

## **PT Bank Rakyat Indonesia (Persero) Tbk And its Subsidiaries**

**Interim Consolidated Financial Statements  
as of September 30, 2015  
and for the nine-month period then ended**



# PT BANK RAKYAT INDONESIA (PERSERO)

## KANTOR PUSAT

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### BOARD OF DIRECTORS' STATEMENT REGARDING THE RESPONSIBILITY FOR THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2015 AND FOR THE NINE-MONTH 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 information or material facts, nor do they omit any information or material facts;
4. We are responsible for PT Bank Rakyat Indonesia (Persero) Tbk and Subsidiaries' internal control system.

This statement has been made truthfully.

Jakarta, 23 October, 2015  
 For and on behalf of the Board of Directors

  
Asmawi Syam  
 President Director

  
Haru Koesmahargyo  
 Director



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

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES  
INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
AS OF SEPTEMBER 30, 2015  
AND FOR THE NINE-MONTH PERIOD THEN ENDED**

**Table of Contents**

	Page
Interim Consolidated Statement of Financial Position.....	1 - 4
Interim Consolidated Statement of Profit and Loss and Other Comprehensive Income.....	5 - 6
Interim Consolidated Statement of Changes in Equity .....	7 - 8
Interim Consolidated Statement of Cash Flows .....	9 - 10
Notes to the Interim Consolidated Financial Statements .....	11 - 205
Interim Statement of Financial Position - Parent Entity .....	Appendix 1
Interim Statement of Profit and Loss and Other Comprehensive Income - Parent Entity.....	Appendix 2
Interim Statement of Changes in Equity - Parent Entity .....	Appendix 3
Interim Statement of Cash Flows - Parent Entity .....	Appendix 4
Notes to the Interim Financial Statements - Parent Entity .....	Appendix 5

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**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As Of September 30, 2015**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

		September 30, 2015	December 31, 2014 *)	January 1, 2014 / December 31, 2013 *)
<b>ASSETS</b>	<b>Notes</b>			
Cash	2a,2c,3	21,108,125	22,469,167	19,171,778
Current Accounts With Bank Indonesia	2a,2c,2f,4	52,868,550	51,184,429	40,718,495
Current Accounts With Other Banks	2a,2c,2d, 2e,2f,5,43	9,076,357	10,580,440	9,435,197
Allowance for impairment losses		-	-	(77)
		<u>9,076,357</u>	<u>10,580,440</u>	<u>9,435,120</u>
Placements With Bank Indonesia and Other Banks	2a,2c,2d,2e 2g,6,43	28,541,746	62,035,442	36,306,883
Securities	2a,2c,2d,2e 2h,7,43	108,796,735	84,168,460	42,674,437
Allowance for impairment losses		-	-	(772)
		<u>108,796,735</u>	<u>84,168,460</u>	<u>42,673,665</u>
Export Bills	2c, 2d, 2e,2i,8 43	11,036,677	10,527,985	8,926,072
Government Recapitalization Bonds	2c, 2d, 2h, 9, 43	4,068,594	4,303,596	4,511,419
Securities Purchased Under Agreement to Resell	2c, 2t,10	15,058,922	39,003,595	14,440,063
Derivatives Receivable	2c,2e,2ah,11	5,893	536	4,981
Loans	2c,2d,2e, 2j,12,43	524,578,057	495,097,288	434,316,466
Allowance for impairment losses		(17,601,240)	(15,886,145)	(15,171,736)
		<u>506,976,817</u>	<u>479,211,143</u>	<u>419,144,730</u>
Sharia Receivables and Financing Allowance for impairment losses	2d,2e,2k,13,43	16,410,892	15,599,553	14,028,390
		(338,545)	(276,650)	(246,360)
		<u>16,072,347</u>	<u>15,322,903</u>	<u>13,782,030</u>
Acceptances Receivable	2c,2d,2e, 2l,14,43	7,277,601	6,525,688	3,679,684
Investment in Associated Entities	2c,2d,2e, 2m,15,43	265,561	251,573	222,851

\*) As restated (Note 49)

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

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**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)**  
**As Of September 30, 2015**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

	<b>Notes</b>	<b>September 30, 2015</b>	<b>December 31, 2014 *)</b>	<b>January 1, 2014 / December 31, 2013 *)</b>
<b>ASSETS (continued)</b>				
Premises and Equipment	2n,2o,16			
Cost		13,423,212	11,583,301	8,817,641
Accumulated depreciation		<u>(6,364,294)</u>	<u>(5,665,831)</u>	<u>(4,845,029)</u>
Net book value		<u>7.058.918</u>	<u>5,917,470</u>	<u>3,972,612</u>
Deferred Tax Assets - net	2ai,37c,49	1.444.537	1,688,872	2,106,212
Other Assets - net	2c,2e,2o, 2p,2q,17	12,641,754	8,792,891	7.004.038
<b>TOTAL ASSETS</b>		<b><u>802.299.134</u></b>	<b><u>801,984,190</u></b>	<b><u>626,100,633</u></b>

\*) As restated (Note 49)

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

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)**  
**As Of September 30, 2015**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

	Notes	September 30, 2015	December 31, 2014 *)	January 1, 2014 / December 31, 2013 *)
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
Liabilities Due Immediately	2c,2r,18	5,984,968	7,043,772	5,065,527
Deposits From Customers	2c,2d,2s,43			
Demand Deposits	19	110,078,855	89,430,267	78,666,064
<i>Wadiah</i> Demand Deposits		1,119,116	621,913	670,887
Saving Deposits	20	234,098,351	232,722,519	210,234,683
<i>Wadiah</i> Saving Deposits		3,450,261	3,298,659	2,480,554
<i>Mudharabah</i> Saving Deposits		583,467	373,816	281,388
Time Deposits	21	272,907,626	283,457,544	201,585,766
<i>Mudharabah</i> Time Deposits		13,710,799	12,417,128	10,362,040
Total Deposits From Customers		<u>635,948,475</u>	<u>622,321,846</u>	<u>504,281,382</u>
Deposits From Other Banks and Financial Institutions	2c,2d,2s, 22,43	4,360,805	8,655,392	3.691.220
Securities Sold Under Agreement to Repurchase	2c,2d,2t,7, 23,43	8,409,770	15,456,701	-
Derivatives Payable	2c,2ah,7,11	1,592,481	717,523	1,565,102
Acceptances Payable	2c,2d,2l, 14,43	7,277,601	6,525,688	3.679.684
Taxes Payable	2ai,37a	468,227	59,805	1,266,018
Marketable Securities Issued	2c,2u,24	12,747,513	8,257,990	6,023,133
Fund Borrowings	2c,2d,2v,25,43	6,245,379	24,986,862	9,084,913
Estimated Losses on Commitments and Contingencies	2d,2al,26,43	536	398	223
Liabilities for Employee Benefits	2d,2ac,27, 41,43,50	6,191,979	6,687,532	6.529.755
Other Liabilities	2c,2x,2y,28, 44b	5,372,441	3,487,265	3.242.346
Subordinated Loans	2c, 2w, 29	66,780	77,582	2,097,024
<b>TOTAL LIABILITIES</b>		<u><b>694,666,955</b></u>	<u><b>704,278,356</b></u>	<u><b>546,526,327</b></u>

\*) As restated (Note 49)

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of these interim consolidated financial statements.

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**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)**  
**As Of September 30, 2015**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

	Notes	September 30, 2015	December 31, 2014 *)	January 1, 2014 / December 31, 2013 *)
<b>LIABILITIES AND EQUITY (continued)</b>				
<b>EQUITY</b>				
Capital stock - par value Rp250 (full Rupiah) per share as of September 30, 2015, December 31, 2014 and January 1, 2014/ 31, December 2013 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
Additional paid-in capital	30b	2,773,858	2,773,858	2,773,858
Differences arising from the translation of foreign currency financial statements	2ag,30c	61,226	56,468	82,083
Unrealized loss on available for sale securities and Government Recapitalization Bonds - net of deferred tax	2h	(1,753,956)	(198,888)	(727,644)
Gain on remeasurement defined benefit plans - net of deferred tax	2ac,49	455,088	124,147	375,345
Retained earnings	30d			
Appropriated		18,115,741	15,449,160	11,005,528
Unappropriated	49	81,636,322	73,158,614	59,735,380
Total Retained Earnings		<u>99,752,063</u>	<u>88,607,774</u>	<u>70,740,908</u>
Total Equity Attributable to Equity Holders of the Parent Entity		107,455,570	97,530,650	79,411,841
Non-controlling interest		<u>176,609</u>	<u>175,184</u>	<u>162,465</u>
<b>TOTAL EQUITY</b>		<b><u>107,632,179</u></b>	<b><u>97,705,834</u></b>	<b><u>79,574,306</u></b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b><u>802,299,134</u></b>	<b><u>801,984,190</u></b>	<b><u>626,100,633</u></b>

\*) As restated (Note 49)

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of these interim consolidated financial statements.

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**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**INTERIM CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND**  
**OTHER COMPREHENSIVE INCOME**  
**For the Nine-Month Period Ended September 30, 2015**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

	Notes	September 30, 2015	September 30, 2014 *)
<b>INCOME AND EXPENSES FROM OPERATIONS</b>			
Interest, Investment and Sharia Income			
Interest and investment	2z,31	61,500,067	52,897,165
Sharia income	2k,2ab,31	1,836,407	1,536,417
Total Interest, Investment and Sharia Income		63,336,474	54,433,582
Interest, Other Financing and Sharia Expense			
Interest and other financing expense	2z,32	(19,663,553)	(15,742,741)
Sharia expense	2ab,32	(772,159)	(766,596)
Total Interest, Other Financing and Sharia Expense		(20,435,712)	(16,509,337)
Interest Income - net		42,900,762	37,924,245
Other Operating Income			
Other fees and commissions	2aa	5,225,256	4,235,115
Recovery of assets written-off		1,588,789	1,383,935
Gain on foreign exchange - net	2af,2ah	568,432	243,106
Unrealized gain on changes in fair value of securities and Government Recapitalization Bonds - net	2h,7,9	-	3,856
Gain on sale of securities and Government Recapitalization Bonds - net	2h,7,9	70,395	106,598
Others		1,041,439	742,203
Total Other Operating Income		8,494,311	6,714,813
Provision for impairment losses on financial assets - net	2e,33	(7,092,630)	(4,939,920)
Reversal of allowance for impairment losses on non-financial assets - net	2o	(571)	-
Other Operating Expenses			
Salaries and employee benefits	2d,2ac,34, 41,43,49	(11,826,456)	(11,094,976)
General and administrative Premium paid to Government Guarantee Program	2n, 35 45	(7,507,147)	(6,219,988)
Unrealized loss on changes in fair value of securities and Government Recapitalization Bonds - net	2h,7,9	(36,572)	-
Recapitalization Bonds - net		(464)	(23,474)
Others		(2,304,776)	(1,433,184)
Total Other Operating Income		(22,922,094)	(19,545,859)
<b>OPERATING INCOME</b>		<b>21,379,778</b>	<b>20,153,279</b>
<b>NON OPERATING INCOME - NET</b>	36	1,240,908	2,286,701
<b>INCOME BEFORE TAX EXPENSE</b>		<b>22,620,686</b>	<b>22,439,980</b>
<b>TAX EXPENSE</b>	2ai,37b,37c,49	(4,197,129)	(4,372,860)
<b>INCOME FOR THE PERIOD</b>		<b>18,423,557</b>	<b>18,067,120</b>

\*) As restated (Note 49)

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



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**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**INTERIM CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND**  
**OTHER COMPREHENSIVE INCOME (continued)**  
**For the Nine-Month Period Ended September 30, 2015**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

	<u>Notes</u>	<u>September 30, 2015</u>	<u>September 30, 2014 *)</u>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items not to be reclassified to profit or loss</b>			
Remeasurement on defined benefit plans		441,408	(85,213)
Income tax for accounts not to be reclassified to profit or loss		(110,352)	21,303
<b>Items to be reclassified to profit or loss</b>			
Exchange rate differences on translation of foreign currency financial statements		4,758	(28,824)
Unrealized (loss) gain on available for sale securities and Government Recapitalization Bonds – net		(2,078,914)	458,226
Income tax related accounts to be reclassified to profit or loss		519,728	(114,557)
<b>Other Comprehensive (Loss) Income For the Period - After Tax</b>		<u><b>(1,223,372)</b></u>	<u><b>250,935</b></u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<u><b>17,200,185</b></u>	<u><b>18,318,055</b></u>
<b>INCOME FOR THE PERIOD ATTRIBUTABLE TO:</b>			
Equity holders of the Parent Entity		18,416,784	18,059,257
Non-controlling interest		6,773	7,863
<b>TOTAL</b>		<u><b>18,423,557</b></u>	<u><b>18,067,120</b></u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO:</b>			
Equity holders of the Parent Entity		17,197,529	18,309,726
Non-controlling interest		2,656	8,329
<b>TOTAL</b>		<u><b>17,200,185</b></u>	<u><b>18,318,055</b></u>
<b>BASIC EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT ENTITY (full Rupiah)</b>			
	2ae,48	746.55	732.06

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**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**For the Nine -Month Period Ended September 30, 2015**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

				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	Loss 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
	Notes	Issued and Fully Paid Capital	Additional Paid-in Capital				Appropriated	Unappropriated			
<b>Balance as of December 31, 2013</b>		<b>6,167,291</b>	<b>2,773,858</b>	<b>82,083</b>	<b>(727,644)</b>	<b>-</b>	<b>11,005,528</b>	<b>59,862,555</b>	<b>79,163,671</b>	<b>163,751</b>	<b>79,327,422</b>
Impact of adjustment on the Implementation on SFAS No. 24 (Revised 2013)	49	-	-	-	-	-	11,005,528	(127,175)	248,170	(1,286)	246,884
<b>Balance as of January 1, 2014 after restatement</b>	<b>49</b>	<b>6,167,291</b>	<b>2,773,858</b>	<b>82,083</b>	<b>(727,644)</b>	<b>-</b>	<b>22,011,056</b>	<b>59,735,380</b>	<b>79,411,841</b>	<b>162,465</b>	<b>79,574,306</b>
Income for the period 2014		-	-	-	-	-	-	18,059,256	18,059,256	7,863	18,067,119
Other comprehensive income	2ag, 2h	-	-	(28,824)	343,409	(64,115)	-	-	250,470	466	250,936
Total comprehensive income for the period		-	-	(28,824)	343,409	(64,115)	-	18,059,256	18,309,726	8,329	18,318,055
Distribution of income	30d										
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
<b>Balance as of September 30, 2015</b>		<b>6,167,291</b>	<b>2,773,858</b>	<b>53,259</b>	<b>(384,235)</b>	<b>(64,115)</b>	<b>26,454,688</b>	<b>67,002,959</b>	<b>91,373,522</b>	<b>168,847</b>	<b>91,542,369</b>

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**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**For the Nine -Month Period Ended September 30, 2015**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

				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	Loss 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
	Notes	Issued and Fully Paid Capital	Additional Paid-in Capital				Appropriated	Unappropriated			
<b>Balance as of December 31, 2014 (after restatement)</b>	<b>49</b>	<b>6,167,291</b>	<b>2,773,858</b>	<b>56,468</b>	<b>(198,888)</b>	<b>124,147</b>	<b>15,449,160</b>	<b>73,158,614</b>	<b>97,530,650</b>	<b>175,184</b>	<b>97,705,834</b>
Income for the period 2015		-	-	-	-	-	-	18,416,784	18,416,784	6,773	18,423,557
Other comprehensive income	2ag, 2h	-	-	4,758	(1,555,068)	330,941	-	-	(1,219,369)	(4,117)	(1,223,486)
Total comprehensive income for the period		-	-	4,758	(1,555,068)	330,941	-	18,416,784	17,197,415	2,656	17,200,071
Distribution of income	30d										
Dividen		-	-	-	-	-	-	(7,272,495)	(7,272,495)	(1,473)	(7,273,968)
Addition to general and specific reserves		-	-	-	-	-	2,666,581	(2,666,581)	-	242	242
<b>Balance as of September 30, 2015</b>		<b>6,167,291</b>	<b>2,773,858</b>	<b>61,226</b>	<b>(1,753,956)</b>	<b>455,088</b>	<b>18,115,741</b>	<b>81,636,322</b>	<b>107,455,570</b>	<b>176,609</b>	<b>107,632,179</b>

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**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the Nine-Month Period Ended September 30, 2015**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

	<b>Nine- Month Period Ended September 30,</b>	
<b>Notes</b>	<b>2015</b>	<b>2014</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income received		
Interest and investment income	60,909,046	52,793,792
Sharia income	1,836,407	1,536,417
Expenses paid		
Interest expense	(19,740,023)	(15,358,144)
Sharia expenses	(772,159)	(766,596)
Recoveries of assets written-off	1,588,789	1,383,935
Other operating income	7,566,548	4,670,261
Other operating expenses	(21,427,324)	(19,347,137)
Non-operating income - net	1,231,940	2,278,710
<b>Cash flows before changes in operating assets and liabilities</b>	<b>31,193,224</b>	<b>27,191,238</b>
Changes in operating assets and liabilities:		
(Increase) decrease in operating assets:		
Placements with Bank Indonesia and other banks	-	2,796
Securities and Government Recapitalization		
Bonds at fair value through profit and loss	(134,112)	453,553
Export bills	(508,692)	949,133
Loans	(34,734,751)	(37,728,851)
Sharia receivables and financing	(882,154)	(676,564)
Other assets	(6,111,433)	(7,372,081)
	(42,371,142)	(44,372,014)
Increase (decrease) in operating liabilities:		
Liabilities due immediately	(1,073,989)	2,840,101
Deposits:		
Demand deposits	20,648,590	1,051,210
<i>Wadiah</i> demand deposits	497,203	(157,732)
Saving deposits	1,375,833	1,144,313
<i>Wadiah</i> saving deposits	151,602	604,575
<i>Mudharabah</i> saving deposits	209,651	61,411
Time deposits	(10,549,919)	56,550,061
<i>Mudharabah</i> time deposits	1,293,671	1,143,034
Deposits from other banks and financial institutions	(4,294,587)	5,292,502
Other liabilities	2,309,304	(1,224,684)
	10,567,359	67,304,791
	<b>(31,803,783)</b>	<b>22,932,777</b>
<b>Net Cash Used in Operating Activities</b>	<b>(610,559)</b>	<b>50,124,015</b>

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

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (continued)**  
**For the Nine-Month Period Ended September 30, 2015**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

		<b>Nine- Month Period Ended September 30,</b>	
	<b>Notes</b>	<b>2015</b>	<b>2014</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of premises and equipment	36	8,968	7,991
Receipt of dividends		467	206
Increase in securities purchased under agreement to resell		23,944,673	(26,951,221)
Acquisition of premises and equipment		(1,957,970)	(1,755,093)
(Increase) decrease in available for sale and held to maturity securities and Government Recapitalization Bonds		(45,602,864)	181,527
<b>Net Cash Provided by Investing Activities</b>		<b>(23,606,726)</b>	<b>(28,516,590)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
(Payments) receipts of fund borrowing		(18,771,072)	1,469,084
Proceeds from securities sold under agreement to repurchase		(7,046,931)	-
Dividends paid		(7,272,496)	(6,348,045)
Payments of subordinated loans		(10,867)	(10,894)
Proceeds from marketable securities issued		3,267,658	-
<b>Net Cash Used in Financing Activities</b>		<b>(29,833,708)</b>	<b>(4,889,855)</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(54,050,993)</b>	<b>16,717,570</b>
<b>EFFECT OF EXCHANGE RATE CHANGES ON FOREIGN CURRENCIES</b>		<b>3,385</b>	<b>21,562</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>		<b>172,731,254</b>	<b>112,050,809</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>		<b>118,683,646</b>	<b>128,789,941</b>
Cash and cash equivalents at end of period consist of:	2a		
Cash	3	21,108,125	16,390,761
Current accounts with Bank Indonesia	4	52,868,550	46,438,829
Current accounts with other banks	5	9,076,357	9,290,308
Placements with other banks - maturing within three months or less since the acquisition date	6	28,541,746	49,001,531
Certificates of Bank Indonesia and Deposits Certificates of Bank Indonesia - maturing within three months or less since the acquisition date		7,088,868	7,668,512
<b>Total Cash and Cash Equivalents</b>		<b>118,683,646</b>	<b>128,789,941</b>

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

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**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. SEKR/BRI/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, made by Notary Fathiah Helmi, S.H., and was approved and recorded in the Legal Administration System in accordance with the Decree of the Ministry Law 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.

**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).

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**1. GENERAL (continued)**

**b. Recapitalization Program (continued)**

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 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. Structure and Management**

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

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**1. GENERAL (continued)**

**d. Structure and Management (continued)**

As of September 30, 2015 and December 31, 2014, BRI has the following networks of working unit:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
Regional Offices	19	19
Head Inspection Office	1	1
Regional Inspection Offices	19	18
Domestic Branch Offices	460	457
Special Branch Office	1	1
Overseas Branch/Representative Offices	4	3
Sub-branch Offices	598	584
Cash Offices	982	971
BRI Unit	5,331	5,293
Teras	3,155	3,067

As of September 30, 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 3 (three) subsidiaries, namely PT Bank BRISyariah, PT Bank Rakyat Indonesia Agroniaga Tbk and BRI Remittance Co. Ltd., Hong Kong, while as of December 31, 2014 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 Tbk and BRI Agroniaga 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 and head of special branch. The number of BRI's employees as of September 30, 2015 and December 31, 2014 amounted to 51,462 and 48,814 employees, respectively.

The composition of the Board of Commissioners of BRI as of September 30, 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. 13 of Notary Fathiah Helmi, S. H., while the composition of the Board of Commissioners of BRI 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., are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
President/Independent Commissioner	Mustafa Abubakar	Bunasor Sanim
Vice President Commissioner	Gatot Trihargo	Mustafa Abubakar*)
Independent Commissioner	Ahmad Fuad	Adhyaksa Dault
Independent Commissioner	Adhyaksa Dault	Ahmad Fuad
Independent Commissioner	A. Fuad Rahmany	Hermanto Siregar
Independent Commissioner	A. Sonny Keraf	-
Commissioner	Vincentius Sonny Loho	Vincentius Sonny Loho
Commissioner	Jeffry J.Wurangian	Heru Lelono
Commissioner	-	Dwijanti Tjahjaningsih

\*) Concurrently as Vice President Commissioner and Independent Commissioner



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**1. GENERAL (continued)**

**d. Structure and Management (continued)**

The composition of the Board of Directors of BRI as of September 30, 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. 13 of Notary Fathiah Helmi, S.H., while the composition of the Board of Directors of BRI as of December 31, 2014 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:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
President Director	Asmawi Syam	Sofyan Basir
Vice President Director	Sunarso	-
Director	Agus Toni Soetirto	Sarwono Sudarto
Director	Randi Anto	Achmad Baiquni
Director	Gatot Mardiasisto	Sulaiman Arif Arianto
Director	Mohammad Irfan	Randi Anto
Director	Zulhelfi Abidin	Agus Toni Soetirto
Director	Susy Liestiwaty	Lenny Sugihat
Director	Donsuwan Simatupang	Djarot Kusumayakti
Director	Haru Koesmahargyo	Asmawi Syam
Director	Kuswiyoto*)	Gatot Mardiasisto
Director	-	Suprajarto

\*) Effective upon approval from OJK based on the Fit and Proper Test and compliance with the prevailing laws and regulations.

The compositions of BRI's Audit Committee as of September 30, 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, and 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 are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
Chairman	A. Fuad Rahmany	Bunasor Sanim
Member	Adhyaksa Dault	Adhyaksa Dault
Member	A. Sonny Keraf	Hermanto Siregar
Member	H. C. Royke Singgih	H. C. Royke Singgih
Member	Dedi Budiman Hakim	Dedi Budiman Hakim
Member	Syahrir Nasution	Syahrir Nasution

As of September 30, 2015 and December 31, 2014, the Corporate Secretary of BRI is Budi Satria, based on Directors' Decision Letter No. Kep. 250-DIR/KPS/05/2014 dated May 8, 2014.

As of September 30, 2015 the Internal Audit Task Force Head is Saptono Siwi, based on BRI's Director Decision Letter No. R.178-DIR/KPS/07/2015 dated July 2, 2015, and as of December 31, 2014 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.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**1. GENERAL (continued)**

**e. 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).

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 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 the notarial deed of Decision of PT Bank BRISyariah's Annual Shareholders' General Meeting Statement No. 113 dated June 26, 2013 of Notary Fathiah Helmi, S.H., notary in Jakarta, regarding the addition of the issued and fully paid capital. The amendment was approved by the Minister of Law and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-40622.AH.01.02.Tahun 2013 dated July 25, 2013.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**1. GENERAL (continued)**

**e. Subsidiaries**

**PT Bank BRISyariah (continued)**

According to the amendment of BRI Syariah as stated in the Deed of Mutual Approval All Shareholders of PT Bank BRISyariah No. 1 dated July 14, 2015, Notary Fathiah Helmy, SH, regarding the capital increase of BRISyariah, so that BRI's and YKP BRI's ownership of BRISyariah becomes 99.99% and 0.000025%, respectively. This change was approved by the Minister of Justice and Human Rights of the Republic of Indonesia in Decree No. AHU-3537574.AH.01.11. Year 2015 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 September 30, 2015 and December 31, 2014, is amounted to Rp22,814,816 and Rp20,349,120 or 2.84% and 2.54%, respectively, of the consolidated total assets. Total sharia income for the nine-month period ended September 30, 2015 and 2014, is amounted to Rp1,836,407 and Rp1,536,417, or 2.90% and 2.82%, respectively, of the consolidated interest income.

BRISyariah has 2,854 and 2,749 employees as of September 30, 2015 and December 31, 2014, respectively.

BRISyariah's head office is located at Jl Abdul Muis No. 2-4, Central Jakarta, and has 55 domestic branch offices and 208 sub-branch offices.

**PT Bank Rakyat Indonesia Agromiaga 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 number of 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.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**1. GENERAL (continued)**

**e. Subsidiaries (continued)**

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

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 23, 2013 could not be met by BRI due to BRI Agro's inactive share prices in the stock market.

Based on the notarial deed of Statement Decision Meeting 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 Decision Meeting 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 public to 5.55%. This amendment was approved by the Minister of Law and Human Rights of the Republic of Indonesia in its Decision Letter No. AHU-0074249.AH.01.09.Year 2013 dated August 1, 2013.

According to the amendment BRI Agro as stated in the Deed and changes in the constitution PT.Bank Agroniaga Rakyat Indonesia, Tbk. No. 68 dated July 14, 2015, Notary M. Nova Faisal, SH, M.Kn, the increase in capital issued and fully paid-up capital, so that BRI's, Dapenbun's and public's ownership of shares in BRI Agro becomes 87.23%, 9.10% and 3.67%, respectively. This change was approved by the Minister of Justice and Human Rights of the Republic of Indonesia in Decree No. AHU-3533252.AH.01.11.Year 2015 dated July 14, 2015.

Total assets of BRI Agro as of September 30, 2015 and December 31, 2014 is amounted to Rp7,735,076 and Rp6,387,726 or 0.96% and 0.80%, respectively, of the consolidated total assets. Total interest income for the nine-month period ended September 30, 2015 and 2014 is amounted to Rp578,299 and Rp431,510 or 0.91% and 0.80%, respectively, of the consolidated interest income.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**1. GENERAL (continued)**

**e. Subsidiaries (continued)**

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

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 389 and 366 employees as of September 30, 2015 and December 31, 2014, respectively.

BRI Agro's head office is located at Agro Plaza, Jl. H.R. Rasuna Said Blok X2 No. 1, Jakarta, and has 16 branch offices and 17 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 BRIIngin 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 BRIIngin 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 BRIIngin Remittance Co. Ltd was officially changed to BRI Remittance Co. Ltd Hong Kong.

Total assets of BRI Remittance as of September 30, 2015 and December 31, 2014 is amounted to Rp6,310 or 0.0007% and Rp4,946 or 0.0006%, respectively, of the consolidated total assets.

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

BRI Remittance has 5 and 4 employees as of September 30, 2015 and December 31, 2014, respectively.

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

**2. SUMMARY OF ACCOUNTING POLICIES**

**a. Basis of preparation of the consolidated financial statements**

**Statement of Compliance**

The interim consolidated financial statements as of and for the nine-month period ended September 30, 2015 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 Baepam-LK's Regulation No. VIII.G.7, Appendix of the Decision of the Chairman of Baepam-LK No. KEP-347/BL/2012 dated June 25, 2012 regarding the "Guidelines on Financial Statements Presentations and Disclosures for Issuers or Public Companies".

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**2. SUMMARY OF ACCOUNTING POLICIES (continued)**

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

**Statement of Compliance (continued)**

The interim 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 interim 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 interim 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 interim 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 interim consolidated statement of cash flows, cash and cash equivalents consist of cash, current accounts with Bank Indonesia and current accounts with other banks, placements with 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 interim consolidated financial statements is the Indonesian Rupiah (Rp). Unless otherwise stated, all figures presented in the interim consolidated financial statements are rounded off to millions of Rupiah.

**b. Principles of Consolidation**

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

Effective January 1, 2015, BRI adopted SFAS No. 65, "Consolidated Financial Statements". The adoption of this standard has no significant impact on the financial reporting and disclosures in the interim consolidated financial statement.

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.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**2. SUMMARY OF ACCOUNTING POLICIES (continued)**

**b. Principles of Consolidation (continued)**

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 interim other 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 amounts of Subsidiaries' financial statements.

The Non-controlling interest is presented separately in the interim consolidated financial statements and interim consolidated statement of profit and loss and other comprehensive income attributed to the proportion of equity held by non-controlling interests.

**c. Financial assets and financial liabilities**

Effective on January 1, 2015, BRI adopted SFAS No. 50 (Revised 2014), "Financial Instruments: Presentation". The adoption of the SFAS has no significant impact on the financial reporting and disclosures in the consolidated financial statements.

Effective on January 1, 2015, BRI adopted SFAS No. 55 (Revised 2014), "Financial Instruments: Recognition and Measurement". The adoption of the SFAS has no significant impact on the financial reporting and disclosures in the consolidated financial statements.

Effective on January 1, 2015, BRI adopted SFAS No. 60 (Revised 2014), "Financial Instruments: Disclosures". The adoption of the SFAS has no significant impact on the financial reporting and disclosures in the consolidated financial statements.

Effective on January 1, 2015, BRI adopted SFAS No. 68, "Fair Value Measurement". The adoption of the SFAS defines fair value, establish in a statement, a framework to measure fair value and requires disclosures on fair value measurement.

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.

**1. 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

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**2. SUMMARY OF ACCOUNTING POLICIES (continued)**

**c. Financial assets and financial liabilities (continued)**

**1. Classification (continued)**

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 category 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.

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.

A financial asset on initial recognition may be designated as fair value through profit or loss (fair value option), only if it meets the following provisions:

- Determination of the fair value option to reduce or eliminate the inconsistency of measurement and recognition (accounting mismatch) that may arise; or
- Financial assets are part of a portfolio of financial instruments in which the risks are managed and reported to key management at fair value; or
- Financial assets consist of major contracts and embedded derivatives that must be separated.

**2. Initial recognition**

Financial assets and financial liabilities at initial recognition are measured at fair value. In case of financial assets or financial liabilities are not measured at fair value through profit or loss, the fair value plus transaction costs that are directly attributed to the acquisition of financial assets or by issuance of the financial liabilities.



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**2. SUMMARY OF ACCOUNTING POLICIES (continued)**

**c. Financial assets and financial liabilities (continued)**

**2. Initial recognition (continued)**

For financial assets, the transaction costs are added to the amount of assets recognized upon initial recognition. For financial liabilities, the transaction costs are deducted from the amount of liabilities upon initial recognition. Transaction costs are amortized over the life of the financial instrument based on the effective interest rate method and recorded as part of interest income for financial assets, or as part of interest expense for financial liabilities.

**3. Subsequent measurement**

Financial assets, including derivatives that are recognized as assets, after initial recognition measured at fair value without deducting transaction costs that may arise upon the sale or disposal, except for loans and receivables and investments held to maturity are measured at cost amortized using the effective interest rate method.

Financial liabilities are measured after initial recognition at amortized cost using the effective interest method, except for financial liabilities measured at fair value through profit or loss, including derivatives recognized as liabilities, measured at fair value.

**4. Derecognition**

Financial assets are derecognized when:

- a. The contractual rights to cash inflows from the financial assets have expired; or
- b. The contractual rights have been transferred to receive cash inflows from the financial assets; or the contractual rights have been retained to receive cash inflows from the financial assets but has assumed an obligation to pay the received cash flows to a third party through an agreement; or
- c. Transferred substantially all risks and rewards of ownership of financial assets.

Write-Off loans and receivables are carried out when there is no longer a realistic prospect of the return of credit or a normal relationship between BRI and the debtor has ended. Loans and receivables that cannot be repaid are written off by debiting the allowance for impairment losses in value.

Financial liabilities are derecognized when the financial liability expires, i.e. when the obligation specified in the contract is released or canceled or expired.

**5. Income and expense recognition**

- a. Gains or losses on financial assets or financial liabilities classified as fair value through profit or loss are recognized in profit or loss.
- b. Gains or losses on financial assets classified as available for sale are recognized in other comprehensive income, except for impairment losses and gains or losses due to exchange rate changes. When a financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income are reclassified from equity to profit or loss as a reclassification adjustment.
- c. Gains or losses from financial assets and financial liabilities that are recorded at amortized cost are recognized in profit or loss when the financial asset or financial liability is derecognized or impaired and have gone through the amortization process.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**2. SUMMARY OF ACCOUNTING POLICIES (continued)**

**c. Financial assets and financial liabilities (continued)**

**6. Reclassification of financial assets**

Reclassification is not allowed for derivatives which are measured at fair value through profit or loss if the derivatives is held or issued.

Reclassification is not permitted for any financial instruments measured at fair value through profit or loss, if at initial recognition, the financial instruments are designated as at fair value through profit or loss.

Reclassification of financial assets as investments held to maturity are not allowed, if in the current period or in the period of 2 (two) years earlier, is sold or the reclassified investments held to maturity in the amount of more than the insignificant amount before maturity (more of the amount that is insignificant compared to the total amount of held-to-maturity investments) other than sales or reclassifications that:

- a. Performed when the financial asset is approaching maturity or the repurchase date that the change in interest rates would not significantly affect the fair value of financial assets;
- b. Occurred after acquired substantially all of the principal amount of the financial asset or a payment schedule has been repaid early; or
- c. Associated with certain events that are beyond the control of BRI, non-recurring and could not be reasonably anticipated.

**7. Offsetting**

Financial assets and liabilities are offset and the net amount is presented in the consolidated statement of financial position when and only when, 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.

**8. 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.

**9. Fair value measurement**

Fair value is the price that would be received to sell an asset or the price that would be 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.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**2. SUMMARY OF ACCOUNTING POLICIES (continued)**

**c. Financial assets and financial liabilities (continued)**

**9. Fair value measurement (continued)**

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.

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 recognized in the consolidated financial statements on a recurring basis, BRI determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (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).

**10. Sukuk Financial Asset**

At the initial recognition, the entity determines the classification of investments in *sukuk* as measured at cost or fair value.

After the initial recognition, investment in *ijarah sukuk* and *mudharabah sukuk* is measured as follows:

**a. Measured at 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.
- The difference between the acquisition cost and the nominal value is amortized on a straight-line basis over the period of the *sukuk*.
- Impairment loss is recognized if the recoverable amount is less than the carrying amount and is presented as an impairment loss in the statement of profit and loss and other comprehensive income.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**2. SUMMARY OF ACCOUNTING POLICIES (continued)**

**c. Financial assets and financial liabilities (continued)**

10. *Sukuk* Financial Asset (continued)

b. Measured at fair value

- The fair value is determined with reference to the following order:
  - Quoted price in active market.
  - Price from the current transaction, if there is no available quoted price in the active market.
  - Fair value of similar instrument, if there is no available quoted price in the active market and no price from the current transaction.
- *Sukuk* acquisition cost does not include transaction cost.
- The difference between fair value and carrying value is presented in the consolidated statement of profit and loss and other comprehensive income.

All investment in *sukuk* of BRI and Subsidiaries was done under *ijarah* contracts.

11. *Murabahah* financial assets

The transactions of BRIS' (Subsidiary) *Murabahah* financial assets refers to SFAS No. 50 (Revised 2010), "Financial Instruments: Presentation", SFAS No. 55 (Revised 2011), "Financial Instruments: Recognition and Measurement" and SFAS No.60, "Financial Instruments: Disclosures". In relation to the financial assets in the category of loans and receivables, its application is adjusted to the principles, characteristics, and term of *Syaria* transactions.

**d. Transactions with related parties**

BRI and its Subsidiaries disclose information of 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 INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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## **2. SUMMARY OF ACCOUNTING POLICIES (continued)**

### **e. Allowance for impairment losses on financial assets**

On each reporting date, BRI assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired.

A Financial assets or group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment that occurred after the initial recognition of the asset and that loss event has an impact on the estimated future cash flows of the asset that can be reliably estimated.

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

1. significant financial difficulty of the issuer or obligor;
2. a breach of contract, such as a default or delinquency in interest or principal payments;
3. 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;
4. it becomes probable that the debtor will enter into bankruptcy or other financial reorganization;
5. the disappearance of an active market for that financial asset because of financial difficulties; or
6. 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:
  - a. adverse changes in the payment status of debtors in the portfolio; and
  - b. 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 months and 12 months; in exceptional cases, longer periods are warranted.

BRI needs to make an assessment of 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 does not find an 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; and/or (b) Restructured corporate and middle loans.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**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; and/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 and Loss and Other Comprehensive Income and reflected in an allowance for impairment losses account against financial assets carried at amortized cost.

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 and Loss and Other Comprehensive Income.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**2. SUMMARY OF ACCOUNTING POLICIES (continued)**

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

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 and loss and other comprehensive income. The cumulative loss that has been removed from equity and recognized in the Statement of Profit and 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 and Loss and Other Comprehensive Income.

Impairment losses recognized in the Consolidated Statement of Profit and 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 and 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 and loss and other comprehensive income, the impairment loss is reversed, with the amount of reversal recognized in the consolidated statement of profit and 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 and 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" as a guidance to calculate the minimum allowance for impairment losses that should be provided in accordance with Bank Indonesia Regulation and the Financial Service Authority Regulation (POJK) No.11 / POJK.03 / 2015 on "Prudential Provisions in the Context of National Economic Stimulus for Commercial Banks".

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, while 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".

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**2. SUMMARY OF ACCOUNTING POLICIES (continued)**

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

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 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.

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.



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**2. SUMMARY OF ACCOUNTING POLICIES (continued)**

**h. Securities and Government Recapitalization Bonds**

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 profit or loss.
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 and 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 profit or loss. Other fair value changes are recognized directly in other comprehensive income until the securities and Government Recapitalization Bonds are sold or impaired, whereby the cumulative gains and losses previously recognized in other comprehensive income are recognized in the consolidated statement of profit and 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 INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**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 the present value of future cash receipts after the restructuring is recognized in the consolidated statement of profit and 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 writtten 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.

Prior to January 1, 2014, *murabahah* receivables are stated at net realizable value, which is, the balance of the receivables less allowance for impairment losses. Deferred *Murabahah* margin is presented as a contra account of *murabahah* receivables.

After January 1, 2014, *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 INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**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**

Effective on January 1, 2015, BRI adopted SFAS No. 15 "Investments in Associates and Joint Ventures". The adoption of the SFAS has no significant impact on the financial reporting and disclosures in the consolidated financial statements.

BRI's investments in its associated entities are measured using the equity method. An associate is an entity in which the bank has significant influence and voting power greater or equal to 20%, unless it can be proven otherwise. The initial recognition of investments in associates are recognized at cost. The value of the investment is then adjusted (plus or minus) in order to recognize the portion of BRI's associated entities of profit or loss after the acquisition date. Recognition of the comprehensive income of associates is recognized as comprehensive income and the increase in investments. Receipt of distributions from the subsidiaries reduce the carrying value of investments in associates.

The Consolidated Statement of Profit and 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 evaluates objective evidence of impairment on investment in associates. 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 and loss and other comprehensive income.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**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**

All 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 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:

the exchange transaction lacks commercial substance, or  
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 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 stated at cost and not depreciated.

If the cost of land includes the costs of site dismantlement, removal and restoration, and the benefits from the site dismantlement, removal and restoration is limited, that portion of the land asset is depreciated over the period of benefits obtained by incurring those costs. In some cases, the land itself may have a limited useful life, in which case it is depreciated in a manner that reflects the benefits to be derived from it.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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 profit or loss 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**

Effective on January 1, 2015, BRI adopted SFAS No. 48 (Revised 2014), "Impairment of Assets". The adoption of the SFAS has no significant impact on the financial reporting and disclosures in the consolidated financial statements.

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 and 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 and 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 INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**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.

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.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**2. SUMMARY OF ACCOUNTING POLICIES (continued)**

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

*Mudharabah* time deposits represent third party funds that can be withdrawn only at a certain point in time based on the agreement between the customer 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 Bank's 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 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.

**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.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**2. SUMMARY OF ACCOUNTING POLICIES (continued)**

**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 the timely return of interest in BRI units**

On Time Interest Return (Pengembalian Bunga Tepat Waktu (PBTW)) represents incentives given to Micro Loans (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 Return (CPBTW) for the PBTW and present it in "Other liabilities".

**z. Interest income and interest expense**

Interest income and expense for all interest bearing financial instruments are recognized in the Consolidated Statement of Profit and 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, fees and other forms received or paid by BRI including transaction costs, and all other premiums and discounts is tepisahkan part of the effective interest rate.



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**2. SUMMARY OF ACCOUNTING POLICIES (continued)**

**z. Interest income and interest expense (continued)**

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 and 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.

Prior to January 1, 2014, income and expenses on *murabahah* receivables are recognized using accrual basis, except for margin income on *murabahah* receivables classified as non-performing (substandard, doubtful and loss), which is recognized when the cash is received (cash basis). Margin receivables that have accrued is reversed when the *murabahah* receivables classified as non-performing and charged to current year. Margin income from non-performing *murabahah* receivables that have not been received (margin receivables in progress) is disclosed in information on commitments and contingencies.

Effective on January 1, 2014, 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, but the loss of receivables in the future. 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*).

**ac. Employee benefits**

Effective on January 1, 2015, BRI adopted SFAS No. 24 (Revised 2013), replaces SFAS No.24 (Revised 2010) "Employee Benefits". With the adoption of SFAS No. 24 (Revised 2013), BRI ends the implementation of the corridor approach in calculating the actuarial gains or losses previously applicable and recognizes actuarial gains or losses in the reporting period of the Other Comprehensive Income (OCI).

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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## **2. SUMMARY OF ACCOUNTING POLICIES (continued)**

### **ac. Employee benefits (continued)**

Impact of adoption of SFAS No. 24 (Revised 2013) "Employee Benefits" described in Note 49

#### Short-term employee benefits

Short-term employee benefits include wages, salaries, social security contributions, short-term paid leave, bonus and other non-monetary remuneration are recognized as an expense in the period the services are rendered. Short-term employee benefits is calculated by the amount of employee benefits which are not discounted from the short-term employee benefits in the period related to the services.

#### Defined contribution plan

In the defined contribution plan, BRI pays fixed contributions to the Pension Fund a certain percentage of wages to those who participated in the program and have no legal or further constructive obligation liability. When an employee has rendered services in the related period, BRI recognizes the contribution that is measured on the basis of not discounted as expenses and payment of contributions that will reduce the amount of dues payable.

#### Defined benefit plan

In the defined benefit plan, BRI reserves and recognizes as cost of services rendered by employees who are qualified. Employee benefits are determined based on the rules of BRI and the minimum requirements of Labor Law No. 13/2003.

In the measurement of defined benefit pension program, BRI uses an independent actuary and Project Unit Credit method to make a reliable estimate of the value of the defined benefit obligation, current service cost and past service cost. Determination of the net defined benefit amount of liability (asset) (surplus / deficit) is based on the difference between the present value of the defined benefit obligation and the fair value of plan assets.

For each program material, BRI apply the amounts recognized in the income statement:

1. Current service cost
2. Prior service cost and gain or loss on settlement
3. Net interest on liabilities (assets) net defined benefit.

BRI implements remeasurement on liabilities (assets) net defined benefit and recognize in other comprehensive income which are not reclassified to profit or loss, consisting of:

1. Actuarial Gains and losses
2. Benefits yield on planned assets, excluding the amount of net interest on liabilities (assets) net defined benefit
3. Any changes to the asset ceiling, excluding the amount of net interest on liabilities (assets) net defined benefit.

#### The other long-term employee benefits program

In the other long-term employee benefits program, such as long-term paid leave and gratuity for services, BRI take measurements as well as the measurement of post-employment benefits: defined benefit plans.

For other long-term employee benefits, BRI recognized total net value of the following amounts in the income, among others: service cost, net of interest expense on liabilities (assets) net defined benefit and net defined benefit remeasurement liability (asset).

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

## 2. SUMMARY OF ACCOUNTING POLICIES (continued)

### ad. 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.

### ae. Earnings per share

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

### af. 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 on the date of the transactions. As of September 30, 2015 and December 31, 2014, 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 credited or charged to the current consolidated statement of profit and loss and other comprehensive income.

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

	<u>September 30, 2015</u>	<u>December 31, 2014</u>
1 United States Dollar	14,650.00	12,385.00
1 Great Britain Pound Sterling	22,235.77	19,288.40
1 Japanese Yen	121.85	103.56
1 European Euro	16,449.03	15,053.35
1 Hong Kong Dollar	1,890.31	1,596.98
1 Saudi Arabian Riyal	3,906.30	3,299.59
1 Singapore Dollar	10,295.52	9,376.19
1 Malaysian Ringgit	3,332.96	3,542.12
1 Australian Dollar	10,306.28	10,148.27
1 Renmimbi	2,304.51	1,995.62
1 Thailand Baht	403.69	376.56
1 Swiss Franc	15,048.03	12,515.80
1 Canadian Dollar	10,932.84	10,679.49
1 Bruneian Dollar	10,293.71	9,374.77
1 Danish Krone	2,204.87	2,021.96
1 South Korean Won	12.40	11.38
1 New Zealand Dollar	9,356.23	9,709.23
1 Papua New Guinean Kina	5,105.56	4,774.46
1 United Arab Emirates Dirham	3,988.67	3,371.90
1 Swedish Krona	1,752.61	1,604.61
1 Norwegian Krone	1,736.60	1,671.05

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**2. SUMMARY OF ACCOUNTING POLICIES (continued)**

**ag. Translation of the financial statements of Overseas Branches and Representative Offices (continued)**

For interim consolidated financial statements purposes, all accounts of the overseas branches 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".

**ah. Derivatives Instrument**

Derivatives financial instruments are valued and recognized in the consolidated statement of financial position at fair value. Each derivatives contract is carried 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 and 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).

**ai. Taxation**

Effective on January 1, 2015, BRI adopted SFAS No. 46 (Revised 2014), "Income Taxes". The adoption of the SFAS has no significant impact on the financial reporting and disclosures in the consolidated financial statement.

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 INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**2. SUMMARY OF ACCOUNTING POLICIES (continued)**

**ai. 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 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 BRI, 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.

**aj. 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, results, 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.

**ak. 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 INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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## **2. SUMMARY OF ACCOUNTING POLICIES (continued)**

### **ak. 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:

#### 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's accounting policies disclosed in Note 2c.

#### Fair value of 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

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.

#### **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 are 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.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**2. SUMMARY OF ACCOUNTING POLICIES (continued)**

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

**Estimates and Assumptions (continued)**

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 and 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 mentioned. 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.

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 BRI considers 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.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**2. SUMMARY OF ACCOUNTING POLICIES (continued)**

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

**Estimates and Assumptions (continued)**

Impairment of non-financial assets (continued)

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 pension obligation

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.

**al. 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).



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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## **2. SUMMARY OF ACCOUNTING POLICIES (continued)**

### **am. Changes in accounting policies and disclosures (continued)**

BRI and its subsidiaries have applied the accounting standards on January 1, 2015, which are considered relevant to the interim consolidated financial statements, namely:

- SFAS No. 1 (Revised 2013), "Presentation of Financial Statements", which was adopted from IAS 1, regarding the changes of group items presentation in other comprehensive income. Items that will be reclassified to profit or loss are presented separately from items that will not be reclassified to profit or loss.
- SFAS No. 4 (Revised 2013), "Separate Financial Statements", which was adopted from IAS 4, regarding the accounting requirements when the parent entity presents separate financial statements as additional information. Accounting treatment for the consolidated financial statements is determined in SFAS No. 65.
- SFAS No. 15 (Revised 2013), "Investments in Associates and Joint Ventures", which was adopted from IAS 28, regarding the implementation of equity method on investments in joint ventures in associates.
- SFAS No. 24 (Revised 2013), "Employee Benefits", which was adopted from IAS 19, which removes the corridor mechanism and the contingent liabilities disclosures to simplify the clarifications and disclosures.
- SFAS No. 46 (Revised 2014), "Income Taxes", which was adopted from IAS 12. This SFAS provides additional regulation for deferred tax assets and liabilities arises from a non-depreciable assets measured using the revaluation model, and those arises from investment property that is measured using the fair value model.
- SFAS No. 48 (Revised 2014), "Impairment of Assets", which was adopted from IAS 36. This SFAS provides additional disclosure requirements for each individual asset or a cash-generating unit, for which impairment losses has been recognized or reversed during the period.
- SFAS No. 50 (Revised 2014), "Financial Instruments: Presentation", which was adopted from IAS 32. This SFAS provides criteria on legally enforceable right to set off the recognized amounts and settlement criteria on a net basis.
- SFAS No. 55 (Revised 2014), "Financial Instruments: Recognition and Measurement", which was adopted from IAS 39. This SFAS, among other, provides additional criteria of hedging instrument which can not be considered as expired or terminated, also stipulation to record financial instruments at the measurement date and after initial recognition.
- SFAS No. 60 (Revised 2014), "Financial Instruments: Disclosures", which was adopted from IFRS 7. This SFAS, among other, provides additional offset disclosures stipulation with quantitative and qualitative information, and transfers of financial instruments disclosures.
- SFAS No. 65, "Consolidated Financial Statements", which was adopted from IFRS 10. This SFAS replaces SFAS No. 4 (Revised 2009) regarding accounting treatment for consolidated financial statements, establishes principles for presentation and preparation of consolidated financial statements when an entity controls one or more other entities.
- SFAS No. 66, "Joint Arrangements", which was adopted from IFRS 11. This SFAS replaces SFAS No. 12 (Revised 2009) and IFAS No. 12. This SFAS removes the option of proportional consolidation method to record joint venture.
- SFAS No. 67, "Disclosure of Interests in Other Entities", which was adopted from IFRS 12. This SFAS includes all disclosures that were previously stipulated in SFAS No. 4 (Revised 2009), SFAS No. 12 (Revised 2009) and SFAS No. 15 (Revised 2009). This disclosures are related to an entity's interest in other entities.
- SFAS No. 68, "Fair Value Measurement", which was adopted from IFRS 13, provides guidance on how to determine fair value when it was required or permitted.

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

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**3. CASH**

	<b>September 30, 2015</b>		<b>December 31, 2014</b>	
	<b>Notional Amount Foreign Currency (Full Amount)</b>	<b>Rupiah Equivalent</b>	<b>Notional Amount Foreign Currency (Full Amount)</b>	<b>Rupiah Equivalent</b>
Rupiah		20,320,223		22,036,125
Foreign currencies				
United States Dollar	22,375,794	327,806	19,046,358	235,889
Saudi Arabian Riyal	51,845,432	202,524	13,074,358	43,140
European Euro	4,056,467	66,725	2,002,633	30,146
Australian Dollar	4,369,466	45,033	3,408,768	34,593
Singapore Dollar	3,527,404	36,316	3,814,003	35,761
Renmimbi	15,707,882	36,199	7,963,732	15,892
Japanese Yen	295,249,931	35,976	100,414,900	10,399
Malaysian Ringgit	2,750,383	9,167	3,205,403	11,354
United Arab Emirates Dirham	1,838,902	7,335	1,247,615	4,207
Great Britain Pound Sterling	233,649	5,195	181,384	3,499
Hong Kong Dollar	2,265,490	4,282	1,488,100	2,376
Bruneian Dollar	321,046	3,305	91,798	861
Swiss Franc	162,080	2,439	88,950	1,113
Papua New Guinean Kina	326,084	1,665	330,624	1,579
Thailand Bath	3,981,820	1,607	2,383,220	897
New Zealand Dollar	110,195	1,031	53,350	518
Canadian Dollar	73,025	798	42,325	452
South Korean Won	40,219,587	499	32,140,000	366
		787,902		433,042
		<b>21,108,125</b>		<b>22,469,167</b>

As of September 30, 2015 and December 31, 2014, balances denominated in Rupiah is inclusive of cash in the ATMs (Automated Teller Machines) amounted to Rp7,850,118 dan Rp5,697,353, respectively.

**4. CURRENT ACCOUNTS WITH BANK INDONESIA**

Current accounts with Bank Indonesia consist of:

	<b>September 30, 2015</b>		<b>December 31, 2014</b>	
	<b>Notional Amount Foreign Currency (Full Amount)</b>	<b>Rupiah Equivalent</b>	<b>Notional Amount Foreign Currency (Full Amount)</b>	<b>Rupiah Equivalent</b>
Rupiah		43,392,535		41,964,577
United States Dollar	646,826,936	9,476,015	744,436,980	9,219,852
		<b>52,868,550</b>		<b>51,184,429</b>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**4. CURRENT ACCOUNTS WITH BANK INDONESIA (continued)**

As of September 30, 2015 and December 31, 2014, current accounts with Bank Indonesia based on Sharia banking principles amounted to Rp937,045 dan Rp878,267, respectively.

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

As of September 30, 2015 and December 31, 2014 GWM ratios of BRI (Parent Entity) are as follows:

	<u>September 30, 2015</u>	<u>December 31, 2014</u>
Primary GWM - Rupiah	8.01%	8.07%
Secondary GWM - Rupiah	11.84%	13.85%
Primary GWM – Foreign Currency	8.00%	8.00%

The calculation of the GWM ratios as of September 30, 2015 and December 31, 2014 is based on Bank Indonesia regulation (PBI) No. 15/15/2013 dated December 24, 2013, regarding "GWM of Commercial Banks in Rupiah and Foreign Currency for Conventional Banking".

As of September 30, 2015 and December 31, 2014, based on the above Bank Indonesia regulation, BRI is required to maintain minimum primary reserves both in Rupiah and in foreign currencies of 8%, respectively. BRI is also required to maintain secondary reserves in Rupiah of 4% as of September 30, 2015 and December 31, 2014, respectively.

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

**5. CURRENT ACCOUNTS WITH OTHER BANKS**

a. By Currency:

	<u>September 30, 2015</u>		<u>December 31, 2014</u>	
	<u>Notional Amount Foreign Currency (Full Amount)</u>	<u>Rupiah Equivalent</u>	<u>Notional Amount Foreign Currency (Full Amount)</u>	<u>Rupiah Equivalent</u>
<u>Third parties</u>				
<u>Rupiah</u>		<u>38,759</u>		<u>18,100</u>
<u>Foreign currencies</u>				
United States Dollar	332,578,951	4,872,282	628,729,988	7.786.821
Renminbi	1,044,207,478	2,406,387	712,716,216	1.422.311
Singapore Dollar	47,430,912	488,326	23,287,553	218.348
Great Britain Pound Sterling	11,937,324	265,436	2,572,756	49.624
European Euro	14,461,719	237,881	32,165,851	484.204
Australian Dollar	18,170,420	187,269	10,382,378	105.363
Hong Kong Dollar	90,537,742	171,144	15,901,669	25.395
Japanese Yen	1,063,654,962	129,606	1,376,997,860	142.602
United Arab Emirates Dirham	25,863,555	103,161	18,243,158	61,514

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**5. CURRENT ACCOUNTS WITH OTHER BANKS (continued)**

a. By Currency (continued):

	<b>September 30, 2015</b>		<b>December 31, 2014</b>	
	<b>Notional Amount Foreign Currency (Full Amount)</b>	<b>Rupiah Equivalent</b>	<b>Notional Amount Foreign Currency (Full Amount)</b>	<b>Rupiah Equivalent</b>
<u>Third parties (continued)</u>				
<u>Foreign currencies</u>				
<u>(continued)</u>				
Swiss Franc	4,149,201	62,437	4,262,251	53,345
United Arab Emirates Dirham	11,796,151	46,079	49,154,228	162,189
Norwegian Kroner	13,678,957	23,755	13,076,760	21,852
Canadian Dollar	1,607,322	17,573	1,169,065	12,485
New Zealand Dollar	1,497,896	14,015	434,966	4,223
Swedish Krona	2,065,395	3,620	1,250,243	2,006
		<u>9,028,971</u>		<u>10,552,282</u>
		<b>9,067,730</b>		<b>10,570,382</b>
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>		<u>2,914</u>		<u>2,238</u>
<u>Foreign currencies</u>				
United States Dollar	200,683	2,940	631,383	7,820
Hong Kong Dollar	1,466,955	2,773	-	-
		<u>5,713</u>		<u>7,820</u>
		<u>8,627</u>		<u>10,058</u>
		<b>9,076,357</b>		<b>10,580,440</b>

b. By Bank:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>Third parties</u>		
<u>Rupiah</u>		
PT Bank Central Asia Tbk	26,288	14,008
PT Bank Pembangunan Daerah (BPD) Papua	-	3,380
Others	<u>12,471</u>	<u>712</u>
	<b>38,759</b>	<b>18,100</b>
<u>Foreign currencies</u>		
JP Morgan Chase Bank, N.A.	3,181,115	3,726,622
Bank of China Limited	2,179,460	1,312,657
Standard Chartered Bank	1,069,957	2,041,104
The Hong Kong and Shanghai Banking Corporation Limited	600,203	622,375
Bank of America, New York	599,176	1,135,525
PT Bank ICBC Indonesia	323,941	116,609
United Overseas Bank	138,176	-

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**5. CURRENT ACCOUNTS WITH OTHER BANKS (continued)**

b. By Bank (continued)

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>Third parties (continued)</u>		
<u>Foreign Currencies (continued)</u>		
Oversea-Chinese Banking Corporation Limited	135,830	197,194
Commerzbank, A.G.	97,821	340,142
Commonwealth Bank	97,546	70,559
ANZ Banking Group Limited	90,577	34,804
ING Belgium N.V. Brussels	73,795	46,485
The Bank of Tokyo Mitsubishi UFJ, Ltd	68,377	36,019
The Royal Bank of Scotland	61,232	106,578
PT Bank Central Asia Tbk	54,614	-
Citibank, N.A.	49,424	40,266
Al Rajhi Bank	46,079	162,189
The Bank of New York Mellon	26,660	29,294
UBS AG	21,073	46,331
Emirates NBD Bank	20,590	21,852
Federal Reserve Bank of New York	-	414,378
Others	93,325	51,299
	<u>9,028,971</u>	<u>10,552,282</u>
	<u>9,067,730</u>	<u>10,570,382</u>
<u>Related parties (Note 43)</u>		
<u>Rupiah</u>		
PT Bank Mandiri (Persero) Tbk	2,463	1,795
PT Bank Negara Indonesia (Persero) Tbk	451	443
	<u>2,914</u>	<u>2,238</u>
<u>Foreign currencies</u>		
PT Bank Mandiri (Persero) Tbk	2,170	7,768
PT Bank Negara Indonesia (Persero) Tbk	3,543	52
	<u>5,713</u>	<u>7,820</u>
	<u>8,627</u>	<u>10,058</u>
	<u><b>9,076,357</b></u>	<u><b>10,580,440</b></u>

c. By Collectibility:

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

d. Interest rates on average per year for the nine-month period and year ended September 30, 2015 and dated December 31, 2014:

	<b>2015</b>	<b>2014</b>
Rupiah	0.30%	0.09%
United States Dollar	0.01%	0.04%

e. Changes in Allowance for Impairment Losses Giro In Other Banks

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

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**5. CURRENT ACCOUNTS WITH OTHER BANKS (continued)**

e. Changes in Allowance for Impairment Losses Giro In Other Banks (continued)

Management believes that no allowance for impairment losses is necessary as of September 30, 2015 and December 31, 2014, because management believes that current accounts with other banks are fully collectible.

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

**6. PLACEMENTS WITH BANK INDONESIA AND OTHER BANKS**

a. By Currency and Type:

	September 30, 2015		December 31, 2014	
	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		16,098,495		24,303,119
Sharia Deposit Facility		1,661,000		882,000
		<u>17,759,495</u>		<u>25,185,119</u>
Inter-bank call money				
PT Bank Central Asia		200,000		-
PT Bank Mizuho Indonesia		200,000		-
PT UOB Indonesia		150,000		-
PT Bank OCBC NISP				
Tbk		150,000		500,000
PT Bank Permata		100,000		-
Standard Chartered				
Bank		100,000		-
PT Bank DBS				
Indonesia		75,000		-
JP Morgan Chase				
Bank		50,000		50,000
PT Bank CTBC				
Indonesia		25,000		50,000
The Bank of Tokyo				
Mitsubishi UFJ Ltd		20,000		-
PT. Bank Kesejahteraan				
Ekonomi		20,000		-
Citibank, N.A.		-		250,000
PT Bank Aceh		-		200,000
PT Bank Mega Tbk		-		200,000
PT Bank Pan Indonesia		-		200,000
PT BPD Jawa Barat				
dan Banten Tbk		-		150,000
PT Bank DKI		-		100,000
PT BPD Jambi		-		100,000

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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):

	September 30, 2015		December 31, 2014	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Third parties (continued)</u>				
<u>Rupiah (continued)</u>				
Inter-bank call money (continued)				
PT BPD Kalimantan Timur		-		100,000
PT Bank ANZ Indonesia		-		50,000
PT Bank Sumitomo Mitsui Indonesia		-		50,000
PT BPD Jawa Tengah		-		50,000
PT BPD Maluku		-		50,000
PT Bank Sinarmas Tbk (UUS)		-		50,000
PT Bank Maybank Syariah Indonesia		-		35,000
PT BPD Riau Kepri		-		25,000
PT BPD Sumatra Selatan dan Banka Belitung		-		20,000
PT BPD Sinarmas Tbk		-		20,000
		1,090,000		2,250,000
Time deposit		-		45,000
		18,849,495		27,480,119
<u>Foreign currency</u>				
<u>United States Dollar</u>				
Bank Indonesia Term Deposit	384,998,703	5,640,231	2,049,981,779	25,389,024
Inter-bank call money Wells Fargo Bank, N,A,	63,800,000	934,670	379,900,000	4,705,062
Citibank, N,A,	53,000,000	776,450	76,380,000	945,966
Federal Reserve Bank	44,316,655	649,238	-	-
TD Bank, N,A,	36,193,652	530,237	21,012,591	260,241
The Bank of New York Mellon	34,900,000	511,285	236,900,000	2,934,007
PT Bank ANZ Indonesia	26,458,726	387,499	-	-
Standard Chartered Bank	8,500,000	124,525	-	-
PT Bank Capital Indonesia, Tbk	-	-	2,000,000	24,770

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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):

	September 30, 2015		December 31, 2014	
	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent	Notional Amount Foreign Currency (Full Amount)	Rupiah Equivalent
<u>Third parties (continued)</u>				
<u>Foreign Currency</u>				
<u>United States Dollar (continued)</u>				
Inter-bank call money (continued)				
The Hongkong & Shanghai Banking Corporation, Ltd		-	195,476	2,421
		3,913,904		8,872,467
Time Deposits				
US Bank	2,192,037	32,113	169,839	2,103
TD Bank, NA	409,726	6,003	139,624	1,729
		38,116		3,832
		9,592,251		34,265,323
		28,441,746		61,745,442
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>				
Inter-bank call money				
PT Bank Bukopin Tbk		100,000		100,000
Lembaga Pembiayaan Ekspor Indonesia		-		160,000
PT BTMU-BRI Finance		-		30,000
		100,000		290,000
		28,541,746		62,035,442

b. By Time Period:

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

	September 30, 2015	December 31, 2014
<u>Third parties</u>		
<u>Rupiah</u>		
≤ 1 month	18,849,495	27,430,119
> 1 month - 3 months	-	50,000
	18,849,495	27,480,119
<u>Foreign currency</u>		
≤ 1 month	9,445,751	34,265,323
> 1 month - 3 months	146,500	-
	9,592,251	34,265,323
	28,441,746	61,745,442



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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):

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>Related parties (Note 43)</u>		
<u>Rupiah</u>		
≤ 1 month	100,000	260,000
> 1 month - 3 months	-	30,000
	<u>100,000</u>	<u>290,000</u>
	<b><u>28,541,746</u></b>	<b><u>62,035,442</u></b>

c. By Collectibility:

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

d. The interest rate on average per year for the nine-month period and year ended September 30, 2015 and December 31, 2014.

	<b>2015</b>	<b>2014</b>
<u>Rupiah</u>		
Deposit Facility	5.57%	5.75%
Time Deposit	-	7.25%
Inter-bank call money	5.93%	6.43%
<u>United States Dollar</u>		
Term Deposit	0.10%	0.10%
Inter-bank call money	0.14%	0.22%
Time Deposit	0.10%	0.08%

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

On September 30, 2015 and December 31, 2014, there were no placements with Bank Indonesia and other banks are impaired and restricted.

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

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES**

a. By Purpose, Currency and Type:

	<b>September 30, 2015</b>		<b>December 31, 2014</b>	
	<b>Notional Amount Foreign Currency (Full Amount)</b>	<b>Rupiah Equivalent</b>	<b>Notional Amount Foreign Currency (Full Amount)</b>	<b>Rupiah Equivalent</b>
<b><u>Fair value through profit or loss</u></b>				
<b><u>Third parties</u></b>				
<b><u>Rupiah</u></b>				
Certificates of Bank				
Indonesia		143,721		-
Mutual funds		11,204		11,560
		<u>154,925</u>		<u>11,560</u>
<b><u>Related parties</u></b>				
<b><u>(Note 43)</u></b>				
<b><u>Rupiah</u></b>				
Government Bonds		<u>209,095</u>		<u>101,425</u>
<b><u>Foreign currency</u></b>				
United States Dollar				
Government Bonds	21,277,543	<u>311,716</u>	1,239,968	<u>15,357</u>
		<u>675,736</u>		<u>128,342</u>
<b><u>Available for Sale</u></b>				
<b><u>Third parties</u></b>				
<b><u>Rupiah</u></b>				
Certificates of Bank				
Indonesia		4,184,027		4,336,192
Deposits Certificates of				
Bank Indonesia		2,761,120		13,244,399
Mutual funds		57,111		138,017
Bonds		<u>536,076</u>		<u>199,520</u>
		<u>7,538,334</u>		<u>17,918,128</u>
<b><u>Foreign currencies</u></b>				
United States Dollar				
Bonds	65,935,418	965,954	63,187,404	782,576
U.S Treasury Bonds	18,862,048	<u>276,329</u>	29,123,698	<u>360,697</u>
		<u>1,242,283</u>		<u>1,143,273</u>
<b><u>Singapore Dollar</u></b>				
Singapore Government				
Securities	6,807,038	<u>70,082</u>		-
		<u>70,082</u>		-
<b><u>Related parties</u></b>				
<b><u>(Note 43)</u></b>				
<b><u>Rupiah</u></b>				
Government bonds		23,229,531		13,986,844

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

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

	<b>September 30, 2015</b>		<b>December 31, 2014</b>	
	<b>Notional Amount Foreign Currency (Full Amount)</b>	<b>Rupiah Equivalent</b>	<b>Notional Amount Foreign Currency (Full Amount)</b>	<b>Rupiah Equivalent</b>
<b><u>Available for Sale</u></b>				
(continued)				
<b><u>Related parties</u></b>				
(Note 43) (continued)				
<b><u>Rupiah (continued)</u></b>				
Mutual funds		80,344		77,940
Bonds		849,319		285,835
		<u>24,159,194</u>		<u>14,350,619</u>
<b><u>Foreign currencies</u></b>				
United States Dollar				
Government bonds	995,188,464	14,579,511	498,267,017	6,171,037
Bonds	88,947,509	1,303,081	25,763,666	319,083
Mutual funds	-	44,793	3,024,304	37,456
		<u>15,927,385</u>		<u>6,527,576</u>
European Euro				
Government bonds	16,038,149	263,812	4,167,017	62,728
		<u>49,201,090</u>		<u>40,002,324</u>
<b><u>Held to maturity</u></b>				
<b><u>Third parties</u></b>				
<b><u>Rupiah</u></b>				
Certificates of Bank				
Indonesia		1,243,752		5,557,658
Deposits Certificates of				
Bank Indonesia		972,678		9,852,330
Bank Indonesia				
Sharia Certificates				
(SBIS)		1,100,000		1,605,645
Bonds		1,983,502		1,229,190
Negotiable Certificate				
Of Deposits		348,760		92,209
Subordinated bonds		40,000		40,000
Medium Term Notes		125,000		25,000
		<u>5,813,692</u>		<u>18,402,032</u>
<b><u>Foreign currency</u></b>				
United States Dollar				
Credit Linked Notes	51,376,928	752,672	52,198,627	646,480
Promissory Notes	2,000,000	29,300	4,000,000	49,540
		<u>781,972</u>		<u>696,020</u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

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

	<b>September 30, 2015</b>		<b>December 31, 2014</b>	
	<b>Notional Amount Foreign Currency (Full Amount)</b>	<b>Rupiah Equivalent</b>	<b>Notional Amount Foreign Currency (Full Amount)</b>	<b>Rupiah Equivalent</b>
<b><u>Held to maturity</u></b>				
<b><u>(continued)</u></b>				
<u>Related parties</u>				
<u>(Note 43)</u>				
<u>Rupiah</u>				
Government bonds		34,135,160		18,494,780
Bonds		2,127,768		859,560
Negotiable Certificate Of Deposits		298,469		144,439
Medium Term Notes		139,357		139,202
		<u>36,700,754</u>		<u>19,637,981</u>
<u>Foreign currency</u>				
United States Dollar				
Government bonds	1,028,148,532	15,062,376	410,378,845	5,082,542
Bonds	38,301,365	561,115	17,700,363	219,219
		<u>15,623,491</u>		<u>5,301,761</u>
		<u>58,919,909</u>		<u>44,037,794</u>
		<u><b>108,796,735</b></u>		<u><b>84,168,460</b></u>

b. By Collectibility:

Securities were classified as "Current" as of September 30, 2015 and December 31, 2014.

c. By Remaining Period to Maturity:

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

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>Third parties</u>		
<u>Rupiah</u>		
≤ 1 month	7,712,056	21,199,452
> 1 month - 3 months	648,943	6,262,113
> 3 months - 1 year	1,472,616	8,211,629
> 1 year	3,343,406	658,526
	<u>13,177,021</u>	<u>36,331,720</u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

c. By Remaining Period to Maturity:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>Third parties (continued)</u>		
<u>Foreign currency</u>		
≤ 1 month	970,951	1,143,273
> 1 month - 3 months	-	-
> 3 months - 1 year	-	24,770
> 1 year	389,051	671,250
	<u>1,360,002</u>	<u>1,839,293</u>
	<u>14,537,023</u>	<u>38,171,013</u>
<u>Related parties (Note 43)</u>		
<u>Rupiah</u>		
≤ 1 month	24,368,280	14,817,415
> 1 month - 3 months	72,344	864,179
> 3 months - 1 year	3,299,536	1,875,512
> 1 year	33,223,765	16,532,919
	<u>60,963,925</u>	<u>34,090,025</u>
<u>Foreign currency</u>		
≤ 1 month	16,826,463	6,605,660
> 3 months - 1 year	399,839	290,172
> 1 year	16,069,485	5,011,590
	<u>33,295,787</u>	<u>11,907,422</u>
	<u>94,259,712</u>	<u>45,997,447</u>
	<u><b>108,796,735</b></u>	<u><b>84,168,460</b></u>

d. By Type and Issuer:

d1. 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	Maturity date	Fair Value/Carrying Value	
	rate (%)		September 30, 2015	December 31, 2014
<u>Fair value through profit</u>				
<u>Or loss</u>				
<u>Rupiah</u>				
FR0053	8.25%	July 15, 2021	9.412	-

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

d. By Type and Issuer (continued):

d1. Government Bonds (continued)

Series	Annual Interest Maturity (%)	Maturity date	Fair Value/Carrying Value	
			September 30, 2015	December 31, 2014
<b><u>Fair value through profit or loss (continued)</u></b>				
<b><u>Rupiah (continued)</u></b>				
FR0056	8.38%	September 15,2026	36,148	-
FR0070	8.38%	March 15, 2024	27,693	-
FR0062	6.38%	April 15, 2042	13,100	15,200
FR0064	6.13%	May 15, 2028	22,158	24,930
FR0065	6.63%	May 15, 2033	21,925	25,097
FR0071	9.00%	March 15, 2029	-	31,091
SR005	6.00%	February 27, 2016	5,131	5,107
SR007	8.25%	March 11, 2018	73,258	-
			208,825	101,425
<b><u>Foreign currency</u></b>				
United States Dollar				
INDOIS25	4.33%	May 28, 2025	269,560	-
RI0422	3.75%	April 25, 2022	13,918	-
RI0525	4.13%	January 15, 2025	28,238	-
RI0144	6.75%	January 15, 2044	-	15,357
			311,716	15,357
			520,541	116,782
<b><u>Available for Sale</u></b>				
<b><u>Rupiah</u></b>				
FR0027	9.50%	June15, 2015	-	549,598
FR0028	10.00%	July 15, 2017	1,189,688	659,638
FR0030	10.75%	May 15, 2016	1,011,803	1,040,120
FR0031	11.00%	November 15, 2020	130,949	125,831
FR0034	12.80%	June 15, 2021	373,857	-
FR0035	12.90%	June 15, 2022	541,252	-
FR0036	11.50%	September 15,2019	3,708	-
FR0039	11.75%	August 15, 2023	55,380	-
FR0040	11.00%	September 15,2025	432,823	435,870
FR0042	10.25%	July 15, 2027	201,045	225,845
FR0043	10.25%	July 15, 2022	164,816	-
FR0044	13.00%	September 15,2024	202,660	-
FR0045	9.75%	May 15, 2037	9,732	11,200
FR0046	9.50%	July 15, 2023	9,861	10,911
FR0047	10.00%	February 15, 2028	169,926	191,406
FR0048	9.00%	September 15,2018	9,878	-

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

d. By Type and Issuer (continued):

d1. Government Bonds (continued)

Series	Annual Interest Maturity (%)	Maturity date	Fair Value/Carrying Value	
			September 30, 2015	December 31, 2014
<b><u>Available for Sale</u></b>				
<b><u>(continued)</u></b>				
<u>Rupiah (continued)</u>				
FR0050	10.50%	July 15, 2038	26,375	29,818
FR0052	10.50%	August 15, 2030	306,883	348,768
FR0053	8.25%	July 15, 2021	1,249,656	450,917
FR0054	9.50%	July 15, 2031	200,169	150,984
FR0055	7.38%	September 15,2016	384,913	344,002
FR0056	8.38%	September 15,2026	519,687	172,153
FR0057	9.50%	May 15, 2041	47,575	54,584
FR0058	8.25%	June 15, 2032	362,450	424,676
FR0059	7.00%	May 15, 2027	392,737	437,612
FR0060	6.25%	April 15, 2017	722,547	632,020
FR0061	7.00%	May 15, 2022	522,063	506,191
FR0062	6.38%	April 15, 2042	271,007	312,988
FR0063	5.63%	May 15, 2023	545,889	507,305
FR0064	6.13%	May 15, 2028	474,444	535,532
FR0065	6.63%	May 15, 2033	483,310	443,788
FR0066	5.25%	May 15, 2018	609,216	622,454
FR0068	8.38%	April 15, 2034	756,622	265,962
FR0069	7.88%	April 15, 2019	2,032,942	721,692
FR0070	8.38%	March 15, 2024	1,472,794	604,753
FR0071	9.00%	March 15, 2029	619,937	461,588
FR0072	8.25%	May 15, 2036	274,950	-
FR0073	13.50%	May 15, 2031	272,355	-
ORI009	6.25%	October 15, 2015	63,996	104,414
ORI010	8.50%	October 15, 2016	943,969	158,267
ORI011	8.50%	October 15, 2017	2,340,819	951,141
SPN	various	various	2,824,846	1,494,816
			23,229,529	13,986,844
<b><u>Foreign currencies</u></b>				
United States Dollar				
RI0015	7.25%	April 20, 2015	-	497,876
RI0016	7.50%	January 15, 2016	309,448	245,381
RI0017	6.88%	March 9, 2017	1,437,632	992,494
RI0018	6.88%	January 17, 2018	2,052,276	1,084,498
RI0125	4.13%	January 15, 2025	576,236	-
RI0035	8.50%	October 12, 2035	188,019	52,072
RI0037	6.63%	February 17, 2037	107,806	188,805

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

d. By Type and Issuer (continued):

d1. Government Bonds (continued)

Series	Interest Maturity (%)	Maturity date	Fair Value/Carrying Value	
			September 30, 2015	December 31, 2014
<b>Available for Sale</b>				
<b><u>(continued)</u></b>				
<b><u>Foreign currencies(continued)</u></b>				
United States Dollar				
(continued)				
RI0038	7.75%	January 17, 2038	155,420	97,908
RI0124	5.88%	January 15, 2024	123,500	13,893
RI0142	5.25%	January 17, 2042	227,750	87,895
RI0144	6.75%	January 15, 2044	15,529	-
RI0320	5.88%	March 13, 2020	1,609,183	546,592
RI0143	4.63%	April 15, 2043	850,070	-
RI0045	5.13%	January 15, 2045	573,548	-
RI0422	3.75%	April 25, 2022	698,659	207,506
RI0423	3.38%	April 15, 2023	722,901	348,347
RI0443	4.63%	April 15, 2043	12,218	471,969
RI0521	4.88%	May 5, 2021	1,727,355	302,134
RI1023	5.38%	October 17, 2023	214,791	94,364
RI190304	11.63%	March 4, 2019	2,632,473	767,853
U. S. Treasury				
Bonds	5.38%	February 15, 2031	276,329	360,697
USDFR0001	3.50%	May 15, 2017	344,699	171,450
			14,855,842	6,531,734
European Euro				
RIEUR0721	2.88%	July 8, 2021	157,957	62,728
RIEUR0725	3.38%	July 30, 2025	105,856	-
			263,813	62,728
Singapore Dollar				
SIGB 060125	2.38%	June 2, 2025	39,535	-
SIGB 100119	1.63%	October 1, 2019	30,547	-
			70,082	-
			15,189,737	6,594,462
			38,419,266	20,581,306
<b><u>Held to maturity</u></b>				
<b><u>Rupiah</u></b>				
FR0028	10.00%	July 15, 2017	348,223	351,338
FR0030	10.75%	May 15, 2016	244,600	252,000
FR0034	12.80%	June 15, 2021	367,870	367,598
FR0038	11.60%	August 15, 2018	8,941	-
FR0039	11.75%	August 15, 2023	51,415	51,738



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

d. By Type and Issuer (continued):

d1. Government Bonds (continued)

Series	Interest Maturity (%)	Maturity date	Fair Value/Carrying Value	
			September 30, 2015	December 31, 2014
<b><u>Held to maturity (continued)</u></b>				
<b><u>Rupiah (continued)</u></b>				
FR0040	11.00%	September 15,2025	56,475	56,765
FR0042	10.25%	July 15, 2027	169,805	169,694
FR0043	10.25%	July 15, 2022	585,711	524,732
FR0044	10.00%	September 15,2024	75,455	75,707
FR0045	9.75%	May 15, 2037	224,464	224,329
FR0046	9.50%	July 15, 2023	235,892	235,683
FR0047	10.00%	February 15, 2028	380,105	380,563
FR0048	9.00%	September 15,2018	108,565	108,118
FR0050	10.50%	July 15, 2038	68,562	68,552
FR0052	10.50%	August 15, 2030	296,947	296,886
FR0053	8.25%	July 15, 2021	1,042,489	590,824
FR0054	9.50%	July 15, 2031	405,162	353,288
FR0055	7.38%	September 15,2016	1,456,622	837,452
FR0056	8.38%	September 15,2026	899,393	800,481
FR0058	8.25%	June 15, 2032	547,064	548,448
FR0059	7.00%	May 15, 2027	259,099	259,310
FR0060	6.25%	April 15, 2017	601,143	600,274
FR0061	7.00%	May 15, 2022	426,074	427,472
FR0062	6.38%	April 15, 2042	66,554	66,568
FR0063	5.63%	May 15, 2023	527,505	527,485
FR0064	6.13%	May 15, 2028	147,273	147,240
FR0065	6.63%	May 15, 2033	287,037	247,913
FR0066	5.25%	May 15, 2018	276,012	273,759
FR0067	8.75%	February 15, 2044	34,677	34,675
FR0068	8.38%	March 15, 2034	713,728	432,358
FR0069	7.88%	April 15, 2019	2,669,903	1,026,955
FR0070	8.38%	March 15, 2024	1,288,615	1,026,284
FR0071	9.00%	March 15, 2029	743,161	647,580
FR0073	8.75%	May 15, 2031	47,259	-
IFR0001	11.80%	August 15, 2015	-	25,630
IFR0003	9.25%	September 15,2015	-	112,244
IFR0005	9.00%	January 15, 2017	302,015	303,744
IFR0006	10.25%	March 15, 2030	47,949	47,942
IFR0007	10.25%	January 15, 2025	308,154	308,738
IFR0010	10.00%	February 15, 2036	80,287	80,925
ORI009	6.25%	October 15, 2015	360,175	45,240
ORI010	8.50%	October 15, 2016	1,742,602	371,155

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

d. By Type and Issuer (continued):

d1. Government Bonds (continued)

Series	Interest Maturity (%)	Maturity date	Fair Value/Carrying Value	
			September 30, 2015	December 31, 2014
<b><u>Held to maturity (continued)</u></b>				
<b><u>Rupiah (continued)</u></b>				
ORI011	8.50%	October 15, 2017	793,011	5
PBS0001	4.45%	February 15, 2018	213,535	212,014
PBS0002	5.45%	January 15, 2022	234,401	243,736
PBS0003	6.00%	January 15, 2027	263,051	262,423
PBS0004	6.10%	January 15, 2037	109,124	109,229
PBS0005	6.75%	April 15, 2043	79,245	78,600
PBS0006	8.25%	September 15,2020	1,872,075	515,977
PBS0007	9.00%	September 15,2040	30,269	-
PBS0008	7.00%	June 15, 2016	3,014,670	-
PBS0009	7.75%	January 25, 2018	1,526,547	-
SR004	6.25%	September 21,2015	-	109,939
SR005	6.00%	February 27, 2016	1,666,119	707,603
SR006	8.75%	March 5, 2017	2,894,287	509,099
SR007	8.25%	March 11 2018	1,536,606	-
SPN	various	various	1,399,243	2,438,468
			<u>34,135,165</u>	<u>18,494,780</u>
<b><u>Foreign Currencies</u></b>				
United States Dollar				
RI0015	7.25%	April 20, 2015	-	290,171
RI0016	7.50%	January 15, 2016	399,839	212,688
RI0017	6.88%	March 9, 2017	579,854	271,350
RI0018	6.88%	January 17, 2018	1,050,939	286,895
RI0035	8.50%	October 12, 2035	63,074	-
RI0037	6.63%	February 17, 2037	202,867	171,473
RI0045	5.13%	January 15, 2045	14,485	-
RI0122	3.75%	April 25, 2022	643,545	-
RI0123	3.38%	April 15, 2023	109,145	-
RI0124	5.88%	January 15, 2024	218,661	184,806
RI0125	4.13%	January 15, 2025	29,131	-
RI0144	6.75%	January 15, 2044	16,947	-
RI0320	5.88%	March 13, 2020	507,725	160,735
RI0521	4.88%	May 5, 2021	818,898	37,155
RI190304	11.63%	March 4, 2019	573,316	33,289
USDFR0001	3.50%	May 15, 2017	500,789	195,540
INDOIS18	4.00%	November 21, 2018	3,058,333	772,382
INDOIS19s	6.13%	March 15, 2019	4,155,116	2,334,436

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

d. By Type and Issuer (continued):

d1. Government Bonds (continued)

Series	Interest Maturity (%)	Maturity date	Fair Value/Carrying Value	
			September 30, 2015	December 31, 2014
<b><u>Held to maturity</u></b>				
<b><u>(continued)</u></b>				
<u>Foreign Currency</u>				
United States Dollar				
(continued)				
INDOIS22	3.30%	November 21, 2022	1,233,700	82,082
INDOIS24	4.35%	September 10, 2024	123,118	49,540
INDOIS25	4.33%	May 28, 2025	714,278	-
			15,013,760	5,082,542
European Euro				
RIEUR0725	3.38%	July 30, 2025	48,616	-
			15,062,376	5,082,542
			49,197,541	23,577,322
			88,137,348	44,275,410

The market values of Government bonds classified as fair value through profit or loss and available for sale ranged from 66.13% to 107.52% and 76.00% to 139.00% of nominal amounts as of September 30, 2015 and December 31, 2014, respectively.

d2. Bonds

Issuer	Annual Interest rate (%)	Maturity date	Rating <sup>*)</sup>		Fair Value/Carrying Value	
			September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
<u>Available for sale</u>						
<u>Third Parties</u>						
<u>Rupiah</u>						
PT Bank Permata Tbk						
Phase I 2013 Seri A	10.00%	January 3, 2015	-	idAAA	-	25,001
PT Bank Pan Indonesia Tbk						
Seri IV 2010	9.00%	November 9, 2015	idAA	idAA	12,001	11,967
Phase I 2012	8.15%	December 20, 2017	idAA	idAA	33,677	33,439
PT Astra Sedaya Finance						
Phase II Seri B 2013	9.50%	November 26, 2016	idAAA	idAAA	11,921	6,991
Phase III Seri B 2014	10.50%	April 4, 2017	idAAA	-	10,021	-
Phase IV Seri B 2014	10.50%	October 29, 2017	idAAA	-	32,990	-
Phase I Seri C 2012	8.60%	February 21, 2017	idAAA	-	4,959	-
Phase I Seri C 2013	7.75%	June 27, 2016	idAAA	-	10,875	-

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

d. By Type and Issuer (continued):

d2. Bonds (continued)

Issuer	Annual Interest rate (%)	Maturity date	Rating <sup>1)</sup>		Fair Value/Carrying Value	
			September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
<b>Available for sale</b>						
<b>(continued)</b>						
<b>Third Parties (continued)</b>						
<b>Rupiah (continued)</b>						
PT Astra Sedaya Finance (lanjutan)						
Phase II Series C 2013	9.75%	November 26, 2017	idAAA	-	9,814	-
Phase III Series B 2014	10.50%	April 4, 2017	idAAA	-	10,012	-
Phase IV Series B 2014	10.50%	October 29, 2017	idAAA	-	23,993	-
Phase V Series A 2015	8.50%	July 12, 2016	idAAA	-	9,958	-
Phase V Series B 2015	9.25%	July 2, 2018	idAAA	-	27,426	-
PT BCA Finance						
Phase II Series B 2013	7.50%	June 14, 2016	idAAA	idAAA	19,770	9,775
Phase I Series C 2015	9.00%	March 20, 2018	idAAA	-	48,084	-
Phase I Series C 2013	7.60%	June 14, 2017	idAAA	-	5,000	-
PT Summarecon Agung Tbk						
Phase II Th.2014	11.50%	October 10, 2019	-	idA+	-	10,114
PT Wahana Ottomitra						
Multiartha Tbk						
Phase II Series A 2014	10.25%	December 15, 2015	-	AA***)	-	9,992
Phase I Series B 2014	11.00%	June 25, 2017	AA***)	-	3,009	-
PT Adira Dinamika Multi Finance Tbk						
Phase II Series B 2013	10.50%	October 24, 2015	-	idAAA	-	3,983
Phase IV Series B 2014	10.50%	November 12, 2017	idAAA	idAAA	25,208	25,154
Phase I Series C 2011	9.00%	December 16, 2016	idAAA	idAAA	24,299	14,163
PT Bank OCBC NISP Tbk						
Phase I Series C 2013	7.40%	February 19, 2016	idAAA	idAAA	11,911	11,760
Phase II Series B 2015	9.40%	February 10, 2017	idAAA	-	24,930	-
PT Federal International Finance						
Phase I Series C 2012	7.65%	April 20, 2015	-	idAAA	-	4,984
Phase II Series A 2015	8.50%	September 21, 2016	idAAA	-	30,000	-
PT BII Finance Center						
Year 2013 Series A	7.75%	June 19, 2016	AA+***)	AA+***)	49,000	9,692
PT Toyota Astra Financial						
Services Year 2013 Series I	7.60%	May 17, 2016	-	AAA***)	-	14,568
PT Bank CIMB Niaga Tbk						
Series B 2011						
Phase II Year 2013 Series	9.75%	November 20, 2018	AAA	-	9,843	-
PT BFI Finance						
Phase II Series A Year 2015	9.88%	March 29, 2016	F1+***)	-	18,977	-
PT Bank Tabungan Pensiunan Nasional Tbk						
Phase I Series B 2011	9.90%	June 28, 2016	idAA+)	-	5,003	-
Phase II Series A 2012	7.75%	August 3, 2015	-	AA***)	-	7,937
Phase I Series B 2011	9.90%	June 28, 2016	idAA+)	-	5,003	-
Phase II Series B 2012	8.25%	August 3, 2017	idAA+)	-	9,579	-

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

d. By Type and Issuer (continued):

d2. Bonds (continued)

Issuer	Annual Interest rate (%)	Maturity date	Rating <sup>1)</sup>		Fair Value/Carrying Value	
			September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
<b>Available for sale</b>						
<b>(continued)</b>						
<u>Third Parties (continued)</u>						
<u>Rupiah (continued)</u>						
PT Bank Tabungan Pensiunan Nasional Tbk (continued)						
Phase III Series B 2013	8.25%	March 5, 2018	idAA+)	-	4,699	-
Phase I Series B 2013	8.25%	July 4, 2018	idAA+)	-	9,301	-
Phase II Series B 2012	8.25%	August 3, 2017	idAA+)	-	14,369	-
PT Bank International						
Indonesia (Persero) Tbk						
Phase I Series B 2011	8.75%	December 6, 2016	idAAA)	-	25,802	-
PT UOB Indonesia						
Series B Tahun 2015	9.40%	April 1, 2018	idAAA)	-	24,643	-
					566,077	199,520
<u>Foreign Currency</u>						
<u>United States Dollar</u>						
Alibaba	3.60%	May 28, 2015	-	A+****)	-	61,730
Alibaba	3.60%	November 28, 2016	A+****)	-	67,938	-
AT&T Global	5.80%	February 15, 2024	A-****)	A-****)	4,482	4,005
AT&T Global	4.45%	May 15, 2021	A-****)	A-****)	3,519	3,060
Apple Inc	2.40%	May 3, 2015	-	AA+****)	-	36,231
Bank of America	5.75%	December 1, 2017	A****)	A****)	1,980	1,710
Bank of America	3.30%	January 11, 2015	-	A****)	-	12,382
Bank of America	5.63%	July 1, 2020	A****)	A****)	2,807	2,398
Bank of America	3.30%	January 11, 2023	A****)	A****)	4,306	3,646
Bank of Tokyo-Mitsubishi UFJ	3.70%	March 10, 2015	-	A****)	-	6,433
BB&T Corp	1.45%	October 3, 2016	-	A****)	-	4,672
BB&T Corp	3.63%	September 16, 2025	A****)	-	3,678	-
Bed Bath&Beyond Inc	3.75%	January 17, 2015	-	A-****)	-	38,085
Bed Bath&Beyond Inc	3.75%	August 1, 2024	A-****)	-	43,781	-
BerkshireHaw ay	1.60%	May 15, 2017	AA****)	AA****)	7,621	6,492
BHP Billiton Ltd.	3.25%	November 21, 2021	A+****)	A+****)	3,559	3,131
Canadian Imperial Bank of						
Commerce						
January 23, 2018	1.55%		A+****)	A+****)	6,674	5,603
Chevron Corporation	3.19%	June 24, 2015	-	AA****)	-	12,651
Cisco System, Inc.	4.95%	February 15, 2019	AA****)	AA****)	4,938	4,345
Citigroup Inc.	4.45%	January 10, 2017	A-****)	A-****)	5,326	4,581
Citibank	3.75%	June 16, 2024	A-****)	-	3,537	-
The Coca-cola Company	5.35%	November 15, 2017	-	AA****)	-	6,589
Colgate-Palmolive Company	1.95%	February 1, 2015	-	AA-****)	-	11,772
Colgate-Palmolive Company	3.25%	March 15, 2015	-	AA-****)	-	12,809
Comcast Corporation	5.70%	May 15, 2018	A-****)	A-****)	3,648	3,135
Comcast Corporation	2.85%	January 15, 2023	A-****)	A-****)	3,944	3,380
ConocoPhillips Co.	5.63%	October 15, 2016	A****)	A****)	3,551	5,683
CVS Health	5.75%	June 1, 2017	BBB+****)	BBB+****)	1,807	1,640

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

d. By Type and Issuer (continued):

d2. Bonds (continued)

Issuer	Annual Interest	Maturity date	Rating <sup>1)</sup>		Fair Value/Carrying Value	
	rate (%)		September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
<u>Available for sale</u>						
<u>(continued)</u>						
<u>Third Parties (continued)</u>						
<u>Foreign Currency (continued)</u>						
United States Dollar						
(continued)						
CVS Health	2.75%	December 1, 2022	BBB+****)	BBB+****)	863	783
Discovery Communication, Inc	3.25%	April 1, 2023	-	BBB****)	-	1,501
Enterprise Production Partners L.P.	3.35%	March 15, 2023	BBB+****)	BBB+****)	3,470	3,059
The Federal Home Loan Mortgage Corporation	3.75%	March 27, 2019	AAA+****)	AAA+****)	18,392	16,158
The Federal Home Loan Mortgage Corporation	2.38%	January 13, 2022	AAA+****)	AAA+****)	7,776	6,497
The Home Depot	2.00%	June 15, 2019	A ****)	-	5,337	-
Ford Motor Company	2.88%	October 1, 2018	BBB-****)	BBB-****)	5,862	5,036
Ford Motor Company	4.25%	March 20, 2015	BBB-****)	BBB-****)	15,438	13,178
Freeport-McMoran Inc	4.50%	November 14, 2024	BBB-****)	-	106,910	-
General Electric Company	3.10%	January 9, 2015	-	AA+****)	-	63,318
General Electric Company	5.63%	September 15, 2017	AA+****)	AA+****)	12,451	10,785
General Electric Company	3.10%	January 9, 2023	AA+****)	-	74,123	-
Goldman Sachs Group, Inc.	3.63%	January 22, 2015	-	B****)	-	25,074
Goldman Sachs Group, Inc.	2.75%	September 15, 2020	B****)	-	1,427	-
The Home Depot	5.40%	March 1, 2016	A ****)	A ****)	5,337	6,013
International Business Machines Corporation	2.00%	January 5, 2016	-	AA-****)	-	3,330
International Business Machines Corporation	1.13%	February 8, 2018	AA-****)	-	7,890	-
JPMorgan Chase & Co.	2.35%	January 28, 2015	-	A ****)	-	12,452
JPMorgan Chase & Co.	3.63%	May 13, 2015	-	A ****)	-	25,406
JPMorgan Chase & Co.	6.00%	January 15, 2018	A ****)	A ****)	8,246	7,142
JPMorgan Chase & Co.	4.95%	March 25, 2020	A ****)	A ****)	3,631	3,075
JPMorgan Chase & Co.	3.13%	January 23, 2025	A ****)	-	70,480	-
JPMorgan Chase & Co.	3.63%	May 13, 2024	A ****)	-	29,189	-
Kinder Morgan Energy Partners LP	3.50%	March 1, 2016	-	BBB-****)	-	6,383
Kinder Morgan Energy Partners LP	2.65%	February 1, 2019	BBB-****)	-	5,337	-
Kraft Food Group, Inc.	4.13%	February 9, 2016	-	BBB-****)	-	6,594
Macy's Inc	3.63%	June 1, 2015	-	BBB-****)	-	25,107
Macy's Inc	3.63%	June 1, 2024	BBB-****)	-	28,535	-
PT Medco Energy International Tbk Phase I 2011	6.05%	July 14, 2016	idAA-	idAA-	147,262	124,960
Occidental Petroleum Corporation	1.75%	February 15, 2017	A ****)	A ****)	3,698	3,237

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

d. By Type and Issuer (continued):

d2. Bonds (continued)

Issuer	Annual Interest	Maturity date	Rating <sup>1)</sup>		Fair Value/Carrying Value	
	rate (%)		September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
<b>Available for sale</b>						
<b><u>(continued)</u></b>						
<u>Third Parties (continued)</u>						
<u>Foreign Currency (continued)</u>						
United States Dollar						
(continued)						
OCBCSP	4.25%	June 19, 2024	A****)	-	58,928	-
Province of Ontario	4.40%	May 14, 2020	AA-****)	AA-****)	12,339	10,459
PacificFirst Mortgage	2.95%	February 1, 2022	A****)	A****)	3,676	3,197
PepsiCo Inc.	2.75%	March 1, 2015	A****)	A****)	29,154	24,471
Philips66	2.95%	May 1, 2017	BBB+****)	BBB+****)	3,812	3,132
Province of Quebec	2.75%	August 25, 2021	A+****)	A+****)	6,289	5,363
PNC Financial Services Group, Inc	2.95%	February 23, 2025	A-****)	-	3,563	-
Royal Bank of Canada	2.63%	December 15, 2015	AA-****)	AA-****)	8,888	7,571
Royal Dutch Shell Plc	2.13%	May 11, 2020	A****)	-	3,594	-
Morgan Stanley	3.75%	February 25, 2015	-	B****)	-	12,765
U.S. Bancorp	1.95%	November 15, 2018	A+****)	A+****)	3,626	3,102
Time Warner Inc	3.55%	June 1, 2024	A-****)	-	1,748	-
Verizon Communications	2.45%	May 1, 2015	-	BBB+****)	-	11,684
Verizon Communications	3.65%	September 14, 2018	BBB+****)	BBB+****)	4,245	3,726
Verizon Communications	5.15%	September 15, 2023	BBB+****)	BBB+****)	2,513	2,189
Walgreen Company	3.10%	March 15, 2015	BBB****)	BBB****)	29,027	24,498
Wells Fargo & Company	2.10%	May 8, 2017	A+****)	A+****)	3,788	3,294
Wells Fargo & Company	3.50%	March 8, 2022	A+****)	A+****)	5,164	4,280
Walmart	3.25%	October 25, 2020	A****)	-	3,730	-
Xerox Corporation Ltd.	3.80%	May 15, 2015	-	BBB-****)	-	37,594
Xerox Corporation Ltd.	3.80%	May 15, 2024	BBB-****)	-	43,120	-
					965,954	782,576

Related Parties (Note 43)

Rupiah

PT Jasa Marga (Persero) Tbk						
Series XIII R	10.25%	June 21, 2017	idAA	idAA	161,216	101,765
Phase I Series C Year 2013	8.90%	September 27, 2018	idAA	-	37,559	-
Phase II Series T Year 2014	9.85%	September 19, 2019	idAA	-	24,975	-
Series XII Q Year 2006	13.50%	July 6, 2016	idAA	-	25,818	-
Series XIV JM Year 2010	9.35%	October 12, 2020	idAA	-	9,870	-
PT Perusahaan Listrik Negara						
(Persero) Series IX A	10.40.%	July 10, 2017	idAAA	idAAA	76,836	77,476
PT Permodalan Nasional						
Madani (Persero)						
Phase I Series B 2014	10.50%	December 19, 2017	idA	-	7,868	-
PT Bank Tabungan Negara						
(Persero) Tbk.						
Series XII Year 2006	12.75%	September 19, 2016	idAA	idAA	12,370	7,323
Phase II Year 2013	7.90%	March 27, 2023	idAA	-	15,956	-

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

d. By Type and Issuer (continued):

d2. Bonds (continued)

Issuer	Annual Interest rate (%)	Maturity date	Rating <sup>1)</sup>		Fair Value/Carrying Value	
			September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
<b><u>Available for sale</u></b>						
<b><u>(continued)</u></b>						
<u>Related Parties</u>						
<u>(continued)</u>						
<u>Rupiah (continued)</u>						
PT Bank Tabungan Negara						
(Persero) Tbk. (continued)						
Phase I Series A 2015	9.63%	July 8, 2018	idAA	-	24,653	-
Phase I Series B 2015	9.88%	July 8, 2020	idAA	-	27,867	-
Phase I Series C 2015	10.00%	July 8, 2022	idAA	-	9,079	-
Series XIV 2010	10.25%	June 11, 2020	idAA	-	1,887	-
Lembaga Pembiayaan Ekspor Indonesia						
Year 2010 Series D	10.00%	July 8, 2017	idAAA	idAAA	4,933	5,033
Phase III 2014 Series B	9.28%	October 16, 2017	idAAA	idAAA	9,826	9,971
Phase V 2015 Series B	9.00%	March 13, 2018	idAAA	-	49,345	-
Phase V 2015 Series B	9.00%	March 14, 2018	idAAA	-	9,869	-
Phase VI 2015 Series B	9.20%	September 16, 2018	idAAA	-	24,610	-
Phase VI 2015 Series C	9.50%	September 16, 2020	idAAA	-	49,085	-
Mandiri Tunas Finance						
Phase II 2014 Series A	10.70%	May 23, 2017	idAA	idAA	54,945	25,297
Phase I Series A 2013	7.75%	June 5, 2016	idAA	-	3,703	-
Phase II 2014 Series A	10.70%	May 23, 2017	idAA	-	15,984	-
PT Pupuk Indonesia (Persero)						
Year 2014 Series A	9.63%	July 8, 2017	AAA***)	AAA***)	34,962	33,185
Year 2014 Series B	9.95%	July 8, 2019	AAA***)	-	9,659	-
PT Pegadaian (Persero)						
Series XII B	8.00%	September 4, 2017	idAA+	idAA+	9,856	10,073
Series XI A Year 2006	13.10%	May 23, 2016	idAA+	-	6,127	-
Phase III 2015 Series B	9.25%	May 7, 2018	idAA+	-	23,398	-
PT Sarana Multigriya Finansial (Persero)						
Phase II 2012 Benjamin Aset						
KPR Series C	7.55%	May 25, 2017	idAA+	idAA+	5,738	5,713
Phase V Series A 2014	9.60%	December 29, 2015	idAA+	idAA+	10,020	9,999
Phase V Series B 2014	10.00%	December 16, 2017	idAA+	-	13,726	-
Phase I Series B 2015	9.25%	July 7, 2018	idAA+	-	28,788	-
PT Telekomunikasi Indonesia (Persero) Tbk						
Phase I Series A 2015	9.93%	June 23, 2022	idAAA	-	48,790	-
					849,318	285,835
<b><u>Foreign Currency</u></b>						
<b><u>United States Dollar</u></b>						
PT Bank Negara Indonesia						
(Persero) Tbk.						
	4.13%	April 27, 2017	BB****)	BB****)	462,293	127,138



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

d. By Type and Issuer (continued):

d2. Bonds (continued)

Issuer	Annual Interest rate (%)	Maturity date	Rating <sup>1)</sup>		Fair Value/Carrying Value	
			September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
<u>Available for sale</u>						
<u>(continued)</u>						
<u>Related Parties (note 43)</u>						
<u>(continued)</u>						
<u>Foreign Currency (continued)</u>						
United States Dollar						
(continued)						
PT Pertamina (Persero)						
Series 23 Year 2023	4.30%	May 20, 2023	B1**)	-	79,271	-
Series 22 Year 2023	5.25%	May 23, 2021	B1**)	-	29,080	-
Year 2022	4.88%	May 3, 2022	B1**)	-	85,344	-
Year 2023	4.30%	May 22, 2023	B1**)	-	40,733	-
Year 2043	5.63%	May 20, 2043	-	C****)	-	59,526
PT Perusahaan Listrik Negara (Persero)						
Year 2042	5.25%	October 24, 2042	C****)	C****)	89,969	68,816
Year 2021	5.50%	November 22, 2021	C****)	C****)	99,164	13,024
Year 2017	7.25%	June 28, 2017	BBB3**)	-	28,225	-
Year 2020	7.75%	January 20, 2020	BBB3**)	-	9,436	-
PT Pelabuhan Indonesia						
Series II	4.25%	May 5, 2025	B1**)	-	129,153	-
PT Pelabuhan Indonesia						
Series III	4.88%	October 1, 2024	BB+****)	-	79,835	-
Lembaga Pembiayaan Ekspor Indonesia						
Year 2017	3.75%	April 26, 2017	Baa3*)	Baa3*)	134,321	50,579
PT Perusahaan Gas Negara						
Year 2024	5.13%	May 16, 2024	Baa3**)	-	36,257	-
					1,303,081	319,083
					3,684,430	1,587,014

**Held to maturity**

Third Parties

Rupiah

PT Adira Dinamika Multi  
Finance Tbk.

Phase I Series C 2011	9.00%	December 16, 2016	idAAA	idAAA	19,488	4,007
Phase II Series C 2012	7.75%	May 4, 2015	-	idAAA	-	17,907
Phase III Series B 2012	7.75%	September 27, 2015	-	idAAA	-	10,250
Phase I Series B 2013	7.30%	March 1, 2015	-	idAAA	-	4,924
Phase I Series C 2013	7.85%	March 1, 2016	idAAA	idAAA	15,000	15,000
Phase I Series D 2013	8.90%	March 1, 2018	idAAA	idAAA	9,910	9,885
Phase III Series A 2014	9.60%	May 24, 2015	-	idAAA	-	20,000
Phase IV Series A 2014	9.60%	November 22, 2015	idAAA	idAAA	25,000	25,000
Phase IV Series B 2014	10.50%	November 12, 2017	idAAA	idAAA	50,000	50,000
Sukuk Phase I Series C 2013	7.85%	March 1, 2016	idAAA(Sy)	idAAA(Sy)	15,000	15,000
Sukuk Phase II Series A 2014	9.60%	November 22, 2015	idAAA(Sy)	idAAA(Sy)	10,000	10,000
Sukuk Phase II Series B 2014	10.50%	November 12, 2017	idAAA(Sy)	idAAA(Sy)	20,000	20,000

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

d. By Type and Issuer (continued):

d2. Bonds (continued)

Issuer	Annual Interest rate (%)	Maturity date	Rating <sup>1)</sup>		Fair Value/Carrying Value	
			September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
<b>Held to maturity</b>						
<u>Third Parties (continued)</u>						
<u>Rupiah (continued)</u>						
PT Adira Dinamika Multi Finance Tbk. (continued)						
Sukuk Phase I Series A 2015	8.75%	July 10, 2016	idAAA(Sy)	-	100,000	-
PT Agung Podomoro Land Tbk. Series II	9.38%	August 15, 2017	idA	idA	10,000	10,000
PT Astra Sedaya Finance Series XII D 2011	10.00%	February 25, 2015	-	idAAA	-	6,736
Phase I Series B 2012	8.00%	February 21, 2015	-	idAAA	-	7,994
Phase I Series C 2012	8.60%	February 21, 2017	idAAA	-	4,479	-
Phase I Series C 2013	7.75%	June 27, 2016	idAAA	idAAA	10,046	9,929
Phase II Series B 2013	9.50%	November 26, 2016	idAAA	idAAA	5,011	5,010
Phase III Series B 2013	7.75%	February 22, 2016	idAAA	-	39,838	-
Phase III 2014	9.60%	April 14, 2015	-	AAA***)	-	20,000
Phase IV Series A 2014 Rev	9.60%	November 9, 2015	AAA***)	-	18,025	-
Phase IV Series A 2014	9.60%	November 9, 2015	AAA***)	-	22,011	-
Phase IV Series B 2014	10.50%	October 29, 2017	AAA***)	-	6,743	-
Phase V Series A 2015	8.50%	July 12, 2016	AAA***)	-	20,000	-
PT BPD Sumatera Barat (Bank Nagari)						
Series VI	9.88%	January 13, 2016	idA	idA	10,000	10,000
PT Bank Sumut Series III	10.13%	July 5, 2016	idA	idA	10,000	10,000
PT BCA Finance						
Phase I Series D Year 2012	7.70%	May 9, 2016	idAAA	-	15,830	-
Phase II Series B Year 2013	7.50%	June 14, 2016	idAAA	idAAA	36,375	9,765
Phase I Series C Year 2015	9.00%	March 20, 2018	idAAA	-	64,993	-
Phase III Series B Year 2014	10.00%	March 27, 2017	idAAA	-	56,865	-
Phase I Series A Year 2015	8.25%	March 30, 2016	idAAA	-	20,004	-
Phase I Series B Year 2015	8.50%	March 20, 2017	idAAA	-	9,925	-
PT BFI Finance Indonesia						
Series I B 2013	8.50%	February 19, 2015	-	A+***)	-	25,000
Phase I Series A 2014	10.50%	March 17, 2015	-	F1***)	-	20,000
PT Bank Internasional Indonesia Tbk						
Phase I Series B 2011	8.75%	December 6, 2016	idAAA	idAAA	84,904	8,956
Phase II Series A 2012	7.60%	October 31, 2015	idAAA	idAAA	34,995	25,000
Phase II Series B 2012	8.00%	October 31, 2017	idAAA	idAAA	22,449	19,812
PT BTPN Tbk						
Series II B 2010	10.60%	May 18, 2015	-	AA***)	-	15,078
Series II B 2010	9.20%	December 22, 2015	-	AA***)	-	1,488
Series III B 2010	9.20%	December 22, 2015	AA***)	-	21,531	-
Series I B Year 2011	9.90%	June 28, 2016	AA***)	-	15,111	-
Series II A 2012	7.75%	August 3, 2015	-	AA***)	-	30,000
Series II B 2012	8.25%	August 3, 2017	AA***)	AA***)	20,000	20,000

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

d. By Type and Issuer (continued):

d2. Bonds (continued)

Issuer	Annual Interest rate (%)	Maturity date	Rating <sup>1)</sup>		Fair Value/Carrying Value	
			September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
<b><u>Held to maturity</u></b>						
<b><u>Third Parties (continued)</u></b>						
<b><u>Rupiah (continued)</u></b>						
PT BTPN Tbk (continued)						
Series III B 2013	8.25%	March 5, 2018	AA ***)	-	1,948	-
Series III B 2010	9.20%	December 22, 2015	AA ***)	-	5,012	-
PT BW Plantation Tbk						
Series I 2010	10.68%	November 16, 2015	idBBB+	idBBB+	25,000	25,000
PT Bank CIMB Niaga Tbk						
Series B 2011	8.30%	December 23, 2016	idAAA	idAAA	43,870	43,797
Phase I Series B 2012	7.75%	October 30, 2017	idAAA	idAAA	35,239	29,982
Phase II Series A 2013	8.75%	November 20, 2015	idAAA	idAAA	65,952	65,706
Phase II Series B 2013	9.15%	November 20, 2015	idAAA	idAAA	6,903	6,905
Phase II Series C 2013	9.75%	November 20, 2015	idAAA	idAAA	36,042	30,000
PT Bank Danamon Indonesia						
Tbk Series II B	9.00%	December 9, 2015	idAAA	idAAA	133,576	121,714
Phase II Series B 2010	9.00%	December 9, 2015	idAAA	-	5,012	-
PT Federal Internasional						
Finance						
Phase I Series C 2012	7.65%	April 20, 2015	-	idAAA	-	33,849
Phase II Series B 2013	7.75%	April 4, 2016	idAAA	idAAA	28,611	10,000
Phase III Series A 2014	9.60%	March 24, 2015	-	idAAA	-	1,002
Phase I Series A 2015	8.50%	May 4, 2016	idAAA	-	40,000	-
PT Japfa Comfeed Indonesia						
Tbk						
Phase I 2012	9.90%	January 12, 2017	idA+	idA+	150,000	150,000
PT Bank OCBC NISP Tbk						
Phase I Series B 2013	6.90%	February 19, 2015	-	idAAA	-	17,962
Phase I Series C 2013	7.40%	February 19, 2016	idAAA	idAAA	44,778	44,370
Phase II Series A 2015	9.00%	February 20, 2016	idAAA	-	68,044	-
Phase II Series C 2015	9.80%	February 10, 2018	idAAA	-	25,000	-
PT Bank Pan Indonesia Tbk						
Series IV 2010	9.00%	November 9, 2015	idAA	idAA	51,010	20,967
Phase I 2012	8.15%	December 20, 2017	idAA	idAA	9,736	4,801
Series IV 2010	9.00%	November 9, 2015	idAA	-	18,018	-
PT Bank Permata Tbk						
Phase I Series A 2013	10.00%	January 3, 2015	-	idAAA	-	50,000
Phase I Series B 2013	10.50%	December 24, 2016	idAAA	idAAA	32,082	30,065
PT Toyota Astra Financial						
Services Series III B 2013	7.60%	May 17, 2016	AAA ***)	AAA ***)	29,559	9,856
PT Wahana Ottomitra						
Multiartha Tbk						
Series VD 2011	11.00%	March 4, 2015	-	AA ***)	-	17,072
Phase I Series A 2014	10.25%	July 5, 2015	-	F1+ ***)	-	3,014
Phase II Series A 2014	10.25%	December 15, 2015	AA ***)	AA ***)	52,027	40,000
Phase II Series B 2014	11.25%	December 5, 2017	AA ***)	-	5,128	-
PT Summarecon Agung Tbk						
Sukuk Phase II 2014	11.50%	October 10, 2019	idA+(Sy)	idA+(Sy)	20,319	10,000

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

d. By Type and Issuer (continued):

d2. Bonds (continued)

Issuer	Annual Interest rate (%)	Maturity date	Rating <sup>1)</sup>		Fair Value/Carrying Value	
			September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
<b>Held to maturity (continued)</b>						
<u>Third Parties (continued)</u>						
<u>Rupiah (continued)</u>						
PT BII Finance						
Series C Year 2012	8.00%	June 7, 2016	AA+***)	-	4,972	-
Series A Year 2013	7.75%	June 19, 2016	AA+***)	-	39,654	-
PT Mayora Indah Tbk.						
Sukuk II 2012	8.25%	May 9, 2017	idAA-(Sy)	idAA-(Sy)	6,442	6,386
PT Bank UOB Indonesia						
Series A 2015	8.60%	April 11, 2016	AAA***)	-	20,017	-
Series B 2015	9.40%	April 1, 2018	AAA***)	-	45,209	-
PT Indomobil Finance						
Indonesia Tbk						
Phase I Series C 2012	8.25%	May 11, 2016	idA	-	3,966	-
Phase II Series B 2013	8.25%	May 8, 2016	idA	-	8,957	-
Phase I Series A 2015	9.10%	May 4, 2016	idA	-	36,998	-
					1,922,614	1,229,190
<u>Related Parties (Note 43)</u>						
<u>Rupiah</u>						
PT Aneka Tambang						
(Persero) Tbk						
Series I A	8.38%	December 14, 2018	idA	idA	20,000	20,000
Series I B	9.05%	December 14, 2021	idA	idA	75,000	75,000
PT Bank Nasional Indonesia						
Syariah	9.25%	July 3, 2018	idAA+	-	51,052	-
PT Bank Tabungan Negara						
(Persero) Tbk Series I						
Series I	12.75%	September 19, 2016	idAA	idAA	8,233	2,082
Series XIV	10.25%	June 11, 2020	idAA	idAA	30,000	30,000
Series XV	9.50%	June 28, 2021	idAA	idAA	50,000	50,000
Series I Phase I 2012	7.90%	June 5, 2022	idAA	idAA	25,000	25,000
Series I Phase II 2013	7.90%	March 27, 2023	idAA	idAA	43,060	34,021
Series XIV 2010	10.25%	June 11, 2020	idAA	-	1,002	-
Series II Phase I 2015 Series	9.63%	July 8, 2018	idAA	-	35,053	-
Series II Phase I 2015 Series	9.88%	July 8, 2020	idAA	-	32,000	-
Series II Phase I 2015 Series	10.00%	July 8, 2022	idAA	-	55,000	-
PT Jasa Marga (Persero) Tbk						
Series XIII R 2007	10.25%	June 21, 2017	idAA	idAA	39,538	14,213
Phase I Series B 2013	9.70%	September 27, 2016	idAA	idAA	9,937	9,892
Phase II Series T Year 2014	9.85%	September 19, 2019	idAA	-	41,608	-
Series Q Year 2006	13.50%	July 6, 2016	idAA	-	50,889	-
Series JM 10 Year 2010	9.35%	October 12, 2020	idAA	-	980	-
Lembaga Pembiayaan Ekspor						
Indonesia						
Series IV D 2009	9.00%	June 18, 2016	idAAA	idAAA	954	983

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

d. By Type and Issuer (continued):

d2. Bonds (continued)

Issuer	Annual Interest rate (%)	Maturity date	Rating <sup>1)</sup>		Fair Value/Carrying Value	
			September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
<b><u>Held to maturity (continued)</u></b>						
<u>Related Parties (Note 43)</u>						
<u>(continued)</u>						
<u>Rupiah (continued)</u>						
Lembaga Pembiayaan Ekspor						
Indonesia (lanjutan)						
Series I C 2010	9.60%	July 8, 2015	-	idAAA	-	20,000
Series I B	7.75%	December 20, 2016	idAAA	idAAA	38,000	38,000
Phase II Series B 2012	6.50%	November 27, 2015	idAAA	idAAA	38,057	25,000
Phase III Series B 2013	6.40%	May 23, 2016	idAAA	idAAA	74,776	60,000
Series II C 2014	12.75%	June 5, 2017	idAAA	idAAA	10,774	10,644
Phase I Series C 2014	9.25%	June 5, 2017	idAAA	idAAA	10,025	10,035
Phase III Series A 2014	8.25%	October 26, 2015	idAAA	idAAA	10,000	10,000
Phase III Series B 2014	9.25%	October 16, 2017	idAAA	idAAA	16,002	16,003
Phase III Series C 2014	9.75%	October 16, 2019	idAAA	idAAA	20,000	20,000
Phase V Series B 2015	9.00%	March 13, 2018	idAAA	-	50,000	-
Phase VI Series A 2015	8.40%	September 26, 2016	idAAA	-	49,998	-
Phase VI Series B 2015	9.20%	September 16, 2018	idAAA	-	74,997	-
Phase VI Series C 2015	9.50%	September 16, 2020	idAAA	-	99,996	-
Mandiri Tunas Finance						
Series VI D 2011	10.70%	May 19, 2015	-	idAA	-	7,044
Phase II Series A 2014	10.70%	May 23, 2017	idAA	idAA	34,297	20,000
PT Pegadaian (Persero)						
Series XI A 2006	13.10%	May 23, 2016	idAA+	idAA+	59,995	35,730
Series XII A 2007	10.03%	September 4, 2017	idAA+	idAA+	21,699	11,101
Series XIII B 2009	12.65%	July 1, 2017	idAA+	idAA+	1,492	1,071
Phase II Series A 2014	8.65%	July 21, 2015	-	idAA+	-	77,030
Phase II Series C 2014	9.75%	July 11, 2019	idAA+	-	1,449	-
Phase II Series B 2014	9.35%	July 11, 2017	idAA+	idAA+	85,526	65,079
Phase II Series D 2012	7.75%	February 14, 2019	idAA+	-	2,349	-
Phase I Series B 2013	7.40%	July 9, 2016	idAA+	-	2,421	-
Phase III Series A 2015	8.50%	May 17, 2016	idAA+	-	81,508	-
Phase III Series B 2015	9.25%	May 7, 2018	idAA+	-	185,432	-
Phase III Series C 2015	9.50%	May 7, 2020	idAA+	-	25,460	-
PT Perusahaan Listrik Negara						
(Persero)						
Series VIII A 2006	13.60%	June 21, 2016	idAAA	idAAA	5,601	5,316
Series IX A 2007	10.40%	July 10, 2017	idAAA	idAAA	22,154	20,153
Series XII A 2010	9.70%	July 8, 2015	-	idAAA	-	10,037
Phase II Series A 2013	9.00%	December 10, 2018	idAAA	idAAA	14,881	9,876
Sukuk Ijarah IV A	11.95%	January 12, 2017	idAAA(Sy)	idAAA(Sy)	14,121	10,000
PT Pupuk Indonesia (Persero)						
Year 2014 Series A	9.63%	July 8, 2017	AAA***)	AAA***)	74,418	22,112
Year 2014 Series B	9.95%	July 8, 2019	AAA***)	-	15,178	-
PT Telekomunikasi						
Indonesia (Persero)						
Phase I Series A 2015	9.93%	June 23, 2022	idAAA	-	189,995	-

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

d. By Type and Issuer (continued):

d2. Bonds (continued)

Issuer	Annual Interest	Maturity date	Rating <sup>*)</sup>		Fair Value/Carrying Value	
	rate (%)		September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
<b>Held to maturity (continued)</b>						
<u>Related parties (Note 43)</u>						
<u>(continued)</u>						
<u>Rupiah (continued)</u>						
PT Waskita Karya						
Year 2012 Series A	8.75%	June 5, 2014	-	idA	-	25,000
Year 2012 Series B	9.75%	June 5, 2017	idA	-	50,402	-
PT Sarana Multigriya						
Finansial (Persero)						
Phase I Series B 2012	7.50%	December 27, 2015	idAA+	idAA+	19,287	19,080
Phase III Series A 2014	9.10%	July 7, 2015	-	idAA+	-	5,026
Phase III Series B 2014	10.00%	March 27, 2017	idAA+	idAA+	10,048	10,069
Phase V Series A 2014	9.60%	December 29, 2015	idAA+	idAA+	25,014	20,000
Phase V Series B 2014	10.00%	December 16, 2017	idAA+	idAA+	26,233	10,000
EBA KPR Phase II Series C 2	7.55%	April 25, 2017	idAA+	-	2,929	-
EBA KPR Phase II Series B 2	7.35%	April 25, 2015	-	idAA	-	4,963
Phase I Series A 2015	8.60%	July 17, 2016	idAA+	-	115,000	-
Phase I Series B 2015	9.25%	July 7, 2018	idAA+	-	30,000	-
					<u>2,178,820</u>	<u>859,560</u>
<u>Foreign Currency</u>						
<u>United States Dollar</u>						
PT Bank Negara Indonesia						
(Persero) Tbk	4.13%	April 27, 2017	BB****)	BB****)	340,026	128,246
Lembaga Pembiayaan Ekspor						
Indonesia	3.75%	April 26, 2017	Baa3**)	Baa3**)	137,306	90,973
PT Pelabuhan						
Indonesia III (Persero)						
Year 2024	4.88%	October 1, 2024	BB+****)	-	23,737	-
PT Perusahaan						
Gas Negara (Persero)						
Year 2024	5.13%	May 16, 2024	BAA3**)	-	14,157	-
PT Perusahaan						
Listrik Negara						
Year 2021	5.50%	November 22, 2021	BBB-***)	-	32,623	-
Year 2020	7.75%	January 20, 2020	BBB-***)	-	13,266	-
					<u>561,115</u>	<u>219,219</u>
					<u>4,662,549</u>	<u>2,307,969</u>
					<u>8,346,979</u>	<u>3,894,983</u>

<sup>\*)</sup> Based on ratings issued by PT Pemeringkat Efek Indonesia (Pefindo).

<sup>\*\*)</sup> Based on ratings issued by Moody's.

<sup>\*\*\*)</sup> Based on ratings issued by Fitch Ratings.

<sup>\*\*\*\*)</sup> Based on ratings issued by Standard & Poor.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

d. By Type and Issuer (continued):

d3. Mutual funds

	September 30, 2015	December 31, 2014
<u>Third Parties</u>		
<u>Rupiah</u>		
Mega Capital Investama	37,095	84,601
RHB OSK Asset Management	-	53,416
Syailendra Capital	20,016	-
ITB - Niaga	11,204	11,560
	<u>68,315</u>	<u>149,577</u>
<u>Related Parties (Note 43)</u>		
<u>Rupiah</u>		
PT BNI Asset Manajement	52,967	52,012
PT Mandiri Manajemen Investasi	27,377	25,928
	<u>80,344</u>	<u>77,940</u>
<u>Foreign Currency</u>		
United States Dollar		
PT BNI Asset Management	44,793	37,456
	<u>125,137</u>	<u>115,396</u>
	<u><b>193,452</b></u>	<u><b>264,973</b></u>

d4. Negotiable Certificate of Deposits (NCD)

Issuer	Nominal Value Rupiah	Annual Interest rate (%)	Maturity date	Carrying Value	
				September 30, 2015	December 31, 2014
<u>Held to maturity</u>					
<u>Third Parties</u>					
<u>Rupiah</u>					
PT Bank Commonwealth					
Year 2015 Phase III	90,000	8.10%	February 5, 2016	89,973	-
Year 2015 Phase IV	60,000	8.65%	November 12, 2015	59,994	-
PT Bank Internasional Indonesia Tbk					
Year 2014 Series B	100,000	9.60%	November 17, 2015	98,835	92,209
Year 2015 Series A	100,000	8.70%	March 23, 2016	99,958	-
				<u>348,760</u>	<u>92,209</u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

d. By Type and Issuer (continued):

d4. Negotiable Certificate of Deposits (NCD) (continued)

Issuer	Nominal Value Rupiah	Annual Interest rate (%)	Maturity date	Carrying Value	
				September 30, 2015	December 31, 2014
<u>Held to maturity</u>					
<u>Related parties</u>					
<u>(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
Year 2015 Series A	130,000	8.75%	October 30, 2015	129,991	-
Year 2015 Series B	10,000	9.00%	May 2, 2016	9,489	-
Year 2015 Series C	10,000	9.25%	October 31, 2016	9,073	-
PT Bank Mandiri					
Year 2015 Series C	150,000	8.50%	May 26, 2016	149,915	-
				298,468	144,439
				<b>647,228</b>	<b>236,648</b>

d5. Promissory Notes

Issuer	Annual Interest rate (%)	Maturity date	Rating		Carrying Value	
			September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
<u>Held to maturity</u>						
<u>Third Parties</u>						
<u>Foreign Currency</u>						
United States Dollar						
Morgan Stanley	3.00%	August 31, 2017	A-****)	A-****)	29,300	24,770
Morgan Stanley	4.00%	August 21, 2017	-	A-****)	-	24,770
					<u>29,300</u>	<u>49,540</u>

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



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

d. By Type and Issuer (continued):

d6. Subordinated Bonds

Issuer	Annual Interest rate (%)	Maturity date	Rating		Carrying Value	
			September 30, 2015	December 31, 2014	September 30, 2015	December 31, 2014
<b>Held to maturity</b>						
<u>Third parties</u>						
<u>Rupiah</u>						
PT Bank OCBC NISP Tbk						
Series III	11.35%	June 30, 2017	AA ***)	AA ***)	40,000	40,000
					<b>40,000</b>	<b>40,000</b>

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

d7. Medium Term Notes (MTN)

Issuer	Nominal Value	Annual Interest rate (%)	Maturity date	Carrying Value	
				September 30, 2015	December 31, 2014
<b><u>Held to maturity</u></b>					
<u>Third parties</u>					
<u>Rupiah</u>					
PT Bank Sumitomo Mitsui Series I Year 2015	100,000	9.85%	3 Februari 2018	100,000	-
PT Bank OCBC NISP Tbk Series III	25,000	7,00% <sup>*)</sup>	April 18, 2016	25,000	25,000
				125,000	25,000
<u>Related parties</u>					
<u>(Note 43)</u>					
<u>Rupiah</u>					
PT Wijaya Karya (Persero) Tbk Year 2014	99,202	9.80% <sup>*)</sup>	December 24, 2017	99,357	99,202
PT Perkebunan Nusantara III (Persero) Series B	25,000	9,75% <sup>*)</sup>	November 22, 2015	25,000	25,000

\*) Interest received every 3 (three) months

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

d. By Type and Issuer (continued):

d7. Medium Term Notes (MTN) (continued)

Issuer	Nominal Value	Annual Interest rate (%)	Maturity date	Carrying Value	
				September 30, 2015	December 31, 2014
<u>Held to maturity</u>					
<u>(continued)</u>					
<u>Related parties</u>					
<u>(Note 43) (continued)</u>					
<u>Rupiah (continued)</u>					
PT Perkebunan Nusantara II (Persero)					
MTN Syariah	15,000	13%	November 26, 2016	15,000	15,000
				139,357	139,202
				264,357	164,202

d8. Credit Linked Notes (CLN)

As of September 30, 2015 and December 31, 2014, the following are the balances of securities in the form of CLN:

September 30, 2015					
Issued	Effective date	Maturity date	Annual Interest rate	Notional Value Foreign Currency (Full Amount)	Carrying value
<b><u>Held to maturity</u></b>					
<b><u>Third parties</u></b>					
<b><u>United States Dollar</u></b>					
Credit Suisse International	20 Oktober 2011	December 20, 2016	LIBOR <sup>*)</sup> + 2,95%	50,000,000	752,672
					<u><b>752,672</b></u>

\*) USD LIBOR 6 (six) month.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

d. By Type and Issuer (continued):

d8. Credit Linked Notes (CLN) (continued)

December 31, 2014					
Issued	Effective date	Maturity date	Annual Interest rate	Notional Value Foreign Currency (Full Amount)	Carrying value
<b><u>Held to maturity</u></b>					
<u>Third parties</u>					
<u>United States Dollar</u>					
Credit Suisse					
International	20 Oktober 2011	December 20, 2016	LIBOR <sup>*)</sup> + 2,95%	50,000,000	646,480
					<b>646,480</b>

\*) USD LIBOR 6 (six) month.

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.

The embedded credit default swap as of September 30, 2015 and December 31, 2014 have a liability fair value of USD1,839,898 and USD994,218 (equivalent to Rp26,955 and Rp12,313), 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 swap was recognized as income for nine month period ended September 30, 2015 amounted to USD845,680 (equivalent to Rp12,389).

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

Management believes that no allowance for impairment losses is necessary as of September 30, 2015 and December 31, 2014 because management believes that securities are fully collectible.

e. The average annual interest rates for the nine month period then ended September 30, 2015 and December 31, 2014:

	2015	2014
Rupiah	8.37%	8.27%
United States Dollar	5.59%	5.70%
European Euro	2.88%	2.88%
Singapore Dollar	2.00%	-

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**7. SECURITIES (continued)**

- g. BRI recognized unrealized loss - net in the value of "Fair Value through Profit or Loss" securities amounted to Rp35,572 and RpNil for the September 30, 2015 and 2014, respectively, which are recorded under "Unrealized loss from changes in fair value of securities and Government Recapitalization Bonds - net" in the consolidated statement of profit and loss and other comprehensive income.
- h. BRI recognized unrealized gain - net in the value of "Fair Value through Profit or Loss" securities amounted to RpNil and Rp3,856 for the period ended September 30, 2015 and 2014, respectively, which are recorded under "Unrealized gain from changes in fair value of securities and Government Recapitalization Bonds - net" in the consolidated statement of profit and loss and other comprehensive income.
- i. BRI recognized net gain resulting from the sale of securities amounted to Rp70,395 and Rp106,598, for the nine month period ended September 30, 2015 and 2014, respectively, which were recorded under "Gain on sale of securities and Government Recapitalization Bonds - net" in the consolidated statement of profit and loss and other comprehensive income.
- j. As of September 30, 2015 and December 31, 2014, securities with nominal value of Rp8,479,000 and Rp15,884,371 was sold under agreement to repurchase (Note 23).

**8. EXPORT BILLS**

- a. By Type and Currency:

	September 30, 2015		December 31, 2014	
	Notional amount Foreign currency (Full Rupiah)	Rupiah Equivalent	Notional amount Foreign currency (Full Rupiah)	Rupiah Equivalent
<u>Third parties</u>				
<u>Rupiah</u>				
Domestic Documentary				
Letters of Credit		4,102,235		1,308,275
Export Bills		718,675		68,720
		<u>4,820,910</u>		<u>1,376,995</u>
<u>Foreign Currencies</u>				
Domestic Documentary				
Letters of Credit				
United States Dollar	78,055,376	1,143,511	190,707,501	2,361,912
European Euro	127,050	2,090		
Export Bills				
Renminbi	1,674,977,164	3,860,002	2,689,736,332	5,367,691
United States Dollar	62,114,534	909,978	99,281,769	1,229,605
European Euro	4,521,125	74,368	3,651,370	54,965
Great Britain Pound				
Sterling	2,228,755	49,558	2,316,198	44,676
Japan Yen	331,945,605	40,446	319,945,894	33,134
Australia Dollar	26,213	270	50,690	514
Singapore Dollar	18,381	189	114,066	1,070
Arab Emirates Dirham	-	-	221,126	746

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**8. EXPORT BILLS (continued)**

a. By Type and Currency (continued):

	September 30, 2015		December 31, 2014	
	Notional amount		Notional amount	
	Foreign currency	Rupiah	Foreign currency	Rupiah
	(Full Rupiah)	Equivalent	(Full Rupiah)	Equivalent
<u>Third parties (continued)</u>				
<u>Foreign Currencies (continued)</u>				
Export Bills (continued)				
Hong Kong Dollar	-	-	6,176,845	9,864
		6,080,412		9,104,177
		10,901,322		10,481,172
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>				
Domestic Documentary				
Letters of Credit		135,355		20,977
Export Bills		-		1,354
		135,355		22,331
<u>Foreign Currency</u>				
Export Bills				
United States Dollar	-	-	1,976,754	24,482
		135,355		46,813
		<b>11,036,677</b>		<b>10,527,985</b>

b. By Collectibility:

All export bills were classified as "Current" as of September 30, 2015 and December 31, 2014.

c. By Period:

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

	September 30, 2015	December 31, 2014
<u>Third parties</u>		
≤ 1 month	8,924,084	1,260,187
> 1 month - 3 months	1,040,231	3,132,221
> 3 months - 6 months	848,788	6,088,764
> 6 months - 1 year	78,302	-
> 1 year	9,917	-
	10,901,322	10,481,172
<u>Related parties (Note 43)</u>		
≤ 1 month	29,724	18,208
> 1 month - 3 months	18,510	28,605
> 3 months - 6 months	87,121	-
	135,355	46,813
	<b>11,036,677</b>	<b>10,527,985</b>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**8. EXPORT BILLS (continued)**

BRI assessed export bills individually for impairment based on whether an objective evidence of impairment exist.

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

**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 Minister of Finance of the Republic of Indonesia No. S-84/MK.01/ 2002 dated March 26, 2002 on "Implementation of the Convertible Bonds Series FR 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:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>Available for sale</u>		
≤ 1 month	718,594	703,596
<u>Held to maturity</u>		
≤ 1 year	250,000	500,000
> 1 year - 5 years	2,000,000	2,000,000
> 5 years - 10 years	1,100,000	1,100,000
	3,350,000	3,600,000
	<b>4,068,594</b>	<b>4,303,596</b>

b. By Classification and Type:

<b>Series</b>	<b>Annual Interest rate (%)</b>	<b>Maturity date</b>	<b>Fair Value/Carrying Value</b>	
			<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>Available for sale</u>				
VR0027	SPN 3 bulan	July 25, 2018	449,104	440,370
VR0031	SPN 3 bulan	July 25, 2020	269,490	263,226
			718,594	703,596
<u>Held to maturity</u>				
VR0020	SPN 3 bulan	April 25, 2015	-	250,000

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**9. GOVERNMENT RECAPITALIZATION BONDS (continued)**

b. By Classification and Type (continued):

Series	Annual	Maturity date	Fair Value/Carrying Value	
	Interest rate (%)		September 30, 2015	September 30, 2015
<u>Held to maturity</u>				
<u>(continued)</u>				
VR0021	SPN 3 bulan	November 25,2015	250,000	250,000
VR0023	SPN 3 bulan	October 25, 2016	500,000	500,000
VR0026	SPN 3 bulan	January 25, 2018	375,000	375,000
VR0027	SPN 3 bulan	July 25, 2018	375,000	375,000
VR0028	SPN 3 bulan	August 25, 2018	375,000	375,000
VR0029	SPN 3 bulan	August 25, 2019	375,000	375,000
VR0031	SPN 3 bulan	July 25, 2020	1,100,000	1,100,000
			3,350,000	3,600,000
			4,068,594	4,303,596

b. Other Significant Information:

The schedule of interest payment for VR series bonds is every 3 (three) months.

The market values of several Government Recapitalization Bonds classified under "Available for sale" ranged from 99.80% to 99.81% and from 97.49% to 97.86% of nominal amounts as of September 30, 2015 and December 31, 2014, respectively

**10. SECURITIES PURCHASED UNDER AGREEMENT TO RESELL**

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

September 30, 2015					
Annual Interest rate (%)	Purchase Date	Resell Date	Purchase Value	Resell Price -Net	
<b><u>Third Parties</u></b>					
<b><u>Rupiah</u></b>					
Bank Indonesia					
Government Bonds					
FR0028	6.45%	September 16, 2015	December 16, 2015	906,198	908,470
FR0040	6.40%	September 22, 2015	October 20, 2015	534,268	535,027
FR0042	6.45%	September 16, 2015	December 16, 2015	86,503	86,720
FR0043	5.90%	September 15, 2015	October 13, 2015	132,448	132,773
FR0053	5.90%	September 11, 2015	October 9, 2015	966,480	969,489
FR0054	5.90%	September 14, 2015	October 12, 2015	960,827	963,347
FR0054	5.90%	September 15, 2015	October 13, 2015	1,793,244	1,797,652
FR0054	5.90%	September 17, 2015	October 15, 2015	474,971	475,983
FR0054	5.90%	September 11, 2015	October 9, 2015	927,708	930,597

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**10. SECURITIES PURCHASED UNDER AGREEMENT TO RESELL (continued)**

September 30, 2015					
	Annual Interest rate (%)	Purchase Date	Resell Date	Purchase Value	Resell Price -Net
<b><u>Third Parties (continued)</u></b>					
<u>Rupiah (continued)</u>					
Bank Indonesia (continued)					
Government Bonds (continued)					
FR0059	5.90%	September 10, 2015	October 8, 2015	201,267	201,927
FR0061	5.90%	September 8, 2015	October 6, 2015	722,350	724,955
FR0063	5.90%	September 9, 2015	October 7, 2015	1,164,096	1,168,102
FR0063	5.90%	September 10, 2015	October 8, 2015	1,360,308	1,364,767
FR0064	5.90%	September 16, 2015	October 15, 2015	976,615	978,856
FR0064	6.30%	September 22, 2015	October 6, 2015	369,819	370,336
FR0064	6.30%	September 23, 2015	October 7, 2015	73,785	73,876
FR0064	5.90%	September 3, 2015	October 1, 2015	372,668	374,317
FR0064	5.90%	September 3, 2015	October 1, 2015	372,668	374,317
FR0064	5.90%	September 4, 2015	October 2, 2015	372,511	374,098
FR0065	5.90%	September 16, 2015	October 15, 2015	461,279	462,338
FR0065	6.40%	September 23, 2015	October 21, 2015	73,280	73,372
FR0066	5.90%	September 8, 2015	October 6, 2015	155,286	155,845
SPN12160107	6.25%	September 28, 2015	October 5, 2015	223,814	223,892
SPN12160204	6.25%	September 28, 2015	October 5, 2015	705,075	705,320
				14,387,468	14,426,376
PT Bank BNP Paribas Indonesia					
Government Bonds					
FR0043	11.75%	September 29, 2015	October 1, 2015	27,951	27,961
FR0066	11.75%	September 29, 2015	October 1, 2015	57,448	57,467
VR0022	11.75%	September 29, 2015	October 1, 2015	133,708	133,752
VR0023	11.75%	September 29, 2015	October 1, 2015	223,601	223,673
				442,708	442,853
PT Bank Panin, Tbk.					
Deposit Certificate of Bank Indonesia					
IDSD091015182S	8.00%	September 30, 2015	October 5, 2015	189,693	189,693
				189,693	189,693
				15,019,869	15,058,922



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**10. SECURITIES PURCHASED UNDER AGREEMENT TO RESELL (continued)**

<b>December 31, 2014</b>					
	<b>Annual Interest rate (%)</b>	<b>Purchase Date</b>	<b>Resell Date</b>	<b>Purchase Value</b>	<b>Resell Price -Net</b>
<b>Third Parties</b>					
<u>Rupiah</u>					
Bank Indonesia					
Government Bonds					
FR0031	6.00%	December 10, 2014	January 7, 2015	55,318	55,512
FR0034	6.28%	December 3, 2014	January 28, 2015	456,153	458,382
FR0036	6.28%	December 3, 2014	January 28, 2015	617,555	620,571
FR0040	6.01%	December 29, 2014	January 26, 2015	2,330,658	2,331,437
FR0043	6.01%	December 23, 2014	January 20, 2015	2,226,148	2,229,121
FR0043	6.29%	December 24, 2014	February 18, 2015	313,488	313,872
FR0044	6.01%	December 29, 2014	January 26, 2015	33,205	33,216
FR0046	6.01%	December 17, 2014	January 14, 2015	945,591	947,801
FR0047	6.02%	December 4, 2014	January 5, 2015	4,652,818	4,673,826
FR0047	6.02%	December 5, 2014	January 6, 2015	468,851	470,889
FR0047	6.00%	December 9, 2014	January 6, 2015	1,323,130	1,327,981
FR0052	6.27%	December 11, 2014	February 5, 2015	1,027,646	1,031,225
FR0052	6.01%	December 22, 2014	January 19, 2015	578,491	579,361
FR0053	6.00%	December 12, 2014	January 8, 2015	922,096	925,016
FR0057	6.30%	November 13, 2014	January 8, 2015	357,376	360,378
FR0058	6.29%	November 24, 2014	January 19, 2015	981,686	988,032
FR0061	6.30%	November 17, 2014	January 12, 2015	218,869	220,554
FR0061	6.00%	December 16, 2014	January 13, 2015	885,924	888,139
FR0061	6.01%	December 16, 2014	January 13, 2015	442,962	444,071
FR0063	6.29%	December 24, 2014	February 18, 2015	1,397,230	1,398,939
FR0064	6.02%	December 5, 2014	January 6, 2015	845,915	849,593
FR0064	6.01%	December 8, 2014	January 6, 2015	614,081	616,438
FR0064	6.00%	December 9, 2014	January 6, 2015	1,653,172	1,659,233
FR0064	6.00%	December 10, 2014	January 7, 2015	35,295	35,419
FR0066	6.02%	December 2, 2014	January 2, 2015	3,644,826	3,662,501
FR0069	6.27%	December 3, 2014	January 28, 2015	1,062,033	1,067,212
FR0069	6.01%	December 18, 2014	January 15, 2015	1,919,564	1,923,730
FR0070	6.00%	December 10, 2014	January 7, 2015	903,132	906,293
FR0070	6.01%	December 22, 2014	January 19, 2015	1,052,624	1,054,206
FR0071	6.02%	December 5, 2014	January 6, 2015	534,837	537,162
FR0071	6.00%	December 10, 2014	January 7, 2015	1,030,135	1,033,741
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
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
				<u>37,890,923</u>	<u>38,021,042</u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**10. SECURITIES PURCHASED UNDER AGREEMENT TO RESELL (continued)**

December 30, 2014					
	Annual Interest rate (%)	Purchase Date	Resell Date	Purchase Value	Resell Price -Net
<b><u>Third Parties (continued)</u></b>					
<b><u>Rupiah (continued)</u></b>					
PT Bank Mega Tbk Government Bonds FR0070	6.40%	December 30, 2014	January 30, 2015	428,113	428,189
PT BPD Jawa Barat dan Banten Tbk Certificate of Bank Indonesia IDSD180615182S	6.25%	December 29, 2014	January 12, 2015	230,024	230,104
IDSD06021591S	6.25%	December 29, 2014	January 12, 2015	94,341	94,374
IDSD230615182S	6.25%	December 30, 2014	January 13, 2015	229,846	229,886
				554,211	554,364
				<b>38,873,247</b>	<b>39,003,595</b>

BRI assessed securities purchased under agreement to resell individually for impairment based on whether an objective evidence of impairment exists.

**11. DERIVATIVES RECEIVABLE AND PAYABLE**

The summary of the derivatives transactions are as follows:

September 30, 2015		
Transaction	Derivatives receivable	Derivatives payable
Purchase and sale of foreign currency forward	5.789	34
Purchase and sale of foreign currency spot	104	388
Foreign currency and interest rate swap	-	1.538.383
Credit Linked Notes (Note 7)	-	26.955
Foreign currency swap	-	24.826
Interest rate swap	-	1.895
	<b>5.893</b>	<b>1.592.481</b>

  

December 31, 2014		
Transaction	Derivatives receivable	Derivatives payable
Purchase and sale of foreign currency spot	331	-
Foreign currency swap	205	-
Foreign currency and interest rate swap	-	705.210
Credit Linked Notes (Note 7)	-	12.313
	<b>536</b>	<b>717.523</b>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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

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

September 30, 2015					
Counterparties	Notional Amount (Full Amount)	Annual Interest Rate		Date	
		Received	Paid	Effective	Maturity
ANZ Bank	USD713,5000	1.82%	0.25%	September 17, 2015	September 19, 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 12, 2016
ANZ Bank	USD30,000,000	2.91%	0.25%	September 18, 2015	September 19, 2016
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
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
Standard Chartered Bank	USD50,000,000	8.75%	0.23%	August 12, 2015	August 15, 2016
Standard Chartered Bank	USD15,000,000	8.85%	0.23%	July 28, 2015	July 29, 2016
Standard Chartered Bank	USD35,000,000	8.85%	0.23%	July 10, 2015	July 11, 2016
The Hongkong and Shanghai Banking Corporation Limited	USD50,000,000	7.00%	LIBOR**) + 1.50%	December 10, 2012	December 10, 2015
The Hongkong and Shanghai Banking Corporation Limited	USD50,000,000	7.00%	LIBOR**) + 1.50%	December 4, 2012	December 4, 2015
The Hongkong and Shanghai Banking Corporation Limited	USD25,000,000	8.00%	1.08%	September 22, 2014	September 22, 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
Desember 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 Hongkong and Shanghai Banking Corporation Limited	USD50,000,000	7.00%	LIBOR**) + 1.50%	December 10, 2012	December 10, 2015
The Hongkong and Shanghai Banking Corporation Limited	USD50,000,000	7.00%	LIBOR**) + 1.50%	December 4, 2012	December 4, 2015
The Hongkong and Shanghai Banking Corporation Limited	USD25,000,000	8.00%	1.08%	September 22, 2014	September 22, 2016

\*) LIBOR USD 6 (six) months

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

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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 enters into cross currency and interest rate swap contracts with several counterparties, whereby BRI and counterparties agree to exchange funds in USD and Rupiah with the amount equal at the effective date of the contract. Thus, BRI/counterparties shall pay interest according to the funds received.

If the funds received are in USD, the beneficiary must pays fixed rate or floating rate of LIBOR 6 (six) months or LIBOR 3 (three) months plus certain margin. On the contrary, the beneficiary pays fixed rate of interest.

b. Interest Swap

BRI has interest rate swap contract as of September 30, 2015 as follows:

Counterparties	Notional Amount (Full Amount)	September 30, 2015		Date	
		Annual Interest Rate		Effective	Maturity
		Received	Paid		
Standard Chartered Bank	200,000	8.90%	JIBOR*) + 1.25%	Januari 23, 2015	Januari 4, 2016
ANZ Bank	500,000	8.70%	JIBOR*) + 1.35%	April 22, 2015	April 22, 2016

\*) JIBOR 3 (three) months

Transactions underlying interest rate swap contracts (interest rate swaps) with Standard Chartered Bank is the issuance of Medium-Term Notes (MTN) Phase II with a nominal value amounting to Rp520,000 with a fixed interest rate of 8.9% per year and will mature on dated December 29, 2015 (Note 24a), while ANZ Bank is transaction maturity of repo transactions with Indonesian Exports Financing Agency with a nominal value of Rp1,000,000 with a fixed interest rate of 8.7% per year and will mature on April 15, 2019 (Note 23).

c. Foreign currency spots and forward - purchase and sale

As of September 30, 2015, BRI has outstanding foreign currency spot purchase contract with notional amount of USD86,500,000, EUR3,000,000, AUD5,500,000, NZD1,000,000 and GBP3,000,000 with contractual amount of Rp1,271,572, Rp49,410, Rp56,447, Rp9,268 and Rp66,628, as well as foreign currency spot sale contract with notional amount of USD76,500,000, EUR3,000,000, AUD5,500,000, NZD1,000,000 and GBP3,000,000 with contractual amount of Rp1,124,653, Rp49,467, Rp56,484, Rp9,225 and Rp66,711.

BRI also has outstanding foreign currency forward purchase contract with notional amounts of USD73,427,960 with the contractual purchase amount of Rp1,069,930 and forward sales contract with notional amounts of USD60,892 with the contractual amount of Rp858.

d. Foreign currency swap

As of September 30, 2015, BRI has outstanding foreign currency swap contracts with notional purchase and sale amount of USD48,000,000 with the contractual purchase amount of Rp711,760 and sale with a notional value USD30,000,000 with the contractual sale amount of Rp423,234.

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

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**12. LOANS**

a. By Currency and Type:

The details of loans by type are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>Third Parties</u>		
<u>Rupiah</u>		
Kupedes	170,012,579	152,905,930
Working Capital	104,084,583	100,302,296
Consumer	86,806,707	82,084,591
Investment	37,472,230	34,362,408
Program	4,979,075	7,259,617
Syndicated	1,260,942	1,969,662
	<u>404,616,116</u>	<u>378,884,504</u>
<u>Foreign Currencies</u>		
Working Capital	20,448,803	17,224,376
Investment	19,929,315	16,910,200
Syndicated	1,012,150	1,011,060
	<u>41,390,268</u>	<u>35,145,636</u>
	<u>446,006,384</u>	<u>414,030,140</u>
<u>Related Parties(Note 43)</u>		
<u>Rupiah</u>		
Working Capital	31,316,126	33,559,565
Syndicated	17,275,399	16,222,204
Investment	14,520,708	11,348,215
Employees	47,948	50,357
Consumer	19,701	34,023
	<u>63,179,882</u>	<u>61,214,364</u>
<u>Foreign Currencies</u>		
Working Capital	9,914,276	15,088,161
Investment	4,435,454	4,008,660
Syndicated	1,042,061	755,963
	<u>15,391,791</u>	<u>19,852,784</u>
	<u>78,571,673</u>	<u>81,067,148</u>
	<u>524,578,057</u>	<u>495,097,288</u>
Less: Allowance for impairment losses	<u>(17,601,240)</u>	<u>(15,886,145)</u>
	<u><b>506,976,817</b></u>	<u><b>479,211,143</b></u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**12. LOANS (continued)**

a. By Currency and Type (continued):

The details of loans by currency are as follows:

	<b>September 30, 2015</b>		<b>December 31, 2014</b>	
	<b>Notional Amount Foreign Currency (Full Amount)</b>	<b>Rupiah Equivalent</b>	<b>Notional Amount Foreign Currency (Full Amount)</b>	<b>Rupiah Equivalent</b>
<u>Rupiah</u>		<u>467,795,998</u>		<u>440,098,868</u>
<u>Foreign Currencies</u>				
United States				
Dollar	3,839,612,629	56,250,325	4,408,424,607	54,598,339
European Euro	19,189,810	315,654	13,492,637	203,109
Singapore Dollar	18,829,769	193,862	19,304,299	181,001
Great Britain Pound				
Sterling	503,037	11,185	209,302	4,037
Japan Yen	90,546,614	11,033	90,420,476	9,364
Swiss Franc	-	-	205,338	2,570
		<u>56,782,059</u>		<u>54,998,420</u>
		<u>524,578,057</u>		<u>495,097,288</u>
Less: Allowance for impairment losses		<u>(17,601,240)</u>		<u>(15,886,145)</u>
		<u><b>506,976,817</b></u>		<u><b>479,211,143</b></u>

b. By Economic Sector:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>Third Parties</u>		
<u>Rupiah</u>		
Trading, hotels and restaurants	161,979,978	146,793,322
Agriculture	42,132,816	41,776,436
Business services	18,210,543	17,341,578
Manufacturing	14,661,931	14,255,145
Construction	10,908,658	10,204,041
Transportation, warehousing and communications	5,594,493	4,811,025
Social services	4,126,822	3,695,078
Mining	2,038,297	2,507,266
Electricity, gas and water	608,963	553,140
Others	144,353,615	136,947,473
	<u>404,616,116</u>	<u>378,884,504</u>
<u>Foreign Currencies</u>		
Manufacturing	24,427,919	19,049,602
Electricity, gas and water	4,057,517	2,576,312
Mining	3,256,515	2,695,827
Trading, hotels and restaurants	3,238,468	3,683,894
Construction	2,144,112	1,766,507
Agriculture	1,585,929	2,303,960

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**12. LOANS (continued)**

b. By Economic Sector (continued)

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>Third Parties (continued)</u>		
<u>Foreign Currencies (continued)</u>		
Business services	1,359,472	1,248,868
Transportation, warehousing and communications	1,100,836	1,721,116
Others	219,500	99,550
	<u>41,390,268</u>	<u>35,145,636</u>
	<u>446,006,384</u>	<u>414,030,140</u>
<u>Related Parties (Note 43)</u>		
<u>Rupiah</u>		
Trading, hotels and restaurants	14,379,231	11,720,276
Electricity, gas and water	14,283,814	12,188,381
Manufacturing	9,443,808	9,151,098
Transportation, warehousing and communications	8,248,236	8,197,937
Agriculture	6,649,873	5,431,625
Business services	6,083,903	6,169,016
Construction	3,280,077	2,054,518
Mining	727,560	243,226
Social services	34,132	6,005,926
Others	49,248	52,361
	<u>63,179,882</u>	<u>61,214,364</u>
<u>Foreign Currencies</u>		
Construction	9,608,751	15,892,186
Social services	3,658,629	3,514,536
Mining	1,528,483	80,502
Transportation, warehousing and communications	446,393	6,365
Business services	102,550	359,195
Construction	41,546	-
Agriculture	4,021	-
Trading, hotels and restaurants	1,418	-
	<u>15,391,791</u>	<u>19,852,784</u>
	<u>78,571,673</u>	<u>81,067,148</u>
	<u>524,578,057</u>	<u>495,097,288</u>
Less: Allowance for impairment losses	<u>(17,601,240)</u>	<u>(15,886,145)</u>
	<u><b>506,976,817</b></u>	<u><b>479,211,143</b></u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>Third Parties</u>		
<u>Rupiah</u>		
≤ 1 month	14,212,382	14,908,904
> 1 month - 3 months	15,703,455	15,224,116
> 3 months - 1 year	75,518,641	70,124,056
> 1 year - 2 years	66,407,987	61,892,933
> 2 years - 5 years	115,988,226	108,297,072
> 5 years	116,785,425	108,437,423
	<u>404,616,116</u>	<u>378,884,504</u>
<u>Foreign Currencies</u>		
≤ 1 month	2,450,660	3,463,164
> 1 month - 3 months	3,274,619	1,734,056
> 3 months - 1 year	8,430,193	9,185,920
> 1 year - 2 years	8,511,083	2,972,327
> 2 years - 5 years	9,125,687	7,305,678
> 5 years	9,598,026	10,484,491
	<u>41,390,268</u>	<u>35,145,636</u>
	<u>446,006,384</u>	<u>414,030,140</u>
<u>Related Parties (Note 43)</u>		
<u>Rupiah</u>		
≤ 1 month	4,992,116	3,785,571
> 1 month - 3 months	3,353,302	15,420,356
> 3 months - 1 year	22,130,389	7,684,547
> 1 year - 2 years	1,359,299	5,313,701
> 2 years - 5 years	9,701,414	11,550,965
> 5 years	21,643,362	17,459,224
	<u>63,179,882</u>	<u>61,214,364</u>
<u>Foreign Currencies</u>		
≤ 1 month	39,113	14,577,924
> 1 month - 3 months	1,635,745	95,339
> 3 months - 1 year	8,241,935	247,700
> 1 year - 2 years	-	173,562
> 2 years - 5 years	3,437,311	-
> 5 years	2,037,687	4,758,259
	<u>15,391,791</u>	<u>19,852,784</u>
	<u>78,571,673</u>	<u>81,067,148</u>
	524,578,057	495,097,288
Less: Allowance for impairment losses	(17,601,240)	(15,886,145)
	<u><b>506,976,817</b></u>	<u><b>479,211,143</b></u>



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**12. LOANS (continued)**

d. By Collectibility:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
Individual	13,018,198	12,857,919
Collective		
Current	471,170,657	450,778,058
Special mention	31,685,657	25,241,568
Substandard	1,852,717	1,043,082
Doubtful	1,687,036	1,201,996
Loss	5,163,792	3,974,665
	<u>511,559,859</u>	<u>482,239,369</u>
	<u>524,578,057</u>	<u>495,097,288</u>
Less: Allowance for impairment losses		
Individual	(2,882,105)	(2,389,304)
Collective	(14,719,135)	(13,496,841)
	<u>(17,601,240)</u>	<u>(15,886,145)</u>
	<b><u>506,976,817</u></b>	<b><u>479,211,143</u></b>

e. By Operating Segment

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>Third parties</u>		
<u>Rupiah</u>		
Retail	196,121,459	183,908,515
Micro	178,515,430	164,054,180
Corporate	29,979,227	30,921,809
	<u>404,616,116</u>	<u>378,884,504</u>
<u>Foreign currencies</u>		
Corporate	31,587,035	25,732,352
Retail	9,803,233	9,413,284
	<u>41,390,268</u>	<u>35,145,636</u>
	<u>446,006,384</u>	<u>414,030,140</u>
<u>Related Parties (Note 43)</u>		
<u>Rupiah</u>		
Corporate	62,728,600	54,714,859
Retail	451,282	6,499,505
	<u>63,179,882</u>	<u>61,214,364</u>
<u>Foreign currencies</u>		
Corporate	15,390,373	19,845,498
Retail	1,418	7,286
	<u>15,391,791</u>	<u>19,852,784</u>
	<u>78,571,673</u>	<u>81,067,148</u>
	<u>524,578,057</u>	<u>495,097,288</u>
Less: Allowance for impairment losses	(17,601,240)	(15,886,145)
	<b><u>506,976,817</u></b>	<b><u>479,211,143</u></b>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

## 12. LOANS (continued)

f. Other Significant Information:

1. The average interest rates for loans as of September 30, 2015 and December 31, 2014 are as follows:

	<u>2015</u>	<u>2014</u>
Contractual Rate		
Rupiah	12.44%	12.09%
Foreign Currencies	4.34%	4.35%
Effective Interest Rate		
Rupiah	16.47%	16.23%
Foreign Currencies	4.43%	4.48%

2. The loans are generally collateralized by registered mortgages, by powers of attorneys to sell, demand deposits, time deposits or by other guarantees generally accepted by banks (Note 19, 20, and 21).
3. Working capital and investment loans represent loans to customers for working capital requirements and capital goods.
4. Consumer loans consist of housing, motor vehicles and other personal loans.
5. Program loans represent loan facilities channeled by BRI based on the guidelines from the Government to support the development of Indonesia's small scale industry, middle and cooperative units.
6. Kupedes loans represent loan facilities channeled by BRI through BRI's Units. The target of these loans is micro businesses and fixed income employees that require additional funds, in accordance with the maximum limit amount stated in the Kupedes manual. The economic sectors covered under Kupedes include agriculture, manufacturing, trading and others.
7. Syndicated loans represent loans provided to customers under syndication agreements with other banks. As of September 30, 2015 and December 31, 2014, total syndicated loans amounted to Rp29,350,986 and Rp23,439,044, respectively. BRI's participation as leader in the syndicated loans ranged from 23.08% until 63.65% and 24.90% until 63.65% as of September 30, 2015 and December 31, 2014, respectively. BRI's participation as member in the syndicated loans ranged from 2.97% until 51.79% as of September 30, 2015 and December 31, 2014.
8. Loans to employees with 5.5% annual interest rate, 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. Difference between employee loan's interest rates and Base Lending Rate (BLR) is deferred and recorded as deferred expense for employee loans as part of other assets. Deferred expense for employee loans amounted to Rp567,576 and Rp585,320 as of September 30, 2015 and December 31, 2014, respectively (Note 17).

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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::

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
PT Perusahaan Listrik Negara (Persero)	14,458,281	12,507,583
Perum BULOG	13,070,960	10,467,999
PT Pertamina (Persero)	4,719,470	11,828,759
Indonesian republic's finance ministry	4,212,260	4,420,940
PT Pegadaian (Persero)	3,762,357	4,007,873
PT Kereta Api Indonesia (Persero)	3,135,430	3,513,187
PT Pupuk Kalimantan Timur	2,123,095	1,624,780
PT Telekomunikasi Indonesia (Persero) Tbk	1,812,500	2,500,000
PT Perkebunan Nusantara VII (Persero)	1,652,023	1,071,122
PT Krakatau Steel (Persero) Tbk.	1,618,309	1,494,735
Others	27,959,040	27,579,813
	<b>78,523,725</b>	<b>81,016,791</b>

10. Loans that have been restructured by BRI (Parent Entity) for the nine-month period ended September 30, 2015 and during the year 2014, that were reported to Bank Indonesia amounted to Rp17,777,590 and Rp16,445,464, respectively. Restructuring scheme generally involves extension of the loan maturity date and rescheduling of overdue interest payment

11. In its report on Legal Lending Limit to Bank Indonesia as of September 30, 2015 and December 31, 2014, BRI indicated that there is no debtor either related party or third party who has not complied with or exceeded the Legal Lending Limit.

12. The details of non-performing loans and the allowance for impairment losses by economic sector are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
Trading, hotels and restaurant	8,128,141	6,808,031
Manufacturing	3,399,286	2,730,783
Agriculture	2,664,077	2,718,963
Construction	2,647,907	2,274,200
Business services	1,633,569	1,451,926
Transportation, warehousing and communications	920,914	1,378,079
Mining	410,787	352,028
Social services	117,244	115,575
Electricity, gas and water	99,008	43,064
Others	1,700,810	1,205,013
	21,721,743	19,077,662
Less: Allowance for impairment losses	(4,737,306)	(4,000,016)
	<b>16,984,437</b>	<b>15,077,646</b>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
Total non-performing loans	11,775,272	8,364,106
Total loans	524,578,057	495,097,288
% non-performing loans (NPL) (Gross NPL)	2.24%	1.69%

(ii) BRI (Parent Entity)

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
Total non-performing loans	11,638,779	8,271,125
Total loans	518,952,013	490,402,708
% non-performing loans (NPL) (Gross NPL)	2.24%	1.69%

b. The ratio of small scale industry loans to BRI's total loans is 44.54% and 43.76% as of September 30, 2015 and December 31, 2014, respectively.

14. Movements in the allowance for impairment losses on loans:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
Beginning balance	15,886,145	15,171,736
Provision during the period/year (Note 33)	6,969,082	5,654,870
Loans written-off during the period/year	(5,625,222)	(5,619,434)
Foreign currency translation	371,235	678,973
<b>Ending Balance</b>	<b>17,601,240</b>	<b>15,886,145</b>

BRI's (Parent Entity) allowance for impairment losses balance includes the allowance for disaster prone areas amounting to Rp779,852 and Rp715,339, as of September 30, 2015 and December 31, 2014, respectively (Note 2e).

The minimum allowance for impairment losses on loans of BRI (Parent Entity) based on Bank Indonesia regulation (Note 2e) amounted to Rp14,761,944 and Rp12,235,818, as of September 30, 2015 and December 31, 2014, respectively.

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

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>Third parties</u>		
Current	14,435,436	14,332,387
Special mention	1,150,579	517,977
Substandard	161,894	121,624
Doubtful	93,500	136,921
Loss	544,890	456,921
	<u>16,386,299</u>	<u>15,565,830</u>
<u>Related parties (Note 43)</u>		
Current	24,531	33,242
Special mention	62	481
	<u>24,593</u>	<u>33,723</u>
	16,410,892	15,599,553
Less: Allowance for impairment losses	(338,545)	(276,650)
	<u><b>16,072,347</b></u>	<u><b>15,322,903</b></u>

b. Sharia receivables and financing based on contractual maturity are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>Third parties</u>		
<u>Rupiah</u>		
≤ 1 month	812,564	564,756
> 1 month - 3 months	837,150	618,962
> 3 months - 1 year	1,724,397	2,159,631
> 1 year - 2 years	1,991,179	1,517,332
> 2 years - 5 years	7,197,381	7,263,787
> 5 years	3,823,628	3,441,362
	<u>16,386,299</u>	<u>15,565,830</u>
<u>Related parties (Note 43)</u>		
<u>Rupiah</u>		
> 1 month - 3 months	6,233	494
> 3 months - 1 year	3,331	23,041
> 1 year - 2 years	1,352	1,418
> 2 years - 5 years	4,706	1,450
> 5 years	8,971	7,320
	<u>24,593</u>	<u>33,723</u>
	16,410,892	15,599,553
Less: Allowance for impairment losses	(338,545)	(276,650)
	<u><b>16,072,347</b></u>	<u><b>15,322,903</b></u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**13. SHARIA RECEIVABLES AND FINANCING (continued)**

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

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

	September 30, 2015	December 31, 2014
Beginning balance	276,650	246,360
Adjustment with respect to the implementation of SFAS No. 102 (Revised 2013)	-	(4,184)
Provision during the period/year (Note 33)	123,548	67,884
Recovery from loans written off	9,162	11,644
Loans written-off during the period/year	(70,815)	(45,054)
<b>Ending balance</b>	<b>338,545</b>	<b>276,650</b>

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

As of September 30, 2015 and December 31, 2014, the Non-Performing Financing (NPF) sharia receivables and financing amounted to Rp800,284 (4.88%) and Rp715,466 (4.59%), respectively.

The types of collateral form from the debtor for the receivables and financing are landrights and buildings, Proof of Motorized Vehicle Ownership and other properties.

As of September 30, 2015 and December 31, 2014, there are no 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

	September 30, 2015		December 31, 2014	
	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		3,359,051		356,910
<u>Foreign currencies</u>				
Import Letters of Credit and Domestic Document Letters of Credit				
United States Dollar	214,447,662	3,141,658	445,091,480	5,512,457

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**14. ACCEPTANCES RECEIVABLE AND PAYABLE (continued)**

The details of acceptances receivable from customers are as follows:

a. By Type and Currency:

	<b>September 30, 2015</b>		<b>December 31, 2014</b>	
	<b>Notional Amount</b>		<b>Notional Amount</b>	
	<b>Foreign Currency</b>	<b>Rupiah</b>	<b>Foreign Currency</b>	<b>Rupiah</b>
	<b>(Full Amount)</b>	<b>Equivalent</b>	<b>(Full Amount)</b>	<b>Equivalent</b>
<u>Third parties (continued)</u>				
<u>Foreign Currency (continued)</u>				
Import Letters of Credit and Domestic Document Letters of Credit (continued)				
European Euro	2,315,305	38,085	2,939,990	44,257
Japanese Yen	2,000,000	244	191,940,013	19,877
Singapore Dollar	-	-	344,340	3,229
Swiss Franc	-	-	360,000	4,506
		<u>3,179,987</u>		<u>5,584,326</u>
		<u>6,539,038</u>		<u>5,941,236</u>
<u>Related parties</u>				
<u>(Note 43)</u>				
<u>Rupiah</u>				
Import Letters of Credit and Domestic Document Letters of Credit		<u>57,534</u>		<u>115,657</u>
<u>Foreign Currency</u>				
Import Letters of Credit and Domestic Document Letters of Credit				
Malaysian Ringgit	-	-	2,190,240	7,758
United States Dollar	42,744,973	626,214	86,356,761	430,966
European Euro	3,332,400	54,815	209,000	30,071
		<u>681,029</u>		<u>468,795</u>
		<u>738,563</u>		<u>584,452</u>
		<u><b>7,277,601</b></u>		<u><b>6,525,688</b></u>

b. By Collectibility:

All acceptances receivable were classified as "Current" as of September 30, 2015 and December 31, 2014.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**14. ACCEPTANCES RECEIVABLE AND PAYABLE (continued)**

c. By Period (continued)

The classifications of acceptances receivable based on the remaining period until maturity are as follows:

	September 30, 2015	December 31, 2014
<u>Third parties</u>		
≤ 1 month	5,632,505	548,801
> 1 month - 3 months	428,300	2,464,736
> 3 months - 1 year	478,086	2,927,699
> 1 year	149	-
	<u>6,539,040</u>	<u>5,941,236</u>
<u>Related parties (Note 43)</u>		
≤ 1 month	214,817	307,751
> 1 month - 3 months	150,859	93,631
> 3 months - 1 year	372,885	183,070
	<u>738,561</u>	<u>584,452</u>
	<b><u>7,277,601</u></b>	<b><u>6,525,688</u></b>

The 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 exist.

Management believes that no allowance for impairment losses is necessary as of September 30, 2015 and December 31, 2014, because management believes that acceptances receivable are fully collectible.

**15. INVESTMENT IN ASSOCIATED ENTITIES**

The details of investment in associated entities are as follows:

Company Name	Type of Business	Percentage of Ownership	September 30, 2015		
			Cost	Accumulated Equity in Net Earnings of Associated Company	Carrying Value
PT BTMU-BRI Finance (Related party - Note 43)	Financing	45.00%	24,750	238,867	263,617
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
BPR Toeloengredjo Dasa Nusantara	Banking	3.00%			77
BPR Tjoekir Dasa Nusantara	Banking	3.00%			77



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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:

<b>September 30, 2015</b>					
<b>Company Name</b>	<b>Type of Business</b>	<b>Percentage of Ownship</b>	<b>Cost</b>	<b>Accumulated Equity in Net Earnings of Associated Company</b>	<b>Carrying Value</b>
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
					<b>265,561</b>
<b>December 31, 2014</b>					
<b>Company Name</b>	<b>Type of Business</b>	<b>Percentage of Ownship</b>	<b>Cost</b>	<b>Accumulated Equity in Net Earnings of Associated Company</b>	<b>Carrying Value</b>
PT BTMU-BRI Finance (Related party - Note 43)	Financing	45.00%	24,750	224,879	249,629
PT Kustodian Sentral Efek Indonesia	Central securities depository institution	3.00%			900
PT Sarana Bersama Financing Indonesia	Investment	8.00%			536
PT Pemeringkat Efek Indonesia	Credit rating agency	0.21%			210
BPR Toeloengredjo 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-Bank	0.03%			20
					1,944
					<b>251,573</b>

BRI assessed investment in associated entities individually for impairment based on whether an objective evidence of impairment exists.

As of September 30, 2015 and December 31, 2014, all investments were classified as "Current".

For the nine-month period ended September 30, 2015, BRI received cash dividends from PT Sarana Bersama Pembiayaan Indonesia amounted to Rp392, while in 2014 from PT Pemeringkat Efek Indonesia amounted to Rp21, respectively.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**15. INVESTMENT IN ASSOCIATED ENTITIES (continued)**

Management believes there is no allowance for impairment losses is necessary as of September 30, 2015 and December 31, 2014, because management believes that investments are fully collectible.

**16. PREMISES AND EQUIPMENT**

Premises and equipment consists of:

Description	September 30, 2015			Ending Balance
	Beginning Balance	Additions	Deductions	
<b>Carrying Value</b>				
Landrights	625,460	303,562	14,744	914,278
Buildings	2,482,655	298,886	112,501	2,669,040
Motor vehicles	1,839,082	126,813	29,741	1,936,154
Computers and machineries	4,599,811	300,713	66,771	4,833,753
Furniture and fixtures	1,204,214	133,270	18,697	1,318,787
Museum assets	184	-	-	184
Satellites in development	831,895	919,121	-	1,751,016
	<u>11,583,301</u>	<u>2,082,365</u>	<u>242,454</u>	<u>13,423,212</u>
<b>Accumulated Depreciation</b>				
Buildings	1,088,252	84,488	2,199	1,170,541
Motor vehicles	862,216	223,645	29,265	1,056,596
Computers and machineries	2,815,996	372,883	65,052	3,123,827
Furniture and fixtures	899,367	132,271	18,308	1,013,330
	<u>5,665,831</u>	<u>813,287</u>	<u>114,824</u>	<u>6,364,294</u>
<b>Net Book Value</b>	<u><b>5,917,470</b></u>			<u><b>7,058,918</b></u>

  

Description	December 31, 2014			Ending Balance
	Beginning Balance	Additions	Deductions	
<b>Carrying Value</b>				
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
	<u>8,817,641</u>	<u>3,064,718</u>	<u>299,058</u>	<u>11,583,301</u>
<b>Accumulated Depreciation</b>				
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
	<u>4,845,029</u>	<u>919,140</u>	<u>98,338</u>	<u>5,665,831</u>
<b>Net Book Value</b>	<u><b>3,972,612</b></u>			<u><b>5,917,470</b></u>

Depreciation of premises and equipment charged to the consolidated statement of profit and loss and other comprehensive income amounted to Rp813,287 and Rp666,572 for the nine-month periods ended September 30, 2015 and 2014 (Note 35).

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**16. PREMISES AND EQUIPMENT (continued)**

BRI insured its premises and equipment from losses due to risks of fire, vandalism, force majeure, theft and others to PT Asuransi Bringin Sejahtera Artha Makmur (related party) and PT Asuransi Jasa Tania, with coverage amount of Rp10,329,847 and Rp9,101,785 for the nine-month periods and year ended September 30, 2015 and December 31, 2014, respectively.

Valuation of landrights and buildings owned by BRI are using taxable value, because it is considered as the best estimation to reflect the fair value. Taxable value of landrights and buildings owned by BRI on September 30, 2015 amounted to Rp3,596,027 and Rp1,769,649, respectively, while on December 31, 2014 amounted to Rp3,374,000 and Rp1,695,743, respectively. Other than landrights and building 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 September 30, 2015 and December 31, 2014 are Rp3,668,050 and Rp3,178,943, respectively.

As of September 30, 2015 and December 31, 2014, there are no fixed assets owned by BRI which are pledged collateral.

As of September 30, 2015, BRI's satellite project (BRIsat) has reached the integration and installation stage of both the Bus and the payload of BRIsat. "Preliminary Mission Analysis Review" (RAMP) has been conducted on "Launch Service" and will be followed by "Preliminary Operation Plan Review Meeting & Launch Site Visit". Furthermore, "Ground System" has reached the "Installation / mounting TT & C Antenna" stage on the Primary Satellite Control Facility building (PSCF) in Ragunan, Jakarta and The Backup Satellite Control Facility (BSCF) in Tabanan, Bali. The percentage of the carrying amount of satellites in the development of the value of the contract is equal to  $\pm 60\%$ . Estimates of the procurement and implementation of the BRIsat project is expected to be completed by mid-year 2016.

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 September 30, 2015 and December 31, 2014.

**17. OTHERS ASSETS**

Other assets consist of:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>Rupiah</u>		
Corporate income tax refund estimation (Note 37)	1,737,735	360,000
Prepaid expenses	1,397,669	1,019,048
Claims Related to ATM and Credit Card transaction	1,099,596	761,984
Internal Advance	990,262	417,591
Interest receivables:		
Securities	936,745	607,442
Government Recapitalization Bonds	41,500	47,486
Placements with Bank Indonesia and other banks	1,660	1,888
Others	107,591	1,322
Premises and equipment that have not been distributed	748,198	564,248
Prepaid tax (Note 37)	724,756	724,756
Deferred expense for employees loan (Note 12f)	567,576	585,320

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**17. OTHERS ASSETS (continued)**

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>Rupiah</u>		
Office supplies	208,632	204,390
Claims to Bulog	268,380	348,750
Notes Receivable	72,601	94,172
Claims for loan principal and interest penalty	60,164	68,634
Foreclosed Collaterals	27,407	27,553
Advance installment income tax article 25 (Note 37)	16,347	10,945
Others	2,178,804	2,311,923
	<u>11,185,623</u>	<u>8,157,452</u>
<u>Foreign Currencies</u>		
Interest receivables		
Securities	381,543	216,648
Others	46,962	50,193
Risk Participation Claims	103,364	176,887
Notes Receivables	93,799	73,576
Claims Related to ATM and Credit Card transaction	13,310	46,064
Prepaid expenses	9,623	9,277
Others	807,530	62,794
	<u>1,456,131</u>	<u>635,439</u>
	<b><u>12,641,754</u></b>	<b><u>8,792,891</u></b>

**18. LIABILITIES DUE IMMEDIATELY**

Liabilities due immediately consist of:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>Rupiah</u>		
Advance payment deposits	1,144,186	1,440,868
ATM and Credit Card deposits	608,241	694,604
Tax payment deposits	378,676	423,776
Insurance deposits	187,946	134,309
Advance from money transfer	54,788	32,343
Deposits for channeling loans	50,738	53,443
Deposits for clearing	40,056	40,149
Students disbursement deposits	1,165	1,828,599
Others	3,270,631	2,238,900
	<u>5,736,427</u>	<u>6,886,991</u>
<u>Foreign Currencies</u>		
Advance payment deposits	37,677	15,646
Tax payment deposits	13,552	22,245
ATM and Credit Card deposits	957	14,170
Others	196,355	104,720
	<u>248,541</u>	<u>156,781</u>
	<b><u>5,984,968</u></b>	<b><u>7,043,772</u></b>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**19. DEMAND DEPOSITS**

Demand deposits consist of:

	<b>September 30, 2015</b>		<b>December 31, 2014</b>	
	<b>Notional Amount Foreign Currency (Full Amount)</b>	<b>Rupiah Equivalent</b>	<b>Notional Amount Foreign Currency (Full Amount)</b>	<b>Rupiah Equivalent</b>
<u>Third parties</u>				
<u>Rupiah</u>		<u>59,863,713</u>		<u>41,715,191</u>
<u>Foreign currencies</u>				
United States Dollar	1,142,819,734	16,742,307	1,184,021,409	14,664,105
European Euro	37,885,434	623,178	38,430,455	578,507
Australian Dollar	19,300,469	198,916	21,425,658	217,433
Renminbi	50,940,442	117,393	104,678,583	208,899
Great Britain Pound Sterling	5,093,313	113,254	2,641,529	50,951
Singapore Dollar	8,341,995	85,885	8,952,268	83,938
Japanese Yen	366,321,292	44,634	450,054,773	46,608
Saudi Arabian Riyal	1,100,255	4,298	6,452,088	21,289
Hong Kong Dollar	762,633	1,442	654,820	1,046
Swiss Franc	-	-	2,170	27
		<u>17,931,307</u>		<u>15,872,803</u>
		<u>77,795,020</u>		<u>57,587,994</u>
<u>Related parties(Notes 43)</u>				
<u>Rupiah</u>		<u>14,121,658</u>		<u>19,687,855</u>
<u>Foreign currencies</u>				
United States Dollar	1,224,149,816	17,933,795	958,872,209	11,850,862
European Euro	13,857,144	227,937	19,904,961	299,636
Yen Jepang	3,635,648	443	25,008,334	2,590
Dolar Singapura	111	1	141,526	1,327
Renminbi	408	1	1,248	3
		<u>18,162,177</u>		<u>12,154,418</u>
		<u>32,283,835</u>		<u>31,842,273</u>
		<u>110,078,855</u>		<u>89,430,267</u>

The average annual interest rates for the nine-month periods and year ended September 30, 2015 and December 31, 2014 are as follows:

	<b>2015</b>	<b>2014</b>
Rupiah	2.25%	2.43%
Foreign Currencies	0.33%	0.34%

Demand deposits used as collateral for banking facilities granted by BRI and Subsidiaries amounted to Rp477,922 and Rp70,414 as of September 30, 2015 and December 31, 2014, respectively.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**20. SAVING DEPOSITS**

Saving deposits consist of:

	<b>September 30, 2015</b>		<b>December 31, 2014</b>	
	<b>Notional Amount Foreign Currency (Full Amount)</b>	<b>Rupiah Equivalent</b>	<b>Notional Amount Foreign Currency (Full Amount)</b>	<b>Rupiah Equivalent</b>
<u>Third parties</u>				
<u>Rupiah</u>				
Simpedes		146,708,895		144,407,690
Britama		82,596,583		83,941,374
Others		3,443,608		3,403,807
		<u>232,749,086</u>		<u>231,752,871</u>
<u>Foreign currencies</u>				
Britama				
United States Dollar	68,246,657	999,814	4,916,908	608,870
Singapore Dollar	2,348,585	24,180	1,052,538	9,869
European Euro	1,105,870	18,190	1,351,024	20,337
Australian Dollar	936,540	9,652	600,409	6,093
Renminbi	775,849	1,788	8,971	18
Hong Kong Dollar	6,627	13	6,690	11
United Arab Emirates Dirham	1,632	7	1,664	6
		<u>1,053,644</u>		<u>645,204</u>
Others				
United States Dollar	133,703	1,959	137,146	1,699
		<u>1,055,603</u>		<u>646,903</u>
		<u>233,804,689</u>		<u>232,399,774</u>
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>				
Britama		257,371		296,276
Simpedes		4,529		2,478
Others		3,559		14,525
		<u>265,459</u>		<u>313,279</u>
<u>Foreign currencies</u>				
Britama				
United States Dollar	1,902,731	27,875	758,479	9,394
Singapore Dollar	12,817	132	1,720	16
European Euro	7,730	127	191	3
Renminbi	327	1	355	1
		<u>28,135</u>		<u>9,414</u>
Others				
United States Dollar	4,653	68	4,220	52
		<u>28,203</u>		<u>9,466</u>
		<u>293,662</u>		<u>322,745</u>
		<u>234,098,351</u>		<u>232,722,519</u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**20. SAVING DEPOSITS (continued)**

The average annual interest rates for the nine-month periods and year ended September 30, 2015 and December 31, 2014 are as follows:

	<b>2015</b>	<b>2014</b>
Rupiah	1.26%	1.26%
Foreign Currencies	0.22%	0.22%

Saving deposits used as collateral for banking facilities granted by BRI and subsidiaries is amounted to Rp80,906 and Rp72,273 as of September 30, 2015 and December 31, 2014, respectively.

**21. TIME DEPOSITS**

Time deposits consist of:

<b>September 30, 2015</b>		<b>December 31, 2014</b>	
<b>Notional Amount</b>		<b>Notional Amount</b>	
<b>Foreign Currency</b>	<b>Rupiah</b>	<b>Foreign Currency</b>	<b>Rupiah</b>
<b>(Full Amount)</b>	<b>Equivalent</b>	<b>(Full Amount)</b>	<b>Equivalent</b>
<u>Third parties</u>			
<u>Rupiah</u>	165,978,833		181,577,777
<u>Foreign currencies</u>			
United States Dollar	2,817,083,279	41,270,270	2,941,780,546
Renminbi	3,375,987,761	7,779,998	3,444,965,146
European Euro	2,995,718	49,277	943,654
Singapore Dollar	643,118	6,621	617,073
Australian Dollar	148,693	1,532	69,107
Great Britain Pound Sterling	50,997	1,134	39,241
Japanese Yen	823,000	100	-
	<u>49,108,932</u>		<u>43,330,242</u>
	<u>215,087,765</u>		<u>224,908,019</u>
<u>Related parties (Note 43)</u>			
<u>Rupiah</u>	48,974,555		46,116,584
<u>Foreign currencies</u>			
United States Dollar	596,249,251	8,735,052	985,696,239
European Euro	6,702,749	110,254	14,953,043
	<u>8,845,306</u>		<u>12,432,941</u>
	<u>57,819,861</u>		<u>58,549,525</u>
	<u><b>272,907,626</b></u>		<u><b>283,457,544</b></u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>Third parties</u>		
<u>Rupiah</u>		
Deposits on call	2,673,081	5,831,970
Deposits		
1 month	78,505,822	90,419,259
3 months	58,980,513	51,239,070
6 months	14,148,225	16,489,214
12 months	11,031,121	16,944,355
More than 12 months	640,071	653,909
	<u>165,978,833</u>	<u>181,577,777</u>
<u>Foreign currencies</u>		
Deposits on call	351,234	4,136,380
Deposits		
1 month	11,161,786	10,840,078
3 months	7,200,872	3,129,783
6 months	19,092,062	12,650,047
12 months	10,491,532	12,572,407
More than 12 months	811,446	1,547
	<u>49,108,932</u>	<u>43,330,242</u>
	<u>215,087,765</u>	<u>224,908,019</u>
<u>Related parties (Note 43)</u>		
<u>Rupiah</u>		
Deposits on call	3,452,050	3,883,175
Deposits		
1 month	15,336,020	16,706,872
3 months	4,431,802	1,088,400
6 months	768,775	146,828
12 months	684,008	24,291,309
More than 12 months	24,301,900	-
	<u>48,974,555</u>	<u>46,116,584</u>
<u>Foreign currencies</u>		
Deposits on call	2,536,685	3,147,569
Deposits		
1 month	4,991,957	8,175,034
3 months	379,920	323,005
6 months	895,555	755,485
12 months	10,050	5,524
More than 12 months	31,139	26,324
	<u>8,845,306</u>	<u>12,432,941</u>
	<u>57,819,861</u>	<u>58,549,525</u>



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**21. TIME DEPOSITS (continued)**

The average annual interest rates for the nine-month periods and year ended September 30, 2015 and December 31, 2014 are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
Rupiah	8.50%	8.74%
Foreign Currencies	1.75%	1.78%

Time deposits used as collateral for banking facilities granted by BRI and subsidiaries amounted to Rp70,492 and Rp230,240 as of September 30, 2015 and December 31, 2014, respectively.

**22. DEPOSITS FROM OTHER BANKS AND FINANCIAL INSTITUTIONS**

Deposits from other banks and financial institutions consist of:

	<b>September 30, 2015</b>		<b>December 31, 2014</b>	
	<b>Notional Amount Foreign Currency (Full Amount)</b>	<b>Rupiah Equivalent</b>	<b>Notional Amount Foreign Currency (Full Amount)</b>	<b>Rupiah Equivalent</b>
<u>Third parties</u>				
<u>Rupiah</u>				
Demand deposits		85,401		103,161
Saving deposits		6,400		4,835
Deposits On Call		3,234,000		4,058,120
Time deposits		393,656		1,109,722
Inter-bank call money		200,000		400,000
		<u>3,919,457</u>		<u>5,675,838</u>
<u>Foreign currencies</u>				
<u>United States Dollar</u>				
Inter-bank call money	17,243,329	412,615	193,000,000	2,390,305
Demand deposits	649,924	28,065	637,443	7,895
Time deposits	-	-	4,000,000	49,540
		<u>440,680</u>		<u>2,447,740</u>
		<u>4,360,137</u>		<u>8,123,578</u>
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>				
Demand deposits		668		816
Time deposits		-		-
Inter-bank call money		-		100,000
		<u>668</u>		<u>100,816</u>
<u>Foreign currencies</u>				
<u>United States Dollar</u>				
Inter-bank call money	-	-	34,800,000	430,998
		<u>668</u>		<u>531,814</u>
		<u>4,360,805</u>		<u>8,655,392</u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**22. DEPOSITS FROM OTHER BANKS AND FINANCIAL INSTITUTIONS (continued)**

The average annual interest rates for the nine-month periods and year ended September 30, 2015 and December 31, 2014 are as follows:

	<u>September 30, 2015</u>	<u>December 31, 2014</u>
<u>Rupiah</u>		
Demand deposits	1.15%	1.21%
Saving deposits	1.25%	1.25%
Deposit On Call	6.68%	7.36%
Time deposits	7.17%	8.14%
Inter-bank Call money	5.81%	6.44%
<u>Foreign currencies</u>		
Demand deposits	0.00%	0.00%
Saving deposits	-	-
Deposit On Call	-	-
Time deposits	0.65%	0.88%
Inter-bank Call money	0.12%	0.72%

The classification of deposits from other banks and financial institutions based on their remaining period to maturity are as follows:

	<u>September 30, 2015</u>			
	<u>≤ 1 month</u>	<u>&gt; 1 month - 3 months</u>	<u>&gt; 3 month - 1 year</u>	<u>Total</u>
<u>Third parties</u>				
<u>Rupiah</u>				
Demand deposits	85,401	-	-	85,401
Saving deposits	6,400	-	-	6,400
Deposit On Call	3,234,000	-	-	3,234,000
Time deposits	392,172	1,484	-	393,656
Inter-bank Call money	200,000	-	-	200,000
	<u>3,917,973</u>	<u>1,484</u>	<u>-</u>	<u>3,919,457</u>
<u>Foreign currencies</u>				
Demand deposits	28,065	-	-	28,065
Inter-bank call money	412,615	-	-	412,615
	<u>440,680</u>	<u>-</u>	<u>-</u>	<u>440,680</u>
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>				
Demand deposits	668	-	-	668
	<u><b>4,359,321</b></u>	<u><b>1,484</b></u>	<u><b>-</b></u>	<u><b>4,360,805</b></u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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:

	December 31, 2014			
	≤ 1 month	> 1 month - 3 month	> 3 month - 1 month	Total
<u>Third parties</u>				
<u>Rupiah</u>				
Demand deposits	103,161	-	-	103,161
Saving deposits	4,835	-	-	4,835
Deposit 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
	<u>5,599,324</u>	<u>53,940</u>	<u>22,574</u>	<u>5,675,838</u>
<u>Foreign currencies</u>				
Demand deposits	7,895	-	-	7,895
Time deposits	49,540	-	-	49,540
Inter-bank call money	2,390,305	-	-	2,390,305
	<u>2,447,740</u>	<u>-</u>	<u>-</u>	<u>2,447,740</u>
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>				
Demand deposits	816	-	-	816
Inter-bank call money	100,000	-	-	100,000
	<u>100,816</u>	<u>-</u>	<u>-</u>	<u>100,816</u>
<u>Foreign currencies</u>				
Inter-bank call money	430,998	-	-	430,998
	<u>8,578,878</u>	<u>53,940</u>	<u>22,574</u>	<u>8,655,392</u>

**23. SECURITIES SOLD UNDER AGREEMENT TO REPURCHASE**

Securities sold under agreement to repurchase consists of:

Types securities	September 30, 2015				
	Sold Date	Repurchase Date	Nominal Amount	Amount Sold	Repurchase Amount Neto
<u>Third parties</u>					
<u>Rupiah</u>					
Standard Chartered Bank					
Government Bonds					
FR0069	May 18, 2015	April 15, 2019	571,000	500,047	516,455
FR0069	May 21, 2015	April 15, 2019	568,000	499,714	515,747
			<u>1,139,000</u>	<u>999,761</u>	<u>1,032,202</u>
<u>Foreign currencies</u>					
United States Dollar					
Standard Chartered Bank					
Government Bonds					
FR0060	December 30, 2014	December 30, 2016	2,197,500	2,197,500	2,205,412

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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 consists of (continued):

Types securities	September 30, 2015				
	Sold Date	Repurchase Date	Nominal Amount	Amount Sold	Repurchase Amount Neto
<u>Third parties (continued)</u>					
<u>Foreign currencies (continued)</u>					
United States Dollar (continued)					
Standard Chartered Bank (continued)					
Government Bonds (continued)					
FR0053	February 26, 2015	February 24, 2017	732,500	732,500	733,514
			2,930,000	2,930,000	2,938,926
 PT Bank BNP Paribas Indonesia					
Government Bonds					
FR0028	March 16, 2015	June 15, 2017	586,000	586,000	591,328
FR0028	March 26, 2015	June 15, 2017	146,500	146,500	147,761
			732,500	732,500	739,089
 PT Bank ANZ Indonesia					
Government Bonds					
SPN12151001	December 29, 2014	October 1, 2015	83,505	83,505	83,988
SPN12151105	December 29, 2014	November 5, 2015	673,900	673,900	676,839
FR0030	December 29, 2014	May 15, 2016	707,595	707,595	711,711
ORI010	February 17, 2015	October 15, 2016	732,500	732,500	737,633
			2,197,500	2,197,500	2,210,171
			5,860,000	5,860,000	5,888,186
			6,999,000	6,859,761	6,920,388
 <u>Related parties</u>					
<u>Rupiah</u>					
Lembaga Pembiayaan Ekspor Indonesia					
FR0069	June 29, 2015	April 15, 2019	480,000	480,000	476,036
FR0069	March 20, 2015	April 15, 2019	1,000,000	1,000,000	1,013,346
			1,480,000	1,480,000	1,489,382
			8,479,000	8,339,761	8,409,770

Types securities	September 30, 2015				
	Sold Date	Repurchase Date	Nominal Amount	Amount Sold	Repurchase Amount Neto
 Third parties					
<u>Rupiah</u>					
PT BPD Jawa Barat dan Banten Tbk					
Certificates of Bank Indonesia					
IDSD16011591S	December 24, 2014	January 7, 2015	200,000	189,224	189,454
IDSD16011591S	December 24, 2014	January 7, 2015	200,000	189,224	189,454
IDSD16011591S	December 24, 2014	January 7, 2015	200,000	189,224	189,454
			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 RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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):

Types securities	December 31, 2014				
	Sold Date	Repurchase Date	Nominal Amount	Amount Sold	Repurchase Amount Neto
<u>Third parties (continued)</u>					
<u>Rupiah (continued)</u>					
PT Bank Mega Tbk					
Government Bonds					
FR0030	December 29, 2014	January 19, 2015	350,000	329,247	329,363
FR0031	December 29, 2014	January 19, 2015	100,000	103,240	103,276
			<u>450,000</u>	<u>432,487</u>	<u>432,639</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
			<u>2,000,000</u>	<u>1,740,291</u>	<u>1,742,601</u>
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
			<u>604,450</u>	<u>636,426</u>	<u>643,430</u>
			<u>4,154,450</u>	<u>3,823,213</u>	<u>3,839,956</u>
<u>Foreign currencies</u>					
<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 Indonesia					
Government Bonds					
CS REPOF IND 170118 USD	December 24, 2014	March 24, 2015	618,269	618,269	618,375
The Hongkong 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
			<u>3,690,401</u>	<u>3,690,401</u>	<u>3,692,031</u>
PT Bank ANZ Indonesia					
Government Bonds					
SPN12151105	December 29, 2014	November 5, 2015	569,710	70,595	70,600
SPN12151001	December 29, 2014	October 1, 2015	70,595	569,710	569,764
FR0030	December 29, 2014	May 15, 2016	598,196	598,196	598,262
			<u>1,238,501</u>	<u>1,238,501</u>	<u>1,238,626</u>
			<u>7,404,921</u>	<u>7,404,921</u>	<u>7,406,873</u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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 consists of (continued):

December 31, 2014					
Types securities	Sold Date	Repurchase Date	Nominal Amount	Amount Sold	Repurchase Amount Neto
<u>Related parties</u>					
<u>Rupiah</u>					
PT Bank Negara Indonesia Persero Tbk					
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
			<u>2,800,000</u>	<u>2,650,611</u>	<u>2,654,305</u>
PT Bank Bukopin Tbk					
Government Bonds					
FR0045	December 9, 2014	January 9, 2015	180,000	192,111	192,845
FR0034	December 9, 2014	January 9, 2015	170,000	112,692	113,103
FR0047	December 9, 2014	January 9, 2015	150,000	183,314	184,014
FR0047	December 10, 2014	January 12, 2015	200,000	157,424	157,998
FR0054	December 10, 2014	January 12, 2015	40,000	154,962	155,554
FR0046	December 10, 2014	January 12, 2015	160,000	206,068	206,819
FR0034	December 10, 2014	January 12, 2015	100,000	128,616	128,890
FR0052	December 19, 2014	January 19, 2015	125,000	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
			<u>1,525,000</u>	<u>1,550,560</u>	<u>1,555,567</u>
			<u>4,325,000</u>	<u>4,201,171</u>	<u>4,209,872</u>
			<u>15,884,371</u>	<u>15,429,305</u>	<u>15,456,701</u>

**24. MARKETABLE SECURITIES ISSUED**

BRI issued marketable securities with details as follows:

	September 30, 2015	December 31, 2014
<u>Rupiah</u>		
Medium-Term Notes (MTN)		
Phase I Year 2014		
Net of unamortized issuance cost amounted to Rp470 and Rp983 as of September 30, 2015 and December 31, 2014, respectively	699,530	709,017
Phase II Year 2014		
Net of unamortized issuance cost amounted to Rp227 and Rp886 as of September 30, 2015 and December 31, 2014, respectively	509,773	499,114

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**24. MARKETABLE SECURITIES ISSUED (continued)**

BRI issued marketable securities with details as follow (continued):

	<u>September 30, 2015</u>	<u>December 31, 2014</u>
<u>Rupiah (continue)</u>		
Negotiable Certificate of Deposits (NCD)		
Phase I NCD Year 2014		
Net after deducting discounts and unamortized issuance cost amounted to Rp29,240 as of December 31, 2014	-	906,247
Phase II NCD Year 2015		
Net after deducting discounts and unamortized issuance cost amounted to Rp11,193 as of September 30, 2015	1,264,629	-
Senior Bond		
Phase I Senior Bond Year 2015		
Net after deducting discounts and unamortized issuance cost amounted to Rp6,429 as of September 30, 2015	2,993,571	-
	<u>5,467,503</u>	<u>2,114,378</u>
<u>United States Dollar</u>		
BRI Bonds		
Net of discounts and unamortized issuance cost amounted to Rp44,990 and Rp48,888 as of September 30, 2015 and December 31, 2014, respectively	7,280,010	6,143,612
	<u><b>12,747,513</b></u>	<u><b>8,257,990</b></u>

Amortization of issuance costs of securities issued for the nine-month period and year ended September 30, 2015 and December 31, 2014, respectively amounted to Rp92.369 and Rp20,382.

Other basic information related to marketable securities issued are as follows:

a) Medium Term Notes (MTN)

On October 10, 2014, BRI issued MTN Phase I 2014 with MTN principal value amounted to Rp720,000 within 3 (three) series as follows:

- A Series: MTN principal value amounted 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 amounted 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 amounted 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 its issuing date, 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 INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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## **24. MARKETABLE SECURITIES ISSUED (continued)**

Other basic information related to marketable securities issued are as follows (continued):

### **a) Medium Term Notes (MTN) (continued)**

On December 24, 2014, BRI issued MTN Phase II 2014 with principal value amounting to Rp520,000 for 370 days period and will mature on December 29, 2015, with a fixed interest rate of 8.90 % per annum. Phase II MTN paid every 3 (three) months starting March 24, 2015. On the issuance date, MTN is rated by Fitch with a rating of AAA(idn) and F1+(idn).

As of September 30, 2015 and December 31, 2014, MTN BRI Phase I and II is rated by Fitch with a rating of AAA(idn) and F1+(idn).

Net proceeds from MTN issuance will be used for lending purpose.

The essential requirements in the agreement MTN is BRI without written approval from the monitoring agent will not reduce the authorized, issued and paid up, merged, separated, consolidated and takeovers.

Management believes that all requirements/restrictions required under the trustee agreement have been complied with.

### **b) Negotiable Certificate of Deposits (NCD)**

On December 2, 2014, BRI issued Negotiable Certificate of Deposits (NCD) 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 Phase I Negotiable Certificate of Deposits (NCD) II 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, NCD 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, NCD 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, NCD issued at 94.17%.

### **c) BRI's 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) year period, and will mature on March 28, 2018 with 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.



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

## 24. MARKETABLE SECURITIES ISSUED (continued)

### c) BRI's Bonds (continued)

The net proceed from the issuance of BRI bonds was used to strengthen general funding structure.

As of September 30, 2015 and December 31, 2014, BRI's bonds year 2013 is rated BBB- and Baa3 by Fitch and Moody's, respectively.

### d) Senior Bond

On the June 25, 2015, BRI issued Senior Bond Phase I Year 2015 amounting to Rp3,000,000 within 3 (three) series as follows:

- A Series: Senior Bond principal value amounting to Rp655,000 with a fixed interest rate of 8.40% per annum, for a 370 (three hundred and seventy) day period and will mature on July 7, 2016.
- B Series: Senior Bond principal value amounting to Rp925,000 with a fixed interest rate of 9.20% per annum, for a 36 (thirty six) month period and will mature on July 3, 2018.
- C Series: Senior Bond principal value amounting to Rp925,000 with a fixed interest rate of 9.50% per annum, for a 60 (sixty) month period and will mature on July 3, 2020.

Interest of The Senior Bond Phase I Year 2015 will be paid every 3 (three) months starting from October 3, 2015. On its issuing date, The Senior Bond Phase I Year 2015 is rated by Pefindo with a rating of idAAA (Triple A).

Management believes that all requirements/restrictions required under the trustee agreement have been complied with.

## 25. FUND BORROWINGS

Fund borrowings consist of:

	<u>September 30, 2015</u>	<u>December 31, 2014</u>
<u>Third parties</u>		
<u>Rupiah</u>		
Bank Indonesia		
Liquidity loans	15,890	15,946
Others	12,333	12,351
	<u>28,223</u>	<u>28,297</u>
<u>Foreign currencies</u>		
Syndicate Loan - Club Deal net of		
Unamortized transaction cost	3,996,532	4,535,871
Others	2,120,624	20,222,694
	<u>6,117,156</u>	<u>24,758,565</u>
	<u>6,145,379</u>	<u>24,786,862</u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**25. FUND BORROWINGS (continued)**

Fund borrowings consist of (continued)

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>Related parties (Note 43)</u>		
<u>Rupiah</u>		
Borrowing from PT Sarana Multigriya Finansial (Persero)	100,000	100,000
Borrowing from Lembaga Pembiayaan Ekspor Indonesia	-	100,000
	<u>100,000</u>	<u>200,000</u>
	<b><u>6,245,379</u></b>	<b><u>24,986,862</u></b>

The classification of fund borrowings based on their remaining period until maturity are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>Third parties</u>		
<u>Rupiah</u>		
≤ 1 month	86	-
> 1 month - 3 months	-	133
> 3 months - 1 year	6,680	6,680
> 1 year - 5 years	9,125	9,133
> 5 years	12,332	12,351
	<u>28,223</u>	<u>28,297</u>
<u>Foreign currencies</u>		
≤ 1 month	140,092	6,799,539
> 1 month - 3 months	1,568,812	8,221,455
> 3 months - 1 year	411,720	5,201,700
> 1 year - 5 years	3,996,532	4,535,871
	<u>6,117,156</u>	<u>24,758,565</u>
	<u>6,145,379</u>	<u>24,786,862</u>
<u>Related parties (Note 43)</u>		
<u>Rupiah</u>		
> 1 month - 3 months	-	100,000
> 1 year - 5 years	100,000	100,000
	<u>100,000</u>	<u>200,000</u>
	<b><u>6,245,379</u></b>	<b><u>24,986,862</u></b>

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.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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):

### a. Borrowings from Bank Indonesia (continued)

#### Liquidity Loans (continued)

The classification of liquidity loans from Bank Indonesia based on their remaining period to maturity as of September 30, 2015 and December 31, 2014 are as follows:

	September 30, 2015	December 31, 2014
≤ 1 month	85	-
> 1 month - 3 months	-	133
> 3 months - 1 year	6.680	6.680
> 1 year - 5 years	9.125	9.133
	<b>15.890</b>	<b>15.946</b>

Average annual interest rates on these loans are 0.02% for the nine-month period and year ended September 30, 2015 and December 31, 2014, 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 be 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.

### c. Syndicated Loan - Club Deal

On September 12, 2014, BRI obtained syndicated loan in the form of Club Deal amounted to USD370,000,000 (full amount), which is facilitated by BNP Paribas (agent) that are divided into:

- a. Facility A, amounted to USD320,000,000 (full amount), with interest rate at LIBOR plus certain margin annually. The first bank participants in this loan are:
  - The Hong Kong and Shanghai Banking Corporation Limited USD60,000,000.
  - Wells Fargo Bank, National Association, London Branch USD60,000,000.
  - Australia and New Zealand Banking Group Limited USD50,000,000.
  - BNP Paribas, Singapore Branch USD50,000,000.
  - DBS Bank Ltd. USD50,000,000.
  - United Overseas Bank Limited USD50,000,000
- b. Facility B, amounted to USD50,000,000 (full amount), with interest rate at LIBOR plus certain margin annually. This facility is financed solely by Commerzbank Aktiengesellschaft.

This syndicated loan is used to fulfill the BRI's liquidity needs. The interest are payable every 3 (three) months starting at 3<sup>rd</sup> (third) month since the signing date of the syndicated loan agreement.

This syndicated loan period is 36 (thirty six) months and will mature on September 12, 2017. BRI does not give any collateral for this loan.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**25. FUND BORROWINGS (continued)**

b. Syndicated Loan - Club Deal (continued)

The syndicated loan has been paid for 25% of total loans, or at USD92.500 on 30 September 2015.

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 September 30, 2015 and December 31, 2014, BRI has meet the important covenants as required in this agreement.

c. Borrowings from Lembaga Pembiayaan Ekspor Indonesia

On September 29, 2014, BRI obtained a borrowing from Lembaga Pembiayaan Ekspor Indonesia with maximum loan amounted 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. The financing facility period is 6 (six) months and will be mature on March 30, 2015. As of December 31, 2014, BRI availed this facility amounting to Rp100,000.

d. Other Borrowings

	<b>September 30, 2015</b>		<b>December 31, 2014</b>	
	<b>Notional amount Foreign Currency (Full amount)</b>	<b>Rupiah Equivalent</b>	<b>Notional amount Foreign Currency (Full amount)</b>	<b>Rupiah Equivalent</b>
<u>Third parties</u>				
<u>Rupiah</u>				
Bank Indonesia		12,333		12,351
<u>Foreign currencies</u>				
<u>United States Dollar</u>				
SMBC, SG	64,335,411	965,861	-	-
ANZ Banking Group, Ltd.	26,424,926	410,474	95,858,234	1,187,204
CTBC Bank	17,396,860	278,213	85,000,000	1,052,725
BOA, SG	16,325,809	262,522	-	-
Bank of Montreal	9,578,806	140,330	105,000,000	1,300,425
Westpac Banking, SNG	175,636	25,922	-	-
Wells Fargo Bank, N.A	-	-	310,000,000	3,839,350
Standard Chartered Bank	-	-	230,474,479	2,854,426
Commerzbank, A.G.	-	-	150,000,000	1,857,750
OCBC Bank	-	-	127,102,367	1,574,163
Citibank, N.A.	-	-	95,000,000	1,176,575
Bank of America, N.A	-	-	78,712,243	974,851
ING Bank	-	-	50,000,000	619,250
JP Morgan Chase Bank, NA	-	-	50,000,000	619,250

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**25. FUND BORROWINGS (continued)**

e. Other Borrowings (continued)

	<b>September 30, 2015</b>		<b>December 31, 2014</b>	
	<b>Notional amount Foreign Currency (Full amount)</b>	<b>Rupiah Equivalent</b>	<b>Notional amount Foreign Currency (Full amount)</b>	<b>Rupiah Equivalent</b>
<u>Third parties (continued)</u>				
<u>Foreign currencies (continued)</u>				
United States Dollar				
Bangkok Bank Public Company Limited	-	-	50,000,000	619,250
Mizuho Bank, Ltd	-	-	50,000,000	619,250
Emirates NDB Bank	-	-	40,000,000	495,400
The Bank of New York Mellon	-	-	36,577,406	453,011
Sumitomo Mitsui Banking Corporation	-	-	51,891,070	642,671
DBS Bank, Ltd	-	-	13,321,229	164,984
		<u>2,083,322</u>		<u>20,050,535</u>
European Euro				
Commerzbank, A.G.	848,298	37,302	-	-
Westpac Banking Corp	-	-	11,181,383	168,317
OCBC Bank	-	-	255,200	3,842
		<u>37,302</u>		<u>172,159</u>
		<u>2,120,624</u>		<u>20,222,694</u>
		<u><b>2,132,957</b></u>		<u><b>20,235,045</b></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 SIBOR 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:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>Rupiah</u>		
Guarantees issued	<u>536</u>	<u>398</u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>Rupiah</u>		
Beginning balance	398	223
Provision during the period/year	138	175
<b>Ending balance</b>	<b>536</b>	<b>398</b>

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 Rp536 and Rp398 as of September 30, 2015 and December 31, 2014, 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" (Note 2a and 42):

	<b>September 30, 2015</b>		<b>December 30, 2014</b>	
	<b>Notional amount Foreign currency (Full amount)</b>	<b>Rupiah Equivalent</b>	<b>Notional amount Foreign currency (Full amount)</b>	<b>Rupiah Equivalent</b>
<u>Third parties</u>				
<u>Rupiah</u>				
Guarantees issued		3,025,959		2,729,658
Irrevocable L/C		882,912		118,550
		<u>3,908,871</u>		<u>2,848,208</u>
<u>Foreign currencies</u>				
Guarantees issued				
United Stated Dollar	652,690,013	9,561,909	397,934,041	4,928,413
European Euro	28,592,718	470,322	31,022,808	466,997
Norwegian Kroner	18,116,252	31,461	18,116,252	30,273
Malaysian Ringgit	8,500,000	28,330	-	-
Saudi Arabian Riyal	1,000,000	3,906	1,000,000	3,300
Singaporean Dollar	187,477	1,930	261,930	2,456
Japanese Yen	823,250	100	-	-
Australian Dollar	12,180	126	-	-
		<u>10,098,084</u>		<u>5,431,439</u>
Irrevocable L/C				
United Stated Dollar	256,198,073	3,753,302	307,956,838	3,814,045
European Euro	21,615,163	355,548	13,261,317	199,627

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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" (continued):

	September 30, 2015		December 30, 2014	
	Notional amount Foreign currency (Full amount)	Rupiah Equivalent	Notional amount Foreign currency (Full amount)	Rupiah Equivalent
<u>Third parties (continued)</u>				
<u>Foreign currencies (continued)</u>				
<u>Irrevocable L/C (continued)</u>				
Japanese Yen	1,278,831,403	155,819	284,726,936	29,486
Swiss Franc	513,430	7,726	-	-
Great Britain Pound Sterling	1,884,391	41,901	40,374	779
Singaporean Dollar	4,369,170	44,983	1,317,033	12,349
Australian Dollar	244,849	2,523	-	-
Canadian Dollar	-	-	469,674	5,016
		<u>4,361,802</u>		<u>4,061,302</u>
		<u>14,459,886</u>		<u>9,492,741</u>
<u>Related parties (Note 43)</u>				
<u>Rupiah</u>				
Guarantees Issued		3,727,321		3,173,582
Irrevocable L/C		<u>1,233,079</u>		<u>386,242</u>
		<u>4,960,400</u>		<u>3,559,824</u>
<u>Foreign currencies</u>				
<u>Guarantees Issued</u>				
United States Dollar	602,945,056	8,833,145	479,556,626	5,939,309
European Euro	103,086,427	1,695,671	104,949,255	1,579,837
		<u>10,528,816</u>		<u>7,519,146</u>
<u>Irrevocable L/C</u>				
United States Dollar	285,700,341	4,185,510	229,687,404	2,844,678
European Euro	74,762,603	1,229,772	93,309,834	1,404,625
Australian Dollar	16,079,580	165,721	21,801,333	221,246
Japanese Yen	342,386,377	41,718	1,021,836,223	105,821
Great Britain Pound Sterling	3,073,603	68,344	1,940,079	37,421
Singaporean Dollar	-	-	3,059,761	28,689
Swiss Franc	75,902	1,142	77,065	965
		<u>5,692,207</u>		<u>4,643,445</u>
		<u>16,221,023</u>		<u>12,162,591</u>
		<u><b>39,550,180</b></u>		<u><b>28,063,364</b></u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**27. LIABILITIES FOR EMPLOYEE BENEFITS**

Liabilities for employee benefits consist of:

	September 30, 2015	December 31, 2014 *)	January 1, 2014/ December 31, 2013 *)
Bonuses and incentives	3,153,534	3,576,481	4,049,105
Provision for grand leaves (Note 41e)	1,105,154	1,012,654	842,485
Provision for work separation scheme (Note 41d)	1,148,037	1,000,283	878,746
Provision for gratuity for services (Note 41e)	778,616	817,046	752,338
Defined benefit pension plan (Note 41a)	-	273,622	-
Provision for pension preparation period (Note 41e)	6,638	7,446	7,081
	<u>6,191,979</u>	<u>6,687,532</u>	<u>6,529,755</u>

\*) As restated (Note 49)

**28. OTHER LIABILITIES**

Other liabilities consist of:

	September 30, 2015	December 31, 2014
<u>Third parties</u>		
<u>Rupiah</u>		
Interests payable	979,552	1,037,787
Provision for timely-payment of interests (Note 2y)	758,483	673,130
Provision for litigation liabilities (Note 44b)	325,543	316,225
Unearned income	191,823	54,549
Guarantee deposits	18,070	20,142
Others	2,629,515	975,545
	<u>4,902,986</u>	<u>3,077,378</u>
<u>Foreign Currencies</u>		
Interests payable	53,088	140,464
Unearned income	196,284	114,734
Guarantee deposits	8,577	15,009
Others	211,506	139,680
	<u>469,455</u>	<u>409,887</u>
	<u>5,372,441</u>	<u>3,487,265</u>

**29. SUBORDINATED LOANS**

BRI obtained subordinated loans in Rupiah with details as follows:

	September 30, 2015	December 31, 2014
Rupiah		
Two-Step Loan	66.780	77.582



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**29. SUBORDINATED LOANS (continued)**

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 4.34% and 4.37%, for a nine-month period and the year ended on date 30 September, 2015 and December 31, 2014 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:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
Rupiah		
> 1 year - 5 years	61,778	72,116
> 5 years	5,002	5,466
	<b>66,780</b>	<b>77,582</b>

**30. EQUITY**

a. Capital stock

The details of authorized, issued and fully paid capital stock of BRI as of September 30, 2015 and December 31, 2014 are as follows:

	<b>Number of Shares</b>	<b>Nominal Value Per Share (Full Rupiah)</b>	<b>Total Share Value (Full Rupiah)</b>	<b>Percentage of Ownership</b>
<b>Authorized Capital Stock</b>				
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%
<b>Total</b>	<b>60,000,000,000</b>		<b>15,000,000,000,000</b>	<b>100.00%</b>
<b>Issued and Fully Paid Capital Stock</b>				
Negara Republik Indonesia				
Series A Dwiwarna Share	1	250	250	0.00%
Series B Common Shares	13,999,999,999	250	3,499,999,999,750	56.75%
Public				
Series B Common Shares	10,669,162,000	250	2,667,290,500,000	43.25%
	<b>24,669,162,000</b>		<b>6,167,290,500,000</b>	<b>100.00%</b>

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 INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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 September, 30 and December 31, 2014 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
	<b>2,773,858</b>

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)	1,764,705,000
Premium per share (full Rupiah)	375
Total premium on shares before discount	661,764
Less:	
- 3% discount given to BRI customers	(2,961)
- Cost of IPO	(69,041)
<b>Additional paid-in capital from IPO</b>	<b>589,762</b>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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, SH, 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 and Hong Kong) from United States Dollar and Hong Kong Dollar to Indonesian Rupiah (Note 2ag). 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 statements of comprehensive income for the year ended as of such date is derived from the accumulation of the monthly statements of 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 19, 2015 and March 26, 2014, the Shareholders agreed to distribute the dividend from net income for the years ended December 31, 2014 and 2013 as follows:

	<b>Income 2014</b>	<b>Income 2013</b>
Dividend	7,272,495	6,348,045
General and specific reserves	2,666,581	4,443,632

BRI recorded the allowance for tantiem in the current consolidated statement of comprehensive income in accordance with SFAS No.24 (Revised 2013) on "Employee Benefits".

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**31. INTEREST, INVESTMENT AND SHARIA INCOME**

Interest and investment income are derived from:

	<b>Nine-Month Period Ended</b>	
	<b>September 30,</b>	
	<b>2015</b>	<b>2014</b>
<u>Rupiah</u>		
Loan		
Micro	26,863,906	23,628,380
Retail	20,837,641	18,746,200
Corporate	5,642,592	4,967,218
Securities		
Fair value through profit or loss		
Certificates of Bank Indonesia	1,051	4,482
Deposits Certificates of Bank Indonesia	1,577	1,005
Government bonds	41,651	49,817
Mutual Funds	2,536	-
Available for sale		
Certificates of Bank Indonesia	223,535	107,127
Deposits Certificates of Bank Indonesia	405,606	73,007
Bonds	1,925	1,699
Government bonds	967,171	503,800
Mutual funds	2,751	-
Medium-Term Notes	651	-
Held to maturity		
Certificates of Bank Indonesia	221,834	200,678
Deposits Certificates of Bank Indonesia	264,878	92,551
Bonds	19,898	-
Government bonds	1,086,054	778,357
Medium-Term Notes	19,997	3,141
Negotiable Certificate Deposit	52,366	-
Government Recapitalization Bonds		
Available for sale	21,120	7,759
Held to maturity	163,041	158,039
Placements with Bank Indonesia and other banks		
Deposit Facility/Term Deposit	672,494	814,290
Inter-bank call money	131,428	82,234
Placements with Bank Indonesia and other banks	6,946	13,407
Current accounts with Bank Indonesia	187,272	161,177
Others	871,546	914,967
	<u>58,711,467</u>	<u>51,309,335</u>
<u>Foreign currencies</u>		
Loan		
Retail	352,933	249,077
Corporate	873,524	634,451
Securities		
Fair value through profit or loss		
Government bonds	3,888	3,075

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**31. INTEREST, INVESTMENT AND SHARIA INCOME (continued)**

	<b>Nine-Month Period Ended September 30,</b>	
	<b>2015</b>	<b>2014</b>
<u>Foreign currencies (continued)</u>		
Securities (continued)		
Available for sale		
Bonds	5,348	735
Government bonds	140,132	253,497
Held to maturity		
Credit Link Notes	19,341	2,435
Promissory Notes	68,665	737
Bonds	939	37,341
Government bonds	520,845	26,739
Placements with Bank Indonesia and other bank		
Deposit Facility/Term Deposit	10,159	46,857
Inter-bank Call Money	64,882	34,330
Others	727,944	298,556
	<u>2,788,600</u>	<u>1,587,830</u>
Total interest and investment income	<u>61,500,067</u>	<u>52,897,165</u>
Income derived from Sharia:		
Murabahah	1,098,635	1,020,327
Musyarakah	376,788	271,728
Others	360,984	244,362
Total Syaria income	<u>1,836,407</u>	<u>1,536,417</u>
	<u><b>63,336,474</b></u>	<u><b>54,433,582</b></u>

**32. INTEREST, OTHER FINANCING AND SHARIA EXPENSE**

This account represents interest expense and other financing expense incurred on:

	<b>Nine-Month Period Ended September 30,</b>	
	<b>2015</b>	<b>2014</b>
<u>Rupiah</u>		
Time deposits	13,773,636	11,179,960
Saving deposits	2,114,639	1,922,733
Demand deposits	814,870	865,757
Deposits from other banks and financial institutions	587,016	198,865
Securities issued	222,891	317
Securities sold under agreement to repurchase	95,348	17,831
Fund borrowings	26,447	2,947
Subordinated loans	26	78
Others	570,985	460,956
	<u>18,205,858</u>	<u>14,649,444</u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**32. INTEREST, OTHER FINANCING AND SHARIA EXPENSE (continued)**

	<b>Nine-Month Period Ended September 30,</b>	
	<b>2015</b>	<b>2014</b>
<u>Foreign Currencies</u>		
Time deposits	801,910	432,213
Securities issued	221,054	178,968
Fund Borrowing	149,727	266,723
Deposits from other banks and financial institutions	102,770	82,495
Demand deposits	66,906	44,266
Securities sold under agreement to repurchase	63,150	-
Saving deposits	1,295	1,136
Others	50,883	87,496
	<u>1,457,695</u>	<u>1,093,297</u>
Total interest expense and other financing expense	<u>19,663,553</u>	<u>15,742,741</u>
Sharia expense:		
Deposits mudharabah	719,561	703,410
Others	52,598	63,186
Total Sharia expense	<u>772,159</u>	<u>766,596</u>
	<u><b>20,435,712</b></u>	<u><b>16,509,337</b></u>

**33. PROVISION FOR IMPAIRMENT LOSSES ON FINANCIAL ASSETS - NET**

This account represents provision (reversal allowance) for impairment losses on financial assets as follows:

	<b>Nine-Month Period Ended September 30,</b>	
	<b>2015</b>	<b>2014</b>
Loans (Note 12f)	6,969,082	4,905,334
Sharia receivables and financing (Note 13)	123,548	33,603
Securities (Note 7e)	-	(12)
Current accounts with other banks (Note 5e)	-	53
Placement with Bank Indonesia and other Banks (Note 6)	-	942
	<u><b>7,092,630</b></u>	<u><b>4,939,920</b></u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

### 34. SALARIES AND EMPLOYEE BENEFITS

The details of this account are as follows:

	<b>Nine-Month Period Ended September 30,</b>	
	<b>2015</b>	<b>2014</b>
Salaries, wages and allowances	6,617,858	5,902,590
Bonuses, incentives and tantiem	3,109,806	3,135,272
Training and development	451,159	461,455
Grand leaves (note 41e)	160,663	256,030
Medical allowances	275,213	204,587
Gratuity for services (note 41e)	-	162,887
Work separation scheme (note 41d)	155,723	145,144
Pensiun iuran pasti (Note 41c)	144,836	107,925
Gratuity for services	8,448	16,908
Defined benefit pension (Note 40a)	475,289	165,286
Preparation period of pensions (Note 40e)	928	1,006
Others	426,533	535,886
	<b>11,826,456</b>	<b>11,094,976</b>

Salaries and allowances of the Board of Directors amounted to Rp36.319 dan Rp40.098 and the Board of Commissioners amounted to Rp14.068 dan Rp14.498 for nine-month period ended September 30, 2015 and 2014 (Note 43).

Bonuses, incentives and *tantiem* of BRI's Boards of Directors, Commissioners and key employees amounted to Rp339.374 dan Rp304.286 for nine-month period ended September 30, 2015 and 2014 (Note 43).

### 35. GENERAL AND ADMINISTRATIVE EXPENSES

The details of this account are as follows:

	<b>Nine-Month Period Ended September 30,</b>	
	<b>2015</b>	<b>2014</b>
Rent	1,089,871	913,787
Depreciation of premises and equipment (Note 16)	813,287	666,572
Repairs and maintenance	607,478	559,389
Electricity and water	434,079	377,099
Transportation	268,023	264,732
Office supplies	211,091	193,710
Printing and postage	165,240	161,024
Communications	116,235	104,864
Computer installations	53,294	48,257
Professional fees	10,445	25,818
Research and product development	9,646	6,589
Others	3,728,458	2,898,147
	<b>7,507,147</b>	<b>6,219,988</b>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**36. NON OPERATING INCOME - NET**

The details of this account are as follows:

	<b>Nine-Month Period Ended September 30,</b>	
	<b>2015</b>	<b>2014</b>
Loan insurance claim income	861,102	546,915
Gain on sale of premises and equipment	8,971	7,991
Rental income	3,914	3,374
Others-net	366,921	1,728,421
	<b>1,240,908</b>	<b>2,286,701</b>

**37. TAXATION**

a. Taxes Payable

As of September 30, 2015 and December 31, 2014, the details of taxes payable are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<u>BRI (Parent Entity)</u>		
Income tax		
Article 25	406.685	-
Article 29	-	22.844
	<b>406.685</b>	<b>22.844</b>
<u>Subsidiaries</u>		
Income tax		
Article 21	5.926	11.936
Article 23	549	1.194
Article 25	24.862	1.837
Article 29	-	1.000
Article 4 (2)	22.212	20.994
Others	7.993	-
	<b>61.542</b>	<b>36.961</b>
	<b>468.227</b>	<b>59.805</b>

b. Tax Expense

	<b>Nine-Month Period Ended September 30,</b>	
	<b>2015</b>	<b>2014*)</b>
<u>Parent Entity</u>		
Current tax expense of:		
Current year	3.342.496	3.784.371
Prior year tax examination	-	362.378
Deferred income tax expense	799.940	192.937
	<b>4.142.436</b>	<b>4.339.686</b>

\*) As restated (Note 49)



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**37. TAXATION (continued)**

b. Tax Expense (continued)

	<b>Nine-Month Period Ended September 30,</b>	
	<b>2015</b>	<b>2014*)</b>
<u>Subsidiaries</u>		
Current tax expense of:		
Prior year tax examination	59.848	16.537
Deferred tax expense (benefit)	(5.154)	16.637
	54.694	33.174
	<b>4.197.129</b>	<b>4.372.860</b>

The reconciliation of income tax expense by multiplying income before income tax to the applicable tax rate are as follows:

	<b>Nine-Month Period Ended September 30,</b>	
	<b>2015</b>	<b>2014*)</b>
Income before tax expense in accordance with the consolidated statement of profit or loss and other comprehensive income	22.620.686	22.444.763
Income of Subsidiaries	(192.935)	(74.331)
Income before tax expense – BRI (Parent Entity)	22.427.751	22.370.432
Temporary Differences:		
Reversal of allowance for impairment losses on loans	(3.145.871)	(855.413)
Provision for (reversal of) employee expenses	55.544	300.040
Unrealized loss (gain) of FVTPL securities and GovernmentRecapitalizationBond	(4.413)	(17.628)
Depreciation of premises and equipment	(105.021)	(198.748)
	(3.199.761)	(771.749)
Permanent Differences:		
Public relation	31.882	28.213
Representations and donations	80.447	71.044
Sports and religious activities	21.552	20.724
Income subjected to final tax	(1.794)	-
income of Subsidiaries	-	(26.799)
Others	(2.647.681)	(2.770.011)
	(2.515.594)	(2.676.829)
<b>Estimated taxable income</b>	<b>16.712.396</b>	<b>18.921.854</b>

\*) As restated (Note 49)

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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 income tax payable are as follows:

	<b>Nine-Month Period Ended September 30,</b>	
	<b>2015</b>	<b>2014*)</b>
Estimated taxable income	<b>16,712,396</b>	<b>18,921,854</b>
<u>Parent Entity</u>		
Corporate income tax expense - current	(3,342,496)	(3,784,371)
Income tax installment payments during the period	5,080,231	5,181,330
Estimated Income tax bill	<b>1,737,735</b>	<b>1,396,959</b>
<u>Subsidiaries</u>		
Corporate income tax expense - current	(59,848)	(16,537)
Income tax installment payments during the period	37,240	27,414
Corporate income tax payable - Article 29	<b>(22,608)</b>	<b>10,877</b>

Based on the letter from the head of the Tax Department (KPP) No. PBK-00044 / I / WPJ.19 / KP.0403 / 2015, No.PBK00045 / I / WPJ. 19 / KP.0403 / 2015, No.PBK-00046 / I / WPJ.19 / KP.0403 / 2015 on January 12, 2015, respectively, at the request of BRI, has been approved to be transferred installment of income tax article 25 in 2014 amounted to Rp360.000 (Note 17) for the period January 2015.

The Reconciliation of income tax expense by multiplying income before income tax to the applicable tax rate are as follows:

	<b>Nine-Month Period Ended September 30,</b>	
	<b>2015</b>	<b>2014*)</b>
Income before tax expense in accordance with the consolidated statement of comprehensive income	22,620,686	22,439,979
Income of Subsidiaries	(192,934)	(74,331)
Income before tax expense - BRI (Parent Entity)	22,427,752	22,370,432
Tax expense with a tax rate of 20%	4,485,567	4,474,086
Tax effect on permanent differences	(503,119)	(535,366)
Effect of different rate used in differed tax calculation	159,988	38,587
Correction of income tax assessment on previous year	-	362,378
Tax Expense - Parent Entity	4,142,436	4,339,685
Tax Expense - Subsidiaries	54,694	33,174
	<b>4,197,129</b>	<b>4,372,860</b>

\*) As restated (Note 49)

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**37. TAXATION (continued)**

b. Tax Expense (continued)

**Assessment for fiscal year 2010**

The General Directorate of Tax based on Tax Assessment Letter No. 00003/206/10/093/12 dated November 28, 2012, affirmed the under payment of Income Tax amounting to Rp1,484,041 which was already approved by BRI amounting to Rp34,529. Management believes that the treatment of the tax under payment that not yet approved by BRI is already in accordance with the existing tax regulations.

On February 27, 2013, BRI has contested the Under Payment of Tax Assessment Letter of Income Tax No. 00003/206/10/093/12 dated November 28, 2012. To qualify for the requirement of objection, BRI has paid deposit amounting to Rp1,449,512 to the State Treasury on February 28, 2013. According to a decree of the General Directorate of Tax No. KEP-229/WPJ.19/2014 dated February 18, 2014, the request was rejected, then on May 12, 2014, BRI filed an appeal to the Tax Court Board and currently is still in the process on the tax court.

c. Deferred Tax Assets

The computation of deferred tax (expense) benefit of BRI are as follows:

	<b>Nine-Month Period Ended</b>	
	<b>September 30,</b>	
	<b>2015</b>	<b>2014*)</b>
<u>Parent Entity</u>		
Reversal for allowance for possible losses on earning assets	(786.468)	(213.853)
Reversal of provision for employee expense	13.886	75.010
Unrealized loss on FVTPL securities and Government Recapitalization Bonds	(1.103)	(4.408)
Depreciation of premises and equipment	(26.255)	(49.687)
	<u>(799.940)</u>	<u>(192.937)</u>
Subsidiaries	5.154	(18.099)
	<u><b>(794.786)</b></u>	<u><b>(211.036)</b></u>

The tax effects of significant temporary differences between commercial and tax reporting (recorded under "Deferred Tax Assets" account) are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>	<b>January 1, 2014*) / December 31, 2013</b>
<u>Parent Entity</u>			
Allowance for possible losses on earning assets	144.710	931.178	1.245.440
Provision for employee expense	817.441	803.555	479.750
Depreciation on premises and equipment	(123.485)	(97.229)	(21.191)
Unrealized loss (gain) on FVTPL securities and Government Recapitalization Bonds	(1.618)	(515)	(1.129)

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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):

	September 30, 2015	December 31, 2014	January 1, 2014*) / December 31, 2013
<u>Parent Entity (continued)</u>			
Unrealized loss on available for sale securities and Government Recapitalization Bonds	729.128	64.388	236.513
Remeasurement on defined benefit program	(145.977)	(37.838)	121.630
	1.420.199	1.663.539	2.061.013
<u>Subsidiaries</u>	24.338	25.333	45.199
	<b>1.444.537</b>	<b>1.688.872</b>	<b>2.106.212</b>

\*) 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 tax rate is 25%.

In addition, 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 "Reduction of the Income Tax Rate on Resident Corporate Tax Payers in the Form of Public Companies" and the Ministry of Finance Regulation No. 238/PMK.03/2008 dated December 30, 2008 on "The Guidelines on the Implementation and Supervision on the Rate Reduction for Domestic 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, provided they meet the prescribed criteria, which is public companies whose shares are owned by the public at a minimum of 40% or more 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 owning only less than 5% of the total paid-up shares. These requirements should be fulfilled by the public companies for a minimum period of 6 (six) months in 1 (one) tax year. Based on Letter No. DE/VII/2015-3908 dated July 2, 2015 and the monthly report of shares ownerships (form No. X.H.I-2 dated July 3, 2015 from the Securities Administration Agency (Biro Administrasi Efek), Datindo Entrycom on the ownership of BRI's shares for the nine-month period ended on September 30, 2015), all of the above mentioned required criteria to obtain the tax rate reduction on BRI's consolidated financial statements for the nine-month period ended September 30, 2015 were fulfilled by BRI.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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### **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.

The principles of integrated and systematic risk management are stated in several policies 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 Director (BOD) is responsible for effective risk management at BRI and have an important role in supporting and overseeing the implementation of risk management across working units.

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, enhance 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: CMRC (Credit Risk Management Committee), MRMC (Market Risk Management Committee), and ORMC (Operational Risk Management Committee), was form 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. BRI monitors the credit quality as part of early identification of credit impairment.

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, which is expected to support BRI's business activities.

Loan distribution performed by business unit 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 usage to obtain maximum income.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**38. RISK MANAGEMENT (continued)**

**Credit Risk Management (continued)**

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 of Bank Indonesia Regulation.

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 September 30, 2015 and December 31, 2014:

	<b>September 30, 2015</b>		
	<b>Maksimum Eposure</b>	<b>Collateral</b>	<b>Net Eksposure</b>
Securities purchased under agreement to resell	15,058,922	13,313,329	1,762,032
	<b>December 31, 2014</b>		
	<b>Maksimum Eposure</b>	<b>Collateral</b>	<b>Net Eksposure</b>
Securities purchased under agreement to resell	39,003,595	41,193,498	-

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:

- a. Secured loans
- b. 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 land and buildings, proof of vehicle ownership, and property.
- b. Financial collateral, such as time deposit, savings, demand deposit, securities, and gold.
- c. Others, such as guarantees, government guarantees, and guarantee institution.

In times of default, BRI will use the collateral as the last resort in recovering its investment.

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.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**38. RISK MANAGEMENT (continued)**

**Credit Risk Management (continued)**

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 September 30, 2015 and December 31, 2014. For these tables, BRI has allocated exposures to the regions based on the geographical area where activities are undertaken which also illustrates the region business potential:

	September 30, 2015							Total
	Jakarta	West Java	Central Java and Yogyakarta	East Java	Sumatera	Central and East Indonesia	Others	
<b>Asset</b>								
Current accounts with Bank Indonesia	52,868,523	-	-	-	-	27	-	52,868,550
Current accounts with other banks	8,729,175	90	1,142	336	2,062	10,446	333,106	9,076,357
Placements with Bank Indonesia and other banks	27,572,804	-	-	-	-	-	968,942	28,541,746
Securities								
Fair value through profit or loss	675,736	-	-	-	-	-	-	675,736
Available for sale	32,807,667	-	-	-	-	-	16,393,423	49,201,090
Held to maturity	58,875,959	-	-	-	-	-	43,950	58,919,909
Export Bills	8,610,535	517,905	251,406	1,097,066	555,792	3,973	-	11,036,677
Government Bonds								
Available for sale	718,594	-	-	-	-	-	-	718,594
Held to maturity	3,350,000	-	-	-	-	-	-	3,350,000
Securities purchased under agreement to resell	15,058,922	-	-	-	-	-	-	15,058,922
Derivatives receivable	5,893	-	-	-	-	-	-	5,893
Loans								
Micro	13,815,176	17,616,038	29,147,583	23,890,583	38,417,767	55,628,283	-	178,515,430
Retail	45,432,950	15,814,191	23,980,088	26,465,469	38,664,570	55,975,375	44,749	206,377,392
Corporate	101,957,377	9,057,602	1,577,308	5,688,221	9,732,056	5,220,407	6,452,264	139,685,235
Sharia receivables and financing receivables	3,626,686	4,557,804	1,752,179	1,678,636	2,407,339	2,388,248	-	16,410,892
Acceptances	5,179,476	694,336	590,444	564,757	248,588	-	-	7,277,601
Investment in associated entities*)	1,944	-	-	-	-	-	-	1,944
Other assets**)	2,289,100	89,259	23,260	30,385	61,680	43,855	120,529	2,658,068
	<b>381,576,517</b>	<b>48,347,225</b>	<b>57,323,410</b>	<b>59,415,453</b>	<b>90,089,854</b>	<b>119,270,614</b>	<b>24,356,963</b>	<b>780,380,036</b>
Less: Allowance for impairment losses								(17,939,785)
								<b>762,440,251</b>
<b>Administrative Accounts</b>								
Irrevocable L/C	7,372,557	3,319,370	113,991	321,817	851,653	190,612	-	12,170,000
Guarantees issued	19,755,418	3,017,595	149,348	670,076	470,852	3,307,682	9,209	27,380,180
	<b>27,127,975</b>	<b>6,336,965</b>	<b>263,339</b>	<b>991,893</b>	<b>1,322,505</b>	<b>3,498,294</b>	<b>9,209</b>	<b>39,550,180</b>

\*) Investment in associated entities with no significant influence.

\*\*) Other assets consist of interest receivables, other receivables, and accrued income based on Sharia principles.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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

	December 31, 2014							Total
	Jakarta	West Java	Central Java and Yogyakarta	East Java	Sumatera	Central and East Indonesia	Others	
<b>Asset</b>								
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								
Fair value through profit or loss	-	-	-	-	-	-	-	-
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 receivables	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
	<b>425,717,777</b>	<b>44,154,711</b>	<b>52,348,313</b>	<b>58,303,108</b>	<b>83,910,141</b>	<b>109,104,914</b>	<b>7,908,570</b>	<b>781,447,534</b>
Less: Allowance for impairment losses								(16,162,795)
								<b>765,284,739</b>
<b>Administrative Accounts</b>								
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
	<b>17,960,003</b>	<b>4,801,530</b>	<b>268,044</b>	<b>934,950</b>	<b>974,653</b>	<b>3,124,184</b>	<b>-</b>	<b>28,063,364</b>

\*) Investment in associated entities with no significant influence.

\*\*) Other assets consist of interest receivables, other receivables, and accrued income based on Sharia principles.



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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**

The following tables provide the details of credit exposure at carrying value, as categorized by the industrial sectors as of September 30, 2015 and December 31, 2014:

	September 30, 2015							
	Government (including Bank Indonesia)	Banks and other financial institutions	Agriculture	Industry	Trading, hotel and restaurant	Services	Others	Total
Current accounts with Bank Indonesia	52,868,550	-	-	-	-	-	-	52,868,550
Current accounts with other banks	-	9,076,357	-	-	-	-	-	9,076,357
Placements with Bank Indonesia and other banks	23,399,726	5,142,020	-	-	-	-	-	28,541,746
Securities								
Fair value through profit or loss	675,736	-	-	-	-	-	-	675,736
Available for sale	45,545,578	1,784,495	-	1,280,410	-	568,353	22,254	49,201,090
Held to maturity	52,756,137	5,247,647	-	559,441	-	356,684	-	58,919,909
Export Bills	135,355	-	-	3,541,367	189,374	21,953	7,148,628	11,036,677
Government								
Recapitalization								
Bonds								
Available for sale	718,594	-	-	-	-	-	-	718,594
Held to maturity	3,350,000	-	-	-	-	-	-	3,350,000
Securities purchased under agreement to resell	14,426,377	632,545	-	-	-	-	-	15,058,922
Derivatives receivable	-	5,893	-	-	-	-	-	5,893
Loans								
Micro	-	-	25,114,028	4,355,862	77,240,562	9,148,850	62,656,128	178,515,430
Retail	283,956	289,325	5,920,291	14,491,497	79,942,949	8,247,133	97,202,241	206,377,392
Corporate	869,299	4,659,460	19,009,606	33,634,514	26,790,861	4,414,067	50,307,428	139,685,235
Sharia receivables and financing	-	1,527,908	418,494	2,264,639	3,621,208	772,689	7,805,954	16,410,892
Acceptances receivables	738,562	38,123	-	471,215	-	1,354	6,028,347	7,277,601
Investment in associated entities*)	-	834	-	-	-	900	210	1,944
Other assets**)	1,135,394	161,022	-	-	31,947	340,131	989,574	2,658,068
	<b>196,903,264</b>	<b>28,565,629</b>	<b>50,462,419</b>	<b>60,598,945</b>	<b>187,816,901</b>	<b>23,872,114</b>	<b>232,160,764</b>	<b>780,380,036</b>
Less: Allowance for impairment losses								(17,939,785)
								<b>762,440,251</b>
<b>Administrative Accounts</b>								
Irrevocable L/C	6,925,285	-	22,324	310,330	2,410	1,186	4,908,465	12,170,000
Guarantees issued	14,256,137	1,203	586,244	1,471,591	204,357	109,565	10,751,083	27,380,180
	<b>21,181,422</b>	<b>1,203</b>	<b>608,568</b>	<b>1,781,921</b>	<b>206,767</b>	<b>110,751</b>	<b>15,659,548</b>	<b>39,550,180</b>

\*) Investment in associated entities with no significant influence.

\*\*) Other assets consist of interest receivables, other receivables, and accrued income based on Sharia principles.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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)

	December 31, 2014							
	Government (including Bank Indonesia)	Banks and other financial institutions	Agriculture	Industry	Trading, hotel and restaurant	Services	Others	Total
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								
Fair value through profit or loss	-	-	-	-	-	-	-	-
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	-	-	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 receivables	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
	<b>226,047,302</b>	<b>38,615,595</b>	<b>49,456,487</b>	<b>63,835,320</b>	<b>164,056,783</b>	<b>22,184,102</b>	<b>217,251,945</b>	<b>781,447,534</b>
Less: Allowance for impairment losses								(16,162,795)
								<b>765,284,739</b>
<b>Administrative Accounts</b>								
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
	<b>14,989,189</b>	<b>69</b>	<b>26,828</b>	<b>1,339,303</b>	<b>283,201</b>	<b>115,897</b>	<b>11,308,877</b>	<b>28,063,364</b>

\*) Investment in associated entities with no significant influence.

\*\*) Other assets consist of interest receivables, other receivables, and accrued income based on Sharia principles.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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

Impairment of financial assets as of September 30, 2015 and December 31, 2014 are as follows:

a. Current accounts with other banks

As of September 30, 2015 and December 31, 2014, this financial asset is neither individually nor collectively impaired.

b. Placements with Bank Indonesia and other banks

As of September 30, 2015 and December 31, 2014, this financial asset is neither individually nor collectively impaired.

c. Securities

As of September 30, 2015 and December 31, 2014, this financial asset is neither individually nor collectively impaired.

d. Export Bills

As of September 30, 2015 and December 31, 2014, this financial asset is neither individually nor collectively impaired.

e. Derivatives receivable

As of September 30, 2015 and December 31, 2014, this financial asset is neither individually nor collectively impaired.

f. Loans, sharia receivables and financing

As of September 30, 2015 and December 31, 2014, these financial assets are individually and collectively impaired, with the following details:

	September 30, 2015				
	Neither Past Due Nor Impaired		Past Due But Not Impaired		Total
	High Grade	Standar Grade	Impaired	Impaired	
Rupiah					
Trading, hotels and restaurants	153,823,420	3,376,628	15,462,935	7,317,436	179,980,419
Agriculture	43,031,731	392,665	3,133,972	2,642,816	49,201,184
Business services	21,407,402	1,964,554	2,070,449	1,152,639	26,595,044
Manufacturing	22,073,872	292,002	1,217,260	2,787,245	26,370,379
Electricity, gas and water	14,874,224	3,964	30,832	41,988	14,951,008
Transportation, warehousing and communications	12,423,464	412,668	1,409,639	530,129	14,775,900
Construction	12,767,450	128,597	491,059	1,362,904	14,750,010
Social services	4,330,242	34,390	425,432	137,114	4,927,178
Mining	2,188,890	46,900	552,163	109,345	2,897,298
Others	140,653,408	216,083	6,843,595	2,045,384	149,758,470
	427,574,103	6,868,451	31,637,336	18,127,000	484,206,890
Foreign currencies					
Manufacturing	32,105,071	359,658	839,457	732,484	34,036,670
Trading, hotels and restaurants	1,919,345	56,735	305,739	958,067	3,239,886

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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 (continued)

f. Loans, sharia receivables and financing (continued)

<b>September 30, 2015</b>					
	<b>Neither Past Due Nor Impaired</b>		<b>Past Due But Not Impaired</b>		<b>Total</b>
	<b>High Grade</b>	<b>Standar Grade</b>	<b>High Grade</b>	<b>Impaired</b>	
Foreign currencies (continued)					
Social services	3,658,629	-	-	-	3,658,629
Mining	4,477,597	-	3,291	304,110	4,784,998
Agriculture	1,534,344	-	14,650	40,956	1,589,950
Construction	868,297	-	12,530	1,304,831	2,185,658
Electricity, gas and water	3,905,518	94,510	-	57,489	4,057,517
Business services	909,378	1,465	19,239	531,940	1,462,022
Transportation, warehousing and communications	1,078,023	-	4,056	465,150	1,547,229
Others	219,500	-	-	-	219,500
	<u>50,675,702</u>	<u>512,368</u>	<u>1,198,962</u>	<u>4,395,027</u>	<u>56,782,059</u>
	<u>478,249,805</u>	<u>7,380,819</u>	<u>32,836,298</u>	<u>22,522,027</u>	<u>540,988,949</u>
Less: Allowance for Impairment losses					(17,939,785)
					<u><b>523,049,164</b></u>

<b>December 31, 2014</b>					
	<b>Neither Past Due Nor Impaired</b>		<b>Past Due But Not Impaired</b>		<b>Total</b>
	<b>High Grade</b>	<b>Standar Grade</b>	<b>High Grade</b>	<b>Impaired</b>	
Rupiah					
Trading, hotels and restaurants	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	16,878,728	226,047	555,125	479,400	18,139,300
Transportation, warehousing and communications	12,354,142	41,598	436,718	425,011	13,257,469
Construction	12,682,456	4,030	46,160	43,236	12,775,882
Social services	10,833,766	31,012	361,522	1,368,515	12,594,815
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>
Foreign currencies					
Manufacturing	34,102,883	4,629	84,593	749,683	34,941,788
Trading, hotels and restaurants	3,140,295	85,060	590	457,949	3,683,894
Social services	3,514,536	-	-	-	3,514,536
Mining	2,484,509	-	4,591	287,229	2,776,329
Agriculture	2,266,204	-	-	37,756	2,303,960
Construction	2,478,847	-	97,465	-	2,576,312
Electricity, gas and water	1,112,217	-	28,660	467,186	1,608,063
Business services	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>
	<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)
					<u><b>494,534,046</b></u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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 (continued)

g. Acceptances receivable

As of September 30, 2015 and December 31, 2014, this financial asset is neither individually nor collectively impaired.

h. Administrative accounts

As of September 30, 2015 and December 31, 2014, the administrative accounts are impaired with the following details:

	<b>September 30, 2015</b>	<b>31 December 2014</b>
Rupiah		
Guarantees issued	6,753,280	5,903,240
Irrevocable L/C	2,115,991	504,792
	<u>8,869,271</u>	<u>6,408,032</u>
Foreign currencies		
Irrevocable L/C	10,054,009	8,704,747
Guarantees issued	20,626,900	12,950,585
	<u>30,680,909</u>	<u>21,655,332</u>
	39,550,180	28,063,364
Less: Allowance for Impairment losses	(536)	(398)
	<u><b>39,549,644</b></u>	<u><b>28,062,966</b></u>

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.

	<b>September 30, 2015</b>			
	<b>Neither Past Due Nor Impaired</b>		<b>Past Due But Not Impaired</b>	
	<b>High Grade</b>	<b>Standar Grade</b>	<b>Impaired</b>	<b>Total</b>
Current accounts with Bank Indonesia	51,681,681	-	-	51,681,681
Current accounts with other banks	14,746,598	-	-	14,746,598
Placements with Bank Indonesia and other banks	70,975,403	-	-	70,975,403
Securities				
Fair value through profit or loss	675,736	-	-	675,736
Available for sale	47,997,590	1,203,500	-	49,201,090
Held to maturity	58,333,794	586,115	-	58,919,909
Export bills	11,036,677	-	-	11,036,677
Government Recapitalization Bonds				
Available for sale	718,594	-	-	718,594

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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)**

	September 30, 2015				
	Neither Past Due Nor Impaired		Past Due But Not Impaired	Impaired	Total
	High Grade	Standar Grade			
Government Recapitalization Bonds					
Held to maturity	3,350,000	-	-	-	3,350,000
Securities purchased under agreement to resell	15,058,922	-	-	-	15,058,922
Derivatives receivable	5,893	-	-	-	5,893
Loans					
Micro	160,377,713	1,080,494	14,108,233	2,948,990	178,515,430
Retail	181,092,367	3,244,173	14,611,352	7,429,500	206,377,392
Corporate	123,112,540	2,263,371	2,966,072	11,343,252	139,685,235
Sharia receivables and financing	13,667,189	792,778	1,150,641	800,284	16,410,892
Acceptances receivables	7,277,601	-	-	-	7,277,601
Investment in associated entities*)	1,944	-	-	-	1,944
Other assets**)	2,657,529	539	-	-	2,658,068
	<b>762,767,771</b>	<b>9,170,970</b>	<b>32,836,298</b>	<b>22,522,026</b>	<b>827,297,065</b>

  

	December 31, 2014				
	Neither Past Due Nor Impaired		Past Due But Not Impaired	Impaired	Total
	High Grade	Standar Grade			
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					
Fair value through profit or loss	-	-	-	-	-
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 receivables	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
	<b>726,988,960</b>	<b>8,905,420</b>	<b>25,760,026</b>	<b>19,793,128</b>	<b>781,447,534</b>

\*) Investment in associated entities with no significant influence.

\*\*) Other assets consist of interest receivables, other receivables, and accrued income based on Sharia principles.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**38. RISK MANAGEMENT (continued)**

**Credit Risk Management (continued)**

4. Quality of financial assets (continued)

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.

2. Standard Grade

- a. Current accounts with Bank Indonesia, current accounts with other banks, placements with Bank Indonesia and other banks are currents accounts or placements with the 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.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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.

<b>September 30, 2015</b>				
	<b>≤ 30 days</b>	<b>&gt; 30 - 60 days</b>	<b>&gt; 60 - 90 days</b>	<b>Total</b>
Loans				
Retail	1,390,835	283,612	12,936,905	14,611,352
Micro	374,445	79,052	13,654,736	14,108,233
Corporate	61,247	8,997	2,895,828	2,966,072
Sharia receivables and financing	802,843	143,237	204,561	1,150,641
	<b>2,629,370</b>	<b>514,898</b>	<b>29,692,030</b>	<b>32,836,298</b>

  

<b>December 31, 2014</b>				
	<b>≤ 30 days</b>	<b>&gt; 30 - 60 days</b>	<b>&gt; 60 - 90 days</b>	<b>Total</b>
Loans				
Retail	1,118,598	278,506	9,491,736	10,888,840
Micro	370,717	60,836	11,430,952	11,862,505
Corporate	929,233	-	1,560,989	2,490,222
Sharia receivables and financing	347,545	108,084	62,830	518,459
	<b>2,766,093</b>	<b>447,426</b>	<b>22,546,507</b>	<b>25,760,026</b>

**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. In order to support liquidity management, BRI has determined liquidity risk management policy which covers liquidity management, liquidity allowance maintenance, funding strategy determination, early warning system, measurement and determination of liquidity risk limit including high quality liquid asset and emergency funding plan (contingency plan).

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.

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.



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**38. RISK MANAGEMENT (continued)**

**Liquidity Risk Management (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 September 30, 2015 and December 31, 2014:

	September 30, 2015					Total
	Up to 1 month	More than 1 month up to 3 months	More than 3 month up to 1 year	More than 1 year	Others without maturity	
<b>Assets</b>						
Cash	-	-	-	-	21,108,125	21,108,125
Current accounts with Bank Indonesia	52,868,550	-	-	-	-	52,868,550
Current accounts with other banks	9,076,357	-	-	-	-	9,076,357
Placements with Bank Indonesia and other banks	28,395,246	146,500	-	-	-	28,541,746
Securities	49,877,751	721,287	5,171,991	53,025,706	-	108,796,735
Export bills	8,953,808	1,058,741	1,014,211	9,917	-	11,036,677
Government Recapitalization Bonds	718,594	-	-	3,350,000	-	4,068,594
Securities purchased under agreement to resell	14,063,731	995,191	-	-	-	15,058,922
Derivatives receivable	5,893	-	-	-	-	5,893
Loans						
Micro	2,337,423	4,024,308	23,202,239	148,951,460	-	178,515,430
Retail	12,228,026	12,046,506	53,752,885	128,349,975	-	206,377,392
Corporate	7,128,821	7,896,306	37,366,034	87,294,074	-	139,685,235
Allowance for Impairment losses	-	-	-	-	(17,601,240)	(17,601,240)
Sharia receivables and financing	812,564	843,383	1,727,728	13,027,217	-	16,410,892
Allowance for Impairment losses	-	-	-	-	(338,545)	(338,545)
Acceptances receivable	5,847,321	579,160	850,971	149	-	7,277,601
Investment in associated entities*)	-	-	-	-	1,944	1,944
Other assets**)	338,899	355,454	1,093,938	7,440	862,337	2,658,068
	<u>192,652,984</u>	<u>28,666,836</u>	<u>124,179,997</u>	<u>434,015,938</u>	<u>4,032,621</u>	<u>783,548,376</u>
<b>Liabilities</b>						
Liabilities due immediately	5,984,968	-	-	-	-	5,984,968
Deposits from customers						
Demand deposits	110,078,855	-	-	-	-	110,078,855
Wadiah demand deposits	-	-	-	-	1,119,116	1,119,116
Saving deposits	234,098,351	-	-	-	-	234,098,351
Wadiah saving deposits	-	-	-	-	3,450,261	3,450,261
Mudharabah saving deposits	-	-	-	-	583,467	583,467
Time deposits	130,250,877	72,797,265	44,162,092	25,697,392	-	272,907,626
Mudharabah time deposits	11,129,314	2,331,455	243,484	6,546	-	13,710,799
Deposits from other Banks and financial Institutions	4,359,321	1,484	-	-	-	4,360,805
Securities sold under agreement to repurchase	83,988	676,839	-	7,648,943	-	8,409,770
Derivatives payable	25,248	-	1,013,754	553,479	-	1,592,481
Acceptances payable	5,847,322	579,159	850,971	149	-	7,277,601
Marketable securities issued	1,320,000	-	-	11,427,513	-	12,747,513
Fund borrowings	140,177	1,568,812	418,400	4,117,990	-	6,245,379
Subordinated loans	-	-	-	66,780	-	66,780
Other liabilities***)	911,474	92,156	51,912	248	-	1,055,790
	<u>504,229,895</u>	<u>78,047,170</u>	<u>46,740,613</u>	<u>49,519,040</u>	<u>5,152,844</u>	<u>683,689,562</u>
<b>Maturity Gap</b>	<u><b>(311,576,911)</b></u>	<u><b>(49,380,334)</b></u>	<u><b>77,439,384</b></u>	<u><b>384,496,898</b></u>	<u><b>(1,120,223)</b></u>	<u><b>99,858,814</b></u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**38. RISK MANAGEMENT (continued)**

**Liquidity Risk Management (continued)**

	December 31, 2014					Total
	Up to 1 month	More than 1 month up to 3 months	More than 3 month up to 1 year	More than 1 year	Others without maturity	
<b>Assets</b>						
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	61,955,442	80,000	-	-	-	62,035,442
Securities	43,765,800	7,126,292	10,402,083	22,874,285	-	84,168,460
Export bills	1,278,395	3,160,826	6,088,764	-	-	10,527,985
Government Recapitalization Bonds	703,596	-	500,000	3,100,000	-	4,303,596
Securities purchased under agreement to resell	35,831,370	3,172,225	-	-	-	39,003,595
Derivatives receivable	536	-	-	-	-	536
Loans						
Micro	1,865,666	3,089,568	21,906,487	137,192,459	-	164,054,180
Retail	11,954,698	11,291,775	51,660,591	124,921,526	-	199,828,590
Corporate	22,915,199	18,092,524	13,675,145	76,531,650	-	131,214,518
Allowance for Impairment losses	-	-	-	-	(15,886,145)	(15,886,145)
Sharia receivables and financing	656,943	610,850	2,168,512	12,163,248	-	15,599,553
Allowance for Impairment losses	-	-	-	-	(276,650)	(276,650)
Acceptances receivable	856,552	2,558,367	3,110,769	-	-	6,525,688
Investment in associated entities*)	-	-	-	-	1,944	1,944
Other assets**)	538,224	1,363,411	516,943	-	-	2,418,578
	<u>244,087,290</u>	<u>50,545,838</u>	<u>110,029,294</u>	<u>376,783,168</u>	<u>6,308,316</u>	<u>787,753,906</u>
<b>Liabilities</b>						
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
Wadiah saving deposits	3,298,659	-	-	-	-	3,298,659
Mudharabah saving deposits	373,816	-	-	-	-	373,816
Time deposits	159,038,623	59,912,512	40,759,412	23,746,997	-	283,457,544
Mudharabah time deposits	10,993,363	1,214,600	209,165	-	-	12,417,128
Deposits from other Banks and financial Institutions	8,578,878	53,940	22,574	-	-	8,655,392
Securities sold under agreement to repurchase	7,832,432	4,527,802	640,364	2,456,103	-	15,456,701
Derivatives payable	-	-	613,215	104,308	-	717,523
Acceptances payable	856,552	2,558,367	3,110,769	-	-	6,525,688
Marketable securities issued	-	162,897	1,062,493	7,032,600	-	8,257,990
Fund borrowings	6,799,539	8,321,588	5,208,380	4,657,355	-	24,986,862
Subordinated loans	-	-	-	77,582	-	77,582
Other liabilities***)	1,004,774	99,066	83,832	-	-	1,187,672
	<u>528,595,107</u>	<u>76,850,772</u>	<u>51,710,204</u>	<u>38,074,945</u>	<u>-</u>	<u>695,231,028</u>
<b>Maturity Gap</b>	<u>(284,507,817)</u>	<u>(26,304,934)</u>	<u>58,319,090</u>	<u>338,708,223</u>	<u>6,308,316</u>	<u>92,522,878</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 and guarantee deposits.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

### 38. RISK MANAGEMENT (continued)

#### 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 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.

The following tables present information on VaR value starting from January 1, 2015 until September 30, 2015 and January 1, 2014 until December 31, 2014.

	2015	
	Exchange Rate*)	Interest Rate
Daily Average	57,645.91	13,118.08
Highest	99,186.31	34,463.22
Lowest	15,379.05	97.41

  

	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

\*) 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.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**38. RISK MANAGEMENT (continued)**

**Market Risk Management**

**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.

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 September 30, 2015 and December 31, 2014:

	September 30, 2015		December 31 2014	
	Rupiah	Foreign currency	Rupiah	Foreign currency
<b>Assets</b>				
Placement with Bank Indonesia and other banks	7.75%	0.12%	6.48%	0.13%
Securities	8.37%	3.49%	8.27%	4.29%
Government Recapitalization Bonds	5.87%	-	6.34%	-
Loans	12.44%	4.34%	12.09%	4.35%
<b>Liabilities</b>				
Deposit from customers				
Demand deposits	2.25%	0.33%	2.43%	0.34%
Saving deposits	1.26%	0.22%	1.26%	0.22%
Time deposits	8.50%	1.75%	8.74%	1.78%
Deposits from other banks and other financial institutions	4.41%	0.38%	4.88%	0.53%
Fund borrowings	4.64%	2.95%	4.64%	1.12%
Subordinated loans	4.34%	-	4.37%	-
Marketable securities issued	8.47%	2.95%	8.82%	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 and loss and other comprehensive income.

September 30, 2015	
Changes in Percentage	Impact on Statement of Comprehensive Income
+/- 1.00%	+/- 1,748,233
December 31, 2014	
Changes in Percentage	Impact on Statement of Comprehensive Income
+/- 1.00%	+/- 1,333,408

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%.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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):

30 September 2015						
	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			
<b>Assets</b>						
Cash	-	-	-	-	21.108.125	21.108.125
Current accounts with Bank Indonesia	52.868.550	-	-	-	-	52.868.550
Current accounts with other banks	9.076.357	-	-	-	-	9.076.357
Placements with Bank Indonesia and other banks	28.541.746	-	-	-	-	28.541.746
Securities						
Fair Value through profit or loss	-	-	-	675.736	-	675.736
Available for sale	-	-	-	49.201.090	-	49.201.090
Held to maturity	752.672	-	-	58.167.237	-	58.919.909
Export bills	11.036.677	-	-	-	-	11.036.677
Government Recapitalization Bonds						
Available for sale	718.594	-	-	-	-	718.594
Held to maturity	3.350.000	-	-	-	-	3.350.000
Securities purchased under agreement to resell	15.058.922	-	-	-	-	15.058.922
Derivatives receivable	-	-	-	-	5.893	5.893
Loans						
Micro	77.083.194	29.277.464	-	72.154.772	-	178.515.430
Retail	24.274.533	96.937.310	18.787.072	66.378.477	-	206.377.392
Corporate	15.025.127	124.660.108	-	-	-	139.685.235
Sharia receivables and financing	-	-	-	-	16.410.892	16.410.892
Acceptances receivable	-	-	-	-	7.277.601	7.277.601
Investment in associated entities*)	-	-	-	-	1.944	1.944
Other assets**)	-	-	-	-	2.658.068	2.658.068
	<b>237.786.372</b>	<b>250.874.882</b>	<b>18.787.072</b>	<b>246.577.312</b>	<b>47.462.523</b>	<b>801.488.161</b>
<b>Liabilities</b>						
Liabilities due Immediately	-	-	-	-	5.984.968	5.984.968
Deposits from customers						
Demand deposits	110.078.855	-	-	-	-	110.078.855
Wadiah demand deposits	-	-	-	-	1.119.116	1.119.116
Saving deposits	234.098.351	-	-	-	-	234.098.351
Wadiah saving deposits	-	-	-	-	3.450.261	3.450.261
Mudharabah saving deposits	-	-	-	-	583.467	583.467
Time deposits	190.001.743	57.121.327	25.784.556	-	-	272.907.626
Mudharabah time deposits	-	-	-	-	13.710.799	13.710.799
Deposits from other Banks and financial Institutions	4.360.805	-	-	-	-	4.360.805
Securities sold under agreement to repurchase	-	-	-	8.409.770	-	8.409.770
Derivatives payable	-	-	-	-	1.592.481	1.592.481
Acceptances payable	-	-	-	-	7.277.601	7.277.601
Marketable securities Issued	-	-	-	12.747.513	-	12.747.513
Fund borrowings	5.705.437	411.720	12.332	15.890	100.000	6.245.379
Subordinated loans	-	-	-	66.780	-	66.780
Other liabilities***)	-	-	-	-	1.055.790	1.055.790
	<b>544.245.191</b>	<b>57.533.047</b>	<b>25.796.888</b>	<b>21.239.953</b>	<b>34.874.483</b>	<b>683.689.562</b>
<b>Interest rate repricing Gap between financial assets and liabilities</b>	<b>(306.458.819)</b>	<b>193.341.835</b>	<b>(7.009.816)</b>	<b>225.337.359</b>	<b>12.588.040</b>	<b>117.798.599</b>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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)**

	December 31, 2014					
	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			
<b>Assets</b>						
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						
Fair Value through profit or loss	-	-	-	-	-	-
Available for sale	703,596	-	-	-	-	703,596
Held to maturity	3,600,000	-	-	-	-	3,600,000
Securities purchased under agreement to resell	35,831,370	3,172,225	-	-	-	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
Acceptances receivable	-	-	-	-	6,525,688	6,525,688
Investment in associated entities*)	-	-	-	-	1,944	1,944
Other assets**)	-	-	-	-	2,418,578	2,418,578
	<b>318,487,640</b>	<b>221,740,623</b>	<b>17,233,748</b>	<b>199,439,224</b>	<b>47,015,466</b>	<b>803,916,701</b>
<b>Liabilities</b>						
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
Wadiah saving deposits	-	-	-	-	3,298,659	3,298,659
Mudharabah saving deposits	-	-	-	-	373,816	373,816
Time deposits	198,920,595	83,855,169	681,780	-	-	283,457,544
Mudharabah 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	-	-	-	15,456,701	-	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
	<b>544,827,193</b>	<b>89,079,443</b>	<b>5,230,002</b>	<b>23,808,219</b>	<b>32,286,171</b>	<b>695,231,028</b>
<b>Interest rate repricing Gap between financial assets and liabilities</b>	<b>(226,339,553)</b>	<b>132,661,180</b>	<b>12,003,746</b>	<b>175,631,005</b>	<b>14,729,295</b>	<b>108,685,673</b>

\*) 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 and guarantee deposits.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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)**

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. 12/10/PBI/2010, third amendment to PBI No. 5/13/PBI/2003, regarding Net Open Position for Commercial Banks dated July 1, 2010, NOP is set to a maximum of 20% of capital.

The tables below represent NOP (BRI only) as of September 30, 2015 and December 31, 2014 by currency, respectively, as follows:

Currencies	September 30, 2015		
	Assets	Liabilities	NOP
<b><u>Statement of Financial Position</u></b>			
United States Dollar	110,298,724	109,435,315	863,409
Renminbi	7,778,539	8,044,880	(266,341)
European Euro	1,047,884	1,188,585	(140,701)
Australian Dollar	385,480	212,368	173,112
Singapore Dollar	677,257	162,794	514,463
Japanese Yen	216,085	48,582	167,503
Great Britain Pound Sterling	337,582	121,113	216,469
Canadian Dollar	18,354	191	18,163
Others	597,776	38,412	559,364
			<u>2,105,441</u>
<b><u>Statement of Financial Position and Administrative Accounts*)</u></b>			
United States Dollar	113,513,630	111,956,159	1,557,472
Renminbi	7,778,539	8,044,880	266,341
European Euro	1,097,231	1,237,932	140,701
Australian Dollar	442,165	269,053	173,112
Singapore Dollar	706,676	192,224	514,452
Japanese Yen	245,246	77,772	167,474
Great Britain Pound Sterling	404,289	187,820	216,469
Canadian Dollar	18,354	191	18,163
Others	614,451	55,078	559,373
			<u>3,613,557</u>
Capital (Note 48a)			<u>107,058,595</u>
<b>NOP Ratio (Statement of Financial Position)</b>			<u><b>1.97%</b></u>
<b>NOP Ratio (Overall)</b>			<u><b>3.38%</b></u>

\*) Total absolute differences between assets and liabilities denominated in foreign currencies.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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 represent NOP (BRI only) as of September 30, 2015 and December 31, 2014 by currency, respectively, as follows (continued):

	December 31, 2014		
Currencies	Assets	Liabilities	NOP
<b>Statement of Financial Position</b>			
United States Dollar	125,332,202	123,610,290	1,721,912
Renminbi	6,864,981	7,179,129	(314,148)
European Euro	966,055	1,463,737	(497,682)
Australian Dollar	140,423	225,509	(85,086)
Singapore Dollar	427,239	138,629	288,610
Japanese Yen	192,783	71,828	120,955
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
			1,685,004
<b>Statement of Financial Position and Administrative Accounts*)</b>			
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
Australian Dollar	505,761	489,364	16,397
Singapore Dollar	427,239	138,629	288,610
Japanese Yen	192,783	71,828	120,955
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 48a)			85,706,557
<b>NOP Ratio (Statement of Financial Position)</b>			<b>1.97%</b>
<b>NOP Ratio (Overall)</b>			<b>3.86%</b>

\*) Total absolute differences between assets and liabilities denominated in foreign currencies.



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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.

	September 30, 2015		December 31, 2014	
	Percentage Change	Impact to Statement of Comprehensive Income	Percentage Change	Impact to Statement of Comprehensive Income
Interest rate risk	+/- 1.00%	+/- 27,196	+/- 1.00%	+/- 23,715
Foreign exchange risk	+/- 1.00%	+/- 25	+/- 1.00%	+/- 702

**Operational Risk Management**

BRI Operational Risk Management is implemented according to Bank Indonesia Regulation No. 11/25/PBI/2009 on Risk Management Implementation of Commercial Bank, which requires risk management implementation to cover pillars on active supervision of 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 it's coordinated by Operational Risk Management Unit and related desk/division/businessunit.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**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 as a 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.

**1. Risk Control and Self Assessment (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. Policy on RCSA is stipulated through BRI Circular Letter No. S.25-DIR/DMR/12/2012.

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 product and or new activity implementation, new market segment and competition condition, change in internal/external policy, as well as other changes which affect BRI risk exposure. Working unit performs RCSA assessment by considering loss event data in Incident Management (IM)/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.30-DIR/DMR/11/2013.

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.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**38. RISK MANAGEMENT (continued)**

**Operational Risk Management (continued)**

**2. Incident Management (IM) and Loss Event Database (LED) (continued)**

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.

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).

**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.06-DIR/DMR/04/2014.

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 are held in each business unit and its expected to support the enlargement of BRI's risk awareness culture. Risk Management Forum is stipulated through BRI Circular Letter No. S.11-DIR/DMR/10/2014.

**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.12-DIR/DMR/04/2009.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**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 declared (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 Ragunan BRI Training Centre.

In order to ensure the execution of BCM procedures, the readiness of BRI organization has been tested well during disasters condition in several business units. Availability of E-Buzz car and Mobile Terrace Bank (TerasKeliling) which are located throughout all of BRI business unit are utilized as an alternate site and operated to service the customers sooner after the disasters condition. Therefore, the availability of these vehicles are very important to support the continuance of business and operational activities after the disasters condition.

**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 based on requirements from Bank Indonesia which are: prevention pillar, detection pillar, investigation, report and sanction pillar and evaluation, monitoring and follow-up/action plan pillar. 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.106-DIR/DMR/05/2012.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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 September 30, 2015 and December 31, 2014 are not updated to reflect changes in market conditions which have occurred subsequently.

	September 30, 2015		December 31, 2014	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Aset</b>				
Cash	21,108,125	21,108,125	22,469,167	22,469,167
Current accounts with Bank Indonesia	52,868,550	52,868,550	51,184,429	51,184,429
Current Account with other banks	9,076,357	9,076,357	10,580,440	10,580,440
Placements with Bank Indonesia and other banks	28,541,746	28,541,746	62,035,442	62,035,442
Securities				
Fair value through profit or lost	406,175	406,175	128,342	128,342
Available for sale	49,210,947	49,210,947	40,002,324	40,002,324
Held to maturity	59,179,612	52,770,266	44,037,794	44,304,122
Export bill	11,036,677	11,036,677	10,527,985	10,527,985
Government Recapitalization Bond				
Available for sale	718,594	718,594	703,596	703,596
Held to maturity	3,350,000	3,322,265	3,600,000	3,540,075
Securities purchased under agreement to sell	15,058,922	15,058,922	39,003,595	39,003,595
Derivative receivable	10,517	10,517	536	536
Loans, Sharia receivable and financing	523,049,168	518,509,649	494,534,046	485,068,444
Acceptance receivable	7,277,601	7,277,601	6,525,688	6,525,688
Investment in associated entities*)	265,561	265,561	1,944	1,944
Others Assets **)	2,658,068	2,658,068	2,418,578	2,418,578
	<b>783,816,620</b>	<b>772,840,020</b>	<b>787,753,906</b>	<b>778,494,707</b>
<b>LIABILITIES</b>				
Liabilities due immediately	5,984,968	5,984,968	7,043,772	7,043,772
Deposits from customers***)				
Demand Deposits	110,078,857	110,078,857	89,430,267	89,430,267
Saving Deposits	1,119,116	1,119,116	621,913	621,913
Time Deposits	234,098,351	234,098,351	232,722,519	232,722,519
Saving Wadiah	3,450,261	3,450,261	3,298,659	3,298,659
Saving <i>mudharabah</i>	583,467	583,467	373,816	373,816
Time Deposits	272,907,626	272,907,626	283,457,544	283,457,544
Time Deposits <i>mudharabah</i>	13,710,799	13,710,799	12,417,128	12,417,128
Deposits from banks and other financial institution	4,360,805	4,360,805	8,655,392	8,655,392
Securities sold under agreement to repurchase	8,409,770	8,409,770	15,456,701	15,456,701

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**39. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)**

	September 30, 2015		December 31, 2014	
	Carrying value	Fair value	Carrying value	Fair value
<b>Liabilities (Continue)</b>				
Derivatives payable	1,597,105	1,597,105	717,523	717,523
Acceptances payable	7,277,601	7,277,601	6,525,688	6,525,688
Marketable securities issued	12,747,513	12,719,612	8,257,990	8,260,646
Fund borrowings	6,245,379	6,245,379	24,986,862	24,986,862
Subordinated loan	66,780	66,780	77,582	77,582
Other liabilities****)	1,055,790	1,055,790	1,187,672	1,187,672
	<b>683,694,188</b>	<b>683,666,287</b>	<b>695,231,028</b>	<b>695,233,684</b>

\*) Investment in associated entities with no significant influence.

\*\*) Other assets consist of interest receivables, other receivables and accrued income based on Sharia principles.

\*\*\*) Other liabilities consist of interest payables and guarantee deposits.

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, subordinated loans and marketable securities issued 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 using current market rates.

- 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.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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:

- 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.

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):

	<b>September 30, 2015</b>			
	<b>Fair value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Financial Assets</b>				
<b>Fair value through profit or loss</b>				
Government Bond	143,721	143,721	-	-
Mutual Fund	11,204	11,204	-	-
	<u>154,925</u>	<u>154,925</u>	<u>-</u>	<u>-</u>
<b>Available for sale</b>				
Government Bond	38,329,853	38,329,853	-	-
Deposits Certificate of Bank Indonesia	2,761,120	2,761,120	-	-
Certificate of Bank Indonesia	4,184,027	4,184,027	-	-
Bonds	2,688,475	2,688,475	-	-
Government Recapitalization Bonds	633,970	633,970	-	-
US Treasury Bonds	276,329	276,329	-	-
Mutual Fund	182,248	182,248	-	-
	<u>49,056,022</u>	<u>49,056,022</u>	<u>-</u>	<u>-</u>
<b>Held to maturity</b>				
Certificate of Bank Indonesia	995,250	995,250	-	-
Deposits Certificate of Bank Indonesia	249,526	249,526	-	-
Medium-Term Notes	249,820	249,820	-	-
Bonds	4,593,150	4,593,150	-	-
Negotiable Certificate of Deposits	581,506	581,506	-	-
Government Bond	47,298,768	47,298,768	-	-
Bank Indonesia sharia certificate	1,100,000	1,100,000	-	-
Credit linked notes	745,978	745,978	-	-
Promissory notes	29,300	29,300	-	-
Subordinated bonds	39,832	39,832	-	-
Government Recapitalization Bonds	3,322,264	3,322,264	-	-
	<u>59,205,394</u>	<u>59,205,394</u>	<u>-</u>	<u>-</u>
<b>Loans and receivables</b>				
Loans, sharia receivables and Financing	519,076,047	-	519,076,047	-
	<u><b>627,492,388</b></u>	<u><b>108,416,341</b></u>	<u><b>519,076,047</b></u>	<u><b>-</b></u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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):

<b>December 31, 2014</b>				
	<b>FairValue</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Financial Assets</b>				
<b>Fairvaluethroughprofit or loss</b>				
Government Bonds	116,782	116,782	-	-
Mutual Fund	11,560	11,560	-	-
	<u>128,342</u>	<u>128,342</u>	<u>-</u>	<u>-</u>
<b>Available for sale</b>				
Government Bonds	20,220,609	20,220,609	-	-
Deposits Certificate of Bank Indonesia	13,244,399	13,244,399	-	-
Certificate of Bank Indonesia Bonds	4,336,192	4,336,192	-	-
Government Recapitalization Bonds	1,587,014	1,587,014	-	-
U.S Treasury Bonds	703,596	703,596	-	-
Mutual Fund	360,697	360,697	-	-
	<u>253,413</u>	<u>253,413</u>	<u>-</u>	<u>-</u>
	<u>40,705,920</u>	<u>40,705,920</u>	<u>-</u>	<u>-</u>
<b>Held to maturity</b>				
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	-	-
	<u>47,844,197</u>	<u>47,844,197</u>	<u>-</u>	<u>-</u>
<b>Loans and receivables</b>				
Loans, Shariareceivables and financing	485,068,444	-	485,068,444	-
	<u><b>573,746,903</b></u>	<u><b>88,678,459</b></u>	<u><b>485,068,444</b></u>	<u><b>-</b></u>



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-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

#### b. Operating Segment

For management purposes, BRI is organized into 5 (five) operating segment 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:

Description	As of September 30, 2015 and for the nine-Month period ended June 30, 2015					
	Micro	Retail	Corporate	Others	Subsidiaries*)	Total
Interest income - net	23,216,915	13,354,448	3,368,029	1,636,352	1,325,018	42,900,762
Other operating income	2,380,873	4,022,228	188,406	1,758,570	144,234	8,494,311
Total income	25,597,788	17,376,676	3,556,435	3,394,922	1,469,252	51,395,073
Operating expenses	(9,502,736)	(8,965,716)	(2,176,338)	(1,191,783)	(1,085,521)	(22,922,094)
Provision for impairment losses	(4,024,275)	(2,157,555)	(710,158)	-	(201,213)	(7,093,201)
Total expenses	(13,527,011)	(11,123,271)	(2,886,496)	(1,191,783)	(1,286,734)	(30,015,295)
Other income (expenses) - net	475,744	636,432	86,509	23,616	18,607	1,240,908
Income before income tax expense	12,546,521	6,889,837	756,448	2,226,755	201,125	22,620,686
Income tax expense	(2,317,360)	(1,272,563)	(139,716)	(412,796)	(54,694)	(4,197,129)
<b>Total income for the year</b>	<b>10,229,161</b>	<b>5,617,274</b>	<b>616,732</b>	<b>1,813,959</b>	<b>146,431</b>	<b>18,423,557</b>
<b>Segment Assets</b>						
Loans	178,515,430	200,751,348	139,685,235	-	22,036,936	540,988,949
Allowance for impairment losses	(10,271,922)	(2,647,708)	(4,540,015)	-	(480,140)	(17,939,785)
Non Loans	-	-	-	268,830,365	8,975,068	277,805,433
	<b>168,243,508</b>	<b>198,103,640</b>	<b>135,145,220</b>	<b>268,830,365</b>	<b>30,531,864</b>	<b>800,854,597</b>
<b>Segment Liabilities</b>						
Funding	161,904,361	232,290,648	217,128,971	-	24,624,495	635,948,475
Non Funding	-	-	-	56,423,533	2,294,947	58,718,480
	<b>161,904,361</b>	<b>232,290,648</b>	<b>217,128,971</b>	<b>56,423,533</b>	<b>26,919,442</b>	<b>694,666,955</b>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**40. SEGMENT INFORMATION (Continue)**

b. Operating Segment (continue)

Description	As of December 30, 2014 and for the nine-Month period ended September 30, 2014					
	Micro	Retail	Corporate	Others	Subsidiaries*)	Total
Interest income - net	20,905,365	13,176,397	2,009,538	871,809	961,136	37,924,245
Other operating income	2,083,585	3,442,406	298,260	801,044	89,518	6,714,813
Total income	22,988,950	16,618,803	2,307,798	1,672,853	1,050,654	44,639,058
Operating expenses	(8,192,930)	(7,779,679)	(1,631,235)	(1,035,029)	(906,986)	(19,545,859)
Provision for impairment losses	(3,598,136)	(1,435,008)	164,526	-	(71,302)	(4,939,920)
Total expenses	(11,791,066)	(9,214,687)	(1,466,709)	(1,035,029)	(978,288)	(24,485,779)
Other income (expenses) - net	523,416	930,227	578,853	248,914	5,291	2,286,701
Income before income tax expense	11,721,300	8,334,343	1,419,942	886,738	77,657	22,439,980
Income tax expense	(2,272,926)	(1,617,708)	(275,631)	(173,420)	(33,174)	(4,372,860)
<b>Total income for the year</b>	<b>9,448,374</b>	<b>6,716,634</b>	<b>1,144,311</b>	<b>713,318</b>	<b>44,483</b>	<b>18,067,120</b>
<b>Segment Assets</b>						
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	-	-	-	298,960,496	6,800,774	305,761,270
	<b>154,393,598</b>	<b>192,560,874</b>	<b>127,662,995</b>	<b>298,960,496</b>	<b>26,717,353</b>	<b>800,295,316</b>
<b>Segment Liabilities</b>						
Funding	164,445,627	210,162,413	225,796,037	-	21,917,769	622,321,846
Non Funding	-	-	-	79,753,801	2,200,122	81,953,923
	<b>164,445,627</b>	<b>210,162,413</b>	<b>225,796,037</b>	<b>79,753,801</b>	<b>24,117,891</b>	<b>704,275,769</b>

c. Geographical Segment

**Net interest income, operating, and investment income**

Description	Nine – Month Period Ended September 30,	
	2015	2014
Indonesia	51,132,891	44,453,287
USA	252,681	182,878
Hong Kong	3,607	2,892
Singapore	5,890	-
	<b>51,395,069</b>	<b>44,639,057</b>

**Income before tax expense**

Description	Nine – Month Period Ended September 30,	
	2015	2014
Indonesia	22,421,728	22,405,324
USA	198,323	148,254
Hong Kong	277	392
Singapore	358	-
	<b>22,620,686</b>	<b>22,553,970</b>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**40. SEGMENT INFORMATION (Continue)**

c. Geographical Segment (continue)

Description	Total assets	
	September 30, 2015	December 31, 2014
Indonesia	783,398,972	782,147,202
USA	14,509,739	18,143,170
Hong Kong	6,310	4,946
Singapore	2,939,577	-
	<b>800,854,598</b>	<b>800,295,318</b>

  

Description	Total liabilities	
	September 30, 2015	December 31, 2014
Indonesia	677,421,173	686,390,061
USA	14,290,537	17,887,941
Hong Kong	972	354
Singapore	2,954,273	-
	<b>694,666,955</b>	<b>704,278,356</b>

**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 25.38% (previously 24.96%) since January 1, 2015.

1. BRI (Parent Entity)

The actuarial calculation of BRI's pension costs as of September 30, 2015 and December 31, 2014, respectively, was prepared by PT Bestama Aktuaria, an independent actuary, in its reports dated October 1, 2015 and January 2, 2015, respectively, which were prepared in accordance with SFAS No. 24 (Revised 2013), by using the "Projected Unit Credit Method" and considering the following assumptions:

	September 30, 2015	December 31, 2014
Discount rate	9.70%	8.08%
Pension-based salary growth	7.50%	7.50%
Pension benefit growth rate	4.00%	4.00%
Mortality rate	CSO 1958 10% from CSO	CSO 1958 10% from CSO
Disability rate	1958	1958
Normal retirement age	56 Years	56 Years

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**41. EMPLOYEES PROGRAM (continued)**

a. Defined Benefit Pension Plan (continued)

1. BRI (Parent Entity) (Continued)

Movements in present value of defined benefit pension as of September 30, 2015 and December 31, 2014, respectively, are as follows:

	<b>September 30, 2015</b>	<b>December 30, 2014</b>
Present value of defined benefit pension		
- beginning balance	12,845,427	11,022,194
Interest expense	778,432	958,931
Current service cost	185,269	282,777
Benefit paid	(586,024)	(720,144)
Unrecognized actuarial (gain) loss	(831,248)	1,301,669
Past service cost	311,447	-
<b>Present Value of Defined Benefit Pension</b>		
<b>Liabilities - ending balance</b>	<b>12,703,303</b>	<b>12,845,427</b>

A decrease in the present value of obligations is affected by the rise in the discount rate, the increase of employment, and the approach to the maturity date.

Movements in the fair value of program assets as of September 30, 2015 and December 31, 2014, respectively, are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
Fair value of program assets - beginning balance	12,571,805	11,254,714
The real development results	736,224	1,709,080
Contributions paid - Employer	201,596	256,259
Contributions paid - Participants	55,609	71,896
Benefit paid	(586,024)	(720,144)
<b>Program assets - ending balance</b>	<b>12,979,210</b>	<b>12,571,805</b>

Movements in the defined benefit pension liabilities as of September 30, 2015, December 31, 2014 and January 1, 2014/December 31, 2013, respectively, are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014 *)</b>	<b>January 1, 2014/ December 31, 2013 *)</b>
Present value of defined benefit pension	12,703,303	12,845,427	11,022,193
the fair value of plan assets	(12,979,210)	(12,571,805)	(11,254,713)
Funding status	(275,907)	273,622	(232,520)
The upper limit of the assets	275,907	-	232,520
<b>Liabilities are recognized in the</b>			
<b>Statement of financial position</b>	<b>-</b>	<b>273,622</b>	<b>-</b>

\*) As restated (Note 49)

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**41. EMPLOYEES PROGRAM (continued)**

a. Defined Benefit Pension Plan (continued)

1. BRI (Parent Entity) (Continued)

Defined benefit pension cost for the period ended on the dates September 30, 2015 and 2014 based on the actuarial calculation are as follows:

	<b>Nine Month Period Ended September 30,</b>	
	<b>2015</b>	<b>2014</b>
Net interest on liabilities	16,581	-
Current service cost	185,270	205,853
Contribution program participants	(55,609)	(47,738)
Past service cost	311,447	-
<b>Benefit pension expense (Note 34)</b>	<b>457,689</b>	<b>158,115</b>

Movements in the defined benefit pension liabilities as of September 30, 2015, December 31, 2014 and January 1, 2014/December 31, 2013, respectively, are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014 *)</b>	<b>January 1, 2014/ December 31, 2013 *)</b>
Beginning balance	273,622	-	392,869
Past service cost	-	-	162,026
Defined benefit pension expense			
-net (Note 34)	457,689	210,881	-
Contributions paid - current period	(201,596)	(256,259)	-
Remeasurement liabilities (assets)			
for defined benefit pension -net	(529,715)	319,000	(554,895)
<b>Ending balance (note 27)</b>	<b>-</b>	<b>273,622</b>	<b>-</b>

Remeasurement on assets for defined benefit pension as of September 30, 2015, December 31, 2014 and January 1, 2014/December 31, 2013, respectively, are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014 *)</b>	<b>January 1, 2014/ December 31, 2013 *)</b>
Beginning balance	(235,895)	(554,895)	-
(Gain) / Loss actuarial	(831,249)	1,301,669	(787,415)
Yields on assets program	25,627	(729,920)	-
Impact change of assets other than the net interest liabilities (assets)	275,907	(252,749)	232,520
<b>Total Remeasurement on assets for defined benefit pension - net</b>	<b>(765,610)</b>	<b>(235,895)</b>	<b>(554,895)</b>

\*) As restated (Note 49)

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**41. EMPLOYEES PROGRAM (continued)**

a. Defined Benefit Pension Plan (continued)

1. BRI (Parent Entity) (Continued)

The percentage and amount of each major category which is the total fair value of plan assets at September 30, 2015 and December 31, 2014 is as follows :

	<b>September 30, 2015</b>		<b>December 31, 2014</b>	
	<b>Total</b>	<b>Percentage</b>	<b>Total</b>	<b>Percentage</b>
Stocks	2,769,742	21.80%	3,125,966	24.86%
Government securities	1,968,312	15.49%	1,987,285	15.81%
Bonds	2,626,230	20.67%	1,803,945	14.35%
Mutual fund	725,436	5.71%	918,519	7.31%
Direct placement	1,827,691	14.39%	1,098,705	8.74%
Land & Building	1,517,402	11.94%	1,418,420	11.28%
Saving & Time Deposit	1,056,448	8.32%	2,081,613	16.56%
Asset backed securities	34,197	0.27%	20,695	0.16%
Others	179,750	1.41%	116,657	0.93%
	<b>12,705,208</b>	<b>100.00%</b>	<b>12,571,805</b>	<b>100.00%</b>

Percentage of financial instruments issued by the entity BRI Pension Fund of the total fair value of plan assets. For each category of financial instruments belonging to the BRI, the position in September 2015 as follows:

<b>Instrument</b>	<b>Percentage</b>
BRI's Deposito On Call	0.413%
BRI's deposits	2.049%
BRI's bonds	0.000%
BRI's stocks	2.703%

The percentage of the property that was placed by the entities BRI Pension Fund against the fair value of the total assets of the program for each category of property on the position in September 2015 as follows :

<b>Property</b>	<b>Percentage</b>
BRI's leased land	0.000%
BRI's leased building	0.002%
BRI's leased land and building	3.014%

3. BRISyariah (Subsidiary)

Pension Cost defined benefit for the nine-month period ended September 30, 2015 and 2014, which are reported in the income for the year amounted to Rp6,636 and Rp7,171 based wage charged in BRISyariah.

b. Old-Age Benefits Plan

1. BRI (Parent Entity)

The actuarial calculations for the defined benefit costs, implements the principle of the present value of the amount of payment for retirement benefits, in return for death compensation and compensation for disability. Calculation of the current value are obtained from the use of various actuarial assumptions . It is not only based on the interest rate but also based on the wage increase, the rate of death, disability and retirement. Calculation of all the factors referred to is commonly called The actuarial cash value.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**41. EMPLOYEES PROGRAM (continued)**

b. Old-Age Benefits Plan

1. BRI (Parent Entity)(Continue)

Based on the actuarial calculation of BRI's old-age benefits as of September 30, 2015 and December 31 2014, which was prepared by PT Bestama Aktuaria, an independent actuary, in its reports dated October 1, 2015 and January 2, 2015, respectively, which were prepared in accordance with SFAS No. 24 (Revised 2013), by using the "Projected Unit Credit Method" with the following assumptions:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
Discount rate	9.80%	8.40%
Pension-based salary growth rate	7.50%	7.50%
Mortality rate	CSO 1958 10% from CSO	CSO 1958 10% from CSO
Disability rate	1958	1958

Movement of the present value of the defined benefit liabilities as of September 30, 2015 and December 31, 2014, respectively, are as follows :

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
The present value of the defined benefit at beginning of period	991,536	902,820
Interest expense	62,466	81,254
Curent service cost	38,378	58,322
( Gains ) / Losses Actuarial	(22,819)	(32,445)
Compensation paid	(67,248)	(18,415)
<b>The present value of the defined benefit</b>	<b>1,002,313</b>	<b>991,536</b>

Movement of the present value of the defined benefit liabilities is affected by the rise in the discount rate (the impact of assumption changes), accretion and the increasingly close working lives with a maturity (interest cost) .

Movement of the fair value of plan assets as of September 30, 2015 and December 31, 2014, respectively, are as follows :

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
The fair value of plan assets at beginning of period	2,847,153	2,635,837
Akseptasian yield on plan assets	136,948	115,505
Payment of dues ( Giver and participants)	92,789	114,227
Payment of employee benefits	(67,248)	(18,416)
<b>Plan assets at end of period - Actual</b>	<b>3,009,642</b>	<b>2,847,153</b>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**41. EMPLOYEES PROGRAM (continued)**

b. Old-Age Benefits Plan (continue)

1. BRI (Parent Entity)(Continue)

Movements of the ending balance liabilities recognized in the statement of financial position as of September 30, 2015 and December 31, 2014, respectively, are as follows :

	<b>September 30, 2015</b>	<b>December 31, 2014 *)</b>
Load annuity - net ( note 34 )	8,413	21,437
Remeasurement liability ( asset )		
annuity - net	54,409	55,905
Payment of dues for the period	(62,822)	(77,342)
<b>Liabilities - Ending Balances (Note 27)</b>	<b>-</b>	<b>-</b>

Remeasurement on liabilities for defined old-age benefits as of September 30, 2015 and December 31, 2014, respectively, are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014 *)</b>
Beginning balance	55,905	-
Gain actuarial	(22,819)	(32,445)
Yields on assets program	42,422	121,720
Impact change of assets outside the net interest liabilities (assets)	34,807	(33,370)
<b>Total Remeasurement on liabilities for defined Old-age benefits - net</b>	<b>110,315</b>	<b>55,905</b>

Old-age benefits expense for the nine-month period as of September 30, 2015 and 2014, based on the actuarial calculation is as follows:

	<b>Nine Month Period Ended September 30, 2015</b>	<b>2014</b>
Curent service cost	38,378	42,373
Contributions participants	(29,964)	(25,553)
Interest liabilities	62,466	60,940
Interest asset	(179,370)	(177,918)
limit interest on assets	116,903	116,978
<b>Expense or (income) recognized</b>		
<b>Provit and Loss</b>	<b>8,413</b>	<b>16,820</b>

As of September 30, 2015 and December 31, 2014, 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.

\*) As restated (Note 49)



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**41. EMPLOYEES PROGRAM (continued)**

b. Old-Age Benefits Plan (continue)

1. BRI (Parent Entity)(Continue)

The percentage and amount of each major category which is the total fair value of plan assets as of September 30, 2015 and December 31, 2014, respectively, are as follows :

	September 30, 2015		December 31, 2014	
	Total	Percentage	Total	Percentage
Stocks	232,065	8.25%	835,030	31.68%
Time Deposit	779,600	27.71%	633,300	24.03%
Bond	756,272	26.88%	594,093	22.54%
Government Bond	250,475	8.90%	275,158	10.44%
Others asset	131,516	4.67%	106,918	4.06%
Stocks	-	0.00%	95,321	3.62%
KIK EBA	23,608	0.84%	39,941	1.52%
Letter recognition debt	-	0.00%	25,557	0.97%
Subsidiary	-	0.00%	21,190	0.80%
Property	-	0.00%	9,323	0.35%
Mutual fund	640,073	22.75%	-	0.00%
Inclusion	-	0.00%	-	0.00%
	<b>2,813,609</b>	<b>100.00%</b>	<b>2,635,831</b>	<b>100.00%</b>

Percentage of financial instruments on the entity placed YKP BRI BRI to the total fair value of plan assets . For each category of financial instruments belonging to the BRI , the position of the month September 2015 are :

Instrument	Percentage
BRI Time Deposit	11.32%
BRI MTN	3.32%
BRI Stocks	1.93%

There is no contractual agreement or stated policy for charging the net defined benefit . All workers BRI placed in a subsidiary is the responsibility of BRI , there is no sharing of risk between the controlling entity

2. BRISyariah (Subsidiary)

Syariah BRI employees are also excluded from the annuity in accordance with the Decision of the Board of Directors BRISyariah. Contributions BRISyariah on this program, which is reported in comprehensive income for the period amounted to Rp35 and Rp88 for the nine-month period ended September 30, 2015 and 2014 (Note 34). Management of defined contribution pension plans conducted by BRI Pension Fund.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**41. EMPLOYEES PROGRAM (continued)**

c. Defined Contribution Pension Plan

1. 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 comprehensive income for the period amounted to Rp144.784 and Rp107.784 for the nine-month period ended September 30, 2015 and 2014 (Note 34). This pension plan is managed by pension funds of financial institutions (DPLK BRI).

2. BRISyariah (Subsidiary)

The employees of BRISyariah are also included in the defined contribution pension plan in accordance with BRI Directors' decision which was effective since January 2009. BRISyariah's Contributions to the plan, which is reported in comprehensive income for the period amount to Rp52 and Rp141 for the nine-month period ended September 30, 2015 and 2014 (Note 34). This pension plan is managed by pension funds of financial institutions (DPLK BRI).

d. Work Separation Scheme

1. 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 September 30, 2015 and December 31, 2014. The actuarial calculations were performed by PT Bestama Aktuarial, an independent actuary, in its reports dated October 2, 2015 and January 2, 2015, respectively, by using the "Projected Unit Credit Method" with the following assumptions:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
Discount rate	9.80%	8.40%
Future salary's growth rate	7.50%	7.50%
Mortality rate	CSO 1958 10% from CSO	CSO 1958 10% from CSO
Disability rate	1958	1958

The status of the Work Separation Scheme as of September 30, 2015, December 31, 2014 and January 1, 2013/ December 31, 2014, respectively, based on actuarial calculation are as follows :

	<b>September 30, 2015</b>	<b>December 31, 2014 *)</b>	<b>January 1, 2014/ December 31, 2013 *)</b>
The present value of the termination of employment	(1,078,220)	(936,602)	(831,234)
(Gain) or Loss on actuarial Unrecognized actuarial	-	-	-
The fair value of plan assets	-	-	-
<b>Work Separation Scheme Liabilities</b>	<b>(1,078,220)</b>	<b>(936,602)</b>	<b>(831,234)</b>

\*) As restated (Note 49)

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**41. EMPLOYEES PROGRAM (continued)**

d. Work Separation Scheme (continue)

1. BRI (Parent Entity) (continue)

Movements in the work separation scheme liability as of September 30, 2015, December 31, 2014 and January 1, 2014/31 December 2013, respectively, are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014*)</b>	<b>January 1, 2014/ December 31, 2013 *)</b>
Beginning balance	36,602	831,234	762,857
Work separation scheme expense (Note 34)	141,038	185,182	-
Actual benefit payments by BRI	(42,169)	(40,076)	-
Remeasurement on liability ( asset )	42,749	(39,738)	68,377
<b>The ending balance ( Note 27 )</b>	<b>1,078,220</b>	<b>936,602</b>	<b>831,234</b>

The calculation of Work separation scheme expense for the nine-month period as of September 30, 2015 and 2014, based on actuarial calculation are as follows:

	<b>Nine Month Period Ended September 30, 2015</b>	<b>2014</b>
Current service cost	82,032	84,786
Interest cost	59,006	56,108
Recognition of ( gains ) losses for the year	-	-
<b>Work separation scheme expense (note 34)</b>	<b>141,038</b>	<b>140,894</b>

Remeasurement on liabilities (assets) for defined work separation scheme as of September 30, 2015, December 31, 2014 and January 1, 2014/December 31, 2013, respectively, are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>	<b>January 1, 2014/ December 31, 2013 *)</b>
Beginning balance	28,639	68,377	-
(Gain)/loss on actuaia	42,750	(39,738)	68,377
<b>Total Remeasurement on liabilities (assets) for defined work separation scheme - net</b>	<b>71,389</b>	<b>28,639</b>	<b>68,377</b>

2. BRISyariah (Subsidiary)

The Subsidiary provides the work separation scheme based on the provisions of Labor Law No. 13/2003 dated March 25, 2003.

\*) As restated (Note 49)

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**41. EMPLOYEES PROGRAM (continued)**

d. Work Separation Scheme (continue)

2. BRISyariah (Subsidiary) (Continue)

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 September 30, 2015 and December 31, 2014, respectively, as determined by PT Katsir Imam Sapto Sejahtera Aktuaria, an independent actuary, in its reports dated October 1, 2015 and January 2, 2015, respectively, by using the "Projected Unit Credit Method" with the following assumptions:

	<u>September 30, 2015</u>	<u>December 31, 2014</u>
Annual discount rate	8,78%	8,50%
Annual salary's growth rate	5,00%	5,00%
Mortality rate	TMI-III 2011	TMI-III 2011

The status of the work separation scheme liability as of September 30, 2015, December 31, 2014 and January 1, 2014/December 31, 2013, respectively, is as follows:

	<u>September 30, 2015</u>	<u>December 31, 2014*)</u>	<u>January 1, 2014/ December 31, 2013 *)</u>
Beginning balance Work separation scheme expense - net (note 34)	45,898	38,037	28,081
the fair value of plan assets	-	-	-
<b>Liabilities work separation scheme expense - net</b>	<b><u>45,898</u></b>	<b><u>38,037</u></b>	<b><u>28,081</u></b>

Movements in the work separation scheme liability as of September 30, 2015, December 31, 2014 and January 1, 2014/December 31, 2013, respectively, are as follows:

	<u>September 30, 2015</u>	<u>December 31, 2014*)</u>	<u>January 1, 2014/ December 31, 2013 *)</u>
Beginning balance	38,037	28,081	39,703
Work separation scheme expense (note 34)	11,420	11,431	-
Actual benefit payments by BRI	-	(1,048)	-
Remeasurement on liabilities (assets) for defined work separation scheme - net	(3,559)	(427)	(11,622)
<b>Ending balance (note 27)</b>	<b><u>45,898</u></b>	<b><u>38,037</u></b>	<b><u>28,081</u></b>

\*) As restated (Note 49)

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**41. EMPLOYEES PROGRAM (continued)**

d. Work Separation Scheme (continue)

2. BRISyariah (Subsidiary) (Continue)

The calculation of work separation scheme expense for the nine-month period as of September 30, 2015 and 2014 based on the actuarial calculation are as follows:

	<b>Nine Month Period Ended September 30,</b>	
	<b>2015</b>	<b>2014</b>
Current service cost	8,996	14,237
Interest expense	2,424	1,207
<b>Work separation scheme expense (note 34)</b>	<b>11,420</b>	<b>15,444</b>

Remeasurement on assets for defined work separation scheme as of September 30, 2015, December 31, 2014 and January 1, 2014/December 31, 2013, respectively, are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>	<b>January 1, 2014/ December 31, 2013 *)</b>
Beginning balance	(12,049)	(11,622)	-
(gain)/loss on actuaia	(3,560)	(427)	(11,622)
<b>Total Remeasurement on liabilities (assets) for defined work separation scheme - net</b>	<b>(15,609)</b>	<b>(12,049)</b>	<b>(11,622)</b>

3. Bank BRI Agro (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 profit and loss and other comprehensive income and recognized in the consolidated statements of financial position for the work separation scheme liability as of September 30, 2015 and December 31, 2014, respectively, as determined by PT Bestama Aktuaria, an independent actuary, in its reports dated October 1, 2015 and January 2, 2015, respectively, by using the "Projected Unit Credit Method" with the following assumptions:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
Discount rate	9.60%	8.30%
Annual salary increase rate	8.00%	8.00%
Mortality rate	TMI 2011	TMI 2011
Disability rate	10% from TMI 2011	10% from TMI 2011

\*) As restated (Note 49)

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**41. EMPLOYEES PROGRAM (continued)**

d. Work Separation Scheme (continue)

a. Bank BRI Agro (subsidiary) (continue)

Movements in the work separation scheme liability as of September 30, 2015, December 31, 2014 and January 1, 2014/December 31, 2013, respectively, are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014*)</b>	<b>January 1, 2014/December 31, 2013 *)</b>
Present value of severant obligation work of separation	23,918	25,644	19,431
(gain) loss on actuarial	-	-	-
The fair value of plan assets	-	-	-
<b>Liabilities PHK</b>	<b>23,918</b>	<b>25,644</b>	<b>19,431</b>

Movements in the work separation scheme liability as of September 30, 2015, December 31, 2014 and January 1, 2014/December 31, 2013, respectively, are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014*)</b>	<b>January 1, 2014/December 31, 2013 *)</b>
Beginning balance	25,643	19,431	13,321
Work separation scheme expense (note 34)	3,265	9,499	5,499
Payment of benefits	(1,904)	(4,479)	-
Remeasurement liabilities / assets	(3,086)	1,192	611
<b>Ending balance (note 27)</b>	<b>23,918</b>	<b>25,643</b>	<b>19,431</b>

The calculation of work separation scheme expense for the nine-month period as of September 30, 2015 and 2014 based on the actuarial calculation are as follows:

	<b>Nine Month Period Ended September 30, 2015</b>	<b>2014</b>
Current service cost	1,669	1,445
Interest expense	1,596	1,282
<b>Work separation scheme expense (note 34)</b>	<b>3,265</b>	<b>2,727</b>

\*) As restated (Note 49)

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**41. EMPLOYEES PROGRAM (continued)**

d. Work Separation Scheme (continue)

2. Bank BRI Agro (subsidiary) (continue)

Remeasurement on liabilities (assets) for defined work separation scheme as of September 30, 2015, December 31, 2014 and January 1, 2014/December 31, 2013, respectively, are as follows:

	September 30, 2015	December 31, 2014	January 1, 2014/ December 31, 2013 *)
Beginning balance	1,804	611	-
(gain)/loss on actuarial	(3,086)	1,193	611
<b>Total Remeasurement on liabilities (assets) for defined work separation scheme - net</b>	<b>(1,282)</b>	<b>1,804</b>	<b>611</b>

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).

1. Allowance for gratuity for services

Based on the actuarial calculation on gratuity for services as of September 30, 2015 and December 31, 2014, respectively, which was prepared by PT Bestama Aktuaria, an independent actuary, in its reports dated October 1, 2015 and January 2, 2015, respectively, by using the "Projected Unit Credit Method" with the following assumptions:

	September 30, 2015	December 31, 2014
Discount rate	9.80%	8.40%
Future salary's growth	7.50%	7.50%
Gold price growth rate	10.00%	10.00%
Mortality rate	CSO 1958 10% from CSO 1958	CSO 1958 10% from CSO 1958
Disability rate	1958	1958

The present value of liability for gratuity for services based on the actuarial calculation amounted to Rp778,816 and Rp817,046 as of September 30, 2015 and December 31, 2014, respectively (note 27).

Movements in liability for gratuity for services as of September 30, 2015 and December 31, 2014, respectively, are as follows :

	September 30, 2015	December 31, 2014
Beginning balance	817,046	752,338
Gratuity for service expense - net (Note 34)	(38,430)	137,568
Benefit payments by BRI	-	(72,860)
<b>Gratuity for services liability (Note 27)</b>	<b>778,616</b>	<b>817,046</b>

\*) As restated (Note 49)

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**41. EMPLOYEES PROGRAM (continued)**

e. Other Long-term Employee Benefits (continue)

1. Allowance for gratuity for services (contued)

The gratuity for service expense for the nine-month period as of September 30, 2015 and 2014 based on the actuarial calculation are as follows:

	<b>Nine Month Period Ended September 30,</b>	
	<b>2015</b>	<b>2014</b>
Current service cost		
Interest expense	43,093	46,398
Recognition of ( gains ) losses for the year	51,473	50,782
<b>Gratuity for services expense (note 34)</b>	<b>(132,996)</b>	<b>65,704</b>
	<b>(38,430)</b>	<b>162,884</b>

2. Grand leaves

a. BRI (Parent Entity)

The actuarial calculation for grand leaves as of September 30, 2015 and December 31, 2014, respectively, which was prepared by PT Bestama Aktuaria, an independent actuary, in its reports dated October 1, 2015 and January 2, 2015, respectively, by using the "Projected Unit Credit Method" with the following assumptions :

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
Discount rate	9,80%	8,40%
Future salary's growth rate	7,50%	7,50%
Mortality rate	CSO 1958 10% from CSO	CSO 1958 10% from CSO
Disability rate	1958	1958

The present value of liability of allowance for grand leaves based on actuarial calculations are Rp1,070,212 and Rp979,693 on September 30, 2015 and December 31, 2014, respectively.

Movements in liability for grand leaves as of September 30, 2015 and December 31, 2014, respectively, are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
Beginning balance of liability	979,693	821,951
Grand leaves expense - net (Note 34)	153,866	276,299
Benefit payments by BRI	(63,347)	(118,557)
<b>Grand leaves liability (Note 27)</b>	<b>1,070,212</b>	<b>979,693</b>

The grand leaves expense for the nine-month period as of September 30, 2015 and 2014 based on the actuarial calculation are as follows:

	<b>Nine Month Period Ended September 30,</b>	
	<b>2015</b>	<b>2014</b>
Current service cost	109,573	94,308
Interest Expense	61,720	55,482
Recognized actuarial loss (gain)	(17,427)	93,365
<b>Grand leaves expense (Note 34)</b>	<b>153,866</b>	<b>243,155</b>



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**41. EMPLOYEES PROGRAM (continued)**

e. Other Long-term Employee Benefits (continue)

2. Grand leaves (continue)

b. 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 and loss and other comprehensive income and recognized in the consolidated statements of financial position as of September 30, 2015 and December 31, 2014 as determined by PT Katsir Imam Sapto Sejahtera Aktuaria, an independent actuary, in its reports dated October 1, 2015 and January 2, 2015, respectively, by using the "Projected Unit Credit Method" with the following assumptions:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
Discount rate	8.78%	8.50%
Future salary's growth rate	5.00%	5.00%
Mortality rate	TMI-III-2011	TM-III 2011
Normal retirement age	56 tahun	56 Tahun

The present value of liability of allowance for grand leaves based on actuarial calculations are Rp32.996 and Rp31.112 on September 30, 2015 and December 31, 2014, respectively.

Movements in liability for grand leaves as of September 30, 2015, December 31, 2014 and January 1, 2014/December 31, 2013, respectively, are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
Beginning balance of liability	31,112	19,650
Grand leaves expense - net (Note 34)	6,177	8,722
Benefit payments by BRI	(4,293)	(445)
<b>Grand leaves liability (Note 27)</b>	<b>32,996</b>	<b>27,927</b>

The subsidiary's grand leaves expense for the nine-month period as of September 30, 2015 and 2014 based on the actuarial calculation are as follows:

	<b>Nine Month Period Ended September 30, 2015</b>	<b>2014</b>
Current service cost	5,574	5,613
Interest Expense	1,983	1,203
Recognized actuarial loss (gain)	(1,380)	5,448
<b>Grand leaves expense (Note 34)</b>	<b>6,177</b>	<b>12,264</b>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**41. EMPLOYEES PROGRAM (continued)**

e. Other Long-term Employee Benefits (continue)

2. Grand leaves (continue)

c. Bank BRI Agro (subsidiary)

The Subsidiary also provides grand leaves program to its employees as one of their benefits.

The actuarial calculation for grand leaves recognized in the consolidated statements of comprehensive income and recognized in the consolidated statements of financial position as of September 30, 2015 and December 31, 2014 was prepared by PT Bestama Aktuaria, an independent actuary in its report dated October 1, 2015 and January 2, 2015, respectively, by using the "Projected Unit Credit Method" with the following assumptions:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
Discount rate	9.10%	8.00%
Future salary's growth rate	8.00%	8.00%
Mortality rate	TMI 2011	TMI 2011

The present value of liability of allowance for grand leaves based on actuarial calculations are Rp1,947 and Rp1,849 on September 30, 2015 and December 31, 2014, respectively.

Movements in liability for grand leaves as of September 30, 2015, December 31, 2014, respectively, are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
Beginning balance of liability	1,849	2,707
Grand leaves expense - net (Note 34)	620	(4)
Benefit payments	(522)	(854)
<b>Grand leaves liability (Note 27)</b>	<b>1,947</b>	<b>1,849</b>

The subsidiary's grand leaves expense for the nine-month period as of September 30, 2015 and 2014 based on the actuarial calculation are as follows:

	<b>Nine Month Period Ended September 30,</b>	
	<b>2015</b>	<b>2014</b>
Current service cost	510	647
Interest Expense	111	169
Recognized actuarial loss (gain)	(1)	(205)
<b>Grand leaves expense (Note 34)</b>	<b>620</b>	<b>611</b>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**41. EMPLOYEES PROGRAM (continued)**

e. Other Long-term Employee Benefits (continue)

2. Pension preparation period

c. Bank BRI Agro (subsidiary)

Effective March 12, 2012, the Subsidiary also provides pension preparation period to its employees as one of their benefits.

The actuarial calculation of pension preparation period as of September 30, 2015 and December 31, 2014 was prepared by PT Bestama Aktuaria, an independent actuary in its reports dated October 2, 2015 and January 2, 2015, respectively, by using the "Projected Unit Credit Method" with the following assumptions:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
Discount rate	9.50%	8.20%
Future salary's growth rate	8.00%	8.00%
Mortality rate	TMI 2011	TMI 2011
Disability rate	10% TMI 2011	10% TMI 2011

The present value of liability of allowance for Pension preparation period based on actuarial calculations are Rp6.638, Rp7.446 and 7.081 on September 30, 2015, December 31, 2014, and January 1, 2014/December 31, 2013 respectively.

Movements in liability for grand leaves as of September 30, 2015, December 31, 2014 and January 1, 2014/December 31, 2013, respectively, are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>	<b>January 1, 2014/ December 31, 2013 *)</b>
Beginning balance	7,446	7,081	4,431
Past service cost	-	-	6,144
Pension preparation period expense - net (note 34)	928	1,395	
Remeasurement on liabilities (assets) for defined pension preparation period - net	(1,721)	(956)	(3,494)
Benefit actual payment by BRI AGRO	(15)	(74)	
<b>Ending Balance (Note 27)</b>	<b>6,638</b>	<b>7,446</b>	<b>7,081</b>

The subsidiary's pension preparation period expense for the nine-month period as of September 30, 2015 and 2014 based on the actuarial calculation are as follows:

	<b>Nine Month Period Ended September 30,</b>	
	<b>2015</b>	<b>2014</b>
Current service cost	470	539
Interest Expense	458	467
Recognized actuarial loss (gain)	-	-
<b>Pension preparation period expense (note 34)</b>	<b>928</b>	<b>1,006</b>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**42. INFORMATION ON COMMITMENTS AND CONTINGENCIES**

Significant information on commitments and contingencies at the date of September 30, 2015 and December 31, 2014 as follows :

	<b>September 30, 2015</b>	<b>December 30, 2014</b>
<b>Commitment</b>		
Commitments receivables		
Purchase of spot and foreign currencies	2,721,873	836,582
Total commitments receivables	2,721,873	836,582
Commitments liabilities		
Unused credit facilities granted to debtors	110,811,788	95,360,221
Irrevocable letters of credit (Note 26c)	12,170,000	9,209,539
Sale of spot and foreign currencies	2,174,446	735,099
Unused financing facilities granted to debtors	194,891	74,780
Total commitments liabilities	125,351,125	105,379,639
<b>Commitments - net</b>	<b>(122,629,252)</b>	<b>(104,543,057)</b>
<b>Contingencies</b>		
Contingent receivable		
Interest receivables under settlement	39,897	35,817
Contingent liabilities		
Guarantees issued (Note 26c) in the form of Standby letters of credit		
Bank guarantees	9,297,208	7,311,903
Others	18,082,972	11,541,922
Total contingent liabilities	27,380,180	18,853,825
<b>Contingencies - net</b>	<b>(27,340,283)</b>	<b>(18,818,008)</b>

**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:

**a. List of related parties are entities and / or management**

<b>Related parties</b>	<b>Relationship</b>	<b>Element of transaction</b>
Key employees	Control on company's activities	Loans Sharia receivables and financing Demand deposits Saving deposits Time deposits Wadiah saving deposits Mudharabah saving deposits Mudharabah time deposits

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**43. TRANSACTIONS WITH RELATED PARTIES (continue)**

**a. List of related parties are entities and / or management (continue)**

<b>Related parties</b>	<b>Relationship</b>	<b>Element of transaction</b>
Ministry of Finance of the Republic of Indonesia	Control through the Central Government of the Republic of Indonesia	Loans
Lembaga Pembiayaan Ekspor Indonesia	Control through the Central Government of the Republic of Indonesia	Securities Placements in Bank Indonesia and other banks Fund borrowings
Kopkar BTN Cabang Malang	Control through the Central Government of the Republic of Indonesia	Sharia receivables and financing
KSU PT BNI Swadharma Wonogiri	Control through the Central Government of the Republic of Indonesia	Sharia receivables and financing
Government of the Republic 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
Perum DAMRI	Control through the Central Government of the Republic of Indonesia	Sharia receivables and financing
PT Pegadaian (Persero)	Control through the Central Government of the Republic of Indonesia	Securities Loans
Perum Percetakan Uang Republik Indonesia	Control through the Central Government of the Republic of Indonesia	Irrevocable L/C
BDH Khusus Bialugri	Control through the Central Government of the Republic of Indonesia	Irrevocable L/C
PT Aneka Tambang (Persero) Tbk	Control through the Central Government of the Republic of Indonesia	Securities
PT Barata Indonesia (Persero)	Control through the Central Government of the Republic of Indonesia	Guarantees issued Export bills
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 Securities purchased under agreement to resell

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**43. TRANSACTIONS WITH RELATED PARTIES (continued)**

b. List of related parties are entities and / or management (continued )

<b>Related parties</b>	<b>Relationship</b>	<b>Element of transactions</b>
PT Bank Mandiri (Persero) Tbk	Control through the Central Government of the Republic of Indonesia	Current accounts with other Banks
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 Tabungan Negara (Persero)	Control through the Central Government of the Republic of Indonesia	Securities
PT Berdikari (Persero)	Control through the Central Government of the Republic of Indonesia	Export bills
PT BNI Asset Management	Control through the Central Government of the Republic of Indonesia	Securities
PT Bringin Gigantara	Ownership through Dana Pensiun BRI	Sharia receivables and financing Acceptances receivable Acceptances payable Loans
PT Bringin Indotama Sejahtera Finance	Ownership through Dana Pensiun BRI	Loans
PT Bringin Karya Sejahtera	Ownership through Dana Pensiun BRI	Sharia receivables and financing
PT Bringin Sejahtera Artha Makmur	Ownership through Dana Pensiun BRI	Loans
PT Bringin Srikandi Finance	Ownership through Dana Pensiun BRI	Loans
PT BTMU-BRI Finance	Ownership	Placements in Bank Indonesia and other Banks Investment in associated entities
PT Cakra Mandiri	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	Irrevocable L/C Guarantees issued

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**43. TRANSACTIONS WITH RELATED PARTIES (continued)**

a. List of related parties are entities and / or management (continued )

Related parties	Relationship	Element of transactions
PT Dok dan Perkapalan Kodja Bahari (Persero)	Control through the Central Government of the Republic of Indonesia	Loans
PT Elnusa Tbk	Control through the Central Government of the Republic of Indonesia	Guarantees issued
PT Garuda Indonesia	Control through the Central Government of the Republic of Indonesia	Irrevocable L/C
PT Industri Kereta Api	Control through the Central Government of the Republic of Indonesia	Acceptances receivable Acceptances payable
PT Indonesia Power	Control through the Central Government of the Republic of Indonesia	Guarantees issued
PT Indonesia Asahan Aluminium	Control through the Central Government of the Republic of Indonesia	Irrevocable L/C
PT Indosat Tbk	Control through the Central Government of the Republic of Indonesia	Securities
PT Inti (Persero)	Control through the Central Government of the Republic of Indonesia	Acceptances receivable Acceptances payable Irrevocable L/C
PT Jasa Marga (Persero) Tbk	Control through the Central Government of the Republic of Indonesia	Securities
PT Kaltim Industrial Estate	Control through the Central Government of the Republic of Indonesia	Export bills
PT Kereta Api Indonesia (Persero)	Control through the Central Government of the Republic of Indonesia	Loans Irrevocable L/C
PT KHI Pipe Industries	Control through the Central Government of the Republic	Irrevocable L/C Acceptances receivable Acceptances payable

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**43. TRANSACTIONS WITH RELATED PARTIES (continued)**

a. List of related parties are entities and / or management (continued )

Related parties	Relationship	Element of transactions
PT Krakatau Steel (Persero) Tbk	Control through the Central Government of the Republic of Indonesia	Acceptances receivable Acceptances payable
PT Krakatau Engineering	Control through the Central Government of the Republic of Indonesia	Acceptances receivable Acceptances payable
PT Len Industri (Persero)	Control through the Central Government of the Republic of Indonesia	Acceptances receivable Acceptances payable Irrevocable L/C
PT Meratus Jaya Iron	Control through the Central Government of the Republic of Indonesia	Irrevocable L/C
PT PAL Indonesia (Persero)	Control through the Central Government of the Republic of Indonesia	Export bills
PT Pembangunan Perumahan (Persero)	Control through the Central Government of the Republic of Indonesia	Export bills Acceptances receivable Acceptances payable Irrevocable L/C
PT Perkebunan Nusantara II (Persero)	Control through the Central Government of the Republic of Indonesia	Export bills Acceptances receivable Acceptances payable Securities
PT Perkebunan Nusantara III (Persero)	Control through the Central Government of the Republic of Indonesia	Securities
PT Perkebunan Nusantara VII (Persero)	Control through the Central Government of the Republic of Indonesia	Sharia receivables and financing
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 Loans Export bills Irrevocable L/C Export bills



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**43. TRANSACTIONS WITH RELATED PARTIES (continued)**

a. List of related parties are entities and / or management (continued )

<b>Related parties</b>	<b>Relationship</b>	<b>Element of transactions</b>
PT Pertamina Patra Niaga	Control through the Central Government of the Republic of Indonesia	Acceptances receivable Acceptances payable Irrevocable L/C
PT Pertani (Persero)	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 Irrevocable L/C Guarantees issued
PT Petrokimia Gresik	Control through the Central Government of the Republic of Indonesia	Loans
PT Petrosida Gresik	Control through the Central Government of the Republic of Indonesia	Export bills Acceptances receivable Acceptances payable
PT PP Dirganeka	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 Irrevocable L/C Guarantees issued
PT Pupuk Indonesia	Control through the Central Government of the Republic of Indonesia	Securities
PT Pupuk Kalimantan Timur	Control through the Central Government of the Republic of Indonesia	Securities Loans Export Bills

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**43. TRANSACTIONS WITH RELATED PARTIES (continued)**

a. List of related parties are entities and / or management (continued )

<b>Related parties</b>	<b>Relationship</b>	<b>Element of transactions</b>
PT Pupuk Kujang (Persero)	Control through the Central Government of the Republic of Indonesia	Loans Guarantees issued Irrevocable L/C
PT Rekayasa Industri (Persero)	Control through the Central Government of the Republic of Indonesia	Acceptances receivable Acceptances payable Guarantees issued
PT Sarana Multigriya Finansial (Persero)	Control through the Central Government of the Republic of Indonesia	Securities
PT Taspen (Persero)	Control through the Central Government of the Republic of Indonesia	Loans
PT Telekomunikasi Indonesia (Persero) Tbk	Control through the Central Government of the Republic of Indonesia	Loans
PT Wijaya Karya (Persero) Tbk	Control through the Central Government of the Republic of Indonesia	Securities Acceptances receivable Acceptances payable Irrevocable L/C Guarantees issued
PT Wijaya Karya Beton	Control through the Central Government of the Republic of Indonesia	Export bills
PT Wijaya Karya Realty	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	Acceptances receivable Acceptances payable
PT Waskita Karya	Control through the Central Government of the Republic of Indonesia	Securities Guarantees issued Acceptances receivable Acceptances payable

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**43. TRANSACTIONS WITH RELATED PARTIES (continued)**

b. Significant transactions related parties are entities and / or management

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<b><u>Asset</u></b>		
Current accounts with other Banks (Note 5)		
PT Bank Mandiri (Persero) Tbk	4,633	9,563
PT Bank Negara Indonesia (Persero) Tbk	3,994	495
	<u>8,627</u>	<u>10,058</u>
Placements with Bank Indonesia and other Banks (Note 6)		
PT Bank Bukopin Tbk	100,000	100,000
Lembaga Pembiayaan Ekspor Indonesia	-	160,000
PT BTMU-BRI Finance	-	30,000
	<u>100,000</u>	<u>290,000</u>
Securities (Note 7)		
Government of Republic of Indonesia	87,861,019	43,914,713
Lembaga Pembiayaan Ekspor Indonesia	709,490	367,221
PT Perusahaan Listrik Negara (Persero)	506,840	214,698
PT Bank Tabungan Negara (Persero) Tbk	434,014	292,865
PT Pegadaian (Persero)	278,438	200,084
PT Sarana Multigriya Finansial (Persero)	234,249	84,850
PT Jasa Marga (Persero) Tbk	214,213	125,870
PT Pertamina (Persero)	126,077	59,526
PT Wijaya Karya (Persero) Tbk	99,357	99,202
PT BNI Asset Management	97,760	89,468
PT Bank Negara Indonesia (Persero) Tbk	79,271	255,384
PT Aneka Tambang (Persero) Tbk	51,545	95,000
PT Waskita Karya (Persero) Tbk	45,889	25,000
PT Pupuk Indonesia (Persero)	33,396	55,297
PT Perkebunan Nusantara III (Persero)	25,000	25,000
PT Perkebunan Nusantara II (Persero)	15,000	15,000
Others	814,960	78,269
	<u>91,626,518</u>	<u>45,997,447</u>
Export bills (Note 8)		
PT Waskita Karya	98,220	-
PT Krakatau Enggining	30,900	-
PT Cakra Mandiri	4,604	-
PT Wijaya Karya	1,115	-
PT Pindad (Persero)	516	4,994
PT Perkebunan Nusantara VIII (Persero)	-	24,482
PT Wijaya Karya Beton	-	15,082
PT Berdikari (Persero)	-	1,354
PT Kaltim Industrial Estate	-	451
PT Pembangunan Perumahan (Persero) Tbk	-	450
	<u>135,355</u>	<u>46,813</u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**43. TRANSACTIONS WITH RELATED PARTIES (continued)**

b. Significant transactions related parties are entities and / or management (continued)

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<b><u>Asset (Continued)</u></b>		
Government Recapitalization Bonds (Note 9)		
Government of Republic of Indonesia	4,068,594	4,303,596
	<u>4,068,594</u>	<u>4,303,596</u>
Loans (Note 12)		
PT Perusahaan Listrik Negara (Persero)	14,458,281	12,507,583
Perum BULOG	13,070,960	10,467,999
PT Pertamina (Persero)	4,719,470	11,828,759
Kementerian Keuangan Republik Indonesia	4,212,260	4,007,873
Perum Pegadaian	3,762,357	4,420,940
PT Kereta Api Indonesia (Persero)	3,135,430	3,513,187
PT Pupuk Kalimantan Timur	2,123,095	1,624,780
PT Telekomunikasi Indonesia (Persero) Tbk.	1,812,500	2,500,000
Key employees	47,948	50,357
PT Taspen (Persero)	-	5,200,000
PT Dayamitra Telekomunikasi	-	1,627,955
Others	31,229,372	23,317,715
	<u>78,571,673</u>	<u>81,067,148</u>
Sharia receivables and financing (Note 13)		
Key employees	13,011	9,181
PT Inti Konten Indonesia	6,661	-
Perum DAMRI	2,309	23,235
Kopkar BTN Cabang Malang	1,361	-
KSU PT BNI Swadharma Wonogiri	1,081	-
PT Bringin Gigantara	170	1,135
PT Bringin Karya Sejahtera	-	172
	<u>24,593</u>	<u>33,723</u>
Acceptances receivable (Note 14)		
PT Krakatau Steel	338,777	-
PT Pindad (Persero)	239,683	100,011
PT Inti (Persero)	67,217	92,007
PT Bringin Gigantara	53,399	-
PT Wijaya Karya (Persero) Tbk	34,001	49,102
PT Waskita Karya	2,542	-
PT Wijaya Karya Industri Energi	1,382	-
PT Industri Kereta Api (Persero)	1,132	5,613
PT Wijaya Karya Realty	430	1,601
PT Pertamina Patra Niaga	-	304,718
PT Rekayasa Industri (Persero)	-	15,258
PT Krakatau Engineering	-	13,747
PT Wijaya Karya Industri dan Konstruksi	-	1,714
PT KHI Pipe Industries	-	681
	<u>738,563</u>	<u>584,452</u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**43. TRANSACTIONS WITH RELATED PARTIES (continued)**

b. Significant transactions related parties are entities and / or management (continued)

	<b>September 30, 2015</b>	<b>Desember 31, 2014</b>
<b><u>Asset (continued)</u></b>		
Investment in associated entities (Note 15)		
PT BTMU-BRI Finance	263,617	249,629
	263,617	249,629
<b>Total assets from related parties</b>	<b>175,537,540</b>	<b>132,582,866</b>
<b>Total consolidated assets</b>	<b>802,299,134</b>	<b>801,984,190</b>
 <b>Percentage of total assets from related parties to total consolidated assets</b>	 <b>21.88%</b>	 <b>16.53%</b>
<b><u>Liabilities</u></b>		
Customer deposits		
Demand Deposits (Note 19)		
Government Entities and Institutions	32,272,159	31,830,760
Key employees	2,973	930
Others	8,703	10,583
	32,283,835	31,842,273
Saving deposits (Note 20)		
Key employees	282,603	142,916
Government Entities and Institutions	11,059	167,626
Others	-	12,203
	293,662	322,745
Time deposits (Note 21)		
Government Entities and Institutions	57,425,547	57,707,685
Key employees	212,385	291,164
Others	181,928	550,676
	57,819,860	58,549,525
Deposits from other Banks and financial institutions (Note 22)		
Government Entities and Institutions	668	531,814
	668	531,814
Securities sold under agreement to repurchase (Note 23)		
Government Entities and Institutions	1,489,382	4,209,872
	1,489,382	4,209,872
Acceptances payable (Note 14)		
Government Entities and Institutions	738,561	584,452

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**43. TRANSACTIONS WITH RELATED PARTIES (continued)**

b. Significant transactions related parties are entities and / or management (continued):

	<b>September 30, 2015</b>	<b>Desember 31, 2014</b>
<b><u>Liabilities (continued)</u></b>		
Fund borrowings (Note 25)		
Government Entities and Institutions	100,000	200,000
	<u>100,000</u>	<u>200,000</u>
Compensation to key employees management (Note 41)		
management (Note 41)		
Present value of defined benefit pension liability	303,623	305,657
Present value of old-age benefits liability	52,329	47,783
Present value of work separation liability	113,921	52,839
Present value of gratuity for services liability	32,032	34,207
Present value of grand leaves liability	39,907	34,875
Present value of pension preparation period	1,150	1,226
	<u>542,962</u>	<u>476,587</u>
<b>Total liabilities to related parties</b>	<b>93,268,932</b>	<b>96,717,268</b>
<b>Total consolidated liabilities</b>	<b>694,667,070</b>	<b>704,278,356</b>
<b>Percentage of liabilities to related parties</b>		
<b>Percentage of liabilities to related parties</b>	<b>13.43%</b>	<b>13.73%</b>
<b><u>Commitments and contingencies</u></b>		
<b><u>in administrative accounts</u></b>		
Guarantees issued (Note 26c)		
PTPerusahaanGasNegara(Persero)Tbk	3,326,796	2,815,132
PTDirgantaraIndonesia(Persero)	1,914,077	1,964,095
PTWijayaKarya(Persero)Tbk	743,721	1,154,219
PTRekayasaIndustri(Persero)	551,499	783,347
PTWakistaKarya(Persero)Tbk	1,548,893	718,347
PTPertamina(Persero)	1,652,806	471,901
PTPerusahaanListriknegara(Persero)	947,370	406,029
PTPALIndonesia(Persero)	356,922	345,248
PTIndonesiaPower	463,897	310,764
PTPindad(Persero)	243,516	305,113
Others	2,506,640	1,418,533
	<u>14,256,137</u>	<u>10,692,728</u>
Irrevocable L/C (Note 26c)		
BDHKhususBialugri	1,332,103	1,360,963
PTDirgantaraIndonesia(Persero)	1,735,217	1,276,862
PTIndonesiaAsahanAluminium	-	476,924
BendaharaKhususPuskuTNI	-	256,142
PTPertamina(Persero)	415,221	250,094
PTPerusahaanListrikNegara(Persero)	167,686	231,245
PTGarudaIndonesia(Persero)Tbk	1,570,085	214,217
PTPindad(Persero)	248,787	195,728

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**43. TRANSACTIONS WITH RELATED PARTIES (continued)**

b. Significant transactions related parties are entities and / or management (continued)

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<b><u>Commitments and contingencies</u></b>		
<b><u>in administrative accounts</u></b>		
(continued)		
Irrevocable L/C (Note 26c) (continued)		
PT Kereta Api Indonesia (persero)	197,524	125,768
PT Meratus Jaya Iron and Steel	52,764	103,469
Others	1,205,898	538,275
	<u>1,456,186</u>	<u>767,512</u>

	<b>Nine-Month Period Ended September 30</b>	
	<b>2015</b>	<b>2014</b>
Salaries and allowances for the Boards of Directors and Commissioners (Note 34)		
Salaries and allowances for the Boards of Directors	36,319	40,098
Salaries and allowances for the Boards of Commissioners	14,068	14,498
	<u>50,387</u>	<u>54,596</u>
Tantiem, bonuses and incentives for the Boards of Commissioners, Directors and key employees (Note 34)		
<i>Tantiem for the Boards of Directors</i>	232,975	203,101
<i>Tantiem for the Boards of Commissioners</i>	75,898	74,932
Bonuses and Incentives for key employees	29,908	26,253
	<u>338,781</u>	<u>304,286</u>

c. Percentage of transactions with related parties to total consolidated assets and liabilities of BRI and Subsidiaries are as follows:

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<b>Assets</b>		
Current accounts with other Banks	0.001%	0.001%
Placements with Bank Indonesia and other Banks	0.012%	0.036%
Securities	11.420%	5.736%
Export bills	0.017%	0.006%
Government Recapitalization Bonds	0.507%	0.537%
Loans	9.793%	10.109%
Sharia receivables and financing	0.003%	0.004%
Acceptances receivable	0.092%	0.073%
Investment in associated entities	0.033%	0.031%
	<u>21.879%</u>	<u>16.533%</u>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**43. TRANSACTIONS WITH RELATED PARTIES (continued)**

- c. Percentage of transactions with related parties to total consolidated assets and liabilities of BRI and Subsidiaries are as follows (continued):

	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<b>Liabilities</b>		
Demand deposits	4.647%	4.522%
Saving deposits	0.042%	0.046%
Saving deposits	8.323%	8.314%
Deposits from other Banks and financial institutions	0.000%	0.075%
Securities sold under agreement to repurchase	0.214%	0.598%
Acceptances payable	0.106%	0.083%
Fund borrowings	0.014%	0.028%
Compensation to key employees	0.078%	0.068%
	<b>13.426%</b>	<b>13.734%</b>

As of September 30, 2015 and December 2014, BRI (Parent Entity) insured certain premises and equipment to PT Asuransi Bringin Sejahtera Artha Makmur and dan PT Asuransi Jasa Tania (related party) (Note 16).

**44. SIGNIFICANT AGREEMENTS, COMMITMENTS AND CONTINGENCIES**

- a. Significant Agreements

On September 16, 2015, BRI has signed a loan agreement of China Development Bank (CDB) with nominal equivalent to USD1.000. These loans consisted of 70% in US Dollars and 30% in Renmimbi with a credit period of 10 (ten) years. Availability of this loan period is three 3 (three) years and a grace period of 3 (three) years, thus providing flexibility in funding for BRI. The purpose of this loan is to finance the long-term infrastructure projects. BRI does not guarantee anything (net basis) to get this loan.

On June 17, 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 17, 2015, BRI entered into an agreement with PT Datindo Infonet Prima in connection with the procurement of 200 (two hundred) CDM units for 3 (three) years with the contract value of USD3,599,600.

On May 20 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 May 20 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 May 20 2015, BRI entered into an agreement with PT Datindo Infonet Prima in connection with the procurement of 400 (four hundred) ATM units for 3 (three) years with the contract value of USD2,700,000.



**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**44. SIGNIFICANT AGREEMENTS, COMMITMENTS AND CONTINGENCIES (continued)**

**a. Significant Agreements (continued)**

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.

**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 September 30, 2015 and December 31, 2014, BRI has provided an allowance (included in "Other Liabilities") for several pending lawsuits filed against BRI amounting to Rp325,639 and Rp316,225 (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**

**1. Guarantee Against Commercial Bank Payment Obligation by the Deposit Insurance Agency ( LPS )**

Law No. 24 dated September 22 , 2004 and amendments thereto ( the last through Act No. 7 of 2009 ) concerning the Deposit Insurance Agency ( LPS ) prepared on the basis of considerations to realize the national economy is stable and resilient through the establishment of a sound banking system . To achieve a healthy banking system , the necessary improvements to the program guarantee bank customer deposits .

Customer Deposit Insurance Bank is underwriting conducted by the Deposit Bank customer deposits . The Deposit Insurance Agency ( LPS ) is an institution that is independent , transparent , and accountable in carrying out its duties and authorities .

Deposit Insurance Agency ( LPS ) has a function :

- a. Guarantee deposits of depositors .
- b . Actively participate in maintaining the stability of the banking system in accordance with their authority.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**45. GOVERNMENT GUARANTEE ON OBLIGATIONS OF COMMERCIAL BANKS (continued)**

**2. Regulation of the Deposit Insurance Agency ( LPS )**

In the framework of banking regulations synergies and improving regulations related to the deposit insurance program, establishes LPS LPS Regulation No. 2 of 2014 on the Amendment of the Deposit Insurance Agency Regulation No. 2 / LPS / 2010 concerning the Deposit Insurance Program. Each bank conducting business in the territory of the Republic of Indonesia shall be a participant guarantee the membership contribution of 0.10% of the paid up capital of the Bank. In accordance with the Regulation of the LPS, LPS guarantee bank customer deposits in the form:

- a. Deposits in conventional banks include demand deposits, time deposits, certificates of deposit, savings, and / or other equivalent form with it.
- b. Deposits at the Bank based on sharia principles include demand deposits based on the principle wadiah and mudaraba, savings based on the principle wadiah and mudaraba muthlaqah / mudaraba muqayyadah, deposits based on the principle of mudaraba muthlaqah / mudharabah muqayyadah, and other savings are set LPS.
- c. Deposits originating from other banks.

The value of deposits guaranteed by LPS include balances on Bank license revocation. Balance that is guaranteed to each customer is the highest Bank Rp2,000,000,000 (two billion rupiah) (full amount). LPS did step of reconciliation and verification of deposits that are guaranteed to determine viable deposits paid or unpaid. LPS announced the date of the filing of claims for deposits paid at least 2 (two) or more daily newspapers that can reach Bank customers who revoke their business licenses.

**3. Provision of Guarantee for Payment Liabilities of Commercial Banks Latest**

As of September 30, 2015, are the latest regulations / amendments to the provisions given in 1 (one) items and 2 (two) above concerning guarantees against bank customer deposits .

**46. STATEMENT OF FINANCIAL ACCOUNTING STANDARDS ( IAS ) REVISED**

The following summarizes the GAAP issued by the Financial Accounting Standards Board ( DSAK ) - IAI relevant for BRI and its subsidiaries , but not yet effective for the interim consolidated financial statements at September 30, 2015:

**Effective on or after January 1, 2016:**

- SFAS No. 110 ( Revised 2015 ) , "Accounting for *Sukuk*", set the recognition, measurement, presentation and disclosure of transactions and sukuk mudaraba sukuk Ijarah, both as issuers and investors sukuk

Earlier application is permitted prior to January 1, 2016 . Currently BRI and Subsidiaries are presently evaluating and have not yet established the impact of these revised SFAS on its consolidated financial statements .

**47. OTHER DISCLOSURE**

**a. Capital Adequacy Ratio ( CAR )**

BRI actively manage its capital in accordance with applicable regulations. The ultimate goal is to ensure that every moment BRI can maintain sufficient capital to cover the risk of default (inherent risk) on banking activities without reducing the optimization of shareholder's value .

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**47. OTHER DISCLOSURE (continued)**

a. Capital Adequacy Ratio ( CAR ) (continued)

CAR as of 30 September 2015 was calculated based on Bank Indonesia Regulation ( PBI ) No. 15/12 / PBI / 2013 CONCERNING Minimum Capital Requirement for Commercial Banks Where the capital for a review of credit risk consist of core capital ( capital Inti Utama / Equity Tier general 1 and core capital Supplementary ) and supplementary capital, the CAR while ON Date December 31, 2014 calculated based on PBI No. 14/18 / PBI / 2012 Where the capital for a review of credit risk consist from core capital and supplementary capital, except for Article 7, paragraph 1 The revoked and declared void because the article is replaced WITH article 11 paragraph 2 hearts PBI No. 15/12 / PBI / 2013 Subscribe CONDITIONS core capital adequacy Low fences of 6% From Both AS and individual RWA BY card center.

Based on the risk profile of BRI respectively as of December 31 and September 30, 2014, which is satisfactory, then the minimum CAR at September 30, 2015 and December 31, 2014 are set respectively by 9 % to less than 10 %.

BRI Determination of compliance with regulations and applicable ratios are based on the practical accounting rules differ in several respects with the Financial Accounting Standards in Indonesia. On September 30, 2015 and December 31, 2014, BRI has complied with the required ratios of BI for the capital adequacy ratio .

CAR BRI ( Parent Entity ) on September 30, 2015 and December 31, 2014 respectively calculated as follows (continued ) :

	<b>September 30, 2015</b>	<b>December 31, 2014*)</b>
Core Capital (Tier 1)		
Common Equity (CET 1)	86,706,851	
Additional Tier (AT-1)	-	
<b>Total Core Capital</b>	<b>86,706,851</b>	<b>82,108,763</b>
Supplementary Capital (Tier 2)	20,351,743	3,597,794
<b>Total Modal</b>	<b>107,058,594</b>	<b>85,706,557</b>
Risk Weighted Asset (RWA)		
RWA for Credit Risk after considering Specific Risk **)	418,552,578	381,065,044
RWA for Market Risk	5,139,788	3,326,447
RWA for Operational Risk ***)	96,206,873	83,790,585
<b>Total RWA</b>	<b>519,899,239</b>	<b>468,182,076</b>

\*) Core capital on December 31, 2014 are presented excluding the impact of deferred tax assets in accordance with Bank Indonesia Regulation No. 14/18/PBI/2012 dated November 28, 2012.

\*\*) 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.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**47. OTHER DISCLOSURE (continued)**

a. Capital Adequacy Ratio ( CAR ) (continued)

CAR BRI ( Parent Entity ) on September 30, 2015 and December 31, 2014 respectively calculated as follows (continued) :

	<u>September 30, 2015</u>	<u>December 31, 2014*)</u>
CAR Ratio		
CET 1 Ratio	16.68%	-
Tier 1 Ratio	16.68%	17.54%
Tier 2 Ratio	3.91%	0.77%
Total Ratio	<u>20.59%</u>	<u>18.31%</u>
 Tier 1 Minimum Ratio	 6.00%	 6.00%
Minimum CAR Based on Risk Profile	<u>9.00%</u>	<u>9.00%</u>

b. Non-Performing Loans (NPL) Ratio

As of September 30, 2015 and December 31, 2014 NPL ratio of loans including receivables and Islamic finance as follows :

1. Consolidated (including Sharia receivables and financing)

	<u>September 30, 2015</u>	<u>December 31, 2014</u>
Gross NPL ratio	2,32%	1,78%
Net NPL ratio	0,61%	0,39%

2. BRI (Parent Entity)

	<u>September 30, 2015</u>	<u>December 31, 2014</u>
Gross NPL ratio	2,24%	1,69%
Net NPL ratio	0,59%	0,36%

Net NPL ratio is calculated based on NPL after deducting the minimum allowance for possible losses divided by the total loans amount in accordance with Bank Indonesia regulations.

c. The evaluation results of the Financial Services Authority ( FSA ) on the implementation of BRI's Good Corporate Governance (GCG) year 2014

In order to comply with The Bank Indonesia Circular Letter (SEBI) No. 15/15/DPNP dated April 29, 2013 regarding the implementation of Good Corporate Governance for Banks and the evaluation results of the FSA of the implementation of BRI's Good Corporate Governance year 2014, then BRI's 2014 GCG factors and their definitions are as follows :

PK - 2 ( Good ) reflects the management of BRI application of good corporate governance in general is good . This is reflected in the adequate fulfillment of the principles of good corporate governance. If there are weaknesses in the application of the principles of Good Corporate Governance, the general weakness of the less significant and can be completed with the normal actions by the bank management.

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**47. OTHER DISCLOSURE (continued)**

**d. 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 Treasury Division, which provides services such as:

- Safekeeping, administration services and portfolio valuation;
- Transaction settlement (settlement/transaction handling) services;
- Income collection services, including the related tax payments;
- Corporate actions and proxy services;
- Information and reporting services;
- Custodian Unit Link services and DPLK;
- On-line Brokerage services of BRI's shares;
- Custodian for asset securitization; and
- Global custodian for securities issued abroad,

BRI has 115 (one hundred and fifteen) and 95 (ninety five) customers as of September 30, 2015 and December 31, 2014, respectively, which mainly consist of pension funds, financial institutions, insurance companies, securities companies, mutual funds and other companies.

Customer-owned assets that are deposited on BRI Custodian amounted Rp149.790.923 and Rp.126.849.299 on September 30, 2015 and December 31, 2014 respectively. While the number of custodial services revenue for a period of nine (9) months ended September 30, 2015 and 2014 amounted to Rp28.121 and Rp21.683 respectively.

The custodian bank will continue to increase market share securities custodial services by optimizing the potential of marketing to institutions, especially Bank BRI existing Customers who have enjoyed the facilities and other services.

With increasing assets under management, BRI's Custodian constantly improve the quality of services in order to serve better. In line with the matter, on September 2015 BRI Custodian has been selected by PT Indonesian Central Securities Depository ( KSEI ) as the Bank Payment and Bank Administrator Client Fund Account for the Period 2015-2019. This is in addition to supporting the implementation of the provisions of the Financial Services Authority regulations regarding separation obligations RDN, also a BRI Custodian commitment in providing the best service to the customer.

**e. Trust Service, Payment Agent and Depository Agent**

BRI's Trust Services is a wealth customer care services 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 run services Trust Services in Indonesia through Bank Indonesia letter No. 15/19 / DPB1 / PB1-3 dated February 12, 2013 and a letter of confirmation of Bank Indonesia 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 Deposits and Guarantees agent

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

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**47. OTHER DISCLOSURE (continued)**

e. Trust Service, Payment Agent and Depository Agent (continued)

BRI's Trust Services has been providing 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 services Trust Services for the Oil and Gas sector, BRI has been providing trust services to other sectors, such as infrastructure, energy, trading and chemical industries. Beside service to direct customers, The BRI Trust Service also participates in supporting BRI's financing working unit in the infrastructure, energy and syndicated financing transactions activities.

As of September 30, 2015, the value of the BRI Trust project is amounted to Rp 5.385.870 originating from 8 corporate customer bases, while as of September 30, 2015 the project value of non- Trust is amounted to Rp19.143.064 from 26 corporate customer bases. For a period of 9 (nine) months ended September 30, 2015, fee-based income has been recorded to the Trust services, The Payment Agent and The Depository Agent for Rp988,96.

f. Trustee Agent Operations

BRI rendered trust services since 1990. 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 Bapepam in conformity with its Operating License as Trust Services 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:

- Trust services
- Security agent
- Payment agent

BRI has 24 (twenty four) customers as of September 30, 2015 and 21 (twenty one) customers as of December 31, 2014. The total value of bonds issuance on behalf of bonds issuers managed by BRI as part of its trust services amounted to Rp59.453.889 and Rp55.519.389 as of September 30, 2015 and December 31, 2014, respectively.

The fees and commissions on trust services and other related services (payment agent) earned amounted to Rp4.956 and Rp 4.144 for the nine-month period and years ended September 30, 2015 and December 31, 2014, respectively.

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.

f. Syndication Agent

BRI is currently providing a syndicate agent service involving a syndicated loan for financing the project which initiated by state-owned company, such as PT Jasa Marga (Persero) Tbk, PT Kereta Api Indonesia (Persero), PT PLN (Persero), PT Perkebunan Nusantara and syndicated project financing for the private sector.

Syndication agent services is part of the activities of the Trust and Corporate Services, which include the following services:

- Facility Agent
- Guarantee Agent

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**47. OTHER DISCLOSURE (continued)**

g. Syndication Agent (continued)

As of September 30, 2015, BRI Syndication Agent has 27 (twenty seven) corporate customers, the total value under management of Rp71.005.676 and the amount of syndication agent service fees for the nine-month period ended September 30, 2015 amounted to Rp15.209.

**48. EARNINGS PER SHARE**

The following presents the computation of basic earnings per share (EPS) :

<b>September 30, 2015</b>			
	<b>Income for the Period</b>	<b>Weighted average number of outstanding common shares</b>	<b>Earning per share (Full Rupiah)</b>
<b>Basic earnings per share</b>	<b>18,416,784</b>	<b>24,669,162,000</b>	<b>746.55</b>

  

<b>September 30, 2014</b>			
	<b>Income for the Period</b>	<b>Weighted average number of outstanding common shares</b>	<b>Earning per share (Full Rupiah)</b>
<b>Basic earnings per share</b>	<b>18,156,232</b>	<b>24,669,162,000</b>	<b>735.99</b>

**49. RESTATEMENT OF FINANCIAL STATEMENTS FOR THE INITIAL IMPLEMENTATION OF SFAS NO. 24 (REVISED 2013)**

SFAS No. 24 (Revised 2013), "Employee Benefits " is effective for financial statements with periods beginning on or after January 1, 2015 and is applied retrospectively.

Implementation of SFAS No. 24 (Revised 2013) provides guidance as follows:

1. Removal of the "corridor approach" in recognition of actuarial gains and losses which are allowed in the previous version.
2. Remeasurement of net defined benefit liabilities (asset), consist of :
  - a. actuarial gains and losses
  - b. return on plan assets (excluding net interest)
  - c. the effect of the asset ceiling, which recognized in other comprehensive income that are not reclassified to profit or loss in a subsequent period, which can then be recognized as other comprehensive income in another post in equity.
3. Unvested past service costs can no longer be deferred and recognized over the future vesting period. Meanwhile, all past service costs are recognized at the earlier of when the amendment/curtailment occurs or when BRI recognized the restructuring or termination costs.

BRI has identified the adjustments of SFAS No. 24 (Revised 2013) as follows:

<b>January 1, 2014/December 31, 2013</b>			
	<b>Before adjustment</b>	<b>Adjustment</b>	<b>After adjustment</b>
<b><u>Assets</u></b>			
Deferred tax asset - net	2,188,505	(82,293)	2,106,212
<b><u>Liabilities</u></b>			
Liabilities for employee benefits	6,858,932	(329,177)	6,529,755

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of September 30, 2015 and for the Nine-Month Period Then Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

**49. RESTATEMENT OF FINANCIAL STATEMENTS FOR THE INITIAL IMPLEMENTATION OF SFAS NO. 24 (REVISED 2013) (continued)**

	January 1, 2014/December 31, 2013		
	Before adjustment	Adjustment	After adjustment
<b><u>Equity</u></b>			
Gain on remeasurement of defined benefit plans - after deferred tax	-	375,345	375,345
Retained earning appropriated	59,862,555	(127,175)	59,735,380
Non - Controlling Interest	163,751	(1,286)	162,465
	nine-month period ended September 30, 2014		
	Before adjustment	Adjustment	After adjustment
<b><u>Statement of Profit and Loss and Other Comprehensive Income</u></b>			
Salaries and employee benefits	(10,957,728)	(137,248)	(11,094,976)
Tax expense	(4,389,875)	17,015	(4,372,860)
Remeasurement on defined benefit plans after deferred tax	-	(63,910)	(63,910)
	December 31, 2014		
	Before adjustment	Adjustment	After adjustment
<b><u>Assets</u></b>			
Deffered tax assets - net	1,659,707	29,165	1,688,872
<b><u>Liabilitas</u></b>			
Liabilities for employee benefits	6,626,772	60,760	6,687,532
<b><u>Equity</u></b>			
Gain on remeasurement of defined benefit plans - after deferred tax	-	124,147	124,147
Retained earning appropriated	73,312,528	153,914	73,158,614
Non - Controlling Interest	177,012	(1,828)	175,184

**50. COMPLETION OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

The management of BRI is responsible for the preparation of these interim consolidated financial statements which were completed and authorized to be issued on October 23, 2015.



These supplementary financial information are originally issued in the Indonesian language

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk**  
**INTERIM STATEMENT OF FINANCIAL POSITION - PARENT ENTITY**  
**As of September 30, 2015**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

	September 30, 2015	December 31, 2014*)	January 1, 2014/ December 31, 2013*)
<b>ASSETS</b>			
Cash	20,794,359	22,188,565	18,911,107
Current Accounts With Bank Indonesia	51,515,268	49,931,583	39,752,354
Current Accounts With Other Banks	8,937,120	10,520,518	9,325,848
Placements With Bank Indonesia and Other Banks	27,107,249	61,061,721	35,581,730
Securities	105,065,238	81,299,374	40,830,385
Export Bills	11,036,677	10,527,985	8,926,072
Government Recapitalization Bonds	4,068,594	4,303,596	4,511,419
Securities Purchased Under Agreement to Resell	15,058,922	39,003,595	14,440,063
Derivatives Receivable	5,893	536	4,981
Loans	518,952,013	490,402,708	430,617,873
Allowance for impairment losses	(17,459,645)	(15,785,241)	(15,072,399)
	<u>501,492,368</u>	<u>474,617,467</u>	<u>415,545,474</u>
Acceptances Receivable	7,239,477	6,503,269	3,679,684
Investment in Associated Entities	3,324,071	2,407,978	2,379,256
Premises And Equipment			
Cost	12,717,008	11,085,865	8,385,591
Accumulated depreciation	(6,029,552)	(5,369,443)	(4,601,287)
Net book value	<u>6,687,456</u>	<u>5,716,422</u>	<u>3,784,304</u>
Deferred Tax Assets - net	1,420,199	1,663,539	2,061,013
Other Assets - net	12,063,094	8,299,937	6,555,428
<b>TOTAL ASSETS</b>	<u><b>775,815,985</b></u>	<u><b>778,046,085</b></u>	<u><b>606,289,118</b></u>

\*) As restated (Note 49)

These supplementary financial information are originally issued in the Indonesian language

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk**  
**INTERIM STATEMENT OF FINANCIAL POSITION - PARENT ENTITY (Continued)**  
**As of September 30, 2015**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

	September 30, 2015	December 31, 2014*)	January 1, 2014/ December 31, 2013*)
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Liabilities Due Immediately	5,920,082	6,923,774	4,968,508
Deposits from Customers			
Demand Deposits	109,565,104	89,075,577	78,016,733
Saving Deposits	233,753,601	232,413,723	210,003,641
Time Deposits	268,005,902	278,915,070	198,345,998
Total Deposits from Customer	<u>611,324,607</u>	<u>600,404,370</u>	<u>486,366,372</u>
Deposits From Other Banks and Financial Institutions	4,206,247	7,948,129	2,767,724
Securities Sold Under Agreement to Repurchase	8,409,770	15,456,701	-
Derivatives Payable	1,592,481	717,523	1,565,102
Acceptances Payable	7,239,477	6,503,269	3,679,684
Taxes Payable	406,685	22,844	1,227,626
Marketable Securities Issued	12,787,263	8,307,503	6,023,133
Fund Borrowings	6,145,379	24,886,862	8,984,913
Liabilities for Employee Benefits	6,070,252	6,567,790	6,443,325
Other Liabilities	4,650,900	3,048,752	3,052,420
Subordinated Loans	66,780	77,582	2,097,024
<b>TOTAL LIABILITIES</b>	<u><b>668,819,923</b></u>	<u><b>680,865,099</b></u>	<u><b>527,175,831</b></u>

\*) As restated (Note 49)

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk**  
**INTERIM STATEMENT OF FINANCIAL POSITION - PARENT ENTITY (Continued)**  
**As of September 30, 2015**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

	September 30, 2015	December 30, 2014	January 1, 2014/ December 31, 2013*)
<b>EQUITY</b>			
Capital stock - par value Rp250 (full Rupiah) per share as of September 30, 2015, December 31, 2014 and January 1, 2014/December 31, 2013 Authorized capital - 60,000,000,000 shares (consisting of 1 Series A Dwiwarna share and 59,999,999,999 Series B shares) as of September 30, 2015, December 31, 2014 and January 1, 2014/December 31, 2013			
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) as of September 30, 2015, December 31, 2014 and January 1, 2014/ 2014 and January 1, 2014/ December 31, 2013	6,167,291	6,167,291	6,167,291
Additional paid-in capital	2,773,858	2,773,858	2,773,858
Differences arising from the translation of foreign currency financial statements	61,226	56,468	82,083
Unrealized loss on available for sale securities and Government Recapitalization Bonds - net of deferred tax	(1,720,080)	(193,160)	(709,538)
Gain on remeasurement defined benefit plans - net of deferred tax	437,930	113,513	364,889
Retained Earning			
Appropriated	18,115,741	15,449,160	11,005,528
Unappropriated	81,160,096	72,813,856	59,429,176
Total Retained Earnings	99,275,837	88,263,016	70,434,704
<b>TOTAL EQUITY</b>	<b>106,996,062</b>	<b>97,180,986</b>	<b>79,113,287</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>775,815,985</b>	<b>778,046,085</b>	<b>606,289,118</b>

\*) As restated (Note 49)

These supplementary financial information are originally issued in the Indonesian language

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk**  
**INTERIM STATEMENT OF PROFIT AND LOSS AND OTHER**  
**COMPREHENSIVE INCOME - PARENT ENTITY**  
**For the Nine-Month Period Ended September 30, 2015**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

	<b>September 30, 2015</b>	<b>September 30, 2014*)</b>
<b>INCOME AND EXPENSES FROM OPERATIONS</b>		
Interest and investment income	60,921,768	52,465,664
Interest and other financing expense	(19,346,024)	(15,502,555)
Other Operating Income	<u>41,575,744</u>	<u>36,963,109</u>
Pendapatan Operasional Lainnya		
Other fees and commissions	5,216,159	4,228,037
Recovery of assets written-off	1,576,805	1,369,943
Gain on foreign exchange - net	553,582	241,195
Gain on sale of securities and Government Recapitalization Bonds-net	55,529	98,091
Unrealized gain on changes in Fair value of securities and Government Recapitalization Bonds-net	-	2,744
Others	<u>953,039</u>	<u>693,394</u>
Total Other Operating Income	<u>8,355,114</u>	<u>6,633,404</u>
Provision for impairment losses on financial assets - net	(6,891,983)	(4,868,618)
Other Operating Expenses		
Salaries and employee benefits	(11,334,533)	(10,653,242)
General and administrative	(6,990,284)	(5,873,442)
Premium paid to Government Guarantee Program	(1,214,151)	(744,951)
Unrealized losses from changes The fair value of securities and bonds	(25,497)	-
Government recapitalization – net	(464)	(2,171)
Others	<u>(2,271,643)</u>	<u>(1,365,067)</u>
Total Other Operating Expenses	<u>(21,836,572)</u>	<u>(18,638,873)</u>
<b>OPERATING INCOME</b>	<b>21,202,303</b>	<b>20,089,022</b>
<b>NON OPERATING INCOME - NET</b>	<u>1,225,448</u>	<u>2,281,410</u>
<b>INCOME BEFORE TAX EXPENSE</b>	<b>22,427,751</b>	<b>22,370,432</b>
<b>TAX EXPENSE</b>	(4,142,435)	(4,339,686)
<b>INCOME FOR THE PERIOD</b>	<u><b>18,285,316</b></u>	<u><b>18,030,746</b></u>

\*) As restated (Note 49)

These supplementary financial information are originally issued in the Indonesian language

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk**  
**INTERIM STATEMENT OF PROFIT AND LOSS AND OTHER**  
**COMPREHENSIVE INCOME - PARENT ENTITY (Continued)**  
**For the Nine-Month Period Ended September 30, 2015**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

	<b>September 30, 2015</b>	<b>September 30, 2014*)</b>
<b>Other comprehensive income:</b>		
<b>Items not to be reclassified to profit or loss</b>		
Re measurement on defined benefit plans	432,556	(89,510)
Income tax for accounts not to be		
Reclassified to profit or loss	(108,139)	22,378
	<u>324,417</u>	<u>(67,132)</u>
<b>Items to be reclassified to profit or loss</b>		
Exchange rate differences on translation of		
Foreign currency financial statements	4,758	(28,824)
Unrealized gain (loss) on available for sale		
Securities and Government		
Recapitalization Bonds-net	(2,035,893)	456,453
Income tax related accounts		
To be reclassified to profit or loss	508,973	(114,114)
	<u>(1,522,162)</u>	<u>313,515</u>
<b>Other Comprehensive Income</b>		
<b>For the Period-After Tax</b>	<u>(1,197,745)</u>	<u>246,383</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u><b>17,087,571</b></u>	<u><b>18,277,129</b></u>
<b>BASIC EARNINGS PER SHARE</b>		
<b>(full Rupiah)</b>	<b>741.22</b>	<b>730.90</b>

\*) As restated (Note 49)

These supplementary financial information are originally issued in the Indonesian language

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk**  
**INTERIM STATEMENT OF CHANGES IN EQUITY - PARENT ENTITY**  
**For the Nine-Month Period Ended September 30, 2015**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

Notes	Issued and Fully Paid Capital	Additional Paid-in Capital	Differences Arising from the Translation of Currency Financial Statements	Unrealized Gain (Loss) on Available for Sale Securities and Government Bonds - Net of Deferred Tax	Gain on Remeasurement of Defined Benefit Plans - Net of Deferred Tax	Retained Earnings		Total Equity - Parent Entity
						Appropriated	Unappropriated	
<b>Balance as of December 31, 2013</b>	<b>6,167,291</b>	<b>2,773,858</b>	<b>82,083</b>	<b>(709,538)</b>	<b>-</b>	<b>11,005,528</b>	<b>59,429,176</b>	<b>78,748,398</b>
Impact of the adjustment of the implementation of SFAS No. 24 (Revised 2013)	-	-	-	-	364,889	-	-	364,889
Balance as of January 1, 2014 after restatement	6,167,291	2,773,858	82,083	(709,538)	364,889	11,005,528	59,429,176	79,113,287
Income for the period 2014	-	-	-	-	-	-	18,030,746	18,030,746
Other comprehensive income 2ag,2h	-	-	(28,824)	342,339	(67,132)	-	-	246,383
Total comprehensive income for the period	-	-	(28,824)	342,339	(67,132)	-	18,030,746	18,277,129
Distribution of income 30d	-	-	-	-	-	-	(6,348,045)	(6,348,045)
Dividends	-	-	-	-	-	-	(6,348,045)	(6,348,045)
Addition to general and specific reserves	-	-	-	-	-	4,443,632	(4,443,632)	-
<b>Balance as of September 30, 2014</b>	<b>6,167,291</b>	<b>2,773,858</b>	<b>53,259</b>	<b>(367,199)</b>	<b>297,757</b>	<b>15,449,160</b>	<b>66,668,245</b>	<b>91,042,371</b>

These supplementary financial information are originally issued in the Indonesian language

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk**  
**INTERIM STATEMENT OF CHANGES IN EQUITY - PARENT ENTITY (Continued)**  
**For the Nine-Month Period Ended September 30, 2015**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

	Issued and Fully Paid Capita	Additional Paid-in Capital	Unrealized Gain Differences Arising from the Translation and Currency Financial Statements	(Loss) on Available for Sale Securities 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	
<b>Balance as of December 31, 2014 (after restatement)</b>	<b>6,167,291</b>	<b>2,773,858</b>	<b>56,468</b>	<b>(193,160)</b>	<b>113,513</b>	<b>15,449,160</b>	<b>72,813,856</b>	<b>97,180,986</b>
Profit for the period	-	-	-	-	-	-	18,285,316	18,285,316
Other comprehensive income	-	-	4,758	(1,526,920)	324,417	-	-	(1,197,745)
Total comprehensive income for the period	-	-	4,758	(1,526,920)	324,417	-	18,285,316	17,087,571
Distribution of income								
Dividends	-	-	-	-	-	-	(7,272,495)	(7,272,495)
Addition to general and specific reserves	-	-	-	-	-	2,666,581	(2,666,581)	-
<b>Balance as of September 30, 2015</b>	<b>6,167,291</b>	<b>2,773,858</b>	<b>61,226</b>	<b>(1,720,080)</b>	<b>437,930</b>	<b>18,115,741</b>	<b>81,160,096</b>	<b>106,996,062</b>

**PT BANK RAKYAT INDONESIA (PERSERO)**  
**INTERIM STATEMENT OF CASH FLOWS - PARENT ENTITY**  
**For the Nine-Month Period Ended September 30, 2015**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

	<b>Nine-Month Period Ended September 30,</b>	
	<b>2015</b>	<b>2014</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Interest and investment received	60,471,266	52,467,523
Interest paid	(19,465,687)	(15,118,516)
Recoveries of assets written-off	1,576,805	1,369,943
Other operating income	7,399,717	4,500,705
Other operating expenses	(20,193,573)	(18,506,611)
Non-operating income - net	1,096,579	2,274,065
<b>Cash flows before changes in operating assets and liabilities</b>	<b>30,885,107</b>	<b>26,987,109</b>
Changes in operating assets and liabilities:		
(Increase) decrease in operating assets:		
Placements with Bank Indonesia and other banks	-	2,796
Securities and Government		
Recapitalization Bonds at fair value through profit or loss	(68,603)	463,837
Export bills	(508,692)	949,133
Loans	(33,766,884)	(36,845,163)
Other assets	(6,132,461)	(7,338,607)
	(40,476,640)	(42,768,004)
Increase (decrease) in operating liabilities:		
Liabilities due immediately	(1,018,876)	2,860,685
Deposits:		
Demand deposits	20,489,529	1,071,585
Saving deposits	1,339,878	1,109,267
Time deposits	(10,909,168)	55,724,611
Deposits from other banks and financial institutions	(3,741,882)	5,775,111
Other liabilities	2,009,202	(1,437,302)
	8,168,683	65,103,957
	<b>(32,307,957)</b>	<b>22,335,953</b>
<b>Net Cash Provided by Operating Activities</b>	<b>(1,422,850)</b>	<b>49,323,062</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of premises and equipment	8,836	7,345
Receipt of dividends	5,434	8,266
Decrease in securities purchased under agreement to resell	23,944,673	(26,951,221)
the acquisition of fixed assets	(1,747,149)	(1,718,725)
Acquisition of premises and equipment	(902,106)	-
(Increase) decrease in available for sale and held to maturity securities and Government Recapitalization Bonds	(44,753,766)	(400,134)
<b>Net Cash Used in Investing Activities</b>	<b>(23,444,078)</b>	<b>(29,054,469)</b>



**PT BANK RAKYAT INDONESIA (PERSERO)**  
**INTERIM STATEMENT OF CASH FLOWS - PARENT ENTITY**  
**For the Nine-Month Period Ended September 30, 2015**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

	<b>Nine-Month Period Ended September 30,</b>	
	<b>2015</b>	<b>2014</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
(Payments)/ receipts of fund borrowings	(18,771,072)	1,469,084
Decrease in securities sold under agreement to repurchase	(7,046,931)	-
Dividends	(7,272,496)	(6,348,045)
Payments of subordinated loans	(10,867)	(10,894)
Proceeds from marketable securities issued - net	3,267,658	-
<b>Net Cash Used in Financing Activities</b>	<b>(29,833,708)</b>	<b>(4,889,855)</b>
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(54,700,636)</b>	<b>15,378,738</b>
<b>EFFECT OF EXCHANGE RATE CHANGES ON FOREIGN</b>	<b>3,385</b>	<b>21,562</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>170,140,115</b>	<b>109,932,096</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>115,442,864</b>	<b>125,332,396</b>
Cash and cash equivalents at end of period consist of:		
Cash	20,794,359	16,084,117
Current accounts with Bank Indonesia	51,515,268	45,314,228
Current accounts with other banks	8,937,120	9,246,360
Placements with other banks - maturing within three months or less since the acquisition date	27,107,249	47,904,367
Certificates of Bank Indonesia and Deposits		
Certificates of Bank Indonesia - maturing within three months or less since the acquisition date	7,088,868	6,783,324
<b>Total Cash and Cash Equivalents</b>	<b>115,442,864</b>	<b>125,332,396</b>

**PT BANK RAKYAT INDONESIA (PERSERO) Tbk AND ITS SUBSIDIARIES**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS - PARENT ENTITY**  
**As of September 30, 2015 and for the Nine-month Period Ended**  
**(Expressed in millions of Rupiah, unless otherwise stated)**

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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) addressed entity which presents separate financial statements, then 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 recorded investments in subsidiaries, associated and joint controlled entities, based on direct equity ownership not based on reporting of the results and net assets of investee.

Accounting policies applied in the preparation of separate financial statements of parent entity is equal to 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 disclosed in Note 1e of the interim consolidated financial statements.

As of September 30, 2015 and December 31, 2014, parent entity has investment in subsidiaries as follows:

	<b>September 30, 2015</b>		<b>December 31, 2014</b>	
	<b>Acquisition Cost</b>	<b>Percentage of Ownership</b>	<b>Acquisition Cost</b>	<b>Percentage of Ownership</b>
PT Bank BRISyariah	1.978.999	99,99%	1.504.375	99,99%
PT Bank Rakyat Indonesia Agroniaga	1.001.347	87,23%	686.312	80,43%
BRI Remittance	2.289	100,00%	2.289	100,00%

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