18, 2014	January 15, 2015	1,919,564	1,923,730
Series FR0070	6.00	December 10, 2014	January 7, 2015	903,132	906,293
Series FR0070	6.01	December 22, 2014	January 19, 2015	1,052,624	1,054,206
Series FR0071	6.02	December 5, 2014	January 6, 2015	534,837	537,162
Series FR0071	6.00	December 10, 2014	January 7, 2015	1,030,135	1,033,741
Series FR0071	6.01	December 22, 2014	January 19, 2015	447,023	447,694
SPN12150206	6.01	December 5, 2014	January 6, 2015	1,265,280	1,270,772
SPN12150206	6.01	December 8, 2014	January 6, 2015	144,785	145,341
SPN12150305	6.01	December 8, 2014	January 6, 2015	843,829	847,069
SPN12150403	6.01	December 8, 2014	January 6, 2015	157,566	158,171

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

10. SECURITIES PURCHASED UNDER AGREEMENT TO RESELL (continued)

Securities purchased under agreement to resell as of June 30, 2016, December 31, 2015, 2014 and 2013 consist of (continued):

December 31, 2014					
	Annual Interest Rate (%)	Purchase Date	Resell Date	Nominal Amount	Resell Price-Net
<u>Third parties (continued)</u>					
<u>Rupiah (continued)</u>					
Bank Indonesia (continued)					
Government Bonds (continued)					
SPN12150710	6.01	December 5, 2014	January 6, 2015	3,595	3,611
SPN12150806	6.01	December 5, 2014	January 6, 2015	946,375	950,483
SPN12150806	6.00	December 10, 2014	January 7, 2015	8,130	8,159
SPN12151105	6.01	December 5, 2014	January 6, 2015	543,531	545,891
				37,890,923	38,021,042
PT Bank Mega Tbk					
Government Bonds					
Series FR0070	6.40	December 30, 2014	January 30, 2015	428,113	428,189
PT BPD Jawa Barat dan Banten Tbk					
Deposits Certificates of Bank Indonesia					
IDSD180615182S	6.25	December 29, 2014	January 12, 2015	230,024	230,104
IDSD230615182S	6.25	December 30, 2014	January 13, 2015	229,846	229,886
IDSD06021591S	6.25	December 29, 2014	January 12, 2015	94,341	94,374
				554,211	554,364
Total				38,873,247	39,003,595

December 31, 2013					
	Annual Interest Rate (%)	Purchase Date	Resell Date	Nominal Amount	Resell Price-Net
<u>Third parties</u>					
<u>Rupiah</u>					
Bank Indonesia					
Government Bonds					
Series FR0026	5.90	December 27, 2013	January 3, 2014	323,242	323,454
Series FR0026	5.90	December 31, 2013	January 7, 2014	1,289,285	1,289,285
Series FR0027	5.90	December 31, 2013	January 7, 2014	1,674,894	1,674,894
Series FR0056	6.06	December 18, 2013	January 2, 2014	463,099	464,112
Series FR0056	6.06	December 20, 2013	January 3, 2014	464,450	465,310
Series FR0057	6.34	December 4, 2013	January 2, 2014	483,903	486,204
Series FR0058	6.34	December 17, 2013	January 16, 2014	372,741	373,660
Series FR0059	6.06	December 19, 2013	January 2, 2014	804,695	806,320
Series FR0059	6.06	December 30, 2013	January 13, 2014	806,682	806,818
Series FR0060	5.90	December 30, 2013	January 6, 2014	365,700	365,759
Series FR0064	6.32	December 12, 2013	January 9, 2014	709,928	712,296
Series FR0064	6.34	December 13, 2013	January 10, 2014	713,828	716,091
Series FR0066	5.90	December 27, 2013	January 3, 2014	2,246,357	2,247,829
Series FR0069	5.90	December 27, 2013	January 3, 2014	360,344	360,581
Series FR0071	6.34	December 17, 2013	January 16, 2014	73,859	74,041
Series SPN12140703	5.90	December 30, 2013	January 6, 2014	733,153	733,154
Series SPN12140911	5.90	December 27, 2013	January 3, 2014	610,321	610,721
Series SPN12140911	5.90	December 30, 2013	January 6, 2014	270,860	270,905
Series SPN12141009	5.90	December 30, 2013	January 6, 2014	448,692	448,765
				13,216,033	13,230,199
PT Bank Pan Indonesia Tbk					
Certificates of Bank Indonesia					
IDSD06031491S	7.00	December 19, 2013	January 15, 2014	99,805	100,038
				13,315,838	13,330,237

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

10. SECURITIES PURCHASED UNDER AGREEMENT TO RESELL (continued)

Securities purchased under agreement to resell as of June 30, 2016, December 31, 2015, 2014 and 2013 consist of (continued):

December 31, 2013					
	Annual Interest Rate (%)	Purchase Date	Resell Date	Nominal Amount	Resell Price-Net
<u>Related parties (Note 43)</u>					
<u>Rupiah</u>					
PT Bank Bukopin Tbk					
Government Bonds					
Series ORI010	7.00	December 20, 2013	January 10, 2014	100,800	101,016
PT Bank Mandiri (Persero) Tbk					
Government Recapitalization Bonds					
Series VR0026	7.00	December 31, 2013	January 7, 2014	504,405	504,405
Series VR0026	7.00	December 31, 2013	January 7, 2014	504,405	504,405
				1,008,810	1,008,810
				1,109,610	1,109,826
				14,425,448	14,440,063

11. DERIVATIVES RECEIVABLE AND PAYABLE

The summary of the derivatives transactions are as follows:

June 30, 2016		
Transaction	Derivatives receivable	Derivatives payable
Foreign currency and interest rate swap	6,155	279,717
Foreign currency swap	-	102,305
Purchase and sale of foreign currency spot	965	-
Purchase and sale of foreign currency forward	11,085	-
	18,205	382,022
	18,205	382,022
December 31, 2015		
Transaction	Derivatives receivable	Derivatives payable
Credit linked notes (Note 7)	-	8,006
Foreign currency and interest rate swap	-	348,183
Interest rate swap	-	2,128
Foreign currency swap	-	82,819
Purchase and sale of foreign currency spot	-	412
Purchase and sale of foreign currency forward	-	4,205
	-	445,753
	-	445,753

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

11. DERIVATIVES RECEIVABLE AND PAYABLE (continued)

The summary of the derivatives transactions are as follows (continued):

Transaction	December 31, 2014	
	Derivatives receivable	Derivatives payable
Credit linked notes (Note 7)	-	12,313
Foreign currency and interest rate swap	-	705,210
Foreign currency swap	205	-
Purchase and sale of foreign currency spot	331	-
	536	717,523

Transaction	December 31, 2013	
	Derivatives receivable	Derivatives payable
Credit linked notes (Note 7)	4,918	39,250
Foreign currency and interest rate swap	-	1,523,183
Foreign currency swap	-	2,669
Purchase and sale of foreign currency spot	63	-
	4,981	1,565,102

a. Cross currency and interest rate swap

BRI's cross currency and interest rate swap contracts as of June 30, 2016, December 31, 2015, 2014 and 2013 are as follows:

Counterparties	Notional Amount (Full Amount)	Annual Interest Rate		Date	
		Received	Paid	Effective	Maturity
		DBS Bank	USD50,000,000	8.50%	LIBOR*) + 0.55%
DBS Bank	USD30,000,000	2.91%		September 18, 2015	September 19, 2016
DBS Bank	USD20,000,000	3.30%	1.35%	November 18, 2015	November 19, 2018
DBS Bank	USD30,000,000	3.30%	1.55%	November 16, 2015	November 16, 2018
Standard Chartered Bank	USD50,000,000	8.50%	LIBOR*) + 0.55%	November 27, 2013	November 27, 2016
Standard Chartered Bank	USD50,000,000	8.75%	0.23%	August 13, 2015	August 13, 2016
Standard Chartered Bank	USD30,000,000	3.30%	1.35%	November 18, 2015	November 18, 2018
Standard Chartered Bank	USD50,000,000	11.75%	0.10%	November 2, 2015	November 2, 2016
Standard Chartered Bank	USD30,000,000	3.30%	1.48%	December 1, 2015	December 1, 2019
Standard Chartered Bank	USD15,000,000	4.64%	0.10%	January 21, 2016	January 21, 2017
Standard Chartered Bank	USD35,000,000	8.85%	0.23%	July 10, 2015	July 10, 2016
Standard Chartered Bank	USD15,000,000	8.85%	0.23%	July 29, 2015	July 29, 2015
Standard Chartered Bank	USD30,000,000	0.1%	7.35%	February 22, 2016	August 22, 2016
Standard Chartered Bank	USD30,000,000	LIBOR*)	7.20%	April 1, 2016	October 3, 2016
Standard Chartered Bank	USD40,000,000	LIBOR**)	7.25%	June 22, 2016	September 22, 2016
Standard Chartered Bank	USD30,000,000	LIBOR**)	7.48%	June 28, 2016	September 28, 2016
The Hong Kong and Shanghai Banking Corporation Limited	USD25,000,000	8.00%	1.08%	September 22, 2014	September 22, 2016
The Hong Kong and Shanghai Banking Corporation Limited	USD30,000,000	2.71%	0.10%	October 13, 2015	October 13, 2016
The Hong Kong and Shanghai Banking Corporation Limited	USD11,280,000	LIBOR*)+0.99%	0.50%	March 22, 2016	March 22, 2019
The Hong Kong and Shanghai Banking Corporation Limited	USD20,000,000	LIBOR*)	7.30%	April 4, 2016	October 4, 2016
The Hong Kong and Shanghai Banking Corporation Limited	USD20,000,000	LIBOR*)	7.20%	April 5, 2016	October 5, 2016
The Hong Kong and Shanghai Banking Corporation Limited	USD10,000,000	2.45%	0.10%	May 25, 2016	May 25, 2017
ANZ Bank	USD20,000,000	3.09%	0.25%	September 9, 2015	September 9, 2016
ANZ Bank	USD20,000,000	3.09%	0.25%	September 11, 2015	September 11, 2016

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

11. DERIVATIVES RECEIVABLE AND PAYABLE (continued)

a. Cross currency and interest rate swap (continued)

BRI's cross currency and interest rate swap contracts as of June 30, 2016, December 31, 2015, 2014 and 2013 are as follows (continued):

June 30, 2016					
Counterparties	Notional Amount (Full Amount)	Annual Interest Rate		Date	
		Received	Paid	Effective	Maturity
ANZ Bank	USD7,135,000	1.82%	0.25%	September 17, 2015	September 17, 2016
ANZ Bank	USD25,000,000	2.29%	0.10%	October 28, 2015	October 28, 2016
ANZ Bank	USD30,000,000	2.91%	0.25%	September 18, 2015	September 18, 2016
ANZ Bank	USD25,000,000	3.30%	0.10%	January 7, 2016	January 7, 2017
UOB Bank	USD3,597,000	1.85%	0.25%	September 22, 2015	September 22, 2016
UOB Bank	USD10,000,000	1.10%	0.25%	September 21, 2015	September 21, 2016
UOB Bank	USD20,000,000	2.68%	0.10%	October 13, 2015	October 13, 2016
UOB Bank	USD30,000,000	3.30%	1.52%	November 27, 2015	November 27, 2019
UOB Bank	USD16,888,500	LIBOR*)+0.91%	0.50%	March 23, 2016	March 25, 2019
UOB Bank	USD10,000,000	LIBOR*)	7.19%	April 5, 2016	October 5, 2016
UOB Bank	USD11,355,000	LIBOR*)+0.50%	0.10%	April 19, 2016	April 29, 2019
DEUTSCHE Bank	USD20,000,000	LIBOR*)	7.20%	April 4, 2016	October 4, 2016
DEUTSCHE Bank	USD10,000,000	2.41%	0.10%	May 19, 2016	May 19, 2017
DEUTSCHE Bank	USD13,644,000	LIBOR*)+0.45%	0.10%	June 10, 2016	June 10, 2019
DEUTSCHE Bank	USD10,000,000	1.73%	0.10%	June 10, 2016	March 10, 2017
DEUTSCHE Bank	USD20,000,000	LIBOR**)	7.25%	June 22, 2016	September 22, 2016
MayBank	USD10,000,000	2.26%	0.10%	June 3, 2016	March 3, 2017

December 31, 2015					
Counterparties	Notional Amount (Full Amount)	Annual Interest Rate		Date	
		Received	Paid	Effective	Maturity
DBS Bank	USD50,000,000	8.50%	LIBOR*) + 0.55%	November 28, 2013	November 28, 2016
DBS Bank	USD30,000,000	2.91%	0.25%	September 18, 2015	September 19, 2016
DBS Bank	USD20,000,000	3.30%	1.35%	November 18, 2015	November 19, 2018
DBS Bank	USD30,000,000	3.30%	1.55%	November 16, 2015	November 16, 2018
Standard Chartered Bank	USD50,000,000	8.50%	LIBOR*) + 0.55%	November 27, 2013	November 27, 2016
Standard Chartered Bank	USD15,000,000	8.85%	0.23%	July 29, 2015	July 29, 2016
Standard Chartered Bank	USD35,000,000	8.85%	0.23%	July 10, 2015	July 10, 2016
Standard Chartered Bank	USD50,000,000	8.75%	0.23%	August 13, 2015	August 13, 2016
Standard Chartered Bank	USD30,000,000	3.30%	1.35%	November 18, 2015	November 18, 2018
Standard Chartered Bank	USD50,000,000	11.75%	0.10%	November 2, 2015	November 2, 2016
Standard Chartered Bank	USD30,000,000	3.30%	1.48%	December 1, 2015	December 1, 2019
The Hong Kong and Shanghai Banking Corporation Limited	USD25,000,000	8.00%	1.08%	September 22, 2014	September 22, 2016
The Hong Kong and Shanghai Banking Corporation Limited	USD30,000,000	2.71%	0.10%	October 13, 2015	October 13, 2016
ANZ Bank	USD20,000,000	3.09%	0.25%	September 9, 2015	September 9, 2016
ANZ Bank	USD20,000,000	3.09%	0.25%	September 11, 2015	September 11, 2016
ANZ Bank	USD7,135,000	1.82%	0.25%	September 17, 2015	September 17, 2016
ANZ Bank	USD25,000,000	2.29%	0.10%	October 28, 2015	October 28, 2016
ANZ Bank	USD30,000,000	2.91%	0.25%	September 18, 2015	September 18, 2016
UOB Bank	USD3,597,000	1.85%	0.25%	September 22, 2015	September 22, 2016
UOB Bank	USD10,000,000	1.10%	0.25%	September 21, 2015	September 21, 2016
UOB Bank	USD20,000,000	2.68%	0.10%	October 13, 2015	October 13, 2016
UOB Bank	USD30,000,000	3.30%	1.52%	November 27, 2015	November 27, 2019

December 31, 2014					
Counterparties	Notional Amount (Full Amount)	Annual Interest Rate		Date	
		Received	Paid	Effective	Maturity
DBS Bank	USD50,000,000	8.50%	LIBOR*) + 0.55%	November 28, 2013	November 28, 2016
Standard Chartered Bank	USD40,000,000	7.00%	LIBOR**)+ 1.75%	November 1, 2012	November 1, 2015
Standard Chartered Bank	USD60,000,000	7.00%	LIBOR**)+ 1.75%	November 1, 2012	November 1, 2015
Standard Chartered Bank	USD50,000,000	8.50%	LIBOR**)+ 0.55%	November 27, 2013	November 27, 2016
The Hong Kong and Shanghai Banking Corporation Limited	USD50,000,000	7.00%	LIBOR**)+ 1.50%	December 10, 2012	December 10, 2015
The Hong Kong and Shanghai Banking Corporation Limited	USD50,000,000	7.00%	LIBOR**)+ 1.50%	December 4, 2012	December 4, 2015
The Hong Kong and Shanghai Banking Corporation Limited	USD25,000,000	8.00%	1.08%	September 22, 2014	September 22, 2016

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

11. DERIVATIVES RECEIVABLE AND PAYABLE (continued)

a. Cross currency and interest rate swap (continued)

BRI's cross currency and interest rate swap contracts as of June 30, 2016, December 31, 2015, 2014 and 2013 are as follows (continued):

Counterparties	Notional Amount	Annual Interest Rate		Date	
		Received	Paid	Effective	Maturity
		December 31, 2013			
DBS Bank	USD65,000,000	7.50%	LIBOR**) + 1.65%	September 27, 2011	September 27, 2014
DBS Bank	USD50,000,000	8.50%	LIBOR**) + 0.55%	November 28, 2013	November 28, 2016
Standard Chartered Bank	USD20,000,000	7.00%	LIBOR**) + 1.69%	September 18, 2012	September 18, 2014
Standard Chartered Bank	USD40,000,000	7.00%	LIBOR**) + 1.75%	November 1, 2012	November 1, 2015
Standard Chartered Bank	USD60,000,000	7.00%	LIBOR**) + 1.75%	November 1, 2012	November 1, 2015
Standard Chartered Bank	USD50,000,000	8.50%	LIBOR**) + 0.55%	November 27, 2013	November 27, 2016
The Hong Kong and Shanghai Banking Corporation Limited	USD50,000,000	7.50%	LIBOR**) + 1.70%	September 26, 2011	September 26, 2014
The Hong Kong and Shanghai Banking Corporation Limited	USD50,000,000	7.50%	LIBOR**) + 1.70%	September 21, 2011	September 22, 2014
The Hong Kong and Shanghai Banking Corporation Limited	USD50,000,000	7.00%	LIBOR**) + 1.90%	April 16, 2012	April 16, 2014
The Hong Kong and Shanghai Banking Corporation Limited	USD50,000,000	7.00%	LIBOR**) + 1.50%	December 10, 2012	December 10, 2015
The Hong Kong and Shanghai Banking Corporation Limited	USD50,000,000	7.00%	LIBOR**) + 1.50%	December 4, 2012	December 4, 2015
ANZ Bank	USD50,000,000	7.00%	LIBOR**) + 1.55%	November 5, 2012	November 5, 2014
Citibank	USD25,000,000	7.00%	LIBOR**) + 1.68%	October 15, 2012	October 15, 2014

*) 6 (six) months USD LIBOR.

**) 3 (three) months USD LIBOR.

BRI enters into cross currency and interest rate swap contracts with several counterparties, whereby BRI and counterparties agree to exchange funds in USD with Rupiah, Renminbi, Australian Dollar or Singapore Dollar with the amount equal at the effective date of the contract. Thus, BRI and counterparties shall pay interest according to the funds received.

b. Interest Rate Swap

BRI has interest rate swap contract as of December 31, 2015 as follows:

Counterparties	Notional Amount	Annual Interest Rate		Date	
		Received	Paid	Effective	Maturity
		December 31, 2015			
Standard Chartered Bank	200,000	8.90%	JIBOR*) + 1.25%	January 23, 2015	January 4, 2016
ANZ Bank	500,000	8.70%	JIBOR*) + 1.35%	April 22, 2015	April 22, 2016

*) 3 (three) months JIBOR.

Transactions underlying interest rate swap contracts with Standard Chartered Bank is the issuance of Medium-Term Notes (MTN) Phase II with a nominal value amounted to Rp520,000 with annual fixed interest rate of 8.9% and will be due on December 29, 2015 (Note 24), while transaction with ANZ Bank is transaction of repo maturity with Lembaga Pembiayaan Ekspor Indonesia (LPEI) with a nominal value of Rp1,000,000 and annual fixed interest rate of 8.7% which will be due on April 15, 2019 (Note 23).

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

11. DERIVATIVES RECEIVABLE AND PAYABLE (continued)

c. Purchase and Sale of Foreign Currency Spots

As of June 30, 2016, BRI has outstanding foreign currency spot purchase contract with notional amount of USD172,000,000, AUD6,000,000, GBP2,200,000 and EUR12,000,000 with contractual amount of Rp2,265,660, Rp58,661, Rp38,778 and Rp175,744, respectively, as well as foreign currency spot sale contract with notional amount of USD133,000,000, AUD6,000,000, GBP2,200,000 and EUR32,000,000 with contractual amount of Rp1,752,232, Rp58,596, Rp38,763 and Rp468,672, respectively.

d. Purchase and Sale of Foreign Currency Forward

As of June 30, 2016, BRI has outstanding foreign currency forward purchase contract with notional amount of USD124,386,192 with the contractual amount of Rp1,588,080 and foreign currency forward sale contract with notional amount of USD133,166,544 with the contractual amount of Rp1,786,851.

e. Foreign Currency Swap

As of June 30, 2016, BRI has outstanding foreign currency swap contracts with notional purchase amount of USD685,000,000 with the contractual purchase amount of Rp9,169,295 and notional sale amount of USD61,000,000 with the contractual sale amount of Rp822,390.

12. LOANS

a) By Type and Currency:

The details of loans by type are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
<u>Third parties</u>				
<u>Rupiah</u>				
Kupedes	202,784,752	178,759,239	152,905,930	132,131,803
Working capital	113,599,727	110,017,704	100,302,296	87,467,943
Consumer	95,396,320	89,603,296	82,084,591	74,610,014
Investment	50,293,189	42,366,014	34,362,408	26,634,287
Program	9,957,042	7,064,037	7,259,617	10,594,551
Syndicated	1,246,826	1,313,700	1,969,662	1,703,561
	<u>473,277,856</u>	<u>429,123,990</u>	<u>378,884,504</u>	<u>333,142,159</u>
<u>Foreign currencies</u>				
Investment	22,434,048	22,527,984	16,910,200	12,705,403
Working capital	13,420,262	18,764,850	17,224,376	18,935,853
Syndicated	637,122	933,555	1,011,060	1,075,184
	<u>36,491,432</u>	<u>42,226,389</u>	<u>35,145,636</u>	<u>32,716,440</u>
	<u>509,769,288</u>	<u>471,350,379</u>	<u>414,030,140</u>	<u>365,858,599</u>
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>				
Working capital	35,542,534	42,605,612	33,559,565	29,191,123
Investment	21,706,600	18,354,627	11,348,215	6,694,154
Syndicated	18,602,293	16,019,141	16,222,204	16,927,886
Key employees	45,960	46,498	50,357	54,084
Consumer	16,522	18,563	34,023	39,601
	<u>75,913,909</u>	<u>77,044,441</u>	<u>61,214,364</u>	<u>52,906,848</u>

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

12. LOANS (continued)

a) By Type and Currency (continued):

The details of loans by type are as follows (continued):

	June 30, 2016	December 31		
		2015	2014	2013
<u>Foreign currencies</u>				
Working capital	6,639,306	10,157,905	15,088,161	11,124,217
Investment	4,407,988	4,810,165	4,008,660	3,825,317
Syndicated	1,014,337	1,117,648	755,963	601,485
	12,061,631	16,085,718	19,852,784	15,551,019
	87,975,540	93,130,159	81,067,148	68,457,867
Total	597,744,828	564,480,538	495,097,288	434,316,466
Less: Allowance for impairment losses	(20,746,668)	(17,162,183)	(15,886,145)	(15,171,736)
Net	576,998,160	547,318,355	479,211,143	419,144,730

The details of loans by currency are as follows:

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
<u>Rupiah</u>		549,191,765		506,168,431		440,098,868		386,049,007
<u>Foreign currencies</u>								
United States								
Dollar	3,632,805,415	47,998,441	4,194,486,839	57,821,002	4,408,424,607	54,598,339	3,944,419,742	48,003,588
European Euro	23,827,685	350,098	18,700,101	281,561	13,492,637	203,109	2,397,871	40,187
Singapore Dollar	18,282,763	179,047	18,661,338	182,115	19,304,299	181,001	22,162,586	213,250
Great Britain								
Pound Sterling	799,724	14,246	725,983	14,838	209,302	4,037		-
Japanese Yen	76,602,092	9,844	97,471,871	11,162	90,420,476	9,364	90,143,666	10,434
Swiss Franc	102,669	1,387	102,669	1,429	205,338	2,570		-
		48,553,063		58,312,107		54,998,420		48,267,459
Total		597,744,828		564,480,538		495,097,288		434,316,466
Less: Allowance for impairment losses		(20,746,668)		(17,162,183)		(15,886,145)		(15,171,736)
Net		576,998,160		547,318,355		479,211,143		419,144,730

b) By Economic Sector:

	June 30, 2016	December 31		
		2015	2014	2013
<u>Third parties</u>				
<u>Rupiah</u>				
Trading, hotels and restaurants	192,281,161	171,309,588	146,793,322	127,520,973
Agriculture	57,695,826	49,202,544	41,776,436	32,452,072
Business services	20,355,613	18,622,984	17,341,578	14,438,720
Manufacturing	19,323,616	16,719,172	14,255,145	14,220,719
Construction	12,166,049	11,260,702	10,204,041	7,811,836
Transportation, warehousing and communications	6,529,012	5,937,507	4,811,025	4,184,363
Social services	4,441,457	4,388,625	3,695,078	2,701,451
Mining	2,262,693	2,106,438	2,507,266	2,265,285
Electricity, gas and water	732,441	801,696	553,140	602,103
Others	157,489,988	148,774,734	136,947,473	126,944,637
	473,277,856	429,123,990	378,884,504	333,142,159

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

12. LOANS (continued)

b) By Economic Sector (continued):

	June 30, 2016	December 31		
		2015	2014	2013
<u>Third parties (continued)</u>				
<u>Foreign currencies</u>				
Manufacturing	17,905,650	23,709,462	19,049,602	18,164,626
Agriculture	5,302,598	3,689,254	2,303,960	2,881,438
Electricity, gas and water	4,280,738	4,268,672	2,576,312	1,539,950
Mining	2,413,939	2,946,326	2,695,827	1,512,662
Trading, hotels and restaurants	1,971,291	2,798,057	3,683,894	5,377,368
Construction	1,671,144	1,919,381	1,766,507	1,138,289
Business services	1,512,811	1,468,551	1,248,868	848,098
Transportation, warehousing and communications	1,367,944	1,220,210	1,721,116	1,136,003
Others	65,317	206,476	99,550	118,006
	<u>36,491,432</u>	<u>42,226,389</u>	<u>35,145,636</u>	<u>32,716,440</u>
	<u>509,769,288</u>	<u>471,350,379</u>	<u>414,030,140</u>	<u>365,858,599</u>
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>				
Electricity, gas and water	21,639,058	16,358,603	12,188,381	10,001,627
Trading, hotels and restaurants	17,013,262	19,599,529	11,720,276	10,727,788
Manufacturing	9,796,134	9,034,633	9,151,098	6,522,773
Transportation, warehousing and communications	9,272,976	8,396,044	8,197,937	7,086,773
Business services	6,200,331	7,169,936	6,169,016	6,102,396
Agriculture	5,945,686	6,487,849	5,431,625	4,193,698
Construction	4,973,002	3,537,595	2,054,518	2,162,385
Mining	589,409	695,063	243,226	203,514
Social services	437,065	5,717,561	6,005,926	5,850,094
Others	46,986	47,628	52,361	55,800
	<u>75,913,909</u>	<u>77,044,441</u>	<u>61,214,364</u>	<u>52,906,848</u>
<u>Foreign currencies</u>				
Manufacturing	6,644,069	10,149,569	15,892,186	10,135,360
Social services	3,781,566	4,117,541	3,514,536	3,286,158
Mining	1,321,250	1,408,367	80,502	1,528,349
Transportation, warehousing and communications	283,045	271,020	6,365	-
Construction	31,701	39,580	-	-
Business services	-	96,495	359,195	592,004
Agriculture	-	3,146	-	9,148
	<u>12,061,631</u>	<u>16,085,718</u>	<u>19,852,784</u>	<u>15,551,019</u>
	<u>87,975,540</u>	<u>93,130,159</u>	<u>81,067,148</u>	<u>68,457,867</u>
Total	597,744,828	564,480,538	495,097,288	434,316,466
Less: Allowance for impairment losses	(20,746,668)	(17,162,183)	(15,886,145)	(15,171,736)
Net	<u>576,998,160</u>	<u>547,318,355</u>	<u>479,211,143</u>	<u>419,144,730</u>

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

12. LOANS (continued)

c) By Period:

The classification of loans based on the remaining period to maturity are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
<u>Third parties</u>				
<u>Rupiah</u>				
≤ 1 month	15,613,885	13,966,093	14,908,904	12,190,232
> 1 month - 3 months	13,751,454	16,688,235	15,224,116	13,988,502
> 3 months - 1 year	88,174,598	80,979,512	70,124,056	62,647,603
> 1 year - 2 years	78,395,594	70,074,362	61,892,933	52,210,407
> 2 years - 5 years	136,709,572	122,274,147	108,297,072	95,010,709
> 5 years	140,632,753	125,141,641	108,437,423	97,094,706
	473,277,856	429,123,990	378,884,504	333,142,159
<u>Foreign currencies</u>				
≤ 1 month	1,122,641	2,887,982	3,463,164	4,106,354
> 1 month - 3 months	2,014,355	4,710,511	1,734,056	3,625,688
> 3 months - 1 year	6,164,364	6,130,904	9,185,920	9,002,931
> 1 year - 2 years	5,632,899	7,122,486	2,972,327	2,881,897
> 2 years - 5 years	6,913,765	8,627,405	7,305,678	4,549,898
> 5 years	14,643,408	12,747,101	10,484,491	8,549,672
	36,491,432	42,226,389	35,145,636	32,716,440
	509,769,288	471,350,379	414,030,140	365,858,599
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>				
≤ 1 month	4,331,627	3,520,078	3,785,571	1,015,879
> 1 month - 3 months	3,494,797	4,513,341	15,420,356	20,261,074
> 3 months - 1 year	28,304,564	27,106,728	7,684,547	5,403,421
> 1 year - 2 years	1,835,026	6,875,664	5,313,701	2,554,393
> 2 years - 5 years	11,236,660	10,235,935	11,550,965	5,418,516
> 5 years	26,711,235	24,792,695	17,459,224	18,253,565
	75,913,909	77,044,441	61,214,364	52,906,848
<u>Foreign currencies</u>				
≤ 1 month	5,659	128,478	14,577,924	8,865,691
> 1 month - 3 months	1,716,240	1,378,500	95,339	20,014
> 3 months - 1 year	3,495,584	8,650,927	247,700	2,197,227
> 1 year - 2 years	449,338	634,565	173,562	486,800
> 2 years - 5 years	3,874,453	3,923,272	-	829,573
> 5 years	2,520,357	1,369,976	4,758,259	3,151,714
	12,061,631	16,085,718	19,852,784	15,551,019
	87,975,540	93,130,159	81,067,148	68,457,867
Total	597,744,828	564,480,538	495,097,288	434,316,466
Less: Allowance for impairment losses	(20,746,668)	(17,162,183)	(15,886,145)	(15,171,736)
Net	576,998,160	547,318,355	479,211,143	419,144,730

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

12. LOANS (continued)

d) By Collectibility:

	June 30, 2016	December 31		
		2015	2014	2013
Individual	25,534,446	19,596,126	12,857,919	7,421,717
Collective				
Current	534,303,031	516,307,931	450,778,058	400,826,162
Special mention	28,943,641	21,977,643	25,241,568	20,564,316
Substandard	1,745,076	1,160,311	1,043,082	930,623
Doubtful	1,907,681	1,224,930	1,201,996	949,415
Loss	5,310,953	4,213,597	3,974,665	3,624,233
	572,210,382	544,884,412	482,239,369	426,894,749
Total	597,744,828	564,480,538	495,097,288	434,316,466
Less: Allowance for impairment losses				
Individual	(5,371,698)	(4,104,272)	(2,389,304)	(2,387,935)
Collective	(15,374,970)	(13,057,911)	(13,496,841)	(12,783,801)
	(20,746,668)	(17,162,183)	(15,886,145)	(15,171,736)
Net	576,998,160	547,318,355	479,211,143	419,144,730

e) By Operating Segment:

	June 30, 2016	December 31		
		2015	2014	2013
<u>Third parties</u>				
<u>Rupiah</u>				
Corporate	41,580,975	35,155,823	30,921,809	25,715,738
Retail	218,092,490	205,539,988	183,908,515	165,159,679
Micro	213,604,391	188,428,179	164,054,180	142,266,742
	473,277,856	429,123,990	378,884,504	333,142,159
<u>Foreign currencies</u>				
Corporate	33,986,106	34,820,892	25,732,352	22,265,376
Retail	2,505,326	7,405,497	9,413,284	10,451,064
	36,491,432	42,226,389	35,145,636	32,716,440
	509,769,288	471,350,379	414,030,140	365,858,599
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>				
Corporate	75,482,276	70,204,154	54,714,859	46,780,191
Retail	431,633	6,840,287	6,499,505	6,126,657
	75,913,909	77,044,441	61,214,364	52,906,848
<u>Foreign currencies</u>				
Corporate	12,061,631	16,085,718	19,845,498	15,434,081
Retail	-	-	7,286	116,938
	12,061,631	16,085,718	19,852,784	15,551,019
	87,975,540	93,130,159	81,067,148	68,457,867
Total	597,744,828	564,480,538	495,097,288	434,316,466
Less: Allowance for impairment losses	(20,746,668)	(17,162,183)	(15,886,145)	(15,171,736)
Net	576,998,160	547,318,355	479,211,143	419,144,730

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

12. LOANS (continued)

f) Other Significant Information:

- 1) The average annual interest rates are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
Contractual Rate				
Rupiah	12.07%	12.47%	12.09%	11.79%
Foreign currencies	4.59	4.37	4.35	4.47
Effective Interest Rate				
Rupiah	15.14%	16.09%	16.23%	15.95%
Foreign currencies	4.75	4.46	4.48	4.58

- 2) The loans are generally collateralized by registered mortgages, by powers of attorneys to sell, demand deposits, saving deposits, time deposits or by other guarantees generally accepted by banks (Notes 19, 20, and 21).
- 3) Working capital and investment loans represent loans to debtors for working capital requirements and capital goods.
- 4) Consumer loans consist of loans to workers and retired workers, housing, motor vehicles and other consumer loans.
- 5) Program loans represent loan facilities channeled by BRI based on the guidelines from the Government in order to support the development in Indonesia especially the development of small scale industry, middle scale industry and cooperatives.
- 6) Kupedes loans represent loan facilities channeled by BRI through BRI's Units. The target of these loans is micro scale industry and fixed income employees that require additional funds, in accordance with the maximum limit amount stated in the Kupedes regulation. The targeted economic sectors are agriculture, manufacturing, trading and others.
- 7) Syndicated loans represent loans provided to debtors under syndication agreements with other banks. The total of BRI's syndicated loans amounted to Rp36,286,013, Rp31,142,038, Rp23,439,044 and Rp20,328,701 as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively. BRI's participation as leader in the syndicated loans ranged from 24.50% until 63.65%, 23.08% until 63.65%, 24.90% until 63.65% and 33.33% until 74.94%, while BRI's participation as member in the syndicated loans ranged from 2.97% until 51.79% as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively.
- 8) Employee loans are loans given to employees with 5.5% annual interest rate that intended for the acquisition of vehicles, houses and other necessities with 4 (four) to 20 (twenty) years maturity. Loan principal and interest payments were collected through monthly payroll deductions. The difference between employee loan's interest rate and Base Lending Rate (BLR) is deferred and recorded as deferred expense for employee loans as part of other assets. The deferred expense for employee loans amounted to Rp560,267, Rp569,257, Rp585,320 and Rp640,498 as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively (Note 17).

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

12. LOANS (continued)

f) Other Significant Information (continued):

9) Loans granted by BRI to related parties other than loans to key employees (Note 43) are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
PT Perusahaan Listrik Negara (Persero)	21,741,875	16,479,829	12,507,583	10,288,290
Perum BULOG	16,230,578	17,187,834	10,467,999	9,355,324
Ministry of Finance of the Republic of Indonesia	4,381,113	4,683,888	4,007,873	3,778,698
PT Pegadaian (Persero)	3,799,744	3,864,154	4,420,940	3,602,519
PT Kereta Api Indonesia (Persero)	3,660,537	3,678,155	3,513,187	2,709,044
PT Krakatau Steel (Persero) Tbk	2,458,998	2,123,803	1,494,735	858,654
PT Pupuk Kalimantan Timur	2,168,905	2,461,901	1,624,780	1,836,399
PT Dayamitra Telekomunikasi	1,929,955	1,295,955	1,627,955	1,610,438
PT Garuda Indonesia (Persero) Tbk	1,683,832	1,593,531	461,917	486,800
PT Perkebunan Nusantara VII (Persero)	1,513,179	1,635,207	1,071,122	789,971
Others	28,360,864	38,079,404	39,818,700	33,087,646
Total	87,929,580	93,083,661	81,016,791	68,403,783

10) Loans that have been restructured by BRI (Parent Entity) amounted to Rp28,263,776, Rp20,339,826, Rp16,445,464 and Rp7,416,168 (unaudited) as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively. Restructuring scheme generally consist of extension of the loan maturity date and rescheduling of overdue interest payment.

11) In BRI's report on Legal Lending Limit to Bank Indonesia as of of June 30, 2016, December 31, 2015, 2014 and 2013, BRI has no debtor either related party or third party, in accordance with Bank Indonesia regulation, that does not comply with or exceed the Legal Lending Limit, respectively.

12) The details of non-performing loans consist of individual and collective loans (substandard, doubtful and loss) based on economic sector, as well as the allowance for impairment losses are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
Trading, hotels and restaurants	10,001,055	9,128,103	6,808,031	5,489,984
Manufacturing	9,115,714	3,690,140	2,730,783	1,314,935
Agriculture	4,196,513	2,844,590	2,718,963	821,780
Construction	3,653,625	3,037,301	2,274,200	1,492,326
Business services	1,664,280	1,700,017	1,451,926	1,147,967
Transportation, warehousing and communications	1,635,773	1,642,456	1,378,079	1,254,465
Mining	1,563,500	1,841,180	352,028	46,927
Electricity, gas and water	723,975	776,168	43,064	26,173
Social services	135,901	112,727	115,575	81,758
Others	1,807,820	1,422,282	1,205,013	1,249,673
Total	34,498,156	26,194,964	19,077,662	12,925,988
Less: Allowance for impairment losses	(7,691,439)	(5,726,209)	(4,000,016)	(3,790,925)
Net	26,806,717	20,468,755	15,077,646	9,135,063

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

12. LOANS (continued)

f) Other Significant Information (continued):

13) Ratios

a. The ratios of non-performing loans (NPL) based on Bank Indonesia regulations are as follows:

(i) BRI (Parent Entity) and BRI Agro

	June 30, 2016	December 31		
		2015	2014	2013
Total non-performing loans	13,862,889	11,380,718	8,364,106	6,735,938
Total loans	597,744,828	564,480,538	495,097,288	434,316,466
% non-performing loans (NPL)	2.32%	2.02%	1.69%	1.55%

(ii) BRI (Parent Entity)

	June 30, 2016	December 31		
		2015	2014	2013
Total non-performing loans	13,636,266	11,267,382	8,271,125	6,654,494
Total loans	590,690,539	558,436,016	490,402,708	430,617,873
% non-performing loans (NPL)	2.31%	2.02%	1.69%	1.55%

b. The ratios of BRI's small scale industry loans to total loans are 45.46%, 44.32%, 43.76% and 41.71% as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively (unaudited).

Movements in the allowance for impairment losses on loans:

	June 30, 2016	December 31		
		2015	2014	2013
Beginning balance	17,162,183	15,886,145	15,171,736	14,677,220
Provision for impairment losses (Note 33)	7,373,645	8,685,146	5,654,870	3,946,083
Loans written-off during the year	(3,835,558)	(7,815,170)	(5,619,434)	(4,317,861)
Foreign currency translation	46,398	406,062	678,973	866,294
Ending balance	20,746,668	17,162,183	15,886,145	15,171,736

BRI's (Parent Entity) allowance for impairment losses balance includes the allowance for impairment losses for areas that are still categorized as a disaster prone areas or ever experienced a disaster by the Government of the Republic of Indonesia amounted to Rp681,842, Rp611,849, Rp715,339 and Rp1,166,798, as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively (Note 2e).

The minimum allowance for impairment losses of BRI's (Parent Entity) loans based on Bank Indonesia regulation (Note 2e) amounted to Rp16,318,675, Rp13,892,885, Rp12,235,818 and Rp10,265,927, as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively.

Management believes that the allowance for impairment losses on loans is adequate.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

13. SHARIA RECEIVABLES AND FINANCING

a) Sharia receivables and financing based on collectibility are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
<u>Third parties</u>				
Current	15,092,024	14,192,917	14,332,387	13,032,367
Special mention	1,622,472	1,561,399	517,977	354,586
Substandard	149,489	196,514	121,624	289,826
Doubtful	96,168	97,603	136,921	53,914
Loss	617,426	509,301	456,921	220,157
	<u>17,577,579</u>	<u>16,557,734</u>	<u>15,565,830</u>	<u>13,950,850</u>
<u>Related parties (Note 43)</u>				
Current	253,531	56,272	33,242	77,540
Special mention	212	-	481	-
	<u>253,743</u>	<u>56,272</u>	<u>33,723</u>	<u>77,540</u>
Total	17,831,322	16,614,006	15,599,553	14,028,390
Less: Allowance for impairment losses	(417,971)	(352,252)	(276,650)	(246,360)
Net	<u>17,413,351</u>	<u>16,261,754</u>	<u>15,322,903</u>	<u>13,782,030</u>

b) Sharia receivables and financing based on the remaining period to maturity and currency are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
<u>Third parties</u>				
<u>Rupiah</u>				
≤ 1 month	326,453	484,053	564,756	784,371
> 1 month - 3 months	742,742	679,010	618,962	554,233
> 3 months - 1 year	2,260,937	2,107,439	2,159,631	1,786,734
> 1 year - 2 years	2,388,582	2,187,363	1,517,332	1,564,661
> 2 years - 5 years	7,804,776	7,414,901	7,263,787	6,104,533
> 5 years	4,054,089	3,684,968	3,441,362	3,156,318
	<u>17,577,579</u>	<u>16,557,734</u>	<u>15,565,830</u>	<u>13,950,850</u>
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>				
≤ 1 month	3,406	3,868	-	-
> 1 month - 3 months	503	778	494	9
> 3 months - 1 year	183,662	2,125	23,041	10,585
> 1 year - 2 years	247	238	1,418	51,691
> 2 years - 5 years	59,874	42,896	1,450	3,293
> 5 years	6,051	6,367	7,320	11,962
	<u>253,743</u>	<u>56,272</u>	<u>33,723</u>	<u>77,540</u>
Total	17,831,322	16,614,006	15,599,553	14,028,390
Less: Allowance for impairment losses	(417,971)	(352,252)	(276,650)	(246,360)
Net	<u>17,413,351</u>	<u>16,261,754</u>	<u>15,322,903</u>	<u>13,782,030</u>

Sharia receivables and financing consist of *murabahah* receivables, *istishna* receivables, *qardh* borrowing, *mudharabah* and *musyarakah* financing.

Unrecognized *murabahah* receivables income as of June 30, 2016, December 31, 2015, 2014 and 2013 amounted to Rp4,405,698, Rp4,067,750, Rp4,075,637 and Rp3,467,964, respectively.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

13. SHARIA RECEIVABLES AND FINANCING (continued)

Movements in the allowance for impairment losses on sharia receivables and financing:

	December 31			
	June 30, 2016	2015	2014	2013
Beginning balance	352,252	276,650	246,360	237,645
Adjustment of beginning balance in connection with the implementation of SFAS No. 102 (Revised 2013)	-	-	(4,184)	-
Provision for impairment losses (Note 33)	131,797	206,159	67,884	2,410
Recovery from loans written-off	9,138	11,667	11,644	11,363
Loans written-off during the year	(75,216)	(142,224)	(45,054)	(5,058)
Ending balance	417,971	352,252	276,650	246,360

Management believes that the allowance for impairment losses on sharia receivables and financing is adequate.

As of June 30, 2016, December 31, 2015, 2014 and 2013, the Non-Performing Financing (NPF) of sharia receivables and financing amounted to Rp863,083 (4.84%), Rp803,418 (4.84%), Rp715,466 (4.59%) and Rp563,897 (4.02%), respectively.

The type of collateral submitted by the debtors for the sharia receivables and financing are landrights and buildings, Proof of Motorized Vehicle Ownership and other properties.

As of June 30, 2016, December 31, 2015, 2014 and 2013, there are no sharia receivables and financing that were transferred or used as collateral for debts.

14. ACCEPTANCES RECEIVABLE AND PAYABLE

The details of acceptances receivable from customers are as follows:

a) By Type and Currency:

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
<u>Third parties</u>								
<u>Rupiah</u>								
Import Letters of Credit and Domestic Document Letters of Credit		2,564,601		2,333,810		356,910		4,412
<u>Foreign currencies</u>								
Import Letters of Credit and Domestic Document Letters of Credit								
United States								
Dollar	98,553,631	1,302,140	150,457,533	2,074,057	445,091,480	5,512,457	181,409,070	2,207,748
European Euro	2,026,369	29,773	2,877,637	43,328	2,939,990	44,257	1,578,533	26,455
Great Britain								
Pound Sterling	-		34,168	698	-			-
Japanese Yen	-		-		191,940,013	19,877	3,324,651	385
Swiss Franc	-		-		360,000	4,506	360,000	4,923
Singapore Dollar	-		-		344,340	3,229		-
		1,331,913		2,118,083		5,584,326		2,239,511
		3,896,514		4,451,893		5,941,236		2,243,923

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

14. ACCEPTANCES RECEIVABLE AND PAYABLE (continued)

a) By Type and Currency (continued):

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
<u>Related parties (Note 43)</u>								
<u>Rupiah</u>								
Import Letters of Credit and Domestic Document Letters of Credit		238,140		155,629		115,657		381,296
<u>Foreign currencies</u>								
Import Letters of Credit and Domestic Document Letters of Credit United States								
Dollar	11,526,686	152,296	31,420,787	433,136	34,797,404	430,966	86,356,761	1,050,962
European Euro	9,727,386	142,924	7,902,259	118,982	1,997,600	30,071	209,000	3,503
Great Britain								
Pound Sterling	23,104	412	109,760	2,243		-		-
Australian Dollar		-	79,580	802		-		-
Japanese Yen		-	6,860,000	786		-		-
Malaysian Ringgit		-		-	2,190,240	7,758		-
		295,632		555,949		468,795		1,054,465
		533,772		711,578		584,452		1,435,761
Total		4,430,286		5,163,471		6,525,688		3,679,684

b) By Collectibility:

All acceptances receivable were classified as "Current" as of June 30, 2016, December 31, 2015, 2014 and 2013.

c) By Period:

The classification of acceptances receivable based on the remaining period until maturity are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
<u>Third parties</u>				
≤ 1 month	337,081	529,581	548,801	986,137
> 1 month - 3 months	978,341	1,702,172	2,464,736	281,528
> 3 months - 1 year	2,581,092	2,220,140	2,927,699	976,258
	3,896,514	4,451,893	5,941,236	2,243,923
<u>Related parties (Note 43)</u>				
≤ 1 month	32,445	128,487	307,751	241,061
> 1 month - 3 months	246,914	343,632	93,631	830,344
> 3 months - 1 year	254,413	239,459	183,070	364,356
	533,772	711,578	584,452	1,435,761
Total	4,430,286	5,163,471	6,525,688	3,679,684

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

14. ACCEPTANCES RECEIVABLE AND PAYABLE (continued)

Total acceptances payable is equal to the total of acceptances receivable from customers.

BRI assessed acceptance receivables individually for impairment based on whether an objective evidence of impairment exists.

Management believes that no allowance for impairment losses is necessary as of June 30, 2016, December 31, 2015, 2014 and 2013, because management believes that acceptances receivable are fully collectible.

15. INVESTMENT IN ASSOCIATED ENTITIES

The details of investment in associated entities are as follows:

June 30, 2016					
Company Name	Type of Business	Percentage of Ownership (%)	Cost	Accumulated Equity in Net Earnings of Associated Company	Carrying Value
Equity Method					
(Investments in associated entity)					
PT BTMU-BRI Finance (Related parties - Note 43)	Financing	45.00	24,750	255,978	280,728
Cost Method					
PT Kustodian Sentral Efek Indonesia	Central securities depository institution	3.00			900
PT Sarana Bersama Pembiayaan Indonesia	Investment	8.00			536
PT Jakarta Kyoei Medical Center	Health services	1.68			220
PT Pemeringkat Efek Indonesia	Credit rating agency	0.21			210
PT Menara Proteksi Indonesia	Land agent supporting facility	2.00			200
BPR Toelongredjo Dasa Nusantara	Banking	3.00			77
BPR Tjoekir Dasa Nusantara	Banking	3.00			77
BPR Toelangan Dasa Nusantara	Banking	1.50			66
PT Merapi Gelanggang Wisata	Tourism supporting facility	0.64			50
BPR Cinta Manis Agroloka	Banking	1.75			35
PT Sukapraja Estetika Padang Golf	Sports facilities construction services	0.24			25
BPR Bungamayang Agroloka	Banking	2.25			23
PT Aplikanusa Lintasarta	Non-Banking	0.03			20
					2,439
Total					283,167

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

15. INVESTMENT IN ASSOCIATED ENTITIES (continued)

The details of investment in associated entities are as follows (continued):

December 31, 2015					
Company Name	Type of Business	Percentage of Ownership (%)	Cost	Accumulated Equity in Net Earnings of Associated Company	Carrying Value
Equity Method					
(Investments in associated entity)					
PT BTMU-BRI Finance (Related party - Note 43)	Financing	45.00	24,750	238,141	262,891
Cost Method					
PT Kelola Jasa Artha	Remittance	14.22			2,560
PT Bringin Gigantara (Related party - Note 43)	Procurement of goods, services and information technology	5.14			1,240
PT Kustodian Sentral Efek Indonesia	Central securities depository institution	3.00			900
PT Sarana Bersama Pembiayaan Indonesia	Investment	8.00			536
PT Jakarta Kyoei Medical Center	Health services	1.68			220
PT Pemeringkat Efek Indonesia	Credit rating agency	0.21			210
PT Menara Proteksi Indonesia	Land agent supporting facility	2.00			200
BPR Toelongredjo Dasa Nusantara	Banking	3.00			77
BPR Tjoekir Dasa Nusantara	Banking	3.00			77
BPR Toelangan Dasa Nusantara	Banking	1.50			66
PT Merapi Gelanggang Wisata	Tourism supporting facility	0.64			50
BPR Cinta Manis Agroloka	Banking	1.75			35
PT Sukapraja Golf	Sports facilities construction services	0.24			25
BPR Bungamayang Agroloka	Banking	2.25			23
PT Aplikanusa Lintasarta	Non-Banking	0.03			20
					6,239
Total					269,130

December 31, 2014					
Company Name	Type of Business	Percentage of Ownership (%)	Cost	Accumulated Equity in Net Earnings of Associated Company	Carrying Value
Equity Method					
(Investments in associated entity)					
PT BTMU-BRI Finance (Related party - Note 43)	Financing	45.00	24,750	224,879	249,629
Cost Method					
PT Kustodian Sentral Efek Indonesia	Central securities depository institution	3.00			900
PT Sarana Bersama Pembiayaan Indonesia	Investment	8.00			536
PT Pemeringkat Efek Indonesia	Credit rating agency	0.21			210

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

15. INVESTMENT IN ASSOCIATED ENTITIES (continued)

The details of investment in associated entities are as follows (continued):

December 31, 2014					
Company Name	Type of Business	Percentage of Ownership (%)	Cost	Accumulated Equity in Net Earnings of Associated Company	Carrying Value
Cost Method (continued)					
BPR Toelongredjo Dasa Nusantara	Banking	3.00			77
BPR Tjoekir Dasa Nusantara	Banking	3.00			77
BPR Toelangan Dasa Nusantara	Banking	1.50			66
BPR Cinta Manis Agroloka	Banking	3.50			35
BPR Bungamayang Agroloka	Banking	2.25			23
PT Aplikanusa Lintasarta	Non-Banking	0.03			20
					1,944
Total					251,573

December 31, 2013					
Company Name	Type of Business	Percentage of Ownership	Cost	Accumulated Equity in Net Earnings of Associated Company	Carrying Value
Equity Method					
(Investments in associated entity)					
PT BTMU-BRI Finance (Related party - Note 43)	Financing	45.00%	24,750	196,157	220,907
Cost Method					
PT Kustodian Sentral Efek Indonesia	Central securities depository institution	3.00			900
PT Sarana Bersama Pembiayaan Indonesia	Investment	8.00			536
PT Pemeringkat Efek Indonesia	Credit rating agency	2.10			210
BPR Toelongredjo Dasa Nusantara	Banking	3.00			77
BPR Tjoekir Dasa Nusantara	Banking	3.00			77
BPR Toelangan Dasa Nusantara	Banking	1.50			66
BPR Cinta Manis Agroloka	Banking	3.50			35
BPR Bungamayang Agroloka	Banking	2.25			23
PT Aplikanusa Lintasarta	Non-Banking	0.03			20
					1,944
					222,851

BRI assessed investment in associated entities individually for impairment based on whether an objective evidence of impairment exists.

As of June 30, 2016, December 31, 2015, 2014 and 2013, all investments were classified as "Current".

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

15. INVESTMENT IN ASSOCIATED ENTITIES (continued)

For the six-month period ended June 30, 2016, PT Asuransi Jiwa Bringin Jiwa Sejahtera (subsidiary) received cash dividends amounting to Rp44. In 2015, BRI received cash dividends from PT Sarana Bersama Pembiayaan Indonesia and PT Pemeringkat Efek Indonesia amounted to Rp391 and Rp3, respectively, in 2014 from PT Pemeringkat Efek Indonesia amounted to Rp21, while in 2013, from PT Pemeringkat Efek Indonesia and PT Sarana Bersama Pembiayaan Indonesia amounting to Rp237 and Rp145, respectively.

Management believes that no allowance for impairment losses is necessary as of June 30, 2016, December 31, 2015, 2014 and 2013, because investments in associated entities are fully collectible.

16. PREMISES AND EQUIPMENT

Premises and equipment consist of:

June 30, 2016				
Description	Beginning Balance	Additions ¹⁾	Deductions	Ending Balance
<u>Carrying Value</u>				
Landrights	1,107,163	14,463,100	7,112	15,563,151
Buildings	2,900,001	342,103	191,442	3,050,662
Motor vehicles	1,943,674	189,453	18,923	2,114,204
Computers and machineries	5,065,582	331,812	58,717	5,338,677
Furniture and fixtures	1,354,292	98,932	16,387	1,436,837
Museum assets	184	-	-	184
Satellites in development	2,316,572	851,601	-	3,168,173
	<u>14,687,468</u>	<u>16,277,001</u>	<u>292,581</u>	<u>30,671,888</u>
<u>Accumulated Depreciation</u>				
Buildings	1,220,467	68,034	486	1,288,015
Motor vehicles	1,123,409	160,369	18,849	1,264,929
Computers and machineries	3,276,548	309,707	54,145	3,532,110
Furniture and fixtures	1,027,764	61,307	16,387	1,072,684
	<u>6,648,188</u>	<u>599,417</u>	<u>89,867</u>	<u>7,157,738</u>
Net book value	<u>8,039,280</u>			<u>23,514,150</u>
December 31, 2015				
Description	Beginning Balance	Additions ²⁾	Deductions	Ending Balance
<u>Carrying Value</u>				
Landrights	625,460	482,222	519	1,107,163
Buildings	2,482,655	540,585	123,239	2,900,001
Motor vehicles	1,839,082	146,285	41,693	1,943,674
Computers and machineries	4,599,811	578,344	112,573	5,065,582
Furniture and fixtures	1,204,214	184,588	34,510	1,354,292
Museum assets	184	-	-	184
Satellites in development	831,895	1,484,677	-	2,316,572
	<u>11,583,301</u>	<u>3,416,701</u>	<u>312,534</u>	<u>14,687,468</u>

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

16. PREMISES AND EQUIPMENT (continued)

Premises and equipment consist of (continued):

Description	December 31, 2015			Ending Balance
	Beginning Balance	Additions **)	Deductions	
<u>Accumulated Depreciation</u>				
Buildings	1,088,252	137,481	5,266	1,220,467
Motor vehicles	862,216	302,267	41,074	1,123,409
Computers and machineries	2,815,996	562,412	101,860	3,276,548
Furniture and fixtures	899,367	162,330	33,933	1,027,764
	5,665,831	1,164,490	182,133	6,648,188
Net book value	5,917,470			8,039,280

*) Included in additions of premises and equipment is gain on revaluation of landrights and building amounted to Rp14,261,443 (after deducted by decreasing in carrying amount as the result of revaluation amounted to Rp54,085).

***) Included in additions of premises and equipment is the beginning balance of Subsidiary (BJS) acquired (Acquisition Cost amounted to Rp131,303, Accumulated Depreciation amounted to Rp57,949 and Depreciation Expense for the year amounted to Rp12,319).

Description	December 31, 2014			Ending Balance
	Beginning Balance	Additions	Deductions	
<u>Carrying Value</u>				
Landrights	459,253	168,241	2,034	625,460
Buildings	2,088,972	442,531	48,848	2,482,655
Motor vehicles	1,502,756	373,015	36,689	1,839,082
Computers and machineries	3,723,840	1,032,524	156,553	4,599,811
Furniture and fixtures	1,042,636	216,512	54,934	1,204,214
Museum assets	184	-	-	184
Satellites in development	-	831,895	-	831,895
	8,817,641	3,064,718	299,058	11,583,301
<u>Accumulated Depreciation</u>				
Buildings	983,176	107,446	2,370	1,088,252
Motor vehicles	661,005	237,255	36,044	862,216
Computers and machineries	2,388,255	473,997	46,256	2,815,996
Furniture and fixtures	812,593	100,442	13,668	899,367
	4,845,029	919,140	98,338	5,665,831
Net book value	3,972,612			5,917,470

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

16. PREMISES AND EQUIPMENT (continued)

Premises and equipment consist of (continued):

Description	December 31, 2013			Ending Balance
	Beginning Balance	Additions	Deductions	
<u>Carrying Value</u>				
Landrights	318,257	144,704	3,708	459,253
Buildings	1,918,424	257,867	87,319	2,088,972
Motor vehicles	839,088	694,558	30,890	1,502,756
Computers and machineries	3,201,863	734,447	212,470	3,723,840
Furniture and fixtures	940,991	116,409	14,764	1,042,636
Museum assets	184	-	-	184
	<u>7,218,807</u>	<u>1,947,985</u>	<u>349,151</u>	<u>8,817,641</u>
<u>Accumulated Depreciation</u>				
Buildings	895,273	94,014	6,111	983,176
Motor vehicles	540,336	150,730	30,061	661,005
Computers and machineries	2,233,862	351,946	197,553	2,388,255
Furniture and fixtures	744,970	81,595	13,972	812,593
	<u>4,414,441</u>	<u>678,285</u>	<u>247,697</u>	<u>4,845,029</u>
Net book value	<u>2,804,366</u>			<u>3,972,612</u>

Depreciation expense of premises and equipment charged to the consolidated statement of profit or loss and other comprehensive income amounted to Rp599,417, Rp1,094,222, Rp919,140 and Rp678,285 for the six-month period and year ended June 30, 2016, December 31, 2015, 2014 and 2013, respectively (Note 35).

BRI insured its premises and equipment (excluding landrights) from losses due to risks of fire, theft, vandalism, force majeure, and others to PT Asuransi Bringin Sejahtera Artamakmur (related party - Note 43) and PT Asuransi Jasa Tania, with coverage amount of Rp10,377,067, Rp10,358,054, Rp9,101,785, and Rp9,926,682 for the six-month period and year ended June 30, 2016, December 31, 2015, 2014 and 2013, respectively.

Taxable value of buildings owned by BRI as of June 30, 2016 amounted to Rp1,719,467, while taxable value of landrights and buildings owned by BRI as of December 31, 2015 amounted to Rp3,711,881 and Rp1,821,383, respectively, as of December 31, 2014 amounted to Rp3,374,000 and Rp1,695,743, respectively, and as of December 31, 2013 amounted to Rp2,715,330 and Rp1,507,394, respectively. Other than landrights and buildings there are no significant difference between the fair value of the assets and their carrying value.

The gross carrying value of fixed assets that have been fully depreciated but still used by BRI as of June 30, 2016, December 31, 2015, 2014 and 2013 are Rp3,757,002, Rp3,699,755, Rp3,178,943 and Rp3,019,064, respectively.

As of June 30, 2016, December 31, 2015, 2014 and 2013, there are no fixed assets owned by BRI which are pledged as collateral.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

16. PREMISES AND EQUIPMENT (continued)

As of June 30, 2016, the manufacture of satellite (BRIsat) has been completed and has been successfully launched on June 19, 2016 from Kourou, French Guiana. Hereafter, BRIsat will travel towards the intended orbit and testing (in orbit test) will be done for 40 to 50 days. Site Acceptance Test (SAT) is currently carried out for the antenna and the completion of the project according to the BRI and SSL contract milestone is $\pm 90\%$. Completion of the BRIsat procurement and implementation project, when the satellite is handed over from SSL to BRI, is expected to be in late August 2016.

As of December 31, 2015, the satellite project (BRIsat) has reached the finishing stage of tower (alignment) followed by a series of tests including vibration test, dynamic test, Compact Antenna Test Range (CATR) and the final performance test. For ground systems, the Bank has installed satellite antenna controller/Telemetry, Tracking and Command System (TT&C) and 2 antennas geolocation, while 2 (two) pieces of communication antennas are still in the process of installation. The percentage of carrying amounts to the contract value is $\pm 74\%$.

As of December 31, 2014, the satellite project (BRIsat) has reached the finishing stage of completing the Preliminary Design Review (PDR), while for the launch service has reached the Management Kick Off stage.

On April 1, 2016, BRI performed revaluation for accounting and taxation purposes over land and buildings, as follows:

- Accounting purposes: BRI changed its accounting policy of land and buildings from cost model to revaluation model.
- Taxation purposes: the increase in carrying value of landrights amounted to Rp14,315,528 has been approved by Directorate General of Taxation in accordance with the decree of the Directorate General of Taxation No. KEP-479 / WPJ.19 / 2016 dated July 29, 2016.

The increase in the carrying amount arising from the revaluation is recorded as "Revaluation surplus arising from fixed assets", and is presented in other comprehensive income amounted to Rp13,824,692 (net of final tax of Rp490,835). A decrease in the carrying amount arising from revaluation amounted to Rp54,085 is recognized in profit or loss for the year. The fair value of landrights included in the fair value hierarchy as level 2.

Valuation, performed in accordance to Indonesian Valuations Standards, is determined based on reference to current market transactions and done on arm's length terms. The valuation methods used are market data approach, cost approach and income approach. Valuation of landrights is performed by external independent appraiser KJPP Abdullah, Fitriantoro dan Rekan, KJPP Aditya, Iskandar dan Rekan, KJPP Aksa, Nelson dan Rekan, KJPP Immanuel, Johnny dan Rekan, KJPP Iwan Bachron dan Rekan, KJPP Nana, Rahayu dan Rekan, KJPP Pung's Zulkarnain dan Rekan, KJPP Satria, Iskandar, Setiawan dan Rekan and KJPP Toha, Okky, Heru dan Rekan.

As of June 30, 2016, if the landrights are valued using the cost model, the carrying value amounted to Rp1,301,708.

Management believes that there is no impairment in value of premises and equipment and the amount of insurance coverage is adequate to cover the risk of loss that may arise on the assets as of June 30, 2016, December 31, 2015, 2014 and 2013.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

17. OTHER ASSETS

Other assets consist of:

	June 30, 2016	December 31		
		2015	2014	2013
Rupiah				
Prepaid expenses	1,851,279	1,152,286	1,019,048	906,035
Claims related to ATM and credit card transactions	1,602,473	1,234,963	761,984	534,266
Claims to government related to Generation II KUR disbursement	1,457,782	256,073	-	-
Interest receivables				
Securities	1,163,293	1,090,330	607,442	426,473
Government Recapitalization Bonds	38,182	42,629	47,486	50,042
Placements with Bank Indonesia and other banks	60,475	32,121	1,888	8,257
Others	103,896	34,160	1,322	838
Premises and equipment that have not been distributed	1,020,392	739,784	564,248	639,327
Internal advance	765,872	647,590	417,591	270,007
Notes receivable	614,365	554,202	94,172	54,318
Deferred expense for employees loan (Note 12f)	560,267	569,257	585,320	640,498
Advance installment income tax article 25 (Note 37b)	-	-	360,000	-
Claims to Bulog	466,113	297,915	348,750	-
Estimated tax bill (Note 37)	902,175	10,275	10,275	-
Office supplies	284,969	216,629	204,390	189,634
Reinsurance assets	189,882	214,731	-	-
Foreclosed collaterals	173,781	84,191	27,553	33,951
Accrued revenue based on sharia principle	165,946	138,908	111,451	63,404
Penalty charges of principal and interest loan	129,160	65,284	68,634	57,253
Investment property	107,276	90,185	-	-
Premium receivables	28,456	77,490	-	-
Reinsurance receivables	38,620	44,330	-	-
BRI Agro's building that has not been used	-	174,412	-	-
Prepaid tax (Note 37b)	-	2,573,213	724,756	966,341
Others	1,983,095	1,859,454	2,201,142	1,969,975
	13,707,749	12,200,412	8,157,452	6,810,619
Foreign currencies				
Interest receivables				
Securities	566,867	538,731	216,648	97,241
Others	52,248	29,344	50,193	40,783
Risk Participation claims	423,433	331,556	176,887	-
Claims related to credit card transactions	75,435	50,250	46,064	37,212
Notes receivable	121,659	49,689	73,576	1,758
Others	376,810	314,864	72,071	16,425
	1,616,452	1,314,434	635,439	193,419
Total	15,324,201	13,514,846	8,792,891	7,004,038

18. LIABILITIES DUE IMMEDIATELY

Liabilities due immediately consist of:

	June 30, 2016	December 31		
		2015	2014	2013
Rupiah				
Advance payment deposits	1,522,647	1,234,916	1,440,868	1,393,627
ATM and credit card deposits	975,500	668,091	694,604	506,715
Tax payment deposits	461,017	347,630	423,776	253,158
Insurance deposits	155,345	153,826	134,309	120,513
Deposits for channeling loans	57,248	48,383	53,443	54,461
Deposits for clearing	32,418	39,217	40,149	27,405
Advance from money transfer	30,280	31,984	32,343	30,209
Students disbursement deposits	-	-	1,828,599	-

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

18. LIABILITIES DUE IMMEDIATELY (continued)

Liabilities due immediately consist of (continued):

	June 30, 2016	December 31		
		2015	2014	2013
<u>Rupiah (continued)</u>				
Others	2,640,834	2,443,224	2,238,900	2,588,039
	5,875,289	4,967,271	6,886,991	4,974,127
<u>Foreign currencies</u>				
Advance payment deposits	45,505	41,315	15,646	10,384
ATM and credit card deposits	43,521	39,658	14,170	4,337
Tax payment deposits	3,772	7,796	22,245	13,267
Others	96,084	82,522	104,720	63,412
	188,882	171,291	156,781	91,400
Total	6,064,171	5,138,562	7,043,772	5,065,527

19. DEMAND DEPOSITS

Demand deposits consist of:

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
<u>Third parties</u>								
Rupiah		66,103,809		61,717,414		41,715,191		44,381,264
<u>Foreign currencies</u>								
United States Dollar	915,137,314	12,091,253	1,216,184,776	16,765,107	1,184,021,409	14,664,105	932,761,837	11,351,712
Saudi Arabian Riyal	352,438,814	1,241,644	1,119,939	4,113	6,452,088	21,289	1,290,369	4,187
European Euro	38,454,744	565,014	41,826,352	629,766	38,430,455	578,507	48,241,628	808,496
Australian Dollar	23,407,260	230,173	20,169,312	203,382	21,425,658	217,433	30,981,358	336,323
Great Britain Pound Sterling	4,343,650	77,374	5,039,068	102,994	2,641,529	50,951	7,072,289	142,230
Renminbi	27,044,345	53,763	51,796,341	109,956	104,678,583	208,899	6,630,477	13,329
Singapore Dollar	3,373,054	33,033	18,717,717	182,665	8,952,268	83,938	12,255,264	117,921
Japanese Yen	58,280,278	7,489	76,869,131	8,803	450,054,773	46,608	185,040,829	21,418
Hong Kong Dollar	1,521,792	2,591	1,675,381	2,980	654,820	1,046	28,859,414	45,296
Swiss Franc	-	-	271	4	2,170	27	300	4
		14,302,334		18,009,770		15,872,803		12,840,916
		80,406,143		79,727,184		57,587,994		57,222,180
<u>Related parties (Note 43)</u>								
Rupiah		21,113,663		21,203,843		19,687,855		17,543,458
<u>Foreign currencies</u>								
United States Dollar	579,254,135	7,653,395	898,751,531	12,389,290	956,872,209	11,850,862	312,398,136	3,801,885
European Euro	39,667,237	582,829	7,186,639	108,207	19,904,961	299,636	4,939,769	82,787
Japanese Yen	27,689,683	3,558	7,154,051	819	25,008,334	2,590	136,062,121	15,749
Singapore Dollar	-	-	-	-	141,526	1,327	70	1
Renminbi	-	-	-	-	1,248	3	2,088	4
		8,239,782		12,498,316		12,154,418		3,900,426
		29,353,445		33,702,159		31,842,273		21,443,884
Total		109,759,588		113,429,343		89,430,267		78,666,064

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

19. DEMAND DEPOSITS (continued)

The average annual interest rates are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
Rupiah	2.55%	2.21%	2.43%	2.55%
Foreign currencies	0.25	0.32	0.34	0.32

Demand deposits used as collateral for banking facilities granted by BRI and subsidiaries amounted to Rp123,382, Rp120,705, Rp70,414 and Rp72,136 as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively.

20. SAVING DEPOSITS

Saving deposits consist of:

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
Third parties								
Rupiah								
Simpedes		160,425,903		165,530,043		144,407,690		127,649,038
Britama		98,781,953		96,956,008		83,941,374		78,580,879
Others		3,733,050		4,090,969		3,403,807		3,172,251
		<u>262,940,906</u>		<u>266,577,020</u>		<u>231,752,871</u>		<u>209,402,168</u>
Foreign currencies								
Britama								
United States Dollar	76,169,127	1,006,385	80,276,219	1,106,608	49,161,908	608,870	52,542,488	639,442
European Euro	10,456,928	153,643	12,479,606	187,901	1,351,024	20,337	58,786	985
Singapore Dollar	4,175,371	40,890	2,559,184	24,975	1,052,538	9,869	165,174	1,589
Australian Dollar	767,829	7,550	1,031,765	10,404	600,409	6,093	393,360	4,270
Renminbi	738,714	1,469	981,980	2,085	8,971	18	11,172	22
Hong Kong Dollar	7,000	12	6,606	12	6,690	11	-	-
United Arab Emirates Dirham	1,401	5	1,622	6	1,664	6	-	-
		<u>1,209,954</u>		<u>1,331,991</u>		<u>645,204</u>		<u>646,308</u>
Others								
United States Dollar	282,968	3,738	150,957	2,081	137,146	1,699	-	-
		<u>1,213,692</u>		<u>1,334,072</u>		<u>646,903</u>		<u>646,308</u>
		<u>264,154,598</u>		<u>267,911,092</u>		<u>232,399,774</u>		<u>210,048,476</u>
Related parties (Note 43)								
Rupiah								
Britama		272,156		127,516		296,276		162,339
Simpedes		2,902		2,778		2,478		1,772
Others		5,032		6,371		14,525		15,689
		<u>280,090</u>		<u>136,665</u>		<u>313,279</u>		<u>179,800</u>
Foreign currencies								
Britama								
United States Dollar	1,011,233	13,363	803,385	11,075	758,479	9,394	525,908	6,400
Singapore Dollar	247	2	2,525	25	1,720	16	590	6
Renminbi	659	1	672	1	355	1	364	1
European Euro	-	-	182	3	191	3	-	-
		<u>13,366</u>		<u>11,104</u>		<u>9,414</u>		<u>6,407</u>

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

20. SAVING DEPOSITS (continued)

Saving deposits consist of (continued):

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
<u>Related parties</u> (Note 43) (continued)								
<u>Foreign currencies</u> (continued)								
Others								
United States Dollar	-	-	261	4	4,220	52	-	-
		13,366		11,108		9,466		6,407
		293,456		147,773		322,745		186,207
Total	264,448,054		268,058,865		232,722,519		210,234,683	

The average annual interest rates are as follows:

	December 31			
	June 30, 2016	2015	2014	2013
Rupiah	1.06%	1.26%	1.26%	1.26%
Foreign currencies	0.22	0.22	0.22	0.22

Saving deposits used as collateral for banking facilities granted by BRI and subsidiaries is amounted to Rp81,827, Rp74,685, Rp72,273 and Rp67,271 as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively.

21. TIME DEPOSITS

Time deposits consist of:

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
<u>Third parties</u>								
<u>Rupiah</u>		192,424,824		163,056,718		181,577,777		114,672,685
<u>Foreign currencies</u>								
United States Dollar	3,577,793,633	47,271,598	2,715,956,477	37,439,460	2,941,780,546	36,433,952	865,225,457	10,529,794
European Euro	148,665,441	2,184,335	3,154,957	47,503	943,654	14,205	562,552,458	9,427,991
Renminbi	831,073,339	1,652,153	2,633,854,416	5,591,265	3,444,965,146	6,874,841	4,116,198,111	8,274,690
Saudi Arabian Riyal	226,000,000	796,199	-	-	-	-	-	-
Singapore Dollar	47,474,218	464,925	5,615,345	54,800	617,073	5,786	283,458	2,727
Australian Dollar	307,969	3,028	153,953	1,552	69,107	701	100,103	1,087
Great Britain Pound								
Sterling	49,714	886	49,595	1,014	39,241	757	11,746	236
Japanese Yen	6,537,238	840	26,420,238	3,026	-	-	-	-
		52,373,964		43,138,620		43,330,242		28,236,525
		244,798,788		206,195,338		224,908,019		142,909,210
<u>Related parties (Note 43)</u>								
<u>Rupiah</u>		34,281,925		48,232,867		46,116,584		38,562,901

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

21. TIME DEPOSITS (continued)

Time deposits consist of (continued):

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
<u>Related parties (Note 43)</u>								
<u>(continued)</u>								
<u>Foreign currencies</u>								
United States Dollar	769,952,450	10,172,997	968,826,493	13,355,273	985,696,239	12,207,848	1,641,703,370	19,979,530
European Euro	9,703,047	142,567	6,703,045	100,926	14,953,043	225,093	8,003,040	134,125
		10,315,564		13,456,199		12,432,941		20,113,655
		44,597,489		61,689,066		58,549,525		58,676,556
Total		289,396,277		267,884,404		283,457,544		201,585,766

Time deposits based on their contractual periods are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
<u>Third parties</u>				
<u>Rupiah</u>				
Deposits on call	6,846,430	7,266,427	5,831,970	3,812,090
Deposits				
1 month	72,022,442	70,675,227	90,419,259	77,525,429
3 months	62,666,859	59,448,961	51,239,070	18,399,280
6 months	17,949,318	15,438,264	16,489,214	7,867,620
12 months	9,544,833	9,449,541	16,944,355	6,812,550
More than 12 months	23,394,942	778,298	653,909	255,716
	192,424,824	163,056,718	181,577,777	114,672,685
<u>Foreign currencies</u>				
Deposits on call	3,589,711	2,940,286	4,136,380	3,801,861
Deposits				
1 month	12,375,510	12,706,465	10,840,078	8,853,438
3 months	10,445,362	5,829,525	3,129,783	2,197,124
6 months	21,692,903	13,768,744	12,650,047	9,693,174
12 months	3,495,798	7,128,749	12,572,407	3,689,404
More than 12 months	774,680	764,851	1,547	1,524
	52,373,964	43,138,620	43,330,242	28,236,525
	244,798,788	206,195,338	224,908,019	142,909,210
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>				
Deposits on call	4,691,431	10,759,045	3,883,175	1,985,697
Deposits				
1 month	12,458,309	11,822,241	16,706,872	14,559,406
3 months	7,420,076	678,865	1,088,400	3,294,887
6 months	6,634,000	78,996	146,828	321,666
12 months	3,078,109	561,520	979,009	-
More than 12 months	-	24,332,200	23,312,300	18,401,245
	34,281,925	48,232,867	46,116,584	38,562,901

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

21. TIME DEPOSITS (continued)

Time deposits based on their contractual periods are as follows (continued):

	June 30, 2016	December 31		
		2015	2014	2013
<u>Related parties (Note 43) (continued)</u>				
<u>Foreign currencies</u>				
Deposits on call	3,188,391	3,569,145	3,147,569	5,739,576
Deposits				
1 month	4,142,086	5,708,586	8,175,034	8,829,425
3 months	2,066,334	3,352,159	323,005	5,478,347
6 months	770,514	787,537	755,485	5,207
12 months	148,239	9,472	5,524	8,459
More than 12 months	-	29,300	26,324	52,641
	10,315,564	13,456,199	12,432,941	20,113,655
	44,597,489	61,689,066	58,549,525	58,676,556
Total	289,396,277	267,884,404	283,457,544	201,585,766

The average annual interest rates are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
Rupiah	7.38%	8.43%	8.74%	6.12%
Foreign currencies	1.18	1.69	1.78	1.51

Time deposits used as collateral for banking facilities granted by BRI and subsidiaries amounted to Rp250,892, Rp208,250, Rp230,240 and Rp202,654 as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively.

22. DEPOSITS FROM OTHER BANKS AND FINANCIAL INSTITUTIONS

Deposits from other banks and financial institutions consist of:

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
<u>Third parties</u>								
<u>Rupiah</u>								
Demand deposits		96,835		132,663		103,161		100,749
Saving deposits		3,087		5,704		4,835		4,534
Deposits on call		3,695,000		4,385,000		4,058,120		650,000
Time deposits		1,089,821		559,076		1,109,722		660,993
Inter-bank call money		1,110,000		1,120,000		400,000		380,000
		5,994,743		6,202,443		5,675,838		1,796,276
<u>United States Dollar</u>								
Demand deposits	1,259,633	16,643	2,246,898	30,973	637,443	7,895	100,161	1,219
Time deposits	3,500,000	46,244	-	-	4,000,000	49,540	-	-
Inter-bank call money		-	314,000,000	4,328,490	193,000,000	2,390,305	121,893,432	1,483,443
		62,887		4,359,463		2,447,740		1,484,662
		6,057,630		10,561,906		8,123,578		3,280,938

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

22. DEPOSITS FROM OTHER BANKS AND FINANCIAL INSTITUTIONS (continued)

Deposits from other banks and financial institutions consist of (continued):

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
<u>Related parties (Note 43)</u>								
<u>Rupiah</u>								
Demand deposits		1,413		412		816		45,182
Deposits on call		220,000		-		-		-
Time deposits		100,000		-		-		-
Inter-bank call money		-		10,000		100,000		-
		<u>321,413</u>		<u>10,412</u>		<u>100,816</u>		<u>45,182</u>
<u>United States Dollar</u>								
Inter-bank call money		-	43,000,000	592,755	34,800,000	430,998	30,000,000	365,100
		<u>321,413</u>		<u>603,167</u>		<u>531,814</u>		<u>410,282</u>
Total		<u>6,379,043</u>		<u>11,165,073</u>		<u>8,655,392</u>		<u>3,691,220</u>

The average annual interest rates are as follows:

	Rupiah				United States Dollar			
	December 31							
	June 30, 2016	2015	2014	2013	June 30, 2016	2015	2014	2013
Demand deposits	1.12%	1.14%	1.21%	1.35%	0.01%	0.00%	0.00%	0.00%
Saving deposits	1.34	1.25	1.25	1.24	0.00	-	-	-
Deposits on call	6.14	6.84	7.36	6.83	0.00	-	-	-
Time deposits	6.72	7.07	8.14	5.72	0.33	0.49	0.88	0.00
Inter-bank call money	5.54	5.47	6.44	4.43	0.39	0.22	0.72	0.22

The classification of deposits from other banks and financial institutions based on their remaining period to maturity are as follows:

	June 30, 2016			
	≤ 1 month	> 1 - 3 months	> 3 months - 1 year	Total
<u>Third parties</u>				
<u>Rupiah</u>				
Demand deposits		96,835	-	96,835
Saving deposits		3,087	-	3,087
Deposits on call		3,695,000	-	3,695,000
Time deposits		685,121	321,200	1,089,821
Inter-bank call money		1,110,000	-	1,110,000
		<u>5,590,043</u>	<u>321,200</u>	<u>5,994,743</u>
<u>United States Dollar</u>				
Demand deposits		16,643	-	16,643
Time deposits		46,244	-	46,244
		<u>62,887</u>	<u>-</u>	<u>62,887</u>
		<u>5,652,930</u>	<u>321,200</u>	<u>6,057,630</u>

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

22. DEPOSITS FROM OTHER BANKS AND FINANCIAL INSTITUTIONS (continued)

The classification of deposits from other banks and financial institutions based on their remaining period to maturity are as follows (continued):

	June 30, 2016			Total
	≤ 1 month	> 1 - 3 months	> 3 months - 1 year	
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>				
Demand deposits	1,413	-	-	1,413
Deposits on call	220,000	-	-	220,000
Time deposits	100,000	-	-	100,000
	321,413	-	-	321,413
Total	5,974,343	321,200	83,500	6,379,043
December 31, 2015				
	≤ 1 month	> 1 - 3 months	> 3 months - 1 year	Total
<u>Third parties</u>				
<u>Rupiah</u>				
Demand deposits	132,663	-	-	132,663
Saving deposits	5,704	-	-	5,704
Deposits on call	4,385,000	-	-	4,385,000
Time deposits	477,876	68,200	13,000	559,076
Inter-bank call money	1,120,000	-	-	1,120,000
	6,121,243	68,200	13,000	6,202,443
<u>United States Dollar</u>				
Demand deposits	30,973	-	-	30,973
Inter-bank call money	4,328,490	-	-	4,328,490
	4,359,463	-	-	4,359,463
	10,480,706	68,200	13,000	10,561,906
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>				
Demand deposits	412	-	-	412
Inter-bank call money	10,000	-	-	10,000
	10,412	-	-	10,412
<u>United States Dollar</u>				
Inter-bank call money	592,755	-	-	592,755
	603,167	-	-	603,167
Total	11,083,873	68,200	13,000	11,165,073

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

22. DEPOSITS FROM OTHER BANKS AND FINANCIAL INSTITUTIONS (continued)

The classification of deposits from other banks and financial institutions based on their remaining period to maturity are as follows (continued):

	December 31, 2014			Total
	≤ 1 month	> 1 - 3 months	> 3 months - 1 year	
<u>Third parties</u>				
<u>Rupiah</u>				
Demand deposits	103,161	-	-	103,161
Saving deposits	4,835	-	-	4,835
Deposits on call	4,058,120	-	-	4,058,120
Time deposits	1,033,208	53,940	22,574	1,109,722
Inter-bank call money	400,000	-	-	400,000
	5,599,324	53,940	22,574	5,675,838
<u>United States Dollar</u>				
Demand deposits	7,895	-	-	7,895
Time deposits	49,540	-	-	49,540
Inter-bank call money	2,390,305	-	-	2,390,305
	2,447,740	-	-	2,447,740
	8,047,064	53,940	22,574	8,123,578
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>				
Demand deposits	816	-	-	816
Inter-bank call money	100,000	-	-	100,000
	100,816	-	-	100,816
<u>United States Dollar</u>				
Inter-bank call money	430,998	-	-	430,998
	531,814	-	-	531,814
Total	8,578,878	53,940	22,574	8,655,392
	December 31, 2013			
	≤ 1 month	> 1 - 3 months	> 3 months - 1 year	Total
<u>Third parties</u>				
<u>Rupiah</u>				
Demand deposits	100,749	-	-	100,749
Saving deposits	4,534	-	-	4,534
Deposits on call	650,000	-	-	650,000
Time deposits	655,449	3,108	2,436	660,993
Inter-bank call money	380,000	-	-	380,000
	1,790,732	3,108	2,436	1,796,276
<u>United States Dollar</u>				
Demand deposits	1,219	-	-	1,219
Inter-bank call money	1,265,680	44,543	173,220	1,483,443
	1,266,899	44,543	173,220	1,484,662
	3,057,631	47,651	175,656	3,280,938

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

22. DEPOSITS FROM OTHER BANKS AND FINANCIAL INSTITUTIONS (continued)

The classification of deposits from other banks and financial institutions based on their remaining period to maturity are as follows (continued):

	December 31, 2013			Total
	≤ 1 month	> 1 - 3 months	> 3 months - 1 year	
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>				
Demand deposits	45,182	-	-	45,182
<u>United States Dollar</u>				
Inter-bank call money	365,100	-	-	365,100
	410,282	-	-	410,282
	3,467,913	47,651	175,656	3,691,220

23. SECURITIES SOLD UNDER AGREEMENT TO REPURCHASE

Securities sold under agreement to repurchase consist of:

	June 30, 2016				
	Sold Date	Repurchase Date	Nominal Amount	Amount Sold	Repurchase Amount-Net
<u>Third parties</u>					
<u>Rupiah</u>					
Bank Indonesia					
Deposits Certificates of Bank Indonesia					
IDSD03081691C					
IDSD020916182C					
IDSD18081692C	June 27, 2016	July 12, 2016	1,600,000	1,583,067	1,583,839
			1,600,000	1,583,067	1,583,839
Standard Chartered Bank					
Government bonds					
FR0069	May 18, 2015	April 15, 2019	571,000	500,047	500,047
FR0069	May 21, 2015	April 15, 2019	568,000	499,714	499,714
			1,139,000	999,761	999,761
PT Bank QNB Kesawan Tbk					
Deposits Certificates of Bank Indonesia					
IDSD290716182C	June 21, 2016	July 21, 2016	200,000	178,764	179,032
			2,939,000	2,761,592	2,762,632
<u>United States Dollar</u>					
PT Bank ANZ Indonesia					
Government bonds					
ORI010	February 17, 2015	October 15, 2016	874,000	660,625	660,625
			874,000	660,625	660,625
BNP Paribas					
Government bonds					
FR0028	March 16, 2015	July 15, 2017	670,000	528,500	528,500
FR0028	March 26, 2015	July 15, 2017	166,000	132,125	132,125
			836,000	660,625	660,625

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

23. SECURITIES SOLD UNDER AGREEMENT TO REPURCHASE (continued)

Securities sold under agreement to repurchase consist of (continued):

		June 30, 2016				
		Sold Date	Repurchase Date	Nominal Amount	Amount Sold	Repurchase Amount-Net
<u>Third parties (continued)</u>						
<u>United States Dollar (continued)</u>						
Standard Chartered Bank						
Government bonds						
		December 30, 2014	December 30, 2016	2,549,995	1,981,875	1,981,875
		FR0060, FR0066, FR0069, ORI011	February 26, 2015	802,245	660,625	660,625
		FR0053, FR0061	February 24, 2017	3,352,240	2,642,500	2,642,500
The Hongkong and Shanghai Banking Corporation, Ltd.						
Government bonds						
		June 3, 2016	December 2, 2016	1,689,218	1,321,263	1,322,354
		CS REPOF-IND 040319 USD		6,751,458	5,285,013	5,286,104
		CS REPOF-IND 050521 USD				
		CS REPOF-IND 170118 USD				
<u>Related parties (Note 43)</u>						
<u>Rupiah</u>						
Lembaga Pembiayaan Ekspor Indonesia						
Government bonds						
		June 29, 2015	April 15, 2019	480,000	466,545	469,683
		FR0069	April 15, 2019	1,000,000	972,093	979,834
		FR0069		1,480,000	1,438,638	1,449,517
Total				11,170,458	9,485,243	9,498,253
		December 31, 2015				
		Sold Date	Repurchase Date	Nominal Amount	Amount Sold	Repurchase Amount-Net
<u>Third parties</u>						
<u>Rupiah</u>						
PT Bank Mega Tbk						
Deposits Certificates of Bank Indonesia						
		December 2, 2015	January 4, 2016	250,000	221,308	222,761
		IDSD020316182S	January 11, 2016	250,000	221,419	222,483
		IDSD020316182S		500,000	442,727	445,244
Standard Chartered Bank						
Government bonds						
		May 18, 2015	April 15, 2019	571,000	500,047	500,047
		FR0069	April 15, 2019	568,000	499,714	499,714
		FR0069		1,139,000	999,761	999,761
				1,639,000	1,442,488	1,445,005
<u>United States Dollar</u>						
PT Bank ANZ Indonesia						
Government bonds						
		December 29, 2014	May 15, 2016	840,000	665,816	665,816
		FR0030	October 15, 2016	874,000	689,250	689,250
		ORI010		1,714,000	1,355,066	1,355,066

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

23. SECURITIES SOLD UNDER AGREEMENT TO REPURCHASE (continued)

Securities sold under agreement to repurchase consist of (continued):

December 31, 2015					
	Sold Date	Repurchase Date	Nominal Amount	Amount Sold	Repurchase Amount-Net
<u>Third parties (continued)</u>					
<u>United States Dollar (continued)</u>					
BNP Paribas					
Government bonds					
	FR0028	March 16, 2015	July 15, 2017	670,000	551,400
	FR0028	March 26, 2015	July 15, 2017	166,000	137,850
	RI0017	December 7, 2015	February 5, 2016	1,516,350	1,064,478
	RI0320	December 7, 2015	February 5, 2016	1,654,200	1,187,054
	RI0521	December 15, 2015	February 3, 2016	1,378,500	860,019
	RI0422	December 15, 2015	February 3, 2016	992,520	575,265
				6,377,570	4,376,066
					4,376,066
Standard Chartered Bank					
Government bonds					
	FR0060, FR0066, FR0069, ORI011	December 30, 2014	December 30, 2016	2,549,995	2,067,750
	FR0053, FR0061	February 26, 2015	February 24, 2017	802,345	689,250
				3,352,340	2,757,000
					2,757,000
				11,443,910	8,488,132
					8,488,132
<u>Related parties (Note 43)</u>					
<u>Rupiah</u>					
Lembaga Pembiayaan Ekspor Indonesia					
Government bonds					
	FR0069	June 29, 2015	April 15, 2019	480,000	466,545
	FR0069	March 20, 2015	April 15, 2019	1,000,000	972,093
				1,480,000	1,438,638
					1,444,821
Total				14,562,910	11,369,258
					11,377,958
December 31, 2014					
	Sold Date	Repurchase Date	Nominal Amount	Amount Sold	Repurchase Amount-Net
<u>Third parties</u>					
<u>Rupiah</u>					
PT BPD Jawa Barat dan Banten Tbk					
Deposits Certificates of Bank Indonesia					
	IDSD16011591S	December 24, 2014	January 7, 2015	200,000	189,224
	IDSD16011591S	December 24, 2014	January 7, 2015	200,000	189,224
	IDSD16011591S	December 24, 2014	January 7, 2015	200,000	189,224
				600,000	567,672
					568,362
PT Bank OCBC NISP Tbk					
Government bonds					
	FR0069	October 15, 2014	January 13, 2015	500,000	446,337
					452,924
PT Bank Mega Tbk					
Government bonds					
	FR0030	December 29, 2014	January 19, 2015	350,000	329,247
	FR0031	December 29, 2014	January 19, 2015	100,000	103,240
				450,000	432,487
					432,639

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

23. SECURITIES SOLD UNDER AGREEMENT TO REPURCHASE (continued)

Securities sold under agreement to repurchase consist of (continued):

		December 31, 2014				
		Sold Date	Repurchase Date	Nominal Amount	Amount Sold	Repurchase Amount-Net
<u>Third parties (continued)</u>						
<u>Rupiah (continued)</u>						
PT Bank Central Asia Tbk						
Government bonds						
	FR0027	December 24, 2014	January 23, 2015	500,000	430,967	431,520
	FR0028	December 24, 2014	January 23, 2015	500,000	447,908	448,482
	FR0053	December 23, 2014	January 23, 2015	500,000	430,708	431,339
	FR0053	December 24, 2014	January 23, 2015	500,000	430,708	431,260
				2,000,000	1,740,291	1,742,601
PT Bank CTBC Indonesia						
Government bonds						
	FR0040	October 14, 2014	January 14, 2015	150,000	158,117	160,413
	FR0040	October 21, 2014	January 21, 2015	100,000	106,412	107,840
	FR0040	November 3, 2014	February 3, 2015	100,000	107,679	108,867
	FR0042	October 22, 2014	January 22, 2015	100,000	101,705	103,050
	FR0052	December 2, 2014	January 2, 2015	54,450	54,450	54,731
	FR0052	December 8, 2014	March 9, 2015	100,000	108,063	108,529
				604,450	636,426	643,430
				4,154,450	3,823,213	3,839,956
<u>United States Dollar</u>						
Standard Chartered Bank						
Government bonds						
	FR0060	December 30, 2014	December 30, 2016	1,857,750	1,857,750	1,857,841
PT Bank BNP Paribas						
Government bonds						
	CS REPOF IND 170118 USD	December 24, 2014	March 24, 2015	618,269	618,269	618,375
The Hong Kong and Shanghai B,C, LTD.						
Government bonds						
	CS REPOF IND 200415 USD	December 1, 2014	February 25, 2015	2,929,139	2,929,139	2,930,604
	CS REPOF IND 200415 USD	December 19, 2014	February 25, 2015	761,262	761,262	761,427
				3,690,401	3,690,401	3,692,031
PT Bank ANZ Indonesia						
Government bonds						
	SPN12151001	December 29, 2014	October 1, 2015	70,595	70,595	70,600
	SPN12151105	December 29, 2014	November 5, 2015	569,710	569,710	569,764
	FR0030	December 29, 2014	May 15, 2016	598,196	598,196	598,262
				1,238,501	1,238,501	1,238,626
				7,404,921	7,404,921	7,406,873
<u>Related parties (Note 43)</u>						
<u>Rupiah</u>						
PT Bank Negara Indonesia (Persero) Tbk						
Deposits Certificates of Bank Indonesia						
	IDSD16011591S	December 29, 2014	January 5, 2015	1,000,000	946,960	947,292
	IDSD30011591S	December 29, 2014	January 12, 2015	1,000,000	894,888	895,213
Government bonds						
	FR0043	December 9, 2014	January 9, 2015	500,000	509,508	511,454
	FR0054	December 10, 2014	January 12, 2015	300,000	299,255	300,346
				2,800,000	2,650,611	2,654,305

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

23. SECURITIES SOLD UNDER AGREEMENT TO REPURCHASE (continued)

Securities sold under agreement to repurchase consist of (continued):

	December 31, 2014				
	Sold Date	Repurchase Date	Nominal Amount	Amount Sold	Repurchase Amount-Net
<u>Related parties (Note 43) (continued)</u>					
<u>Rupiah (continued)</u>					
PT Bank Bukopin Tbk					
Government bonds					
FR0034	December 9, 2014	January 9, 2015	170,000	192,111	192,845
FR0034	December 10, 2014	January 12, 2015	100,000	112,692	113,103
FR0045	December 9, 2014	January 9, 2015	180,000	183,314	184,014
FR0046	December 10, 2014	January 12, 2015	160,000	157,424	157,998
FR0047	December 9, 2014	January 9, 2015	150,000	154,962	155,554
FR0047	December 10, 2014	January 12, 2015	200,000	206,068	206,819
FR0052	December 19, 2014	January 19, 2015	125,000	128,616	128,890
FR0054	December 10, 2014	January 12, 2015	40,000	39,901	40,046
FR0071	December 19, 2014	January 19, 2015	200,000	187,736	188,149
FR0071	December 19, 2014	January 19, 2015	200,000	187,736	188,149
			1,525,000	1,550,560	1,555,567
			4,325,000	4,201,171	4,209,872
Total			15,884,371	15,429,305	15,456,701

24. MARKETABLE SECURITIES ISSUED

BRI issued marketable securities with details as follows:

	June 30, 2016	December 31		
		2015	2014	2013
<u>Rupiah</u>				
BRI Shelf Registration Bonds I				
Phase I Year 2015				
Net of unamortized issuance cost amounting to Rp4,025 and Rp5,321 as of June 30, 2016 and December 31, 2015, respectively	2,976,242	2,994,679	-	-
Phase II Year 2016				
Net of unamortized issuance cost amounting to Rp3,213 as of June 30, 2016	4,646,787	-	-	-
Phase III Year 2016				
Net of unamortized issuance cost amounting to Rp3,387 as of June 30, 2016	4,280,545	-	-	-
Medium-Term Notes (MTN)				
Phase I Year 2014				
Net of unamortized issuance cost amounting to Rp275, Rp393 and Rp983 as of June 30, 2016, December 31, 2015 and 2014, respectively	419,725	419,669	709,017	-
Phase II Year 2014				
Net of unamortized issuance cost amounting to Rp886 as of December 31, 2015	-	-	499,114	-
Negotiable Certificate of Deposits (NCD)				
NCD I Year 2014				
Net of discounts and unamortized issuance cost amounting to Rp29,240 as of December 31, 2014	-	-	906,247	-
NCD II Phase I Year 2015				
Net of discounts and unamortized issuance cost amounting to Rp1,225 as of December 31, 2015	-	253,824	-	-
	12,323,299	3,668,172	2,114,378	-

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

24. MARKETABLE SECURITIES ISSUED (continued)

BRI issued marketable securities with details as follows (continued):

	June 30, 2016	December 31		
		2015	2014	2013
<u>United States Dollar</u>				
BRI Bonds				
Net of discounts and unamortized issuance cost amounting to Rp28,715, Rp38,242, Rp48,888 and Rp61,867 as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively	6,576,208	6,852,931	6,143,612	6,023,133
Total	18,899,507	10,521,103	8,257,990	6,023,133

Amortization of issuance cost of securities issued for the six-month period and year ended June 30, 2016, December 31, 2015, 2014 and 2013, amounted to Rp11,338 and Rp111,790, Rp20,382 and Rp10,194, respectively.

Other basic informations related to marketable securities issued are as follows:

a) BRI Shelf Registration Bonds I

On June 25, 2015, BRI issued BRI Shelf Registration Bonds I Phase I Year 2015 with principal value amounting to Rp3,000,000 within 3 (three) series as follows:

- A Series: Principal value amounting to Rp655,000 with a fixed interest rate of 8.40% per annum, for 370 (three hundred and seventy) days period with maturity date on July 7, 2016.
- B Series: Principal value amounting to Rp925,000 with a fixed interest rate of 9.20% per annum, for 3 (three) years period with maturity date on July 3, 2018.
- C Series: Principal value amounting to Rp1,420,000 with a fixed interest rate of 9.50% per annum, for 5 (five) years period with maturity date on July 3, 2020.

Interest of BRI Shelf Registration Bonds I Phase I Year 2015 paid every 3 (three) months from October 3, 2015. On the issuance date, these Shelf Registration Bonds are rated by Pefindo with a rating of idAAA.

On January 19, 2016, BRI issued BRI Shelf Registration Bonds I Phase II Year 2016 with principal value amounting to Rp4,650,000 within 3 (three) series as follows:

- A Series: Principal value amounting to Rp808,000 with a fixed interest rate of 8.50% per annum, for 370 (three hundred and seventy) days period with maturity date on February 8, 2017.
- B Series: Principal value amounting to Rp1,018,500 with a fixed interest rate of 9.25% per annum, for 3 (three) years period with maturity date on February 4, 2019.
- C Series: Principal value amounting to Rp2,823,500 with a fixed interest rate of 9.60% per annum, for 5 (five) years period with maturity date on February 4, 2021.

Interest of BRI Shelf Registration Bonds I Phase II Year 2016 paid every 3 (three) months from May 4, 2016. On the issuance date, these Shelf Registration Bonds are rated by Pefindo with a rating of idAAA.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

24. MARKETABLE SECURITIES ISSUED (continued)

Other basic informations related to marketable securities issued are as follows (continued):

a) BRI Shelf Registration Bonds I (continued)

On May 4, 2016, BRI issued BRI Shelf Registration Bonds I Phase III Year 2016 with principal value amounting to Rp4,350,000 within 3 (three) series as follows:

- A Series: Principal value amounting to Rp1,212,000 with a fixed interest rate of 7.50% per annum, for 370 (three hundred and seventy) days period with maturity date on May 30, 2017.
- B Series: Principal value amounting to Rp2,437,000 with a fixed interest rate of 8.20% per annum, for 3 (three) years period with maturity date on May 25, 2019.
- C Series: Principal value amounting to Rp701,000 with a fixed interest rate of 8.70% per annum, for 5 (five) years period with maturity date on May 25, 2021.

Interest of BRI Shelf Registration Bonds I Phase III Year 2016 paid every 3 (three) months from August 25, 2016. On the issuance date, these Shelf Registration Bonds are rated by Pefindo with a rating of idAAA.

As of June 30, 2016 and December 31, 2015, BRI Shelf Registration Bonds I was rated by Pefindo with a rating of idAAA.

Net proceeds from Shelf Registration Bonds issuance is used for lending purposes.

The essential requirements in the agreement of Shelf Registration Bonds is BRI without written approval from the monitoring agent will not reduce the authorized, issued and paid up capital, perform merger, separation, consolidation and takeovers of company.

Management believes that all requirements/restrictions required under the trustee agreement have been complied with.

b) Medium-Term Notes (MTN)

On October 10, 2014, BRI issued MTN Phase I Year 2014 with MTN principal value amounting to Rp720,000 within 3 (three) series as follows:

- A Series: MTN principal value amounting to Rp300,000 with a fixed interest rate of 8.75 % per annum, for 370 (three hundred and seventy) days period with maturity date on October 15, 2015.
- B Series: MTN principal value amounting to Rp60,000 with a fixed interest rate of 9.25% per annum, for 24 (twenty four) months period with maturity date on October 10, 2016.
- C Series: MTN principal value amounting to Rp360,000 with a fixed interest rate of 9.50% per annum, for 36 (thirty six) months period with maturity date on October 10, 2017.

Interest of MTN Phase I paid every 3 (three) months from January 10, 2015. On the issuance date, this MTN is rated by Fitch with a rating of AAA(idn) and F1+(idn).

On December 24, 2014, BRI issued MTN Phase II Year 2014 with principal value amounting to Rp520,000 for 370 (three hundred and seventy) days period and has matured on December 29, 2015, with a fixed interest rate of 8.90 % per annum. Interest of MTN Phase II paid every 3 (three) months starting March 24, 2015. On the issuance date, this MTN is rated by Fitch with a rating of AAA(idn) and F1+(idn).

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

24. MARKETABLE SECURITIES ISSUED (continued)

Other basic informations related to marketable securities issued are as follows (continued):

b) Medium-Term Notes (MTN) (continued)

As of June 30, 2016, December 31, 2015 and 2014, BRI MTN Phase I was rated by Fitch with a rating of AAA(idn) and F1+(idn).

Net proceeds from MTN issuance is used for lending purposes.

The essential requirements in the MTN agreement is BRI without written approval from the monitoring agent will not reduce the authorized, issued and paid up capital, perform merger, separation, consolidation and takeovers of company.

Management believes that all requirements/restrictions required under the trustee agreement have been complied with.

MTN Phase I Series A and Phase II with total nominal value of Rp820,000 has been repaid on its maturity date by BRI.

c) Negotiable Certificate of Deposits (NCD)

On December 2, 2014, BRI issued NCD I Year 2014 with principal value amounting to Rp955,000 within 2 (two) series as follows:

- A Series: NCD principal value amounting to Rp165,000 with a fixed interest rate of 8% per annum, for 3 (three) months period with maturity date on March 2, 2015. NCD issued at 98.04%.
- B Series: NCD principal value amounting to Rp790,000 with a fixed interest rate of 8.6% per annum, for 6 (six) months period with maturity date on June 2, 2015. NCD issued at 95.83%.

On April 22, 2015, BRI issued NCD II Phase I Year 2015 with principal value amounting to Rp1,880,000 within 3 (three) series as follows:

- A Series: NCD principal value amounting to Rp595,000 with a fixed interest rate of 7.1% per annum, for 3 (three) months period with maturity date on July 22, 2015. The NCD was issued at 98.24%.
- B Series: NCD principal value amounting to Rp1,020,000 with a fixed interest rate of 8% per annum, for 6 (six) months period with maturity date on October 22, 2015. The NCD was issued at 96.09%.
- C Series: NCD principal value amounting to Rp265,000 with a fixed interest rate of 8.1% per annum, for 9 (nine) months period with maturity date on January 22, 2016. The NCD was issued at 94.17%.

All NCD with total nominal value of Rp2,835,000 has been repaid on its maturity date by BRI.

d) BRI Bonds

On March 28, 2013, BRI issued and listed the BRI Bonds year 2013 amounting to USD500,000,000 (full amount) in Singapore Exchange Securities Trading Limited (SGX-ST) for 5 (five) years period, and will mature on March 28, 2018 with a fixed interest rate of 2.95% per annum. The bonds were issued at 99.20% or equivalent to USD495,980,000 (full amount) and the interest is paid semi-annually commencing on September 28, 2013. On the issuance date, the bonds were rated Baa3 and BBB- by Moody's and Fitch, respectively.

The net proceed from the issuance of BRI bonds was used to strengthen general funding structure.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

24. MARKETABLE SECURITIES ISSUED (continued)

Other basic informations related to marketable securities issued are as follows (continued):

d) BRI Bonds (continued)

As of June 30, 2016, December 31, 2015, 2014 and 2013, BRI bonds year 2013 was rated BBB- and Baa3 by Fitch and Moody's, respectively.

Management believes that all requirements/restrictions required under the trustee agreement have been complied with.

25. FUND BORROWINGS

Fund borrowings consist of:

	June 30, 2016	December 31		
		2015	2014	2013
<u>Third parties</u>				
<u>Rupiah</u>				
Bank Indonesia				
Liquidity loans	15,890	15,890	15,946	16,066
Others	12,292	12,332	12,351	12,457
	<u>28,182</u>	<u>28,222</u>	<u>28,297</u>	<u>28,523</u>
<u>Foreign currencies</u>				
Syndicate Loan - Club Deal net of unamortized transaction cost	3,643,990	3,791,592	4,535,871	-
Syndicate Loan - Club Loan net of unamortized transaction cost	7,139,007	7,427,624	-	-
Borrowings from China Development Bank Corporation net of unamortized transaction cost	12,953,299	13,600,809	-	-
Bilateral Loan	132,125	1,378,500	-	-
Others	3,730,487	9,153,611	20,222,694	8,956,390
	<u>27,598,908</u>	<u>35,352,136</u>	<u>24,758,565</u>	<u>8,956,390</u>
	<u>27,627,090</u>	<u>35,380,358</u>	<u>24,786,862</u>	<u>8,984,913</u>
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>				
Borrowings from PT Sarana Multigriya Finansial (Persero)	100,000	100,000	100,000	100,000
Borrowings from Lembaga Pembiayaan Ekspor Indonesia	-	-	100,000	-
	<u>100,000</u>	<u>100,000</u>	<u>200,000</u>	<u>100,000</u>
Total	<u>27,727,090</u>	<u>35,480,358</u>	<u>24,986,862</u>	<u>9,084,913</u>

The classification of fund borrowings based on their remaining period until maturity are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
<u>Third parties</u>				
<u>Rupiah</u>				
≤ 1 month	85	-	-	-
> 1 month - 3 months	-	85	133	202
> 3 months - 1 year	6,680	-	6,680	6,727
> 1 year - 5 years	9,125	15,805	9,133	9,137
> 5 years	12,292	12,332	12,351	12,457
	<u>28,182</u>	<u>28,222</u>	<u>28,297</u>	<u>28,523</u>

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

25. FUND BORROWINGS (continued)

The classification of fund borrowings based on their remaining period until maturity are as follows (continued):

	June 30, 2016	December 31		
		2015	2014	2013
<u>Third parties (continued)</u>				
<u>Foreign currencies</u>				
≤ 1 month	103,372	3,629,831	6,799,539	1,909,483
> 1 month - 3 months	3,190,002	6,896,284	8,221,455	4,065,257
> 3 months - 1 year	569,240	5,996	5,201,700	2,981,650
> 1 year - 5 years	10,782,997	11,220,004	4,535,871	-
> 5 years	12,953,297	13,600,021	-	-
	<u>27,598,908</u>	<u>35,352,136</u>	<u>24,758,565</u>	<u>8,956,390</u>
	<u>27,627,090</u>	<u>35,380,358</u>	<u>24,786,862</u>	<u>8,984,913</u>
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>				
> 1 month - 3 months	-	-	100,000	-
> 1 year - 5 years	100,000	100,000	100,000	100,000
	<u>100,000</u>	<u>100,000</u>	<u>200,000</u>	<u>100,000</u>
Total	<u>27,727,090</u>	<u>35,480,358</u>	<u>24,986,862</u>	<u>9,084,913</u>

Other significant information related to fund borrowings are as follows:

a) Borrowings from Bank Indonesia

Liquidity Loans

This account represents loan facilities obtained from Bank Indonesia that are channeled to BRI's debtors for purposes of Investment Loans, Primary Cooperatives of Sugar Cane Farmers Loans, BULOG and Village Cooperative Units Loans, Permanent Working Capital Loans, Fertilizer and others.

The classification of liquidity loans from Bank Indonesia based on their remaining period to maturity as of June 30, 2016, December 31, 2015, 2014 and 2013 are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
≤ 1 month	-	-	-	-
> 1 month - 3 months	85	85	133	202
> 3 months - 1 year	6,680	6,680	6,680	6,727
> 1 year - 5 years	9,125	9,125	9,133	9,137
Total	<u>15,890</u>	<u>15,890</u>	<u>15,946</u>	<u>16,066</u>

Average annual interest rates on these loans are 0.02%, 0.02%, 0.03% and 0.06% for the year ended June 30, 2016, December 31, 2015, 2014 and 2013, respectively.

b) Borrowings from PT Sarana Multigriya Finansial (Persero)

Borrowings from PT Sarana Multigriya Finansial (Persero) represents *mudharabah* financing facility obtained by BRIS (subsidiary) on December 14, 2012, used for mortgage loan. The financing facility period is 5 (five) years and will mature on December 14, 2017 with the agreed *nisbah* portion for PT Sarana Multigriya Finansial (Persero) and BRIS are 63.46% and 36.54%, respectively.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

25. FUND BORROWINGS (continued)

Other significant information related to fund borrowings are as follows (continued):

c) Syndicated Loan - Club Deal

On September 12, 2014, BRI obtained syndicated loan in the form of Club Deal amounting to USD370,000,000 (full amount), which is facilitated by BNP Paribas (agent) which is divided into:

- a. Facility A, amounting to USD320,000,000 (full amount), with interest rate at LIBOR plus certain margin annually. The Participating banks in this loan are:
 - The Hong Kong and Shanghai Banking Corporation Limited USD60,000,000.
 - Wells Fargo Bank, National Association, USD60,000,000.
 - Australia and New Zealand Banking Group Limited USD50,000,000.
 - BNP Paribas, USD50,000,000.
 - DBS Bank Ltd. USD50,000,000.
 - United Overseas Bank Limited USD50,000,000
- b. Facility B, amounting to USD50,000,000 (full amount), with interest rate at LIBOR plus certain margin annually. This facility is only financed by Commerzbank Aktiengesellschaft.

This syndicated loan was obtained to fulfill BRI's liquidity needs. The interest is payable every 3 (three) months starting at 3rd (third) month since the signing date of the syndicated loan agreement.

The syndicated loan period is 36 (thirty six) months and will mature on September 12, 2017. BRI does not give any collateral for this loan.

BRI has made a partial payment for Facility A and Facility B of USD80,000,000 (full amount) and USD12,500,000 (full amount) on September 30, 2015, respectively.

The financial covenants in the syndicated loan agreement, among others, are maintaining financial ratios as follows:

- Minimum Capital Adequacy Ratio (CAR) of 9%.
- Maximum Non-Performing Loan (NPL) ratio of 5%.

As of June 30, 2016, December 31, 2015 and 2014, BRI has met the important covenants as required in this agreement.

d) Syndicated Loan - Club Loan

BRI obtained a syndicated loan facility in the form of Club Loan amounting to USD550,000,000 (full amount) according to Facility Agreement dated September 30, 2015. This loan is facilitated by The Hong Kong and Shanghai Banking Corporation Limited as agent which consist of:

- a. Facility A amounting to USD325,000,000 (full amount) for 42 months from the date of agreement (including grace period) and will mature on March 30, 2019. The Participated banks in this loan are:
 - Bank of America N.A. amounting to USD50,000,000
 - Citibank, N.A., Singapore Branch amounting to USD30,000,000
 - Citibank, N.A., Jakarta Branch amounting to USD20,000,000
 - The Hong Kong and Shanghai Banking Corporation Limited amounting to USD50,000,000
 - Sumitomo Mitsui Banking Corporation amounting to USD50,000,000
 - Westpac Banking Corporation amounting to USD25,000,000
 - Australia and New Zealand Banking Group Limited amounting to USD20,000,000

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

25. FUND BORROWINGS (continued)

Other significant information related to fund borrowings are as follows (continued):

d) Syndicated Loan - Club Loan (continued)

BRI obtained a syndicated loan facility in the form of Club Loan amounting to USD550,000,000 (full amount) according to Facility Agreement dated September 30, 2015. This loan is facilitated by The Hong Kong and Shanghai Banking Corporation Limited as agent which consist of (continued):

- a. Facility A amounting to USD325,000,000 (full amount) for 42 months from the date of agreement (including grace period) and will mature on March 30, 2019. The Participated banks in this loan are (continued):
 - BNP Paribas amounting to USD20,000,000
 - CTBC Bank Co., Ltd. amounting to USD20,000,000
 - DBS Bank Ltd. amounting to USD20,000,000
 - United Overseas Bank Limited amounting to USD20,000,000
- b. Facility B amounting to USD155,000,000 (full amount) for 48 months from the date of the agreement (including grace period) and will mature on September 30, 2019. The Participated banks in this loan are:
 - Oversea-Chinese Banking Corporation Limited amounting to USD50,000,000
 - BNP Paribas amounting to USD30,000,000
 - Australia and New Zealand Banking Group Limited amounting to USD20,000,000
 - DBS Bank Ltd. amounting to USD20,000,000
 - United Overseas Bank Limited amounting to USD20,000,000
 - Westpac Banking Corporation amounting to USD15,000,000
- c. Facility C amounting to USD70,000,000 (full amount) for 60 months from the date of the agreement (including grace period) and will mature on September 30, 2020. The Participated banks in this loan are:
 - CTBC Bank Co., Ltd. amounting to USD30,000,000
 - Australia and New Zealand Banking Group Limited amounting to USD10,000,000
 - DBS Bank Ltd. amounting to USD10,000,000
 - United Overseas Bank Limited amounting to USD10,000,000
 - Westpac Banking Corporation amounting to USD10,000,000

This syndicated loan is used to strengthen the long-term financing structure and maturity profile. The loan principal will be paid on maturity date while the loan interest at LIBOR 3 (three) months plus certain margin per annum will be paid every 3 (three) months.

BRI does not give any collateral for this loan.

The financial covenants in the syndicated loans agreement, among others, are maintaining financial ratios as follows:

- Minimum Capital Adequacy Ratio (CAR) of 9%.
- Maximum Non-Performing Loan (NPL) ratio of 5%.

As of June 30, 2016 and December 31, 2015, BRI has met the important covenants as required in this agreement.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

25. FUND BORROWINGS (continued)

Other significant information related to fund borrowings are as follows (continued):

e) Borrowings from China Development Bank Corporation

On September 16, 2015, BRI signed a loan facility agreement from China Development Bank Corporation to finance long-term infrastructure projects and industries in Indonesia and cross-border transactions between Indonesia and the People's Republic of China.

This loan consists of 2 (two) facilities, which are:

- Tranche A facility with a total USD700,000,000 (full amount) in which the drawdown was made on October 30, 2015 and November 6, 2015 amounting to USD223,953,383 (full amount) and USD476,046,617 (full amount), respectively.
- Tranche B facility amounting to RMB1,906,080,000 (equivalent to USD300,000,000) (full amount) where first drawdown was made on October 30, 2015 amounting to RMB609,818,661 (full amount) and the second drawdown was made on November 6, 2015 amounting to RMB1,296,261,339 (full amount).

This long term facility has a tenor of 10 (ten) years and will mature on September 16, 2025 with an interest rate of LIBOR 6 (six) months plus 2.85% per annum for Tranche A and SHIBOR 6 (six) months plus 3.30% per annum for Tranche B which paid every 6 (six) months.

Principal installments paid every 6 (six) months, together with interest payments. For Tranche A facility, the first principal installments will be paid on April 29, 2016 by USD11,197,669.15 (full amount) up to April 30, 2018 and henceforth amounted to USD42,934,110.28 (full amount) from October 30, 2018 to maturity date. As for Tranche B facility, principal installments amounting to RMB127,072,000 (full amount) will be paid started on October 30, 2018 to maturity date. BRI does not provide any guarantee for this loan.

The financial covenants in this loan agreement, among others, are maintaining financial ratios as follows:

- Minimum Capital Adequacy Ratio (CAR) of 9%
- Minimum Tier 1 ratio of 6%
- Minimum Core Tier 1 ratio of 5%
- Minimum Statutory Reserve in IDR ratio (GWM Rupiah) of 6.5%
- Maximum Non-Performing Loan (NPL) ratio of 5%
- Minimum Return On Assets (ROA) ratio of 0.6%

As of June 30, 2016 and December 31, 2015, BRI has met the important covenants as required in this agreement.

f) Bilateral Loan

Borrowings from The Bank of Tokyo-Mitsubishi UFJ

On February 24, 2015, which was amended on December 15, 2015, BRI and The Bank of Tokyo-Mitsubishi UFJ signed a loan facility agreement to meet its liquidity needs. This facility agreement worth USD100,000,000 maximum (full amount) is valid until February 24, 2016. The loans withdrawn by BRI on December 17, 2015 of USD100,000,000 (full amount) with interest of ICE LIBOR plus 0.10% per annum and will mature on January 19, 2016 (1 month period).

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

25. FUND BORROWINGS (continued)

Other significant information related to fund borrowings are as follows (continued):

f) Bilateral Loan (continued)

Borrowings from Emirates NBD Bank

On April 7, 2016, BRI (Singapore Branch) and Emirates NBD Bank signed a loan facility agreement amounted to USD10,000,000 to meet its liquidity needs. This loan bears interest on one-month LIBOR plus a margin of 0.9% per annum payable monthly, and will mature on March 30, 2017.

g) Borrowings from Lembaga Pembiayaan Ekspor Indonesia

On September 29, 2014, BRI obtained a borrowing from Lembaga Pembiayaan Ekspor Indonesia with maximum loan amounting to Rp200,000 for refinancing of working capital for export-oriented and exports support customers, with interest rate of 9.25% per annum, payable monthly. As of December 31, 2014, BRI availed this facility amounting to Rp100,000. The financing facility period is 6 (six) months until March 30, 2015 and has been paid on maturity date.

h) Other Borrowings

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
<u>Third parties</u>								
<u>Rupiah</u>								
Bank Indonesia		12,292		12,332		12,351		12,457
<u>Foreign currencies</u>								
<u>United States Dollar</u>								
CTBC Bank	64,704,628	854,908	86,412,402	1,191,195	85,000,000	1,052,725		-
Commerzbank, A.G. The Hongkong and Shanghai Banking Corporation Ltd.	50,000,000	660,625		-	150,000,000	1,857,750	50,000,000	608,500
Emirates NBD Bank Standard Chartered Bank	20,000,000	264,250	129,232,129	1,781,465	230,474,479	2,854,426	25,000,000	304,250
Oversea-Chinese Banking Corporation Limited	17,640,770	233,078	167,887,243	2,314,325	127,102,367	1,574,163	146,015,613	1,777,010
Bank of America N.A.	15,000,000	198,188	17,000,000	234,345	78,712,243	974,851	19,537,048	237,766
The Bank of New York Mellon	15,000,000	198,188	120,000,000	1,654,200	36,577,406	453,011	75,150,275	914,579
Wells Fargo Bank, N.A.	-	-	100,000,000	1,378,500	310,000,000	3,839,350	25,478,200	310,070
DBS Bank	-	-	33,000,000	454,905	13,321,229	164,984	-	-
Bank of Montreal	-	-	9,568,555	131,903	105,000,000	1,300,425	50,000,000	608,500
ANZ Banking Group, Ltd.	-	-	-	-	95,858,234	1,187,204	50,000,000	608,500
Citibank, N.A.	-	-	-	-	95,000,000	1,176,575	50,000,000	608,500
Sumitomo Mitsui Banking Corporation	-	-	-	-	51,891,070	642,671	51,133,844	622,299
ING Bank	-	-	-	-	50,000,000	619,250	-	-
Mizuho Bank, Ltd.	-	-	-	-	50,000,000	619,250	-	-
JP Morgan Chase Bank, N.A.	-	-	-	-	50,000,000	619,250	1,537,555	18,712
The Royal Bank of Scotland	-	-	-	-	-	-	96,175,305	1,170,453

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

25. FUND BORROWINGS (continued)

Other significant information related to fund borrowings are as follows (continued):

h) Other Borrowings (continued)

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
<u>Foreign currencies (continued)</u>								
<u>United States Dollar (continued)</u>								
Bank of Nova Scotia	-	-	-	-	-	-	30,000,000	365,100
Maybank	-	-	-	-	-	-	25,000,000	304,250
Bangkok Bank Public Company Limited	-	-	-	-	50,000,000	619,250	40,000,000	486,800
		<u>3,730,487</u>		<u>9,140,838</u>		<u>20,050,535</u>		<u>8,945,289</u>
<u>European Euro</u>								
Commerzbank, A.G.	-	-	848,298	12,773	-	-	662,400	11,101
Westpac Banking Corp	-	-	-	-	11,181,383	168,317	-	-
Oversea-Chinese Banking Corporation Limited	-	-	-	-	255,200	3,842	-	-
		<u>3,730,487</u>		<u>12,773</u>		<u>172,159</u>		<u>11,101</u>
		<u>3,730,487</u>		<u>9,153,611</u>		<u>20,222,694</u>		<u>8,956,390</u>
Total		<u>3,742,779</u>		<u>9,165,943</u>		<u>20,235,045</u>		<u>8,968,847</u>

Other borrowings facilities in foreign currencies represent short-term borrowings obtained from several foreign banks with terms from 1 (one) month up to 6 (six) months and bear interest rate at LIBOR or EURIBOR plus a certain margin, including refinancing borrowing facilities which are collateralized by letters of credit issued by BRI.

26. ESTIMATED LOSSES ON COMMITMENTS AND CONTINGENCIES

- a) The details of estimated losses on commitments and contingencies which bear credit risk are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
<u>Rupiah</u>				
Guarantees issued	1,325	1,242	398	223

- b) Movements in estimated losses on commitments and contingencies:

	June 30, 2016	December 31		
		2015	2014	2013
<u>Rupiah</u>				
Beginning balance	1,242	398	223	414
Provision during the period/year	83	844	175	(191)
Ending balance	<u>1,325</u>	<u>1,242</u>	<u>398</u>	<u>223</u>

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

26. ESTIMATED LOSSES ON COMMITMENTS AND CONTINGENCIES (continued)

b) Movements in estimated losses on commitments and contingencies (continued):

BRI assessed commitment and contingency transactions which bear credit risks individually based on whether an objective evidence of impairment exists, except for the commitment and contingency transactions owned by BRIS (Subsidiary) (based on sharia principles) assessment was performed using a collectability guidance of Bank Indonesia.

The minimum estimated losses on commitments and contingencies based on Bank Indonesia regulation amounted to Rp1,325, Rp1,242, Rp398 and Rp223 as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively. Management believes that the amount is adequate.

c) The collectibility of Bank Guarantee issued and the irrevocable L/C in Administrative Accounts is categorized as "Current" (Notes 2a and 42):

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
Third parties								
Rupiah								
Guarantees Issued		3,566,016		3,394,062		2,729,658		2,956,284
Irrevocable L/C		580,845		528,682		118,550		482,260
		<u>4,146,861</u>		<u>3,922,744</u>		<u>2,848,208</u>		<u>3,438,544</u>
Foreign currencies								
Guarantees Issued								
United States								
Dollar	446,944,440	5,905,253	478,357,551	6,594,159	397,934,041	4,928,413	379,466,605	4,618,109
European Euro	30,146,866	442,947	30,217,436	454,974	31,022,808	466,997	24,841,133	416,320
Australian Dollar	1,354,360	13,318	74,360	750	-	-	19,340	210
Saudi Arabian Riyal	1,000,000	3,523	1,000,000	3,673	1,000,000	3,300	-	-
Malaysian Ringgit	-	-	8,500,000	27,291	-	-	-	-
Norwegian Kroner	-	-	7,917,112	12,394	18,116,252	30,273	18,133,052	36,291
Singapore Dollar	-	-	100,870	984	261,930	2,456	858	8
Japanese Yen	-	-	823,250	94	-	-	18,500,000	2,141
Great Britain Pound Sterling	-	-	-	-	-	-	33,404	672
		<u>6,365,041</u>		<u>7,094,319</u>		<u>5,431,439</u>		<u>5,073,751</u>
Irrevocable L/C								
United States								
Dollar	85,095,571	1,124,325	159,431,513	2,197,764	307,956,838	3,814,045	1,085,565,539	13,211,332
European Euro	3,802,153	55,865	37,814,936	569,367	13,261,317	199,627	45,411,227	761,061
Japanese Yen	235,792,140	30,301	765,354,641	87,645	284,726,936	29,486	222,393,743	25,742
Singapore Dollar	59,750	585	763	7	1,317,033	12,349	5,863,386	56,418
Great Britain Pound Sterling	-	-	3,563,041	72,825	40,374	779	3,973,006	79,901
Swiss Franc	-	-	731,930	10,188	-	-	230,000	3,145
Canadian Dollar	-	-	-	-	469,674	5,016	1,108,315	12,673
Australian Dollar	-	-	-	-	-	-	32,757,529	355,604
Swedish Krona	-	-	-	-	-	-	7,948,162	15,081
		<u>1,211,076</u>		<u>2,937,796</u>		<u>4,061,302</u>		<u>14,520,957</u>
		<u>7,576,117</u>		<u>10,032,115</u>		<u>9,492,741</u>		<u>19,594,708</u>

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

26. ESTIMATED LOSSES ON COMMITMENTS AND CONTINGENCIES (continued)

c) The collectibility of Bank Guarantee issued and the irrevocable L/C in Administrative Accounts is categorized as "Current" (Notes 2an and 42) (continued):

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency/ (Full Amount)	Rupiah Equivalent
<u>Related parties</u>								
<u>(Note 43)</u>								
<u>Rupiah</u>								
Guarantees Issued		5,477,060		4,516,082		3,173,582		2,814,419
Irrevocable L/C		861,226		1,201,588		386,242		180,540
		<u>6,338,286</u>		<u>5,717,670</u>		<u>3,559,824</u>		<u>2,994,959</u>
<u>Foreign currencies</u>								
<u>Guarantees Issued</u>								
<u>United States</u>								
Dollar	463,067,414	6,118,278	495,950,823	6,836,682	479,556,626	5,939,309	308,628,204	3,756,005
European Euro	83,924,568	1,233,100	121,392,263	1,827,763	104,949,255	1,579,837	77,074,867	1,291,722
Malaysian Ringgit	8,500,000	27,857		-		-		-
		<u>7,379,235</u>		<u>8,664,445</u>		<u>7,519,146</u>		<u>5,047,727</u>
<u>Irrevocable L/C</u>								
<u>United States</u>								
Dollar	458,849,665	6,062,551	666,173,805	9,183,206	229,687,404	2,844,678	221,240,411	2,692,496
European Euro	72,359,683	1,063,178	85,336,659	1,284,886	93,309,834	1,404,625	39,301,685	658,669
Japanese Yen	3,140,509,932	403,571	334,063,050	38,255	1,021,836,223	105,821	274,949,175	31,825
<u>Great Britain</u>								
Pound Sterling	7,065,019	125,850	2,672,979	54,633	1,940,079	37,421	1,521,118	30,591
<u>Australian</u>								
Dollar	-	-	16,000,000	161,340	21,801,333	221,246	-	-
<u>Renminbi</u>								
Singapore Dollar	-	-	6,522,470	13,846	-	-	-	-
<u>Singapore</u>								
Dollar	-	-	262,260	2,559	3,059,761	28,689	3,027,576	29,132
<u>Swiss Franc</u>								
	-	-	-	-	77,065	965	-	-
		<u>7,655,150</u>		<u>10,738,725</u>		<u>4,643,445</u>		<u>3,442,713</u>
		<u>15,034,385</u>		<u>19,403,170</u>		<u>12,162,591</u>		<u>8,490,440</u>
Total		<u>33,095,649</u>		<u>39,075,699</u>		<u>28,063,364</u>		<u>34,518,651</u>

27. LIABILITIES FOR EMPLOYEE BENEFITS

Liabilities for employee benefits consist of:

	June 30, 2016	December 31		
		2015	2014 ¹⁾	2013 ¹⁾
Bonuses and incentives	3,538,022	4,950,758	3,576,481	4,049,104
Provision for grand leaves (Note 41e)	1,256,804	1,156,541	1,012,654	842,486
Provision for work separation scheme (Note 41d)	1,190,794	1,113,099	1,000,283	878,746
Provision for gratuity for services (Note 41e)	931,873	843,340	817,046	752,338
Retirement health care program	284,000	-	-	-
Defined benefit pension plan (Note 41a)	-	-	273,622	-
Provision for pension preparation (Note 41e)	-	-	7,446	7,081
Total	<u>7,201,493</u>	<u>8,063,738</u>	<u>6,687,532</u>	<u>6,529,755</u>

*) As restated (Note 49)

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

28. OTHER LIABILITIES

Other liabilities consist of:

	June 30, 2016	December 31		
		2015	2014	2013
<u>Third parties</u>				
<u>Rupiah</u>				
Liability for future policy benefits	3,648,220	3,309,760	-	-
Interests payable	1,061,710	966,245	1,037,787	618,490
Provision for timely-payment of interests (Note 2y)	763,335	752,377	673,130	581,812
Provision for tax assessment	701,761	-	-	-
Provision for litigation liabilities (Note 44b)	456,513	410,878	316,225	328,630
Investment contract liabilities	266,117	87,564	-	-
Unearned income	210,269	129,772	54,549	51,919
Guarantee deposits	13,758	15,692	20,142	32,617
Reinsurance debt	9,557	34,595	-	-
Others	1,632,125	1,199,519	975,545	1,412,833
	<u>8,763,365</u>	<u>6,906,402</u>	<u>3,077,378</u>	<u>3,026,301</u>
<u>Foreign Currencies</u>				
Interest payable	224,765	230,752	114,734	85,932
Unearned income	87,499	58,185	140,464	47,083
Guarantee deposits	474	1,373	15,009	21,091
Others	195,243	196,054	139,680	61,939
	<u>507,981</u>	<u>486,364</u>	<u>409,887</u>	<u>216,045</u>
Total	<u>9,271,346</u>	<u>7,392,766</u>	<u>3,487,265</u>	<u>3,242,346</u>

29. SUBORDINATED LOANS

BRI obtained subordinated loans in Rupiah with details as follows:

	June 30, 2016	December 31		
		2015	2014	2013
<u>Rupiah</u>				
Subordinated Bonds II	-	-	-	1,998,052
Two-step loans	45,924	56,468	77,582	98,972
	<u>45,924</u>	<u>56,468</u>	<u>77,582</u>	<u>2,097,024</u>

The two-step loans in Rupiah represent the loans from the Government which were funded by the Asian Development Bank (ADB), International Bank for Reconstruction and Development (IBRD), International Fund for Agricultural Development (IFAD), United States Agency for International Development (USAID) and Islamic Development Bank (IDB). The interest rates of these loans vary based on the respective agreements with terms ranged from 15 (fifteen) up to 40 (forty) years. The average annual interest rates for subordinated loans were 4.29%, 4.33% and 4.37% and 4.38%, for the six-month period and the year ended June 30, 2016, December 31, 2015, 2014 and 2013, respectively. The maturity of these loans are various up to 2027.

The classification of subordinated loans based on their remaining period until maturity are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
<u>Rupiah</u>				
≤ 1 month	-	-	-	232
> 3 months - 1 year	-	-	-	1,998,289
> 1 year - 5 years	41,154	51,466	72,116	-
> 5 years	4,770	5,002	5,466	98,503
Total	<u>45,924</u>	<u>56,468</u>	<u>77,582</u>	<u>2,097,024</u>

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

30. EQUITY

a. Capital stock

The details of authorized, issued and fully paid capital stock of BRI as of June 30, 2016, December 31, 2015, 2014 and 2013 are as follows:

June 30, 2016				
	Number of Shares	Nominal Value Per Share (Full Rupiah)	Total Share Value (Full Rupiah)	Percentage of Ownership
Authorized Capital Stock				
Series A Dwiwarna Share	1	250	250	0.00%
Series B Common Shares	59,999,999,999	250	14,999,999,999,750	100.00
Total	60,000,000,000		15,000,000,000,000	100.00%
Issued and Fully Paid Capital Stock				
Series A Dwiwarna Share Republic of Indonesia	1	250	250	0.00%
Series B Common Shares Republic of Indonesia	13,999,999,999	250	3,499,999,999,750	57.24
Directors:				
- Randi Anto	661,000	250	165,250,000	0.00
- Susy Liestiwaty	580,000	250	145,000,000	0.00
- Sis Apik Wijayanto	140,000	250	35,000,000	0.00
- Mohammad Irfan	34,000	250	8,500,000	0.00
- Donsuwan Simatupang	28,500	250	7,125,000	0.00
Public	10,446,000,500	250	2,614,500,125,000	42.76
	24,447,444,000		6,114,861,000,000	100.00%
Treasury stocks (Note 1d)	221,718,000		52,429,500,000	
Total	24,669,162,000		6,167,290,500,000	
December 31, 2015				
	Number of Shares	Nominal Value Per Share (Full Rupiah)	Total Share Value (Full Rupiah)	Percentage of Ownership
Authorized Capital Stock				
Series A Dwiwarna Share	1	250	250	0.00%
Series B Common Shares	59,999,999,999	250	14,999,999,999,750	100.00
Total	60,000,000,000		15,000,000,000,000	100.00%
Issued and Fully Paid Capital Stock				
Series A Dwiwarna Share Republic of Indonesia	1	250	250	0.00%
Series B Common Shares Republic of Indonesia	13,999,999,999	250	3,499,999,999,750	57.24
Directors:				
- Randi Anto	661,000	250	165,250,000	0.00
- Susy Liestiwaty	580,000	250	145,000,000	0.00
- Mohammad Irfan	34,000	250	8,500,000	0.00
- Donsuwan Simatupang	29,500	250	7,375,000	0.00
Public	10,457,738,900	250	2,614,434,725,000	42.76
	24,459,043,400		6,114,760,850,000	100.00%
Treasury stocks (Note 1d)	210,118,600		52,529,650,000	
Total	24,669,162,000		6,167,290,500,000	

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

30. EQUITY (continued)

a. Capital stock (continued)

The details of authorized, issued and fully paid capital stock of BRI as of June 30, 2016, December 31, 2015, 2014 and 2013 are as follows (continued):

December 31, 2014				
	Number of Shares	Nominal Value Per Share (Full Rupiah)	Total Share Value (Full Rupiah)	Percentage of Ownership
Authorized Capital Stock				
Series A Dwiwarna Share	1	250	250	0.00%
Series B Common Shares	59,999,999,999	250	14,999,999,999,750	100.00
Total	60,000,000,000		15,000,000,000,000	100.00%
Issued and Fully Paid Capital Stock				
Series A Dwiwarna Share Republic of Indonesia	1	250	250	0.00%
Series B Common Shares Republic of Indonesia	13,999,999,999	250	3,499,999,999,750	56.75
Directors:				
- Lenny Sugihat	1,260,000	250	315,000,000	0.01
- Sulaiman Arif Arianto	1,000,000	250	250,000,000	0.00
- Randi Anto	661,000	250	165,250,000	0.00
- Sarwono Sudarto	321,000	250	80,250,000	0.00
Public	10,665,920,000	250	2,666,480,000,000	43.24
Total	24,669,162,000		6,167,290,500,000	100.00%
December 31, 2013				
	Number of Shares	Nominal Value Per Share (Full Rupiah)	Total Share Value (Full Rupiah)	Percentage of Ownership
Authorized Capital Stock				
Series A Dwiwarna Share	1	250	250	0.00%
Series B Common Shares	59,999,999,999	250	14,999,999,999,750	100.00
Total	60,000,000,000		15,000,000,000,000	100.00%
Issued and Fully Paid Capital Stock				
Series A Dwiwarna Share Republic of Indonesia	1	250	250	0.00%
Series B Common Shares Republic of Indonesia	13,999,999,999	250	3,499,999,999,750	56.75
Directors:				
- Sulaiman Arif Arianto	1,600,000	250	400,000,000	0.01
- Lenny Sugihat	1,260,000	250	315,000,000	0.01
- Randi Anto	661,000	250	165,250,000	0.00
- Sarwono Sudarto	321,000	250	80,250,000	0.00
Public	10,665,320,000	250	2,666,330,000,000	43.23
Total	24,669,162,000		6,167,290,500,000	100.00%

Series A Dwiwarna share is the share that gives the shareholder preferential rights to approve the appointment or dismissal of Commissioners and Directors, changes in Articles of Association, approve on BRI's merger, dissolution, acquisition and separation, submission of request for bankruptcy and liquidation of BRI.

Series B shares are common shares that can be owned by the public.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

30. EQUITY (continued)

b. Additional Paid-in Capital

The details of additional paid in capital as of June 30, 2016, December 31, 2015, 2014 and 2013 are as follows:

Additional capital by the Government related to the recapitalization program	1,092,144
Previous balance of paid up capital by the Government	5
Additional paid-in capital from IPO	589,762
Exercise of stock options	
Year 2004	49,514
Year 2005	184,859
Year 2006	619,376
Year 2007	140,960
Year 2008	29,013
Year 2009	14,367
Year 2010	43,062
Stock Option MSOP Stage-I which already expired	504
Stock Option MSOP Stage-II which already expired	1,845
Stock Option MSOP Stage-III which already expired	8,447
Total	<u>2,773,858</u>

In line with the realization of the Recapitalization Program for Commercial Banks as set forth in Government Regulation No. 52 Year 1999 on the "Increase in Investment by the Republic of Indonesia in State-Owned Banks", the Government determined that the recapitalization requirement amount of BRI to achieve Capital Adequacy Ratio (CAR) of 4% was Rp29,063,531. Up to June 30, 2003, the authorized and issued capital stock of BRI has not yet been increased by additional capital from the above recapitalization program, therefore, the paid up capital from the Government of Rp29,063,531 was recorded temporarily under "Additional Paid-in Capital" together with the previous balance of paid up capital of Rp5 from the Government.

Based on the Decision Letter of the Ministry of Finance No. 427/KMK.02/2003 dated September 30, 2003, the final recapitalization requirement of BRI amounted to Rp29,063,531, the amount of Rp3,272,000 was converted to paid up capital and the remaining balance of Rp25,791,531 was recorded as additional paid in capital. Moreover, with the implementation of the quasi-reorganization by BRI, the accumulated losses before quasi-reorganization as of June 30, 2003 amounted to Rp24,699,387 was eliminated against additional paid-in capital, resulting in additional paid-in capital amounting to Rp1,092,149 as of June 30, 2003.

On November 10, 2003, BRI conducted an IPO by issuing 1,764,705,000 new Series B common shares with a par value of Rp500 (full Rupiah) per share at the offering price of Rp875 (full Rupiah) per share, resulting in additional paid-in capital as follows:

Total new Series B Common shares issued to the public under the IPO (shares) (Note 1c)	<u>1,764,705,000</u>
Premium per share (full Rupiah)	<u>375</u>
Total premium on shares before discount	661,764
Less:	
- 3% discount given to BRI customers	(2,961)
- Cost of IPO	(69,041)
Additional paid-in capital from IPO	<u>589,762</u>

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

30. EQUITY (continued)

b. Additional Paid-in Capital (continued)

In accordance with the Special Annual Shareholders' Meetings on October 3, 2003, as disclosed in the Deed No. 6 Notary Imas Fatimah, S.H., the shareholders approved the issuance of stock options to be implemented within 3 (three) phases. Stock options granted to Directors and employees at certain levels and positions that meet the stipulated requirements (Management Stock Option Plan (MSOP)).

The compensation cost of the MSOP is recognized as stock options, as the part of the equity.

The employees of BRI exercised their stock options starting on November 10, 2004 for MSOP I, November 10, 2005 for MSOP II and November 15, 2006 for MSOP III. During 2004 until 2010, stock options exercised totaled to 569,876,000 shares for MSOP I, II and III, which consist of 4,728,500 shares in 2010, 4,553,000 shares in 2009, 7,499,000 shares in 2008, 31,379,000 shares in 2007, 250,721,000 shares in 2006, 185,610,000 shares in 2005 and 85,385,500 shares in 2004. The additional paid-in capital arising from the exercise of stock options amounted to Rp43,062 in 2010, Rp14,367 in 2009, Rp29,013 in 2008, Rp140,960 in 2007, Rp619,376 in 2006, Rp184,859 in 2005 and Rp49,514 in 2004.

c. Differences Arising from Translation of Foreign Currency Financial Statements

This account represents the exchange rate differences resulting from the translation of the financial statement of the overseas branch/representative offices of BRI (Cayman Islands, New York, Hong Kong and Singapore) from United States Dollar, Hong Kong Dollar and Singapore Dollar to Indonesian Rupiah (Note 2ai). Assets and liabilities as well as commitments and contingencies denominated in foreign currencies were translated into Rupiah using the Reuters spot rates at 4.00 p.m. WIB (Western Indonesian time) on the statements of financial position date. The consolidated statements of profit or loss and other comprehensive income for the six-month period and year ended as of such date is derived from the accumulation of the monthly consolidated statements of profit or loss and other comprehensive income balances which are translated into Rupiah by using the average exchange middle rate for the respective months.

d. Distribution of Net Income

Based on the Annual General Shareholders' Meetings of BRI held on March 23, 2016, March 19, 2015, March 26, 2014 and February 28, 2013, the Shareholders agreed to distribute the dividend from net income for the year ended December 31, 2015, 2014, 2013 and 2012 as follows:

	Income for the year			
	2015	2014	2013	2012
Dividends	7,619,322	7,272,495	6,348,045	5,556,285
General and specific reserves	-	2,666,581	4,443,632	2,592,933

BRI recorded the allowance for *tantiem* in the current consolidated statement of profit or loss and other comprehensive income in accordance with SFAS No. 24 (Revised 2013) on "Employee Benefits".

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

31. INTEREST AND SHARIA INCOME

Interest income are derived from:

	June 30		December 31		
	2016	2015 (Unaudited)	2015	2014	2013
Rupiah					
Loans					
Micro	19,274,170	17,554,773	36,999,127	32,793,520	24,838,353
Retail	16,100,794	13,592,386	28,363,105	25,401,211	21,020,297
Corporate	3,920,169	3,887,888	7,105,161	6,490,938	5,075,470
Securities					
Fair value through profit or loss					
Government bonds	2,564	31,222	68,086	54,157	16,143
Certificates of Bank Indonesia	3,313	-	6,422	4,482	1,965
Deposits Certificates of					
Bank Indonesia	24,556	815	1,577	1,005	-
Medium-Term Notes	-	-	475	-	-
Bonds	6,752	1,690	-	-	2,557
Available for sale					
Government bonds	1,062,574	604,540	1,250,033	720,434	489,708
Deposits Certificates of					
Bank Indonesia	227,406	361,118	488,527	214,612	15,067
Certificates of Bank Indonesia	252,112	150,379	303,168	169,325	223,282
Bonds	33,363	3,514	54,007	6,919	3,026
Medium-Term Notes	20,470	304	3,389	-	-
Held to maturity					
Government bonds	1,401,691	1,215,152	1,623,263	1,219,341	1,071,302
Deposits Certificates of					
Bank Indonesia	11,458	249,462	281,374	212,826	41,369
Bonds	114,419	140,378	292,731	166,374	53,263
Certificates of Bank Indonesia	8,362	206,595	248,907	224,378	466,203
Negotiable Certificate Deposit	9,119	20,918	46,915	2,248	-
Medium-Term Notes	13,921	13,000	26,329	4,598	5,646
Subordinated bonds	9,223	8,854	17,020	15,118	13,744
Government Recapitalization Bonds					
Available for sale	13,607	13,877	28,368	30,800	21,675
Held to maturity	95,197	110,588	214,143	215,078	140,795
Fair Value through Profit or Loss	-	-	-	-	647
Placements with Bank Indonesia and other banks					
Deposit Facility/Term Deposit	221,961	506,065	795,961	1,154,540	1,138,532
Inter-bank call money	83,110	81,848	185,158	101,692	96,577
Others	5,798	-	23,902	146	104
Current accounts with					
Bank Indonesia	92,095	127,756	247,729	222,584	190,842
Others	587,220	122,492	668,451	1,500,288	830,891
	43,595,424	39,005,614	79,343,328	70,926,614	55,757,458
Foreign currencies					
Loans					
Corporate	757,404	484,365	1,178,306	861,698	971,674
Retail	150,579	205,861	460,642	383,285	211,720
Securities					
Fair value through profit or loss					
Government bonds	-	3,458	12,171	3,667	4,123
Credit Linked Notes	-	-	-	4,878	18,007
Available for sale					
Government bonds	257,755	240,167	373,394	76,908	75,069
Bonds	14,880	1,628	176,402	83,110	11,279
Certificates of Bank Indonesia	17,783	-	511	-	-
Medium-Term Notes	-	-	-	-	2,681
Held to maturity					
Government bonds	190,629	174,375	577,846	209,522	120,521
Promissory Notes	11,188	138	88,904	1,567	9,754
Bonds	18,225	1,330	75,654	2,481	1,172
Credit Linked Notes	13,851	12,732	27,675	60,605	33,541
Certificates of Bank Indonesia	3,000	-	227	-	-
Medium-Term Notes	-	-	-	-	4,612

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

31. INTEREST AND SHARIA INCOME (continued)

Interest income are derived from (continued):

	June 30		December 31		
	2016	2015 (Unaudited)	2015	2014	2013
<u>Foreign currencies (continued)</u>					
Securities (continued)					
Placements with Bank Indonesia and other banks					
Inter-bank call money	45,261	45,139	93,176	46,813	32,715
Deposit Facility/Term Deposit	25,151	46,361	14,831	4,672	3,888
Others	349,536	122,137	584,678	399,957	462,617
	1,855,242	1,337,691	3,664,417	2,139,163	1,963,373
	45,450,666	40,343,305	83,007,745	73,065,777	57,720,831
Sharia income are derived from:					
Murabahah	765,293	739,359	1,463,233	1,335,164	1,133,476
Musyarakah	343,721	245,160	513,496	385,948	284,129
Others	189,511	218,807	449,563	335,324	322,648
Total Sharia income	1,298,525	1,203,326	2,426,292	2,056,436	1,740,253
Total	46,749,191	41,546,631	85,434,037	75,122,213	59,461,084

32. INTEREST AND SHARIA EXPENSE

This account represents interest expense incurred on:

	June 30		December 31		
	2016	2015 (Unaudited)	2015	2014	2013
<u>Rupiah</u>					
Time deposits	8,700,638	9,467,908	17,975,185	16,108,308	8,870,319
Saving deposits	1,439,771	1,380,436	2,895,613	2,610,579	2,253,778
Demand deposits	788,143	492,580	1,171,074	1,207,659	1,202,053
Marketable securities issued	369,207	127,925	354,260	21,576	-
Deposits from other banks and financial institutions	281,494	441,563	762,522	347,433	101,405
Securities sold under agreement to repurchase	126,968	26,946	188,084	43,751	-
Subordinated loans	11	26	3,225	215,292	220,786
Others	427,527	385,562	936,762	778,006	794,742
	12,133,759	12,322,946	24,286,725	21,332,604	13,443,083
<u>Foreign currencies</u>					
Fund borrowings	526,786	121,004	335,113	123,615	211,234
Time deposits	302,098	553,197	954,448	635,381	565,088
Marketable securities issued	83,950	103,809	204,219	191,138	99,948
Deposits from other banks and financial institutions	71,138	65,947	149,439	113,105	86,751
Demand deposits	44,188	46,393	89,536	75,840	64,633
Securities sold under agreement to repurchase	22,465	36,247	51,480	40,130	-
Saving deposits	4,257	786	1,918	1,501	1,452
Others	61,217	32,166	68,222	171,665	118,034
	1,116,099	959,549	1,854,375	1,352,375	1,147,140
	13,249,858	13,282,495	26,141,100	22,684,979	14,590,223

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

32. INTEREST AND SHARIA EXPENSE (continued)

This account represents interest expense incurred on (continued):

	June 30		December 31		
	2016	2015 (Unaudited)	2015	2014	2013
Sharia expense consists of:					
<i>Mudharabah</i> deposits	408,133	475,846	985,287	957,451	733,738
Others	107,846	12,079	27,883	37,373	30,852
Total Sharia expense	515,979	487,925	1,013,170	994,824	764,590
Total	13,765,837	13,770,420	27,154,270	23,679,803	15,354,813

33. PROVISION FOR IMPAIRMENT LOSSES ON FINANCIAL ASSETS - NET

This account represents provision (reversal) allowance for impairment losses on financial assets as follows:

	June 30		December 31		
	2016	2015 (Unaudited)	2015	2014	2013
Loans (Note 12f)	7,373,645	3,909,017	8,685,146	5,654,870	3,946,083
Sharia receivables and financing (Note 13)	131,797	86,651	206,159	67,884	2,410
Securities (Note 7e)	25,052	-	-	(772)	12
Current accounts with other banks (Note 5e)	-	-	-	(77)	(94)
Investment in associated entities	-	-	-	-	(536)
Total	7,530,494	3,995,668	8,891,305	5,721,905	3,947,875

34. SALARIES AND EMPLOYEE BENEFITS

The details of this account are as follows:

	June 30		December 31		
	2016	2015 (Unaudited)	2015	2014	2013
Salaries, wages and allowances	4,696,765	4,462,321	8,735,335	8,147,511	6,397,984
Bonuses, incentives and <i>tantiem</i>	3,573,495	2,077,969	4,987,921	3,602,859	4,079,858
Training and development	305,212	343,418	629,634	682,794	566,365
Defined benefit pension (Note 41a)	407,675	112,222	543,325	210,881	46,791
Retirement health care program	284,000	10,019	23,085	21,405	21,449
Jamsostek contribution	261,388	163,839	433,374	212,997	180,464
Medical allowances	171,319	129,320	302,379	255,068	183,551
Grand leaves (Note 41e)	183,432	190,710	273,666	290,025	55,534
Work separation scheme (Note 41d)	123,129	110,726	213,364	206,112	174,500
Defined contribution pension (Note 41c)	110,043	247,279	198,975	147,164	124,932
Gratuity for services (Note 41e)	90,121	10,660	76,718	137,568	2,342
Pension preparation period (Note 41e)	-	-	-	1,395	32,220
Others	121,680	107,376	181,382	250,643	366,004
Total	10,328,259	7,965,859	16,599,158	14,166,422	12,231,994

Salaries and allowances of the Board of Directors amounted to Rp30,222, Rp17,455, Rp42,300, Rp48,268 and Rp48,817 for the six-month period ended June 30, 2016 and 2015 and for the year ended December 31, 2015, 2014 and 2013, the Board of Commissioners amounted to Rp7,942, Rp7,229, Rp20,920, Rp17,565 and Rp17,256 for the six-month period ended June 30, 2016 and 2015 and for the year ended December 31, 2015, 2014 and 2013, respectively (Note 43).

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

34. SALARIES AND EMPLOYEE BENEFITS (continued)

Bonuses, incentives and *tantiem* of BRI's Boards of Directors, Commissioners and key employees amounted to Rp298,626, Rp334,209, Rp398,315, Rp355,505 and Rp266,479 for the six-month period ended June 30, 2016 and 2015 and for the year ended December 31, 2015, 2014 and 2013, respectively (Note 43).

35. GENERAL AND ADMINISTRATIVE EXPENSES

The details of this account are as follows:

	June 30		December 31		
	2016	2015 (Unaudited)	2015	2014	2013
Outsourcing service	1,341,746	1,047,575	2,413,167	2,095,500	-
Rent	818,701	705,912	1,845,272	1,616,605	1,280,213
Depreciation of premises and equipment (Note 16)	606,107	544,072	1,094,222	919,140	678,285
Repairs and maintenance	433,144	403,304	841,916	836,581	752,937
Electricity and water	279,774	275,097	574,885	533,376	435,213
Transportation	233,148	191,003	397,123	383,815	324,360
Office supplies	145,097	136,008	283,300	269,446	220,913
Printing and postage	138,297	118,157	271,153	273,673	254,341
Communications	89,667	80,116	161,319	160,890	117,015
Computer installations	24,860	30,568	65,348	50,749	47,128
Professional fees	41,358	35,214	55,216	59,773	72,478
Research and product development	6,959	8,201	14,744	10,046	13,823
Others	1,418,722	1,181,911	2,362,882	1,974,561	3,322,180
Total	5,577,580	4,757,138	10,380,547	9,184,155	7,518,886

36. NON OPERATING INCOME - NET

The details of this account are as follows:

	June 30		December 31		
	2016	2015 (Unaudited)	2015	2014	2013
Loan insurance claim income	754,939	410,753	1,458,083	868,484	593,346
Gain on sale of premises and equipment	4,335	6,008	21,628	14,059	108,193
Rental income	2,776	2,331	15,040	4,844	7,104
Others - net	36,109	223,141	486,360	1,609,809	1,073,846
Total	798,159	642,233	1,981,111	2,497,196	1,782,489

37. TAXATION

a) Taxes Payable

As of June 30, 2016, December 31, 2015, 2014 and 2013, the details of taxes payable are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
BRI (Parent Entity)				
Income tax				
Article 25	485,589	278,130	-	160,469
Article 29	-	1,093,551	22,844	1,067,156
	485,589	1,371,681	22,844	1,227,625

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

37. TAXATION (continued)

a) Taxes Payable (continued)

	June 30, 2016	December 31		
		2015	2014	2013
<u>Subsidiaries</u>				
Income tax and other tax				
Article 21	8,381	7,936	11,936	10,116
Article 22	99	19	-	5
Article 23	1,825	10,355	1,194	736
Article 25	16,795	10,979	1,837	7,342
Article 29	-	64,798	1,000	4,254
Article 4 (2)	22,616	29,541	20,994	15,940
Value-added tax	4,046	1,953	-	-
	53,762	125,581	36,961	38,393
Total	539,351	1,497,262	59,805	1,266,018

b) Tax Expense

	June 30		December 31		
	2016	2015 (Unaudited)	2015	2014 ¹⁾	2013
<u>BRI (Parent Entity)</u>					
Current tax expense of:					
Current year	3,279,746	2,508,089	7,008,173	5,996,628	5,674,294
Prior period tax audit	466,188	-	-	241,585	483,171
Deferred income tax (benefit) expense	(413,820)	302,837	(885)	309,141	330,261
	3,332,114	2,810,926	7,007,288	6,547,354	6,487,726
<u>Subsidiaries</u>					
Current tax expense of:					
Current year	49,021	39,240	94,780	24,696	71,080
Prior period tax audit	4,948	-	-	-	-
Deferred income tax expense (benefit)	9,261	(1,904)	(18,838)	5,461	(3,070)
	63,230	37,336	75,942	30,157	68,010
Total	3,395,344	2,848,262	7,083,230	6,577,511	6,555,736

¹⁾ As restated (Note 49)

The reconciliation between income before tax expense in accordance with the consolidated statement of profit or loss and other comprehensive income and estimated taxable income are as follows:

	June 30		December 31		
	2016	2015 (Unaudited)	2015	2014 ¹⁾	2013
Income before tax expense in accordance with the consolidated statement of profit or loss and other comprehensive income	15,577,830	14,802,025	32,494,018	30,804,112	27,910,066
Income of Subsidiaries	(198,447)	(129,908)	(282,578)	(80,400)	(262,190)
Income before tax expense - BRI (Parent Entity)	15,379,383	14,672,117	32,211,440	30,723,712	27,647,876

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

37. TAXATION (continued)

b) Tax Expense (continued)

The reconciliation between income before tax expense in accordance with the consolidated statement of profit or loss and other comprehensive income and estimated taxable income are as follows (continued):

	June 30		December 31		
	2016	2015 (Unaudited)	2015	2014 ¹⁾	2013
Temporary differences:					
Reversal of allowance for impairment losses on loans	1,102,107	(1,348,692)	(411,956)	(1,257,049)	(752,577)
Provision for employee expenses	558,170	196,564	573,996	322,180	(255,395)
Unrealized loss on fair value through profit or loss securities and Government Recapitalization Bonds	(16,351)	2,376	8,940	2,456	(4,516)
Depreciation of premises and equipment	11,352	(61,596)	(167,440)	(304,150)	(308,020)
Reversal of allowance for impairment losses on earning assets excluding loans	-	-	-	-	(536)
	<u>1,655,278</u>	<u>(1,211,348)</u>	<u>3,540</u>	<u>(1,236,563)</u>	<u>(1,321,044)</u>
Permanent differences:					
Representations and donations	70,585	51,747	126,886	100,538	86,789
Sports and religious activities	15,439	11,042	40,843	40,482	36,825
Income subjected to final tax	(1,018)	(1,794)	(12,003)	(3,190)	(5,261)
Income of Associated Entities	(17,837)	(5,310)	(13,262)	(28,721)	(25,573)
Others	(703,098)	(976,009)	2,683,419	386,883	1,951,860
	<u>(635,929)</u>	<u>(920,324)</u>	<u>2,825,883</u>	<u>495,992</u>	<u>2,044,640</u>
Estimated taxable income	<u>16,398,732</u>	<u>12,540,445</u>	<u>35,040,863</u>	<u>29,983,141</u>	<u>28,371,472</u>

The computation of corporate income tax expense and payable are as follows:

	June 30		December 31		
	2016	2015 (Unaudited)	2015	2014 ¹⁾	2013
Estimated taxable income	<u>16,398,732</u>	<u>12,540,445</u>	<u>35,040,863</u>	<u>29,983,140</u>	<u>28,371,472</u>
Parent Entity					
Corporate income tax expense - current	(3,279,746)	(2,508,089)	(7,008,173)	(5,996,628)	(5,674,294)
Income tax installment payments during the year	4,131,785	3,860,175	5,914,622	5,973,784	4,607,138
Estimated corporate income tax refund (payable) - Article 29	<u>852,039</u>	<u>1,352,086</u>	<u>(1,093,551)</u>	<u>(22,844)</u>	<u>(1,067,156)</u>

¹⁾ As restated (Note 49)

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

37. TAXATION (continued)

b) Tax Expense (continued)

The computation of corporate income tax expense and payable are as follows (continued):

	June 30		December 31		
	2016	2015 (Unaudited)	2015	2014 ¹⁾	2013
Income tax installment payments - Article 25 of fiscal year 2014 for the month of January 2015 (Note 17)	-	-	-	360,000	-
Subsidiary (BRIS)					
Corporate income tax expense - current	(31,650)	(23,740)	(66,739)	(2,896)	(52,483)
Income tax installment payments during the year	37,262	5,524	39,662	13,171	48,602
Estimated corporate income tax refund (payable) - Article 29	5,612	(18,216)	(27,077)	10,275	(3,881)
Subsidiary (BRI Agro)					
Corporate income tax expense - current	(17,371)	(15,500)	(28,041)	(21,800)	(18,597)
Income tax installment payments during the year	18,700	12,153	26,630	20,800	18,224
Estimated corporate income tax refund (payable) - Article 29	1,329	(3,347)	(1,411)	(1,000)	(373)
Subsidiary (BJS)^{**)}					
Corporate income tax expense - current	-	-	-	-	-
Income tax installment payments during the year	37,868	-	-	-	-
Estimated corporate income tax refund (payable) - Article 29	37,868	-	(36,310)	-	-

¹⁾ As restated (Note 49)

^{**)} Effectively acquired by BRI on December 29, 2015

Based on the letters from Head of Tax Office (KPP) No. PBK-00044/I/WPJ.19/KP.0403/2015, No. PBK-00045/I/WPJ.19/KP.0403/2015 and No. PBK-00046/I/WPJ.19/KP.0403/2015, each dated January 12, 2015, based on request from BRI, the installment of Income Tax Article 25 for the year 2014 amounted to Rp360,000 (Note 17) has been approved to be transferred for the period of January 2015.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

37. TAXATION (continued)

b) Tax Expense (continued)

The reconciliation of income tax expense by multiplying income before tax expense to the applicable tax rate are as follows:

	June 30		December 31		
	2016	2015 (Unaudited)	2015	2014 ¹⁾	2013
Income before tax expense in accordance with the consolidated statement of profit or loss and other comprehensive income	15,577,830	14,802,025	32,494,018	30,804,112	27,910,066
Income of Subsidiaries	(198,447)	(129,908)	(282,578)	(80,400)	(262,190)
Income before tax expense BRI (Parent Entity)	15,379,383	14,672,117	32,211,440	30,723,712	27,647,876
Tax expense with a tax rate of 20%	3,075,877	2,934,423	6,442,288	6,144,743	5,529,575
Tax effect on permanent differences	(127,187)	(184,064)	565,177	99,198	408,928
Effect of different rate used in deferred tax calculation	(82,764)	60,567	(177)	61,828	66,052
Correction of income tax audit on previous year	466,188	-	-	241,585	483,171
Tax expense - Parent Entity	3,332,114	2,810,926	7,007,288	6,547,354	6,487,726
Tax expense - Subsidiaries	63,230	37,336	75,942	30,157	68,010
	3,395,344	2,848,262	7,083,230	6,577,511	6,555,736

¹⁾ As restated (Note 49)

BRI's estimated taxable income in 2015, 2014 and 2013 are consistent with the Annual Tax Return (SPT) for corporate income tax reported by BRI to Tax Office (KPP).

Assessment for fiscal year 2010

The Directorate General of Taxation based on Tax Assessment Letter No. 00003/206/10/093/12 dated November 28, 2012, affirmed the underpayment of Income Tax amounted to Rp1,484,041 which was already approved by BRI amounted to Rp34,529. Management believes that the treatment of the tax underpayment which still has not been approved by BRI is already appropriate with the applicable tax regulations.

On February 27, 2013, BRI filed an objection to the Underpayment of Tax Assessment Letter of Income Tax No. 00003/206/10/093/12 dated November 28, 2012. To qualify for the requirement for filing an objection, BRI has paid a deposit amounted to Rp1,449,512 to the State Treasury on February 28, 2013. According to a decree of the Directorate General of Taxation No. KEP-229/WPJ.19/2014 dated February 18, 2014, the objection was rejected, then on May 12, 2014, BRI filed an appeal to the Tax Court.

Based on the trial fact that has taken place on November 17, 2014 and December 8, 2014, where BRI has a better chance to resolve the tax dispute at the appeal level, BRI management believes that the provision made for possible losses of the appeal process until the appeal decision amounted to Rp724,756, which was already charged in 2013 amounted to Rp483,171 and in 2014 amounted to Rp241,585, the remaining amount of provision amounted to Rp724,756 was still recorded in the other asset account - prepaid tax (Note 17).

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

37. TAXATION (continued)

b) Tax Expense (continued)

Assessment for fiscal year 2010 (continued)

Based on Tax Court's Decision No. PUT-63381/PP/M.XVA/15/2015 pronounced by the judges in the open hearing for public dated August 24, 2015, the Tax Court granted the BRI's appeal for the Decree of the Directorate General of Taxation No. KEP - 229/WPJ.19/2014 dated February 18, 2014 on an objection to the Underpayment of Tax Assessment Letter of Income Tax No. 00003/206/10/093/12 dated November 28, 2012.

Based on the Decree of the Directorate General of Taxation No. KEP-00003.PPH/WPJ.19/KP.0403/2016 dated January 8, 2016 and Tax Overpayment Refund Order Letter No. 80006/093-0006-2016 dated January 8, 2016, BRI has received the refund of income tax overpayment amounted to Rp1,448,498 after taking into account BRI's taxes payable amounted to Rp1,012, on February 24, 2016.

Assessment for fiscal year 2011

The Directorate General of Taxation based on the Tax Assessment Letter No. 00025/207/11/093/16 dated June 2, 2016, affirmed the underpayment of Value Added Tax on Goods and Services amounted to Rp3,284 and the related penalties amounted to Rp443 that has been charged with Tax Collection Letter No. 00025/107/11/093/16 dated June 2, 2016 which was agreed by BRI.

The Directorate General of Taxation based on the Tax Assessment Letter No. 00003/201/11/093/16 dated May 30, 2016, affirmed the underpayment of Income Tax Article 21 amounted to Rp49,656 which was agreed by BRI.

The Directorate General of Taxation based on the Tax Assessment Letter No. 00005/203/11/093/16 dated June 1, 2016, affirmed the underpayment of Income Tax Article 23 amounted to Rp8,015 which was agreed by BRI.

The Directorate General of Taxation based on the Tax Assessment Letter No. 00005/206/11/093/16 dated May 30, 2016, affirmed the underpayment of Income Tax amounted to Rp466,188 and which was agreed by BRI.

Income Tax Collection Letter for fiscal year 2014

The Directorate General of Taxation based on Tax Collection Letter No.90002/106/14/093/15 dated December 29, 2015, affirmed the underpayment of Income Tax for fiscal year 2014 amounted to Rp1,603,100 and the related administrative penalties amounted to Rp256,496, in connection with the correction of minimum balance of allowance for impairment losses based on Bank Indonesia. Management believes that the Tax Collection Letter is inappropriate and BRI's treatment is already appropriate with the applicable regulation.

On January 13, 2016, BRI has applied for cancellation of the Tax Collection Letter. To qualify the requirement for the Tax Collection Letter cancellation, on December 30, 2015 BRI has paid a deposit amounted to Rp1,603,100 and recorded it under other assets - prepaid tax (Note 17). Based on the Decree of the Directorate General of Taxation No. KEP-90001/NKEB/WPJ.19/2016 dated February 1, 2016 "Regarding the Cancellation of Tax Assessment on Tax Collection Letter", all BRI's requests are granted.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

37. TAXATION (continued)

b) Tax Expense (continued)

Income Tax Collection Letter for fiscal year 2014 (continued)

On February 4, 2016, BRI submitted a request for the cancellation of Tax Collection Letter amounted to Rp1,603,100 can be compensated to the installment of Income Tax Article 25 for the tax period of January and February 2016 amounted to Rp800,000 and Rp803,100, respectively. Based on the Tax Refund Decree No. KEP-00019.PPH/WPJ.19/KP.0403/2016 dated February 15, 2016 and Tax Overpayment Refund Order No. 80095/093-0095-2016 dated February 15, 2016, the Directorate General of Taxation approved the request submitted by BRI.

c) Deferred Tax Assets

The computation of deferred tax (expense) benefit of BRI are as follows:

	June 30		December 31		
	2016	2015 (Unaudited)	2015	2014 ¹⁾	2013
BRI (Parent Entity)					
Reversal of allowance for impairment losses on earning assets	275,527	(337,173)	(102,989)	(314,262)	(188,278)
Reversal of provision for employee expense	139,543	49,141	143,499	80,545	(63,849)
Unrealized (gain) loss on fair value through profit or loss securities and Government Recapitalization Bonds	(4,088)	594	2,235	614	(1,129)
Depreciation of premises and equipment	2,838	(15,399)	(41,860)	(76,038)	(77,005)
	413,820	(302,837)	885	(309,141)	(330,261)
Subsidiaries	(9,261)	1,904	18,838	(5,461)	3,070
Total	404,559	(300,933)	19,723	(314,602)	(327,191)

The tax effects of significant temporary differences between commercial and tax reporting (recorded under "Deferred Tax Assets" account) are as follows:

	June 30, 2016	December 31		
		2015	2014 ¹⁾	2013 ¹⁾
Parent Entity				
Allowance for impairment losses on earning assets	1,103,716	828,189	931,178	1,245,440
Provision for employee expense	1,086,597	947,054	803,555	723,010
Depreciation on premises and equipment	(136,251)	(139,089)	(97,229)	(21,191)
Remeasurement on defined benefit program	(244,988)	(177,470)	(37,837)	(121,630)
Unrealized loss (gain) on fair value through profit or loss securities and Government Recapitalization Bonds	(2,368)	1,720	(515)	(1,129)
Unrealized loss on available for sale securities and Government Recapitalization Bonds	(300,589)	346,376	64,387	236,513
	1,506,117	1,806,780	1,663,539	2,061,013

¹⁾ As restated (Note 49)

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

37. TAXATION (continued)

c) Deferred Tax Assets (continued)

The tax effects of significant temporary differences between commercial and tax reporting (recorded under “Deferred Tax Assets” account) are as follows (continued):

	June 30, 2016	December 31		
		2015	2014 ¹⁾	2013 ¹⁾
Subsidiaries	131,054	176,994	25,333	45,199
Total	1,637,171	1,983,774	1,688,872	2,106,212

¹⁾ As restated (Note 49)

Under Article 17 (2) of Law No. 7 year 1983 regarding “Income Tax” which was revised for the fourth time by Law No. 36 year 2008, the Corporate Income Tax rate is 25%.

However, based on the above Law No. 36 year 2008 dated September 23, 2008, the Government Regulation No. 81 year 2007 dated December 28, 2007 on “The Income Tax Rate Reduction on Resident Corporate Tax Payers in the Form of a Public Company” and the Ministry of Finance Regulation No. 238/PMK.03/2008 dated December 30, 2008 on “The Guidelines on Procedures for Implementation and Supervision on the Rate Reduction for Resident Corporate Tax Payers in the Form of Public Companies” stipulates that resident public companies in Indonesia can obtain the reduced income tax rate at 5% lower than the highest existing income tax rate, by meeting the prescribed criteria, which is publicly listed companies which at least 40% of the total paid-up shares are traded in the Indonesia Stock Exchange and such shares are owned by at least 300 (three hundred) parties and each party may only have shares of less than 5% of the total paid-up shares. These requirements must be fulfilled by the public companies for a minimum period of 6 (six) months in 1 (one) fiscal year. Based on Letter No. DE/VII/2015-4128 dated July 1, 2016 and the monthly report of shares ownerships (Form No. X.H.I-2 dated July 1, 2016 from the Securities Administration Agency (Biro Administrasi Efek), Datindo Entrycom on the ownership of BRI’s shares for the six-month period ended June 30, 2016), all of the above mentioned criteria to obtain the tax rate reduction on BRI’s financial statements for the six-month period ended June 30, 2016 have been fulfilled.

38. RISK MANAGEMENT

The key to success in BRI’s accomplishment as a strong and healthy bank with sustainable growth is the business implementation accompanied by an integrated and systematic risk by managing the credit risk, liquidity risk, operational risk, market risk, strategic risk, compliance risk, reputation risk and legal risk.

The principles of integrated and systematic risk management are stated in several policies and procedures, i.e., the Risk Management General Policy (KUMR), which represents the supreme rule in the risk management implementation in BRI’s business activities. KUMR includes general policy, strategy, organization, risk management information system, process and implementation of risk management, up to internal control system. Implementation of risk management policies are set for derivative policies in accordance with the type of derivative risks.

Board of Commissioners (BOC) and Board of Directors (BOD) are responsible for effective risk management at BRI and have an important role in supporting and overseeing the implementation of risk management across working units.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

BOC evaluate the implementation of risk management policies that was led by BOD. Evaluation is done to ensure that BOD manage the activity and risks effectively. In conducting supervision of BRI's risk management, BOC were assisted by the Risk Management Oversight Committee (KPMR).

BOD determine the policy and risk management strategy comprehensively along with its implementation. BOD also ensure that all material risks and the impact has been followed up, and remedial measure for problems or irregularities in business activity has been implemented. BOD appoint a Special Director, in this case Director of Compliance and Risk Management, to implement the process of monitoring and controlling bank-wide risk.

BRI's BOD were assisted by Risk Management Committee (RMC) as the highest committee in BRI's risk management structure. RMC is responsible to provide recommendations to the President Director in formulating policies, enhancing policy implementation, evaluating the progress and condition of risk profiles, and providing remedial measure.

To address issues that were specific to certain types of risk and required immediate decisions, RMC conducted sub-RMC meetings. There were 3 (three) types of sub-RMC, CRMC (Credit Risk Management Committee), MRMC (Market Risk Management Committee), and ORMC (Operational Risk Management Committee), formed to discuss issues related to credit, market, operational and other risks.

Credit Risk Management

Credit risk is risk due to default of debtor and/or other party in meeting their obligation to BRI including settlement defaults. BRI identify and measures risk of potential debtors through developed internal Risk Rating. BRI monitors the credit quality as part of early identification of credit impairment. Credit risk management is done through comprehensive and integrated risk management policy. BRI develop credit risk management policy for governance, limits management on acceptable risk exposure boundaries, limits management on geographics boundaries, and limits management on each industry concentration. Credit risk rating is updated periodically to estimate potential loss as risk due to credit expansion and as a basis to determine improvement follow-up.

Implementation of Credit Risk Management is not solely intended to put BRI as a bank that is complied with the regulation, but also as a form of management's obligation in implementing credit risk management system at an optimum level of risk and return, and in accordance with best practice in the banking industry. Credit Risk Management Implementation is expected to support BRI's business activities while still considering prudence principles.

Loan distribution performed by business unit has already considered and notified the credit risk from granting until fully paid. Monitoring on credit risk are done on a regular basis to prevent Non Performing Loan (NPL).

Through the implementation of Early Warning System (EWS) in the development of the condition of the debtor's business, effective credit risk management could minimize risk of loss and optimize capital expenditure to achieve maximum income.

Credit risk management of BRI is intended to minimize possible losses due to unsettled loans and other financial contracts, both in the individual level and the overall loan portfolio. Credit risk management is also intended to meet the requirements set by regulator.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

1. Analysis of maximum exposure to credit risk after considering the effect of collateral and other credit enhancements

The carrying value of BRI's financial assets other than loan and receivable and securities purchased under agreement to resell best represent the maximum exposure to credit risk.

The tables below show the net maximum exposure to credit risk of securities purchased under agreement to resell as of June 30, 2016, December 31, 2015, 2014 and 2013:

	June 30, 2016		
	Maximum Exposure	Collateral	Net Exposure
Securities purchased under agreement to resell	1,123,489	1,222,087	-
	December 31, 2015		
	Maximum Exposure	Collateral	Net Exposure
Securities purchased under agreement to resell	845,125	889,580	-
	December 31, 2014		
	Maximum Exposure	Collateral	Net Exposure
Securities purchased under agreement to resell	39,003,595	41,193,498	-
	December 31, 2013		
	Maximum Exposure	Collateral	Net Exposure
Securities purchased under agreement to resell	14,440,063	15,133,887	-

For the loans and receivables, BRI uses the collateral to minimize the credit risk. Loans and receivables are classified into two major category, which is:

1. Secured loans
2. Unsecured loans

For secured loans, BRI determined the type and value of collateral according to the loan scheme. Types of collateral are as follows:

- a. Physical collateral, such as lands and buildings, proof of vehicles ownership, and properties.
- b. Financial collateral, such as deposits (time deposit, savings, demand deposit), securities, and gold.
- c. Others, such as guarantees, government guarantees, and guarantee institution.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

1. Analysis of maximum exposure to credit risk after considering the effect of collateral and other credit enhancements (continued)

In times of default, BRI will use the collateral as the last resource in recovering the obligations of the counterparty.

Unsecured loans consist of fully unsecured loans such as credit cards and partially secured loans such as loans for fixed income employees, loans for retirees, and other consumer loans. In their payment obligations, partially secured loans are generally made through automatic payroll deduction.

Thus, although it is included in the unsecured loans category, the risk level of partially secured loans is lower than the carrying value. As for fully unsecured loan, the risk level is equal to the carrying value.

Credit risk mitigations for partially secured loans consist of employee recruitment decision letter and certificate of retirement.

2. Risk concentration analysis

- a. Geographical sectors

The following tables provide details of consolidated BRI's financial assets with credit risk exposure at carrying value as categorized by geographical region as of June 30, 2016, December 31, 2015, 2014 and 2013. BRI has allocated exposures to the regions based on the geographical area where activities are undertaken which also illustrates the region business potential:

	June 30, 2016							
	Jakarta	West Java	Central Java and Yogyakarta	East Java	Sumatera	Central and East Indonesia	Others	Total
Assets								
Current accounts with Bank Indonesia	48,106,283	-	-	-	-	-	-	48,106,283
Current accounts with other banks	11,860,948	6,788	963	139	200	11,886	700,559	12,581,483
Placements with Bank Indonesia and other banks	34,205,822	-	-	-	-	-	231,585	34,437,407
Securities								
Fair value through profit or loss	2,342,488	-	-	-	-	-	-	2,342,488
Available for sale	62,262,763	-	-	-	-	-	3,828,597	66,091,360
Held to maturity	57,639,099	-	-	-	-	-	39,638	57,678,737
Export Bills	6,553,874	198,263	196,182	599,462	336,096	3,263	-	7,887,140
Government Recapitalization Bonds								
Available for sale	716,931	-	-	-	-	-	-	716,931
Held to maturity	3,100,000	-	-	-	-	-	-	3,100,000
Securities purchased under agreement to resell	1,123,489	-	-	-	-	-	-	1,123,489
Loans								
Micro	16,446,724	21,241,417	34,246,808	27,805,018	46,425,260	64,838,353	2,600,811	213,604,391
Retail	45,196,976	17,372,288	25,027,457	29,162,926	42,497,250	59,108,276	2,664,276	221,029,449
Corporate	118,878,650	9,165,250	1,949,177	5,011,459	11,617,734	7,106,982	9,381,736	163,110,988
Sharia receivables and financing	3,742,483	4,925,343	2,047,657	1,852,460	2,584,380	2,678,999	-	17,831,322
Acceptances receivable	3,927,494	367,067	3,827	124,029	2,077	5,792	-	4,430,286
Investment in associated entities*)	2,439	-	-	-	-	-	-	2,439
Other assets**)	3,243,355	36,934	26,122	32,523	96,023	32,314	818,313	4,285,584
Total	419,349,818	53,313,350	63,498,193	64,588,016	103,559,020	133,785,865	20,265,515	858,359,777
Less: Allowance for impairment losses								(21,207,437)
Net								837,152,340

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

2. Risk concentration analysis (continued)

a. Geographical sectors (continued)

The following tables provide details of consolidated BRI's financial assets with credit risk exposure at carrying value as categorized by geographical region as of June 30, 2016, December 31, 2015, 2014 and 2013. BRI has allocated exposures to the regions based on the geographical area where activities are undertaken which also illustrates the region business potential (continued):

June 30, 2016								
	Jakarta	West Java	Central Java and Yogyakarta	East Java	Sumatera	Central and East Indonesia	Others	Total
Administrative Accounts								
Irrevocable L/C	6,332,470	2,788,032	3,563	480,355	691,058	12,819	-	10,308,297
Guarantees issued	18,377,415	2,693,199	201,571	437,132	683,004	391,433	3,598	22,787,352
Total	24,709,885	5,481,231	205,134	917,487	1,374,062	404,252	3,598	33,095,649
December 31, 2015								
	Jakarta	West Java	Central Java and Yogyakarta	East Java	Sumatera	Central and East Indonesia	Others	Total
Assets								
Current accounts with Bank Indonesia	61,717,798	-	-	-	-	-	-	61,717,798
Current accounts with other banks	8,311,660	6,507	3,337	1,104	1,131	43,456	368,897	8,736,092
Placements with Bank Indonesia and other banks	48,764,753	-	-	-	-	-	1,069,911	49,834,664
Securities								
Fair value through profit or loss	638,328	-	-	-	-	-	291,006	929,334
Available for sale	58,764,603	-	-	-	-	-	1,937,447	60,702,050
Held to maturity	63,218,554	-	-	-	-	-	41,355	63,259,909
Export Bills	4,553,463	726,798	369,997	1,239,721	387,116	3,788	-	7,280,883
Government Recapitalization Bonds								
Available for sale	715,958	-	-	-	-	-	-	715,958
Held to maturity	3,100,000	-	-	-	-	-	-	3,100,000
Securities purchased under agreement to resell	845,125	-	-	-	-	-	-	845,125
Loans								
Micro	14,834,329	18,461,601	29,988,844	24,647,834	41,276,863	59,218,708	-	188,428,179
Retail	52,987,418	16,249,131	24,722,002	27,774,033	40,507,100	57,545,227	861	219,785,772
Corporate	111,801,014	9,025,716	1,662,743	6,531,739	10,920,315	8,854,664	7,470,396	156,266,587
Sharia receivables and financing	3,558,411	4,590,896	1,801,029	1,702,237	2,435,850	2,525,583	-	16,614,006
Acceptances receivable	3,355,606	623,999	655,771	518,845	9,250	-	-	5,163,471
Investment in associated entities*)	6,239	-	-	-	-	-	-	6,239
Other assets**)	3,425,493	45,942	25,802	31,610	57,600	33,261	377,129	3,996,837
Total	440,598,752	49,730,590	59,229,525	62,447,123	95,595,225	128,224,687	11,557,002	847,382,904
Less: Allowance for impairment losses								(17,532,181)
Net								829,850,723
Administrative Accounts								
Irrevocable L/C	10,797,908	2,688,596	5,925	862,936	991,919	59,507	-	15,406,791
Guarantees issued	18,768,455	3,157,426	238,991	619,702	498,579	375,631	10,124	23,668,908
Total	29,566,363	5,846,022	244,916	1,482,638	1,490,498	435,138	10,124	39,075,699

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

2. Risk concentration analysis (continued)

a. Geographical sectors (continued)

The following tables provide details of consolidated BRI's financial assets with credit risk exposure at carrying value as categorized by geographical region as of June 30, 2016, December 31, 2015, 2014 and 2013. BRI has allocated exposures to the regions based on the geographical area where activities are undertaken which also illustrates the region business potential (continued):

December 31, 2014								
	Jakarta	West Java	Central Java and Yogyakarta	East Java	Sumatera	Central and East Indonesia	Others	Total
Assets								
Current accounts with Bank Indonesia	51,184,429	-	-	-	-	-	-	51,184,429
Current accounts with other banks	10,161,217	2,830	790	127	1,169	4,299	410,008	10,580,440
Placements with Bank Indonesia and other banks	62,035,442	-	-	-	-	-	-	62,035,442
Securities								
Fair value through profit or loss	128,342	-	-	-	-	-	-	128,342
Available for sale	37,953,729	-	-	-	-	-	2,048,595	40,002,324
Held to maturity	44,000,639	-	-	-	-	-	37,155	44,037,794
Export bills	8,177,659	970,849	228,781	812,112	328,525	10,059	-	10,527,985
Government Recapitalization Bonds								
Available for sale	703,596	-	-	-	-	-	-	703,596
Held to maturity	3,600,000	-	-	-	-	-	-	3,600,000
Securities purchased under agreement to resell	39,003,595	-	-	-	-	-	-	39,003,595
Derivatives receivable	536	-	-	-	-	-	-	536
Loans								
Micro	12,909,233	15,575,254	26,603,278	22,454,903	35,232,976	51,278,536	-	164,054,180
Retail	51,062,959	14,637,863	21,845,786	25,312,855	35,459,178	50,933,384	576,565	199,828,590
Corporate	93,735,802	9,342,523	1,715,969	6,689,969	10,404,027	4,572,732	4,753,496	131,214,518
Sharia receivables and financing	4,210,626	3,404,509	1,774,154	1,579,590	2,399,044	2,231,630	-	15,599,553
Acceptances receivable	4,813,939	165,616	145,899	1,399,776	-	458	-	6,525,688
Investment in associated entities*)	1,944	-	-	-	-	-	-	1,944
Other Assets**)	2,034,090	55,267	33,656	53,776	85,222	73,816	82,751	2,418,578
Total	425,717,777	44,154,711	52,348,313	58,303,108	83,910,141	109,104,914	7,908,570	781,447,534
Less: Allowance for impairment losses								(16,162,795)
Net								765,284,739
Administrative Accounts								
Irrevocable L/C	6,042,501	1,917,180	87,077	248,267	567,464	347,050	-	9,209,539
Guarantees issued	11,917,502	2,884,350	180,967	686,683	407,189	2,777,134	-	18,853,825
Total	17,960,003	4,801,530	268,044	934,950	974,653	3,124,184	-	28,063,364

December 31, 2013								
	Jakarta	West Java	Central Java and Yogyakarta	East Java	Sumatera	Central and East Indonesia	Others	Total
Assets								
Current accounts with Bank Indonesia	40,718,495	-	-	-	-	-	-	40,718,495
Current accounts with other banks	8,746,304	3,740	1,416	795	5,016	10,076	667,850	9,435,197
Placements with Bank Indonesia and other banks	36,306,883	-	-	-	-	-	-	36,306,883
Securities								
Fair value through profit or loss	898,511	-	-	-	-	-	-	898,511
Available for sale	13,739,364	-	-	-	-	-	1,634,694	15,374,058
Held to maturity	26,289,475	-	-	-	-	-	112,393	26,401,868
Export Bills	6,399,769	901,712	143,749	1,116,915	350,933	12,994	-	8,926,072
Government Recapitalization Bonds								
Fair value through profit or loss	199,314	-	-	-	-	-	-	199,314
Available for sale	712,105	-	-	-	-	-	-	712,105
Held to maturity	3,600,000	-	-	-	-	-	-	3,600,000

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

2. Risk concentration analysis (continued)

a. Geographical sectors (continued)

The following tables provide details of consolidated BRI's financial assets with credit risk exposure at carrying value as categorized by geographical region as of June 30, 2016, December 31, 2015, 2014 and 2013. BRI has allocated exposures to the regions based on the geographical area where activities are undertaken which also illustrates the region business potential (continued):

	December 31, 2013							
	Jakarta	West Java	Central Java and Yogyakarta	East Java	Sumatera	Central and East Indonesia	Others	Total
Assets (continued)								
Securities purchased under agreement to resell	14,440,063	-	-	-	-	-	-	14,440,063
Derivatives receivable	4,981	-	-	-	-	-	-	4,981
Loans								
Micro	11,172,945	12,787,420	22,711,207	19,609,819	30,126,437	45,858,914	-	142,266,742
Retail	48,387,090	12,809,817	19,690,352	23,467,745	31,556,531	45,616,690	326,113	181,854,338
Corporate	76,579,783	7,685,786	2,089,124	5,946,223	9,701,029	4,191,558	4,001,883	110,195,386
Sharia receivables and financing	3,939,050	3,186,621	1,624,095	1,352,004	2,252,143	1,674,477	-	14,028,390
Acceptances receivable	1,788,857	1,034,340	189,150	527,306	140,031	-	-	3,679,684
Investment in associated entities*)	1,944	-	-	-	-	-	-	1,944
Other assets**)	996,975	19,189	15,550	20,885	34,920	23,292	49,723	1,160,534
Total	294,921,908	38,428,625	46,464,643	52,041,692	74,167,040	97,388,001	6,792,656	610,204,565
Less: Allowance for impairment losses								(15,418,945)
Net								594,785,620
Administrative Accounts								
Irrevocable L/C	15,691,043	1,811,410	110,618	557,092	429,071	27,236	-	18,626,470
Guarantees issued	10,058,642	2,226,392	158,740	480,897	393,191	2,574,319	-	15,892,181
Total	25,749,685	4,037,802	269,358	1,037,989	822,262	2,601,555	-	34,518,651

*) Investment in associated entities with no significant influence.

**) Other assets consist of interest receivables, other receivables, and accrued income based on Sharia principles.

b. Industrial sector

The following tables provide the details of credit exposure at carrying value, as categorized by the industrial sectors as of June 30, 2016, December 31, 2015, 2014 and 2013:

	June 30, 2016							
	Government (Including BI)	Banks and other financial institutions	Agriculture	Industry	Trading, hotels and restaurant	Services	Others	Total
Assets								
Current accounts with Bank Indonesia	48,106,283	-	-	-	-	-	-	48,106,283
Current accounts with other banks	-	12,581,483	-	-	-	-	-	12,581,483
Placements with Bank Indonesia and other banks	28,583,919	5,853,488	-	-	-	-	-	34,437,407
Securities								
Fair value through profit or loss	1,860,205	38,373	-	-	-	21,132	422,778	2,342,488
Available for sale	58,116,259	4,559,034	332,249	714,192	25,599	309,657	2,034,370	66,091,360
Held to maturity	51,901,647	4,004,164	15,000	202,862	166,459	968,909	419,696	57,678,737
Export Bills	17,732	-	-	2,612,789	129,791	4,290	5,122,538	7,887,140
Government Recapitalization Bonds								
Available for sale	716,931	-	-	-	-	-	-	716,931
Held to maturity	3,100,000	-	-	-	-	-	-	3,100,000
Securities purchased under agreement to resell	451,606	671,883	-	-	-	-	-	1,123,489

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

2. Risk concentration analysis (continued)

b. Industrial sector (continued)

The following tables provide the details of credit exposure at carrying value, as categorized by the industrial sectors as of June 30, 2016, December 31, 2015, 2014 and 2013 (continued):

June 30, 2016								
	Government (Including BI)	Banks and other financial institutions	Agriculture	Industry	Trading, hotels and restaurant	Services	Others	Total
Assets (continued)								
Loans								
Micro	-	-	30,826,091	6,362,433	98,348,011	10,297,990	67,769,866	213,604,391
Retail	211,997	1,287,182	6,884,451	8,665,714	89,246,163	7,999,348	106,734,594	221,029,449
Corporate	599,548	4,420,415	30,983,623	38,045,335	23,456,700	4,939,746	60,665,621	163,110,988
Sharia receivables and financing	1,750,002	406,976	2,487,550	4,708,244	786,495	7,692,055	-	17,831,322
Acceptances receivable	533,772	76,850	-	89,866	3,189	-	3,726,609	4,430,286
Investment in associated entities*)	-	1,034	-	-	-	975	430	2,439
Other assets**)	1,509,207	308,520	9,595	-	-	1,032,990	1,425,272	4,285,584
Total	197,459,108	34,209,402	71,538,559	61,401,435	212,162,407	33,267,092	248,321,774	858,359,777
Less: Allowance for impairment losses								(21,207,437)
Net								837,152,340
Administrative Accounts								
Irrevocable L/C	5,801,074	-	5,896	296,033	2,455	59	4,202,780	10,308,297
Guarantees issued	3,627,967	2,155,452	201,671	437,234	676,146	15,685,283	3,599	22,787,352
Total	9,429,041	2,155,452	207,567	733,267	678,601	15,685,342	4,206,379	33,095,649
December 31, 2015								
	Government (Including BI)	Banks and others financial institutions	Agriculture	Industry	Trading, hotels and restaurant	Services	Others	Total
Assets								
Current accounts with Bank Indonesia	61,717,798	-	-	-	-	-	-	61,717,798
Current accounts with other banks	-	8,736,092	-	-	-	-	-	8,736,092
Placements with Bank Indonesia and other banks	38,038,959	11,795,705	-	-	-	-	-	49,834,664
Securities								
Fair value through profit or loss	565,699	188,937	-	9,444	-	-	165,254	929,334
Available for sale	56,518,415	2,030,702	-	1,619,463	-	516,325	17,145	60,702,050
Held to maturity	57,886,878	3,988,423	10,000	997,558	-	377,050	-	63,259,909
Export bills	116,686	-	-	1,797,849	94,790	48,583	5,222,975	7,280,883
Government Recapitalization Bonds								
Available for sale	715,958	-	-	-	-	-	-	715,958
Held to maturity	3,100,000	-	-	-	-	-	-	3,100,000
Securities purchased under agreement to resell	-	845,125	-	-	-	-	-	845,125
Derivatives receivable								
Loans								
Micro	-	-	27,236,588	5,066,709	82,528,608	9,127,647	64,468,627	188,428,179
Retail	223,847	7,528,847	6,348,634	13,092,616	84,235,167	7,475,127	100,881,534	219,785,772
Corporate	566,348	4,736,620	25,550,319	35,538,946	31,631,533	4,750,270	53,492,551	156,266,587
Sharia receivables and financing	-	1,514,472	406,476	2,215,274	3,851,048	776,526	7,850,210	16,614,006
Acceptances receivable	689,791	24,800	-	147,837	2,287	-	4,298,756	5,163,471
Investment in associated entities*)	-	1,034	-	-	-	4,775	430	6,239
Other Assets**)	1,498,276	539,016	-	-	-	825,084	1,134,461	3,996,837
Total	221,638,655	41,929,773	59,552,017	60,485,696	202,343,433	23,901,387	237,531,943	847,382,904
Less: Allowance for impairment losses								(17,532,181)
Net								829,850,723

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

2. Risk concentration analysis (continued)

b. Industrial sector (continued)

The following tables provide the details of credit exposure at carrying value, as categorized by the industrial sectors as of June 30, 2016, December 31, 2015, 2014 and 2013 (continued):

	December 31, 2015							
	Government (Including BI)	Banks and others financial institutions	Agriculture	Industry	Trading, hotels and restaurant	Services	Others	Total
Administrative Accounts								
Irrevocable L/C	8,821,206	-	5,896	320,474	4,984	-	6,254,231	15,406,791
Guarantees issued	13,007,541	6,985	496,504	1,787,858	237,736	113,515	8,018,769	23,668,908
Total	21,828,747	6,985	502,400	2,108,332	242,720	113,515	14,273,000	39,075,699
	December 31, 2014							
	Government (Including BI)	Banks and other financial institutions	Agriculture	Industry	Trading, hotels and restaurant	Services	Others	Total
Assets								
Current accounts with Bank Indonesia	51,184,429	-	-	-	-	-	-	51,184,429
Current accounts with other banks	-	10,580,440	-	-	-	-	-	10,580,440
Placements with Bank Indonesia and other banks	50,574,143	11,461,299	-	-	-	-	-	62,035,442
Securities								
Fair value through profit or loss	116,782	11,560	-	-	-	-	-	128,342
Available for sale	37,801,200	1,419,146	-	659,845	80,696	25,615	15,822	40,002,324
Held to maturity	40,592,955	2,882,651	65,000	448,083	-	49,105	-	44,037,794
Export bills	-	-	-	3,824,415	92,907	43,719	6,566,944	10,527,985
Government Recapitalization Bonds								
Available for sale	703,596	-	-	-	-	-	-	703,596
Held to maturity	3,600,000	-	-	-	-	-	-	3,600,000
Securities purchased under agreement to resell	38,021,042	982,553	-	-	-	-	-	39,003,595
Derivatives receivable	-	536	-	-	-	-	-	536
Loans								
Micro	-	-	22,998,975	3,545,121	69,567,265	8,342,804	59,600,015	164,054,180
Retail	302,361	6,855,543	5,922,165	13,692,485	73,087,652	7,270,520	92,697,864	199,828,590
Corporate	814,326	5,297,634	20,259,181	40,491,722	18,909,015	4,021,290	41,421,350	131,214,518
Sharia receivables and financing	-	-	211,166	1,061,768	2,266,517	1,954,226	10,105,876	15,599,553
Acceptances receivable	585,014	22,419	-	111,881	2,339	154,813	5,649,222	6,525,688
Investment in associated entities*)	-	834	-	-	-	900	210	1,944
Other Assets**)	768,901	83,533	-	-	50,392	321,110	1,194,642	2,418,578
Total	225,064,749	39,598,148	49,456,487	63,835,320	164,056,783	22,184,102	217,251,945	781,447,534
Less: Allowance for Impairment losses								(16,162,795)
								765,284,739
Administrative Accounts								
Irrevocable L/C	4,326,691	-	26,828	313,890	12,613	1,263	4,528,254	9,209,539
Guarantees issued	10,662,498	69	-	1,025,413	270,588	114,634	6,780,623	18,853,825
Total	14,989,189	69	26,828	1,339,303	283,201	115,897	11,308,877	28,063,364

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

2. Risk concentration analysis (continued)

b. Industrial sector (continued)

The following tables provide the details of credit exposure at carrying value, as categorized by the industrial sectors as of June 30, 2016, December 31, 2015, 2014 and 2013 (continued):

	December 31, 2013							
	Government (including BI)	Banks and other financial institutions	Agriculture	Industry	Trading, hotels and restaurant	Services	Others	Total
Assets								
Current accounts with Bank Indonesia	40,718,495	-	-	-	-	-	-	40,718,495
Current accounts with other banks	-	9,435,197	-	-	-	-	-	9,435,197
Placements with Bank Indonesia and other banks	31,957,329	4,349,554	-	-	-	-	-	36,306,883
Securities								
Fair value through profit or loss	197,028	701,483	-	-	-	-	-	898,511
Available for sale	14,262,387	461,029	-	248,524	12,048	25,310	364,760	15,374,058
Held to maturity	21,653,086	4,456,782	50,000	50,000	150,000	42,000	-	26,401,868
Export Bills	10,266	-	-	2,664,128	40,856	32,965	6,177,857	8,926,072
Government Recapitalization Bonds								
Fair value through profit or loss	199,314	-	-	-	-	-	-	199,314
Available for sale	712,105	-	-	-	-	-	-	712,105
Held to maturity	3,600,000	-	-	-	-	-	-	3,600,000
Securities purchased under agreement to resell	14,440,063	-	-	-	-	-	-	14,440,063
Derivatives receivable	-	4,981	-	-	-	-	-	4,981
Loans								
Micro	-	-	18,962,693	2,684,186	58,893,221	6,554,528	55,172,114	142,266,742
Retail	-	6,773,316	3,936,283	13,693,620	65,489,885	6,561,863	85,399,371	181,854,338
Corporate	3,541,631	4,371,588	16,625,502	31,961,494	18,601,806	4,407,974	30,685,391	110,195,386
Sharia receivables and financing	6,739	79,173	129,504	311,405	49,542	5,467,247	7,984,780	14,028,390
Acceptances receivable	1,417,558	-	-	11,241	-	-	2,250,885	3,679,684
Investment in associated entities*)	-	834	-	-	-	900	210	1,944
Other assets**)	764,030	90,272	-	-	-	42,177	264,055	1,160,534
Total	133,480,031	30,724,209	39,703,982	51,624,598	143,237,358	23,134,964	188,299,423	610,204,565
Less: Allowance for impairment losses								(15,418,945)
Net								594,785,620
Administrative Accounts								
Irrevocable L/C	5,856,008	-	-	575,179	33,095	810	12,161,378	18,626,470
Guarantees issued	7,194,127	1,689	-	960,675	169,827	109,416	7,456,447	15,892,181
Total	13,050,135	1,689	-	1,535,854	202,922	110,226	19,617,825	34,518,651

*) Investment in associated entities with no significant influence.

***) Other assets consist of interest receivables, other receivables, and accrued income based on Sharia principles.

3. Impairment of financial assets as of June 30, 2016, December 31, 2015, 2014 and 2013

a. Current accounts with other banks

As of June 30, 2016, December 31, 2015, 2014 and 2013, this financial asset are individually and collectively impaired amounted to RpNil, RpNil, RpNil and Rp77.

b. Placements with Bank Indonesia and other banks

As of June 30, 2016, December 31, 2015, 2014 and 2013, this financial asset is neither individually nor collectively impaired.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

3. Impairment of financial assets as of June 30, 2016, December 31, 2015, 2014 and 2013 (continued)

c. Securities

As of June 30, 2016, December 31, 2015, 2014 and 2013, this financial assets are individually and collectively impaired, with the following details:

	June 30, 2016	December 31		
		2015	2014	2013
Rupiah				
Government bonds	58,743,481	59,973,238	32,583,049	18,126,855
Certificate of Bank Indonesia	5,401,834	6,455,944	9,893,850	8,027,875
Deposits Certificates of Bank Indonesia	6,296,598	6,605,070	23,096,729	3,717,868
Bonds	7,878,012	6,450,504	2,574,105	1,986,229
Mutual funds	1,028,904	1,695,696	227,517	338,464
Bank Indonesia Sharia Certificates	1,400,000	1,350,000	1,605,645	1,050,000
Negotiable Certificate of Deposits (NCD)	289,684	351,576	236,648	-
Medium-Term Notes	546,822	670,606	164,202	50,000
Subordinated bonds	961,268	658,742	40,000	40,000
Others	329,578	313,668	-	-
	82,876,181	84,525,044	70,421,745	33,337,291
Foreign Currencies				
Government bonds	35,369,270	34,449,138	11,692,361	4,418,069
Certificate of Bank Indonesia	4,568,884	2,053,706	-	-
Bonds	3,171,914	3,129,516	1,320,878	621,084
Monetary Authority of Singapore (MAS) Bills	97,932	-	-	-
Promissory Notes	26,425	27,570	49,540	85,190
Mutual funds	1,979	1,949	37,456	-
Credit Linked Notes	-	704,370	646,480	4,212,803
	43,236,404	40,366,249	13,746,715	9,337,146
Total	126,112,585	124,891,293	84,168,460	42,674,437
Less: Allowance for impairment loss	(42,798)	(17,746)	-	(772)
Net	126,069,787	124,873,547	84,168,460	42,673,665

As of June 30, 2016, December 31, 2015, 2014 and 2013, this financial asset is neither individually nor collectively impaired, except for securities in subsidiary, BJS, amounted to Rp31,263 on Government bonds, bonds and stocks deposited on PT Andalan Artha Advisindo Sekuritas (AAA) in PT Bank DBS Indonesia Custody, which has been sold without any notification to BJS. Moreover, as of June 30, 2016 there are Medium-Term Notes securities owned by BRI amounted to Rp175,000 with "Special Mention" collectibility, and owned by BRI Agro (subsidiary) amounted to Rp15,000 with "Loss" collectibility.

d. Export bills

As of June 30, 2016, December 31, 2015, 2014 and 2013, this financial asset is neither individually nor collectively impaired.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

3. Impairment of financial assets as of June 30, 2016, December 31, 2015, 2014 and 2013 (continued)

e. Derivatives receivable

As of June 30, 2016, December 31, 2015, 2014 and 2013, this financial asset is neither individually nor collectively impaired.

f. Loans, sharia receivables and financing

As of June 30, 2016, December 31, 2015, 2014 and 2013, these financial assets are individually and collectively impaired, with the following details:

	June 30, 2016				
	Neither Past Due Nor Impaired		Past Due But Not Impaired	Impaired	Total
	High Grade	Standard Grade			
Rupiah					
Trading, hotels and restaurant	183,751,074	4,659,825	16,135,364	9,456,404	214,002,667
Agriculture	57,002,409	740,551	2,823,290	4,199,088	64,765,338
Manufacturing	25,359,489	663,274	1,079,483	4,505,056	31,607,302
Business services	23,807,209	2,196,625	1,822,416	1,266,192	29,092,442
Electricity, gas and water	22,373,151	5,741	30,755	41,588	22,451,235
Construction	14,703,480	121,795	434,787	2,389,484	17,649,546
Transportation, warehousing and communications	14,436,381	240,096	936,929	1,242,694	16,856,100
Social services	5,028,856	56,361	467,380	166,760	5,719,357
Mining	1,541,029	55,841	80,464	1,300,093	2,977,427
Others	153,353,839	284,402	6,155,223	2,108,209	161,901,673
	<u>501,356,917</u>	<u>9,024,511</u>	<u>29,966,091</u>	<u>26,675,568</u>	<u>567,023,087</u>
Foreign Currencies					
Manufacturing	19,721,596	-	137	4,827,986	24,549,719
Mining	2,892,887	-	575,795	266,507	3,735,189
Electricity, gas and water	3,597,106	-	-	683,632	4,280,738
Social services	3,781,566	-	-	-	3,781,566
Trading, hotels and restaurant	1,093,724	109,733	18,429	749,405	1,971,291
Agriculture	5,265,981	-	-	36,617	5,302,598
Transportation, warehousing and communications	1,242,897	-	1,349	406,743	1,650,989
Business services	1,071,625	1,321	1,675	438,190	1,512,811
Construction	423,405	-	2,849	1,276,591	1,702,845
Others	65,317	-	-	-	65,317
	<u>39,156,104</u>	<u>111,054</u>	<u>600,234</u>	<u>8,685,671</u>	<u>48,553,063</u>
Total	<u>540,513,021</u>	<u>9,135,565</u>	<u>30,566,325</u>	<u>35,361,239</u>	<u>615,576,150</u>
Less: Allowance for Impairment losses					(21,164,639)
Net					<u>594,411,511</u>

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

3. Impairment of financial assets as of June 30, 2016, December 31, 2015, 2014 and 2013 (continued)

f. Loans, sharia receivables and financing (continued)

	December 31, 2015				
	Neither Past Due Nor Impaired		Past Due But Not Impaired	Impaired	Total
	High Grade	Standard Grade			
<u>Rupiah</u>					
Trading, hotels and restaurant	170,016,954	4,314,374	11,886,035	8,542,802	194,760,165
Agriculture	50,399,746	552,168	2,325,041	2,819,914	56,096,869
Manufacturing	23,364,714	315,780	934,009	3,354,577	27,969,080
Business services	23,171,307	2,168,438	1,568,890	1,175,284	28,083,919
Electricity, gas and water	17,146,799	4,807	23,946	43,016	17,218,568
Construction	13,307,573	91,289	412,523	1,660,517	15,471,902
Transportation, warehousing and communications	13,069,289	272,180	583,984	1,293,624	15,219,077
Social services	10,409,020	52,621	329,458	130,773	10,921,872
Mining	1,485,521	40,966	54,310	1,331,294	2,912,091
Others	146,759,624	257,856	5,358,181	1,753,233	154,128,894
	<u>469,130,547</u>	<u>8,070,479</u>	<u>23,476,377</u>	<u>22,105,034</u>	<u>522,782,437</u>
<u>Foreign Currencies</u>					
Manufacturing	27,506,318	475,141	57,448	475,441	28,514,348
Mining	3,839,173	-	3,064	512,456	4,354,693
Electricity, gas and water	3,535,243	-	-	733,429	4,268,672
Social services	4,117,541	-	-	-	4,117,541
Trading, hotels and restaurant	7,267,894	92,667	252	781,927	8,142,740
Agriculture	3,650,553	-	-	41,847	3,692,400
Transportation, warehousing and communications	1,068,175	-	1,415	421,640	1,491,230
Business services	1,015,047	1,378	486	548,135	1,565,046
Construction	580,488	-	-	1,378,473	1,958,961
Others	206,476	-	-	-	206,476
	<u>52,786,908</u>	<u>569,186</u>	<u>62,665</u>	<u>4,893,348</u>	<u>58,312,107</u>
Total	<u>521,917,455</u>	<u>8,639,665</u>	<u>23,539,042</u>	<u>26,998,382</u>	<u>581,094,544</u>
Less: Allowance for Impairment losses					(17,514,435)
Net					<u>563,580,109</u>

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

3. Impairment of financial assets as of June 30, 2016, December 31, 2015, 2014 and 2013 (continued)

f. Loans, sharia receivables and financing (continued)

	December 31, 2014				
	Neither Past Due Nor Impaired		Past Due But Not Impaired	Impaired	Total
	High Grade	Standard Grade			
<u>Rupiah</u>					
Trading, hotels and restaurant	139,852,800	2,398,156	12,091,700	6,437,462	160,780,118
Agriculture	42,398,650	291,523	2,038,719	2,690,335	47,419,227
Business services	18,425,307	3,925,242	1,418,855	1,110,656	24,880,060
Manufacturing	19,643,136	1,044,229	1,663,945	2,034,095	24,385,405
Electricity, gas and water	12,682,456	4,030	46,160	43,236	12,775,882
Transportation, warehousing and communications	12,354,142	41,598	436,718	425,011	13,257,469
Construction	10,833,766	31,012	361,522	1,368,515	12,594,815
Social services	16,878,728	226,047	555,125	479,400	18,139,300
Mining	1,430,563	21,422	1,278,390	68,365	2,798,740
Others	131,701,650	57,286	5,651,918	1,256,551	138,667,405
	<u>406,201,198</u>	<u>8,040,545</u>	<u>25,543,052</u>	<u>15,913,626</u>	<u>455,698,421</u>
<u>Foreign Currencies</u>					
Manufacturing	34,102,883	4,629	84,593	749,683	34,941,788
Social services	3,514,536	-	-	-	3,514,536
Trading, hotels and restaurant	3,140,295	85,060	590	457,949	3,683,894
Electricity, gas and water	2,478,847	-	97,465	-	2,576,312
Mining	2,484,509	-	4,591	287,229	2,776,329
Agriculture	2,266,204	-	-	37,756	2,303,960
Business services	1,112,217	-	28,660	467,186	1,608,063
Construction	853,538	-	1,075	911,894	1,766,507
Transportation, warehousing and communications	756,201	3,475	-	967,805	1,727,481
Others	99,550	-	-	-	99,550
	<u>50,808,780</u>	<u>93,164</u>	<u>216,974</u>	<u>3,879,502</u>	<u>54,998,420</u>
Total	<u>457,009,978</u>	<u>8,133,709</u>	<u>25,760,026</u>	<u>19,793,128</u>	<u>510,696,841</u>
Less: Allowance for Impairment losses					(16,162,795)
Net					<u>494,534,046</u>

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

3. Impairment of financial assets as of June 30, 2016, December 31, 2015, 2014 and 2013 (continued)

f. Loans, sharia receivables and financing (continued)

	December 31, 2013				
	Neither Past Due Nor Impaired		Past Due But Not Impaired	Impaired	Total
	High Grade	Standard Grade			
Rupiah					
Trading, hotels and restaurant	122,782,974	215,206	10,670,167	4,629,957	138,298,304
Agriculture	34,633,345	3,482	1,350,181	788,266	36,775,274
Business services	20,169,721	3,625,324	1,274,688	940,567	26,010,300
Manufacturing	18,340,606	1,291,838	651,361	771,092	21,054,897
Social services	11,986,164	646	253,642	194,599	12,435,051
Transportation, warehousing and communications	10,673,187	2,555	351,335	299,492	11,326,569
Electricity, gas and water	10,564,096	-	13,471	26,207	10,603,774
Construction	8,324,731	-	390,665	1,317,825	10,033,221
Mining	2,065,572	1,800	362,284	41,451	2,471,107
Others	124,568,589	1,267	5,146,468	1,352,576	131,068,900
	<u>364,108,985</u>	<u>5,142,118</u>	<u>20,464,262</u>	<u>10,362,032</u>	<u>400,077,397</u>
Foreign Currencies					
Manufacturing	27,227,762	413,841	-	658,383	28,299,986
Trading, hotels and restaurant	4,190,159	100,737	220,878	865,594	5,377,368
Social services	3,286,158	-	-	-	3,286,158
Agriculture	2,853,568	-	-	37,018	2,890,586
Mining	2,820,276	-	215,260	5,475	3,041,011
Electricity, gas and water	1,539,950	-	-	-	1,539,950
Business services	995,281	-	17,148	427,673	1,440,102
Construction	959,459	-	92	178,738	1,138,289
Transportation, warehousing and communications	179,769	-	1,262	954,972	1,136,003
Others	118,006	-	-	-	118,006
	<u>44,170,388</u>	<u>514,578</u>	<u>454,640</u>	<u>3,127,853</u>	<u>48,267,459</u>
Total	<u>408,279,373</u>	<u>5,656,696</u>	<u>20,918,902</u>	<u>13,489,885</u>	<u>448,344,856</u>
Less: Allowance for Impairment losses					(15,418,096)
Net					<u>432,926,760</u>

g. Acceptances receivable

As of June 30, 2016, December 31, 2015, 2014 and 2013, this financial asset is neither individually nor collectively impaired.

h. Other Assets

As of June 30, 2016, December 31, 2015, 2014 and 2013, this financial asset is neither individually nor collectively impaired.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

3. Impairment of financial assets as of June 30, 2016, December 31, 2015, 2014 and 2013 (continued)

i. Administrative accounts

As of June 30, 2016, December 31, 2015, 2014 and 2013, the administrative accounts are impaired with the following details:

	June 30, 2016	December 31		
		2015	2014	2013
Rupiah				
Guarantees issued	9,043,076	7,910,144	5,903,240	5,770,703
Irrevocable L/C	1,442,071	1,730,270	504,792	662,800
	10,485,147	9,640,414	6,408,032	6,433,503
Foreign Currencies				
Irrevocable L/C	8,866,226	13,676,521	8,704,747	17,963,670
Guarantees issued	13,744,276	15,758,764	12,950,585	10,121,478
	22,610,502	29,435,285	21,655,332	28,085,148
	33,095,649	39,075,699	28,063,364	34,518,651
Less: Allowance for Impairment losses	(1,325)	(1,242)	(398)	(223)
Net	33,094,324	39,074,457	28,062,966	34,518,428

4. Quality of financial assets

The following tables show the quality of financial assets by class for all financial assets with credit risk, amounts presented at gross.

	June 30, 2016				
	Neither Past Due Nor Impaired		Past Due But Not Impaired	Impaired	Total
	High Grade	Standard Grade			
Assets					
Current accounts with Bank Indonesia	48,106,283	-	-	-	48,106,283
Current accounts with other banks	12,581,483	-	-	-	12,581,483
Placements with Bank Indonesia and other banks	34,437,407	-	-	-	34,437,407
Securities					
Fair value through profit or loss	2,342,488	-	-	-	2,342,488
Available for sale	64,011,690	1,904,670	-	175,000	66,091,360
Held to maturity	56,925,895	737,842	-	15,000	57,678,737
Export bills	7,887,140	-	-	-	7,887,140
Government Recapitalization Bonds					
Available for sale	716,931	-	-	-	716,931
Held to maturity	3,100,000	-	-	-	3,100,000
Securities purchased under agreement to resell	1,123,489	-	-	-	1,123,489
Loans					
Micro	194,745,959	1,421,835	13,966,931	3,469,665	213,604,390
Retail	193,387,731	4,638,455	14,355,902	8,647,362	221,029,450
Corporate	138,217,908	1,699,171	774,852	22,419,057	163,110,988
Sharia receivables and financing	14,161,423	1,376,104	1,468,640	825,155	17,831,322
Acceptances receivable	4,430,286	-	-	-	4,430,286
Investment in associated entities*)	2,439	-	-	-	2,439
Other Assets**)	4,018,625	266,906	46	7	4,285,584
Total	780,197,177	12,044,983	30,566,371	35,551,246	858,359,777

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

4. Quality of financial assets (continued)

The following tables show the quality of financial assets by class for all financial assets with credit risk, amounts presented at gross (continued).

	December 31, 2015				
	Neither Past Due Nor Impaired		Past Due But Not Impaired	Impaired	Total
	High Grade	Standard Grade			
Assets					
Current accounts with Bank Indonesia	61,717,798	-	-	-	61,717,798
Current accounts with other banks	8,736,092	-	-	-	8,736,092
Placements with Bank Indonesia and other banks	49,834,664	-	-	-	49,834,664
Securities					
Fair value through profit or loss	929,334	-	-	-	929,334
Available for sale	58,961,827	1,740,223	-	-	60,702,050
Held to maturity	62,488,275	771,634	-	-	63,259,909
Export bills	7,280,883	-	-	-	7,280,883
Government Recapitalization Bonds					
Available for sale	715,958	-	-	-	715,958
Held to maturity	3,100,000	-	-	-	3,100,000
Securities purchased under agreement to resell	845,125	-	-	-	845,125
Loans					
Micro	173,223,644	1,418,419	11,377,609	2,408,507	188,428,179
Retail	197,424,678	4,157,337	10,543,131	7,660,626	219,785,772
Corporate	137,410,864	2,672,989	56,903	16,125,831	156,266,587
Sharia receivables and financing	13,858,269	390,920	1,561,399	803,418	16,614,006
Acceptances receivable	5,163,471	-	-	-	5,163,471
Investment in associated entities*)	6,239	-	-	-	6,239
Other Assets**)	3,996,564	273	-	-	3,996,837
	785,693,685	11,151,795	23,539,042	26,998,382	847,382,904

	December 31, 2014				
	Neither Past Due Nor Impaired		Past Due But Not Impaired	Impaired	Total
	High Grade	Standard Grade			
Assets					
Current accounts with Bank Indonesia	51,184,429	-	-	-	51,184,429
Current accounts with other banks	10,580,440	-	-	-	10,580,440
Placements with Bank Indonesia and other banks	62,035,442	-	-	-	62,035,442
Securities					
Fair value through profit or loss	128,342	-	-	-	128,342
Available for sale	39,499,298	503,026	-	-	40,002,324
Held to maturity	43,793,575	244,219	-	-	44,037,794
Export bills	10,527,985	-	-	-	10,527,985
Government Recapitalization Bonds					
Available for sale	703,596	-	-	-	703,596
Held to maturity	3,600,000	-	-	-	3,600,000
Securities purchased under agreement to resell	39,003,595	-	-	-	39,003,595
Derivatives receivable	536	-	-	-	536
Loans					
Micro	149,193,726	802,636	11,862,505	2,195,313	164,054,180
Retail	180,065,494	2,334,720	10,888,840	6,539,536	199,828,590
Corporate	113,608,695	4,772,788	2,490,222	10,342,813	131,214,518
Sharia receivables and financing	14,142,063	223,565	518,459	715,466	15,599,553
Acceptances receivable	6,503,269	22,419	-	-	6,525,688
Investment in associated entities*)	1,944	-	-	-	1,944
Other Assets**)	2,416,531	2,047	-	-	2,418,578
	726,988,960	8,905,420	25,760,026	19,793,128	781,447,534

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

4. Quality of financial assets (continued)

The following tables show the quality of financial assets by class for all financial assets with credit risk, amounts presented at gross (continued).

	December 31, 2013				
	Neither Past Due Nor Impaired		Past Due But Not Impaired	Impaired	Total
	High Grade	Standard Grade			
Assets					
Current accounts with Bank Indonesia	40,718,495	-	-	-	40,718,495
Current accounts with other banks	9,435,197	-	-	-	9,435,197
Placements with Bank Indonesia and other banks	36,306,883	-	-	-	36,306,883
Securities					
Fair value through profit or loss	898,511	-	-	-	898,511
Available for sale	15,232,460	141,598	-	-	15,374,058
Held to maturity	26,294,491	107,377	-	-	26,401,868
Export bills	8,926,072	-	-	-	8,926,072
Government Recapitalization Bonds					
Fair value through profit or loss	199,314	-	-	-	199,314
Available for sale	712,105	-	-	-	712,105
Held to maturity	3,600,000	-	-	-	3,600,000
Securities purchased under agreement to resell	14,440,063	-	-	-	14,440,063
Derivatives receivable	4,981	-	-	-	4,981
Loans					
Micro	131,203,167	-	9,350,206	1,713,369	142,266,742
Retail	165,838,852	25,647	10,297,146	5,692,693	181,854,338
Corporate	98,149,920	5,608,577	916,964	5,519,925	110,195,386
Sharia receivables and financing	13,087,434	22,472	354,586	563,898	14,028,390
Acceptances receivable	3,679,684	-	-	-	3,679,684
Investment in associated entities*)	1,944	-	-	-	1,944
Other Assets**)	1,160,534	-	-	-	1,160,534
Total	569,890,107	5,905,671	20,918,902	13,489,885	610,204,565

*) Investment in associated entities with no significant influence.

***) Other assets consist of interest receivables, other receivables, and unearned income based on Sharia principles.

Credit quality defined as follows:

1. High Grade

- a) Current accounts with Bank Indonesia, current accounts with other banks, placements with Bank Indonesia and other banks are current accounts or placements with the sovereign and transacted with banks listed in the stock exchange.
- b) Loans and Sharia receivables/financing, are third party receivables that are neither past due nor impaired, and has never been restructured.
- c) Export bills and acceptances receivable, are third party receivables that are not past due, and have strong financial capacity to repay all of obligations in a timely manner.
- d) Securities and Government bonds are sovereign securities, investment grade securities and bonds with a rating of at least idA- (Pefindo), A- (Fitch), A- (Standard & Poor's), or A3 (Moody's).
- e) Investment in associated entities, are investment to entity listed in stock exchange and have an overall good performance level.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

4. Quality of financial assets (continued)

Credit quality defined as follows (continued):

2. Standard Grade

- a) Current accounts with other banks, placements with Bank Indonesia and other banks are current accounts or placements with banks not listed in the stock exchange.
- b) Loans and Sharia receivables/financing, are third party receivables that are neither past due nor impaired, but has been restructured.
- c) Export bills and acceptances receivable, are third party receivables that are not past due, and have adequate financial capacity to repay all of the obligation in timely manner.
- d) Securities and Government bonds are sovereign securities, investment grade securities and bonds with a rating between idBBB+ to idBBB- (Pefindo), BBB+ to BBB- (Fitch), BBB+ to BBB- (Standard & Poor's) or Baa1 to Baa3 (Moody's).
- e) Investment in associated entities, are investment to entity not listed in stock exchange and have an overall good performance level.

5. In accordance with SFAS No. 60, financial asset that is past due is determined when the debtor fails to pay as scheduled. The following tables show the aging analysis of loans, sharia receivables and financing which are past due but not impaired.

	June 30, 2016			
	≤ 30 days	> 30 – 60 days	> 60 – 90 days	Total
Loans				
Micro	436,972	62,789	13,467,170	13,966,931
Retail	1,279,884	312,705	12,763,313	14,355,902
Corporate	-	-	774,852	774,852
Sharia receivables and financing	1,103,408	208,187	157,045	1,468,640
Total	2,820,264	583,681	27,162,380	30,566,325

	December 31, 2015			
	≤ 30 days	> 30 – 60 days	> 60 – 90 days	Total
Loans				
Micro	329,997	67,979	10,979,633	11,377,609
Retail	785,809	224,322	9,533,000	10,543,131
Corporate	-	-	56,903	56,903
Sharia receivables and financing	1,265,187	194,117	102,095	1,561,399
Total	2,380,993	486,418	20,671,631	23,539,042

	December 31, 2014			
	≤ 30 days	> 30 – 60 days	> 60 – 90 days	Total
Loans				
Micro	370,717	60,836	11,430,952	11,862,505
Retail	1,118,598	278,506	9,491,736	10,888,840
Corporate	929,233	-	1,560,989	2,490,222
Sharia receivables and financing	347,545	108,084	62,830	518,459
Total	2,766,093	447,426	22,546,507	25,760,026

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Credit Risk Management (continued)

5. In accordance with SFAS No. 60, financial asset that is past due is determined when the debtor fails to pay as scheduled. The following tables show the aging analysis of loans, sharia receivables and financing which are past due but not impaired (continued).

	December 31, 2013			Total
	≤ 30 days	> 30 – 60 days	> 60 – 90 days	
Loans				
Micro	300,557	47,635	9,002,014	9,350,206
Retail	918,767	270,709	9,107,670	10,297,146
Corporate	152,059	36,573	728,332	916,964
Sharia receivables and financing	234,651	74,944	44,991	354,586
Total	1,606,034	429,861	18,883,007	20,918,902

Liquidity Risk Management

BRI manages liquidity risk as an effort to meet every financial liability that has been agreed upon in a timely manner and in order to maintain adequate and optimal liquidity level. The Implementation of liquidity risk management in BRI is based on Financial Services Authority Regulation No. 18/POJK.03/2016 dated March 22, 2016, regarding Implementation of Risk Management for Commercial Banks that includes active control from Board of Commissioners and Directors, adequacy of identification process, measurement, monitoring and control using the liquidity risk management information system, adequate policies and procedures on limits and liquidity, and comprehensive internal control system.

In order to support liquidity management, BRI has determined liquidity risk management policy which covers liquidity management, funding strategy determination, early warning system, measurement and determination of liquidity risk limit, emergency funding plan (contingency plan), risk management information system also long and short term liquidity risk management guidelines.

The purpose of this policy is to ensure daily fund adequacy in meeting its obligations during normal or crisis condition in a timely manner from various available source of fund, including ensuring the availability of high quality liquid asset.

BRI also simulating stress testing on a quarterly basis which submitted to the Board of Commissioners and Directors through Risk Management Committee (RMC). The purpose of stress testing is to measure the resistance or ability to meet liquidity and capital adequacy during crisis (stress). Moreover, stress test also used as reference for developing or improving emergency funding plan (contingency plan) and liquidity risk limit.

Financial Asset and Liability Analysis According to Contractual Maturity

Future potential liquidity risk encountered by BRI is measured through Liquidity Gap Analysis, which is the projection of the excess or shortage of liquidity based on the maturity of assets and liabilities, after taking into account the business expansion needs. This information is also used as a consideration in planning and managing liquidity, including business expansion need. With the implementation of effective liquidity risk management, it is expected that liquidity risk can be minimized as well as enhancing the overall banking system stability.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Liquidity Risk Management (continued)

Financial Asset and Liability Analysis According to Contractual Maturity (continued)

The tables below represent information about the mapping of financial assets and liabilities within a certain time scale (maturity buckets) based on their remaining maturity as of June 30, 2016, December 31, 2015, 2014 and 2013:

Description	June 30, 2016					
	Total	Up to 1 month	More than 1 month up to 3 months	More than 3 months up to 1 year	More than 1 year	Others without maturity
Assets						
Cash	34,201,718	-	-	-	-	34,201,718
Current Account with Bank Indonesia	48,106,283	48,106,283	-	-	-	-
Current accounts with other banks	12,581,483	12,581,483	-	-	-	-
Placements with Bank Indonesia and other banks	34,437,407	33,985,566	449,841	2,000	-	-
Securities	126,112,585	68,890,134	2,288,072	9,455,079	45,479,300	-
Allowance for Impairment losses	(42,798)	-	-	-	-	(42,798)
Export bills Government	7,887,140	873,480	1,644,972	5,368,688	-	-
Recapitalization Bonds	3,816,931	716,931	-	500,000	2,600,000	-
Securities purchased under agreement to resell	1,123,489	1,123,489	-	-	-	-
Loans						
Micro	213,604,391	2,151,432	3,777,471	28,472,804	179,202,684	-
Retail	221,029,449	11,820,467	10,124,830	56,854,433	142,229,719	-
Corporate	163,110,988	7,101,915	7,074,544	40,811,873	108,122,656	-
Allowance for Impairment losses	(20,746,668)	-	-	-	-	(20,746,668)
Sharia receivables and financing	17,831,322	329,859	743,245	2,444,599	14,313,619	-
Allowance for Impairment losses	(417,971)	-	-	-	-	(417,971)
Acceptances receivable	4,430,286	406,540	1,485,964	2,530,573	7,209	-
Investment in associated entities*)	2,439	-	-	-	-	2,439
Other Assets**)	4,285,584	900,028	1,080,861	1,380,969	7,121	916,605
	871,354,058	188,987,607	28,669,800	147,821,018	491,962,308	13,913,325
Liabilities						
Liabilities due immediately	6,064,171	6,064,171	-	-	-	-
Deposits from customers						
Demand deposits	109,759,588	109,759,588	-	-	-	-
Wadiah demand deposits	1,486,185	1,486,185	-	-	-	-
Saving deposits	264,448,054	264,448,054	-	-	-	-
Mudharabah saving deposits	797,721	797,721	-	-	-	-
Wadiah saving deposits	3,871,155	3,871,155	-	-	-	-
Time deposits	289,396,277	119,314,309	82,598,631	47,046,736	40,436,601	-
Mudharabah time deposits	13,980,306	10,654,422	3,134,257	87,434	101,394	2,799
Deposits from other banks and financial institutions	6,379,043	5,974,343	321,200	83,500	-	-
Securities sold under agreement to repurchase	9,498,253	1,762,871	-	4,625,478	3,109,904	-
Derivatives payable	382,022	102,305	-	-	-	279,717
Acceptances payable	4,430,286	406,540	1,485,964	2,530,573	7,209	-
Marketable securities issued	18,899,507	654,972	-	59,986	18,184,549	-
Fund borrowings	27,727,090	103,457	3,190,002	575,920	23,857,711	-
Subordinated loans	45,924	-	-	-	45,924	-
Other liabilities ****)	1,686,920	1,077,511	68,567	154,136	-	386,706
	758,852,502	526,477,604	90,798,621	55,163,763	85,743,292	669,222
Maturity gap	112,501,556	(337,489,997)	(62,128,821)	92,657,255	406,219,016	13,244,103

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Liquidity Risk Management (continued)

Financial Asset and Liability Analysis According to Contractual Maturity (continued)

The tables below represent information about the mapping of financial assets and liabilities within a certain time scale (maturity buckets) based on their remaining maturity as of June 30, 2016, December 31, 2015, 2014 and 2013 (continued):

December 31, 2015						
Description	Total	Up to 1 month	More than 1 month up to 3 months	More than 3 months up to 1 year	More than 1 year	Others without maturity
Assets						
Cash	28,771,635	-	-	-	-	28,771,635
Current Account with Bank Indonesia	61,717,798	61,717,798	-	-	-	-
Current accounts with other banks	8,736,092	8,736,092	-	-	-	-
Placements with Bank Indonesia and other banks	49,834,664	49,447,664	287,000	100,000	-	-
Securities	124,891,293	62,218,149	4,241,486	9,944,442	48,487,216	-
Allowance for Impairment losses	(17,746)	-	-	-	-	(17,746)
Export bills	7,280,883	1,627,825	3,154,850	2,498,208	-	-
Government Recapitalization Bonds	3,815,958	715,958	-	500,000	2,600,000	-
Securities purchased under agreement to resell	845,125	845,125	-	-	-	-
Loans						
Micro	188,428,179	1,746,206	3,523,167	25,379,918	157,778,888	-
Retail	219,785,772	10,447,025	14,669,266	55,370,616	139,298,865	-
Corporate	156,266,587	8,309,400	9,098,154	42,117,537	96,741,496	-
Allowance for Impairment losses	(17,162,183)	-	-	-	-	(17,162,183)
Sharia receivables and financing	16,614,006	487,921	679,788	2,109,564	13,336,733	-
Allowance for Impairment losses	(352,252)	-	-	-	-	(352,252)
Acceptances receivable	5,163,471	658,068	2,045,804	2,459,599	-	-
Investment in associated entities*)	6,239	-	-	-	-	6,239
Other Assets**)	3,996,837	783,684	740,011	1,489,303	612,473	371,366
	858,622,358	207,740,915	38,439,526	141,969,187	458,855,671	11,617,059
Liabilities						
Liabilities due immediately	5,138,562	5,138,562	-	-	-	-
Deposits from customers						
Demand deposits	113,429,343	113,429,343	-	-	-	-
Wadiah demand deposits	937,745	937,745	-	-	-	-
Saving deposits	268,058,865	268,058,865	-	-	-	-
Mudharabah saving deposits	696,198	696,198	-	-	-	-
Wadiah saving deposits	3,715,929	3,715,929	-	-	-	-
Time deposits	267,884,404	216,166,772	20,129,028	27,615,154	3,973,450	-
Mudharabah time deposits	14,272,895	10,338,321	3,683,236	249,345	1,993	-
Deposits from other Banks and financial Institutions	11,165,073	11,083,873	68,200	13,000	-	-
Securities sold under agreement to repurchase	11,377,958	445,244	3,686,816	3,422,816	3,823,082	-
Derivatives payable	445,753	27	-	429,710	16,016	-
Acceptances payable	5,163,471	658,068	2,049,754	2,307,890	147,759	-
Marketable securities issued	10,521,103	253,824	-	714,218	9,553,061	-
Fund borrowings	35,480,358	3,629,831	6,896,369	5,996	24,948,162	-
Subordinated loans	56,468	-	-	-	56,468	-
Other liabilities ***)	1,441,604	1,001,798	56,774	144,865	-	238,167
	749,785,729	635,554,400	36,570,177	34,902,994	42,519,991	238,167
Maturity gap	108,836,629	(427,813,485)	1,869,349	107,066,193	416,335,680	11,378,892

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Liquidity Risk Management (continued)

Financial Asset and Liability Analysis According to Contractual Maturity (continued)

The tables below represent information about the mapping of financial assets and liabilities within a certain time scale (maturity buckets) based on their remaining maturity as of June 30, 2016, December 31, 2015, 2014 and 2013 (continued):

December 31, 2014						
Description	Total	Up to 1 month	More than 1 month up to 3 months	More than 3 months up to 1 year	More than 1 year	Others without maturity
Assets						
Cash	22,469,167	-	-	-	-	22,469,167
Current Account with Bank Indonesia	51,184,429	51,184,429	-	-	-	-
Current accounts with other banks	10,580,440	10,580,440	-	-	-	-
Placements with Bank Indonesia and other banks	62,035,442	61,955,442	80,000	-	-	-
Securities	84,168,460	43,765,800	7,126,292	10,402,083	22,874,285	-
Export bills	10,527,985	1,278,395	3,160,826	6,088,764	-	-
Government Recapitalization Bonds	4,303,596	703,596	-	500,000	3,100,000	-
Securities purchased under agreement to resell	39,003,595	35,831,370	3,172,225	-	-	-
Derivatives receivable	536	536	-	-	-	-
Loans						
Micro	164,054,180	1,865,666	3,089,568	21,906,487	137,192,459	-
Retail	199,828,590	11,954,698	11,291,775	51,660,591	124,921,526	-
Corporate	131,214,518	22,915,199	18,092,524	13,675,145	76,531,650	-
Allowance for Impairment losses	(15,886,145)	-	-	-	-	(15,886,145)
Sharia receivables and financing	15,599,553	564,756	619,456	2,182,672	12,232,669	-
Allowance for Impairment losses	(276,650)	-	-	-	-	(276,650)
Acceptances receivable	6,525,688	856,552	2,558,367	3,110,769	-	-
Investment in associated entities*)	1,944	-	-	-	-	1,944
Other Assets**)	2,418,578	538,224	1,363,411	516,943	-	-
	787,753,906	243,995,103	50,554,444	110,043,454	376,852,589	6,308,316
Liabilities due						
immediately	7,043,772	7,043,772	-	-	-	-
Deposits from customers						
Demand deposits	89,430,267	89,430,267	-	-	-	-
Wadiah demand deposits	621,913	621,913	-	-	-	-
Saving deposits	232,722,519	232,722,519	-	-	-	-
Mudharabah saving deposits	373,816	373,816	-	-	-	-
Wadiah saving deposits	3,298,659	3,298,659	-	-	-	-
Time deposits	283,457,544	159,038,623	59,912,512	40,759,412	23,746,997	-
Mudharabah						
Time deposits	12,417,128	10,993,363	1,214,600	209,165	-	-
Deposits from other Banks and financial Institutions	8,655,392	8,578,878	53,940	22,574	-	-
Securities sold under agreement to repurchase	15,456,701	7,832,432	4,527,802	640,364	2,456,103	-
Derivatives payable	717,523	-	-	613,215	104,308	-
Acceptances payable	6,525,688	856,552	2,558,367	3,110,769	-	-
Marketable securities issued	8,257,990	-	162,897	1,062,493	7,032,600	-
Fund borrowings	24,986,862	6,799,539	8,321,588	5,208,380	4,657,355	-
Subordinated loans	77,582	-	-	-	77,582	-
Other liabilities ***)	1,187,672	1,004,774	99,066	83,832	-	-
	695,231,028	528,595,107	76,850,772	51,710,204	38,074,945	-
Maturity gap	92,522,878	(284,600,004)	(26,296,328)	58,333,250	338,777,644	6,308,316

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Liquidity Risk Management (continued)

Financial Asset and Liability Analysis According to Contractual Maturity (continued)

The tables below represent information about the mapping of financial assets and liabilities within a certain time scale (maturity buckets) based on their remaining maturity as of June 30, 2016, December 31, 2015, 2014 and 2013 (continued):

Description	Total	December 31, 2013				
		Up to 1 month	More than 1 month up to 3 months	More than 3 months up to 1 year	More than 1 year	Others without maturity
Assets						
Cash	19,171,778	-	-	-	-	19,171,778
Current Account with Bank Indonesia	40,718,495	40,718,495	-	-	-	-
Current accounts with other banks	9,435,197	9,435,197	-	-	-	-
Allowance for Impairment losses	(77)	-	-	-	-	(77)
Placements with Bank Indonesia and other banks	36,306,883	36,264,087	40,000	2,796	-	-
Securities	42,674,437	15,865,461	4,714,910	8,499,398	13,594,668	-
Allowance for impairment losses	(772)	-	-	-	-	(772)
Export bills	8,926,072	1,136,577	1,079,390	6,710,105	-	-
Government Recapitalization Bonds	4,511,419	911,419	-	-	3,600,000	-
Securities purchased under agreement to resell	14,440,063	14,440,063	-	-	-	-
Derivatives receivable	4,981	-	4,981	-	-	-
Loans						
Micro	142,266,742	1,408,628	2,415,817	18,491,165	119,951,132	-
Retail	181,854,338	9,533,300	16,308,914	48,101,129	107,910,995	-
Corporate	110,195,386	15,236,228	19,170,547	12,658,888	63,129,723	-
Allowance for Impairment losses	(15,171,736)	-	-	-	-	(15,171,736)
Sharia receivables and financing	14,028,390	688,838	582,437	1,809,569	10,947,546	-
Allowance for impairment losses	(246,360)	-	-	-	-	(246,360)
Acceptances receivable	3,679,684	1,227,198	1,111,872	1,340,614	-	-
Investment in associated entities*)	1,944	-	-	-	-	1,944
Other Assets**)	1,160,534	243,920	548,476	368,138	-	-
	613,957,398	147,109,411	45,977,344	97,981,802	319,134,064	3,754,777
Liabilities						
Liabilities due immediately	5,065,527	5,065,527	-	-	-	-
Deposits from customers						
Demand deposits	78,666,064	78,666,064	-	-	-	-
Wadiah demand deposits	670,887	670,887	-	-	-	-
Saving deposits	210,234,683	210,234,683	-	-	-	-
Wadiah saving deposits	2,480,554	2,480,554	-	-	-	-
Mudharabah saving deposits	281,388	281,388	-	-	-	-
Time deposits	201,585,766	125,107,421	29,369,138	28,524,375	18,584,832	-
Mudharabah time deposits	10,362,040	8,432,979	1,690,677	238,384	-	-
Deposits from other banks and financial institutions	3,691,220	3,467,913	47,651	175,656	-	-
Derivatives payable	1,565,102	6,212	35,706	1,523,184	-	-
Acceptances payable	3,679,684	1,227,198	1,111,872	1,340,614	-	-
Marketable securities issued	6,023,133	-	-	-	6,023,133	-
Fund borrowings	9,084,913	1,909,483	4,065,459	2,988,377	121,594	-

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Liquidity Risk Management (continued)

Financial Asset and Liability Analysis According to Contractual Maturity (continued)

The tables below represent information about the mapping of financial assets and liabilities within a certain time scale (maturity buckets) based on their remaining maturity as of June 30, 2016, December 31, 2015, 2014 and 2013 (continued):

Description	Total	December 31, 2013				
		Up to 1 month	More than 1 month up to 3 months	More than 3 months up to 1 year	More than 1 year	Others without maturity
Liabilities (continued)						
Subordinated loans	2,097,024	232	-	1,998,289	98,503	-
Other liabilities ***)	758,130	594,714	100,579	57,965	4,872	-
	536,246,115	438,145,255	36,421,082	36,846,844	24,832,934	-
Maturity gap	77,711,283	(291,035,844)	9,556,262	61,134,958	294,301,130	3,754,777

*) Investment in associated entities with no significant influence.

**) Other assets consist of interest receivables, other receivables, and unearned income based on Sharia principle.

***) Other liabilities consist of interest payables, guarantee deposits, investment contract liabilities, co-insurance liabilities, reinsurance and classified as available for sale, *tabarru'* fund and temporary *syirkah* funds.

Market Risk Management

Market risk is loss risk which arises due to the movements of market factors which consist of interest rates and exchange rates that are against the position held by BRI, on the statements of financial position or administrative accounts. The positions are those in the trading book and banking book.

BRI has implemented treasury and market risk application system (GUAVA), an integrated system used by the front, middle, and back office function. Through the application, it is possible to measure the market risk by using an internal model approach (Value-at-Risk) which is integrated with the daily process transaction. Besides monitoring instrument risk exposure, it also covers market risk monitoring limit and transaction limit such as dealer transaction nominal limit, cut loss limit, stop loss limit, and Value-at-Risk (VaR) limit. Monitoring is conducted daily to accelerate the availability of updated information to support timely decision, especially for instruments classified into trading.

1. Value-at-Risk (VaR): Purpose and Limitation of the Method

BRI uses internal model approach to measure VaR potential loss due to changes in the market price of trading portfolio based in historical data. VaR potential loss from market risk is measured by using assumption of changes in risk factor according to normal distribution pattern. BRI uses VaR to measure exchange rate risk for trading and banking book position as well as measuring interest rate risk for trading book position.

2. Value-at-Risk (VaR) Assumption

VaR potential loss is measured based on estimated value by using 99% confidence level and unchanged market risk position in 1 (one) day holding period, which means that the potential loss which might exceed VaR value in normal market condition, in average, may occur once every one hundred days. The method used in VaR is Delta Gamma.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Market Risk Management (continued)

2. Value-at-Risk (VaR) Assumption (continued)

The following tables present information on VaR value starting from January 1, 2016 until June 30, 2016, and from January 1, 2015, 2014, 2013 until December 31, 2015, 2014 and 2013 (unaudited).

	2016	
	Exchange Rate^{*)}	Interest Rate
Daily Average	52,195.14	1,122.93
Highest	134,093.76	4,153.38
Lowest	20,170.30	6.99
	2015	
	Exchange Rate^{*)}	Interest Rate
Daily Average	56,509.63	10,715.84
Highest	122,211.37	34,463.22
Lowest	15,379.05	92.01
	2014	
	Exchange Rate^{*)}	Interest Rate
Daily Average	27,548.59	18,797.91
Highest	59,691.15	47,044.12
Lowest	11,534.34	1,331.56
	2013	
	Exchange Rate^{*)}	Interest Rate
Daily Average	18,104.97	5,849.11
Highest	30,828.99	30,322.73
Lowest	8,082.87	7.22

*) Including trading and banking book.

3. Back Testing

The purpose of back testing is to ensure that the result of internal model measurement for interest risk and exchange rate risk is valid. When performing back testing, BRI compares between estimated result of daily VaR and rate changes realization.

Based on back testing procedures for exchange rate risk and interest risk, the actual loss for the whole year result is already consistent with VaR forecast model.

4. Market Risk Outside Trading Book

a. Interest Rate Risk

Financial instrument with interest rate basis possesses risk due to potential change in interest rate which affects future cash flow.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Market Risk Management (continued)

4. Market Risk Outside Trading Book (continued)

a. Interest Rate Risk (continued)

The management is responsible in determining, maintaining, and controlling interest rate by weighing bank's risk appetite and financial performance achievement target. Review of interest rate is performed at least once in a month during Asset and Liability Committee (ALCO) forum.

The following table presents information on the average annual interest rates for financial asset and liability position as of June 30, 2016, December 31, 2015, 2014 and 2013:

	June 30, 2016		2015		2014		2013	
	Rupiah (%)	Foreign Currencies (%)	Rupiah (%)	Foreign Currencies (%)	Rupiah (%)	Foreign Currencies (%)	Rupiah (%)	Foreign Currencies (%)
Assets								
Placements with Bank Indonesia and other banks	6.53	0.33	6.91	0.06	6.48	0.13	5.05	0.16
Securities	8.62	3.86	8.51	3.49	8.27	4.29	7.24	4.07
Loans	12.07	4.59	12.47	4.37	12.09	4.35	11.79	4.47
Government Recapitalization Bonds	6.61	-	6.28	-	6.34	-	4.59	-
Liabilities								
Demand deposits	2.55	0.25	2.21	0.32	2.43	0.34	2.55	0.32
Saving deposits	1.06	0.22	1.26	0.22	1.26	0.22	1.26	0.22
Time deposits	7.38	1.18	8.43	1.69	8.74	1.78	6.12	1.51
Deposits from other banks and financial institutions	4.17	0.24	4.35	0.36	4.88	0.80	3.91	0.07
Fund borrowings Subordinated Loans	4.37	3.21	4.64	3.13	4.64	1.12	3.22	1.19
Marketable securities issued	4.29	-	4.33	-	4.37	-	7.67	-
	8.87	2.95	9.17	2.95	8.83	2.95	-	2.95

The following table presents the sensitivity towards possible change in interest rate for banking book, with the remaining variable being constant, towards BRI's consolidated statement of profit or loss and other comprehensive income.

2016	
Changes in Percentage	Impact on Statement of Profit or Loss and Other Comprehensive Income
+/-1 %	+/- 1,687,325
2015	
Changes in Percentage	Impact on Statement of Profit or Loss and Other Comprehensive Income
+/-1 %	+/- 1,949,700

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Market Risk Management (continued)

4. Market Risk Outside Trading Book (continued)

a. Interest Rate Risk (continued)

The following table presents the sensitivity towards possible change in interest rate for banking book, with the remaining variable being constant, towards BRI's consolidated statement of profit or loss and other comprehensive income (continued).

2014	
Changes in Percentage	Impact on Statement of Profit or Loss and Other Comprehensive Income
+/- 1 %	+/- 1,647,889
2013	
Changes in Percentage	Impact on Statement of Profit or Loss and Other Comprehensive Income
+/- 1 %	+/- 1,182,667

Sensitivity rate is used to analyze probable change of interest rate affecting the banking book portfolio gain and loss. In the above sensitivity analysis, interest rate change assumption basis is 1%.

The tables below summarize the financial assets and liabilities exposures to interest rate risk (gross) (unaudited):

June 30, 2016						
Description	Floating interest rate			Fixed interest rate	Non-interest bearing	Total
	Not more than 3 months	More than 3 months but less than 1 year	More than 1 year			
Assets						
Cash	-	-	-	-	34,201,718	34,201,718
Current accounts with Bank Indonesia	48,106,283	-	-	-	-	48,106,283
Current accounts with other banks	12,581,483	-	-	-	-	12,581,483
Placements with Bank Indonesia and other banks	34,437,407	-	-	-	-	34,437,407
Securities						
Fair Value through profit or loss	-	-	-	2,342,488	-	2,342,488
Available for sale	-	-	-	66,091,360	-	66,091,360
Held to maturity	-	-	-	57,678,737	-	57,678,737
Export bills	7,887,140	-	-	-	-	7,887,140
Government						
Recapitalization Bonds						
Available for sale	716,931	-	-	-	-	716,931
Held to maturity	3,100,000	-	-	-	-	3,100,000
Securities purchased under agreement to resell	-	-	-	1,123,489	-	1,123,489

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Market Risk Management (continued)

4. Market Risk Outside Trading Book (continued)

a. Interest Rate Risk (continued)

The tables below summarize the financial assets and liabilities exposures to interest rate risk (gross) (unaudited) (continued):

June 30, 2016						
Description	Floating interest rate			Fixed interest rate	Non-interest bearing	Total
	Not more than 3 months	More than 3 months but less than 1 year	More than 1 year			
Assets (continued)						
Loans						
Micro	79,245,166	37,374,735	-	96,984,490	-	213,604,391
Retail	21,945,298	104,149,324	21,108,922	73,825,905	-	221,029,449
Corporate	14,176,459	148,934,529	-	-	-	163,110,988
Sharia receivables and financing	-	-	-	-	17,831,322	17,831,322
Acceptances receivable	-	-	-	-	4,430,286	4,430,286
Investment in associated entities*)	-	-	-	-	2,439	2,439
Other Assets**)	-	-	-	-	4,285,584	4,285,584
	222,196,167	290,458,588	21,108,922	298,046,469	60,751,349	892,561,495
Liabilities						
Liabilities due immediately	-	-	-	-	6,064,171	6,064,171
Deposits from customers						
Demand deposits	109,759,588	-	-	-	-	109,759,588
<i>Wadiah</i> demand deposits	-	-	-	-	1,486,185	1,486,185
Saving deposits	264,448,054	-	-	-	-	264,448,054
<i>Mudharabah</i> saving deposits	-	-	-	-	797,721	797,721
<i>Wadiah</i> saving deposits	-	-	-	-	3,871,155	3,871,155
Time deposits	119,314,309	129,645,367	40,436,601	-	-	289,396,277
<i>Mudharabah</i> time deposits	-	-	-	-	13,980,306	13,980,306
Deposits from other banks and financial institution	6,281,421	97,622	-	-	-	6,379,043
Securities sold under agreement to repurchase	-	3,303,125	660,625	5,534,503	-	9,498,253
Derivatives payable	-	-	-	-	382,022	382,022
Acceptances payable	-	-	-	-	4,430,286	4,430,286
Marketable securities issued	-	-	-	18,899,507	-	18,899,507
Fund borrowings	3,293,459	569,240	23,764,391	-	100,000	27,727,090
Subordinated loans	-	-	-	45,924	-	45,924
Other Liabilities***)	-	-	-	-	1,686,920	1,686,920
	503,096,831	133,615,354	64,861,617	24,479,934	32,798,766	758,852,502
Interest rate repricing Gap between financial assets and liabilities	(280,900,664)	156,843,234	(43,752,695)	273,566,535	27,952,583	133,708,993

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Market Risk Management (continued)

4. Market Risk Outside Trading Book (continued)

a. Interest Rate Risk (continued)

The tables below summarize the financial assets and liabilities exposures to interest rate risk (gross) (unaudited) (continued):

December 31, 2015

Description	Floating interest rate			Fixed interest rate	Non-interest bearing	Total
	Not more than 3 months	More than 3 months but less than 1 year	More than 1 year			
Assets						
Cash	-	-	-	-	28,771,635	28,771,635
Current accounts with Bank Indonesia	61,717,798	-	-	-	-	61,717,798
Current accounts with other banks	8,736,092	-	-	-	-	8,736,092
Placements with Bank Indonesia and other banks	49,834,664	-	-	-	-	49,834,664
Securities						
Fair Value through profit or loss	-	-	-	929,334	-	929,334
Available for sale	-	-	-	60,702,050	-	60,702,050
Held to maturity	704,371	-	-	62,555,538	-	63,259,909
Export bills	7,280,883	-	-	-	-	7,280,883
Government						
Recapitalization Bonds						
Available for sale	715,958	-	-	-	-	715,958
Held to maturity	3,100,000	-	-	-	-	3,100,000
Securities purchased under agreement to resell	-	-	-	845,125	-	845,125
Loans						
Micro	75,714,404	32,775,604	-	79,938,171	-	188,428,179
Retail	25,116,290	106,292,565	19,723,571	68,653,346	-	219,785,772
Corporate	17,407,555	138,859,032	-	-	-	156,266,587
Sharia receivables and financing	-	-	-	-	16,614,006	16,614,006
Acceptances receivable	-	-	-	-	5,163,471	5,163,471
Investment in associated entities*)	-	-	-	-	6,239	6,239
Other Assets**)	-	-	-	-	3,996,837	3,996,837
	250,328,015	277,927,201	19,723,571	273,623,564	54,552,188	876,154,539
Liabilities						
Liabilities due						
Immediately	-	-	-	-	5,138,562	5,138,562
Deposits from customers						
Demand deposits	113,429,343	-	-	-	-	113,429,343
Wadiah demand deposits	-	-	-	-	937,745	937,745
Saving deposits	268,058,865	-	-	-	-	268,058,865
Mudharabah saving deposits	-	-	-	-	696,198	696,198
Wadiah saving deposits	-	-	-	-	3,715,929	3,715,929
Time deposits	194,756,932	47,222,823	25,904,649	-	-	267,884,404
Mudharabah time deposits	-	-	-	-	14,272,895	14,272,895
Deposits from other Banks and financial Institution	11,152,073	13,000	-	-	-	11,165,073
Securities sold under agreement to repurchase	-	3,422,816	1,378,500	6,576,642	-	11,377,958

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Market Risk Management (continued)

4. Market Risk Outside Trading Book (continued)

a. Interest Rate Risk (continued)

The tables below summarize the financial assets and liabilities exposures to interest rate risk (gross) (unaudited) (continued):

December 31, 2015						
Description	Floating interest rate			Fixed interest rate	Non-interest bearing	Total
	Not more than 3 months	More than 3 months but less than 1 year	More than 1 year			
Liabilities (continued)						
Derivatives payable	-	-	-	-	445,753	445,753
Acceptances payable	-	-	-	-	5,163,471	5,163,471
Marketable securities issued	-	-	-	10,521,103	-	10,521,103
Fund borrowings	10,526,115	5,996	24,832,357	15,890	100,000	35,480,358
Subordinated loans	-	-	-	56,468	-	56,468
Other Liabilities***)	-	-	-	-	1,441,604	1,441,604
	<u>597,923,328</u>	<u>50,664,635</u>	<u>52,115,506</u>	<u>17,170,103</u>	<u>31,912,157</u>	<u>749,785,729</u>
Interest rate repricing Gap between financial assets and liabilities	<u>(347,595,313)</u>	<u>227,262,566</u>	<u>(32,391,935)</u>	<u>256,453,461</u>	<u>22,640,031</u>	<u>126,368,810</u>

December 31, 2014						
Description	Floating interest rate			Fixed interest rate	Non-interest bearing	Total
	Not more than 3 months	More than 3 months but less than 1 year	More than 1 year			
Assets						
Cash	-	-	-	-	22,469,167	22,469,167
Current accounts with Bank Indonesia	51,184,429	-	-	-	-	51,184,429
Current accounts with Other banks	10,580,440	-	-	-	-	10,580,440
Placements with Bank Indonesia and other banks	62,035,442	-	-	-	-	62,035,442
Securities						
Fair value through profit or loss	-	-	-	128,342	-	128,342
Available for sale	-	-	-	40,002,324	-	40,002,324
Held to maturity	646,480	-	-	43,391,314	-	44,037,794
Export bills	10,527,985	-	-	-	-	10,527,985
Government						
Recapitalization Bonds						
Available for sale	703,596	-	-	-	-	703,596
Held to maturity	3,600,000	-	-	-	-	3,600,000
Securities purchased under agreement to resell	-	-	-	39,003,595	-	39,003,595
Derivatives receivable	-	-	-	-	536	536
Loans						
Micro	79,177,610	30,324,378	-	54,552,192	-	164,054,180
Retail	23,192,566	98,037,224	17,233,748	61,365,052	-	199,828,590
Corporate	41,007,722	90,206,796	-	-	-	131,214,518
Sharia receivables and financing	-	-	-	-	15,599,553	15,599,553

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Market Risk Management (continued)

4. Market Risk Outside Trading Book (continued)

a. Interest Rate Risk (continued)

The tables below summarize the financial assets and liabilities exposures to interest rate risk (gross) (unaudited) (continued):

December 31, 2014						
Description	Floating interest rate			Fixed interest rate	Non-interest bearing	Total
	Not more than 3 months	More than 3 months but less than 1 year	More than 1 year			
Assets (continued)						
Acceptances receivable	-	-	-	-	6,525,688	6,525,688
Investment in associated entities*)	-	-	-	-	1,944	1,944
Other assets**)	-	-	-	-	2,418,578	2,418,578
	282,656,270	218,568,398	17,233,748	238,442,819	47,015,466	803,916,701
Liabilities						
Liabilities due immediately	-	-	-	-	7,043,772	7,043,772
Deposits from customers						
Demand deposits	89,430,267	-	-	-	-	89,430,267
<i>Wadiah</i> demand deposits	-	-	-	-	621,913	621,913
Saving deposits	232,722,519	-	-	-	-	232,722,519
<i>Mudharabah</i> saving deposits	-	-	-	-	373,816	373,816
<i>Wadiah</i> saving deposits	-	-	-	-	3,298,659	3,298,659
Time deposits	198,920,595	83,855,169	681,780	-	-	283,457,544
<i>Mudharabah</i> time deposits	-	-	-	-	12,417,128	12,417,128
Deposits from other Banks and financial institutions	8,632,818	22,574	-	-	-	8,655,392
Securities sold under agreement to repurchase	-	640,365	2,456,103	12,360,233	-	15,456,701
Derivatives payable	-	-	-	-	717,523	717,523
Acceptances payable	-	-	-	-	6,525,688	6,525,688
Marketable securities issued	-	-	-	8,257,990	-	8,257,990
Fund borrowings	15,120,994	5,201,700	4,548,222	15,946	100,000	24,986,862
Subordinated loans	-	-	-	77,582	-	77,582
Other Liabilities ***)	-	-	-	-	1,187,672	1,187,672
	544,827,193	89,719,808	7,686,105	20,711,751	32,286,171	695,231,028
Interest rate repricing Gap between financial assets and liabilities	(262,170,923)	128,848,590	9,547,643	217,731,068	14,729,295	108,685,673

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Market Risk Management (continued)

4. Market Risk Outside Trading Book (continued)

a. Interest Rate Risk (continued)

The tables below summarize the financial assets and liabilities exposures to interest rate risk (gross) (unaudited) (continued):

December 31, 2013

Description	Floating interest rate			Fixed interest rate	Non-interest bearing	Total
	Not more than 3 months	More than 3 months but less than 1 year	More than 1 year			
Assets						
Cash	-	-	-	-	19,171,778	19,171,778
Current accounts with Bank Indonesia	40,718,495	-	-	-	-	40,718,495
Current accounts with Other banks	9,435,197	-	-	-	-	9,435,197
Placements with Bank Indonesia and other banks	36,306,883	-	-	-	-	36,306,883
Securities						
Fair Value through profit or loss	669,350	-	-	229,161	-	898,511
Available for sale	-	-	-	15,374,058	-	15,374,058
Held to maturity	3,543,453	-	-	22,858,415	-	26,401,868
Export bills	8,926,072	-	-	-	-	8,926,072
Government Recapitalization Bonds						
Fair Value through profit or loss	199,314	-	-	-	-	199,314
Available for sale	712,105	-	-	-	-	712,105
Held to maturity	3,600,000	-	-	-	-	3,600,000
Securities purchased under agreement to resell	3,072,475	-	-	11,367,588	-	14,440,063
Derivatives receivable	-	-	-	-	4,981	4,981
Loans						
Micro	64,538,130	26,463,720	-	51,264,892	-	142,266,742
Retail	25,842,213	87,383,562	11,853,872	56,774,691	-	181,854,338
Corporate	34,406,775	75,788,611	-	-	-	110,195,386
Sharia receivables and financing	-	-	-	-	14,028,390	14,028,390
Acceptances receivable	-	-	-	-	3,679,684	3,679,684
Investment in associated entities*)	-	-	-	-	1,944	1,944
Other Assets**)	-	-	-	-	1,160,534	1,160,534
	231,970,462	189,635,893	11,853,872	157,868,805	38,047,311	629,376,343
Liabilities						
Liabilities due immediately	-	-	-	-	5,065,527	5,065,527
Deposits from customers						
Demand deposits	78,666,064	-	-	-	-	78,666,064
Wadiah demand deposits	-	-	-	-	670,887	670,887
Saving deposits	210,234,683	-	-	-	-	210,234,683
Wadiah saving deposits	-	-	-	-	2,480,554	2,480,554
Mudharabah saving deposits	-	-	-	-	281,388	281,388
Time deposits	154,476,560	28,524,375	18,584,831	-	-	201,585,766
Mudharabah time deposits	-	-	-	-	10,362,040	10,362,040
Deposits from other banks and financial institution	3,515,564	175,656	-	-	-	3,691,220

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Market Risk Management (continued)

4. Market Risk Outside Trading Book (continued)

a. Interest Rate Risk (continued)

The tables below summarize the financial assets and liabilities exposures to interest rate risk (gross) (unaudited) (continued):

December 31, 2013

Description	Floating interest rate			Fixed interest rate	Non-interest bearing	Total
	Not more than 3 months	More than 3 months but less than 1 year	More than 1 year			
Liabilities (continued)						
Derivatives payable	-	-	-	-	1,565,102	1,565,102
Acceptances payable	-	-	-	-	3,679,684	3,679,684
Marketable securities issued	-	-	-	6,023,133	-	6,023,133
Fund borrowings	5,974,740	2,981,650	12,457	16,066	100,000	9,084,913
Subordinated loans	-	-	-	2,097,024	-	2,097,024
Other Liabilities***)	-	-	-	-	758,130	758,130
	<u>452,867,611</u>	<u>31,681,681</u>	<u>18,597,288</u>	<u>8,136,223</u>	<u>24,963,312</u>	<u>536,246,115</u>
Interest rate repricing Gap between financial assets and liabilities	<u>(220,897,149)</u>	<u>157,954,212</u>	<u>(6,743,416)</u>	<u>149,732,582</u>	<u>13,083,999</u>	<u>93,130,228</u>

*) Investment in associated entities with no significant influence.

**) Other assets consist of interest receivables, other receivables, and unearned income based on Sharia principle.

***) Other liabilities consist of interest payables, guarantee deposits, investment contract liabilities, co-insurance liabilities, reinsurance and classified as available for sale, *tabarru'* fund and temporary *syirkah* funds.

b. Exchange Rate Risk

Exchange rate risk is the risk due to fluctuation of Rupiah exchange rate against foreign exchange positions held by BRI. Included in the foreign exchange positions are the trading book positions conducted to generate profit from foreign exchange transactions in short term and banking book position in order to control the Net Open Position (NOP).

Based on Bank Indonesia Regulation (PBI) No. 17/5/PBI/2015 dated May 29, 2015, fourth amendment to PBI No. 5/13/PBI/2003, regarding Net Open Position for Commercial Banks dated July 17, 2003, NOP is set to a maximum of 20% of capital.

NOP is the sum of the absolute values of the net difference between assets and liabilities in the statement of financial position for each foreign currency with a net difference of receivables and commitments and contingent liabilities in the administrative accounts for each foreign currency, which are all stated in Rupiah.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Market Risk Management (continued)

4. Market Risk Outside Trading Book (continued)

b. Exchange Rate Risk (continued)

The tables below represent NOP (BRI only) as of June 30, 2016, December 31, 2015, 2014 and 2013 by currency, respectively, as follows:

<u>Currencies</u>	<u>June 30, 2016</u>		
	<u>Assets</u>	<u>Liabilities</u>	<u>NOP</u>
<u>Statement of Financial Position and Administrative Accounts</u>			
United States Dollar	117,483,761	117,506,406	22,645
Renminbi	7,488,858	5,736,815	1,752,043
European Euro	4,272,922	5,014,284	741,362
Singapore Dollar	1,431,434	535,919	895,515
Australian Dollar	310,123	301,450	8,673
Great Britain Pound Sterling	183,009	120,945	62,064
Japanese Yen	235,894	16,371	219,523
Canadian Dollar	20,533	206	20,327
Others	2,674,671	2,077,415	597,256
			4,319,408
Capital (Note 47a)			131,411,752
NOP Ratio			3.29%

<u>Currencies</u>	<u>December 31, 2015</u>		
	<u>Assets</u>	<u>Liabilities</u>	<u>NOP</u>
<u>Statement of Financial Position and Administrative Accounts</u>			
United States Dollar	132,947,360	131,831,296	1,116,064
Renminbi	10,048,508	9,935,599	112,909
European Euro	1,254,775	1,286,949	32,174
Singapore Dollar	737,789	250,912	486,877
Australian Dollar	347,514	218,679	128,835
Great Britain Pound Sterling	172,165	111,997	60,168
Japanese Yen	159,437	15,961	143,476
Canadian Dollar	17,835	174	17,661
Others	495,976	22,009	473,967
			2,572,131
Capital (Note 47a)			110,580,617
NOP Ratio			2.33%

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Market Risk Management (continued)

4. Market Risk Outside Trading Book (continued)

b. Exchange Rate Risk (continued)

The tables below represent NOP (BRI only) as of June 30, 2016, December 31, 2015, 2014 and 2013 by currency, respectively, as follows (continued):

<u>Currencies</u>	<u>December 31, 2014</u>		
	<u>Assets</u>	<u>Liabilities</u>	<u>NOP</u>
<u>Statement of Financial Position and Administrative Accounts</u>			
United States Dollar	126,375,495	124,754,759	1,620,736
Renminbi	6,864,981	7,179,129	314,148
European Euro	966,055	1,463,737	497,682
Singapore Dollar	427,239	138,629	288,610
Japanese Yen	192,783	71,828	120,955
Australian Dollar	505,761	489,364	16,397
Great Britain Pound Sterling	103,493	53,057	50,436
Canadian Dollar	12,794	4,686	8,108
Others	438,999	47,100	391,899
			3,308,971
Capital (Note 47a)			85,706,557
NOP Ratio			3.86%

<u>Currencies</u>	<u>December 31, 2013</u>		
	<u>Assets</u>	<u>Liabilities</u>	<u>NOP</u>
<u>Statement of Financial Position and Administrative Accounts</u>			
United States Dollar	83,088,333	83,484,895	396,562
Renminbi	8,250,550	8,350,010	99,460
European Euro	956,013	1,244,606	288,593
Singapore Dollar	428,239	132,542	295,697
Japanese Yen	290,260	46,027	244,233
Australian Dollar	564,135	345,783	218,352
Great Britain Pound Sterling	159,097	144,218	14,879
Canadian Dollar	5,139	8,827	3,688
Others	692,383	68,465	623,918
			2,185,382
Capital (Note 47a)			69,472,036
NOP Ratio			3.15%

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Market Risk Management (continued)

5. BRI Agro Sensitivity Analysis

The following tables present sensitivity towards possible change in interest rate and exchange rate of BRI Agro towards statement of profit or loss and other comprehensive income with the remaining variables being constant.

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Percentage Change	Impact to Statement of Profit or Loss and Other comprehensive Income	Percentage Change	Impact to Statement of Profit or Loss and Other comprehensive Income	Percentage Change	Impact to Statement of Profit or Loss and Other comprehensive Income	Percentage Change	Impact to Statement of Profit or Loss and Other comprehensive Income
Interest rate risk	+/- 1%	+/-42,563	+/- 1%	+/-33,410	+/- 1%	+/- 23,715	+/- 1%	-/+ 21,478
Foreign exchange rate risk	+/- 1%	+/-49	+/- 1%	+/-23	+/- 1%	+/-702	+/- 1%	-/+8

Operational Risk Management

BRI Operational Risk Management is implemented according to Financial Services Authority Regulation No. 18/POJK.03/2016 dated March 22, 2016 on Risk Management Implementation of Commercial Bank, which requires risk management implementation to cover pillars on active control from the Board of Commissioners and Directors, policy adequacy, limit determination and procedure, identification process adequacy, measurement, monitoring and risk management as well as risk management information system and internal control system. The main objective of operational risk management implementation is managing operational risk exposure caused by internal and external factors that influences business and operational activities such as inadequate of human resources, internal processes, IT failures, natural disaster and external events that potentially causing financial and non financial losses. Operational risk exposure management includes mitigation of legal, reputational, compliance and strategic risk exposure in every business process and operational activities.

Each of BRI operational working unit is responsible for the implementation of risk management process through internal control system in business and operational activities in each business unit. It begins from the phase of identification, measurement, monitoring and risk mitigation. The Board of Directors determined Risk Management Function in every business unit starting from Head Office level (Desk/Division), Regional Office, Special Branch Office, Branch Office which covers operational, marketing and micro business, Sub Branch Office, BRI Priority Service Center and Overseas Working Unit (UKLN).

Operational Risk Management Unit in the Head Office and Regional Office is responsible in making the guidance of operational risk management implementation, developing and implementing policy or procedure and methodology, and also monitoring, reviewing, and controlling operational risk management process. On the other hand, Operational Risk Management Unit is involved in composing and monitoring BRI's operational risk profile, assessing the risk management adequacy of a new product and/or activity, and supporting the business unit or risk owner in order to develop risk awareness culture, anti fraud strategy implementation and compliance towards risk management principles. In order to discuss operational risk mitigation and risk control improvement, Operational Risk Management Committee (ORMC) is held quarterly and coordinated by Operational Risk Management Unit and related desk/division/business unit.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Operational Risk Management (continued)

Internal audit including the Head Office Audit Division and Inspectorate Office within Indonesia is responsible in monitoring and validating the internal control adequacy of business and operational activities in every business unit and also the consistency of operational risk management implementation in BRI bank wide.

BRI's operational risk management implementation is facilitated by operational risk management tools called Operational Risk Assessor (OPRA), consists of Risk and Control Self Assessment (RCSA) module, Key Risk Indicator (KRI), Incident Management (IM), Risk Management Forum and Maturity. In order to perceive risk management, it is focused on building risk awareness culture and risk management training continuously to all BRI employees and also improving internal control in every business and operational activities. Operational risk management policy has been updated in the decree of BRI Circular Letter No. S.17- DIR/DMR/02.2016.

1. Risk Control and Self Assesment (RCSA)

RCSA is a risk management tool, qualitatively and predictively, which is used to identify and measure risks by using dimension of impact and likelihood. RCSA has already been implemented in Head Office (Desk/Division), Regional Office, Special Branch Office, Branch Office embedded BRI Unit, Sub Branch Office and Priority Service Centre.

RCSA is used to help the business unit to identify and measure operational risk in every business and operational activities independently, monitor and determine the action plans or towards improvements.

The main risk issue is updated by considering business development such as new product and or activity implementation, new market segment and competition condition, change in internal/external policy and other changes which affect BRI risk exposure. Working unit performs RCSA assessment by considering Incident Management (IM) data/Loss Event Database (LED), Key Risk Indicator (KRI) and Audit Result (LHA) of the working unit. RCSA evaluation is performed quarterly, however, the frequency will be increased in time of significant changes in risk exposure.

RCSA consolidation report stated above is reported regularly to the BOD in RMC that was held quarterly.

2. Incident Management (IM) and Loss Event Database (LED)

Incident Management (IM) is BRI's Loss Event Database (LED) which developed to document data of financial and non financial loss, covering actual loss, potential loss and near misses, as well as chronological recording of loss incident since occurrence up to declaration of settlement, including improvement measure and incident handling conducted. Policy on Incident Management is stipulated through BRI Circular Letter No. S.17-DIR/DMR/02/2016.

Based on loss event data in IM module, loss event analysis can be performed based on loss event data causes, functional activities, event types and business lines. LED information system can be used to determine the preventive actions in risk mitigation, based on the process of incident handling for the financial loss, non financial loss, financial recovery and also litigation process.

BRI's operational loss event data has been documented consistently and systematically since 2007 in loss event database matrix which is classified into 8 (eight) business lines and 7 (seven) event types based on the dimension of lost event severity/loss and likelihood/frequency.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Operational Risk Management (continued)

2. Incident Management (IM) and Loss Event Database (LED) (continued)

In order to calculate operational capital charge and Risk Weighted Average, according to regulator policy, BRI used Basic Indicator Approach (BIA) method since it has been implemented in 2010. However, BRI has been prepared for The Standardised Approach (TSA) and Advanced Measurement Approach (AMA). BRI's LED also has been used to calculate operational risk capital charge by Advanced Measurement Approach (AMA) method, based on Extreme Value Theory (EVT) and Loss Distribution Approach (LDA).

In order to calculate operational capital charge in more advanced, BRI has developed gap analysis related to the implementation of TSA and AMA.

3. Key Risk Indicator (KRI)

KRI is a tool to detect risks trend/risks increasing and or risks decreasing both leading or historical. Risks trend prediction is used to determine towards action plans in order to mitigate operational risk before it causes the financial or non financial loss. KRI policy is stipulated through BRI Circular Letter No. S.17-DIR/DMR/02/2016.

BRI has identified key risk indicators for all risks type and determined the threshold or risks limit which portrays the acceptable condition and risk appetite of the management. It is established by using the best judgement, considered BRI risk exposures and risk appetite, that involved internal auditor, risk owner and other business units. BRI's KRI are reflected on its Bank Wide Risk Profile and Regional Risk Profile Report which are monitored and reported monthly to the management.

4. Risk Management Forum

Risk Management Forum is a risk management tool to documents the result of meeting/forum among the head of BRI's business units with the lower level employees and staffs in order to discuss inherent risks in the daily business or operational activities that might be the constraint in achieving the business target or business performance. Risk management forum, which are held in each business unit, are expected to support the enlargement of BRI's risk awareness culture. The updated policy of Risk Management Forum is stipulated through BRI Circular Letter No. S.17-DIR/DMR/02/2016.

5. Maturity

Maturity is a self assessment process on the establishment level of risk management implementation in each of BRI working unit. Maturity assessment is performed at every year end by each of working unit head by using certain parameters. By performing maturity assessment, it is expected that each working unit will be able to evaluate the risk management implementation performed, in order to compose future improvement plan. Maturity policy is stipulated through BRI Circular Letter No. S.17-DIR/DMR/02/2016.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

38. RISK MANAGEMENT (continued)

Operational Risk Management (continued)

6. Business Continuity Management (BCM)

The possibility of disaster caused by nature, human or technology might be threat for BRI business continuity, whereas the business units are spread over Indonesia. Therefore, the Board of Directors concern to develop and implement Business Continuity Management (BCM) in order to ensure the employees, customers and other third parties safety and security who were around BRI business unit environment (Emergency Response Plan) and maintain the continuity of critical businesses and operational activities, protect BRI's assets and provide sufficient respond while disruption or disaster condition are declaired (Business Continuity Plan). BCM is stipulated through BRI Circular Letter No. S.02-DIR/DMR/01/2009.

BCM implementation covers all business units, among others through Crisis Management Team, Call Tree arrangement and alternate sites determination. In order to deal with the disruption/disaster in each of business units, BRI business units have already estimated the Disaster Risk and Threat Assessment to list and inventory required resources. BCM pilot project is prioritized to the business units in prone areas and its done annually, including BRI 1 Head Office, IT Building and BRI Corporate University Ragunan.

The readiness of BRI organization has been tested well during disasters condition in several business units, whereas in second quarter of 2016 there are floods and landslides in Purworejo, floods in Sukoharjo, Banjarnegara and Padang which affecting operations and business in some BRI woking units such as postponement of operational opening hours in some affected working units.

7. New Product and/or Activity Launching

In order to launch every BRI's new product and or activity, it involves risk management process that covers risk and control assessment which is done by product owner in every launch of new product and or activity, including control determination to mitigate the risks that might appear. Risk Management Division are responsible to asses the risk mitigation adequacy and recommend the assessment result to the Risk Management Director. New Product and/or Activity Launching is stipulated through BRI Circular Letter No. 03-DIR/DMR/08/2013.

8. Anti-Fraud Strategy Policy

Anti-Fraud Strategy has been implemented in accordance with BRI internal policy and procedure which concern on fraud cases handling in order to show the management intolerance in fraud (zero fraud tolerance). Anti fraud strategy establishment and implementation is a part of risk management implementation, in order to prevent and manage fraud incident in BRI. Anti-Fraud Strategy covers 4 (four) pillars which are: prevention pillar, detection pillar, investigation pillar, report and sanction and evaluation pillar, monitoring and follow-up/action plan. Statement of anti-fraud commitment are signed by Board of Commissioners and Directors, management and all BRI employees as a part of employee awareness and fraud prevention. Anti-Fraud Strategy Policy is stipulated through BRI Decision Letter No. S.17-DIR/DMR/07/2015.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

39. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The tables below present the comparison of the carrying values and fair values of financial assets and liabilities. The fair values disclosed below are based on relevant information available as of June 30, 2016, December 31, 2015, 2014 and 2013 are not updated to reflect changes in market conditions which have occurred subsequently.

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
ASSETS								
Cash	34,201,718	34,201,718	28,771,635	28,771,635	22,469,167	22,469,167	19,171,778	19,171,778
Current accounts with Bank Indonesia	48,106,283	48,106,283	61,717,798	61,717,798	51,184,429	51,184,429	40,718,495	40,718,495
Current accounts with other banks	12,581,483	12,581,483	8,736,092	8,736,092	10,580,440	10,580,440	9,435,120	9,435,120
Placements with Bank Indonesia and other banks	34,437,407	34,437,407	49,834,664	49,834,664	62,035,442	62,035,442	36,306,883	36,306,883
Securities								
Fair value through profit or loss	2,339,016	2,339,016	929,334	929,334	128,342	128,342	898,511	898,511
Available for sale	66,082,610	66,082,610	60,702,050	60,702,050	40,002,324	40,002,324	15,374,058	15,374,058
Held to maturity	57,648,161	58,964,787	63,242,163	59,898,853	44,037,794	44,304,122	26,401,096	26,656,632
Export bills	7,887,140	7,887,140	7,280,883	7,280,883	10,527,985	10,527,985	8,926,072	8,926,072
Government Recapitalization Bonds								
Fair value through profit or loss	-	-	-	-	-	-	199,314	199,314
Available for sale	716,931	716,931	715,958	715,958	703,596	703,596	712,105	712,105
Held to maturity	3,100,000	3,087,680	3,100,000	3,083,712	3,600,000	3,540,075	3,600,000	3,567,687
Securities purchased under agreement to resell	1,123,489	1,123,489	845,125	845,125	39,003,595	39,003,595	14,440,063	14,440,063
Derivatives receivable	18,205	18,205	-	-	536	536	4,981	4,981
Loans, Sharia receivables and financing	594,411,511	559,993,954	563,580,109	525,895,593	494,534,046	485,068,444	432,926,760	399,610,789
Acceptances receivable	4,430,286	4,430,286	5,163,471	5,163,471	6,525,688	6,525,688	3,679,684	3,679,684
Investment in associated entities *)	2,439	2,439	6,239	6,239	1,944	1,944	1,944	1,944
Other assets **)	4,285,584	4,285,584	3,996,837	3,996,837	2,418,578	2,418,578	1,160,534	1,160,534
Total	871,372,263	838,259,012	858,622,358	817,578,244	787,753,906	778,494,707	613,957,398	580,864,650
LIABILITIES								
Liabilities due immediately	6,064,171	6,064,171	5,138,562	5,138,562	7,043,772	7,043,772	5,065,527	5,065,527
Deposits from customers ***)								
Demand deposits	111,245,773	111,245,773	114,367,088	114,367,088	90,052,180	90,052,180	79,336,951	79,336,951
Saving deposits	269,116,930	269,116,930	272,470,992	272,470,992	236,394,994	236,394,994	212,996,625	212,996,625
Time deposits	303,376,583	303,376,583	282,157,299	282,157,299	295,874,672	295,874,672	211,947,806	211,947,806
Deposits from other banks and financial institutions								
Demand deposits	114,891	114,891	164,048	164,048	111,872	111,872	147,150	147,150
Saving deposits	3,087	3,087	5,704	5,704	4,835	4,835	4,534	4,534
Time deposits and deposits on call	5,151,065	5,151,065	4,944,076	4,944,076	5,217,382	5,217,382	1,310,993	1,310,993
Inter-bank call money	1,110,000	1,110,000	6,051,245	6,051,245	3,321,303	3,321,303	2,228,543	2,228,543
Securities sold under agreement to repurchase	9,498,253	9,498,253	11,377,958	11,377,958	15,456,701	15,456,701	-	-
Derivatives payable	382,022	382,022	445,753	445,753	717,523	717,523	1,565,102	1,565,102
Acceptances payable	4,430,286	4,430,286	5,163,471	5,163,471	6,525,688	6,525,688	3,679,684	3,679,684
Marketable securities issued	18,899,507	19,618,168	10,521,103	10,805,020	8,257,990	8,260,646	6,023,133	6,023,133
Fund borrowings	27,727,090	27,727,090	35,480,358	35,480,358	24,986,862	24,986,862	9,084,913	9,084,913
Subordinated loans	45,924	45,924	56,468	56,468	77,582	77,582	2,097,024	2,097,024
Other liabilities ****)	1,686,920	1,686,920	1,441,604	1,441,604	1,187,672	1,187,672	758,130	758,130
Total	758,852,502	759,571,163	749,785,729	750,069,646	695,231,028	695,233,684	536,246,115	536,246,115

*) Investment in associated entities with no significant influence.

**) Other assets consist of interest receivables, other receivables and accrued income based on Sharia principles.

***) Including deposits based on Sharia principles.

****) Other liabilities consist of interest payables, guarantee deposits, investment contract liabilities, co-insurance liabilities, reinsurance and classified as available for sale, *tabarru'* fund and temporary *syirkah* funds.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

39. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)

Methods and assumptions used to estimate fair value are as follows:

- a) The fair values of certain financial assets and liabilities, except for securities and Government Recapitalization Bonds classified as held to maturity, loans, derivatives receivable and payable, fund borrowings, marketable securities issued and subordinated loans approximate their carrying values due to their short-term maturities.

The estimated fair values of certain financial assets are determined based on discounted cash flows using money market interest rates for instruments with similar credit risk and remaining maturities.

The estimated fair values of certain financial obligations which are not quoted in an active market are determined based on discounted cash flows using interest rates of instruments with similar remaining maturities.

- b) Securities and Government Recapitalization Bonds

The fair values of securities and Government Recapitalization Bonds classified as held to maturity are determined based on market prices or price quotations of intermediary (broker) securities dealers. If the information is not available, fair values are estimated by using quoted market price of securities with similar credit characteristics, maturity and yield.

- c) Loans

BRI's loan portfolio generally consists of loans with floating rates and fixed rates. Loans are stated at carrying amount. The fair value of loans is derived based on discounted future cash flows expected to be received by BRI. The estimated cashflow is discounted using market rates to determine fair value.

- d) Derivatives receivable and payable

The fair values of derivatives instrument valued by valuation techniques using components which can be observed in the market, primarily are interest rate swaps, currency swaps and currency exchange contracts. Most widely used valuation techniques include forward and swap valuation models which use the present value calculation. The models incorporate various components which include the credit quality of the counterparty, spot value and future contracts and interest rate curve.

- e) Fund borrowings, marketable securities issued and subordinated loans

Fair value is calculated based on discounted cash flow models by using market rates for the remaining maturity period.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

39. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)

The following tables present financial instruments measured at fair value based on the hierarchy used by BRI to determine and disclose the fair value of financial instruments (Note 2c):

	June 30, 2016			
	Fair value	Level 1	Level 2	Level 3
Financial Assets				
Fair value through profit or loss				
Deposits Certificate of Bank				
Indonesia	1,685,158	1,685,158	-	-
Government bonds	175,045	175,045	-	-
Mutual funds	226,133	226,133	-	-
Subordinated bonds	19,672	19,672	-	-
Bonds	55,533	55,533	-	-
Others	177,475	177,475	-	-
	2,339,016	2,339,016	-	-
Available for sale				
Government bonds	43,306,107	43,306,107	-	-
Certificate of Bank Indonesia	9,678,050	9,678,050	-	-
Deposits Certificate of Bank				
Indonesia	4,611,440	4,611,440	-	-
Bonds	5,891,902	5,891,902	-	-
Mutual funds	804,750	804,750	-	-
Government Recapitalization Bonds	716,931	716,931	-	-
Subordinated Bonds	797,627	797,627	-	-
Medium-Term Notes	323,499	323,499	-	-
U.S Treasury Bonds	293,529	293,529	-	-
Singapore Government Securities	129,143	129,143	-	-
MAS Bills	97,932	97,932	-	-
Others	148,631	148,631	-	-
	66,799,541	66,799,541	-	-
Held to maturity				
Government bonds	51,486,688	51,486,688	-	-
Bonds	5,120,482	5,120,482	-	-
Government Recapitalization Bonds	3,087,680	3,087,680	-	-
Bank Indonesia Sharia				
Certificates (SBIS)	1,400,000	1,400,000	-	-
Certificate of Bank Indonesia	292,496	292,496	-	-
Negotiable Certificate of Deposits	288,969	288,969	-	-
Medium-Term Notes	204,357	204,357	-	-
Subordinated bonds	145,370	145,370	-	-
Promissory Notes	26,425	26,425	-	-
	62,052,467	62,052,467	-	-
Loans and receivables				
Loans, Sharia receivables and financing	559,993,954	-	539,149,758	20,844,196
Total	691,184,978	131,191,024	539,149,758	20,844,196

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

39. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)

The following tables present financial instruments measured at fair value based on the hierarchy used by BRI to determine and disclose the fair value of financial instruments (Note 2c) (continued):

	December 31, 2015			
	Fair Value	Level 1	Level 2	Level 3
Financial Assets				
Fair value through profit or loss				
Government bonds	565,699	565,699	-	-
Mutual funds	124,092	124,092	-	-
Medium-Term Notes	56,198	56,198	-	-
Bonds	18,091	18,091	-	-
Others	165,254	165,254	-	-
	929,334	929,334	-	-
Available for sale				
Government bonds	40,133,946	40,133,946	-	-
Certificate of Bank Indonesia	7,823,499	7,823,499	-	-
Deposits Certificate of Bank Indonesia	5,516,495	5,516,495	-	-
Bonds	4,186,898	4,186,898	-	-
Mutual funds	1,573,553	1,573,553	-	-
Government Recapitalization Bonds	715,958	715,958	-	-
Subordinated bonds	513,836	513,836	-	-
Medium-Term Notes	324,965	324,965	-	-
U.S Treasury Bonds	259,577	259,577	-	-
Singapore Government Securities	220,867	220,867	-	-
Others	148,414	148,414	-	-
	61,418,008	61,418,008	-	-
Held to maturity				
Government bonds	49,918,638	49,918,638	-	-
Bonds	5,295,981	5,295,981	-	-
Government Recapitalization Bonds	3,083,712	3,083,712	-	-
Deposits Certificate of Bank Indonesia	1,089,410	1,089,410	-	-
Bank Indonesia Sharia Certificates (SBIS)	1,350,000	1,350,000	-	-
Credit Linked Notes	677,645	677,645	-	-
Certificate of Bank Indonesia	683,777	683,777	-	-
Negotiable Certificate of Deposits	350,190	350,190	-	-
Medium-Term Notes	360,508	360,508	-	-
Subordinated bonds	145,134	145,134	-	-
Promissory Notes	27,570	27,570	-	-
	62,982,565	62,982,565	-	-
Loans and receivables				
Loans, Sharia receivables and financing	525,895,593	-	509,728,033	16,167,560
Total	651,225,500	125,329,907	509,728,033	16,167,560

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

39. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)

The following tables present financial instruments measured at fair value based on the hierarchy used by BRI to determine and disclose the fair value of financial instruments (Note 2c) (continued):

	December 31, 2014			
	Fair Value	Level 1	Level 2	Level 3
Financial Assets				
Fair value through profit or loss				
Government bonds	116,782	116,782	-	-
Mutual funds	11,560	11,560	-	-
	128,342	128,342	-	-
Available for sale				
Government bonds	20,220,609	20,220,609	-	-
Deposits Certificate of Bank Indonesia	13,244,399	13,244,399	-	-
Certificate of Bank Indonesia	4,336,192	4,336,192	-	-
Bonds	1,587,014	1,587,014	-	-
Mutual funds	253,413	253,413	-	-
Government Recapitalization Bonds	703,596	703,596	-	-
U.S Treasury Bonds	360,697	360,697	-	-
	40,705,920	40,705,920	-	-
Held to maturity				
Government bonds	23,860,099	23,860,099	-	-
Deposits Certificate of Bank Indonesia	9,850,689	9,850,689	-	-
Certificate of Bank Indonesia	5,552,978	5,552,978	-	-
Government Recapitalization Bonds	3,540,075	3,540,075	-	-
Bonds	2,276,621	2,276,621	-	-
Bank Indonesia Sharia Certificates (SBIS)	1,605,645	1,605,645	-	-
Credit Linked Notes	653,835	653,835	-	-
Negotiable Certificate of Deposits	250,000	250,000	-	-
Medium-Term Notes	164,267	164,267	-	-
Promissory Notes	49,540	49,540	-	-
Subordinated bonds	40,448	40,448	-	-
	47,844,197	47,844,197	-	-
Loans and receivables				
Loans, Sharia receivables and financing	485,068,444	-	473,936,754	11,131,690
Total	573,746,903	88,678,459	473,936,754	11,131,690

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

39. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)

The following tables present financial instruments measured at fair value based on the hierarchy used by BRI to determine and disclose the fair value of financial instruments (Note 2c) (continued):

	December 31, 2013			
	Fair Value	Level 1	Level 2	Level 3
Financial Assets				
Fair value through profit or loss				
Mutual funds	10,702	10,702	-	-
Certificate of Bank Indonesia	87,424	87,424	-	-
Credit Linked Notes	669,350	-	669,350	-
Government Recapitalization Bonds	199,314	199,314	-	-
Government bonds	131,035	131,035	-	-
	1,097,825	428,475	669,350	-
Available for sale				
Government bonds	9,836,710	9,836,710	-	-
Certificate of Bank Indonesia	2,853,028	2,853,028	-	-
Deposits Certificate of Bank Indonesia	1,342,650	1,342,650	-	-
Bonds	686,598	686,598	-	-
Mutual funds	327,762	327,762	-	-
Government Recapitalization Bonds	712,105	712,105	-	-
U.S Treasury Bonds	327,310	327,310	-	-
	16,086,163	16,086,163	-	-
Held to maturity				
Government bonds	10,067,894	10,067,894	-	-
Certificate of Bank Indonesia	4,936,171	4,936,171	-	-
Credit Linked Notes	4,173,486	-	4,173,486	-
Government Recapitalization Bonds	3,567,687	3,567,687	-	-
Deposits Certificate of Bank Indonesia	2,221,302	2,221,302	-	-
Bonds	1,917,511	1,917,511	-	-
Medium-Term notes	1,882,740	1,882,740	-	-
Bank Indonesia Sharia Certificates (SBIS)	1,050,000	1,050,000	-	-
Negotiable Certificate of Deposits	281,083	281,083	-	-
Promissory Notes	85,190	85,190	-	-
Subordinated bonds	41,255	41,255	-	-
	30,224,319	26,050,833	4,173,486	-
Loans and receivables				
Loans, Sharia receivables and Financing	399,610,789	-	395,618,648	3,992,141
Total	447,019,096	42,565,471	400,461,484	3,992,141

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

40. SEGMENT INFORMATION

Information concerning the segments of BRI and Subsidiaries are as follows:

a. Corporate Name	Main Business
PT Bank Rakyat Indonesia (Persero) Tbk	Conventional Banking
PT Bank BRISyariah	Sharia Banking
PT Bank Rakyat Indonesia Agroniaga Tbk	Conventional Banking
BRI Remittance Co. Limited Hong Kong	Financial Service
PT Asuransi Jiwa Bringin Jiwa Sejahtera	Life Insurance

b. Operating Segment

For management purposes, BRI is organized into 5 (five) operating segments based on products are as follows:

- Micro Segment
- Retail Segment
- Corporate Segment
- Other Segments
- Subsidiaries

Information concerning the operating segments of BRI and Subsidiaries are as follows:

As of June 30, 2016 and For the Six-month Period Then Ended						
Description	Micro	Retail	Corporate	Others	Subsidiaries	Total
Interest income - net	17,699,798	10,078,835	3,083,691	1,148,381	927,790	32,938,495
Other operating income	2,023,479	3,494,981	650,404	1,416,838	465,391	8,051,093
Total income	19,723,277	13,573,816	3,734,095	2,565,219	1,393,181	40,989,588
Other operating expenses	(7,769,311)	(7,254,390)	(1,598,973)	(1,123,113)	(933,636)	(18,679,423)
Provision for impairment losses	(4,299,088)	(1,795,537)	(1,236,060)	(8,750)	(191,059)	(7,530,494)
Total expenses	(12,068,399)	(9,049,927)	(2,835,033)	(1,131,863)	(1,124,695)	(26,209,917)
Other income - net	378,932	648,127	371,443	(542,849)	(57,494)	798,159
Income before income tax expense	8,033,810	5,172,016	1,270,505	890,507	210,992	15,577,830
Income tax expense	(1,740,615)	(1,120,575)	(275,269)	(195,656)	(63,229)	(3,395,344)
Income for the period	6,293,195	4,051,441	995,236	694,851	147,763	12,182,486
Segment assets						
Loans	213,604,391	214,386,965	162,699,184	-	24,885,610	615,576,150
Allowance for impairment losses	(11,277,034)	(2,398,640)	(6,882,575)	-	(606,390)	(21,164,639)
Non loans	-	-	-	301,401,637	10,392,610	311,794,247
	202,327,357	211,988,325	155,816,609	301,401,637	34,671,830	906,205,758
Segment liabilities						
Funding	188,586,992	267,051,044	200,483,916	-	27,617,334	683,739,286
Non funding	-	-	-	84,266,267	6,173,544	90,439,811
	188,586,992	267,051,044	200,483,916	84,266,267	33,790,878	774,179,097

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

40. SEGMENT INFORMATION (continued)

b. Operating Segment (continued)

Information concerning the operating segments of BRI and Subsidiaries are as follows (continued):

As of December 31, 2015 and for the Year Then Ended						
Description	Micro	Retail	Corporate	Others	Subsidiaries	Total
Interest income - net	32,292,256	18,154,722	4,279,340	1,784,556	1,768,893	58,279,767
Other operating income	3,375,471	5,716,289	220,803	2,906,305	190,173	12,409,041
Total income	35,667,727	23,871,011	4,500,143	4,690,861	1,959,066	70,688,808
Other operating expenses	(13,312,228)	(12,660,454)	(2,974,116)	(942,021)	(1,386,877)	(31,275,696)
Provision for impairment losses	(5,226,934)	(1,951,509)	(1,402,633)	-	(319,129)	(8,900,205)
Total expenses	(18,539,162)	(14,611,963)	(4,376,749)	(942,021)	(1,706,006)	(40,175,901)
Other income - net	731,706	1,021,604	137,844	64,772	25,185	1,981,111
Income before income tax expense	17,860,271	10,280,652	261,238	3,813,612	278,245	32,494,018
Income tax expense	(3,885,330)	(2,236,457)	(56,830)	(828,671)	(75,942)	(7,083,230)
Income for the year	13,974,941	8,044,195	204,408	2,984,941	202,303	25,410,788
Segment assets						
Loans	188,428,179	213,741,251	156,266,587	-	22,658,527	581,094,544
Allowance for impairment losses	(9,495,512)	(2,401,479)	(5,133,361)	-	(484,083)	(17,514,435)
Non Loans	-	-	-	297,561,751	15,300,678	312,862,429
	178,932,667	211,339,772	151,133,226	297,561,751	37,475,122	876,442,538
Segment liabilities						
Funding	190,216,859	256,685,535	195,582,152	-	26,510,833	668,995,379
Non funding	-	-	-	90,210,173	6,093,581	96,303,754
	190,216,859	256,685,535	195,582,152	90,210,173	32,604,414	765,299,133

As of December 31, 2014 and for the Year Then Ended						
Description	Micro	Retail	Corporate	Others	Subsidiaries	Total
Interest income - net	28,939,055	16,424,690	2,607,730	2,148,516	1,322,419	51,442,410
Other operating income	2,936,011	5,082,441	329,926	821,229	129,533	9,299,140
Total income	31,875,066	21,507,131	2,937,656	2,969,745	1,451,952	60,741,550
Other operating expenses	(11,028,692)	(10,798,676)	(2,309,209)	(1,321,730)	(1,256,968)	(26,715,275)
Provision for impairment losses	(3,820,668)	(1,654,482)	(137,809)	-	(106,400)	(5,719,359)
Total expenses	(14,849,360)	(12,453,158)	(2,447,018)	(1,321,730)	(1,363,368)	(32,434,634)
Other income - net	595,841	1,010,271	763,128	120,242	7,714	2,497,196
Income before income tax expense	17,621,547	10,064,244	1,253,766	1,768,257	96,298	30,804,112
Income tax expense	(3,755,227)	(2,144,733)	(267,183)	(380,211)	(30,157)	(6,577,511)
Income for the year	13,866,320	7,919,511	986,583	1,388,046	66,141	24,226,601
Segment assets						
Loans	164,054,180	195,134,010	131,214,518	-	20,294,133	510,696,841
Allowance for impairment losses	(9,660,582)	(2,573,136)	(3,551,523)	-	(377,554)	(16,162,795)
Non Loans	-	-	-	298,960,492	6,800,780	305,761,272
	154,393,598	192,560,874	127,662,995	298,960,492	26,717,359	800,295,318
Segment liabilities						
Funding	164,445,627	210,162,411	225,796,037	-	21,917,771	622,321,846
Non funding	-	-	-	79,748,853	2,207,657	81,956,510
	164,445,627	210,162,411	225,796,037	79,748,853	24,125,428	704,278,356

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

40. SEGMENT INFORMATION (continued)

b. Operating Segment (continued)

Information concerning the operating segments of BRI and Subsidiaries are as follows (continued):

As of December 31, 2013 and for the Year Then Ended						
Description	Micro	Retail	Corporate	Others	Subsidiaries	Total
Interest income - net	21,455,414	16,496,904	3,598,795	1,354,791	1,200,367	44,106,271
Other operating income	2,509,400	4,267,299	266,802	1,113,137	191,821	8,348,459
Total income	23,964,814	20,764,203	3,865,597	2,467,928	1,392,188	52,454,730
Other operating expenses	(8,852,630)	(9,176,086)	(1,781,821)	(1,462,965)	(1,107,276)	(22,380,778)
Provision for impairment losses	(2,629,684)	(995,278)	(291,520)	-	(29,893)	(3,946,375)
Total expenses	(11,482,314)	(10,171,364)	(2,073,341)	(1,462,965)	(1,137,169)	(26,327,153)
Other income - net	664,188	701,567	211,141	199,324	6,269	1,782,489
Income before income tax expense	13,146,688	11,294,406	2,003,397	1,204,287	261,288	27,910,066
Income tax expense	(3,084,992)	(2,650,356)	(470,146)	(282,232)	(68,010)	(6,555,736)
Income for the year	10,061,696	8,644,050	1,533,251	922,055	193,278	21,354,330
Segment assets						
Loans	142,266,742	178,155,745	110,195,386	-	17,726,983	448,344,856
Allowance for impairment losses	(8,985,643)	(2,801,046)	(3,285,710)	-	(345,697)	(15,418,096)
Non loans	-	-	-	185,949,421	5,118,239	191,067,660
	133,281,099	175,354,699	106,909,676	185,949,421	22,499,525	623,994,420
Segment liabilities						
Funding	146,150,785	167,812,080	172,403,394	-	17,915,123	504,281,382
Non funding	-	-	-	40,163,585	2,081,360	42,244,945
	146,150,785	167,812,080	172,403,394	40,163,585	19,996,483	546,526,327

c. Geographical Segment

Description	Net interest, operating, and investment income				
	Six-month Period Ended June 30		Year Ended December 31		
	2016	2015 (Unaudited)	2015	2014	2013
Indonesia	40,435,703	33,348,921	70,315,290	60,478,737	52,175,937
United States	250,887	159,571	354,868	258,844	275,263
Hong Kong	2,038	2,280	14,184	3,969	3,530
Singapore	27,994	(53)	4,466	-	-
Total	40,716,622	33,510,719	70,688,808	60,741,550	52,454,730

Description	Income before tax expense				
	Six-month Period Ended June 30		Year Ended December 31		
	2016	2015 (Unaudited)	2015	2014	2013
Indonesia	15,424,657	14,682,710	32,229,090	30,557,318	27,756,857
United States	139,839	122,561	272,416	246,089	152,638
Hong Kong	(10)	100	462	705	571
Singapore	13,344	(3,346)	(7,950)	-	-
Total	15,577,830	14,802,025	32,494,018	30,804,112	27,910,066

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

40. SEGMENT INFORMATION (continued)

c. Geographical Segment (continued)

Description	Total assets			
	June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Indonesia	891,993,696	860,784,169	782,147,202	609,388,109
United States	12,484,438	12,731,232	18,143,170	14,602,187
Hong Kong	6,117	5,832	4,946	4,124
Singapore	1,721,507	2,921,305	-	-
Total	906,205,758	876,442,538	800,295,318	623,994,420

Description	Total liabilities			
	June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Indonesia	760,128,031	749,907,147	686,390,061	532,111,600
United States	12,347,281	12,450,720	17,887,941	14,414,277
Hong Kong	787	255	354	450
Singapore	1,702,998	2,941,011	-	-
Total	774,179,097	765,299,133	704,278,356	546,526,327

41. EMPLOYEES PROGRAM

a. Defined Benefit Pension Plan

Effective January 1, 2007, all newly appointed permanent employees are not included in this program. Under this program, the right to pension benefits is given based on the established conditions which are stated in the regulations of BRI with consideration to the yearly gratuity factor over the working period and income on the pension fund. BRI's pension plan is managed by Dana Pensiun BRI (DPBRI). According to the regulation in BRI Directors' Decision Letter, the employee's contribution for pension contribution amounted to 7% of the employee's pension-based salary and any remaining amount required to fund DPBRI represents the contribution by BRI, amounted to 25.02% (previously 25.38%) since April 1, 2016.

The actuarial calculation of BRI's pension costs as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, was prepared by PT Bestama Aktuarial, an independent actuary, in its reports dated July 15, 2016, January 5, 2016, January 2, 2015 and January 3, 2014, respectively, which were prepared in accordance with SFAS No. 24 (Revised 2013), by using the "Projected Unit Credit Method" and considering the following assumptions:

	June 30, 2016	December 31		
		2015	2014	2013
Annual discount rate	7.70%	8.90%	8.08%	8.70%
Annual pension-based salary growth rate	7.50	7.50	7.50	7.50
Annual pension benefit growth rate	4.00	4.00	4.00	4.00
Mortality rate	CSO 1958	CSO 1958	CSO 1958	CSO 1958
Disability rate	10.0% from CSO 1958	10.0% from CSO 1958	10.0% from CSO 1958	10.0% from CSO 1958
Normal retirement age	56 years	56 years	56 years	56 years

The assets of DPBRI mainly consist of saving deposits, time deposits, securities, mutual fund units, securities with collateral assets and long-term investments in the form of shares of stocks and property.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

41. EMPLOYEES PROGRAM (continued)

a. Defined Benefit Pension Plan (continued)

Movements in present value of defined benefit pension as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, are as follows:

	June 30, 2016	December 31		
		2015	2014*)	2013*)
Present value of defined benefit pension				
- beginning balance	13,221,843	12,845,427	11,022,194	14,359,520
Interest expense	581,474	1,015,124	958,931	814,185
Current service cost	143,108	274,022	282,777	234,443
Past service cost	300,296	322,182	-	(308,910)
Benefit paid	(453,111)	(838,047)	(720,144)	(703,866)
Unrecognized actuarial (gain) loss	422,455	(396,865)	1,301,669	(3,373,178)
Present Value of Defined Benefit Pension				
Liabilities - ending balance	14,216,065	13,221,843	12,845,427	11,022,194

Movements in the fair value of program assets as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, are as follows:

	June 30, 2016	December 31		
		2015	2014*)	2013*)
Fair value of program assets - beginning balance	14,287,884	12,571,805	11,254,714	11,021,236
The real development results	1,338,230	2,218,737	1,709,080	642,110
Contributions paid - Employer	127,915	262,881	256,259	227,211
Contributions paid - Participants	35,281	72,508	71,896	68,023
Benefit paid	(453,111)	(838,047)	(720,144)	(703,866)
Program assets - ending balance	15,336,199	14,287,884	12,571,805	11,254,714

Movements in the defined benefit pension liabilities as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, are as follows:

	June 30, 2016	December 31		
		2015	2014*)	2013*)
Beginning balance	-	273,622	-	3,338,284
Defined benefit pension expense				
- net (Note 34)	407,675	543,325	210,881	46,791
Contributions paid - current period	(127,915)	(262,881)	(256,259)	(227,211)
Remeasurement liabilities (assets) for defined benefit pension - net	(279,760)	(554,066)	319,000	(3,157,864)
Ending balance (Note 27)	-	-	273,622	-

Remeasurement on liabilities (assets) for defined benefit pension as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, are as follows:

	June 30, 2016	December 31		
		2015	2014*)	2013*)
Beginning balance	(789,961)	(235,895)	(554,895)	2,602,969
Actuarial loss/(gain)	422,455	(396,865)	1,301,669	(3,373,178)
Yields on assets program	(708,869)	(1,223,242)	(729,920)	(17,206)
Impact change of assets other than the net interest liabilities (assets)	6,654	1,066,041	(252,749)	232,520
Total Remeasurement on assets for defined benefit pension - net	(1,069,721)	(789,961)	(235,895)	(554,895)

*) As restated (Note 49)

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

41. EMPLOYEES PROGRAM (continued)

a. Defined Benefit Pension Plan (continued)

Benefit pension expense for the six-month period ended June 30, 2016 and 2015 and the year ended December 31, 2015, 2014 and 2013, based on the actuarial calculation is as follows:

	Six-month Period Ended June 30		Year Ended December 31		
	2016	2015 (Unaudited)	2015	2014*)	2013
Current service cost	143,108	136,548	274,022	282,777	234,443
Contributions paid - Participants	(35,281)	(35,380)	(72,508)	(71,896)	(68,023)
Interest Expense - net	(448)	11,054	19,629	-	189,281
Past service cost	300,296	-	322,182	-	(308,910)
Benefit pension expense (Note 34)	407,675	112,222	543,325	210,881	46,791

As of June 30, 2016, December 31, 2015 and 2013, BRI did not recognize the assets in the consolidated financial statements due to BRI management has no benefits on those assets and has no plans to add the benefits to employees.

b. Old-Age Benefits Plan

BRI's employees are also given old-age benefits (THT) based on the regulation as stated in the Decision Letter of the Directors of BRI. BRI's old-age benefits plan is managed by Yayasan Kesejahteraan Pegawai BRI.

Old-age benefit contributions consist of payments from the employees and BRI's contributions in accordance with the requirements of the Decision Letter of Directors of BRI.

Based on the actuarial calculation of BRI's old-age benefits as of June 30, 2016, December 31, 2015, 2014 and 2013, which was prepared by PT Bestama Aktuaria, an independent actuary, in its reports dated July 15, 2016, January 5, 2016, January 2, 2015 and January 3, 2014, respectively, which were prepared in accordance with SFAS No. 24 (Revised 2013), by using the "Projected Unit Credit Method" with the following assumptions:

	June 30, 2016	December 31		
		2015	2014	2013
Discount rate	8.00%	9.09%	8.40%	9.00%
Salary's growth rate	7.50	7.50	7.50	7.50
Mortality rate	CSO 1958	CSO 1958	CSO 1958	CSO 1958
Disability rate	10.0% from CSO 1958	10.0% from CSO 1958	10.0% from CSO 1958	10.0% from CSO 1958

The status of the old-age benefits as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, based on the actuarial calculation is as follows:

	June 30, 2016	December 31		
		2015	2014*)	2013
Assets at fair value	3,158,032	3,121,511	2,847,154	2,635,837
Present value of old-age benefits liability	(1,139,600)	(991,131)	(991,536)	(902,821)
Surplus	2,018,432	2,130,380	1,855,618	1,733,016

*) As restated (Note 49)

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

41. EMPLOYEES PROGRAM (continued)

b. Old-Age Benefits Plan (continued)

Movements of the old-age benefits liabilities as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, are as follows:

	June 30, 2016	December 31		
		2015	2014*)	2013*)
Old-age benefits expense	7,380	12,807	21,437	66,617
Remeasurement on liabilities				
for defined old-age benefits - net	36,784	71,650	55,905	-
Contributions paid - current period	(44,164)	(84,457)	(77,342)	(66,617)
Liabilities - Ending Balances	-	-	-	-

Remeasurement on liabilities for defined old-age benefits as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, are as follows:

	June 30, 2016	December 31		
		2015	2014*)	2013*)
Beginning balance	127,555	55,905	-	-
Actuarial gain	122,435	(45,173)	(32,445)	(163,165)
Yields on assets program	123,122	(2,068)	121,720	594,094
Impact change of assets outside the net interest liabilities (assets)	(208,773)	118,891	(33,370)	(430,929)
Total Remeasurement on liabilities for defined old-age benefits - net	164,339	127,555	55,905	-

Old-age benefits expense for the six-month period ended June 30, 2016 and 2015 and the year ended December 31, 2015, 2014 and 2013 based on the actuarial calculation is as follows:

	Six-month Period Ended June 30		Year Ended December 31		
	2016	2015 (Unaudited)	2015	2014*)	2013
Current service cost	29,261	28,230	55,978	58,322	98,388
Contributions paid - Participants	(21,064)	(15,977)	(40,283)	(36,885)	(31,771)
Interest expense - net	(817)	-	(2,888)	-	-
Old-age benefits expense	7,380	12,253	12,807	21,437	66,617

*) As restated (Note 49)

As of June 30, 2016, December 31, 2015, 2014 and 2013, BRI did not recognize the prepaid old-age benefits and the income of old-age benefits as BRI management has no benefits on those assets and has no plans to reduce its contributions in the future.

c. Defined Contribution Pension Plan

(i) BRI (Parent Entity)

The employees of BRI are also included in the defined contribution pension plan in accordance with BRI Directors' decision which was effective since October 2000. BRI's contributions to the plan which are reported in the consolidated statement of profit or loss and other comprehensive income amounted to Rp109,702, Rp246,954, Rp198,322, Rp146,527 and Rp124,322 for the six-month period ended June 30, 2016 and 2015, and year ended December 31, 2015, 2014 and 2013 (Note 34). This pension plan is managed by Dana Pensiun Lembaga Keuangan BRI.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

41. EMPLOYEES PROGRAM (continued)

c. Defined Contribution Pension Plan (continued)

(ii) BRI Agro (Subsidiary)

BRI Agro organized defined contribution pension plans for all its permanent employees which is managed by Financial Institutions Pension Fund (Pension Fund) PT Bank Negara Indonesia (Persero) Tbk. BRI Agro amount of contribution to the pension fund amounted to 87.8% of the contributions that have been defined based on the level of each employee are reported in the income statement and the consolidated other comprehensive income, amounted to Rp341, Rp325, Rp653, Rp637 and Rp610 each for the six-month period ended June 30, 2016 and 2015 and the year ended December 31, 2015, 2014 and 2013 (Note 34).

d. Work Separation Scheme

(i) BRI (Parent Entity)

The calculation performed by the management of BRI of liabilities related to allowance for separation benefit which include severance, gratuity and compensation benefits were based on actuarial valuation assumption in compliance with Labor Law No. 13/2003 dated March 25, 2003, As of June 30, 2016, December 31, 2015, 2014 and 2013. The actuarial calculations were performed by PT Bestama Aktuarial, an independent actuary, in its reports dated July 15, 2016, January 5, 2016, January 2, 2015 and January 3, 2014, respectively, by using the "Projected Unit Credit Method" with the following assumptions:

	June 30, 2016	December 31		
		2015	2014	2013
Discount rate	8.00%	9.00%	8.40%	9.00%
Future salary's growth rate	7.50	7.50	7.50	7.50
Mortality rate	CSO 1958	CSO 1958	CSO 1958	CSO 1958
Disability rate	10.0% from CSO 1958	10.0% from CSO 1958	10.0% from CSO 1958	10.0% from CSO 1958

Movements in the work separation scheme liability as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, are as follows:

	June 30, 2016	December 31		
		2015	2014*)	2013*)
Beginning balance	997,669	936,602	831,234	833,035
Work separation scheme expense - net (Note 34)	112,500	196,040	185,182	160,471
Actual benefit payments by BRI	(25,181)	(58,860)	(40,076)	(38,378)
Remeasurement on liabilities (assets) for defined work separation scheme - net	(27,095)	(76,113)	(39,738)	(123,894)
Ending Balances (Note 27)	1,057,893	997,669	936,602	831,234

*) As restated (Note 49)

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

41. EMPLOYEES PROGRAM (continued)

d. Work Separation Scheme (continued)

(i) BRI (Parent Entity) (continued)

Remeasurement on liabilities (assets) for defined work separation scheme as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, are as follows:

	June 30, 2016	December 31		
		2015	2014*)	2013*)
Beginning balance	(47,474)	28,639	68,377	192,271
Actuarial (gain)/loss	(27,095)	(76,113)	(39,738)	(123,894)
Total Remeasurement on (assets) liabilities for defined work separation scheme - net	(74,569)	(47,474)	28,639	68,377

The calculation of work separation scheme expense for the six-month period ended June 30, 2016 and 2015, and the year ended December 31, 2015, 2014 and 2013 based on the actuarial calculation are as follows:

	Six-month Period Ended June 30		Year Ended December 31		
	2016	2015 (Unaudited)	2015	2014*)	2013
Current service cost	66,671	62,965	115,007	110,371	85,498
Interest cost	45,829	39,337	81,033	74,811	74,973
Work separation scheme expense (Note 34)	112,500	102,302	196,040	185,182	160,471

*) As restated (Note 49)

(ii) BRISyariah (Subsidiary)

The Subsidiary provides the work separation scheme based on the provisions of Labor Law No. 13/2003 dated March 25, 2003.

The following tables summarize the components of the work separation scheme expense recognized in the consolidated statements of comprehensive income and recognized in the consolidated statements of financial position for the work separation scheme liability as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, as determined by PT Bestama Aktuaria, an independent actuary, in its report dated July 15, 2016 and PT Katsir Imam Sapto Sejahtera Aktuaria, an independent actuary, in its reports dated January 5, 2016, January 2, 2015 and January 2, 2014, respectively, by using the "Projected Unit Credit Method" with the following assumptions:

	June 30, 2016	December 31		
		2015	2014	2013
Annual discount rate	7.70%	9.20%	8.50%	9.00%
Annual salary's growth rate	5.00	5.00	5.00	5.00
Mortality rate	TMI-III 2011	TMI-III 2011	TMI-III 2011	TMI-III 2011

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

41. EMPLOYEES PROGRAM (continued)

d. Work Separation Scheme (continued)

(ii) BRISyariah (Subsidiary) (continued)

Movements in the work separation scheme liability as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, are as follows:

	June 30, 2016	December 31		
		2015	2014*)	2013*)
Beginning balance	46,966	38,037	28,081	27,423
Work separation scheme expense (Note 34)	6,102	12,509	11,431	9,895
Actual benefit payments by BRISyariah	(565)	-	(1,048)	(116)
Remeasurement on liabilities (assets) for defined work separation scheme - net	1,255	(3,580)	(427)	(9,121)
Ending Balances (Note 27)	53,758	46,966	38,037	28,081

Remeasurement on liabilities (assets) for defined work separation scheme as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, are as follows:

	June 30, 2016	December 31		
		2015	2014*)	2013*)
Beginning balance	(15,629)	(12,049)	(11,622)	(2,501)
Actuarial loss / (gain)	1,255	(3,580)	(427)	(9,121)
Total Remeasurement on assets for defined work separation scheme - net	(14,374)	(15,629)	(12,049)	(11,622)

The calculation of work separation scheme expense for the six-month period ended June 30, 2016 and 2015, and the year ended December 31, 2015, 2014 and 2013 based on the actuarial calculation are as follows:

	Six-month Period Ended June 30		Year Ended December 31		
	2016	2015 (Unaudited)	2015	2014*)	2013
Current service cost	3,866	4,489	9,276	8,904	7,427
Interest cost	2,236	1,616	3,233	2,527	2,468
Work separation scheme expense (Note 34)	6,102	6,105	12,509	11,431	9,895

*) As restated (Note 49)

(iii) BRI Agro (Subsidiary)

The Subsidiary provides the work separation scheme based on the provisions of Labor Law No. 13/2003 dated March 25, 2003.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

41. EMPLOYEES PROGRAM (continued)

d. Work Separation Scheme (continued)

(iii) BRI Agro (Subsidiary) (continued)

The following tables summarize the components of the work separation scheme expense recognized in the consolidated statements of profit or loss and other comprehensive income and recognized in the consolidated statements of financial position for the work separation scheme liability as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, as determined by PT Bestama Aktuaria, an independent actuary, in its reports dated July 15, 2016, January 5, 2016, January 2, 2015 and January 3, 2014, respectively, by using the "Projected Unit Credit Method" with the following assumptions:

	June 30, 2016	December 31		
		2015	2014	2013
Discount rate	7.90%	9.00%	8.30%	8.80%
Annual salary increase rate	8.00	8.00	8.00	8.00
Mortality rate	TMI 2011	TMI 2011	TMI 2011	TMI 2011
Disability rate	10% TMI 2011	10% TMI 2011	10% TMI 2011	10% TMI 2011

Movements in the work separation scheme liability as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, are as follows:

	June 30, 2016	December 31		
		2015	2014*)	2013*)
Beginning balance	27,420	25,644	19,431	25,737
Work separation scheme (Note 34)	2,704	4,815	9,499	4,134
Actual benefit payments	(461)	(2,283)	(4,479)	(4,561)
Remeasurement on liabilities (assets) for defined work separation scheme - net	2,197	(756)	1,193	(5,879)
Ending Balance (Note 27)	31,860	27,420	25,644	19,431

Remeasurement on liabilities (assets) for defined work separation scheme as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, are as follows:

	June 30, 2016	December 31		
		2015	2014*)	2013*)
Beginning balance	1,048	1,804	611	6,490
Actuarial loss/(gain)	2,197	(756)	1,193	(5,879)
Total Remeasurement on liabilities for defined work separation scheme - net	3,245	1,048	1,804	611

*) As restated (Note 49)

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

41. EMPLOYEES PROGRAM (continued)

d. Work Separation Scheme (continued)

(iii) BRI Agro (Subsidiary) (continued)

The calculation of work separation scheme expense for the six-month period ended June 30, 2016 and 2015, and the year ended December 31, 2015, 2014 and 2013 based on the actuarial calculation are as follows:

	Six-month Period Ended June 30		Year Ended December 31		
	2016	2015 (Unaudited)	2015	2014*	2013
Current service cost	1,448	1,291	2,671	2,564	2,590
Interest expense	1,256	1,026	2,144	1,710	1,544
Past service cost	-	-	-	5,225	-
Work separation scheme expense (Note 34)	2,704	2,317	4,815	9,499	4,134

*) As restated (Note 49)

(iv) PT Asuransi Jiwa Bringin Jiwa Sejahtera

The Subsidiary provides the work separation scheme based on the provisions of Labor Law No. 13/2003 dated March 25, 2003.

The following tables summarize the components of the work separation scheme expense recognized in the consolidated statements of comprehensive income and recognized in the consolidated statements of financial position for the work separation scheme liability as of June 30, 2016 and December 31, 2015, as determined by Padma Radya Aktuaria and PT Quattro Asia Consulting, independent actuaries, in their reports dated July 15, 2016 and January 7, 2016, respectively, by using the "Projected Unit Credit Method" with the following assumptions:

	June 30, 2016	December 31, 2015
Discount rate	8.00%	9.08%
Annual salary increase rate	7.00	7.00
Mortality rate	TMI 2011	TMI 2011
Disability rate	10% TMI 2011	10% TMI 2011

Movements in the work separation scheme liability as of June 30, 2016 and December 31, 2015 are as follow:

	June 30, 2016	December 31, 2015
Beginning balance	41,044	34,629
Work separation scheme expense (Note 34)	1,823	6,086
Actual benefit payments	(138)	(1,361)
Remeasurement on liabilities (assets) for defined work separation scheme - net	4,554	1,690
Ending Balance (Note 27)	47,283	41,044

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

41. EMPLOYEES PROGRAM (continued)

d. Work Separation Scheme (continued)

(iv) PT Asuransi Jiwa Bringin Jiwa Sejahtera (continued)

Remeasurement on liabilities (assets) for defined work separation scheme as of June 30, 2016 and December 31, 2015 are as follow:

	June 30, 2016	December 31, 2015
Beginning balance	2,901	1,211
Actuarial loss	4,554	1,690
Total remeasurement on liabilities for defined work separation scheme - net	7,455	2,901

The calculation of work separation scheme expense for the six-month period ended June 30, 2016 is as follow:

	June 30, 2016
Current service cost	1,427
Past service cost	(1,456)
Interest expense	1,852
Work separation scheme expense (Note 34)	1,823

e. Other Long-term Employee Benefits

BRI employees also have long-term employee benefits, such as gratuity for services, grand leaves and pension preparation period (MPP).

(i) Allowance for gratuity for services

i. BRI (Parent Entity)

The actuarial calculation on gratuity for services as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, which was prepared by PT Bestama Aktuaria, an independent actuary, in its reports dated July 15, 2016, January 5, 2016, January 2, 2015 and January 3, 2014, respectively, by using the "Projected Unit Credit Method" with the following assumptions:

	June 30, 2016	December 31		
		2015	2014	2013
Discount rate	8.00%	9.00%	8.40%	9.00%
Future salary's growth rate	7.50	7.50	7.50	7.50
Gold price growth rate	10.00	10.00	10.00	10.00
Mortality rate	CSO 1958	CSO 1958	CSO 1958	CSO 1958
Disability rate	10.0% from CSO 1958	10.0% from CSO 1958	10.0% from CSO 1958	10.0% from CSO 1958

The present value of liability for gratuity for services based on the actuarial calculation amounted to Rp921,908, Rp833,576, Rp817,046 and Rp752,338 as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

41. EMPLOYEES PROGRAM (continued)

e. Other Long-term Employee Benefits (continued)

(i) Allowance for gratuity for services (continued)

i. BRI (Parent Entity) (continued)

Movements in liability for gratuity for services as of of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
Beginning balance of liability	833,576	817,046	752,338	825,709
Gratuity for service expense (Note 34)	88,648	76,718	137,568	2,342
Benefit payments by BRI	(316)	(60,188)	(72,860)	(75,713)
Gratuity for services liability (Note 27)	921,908	833,576	817,046	752,338

The gratuity for service expense for the six-month period ended June 30, 2016 and 2015, and the year ended December 31, 2015, 2014 and 2013 based on the actuarial calculation are as follows:

	Six-month Period Ended June 30		Year Ended December 31		
	2016	2015 (Unaudited)	2015	2014	2013
Current service cost	35,178	32,298	65,369	62,735	51,643
Interest expense	38,295	34,316	68,849	67,710	47,891
Recognized actuarial loss (gain)	15,175	(55,954)	(57,500)	7,123	(97,192)
Gratuity for services expense) (Note 34)	88,648	10,660	76,718	137,568	2,342

ii. PT Asuransi Jiwa Bringin Jiwa Sejahtera (Subsidiary)

The Subsidiary also provides gratuity for services program to its employees as one of their benefits.

The actuarial calculation for gratuity for services recorded in the consolidated statements of profit or loss and other comprehensive income and recognized in the consolidated statements of financial position as of June 30, 2016 and December 31, 2015 which was prepared by Padma Radya Aktuaria and PT Quattro Asia Consulting, independent actuaries in their reports dated July 15, 2016 and January 7, 2016, respectively, by using the "Projected Unit Credit Method" with the following assumptions:

	June 30, 2016	December 31, 2015
Discount rate	8.00%	9.08%
Future salary's growth rate	7.00	7.00
Mortality rate	TMI-III 2011	TMI-III 2011
Disability rate	10% TMI 2011	10% TMI 2011

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

41. EMPLOYEES PROGRAM (continued)

e. Other Long-term Employee Benefits (continued)

(i) Allowance for gratuity for services (continued)

ii. PT Asuransi Jiwa Bringin Jiwa Sejahtera (Subsidiary) (continued)

The present value of liability for gratuity for services based on the actuarial calculation amounted to Rp9,965 and Rp9,764 as of June 30, 2016 and December 31, 2015, respectively.

Movements in liability for gratuity for services as of June 30, 2016 and December 31, 2015 is as follows:

	June 30, 2016	December 31, 2015
Beginning balance of liability	9,764	8,724
Gratuity for service expense (Note 34)	1,473	2,330
Actual benefit payments	(1,272)	(1,290)
Gratuity for services liability (Note 27)	9,965	9,764

The calculation of gratuity for services expense for the six-month period ended June 30, 2016 is as follows:

	June 30, 2016
Current services cost	355
Past services cost	(909)
Recognized actuarial loss	2,027
Gratuity for services expense (Note 34)	1,473

(ii) Grand leaves

i. BRI (Parent Entity)

The actuarial calculation for grand leaves as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, which was prepared by PT Bestama Aktuarial, an independent actuary, in its reports dated July 15, 2016, January 5, 2016, January 2, 2015 and January 3, 2014, respectively, by using the "Projected Unit Credit Method" with the following assumptions:

	June 30, 2016	December 31		
	2015	2014	2013	
Discount rate	8.00%	9.00%	8.40%	9.00%
Future salary's growth rate	7.50	7.50	7.50	7.50
Mortality rate	CSO 1958	CSO 1958	CSO 1958	CSO 1958
Disability rate	10.0% dari CSO 1958	10.0% dari CSO 1958	10.0% dari CSO 1958	10.0% dari CSO 1958

The present value of liability of allowance for grand leaves based on actuarial calculations amounted to Rp1,222,295, Rp1,119,535, Rp979,693 and Rp821,951 as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

41. EMPLOYEES PROGRAM (continued)

e. Other Long-term Employee Benefits (continued)

(ii) Grand leaves (continued)

i. BRI (Parent Entity) (continued)

Movements in liability for grand leaves as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
Beginning balance of liability	1,119,535	979,693	821,951	887,617
Grand leaves expense (Note 34)	178,575	264,713	276,299	48,504
Actual benefit payments by BRI	(75,815)	(124,871)	(118,557)	(114,170)
Grand leaves liability (Note 27)	1,222,295	1,119,535	979,693	821,951

The grand leaves expense for the six-month period ended June 30, 2016 and 2015 and the year ended December 31, 2015, 2014 and 2013 based on the actuarial calculation are as follows:

	Six-month Period Ended June 30		Year Ended December 31		
	2016	2015 (Unaudited)	2015	2014	2013
Current service cost	85,718	76,225	142,910	137,150	93,578
Interest expense	50,602	41,147	83,052	73,976	51,482
Recognized actuarial loss	42,255	67,294	38,751	65,173	(96,556)
Grand leaves Expense (Note 34)	178,575	184,666	264,713	276,299	48,504

ii. BRISyariah (Subsidiary)

The Subsidiary also provides grand leaves program to its employees as one of their benefits.

The actuarial calculation for grand leaves was recorded in the consolidated statements of profit or loss and other comprehensive income and recognized in the consolidated statements of financial position as of June 30, 2016, December 31, 2015, 2014 and 2013 as determined by PT Bestama Aktuarial, an independent actuary, in its report dated July 15, 2016 and PT Katsir Imam Sapto Sejahtera Aktuarial, an independent actuary, in its reports dated January 5, 2016, January 2, 2015, and January 2, 2014, respectively, by using the "Projected Unit Credit Method" with the following assumptions:

	June 30, 2016	December 31		
		2015	2014	2013
Discount rate	7.30%	9.20%	8.50%	9.00%
Future salary's growth rate	5.00	5.00	5.00	5.00
Mortality rate	TMI-III 2011	TMI-III 2011	TMI-III 2011	TMI-III 2011

Present value of grand leaves liability of the Subsidiary based on actuarial calculation amounted to Rp26,414, Rp32,828, Rp31,112 and Rp17,827 as of June 30, 2016, December 31, 2015, 2014, and 2013, respectively.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

41. EMPLOYEES PROGRAM (continued)

e. Other Long-term Employee Benefits (continued)

(ii) Grand leaves (continued)

ii. BRISyariah (Subsidiary) (continued)

Movements in grand leaves liability as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, are as follows:

	December 31			
	June 30, 2016	2015	2014*)	2013*)
Beginning balance of liability	32,828	31,112	17,827	11,330
Grand leaves expense	(2,406)	8,269	13,730	6,497
Actual benefit payments by BRIS	(4,008)	(6,553)	(445)	-
Grand leaves liability (Note 27)	26,414	32,828	31,112	17,827

The subsidiary's grand leaves expense for the six-month period ended June 30, 2016 and 2015 and the year ended December 31, 2015, 2014 and 2013 based on the actuarial calculation are as follows:

	Six-month Period Ended June 30		Year Ended December 31		
	2016	2015 (Unaudited)	2015	2014*)	2013
Current service cost	3,024	3,901	7,196	7,117	5,669
Interest expense	1,487	1,322	2,644	1,605	828
Recognized actuarial (gain) loss	(6,917)	270	(1,571)	5,008	-
Grand leaves expense	(2,406)	5,493	8,269	13,730	6,497

*) As restated (Note 49)

iii. BRI Agro (Subsidiary)

The Subsidiary also provides grand leaves program to its employees as one of their benefits.

The actuarial calculation for grand leaves recorded in the consolidated statements of profit or loss and other comprehensive income and recognized in the consolidated statements of financial position as of June 30, 2016, December 31, 2015, 2014 and 2013 was prepared by PT Bestama Aktuarial, an independent actuary in its reports dated July 15, 2016, January 5, 2016 January 2, 2015 and January 3, 2014, respectively, by using the "Projected Unit Credit Method" with the following assumptions:

	December 31			
	June 30, 2016	2015	2014	2013
Discount rate	7.40%	8.70%	8.00%	8.35%
Future salary's growth rate	8.00	8.00	8.00	8.00
Mortality rate	TMI 2011	TMI 2011	TMI 2011	TMI 2011
Disability rate	10% TMI 2011	10% TMI 2011	10% TMI 2011	10% TMI 2011

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

41. EMPLOYEES PROGRAM (continued)

e. Other Long-term Employee Benefits (continued)

(ii) Grand leaves (continued)

iii. BRI Agro (Subsidiary) (continued)

The present value of liability of allowance for grand leaves of the Subsidiary based on the actuarial calculation amounted to Rp2,089, Rp1,957, Rp1,849 and Rp2,708 as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively.

Movements in liability for grand leaves as of June 30, 2016, December 31, 2015, 2014 and 2013 are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
Beginning balance of liability	1,957	1,849	2,708	2,676
Expense (income) recognized				
In the current year	780	684	(4)	533
Actual benefit payments	(648)	(576)	(855)	(501)
Grand leaves liability (Note 27)	2,089	1,957	1,849	2,708

The subsidiary's grand leaves expense for the six-month period ended June 30, 2016 and 2015 and the year ended December 31, 2015, 2014 and 2013 based on the actuarial calculation are as follows:

	Six-month Period Ended June 30		Year Ended December 31		
	2016	2015 (Unaudited)	2015	2014	2013
Current service cost	383	360	696	669	881
Interest expense	79	74	153	226	181
Recognized actuarial loss/(gain)	318	116	(165)	(206)	(529)
Past service cost	-	-	-	(693)	-
Grand leaves expense (income) (Note 34)	780	550	684	(4)	533

Under Decree No. Kpts.B.06/Dir.01.02/MSDM/10/2014 dated October 13, 2014, The Board of Directors of BRI Agro decided a change in allowance of grand leaves from 2.75 times employees wages to 2 times employees wages.

iv. PT Asuransi Jiwa Bringin Jiwa Sejahtera (Subsidiary)

The Subsidiary also provides grand leaves program to its employees as one of their benefits.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

41. EMPLOYEES PROGRAM (continued)

e. Other Long-term Employee Benefits (continued)

(ii) Grand leaves (continued)

iv. PT Asuransi Jiwa Bringin Jiwa Sejahtera (Subsidiary) (continued)

The actuarial calculation for grand leaves recorded in the consolidated statements of profit or loss and other comprehensive income and recognized in the consolidated statements of financial position as of June 30, 2016 was prepared by Padma Radya Aktuaria, an independent actuary in its report dated July 15, 2016 and as of December 31, 2015 was prepared by PT Quattro Asia Consulting, an independent actuary in its report dated January 7, 2016, by using the "Projected Unit Credit Method" with the following assumptions:

	June 30, 2016	December 31, 2015
Discount rate	8.00%	9.08%
Future salary's growth rate	7.00	7.00
Mortality rate	TMI 2011	TMI 2011
Disability rate	10% TMI 2011	10% TMI 2011

The present value of liability for gratuity for services of the Subsidiary based on the actuarial calculation amounted to Rp6,006 and Rp2,221 as of June 30, 2016 and December 31, 2015.

Movement in liability for grand leaves as of June 30, 2016 and December 31, 2015 is as follows:

	June 30, 2016	December 31, 2015
Beginning balance of liability	2,221	1,572
Grand leaves expense (Note 34)	4,077	1,415
Actual benefit payments	(292)	(766)
Grand leaves liability (Note 27)	6,006	2,221

The calculation of grand leaves expense for the six-month period ended June 30, 2016 is as follows:

	June 30, 2016
Current service cost	949
Past service cost	2,678
Recognized actuarial loss	450
Grand leaves expense (Note 34)	4,077

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

41. EMPLOYEES PROGRAM (continued)

e. Other Long-term Employee Benefits (continued)

(iii) Pension preparation period

i. BRI Agro (Subsidiary)

BRI Agro provides pension preparation period to its employees as one of their benefits.

The actuarial calculation of pension preparation period as of December 31, 2015, 2014 and 2013 was prepared by PT Bestama Aktuarial, an independent actuary in its reports dated January 5, 2016, January 2, 2015 and January 3, 2014, respectively, by using the "Projected Unit Credit Method" with the following assumptions:

	<u>December 31, 2014</u>	<u>December 31, 2013</u>
Discount rate	8.20%	8.80%
Future salary's growth rate	8.00	8.00
Mortality rate	TMI 2011	TMI 2011
Disability rate	10% TMI 2011	10% TMI 2011

Movements in the liability for pension preparation period as of December 31, 2015, 2014 and 2013, respectively, are as follows:

	<u>December 31</u>		
	<u>2015</u>	<u>2014*)</u>	<u>2013*)</u>
Beginning balance	7,446	7,081	9,321
Pension preparation period expense (Note 34)	(11,877)	1,395	2,450
Actual benefit payment by BRI Agro	(19)	(74)	-
Remeasurement on liabilities (assets) for defined pension preparation period - net	4,450	(956)	(4,690)
Ending Balance (Note 27)	-	7,446	7,081

Remeasurement on liabilities (assets) for defined pension preparation period - net as of December 31, 2015, 2014 and 2013, respectively, are as follows:

	<u>December 31</u>		
	<u>2015</u>	<u>2014*)</u>	<u>2013*)</u>
Beginning balance	(4,450)	(3,494)	1,196
Actuarial loss/(gain)	4,450	(956)	(4,690)
Total remeasurement on liabilities (assets) for defined pension preparation period - net	-	(4,450)	(3,494)

*) As restated (Note 49)

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

41. EMPLOYEES PROGRAM (continued)

e. Other Long-term Employee Benefits (continued)

(iii) Pension preparation period (continued)

i. BRI Agro (Subsidiary) (continued)

Pension preparation period expense for the six-month period ended June 30, 2015 and the year ended December 31, 2015, 2014 and 2013 based on the actuarial calculation are as follows:

	Six-month Period Ended June 30, 2015 (Unaudited)	Year Ended December 31		
		2015	2014*)	2013
Current service cost	364	803	772	1,891
Interest expense	305	643	623	559
Actuarial gains on settlement	-	(13,323)	-	-
Pension preparation period expense (Note 34)	669	(11,877)	1,395	2,450

*) As restated (Note 49)

Based on the Decree No. Kpts.B.15/Dir.02.04/MSDM/XII/2015 dated December 17, 2015, the Board of Directors of BRI Agro decided to revoke and terminate the pension preparation period which became effective on December 15, 2015. Specifically for employees who were undergoing a period of preparation for retirement, the employee would still be eligible for Pension Preparation Period in the "laid off" program during the 12 months period until retirement. Reversal of allowance for pension preparation period as a result of the decree was recorded under other operating income in the consolidated statement of profit or loss and other comprehensive income.

42. INFORMATION ON COMMITMENTS AND CONTINGENCIES

	June 30, 2016	December 31		
		2015	2014	2013
Commitments				
Commitments receivables				
Purchase of spot and foreign currencies	13,241,070	6,343,775	836,582	1,180,490
Commitments liabilities				
Unused credit facilities granted to debtors	113,833,186	111,600,420	95,360,221	79,707,332
Irrevocable letters of credit (Note 26c)	10,308,297	15,406,791	9,209,539	18,626,470
Sale of spot and foreign currencies	4,891,052	2,198,086	735,099	937,090
Unused financing facilities granted to debtors	429,480	155,372	74,780	72,679
	129,462,015	129,360,669	105,379,639	99,343,571
Commitments - net	(116,220,945)	(123,016,894)	(104,543,057)	(98,163,081)
Contingencies				
Contingent receivables				
Interest receivables under settlement	44,320	47,497	35,817	58,203
Contingent liabilities				
Guarantees issued (Note 26c) in the form of:				
Standby letters of credit	3,724,992	4,225,864	7,311,903	6,656,160
Bank guarantees	19,062,360	19,443,044	11,541,922	9,236,021
Others	-	-	-	45,322
	22,787,352	23,668,908	18,853,825	15,937,503
Contingencies - net	(22,743,032)	(23,621,411)	(18,818,008)	(15,879,300)

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

43. TRANSACTIONS WITH RELATED PARTIES

In the normal course of the business, BRI engages in transactions with related parties due to the relationship of ownership and/or management. All transactions with related parties have been made according to the mutually agreed policies and terms.

Balances and transactions with related parties are as follows:

Related parties	Relationship	Element of transactions
Ministry of Finance of the Republic of Indonesia	Control through the Central Government of the Republic of Indonesia	Loans
Koperasi Swakarya BRI	Control through management	Sharia receivables and financing
Lembaga Pembiayaan Ekspor Indonesia	Control through the Central Government of the Republic of Indonesia	Placements in Bank Indonesia and other Banks, Securities
Government of the Republic of Indonesia (RI)	Ownership of majority shares through the Ministry of Finance of the Republic of Indonesia	Securities, Government Recapitalization Bonds
Perum BULOG	Control through the Central Government of the Republic of Indonesia	Loans, Irrevocable L/C
Perum DAMRI	Control through the Central Government of the Republic of Indonesia	Sharia receivables and financing
BDH Khusus Bialugri	Control through the Central Government of the Republic of Indonesia	Irrevocable L/C
Bendahara Khusus Pusku Tentara Nasional Indonesia (TNI)	Control through the Central Government of the Republic of Indonesia	Irrevocable L/C
PT Aneka Jasa Ghradika	Control through the Central Government of the Republic of Indonesia	Export bills
PT Aneka Tambang (Persero) Tbk	Control through the Central Government of the Republic of Indonesia	Irrevocable L/C
PT Asuransi Bringin Sejahtera Artamakmur	Ownership through Dana Pensiun BRI	Insurance of fixed assets
PT Bank BNI Syariah	Control through the Central Government of the Republic of Indonesia	Current accounts with other Banks, Placements in Bank Indonesia and other Banks
PT Bank Bukopin Tbk	Control through the Central Government of the Republic of Indonesia	Current accounts with other Banks, Placements in Bank Indonesia and other Banks, Reverse repo
PT Bank Mandiri (Persero) Tbk	Control through the Central Government of the Republic of Indonesia	Current accounts with other Banks, Placements in Bank Indonesia and other Banks, Reverse repo

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

43. TRANSACTIONS WITH RELATED PARTIES (continued)

Related parties	Relationship	Element of transactions
PT Bank Negara Indonesia (Persero) Tbk	Control through the Central Government of the Republic of Indonesia	Current accounts with other Banks, Placements in Bank Indonesia and other Banks, Securities
PT Bank Syariah Mandiri	Control through the Central Government of the Republic of Indonesia	Current accounts with other Banks, Placements in Bank Indonesia and other Banks
PT Bank Syariah Bukopin	Control through the Central Government of the Republic of Indonesia	Placements in Bank Indonesia and other Banks
PT Bank Tabungan Negara (Persero) Tbk	Control through the Central Government of the Republic of Indonesia	Placements in Bank Indonesia and other Banks, Securities
PT Bringin Gigantara	Ownership through Dana Pensiun BRI	Sharia receivables and financing, Investment in associated entities, Acceptances receivable, Acceptances payable
PT Bringin Karya Sejahtera	Ownership through Dana Pensiun BRI	Sharia receivables and financing
PT BTMU-BRI Finance	Ownership	Placements in Bank Indonesia and other Banks, Investment in associated entities
PT Cakra Mandiri Pratama Indonesia	Control through the Central Government of the Republic of Indonesia	Export bills
PT Dayamitra Telekomunikasi	Control through the Central Government of the Republic of Indonesia	Loans
PT Dirgantara Indonesia (Persero)	Control through the Central Government of the Republic of Indonesia	Guarantees issued, Irrevocable L/C
PT Garuda Indonesia (Persero) Tbk	Control through the Central Government of the Republic of Indonesia	Loans, Guarantees issued
PT Indonesia Asahan Aluminium (Persero)	Control through the Central Government of the Republic of Indonesia	Irrevocable L/C
PT Indonesia Power	Control through the Central Government of the Republic of Indonesia	Guarantees issued
PT Industri Kereta Api (Persero)	Control through the Central Government of the Republic of Indonesia	Acceptances receivable, Acceptances payable
PT Inti (Persero)	Control through the Central Government of the Republic of Indonesia	Acceptances receivable, Acceptances payable, Export bills
PT Inti Pindad Mitra Sejati	Control through the Central Government of the Republic of Indonesia	Export bills

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

43. TRANSACTIONS WITH RELATED PARTIES (continued)

Related parties	Relationship	Element of transactions
PT Inti Konten Indonesia	Control through the Central Government of the Republic of Indonesia	Sharia receivables and financing
PT Jasa Marga (Persero) Tbk	Control through the Central Government of the Republic of Indonesia	Securities
PT Kereta Api Indonesia (Persero)	Control through the Central Government of the Republic of Indonesia	Loans, Irrevocable L/C
PT Krakatau Steel (Persero) Tbk	Control through the Central Government of the Republic of Indonesia	Loans
PT Krakatau Wajatama	Control through the Central Government of the Republic of Indonesia	Export bills
PT Len Industri (Persero)	Control through the Central Government of the Republic of Indonesia	Export bills
PT Mitra Bhakti Inti Perdana	Control through the Central Government of the Republic of Indonesia	Export bills
PT Pegadaian (Persero)	Control through the Central Government of the Republic of Indonesia	Securities, Loans, Sharia receivables and financing
PT Pembangunan Perumahan (Persero) Tbk	Control through the Central Government of the Republic of Indonesia	Guarantees issued
PT Perkebunan Nusantara VII (Persero)	Control through the Central Government of the Republic of Indonesia	Loans
PT Perkebunan Nusantara VIII (Persero)	Control through the Central Government of the Republic of Indonesia	Export bills
PT Pertamina (Persero)	Control through the Central Government of the Republic of Indonesia	Securities, Irrevocable L/C
PT Pertamina Lubricants	Control through the Central Government of the Republic of Indonesia	Export bills
PT Pertamina Patra Niaga	Control through the Central Government of the Republic of Indonesia	Acceptances receivable, Acceptances payable
PT Perusahaan Gas Negara (Persero) Tbk	Control through the Central Government of the Republic of Indonesia	Guarantees issued
PT Perusahaan Listrik Negara (Persero)	Control through the Central Government of the Republic of Indonesia	Securities, Loans, Guarantees issued
PT Petrokimia Gresik	Control through the Central Government of the Republic of Indonesia	Irrevocable L/C

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

43. TRANSACTIONS WITH RELATED PARTIES (continued)

Related parties	Relationship	Element of transactions
PT Petrosida Gresik	Control through the Central Government of the Republic of Indonesia	Export bills
PT Pindad (Persero)	Control through the Central Government of the Republic of Indonesia	Export bills, Acceptances receivable, Acceptances payable
PT Pupuk Kalimantan Timur	Control through the Central Government of the Republic of Indonesia	Loans
PT Pupuk Kujang	Control through the Central Government of the Republic of Indonesia	Guarantees issued
PT Railink	Control through the Central Government of the Republic of Indonesia	Irrevocable L/C
PT Rekayasa Industri	Control through the Central Government of the Republic of Indonesia	Acceptances receivable, Acceptances payable
PT Sarana Multigriya Finansial (Persero)	Control through the Central Government of the Republic of Indonesia	Securities
PT Telekomunikasi Indonesia (Persero) Tbk	Control through the Central Government of the Republic of Indonesia	Securities
PT Telekomunikasi Selular Tbk	Control through the Central Government of the Republic of Indonesia	Guarantees issued
PT Waskita Karya (Persero) Tbk	Control through the Central Government of the Republic of Indonesia	Export bills, Acceptances receivable, Acceptances payable, Guarantees issued
PT Wijaya Karya (Persero) Tbk	Control through the Central Government of the Republic of Indonesia	Acceptances receivable, Acceptances payable, Guarantees issued,
PT Wijaya Karya Beton	Control through the Central Government of the Republic of Indonesia	Export bills
PT Wijaya Karya Bangunan Gedung	Control through the Central Government of the Republic of Indonesia	Acceptances receivable, Acceptances payable
PT Wijaya Karya Industri dan Konstruksi	Control through the Central Government of the Republic of Indonesia	Export bills
PT Wijaya Karya Industri Energi	Control through the Central Government of the Republic of Indonesia	Acceptances receivable, Acceptances payable
Key employees	Control on company's Activities	Loans, Sharia receivables and financing

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

43. TRANSACTIONS WITH RELATED PARTIES (continued)

	June 30, 2016	December 31		
		2015	2014	2013
Assets				
Current accounts with other Banks (Note 5)				
PT Bank Mandiri (Persero) Tbk	12,880	3,574	9,563	8,861
PT Bank Negara Indonesia (Persero) Tbk	6,817	64,833	495	101,577
PT Bank Syariah Mandiri	66	-	-	-
PT Bank BNI Syariah	61	45	-	-
PT Bank Bukopin Tbk	-	-	-	10
	19,824	68,452	10,058	110,448
Placements with Bank Indonesia and other Banks (Note 6)				
Lembaga Pembiayaan Ekspor Indonesia	400,000	400,000	160,000	400,000
PT Bank Tabungan Negara (Persero) Tbk	213,840	51,000	-	-
PT Bank Bukopin Tbk	134,001	50,000	100,000	210,000
PT Bank Mandiri (Persero) Tbk	3,950	400,000	-	-
PT Bank BNI Syariah	2,000	2,000	-	-
PT Bank Syariah Bukopin	1,700	-	-	-
PT Bank Negara Indonesia (Persero) Tbk	-	100,000	-	537,173
PT BTMU-BRI Finance	-	46,000	30,000	130,000
PT Bank Syariah Mandiri	-	1,500	-	-
	755,491	1,050,500	290,000	1,277,173
Securities (Note 7)				
Government of Republic of Indonesia	93,690,079	93,941,932	43,914,713	22,217,614
Lembaga Pembiayaan Ekspor Indonesia	1,141,180	916,861	367,221	304,360
PT Bank Negara Indonesia (Persero) Tbk	947,498	897,818	255,384	106,721
PT Bank Tabungan Negara (Persero) Tbk	712,153	550,807	292,865	141,918
PT Jasa Marga (Persero) Tbk	579,277	510,173	125,870	99,977
PT Pegadaian (Persero)	576,770	724,664	200,084	283,740
PT Perusahaan Listrik Negara (Persero)	549,502	549,591	214,698	95,964
PT Sarana Multigriya Finansial (Persero)	500,050	457,424	84,850	18,824
PT Pertamina (Persero)	342,471	313,835	59,526	9,695
PT Telekomunikasi Indonesia (Persero) Tbk	305,059	299,792	-	-
Others	2,641,891	2,385,875	482,236	432,749
	101,985,930	101,548,772	45,997,447	23,711,562
Export bills (Note 8)				
PT Krakatau Wajatama	15,598	-	-	-
PT Inti (Persero)	6,784	-	-	-
PT Petrosida Gresik	6,145	3,949	-	-
PT Cakra Mandiri Pratama Indonesia	1,712	6,419	-	-
PT Mitra Bhakti Inti Perdana	1,501	4,254	-	-
PT Inti Pindad Mitra Sejati	1,811	-	-	-
PT Len Industri (Persero)	822	-	-	-
PT Pindad (Persero)	768	-	4,994	-
PT Pertamina Lubricants	715	822	-	-
PT Waskita Karya (Persero) Tbk	-	102,064	-	-
PT Wijaya Karya Industri dan Konstruksi	-	4,774	-	-
PT Aneka Jasa Grhadika	-	1,152	-	-
PT Perkebunan Nusantara VIII (Persero)	-	-	24,482	32,307
PT Wijaya Karya Beton Tbk	-	-	15,082	-
Others	-	-	2,255	175,327
	35,856	123,434	46,813	207,634
Government Recapitalization Bonds (Note 9)				
Government of Republic of Indonesia	3,816,931	3,815,958	4,303,596	4,511,419

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

43. TRANSACTIONS WITH RELATED PARTIES (continued)

	June 30, 2016	December 31		
		2015	2014	2013
Assets (continued)				
Securities purchased under agreement to resell (Note 10)				
PT Bank Mandiri (Persero) Tbk	-	466,992	-	1,008,810
PT Bank Bukopin Tbk	-	-	-	101,016
	-	466,992	-	1,109,826
Loans (Note 12)				
PT Perusahaan Listrik Negara (Persero)	21,741,875	16,479,829	12,507,583	10,288,290
Perum BULOG	16,230,578	17,187,834	10,467,999	9,355,324
Ministry of Finance of the Republic of Indonesia	4,381,113	4,683,888	4,007,873	3,778,698
PT Pegadaian (Persero)	3,799,744	3,864,154	4,420,940	3,602,519
PT Kereta Api Indonesia (Persero)	3,660,537	3,678,155	3,513,187	2,709,044
PT Krakatau Steel (Persero) Tbk	2,458,998	2,123,803	1,494,735	858,654
PT Pupuk Kalimantan Timur	2,168,905	2,461,901	1,624,780	1,836,399
PT Dayamitra Telekomunikasi	1,929,955	1,295,955	1,627,955	1,610,438
PT Garuda Indonesia (Persero) Tbk	1,683,832	1,593,531	461,917	486,800
PT Perkebunan Nusantara VII (Persero)	1,513,179	1,635,207	1,071,122	789,971
Key employees	45,960	46,498	50,357	54,084
Others	28,360,864	38,079,404	39,818,700	33,087,646
	87,975,540	93,130,159	81,067,148	68,457,867
Sharia receivables and financing (Note 13)				
PT Pegadaian (Persero)	135,000	-	-	-
Koperasi Swakarya BRI	65,383	-	-	-
Perum DAMRI	38,844	40,403	23,235	50,858
PT Inti Konten Indonesia	4,816	5,704	-	-
PT Bringin Gigantara	-	-	1,135	8,763
PT Bringin Karya Sejahtera	-	-	172	3,711
Key employees	9,700	10,165	9,181	14,208
	253,743	56,272	33,723	77,540
Acceptances receivable (Note 14)				
PT Pindad (Persero)	259,423	335,586	100,011	137,639
PT Wijaya Karya (Persero) Tbk	113,720	57,174	49,102	53,979
PT Inti (Persero)	55,173	86,881	92,007	232,075
PT Pertamina Patra Niaga	37,092	9,019	304,718	-
PT Waskita Karya (Persero) Tbk	22,004	2,810	-	-
PT Bringin Gigantara	21,900	-	-	8,082
PT Wijaya Karya Bangunan Gedung	9,872	-	-	-
PT Wijaya Karya Industri Energi	9,598	1,831	1,714	153
PT Industri Kereta Api (Persero)	4,578	8,890	5,613	-
PT Rekayasa Industri	412	-	15,258	9,967
Others	-	209,387	16,029	993,866
	533,772	711,578	584,452	1,435,761
Investment in associated entities (Note 15)				
PT BTMU-BRI Finance	280,728	262,891	249,629	220,907
PT Bringin Gigantara	-	1,240	-	-
	280,728	264,131	249,629	220,907
Total assets from related parties	195,657,815	201,236,248	132,582,866	101,120,137
Total consolidated assets	907,842,929	878,426,312	801,984,190	626,100,633
Percentage of total assets from related parties to total consolidated assets	21.55%	22.91%	16.53%	16.15%

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

43. TRANSACTIONS WITH RELATED PARTIES (continued)

	June 30, 2016	December 31		
		2015	2014	2013
Liabilities				
Demand Deposits (Note 19)				
Government Entities and Institutions	29,240,326	33,664,980	31,830,760	21,391,485
Key employees	1,070	676	930	1,332
Others	112,049	36,503	10,583	51,067
	<u>29,353,445</u>	<u>33,702,159</u>	<u>31,842,273</u>	<u>21,443,884</u>
Saving deposits (Note 20)				
Government Entities and Institutions	43,990	15,209	167,626	73,286
Key employees	249,466	132,564	142,916	99,662
Others	-	-	12,203	13,259
	<u>293,456</u>	<u>147,773</u>	<u>322,745</u>	<u>186,207</u>
Time deposits (Note 21)				
Government Entities and Institutions	44,312,232	61,367,059	57,707,685	57,426,013
Key employees	84,812	143,006	291,164	238,668
Others	200,445	179,001	550,676	1,011,875
	<u>44,597,489</u>	<u>61,689,066</u>	<u>58,549,525</u>	<u>58,676,556</u>
Deposits from other Banks and financial institutions (Note 22)				
Government Entities and Institutions	321,413	603,167	531,814	410,282
Securities sold under agreement to repurchase (Note 23)				
Government Entities and Institutions	1,449,517	1,444,821	4,209,872	-
Acceptances payable (Note 14)				
Government Entities and Institutions	533,772	711,578	584,452	1,435,761
Fund borrowings (Note 25)				
Government Entities and Institutions	100,000	100,000	200,000	100,000
Compensation to key employees management (Note 41)				
Present value of defined benefit pension liability	353,217	326,876	305,657	229,549
Present value of old-age benefits liability	61,486	51,314	47,783	40,227
Present value of work separation liability	70,981	71,914	52,839	52,133
Present value of gratuity for services liability	37,024	34,293	34,207	29,782
Present value of grand leaves liability	39,383	38,570	34,875	32,410
Present value of pension preparation period	-	-	1,226	1,134
	<u>562,091</u>	<u>522,967</u>	<u>476,587</u>	<u>385,235</u>
Total liabilities to related parties	<u>77,211,183</u>	<u>98,921,531</u>	<u>96,717,268</u>	<u>82,637,925</u>
Total consolidated liabilities	<u>774,179,097</u>	<u>765,299,133</u>	<u>704,278,356</u>	<u>546,855,504</u>
Percentage of liabilities to related parties to total consolidated liabilities	<u>9.97%</u>	<u>12.93%</u>	<u>13.73%</u>	<u>15.11%</u>

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

43. TRANSACTIONS WITH RELATED PARTIES (continued)

	June 30, 2016	December 31		
		2015	2014	2013
Commitments and contingencies in administrative accounts				
Guarantees issued (Note 26c)				
PT Perusahaan Gas Negara (Persero) Tbk	3,075,787	3,082,483	2,815,132	651,429
PT Waskita Karya (Persero) Tbk	1,984,054	1,570,160	718,347	395,436
PT Dirgantara Indonesia (Persero)	1,574,462	2,001,619	1,964,095	1,349,021
PT Wijaya Karya (Persero) Tbk	1,474,186	1,488,411	1,154,219	1,105,254
PT Perusahaan Listrik Negara (Persero)	629,604	605,519	406,029	330,598
PT Indonesia Power	555,167	582,063	310,764	500,737
PT Telekomunikasi Selular Tbk	463,357	337,191	-	130,738
PT Garuda Indonesia (Persero) Tbk	359,607	392,762	-	-
PT Pembangunan Perumahan (Persero) Tbk	241,697	57,997	36,335	46,675
PT Pupuk Kujang	208,054	217,069	188,566	175,799
Others	2,290,320	2,845,253	3,099,241	3,176,459
	<u>12,856,295</u>	<u>13,180,527</u>	<u>10,692,728</u>	<u>7,862,146</u>
Irrevocable L/C (Note 26c)				
BDH Khusus Bialugri	1,356,021	2,791,051	1,360,963	-
PT Dirgantara Indonesia (Persero)	1,288,327	1,153,393	1,276,862	747,150
PT Indonesia Asahan Aluminium (Persero)	1,142,299	377,963	250,094	1,091,980
PT Aneka Tambang (Persero) Tbk	652,392	-	2,762	-
Bendahara Khusus Pusku TNI	552,750	-	70,862	-
PT Railink	422,800	-	-	10,472
PT Kereta Api Indonesia (Persero)	413,296	97,584	476,924	491,271
PT Pertamina (Persero)	402,981	-	-	-
Perum BULOG	397,057	4,295,555	3,084	-
PT Petrokimia Gresik	390,144	86,129	-	2,951
Others	1,498,309	3,138,638	1,588,136	1,279,429
	<u>8,516,376</u>	<u>11,940,313</u>	<u>5,029,687</u>	<u>3,623,253</u>

	Six-month Period Ended June 30		Year Ended December 31		
	2016	2015 (Unaudited)	2015	2014	2013
Salaries and allowances for the Boards of Directors and Commissioners (Note 34)					
Salaries and allowances for the Boards of Directors	30,222	17,455	42,300	48,268	48,817
Salaries and allowances for the Boards of Commissioners	7,942	7,229	20,920	17,565	17,256
Total	<u>38,164</u>	<u>24,684</u>	<u>63,220</u>	<u>65,833</u>	<u>66,073</u>
Tantiem, bonuses and incentives for the Boards of Commissioners, Directors and key employees (Note 34)					
Tantiem for the Boards of Directors	210,773	229,902	232,975	201,301	145,714
Tantiem for the Boards of Commissioners	83,426	74,206	75,898	76,731	49,593
Bonuses and Incentives for key employees	4,427	30,101	89,442	77,473	71,172
Total	<u>298,626</u>	<u>334,209</u>	<u>398,315</u>	<u>355,505</u>	<u>266,479</u>

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

43. TRANSACTIONS WITH RELATED PARTIES (continued)

Percentage of transactions with related parties to total consolidated assets and liabilities of BRI and Subsidiaries are as follows:

	June 30, 2016	December 31		
		2015	2014	2013
Assets				
Current accounts with other Banks	0.002%	0.008%	0.001%	0.018%
Placements with Bank Indonesia and other Banks	0.083	0.120	0.036	0.204
Securities	11.234	11.560	5.735	3.787
Export bills	0.004	0.014	0.006	0.033
Government Recapitalization Bonds	0.420	0.434	0.537	0.721
Securities purchased under agreement to resell	-	0.053	-	0.177
Loans	9.691	10.602	10.108	10.934
Sharia receivables and financing	0.028	0.006	0.004	0.012
Acceptances receivable	0.059	0.081	0.073	0.229
Investment in associated entities	0.031	0.030	0.031	0.035
Total	21.552%	22.908%	16.531%	16.150%
Liabilities				
Demand deposits	3.791%	4.404%	4.521%	3.921%
Saving deposits	0.038	0.019	0.046	0.034
Time deposits	5.761	8.061	8.313	10.730
Deposits from other Banks and financial institutions	0.041	0.079	0.076	0.075
Securities sold under agreement to repurchase	0.187	0.189	0.598	-
Acceptances payable	0.069	0.093	0.083	0.263
Fund borrowings	0.013	0.013	0.028	0.018
Compensation to key employees	0.073	0.068	0.068	0.070
Total	9.973%	12.926%	13.733%	15.111%

As of June 30, 2016, December 31, 2015, 2014 and 2013, BRI (Parent Entity) insured certain premises and equipment to PT Asuransi Bringin Sejahtera Artamakmur (related party) (Note 16).

44. SIGNIFICANT AGREEMENTS, COMMITMENTS AND CONTINGENCIES

a. Significant Agreements

On June 9, 2016, BRI entered into an agreement with PT Bringin Gigantara in connection with the procurement of 2 (two) AS/400 Power-8 (E880) machine units for 1 (one) year with the contract value of Rp220,000.

On June 1, 2016, BRI entered into an agreement with Koperasi Swakarya BRI in connection with the procurement of 3,000 (three thousand) BRI ATM units for 3 (three) years with the contract value of Rp250,764.

On June 1, 2016, BRI entered into an agreement with PT Titan Sarana Niaga in connection with the procurement of 2,250 (two thousand two hundred fifty) BRI ATM units for 3 (three) years with the contract value of Rp188,073.

On June 1, 2016, BRI entered into an agreement with PT Asaba Computer Centre in connection with the procurement of 1,500 (one thousand five hundred) BRI ATM units for 3 (three) years with the contract value of Rp125,328.

On January 19, 2016, BRI entered into an agreement with PT Bringin Gigantara in connection with the procurement of 1,300 (one thousand three hundred) BRI ATM units for 3 (three) years with the contract value of Rp116,534.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

44. SIGNIFICANT AGREEMENTS, COMMITMENTS AND CONTINGENCIES (continued)

a. Significant Agreements (continued)

On November 30, 2015, BRI entered into an agreement with PT Bringin Gigantara in connection with the procurement of 6,000 (six thousand) EDC Triple Connection units and 17,186 (seventeen thousand one hundred and eighty six) EDC Mobile units for 3 (three) years with the contract value of Rp60,143.

On October 27, 2015, BRI entered into an agreement with Koperasi Swakarya BRI in connection with the procurement of 14,000 (fourteen thousand) EDC Triple Connection units and 17,966 (seventeen thousand nine hundred and sixty six) EDC Mobile units for 3 (three) years with the contract value of Rp83,789.

On June 29, 2015, BRI entered into an agreement with PT Bringin Gigantara in connection with the procurement of 300 (three hundred) CDM units for 3 (three) years with the contract value of USD5,399,400.

On June 1, 2015, BRI entered into an agreement with Koperasi Swakarya BRI in connection with the procurement of 1,000 (one thousand) ATM units for 3 (three) years with the contract value of USD6,750,000.

On June 1, 2015, BRI entered into an agreement with PT Bringin Gigantara in connection with the procurement of 600 (six hundred) ATM units for 3 (three) years with the contract value of USD4,050,000.

On December 19, 2014, BRI entered into an agreement with PT Satkomindo Mediyasa in connection with the procurement of communication services for 1,570 (one thousand five hundred seventy) ATM locations for 3 (three) years with the contract value of Rp66,946.

On May 14, 2014, BRI entered into an agreement with PT Bringin Gigantara in connection with the procurement of 900 (nine hundred) ATM units for 3 (three) years with the contract value of USD6,022,800.

On April 28, 2014, BRI entered into an agreement with Space System/Loral, Limited Liability Company (LLC) and Arianespace in connection with the procurement of communication satellite, ground system, training, internship and satellite launch with the contract value of USD217,270,000, with estimated period of satellite construction of 2 (two) years.

On April 11, 2014, BRI entered into an agreement with PT Multi Adiprakarsa Tunggal in connection with the procurement of 36,118 (thirty six thousand one hundred eighteen) units of EDC machine with devices and operational support services for 3 (three) years with the contract value of USD6,718,826.

On March 24, 2014, BRI entered into an agreement with PT Bismacindo Perkasa in connection with the procurement of 16,195 (sixteen thousand one hundred ninety five) notebook units in relation to the implementation of mobile LAN for micro units for 3 (three) years with the contract value of USD5,344,350.

On December 16, 2013, BRI entered into an agreement with PT Telekomunikasi Indonesia Tbk in connection with the procurement of VSAT communication media services for 1,250 (one thousand two hundred fifty) offsite ATM locations for 3 (three) years with the contract value of Rp45,500.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

44. SIGNIFICANT AGREEMENTS, COMMITMENTS AND CONTINGENCIES (continued)

a. Significant Agreements (continued)

On November 11, 2013, BRI entered into an agreement with PT Prima Vista Solusi in connection with the procurement of 2,567 (two thousand five hundred sixty seven) EDC LAN units for UKO, 4,788 (four thousand seven hundred eighty eight) EDC GPRS units for UKO and 10,074 (ten thousand seventy four) EDC Triple Connection for 3 (three) years with the contract value of Rp53,542.

On November 8, 2013, BRI entered into an agreement with PT Pasifik Satelit Nusantara in connection with the procurement of VSAT communication media services for 1,250 (one thousand two hundred fifty) offsite ATM locations for 3 (three) years with the contract value of Rp45,500.

On September 12, 2013, BRI entered into an agreement with PT Tangara Mitrakom in connection with the procurement of VSAT communication media services for 1,250 (one thousand two hundred fifty) offsite ATM locations for 3 (three) years with the contract value of Rp43,550.

On September 5, 2013, BRI entered into an agreement with PT Satkomindo Mediyasa in connection with the procurement of VSAT communication media services for 1,250 (one thousand two hundred fifty) offsite ATM locations for 3 (three) years with the contract value of Rp45,125.

b. Contingent Liabilities

In conducting its business, BRI is a defendant with various litigation proceedings and legal claims mainly with respect to matters of contractual compliance. Although there is no clear assurance yet, BRI believes that based on information currently available, the ultimate resolution of these legal proceedings and legal claims will not likely have a material effect on the operations, financial position or liquidity level of BRI.

As of June 30, 2016, December 31, 2015, 2014 and 2013, BRI has provided an allowance (included in "Other Liabilities") for several pending lawsuits filed against BRI amounting to Rp456,513, Rp410,878, Rp316,225 and Rp328,630 (Note 28), respectively. Management believes that the allowance is adequate to cover possible losses arising from pending litigations or legal claims that are currently in progress.

45. GOVERNMENT GUARANTEE ON OBLIGATIONS OF COMMERCIAL BANKS

Based on Presidential Decision No. 26 of 1998 as implemented by the Ministry of Finance Decision dated January 28, 1998 and the Joint Decrees No. 30/270/KEP/DIR and No. 1/BPPN/1998 dated March 6, 1998, of the Director of Bank Indonesia and Head of IBRA, the Government provided a guarantee on certain obligations of all locally incorporated commercial banks. Based on the latest amendment under the Decree of the Ministry of Finance Decision No. 179/KMK.017/2000 dated May 26, 2000, this guarantee is valid from January 26, 1998 up to January 31, 2001 and with automatic extension of the guarantee period continuously every 6 (six) months, unless within 6 (six) months before the maturity of the guarantee period or its extension period, the Ministry of Finance announces to the public the expiry and/or change in the guarantee program. For this guarantee, the Government charges premium which is computed based on a certain percentage in accordance with the prevailing regulations.

In accordance with Regulation No. 17/PMK.05/2005 dated March 3, 2005 of the Ministry of Finance, starting April 18, 2005, commercial bank obligations guaranteed by the Government Guarantee Program include demand deposits, saving deposits, time deposits and borrowings from other banks in the form of inter-bank money market transactions.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

45. GOVERNMENT GUARANTEE ON OBLIGATIONS OF COMMERCIAL BANKS (continued)

The Government Guarantee Program through UP3 ended on September 22, 2005 based on Regulation No. 68/PMK.05/2005 dated August 10, 2005 of the Ministry of Finance regarding the "Calculation and Payment of Premium on Government Guarantee Program on the Payment of Obligations of Commercial Banks" for the period of July 1 up to September 21, 2005. The Government established the Indonesia Deposit Insurance Corporation (LPS), an independent agency, to replace UP3 based on Law No. 24 of 2004 dated September 22, 2004 regarding "Deposit Insurance Corporation", in order to provide guarantees on public funds including funds from other banks in the form of demand deposits, time deposits, certificates of deposits, saving deposits and/or other similar forms.

Based on LPS regulation No. 1/PLPS/2006 dated March 9, 2006 regarding "Government Guarantee Program on Saving Account", the balance of saving accounts guaranteed for each customer has a maximum of Rp100 million.

In accordance with Government Regulation No. 66 of 2008, dated October 13, 2008 regarding "The Amount of Public Savings Guaranteed by the Indonesia Deposit Insurance Corporation", the total amount of customers' saving accounts in banks which is guaranteed by the Government has increased to Rp2 billion, from the previous Rp100 million, effective on the date stated above.

LPS interest rates guarantee as of June 30, 2016, December 31, 2015, 2014 and 2013 were 6.75%, 7.50%, 7.75% and 7.25%, respectively, for deposits in Rupiah, meanwhile for foreign currencies were 0.75%, 1.25%, 1.5% dan 1.5%, respectively.

46. ISSUED AND REVISED STATEMENTS OF FINANCIAL ACCOUNTING STANDARDS (SFAS) AND INTERPRETATION OF FINANCIAL ACCOUNTING STANDARDS (IFAS)

The following summarizes the SFAS and IFAS which were issued by the Financial Accounting Standards Board (FASB) and Sharia Accounting Standards Board (SASB) are relevant to BRI and Subsidiaries, but not yet effective for consolidated financial statements as of June 30, 2016:

Effective on or after January 1, 2017:

- a. Amendment SFAS 1, "Presentation of Financial Statements", have given clarification regarding materiality, hierarchy flexibility, systematic notes for financial statements and identification of significant accounting policy. Amendment SFAS 1 have impacted other SFAS (consequential amendment) such as: SFAS 3 "Interim Financial Reporting", SFAS 5 "Operating Segments", SFAS 60 "Financial Instruments: Disclosures", and SFAS 62 "Insurance Contract".
- b. IFAS 31, "Interpretation of SFAS 13 : Investment Property", an interpretation of the characteristics of the building that is used as part of the definition of investment property under SFAS No. 13 "Investment Property". The building referred to in the definition of investment property refers to structures that have physical characteristics that are generally associated with a building which refers to the presence of walls, floors, and roofs are attached to the asset.

Currently BRI and Subsidiaries are presently evaluating and have not yet determined the impact of the revised SFAS on their consolidated financial statements.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

47. OTHER DISCLOSURES

a. Capital Adequacy Ratio (CAR)

BRI actively manages its capital in accordance with the regulatory requirements. The primary objective of which is to ensure that BRI, at all times, maintains adequate capital to cover inherent risks to its banking activities without prejudice to optimizing shareholder's value.

CAR as of June 30, 2016 and December 31, 2015 was calculated based on Regulation of Financial Services Authority (POJK) No. 11/POJK.03/2016 and Bank Indonesia Regulation (PBI) No. 15/12/PBI/2013, concerning the Minimum Capital Requirement for Commercial Banks where capital for credit risk consist of core capital (Common Equity Tier 1 and additional Tier I) and supplementary capital, respectively, while the CAR as of December 31, 2014 and 2013 was calculated based on PBI No. 14/18/PBI/2012 where capital for credit risk consist of core capital and supplementary capital, except for Article 7 paragraph 1, which was revoked and declared to be no longer valid and superseded by Article 11 paragraph 2 of PBI No. 15/12/PBI/2013 related to minimum core capital provision requirement of 6% of the risk weighted assets (RWA), both individually and on consolidated basis.

Based on POJK No. 11/POJK.03/2016 concerning the Minimum Capital Requirement for Commercial Banks, PBI No. 17/22/PBI/2015 concerning the Establishment of Countercyclical Buffer Requirement, and POJK No. 46/POJK.03/2015 concerning the Determination of Systemically Important Bank and Capital Surcharge, BRI is required to form additional capital as a buffer that apply in stages starting on January 1, 2016. The establishment of buffer capital consist of Capital Conservation Buffer, Countercyclical Buffer, and Capital Surcharge for D-SIB which shall be established based on a percentage of RWA amounted to 0.625%, 0.00% and 0.5% respectively.

Since August 24, 2015, BRI has implemented the Regulation of Financial Services Authority (POJK) No. 11/POJK.03/2015 on Prudential Principle Provisions to Stimulate the National Economy for Commercial Banks, which stipulates that the weight of risk for credit backed residences is on minimum of 35% for consumer credit in relation with the possession of house (KPR) or an apartment (KPA) or consumer loan with collateral such as house or apartment with certain conditions, or at least by 20% for a mortgage which is a program of the Government of Indonesia with certain conditions. In addition, the risk weight of credit to Small Medium Enterprise (SME) whose credit is guaranteed by Regional-Owned Enterprises (BUMD) guarantee institution or credit insurance is set at 50% as long as meeting the requirements set.

Based on the BRI's risk profile as of December 31, 2015 and June 30, 2015, 2014 and 2013, which are satisfactory, the minimum CAR as of June 30, 2016, December 31, 2015, 2014 and 2013 is set at 9% to less than 10%.

The determination of BRI's compliance with regulatory requirements and ratios is based on the regulatory accounting practices which differ from Indonesian Financial Accounting Standards in some respects. As of June 30, 2016, December 31, 2015, 2014 and 2013, BRI has complied with the BI required capital adequacy ratio.

As of June 30, 2016, December 31, 2015, 2014 and 2013, BRI has complied with the required BI and Financial Services Authority required capital adequacy ratio.

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

47. OTHER DISCLOSURES (continued)

a. Capital Adequacy Ratio (CAR) (continued)

CAR BRI (Parent Entity) as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, calculated as follows:

	June 30, 2016	December 31		
		2015	2014	2013
Core Capital (Tier 1)				
Common Equity (CET 1)	110,333,045	89,992,393		
Additional Tier (AT-1)	-	-		
Total Core Capital	110,333,045	89,992,393	82,108,763	65,964,040
Supplementary Capital (Tier 2)	21,078,707	20,588,224	3,597,794	3,507,996
Total Capital	131,411,752	110,580,617	85,706,557	69,472,036
Risk Weighted Asset (RWA)				
RWA for Credit Risk after considering Specific Risk ^{*)}	478,378,080	438,295,934	381,065,044	331,161,598
RWA for Market Risk	4,319,408	2,572,131	3,326,447	2,294,988
RWA for Operational Risk ^{**)}	111,898,899	96,206,873	83,790,585	75,401,807
Total RWA	594,596,387	537,074,938	468,182,076	408,858,393
CAR Ratio				
CET 1 Ratio	18.56%	16.76%	-	-
Tier 1 Ratio	18.56	16.76	17.54%	16.13%
Tier 2 Ratio	3.55	3.83	0.77	0.86
Total Ratio	22.10	20.59	18.31	16.99
Tier 1 Minimum Ratio	6.00%	6.00%	6.00%	6.00%
CET 1 Minimum Ratio	4.50	4.50	4.50	4.50
Minimum CAR Based on Risk Profile	9.00	9.00	9.00	9.00

*) Credit risk is calculated according to Bank Indonesia Form Letter No. 13/6/DPNP dated February 18, 2011.

**) Operational risk is calculated according to Bank Indonesia Form Letter No. 11/3/DPNP dated January 27, 2009.

b. Non-Performing Loans (NPL) Ratio

As of June 30, 2016, December 31, 2015, 2014 and 2013, BRI's NPL ratio are as follows :

(i) Consolidated (including Sharia receivables and financing)

	June 30, 2016	December 31		
		2015	2014	2013
NPL ratio - gross	2.39%	2.10%	1.78%	1.63%
NPL ratio - net	0.62	0.54	0.39	0.36

(ii) BRI (Parent Entity)

	June 30, 2016	December 31		
		2015	2014	2013
NPL ratio - gross	2.31%	2.02%	1.69%	1.55%
NPL ratio - net	0.60	0.52	0.36	0.31

NPL ratio - net is calculated based on NPL less the minimum allowance for impairment losses in accordance with Bank Indonesia regulations divided by the total loans.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

47. OTHER DISCLOSURES (continued)

c. Custodian Operations

BRI rendered custodian services since 1996 based on its operating license through Bapepam Chairman Decision Letter No. 91/PM/1996 dated April 11, 1996 and was also selected as the Sub-Registry in conducting of Government bonds transactions and administration of Scriptless Certificates of Bank Indonesia by Bank Indonesia.

The custodian services business is a part of the Investment Services Division, which provides services such as:

- Safekeeping, administration services and portfolio valuation;
- Transaction settlement handling services;
- Income collection services, including the related tax payments;
- Corporate actions and proxy services;
- Information and reporting services;
- Custody Unit Link services and DPLK;
- Online Brokerage services of BRI's shares;
- Custodian for asset securitization; and
- Global custodian for securities issued abroad

BRI has 158 (one hundred fifty eight), 127 (one hundred twenty seven), 95 (ninety five) and 90 (ninety) customers (unaudited) as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively, which mainly consist of pension funds, financial institutions, insurance companies, securities companies, mutual funds and other companies.

Customers' assets deposited at BRI Custodian (unaudited) amounted to Rp187,128,498, Rp182,164,111, Rp126,849,299 and Rp102,560,000 as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively. While the number of custodian fees earned (unaudited) amounted to Rp26,280, Rp17,350, Rp38,775, Rp30,088 and Rp25,550 for the six-month period ended June 30, 2016 and 2015, and the year ended December 31, 2015, 2014 and 2013, respectively.

d. Trustee Agent Operations

BRI rendered trustee agent operations since 1996. The operating license of BRI for trust services was granted by the Ministry of Finance based on its Decision Letter No. 1554/KMK.013/1990 dated December 6, 1990 and registered in OJK in conformity with its Operating License as Trustee Agent No. 08/STTD-WA/PM/1996 dated June 11, 1996.

The trust services business is a part of the Investment Services Division which provides services such as:

- Trustee agent
- Security agent
- Payment agent

BRI has 22 (twenty two), 21 (twenty one), 19 (nineteen) and 17 (seventeen) customers (unaudited) as of June 30, 2016, December 31, 2015, 2014 and 2013. The total value of bonds issuance on behalf of bonds issuers managed by BRI as part of trustee agent amounted to Rp60,985,512, Rp59,147,889, Rp55,519,389 and Rp47,006,889 as of June 30, 2016, December 31, 2015, 2014 and 2013, respectively.

The fees and commissions on trustee agent and other related services (payment agent) earned (unaudited) amounted to Rp3,345, Rp3,022, Rp6,389, Rp5,119 and Rp5,590 for the six-month period ended June 30, 2016 and 2015, and the year ended December 31, 2015, 2014 and 2013, respectively.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

47. OTHER DISCLOSURES (continued)

d. Trustee Agent Operations (continued)

To comply with Bapepam-LK Regulation No. Kep-11/BL/2006 dated August 30, 2006 on "Mutual Funds Selling Agent Behavior", the selling agent services function previously performed by the custodian has been transferred to the Trustee Agent.

e. Trust Service

BRI's Trust Service is the custodian services customers in the form of financial assets for and on behalf of customers. BRI is the first bank in Indonesia to obtain permission from Bank Indonesia to perform Trust Services in Indonesia through Bank Indonesia letter No. 15/19/DPB1/PB1-3 dated February 12, 2013 and Bank Indonesia confirmation letter No. 15/30/DPB1/PB1-3 dated March 19, 2013.

The scope of services includes the BRI Trust Services :

- Paying agent services
- Lending agency services
- Investment agency services
- Other agency services, such as suspend and guarantees agent

BRI has provided Trust Services for financial transactions involving oil and gas projects, both carried out by members of the Contractor Contract (K3S) under the auspices of SKK Migas and non K3S projects.

In addition to providing Trust Services for the oil and gas sector, BRI has been providing either trust or non-trust services for other sectors, such as infrastructure, energy, trading and chemical industries. Beside service to direct customers, the BRI's Trust Services also participate in supporting BRI's financing working unit in the infrastructure, energy and syndicated financing transactions activities.

BRI's Trust project value as of June 30, 2016 amounted to Rp5,337,870 (unaudited) derived from 7 (seven) corporate customers while non-trust project value as of June 30, 2016 amounted to Rp28,818,218 (unaudited) derived from 40 (forty) corporate customers. For the six-month period ended June 30, 2016, fee-based income that has recorded for Trust services was Rp246 and non Trust services was Rp 910 (unaudited).

f. Syndication Agent

BRI is currently providing a syndicate agent service involving a syndicated loan for financing projects which initiated by state-owned company, such as PT Jasa Marga (Persero) Tbk, PT Kereta Api Indonesia (Persero), PT Perusahaan Listrik Negara (Persero), PT Pupuk Kujang, PT Pupuk Sriwijaya, PT Industri Gula Glenmore, PT Perkebunan Nusantara (Persero) and syndicated financing project for private sector such as PT Bosowa Energi, PT Rayon Utama Makmur and PT Sumber Segara Primadaya.

Syndication agent services is part of the activities of the Trust and Corporate Services, which include the following services:

- Facilities agent
- Guarantees agent
- Shelter agent

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

47. OTHER DISCLOSURES (continued)

f. Syndication Agent (continued)

As of June 30, 2016, BRI Syndication Agent has 39 (thirty nine) corporate customers (unaudited), the total value under management was amounted to Rp117,520,000 (unaudited) and the syndication agent service fees for the six-month period ended June 30, 2016 amounted to Rp16,347 (unaudited).

48. EARNINGS PER SHARE

The following presents the computation of basic earnings per share (EPS):

	June 30, 2016		
	Income for the Year	Weighted average number of outstanding common shares	Earning per share (Full Rupiah)
Income for the year attributable to equity holders of the parent entity per share	12,175,539	24,447,668,313	498.02
	June 30, 2015 (Unaudited)		
	Income for the Year	Weighted average number of outstanding common shares	Earning per share (Full Rupiah)
Income for the year attributable to equity holders of the parent entity per share	11,945,865	24,669,162,000	484.24
	December 31, 2015		
	Income for the Year	Weighted average number of outstanding common shares	Earning per share (Full Rupiah)
Income for the year attributable to equity holders of the parent entity per share	25,397,742	24,647,768,689	1,030.43
	December 31, 2014		
	Income for the Year	Weighted average number of outstanding common shares	Earning per share (Full Rupiah)
Income for the year attributable to equity holders of the parent entity per share	24,214,911	24,669,162,000	981.59
	December 31, 2013		
	Income for the Year	Weighted average number of outstanding common shares	Earning per share (Full Rupiah)
Income for the year attributable to equity holders of the parent entity per share	21,344,130	24,669,162,000	865.22

These consolidated financial statements are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

49. RESTATEMENT OF FINANCIAL STATEMENTS FOR THE IMPLEMENTATION OF SFAS NO. 24 (REVISED 2013)

BRI has identified the adjustments of SFAS No. 24 (Revised 2013) as follows:

	December 31, 2013		
	Before adjustment	Adjustment	After adjustment
Asset			
Deferred tax asset - net	2,188,505	(82,293)	2,106,212
Liabilities			
Liabilities for employee benefits	6,858,932	(329,177)	6,529,755
Equity			
Gain on remeasurement of defined benefit plans - after deferred tax	-	375,345	375,345
Unappropriated retained earnings	59,862,555	(127,175)	59,735,380
Non-controlling interest	163,751	(1,286)	162,465
Year Ended December 31, 2013			
	Before adjustment	Adjustment	After adjustment
Statement of Profit or Loss and Other Comprehensive Income			
Remeasurement on defined benefit plans after deferred tax	-	2,475,662	2,475,662
December 31, 2014			
	Before adjustment	Adjustment	After adjustment
Asset			
Deferred tax asset - net	1,659,707	29,165	1,688,872
Liabilities			
Liabilities for employee benefits	6,626,772	60,760	6,687,532
Equity			
Gain on remeasurement of defined benefit plans - after deferred tax	-	124,147	124,147
Unappropriated retained earnings	73,312,528	(153,914)	73,158,614
Non-controlling interest	177,012	(1,828)	175,184
Year Ended December 31, 2014			
	Before adjustment	Adjustment	After adjustment
Statement of Profit or Loss and Other Comprehensive Income			
Salaries and employee benefits	(14,111,461)	(54,961)	(14,166,422)
Tax expense	(6,605,228)	27,717	(6,577,511)
Remeasurement on defined benefit plans after deferred tax	-	(251,235)	(251,235)

These consolidated financial statements are originally issued in the Indonesian language.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)**

50. EVENTS AFTER THE REPORTING PERIOD

Additional Investment in Associated Entity through Shares in PT BTMU-BRI Finance

On July 12, 2016, BRI signed a Conditional Share Purchase Agreement ("CSPA") with The Bank of Tokyo-Mitsubishi UFJ, Ltd. ("BTMU") in order to increase ownership interest of BRI in PT BTMU-BRI Finance ("BBF") from the original 45% to 99%. The share transfer plan is expected to complete in the second half of 2016 subject to the approval of regulators as well as the fulfillment of the terms and conditions of the CSPA. As of the date of these consolidated financial statements, no payment was made by BRI related to this transaction.

51. COMPLETION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The management of BRI is responsible for the preparation of these consolidated financial statements which were completed and authorized to be issued on August 12, 2016.

These supplementary financial information are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
STATEMENT OF FINANCIAL POSITION - PARENT ENTITY
As of June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

	June 30, 2016	December 31		
		2015	2014*)	2013*)
ASSETS				
Cash	33,781,207	28,470,316	22,188,566	18,911,107
Current Accounts With Bank Indonesia	46,620,248	60,128,814	49,931,583	39,752,354
Current Accounts With Other Banks	12,352,608	8,325,277	10,520,518	9,325,848
Placements With Bank Indonesia and Other Banks	32,301,806	47,424,568	61,061,721	35,581,730
Securities	117,232,075	116,770,755	81,299,374	40,830,385
Export Bills	7,887,140	7,280,883	10,527,985	8,926,072
Government Recapitalization Bonds	3,816,931	3,815,958	4,303,596	4,511,419
Securities Purchased Under Agreement to Resell	1,123,489	845,125	39,003,595	14,440,063
Derivatives Receivable	18,205	-	536	4,981
Loans	590,690,539	558,436,016	490,402,708	430,617,873
Allowance for impairment losses	(20,558,249)	(17,030,352)	(15,785,241)	(15,072,399)
	<u>570,132,290</u>	<u>541,405,664</u>	<u>474,617,467</u>	<u>415,545,474</u>
Acceptances Receivable	4,353,437	5,138,671	6,503,269	3,679,684
Investment in Associated Entities	4,967,825	4,949,988	2,407,977	2,379,256
Premises And Equipment				
Cost	29,753,215	13,982,469	11,085,865	8,385,591
Accumulated depreciation	(6,711,050)	(6,231,273)	(5,369,443)	(4,601,287)
Net book value	<u>23,042,165</u>	<u>7,751,196</u>	<u>5,716,422</u>	<u>3,784,304</u>
Deferred Tax Assets - net	1,506,117	1,806,780	1,663,539	2,061,013
Other Assets - net	13,834,341	11,884,384	8,299,937	6,555,428
TOTAL ASSETS	<u>872,969,884</u>	<u>845,998,379</u>	<u>778,046,085</u>	<u>606,289,118</u>

*) As restated

These supplementary financial information are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
STATEMENT OF FINANCIAL POSITION - PARENT ENTITY (continued)
As of June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

	June 30, 2016	December 31		
		2015	2014*)	2013*)
LIABILITIES AND EQUITY				
LIABILITIES				
Liabilities Due Immediately	5,974,969	5,000,687	6,923,774	4,968,508
Deposits from Customers				
Demand Deposits	109,202,004	112,988,721	89,075,577	78,016,733
Saving Deposits	264,053,645	267,607,038	232,413,723	210,003,641
Time Deposits	282,866,303	262,178,245	278,915,070	198,345,998
Total Deposits from Customers	656,121,952	642,774,004	600,404,370	486,366,372
Deposits From Other Banks and Financial Institutions	5,283,068	10,365,232	7,948,129	2,767,724
Securities Sold Under Agreement to Repurchase	9,498,253	11,377,958	15,456,701	-
Derivatives Payable	382,022	445,753	717,523	1,565,102
Acceptances Payable	4,353,437	5,138,671	6,503,269	3,679,684
Taxes Payable	485,589	1,371,681	22,844	1,227,626
Marketable Securities Issued	18,986,634	10,532,381	8,307,503	6,023,133
Fund Borrowings	27,627,090	35,380,358	24,886,862	8,984,913
Liabilities for Employee Benefits	7,023,391	7,880,662	6,567,790	6,443,325
Other Liabilities	4,535,731	3,282,726	3,048,752	3,052,420
Subordinated Loans	45,924	56,468	77,582	2,097,024
TOTAL LIABILITIES	740,318,060	733,606,581	680,865,099	527,175,831

*) As restated

These supplementary financial information are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
STATEMENT OF FINANCIAL POSITION - PARENT ENTITY (continued)
As of June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

	June 30, 2016	December 31		
		2015	2014*)	2013*)
LIABILITIES AND EQUITY (continued)				
EQUITY				
Capital stock - par value Rp250 (full Rupiah) per share				
Authorized capital - 60,000,000,000 shares (consisting of 1 Series A Dwiwarna share and 59,999,999,999 Series B shares)				
Issued and fully paid capital - 24,669,162,000 shares (consisting of 1 Series A Dwiwarna share and 24,669,161,999 Series B shares)	6,167,291	6,167,291	6,167,291	6,167,291
Additional paid-in capital	2,773,858	2,773,858	2,773,858	2,773,858
Revaluation surplus arising from fixed assets	13,824,692	-	-	-
Differences arising from the translation of foreign currency financial statements	45,583	49,069	56,468	82,083
Unrealized loss on available for sale securities and Government Recapitalization Bonds - net of deferred tax	901,765	(1,039,128)	(193,158)	(709,538)
Gain on remeasurement of defined benefit plans - net of deferred tax	734,963	532,410	113,511	364,889
Treasury Stock	(2,418,948)	(2,286,375)	-	-
Retained Earnings				
Appropriated	18,115,741	18,115,741	15,449,160	11,005,528
Unappropriated	92,506,879	88,078,932	72,813,856	59,429,176
Total Retained Earnings	110,622,620	106,194,673	88,263,016	70,434,704
TOTAL EQUITY	132,651,824	112,391,798	97,180,986	79,113,287
TOTAL LIABILITIES AND EQUITY	872,969,884	845,998,379	778,046,085	606,289,118

*) As restated

These supplementary financial information are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME - PARENT ENTITY
For the Six-Month Period Ended June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

	June 30		December 31		
	2016	2015 (Unaudited)	2015	2014*)	2013*)
INCOME AND EXPENSES FROM OPERATIONS					
Interest and investment income	45,009,018	39,963,142	82,221,036	72,465,818	57,300,646
Interest and other financing expense	(12,998,312)	(13,073,886)	(25,710,162)	(22,345,827)	(14,394,741)
Interest Income - net	32,010,706	26,889,256	56,510,874	50,119,991	42,905,905
Other Operating Income					
Other fees and commissions	4,141,675	3,544,229	7,351,714	6,068,243	4,859,590
Recovery of assets written-off	1,278,836	925,819	2,333,966	2,087,416	1,932,233
Gain on foreign exchange - net	-	307,232	457,939	234,389	455,327
Gain on sale of securities and Government Recapitalization					
Bonds - net	211,095	19,530	63,257	112,499	73,608
Unrealized gain on changes in fair value of securities	9,472	-	-	2,059	9,434
Others	1,956,934	853,183	2,016,879	673,267	834,980
Total Other Operating Income	7,598,012	5,649,993	12,223,755	9,177,873	8,165,172
Provision for impairment losses on financial assets - net	(7,339,435)	(3,867,709)	(8,581,076)	(5,612,959)	(3,915,850)
Other Operating Expenses					
Salaries and employee benefits	(9,928,003)	(7,631,504)	(15,961,035)	(13,608,571)	(11,747,579)
General and administrative	(5,234,465)	(4,521,973)	(9,917,770)	(8,671,798)	(7,103,256)
Premium paid to Government Guarantee Program	(639,884)	(667,582)	(1,248,259)	(991,339)	(884,635)
Unrealized losses from changes in the fair value of securities - net	(253,098)	(315)	(6,879)	-	-
Others	(1,690,337)	(1,818,064)	(2,754,876)	(2,186,599)	(1,548,097)
Total Other Operating Expenses	(17,745,787)	(14,639,438)	(29,888,819)	(25,458,307)	(21,283,567)
OPERATING INCOME	14,523,496	14,032,102	30,264,734	28,226,598	25,871,660
NON OPERATING INCOME - NET	855,887	640,015	1,946,706	2,497,114	1,776,216
INCOME BEFORE TAX EXPENSE	15,379,383	14,672,117	32,211,440	30,723,712	27,647,876
TAX EXPENSE	(3,332,114)	(2,810,926)	(7,007,288)	(6,547,354)	(6,487,726)
INCOME FOR THE PERIOD/YEAR	12,047,269	11,861,191	25,204,152	24,176,358	21,160,150

*) As restated

These supplementary financial information are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME - PARENT ENTITY (continued)
For the Six-Month Period Ended June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

	June 30		December 31		
	2016	2015 (Unaudited)	2015	2014*)	2013*)
Other comprehensive income:					
Items not to be reclassified to profit or loss					
Remeasurement on defined benefit plans	270,071	123,002	558,532	(335,171)	3,281,757
Income tax related to item not to be reclassified to profit or loss	(558,353)	(30,750)	(139,633)	83,793	(820,439)
Revaluation surplus arising from fixed assets	14,315,527	-	-	-	-
Items to be reclassified to profit or loss					
Exchange rate differences on translation of foreign currency financial statements	(3,486)	(5,176)	(7,399)	(25,615)	37,171
Unrealized gain (loss) on available for sale securities and Government Recapitalization Bonds	2,587,858	(365,524)	(1,127,959)	688,506	(1,920,634)
Income tax related to items to be reclassified to profit or loss	(646,965)	91,380	281,989	(172,126)	480,164
Other Comprehensive Income For the Period/Year - After Tax	15,964,652	(187,068)	(434,470)	239,387	1,058,019
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR	28,011,921	11,674,123	24,769,682	24,415,745	22,218,169
BASIC EARNINGS PER SHARE (full Rupiah)	492.78	480.81	1,022.57	980.02	857.76

*) As restated

These supplementary financial information are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
STATEMENT OF CHANGES IN EQUITY - PARENT ENTITY
For the Six-Month Period Ended June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

	Issued and Fully Paid Capital	Additional Paid-in Capital	Differences Arising from the Translation of Foreign Currency Financial Statements	Unrealized Gain (Loss) on Available for Sale Securities and Government Recapitalization Bonds - Net of Deferred Tax	Gain on Remeasurement on Defined Benefit Plans - Net of Deferred Tax	Retained Earnings		Total Equity - Parent Entity
						Appropriated	Unappropriated	
Balance as of December 31, 2012	6,167,291	2,773,858	44,912	730,932	(2,096,429)	8,412,595	46,539,762	62,572,921
Income for the year	-	-	-	-	-	-	21,160,150	21,160,150
Other comprehensive income	-	-	37,171	(1,440,470)	2,461,318	-	-	1,058,019
Total comprehensive income for the year	-	-	37,171	(1,440,470)	2,461,318	-	21,160,150	22,218,169
Distribution of income								
Dividends	-	-	-	-	-	-	(5,556,285)	(5,556,285)
Addition to general and specific reserves	-	-	-	-	-	2,592,933	(2,592,933)	-
Impact of adjustment on the Implementation on SFAS No. 24 (Revised 2013)	-	-	-	-	-	-	(121,518)	(121,518)
Balance as of December 31, 2013	6,167,291	2,773,858	82,083	(709,538)	364,889	11,005,528	59,429,176	79,113,287

These supplementary financial information are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
STATEMENT OF CHANGES IN EQUITY - PARENT ENTITY (continued)
For the Six-Month Period Ended June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

	Issued and Fully Paid Capital	Additional Paid-in Capital	Differences Arising from the Translation of Foreign Currency Financial Statements	Unrealized Gain (Loss) on Available for Sale Securities and Government Recapitalization Bonds - Net of Deferred Tax	Gain on Remeasurement on Defined Benefit Plans - Net of Deferred Tax	Retained Earnings		Total Equity - Parent Entity
						Appropriated	Unappropriated	
Balance as of December 31, 2013	6,167,291	2,773,858	82,083	(709,538)	364,889	11,005,528	59,429,176	79,113,287
Income for the year	-	-	-	-	-	-	24,176,358	24,176,358
Other comprehensive income	-	-	(25,615)	516,380	(251,378)	-	-	239,387
Total comprehensive income for the year	-	-	(25,615)	516,380	(251,378)	-	24,176,358	24,415,745
Distribution of income								
Dividends	-	-	-	-	-	-	(6,348,046)	(6,348,046)
Addition to general and specific reserves	-	-	-	-	-	4,443,632	(4,443,632)	-
Balance as of December 31, 2014	6,167,291	2,773,858	56,468	(193,158)	113,511	15,449,160	72,813,856	97,180,986

These supplementary financial information are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
STATEMENT OF CHANGES IN EQUITY - PARENT ENTITY (continued)
For the Six-Month Period Ended June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

	Issued and Fully Paid Capital	Additional Paid-in Capital	Differences Arising from the Translation of Foreign Currency Financial Statements	Unrealized Loss on Available for Sale Securities and Government Recapitalization Bonds - Net of Deferred Tax	Gain on Remeasurement on Defined Benefit Plans - Net of Deferred Tax	Treasury Stocks	Retained Earnings		Total Equity - Parent Entity
							Appropriated	Unappropriated	
Balance as of December 31, 2014	6,167,291	2,773,858	56,468	(193,158)	113,511	-	15,449,160	72,813,856	97,180,986
Income for the year	-	-	-	-	-	-	-	25,204,152	25,204,152
Other comprehensive income	-	-	(7,399)	(845,970)	418,899	-	-	-	(434,470)
Total comprehensive income for the year	-	-	(7,399)	(845,970)	418,899	-	-	25,204,152	24,769,682
Distribution of income									
Dividends	-	-	-	-	-	-	-	(7,272,495)	(7,272,495)
Addition to general and specific reserves	-	-	-	-	-	-	2,666,581	(2,666,581)	-
Treasury stock	-	-	-	-	-	(2,286,375)	-	-	(2,286,375)
Balance as of December 31, 2015	6,167,291	2,773,858	49,069	(1,039,128)	532,410	(2,286,375)	18,115,741	88,078,932	112,391,798

These supplementary financial information are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
STATEMENT OF CHANGES IN EQUITY - PARENT ENTITY (continued)
For the Six-Month Period Ended June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

	Issued and Fully Paid Capital	Additional Paid-in Capital	Differences Arising from the Translation of Foreign Currency Financial Statements	Unrealized Loss on Available for Sale Securities and Government Recapitalization Bonds - Net of Deferred Tax	Gain on Remeasurement on Defined Benefit Plans - Net of Deferred Tax	Retained Earnings		Total Equity - Parent Entity
						Appropriated	Unappropriated	
Balance as of December 31, 2014	6,167,291	2,773,858	56,468	(193,158)	113,511	15,449,160	72,813,856	97,180,986
Income for the six-month period	-	-	-	-	-	-	11,861,191	11,861,191
Other comprehensive income	-	-	(5,176)	(274,144)	92,252	-	-	(187,068)
Total comprehensive income for the period	-	-	(5,176)	(274,144)	92,252	-	11,861,191	11,674,123
Distribution of income								
Dividends	-	-	-	-	-	-	(7,272,495)	(7,272,495)
Addition to general and specific reserves	-	-	-	-	-	2,666,581	(2,666,581)	-
Balance as of June 30, 2015 (Unaudited)	6,167,291	2,773,858	51,292	(467,302)	205,763	18,115,741	74,735,971	101,582,614

These supplementary financial information are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
STATEMENT OF CHANGES IN EQUITY - PARENT ENTITY (continued)
For the Six-Month Period Ended June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

	Issued and Fully Paid Capital	Additional Paid-in Capital	Differences Arising from the Translation of Foreign Currency Financial Statements	Unrealized Gain (Loss) on Available for Sale Securities and Government Recapitalization Bonds - Net of Deferred Tax	Gain on Remeasurement on Defined Benefit Plans - Net of Deferred Tax	Treasury Stocks	Revaluation Surplus Arising from Fixed Assets - Net of Tax	Retained Earnings		Total Equity - Parent Entity
								Appropriated	Unappropriated	
Balance as of December 31, 2015	6,167,291	2,773,858	49,069	(1,039,128)	532,410	(2,286,375)	-	18,115,741	88,078,932	112,391,798
Income for the six-month period	-	-	-	-	-	-	-	-	12,047,269	12,047,269
Other comprehensive income	-	-	(3,486)	1,940,893	202,553	-	13,824,692	-	-	15,964,652
Total comprehensive income for the period	-	-	(3,486)	1,940,893	202,553	-	13,824,692	-	12,047,269	28,011,921
Distribution of income										
Dividends	-	-	-	-	-	-	-	-	(7,619,322)	(7,619,322)
Treasury stock	-	-	-	-	-	(132,573)	-	-	-	(132,573)
Balance as of June 30, 2016	6,167,291	2,773,858	45,583	901,765	734,963	(2,418,948)	13,824,692	18,115,741	92,506,879	132,651,824

These supplementary financial information are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
STATEMENT OF CASH FLOWS - PARENT ENTITY
For the Six-Month Period Ended June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

	Six-Month Period Ended June 30		Year ended December 31		
	2016	2015 (Unaudited)	2015	2014*)	2013*)
CASH FLOWS FROM OPERATING ACTIVITIES					
Interest received	43,789,125	39,577,047	81,805,176	72,453,826	57,495,436
Interest paid	(12,929,947)	(13,279,932)	(25,681,650)	(21,855,845)	(14,237,575)
Recoveries of assets written-off	1,278,836	925,819	2,333,966	2,087,416	1,932,233
Other operating income	3,564,081	4,734,999	8,976,313	5,696,735	6,700,524
Other operating expenses	(18,584,225)	(10,787,095)	(25,234,624)	(22,606,715)	(17,504,196)
Non-operating income - net	1,509,760	634,046	1,925,319	2,948,907	2,122,073
Payment of income tax and tax bill	(4,947,716)	(3,883,019)	(6,902,436)	(7,561,409)	(5,282,912)
Cash flows before changes in operating assets and liabilities	13,679,914	17,921,865	37,222,064	31,162,915	31,225,583
Changes in operating assets and liabilities:					
(Increase) decrease in operating assets:					
Placements with Bank Indonesia and other banks	100,000	(1,790,000)	(100,000)	2,796	14,164,442
Securities and Government Recapitalization Bonds at fair value through profit or loss	261,161	(133,198)	(215,705)	885,163	(402,111)
Export bills	(606,257)	(2,701,875)	3,247,102	(1,601,913)	(2,998,880)
Securities purchased under agreement to resell	(278,364)	32,282,426	38,158,470	(24,563,532)	(4,889,542)
Loans	(36,086,260)	(16,215,869)	(75,774,315)	(65,363,923)	(86,685,190)
Other assets	802,357	(3,256,067)	(1,210,597)	(1,445,039)	(863,084)
Increase (decrease) in operating liabilities:					
Liabilities due immediately	988,978	(1,173,291)	(1,917,779)	1,905,428	139,376
Deposits:					
Demand deposits	(3,786,717)	(272,423)	23,913,144	11,058,844	(1,087,933)
Saving deposits	(3,553,393)	(11,002,384)	35,193,315	22,410,082	27,712,563
Time deposits	20,688,058	(16,012,445)	(16,736,825)	80,569,072	23,643,656
Deposits from other banks and financial institutions	(5,082,164)	6,591,100	2,417,103	5,180,405	1,031,105
Securities sold under agreement to repurchase	(1,879,705)	164,252	(4,434,003)	15,456,092	-
Other liabilities	2,990,026	695,659	386,657	(1,668,468)	(1,530,060)
Net Cash (Used for) Provided by Operating Activities	(11,762,366)	5,097,750	40,148,631	73,987,922	(540,075)
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sale of premises and equipment	4,132	5,969	21,386	13,086	104,699
Receipt of dividends	13,621	5,023	5,281	8,287	382
Investments	-	-	(2,528,765)	-	(863,366)
Acquisition of premises and equipment	(1,798,966)	(1,282,163)	(3,201,506)	(2,804,192)	(1,830,108)
Increase in available for sale and held to maturity securities and Government Recapitalization Bonds	3,401,731	(26,886,378)	(47,687,638)	(20,556,074)	(1,512,485)
Net Cash Used in Investing Activities	1,620,518	(28,157,549)	(53,391,242)	(23,338,893)	(4,100,878)

These supplementary financial information are originally issued in the Indonesian language.

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
STATEMENT OF CASH FLOWS - PARENT ENTITY (continued)
For the Six-Month Period Ended June 30, 2016
(Expressed in millions of Rupiah, unless otherwise stated)

	Six-Month Period Ended June 30		Year ended December 31		
	2016	2015 (Unaudited)	2015	2014*)	2013*)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from (payments of) fund borrowings	(8,457,911)	(16,664,881)	9,930,290	15,767,824	(1,627,622)
Purchases of Treasury Stock	(132,573)	-	(2,286,375)	-	-
Dividends paid	(7,619,322)	(7,272,495)	(7,272,495)	(6,348,046)	(5,556,285)
Payments of subordinated loans	(10,544)	(10,635)	(21,179)	(2,019,442)	(19,538)
Proceeds from marketable securities issued	8,727,633	858,313	1,416,971	2,156,043	4,800,584
Net Cash Provided by (Used for) Financing Activities	(7,492,717)	(23,089,698)	1,767,212	9,556,379	(2,402,861)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(17,634,565)	(46,149,497)	(11,475,399)	60,205,408	(7,043,814)
EFFECT OF CHANGES ON FOREIGN CURRENCIES RATE	(12,461)	8,238	12,827	2,611	4,388
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD/YEAR	158,677,543	170,140,115	170,140,115	109,932,096	116,971,522
CASH AND CASH EQUIVALENTS AT END OF PERIOD/YEAR	141,030,517	123,998,856	158,677,543	170,140,115	109,932,096
Cash and cash equivalents at end of period/year consist of:					
Cash	33,781,207	18,819,151	28,470,316	22,188,566	18,911,107
Current accounts with Bank Indonesia	46,620,248	47,210,767	60,128,814	49,931,583	39,752,354
Current accounts with other banks	12,352,608	8,873,358	8,325,277	10,520,518	9,325,848
Placements with other banks - maturing within three months or less since the acquisition date	32,301,806	37,919,608	47,324,568	61,061,721	35,578,935
Certificates of Bank Indonesia and Deposits					
Certificates of Bank Indonesia - maturing within three months or less since the acquisition date	15,974,648	11,175,972	14,428,568	26,437,727	6,363,852
Total Cash and Cash Equivalents	141,030,517	123,998,856	158,677,543	170,140,115	109,932,096

PT BANK RAKYAT INDONESIA (PERSERO) Tbk
NOTES TO THE FINANCIAL INFORMATION - PARENT ENTITY
As of June 30, 2016 and For the Six-month Period Then Ended
(Expressed in millions of Rupiah, unless otherwise stated)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting basis for separate financial statements parent entity

Separate Financial Statements for parent entity prepared in accordance with Statement of Financial Accounting Standards ("SFAS") No. 4 (Revised 2013), "Separate Financial Statements".

SFAS No. 4 (Revised 2013) addresses entity which presents separate financial statements. The report can only be presented as additional information in the consolidated financial statements. Separate financial statements are the financial statements presented by the parent entity which records investments in subsidiaries, associated and joint controlled entities, using the cost method.

Accounting policies applied in the preparation of separate financial statements of parent entity are the same with the accounting policies applied in the preparation of the consolidated financial statements as disclosed in Note 2 to the consolidated financial statements, except for investments in subsidiaries.

2. INVESTMENTS IN SUBSIDIARIES

Information related to subsidiaries owned by BRI is disclosed in Note 1f to the consolidated financial statements.

As of June 30, 2016, December 31, 2015, 2014 and 2013, parent entity has investment in subsidiaries as follows:

	June 30, 2016		December 31, 2015		December 31, 2014		December 31, 2013	
	Acquisition Cost	Percentage of Ownership	Acquisition Cost	Percentage of Ownership	Acquisition Cost	Percentage of Ownership	Acquisition Cost	Percentage of Ownership
PT Bank BRISyariah	2,004,375	99.99%	2,004,375	99.99%	1,504,375	99.99%	1,504,375	99.99%
PT Bank Rakyat Indonesia								
Agroniaga Tbk	1,088,418	87.23	1,088,418	87.23	686,296	80.42	686,312	80.43
BRI Remittance	2,289	100.00	2,289	100.00	2,289	100.00	2,289	100.00
PT Asuransi Jiwa Bringin								
Jiwa Sejahtera	1,626,643	91.00	1,626,643	91.00	-	-	-	-